

Unofficial translation



**Lao People's Democratic Republic**  
**Peace Independence Democracy Unity Prosperity**

**Ministry of**  
**Post and Telecommunications**

**No.: 2530/MPT.**  
**Vientiane Capital, 22 September 2015**

**Decision**  
**on Approval of Internet Service Business Operation**

- Pursuant to the Law on Telecommunications (amended) No. 09/NA, dated December 21, 2011;
- Pursuant to the Law on Investment Promotion No. 02/NA, dated July 08, 2009;
- Pursuant to the Prime Minister's Decree No. 303/PM, dated September 26, 2011 on the Organization and Operation of the Ministry of Post and Telecommunications.

**The Minister of Post and Telecommunications hereby issues a Decision:**

**Chapter 1**  
**General Provisions**

**Article 1 Objectives**

This Decision defines principles, regulations, and measures regarding the monitoring, inspection, and management of permission for Internet service business operation aiming to ensure genuine and legal provision of Internet services. This Decision also aims at promoting the use of quality, convenient, quick, and safe Internet services to contribute to national socio-economic development.

**Article 2 Approval of Internet Service Business Operation**

Permission for Internet service business operation refers to a license issued by the post and telecommunications sector allowing individuals and legal entities to operate Internet service businesses to provide Internet services to individuals, legal entities, and organizations.

**Article 3 Definitions**

Terms used in this Decision have the following definitions:

1. **Internet service** refers to any type of telecommunications service allowing users to access the Internet via a wired or wireless connection;
2. **Internet service provider (ISP)** refers to an authorized person who provides Internet services;
3. **Internet user** refers to any individual, legal entity, or organization who uses an Internet service provided by an ISP or at an Internet café.

4. **Wired connection** refers to any connection system using cables to transmit signals, such as dial-up, xDSL, FTTX, cable TV, and so on;
5. **Wireless connection** refers to any connection system using radio waves to transmit signals, namely WiMAX, Wi-Fi, satellite, 3G/4G/5G, and so on;
6. **Types of service** refer to services that an ISP provides to Internet users, for instance xDSL, FTTX, Wi-Fi, hosting, e-mail, IPTV, and so on.

#### **Article 4 Basic Principles in Operating Internet Service Businesses**

Internet service business operation shall comply with the following basic principles:

1. Ensure equality of Internet service nationwide;
2. Ensure the expansion of the Internet network nationwide;
3. Ensure the effective and practical utilization of resources in the area of telecommunications;
4. Meet technical standards for connecting with both domestic and international Internet networks to ensure high efficiency, speed, and quality;
5. Ensure benefits for Internet providers and users;
6. Ensure all networks are integrated into a single Internet gateway.

#### **Article 5 Scope of Application**

This Decision applies to both domestic and foreign individuals or legal entities that provide or use Internet services in the Lao PDR.

## **Chapter 2 Internet Service Business Operation**

#### **Article 6 Request for Approval to operate Internet Service Businesses**

Individuals or legal entities who intend to operate an Internet service business must request permission from the post and telecommunications sector by submitting a request form along with other relevant documents as required by the sector. The requesters must also comply with conditions and measures as defined in this Decision and other relevant laws.

#### **Article 7 Conditions for License Issuance**

Below are the conditions for issuing a license for Internet service business operation:

1. Requesters must submit a request form, economic analysis, technical analysis, and other documents as required by the post and telecommunications sector (see appendix);
2. Have sufficient numbers of experts based on the type and scope of service;
3. If it is necessary to use resources in the area of telecommunications and/or to build a telecommunications network, requesters must have permission from the post and telecommunications sector;
4. A license cannot be issued during a period of property seizure, insolvency, or bankruptcy by court judgment under the laws of the Lao PDR;
5. Requesters must comply with the stated conditions of the post and telecommunications sector.

## **Article 8      Duration for License Issuance**

Management and monitoring authorities for Internet services will consider issuing a license based on the following durations:

- License type 1 – within 30 official days
- License type 2 – within 20 official days
- License type 3 – within 15 official days

## **Chapter 3**

### **Types and Duration of Validity of Licenses for Internet Service Business Operation**

## **Article 9      Types of License for Internet Service Business Operation**

There are 3 types of license for Internet service business operation:

- |                 |   |
|-----------------|---|
| License type 1: | for ISPs who have their own network and are capable of providing service nationwide;  |
| License type 2: | for ISPs who have or do not have their own network and are capable of providing service within a provincial/Vientiane Capital area; |
| License type 3: | for ISPs who have or do not have their own network and are capable of providing service within a district area.                     |

## **Article 10      Duration of Validity of a License for Internet Service Business Operation**

The duration of validity of a license for Internet service business operation is divided into two phases as follows:

1. Phase 1: a temporary license with each type valid for one year;
2. Phase 2: a complete license which is valid for each type as follows:
  - License type 1: valid for five years;
  - License type 2: valid for three years;
  - License type 3: valid for two years.

