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ສັນຕິພາບ ເອກະລາດ ປະຊາທິປະໄຕ ເອກະພາບ ວັດທະນາຖາວອນ

**ຂໍ້ຕົກລົງ
ວ່າດ້ວຍການຄຸ້ມຄອງ
ວິສາຫະກິດບໍລິການຈັດຫາງານ**

**AGREEMENT
ON THE MANAGEMENT
OF EMPLOYMENT SERVICE ENTERPRISES**

ຈັດພິມໂດຍ:

ກົມການຈັດຫາງານ, ກະຊວງແຮງງານ ແລະ ສະຫວັດດີການສັງຄົມ

2022

(ສະຫງວນລິຂະສິດ)

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LAO PEOPLE'S DEMOCRATIC REPLUBIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY
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Ministry of Labour and Social Welfare

No. 1050/MoLSW
Vientiane, dated 25th March 2022

Agreement
On the Management of Employment Service Enterprises

- Pursuant to the Law on Labour (Revised version) No. 43/NA dated 24th December 2013;
- Pursuant to the Law on Enterprises (Revise version) No. 46/NA dated 26th December 2013;
- Pursuant to the Decree on the Dispatch of the Lao Workers to work abroad, No. 245/Govt, dated 22nd May 2020;
- Pursuant to the Decree on the Organization and Operations of the Ministry of Labour and Social Welfare No. 602/PM, dated 14th October 2021;
- Pursuant to the Proposal of the Skills Development and Employment Department, No. 0199/SDED, dated 10th March 2022.

The Minister hereby issues an Agreement

Section 1
General Provisions

Article 1 Purpose

This Agreement defines principles, regulations and measures on the management of employment service enterprise operations. These are to ensure the unity, equality, uniformity and effectiveness across the country in accordance with the laws and regulations.

Article 2 Management of Employment Service Enterprise

The management of employment service enterprise operations is a process of considering approvals for establishment, monitoring, inspecting, evaluating and conducting other measures for employment service enterprise operations within the country and the dispatch of Lao workers to work overseas.

Article 3 Definition of Terms

1. **Employment service enterprise** refers to an employment service enterprise as a legal entity which has approval to legally operate an employment business service in accordance with relevant laws and regulations;
2. **Permission for the operation of an employment service enterprise** refers to the consideration, validation of documents and approval for individuals or entities of Lao

- citizens to operate an employment service enterprise within the country and to dispatch Lao workers to work overseas under the relevant laws and regulations;
3. **Employment service** refers to the provision of consultation and advice on employment information and legislation and the creation of favorable conditions for workers to find jobs and for employers to recruit workers by using the network of State employment services and employment service enterprises;
 4. **Domestic employment service** refers to providing consultation and advice on employment information and legislation and the creation of favorable conditions for workers to find jobs and for employers to recruit workers within the country by using the network of State employment services and employment service enterprises;
 5. **Overseas employment service** refers to the dispatch of Lao workers for work, training and on the job training. The purpose is for Lao workers to learn, apply lessons learnt, upgrade their technical capability, develop their skills and develop a good work ethic for industrial work in countries where Lao PDR has signed an MoU on employment. This will be achieved through the network of assigned State employment services and employment service enterprises;
 6. **Labour market** refers to the supply and demand for labour in the domestic and international economy;
 7. **Labour demand** refers to data relating to vacancies which labour units seek to fill including details of the position, terms and responsibilities, salaries or wages and other benefits;
 8. **Labour supply** refers to the number of eligible workers available for work or being included in labour market lists or registered information with data disaggregated by skilled and unskilled workers for suitable positions;
 9. **Employment procedures** refers to recruitment, documentation, submitting name lists, training and deployment, monitoring and return of workers on completion of their work contract.

Article 4 Policies

The State encourages and promotes individuals and entities of Lao citizens to establish and operate employment service enterprises by defining policy, providing information and creating the necessary conditions to provide employment services to workers, to provide jobs in accordance with the labour market demand and to contribute to socio-economic development of Lao PDR.

