

LAO PEOPLE'S DEMOCRATIC REPUBLIC

PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

The National Assembly

No. 03/97/NA

LAW ON ROAD TRANSPORTATION
(Unofficial Translation)

Section 1
General Provisions

Article 1 The Function(s) of Law on Road/Land Transportation

The law on road/land transportation has the function to set forth a system of controls on the organization, on the activities, on the transportation of goods, on the transportation of passengers, domestic, international, and on the transportation across the borders, aiming at promoting effective and safe travelling and goods distribution, applying the country's geographical impetus situated in the heartland among the countries in the region into socio-economic development and international co-operation.

Article 2 The Meaning/Definition of Road/Land/Terrestrial Transportation

Road/land transportation is the transportation of goods, the transportation of passengers, the transportation of materials, of things or of livestock/animals along the routes by means of different categories of mechanical/motor vehicles, from walking-after mini-tractors that pull carts carrying goods, carrying human-beings and carrying livestock, to samplers, to all sized automotive machines, including tugging/pulling vehicles of various categories. As for the transportation in primitive patterns that are the heritage, they are not included in the present Law.

Article 3 Encouragement/Fostering of Road Transportation

The state has a policy to encourage/promote organizations and persons to undertake road transportation enterprises in order to serve transportation of goods, of passengers and materials domestically, internationally and transportation across the borders.

Article 4 Obligations/Commitments in Road Transportation

In road transportation, the transporter has commitments to maintain safety, orderliness, to protect the routes, the environment, nature and society. Besides, the transporter also has to fulfil other commitments re transportation in accordance with the Rules of Law.

Passengers; passengers and drivers of specific transport vehicles, passengers and drivers of personal transport cars, the owners of the goods/things and the shippers also have duties to take part in the above mentioned commitments.

Article 5 The Scope of the Application of the Law

The Law on Road Transportation is applicable to the business performance of the transportation of goods and of the transportation of passengers including specific transportation and personal transportation by means of mechanical, motored vehicles of all sizes including handling/towing machines of all categories within the Lao People's Democratic Republic, among/between countries and across borders except transportation by means of railroad trains, by means of pipeline and the official transportation which shall have their own separate specifications.

Section II
General Regulations of
Road Transportation Control/Management

Article 6 General Regulations

The general regulations of road transportation control/management are the rules set forth to assure the safety of passengers and to assure the prevention of goods from loss and damage and the arrival at their destinations in due course of time.

Article 7 Classes of Land Transportation

Land/road transportation in the Lao People's Democratic Republic are of three following classes:

- Transportation Enterprise;
- Specific Transportation;
- Personal Transportation.

Transportation Enterprise is a service for hire in transportation domestically, between countries or across the borders.

Specific Transportation is the transportation of goods, materials/things, livestock or human beings with the purpose of serving within the enterprise boundaries or of particular personal purposes.

Personal Transportation is in the transportation of materials/things, human beings or livestock/animals to serve personal affairs, which is not general transportation for hire or not specific transportation.

Transportation Enterprises are divided into the two following types:

- Transportation of goods/merchandises, materials/things or animals;
- Transportation of passengers.

Specific transportation and personal transportation are divided into two kinds as follows:

- Transportation of materials/things, goods or animals;
- Transportation of human beings.

Article 8 Limits of Road Transportation

(in this article the word 'limits' could alternatively be translated as 'jurisdictions'.)

The limits of road transportation of the Lao People's Democratic Republic are the traffic limits that are determined for transport machines to carry out transportation which are divided into two limits as follows:

- The limits of transportation within the country;
- The limits of transportation among countries and the limits of transport across the borders.

The limits of transportation within the countries are transportation within the municipality, transportation within the province and inter-provincial transportation.

The limits of transportation among countries are transportation from the Lao People's Democratic Republic to a foreign country or from a foreign country to the Lao People's Democratic Republic.

The limits of transportation across the borders are transportation from the Lao People's Democratic Republic through any country to the third country or transportation from any country through the Lao People's Democratic Republic to the third country.

Article 9 Sizes of Transportation Machines/Vehicles

Transport vehicles are divided into three sizes as follows:

- Small-sized transportation vehicles;
- Medium-sized transportation vehicles;
- Large-sized transportation vehicles.

Vehicles carrying goods, materials, things of, small size are the transport vehicles that have an approved load weight plus the weight of empty vehicle not exceeding seven tones.

