



LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

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President's Office

No. 140/PO

**DECREE**  
*of the*  
**PRESIDENT**  
*of the*  
**LAO PEOPLE'S DEMOCRATIC REPUBLIC**

**On the Promulgation of the Law on Tourism**

Pursuant to Chapter 6, Article 67, point 1 of the Constitution of the Lao People's Democratic Republic;

Pursuant to Resolution No. 54, dated 18 November 2005, of the 9<sup>th</sup> Ordinary Session of the National Assembly regarding the adoption of the Law on Tourism:

Pursuant to Proposal No. 17/NASC, dated 18 November 2005, of the National Assembly Standing Committee.

**The President of the Lao People's Democratic Republic  
Decrees That:**

**Article 1.** The Law on Tourism is hereby promulgated.

**Article 2.** This decree shall enter into force on the date it is signed.

Vientiane, 9 December 2005

The President of the Lao People's  
Democratic Republic

*[Seal and Signature]*

Khamtai SIPHANDON



LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

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National Assembly

No. 10/NA  
9 November 2005

## LAW ON TOURISM

### Part I General Provisions

#### Article 1. Purpose

This Law on Tourism determines the principles, regulations and measures on the establishment, activities and administration of tourism, with the aims to promote, develop and extend cultural, historical, [and] nature tourism in sustainable ways,<sup>1</sup> to transform into a modern tourism industry, to contribute to national protection and development, [and] to promote mutual understanding, peace, friendship, and cooperation in international development.

#### Article 2. Tourism

Tourism is the travel from one's residence to other locations or countries for the purpose of visiting, sightseeing, relaxation, entertainment, cultural exchange, sport, health promotion, research [and] study<sup>2</sup>, exhibitions, meetings, and others<sup>3</sup>, without any intention to seek work or undertake a professional career in order to make a profit in any form.

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<sup>1</sup> For readability, the sentence structure has been modified.

<sup>2</sup> The Lao word is a compound word: "research-study".

<sup>3</sup> The term "and others" is a literal translation and is not subject to further specificity.

### **Article 3. Use of Terms**

The terms used in this law shall have the following meanings:

- Tourist means a person who travels from his<sup>4</sup> place of residence to other locations or countries for the purposes described in Article 2 of this law;
- Tourism activities means organising and carrying out activities to provide services to domestic and foreign tourists such as: tourism sites, temporary accommodations, guided tours;
- Tourism business means the provision of services by any business unit to tourists in the form of travel, food, temporary accommodations, guided tours, and others;
- Temporary accommodations business means the provision of services by any business unit to tourists in the form of temporary accommodations, such as: hotels, guesthouses, tourist boats, daily rooms and other accommodations that are arranged for general tourists;
- Hotel means a place of temporary accommodation consisting of at least fifteen rooms, which provides, in exchange for fees, comfortable facilities, quality consumer equipment, and good standard of services with the purpose of providing temporary accommodations to travellers;
- Guesthouse means a place of temporary accommodation consisting of a maximum of fourteen rooms but not less than five rooms, which provides, in exchange for fees, comfortable facilities, appropriate consumer equipment, and good standard of services with the purpose of providing temporary accommodations to travellers;
- Daily room service means a place of temporary accommodation, consisting of a maximum of four rooms, which shall have necessary facilities for travellers;
- Resort means a place of temporary accommodation established in a nature tourism site, which shall provide comfortable facilities, quality consumer equipment and good standard of services;
- Motel means a place of temporary accommodation established along a highway for travellers using vehicles, which shall provide parking lots and basic comfortable facilities;
- Moveable accommodation means a place of temporary accommodation which is moveable, such as: tourism boats, train compartments, caravans<sup>5</sup> and others, which provide comfortable facilities and appropriate services;

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<sup>4</sup> Readers should note that the Lao language does not distinguish between genders in pronouns. In this translation, a reference to a gender is a reference to all genders, unless the context requires otherwise. The translators' decision to use the male gender was made in the interest of simplicity and consistency.

<sup>5</sup> The literal translation is "a car with sleeping rooms".

- Campsite means a place of temporary accommodation in an aesthetic nature tourism site where tourists may rent tents and which provides basic comfortable facilities;
- Tour guide means a person who provides services to tourists to travel to different tourism sites and who has the duty to accurately explain, tell, [and] give information and knowledge to tourists on these tourism sites and provide other services as described in the agreed programme;
- Restaurant means a place which provides food and beverage services, while assuring the beauty, cleanliness [and safety] of the location, [assuring] quality and safe food, and [assuring] a certain class and standard of services;
- Tourism resources means the tourism potential occurring in nature or manmade;
- Tourism site means tourism potential that has been developed into a tourism site which can attract tourists to visit;
- Tourism industry means the systematic and complete provision of services to domestic and foreign tourists, including: transport business, tourism sites, guided tours, temporary accommodations, food, souvenirs, exhibitions, festivals, cultural events, ceremonies and others, by using labour, investment, highly-skilled professionals<sup>6</sup>, modern technology, proper planning, and systematic marketing and organisation.

