

[Unofficial Translation]



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Finance
Customs Department

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Instruction
On Electronic Customs Declaration

- Referring to the Law on Customs No. 04/NA, dated 20 December 2011 and the (revised) Law on Customs No. 057/NA, dated 24 December 2014;
- Referring to Ministry of Finance's Decision No. 1765/MOF, dated 3 March 2015 on the Organization and Operations of Customs Department;
- Referring to Ministry of Finance's Instructions No. 1559/MOF, dated 24 May 2016 on the Implementation of the Customs Law.

Import and export through customs border checkpoints including transit goods across the country must be declared to Customs Administration for appropriate customs controls, aimed at ensuring the appropriate enforcement of the Law on Customs, especially at protecting legitimate socio-economic interests, promoting fair competition, enhancing trade facilitation, international integration and complete State-budget revenue collection in order to contribute to national socio-economic development.

The Director General of Customs Department instructs that:

1. Objective

This Instruction defines principles, methods, mechanism and measures for detailed electronic customs declaration as well as to interpret the Law on Customs, ensuring fast, transparent and liable customs declaration procedure, aimed at increasing trade facilitation, State-budget revenue collection, transformation of customs procedure to modernization and conformity with international standards and procedure step by step.

2. General Principles

- Customs Administration applies Electronic Customs Declaration (ASYCUDA) in management of customs declaration to enhance efficiency and effectiveness of management of customs declaration, reduce time and costs in customs procedure, reduce paper work and increase correctness and accuracy of customs declaration;
- Customs Administration applies scientific risk-management mechanism in customs declaration management to increase facilitation to legitimate trade and increase strict control for high-risk smuggling or evasion of customs officers' checking/inspection;
- Customs Administration takes ownership in coordination with public and private sector in development of modern tools in customs declaration, moving towards international standards;
- Customs Administration encourages cooperation of traders in customs procedure including improvement of customs procedure to ensure transparency and speed and to enhance capacity in regional and international competitiveness.

3. Terminology

- Customs declaration for import means customs procedure in order to bring goods into customs jurisdiction of Lao PDR with the purposes of consumption, temporary import, re-import, import under the warehouse regime, import to be transported within the country, import through international borders or import under other regimes;
- Customs declaration for export means customs procedure to export goods out of customs jurisdiction of Lao PDR for the purposes of permanent export, temporary export, export through international borders, re-export or export under other regimes;
- Information and documents checking means the checking of information on the customs declaration form and checking of customs declaration form supporting documents such as invoices, package documents, certificates of origin, licenses and others, conducted by customs officers;
- Physical inspection of consignments means the physical checking of goods in the warehouse or designated places as defined by Customs Administration; customs officers apply modern equipment in physical inspection such as X-Ray machine, scale and others based physical forms of objects and packages;

- Customs client (trader) means person or legal person filling data in declaration form and providing documents for customs procedure, signing the customs declaration form, paying for customs duties and other charges and taking consignments out of the customs border checkpoints. Customs clients may be owners of consignments, customs brokers, transporters, freight forward service providers, carriers, receivers or representatives of owners of consignments/goods, who are legally assigned to act on behalf of the owners;
- Customs broker means person or legal person filling data in declaration form and providing documents for customs procedure, signing the customs declaration form, paying for customs duties and other charges on behalf of good/consignment owners or importers-exporters, with written and legally effective power of attorney from the good/consignment owners;
- Transport document means documents accompanying transport of goods issued by transporters or freight forward providers or concerned parties, consisting of information on the transport of goods such as carrier, receiver, form of transport, transport-movement method, type of good, weight, quantity and etc. Transport documents include bill of lading, airway bill, master or house bill, carrier' report and other generally used documents in international transport of goods;
- Detailed customs declaration form means customs declaration forms in ASEAN Declaration Document (ACDD) system, adopted and implemented by Lao PDR. Customs Department prints and sells these forms;
- Invoice means documents that are trade certificate issued by sellers to buyers to certify the transactions. Invoices consist of main information such as name and address of the buyer, name and address of the seller, items of good, details of goods, quantity, price (unit price), total value, related service charges and others;
- Package bill/document means the documents related to the packages or containers of the goods during the transport issued by transporters, carriers or concerned parties. The package document contains important information such as name and address of buyers, name and address of sellers, items of good, packaging method for transport (containers, boxes, crates, packages, bulks, sets, bottles and others) weight, quantity and others;
- Certificate of origin means the documents of public sector, chamber of commerce or exporters (in case the certificate of origin is issued by exporters themselves) to importers in order to prove the country or region that are origin of goods according to terms and conditions stipulated in agreements that Lao PDR is a party to;