The State also promotes individuals, entities and all organizations to contribute to and facilitate, monitor and manage the operations of employment service enterprises in accordance with the laws and regulations.

Article 5 Principles

The employment service enterprise establishment and management shall adhere to the following principles:

1. Aligned with policies, the constitution, laws and regulations;
2. Establish and manage uniformly and equally across the country;
3. Be financially self-sufficient and operate under the laws and regulations;
4. Ensure benefits to the State, workers, employers and employment service enterprises;
5. Ensure effectiveness, equality, fairness, transparency and accountability;

6. Ensure the quality of employment services by monitoring, inspecting and evaluating the operations of the enterprise;
7. Ensure the right to work and gender equality.

Article 6 The Scope

This Agreement applies to individuals or entities operating employment service enterprises across the country and relevant authorities.

Section 2

Application for Operating an Employment Service Enterprise

Article 7 Application for Operating an Employment Service Enterprise

Individuals or entities who are Lao citizens, who intend to apply to operate an employment service enterprise shall submit an application to the Ministry of Labour and Social Welfare via the one stop service investment office at the Ministry of Planning and Investment in order to operate an employment service enterprise within the country and dispatch Lao workers to work abroad.

Article 8 Procedures to Request for Permission to Operate an Employment Service Enterprise

The procedures to request for permission to operate an Employment Service Enterprise are as follows:

1. Those who wish to request for an approval to operate an employment service enterprise shall complete the form and submit this with relevant documents to the one stop service investment office at central/ local level. These must be certified by the Provincial or Capital Labour and Social Welfare Department where the enterprise is to be located. This is for the purpose of obtaining investment permission, the enterprise license and permission to operate an employment service enterprise;
2. Once the one stop service investment office at the central level receives the completed form and documents, it will be submitted to the Ministry of Labour and Social Welfare for consideration. Written comments will be provided as per the duration stated in the investment law;
3. Once investment permission is received from the investment promotion and management committee at the central level and enterprise license received from the Industry and Commerce sector, The Ministry of Labour and Social Welfare will issue a license to operate an employment service enterprise.

Article 9 Form of the Employment Service Enterprise

Employment service enterprises are formed as Limited Companies or Sole Companies as described in Part 2, Chapter 1, Articles 11 and 12 of the Law on Enterprise (amended version) No.46/NA, dated 26th December 2013.

Article 10 Criteria for Operating an Employment Service Enterprise

Individuals or entities intending to operate an employment service enterprise, shall meet the following criteria:

- Lao National;
- Aged 25 years old or more;
- Completed vocational training at higher level or more;
- Be in good health;
- Clear biography, no criminal record;
- Have registered funds for operating the business and have a cash warranty as stated in Article 13 of this agreement;
- Self-submit the request form in person;
- Business is not bankrupt;
- Prior experience running a business, relevant technical skills to operate the business;
- Have a detailed labour demand and labour dispatching plan;
- Entities that have received prior permission from the Ministry of Labour and Social Welfare to conduct an effective pilot employment service will be given priority.

Article 11 Requirements for an Employment Service Enterprise

The requirements for an employment service enterprise are as follows:

1. An office consists of the following work spaces:
 - A waiting room for interview and registration;
 - A room for labour market information and advice;
 - A room for departure training and information;
 - A room for the director and staff;
 - A storage room for filing and keeping data.
2. Staff shall have appropriate knowledge, capacity and experience related to management and employment.
3. Employment mechanism, such as:
 - Business license;
 - ToR and internal rules of the employment service enterprise;
 - Business capital;
 - A system for data collection, monitoring and management of workers being employed within the country and sent to work abroad;
 - A guide to employment services, forms and work contract formats;
 - Manuals for raising awareness on employment;
 - Vehicles, tools and other work equipment.
4. Have a skills training center to prepare workers to enter the domestic and overseas labour markets. If any enterprise does not have a training center they have to sign a contract with a skills training center which meets the requirements and is able to provide skills trainings based on the labour market demand.
5. In the case that workers are recruited from other provinces to work within the country or abroad, the enterprise shall obtain the permission from the Provincial/ Capital Labour and Social Welfare Department.