#### **Article 4. State Policy towards Tourism**

The State centrally and uniformly administers the conservation, protection and development of cultural, historical, [and] nature tourism throughout the country in a sustainable manner and with the participation of the community.

The State considers tourism to be a component of the national economy and promotes production [and] services that enhance the export reputation<sup>7</sup>, create employment, generate income and improve the livelihood of the multi-ethnic Lao people.

The State and society promote the advertising of activities, festivals, cultural events, ceremonies, fine national traditions<sup>8</sup>, [and] the heroic heritage of the multi-ethnic Lao people, in order to promote domestic tourism and attract foreign tourists.

The State respects [and] protects the legitimate interests of tourists, including assuring their safety.

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<sup>6</sup> The literal translation is “high professionals”.

<sup>7</sup> The literal translation is “standing of exports”.

<sup>8</sup> The Lao term connotes both customs and traditions.

The State attends to the creation of conditions favourable to, and to the protection of the rights and interests of, individuals, [and] organisations within the country and abroad that invest in the development and promotion of tourism.

**Article 5. Obligations of Individuals and Organisations**

To promote tourism, individuals and domestic organisations have the obligation to contribute to the conservation, protection, development and promotion of culture, fine national traditions, arts, literature, handicraft with unique characteristics, tourism resources, [and] the wealth and beauty of national natural resources.

Foreign individuals and organisations entering the Lao PDR have the same duty to contribute to the protection of tourism sites, culture and the fine national traditions of Laos.

**Article 6. International Cooperation**

The State promotes international cooperation in tourism to exchange lessons [and] information, to build and train officials, to attract assistance, to promote investments, and to advertise Lao tourism, in order to promote tourism development and provide an international standard of tourism services.

**Part II  
Tourism Resources**

**Chapter 1  
Types of Tourism Resources**

**Article 7. Types of Tourism Resources**

Tourism resources are divided into two types:

- Nature tourism resources;
- Manmade tourism resources.

**Article 8. Nature Tourism Resources**

Nature tourism resources consist of: landscape scenery, cliffs, caves, plateaus, high mountains, volcanoes, flatlands, forests, plants, wild and aquatic animals, insects, flowers, rivers, islands, beaches, ponds, marshes, waterfalls, rapids, hot springs, natural occurrences, and others.

**Article 9. Manmade Tourism Resources**

Manmade tourism resources consist of:

- Cultural tourism resources, [such as]: arts, architecture, ethnologic sites, antiques, anthropologic sites, pagodas, buildings, houses<sup>9</sup>, artistic literature, traditional festivals, cultural events, ceremonies, rites, livelihood practices, trade centres, [and] exhibition halls;
- Historical tourism resources, [such as]: museums, monuments, houses of worship, the birth places, residences and working places of important people, [and] battle fields;
- Manmade tourism resources resembling nature, [such as]: national parks, amusement parks, zoos, and simulated<sup>10</sup> places.

**Chapter 2  
Tourism Resources**

**Article 10. Survey and Registration of Tourism Resources**

The State conducts surveys, [and] collects, registers, and summarises information on tourism resources throughout the country.

**Article 11. Classification of Tourism Resources**

Tourism resources of the Lao PDR are divided into two levels:

- National level;
- Local level.

**Article 12. Tourism Resources at National Level**

Tourism resources at national level are places which have [achieved the status of] national, regional and world heritage [sites], which are highly popular, which are attractive and draw the attention of mass tourists within the country and from abroad to visit, which have become widely known, and which provide adequate infrastructure and comfortable facilities to tourists and important income generation to the tourism [industry], such as: Luang Prabang City, Wat Xieng Thong, Pra That Luang, Ho Pra Keo, Viengxay Caves, Watt Phou Champasack, the Plain of Jars, Khon Phapheng<sup>11</sup>, and others.

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<sup>9</sup> The Lao word is a compound word: “buildings-houses”.

<sup>10</sup> The literal translation is “sample places”. E.g., where environments are created that do not exist in nature in Laos.

<sup>11</sup> The spelling of many of these transliterations of Lao words can vary. The translators have adopted the English translations used by the Lao Tourism Organisation where they are available. In other cases, the translators have attempted to provide transliterations that are as close to the Lao word as possible.