- License or certificate of concerned sectors means documents of public sector issued to authorize export, import or transit of goods for the items on the control list. These documents include import or export license, technical certificates, quality certificates, sanitation license, safety certificates and others;
- Risk management means a selectivity mechanism for application of control measures for consignments/goods by Customs Administration in order to increase facilitation and enhance efficiency in consignment inspection of customs officers. Customs Administration manages risks at three levels such as low risk, medium risk and high risk. Customs Administration applies control for customs declaration based on the level of risks;
- Advance ruling means providing information and documents for detailed customs declaration and submitting to customs officers to check the information and documents before the arrival of consignments/goods at the checkpoint for import or export;
- Automated System for Customs Data (ASYCUDA World) means an electronic data management used by Customs Administration in management of customs declaration, data/statistic collection, accounting and linking with other systems;
- Smart Tax system means payment system for customs duties and other charges through the banking system, developed by BCEL Bank to link up with ASYCUDA of Customs Department and GFIS of the National Treasury.

4. Scope of Application

This Instruction is applied to customs procedure for import, export and transit of goods of all types and implemented country-wide. This Instruction does not cover the declaration of individual goods, items with passengers, declaration of import and export of personal vehicles for tourism and visit and declaration of items sent by post. Customs Department shall formulate specific legislations for declaration of individual goods, items with passengers, declaration of import and export of personal vehicles for tourism and visit and declaration of items sent by post

5. Venues for customs declaration and release of goods/consignments

Declaration for import, export and transit of goods through border checkpoints must be done at customs border checkpoints, inland depots or temporary warehouses as designated by Customs Administration. Traders with installation of ASYCUDA as Director Trade Input (DTI) and/or registered for electronic customs declaration can process customs declaration from their offices or at a place with the link with ASYCUDA.

The release of goods and consignments must be done at customs border checkpoints, warehouses at customs border checkpoints, inland depots and others places as designated by Customs Administration.

6. Hours for customs declaration

Working hours for customs declaration and release of goods/consignments at customs border checkpoints are from 8 am to 12 am and from 1 pm to 4 pm, Monday to Friday.

Customs Administration can define time for customs declaration in addition to the above working hours and days based on the volume of consignments at the border checkpoints and agreement with Customs Administrations of other jurisdictions where the borders belong to.

In case traders need to process customs procedure and release of consignments outside working hours and days because of urgency, for example, import or export of livestock, perishable items, disaster relief items, hazardous substance that needs to be kept in a specific place or the import-export license is expiring, traders can make a request to the Chief of the Customs Border Checkpoint to approve as appropriate and in compliance with laws and regulations.

Filing in information through DTI and on-line can be done 24 hours a day and every, unless the Customs Department has issued a notification to temporarily stop the service for repair and maintenance.

7. Responsibilities of Customs Administration

To ensure the fast, easy, transparent and fair customs procedure, the Customs Administration has the following responsibilities:

7.1 Responsibilities of divisions within the Customs Department:

- Give technical advice to customs officers and traders on customs procedure, codes of goods, declaration requirements, declaration values, certifying origin of goods and others;
- Give advice on how to solve technical issues;
- Coordinate with concerned sectors to increase facilitation, solve problems related to detailed customs declaration;
- Coordinate with and advise customs border checkpoints in management of import of goods, exemption of import duties, reduction of import duties and exemption of customs and other duties and charges;

- Take ownership in dissemination, advice on procedure and method of customs declaration to traders widely by conducting training, developing manual, brochures and others.

7.2 Responsibilities of Customs Administrations at border checkpoints

- Control checking of information and documents for customs declaration in details according to risk-management mechanism to ensure compliance with laws and regulations;
- Coordinate with government sectors present at the border checkpoints to increase collaboration and reduce steps in control of goods through the border checkpoints strictly effectively;
- Consult with Customs Administrations of countries, sharing borders with Laos, to define time and scope of operations for alignment and harmonization; increase cooperation and exchange of information and moving towards single inspection to enhance effectiveness in good inspection;
- Able to collect samples for laboratory or to seek experts' advice for the purpose of good coding, customs valuation and detecting copy-right violating items;
- Customs officers are prohibited to delay, threaten or act inappropriately towards traders that is not conformity with regulations and code of conduct of Customs Administration;
- Give opportunity to traders to explain and provide additional information and documents in case of doubts or breaching of customs procedure;
- Define clearly parameters for work space of customs officers and operations of traders and not to allow traders to interfere in the work space of officers that will disturb and give a chance for partnership in crime. Officers and traders can consult each other at spots that are clearly seen;
- Take ownership in dissemination, advice on procedure and method of customs declaration to traders widely by conducting training, developing manual, brochures and others.