Article 12 Application Documents for an Employment Service Enterprise

The application documents required for operating an employment service enterprise are as follows:

- Request form for operating an employment service enterprise;

- Technical and economic feasibility studies related to employment service operations in accordance with the form of the Ministry of Labour and Social Welfare;
- A copy of the investment license from the Ministry of Planning and Investment;
- A letter requesting to operate certified by the Provincial or Vientiane Capital Department of Labour and Social Welfare;
- The draft internal rules of the employment service enterprise;
- Copies of ID cards of those who request to operate the employment service enterprise;
- Biographies of those who request to operate the employment service enterprise;
- Certificates of education of those who request to operate the employment service enterprise;
- Criminal records of those who request to operate the employment service enterprise;
- Property certificates (Copy of the land title, owner of building, saving account)
- Location map of the employment service enterprise (certified by the village authority);
- Copy of the financial status certificate (in the name of the enterprise owner);
- Copy of an establishment license and skills training activities (if any);
- A copy of the contract with the skills training center (if the enterprise does not have it owns skills training center);
- Organization chart or Board of the employment service enterprise;
- Two 3x4cm photos with a blue background.

Article 13 Registered Capital

The employment service enterprise shall have the following registered capital in order to operate:

- Registered Capital for operating an employment services enterprise within the country is not less than 200,000,000 (two hundred million Kip);
- Registered Capital for operating an employment service enterprise within the country and the dispatch of Lao workers to work abroad is not less than 2,000,000,000 (two billion Kip).

Article 14 Warranty

Employment service enterprises that receive approval to provide employment services within the country and dispatch Lao workers to work abroad submit a sum of money to the Ministry of Labour and Social Welfare as a warranty to be kept as a contingency in case of emergencies related to the employment services.

The warranty for employment service enterprise operations within the country in Kip is equivalent to 2,000 \$US and for an employment service enterprise operating within the country and dispatching workers to work abroad the Kip value is equivalent to 20,000 \$US. The enterprise shall coordinate with the finance division of the Ministry of Labour and Social Welfare to proceed with paying the warranty and issuing a certificate.

After the operations are annulled, the employment service enterprise warranty will be refunded if not utilized or partially utilized. In order to receive a refund, the enterprise also has to follow up and manage the workers who are dispatched according to the labour contract.

Article 15 Numbers of days to consider and issue the approval to operate an employment service enterprise

To consider and issue the license for operating an employment service enterprise providing services within the country and dispatching Lao Workers to work abroad shall take no longer than twenty-five (25) working days from the date the investment license is received from the one stop service investment office of the Ministry of Planning and Investment. This does not include the day the application is submitted via the Provincial/ Vientiane Capital Department of Labour and Social Welfare, validation of documents at the one stop service investment office and the duration for the amendment of documents thereafter.

Article 16 Validity of the license to operate an employment service enterprise

The license is valid for 3 years and may be renewed for 3 more years upon extension. A request document for renewal shall be submitted to the Ministry of Labour and Social Welfare 45 days before the license expires.

Article 17 Criteria for Renewal

The criteria for renewal of the approval for operating an employment service enterprise shall be as follows:

- Meet the employment targets within the country set by authorities
- Monitor and manage to protect the rights and interests of workers who are sent to work abroad by the enterprise, ensure their safety and be responsible for the return of workers to the country of origin when the contract ends;
- Immediately resolve and report labour disputes or any incident that involves the workers to the Labour Management Authority;
- Do not collect fees from workers unless they are specified in relevant laws and regulations;
- Do not collect a deposit or any assets to secure the deposit from workers for providing employment services within the country or abroad;
- Do not create forced labour contracts;
- Ensure workers who are sent to work abroad are not engaged in forced labour or fall into human trafficking;
- Fulfill its obligations correctly and in full;
- Regularly submit reports on employment information to the Ministry of Labour and Social Welfare;
- Follow the rules and laws of the State accordingly.

