



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Government

No. 470/GoV

Vientiane Capital, dated 27/12/2019

DECREE
On Vehicle Business Management

- Pursuant to the Law on the Government of the Lao PDR, No. 4/NA, dated November 8, 2016;
- Pursuant to the Law on Enterprise, No. 46/NA, dated December 26, 2013;
- Pursuant to the requested by the Minister of Industry and Commerce No. 1823/MOIC, dated December 17, 2019.

THE GOVERNMENT OF LAO PDR ISSUES THIS DECREE

PART I
GENERAL PROVISIONS

Article 1 Objective

This Decree defines the principles, regulations and measures for the management and monitoring of vehicle businesses in Lao PDR in order to ensure such work is implemented properly in accordance with the relevant laws and regulations, to protect rights and benefits of business entrepreneurs, consumers and the state and to contribute to national socio-economic development.

Article 2 Vehicle Business Management

Vehicle business management determines the requirements, establishment measures, operation and monitoring the movement of vehicle businesses.

Article 3 Explanation of Terms

The terms used in this Decree have the following meanings:

1. **Vehicle businesses** means businesses operations related to import, export, distribution, production and assembling of vehicles.
2. **Vehicles** means engine powered road vehicles that have 2 wheels or more.
3. **Applied vehicles** means used vehicles that are sold or transferred to other individuals for further utilization.
4. **Vehicle Distribution Facilities** means a place to exhibit and distribute vehicles, which has been constructed according to the required standards as set out in related regulations;

5. **Auto parts of vehicle** mean the composition of vehicles in the form of single pieces, parts to be used for assembling into vehicles;
6. **Semi Knocked Down (SKD)** means a set of parts which have been partly put together (approximately 50%) which are divided into parts.
7. **Completely Knocked Down (CKD)** means the fully non-assembled parts divided into different parts except its engine part or battery for electric vehicle, which has been imported from a specific country to assemble in factories in Lao PDR.
8. **Incompletely Knocked down (IKD)** means the fully non-assembled parts divided into different small parts like CKD imported from a specific country to assemble in the factory but not complete, some spare parts and auto parts are manufactured and finished within the country;
9. **Attorney letter from parent company** means a certified letter on the right to import, export, to represent, produce vehicle spare parts, produce and/or assemble vehicles.

Article 4 Policy on Vehicle Business Management

The state acknowledges and protects the right to operate vehicle businesses in business sectors run under the laws and regulations.

The state promotes the use of vehicles with clean and environmentally friendly energy such as: electric energy, solar power, bio-fuel in order to reduce the use of vehicles that will affect the environment and to comply with the green development strategy.

The state promotes domestic production for swift production of vehicles, vehicle spare parts and vehicle assembly by providing tax, customs policies and others.

Article 5 Principles related to Vehicle Businesses

Vehicle businesses will be carried out according to the following principles:

1. Compliance with policies, laws and regulations;
2. Manage and adapt vehicle business units according to the market mechanism of each period and limit the use of vehicles to avoid affecting the environment.
3. Protect the rights and benefits of business entrepreneur, consumers and states.
4. Comply and respond to the demand of national socio-economic development.
5. Comply with treaties and international conventions that Lao PDR is a party to.

Article 6 Scope of Application

This Decree applies to individuals, legal entities and public and private organizations both national and foreign, who are operating vehicle businesses in Lao DPR excluding importing vehicles to use for specific technical work.

PART II

TYPES OF VEHICLE BUSINESS

Article 7 Types of Vehicle Businesses

There are three types of vehicle business as follows:

1. Vehicle import-export business
2. Vehicle Distribution Business
3. Vehicle Production and/or assembling

Article 8 Vehicle Import-Export Business

Vehicle import-export businesses are businesses related to vehicle importation providing wholesale vehicle distribution services, re-export, agents or purchasing vehicle from producers or assemblers in Lao PDR to distribute domestically and export to other countries.