8. Responsibilities of customs clients

Persons or legal persons doing customs procedure with Customs Administration have following responsibilities:

- Fill in information and documents and sign on the declaration form correctly and completely;
- In case of doubt about the consignments, traders can ask to check the consignments in the warehouse and can collect sample for testing at laboratory or their office. But detailed

customs declaration must be done within the timeframe as defined by the Law on Customs. The quantity or size of samples must be very little and must be approved by customs officers. For sampling, there is no need for customs declaration only a report of samples between traders and customs officers (officers in Warehouse Management Unit);

- After filling in information in the declaration form and registration of the form in ASYCUDA, the form must be printed out and signed to certify and the original copy must be submitted to Customs Administration at the border checkpoint for checking;
- Pay customs duties and other charges completely, correctly and timely;
- If the declaration is by customs brokers (their party) on behalf of importers or exporters or owners of consignments, there must be correct and legally effective power attorney;
- File information and documents related to customs declaration completely for audit according Article 64 of the Law on Customs.

9. Conditions for customs declaration using ASYCUDA

Traders who use ASYCUDA for customs declaration must receive training certificate on customs procedure and ASYCUDA system use, as well as receive user IDs for the system. Traders, allowed to use ASYCUDA for customs declaration can use their user ID to login to process detailed customs declaration and everything is the same as processing it at border checkpoints.

Customs Department shall issue regulations related to management of ASYCUDA use.

10. Customs declaration for import

The customs declaration for import must be done as follows:

10.1 Step 1: Declaration of transport documents

10.1.1 Upon arrival of goods, traders, truck drivers or officers in charge of warehouse at the airport must submit the transport document to the customs officers in charge of transport document management within 24 hours according to Article 19 of the Customs Law.

10.1.2 Officers in charge of warehouse receive the transport document and key in the information in the transport document management system. For customs border checkpoints that do not use the transport document management system, the information is recorded in the book to monitor warehouse inventory. After that, importers are allowed to bring goods into the warehouse or

parking lot for trucks to process temporary declaration of goods and process detailed customs declaration.

10.2 Step 2: Filling in information and documentation for detailed customs declaration:

- Traders must fill in information in detailed customs declaration form in ASYCUDA in the Declaration Module in details. Traders can use computer in the Information Desk at border checkpoint for information filling and documentation. For traders with DTI and/or registered for electronic customs declaration, they can fill in information and documentation using computers at their office;
- Upon arrival of goods at the checkpoint, traders must process detailed customs declaration as stipulated in Article 24 of the Law on Customs. Traders can provide information and documents as advance ruling before the arrival of goods according to Paragraph 13 of this Instruction;
- 1 set of invoices must be attached to 1 set of documents, except for the import of vehicles that must be 1 vehicle for 1 set of customs declaration form. For import of motorcycles, the procedure is in accordance with Notification No. 02320/LCD, dated 18 March 2014;
- After filling information for customs declaration, traders must check the correctness and completeness of information especially codes of goods (HS Code), value for declaration, reduction or exemption of tax-customs duties and preferential tariffs under free-trade agreements;
- ASYCUDA calculates customs tariffs and other charges that must be paid electronically based on information on the declaration form provided by traders;

10.2.2 Attaching supporting documents to be attached to customs declaration form:

- After filling the information, traders must scan the supporting documents to be attached to the form electronically in form pdf, png or jpeg.

The supporting documents consist of:

- Invoices;
- Document for packaging;
- Transport document (if any);
- Temporary customs declaration (if any);
- Certificate of origin (if preferential tariffs are required);
- Approvals from concerned public sector (in case of items on the control list);

- Power attorney for customs declaration (if declared by customs brokers).
- Supporting documents for customs declaration must be clear, without deletion, easy to read and complete the same as the original copies. The file size must not exceed 500kb per document;

10.2.3 Confirming the correctness of customs declaration form

After completing customs declaration form, traders must print the form out the registered customs declaration form from ASYCUDA using forms sold by Customs Administration, the form must be signed and stamped in box 54. The name of declaring person is in box 14 and 54 must be the same, which is the name of the importer. In case, the declaration is done by customs brokers, the name is in box 8 must be the name of importers (owners of goods or receivers of goods), and the name in boxes 14 and 54 is the name of the person declaring.