Vehicles carrying goods, materials, things, of medium size are transport vehicles of all sizes including drawing/tugging vehicles of all categories with an approved load weight plus the weight of the empty vehicle exceeding seven tones and up to fifteen tonnes.

Vehicles carrying passengers or carrying human beings, of small size are transport machines that can contain passengers or contain human beings from two seats to seven seats.

Vehicle carrying passengers or carrying human beings, of medium sizes are a transport machine that can contain passengers or contain humans being more than seven seats to thirty-five seats.

Vehicles carrying passengers or carrying human beings of large size are those transport machines that can contain passengers or contain human beings more than thirty-five seats.

The Ministry of Communication, Transportation, Post and Construction is the organization that lays the regime of controls over the above mentioned transport vehicles including over the approved maximum gross load weights for large-size transport vehicles.

Article 10 Conditions for the Driver of Transport Vehicles

The driver of a vehicle carrying goods and carrying passengers must have the following conditions:

- Have driving license in accordance with the regulations;
- Have completely good health;
- Strictly obey/abide by Traffic Rules;
- Drive/conduct vehicles not over the time set forth by the regulations;
- Do not drive vehicles while excited and/or intoxicated and not be using any narcotics.

Article 11 Technical Examinations

Each transport machine must strictly obtain examination at the technical examination station(s) specified by the MCTPC.

Article 12 Standards for and Conditions of Repair Garages

To ensure the technical aspects of transport machines, the MCTPC is the organization that issues specifications re: standards and conditions of car repair garages.

Section III
Transportation Enterprise, Specific Transportation
And Personal Transportation

Article 13 Application to Undertake Transportation Enterprise

Applicants to undertake goods and passenger road transportation enterprises within the country, between countries and across the borders are to follow ARTICLE 16, 17, 18 and 19 of the Law on Business. Whereas foreign investors are to follow ARTICLE 23, 24, 25 and 26 of the Law on the Promotion and Management of Foreign Investments in the Lao PDR.

Article 14 The Conditions for Those Who Are to Undertake Transportation Enterprise

A person or an organization that is to be permitted to establish, to register a transportation enterprise must meet conditions as follows:

- Has a capability/capacity in the field of transportation profession;
- Has a capability/capacity in funding;
- Has loyalty toward the transportation profession.

Besides, the applicant also still has to follow/obey/abide by other conditions, which are specified in the Business Law.

Article 15 Transportation Enterprise Registration Document

Goods and passengers transportation enterprise registration document cannot be given to others for use, for rent or be transferred to others.

Article 16 Condition of Machines to Be Employed in Transportation Enterprise and Specific Transportation

The vehicle machines to be used in taking up transportation enterprise and specific transportation must meet the following primary conditions:

- Have been registered as transportation machines;
- The registration number/plates of the machines has/have been registered;
- Are in conformity with transportation techniques;
- Possess relevant insurance;
- Have paid the annual road fares/tolls;
- Have passed technical examinations in compliance with regulations.

As for detailed conditions re: the machines to be employed in transportation enterprise, the MCTPC is the organization that specifies them.

Article 17 Transportation Vehicle Insurance

Goods transportation vehicles and passenger vehicles, of all sizes, specific transportation vehicles and personal transportation vehicles including drawing/towing vehicles of various categories within the country must possess insurance, particularly, third party/person insurance. As for transportation vehicles between nations and for transportation across borders in addition to third person insurance they also have to have driver insurance and insurance for the goods which they carry.

Article 18 Vehicle Operation Permits

A vehicle operation permit is the permit issued to a vehicle that engages in transportation enterprise in conformity with the category, technical standards and transportation limits, which are to be approved by the CTPC sections.

A vehicle employed in specific transportation to serve private enterprise or activity also must have a vehicle operation permit.

In case there is an adaptation ('by owner' seems to be implied) of technical standards or a change of the limits of transportation of the vehicle it is also imperative to apply anew for a vehicle permit.

Article 19 Bill of Lading/Goods Delivery Sheet(s)

In undertaking goods transportation enterprise the transported has to formulate a bill of lading after the printed form which the MCTPC set forth, which must accompany the vehicle on each load. Specific transportation to serve one's own business activities also is imperative to have a bill of lading accompanying the vehicle on each load.

Article 20 Transportation Truck Stations

The trucks of goods transportation enterprises and the passenger transportation buses/limousines/cars must pull in to park at and depart from the transportation machine station or parking lots of a technician construction standard as specified by the MCTPC.

