

Unofficial translation



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

Ministry of Public Works and Transport

**No. 2526/MPWT
Vientiane Capital, 16 February 2011**

Decision

On the Management of Ticketing and Air Reservation Agencies

- Pursuant to Law on Civil Aviation No. 01/NA dated 19 February 2005;
- Pursuant to Law on Enterprise No. 11/NA dated 09 November 2005;
- Pursuant to Prime Minister's Decree on Organization and Operation of the Ministry of Public Works and Transport No. 373/PM, dated 22 October 2007.

Minister of Public Works and Transport hereby issues a Decision:

Chapter 1

General Provisions

Article 1: Objective

This Decision defines principles, regulations and measures for the management of ticketing and air reservation agencies to ensure quality, convenience, speed, accuracy and in accordance with Law on Civil Aviation and other relevant laws.

Article 2: Definitions

Terms used in this Decision have the following meanings:

1. Ticket Agencies and Air Reservation Agencies refers to enterprises that are established and registered for ticketing and air reservation that operate business as agents for domestic and international airlines in accordance with their contracts.
2. Authorization for Ticketing and Air Reservation refers to technical approval by Department of Civil Aviation to the ticketing and reservation agents that are legally registered in accordance with the laws and conditions as stated in this Decision.
3. Branches refer to enterprises established as a branch of an enterprise for ticketing and air reservation business operation with human resources and equipment separated from headquarters and other branches of such enterprises.

Chapter 2

Application for Ticketing and Air Reservation License

Article 3: Requirements for Requesting Ticketing and Air Reservation License

Ticketing and air reservation agents wish to request a license shall meet the following requirements:

1. Have a duly enterprise registration for ticketing and air reservation business operation with industry and commerce sector;
2. In case an enterprise established as a branch, it shall be duly registered as a branch for ticketing and air reservation business operation with industry and commerce sector;
3. Have a ticketing and air reservation contracts with relevant airlines.
4. Have human resources with knowledge, abilities, and relevant experience with certification or qualifications correctly such as:
 - IT staff at least one person;
 - Ticketing and air reservation staff with knowledge, abilities, IT equipment, and English skills at least two people;
5. Have telecommunication equipment and information technology that can be linked with communication system of domestic and international ticketing and reservation companies.
6. To have modern and sufficient equipment for air ticketing and reservation;
7. The agencies shall have permanent office or a branch in Lao PDR.

Article 4: Application for Requesting a License

Ticketing and air reservation agencies that meet the requirements shall submit documents requesting for ticketing and reservation services license to the Department of Civil Aviation as following:

1. Submit an application for ticketing and reservation services using the form provided by Department of Civil Aviation;
2. Enterprise registration certificate for ticketing and reservation business operation. If it is a branch, it shall arrange registration as a branch;
3. Certificates or qualifications of relevant technical staff;
4. A list of equipment for information technology communication and ticketing and reservation services;
5. Copy of ticketing and reservation agent contract with relevant airlines;
6. Verification document of headquarters or branch offices.

Article 5: License Issuance

After obtaining application requesting of ticketing and reservation agencies, the Department of Civil Aviation shall consider issuing a license for such enterprises no later than ten (10) working days from the date of receiving such application.

If a request for an air ticketing and reservation agent license has been refused, the Department of Civil Aviation shall provide a written response with reasons to an enterprise within five (5) working days.

Chapter 3

Use of License and Responsibilities of License Holders

Article 6: Use of License

Upon receiving an approval, ticketing and air reservation agencies can operate air ticketing and reservation services in accordance with laws and regulations.

Article 7: Use of License and Extension of Business Operation

The license for ticketing and reservation is valid for one (1) year from the date of issuing. Prior to expiry thirty (30) days, if the business wishes to extend for the following year, ticketing and air reservation agencies shall submit application for license extension for consideration by the Department of Aviation.

Article 8: Requirements

Ticketing and air reservation agencies authorized for renewal ticketing and reservation business operation shall meet the following requirements:

1. Have a success business operation with verified financial and accounting documents correctly;
2. No mistake in ticketing and reservation services that cause damages to airlines or customers;
3. Pay taxes and fulfil other obligations to the government regularly in accordance with the laws;
4. Employ human resource with knowledge that can be verified by certificates or qualifications, and have a quantity suitable for business size as stated in Article 3.4.
5. Possess technology information communication and equipment for ticketing and air reservation services stated in Article 5.3;
6. Have a contract as ticketing and reservation agencies with relevant airlines;
7. Have a permanent office in Lao PDR;

If the ticketing and reservation agencies request to continue its business with the requirements, Department of Civil Aviation shall issue license for them to continue ticketing and air reservation services based on the request within five (5) working days.

Article 9: Obligations and Responsibilities of Authorized Agencies

Ticketing and air reservation agencies authorized for ticketing and air reservation services have obligations and responsibilities as following:

1. Pay attention in serving customers to be convenient, speedy, and in line with relevant regulations;
2. Pay fees and charge fees for the issuing ticketing and air reservation license in line with relevant laws;
3. Facilitate and cooperate with Civil Aviation staff in the inspection on ticketing and air reservation services.
4. Report on work operation to Department of Civil Aviation on a regular basis;
5. Report to Department of Civil Aviation in writing in the event it wishes to suspend its business temporarily or permanently, and in the event of relocation of head office or branches.
6. Implement Law on Civil Aviation and other relevant laws.

Chapter 4

Management and Inspection

Article 10: Management and Inspection Work Relating to Ticketing and Air Reservation

Department of Civil Aviation and Division of Public Works and Transport of province/capital have the rights and duties in the management and inspection work relating to ticketing and air reservation based on their roles.