10.2.4 Registration and submission of declaration forms

- After checking the form, traders must register the customs declaration form in ASYCUDA. The system will record the information on declaration, analyze the information automatically and forwards to customs officers to check the information and all supporting documents;
- The ASYCUDA assigns number automatically. Once forms are registered in the system, traders cannot change, improve or add information in the forms. In case traders find wrong information or documents after registration of the forms, they must inform officers of Query and Settlement Unit at the checkpoint immediately according to Paragraph 12 of this Instruction;
- Traders must bring original form and all supporting documents to submit to officers at the checkpoint for checking according to regulations;
- If officers find out that forms have been registered in the system but original hard copy of forms have not been submitted within 7 days, the officers from Query and Settlement Unit must invite the traders for enquiry. If it is an intentional act, measures will be strictly taken;
- After registration of forms and submission of original forms, traders can follow up on the progress of customs procedure in ASYCUDA;

10.3 Step 3: Checking/inspection and control by customs officers

10.3.1 Confirming registration of customs declaration forms

After filling in information in the form and registration of the form in ASYCUDA, customs officers, who conduct initial checking of information must confirm the registration without having to wait for the original copy in order for ASYCUDA to perform initial analysis of risks automatically so it can show the result as “low risk” (green), “medium risk” (yellow) or “high risk” (red). After that, the form is forwarded to officers checking information for each level risks.

10.3.2 Checking information, documents and physical inspection

The control must be applied in accordance with level of risks:

A. For “low risk”

- Officers must conduct initial checking of information, focusing on supporting documents (invoice, packaging document, transport document, approvals, certificate of origin and others), name of the trader or customs broker, request for preferential tariffs and others;
- In case the original copy of the form has been submitted, the checking is to verify the signature and stamp;
- In case the import is under tariff exemption or reduction regime or exemption of tax-custom duties and other charges, the officers must cross check with proposed list of import that has been submitted to the Customs Department, Ministry of Finance, Executive Board of special or specific economic zones and Provincial Investment Management Committee;
- After initial information checking, the followings must be done:
 - If mistakes are not found: the officers, performing, initial information checking must add information in the cover letter accompanying the form and forward to the Chief or Deputy Chief of Declaration Management Unit for consideration, the Chief or Deputy Chief can login to check the information in the system and if mistakes are not found, they will confirm the registration in the system and sign and stamp their name in box 54 in the customs declaration form. The confirmation of registration can be done only after receipt of original hard copy of the form;
 - If mistakes are found: the status is changed to “Query and Settlement”, recording results of mistake findings in the “Inspection Act”, adding information in

accompanying document and sending to Query and Settlement officers to continue the checking process;

B. For “Medium Risk”

Officers must conduct detailed checking of information and supporting documents, focusing on checking of HS code, declaration valuation, certificate of origin, approvals from concerned sectors and others, name of the trader or customs broker, request for preferential tariffs and others;

- If mistakes are not found: the officers, performing, detailed information checking must confirm the “conform of the documents” in ASYCUDA and forward to the Chief or Deputy Chief of Declaration Management Unit for consideration, the Chief or Deputy Chief can login to check the information in the system and if mistakes are not found, they will change the status to “low risk”. After that, the Chief or Deputy Chief of Declaration Management Unit confirms the registration in the system and sign and stamp their name in box 54 in the customs declaration form. The confirmation of registration can be done only after receipt of original hard copy of the form;
- If mistakes are found: such as HS coding, certificate of origin, approvals, business license and not correct and others, the officers must change the status to “Query and Settlement”, recording results of checking in the “Inspection Act” in ASYCUDA, and sending to Query and Settlement officers to continue the checking process;
- In case of doubts: such as the importer has never imported the goods before, ASYCUDA will emphasize the checking on declaration valuation, or there is trace of deletion in the documents or others, the traders must be notified and asked to provide additional information and documents such as purchase agreement, statement of payment through the banking system, business license and others;

After checking of additional information and documents, if it seems liable and acceptable the Chief or Deputy Chief of Declaration Management Unit will consider to approve;

After checking of additional information and documents, if there are still some doubts and after consideration it the physical inspection of consignments/goods is needed to verify if the consignments/goods are imported as declared, the officers, checking documents, will propose to the Chief or Deputy Chief of Declaration Management Unit for consideration. After the consideration, if the Chief or Deputy Chief deems that the physical inspection is needed they will supervise the officers, checking documents, to change the status to “high risk” and record the doubts in the “Inspection Act” in ASYCUDA and forward all documents to officers who conduct physical inspection.

C. For “high risk”

Declaration classified as high risk must go through 2 levels of checking such as detailed checking of documents and physical inspection.