Article 18 Documents for Renewal request

Documents required to requests for renewal are as follows:

- A request form for renewal;
- Operation report for the past 3 years;
- Copy of income tax payments;
- Copy of the previous license;

- A copy of the internal rules of the company approved by the Labour Management Organization;
- Criminal records;
- A summary of worker complaints; and
- Two 3x4cm photos

Section 3

Permit Request for Piloting Employment Services

Article 19 Permit Request for Piloting Employment Services

Any entities of Lao citizens who intend to pilot an employment service for Lao citizens to work domestically and overseas shall request for approval from the Ministry of Labour and Social Welfare only.

Article 20 Criteria for entities to Pilot Employment Services

Entities must meet the following criteria in order to request to pilot employment services:

- Ownership by Lao citizen;
- Entities must be respected;
- Have detailed information on labour demand and a clear labour supply plan;
- Have staff who have knowledge and a relevant employment experience.

Article 21 Supporting documents

- Request form for Piloting Employment Services;
- Economic-Technical feasibility study on Piloting Employment Services;
- Criminal record of the person who applies to Pilot Employment Services;
- Copy of the business license and a tax certificate; and
- Financial status certificate.

Article 22 Duration of the Permit

A permit for entities to Pilot Employment Services is valid for 1 year and it can be renewed for 1 year at a time up to a total of 3 years. Renewals are subject to the assessment of the Ministry of Labour and Social Welfare.

Section 4

Rights and Duties in Operating an Employment Service Enterprise

Article 23 Duties of an Employment Service Enterprise

The employment service enterprise shall have the following duties:

- Inform the Labour Management Organization regarding the office location, the signage of the enterprise and the list of staff working in the office with their biographies including staff of sub-offices.
- Submit requests to the central Labour Management Organization for issuing ID cards for every employment service personnel enabling them to recruit workers and coordinate with the local authorities concerned. The ID cards for the enterprise staff shall be returned when they are no longer staff.
- Define, coordinate and search for demand in domestic and international labour markets, sign contracts on labour supply with labour units, in order to provide Lao workers as required by domestic and international labour markets;
- Take ownership to develop labour supply contracts with employers or employer representatives, binding contracts with workers and labour contracts between employers and workers;
- Monitor and manage to protect rights and interests of workers who have been employed through the service of the enterprise to ensure that they are all safe and take responsibility for sending them back home upon completing their work contracts. In the case of labour disputes or any incident involving workers, the enterprise must address problems quickly and report these to the Provincial or Vientiane Capital Department of Labour and Social Welfare or the Ministry of Labour and Social Welfare urgently;
- Monitor the status of workers by ensuring that employers do not collect fees or charge workers later;
- Collect the number of workers dispatched to work abroad, who complete their contract and return home, complete and renew their contract, terminate their contract and those who run away and change their employer;
- Look for employment opportunities within the country for workers returning from abroad in accordance with the skills and abilities they have acquired abroad;
- Raise awareness, give advice and consultations for job seekers to understand the employment system and safe working conditions, incomes and poverty reduction including the risk of being a victim of human trafficking;
- Report to police cases of human trafficking as specified in Article 33 of the Law on Anti-human Trafficking;
- Cover the costs for pre-departure training, food, accommodation, relevant documentation and travel costs for workers in preparing them to work in the domestic and international labour markets;
- Organize pre-departure training in accordance with the curriculum of the Ministry of Labour and Social Welfare;
- Upgrade labour skills of registered workers to supply domestic and overseas labour markets;
- Report to the Labour Management Organization and concerned sectors on the results of the operation and implementation of the business plan on a regular monthly, quarterly and annual basis;

- Fulfill obligations related to the business in accordance with the law in a full and timely manner;
- In the case of establishing a sub-office, moving the office, closing the office or changing Directors, the Labour Management Organization and concerned sectors shall be informed;
- After establishment the employment service enterprise should encourage their staff to become members of the social security scheme;
- Coordinate with partners in destination countries to monitor, collect data and assist workers who claim their rights and in the case of emergencies as well as cover those cost;
- Coordinate with Labour Units within the country to collect information on labour supply and demand to fill vacancies;
- Prioritize jobs for the unemployed within the country and for workers returning from overseas;
- Propose to set up an association for employment service enterprises as stated in the law and regulations. This would strengthen the employment services provided by employment service enterprises to Lao citizens;
- Perform other roles and duties as assigned by the Labour Management Organization.