**Article 13. Tourism Resources at Local Level**

Tourism resources at local level are places that create attractions and draw attention mostly from domestic tourists, that have areas where development can be extended, that provide basic comfortable facilities and that are important for income generation in the locality.

Tourism resources at local level include tourism sites at provincial, district and community levels, such as: Tat Lor, Chang Cave, Tat Mune.

**Part III  
Tourism Activities**

**Chapter 1  
Tourism Advertisement**

**Article 14. Purpose**

The purpose of advertisement is to enable citizens to understand the importance of tourism and contribute to the protection and promotion of tourism, to make domestic tourists proud to travel within their home country, to make foreign tourists aware that the Lao PDR is an attractive place and to be willing to visit and learn about Laos, and at the same time to open up and increase the Lao tourism market.

**Article 15. Contents of Advertisement**

Tourism advertisement shall focus on beautiful and outstanding natural resources, [on] cultural, historical and natural tourism products that have unique national character, and [on] services, [all of] which are able to attract and impress tourists.

The present tourism slogan of the Lao PDR is “**Laos, the Jewel of the Mekong.**”

**Article 16. Form and Methods of Advertisement**

Tourism advertisements use the following forms and methods [of communication]:

- Festivals, cultural events, ceremonies, exhibitions and trade fairs at local, national, regional and international levels;
- State [or] private mass media communication networks, including domestic and foreign networks;
- Through ceremonies [and] activities promoting tourism and others;
- Through equipment and publications;
- Through other forms and methods that serve the advertisement and promotion of Lao tourism.

## **Chapter 2**

### **Means of Communication about Tourism**

#### **Article 17. Communication Tools**

The State encourages and creates conditions facilitating tourists in their communications within the country and abroad such as: telephone, fax, post, internet and others.

#### **Article 18. Supply of Information**

The concerned agencies shall supply adequate data [and] information on tourism in a timely and systematic manner, about tourism sites, travel, accommodations, restaurants, any permitted or prohibited practices, and others.

#### **Article 19. Warnings and Instructions**

The concerned agencies shall supply data [and] information, [and] give notice of emergency situations that have happened or may be happening which may cause adverse effects to tourists [or] the image of tourism, and shall also give instructions on preventive measures such as: in the case of earthquakes, floods, fires, hurricanes<sup>12</sup>, spread of diseases.

## **Chapter 3**

### **Tourism Transportation**

#### **Article 20. Means of Transportation**

The vehicles transporting tourists include: aeroplanes, cars, boats and other means of transportation based on the needs of tourists.

#### **Article 21. Standard of Transport Vehicles**

Transport vehicles serving tourists shall fulfil assurances of [sufficient] quantity and good quality; the period of use shall meet technical standards; and they shall fulfil assurances of safety, cleanliness and good service.

#### **Article 22. Transport Services**

Transport services provided to tourists shall proceed on the basis of the programme and strictly on time as specified in the transport contract; the provider of transport services to tourists shall be in good health, have good people skills,<sup>13</sup> have received basic training in tourism, shall be highly responsible and have at least three years' experience.

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<sup>12</sup> The Lao word refers to all kinds of major storms, not only hurricanes.

<sup>13</sup> The literal translation is "human relationships".



## **Chapter 4**

### **Places of Temporary Accommodation**

#### **Article 23. Types of Places of Temporary Accommodation**

Places of temporary accommodation include the following types: hotels, guesthouses, resorts, motels, campsites, tourist boats, caravans and other places of temporary accommodation supplying rooms to tourists and other necessary services.

#### **Article 24. Levels of Places of Temporary Accommodation**

Places of temporary accommodation have different levels, and the classification of levels aims to determine the standard and quality of places of temporary accommodation and to provide a variety of options to tourists.

The classification and decoration of places of temporary accommodation shall be determined by special regulations.

#### **Article 25. Accommodation Services**

Accommodation services shall fulfil assurances of quality, comfort, safety and cleanliness.

Providers of accommodation services shall have received certain professional training relating to accommodation services, have good people skills, be gentle, honest, friendly, and cheerful and have other [qualities] that give satisfaction to tourists.

#### **Article 26. Determination of Fees for Temporary Accommodation**

The fees for temporary accommodations shall be reasonable, [and] suitable to the level or standard of such accommodations. Tourists and concerned agencies shall be given advance notice, in an adequate and timely manner, of any change in the fees for accommodations, together with reasons.

## **Chapter 5**

### **Food, Beverages and Entertainment**

#### **Article 27. Food and Beverages**

Food and beverages provided to tourists shall meet assurances of quality, safety, [and] cleanliness consistent with the sanitary measures specified in the Law on Foods.

