

(Unofficial translation)



**LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY**

Ministry of Commerce

No. 0340/MOC.DFT

Vientiane Capital, dated 27 March 2003

**Notification
Of the Minister of Commerce
On the Import of Vehicle, Vehicle Parts for Assembling in Factories**

- Pursuant to Decree No. 205/PM, dated 11 October 2001 on the Management of Import and Export.
- Pursuant to Provision No. 105/MOC.DFT dated 25 January 2002 on the Management of Import and Distribution of Vehicles.
- Pursuant to Decision No. 14/PM dated 18 February 2003 of the Prime Minister on the Import of Vehicle, Vehicle Parts for Assembling in Factories.

In order to expand and implement decree, provision and decision mentioned above uniformly nationwide

Minister of Commerce hereby issues following notification:

1. The import of vehicles, vehicle parts to be assembled in factories shall conform with market mechanism and regulations in particularly Tax Law No. 10/NA, dated 12 October 2002 and Customs Law No. 04/94, dated 18 July 1994 by onetime payment for customs and tax prior to the import.
2. In order to guarantee centralization, Ministry of Commerce shall permits the import, as for technical standards of vehicle and vehicle parts shall conform with the Provision of Ministry of Public Works and Transportation No. 4312/MPWT, dated 11 November 2002. For used vehicles (secondhand vehicles) that are used in the production and carriers service as well as goods' transportation, importing in SKD/IKD form according to regulations of the Ministry of Industry and Handicraft, their quality shall strictly not

lower than 80% as stipulated in Article 6 of the Decision No. 14/PM, dated 28 February 2003.

3. The vehicles imported for diplomat, international experts, international organizations, and the import for domestic or foreign investment projects, aids and loans shall conform to effective laws and regulations to enable Ministry of Commerce to permit the import.
4. The import of vehicle for government offices, party offices, national offices, massive organizations, including provinces, Vientiane municipal and special zone shall follow the Notification No. 0886/PM/SO, dated 19 May 2000 and only through the budget approval of Ministry of Finance.
5. As for the import of vehicles according to Decree No. 71/PM, dated 28 May 2002, Ministry of Commerce shall provide annual import statistic to Ministry of Labor and Social Welfare to operate according to the Decree No. 71/PM. After that the Ministry of Labor and Social Welfare shall notify Ministry of Commerce to permit the import. The permitted importers shall pay for import tariffs and taxes according to regulations and procedures stipulated in No.8 of this Notification.
6. Vehicle, vehicle part importers for distribution shall fulfill requirements stipulated in the provision No. 105/MOC.DFT, dated 25 January 2002 on the Management of the Import and Distribution of Vehicles. In addition, the vehicle part importers shall submit their proposal to Ministry of Industry and Handicraft.
7. Individuals, entities are able to retain their vehicles at the temporary warehouse (Real Warehouse) at the international checkpoints but it shall be in accordance with Provision No. 105/MOC.DFT, dated 25 January 2002 on the Management of the Import and Distribution of Vehicles. Individuals, entities are able to distribute the vehicles retained at the temporary warehouse (Real Warehouse) in third country according to Provision No. 1195/MOC, dated 19 October 2001 on the Re-export business and requirements under the regulations of relevant agencies.
8. Import procedures shall be processed as followings: individuals, legal entities who wish to import vehicles and vehicle parts to be assembled in factories shall submit import application at Ministry of Commerce (Department of Foreign Trade) to notify quantities and type of vehicles to be imported. For the import of Vehicle parts for assembling it shall be requested through Ministry of Industry and Handicraft, then Ministry of

Commerce (Department of Foreign Trade) will forward it to Department of Transportation, Ministry of Public Works and Transportation to obtain technical permission. After that the importers shall make customs and tax payment with finance sector and bring all documents including customs and tax payment certification to Ministry of Commerce (Department of Foreign Trade) to check and issue an import license. The importers bring the import license to customs authority at the border checkpoint or warehouse to inspect and clear the import accordingly.

9. In case of types of vehicles and vehicle parts are not listed in the table for customs-tax declaration, importers shall declare their value to Department of Domestic Trade, Ministry of Commerce to estimate the value appropriately before being able to proceed the customs and tax payment with finance sector.
10. As for the import licenses already issued by Ministry of Commerce (Department of Foreign Trade), the Department of Commerce in provinces, Vientiane Municipal, and special zone shall proceed the issuance of vehicle and vehicle parts import permission to individuals and legal entities until its expiration. However, the importers shall pay for customs and tax according to current rate. Starting from 1 April 2003 Ministry of Commerce (Department of Foreign Trade) will be an issuer of the import license of vehicle and vehicle parts and will directly forward to one-stop-service (commerce), technical officer of Ministry of Public Works and Transportation, and customs authority at the border checkpoint to physically inspect the conformation and enabling the import. The purpose of doing that is to reduce document procedures and to facilitate trade.

This notification becomes effective on 1 April 2003. The Notification No. 151/MOC.DFT, dated 8 February 2002 is nulled.

(for) Minister of Industry and Commerce

(Signed and sealed)

Siaosavath Savengseuksa