Article 24 Rights of the Employment Service Enterprise

The employment service enterprise shall have following rights:

- Operate an employment service business for Lao national workers working in the country or the dispatch of workers to work abroad under the permission and management of the Labour Management Organization;
- Collect data on labour market supply and demand to plan for recruitment, training and to develop the skills of workers to meet labour market demands within the country and abroad;
- Recruit workers subject to their ability and the capacity of the enterprise as authorized by the Labour Management Organization;
- Participate in meetings, provide comments and share experiences with other employment service enterprises or Government organizations as invited;
- Collect fees and service charges from employers according to the law and regulations;
- Take part in or organize job fairs between employers and workers. Provide advice and consultations to job seekers. Build trust among employers by explaining the recruitment system, the procedures and qualifications of workers whom the employment service enterprise would send to employers;
- Submit documents to request for quota, importing and work permits for foreign workers to work in Lao PDR voluntary;
- Promote and support labour skills testing and competitions within the country and abroad;
- Participate in the Lao Employment Service Enterprise Association according to relevant laws and regulations.

Article 25 Recruitment Operations

The recruitment operations of an employment service enterprise shall be as follows:

1. Obtain permission for recruitment activities from local authorities;
2. Employment service enterprise operations must be undertaken by staff with ID cards approved by the Labour Management Organization; and
3. The vacancy announcements must be true, transparent and accountable.

Article 26 Documents for Staff Card

Documents for the staff card include:

- Application form of the employment service enterprise;
- Labour contract;
- Brief biography;
- Criminal record; and
- Two photos size 2 x 2.5 cm

Article 27 Branch of the Enterprise

Employment service enterprises that wish to establish a branch in Vientiane Capital or the provinces shall notify the Ministry of Labour and Social Welfare for consideration and approval. After approval, the enterprise must coordinate with the enterprise registration authorities to follow procedures according to relevant laws and regulations.

Article 28 Documents for the Establishment of a Branch of an Employment Service Enterprise

The supporting documents for establishing a branch of an employment service enterprise are as follows:

- A request form for branch establishment for domestic employment services or for employment services operating domestically and sending workers abroad;
- A copy of the business license;
- Appointment letter for the head of the branch;
- Biography of the head of the branch;
- Certificate of education of the head of the branch;
- Criminal records;
- Location map of the company (certified by the village authority);
- Structure of the branch; and
- Other related documents.

Article 29 Changing Name and Ownership of the Enterprise

Changing the name and ownership of the enterprise requires a change in the business license at the Ministry of Industry and Commerce and the investment license at the one stop service investment office of the Ministry of Planning and Investment. After that they may request a change in the operation employment service enterprise license at the Ministry of Labour and Social Welfare.

Article 30 Move the Employment Service Enterprise Location

An employment service enterprise which changes location from that specified in the operation employment service enterprise license shall notify the Ministry of Labour and Social Welfare so that they can coordinate and inform relevant stakeholders.

Section 5

Annulment or Cancellation of an Employment Service Enterprise

Article 31 Annulment or Cancellation

The Ministry of Labour and Social Welfare approves and agrees on a case-by-case basis the annulment or cancellation of an employment service enterprise, to cease enterprise operations on a temporary or permanent basis.

Article 32 Conditions for Annulment or Cancellation

The employment service enterprise shall be annulled or cancelled under the following conditions:

- Where an Order of Annulment is issued by the Government or Labour Management Organization;
- A proposal of annulment from the owner of the employment service enterprise;
- Bankruptcy by a Court Order;
- Continuous loss that cannot be resolved. In this instance, the enterprise shall clear up all unpaid items in line with relevant laws;
- Do not follow the duties as stated in Article 21;
- Do not follow the prohibitions in Article 34;
- Continual complaints reported by workers and the reports of the Provincial or Vientiane Capital Department of Labour and Social Welfare and related sectors;
- Being prosecuted and convicted of human trafficking by the court;
- Operating the business against relevant laws and regulations.

