

Unofficial translation



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

Ministry of Post and Telecommunications

**No.: 2744/MPT
Vientiane Capital, 15 September 2016**

DECISION

on

Determination of Telephone and Internet Fees and Principles of Sales Promotions

- Pursuant to the Law on Telecommunications (amended), No. 09/NA, dated 21 December 2011;
- Pursuant to the Decree of the Prime Minister on the Organization and Operation of the Ministry of Post and Telecommunications, No. 303/PM, dated 26 September 2011;
- Pursuant to the Review and Request of the Department of Telecommunications, No. 751/DoT, dated 01 July 2016.

The Minister of Post and Telecommunications hereby issues a Decision:

**CHAPTER I
General Provisions**

Article 1 Objectives

This Decision defines principles, regulations, and measures regarding the determination of telephone and internet fees and sales promotions in order to ensure that telephone and internet services will be provided on a uniform and proper basis and to support telephone and internet services to be effective and efficient with the aim of fair and transparent competition, protection of the legitimate rights and benefits of all service users, and contribution to the national economic development.

Article 2 Determination of Telephone and Internet Fees and Principles of Sales Promotions

The determination of telephone and internet fees and principles of sales promotions of telecommunications services refers to the stipulation of telephone and internet fees, rentals, network connection fees, domestic transit fees via the Lao National Internet Center (LANIC), sale of SIM cards, bonus and refill cards, principles of sales promotions, advertisements, and timeframe for sales promotions of telecommunications services to be in accordance with the national economic development plan and telecommunications business operation plan, on an equal, fair and on the principle of protecting the rights and benefits of service providers basis

as well as ensuring regular collection revenue properly, accurately and fully into the National Treasury.

Article 3 Definitions

Terms used in this Decision shall have the following meanings:

Services: refers to telephone or internet services which can be one or more services combined as a package such as voice, short message, internet, and other supplementary services;

Supplementary services: refers to additional services besides audio and data services such as services of news on a mobile phone, ring-back tones, multimedia, and others;

Telephone and internet fees: refers to fees for the use of telephone and internet services collected by the telecommunications and internet service providers from service users;

Rental fees: refers to monthly maintenance fees paid by a service user to a service provider;

Network connection fees: refers to fees for network connection among domestic telecommunications companies or between the LANIC and domestic networks;

Transit fees via LANIC: refers to the collection of maintenance fees for the provision of telecommunications, telephone, internet, and other services through LANIC to domestic telecommunications networks which are to be collected from individuals, legal entities, or organizations that provide services and from those who have a business operating license for telecommunications, telephone, internet, and other services;

LANIC: refers to the Lao National Internet Center;

SIM cards: refers to SIM cards of mobile phones, wireless home telephones and other communications devices that have numbers and information of a service user, which shall be registered prior using;

Telephone SIMs: refers to SIM cards which are used mainly for making calls and other services are secondary such as internet, supplementary services, and others;

Net SIMs: refers to SIM cards which are used mainly for internet and other services are secondary such as short messages and other supplementary services;

Wired telephones: refers to a type of telephone that receives/transmits signals through copper wire or fiber optic installed at a house or office;

Wireless telephones: refers to a type of telephone that receives/transmits signals by frequency waves similar to a mobile phone within a limited area;

Post-paid: refers to a type of mobile phone where a service user duly registers and pays monthly rental and telephone fees;

Pre-paid: refers to a mobile phone that a service user duly registers and pays telephone fees in advanced by refilling the phone credit prior using;

Bonus: refers to calling time, credit balance, amount of data, and number of short messages that a service provider grants as gifts to a service user;

Mobile phone internet services: refers to the internet connection on a mobile phone or other communication devices to telecommunications network of a service provider;

Wired internet: refers to the provision of internet service to an x Digital Subscriber Line (xDSL) and Fiber Optic (FTTx) so that a service user can connect to the internet;

Wireless internet: refers to the provision of internet service to a service user through a wireless network such as WiFi and WiMax so that a service user can connect to the internet;

Leased line: refers to the provision of internet service to a service user directly through a transmission line by using Fiber Optic so that a service user can connect to the internet.

