

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Finance
No. 200/MF
Dated 16/3/95

Regulation of the Minister of Finance concerning the implementation of the Prime Minister's Decree No. 194/PM dated 12/11/94 on the transformation of state land use right and ownership on houses, vehicles and essential household equipment into the Government personnel ownership and use-right.

-with reference to the Prime Minister's Decree No. 194/PM dated 12/11/94 on the transformation of state land-use right and ownership on houses, vehicles and essential household equipment into Government personnel ownership and use-right;
-with reference to the proposals made by the Research Committee on policies for the transformation of the state ownership and use right on land, houses, vehicles and essential house-hold equipment into the ownership of Government personnel;
-with the aim to eradicate the subsiding authoritative mechanism in administrative expenditure, to make the ownership and the responsibility concerning the state and individual properties more equitable and evident, and to improve the living standard of the Government personnel.

The Minister of Finance issue a regulation as follow:

Section 1
General Principles

Cadres, personnel including retired personnel and families of the personnel who had sacrificed their life while undertaking their mission entrusted to them by the Party and the state who have taken part in the revolution or in public service for not less than 10 years are all entitled to receive the profits of the policies accordingly to the Prime Minister Decree No. 194/PM issued on 12/11/94, in exception of those who are subjected to punishment and are driven out of the public service.

Concerning the personnel who has already lived in the state house, but does not have all the conditions, as required in this Decree, to buy the house, the state will allow him to continue to live in the house through renting on the basis of the contract between the state and the concerned personnel. Regarding the payment of the rent to the state, it can be made by cutting the salary of the concerned personnel in every month for the amount of the rent which (omitted) regarding repair of houses for renting the Ministry of Finance has a separate regulation.

During the past period, the state has adopted the policy of giving assistance in construction equipment and in money to personnel in order to remove them from the place where the state wish to use or of finding a new habitation for them. It is required that the concerned personnel shall make the contract concerning there-payment of the sum to the state at the time as determined in this Decree.

The implementation of these policies shall be based on the real capacity and conditions of the state by taking into account the performance and conduct, duration of period of participation in the revolution, rank and function, duration of period of working in Government service and the real capacity of each personnel.

All personnels who, fully acquire the conditions as prescribed above have the right to apply for the inclusion in the plan of buying the houses that the personnels are living or that the Government makes the plan to build for the purpose of habitation which might be in the types of planned housing or individual house. Each personnel is entitled to buy one house only. As for the case of both the husband and wife are Government personnel, they also have the right to buy only one house concerning the vehicles, each personnel has the right to buy one vehicle; either a car or a motorcycle.

Section II Land, Houses and Household Equipment

A. State land and house and house-hold equipment where the personnels are living and using which are to be transformed into the ownership of the personnel.

1. Types of houses that the state shall transform into the ownership of the personnel.

The state shall transform into the personnel ownership the houses acquired from the Government of the old regime, from confiscation by the Court decision, from the peoples who illegally emigrate to other countries that state is unable to return them accordingly to the law and regulations, from individuals or organisations who voluntarily give to the state and houses that the state has used the capital from the budget to build for the habitation for the personnel during the past period. The above mention houses shall not be in the categories of houses that the state does not transform into personnel ownership which are as follows:

- The houses that the state has the plan to use as public place, to preserve as national historical and cultural memorials.
- The houses that the State preserves for the use for political, economic, national defence and security, cultural, social, foreign affairs purposes and for serving in the working of the Party, State and social organisations machineries.
- The houses which are subjected to disputes or are pending case in the court.

2. State house-hold equipment to be transformed into personnel ownership.

Concerning a certain number of house-hold equipment provided by the state during the past period, the state shall sell them to the personnel by adding the amount to the selling amount of the house or by making a separate calculation for this equipment. Regarding the ornamental objects which possess historical and cultural value, the state will take them back for preservation as national heritage.

3. Types of land which are to be transformed into the use-right of the personnel.

The transformation of Land use right shall be made on the basis of the following principles:

3.1 The state does not grant the possession and use right of the land which has the following characteristics:

- Land which currently used for public facilities.
- Land located in archeological areas.
- Land preserved to be used for Party and programmes.
- Land being in dispute or having pending case in the court.

3.2 The granting of the state construction land use-right to the personnel shall be made after having undertaken an inspection work on the concerned land accordingly to the law and regulations.