Article 9 Vehicle Distribution Business

Vehicle Distribution Business means a business related to wholesale retail sales of vehicles and/or used vehicles that can be sold or representing certain or multiple vehicle brands which cannot be imported and exported.

Article 10 Vehicle Production and/or Assembling Business

Vehicle production and/or assembling business means business related to producing and/or assembling vehicles by producing, importing or purchasing whole or some auto parts from a domestic producer to then assemble into complete vehicle, then distribute within the country or foreign countries.

Vehicle production and/or assembly can be wholesale to domestic business entrepreneur and can be directly exported. If the business requires to distribute in retail form, they should follow the requirement in Article 22 of this Decree.

PART III

ESTABLISHMENT AND OPERATION OF VEHICLE BUSINESSES

CHAPTER 1

ESTABLISHMENT AND OPERATION OF VEHICLE IMPORT AND EXPORT BUSINESSES

Article 11 Establishment and operation procedure of vehicle import-export business

Establishment and operation procedures of vehicle import-export businesses should have the following steps:

1. Register for business license
2. Request for vehicle import-export business operation permission

Article 12 Register for business license

Individuals, legal entities in the country and in foreign countries aiming to operate vehicle import-export business should register for a business license in accordance with the Law on Enterprise and relevant regulations.

Registered capital for vehicle import-export business should be as follows:

1. 4 billion kip registered capital for vehicle import-export business with two or three wheels.
2. 50 billion kip or more for vehicles with four or more wheels.

Article 13 Request for vehicle import-export business operation permission

After receiving a business license, a business unit should request for vehicle business operation and export permission before starting the business, according to regulations imposed by Ministry of Industry and Commerce.

The request for vehicle business operation and export permission should have following documents:

1. Application form for business operation permission issued by the Ministry of Industry and Commerce.
2. Letter of attorney from parent company or branch appointed by the parent company.
3. Business license
4. Guideline on business operation permission issued by Enterprise Registration Office.

After receiving complete and accurate documents, relevant officials should issue a letter of vehicle import-export business operation permission no later than 5 business days from the date receiving the application.

Article 14 Requirement for Vehicle Import and Export Business Operation

1. Having valid vehicle business operation and export permission letter.
2. Valid letter of attorney from parent company
3. Valid bank account under relevant laws and regulations
4. Having deposit account in the bank located in Lao PDR and the purchase of vehicles should be paid through bank account.
5. Having after sales service office or agency that are able to do after sales service with spare parts and enough equipment for specific after sales service, and having at least two qualified mechanics through certified mechanical courses.

Vehicle import and export business that are established and operated before this Decree should be adapted according to the requirements mentioned in this Article within one year period from the date this Decree enters into force.

Article 15 Vehicles Import

Vehicles importation should be operated by eligible vehicle import and export enterprises, as provided in Article 14 of this Decree.

Imports of each vehicle should have clear origins, be imported through an international border and permitted by the Ministry of Industry and Commerce, following the technical requirements determined by the Ministry of Public Work and Transportation.

Article 16 Vehicle Export

Vehicle export should be operated by vehicle import and export enterprises, producers and/or vehicle assemblers located in Lao PDR.

The export of vehicles should be through international borders and compliant with technical standard of destination country.

Article 17 Importing vehicles for re-export purpose

Importing vehicles for re-export is the importing of vehicles into Lao PDR for distribution, as record in an inventory identified by related sectors, which are then re-exported as they could not be distributed, registered and utilized in Lao PDR.

Importing of vehicles for re-export should be operated by vehicle import and export enterprises that could fulfill all requirements set out in Article 14 of this Decree and should be approved by the parent company.

Importing of vehicles for re-export should be done by entering into warranty agreement with the Ministry of Finance and approved by the Ministry of Industry and Commerce, and should be imported and exported through international borders and transported across identified route and should export within fifteen days from the import day and should export the same amount imported, which was certified by the Ministry of Finance. If an enterprise fails to re-export within the aforementioned period, they may propose to Ministry of Industry and Commerce for extension but not more than 15 days. If the extension is over and an enterprise still has not re-exported the required amount, tariff, tax and other obligations will be imposed in accordance with the regulation on import for distribution.