In order to provide tourists with multiple options, menus of food and beverages should indicate the prices.

Providers of services relating to food and beverages shall comply with professional standards, and have good people skills.

**Article 28. Entertainment**

Entertainment consists of: playing music, artistic performances, dances, singing songs and folksongs, playing international music, and others, which display the unique culture and fine national traditions of the Lao PDR, [or] which are world-class performances.<sup>14</sup>

Entertainment may be arranged in places of temporary accommodation, restaurants or at specific places as determined in detail in specific regulations.

**Article 29. Health Promotion**

Health promotion consists of: sporting activities, exercises, traditional massages, herbal saunas, hot spring baths, sunbathing, and others, as appropriate.

Health promotion may be arranged in places of temporary accommodation or other places.

**Chapter 6  
Souvenirs**

**Article 30. The Importance of Souvenirs**

Souvenirs are items that bring back good memories to tourists in respect of the artists, cultures, history, and traditions of Laos, [and] which display the precision, beauty and skills of the multi-ethnic Lao people.

**Article 31. Types of Souvenirs**

There are many types of souvenirs, [such as]: gold and silver jewellery, wickerwork, weave designs (such as laichok [and] matmee), needlework, decorated items, carved items, paintings, pottery, music instruments, and others, which are made with precision and reflect the fine culture, traditions, and livelihood of the multi-ethnic Lao people.

**Article 32. Place for Exhibition of Souvenirs**

Souvenirs shall be displayed and sold at places of temporary accommodation, and at locations where tourists pass by, that are properly decorated, clean and beautiful. Souvenirs shall mostly be domestic products.

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<sup>14</sup> The literal translation is the “outstanding and advances of the world”.

## **Chapter 7 Safety**

### **Article 33. Safety Measures**

Tourism services shall fulfil assurances of safety to the life, health and property of tourists. Service providers shall have safety measures and technical standards consistent with standards [and] measures issued by the relevant sectors.

In the event of any emergency, the tourism service provider or any person who sees such occurrence shall provide assistance to tourists in a proper manner.

In order to assure the safety of tourists, the State shall establish the tourist police.

### **Article 34. Insurance**

To assure the recovery of damages which tourists may incur, service providers shall maintain insurance as described in the Law on Insurance of the Lao PDR.

## **Chapter 8 Guided Tour Services**

### **Article 35. Types of Guided Tour Services**

Guided tour services are divided into three types as follows:

- Trans-national guided tours;
- Domestic guided tours;
- Guided tours for specific areas.

### **Article 36. Trans-national Guided Tours**

A trans-national guided tour is the service of introducing tourists into the country or guiding tourists to other countries for the purpose of tourism.

### **Article 37. Domestic Guided Tours**

A domestic guided tour is the service of guiding tourists within the Lao PDR and travelling in the country.

### **Article 38. Guided Tours for Specific Areas**

A guided tour for a specific area is the service of guiding tourists in any specific tourism site of the Lao PDR.

**Article 39. The Conduct of Guided Tour Services**

Guided tour services shall be conducted in accordance with the determined plan, programme, schedule, standard and quality of the relevant guided tour.

**Article 40. Fees for Guided Tours**

The fees for guided tours shall be reasonable for the programme, schedule, standard and quality of the tour. Any change in agreed prices or programme for any reason shall require the consent of the tourists.

**Chapter 9  
Tour Guides**

**Article 41. Types and Levels of Tour Guides**

Tour guides consist of two types: tour guides employed by a tour company and tour guides not employed by a tour company.

These two types of tour guides are divided into three levels: national tour guides, provincial tour guides and tour guides for a specific area.

**Article 42. Standard of Tour Guides**

Tour guides shall meet the following main standards:

- Be Lao citizens, and reside in the Lao PDR;
- Be at least 18 years of age;
- Have received officially recognised training in tourism and possess tour guide identity cards;
- Have knowledge, capability [and] experience in guiding tourists, especially in geography, history, [and] foreign languages, and have knowledge in providing basic first aid;
- Have good attitude, good people skills, good behaviour, and be gentle;
- Be in good health, and have no communicable diseases.

**Article 43. Rights and Duties of Tour Guides**

Tour guides shall have the following main rights and duties:

- To guide the tourists visiting cultural, historical and nature tourism sites that are open to tourists;
- To assure the safety of tourists, [and] help them when necessary;
- To respect the consumers of their services, laws and the local traditions, where the tour is conducted;
- To tell [and] explain the historical background of the tourism sites;

- To coordinate with the concerned agencies in the performance of their duties;
- To exercise such other rights and perform such other duties as prescribed by laws and regulations.