Article 33 Annulment or Cancellation Procedures

The procedures for the annulment or cancellation of an employment service enterprise are as follows:

1. The Labour Management Organization evaluates the activities of the employment service enterprise;
2. The employment service enterprise shall clear all debts, issues relating to workers under their responsibility and other issues;
3. The Labour Management Organization at the central level gives an approval for annulment or cancellation.

Article 34 Documents for Annulment or Cancellation

The documents to apply for annulment or cancellation are as follows:

1. A proposal letter from the employment service enterprise or labour management organization requesting for the annulment of the employment service enterprise;
2. Assessment of activities of the employment service enterprise;
3. Report on the past activities of the employment service enterprise;
4. Other relevant documents.

Section 6 Fees and Service Charges

Article 31 Fees
Fees for an employment service license shall be paid as follows:

- Employment service enterprise to provide services within the country shall pay 500,000 Kip per time;
- Employment service enterprise to provide services within the country and abroad shall pay 1,000,000 Kip per time;
- The license extension of the employment service enterprise within the country is 250,000 Kip per time; and
- The license extension of the employment service enterprise within the country and abroad is 500,000 Kip per time.

Article 36 Service Charges of an Employment Service Enterprise

Service charges for an employment service shall be collected as follows:

- For the dispatch of workers to work abroad, the employment service enterprise shall collect from employers a charge of not more than 3% of one worker's monthly salary as stated in the contract.
- For domestic employment, the employment service enterprise shall collect from employers a charge of not more than 50% of the first monthly salary of the worker. Only a single charge shall be allowed.

Section 7 Prohibitions

Article 37 Prohibitions for the Labour Management Organization

The Labour Management Organization are prohibited from the following:

1. Use authority or position for personal interests, family, relatives and friends;
2. Issue licenses to operate an employment service enterprise against relevant laws and regulations;
3. Delay documents;
4. Create direct and indirect benefits from employment services;
5. Neglect or stop the work of relevant sectors to promote the dispatch of Lao workers to work abroad;
6. Provide false information on dispatching Lao workers to work abroad, especially the demand for labour in the labour market abroad in order for the employment service enterprise to dispatch Lao workers to work abroad;
7. Falsify documents or issue incorrect documents;
8. Facilitate opportunities for enterprises to operate illegal activities;
9. Be careless, negligent, irresponsible and unethical and cause harm to the State, individuals, legal entities or organizations;
10. Demand, accept bribes or act as an intermediary in the giving of bribes;
11. Ask for fees, service charges and use income against the laws and regulations;
12. Other behavior that breaches relevant laws and regulations.

Article 38 Prohibitions for the Employment Service Enterprise

- Employment Service Enterprises are prohibited from the following:
1. Allow other people to use the employment service enterprise license;
 2. Create conditions to prevent different populations from applying to work, especially based on gender, ethnicity and religion and direct or indirect coercion;
 3. Dispatch workers to work abroad without permission;
 4. Hide information on the terms of work within the country and abroad;
 5. Create risk factors for workers to become forced labour or victims of human trafficking;
 6. Recruit workers in the provinces without informing the provincial authorities;
 7. Charge workers employment service fees;
 8. Charge employment service fees more than specified in the laws and regulations;
 9. Collect the deposit fee from workers or assets with the deposit fee to work within the country and for the dispatch of workers to work abroad;
 10. Create a contract that is binding or puts pressure on workers;
 11. Issue exaggerated service advertisement; and
 12. Other behavior that breaches the relevant Laws and regulations.

Section 8 The Labour Management Organization

Article 39 The Labour Management Organization

The Labour Management Organization refers to the Ministry of Labour and Social Welfare, the Provincial and Vientiane Capital Department of Labour and Social Welfare and the District and Municipal Office of Labour and Social Welfare.