The required documents for importing to re-export consist of transport service agreement, purchase agreement in origin and destination country and other relevant documents as provided by the law and regulations.

CHAPTER 2

ESTABLISHMENT AND OPERATION OF VEHICLE DISTRIBUTION BUSINESSES

Article 18 Establishment and operation of vehicle distribution businesses

Establishment and operation of vehicle distribution businesses should follow the steps below:

1. Register for business license
2. Request for vehicle distribution facility construction permission
3. Request for vehicle distribution business operation permission

Article 19 Register for Vehicle Distribution Business License

Individuals, legal entities in the country and in foreign countries aiming to operate vehicle distribution business should register for a business license in accordance to with the Law on Enterprise and relevant regulations.

1. 1 billion or more of registered capital for vehicle with two or three wheels.
2. 50 billion kip or more of registered capital for vehicles with four or more wheels

Article 20 Request for vehicle distribution facilities construction permission

After receiving a business license, business units should request to the public works and transportation sector to construct vehicle distribution facility according to laws, related regulations and requirements of the parent company.

Article 21 Request for vehicle distribution business operation permission

After receiving a business license and construction permission letter, a business unit should request for vehicle distribution business operation permission before starting the business, according to regulations imposed by Ministry of Industry and Commerce.

The request for vehicle distribution business operation should have following documents:

1. Application form for business operation permission issued by the Ministry of Industry and Commerce.
2. Approval letter for vehicle distribution facilities construction
3. Business license
4. Guideline on business operation permission issued by Enterprise Registration Office.

After receiving complete and accurate documents, the relevant officials should issue the

vehicle distribution business operation permission letter not later than 5 business days from the date of receiving the application.

Article 22 Requirement for Vehicle Distribution Business Operation

1. Obtain valid vehicle distribution business operation permission letter.
2. Valid bank account under relevant laws and regulations by separating wholesale and retail account if operating both types of business
3. Open a deposit account in the bank located in Lao PDR
4. Establish a distribution facility and vehicle storage facility according to the requirements and standard of related regulations.
5. Enter into agreements with vehicle import and export agent, producer and/or assembler of vehicles where necessary.

Vehicle distribution business that are established and operated before this Decree should be adapted according to the requirements mentioned in this Article within one year period from the date this Decree become into force.

CHAPTER 3

ESTABLISHMENT AND OPERATION OF PRODUCTION AND/OR ASSEMBLING OF VEHICLE BUSINESSES

Article 23 Establishment and operations of vehicle production and/or assembling businesses

Establishment and operation of vehicle production and/or assembling businesses should follow the Law on Processing Industry and other related laws and regulations

The operation of vehicle production and/or assembling businesses includes the production of auto parts, import or purchase auto parts from domestic or foreign auto parts producer in order to produce or assemble into parts or complete vehicle.

Article 24 Importing Vehicle Spare Auto Parts

Importing of vehicle auto parts means to import the parts as determined in Article 31 of this Decree in order to facilitate manufacturing and/or vehicle assembly in Lao PDR.

Imported vehicle auto parts should have clear country of origin, be imported through international borders complying with its annual operation plan. Imported auto parts are not allowed to be distributed or use for other purpose outside the scope of the annual operation plan.

Vehicle producers and/or assemblers should have annual work plan certified by the Ministry of Industry and Commerce.

Article 25 Issuance of auto parts production and/or assembly certified letter

Auto parts production and/or assembly certified letter is a document which verifies the production and assembling procedure in the factory by identifying list of auto parts that can be produced and list of parts to be assembled in the factory.

The issuing process of auto parts production and/or assembling certified letter should follow the regulation of the Ministry of Industry and Commerce in each period.