- Document checking: officers must check information and documents in details. After the checking the followings must be done:
 - If mistakes are not found: the officers, performing information and document checking must confirm “Conform” in ASYCUDA and forward to officers who conduct physical inspection;
 - If mistakes are found: such as HS coding, certificate of origin, approvals, business license and not correct and others, the officers must record the results checking in the “Inspection Act” in ASYCUDA and forward to officers who conduct physical inspection. After completion of physical inspection and recording inspection results, all documents are sent to the Chief or Deputy Chief of Query and Settlement Unit to further process.
- Physical inspection of consignments/goods: When ASYCUDA classifies as high risk from the beginning or the status is changed to high risk, ASYCUDA will select the officer automatically using random selection. The selected officer must conduct physical inspection of goods/consignments, focusing on type, model, edition, brand, weight, size, quantity, producing country, packaging type and other physical characteristics. The physical inspection must be conducted in present of the trader/importer;

The officer conducting physical inspection can use desk top computer of Warehouse Management Unit, laptop computer or tablet, provided by Customs Department, to record inspection results. After physical inspection the followings must be done:

- If mistakes are not found: the officers, performing information and document checking must confirm “Conform” in ASYCUDA and forward to Chief or Deputy Chief of Physical Inspection Unit for consideration. The Chief or Deputy Chief logs in the system and if they agree with the inspection results they will advise to change the status to low risk and approve the declaration in the system, as well as sign and stamp their name in box 54 of the form.
- If mistakes are found: such as quantity, weight, size model, edition or brand are not the same as actual goods, the officers must change the status to “Query and Settlement” and record the results of inspection in the “Inspection Act” in ASYCUDA and after that forward all documents to officers of Query and Settlement to further process.

10.3.3 Management of deduction of items proposed in the tariff exemption plan, reduction plan and tax-customs exemption plan

In case of import under tariff exemption, reduction or tax-customs exemption, the checking must be conducted and deduct items from import-export plan during the initial checking of information using system of Customs Department for management of deduction of items on the plan installed at border checkpoints.

10.3.4 Approval of declaration

After checking at each step of risk-management mechanism and the declaration is changed to low risk (green), the Chief or Deputy Chief of Unit can confirm their authority to approve such as:

- In case the status is low risk and medium risk the authority to approve is with the Chief or Deputy Chief of Declaration Management Unit to approve;
- For high risk, it is the authority of the Chief or Deputy Chief of Physical Inspection Unit to approve;
- In case there are mistakes in declaration and the form has been forwarded from officers conducting initial information checking or detailed document checking officers or inspection officers, it is the authority of the Chief or Deputy Chief of Query and Settlement Unit to approve after the settlement of the case and adjusting information;
- The approval can be done only upon arrival of goods/consignments at the checkpoint and original hard copy of the declaration form is submitted to customs officers.

10.3.5 Payment of customs duties and other charges

After approval of declaration form, traders must pay customs duties and other charges:

- For checkpoints with Smart Tax System, accountants check the declaration form if it has been approved, the payment can be accepted using Smart Tax installed by the bank at the checkpoint. The all payments are done together at the same time, which include customs duties, taxes and other related charges in compliance with the Instruction of MOF on Management of Smart Tax System;
- For checkpoints without Smart Tax system, the payment for declaration fees is made to customs officers, customs duties and other charges are paid to officers of National Treasury or through the banking system. After the payment, the payment evidence is submitted to Treasury officers at the checkpoint to record in Payment Module in ASYCUDA.

10.3.6 Release Order

After completion of payment process for customs duties and other charges, all documents must be sent the Chief or Deputy Chief of the checkpoint to consider approval. The Chief or Deputy Chief

checks declaration form and confirm payment as the final step. To be sure about the documents and declaration, the Chief or Deputy Chief can check information in ASYCUDA using their user ID.

After checking the followings must be done:

- If mistakes are not found, approve the “Exit Control” (release of goods/consignments) officers by signing and stamping their name in box 54 of the form.
- If mistakes are found, documents and form are sent to Query and Settlement officers to record the mistakes. After that documents and form are sent to the Chief or Deputy Chief of the checkpoint to consider approval the exit control and all documents are sent to the Provincial/Vientiane Capital Customs Inspection Office for inspection and audit according to Chapter 1, Part X of the Customs Law.

11. Customs declaration for export

The customs declaration for export must follow the following steps:

11.1 Step 1: fill in the information and documentation for export customs declaration

11.1.1 Information on customs declaration for export:

This is the same as information for customs declaration for import as defined in Paragraph 10.2.1 of this Instruction.

11.1.2 Attaching supporting documents to the declaration form

- After filling the information, traders must scan the supporting documents to be attached to the form electronically in form pdf, png or jpeg, traders must scan the supporting documents to be attached to the form electronically in form pdf, png or jpeg.

The supporting documents consist of:

- Invoices;
- Document for packaging;
- Transport document (if any);
- Temporary customs declaration (if any);
- Certificate of origin (if preferential tariffs are required);
- Approvals from concerned public sector (in case of items on the control list);
- Power attorney for customs declaration (if declared by customs brokers).

