

Unofficial Translation

**Lao People's Democratic Republic**

**Peace Independence Democracy Unity Prosperity**

**Prime Minister**

**No. 12/PM**

**Vientiane Capital, dated 16 October 2019**

## **Order**

### **On facilitation of import and export of goods, temporary import, transshipment and products movement in Lao PDR**

**To: Ministries, relevant government agencies, provincial and Vientiane capital of Lao PDR.**

- Pursuant to the Law on the Government, No. 04/NA, dated 08 November 2016;
- Pursuant to the Decree on Import and Export of Goods, No.114/GM, dated 06 April 2011;
- Pursuant to the Proposal from the Minister of Industry and Commerce, Deputy Director of Trade Facilitation Committee, No.032/IEAA, dated 08 May 2019.

Regarding the government policy on improvement on conditions on procedure of doing business and facilitating the import and export of goods, temporary import, transshipment and product movement in Lao PDR, avoiding trade obstacles aimed at developing socio-economy and trade in Lao PDR.

### **Prime Minister issues an order to:**

1. Authorizing, certification for import and export of goods, temporary import and transshipment.

Ministries, relevant government agencies and local administrations in Lao PDR relating to rules and responsibilities that relate to licensing, certification for import and

export of goods, temporary import and transshipment aim to improve and reduce the procedure in a timely manner as follows:

1.1 Assign to industry and commerce sector (MOIC) to coordinate with the finance sector, public work and transportation sector, agriculture and forestry sector, health sector, science and technology sector, energy and mines sector and relevant government agencies shall be as follows:

(1). To review the regulations and procedure on licensing, certificate for import and export of goods and be responsible for promotion and administration in order to enable convenient and expeditious processing aiming to reduce the time at least 50% and expenditure and documents 30%. In 2022 follow the action plan for trade facilitation 2017-2022. If the existing obligations are inconvenient and complicated, they shall be improved or removed.

(2). Consider and improve standard of non-tariff measures (NTMs) for import and export of goods, aim to protect life, health care of human and animal breeding, guarantee of products to the consumers, ensure national security and environmental protection, particularly on sanitary and phytosanitary measures (SPS) and technical regulations and application of trade remedy measures (TBT) and another measurements related to compliance with international agreements and treaties to which Lao PDR is a party of.

(3) Contribute and disseminate measures of services including: procedure, check list, fees and processing times to be accurate and aim to improve every year. Improve processing of internal documents ensuring expedient, immediate review of documents received. If such document is compliant with the procedure, it shall be submitted to the division responsible for screening and be considered by director of department for approval. On the other hand, if documents are not fully completed, the applicant shall be promptly notified.

(4) Improve the regulations related to temporary import and transshipment of goods to improve any obstacles on processing, check list and administration of business including expiration of license and certificate.

(5) Improvement of process and documents at checkpoints for export of goods for relevant government agencies for consistency of forestry and mining products. In the same way, relevant government agencies for one sector should be have one

representative monitoring and auditing, container packing and sign on recorded as evidence.

1.2 Assign to finance sector to coordinate with relevant government agencies as follows:

(1) Promoting use of technology system especially national system on authorization of business certification and fees and services.

(2) Improving procedure and timely screening and consideration for investment activities listed in the import master list to facilitate loan projects and non-profit projects from abroad that promote tax policy and consistency, particularly certification or business plan which has been approved from relevant sector before request to finance sector for consideration.

1.3 Assign to planning and investment sector (MPI) to coordinate with relevant government agencies to improve procedure on screening and consideration on master list to facilitate enterprise to invest on tax policy by government to expedite, particularly to certify and approve business plans to relevant sectors before request to planning and investment sector for consideration.

## 2. Procedure on checkpoint

Ministries, relevant government agencies and local administrations have legitimate right and responsibility to check products at border and airport checkpoints shall endeavor to improve and reduce procedure and time as follows:

2.1 Assign to home affairs sector to coordinate with finance sector, agriculture and forestry sector, health sector, transportation and public work sector and relevant sectors to reorganize the organization structure and legitimate right and responsibility to relevant departments at checkpoints as follows the Decree on Checkpoints and International Airport, No. 558/GO, dated 31 December 2018.

2.2 Assign to finance sector to coordinate with industry and commerce sector, agriculture and forest sector, health sector, energy and mine sector and relevant sectors as follows:

1) Facilitate export of products at borders particularly wood products and mining products that are monitored and audited and container packing signs to record evidence and authorized by the committee from relevant government agencies. If goods arrive at the checkpoint do not authorize to open in case there are customs doubts or notice from evidence.

- 2) Contribute mechanisms for checking products for relevant departments at checking point (custom, detain seed production-animal breeding, food and drugs) and operate according to measurement of risk management and audit for reducing procedures, timing and expenditure on release of products.
- 3) Contribute and develop the import and export statistic system and audit of master list system in each checkpoint by connecting with relevant sectors who preserve products to follow up and request self-committee for expedient and efficiency operation.
- 4) Develop system for payment, fees and services on one stop technology system by using national system accessible by relevant departments at checkpoints to guarantee income to the budgets of government transparently and efficiently.
- 5) Research, contribute and improve regulations to facilitate audits for animal products, contaminated products and express products.
- 6) Promoting entrepreneurship using advanced certificate mechanism and prior customs notification.
- 7) Capacity building for entrepreneurs to operate efficiently and sustainability on authorized economic Operator (AEO).
- 8) Procedure on checking products and publish to society for acknowledgment.

### 3. Movement of products in Lao PDR.

Assign to Ministries, relevant government agencies and local administrations in Lao PDR legitimate right and responsibility on directions of movement of products in Lao PDR and shall operate to improve and reduce procedure and timing as follows:

3.1 Assign to agriculture and forestry to review the regulations and procedures on authorization of licenses and certificates for movement of products particularly agricultural products, animal breeding and contaminated wood and forest products to reduce the process and unnecessary checklist at district and provincial level.

3.2 The checkpoint on transport route or movement of products in Lao PDR only has 03 sectors as follows:

- (1) National defense sector: providing only traffic police booth and highway police to check documents related to car and driving according to the traffic law and excludes audit of products.
- (2) Public work and transportation sector shall have only checkpoint to check the weight of products and size of truck, excludes audit of products.

(3) Finance sector coordination point to prevent smuggling or in case customs doubts or prior evidence.

In necessary cases, relevant government agencies can be a temporary check point approved by governor or Vientiane major and be set up in a timely manner. The audit of products shouldn't have a barrier on movement of products and the opening of products that unrelated is prohibited.

#### **4. Implementation**

4.1 Assign to Ministry, line ministries and administration of provincial to implement this command and annex 01 strictly.

4.2 Assign to industry and commerce sector, the office of committee of trade facilitation of central level and provincial, capital to coordinate with relevant persons to efficiently promote and implement this command. If there is obstacles in collaborating with the Committee of Trade Facilitation of central and provincial level, it shall be reported to the government to improve.

#### **5. Entry into force**

This command shall enter into force from the date of signature and after fifteen days of its publication on the official gazette.

This law shall replace the command of prime minister on command on the facilitation on import and export of goods and product movement in Lao PDR, No. 24/PM, dated 22 September 2004.

Prime Minister,

(Signed and Sealed)

Thongloun SISOULITH