Article 40 Rights and Duties of the Ministry of Labour and Social Welfare

- Consider and approve requests and issue licenses for operating employment service enterprises to provide services to workers working domestically and abroad;
- Consider for approval license renewals or annulments of employment service enterprise operations;
- Consider for approval requests for establishing branches of an employment service enterprise;
- Monitor, inspect and evaluate the operations of employment service enterprises in compliance with the laws and regulations;
- Implement measures against employment service enterprises that operate against the law and regulations;
- Provide advice on planning, provide training to build the capacity of employment service enterprise staff;
- Periodically improve the system and mechanism of employment services to match the demand of the labour market and national socio-economic development plan;
- Consider and approve name lists, permission for dispatching Lao workers and issue permits for Lao workers to work abroad;
- Follow up with Lao workers working abroad;
- Coordinate with relevant sectors within the country and abroad to assist workers;

- Support Lao workers who return home to seek employment in the country based on their skills and capacity;
- Develop and improve pre-departure training manuals for dispatching Lao workers to work abroad;
- Undertake other rights and duties in accordance with their roles and responsibilities and relevant laws and regulations.

Article 41 Rights and Duties of the Department of Labour and Social Welfare of the Province and Vientiane Capital

The Department of the Labour and Social Welfare of the Province and Vientiane Capital shall have the following rights and duties:

- Consider requests for operating an employment service enterprise to provide services to workers working in the country and abroad in their localities in order to proceed to the Ministry of Labour and Social Welfare for approval;
- Certify the employment service enterprises activities when proposing the renewal of its operations;
- Consider and propose to the relevant sectors regarding requests for establishing enterprise branches in their localities;
- Periodically monitor and inspect the operations of the employment service enterprises located in their localities in order to report to the Labour Management Organization at national level;
- Coordinate with employment service enterprises, recruit workers to work locally or to work abroad to balance labour supply and demand and avoid labour shortages or unemployment in their localities;
- Provide pre-departure training and confirm the name list of workers in their localities before dispatching workers to work abroad;
- Encourage and promote Lao workers who have completed their employment contracts abroad to work in the country, continue to upgrade and develop their skills, and transfer their knowledge and skills to promote socio-economic development;
- Receive and consider the complaints of individuals, legal entities or organizations related to the activities of employment service enterprises;
- Provide advice and disseminate information on safe work practices, generate income, benefits and reduce poverty among workers;
- Support staff of employment service enterprises who have staff ID cards issued by the Department of Skills Development and Employment;
- Research and propose ways to improve recruitment mechanisms to match local labour market conditions;
- Consider and propose to the Labour Management Organization at the national level for renewal or annulment of employment service enterprises situated in their localities;
- Undertake other rights and duties as described in their roles and as assigned by higher authorities.

Article 42 Rights and Duties of the District and Municipal Offices of Labour and Social Welfare

- Disseminate, monitor and inspect the implementation of the regulations on employment in their localities;

- Together with other District Offices and organizations, the employment service enterprises recruit workers to work in their localities or to work abroad to balance the labour supply and demand to avoid labour shortages and unemployment in districts and municipalities;
- Follow up and support activities under taken by employment service enterprises in their localities;
- Receive and consider the complaints of individuals, legal entities or organizations related to the activities of employment service enterprises;
- Encourage and support Lao workers who have completed their employment contracts abroad to work in the country, continue to upgrade and develop their skills, and to transfer their knowledge and skills to support socio-economic development;
- Collect data on labour demand and labour supply in districts and municipalities;
- Undertake other rights and duties as described in their roles and as assigned by higher authorities.

Section 9

Dispute Resolution

Article 43 Dispute Resolution

Dispute resolution refers to receiving and addressing the proposals from individuals and entities or organizations concerning the operations of an employment service enterprise. It is also for employment service enterprises to propose to resolve disputes with individuals, entities or organizations concerning employment services where both parties cannot reach an agreement after discussion.