Transportation machine stations may be divided into two categories, namely:

- Goods transportation truck station;
- Passenger transportation automobiles station.

In case of need, it is appropriate to organize livestock/animal transportation truck yard station specifically.

Article 21 Transportation Contract

The enterprise of goods transportation and of passenger transportation is undertaken after contracts, be they written, verbal, or spontaneous contracts.

Goods transportation enterprise contract is an agreement between the transportation enterprise/entrepreneur and the goods/merchandise owner re: the movement of the goods from a point to another point, by which the goods transportation entrepreneur has an obligation/commitment to take the goods to the target/destination without allowing dropping losses, damages, assuring the quality; and the owner of the goods to impressively pay transportation fees/fares to the goods transported as agreed upon.

Passenger transportation enterprise contract is an agreement between the transportation enterprise and/with the passenger(s) re: the travel/journey from a point to another point, thereby the transportation entrepreneur has a commitment to deliver the passenger(s) to a destination safely, ensuring that no belongings of the passenger(s) are dropped, lost, damaged, including also to give convenience/facilitation to the passenger(s), and the passenger(s) must pay passenger/passage fares/fees to the transportation enterprise as agreed with each other.

Article 22 Original Concepts of Goods Transport Contract

Goods transportation contract contains the following original concepts:

- Goods categories including quantity, volumes and weight;
- The original place of expedition and destination place of goods reception;
- Means of service which implies packing and goods storage, hauling/hoisting, transferring;
- Goods, transportation price;
- Insurance;
- Transportation price payment methods.

As for international and in-transit goods transportation contract, it is required to follow “The international transportation agreement/contract/accord”.

The person who performs goods transportation and the owner of the goods must follow the contract completely.

Article 23 Transportation of Dangerous Materials

To transport dangerous materials: Chemicals, inflammables, explosives, be it transportation enterprise, specific transportation or personal transportation, it is imperative to obtain permission from the MCTPC on the basis of co-operation/harmony with the parties/sectors concerned; it is imperative to strictly comply with the dangerous materials transportation regulations.

Article 24 Responsibilities of the Transporter

In goods transport enterprise, the transported has the responsibility to recompense for damage if the goods do not reach the destination, do not arrive in due time which cause the goods owner to suffer losses/damages, if they lose their quality or if the passengers' belongings are missing/lost/damaged due to the transporter's fault.

In transportation, the transporter has the responsibility to recompense for the losses/damages, if the passengers' delivery does not reach the destination, if they are not safe or if the passengers' belongings are missing/lost/damaged due to the transporter's fault.

Besides, the transporter might be liable to penalty in the case where there is a commitment of penal crime/criminal guilt.

Section IV
International and Cross-Border Transportation

Article 25 International and Cross-Border Transportation

In international and cross-border transportation the Government shall follow the agreements it has signed with foreign countries and shall allow transportation through its territory and give convenience, give needed assurances in compliance with international treaties and agreements it has entered into.

Article 26 International Transportation Machine Station

International or border-crossing goods and passengers transportation enterprise machines that enter and leave Lao PDR must enter to park and leave at the international transportation machine stations that are specified by the MCTPC.

International transportation stations are divided into two categories, i.e.

- Goods transportation machine stations;
- Passenger transportation machine stations.

In case of need, a livestock/animal transportation truck station in particular shall be constructed.

Section V
Freight Shipping and Cars for Rent/Hire Business

Article 27 Freight Forwarding

In order to grant facilitation/convenience to goods shipping management in the country, between countries and across borders, the state allows the existence of freight forwarding services enterprises.

Article 28 Shipper/Goods Dispatcher/Freight Forwarder

A Shipper/Goods Dispatcher/Freight Forwarder is a person or organization that undertakes to run a service enterprise of preparing documents, collecting/gathering, packing, and loading/containing freight to be transferred to the transporter.

The shipper has the responsibility re: the exactitude and completeness of the bill of lading assuring completely accountable shipping according to the quantity in the list and preventing the goods from being lost/damaged or loss of quality, that arises from packing, and assuring that cargo reaches the destination.

Article 29 Authorization to Undertake Shipping Enterprise

The person or organization to be authorized to undertake shipping enterprise must have the qualifications/conditions, and abide by that which is specified in ARTICLE 13, 14, 15, 16 and 17 of the present Law.