Article 11: Rights and Duties of Department of Civil Aviation

In the management and inspection works relating to ticketing and air reservation, the Department of Civil Aviation in the country have primary rights and duties as following:

1. Consider authorization or cancellation of ticketing and air reservation in the area of the country;
2. Provide instruction and support to ticketing and air reservation agencies in the country in order to provide services to customers conveniently, speedy, and in line with relevant regulations, including paying taxes and other obligations to the state regularly and in full.
3. Monitor ticketing and air reservation agencies including branches in the country regularly based on plan, urgently outside plan when necessary as stated in the Law on Civil Aviation and other relevant laws.

Article 12: Rights and Duties of Division of Civil Aviation in Provinces and Capital

In the management and inspection works relating to relating and air reservation, Division of Civil Aviation in Provinces and Capital have the rights and duties as following:

1. To encourage ticketing and air reservation agencies in their locality in order to provide services to customers conveniently, speedy, and in line with relevant regulations as well

as encourage taxes payment and fully and regularly perform other obligations to the government.

2. Cooperate with the Department of Civil Aviation in the management and inspection work relating to ticketing and air reservation agencies in their local areas.

Chapter 5

Prohibitions

Article 13: General Prohibitions

Individuals, legal entities, or organizations are prohibited from the following:

1. Give bribes to staff or government officials relating to issuing of ticketing and air reservation license.
2. Provide ticketing and air reservation without legally approval from the Department of Civil Aviation or use license of others.
3. Have a behavior that violates laws.

Article 14: Prohibitions for Ticketing and Air Reservation Agencies

Ticketing and Air Reservation Agencies are prohibited from the following:

1. Not facilitate or cooperate with employees or officials of Civil Aviation in the ticketing and air reservation inspection;
2. Not paying attention in its services: inconvenient services, delay, making mistake, or in line with regulations;
3. Not reporting on a regular basis to Department of Civil Aviation relating to business operation, or unclear reports;
4. Not renew its ticketing and air reservation license that has already been expired;
5. Lend its ticketing and air reservation license to others or use license of others.
6. Not paying taxes or other obligations to the state in full and regularly.
7. Have a behavior that violates laws and regulations.

Article 15: Prohibitions for Relevant Staff and Officials

Relevant Staff and Officials are prohibited from the following:

1. Abuse power or take bribe for the issuing of ticketing and air reservation license for the benefits or an individual or group.
2. Neglect its responsibilities, intentional delay documents relating to the request for ticketing and air reservation business operation;
3. Disregard the inspection works relating to ticketing and air reservation;
4. Have a behavior that violates laws and regulations.

Chapter 6

Awards for Good Performance and Measures Against Violator

Article 16: Awards for Good Performance

Ticketing and air reservation agencies that operate ticketing and air reservation efficiently, in accordance with this Decision, laws and regulations on civil aviation and other relevant laws and regulations will receive awards and other policies as appropriate.

Article 17: Measures Against Violators

Individual, legal entities, or organizations that violate this Decision will be educated, warned, fined, or punished in accordance with laws and regulations.

Article 18: Education and Warning Measures

Ticketing and air reservation agencies that violate this Decision especially in non-severe violation as cases below will be educated and warned:

- Impeding or inconveniencing services or failing to employee or officials to Department of Civil Aviation relating to the activities;
- Not reporting regularly to the Department of Civil Aviation;
- Use this ticketing and reservation license that has been expired for the first time;
- Slow services or inconvenience and low-level violations;

Relevant Government staff or officials neglect regular inspection work relating to ticketing or air reservation will be educated and warned or disciplined on a case-by-case basis.

Article 19: Fine Measures

Individuals, legal entities, or organizations that violate this Decision will be fined from the following behavior:

1. Operate ticketing and air reservation business without a license will be double fines for the first violation, three-time fines for second violation, five-time fines for third violation of the charges and service fees for issuing license as stated in the Presidential Decree on charges and service fees applicable in each period;
2. Use expired ticketing and air reservation license shall be re-educated and warned for the first time, double fines for the second violation of charges and service fees of the license issuance as stated Article 19.1, including penalty rate of 10,000 Kip per day of the days of expiration as permitted under the license;
3. Lend ticketing and air reservation license for others to use or use license of others shall be double fines of the charges and service fees relating to the business operation as stated in Article 19.1, including penalty rate of 10,000 Kip per day of the days of expiration as permitted under the license.

Article 20: Civil Measures

Ticketing and air reservation agencies violate this Decision that cause damages to assets of individual or organization shall be compensated the damages, such as, selling tickets and reservation not in line with relevant regulations that cause the customers unable to reach destination timely and including airlines that have been reserved which have caused additional expenses such as foods, accommodation, and other necessary expenses.

Article 21: Criminal Measures

Individuals who violate this Decision considering as criminal violation will be punished in accordance the Law on Criminal such as:

- Give bribe to employee or government officials relating to the issuance of license for ticketing and air reservation;
- Falsify ticketing and air reservation license;
- Have other behaviors that are criminal violation.

Relevant staff or officials abuse their power or take bribe relating to issuance or cancellation of ticketing and air reservation license shall be punished in accordance with Law on Criminal.

Article 22: Additional Penalties

In addition to Article 17, 18, 19, 20, and 21 of this Decision, the violators will receive additional penalties by not being considered for a license and the ticketing and air reservation license being revoked.

Chapter 7 Final Provisions

Article 23: Implementation

The Department of Civil Aviation disseminates this Decision and issue additional instruction in accordance with laws and regulations for relevant sectors to acknowledge and cooperate in the effective implementation.

Article 24: Effectiveness

This Decision is effective from the date of signature.

Minister

[Signature and seal]

Sommad PHOLSENA