## **Article 11      Extension of a License for Internet Service Business Operation**

### **a. Conditions for an Extension**

Those who request an extension of their Internet service business operation license must submit a request form at least 30 days prior to the expiration date of the license. They also have to comply with the following conditions:

- Submit complete documents as required by the post and telecommunications sector (see the appendix);
- If resources in the area of telecommunications are used, there must be a receipt for usage payment;
- Those with a temporary license who fail to achieve their first year plan are only able to request one extension of that temporary license;
- Those with a temporary license will be considered and upgraded to a complete license only if they are able to achieve at least 60% of their first year plan.

#### **b. Duration for Consideration**

Duration for consideration will vary depending on the type of license:

- License type 1: within 20 official days.
- License type 2: within 15 official days.
- License type 3: within 10 official days.

If requesters submit incomplete or incorrect applications or do not meet the criteria to request permission, management and inspection authorities will not consider issuing or extending a license for them.

Management and inspection authorities for Internet services will state their reasons for declining in writing within 10 official days.

#### **Article 12 Change, Suspension, or Termination**

Internet service business operators who intend to change, suspend, or terminate a license for their services are required to have permission from the post and telecommunications sector. The operators must submit a request in writing explaining the reasons for doing so.

#### **Article 13 Scope of a License for Internet Service Business Operation**

Legal entities who are permitted to operate Internet service businesses can provide a service within the area and of the type as defined in their license.

Internet service providers can choose types of service a, b, or c as defined in the appendixes.

### **Chapter 4 Technical Standards and Safety**

#### **Article 14 Technical Standards and Safety**

Technical standards and safety in Internet services consist of the following:

##### **1. Technical Standards**

###### **a. Location**

- An Internet service center must be located in a permitted area.
- An Internet control room, server room, offices, and other rooms shall ensure safety for the electrical system by equipping it with a cooling system, fire protection, and other necessary systems based on the technical standards of the post and telecommunications sector.

###### **b. Internet Connection**

- License type 1: the Internet can only be connected through the National Internet Center.
- License type 2: the Internet can only be connected through the National Internet Center or an ISP type 1 network.
- License type 3: the Internet can only be connected through the National Internet Center or an ISP type 1 or type 2 network.

**c. Network System**

- A diagram of the overall network, a diagram of hardware installations, and details of the hardware and software must be included in a technical analysis.

**d. Hardware**

- Hardware imported from foreign countries to be used for Internet services must be approved by the post and telecommunications sector.
- Hardware used in Internet service systems must be inspected and certified by the post and telecommunications sector to ensure standardization.
- Hardware must be regularly maintained and repaired to guarantee its efficient function. Backup hardware must be available to avoid any interruption of service.

**e. Keeping a Record of usage History**

- There must be a device to keep a record and save information regarding Internet service usage for up to three months, such as a Log file, CDR file, and so on, based on the instruction of the management and inspection authorities for Internet services.

**2. Safety Standards**

- Must ensure that all information regarding service users is safe from being damaged, changed, or stolen.
- Must have a well-functioning backup system to protect against data loss from fire, flood, and other forms of natural disaster.
- Must have a data screening and security system to prevent users from accessing any website and information resources that could have an adverse impact upon national defense, public security, society, and culture.
- Must ensure that an Internet service is not a place that can be used to destroy or damage others.

**Chapter 5**

**Management and Inspection of Internet Services**

**Article 15 Management and inspection authorities for Internet services**

Management and inspection authorities for Internet services consist of:

- The Ministry of Post and Telecommunications;
- Provincial/Vientiane Capital Post and Telecommunications Divisions.

**Article 16 Rights and duties of the Ministry of Post and Telecommunications**

The Ministry of Post and Telecommunications has the following rights and duties:

**Scope of rights:**

- Consider the approval, extension, change, suspension, and withdrawal of a license for Internet service;
- Monitor and inspect the implementation of conditions, standards, and regulations of this Decision;
- Warn, educate, or fine individuals and legal entities who breach this Decision and other relevant laws;
- Exercise other rights as defined in relevant laws;

**Duties:**

- Consider how to solve problems related to Internet services, such as service quality, technical standards, and service charges;
- Collect service fees and charges in issuing licenses for Internet services and other charges as defined in relevant laws;
- Implement other duties as defined in relevant laws.

**Article 17 Rights and duties of Provincial/Vientiane Capital Post and Telecommunications Divisions**

Provincial/Vientiane Capital Post and Telecommunications Divisions have the following rights and duties:

**Scope of rights:**

- Consider the issuance, extension, change, suspension, and withdrawal of a license for Internet service based on the regulations of the Ministry of Post and Telecommunications;
- Monitor and inspect the implementation of conditions, standards, and regulations of this Decision;
- Warn, educate, or fine individuals and legal entities that violate this Decision;
- Exercise other rights as defined in relevant laws.