- Supporting documents for customs declaration must be clear, without deletion, easy to read and complete the same as the original copies. The file size must not exceed 500kb per document;

11.1.3 Confirming the correctness of customs declaration form

After completing customs declaration form, traders must print the form out the registered customs declaration form from ASYCUDA using forms sold by Customs Administration, the form must be signed and stamped in box 54. The name of declaring person is in box 14 and 54 must be the same, which is the name of exporter. In case the declaration is done by the exporter, the name of export in box 2 must be the same of the name of the person declaring customs for export in box 14 and sign in box 54. In case the declaration is by customs brokers, the name is in box 2 must be the name of importers (owners of goods or receivers of goods), and the name in boxes 14 and 54 is the name of the person declaring.

11.1.4 Registration and submission of declaration forms

The registration and submission of declaration forms are the same as declaration forms for import as defined in Paragraph 10.2.4 of this Instruction.

11.2 Step 2: checking and control by customs officers

11.2.1 Confirmation of registration declaration forms

The Confirmation of registration of declaration forms for export is the same import as defined in Paragraph 10.3.1 of this Instruction.

11.2.2 Checking information and documents and physical inspection

The control must be applied in accordance with level of risks as follows:

A. For “low risk”

- Officers must conduct initial checking of information, focusing on supporting documents (invoice, packaging document, transport document, approvals, certificate of origin and others), name of the trader or customs broker, special customs policy and others;
- In case the original copy of the form has been submitted, the checking is to verify the signature and stamp. In case the export is under export plan, the officers must cross check with proposed export plan with the concerned sector;

- After initial information checking, the followings must be done:
 - If mistakes are not found: the officers, performing, initial information checking must add information in the cover letter accompanying the form and forward to the Chief or Deputy Chief of Declaration Management Unit for consideration, the Chief or Deputy Chief can login to check the information in the system and if mistakes are not found, they will confirm the registration in the system and sign and stamp their name in box 54 in the customs declaration form. The confirmation of registration can be done only after receipt of original hard copy of the form;
 - If mistakes are found: the status is changed to “Query and Settlement”, recording results of mistake findings in the “Inspection Act”, adding information in accompanying document and sending to Query and Settlement officers to continue the checking process;

B. For “Medium Risk”

Officers must conduct detailed checking of information and supporting documents, focusing on checking of HS code, declaration valuation, approvals from concerned sectors and others.

- If mistakes are not found: the officers, performing, detailed information checking must confirm the “conform of the documents” in ASYCUDA and forward to the Chief or Deputy Chief of Declaration Management Unit for consideration, the Chief or Deputy Chief can login to check the information in the system and if mistakes are not found, they will change the status to “low risk”. After that, the Chief or Deputy Chief of Declaration Management Unit confirms the registration in the system and sign and stamp their name in box 54 in the customs declaration form. The confirmation of registration can be done only after receipt of original hard copy of the form;
- If mistakes are found: such as HS coding, approvals, business license and not correct and others, the officers must change the status to “Query and Settlement”, recording results of checking in the “Inspection Act” in ASYCUDA, and sending to Query and Settlement officers to continue the checking process;
- In case of doubts: such as the exporter has never exported the goods before or there is trace of adjustment or changes in the documents or others, the traders must be notified and asked to provide additional information and documents such as purchase agreement, business license and others;

After checking of additional information and documents, if it seems liable and acceptable the Chief or Deputy Chief of Declaration Management Unit will consider to approve;

After checking of additional information and documents, if there are still some doubts and after consideration it the physical inspection of consignments/goods is needed to verify if the consignments/goods are imported as declared, the officers, checking documents, will propose to the Chief or Deputy Chief of Declaration Management Unit for consideration. After the consideration, if the Chief or Deputy Chief deems that the physical inspection is needed they will supervise the officers, checking documents, to change the status to “high risk” and record the doubts in the “Inspection Act” in ASYCUDA and forward all documents to officers who conduct physical inspection.

C. For “high risk”

Declaration classified as high risk must go through 2 levels of checking such as detailed checking of documents and physical inspection.

- Document checking: officers must check information and documents in details. After the checking the followings must be done:
 - If mistakes are not found: the officers, performing information and document checking must confirm “Conform” in ASYCUDA and forward to officers who conduct physical inspection;
 - If mistakes are found: such as HS coding, approvals, business license and not correct and others, the officers must record the results of checking in the “Inspection Act” ” in ASYCUDA and forward to officers who conduct physical inspection. After completion of physical inspection and recording inspection results, all documents are sent to the Chief or Deputy Chief of Query and Settlement Unit to further process.
- Physical inspection of consignments/goods: when ASYCUDA classifies as high risk from the beginning or the status is changed to high risk, ASYCUDA will select the officer automatically using random selection. The selected officer must conduct physical inspection of goods/consignments, focusing on type, model, edition, brand, weight, size, quantity, packaging type and other physical characteristics. The physical inspection must be conducted in present of the trader/exporter;
The officer conducting physical inspection can use desk top computer of Warehouse Management Unit, laptop computer or tablet, provided by Customs Department, to record inspection results. After physical inspection the followings must be done:
 - If mistakes are not found: the officers, performing information and document checking must confirm “Conform” in ASYCUDA and forward to Chief or Deputy Chief of Physical Inspection Unit for consideration. The Chief or

Deputy Chief logs in the system and if they agree with the inspection results they will advise to change the status to low risk and approve the declaration in the system, as well as sign and stamp their name in box 54 of the form.

