

[National Emblem]

**LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY**

Ministry of Industry and Commerce

No. 1791/MOIC.DOIT

Vientiane Capital, dated 18 December 2018

Order

**on the control of tobacco products
regarding minimum wholesale and retail price**

- Pursuant to the Decree on the Organization and Implementation of the Ministry of Industry and Commerce, No. 230/PM, dated 24 July 2017;
- Pursuant to the Decree on the Management of Goods Price and Services Fees, No. 474/PM, dated 18 November 2010;
- Pursuant to the Notice of Prime Minister's Office No. 1822/PMO.DORC, dated 31 October 2018 on seeking feedback in order to consider trailing the retail price of tobacco at 4.000 per one pack.

In order to reduce access to tobacco by minors or persons on low income and to limit the effects of tobacco products and related smoke on health.

The Minister of the Ministry of Industry and Commerce issues Order:

1. Retailers of tobacco products that produce domestically and those who import from abroad for the purpose of distribution in Lao PDR shall sell tobacco products at a minimum amount of four thousand (4.000) Kip per pack.
2. Wholesale pricing of tobacco products for producers, importers and agents shall not be less than thirty thousand (30.000) kip per dozen.
3. The Department of Industry and Commerce at provincial level and Vientiane Capital shall liaise and instruct the Office of Industry and Commerce at district and municipal level with respect to the publication and instruction of this Order to tobacco factories, agents, markets and shops within its responsibilities as follows:
 - 3.1 manage the retail price of tobacco produced domestically and imported for distribution in Lao PDR which sold in markets, shops and other places at the minimum amount of not less than four thousand kip (4.000 kip) per dozen.
 - 3.2 Publish and instruct the contents of this Order to tobacco factories, markets, shops and places that sell tobacco products within 30 days from the effective date.
 - 3.3 After publication and instruction of this Order, the Department of Industry and Commerce at provincial level and Vientiane Capital and the Office of Industry and Commerce at district level shall appoint committees to monitor markets, shops and other places that sell tobacco products. If there are the violation of this Order, the measures as defined in the Decree No.

474/PN, dated 18/11/2010 on the Management of Goods Price and Services Fees shall be implemented as below:

- 3.4 The first violation shall be a fine from five hundred thousand kip to one million kip (500.000 kip to 1.000.000 kip) per time per item, an oath letter is required;
 - 3.5 Second violation shall be fine from one million kip to two million kip (1.000.000 kip to 2.000.000 kip) per time per item, an oath letter is required;
 - 3.6 Third violation shall be fine double of the first violation per time per item and all tobacco products must be seized to be the State's assets.
4. If there are any issues with the implementation of this Order, the Department of Industry and Commerce at provincial level and Vientiane Capital shall report to the Ministry of Industry and Commerce (the Department of Internal Trade) every 3 months to find solutions.
 5. The Department of Internal Trade shall be responsible for liaising with the relevant authorities to monitor and advise the Department of Industry and Commerce at provincial level and Vientiane Capital on the implementation of this Order.
 6. The Department of Industry and Commerce at provincial level and Vientiane Capital and the Office of Industry and Commerce at district level within the Lao PDR shall strictly implement this Order in order to achieve the desired outcome.
 7. The Tax Office shall calculate the minimum tax based on four thousand kip (4.000 kip) per pack.
 8. This Order is effective from the date of signature and published on the official gazette website for fifteen (15) days.

This Order replaces the Order on the control of tobacco products by defining the minimum price No. 0896/MOIC.DOIT, dated 11 May 2005.

**Minister of the Ministry and Industry and
Commerce
(Signed and Sealed)
Mrs. Khemmany Pholsena**

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| - Executive Officials at MOIC | "for information" |
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| - Lao National Chamber of Commerce and Industry | "for instructing business sectors" |
| - Business sectors which produce/distribute tobacco products in Laos | "for implementation" |