**Part IV**  
**Tourists and Entry-Exit**

**Chapter 1**  
**Tourists**

**Article 44. Types of Tourists**

Tourists are divided into two groups, namely:

- Domestic tourists;
- International tourists.

**Article 45. Domestic Tourists**

Domestic tourists are those tourists who are Lao citizens, aliens, apatrids,<sup>15</sup> or foreign individuals residing in the Lao PDR touring within the country.

**Article 46. International Tourists**

International tourists are the foreign tourists, Lao citizens residing abroad who travel as tourists into the Lao PDR or Lao citizens, aliens, apatrids or foreign individuals residing in the Lao PDR who are on tour to other countries.

**Article 47. Rights and Duties of Tourists**

Tourists have the following main rights and duties:

- To travel through a tour company or by themselves;
- To select a whole package tour or to use part of the tour provided by a tour company;
- To receive facilitation for entry into and exit from the country and [to receive facilitation during their] travels;
- To receive permission and tax exemption on personal items that they bring into and out of the Lao PDR as regulated by the laws;
- To complain of any improper conduct that causes damage to them;
- To respect the laws and regulations and the Lao traditions;
- To strictly follow the programmes [and] schedules of the tours;
- To not cause damage to tourism resources [or]<sup>16</sup> to the social and natural environment.

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<sup>15</sup> Readers may wish to refer to the Law on Lao Nationality for the distinction between aliens, apatrids (i.e. persons unable to certify their nationality) and foreign individuals.

## **Chapter 2**

### **Entry and Exit of Tourists into and out of the Country**

#### **Article 48. Entry and Exit Permit**

Tourists planning to travel to the Lao PDR shall use their passports, border passes or travel permits, as specified by the regulations of the Lao PDR.

The concerned authorities shall facilitate, [and] provide prompt and simple services for issuing entry and exit permits to tourists.

Tourists travelling into the Lao PDR shall enter and exit through the determined borders and shall fully comply with procedures for entry and exit.

The concerned authorities, as appropriate at each border checkpoint, shall arrange suitable places, and shall administer, inspect, and coordinate with concerned agencies, to facilitate, provide prompt services to, and serve with friendly attitudes tourists who enter and exit the country.

#### **Article 50. Travel within the Country**

Tourists who hold passports, border passes, [or] travel permits, are allowed to travel to places within the country as regulated.

All concerned authorities shall facilitate tourists travelling within the country, and amend regulations which are not consistent [with this]<sup>17</sup> and which cause difficulties to tourists when they travel and visit tourism sites.

## **Part V**

### **Tourism Development**

#### **Chapter 1**

##### **Planning of Tourism Development**

#### **Article 51. Levels of Tourism Development Plans**

Tourism development plans are contained in long-term, medium-term and short-term plans, which shall be classified as follows:

- National Strategic Tourism Development Plan;
- Regional tourism development plans;
- Provincial tourism development plans;
- District tourism development plans;

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<sup>16</sup> Here, the literal translation is “and”, but it is clear that the disjunctive “or” meaning is intended.

<sup>17</sup> I.e., the authorities are to amend regulations that are inconsistent with the objective of facilitating tourists.

- Development plans for tourism sites.

#### **Article 52. Principles of Planning**

Tourism planning shall be based on the following basic principles:

- Be based on potential resources and consistent with national and local socio-economic development plans;
- Follow policy directions on cultural, historical and nature tourism with the participation of the community;
- Assure sustainability in connection with the protection of the natural environment, and Lao social and fine traditions;
- Encourage and promote domestic producers to supply the needs of tourists;
- Focus on the promotion of domestic tourism and international tourism;
- Target outstanding areas, including the promotion of new tourism products that are competitive in the region and the world.

#### **Article 53. The Contents of Tourism Development Plans<sup>18</sup>**

Tourism development plans shall define the primary contents, purposes, objectives, development goals, assessments and analyses of potential resources, conditions of the tourism market, [and] the outcomes [and] impacts on the economy, society, culture and the environment, including determination of methods, regulations and measures for implementation.

### **Chapter 2 Development of Tourism Sites**

#### **Article 54. Procedures for the Development of Tourism Sites**

Procedures for the development of tourism sites consist of: surveying, planning, dividing and allocating areas for [tourism sites], designing [tourism sites], investing in the construction of [tourism sites], and summarising<sup>19</sup> the history of tourism sites.

#### **Article 55. Allocation of Tourism Sites for Development**

Tourism sites shall be allocated for development based on the potential of the tourism resource and favourable conditions for tourism.

