

Newsletter:

Report on the most important contents of New Ministerial Decision on the Licensing of Business Operations in Public Works and Transportation Sector

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In Brief

On July 2, 2025, the Lao Official Gazette published the Ministerial Decision on Business Operation Permission in the Public Works and Transportation Sector, No. 14807/PWT, dated June 25, 2025.¹ This legislation which replaces the previous Ministerial Decision No. 17582/PWT, dated August 8, 2018, on the same subject.²

Key Takeaways

A. Purpose of this Decision³

This Decision sets out the regulations, methods, and procedures for business operation licensing in the Public Works and Transport sector, with the aim of managing, monitoring, and inspecting business operations efficiently and effectively. It seeks to ensure that the licensing process is convenient, fast, transparent, and orderly, thereby contributing to the nation's socio-economic development.

B. Type of Business⁴

There are 9 types of businesses:

- 1) **Highway-Related Business:** Business units engaging in providing survey and design services, consulting services, construction material analysis, construction contracting, highway maintenance and repair, as well as other activities related to highways;
- 2) **Building Construction-Related Business:** Business units engaging in providing services such as survey and design, building material analysis, consulting, construction contracting, renovation, extension, rehabilitation, restoration, and other activities related to building construction.
- 3) **Railway-Related Business:** Business units engaging in providing services such as survey and design, consulting, construction material analysis, construction, maintenance, and repair of railways; manufacturing, installation, and repair of railway signs, signals, and traffic signs; establishment and operation of railway distribution centers and depots; railway ticket sales and ticketing agents; railway transportation services; repair of locomotives, train cars, and related equipment; and other railway-related activities.
- 4) **Land Traffic-Related Business:** Business units providing driving instruction services, manufacturing of signs, traffic lights, and traffic signs, as well as other activities related to land traffic.
- 5) **Land Transportation Business:** Business units engaging in providing passenger transportation services; operating passenger terminals; selling bus tickets; renting vehicles; transporting and delivering goods; operating freight terminals and distribution centers; as well as controlling, storing, packaging, transferring, and managing the transport of goods—along with other activities related to land transportation.
- 6) **Land Vehicle Business:** Business units involved in the import and export of vehicles; vehicle manufacturing and assembly; operation of testing centers and technical inspection centers; vehicle repair services; and other activities related to land vehicles.
- 7) **Waterway-Related Business:** Business units engaging in passenger and cargo transportation by water; water transport services; surveying and design; consulting services; construction material analysis; contracting for the construction, maintenance, and repair of waterway infrastructure; boat mooring services; boat rentals; ticket sales and ticketing agents; extraction of construction materials along rivers; and other waterway-related activities.

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About us

ILAW LAOS CO., LTD. ("The Firm") is a prominent law firm in Laos, established in January 2021 and registered with the Ministry of Commerce under the enterprise number 01-00024891. The Firm is located at Vientiane, and was founded by Somphob Rodboon, Managing Partner. The Firm is a branch office of its parent company, ILAWASIA CO., LTD., which has been based in Bangkok, Thailand for over a decade.

Our partners and local attorneys were recently recognized and listed in the Asia-Pacific Legal 500 series and recently, the firm recognized as 'Leading Firms (Tier 2)' in the Legal 500 rankings during 2024 to 2025. Moreover, also recognized by AsiaLaw as 'Notable Firms' for the General Business Area during 2023 to 2024.

The firm is specializing in various legal services to meet the needs of both domestic and international clients. Our expertise spans across intellectual property, corporate and commercial law, and labour law.

- 8) **Water Supply Business:** Business units providing services in the construction, renovation, and maintenance of water supply systems; improvement and development of water supply infrastructure; water waste treatment and related construction; and other activities related to water supply.
- 9) **Housing-Related Business:** Business units engaging in housing allocation, construction, and development; housing services and provision; renovation, expansion, rehabilitation, and restoration; sales; rental and leaseback; and other housing-related activities.

C. Requirements for Permission of Business Operation⁵

- 1) Possess a valid enterprise registration certificate.
- 2) Employ personnels with the appropriate knowledge, skills, and experience relevant to the type of business.
- 3) Maintain an office or premises, equipment, and vehicles suitable for the nature of the business.
- 4) Have sufficient capital appropriate to the type and scale of the business activity.
- 5) Meet another additional requirements specific to each type of business.

D. Mandatory Documents⁶

To apply for a business operation license, the following documents must be submitted:

- 1) Completed business operation application form (in the prescribed format);
- 2) A copy of the applicant's ID card, birth certificate, or passport;
- 3) A copy of the enterprise registration certificate;
- 4) Business, production, or service plans;
- 5) A certificate of financial status or supporting documents from a financial institution;
- 6) Two recent photos of applicant sized 3x4cm;
- 7) Other supporting documents, as necessary.
- 8) A separate printed form is provided for the business plan.

E. Approval Timeframes⁷

- 1) The time of the approval of business operations which are under the list the controlled business operations is 15 official days from the date on which the One Stop Investment Service Unit received the complete mandatory documents; and
- 2) The time of the approval of business operations which are not under the list the controlled business operations is 5 official days from the date on which the One Stop Investment Service Unit of provinces, Capital, Districts of the Public Works and Transport sector received the complete mandatory documents.

The processing time by the Ministry of Public Works and Transport officer is at least 5⁸- to 8 to 8 working days.⁹

F. Prohibitions for Business Operators¹⁰

Business operators are prohibited from engaging in the following behaviors:

- 1) Selling, renting, or leasing their business licenses to others;
- 2) Operating a business that does not align with the type of business authorized under the license;
- 3) Operating a business without a valid license or with an expired license;
- 4) Engaging in collusion or bribery with relevant government officials or employees;
- 5) Concealing, falsifying, distorting, or destroying information related to business operations;
- 6) Failing to cooperate with, insulting, threatening, or physically harming relevant government officials or employees;
- 7) Engaging in any other behaviors that violate applicable laws and regulations.

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G. Transport Sector Management and Control Authorities of the Public Works and Transport Sector

Management and Control Authorities of the Public Works and Transportation Sector consist of:

- 1) Department of Planning and Finance;
- 2) Committee on One Stop Service Investment Implementation;
- 3) The relevant Departments of the Ministry of Public Works and Transportation;
- 4) The Divisions on the Public Works and Transportation of Provinces, Capital;
- 5) Offices on the Public Works and Transportation of Districts, Urban area, Cities.¹¹

Reference

- ¹ Retrieved on : <https://www.laoofficialgazette.gov.la/kcfinder/upload/files/14807%2025.6.2025.pdf>
- ² Article 43. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ³ Article 1. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ⁴ Article 8 and Article 3. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ⁵ Article 11. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ⁶ Article 12. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ⁷ Article 19 and Article 20. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ⁸ Article 20. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ⁹ Section 4 and Section 5 of Article 19. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ¹⁰ Article 26. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.
- ¹¹ Article 28. Ministerial Decision on Business Permits for the Public Works and Transport Sector No. 14807PWT, dated 25 June 2025.