CHAPTER 4

BRANCHES OF VEHICLE BUSINESSES

Article 26 Branches of Vehicle Businesses

Branches of vehicle businesses are part of the parent company's structure registered in Lao PDR, which does not act as a separate entity from the parent company and can only operate under the rights provided by its parent company.

Branches of vehicle businesses are not allowed to import or export any vehicles and should only distribute vehicles that belong to its parent company.

Article 27 Establishment and operation of vehicle business branch

Establishment and operation of a vehicle business branch should have the following steps:

1. Request to the enterprise registrar where the business license of the parent company was issued in order to affix its branch at the back of the license.
2. After affixing the branch at the back of the license, propose to Provincial or Vientiane Capital Department of Industry and Commerce where the branch will be located to request for branch registration certificate.
3. After receiving the branch registration certificate issued by Provincial or Vientiane Capital Department of Industry and Commerce, the branch will be allowed to operate and should be under the management and monitoring of Industry and Commerce sector's officials and other related sectors in the province or Vientiane Capital where the branch is located.

Supporting documents and detailed process for the establishment of branches should have the same process with normal business establishment, according to the Ministry of Industry and Commerce regulation issued in each period.

PART IV

VEHICLE AND AUTO PARTS TECHNICAL STANDARDS

Article 28 Vehicle technical standards

Vehicle technical standards means specific requirement of vehicles that have completed the production and assembly process including classification, size, weight and purpose.

Every type of vehicle which has been produced or assembled to be registered and used in Lao PDR should be in good condition in accordance with the technical standards provided in the laws and regulations of Lao PDR.

Every vehicle imported to be registered and used in Lao PDR should be in standard condition and acceptable at regional and international qualification, comply with the laws and regulations of Lao PDR or treaty and international convention in which Lao PDR is a party to.

Article 29 Verification of Vehicle and Technical standard

Before distribution and registration, importing, production and assembling of vehicles in Lao PDR should be certified in accordance with technical standards from the Ministry of Public Works and Transportation.

The standard and technical verifying process should follow the Law on Traffic and related laws and regulations of Lao PDR.

Article 30 Standards of Vehicle Auto Parts

Standards of vehicle auto parts means the identification of specific characteristic of vehicles that has been through the production and assembly process including classification, size, weight and purpose.

Article 31 Quality of Vehicle Auto Parts

Vehicle auto parts that are used to assemble in the factory should be the ones that has never been used before, have been checked with certify letter and verify on its quality by the factory.

As for auto parts that would affect the safety or efficiency of the vehicle, it should be checked, inspected, product quality checkup from the laboratory of organizations approved by the international standards in the country or foreign country and quality verified by the Ministry of Public Works and Transportation.

Ministry of Public Work and Transportation considers and identify vehicle auto parts list that deems to affect the safety or efficiency of the vehicle.

Article 32 Forms of Vehicle Auto Parts

Vehicle auto parts to be imported, produced and/or assembled into a vehicle should be in three forms: SKD, CKD and IKD.

PART V

RIGHTS AND OBLIGATIONS OF VEHICLE BUSINESS ENTREPRENEURS

Article 33 Rights and obligations of vehicles import and export business entrepreneurs

Vehicle import and export business entrepreneurs should have the following rights:

1. Import vehicles as agent or import vehicles that do not have an agent in Lao PDR in order to wholesale to domestic vehicle distributor, export or re-export.
2. Purchase vehicles from domestic producer and/or assembler to distribute within the country or export.
3. Obtain necessary information related to the vehicle business
4. Entitle other rights provided in the law

Vehicle import and export business entrepreneurs should have the following obligations:

1. Hold an account according to the accounting law by separating each business account
2. Ensuring quality and technical standards of vehicles to be imported and sold.
3. Responsible for any damages that may occur and return vehicles that do not meet quality or technical standards which have been imported.
4. Encourage, support and strengthen after sale services.
5. Promote and disseminate information to public about how to operate vehicles and how to drive safely.
6. Cooperate with government officials in monitoring vehicle business operation
7. Pay customs, tax and other obligations to the government as required by law
8. Report on the importation and vehicle trade on a quarterly and annual basis to industry and commerce sector
9. Fulfill other obligations provided by law