3.3 Personals who acquire land use tight shall take the responsibility of the payment of land tax and various fees and shall act in accordance with land use regulations as prescribed in the Laws and regulations.

4. Determination of selling and buying prices for state houses and household equipment and fixation of payment period.

4.1 The evaluation of the selling price of state houses and house-hold equipment which have already been used shall be based on the quality, usage duration and price calculated by the technical committee (according to particular principles). Thereafter, the Ministry of Finance or the Finance Services of the Provinces, municipality and special zones shall make the calculation of the real amount to be paid to the state.

4.2 In case the buyer is unable to make a payment in full, he shall pay, in the first year, not less than 5% of the whole amount so that the state will issue an ownership certificate for him. For the remaining amount, he shall pay in monthly instalment at a proportion of not less than 10% of his base salary. This shall be prescribed in detail in the contract between the buyer and the Ministry of Finance or the Finance Services of the provinces, municipality and special zones.

4.3 In case the buyer fails to make payment accordingly to the signed contract within 6 months after having already paid 5% of the sum, a claim in writing shall be sent to him by concerned authorities. In case the personnel refuses to make payment of the amount of the house for a period of over 6 months, the state will reconsider the contract that it has signed with the concerned personnel. The state reserves an exclusive right of the final decision for itself.

5. Right to remove the personnel from the house that he is currently living in.

The State has the right to remove the personnel from the house that he is currently living in in the condition where there is no selling and buying contract of the house in an absolute manner which arise from the following cases:

-The personnel is subjected to disciplinary and is relieved from Government service in accordance with the laws and regulations in receiving any policy treatment and this happens during the implementing period of buying and selling contract signed with the state, the state will, then, reconsider this contract and reserve the right of final decision for its.

-The house which has been found not to be the state property, the state will then look for a new place for replacement.

-The house having too high price that the concerned personnel is unable to pay through the form of payment in instalment, the state will then look for a new house which is suitable to the conditions of the concerned personnel.

-The house which is not the target of transformation, the state will then find a new place for replacement.

6. Rights and obligations of the buyers and successor.

6.1 The buyer who has legal buying and selling contract shall take full responsibility by himself regarding the possible loss afflicting the house that he has decided to purchase. With a view to preserving his own interest, the buyer shall insure the house with the insurance company which is legally established.

6.2 The buyer who has legally received “the ownership certificate” has the right to make full use of his owned property such as: selling, exchanging, making a transfer, making a will, using as a guaranty and pawning. However, he shall first of all, make payment to the state fully and completely before he could make full use of his property accordingly to the laws and regulations. Regarding the land where the house is located, the state shall determine a separate policy for it.

6.3 The legal successor of the dead buyer or lessee shall present the contract and ownership certificate to the Finance Ministry or to the Finance Services of the provinces, municipality and special zones in order to make the declaration concerning the continuation of the implementation of the contract.

B. Houses which are to be built by the state.

On the basis of the real conditions and capacity the state has the project of building different types of houses, such as: planned houses areas according to sectors and localities, and individual houses aiming at solving the habitation problem of the personnels who have fully met the conditions for planning the purchase of these houses.

The implementation of this policy is based on the autonomic right of the personnel regarding the selection of the size and type of the houses and the proposal on price based on their capacity in making the first payment of 5% of the total cost of the house and of the remaining 95% in monthly instalments; each instalment represents 10% of the base-salary. Concerning the issuance of ownership certificate and the additional payment for the failure of making the payment within the limit of time as prescribed in the contract, it is required to apply the same measures as have been mentioned above for similar case.

In addition, the rights and obligations of the successor of the buyer or lessee in this are similar to those which are mentioned above.

Section III State Vehicles

A. Type of vehicles that the state transforms into the ownership of the personnel.

The transformation of state-owned vehicles into personnel ownership shall be made on the basis of the following principles:

1. Vehicles which shall not be transformed into the ownership of the personnel are:

- Functional vehicles which are still in use,
- Common vehicles of the administrative and technical departments which are still in use.

2. Vehicles be sold by the state to the personnel are:

- State vehicles which are used for many years and are not needed anymore, and which has a remaining technical value of not more than 70%. This shall be made through the control,

evaluation and certification by concerned departments as well as by the Ministry of Communication, Transport, Post and Construction and the Ministry of Finance.