Article 4. Scope of Application

This Decision applies to service providers and users of telecommunications and internet services countrywide.

CHAPTER II
Rental, Telephone, Internet, and Network Connection Fees
and Transit Fees via LANIC

Article 5 Telephone and Internet Rental Fees

5.1 Telephone Rental Fees

| No. | Types | Rental Fees |
|-----|------------------------|------------------|
| 1 | Wired telephone | 15,000 Kip/month |
| 2 | Wireless telephone | 0 Kip/month |
| 3 | Post-paid mobile phone | 25,000 Kip/month |
| 4 | Pre-paid mobile phone | 0 Kip/month |

5.2 Internet Protocol (IP) Rental Fees

| No. | Type | Internet Protocol (IP) | Prefix | Fee |
|-----|------|------------------------|--------|---------------------|
| 1 | IPv4 | 1 – 4 | /30 | 40,000 Kip/IP/month |
| 2 | | 5 – 16 | /28 | 35,000 Kip/IP/month |
| 3 | | 17 – 32 | /27 | 30,000 Kip/IP/month |
| 4 | | 33 – 64 | /26 | 25,000 Kip/IP/month |
| 5 | | 65 – 256 | /24 | 20,000 Kip/IP/month |
| 6 | | 257 – 1024 | /22 | 18,000 Kip/IP/month |
| 7 | | More than 1024 | | 15,000 Kip/IP/month |
| 8 | IPv6 | 1 – 1,024 | /64 | 2,500 Kip/IP/month |
| 9 | | 1,025 – 2,048 | /65 | 2,000 Kip/IP/month |
| 10 | | 2,049 – 4,096 | /66 | 1,800 Kip/IP/month |
| 11 | | 4,097 – 16K | /60 | 1,600 Kip/IP/month |
| 12 | | 16K – 32K | /69 | 1,400 Kip/IP/month |
| 13 | | 32K – 128K | /57 | 1,200 Kip/IP/month |
| 14 | | 128K – 512K | /55 | 1,000 Kip/IP/month |
| 15 | | More than 512K | | 800 Kip/IP/month |

Article 6 Domestic and International Telephone and Short Message Fees

6.1 Telephone and Short Message Fees within the same Network and across the Network in Country:

| No. | Types | Within the same Network | Across the Network | Remarks |
|-----|-------------------------|-------------------------|--------------------|---|
| 1 | Home telephone | 250 Kip/Minute | 250 Kip/Minute | Calculated in Kip/second based on actual call |
| 2 | Wireless home telephone | 250 Kip/Minute | 250 Kip/Minute | |
| 3 | Post-paid mobile phone | 300 Kip/Minute | 300 Kip/Minute | |
| 4 | Pre-paid mobile phone | 750 Kip/Minute | 750 Kip/Minute | |
| 5 | Short message | 100 Kip/time | 100 Kip/time | |

6.2 International telephone and short message fees

| No. | Types | Remarks |
|-----|-------------------------|---|
| 1 | Home telephone | Minimum charge 1,600 Kip/minute + foreign fee based on area |
| 2 | Wireless home telephone | |
| 3 | Post-paid mobile phone | |
| 4 | Pre-paid mobile phone | |
| 5 | Short message | Minimum 500 Kip/time |

Article 7 Internet Fees

7.1 Mobile Phone Internet Fees

| No. | Types | Fees |
|-----|---|--------------|
| 1 | Use of internet via mobile phone | 150 Kip/MB |
| 2 | Use of internet via mobile phone in the form of package | |
| 2.1 | Telephone SIM | 40 Kip/MB |
| 2.2 | Net SIM | 30 Kip/MB |
| 2.3 | Limited speed | |
| | 128 kbps | 5000 Kip/day |

7.2 Wireless Internet Fees

Wireless internet fees are divided into two parts: installation fees and internet service fees.

- Installation and connection device fees are stipulated in the specific service provider regulations.