Article 30 Car-For-Rent/Hire Entrepreneur

To promote the growth of transportation enterprise, specific transportation and personal transportation within the country, between countries or across the border, the state allows the existence of car-for-rent/car-for-hire entrepreneurship.

A car-for-rent/hire entrepreneur is a person or an organization that owns mechanical/motored vehicles of various categories as specified in ARTICLE 9 of the present Law to service those who want to rent/hire them to undertake transportation enterprise or to use them in personal transportation occasionally or regularly according to the agreement.

Car-for-rent/hire is subdivided into two sub-categories as follows:

- To rent a car and the renter takes the car for his own use by himself;
- To hire a car including ‘ services’.

Article 31 The Commitments of the Car Owner and of the Car Renter/Hirer

In car renting, where the renter rents the car for his/her own use by him or herself, the owner must transfer a car that complies with the conditions of ARTICLE 16 of the present Law to the renter for use for a period of time agreed upon. The car renter must pay rent, take the car for use in conformity with the target agreed upon in the written agreement, return the car in good condition as it has been before. Besides, the owner of the car and the renter also must follow other conditions which are specified in the written agreement.

In renting a car plus ‘services’, aside from the commitments which are specified in the first paragraph above, the owner still must offer to the hirer a driver, who must assure the transportation tasks and safety for the hirer and additionally follow other conditions and terms specified in the written agreement. The hirer has an obligation to pay the hire money as agreed upon in the written agreement.

Article 32 Car-Rent-And-Hire Entrepreneurship Authorization

A person or an organization who is authorized to undertake car-rent/hire enterprise must have the qualifications/conditions as and abide by what is specified in ARTICLE 13, 14, 15, 16, 17, 18 and 23 of the present Law.

Besides, the owner still has to follow the regulations re: the car-for-rent/hire enterprise management/control which the MCTPC sets forth.

Article 33 Prohibitions

Forbidden are the persons or organizations that are not authorized, to undertake commercial transportation, freight forwarding or car-for-rent/hire business.

Section VI

Road Transportation Management/Control

Article 34 Road Transportation Management/Control Organizations

Road transportation control/management organizations comprise:

- The MCTPC
- The provincial/prefecture or special territorial CTPC sections;
- The district CTPC offices.

Article 35 The Rights and Duties of the MCTPC

In managing/controlling road transportation the MCTPC has the primary rights and duties as follows:

- To create strategic and prototype plans of long, medium, short scales re: road transportation development;
- To produce road transportation management/control regulations with a nation-wide scope;
- To make research studies and comments re: applications to undertake international and border crossing road transportation enterprises;
- To research policy and fares for road transportation then submit them to the Government for consideration;
- To research fees and service charges/wages re: road transportation in conjunction with the concerned organizations;
- To control transportation machines list on a nation-wide scale;
- To inspect/examine the undertaking of road transportation enterprises;
- To co-operate with the international societies and to seek fund/capital resources for road transportation development;
- To put into practice the other rights and duties re: road transportation.

Article 36 The Rights and Duties of the CTPC Sections

In road transportation managing/controlling, the provincial, municipal or Special Territorial CTPC sections have the following primary duties:

- To extensively interpret the strategic and prototype plans re: road transportation development;
- To make research studies and comments re: applications to undertake domestic road transportation enterprises in their respective province, prefecture or special territory;
- To register transportation machines in the province, prefecture or special territory, complying with the regulations that the MCTPC lays out;
- To control the lists of transport machines within the province, municipality or special territory;
- To issue domestic road transportation machine operation permission sheets/cards;
- To control/manage and inspect domestic, international and border-crossing road transportation operations;
- To technically inspect transport machines, to control/manage repair garages and transportation machine technical examination stations;
- To determine the sites of and to manage/control transport/machine stations;
- To put into practice the other rights and duties re: road transportation as assigned by the MCTPC.

Article 37 The Rights and Duties of the CTPC Offices

The district CTPC offices have the duties to manage/control transport trucks and transport truck parking lots within their district as assigned by the CTPC section of the province, municipality or special territory.

Article 38 Transportation Patrols

In order to make those who undertake road transport enterprise, those who transport specifically and those who transport personally, follow/obey/abide by the orderly principles of

transportation with strictness, to assure safety and orderliness, the MCPTC has duty to organize a regular, systematic transport patrol.

To ensure road transportation patrolling efficiency/effectiveness a public highway route patrol may be organized.