Article 34 Rights and obligations of vehicles distribution business entrepreneurs

Vehicle distribution business entrepreneurs should have the following rights

1. Purchase or represent vehicle distribution businesses for domestic import-export company in relation to production or assembly in order to distribute.
2. Purchase, sell or exchange used vehicles
3. Obtain necessary information related to the vehicle business
4. Entitled to other rights provided in by law

Vehicle distribution business entrepreneur should have the following obligations:

1. Hold an account according to the accounting law
2. Providing after sale service to customers in a timely manner, as agreed.
3. Ensuring quality and technical standards of vehicles to be sold to customers.
4. Cooperate with government officials in monitoring vehicle business operation
5. Pay customs, tax and other obligations to the government as required by law
6. Fulfill other obligations provided by law

Article 35 Rights and obligations of vehicles production and/or assembling business entrepreneurs

Vehicle production and/or assembling business entrepreneurs should have the following rights:

1. Import auto parts or materials for producing and/or assembling in their own factory
2. Obtain supporting policy as provided by law
3. Distribute to domestic or foreign vehicle business entrepreneurs
4. Obtain necessary information related to the vehicle business operation
5. Entitle other rights provided by law

Vehicle production and/or assembling business entrepreneurs should have the following obligations:

1. Hold an account according to the accounting law
2. Providing after sale service to customers
3. Ensuring quality and technical standards of vehicles to be imported and sold
4. Responsible for any damages that may occur or take back vehicles that do not meet quality or technical standards that have been manufactured in their factory
5. Cooperate with government officials in monitoring vehicle business operation
6. Pay customs, tax and other obligations to the government as required by law
7. Report on the importation and vehicle trade on a quarterly and annual basis to industry and commerce sector
8. Fulfill other obligations provided by law

PART VI

VEHICLE INDUSTRY ASSOCIATION

Article 36 Vehicle Industry Association

Vehicle industry association is non-profit organization established to gather all vehicle business units, functioning as a management organization and inspect vehicle business, assist, suggest and protect the benefit of its members.

Article 37 Rights and Obligations of the Vehicle Industry Association

Vehicle Industry Association has the following rights and obligations

1. Disseminate legislation and information about vehicle businesses to their members;
2. Consider and give comments on drafting and modification of vehicle business legislation;
3. Bridging between vehicle managing and inspecting organization and the members
4. Receive information from members and vehicle managing and inspecting organizations
5. Monitor the members movement to ensure compliance with the laws and regulations
6. Mediate disputes between members
7. Propose to give recognition to members with outstanding performance with respect to their business operation, their contribution to the development and social assistance
8. Report on the import, export and selling of vehicles on annual basis to vehicle business managing and inspecting organizations
9. Entitled to other rights and obligations as provided for in other laws and regulations.

Article 38 Organization Structure and Movement of Vehicle Industry Association

The organizational structure and movement of vehicle industry association including their work plan has been determined in the association's regulation which was adopted by the National Chamber of Industry and Commerce.

PART VII

PROHIBITION

Article 39 General Prohibition

Individuals, legal entities or organizations are prohibited from:

1. Creating obstacles to government officials in carrying out their duties regarding the management and inspection of vehicle businesses
2. Operate a business without approval
3. Providing assistance or protecting violators of the law and regulations
4. Acting as an intermediary or accepting a bribe
5. Undertaking other acts that violate the laws.

Article 40 Prohibition for vehicle import-export business entrepreneur

Vehicle import-export business entrepreneurs are prohibited from:

1. Importing-exporting vehicles without authorization
2. Importing-exporting and distributing unqualified vehicles
3. Import, export and distribute vehicles with tariff/tax exemption or without fully paying tariff/tax
4. Transfer the rights to any domestic vehicle distributor or any other individual to import and export vehicles
5. Lend enterprise license and related documents of its business to anyone else
6. Undertaking other acts that violate the laws.