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<sup>18</sup> The Lao language does not require nouns to indicate whether they are singular or plural. Here, Article 51 makes it clear that there are tourism development plans at various levels. The translators have therefore translated this provision in the plural.

<sup>19</sup> The literal translation is “edit”.

The development of tourism sites is divided into three categories: conservation areas, reserved areas and tourism services areas.

**Article 56. Regulations on Administration of Tourism Sites**

The regulations on the administration of tourism sites consist of two types: general administrative regulations and specific administrative regulations.

General administrative regulations shall have main contents relating to the conservation and protection of tourism sites and the environment, the maintenance of security and social order, land use and construction.

Specific administrative regulations contain regulations on each tourism site and shall be consistent with general administrative regulations.

**Chapter 3  
Tourism Cities**

**Article 57. Conditions for Tourism Cities**

A tourism city is a popular city for mass tourist visits, which shall meet the following main conditions:

- Cultural, historical or nature tourism resources that attract tourists exist within [the city] or its suburbs;
- [The city] maintains social order, security and safety;
- [The city] has basic infrastructure and is able to develop further;
- Tourism business is an important part of the economic structure of the city, where major revenue comes from tourism.

**Article 58. Development of Tourism Cities**

In a tourism city, socio-economic development shall give priority to tourism development.

The development of a tourism city shall focus on the promotion of investment, the development of infrastructure, other facilities [and] human resources, the creation of awareness of tourism among citizens, land use, [and] the development of a clean, beautiful and orderly city to attract tourists.

**Article 59. Administration of Tourism Cities**

A tourism city shall have specific administrative regulations aiming to protect, conserve and develop the tourism resources, [and] the socio-cultural and natural environment.

The administration of tourism cities is separately regulated.



## **Chapter 4 National Tourism Fund**

### **Article 60. Purpose of the Fund**

The National Tourism Fund is established for the development and promotion of tourism, in particular: development of human resources, development of facilities for tourism, promotional advertising, marketing and administration of tourism, and for the performance of obligations to international organisations relating to tourism, in which the Lao PDR is a member.

### **Article 61. Sources of Funds**

The National Tourism Fund is obtained from the State budget, contributions of domestic and foreign individuals and organisations, revenues from tourism activities, [such as]: food fairs, tourism trade fairs, exhibitions and other income.

### **Article 62. Administration and Use of the National Tourism Fund**

The administration and use of the National Tourism Fund shall comply with the purposes prescribed in Article 60 of this law.

The government shall issue regulations on the administration and use of such fund.

## **Part VI Tourism Business**

### **Article 63. Activities Relating To Tourism Business**

Activities relating to tourism business consist of:

- The tourism site business;
- The guided tour business;
- The tourist transport business;
- The temporary accommodations business;
- The restaurant business;
- The tourism training business;
- The tourism consultancy business;
- The entertainment business;
- The souvenir business, and others.

### **Article 64. Establishment and Operation of Tourism Business**

Domestic individuals and legal entities intending to establish an enterprise to operate a tourism business shall comply with the following main requirements:

**1. Individuals:**

- Shall be Lao citizens, aliens, apatrids residing in the Lao PDR;
- Shall have the capacity to act;
- Shall have never been criminally punished;
- Shall not be persons in bankruptcy who have not completed the period during which they are prohibited from conducting business.

**2. Legal Entities:**

Domestic legal entities that are business units:

- Shall possess lawful business licenses;
- Must have an office in the Lao PDR;
- Shall have performed obligations owed to the State in accordance with the laws and regulations.

Other legal entities shall get special permission from concerned authorities.

Foreign individuals or organisations have the right to establish an enterprise to conduct tourism business activities in the Lao PDR, mainly: hotels, resorts, restaurants, [and] tourism sites. For the business of transnational guided tours, the State permits foreign legal entities to jointly invest with domestic investors.

Foreign individuals or organisations shall not be permitted to conduct certain tourism business reserved for Lao citizens, [such as]: the tour guide profession, the business of domestic guided tours, the tour business in a specific area, guesthouses, and daily room services.

Detailed regulations on [obtaining] permission for investment and establishment of tourism enterprises in the Lao PDR by foreign individuals or legal entities are separately stipulated.

**Article 65. Rights and Duties of Tourism Enterprises**

Tourism enterprises shall have the following main rights:

- To freely conduct their business in accordance with the laws;
- To have their legitimate rights and benefits protected by the laws;
- To participate in activities of tourism business associations<sup>20</sup>;
- To determine the fees for tourism services consistent with the condition and standard of their services.

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<sup>20</sup> See footnote 18. Here, the translators understand that there are several associations in the tourism industry and have therefore translated this term in the plural.