The wireless internet fees are set out in the following table:

| No. | Type | Fee |
|-----|---|-------------------|
| 1 | Use of internet via mobile phone | 30 Kip/MB |
| 2 | Use of wireless internet in the form of a package | |
| 2.1 | Limited speed (unlimited data) | |
| | 512 kbps | 3000 Kip/MB |
| | 1 Mbps | 5000 Kip/MB |
| | 2 Mbps | 8000 Kip/MB |
| | 3 Mbps | 4000 Kip/Mbps/day |
| 2.2 | Limited data (unlimited speed) | 10 Kip/MB |

7.3 Wired Internet Fees

Wired internet fees are divided into two parts: installation fees and internet service fees.

- Installation and connection device fees are stipulated in the specific service provider regulations.
- The wired internet fees are set out in the following table:

| No. | Types | Fees |
|-----|----------------|------------------------|
| 1 | 512 Kbps | 130,000 Kip/month |
| 2 | 1 Mbps | 200,000 Kip/month |
| 3 | 2 Mbps | 350,000 Kip/month |
| 4 | 3 Mbps or more | 120,000 Kip/Mbps/month |

7.4 Leased line

Installation, connection devices, and leased line service fees are stipulated in the specific service provider regulations.

Article 8 Transit Fees via the Lao National Internet Center and Domestic Network Connection Fees

| No. | Types | Transit Fees through LANIC | Network Connection Fee |
|------------|-------------------------|-----------------------------------|-------------------------------|
| 1 | Home telephone | 5 Kip/minute | 100 Kip/minute |
| 2 | Wireless home telephone | 5 Kip/minute | 100 Kip/minute |
| 3 | Post-paid mobile phone | 5 Kip/minute | 100 Kip/minute |
| 4 | Pre-paid mobile phone | 5 Kip/minute | 100 Kip/minute |
| 5 | Short message | 5 Kip/time | 50 Kip/time |

CHAPTER III

Sale of SIM Cards, Bonus and Refill Cards

Article 9 Granting Bonus in selling SIM Cards

The cheapest SIM card is 10,000 Kip per SIM card and users can be awarded with a calling time, credit balance, amount of data, and number of short messages once per SIM card. Granting bonuses cannot be cumulative and details are in the following table:

| No. | Types of Bonus | Amount (not exceed) | Unit (per SIM Card) |
|------------|-----------------------------|----------------------------|----------------------------|
| 1 | Mobile phone | | |
| 1.1 | Calling time | 10 | Minute |
| 1.2 | Credit Balance | 5,000 | Kip |
| 1.3 | Data | 300 | MB |
| 1.4 | Domestic short message | 10 | Message |
| 1.5 | International short message | 5 | Message |
| 2 | Wireless home telephone | | |
| 2.1 | Calling time | 20 | Minute |
| 2.2 | Credit Balance | 5,000 | Kip |
| 2.3 | Domestic short message | 10 | Message |
| 2.4 | International short message | 5 | Message |

Article 10 Discount on Sales of SIM Card and Refill Card

10.1 Discount on Sales of Refill Card

| No. | Purchased Value/Time | Discount (percentage) |
|------------|-----------------------------------|------------------------------|
| 1 | From 100,000 to 9,999,999 Kip | 8% |
| 2 | From 10,000,000 to 99,999,999 Kip | 8.5% |
| 3 | 100,000,000 Kip or over | 9% |

10.2 Discount on Sales of SIM Card

| No. | Number of Purchased SIM Card/Time | Minimum Price/SIM Card |
|-----|-----------------------------------|------------------------|
| 1 | From 2 to 9 SIM cards | 10,000 |
| 2 | From 10 to 99 SIM cards | 8,500 |
| 3 | From 100 to 999 SIM cards | 8,000 |
| 4 | From 1,000 to 9,999 SIM cards | 7,500 |
| 5 | 10,000 SIM cards or over | 7,000 |

CHAPTER IV Principles and Forms of Sales Promotions

Article 11 Principles of Sales Promotions

The principles of sales promotions consist of four types as following:

1. Sales promotions of telephone, short message, and internet services;
2. Sales promotions of packages and free items;
3. Sales promotions with prizes awarded;
4. Sales promotions of new products service type.

Article 12 Sales Promotions of Telephone, Short Message, and Internet Services

The sales promotions of telephone, short message, and internet services can be organized after the end of bonus period of SIM card registration, which can be a fee discount not exceeding 15% of telephone fees, 5% of short message fees, and 3% of internet fees in this Decision.