Article 41 Prohibition for vehicle distribution business entrepreneurs

Vehicle distribution business entrepreneurs are prohibited from:

1. Import, export or re-export of vehicles
2. Constructing facilities to distribute vehicles without authorization from public works and transportation sectors or constructing facilities in breach of the requirements of the parent company and laws and regulations of Lao PDR.
3. Lend enterprise license and related documents of its business to anyone else
4. Undertaking other acts that violate the laws

Article 42 Prohibition for vehicle production and/or assemble business entrepreneurs

Vehicle production and/or assemble business entrepreneurs are prohibited from

1. Establishing or relocating its factory or producing auto parts and/or assembling vehicle in conflict with the laws and regulations
2. Operate business in breach of certificate on auto part production and/or vehicle assembly in factory
3. Produce auto parts and/or assemble non-qualified and low-quality vehicles
4. Undertaking other acts that violate the laws.

Article 43 Prohibition for relevant officials and staff

Relevant officials and staff are prohibited from:

1. Abusing their power, duties, or positions for their own interests;

2. Forcing, threatening or inflicting violence on vehicle business entrepreneurs
3. Delaying the consideration of documents
4. Absent from duties, no responsibility or hiding the fact
5. Conspiring with a domestic industry in hiding evidence
6. Forge documents or use documents disclosing confidential business information without authorization from related business entrepreneur
7. Approve vehicle businesses without the right requirement and process
8. Undertaking other acts that violate the laws

PART VIII

ADMINISTRATION AND INSPECTION

Article 44 Administration Authority

The Ministry of Industry and Commerce, Ministry of Public Works and Transportation take direct responsibility and exercise leadership, in collaboration with line ministries, ministry equivalent organizations, local administrations and relevant sectors on the administration and operation of vehicle businesses.

Article 45 Rights and duties of the Ministry of Industry and Commerce

In the administration of vehicle businesses, the Ministry of Industry and Commerce shall have rights and duties as follows:

1. Research, develop policies, legislation and measures on the administration of vehicle businesses in order to make proposals to the Government for consideration;
2. Elaborate policies, legislation and measures on the administration of vehicle businesses to relevant sectors and society generally.
3. Consider requests for import, export, import for re-export and then inform the relevant sectors.
4. Consider requests to establish, issue business operation permission, order to suspend or terminate vehicle business operations.
5. Collaborate with relevant sectors to research and propose to the government in order to determine and adapt the import-export business unit and vehicle distribution in response to economic and social development in each period.
6. Consider requests of vehicle business entrepreneurs and users of vehicles.
7. Consider to assign the Provincial and Vientiane Capital Department of Industry and Commerce and District Industry and Commerce office to approve establishment and management of business operations as appropriate.
8. Supervise the Vehicle Industry Association's operations.
9. Summarize and report on the implementation of vehicle business management to the Government on a regular basis;
10. Perform other rights and duties as defined under the laws.

Article 46 Rights and obligations of the Ministry of Public Works and Transportation

In the administration of vehicle businesses, the Ministry of Public Works and Transportation shall have rights and duties as follows:

1. Research, develop policies and laws on construction, distribution sites and vehicle transportation to make proposals to the Government for consideration;
2. Elaborate policies and laws on construction, distribution sites and vehicle transportation to society generally.

3. Consider requests to construct, suspend or terminate the permission of distribution sites.
4. Determine vehicle technical standards.
5. Collaborate with relevant sectors about vehicle businesses.
6. Consider to assign the Provincial and Vientiane Capital Public Works and Transport and District Public Works and Transportation Office to approve establishment and management of business operations as appropriate.
7. Perform other rights and duties as defined under the laws.