Article 39 Transportation Commission

In order to make transportation both domestic, international or border-crossing convenient to manage/control, the government may organize a national transportation commission after the proposal of the MCTPC. The national transportation commission will have the duties as follows:

- To make research on strategic plan(s) and a transportation development plan;
- To make research to determine the technical standards of transportation vehicles;
- To make research on the methods of keeping safety in transportation;
- To give advice to those who service re: the problems of goods transportation and passenger transportation;
- To make research re: the route determination and the setting of transportation fare rates at each interval (of time/space).

In the case of necessity, it is then possible to establish transportation commission at the provincial, municipal or special territorial levels which will have the primary duties as follows:

- To give advice/consultations/discussion re: transportation;
- To determine the routes and transportation prices rates on the basis that MCTPC set out;
- To give pushes to organizing the enforcement of regulations/laws re transportation.

Article 40 Transporters' Association(s)

In order to render the management/control of goods and passenger transportation efficient/effective and be in orderliness, the state shall allow the organization/setting up of (a) road transporters' association(s) in accordance with the regulations set up by the MCTPC.

Section VII
Policies Toward Those Who Have Work Results
And Measures Toward Those Who Violate.

Article 41 Policies Toward Those Who Have Work Results

If any person or organization that has undertaken road transportation with quality, with safety ensured, with orderliness, with sound protection of the environment, with strict compliance with transportation prices, rates, regulations, practices, they shall be lauded and receive reduction policy or tax exemptions as specified in the Law/Law on Domestic Investment Promotion.

Article 42 Measures Toward Those Who Violate

If any person or organization violates the present Law on Road Transportation he/she/it shall be disciplinary educated/instructed, be fined or be punished criminally/or by penalty.

Besides, those who have violated might be additionally penalized, thus: be stopped from undertaking activities, have the license recalled, and forfeit the vehicles that have been used in committing guilt.

Article 43 Disciplinary (Re-) Education Measure

In case of the existence of slight/light breach(es) and if it/they is/are the first violation, the violator shall be disciplinarily (re-) educated.

Article 44 Fine Measures

Any person who has made any of the following violations shall be fined from 3,000 kip to 10,000 kip:

- Having no vehicle operation license accompanying vehicle;
- Having no bill of lading;
- Conducting transportation not along the route(s) assigned;
- Having no confirmation document of payments of fees and different taxes re: transportation business;
- Having no light vehicle driving license/permit for the driver of vehicles serving transportation business and specific transportation.

Any person who has made any of the following violations shall be fined from 15,000 kip to 30,000 kip:

- Transportation business operation permission sheet expired/invalid;
- Having no transport vehicle technical examination sheet/card;
- Having no insurance(s);
- Having no heavy vehicle driving license/permit for the driver of vehicles serving transportation business and specific transportation.

Any person who has made any of the following violations shall be fined from 31,000 kip to 50,000 kip:

- Parked the vehicle or loaded or unloaded not in compliance with the places/locations/sites specified;
- Conducted the vehicle faster than the speed limit permitted.
- Carrying more than the maximum limit allowed.

Any person who has made any of the following violations shall be fined from 51,000 kip to 100,000 kip:

- Undertake road transportation enterprise, goods shipping or car-for-rent/hire, without being authorized;
- Undertake road transportation enterprise, goods shipping or car for-rent/hire without complying to the category authorized;
- Employed the permission documents belonging to another or gave his/her permission documents to another for use undertaking road transportation enterprise.

Article 45 Criminal/Penal Measures

Any person who has committed the following violations shall be punished according to the criminal/penal code/law:

- Formulated false documents in order to obtain permission to undertake road transportation enterprise;
- Forged different documents re: the undertaking of road transportation enterprise;
- Committed criminal guilt(s) in transportation;
- Stood in the way of the officers/officials in the inspection of road transportation.

Any workers or government employees, if they have had criminal guilt in road transportation: received bribes, abused authority, counterfeited documents, used their duties/position to seek fringe/personal benefits/interests, shall be condemned/penalized accordingly to the penal/criminal code/law.

Section VIII
Final Provisions

Article 46 Enforcement Organization

The Government of Lao PDR is the organization that organizes the enforcement of the present Law.

Article 47 Validity

The present Law is valid after one hundred and eighty days from the date when the President of the Lao PDR has issued the State Decree of enforcement.

All specifications, regulations that contradict the present Law are entirely annulled.

Vientiane, 12 April 1997
The President of the National Assembly

Signature
Samane Viyaketh

(Translated by Pheth Sadakhom)