



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Ministry of Finance
Customs Department

No. 2273/CD
Vientiane Capital, dated 7 September 2009

Notification

To: Directors of Five Regional Customs Offices and Directors of all International Customs Checkpoints

Subject: Determination of Customs value of exported wood products as the basis of calculation of export royalties.

- Pursuant to the Customs Law No. 05/NA, dated on 25 May 2005
- Pursuant to the Governmental Secretary-General's Notification No. 159/....., dated on 29 January 2008 on the collection of royalties of exported saw-logs (timber), finished wood products and wooden home furniture when exporting through International Customs Checkpoint to neighboring countries.
- Pursuant to the Prime Minister's Agreement No. 23/PM, dated on 24 February 2009 on the approval to authorize each province and Vientiane Capital to export wood product under the control 1, 2, 3 and

In order to manage and harmonize the export of wood products throughout the country especially the collection of export royalties to be consistent with the procedure and regulation set forth.

Customs Department issues the notification:

The determination of Customs value for the exportation of wood products shall be based on the table price of timber at field II of FY 2007-2008 of MOIC which the government approved for the calculation and collection of export royalties on such products.

In the case where the price of the finished wood product is higher than the price specified in the table price of timber at field II of FY 2007-2008, the determination of Customs value shall be based on the actual export value and if it is lower than the price in the table price then the calculation shall be based on the price specified in the table mentioned above.

1. The collection of royalties on the exportation of saw-logs shall be based on the rate as determined by the ministerial council's resolution No. 23/MC, dated 18 March 1990.

2. The collection of royalties on the exportation of saw-logs shall be in compliance with the agreement of Prime Minister No. 23/PM on the determination of Customs value of exported finished wood products (No. 1 above) and if not consistent with the conditions set forth, the collection of royalties shall be in compliance with the resolution of ministerial council No. 23/MC
3. The amendment of rates and value of exported finished wood product which is lower than the price in the table at field II of FY 2007-2008 can be adjusted or amended only by the government.
4. All Directors of five Regional Customs Offices, International Customs Checkpoints shall be assigned to implement this notification effectively and efficiently and, in the case of difficulties being encountered, they should not hesitate to report to Customs Headquarters for further directions or guidance.
5. The notification shall be effective from the date of signature
Therefore, this notification is issued to all related parties to implement effectively.

**Deputy Director-General of Customs
(Signed and Sealed)
Bunchom OUBONPASEUTH**

Cc:

1. Minister of Finance (to report)
2. Foreign Trade Policy Department, MOIC (to inform)
3. Import-Export Department, MOIC (to inform)
4. Tax Department, MOF (to inform)
5. All related governmental agencies (to inform)
6. All seven divisions of Customs Department (to implement)
7. All five Regional Customs Offices (to implement)
8. All International Customs Checkpoint (to implement)
9. Other (if any)