- If mistakes are found: such as quantity, weight, size model, edition or brand are not the same as actual goods, the officers must change the status to “Query and Settlement” and record the results of inspection in the “Inspection Act” in ASYCUDA and after that forward all documents to officers of Query and Settlement to further process.

11.2.4 Approval of declaration

The approval of declaration for export is the same as the import as defined in Paragraph 10.3.4 of this Instruction.

10.3.5 Payment of customs duties and other charges

The payment of customs duties and other charges for export is the same as the import as defined in Paragraph 10.3.5 of this Instruction.

11.2.6 Authorization of declaration

The authorization of declaration for export is the same as the import as defined in Paragraph 10.3.6 of this Instruction.

11. 3 Release Order

The process for release order for export is the same process for import as defined in Paragraph 10.4 of this Instruction.

The customs declaration for export must strictly follow the steps defined above. If the traders, customs officers or customs checkpoints do not comply with those steps, measures will taken according to laws and regulations.

12. Query and settlement

12.1. Information query

During declaration form filling and documentation, traders can seek advice from Query and Settlement officers, but the advice is only initial information that is not legally effective. In case, traders need written and legally effective advice they have request in advance to the Customs Department before customs declaration in compliance with Article 28 of the Law on Customs.

12.2 Case settlement

- If the results of information and document checking and physical inspection in Paragraphs 10 and 11 show some violation, the declaration forms must be forwarded to Query and Settlement Unit. Query and Settlement officers must check the Inspection Act recorded by each unit. After that they must inform traders on the results;
- Traders can provide explanation and additional evidence to the officers for consideration. After checking the information in the system and checking additional information, the officers propose to their Chief or Deputy Chief for consideration according to laws and regulations.

12.3 Adjusting information

- Information and documents provided by traders for customs declaration forms in ASYCUDA cannot be adjusted or improved, only Query and Settlement officers are allowed to do so;
- After registration of the form, if traders find out that they provided wrong information unintentionally they can request to customs officers to consider in accordance with regulations as follows:
 - In case the form has been registered and customs officers have confirmed the registration but initial information checking has not been conducted, officers can consider the adjustment of declaration information immediately and ask the traders to process declaration from the beginning again using the same number of declaration form. After adjustment, officers must record the adjustments in the Inspection Act in details;
 - If the declaration registration has been confirmed and officers have started the initial information checking, officers can resort to case settlement defined in Paragraph 12.2 above;
- After the case settlement, officers of Query and Settlement must adjust information in the original hard copy of forms and traders sign in the adjusted forms and stamp again;
- After submission of adjusted declaration forms, officers must record the adjustments in the Inspection Act in ASYCUDA and then send them to their Chief or Deputy Chief for consideration. The Query and Settlement Chief or Deputy advises officers to change the status to “low risk” (green) and then, the Query and Settlement Chief or Deputy Chief approve the declaration in the system and sign and stamp the name in box 54 of the form;

- In case the traders are not satisfied with the decision of Query and Settlement officers, they can appeal according to Chapter 2, Part X of the Customs Law.

13. Advance ruling

- If traders have comprehensive information and documents, they can inform in details before the arrival of goods/consignments at the checkpoint in compliance with Paragraphs 10 and 11 above;
- After the declaration has been registered in the system, officers can check information and documents right away. After information and document checking, the approval cannot be done unless the original hard copy of the forms is submitted;
- In case of high risk, the approval cannot be done before the arrival of goods at the checkpoint;
- The advance ruling can be done within 7 days in compliance with Article 29 of the Customs Law. After 7 days, goods/consignments have not arrived at the checkpoint and traders have not submitted the original hard copy to customs officers, ASYCUDA will alert and Query and Settlement officers have to invite traders to come for explanation. If there is an intentional violation, measures will be taken against the traders according to regulations. After the settlement of the case, Query and Settlement officers must delete the declaration forms for advance ruling from ASYCUDA.

14. Inspection Act

Officers, conducting information and document checking, physical inspection, query and settlement must record results of their work within their responsibility in the Inspection Act. Officers are not allowed to use User IDs of others or give their IDs to others to record in the Inspection Act. Information in the Inspection Act cannot be changed in any case.