-Vehicles which are under planned purchase for selling to the personnel (both new and second hand vehicles).

B. Determination of buying and selling price of the payment period.

1. The evaluation of the buying and selling price of the vehicle shall be based on the quality, usage duration and price which is currently adopted in local market.
2. In case the buyer is unable to make a full payment, he shall pay, in the first year, an amount of not less than 10% of the total amount to be paid. The remaining amount can be divided into monthly instalments which extend to a period of not over 7 years.
3. In case the buyer makes a full payment at one time, the state will immediately issue a registration card for him. On the other hand, if the buyer is unable to pay the full amount at one time, the state will issue the vehicle registration card to the personnel only when he has already paid 10% of the total amount to be paid to the state.
4. In case the buyer fails to pay within the time limit as has been fixed in the contract, he shall take full responsibility of the binding contract he has signed with the Finance Ministry as the Finance Services of the provinces, municipality and special zones.

Rights and Obligations of the buyer and the successor.

The rights and obligations of the buyers of the vehicles and of the successors shall be similar to these of the buyers of the houses.

Section IV Implementation in detail.

1. Research Committee on polices for the transformation of land, houses at central level is charged of undertaking study and synthesis works in order to report regularly to the Prime Minister. It also charged of solving all the problems arising during the period of implementation of this work.
2. The technical group of the Finance Ministry is charged of coordinating with other Ministries and provinces for the implementation of this work and for solving daily problems, making synthesis and reporting to the Research Committee on policies for the transformation of ownership on land, houses, ...of the central level in a regular manner.
3. Each Ministry and local level are charged to set up a working committee to undertake the inspection and record work of all state-owned proprieties which are to be transformed into the ownership of the personnel and shall, then, report to the technical group of the Finance Ministry for synthesizing. As for the local level, report shall be made by passing through the Finance Service of the local level. Concerning personnels having met all the required conditions and have not a place to live and those who wish to buy vehicle, the working committee shall make records of all these personnels and send these records to the technical group of the Finance Ministry for synthesizing. On the basis of these needs, the Finance Ministry will approach the housing construction companies as well as vehicles sales companies which have financial capacity in order to sign the contract with them. These

companies of housing construction and vehicles sale will use their own capital to build houses and to buy vehicles and, then, they will hand-over the completely-built houses and detailed list of each type of vehicles and, then, they will hand-over the completely-built houses and detailed list of each type of vehicles imported to the Ministry of Finance which will asked the National Treasury to make the payment to these companies accordingly to the terms of the contract they have signed with the Ministry of Finance with the money acquired from the implementation of the contract with those personnels who buy the houses and the vehicles.

4. Thereafter, the Research Committee on policies for the transformation of land, houses, ... at the central level shall hand over the number of houses, vehicles and essential house-hold equipment which have already been used by the personnel, to each Ministry and locality on the basis of the real conditions, capacity and situation of today and in the future. Concerning the sharing of the newly-built houses and newly-purchased vehicles to be sold to those personnels who have all required conditions as prescribed by the Prime Minister's Decree No. 194/PM dated 12/11/94 shall be made in accordance with the annual distribution plan of the Research Committee on policies for the transformation of land, house, ...at the central level to each Ministry and province.

5. On the basis of this number, each Ministry and province will make the considerations and decisions on the sale to the personnel and on the problem of who will get first and who will get later by referring to the Prime Minister's Decree No. 194/PM dated 12/11/94 and will, thereafter, inform the Ministry of Finance or the Finance Services of the provinces, municipality and special zones in order to arrange for the signing contract with the concerned personnel.

6. The technical group of the Finance Ministry and other concerned department and Services of Ministries and of the local levels are charged of coordinating with each other for the rigorous implementation of this regulation. At the same time, the technical group shall undertake the monitoring, control, evaluation, lessons drawing and study works in order to make proposals to the Government to issue additional regulations; whenever necessary, aiming at achieving an effective implementation of these policies for the personnel and guaranteeing justice and order for the society.

7. Through the implementation, if there are difficulties or particular problems, it is required to immediately bring to the notice of the Finance Ministry and the Research committee on policies for the transformation of land, houses,... at central level so that timely action could be taken to solve the problems.

8. This regulation is effective from the date of signing and after propagation made by the Research Committee on policies for the transformation of land, houses at central level.

The Minister

Unofficial translation