**Duties:**

- Consider how to solve problems related to Internet services, such as service equality, technical standards, and service charges based on their scope of responsibility;
- Collect service fees and charges in issuing licenses for Internet services;
- Exercise other rights as defined in relevant laws.

**Article 18 Rights and obligations of Internet service providers**

Internet service providers have the following rights and obligations:

**Scope of rights:**

- Propose the extension, suspension, or termination of their business operation;
- Suspend Internet service based on the terms of their contract;
- Exercise other rights as defined in relevant laws.

**Obligations:**

- Cooperate with officials of the post and telecommunications sector, including those from the monitoring and inspection area;
- Allow other Internet service providers to rent their network as appropriate;
- Contribute to national defense and public security by reporting any information seen as a danger to national and social security;
- Comply with Internet connection regulations as defined in Article 14 of this Decision;
- Supply complete and correct information and provide Internet connection contracts to the post and telecommunications sector;

- Keep the information of service users confidential and safe except when there is an instruction from relevant authorities;
- Regularly supply information related to services to users;
- Ensure quality service and fair prices as defined in relevant laws;
- Solve technical problems and difficulties for users based on relevant regulations;
- Regularly report on their Internet service, such as the utilization of telecommunications, technical, and security resources of the post and telecommunications sector;
- Contribute to and promote the application of the Internet in the education and health sectors, especially for healthcare work in rural areas;
- Pay service fees, charges, and taxes based on relevant laws;
- Implement other obligations as defined in relevant laws.

#### **Article 19      Rights and obligations of Internet service users**

Internet service users have rights and obligations as follows:

##### **Scope of rights:**

- Choose which service to use based on their preference;
- Request or complain to ISPs when they do not receive a good service;
- Exercise other rights as defined in relevant laws.

##### **Obligations:**

- Pay service charges based on relevant regulations;
- Be liable for any of their information that breaches relevant laws;
- Implement other obligations as defined in relevant laws.

### **Chapter 6 Service Fees and Charges**

#### **Article 20      Service fees and charges**

Service fees and charges in requesting a license for Internet service business operation shall be implemented based on a specific regulation on service fees and charges in each period.

### **Chapter 7 Measures against Violators**

#### **Article 21      Fine Measures**

Individuals or legal entities that violate this Decision shall be fined as follows:

1. Operating an Internet service business without permission, 50,000,000 kip fine;
2. Allowing their license to be used, rented, or transferred to others, 30,000,000 kip fine for a license type 1, 20,000,000 kip for a license type 2, and 10,000,000 kip for a license type 3;
3. Providing a service beyond the type or scope permitted, 10,000,000 kip fine;

4. Expanding or connecting to a network, or adjusting a technical system without permission, 10,000,000 kip fine;
5. Connecting to a foreign network without permission, 10,000,000 kip fine;
6. Spreading false information to discredit other ISPs, 5,000,000 kip fine;
7. Forging documents, supplying incorrect data, or hiding information, or being uncooperative with Internet service management and inspection authorities, 3,000,000 kip fine;
8. Damaging or failing to collect Internet service information, 3,000,000 kip fine;
9. Disclosing Internet users' confidential information without permission from management and inspection authorities or relevant officials, 5,000,000 kip fine;
10. Providing a service or charging at a rate inconsistent with the price mentioned in a contract or in an announcement, 5,000,000 kip fine;
11. Not extending a license within 30 days after its expiration date, 2,000,000 kip fine for a license type 1, 1,000,000 kip for a license type 2 and 500,000 kip for a license type 3;
12. Discriminating against and obstructing new ISPs from operating their business, 5,000,000 kip fine;
13. Using a service to dominate or abuse their market power against smaller businesses, 5,000,000 kip fine.

## **Article 22 License Suspension and Withdrawal Measures**

Management and inspection authorities will suspend an Internet service operation license in the following cases:

1. Providing a service beyond the type or scope of permission;
2. Forging documents, hiding information, or supplying incorrect data to Internet service management and inspection authorities;
3. Expanding or connecting to a network, or adjusting a technical system without permission;
4. Not paying for telecommunication resources;
5. Not extending a license within 90 days after its expiration date;
6. Connecting to a foreign network, but not through the National Internet Center as defined in Article 14 of this Decision;
7. Abusing or facilitating the illegal use of their Internet system;
8. Not collecting service charges as defined by laws;
9. Not paying service fees, charges, or taxes to the Government;
10. Incurring two fines as stipulated in Article 21 of this Decision.