Article 47 Rights and duties of other sectors and relevant local administrations

Other sectors and relevant local administrations shall have rights and duties to promote, support, manage, monitor and inspect the operation of vehicle businesses by collaborating and cooperating with industry and commerce sectors according to their roles and scope of responsibilities.

Article 48 Vehicle business management inspection

Vehicle business managements inspection consist of the following:

1. Implementation of policies, laws, and regulations relating to vehicle business management;
2. Organization and activities of vehicle business administration authority;
3. Movement of officials, staffs and related organizations relating to vehicle business management.

Article 49 Forms of vehicle business management Inspection

The forms of vehicle business management inspections are as follows:

1. Regular inspection;
2. Inspection with prior notice
3. Impromptu inspections.

Regular inspection refers to an inspection that is carried out in accordance with laws, plans, and at a certain time;

Inspection with prior notice refers to an ad hoc inspection which is carried out, as deemed necessary, and notice is given to the inspected person at least twenty-four hours in advance;

Impromptu inspections refer to an inspection which is carried out urgently without giving prior notice to the inspected person.

The vehicle business management inspection shall include both an inspection of documents and on-site investigation.

The inspection should be strictly in accordance with the laws and regulations.

PART IX

POLICIES TOWARDS PERSONS WITH OUTSTANDING PERFORMANCE AND MEASURES AGAINST VIOLATORS

Article 50 Policies towards persons with outstanding performance

Individuals, legal entities, or organizations with remarkable accomplishments in implementing this law shall receive recognitions or other incentives according to the laws and regulations.

Article 51 Measures against violators

Individuals, legal entities, or organizations who violate this Decree shall be subject to education, warning, disciplinary action, fines, civil compensation, or criminal punishment according to the laws depending on the seriousness thereof.

Article 52 Warning and education measures

Individuals, legal entities, who violate the regulations such as the prohibitions set out in this Decree that are minor violation and it is a first time of violation which is not criminal offence shall be subject to warning and educating together with having the violation on record.

Article 53 Disciplinary measures

Related officials and government officials who violate this decree such as the prohibition that are not criminal offence shall be disciplined as set out in the law

Article 54 Infringement measures

Vehicle business entrepreneurs who violate this Decree shall be fined depending on the seriousness of the case:

1. Lend enterprise license to other individuals and legal entities, business license will be withdrawn and fine up to 10 % of the registered capital;
2. Transfer the rights to any individuals or legal entities to import vehicles which against the law will be terminated and fined 30% of the investigated vehicle value;
3. Importing vehicle without authorization will be terminated and fined 30% of the investigated vehicle value;
4. Importing auto parts not complaint with authorization or production certification letter and/or vehicle assembly will be terminated and fined 30% of the parts value;
5. Importing and distributing unqualified technical standard vehicles or parts will be fined and subject to other measures according to the regulations of the Ministry of Public Works and Transportation.

Article 55 Civil measures

Individuals, legal entities, or organizations who violate this Decree which damage the benefit of state, society or other individuals should pay compensation for the damage occurred.

Article 56 Criminal measures

Individuals who violate this Decree which is criminal offence will be punished according to the criminal law depending on the seriousness thereof.

Article 57 Additional Penalties Measures

In addition to the measures on violators as set out in Article 54 of this Decree, violators shall also be punished additional penalties such as suspension or withdrawal of business license.

PART X FINAL PROVISIONS

Article 58 Implementation

The Ministry of Industry and Commerce and Ministry of Public Works and Transportation are responsible in implementing this decree effectively.

Ministries, ministry-equivalent, local administration and other related sectors should acknowledge and cooperate to the implementation of this Decree strictly according to their roles.

Article 59 Effectiveness

This Decree shall be effective from the date of signature and after fifteen days of its publication in the official gazette.

This Decree shall replace the Decree on Import, Export and Distribution of vehicles, No. 96/PM, dated 8/12/1992.

Prime Minister

Thongloun Sisoulith