Article 43 Receiving and Resolving Disputes

The procedures for receiving and resolving disputes shall be as follows:

1. Submit a proposal letter together with relevant documents at the Provincial and Vientiane Capital Department of Labour and Social Welfare for their consideration;
2. The Provincial and Vientiane Capital Departments of Labour and Social Welfare review and resolve disputes and then report results to the Ministry of Labour and Social Welfare. In cases where they are unable to resolve disputes, they shall submit documents to the Ministry of Labour and Social Welfare for their consideration;
3. The Ministry of Labour and Social Welfare reviews and resolves the disputes. In cases where they are not able to resolve a dispute, the Ministry shall coordinate with other relevant stakeholders to resolve the dispute or submit the complaint to the court for their consideration.

Article 43 Disputes that occur in Receiving Countries

Where disputes occur in countries which receive workers through employment service enterprises resolution must follow the laws and regulations of the receiving countries, the MoU or agreement of the sending organization and the Government.

Section 10

Monitoring and Inspection

Article 46 Monitoring and Inspection

The Labour Management Organization monitors and inspects the operations of employment service enterprises.

Article 47 Contents of Inspections

Inspections of employment service enterprise operations look at the following:

1. Implementation of laws and regulations related to employment services;
2. Recruitment activities;
3. Recruitment of workers for labour units in the country and abroad;
4. Follow up and assisting workers;
5. The implementation duties of employment service enterprises stated in Article 19; and
6. Obligations related to tax and social security.

Article 42 Forms of Inspection

There are three forms of inspection for employment service enterprise operations. They are as follows:

1. Regular inspections are inspections carried out according to a plan on a regular basis and with a fixed schedule;
2. Inspections with advanced notice are unplanned inspections carried out when necessary by notifying the target in advance; and
3. Unannounced inspections are urgent inspections where the target enterprise is not notified in advance.

Section 11

Awards for Outstanding Performers and Penalties for Violators

Article 49 Awards for Outstanding Performers

The employment service enterprise that achieves remarkable accomplishments concerning the implementation of this Agreement certified by the Board and the Labour Management Organization, shall receive awards and other forms of recognition according to the laws and regulations.

Article 50 Criteria for Outstanding Performers

The employment service enterprises that receive awards shall meet the following criteria:

- Achieve the targets set by the Ministry of Labor and Social Welfare;
- Follow up, manage and assist workers;
- Workers sent to work abroad were not exploited and are not victims of human trafficking;
- There are no complaints from workers;

- Activities of the employment service have been reported to the Ministry of Labour and Social Welfare on a regular basis;
- The duties of employment service enterprises specified in Article 19 have been performed effectively.

Article 51 Penalties for Violators

Measures against violators are as follows:

1. Where the Labour Management Organization violates this Agreement measures shall be taken as specified in relevant laws and regulations;
2. Where employment service enterprises violate the prohibitions measure will be taken as follows:

First violation: warning, compensation and fine 10% of the value of the compensation;

Second violation: compensation and fine up to 30% of the value of the compensation;

Third violation: compensation and fine up to 60% of the value of the compensation;

Fourth violation: temporary suspension of activities; and

Fifth violation: cancellation of the license for establishing the employment service enterprise.

In the case of losses to workers or relevant organizations, violators shall be prosecuted according to the laws and regulations.

3. Where employment service enterprises and contract partners who accept workers do not obey or follow the contract, they shall be fined or taken to court.
4. Individuals or entities that operate an employment enterprise without approval as specified in the law, shall be reeducated and fined 10,000,000 Kip per time. They shall also be informed to cease their activities immediately. If any harm or loss has occurred to workers and organizations the violators shall be prosecuted according to relevant laws and regulations;
5. Individuals who receive the services of employment service enterprises and violate this Agreement, shall be reeducated, fined or prosecuted according to the law.

Section 12 Final Provisions

Article 52 Implementation

The Department of Skills Development and Employment, the Department of Labour and Social Welfare of the Provinces and Vientiane Capital, and the District Offices of Labour and Social Welfare and municipalities take the lead on strict implementation of this Agreement.

Article 53 Effectiveness

This Agreement replaces Agreement No.043/ MoLSW, dated 12th January 2011. Any previous agreements, which are in contradiction with this Agreement are hereby annulled. This agreement shall become effective from the date of its signature onward.

Minister

Baikham Khattiya



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