Tourism enterprises shall have the following main duties:

- To strictly respect and comply with the laws, in particular the laws and regulations relating to tourism;
- To protect and maintain the natural environment, society, fine national traditions, cleanliness, safety and social order;
- To keep enterprise accounts and strictly perform obligations owed to the State, including collecting fees from tourists and remitting them to the National Tourism Fund.

## **Part VII Prohibitions Relating to Tourism**

### **Article 66. Prohibitions on Persons Conducting Tourism Business**

The main prohibitions on persons conducting tourism business are as follows:

- Conducting tourism business that is against the sovereignty, prosperity and security of the nation or against social order;
- Creating or implementing tourism projects that are inconsistent with the tourism development plan or that cause harmful effects to tourism resources, the environment or landscape scenery;
- Seeking unlawful benefits from tourists;
- Conducting tourism business without a license;
- Conducting tourism business in contravention of the laws, regulations or fine national traditions;
- Transferring or leasing the tourism business license to unqualified persons.

### **Article 67. Prohibitions on Individuals and Organisations**

Individuals and organisations are prohibited from undertaking the following acts:

- Destroying tourism resources, [or] the beauty of the environment connected to tourism;
- Creating obstructions in tourism sites [or making tourism sites] dirty;
- Encroaching, occupying or constructing in areas with tourism resources without permission.

**Part VIII**  
**Administration and Inspection of Tourism**

**Chapter 1**  
**Administration**

**Article 68. Tourism Administration Authorities**

The government centrally and uniformly administers tourism throughout the country by delegating authority to the National Tourism Authority as the focal point of such administration in coordination with relevant sectors<sup>21</sup> and local authorities.

The tourism administration authorities consist of:

- The National Tourism Authority;
- Tourism divisions at the provincial or city level;
- Tourism offices at the district or municipal level.

**Article 69. Rights and Duties of the National Tourism Authority**

The National Tourism Authority has the following main rights and duties:

- To conduct research on policies, strategies, plans and projects for the development of tourism throughout the country and to propose to the government for consideration;
- To coordinate with other concerned agencies in determining plans on the protection, conservation, restoration, development and promotion of tourism throughout the country;
- To conduct research on policies and administrative regulations relating to the development and promotion of tourism and to propose to the government for consideration;
- To supervise, encourage, [and] monitor the implementation of policies, plans, projects, laws and regulations on tourism;
- To determine the conditions, [and] standards for each type of tourism business for effective operations;
- To determine the standards for classifying temporary accommodation businesses [and] restaurants, in conformity with professional and international standards;
- To organise and promote capacity building, training, [and] upgrading of human resources in the State and private sectors that are active in the tourism sector to meet a certain level of capacity in providing services to tourists;

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<sup>21</sup> The term “sector” is used in many Lao laws to refer to the cluster of government ministries or agencies engaged in a particular activity. Here, it is possible that such governmental meaning is intended, given the juxtaposition of this term with the related term “local authorities”.

- To improve the organisational structure to strengthen the tourism sector<sup>22</sup>, [and] to administer and deploy officials and civil servants so as to meet assurances of quantity, quality and efficiency, aiming to serve the needs [of the tourists] from time to time<sup>23</sup>;
- To administer and use the National Tourism Fund in a planned and effective manner;
- To coordinate with relevant sectors on tourism activities, particularly on: the survey and gathering of data and information, research, allocation of tourism sites, licensing of tourism business, and facilitating tourists;
- To coordinate with other relevant sectors at its level in the administration, warning, imposing of fines, suspension or proposal for termination of tourism businesses;
- To sign agreements, protocols, or memoranda for cooperation with foreign countries [and] international organisations, and to organise or participate in international conferences on tourism as approved by the government;
- To regularly report to the government on the implementation of its duties in the administration, development and promotion of tourism;
- To exercise such other rights and perform such other duties as regulated by the laws and regulations or as assigned by the government.

#### **Article 70. Rights and Duties of Tourism Divisions**

The tourism divisions at the provincial or city level have the following main rights and duties:

- To implement plans, laws, regulations and orders on the administration and development of tourism issued by the National Tourism Authority;
- To actively coordinate with other concerned agencies in the survey and collection of data and information, and in the registration of cultural, historical and nature tourism sites in their responsible areas, including planning for protection, conservation, restoration and development;
- To coordinate with other concerned agencies in considering applications for the establishment of tourism businesses as described in Article 62<sup>24</sup> of this law at their local levels, prior to proposing to the National Tourism Authority or, if so authorised, [prior to] their own consideration and decision;

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<sup>22</sup> See footnote 21. Here, unlike in the previous point in this Article 69, the context makes it clear that the governmental meaning is intended.