Article 13 Sales Promotions of Package and Free Items

The sales promotions of package that combine several services and free items can be a fee discount in accordance with Article 12 of this Decision, and the sale of products at a price lower than their purchased cost is prohibited.

Article 14 Sales Promotions with Prize Awarded

Sales promotions with prizes awarded can be conducted by granting item as prizes. If a service user wishes to change a prize for a refill card, they can do so if the prize value does not exceed 100,000 Kip, but the prize cannot be given as cash. Expenditure associated with inspection and acceptance of prizes is under the responsibility of a service provider without deducting any costs from a service user.

Article 15 Sales Promotion of New Products Service Type

Sales promotions of new products service type can be made and shall be in accordance with Article 12 of this Decision. The timeframe of the sales promotions shall not exceed thirty days per year.

Article 16 Advertisement and Timeframe of Sales Promotions

The advertising contents of all kinds of sales promotions shall be proper, transparent, and ensure quality based on technical standards and in compliant with regulations issued by the Ministry of Post and Telecommunications. A service provider shall advertise and inform service users 15 days prior to each sales promotion.

A service provider shall ensure a minimum period of not less than seven days between each sales promotion and the total timeframe of sales promotions shall not exceed ninety days per year per type of sales promotion.

A service provider shall determine a method for registration, inspection, and cancellation of services based on the type of sales promotions on a clear system, and easy to understand and publish for service users.

Organization of any sales promotions other than those stipulated in this Decision, a service provider shall propose to the Ministry of Post and Telecommunications for approval consideration.

Article 17 Conditions for Organizing Sales Promotions

For sales promotions, a service provider shall comply with the following conditions:

1. To comply with the principles of sales promotions as stipulated in this Decision;
2. To have a plan for annual and quarterly sales promotions;
3. To ensure accuracy of price, quantity, quality, and service type as stipulated;
4. To have a valid telecommunications business operating license.

CHAPTER V Reporting and Monitoring System

Article 18 Reporting System

Each time a sales promotion is organized, a service provider shall report to the Ministry of Post and Telecommunications prior to advertising for sales promotions implementation monitoring to be compliant with this Decision.

Article 19 Monitoring

The Ministry of Post and Telecommunications is responsible for monitoring, accepting petitions, and resolving issues regarding sales promotions, competition, quality, and telephone and internet fees which are not compliant with this Decision.

CHAPTER VI Prohibitions, Awards for Good Performance and Measures against Violators

Article 20 Prohibitions

Apart from the types of sales promotions stipulated in Article 11, a telecommunications service provider is prohibited from:

1. Awarding a home telephone, a mobile phone, a SIM card, or an internet protocol for free;
2. Awarding prizes to a person who does not duly register their number;
3. Advertising sales promotions in an exaggerated and deceptive manner, taking advantage of a service user in terms of quality, usage, and telephone and internet fees.

Article 21 Awards for Good Performance

Individuals, legal entities, and organizations that have outstanding performance in the implementation of this Decision will receive awards or other policies as appropriate.

Article 22 Measures against Violators

Individuals, legal entities, and organizations that violate this Decision will be educated, fined, punished depending on the severity of each case in accordance with laws and regulations.

Article 23 Fine Measures

A telecommunications service provider that violates this Decision shall be fined once certified by the monitoring committee of the Ministry of Post and Telecommunications and if it is a criminal case it shall be implemented in accordance with laws and regulations of government.

CHAPTER VII Final Provisions

Article 24 Implementation

The Ministry of Post and Telecommunications assigns the Department of Telecommunications to coordinate with relevant authorities in implementing this Decision.

Article 25 Effectiveness

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

This Decision replaces the Decision on Telephone Fees, No. 993/PMO.NAPT, dated 16 June 2011 and Notice on Determination of Overall Principles regarding Sale Policy and Types of Promotions, No. 1820/MPT.PO, dated 13 December 2011.

Any decisions and regulations that conflict with this Decision shall be canceled.

Minister of Post and Telecommunications

[Signature and Seal]

Dr. Thansamay KOMMASITH