



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Industry and Commerce

No:1238/MOIC.DIMEX
Vientiane Capital, Date:23 June 2015

Decision On Transit of Controlled Goods through Lao PDR

- Pursuant to the Government's Decree on the Import and Export of Goods No.114/GoL, dated 06 April 2011;
- Pursuant to the Prime Minister's Decree on the Goods Import Licensing Procedures No.180/PM, dated 07 July 2009; and
- Pursuant to Prime Minister's Decree on the Rights and Duties of the Ministry of Industry and Commerce No. 552/PM, Dated 23 December 2011.

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

Section 1 General Provision

Article 1 Objective

This Decision sets out the principles, rules and measures on the transit of controlled goods through Lao PDR in order to facilitate the transshipment and ensure full compliant with relevant laws and regulations. It aims to enhance the development of foreign trade sector which plays an important role in national socio-economic development.

Article 2 Transit of Controlled Goods through Lao PDR

The transit of controlled goods through Lao PDR is the transportation of goods from a country through Lao PDR to the third country, which is not transhipped in Lao PDR more than once. In the emergency case which entails the transshipment of controlled goods under the Custom Law and Land Transportation Law of Lao PDR, the controlled goods in transit must be in the same condition and be transported through Lao PDR under the specified route and timeframe. The transportation of controlled goods in transit must only be operated through international border check point under the surveillance of custom officers and compliant with relevant laws and regulations of Lao PDR.

Article 3 Definition of Key Terms

The key terms in this Decision are defined as follows:

1. **Controlled goods** are goods that require import or export permits in the form of either automatic or non-automatic authorization.

2. **License for the transit of controlled goods** is a certified document for transporting controlled goods compliant with relevant laws and regulations and valid within the timeframe specified in this Decision.

Article 4 Scope of Application

This Decision is applied to individuals and business entities in Lao PDR or in foreign countries, which operate business relevant to the transit of controlled goods through Lao PDR.

Section 2 Licensing Transit of Controlled Goods

Article 5 Eligible Applicants for Transit of Controlled Goods

Eligible applicants for transit of controlled goods are domestic and foreign business entities, providing cross border or international transportation services.

Article 6 Document Requirements

Transit operator for controlled goods must submit all documents listed below:

1. Request letter for transit of controlled goods;
2. Buying-selling agreement between seller in the country of origin and buyer in the country of destination;
3. Enterprise registration certificate of transit operator;
4. Certificate of annual custom payment or other evidence of annual custom payment;
5. Invoice and packing list (signed by seller);
6. Certificate of transferred ownership right from the goods owner to the transit operator.
7. An agreement on advanced payment guarantee of transit controlled goods with Lao Custom Department, Ministry of Finance.

Article 7 Procedures of Document Submission

1. Transit operator of controlled goods must submit all required documents specified in Article 6 of this Decision to the Administrative Authority of Controlled Goods in Transit;
2. The Administrative Authority of Controlled Goods in Transit examines the validity and sufficiency of submitted documents as a basis for issuing license for transit of controlled goods;
3. Transit operator of controlled goods declares license and other supplementary documents specified in Article 6 of this Decision to the concerned authorities.

Article 8 Duration for Issuing License

The Administrative Authority of Controlled Goods in Transit will issue the transit license to requestors within 10 working days after the day of receiving the application materials.

In case of invalid application materials, the Administrative Authority for Transit of Controlled Goods will contact the requestors and explain reasons for not being able to issue the license within 05 working days after the day of receiving the application materials.

Article 9 License Duration and Renewal

The license duration for transit of controlled goods remain in effect within 06 months. In case of modifying the contents of license, the transit operator must submit a request letter on the modification of license contents to the Administrative Authority of Controlled Goods in Transit.

For transit operators who cannot complete transit activities of controlled goods within the timeframe specified in the license, they can renew the license duration for additional one time as 03 months, which in total does not exceed 09 months.

Article 10 Fee and Charge

Fee and charge for issuing license and editing license contents of the transit of controlled goods are based on those specified in the Presidential Decree and other regulations issued in each period.

Section 3

The Administrative Authority of Controlled Goods in Transit

Article 11 The Administrative Authority of Controlled Goods in Transit

The Administrative Authority of Controlled Goods in Transit is the Department of Import and Export, Ministry of Industry and Commerce (MOIC) in collaboration with concerned governmental authorities.

Article 12 Rights and Duties of the Administrative Authority of Controlled Goods in Transit

The Administrative Authority of Controlled Goods in Transit has the following rights and duties:

1. To disseminate and guide the implementation of this Decision and other relevant laws and regulations nationwide;
2. To consider and issue licenses for transit of controlled goods;
3. To administer the transit of controlled goods as set out in this Decision and other relevant regulations in collaboration with concerned governmental authorities;
4. To collect fees and charges for issuing licenses of controlled goods in transit;
5. To monitor and report to the management of MOIC on the implementation of works related to the transit of controlled goods;
6. To implement other rights and duties assigned by the management of MOIC.

Section 4

Rights and Obligations for Transit Operators of Controlled Goods

Article 13 Rights

Transit operator compliant with Article 5 of this Decision has the following rights:

1. To request for licenses for transit of controlled goods;
2. To be facilitated by governmental authorities relating to the transit of controlled goods;
3. To be protected by relevant laws and regulations of Lao PDR on their rights and benefits.

Article 14 Obligations

The transit operator for transit of controlled goods has the following obligations:

1. To pay for taxes and relevant charges as set out in relevant laws and regulations;
2. To summarize and report progress of activities on controlled goods in transit to the Administrative Authority of Controlled Goods in Transit after the implementation or expiration of license;
3. Controlled goods in transit through Lao PDR must be transported to the destination under the specified route, import-export check point, timeframe, and amount;
4. To comply with this Decision, laws and regulations of Lao PDR.

Section 5 Prohibitions

Article 15 Prohibitions for Officers

Officers working for the Administrative Authority of Controlled Goods in Transit must avoid the following behaviors:

1. Abuse his/her power, position, duties to ask for benefits;
2. Abandon his/her assigned duties and avoid his/her responsibilities;
3. Ignore, lack of responsibility, provide false statement;
4. Hide, protect, and cooperate with wrongdoer for bribes or any other benefits;
5. Have other illegal behaviours.

Article 16 Prohibitions for Transit Operator for the Transit of Controlled Goods

Transit operator for controlled goods must avoid the following behaviors:

1. Sell controlled goods as in subject to transit;
2. Transport controlled goods in transit in wrong route, timeframe, amount specified in the license;
3. Create fake documents or declare incorrect information;
4. Have other illegal behaviors.

Section 6 Awards for Good Performers and Measures against Violators

Article 17 Awards for Good Performers

Any business entity or governmental organization that has outstanding performance in the implementation of this Decision will be appreciated in the form of awards or other benefits according to relevant laws and regulations.

Article 18 Measures against Violators

Any business entity or organization that violates this Decision will be warned, imposed with disciplinary measures, fined or prosecuted according to relevant laws and regulations.

Section 7

Final Provisions

Article 19 Implementation

The Department of Import and Export, MOIC, is assigned to collaborate with relevant governmental agencies to strictly, effectively implement this Decision.

Article 20 Enforcement

This Decision will enter into force on the date signed below and 15 (fifteen) days after being published in the official Gazette.

Minister
Ministry of Industry and Commerce

[Seal and Signature]

Khemmani Pholsena