<sup>23</sup> The literal translation is “for each period”.

<sup>24</sup> This is a literal and accurate translation. The translators are aware that Article 62 of this law sets out the use of the National Tourism Fund rather than provisions relating to the establishment of tourism businesses. It is possible that the drafters meant to refer to Article 63 instead.

- To organise training of human resources on tourism activities;
- To coordinate with other concerned sectors at their levels in the administration, warning, imposing of fines, suspension or proposal for termination of tourism businesses;
- To regularly report to the National Tourism Authority and to the provincial administrations on the implementation of their duties on the administration, development and promotion of tourism;
- To cooperate with foreign countries relating to tourism activities as assigned by their higher authorities;
- To exercise such other rights and perform such other duties as regulated by the laws and regulations or as assigned by the National Tourism Authority.

**Article 71. Rights and Duties of Tourism Offices**

The tourism offices at the district or municipal level shall have the following main rights and duties:

- To implement plans, laws, regulations and orders on the administration and promotion of tourism issued by the National Tourism Authority and the tourism divisions;
- To administer tourism businesses within its district or municipality to operate their businesses in accordance with the laws and regulations;
- To conduct surveys, to plan for conservation, protection, restoration [and] development and to administer tourism sites within their area of responsibility;
- To regularly report to the tourism divisions and the district administrations on the implementation of tasks relating to tourism;
- To exercise such other rights and perform such other duties as regulated by the laws and regulations or as assigned by higher authorities.

**Article 72. Rights and Duties of Concerned Agencies**

The sectors and all levels of local authorities that are related to tourism have the right and duty to coordinate with the tourism sector in the administration, development and promotion of tourism in accordance with their mandates, in order to enable tourism in the Lao PDR to expand and to increasingly attract domestic and foreign tourists.

## **Chapter 2** **Inspection<sup>25</sup>**

### **Article 73. Inspection Authorities**

The tourism inspection authorities are the same as the tourism administration authorities described in Article 68 of this law.

### **Article 74. Rights and Duties of Inspection Authorities**

The tourism inspection authorities shall have the following rights and duties:

- To monitor the implementation of strategies, policies, plans, projects, laws and regulations relating to tourism;
- To inspect the activities of tourism businesses, mainly: to examine documents and undertake on-site inspections;
- To inspect and deal with the proposals of individuals or organisations on tourism activities;
- To impose sanctions on persons violating laws and regulations on tourism;
- To coordinate with other concerned agencies on the work of tourism inspection;
- The persons who are inspected shall cooperate with and facilitate the inspection authorities.

### **Article 75. Forms of Inspection**

There are three forms of inspection, as follows:

- Regular systematic inspection;
- Inspection following an advance notice;
- Emergency inspection.

Regular systematic inspections are inspections which are carried out according to plans, on a regular basis and at a specified time, which shall be performed at least once a year.

An inspection following an advance notice is an inspection that is conducted when it is necessary, by giving prior notice to the persons responsible for the administration or operation of the tourism business at least twenty-four hours in advance.

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<sup>25</sup> In the Lao language, the same word is used to represent all of the following related (but slightly different) concepts: “control”, “inspection”, “supervision”, “audit” and “monitoring”. Here, the translators have chosen “inspect” as the most appropriate translation. Readers should note the other meanings that might have been intended.

An emergency inspection is an inspection where advance notice is not given.

**Part IX**  
**Policies Towards Persons with High Achievements**  
**and Measures Against Violators<sup>26</sup>**

**Article 76. Policies Towards Persons with High Achievements**

Individuals or organisations with outstanding performance in the implementation of this Law on Tourism may receive awards and other benefits, as appropriate.

**Article 77. Measures Against Violators**

Individuals or organisations that violate provisions of this law shall be re-educated<sup>27</sup>, warned, fined or punished according to the laws, as determined on a case by case basis.

**Part X**  
**Final Provisions**

**Article 78. Implementation**

The government of the Lao PDR is entrusted to implement this law.

**Article 79. Effectiveness**

This law shall come into force after ninety days from the date of the promulgating decree issued by the President of the Lao People's Democratic Republic.

All regulations and provisions that contravene this law are null and void.

Vientiane, 9 November 2005  
President of the National Assembly

*[Seal and Signature]*

Samane VIGNAKET

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<sup>26</sup> In this context, the term “policies” takes the meaning of “privileges” and the term “measures” takes the meaning of “sanctions”.

<sup>27</sup> Here, “re-education” does not mean the same as “re-education without deprivation of liberty” referred to in the Penal Law.