Management and inspection authorities will withdraw an Internet service business operation license in the following cases:

1. Those who have had their license suspended and still do not meet the criteria set by management and inspection authorities;
2. Allowing their license to be used, rented, or transferred to others without permission;
3. Not continuing to operate their business one year after extending their license;
4. Incur three separate fines under Article 21 of this Decision.



## **Chapter 8**

### **Final Provisions**

#### **Article 23 Implementation**

The Information Technology Department and Provincial/Vientiane Capital Post and Telecommunications Divisions are assigned to strictly implement this Decision.

#### **Article 24 Effectiveness**

This Decision is effective from the date of signature and fifteen days after posting on the Lao Official Gazette.

This Decision replaces the Regulation on Organization of Internet Service of the Lao PDR No. 141/PMO, dated 05 April 2000.

**Minister of Post and Telecommunications**

*[Signature and seal]*

**Hiem PHOMMACHANH**

## **Appendix**

### 1. Documents required to request a license for an Internet service business operation:

- A request form;
- A certificate of residence;
- Requester's ID/passport;
- Detailed biography of the business manager;
- Educational background together with certificates;
- An economic analysis;
- A technical analysis;
- A certificate of family status;
- An enterprise registration license;
- A certificate of financial status/bank statement;
- Other relevant contracts (namely network leasing contract, infrastructure leasing contract, and so on).

### 2. Documents required to extend a license for an Internet service business operation:

- A request form;
- A certificate of residence;
- Requester's ID/passport;
- A certificate of financial status;
- An enterprise registration license;
- A tax payment receipt;
- A summary of past activities;
- A resource usage payment receipt;
- A financial summary;
- Other relevant contracts (namely network leasing contract, infrastructure leasing contract, and so on).

## **Appendix A**

### License for Internet service business Operation Type 1

- I.      Limitation of service area  
Permitted Internet service operator type 1 can provide a service nationwide.
  
- II.     Types of service

Permitted Internet service operator type 1 can request the right to provide the following services:

- 1. Narrow band (dial-up modem) Internet service via telephone line in a public switched telephone network (PSTN);
- 2. Broadband Internet service via telephone line (xDSL);
- 3. High-speed Internet service via fiber optic cable (FTTX);
- 4. High-speed Internet service over cable TV;
- 5. High-speed Internet service via power line;
- 6. Wireless Internet service (WiMAX, Wi-Fi, LTE, satellite);
- 7. Internet service on mobile (GPRS, 3G, 4G, 5G and so on);
- 8. Leased line service;
- 9. Private leased line service (IPLC, MPLS and so on);
- 10. Virtual private network service (VPN);
- 11. Internet service via a small satellite (VSAT);
- 12. Web and information hosting service;
- 13. Electronic mail service (E-mail);
- 14. Internet protocol television service (IPTV).

**Director General of Information Technology Department**

*[Signature and seal]*

**Misith AMNATHCHALEUN**

## **Appendix B**

### **License for Internet service business operation type 2**

#### **I. Limitation of service area**

Permitted Internet service business operator type 2 can provide a service within a provincial or the Vientiane Capital area.

#### **II. Types of service**

Permitted Internet service business operator type 2 can request the right to provide the following services:

1. Narrow band (dial-up modem) Internet service via telephone line in a public switched telephone network (PSTN);
2. Broadband Internet service via telephone line (xDSL);
3. Internet service via fiber optic cable (FTTX);
4. High-speed Internet service over cable TV;
5. Wireless Internet service (WiMAX, Wi-Fi, LTE);
6. Internet service on mobile (GPRS, 3G, 4G, 5G and so on);
7. Virtual private network service (VPN);
8. Web and information hosting service;
9. Electronic mail service (E-mail);
10. Internet protocol television service (IPTV).

**Director General of Information Technology Department**

*[Signature and seal]*

**Misith AMNATHCHALEUN**

## **Appendix C**

### **License for Internet service business operation type 3**

#### **I. Limitation of service area**

Permitted Internet service business operator type 3 can provide a service within a district area.

#### **II. Types of service**

Permitted Internet service business operator type 3 can request the right to provide the following services:

1. Narrow band (dial-up modem) Internet service via telephone line in a public switched telephone network (PSTN);
2. Broadband Internet service via telephone line (xDSL);
3. High-speed Internet service via optic fiber (FTTX);
4. High-speed Internet service over cable TV;
5. Wire Internet service (WiMAX, Wi-Fi, LTE);
6. Internet service on mobile (GPRS, 3G, 4G, 5G and so on);
7. Virtual private network service (VPN);
8. Web and information hosting service;
9. Electronic mail service (E-mail);
10. Internet protocol television service (IPTV).

**Director General of Information Technology Department**

*[Signature and seal]*

**Misith AMNATHCHALEUN**