

Ministry to speed investment approval process

The Ministry of Planning and Investment has pledged to intensify action to speed up the consideration and approval of investment projects after learning that it typically took longer than the timeframe stipulated by law. In a document submitted to the National Assembly last week, the ministry said there were several problems that made project consideration and approval time-consuming.

Assembly members observed that the process at so-called one stop service points was slow as many of the entities involved were reluctant to cooperate in making the single-window service efficient. They called for the ministry to clarify the situation.

In its submitted document, the ministry said some applications took longer to approve if investors failed to submit all the required documents with their proposal. This meant that investors had to complete and submit all of the missing documents, which slowed the process.

Article 44 of the amended Investment Promotion Law specifies eight documents that are required for concession investment project proposals. The law stipulates the documents and the time required to process and approve the proposal.

Investors can refer to the law, which is available on the government website:

<http://www.laogov.gov.la/legaldoc/pages/document.aspx?LoaiID=2>.

Details of the proposal process are also defined in the relevant regulation. Authorities in charge said when investors have submitted all of the required documents as identified in the check list to the one-stop service office, the documents will be forwarded to the relevant officials within one or two days.

But the authorities admitted that there were cases in which the relevant agencies failed to return recommendations within 30 days after receiving the documents as stipulated in the law. The ministry said some investors did not comply with the law when submitting investment proposals as

they sent them to offices other than the one-stop service office as stated in the law. This slowed the approval process.

To remedy the situation, the ministry said its short- and long-term plans will include measures to address the problem by improving the performance of central and local one-stop service offices, and raising awareness of the rule of law to ensure strict compliance.

Prime Minister Thongloun Sisoulith told the National Assembly that companies were still encountering barriers in operating their businesses despite the government's escalated effort to improve the business environment.

Measures imposed by the government to improve the business climate are still not sufficiently efficient because many offices are reluctant to cooperate, the premier added.

In an effort to ease business operations, the government has improved the one-stop service system, and established central and provincial investment management and promotion committees to accelerate the investment approval process.

Despite these efforts, the World Bank's ease-of-doing-business ranking suggests that Laos dropped 13 places to 154th out of 190 economies worldwide.

Mr Thongloun pledged that his administration would work harder to remove the barriers, notably those related to the indicators the World Bank uses to examine the business environment.

These indicators include starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, and paying taxes.

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