15. Language of customs declaration forms

Information to be in declaration forms must be in the Lao language. Supporting documents of the form such as invoice, packaging document, transport document, certificate of origin, approvals from concerned sectors, purchase-sale agreements and power attorney for customs declaration must be in Lao or English. If original copies are in other languages, they must be translated into Lao or English, certified and by translators who are legally incorporated as translation service providers, and the original copies must also be attached. Traders are responsible for translation

costs. For secondary supporting documents, they can be in their languages but if necessary customs officers can ask traders to translate them into Lao or English.

16. Expedited release of goods/consignments

Customs Administration gives priority to release of livestock, perishable goods, hazardous substance, disaster-relief goods, goods to combat outbreak of communicable diseases and goods in specific forms such as frozen. Traders wishing to get expedited release can request to customs officers at the checkpoint at time of arrival or before the arrival of goods. In necessary cases, customs officers shall consider expedited release but there must be deposit of declaration value according Article 27 of the Customs Law, and then the customs procedure can take place within the timeframe.

17. Re-export or re-import of goods that do not match specification according to the purchase order

17.1 For import

In case the goods arrive at the checkpoint and the transport document has been declared so the goods are under customs control. Before detailed customs declaration, if the importer finds out that the goods are not in accordance with the specification, expired, degraded or default and the importer cannot accept them, the importer can:

- Return the goods to the exporter within the timeframe as defined in Article 24 of the Customs Law, the importer makes a report with checkpoint to confirm the return of goods;
- Propose to Customs Administration to transfer the goods to be government property;
- Propose to Customs Administration and concerned sectors to destroy;
- Propose to Customs Administration to auction in compliance with concerned regulations.

In case, the declaration has been approved and customs duties and other charges have been paid, customs officers shall not consider refunding customs duties and other charges.

17.2 For export

After detailed customs declaration and the goods have been exported from customs jurisdiction of Lao PDR, if the importer finds out that the goods are not in accordance with the specification, expired, degraded or default so they have to be returned to Lao PDR, the importer can:

- The trader must bring the evidence from Customs Administration of importing country to the Customs Administration at the checkpoint of export;

- Customs officers check documents and inspect the goods, if deemed reasonable the return is allowed. Query and Settlement officers, in collaboration with inspection officers, record inspection results in ASYCUDA and attach related documents as evidence;
- If the trader wishes to get customs duties and other charges back, the trader must request to Customs Department for consideration.

18. Emergency

In case of emergency such as power blackout, network down, fire, flooding and other force majeure, resulting in unavailability of SYCUDA, the followings must be done:

- The customs border checkpoint with breakdown of ASYCUDA immediately informs Technology, Information and Planning Division to check and solve the problem;
- If the Technology, Information and Planning Division cannot solve the problem within 1 hour, the customs border checkpoint must:
 - If the declaration forms that have been submitted and the registration has been confirmed the documents must be checked and goods must be inspected and Release Order can be made if everything is correct, the results of checking and inspection must be recorded in the assigned form. The traders must also pay customs duties and other charges to the temporary account of National Treasury or the bank at the checkpoint and give the payment order with customs officers to keep as evidence (hard copy) for audit;
 - For declaration forms that have not been submitted, they must wait until the problem is solved and the system can operate normally.
- If the problem cannot be solved within 24 hours, the customs checkpoint conducts customs procedure manually using forms of Customs Administration. After the system is back, traders and officers must key the information in the system according to their step and responsibility. Customs Depart shall issue specific regulations to manage manual customs procedure.

19. Implementation

The divisions within Customs Department, Provincial/Vientiane Capital Customs Inspection Offices and customs checkpoints across the country to take ownership in training, dissemination and advise customs officers and traders to understand deeply and implement this Instruction effectively.

Customs border checkpoints pay attention to management and process customs procedure systematically with people orientation and integrity, increase State-budget revenue collection and ensure strict enforcement of laws and regulations.

Traders take ownership in strictly implementing this Instruction.

This Instruction replaces the Instruction of Customs Department No. 10503/LCD, dated 05 July 2012, additional Instruction of Customs Department No. 03471/LCD, dated 15 January 2013 and all regulations of Customs Department that are in conflict with this Instruction are void. This Instruction is effective on 1 March 2017.

Acting Director General of Customs Department

(Signed and Sealed)

Bounpasert Sikounlabouth

Copies to:

- Minister and Deputy Ministers, one each for report;
- Divisions of Customs Department, one each for implementation;
- Checkpoints country-wide, one each for implementation;
- Provincial and Vientiane Capital Customs Inspection Offices, one each for implementation;