



Authentic in Lao only

LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

Ministry of Industry and Commerce

No. 1031/MOIC.DIMEX  
Vientiane, Date 25 May 2010

**Guidance**

**On the implementation of the Decree on the origin of import and export goods**

- Pursuant to the Prime Minister's decree No. 228/PM, Dated 22 April 2010 on the origin of import and export goods;
- Pursuant to the proposal of the Department of Import and Export.

**The Minister of Industry and Commerce hereby issues the following implementing guidance:**

**I. Purpose**

This Guidance is issued for the implementation of decree No. 228/PM, Dated 22 April 2010 on the origin of import and export goods accordingly and its effective.

**II. Content**

The content of this guidance covers for the Preferential Rules of Origin and Non-Preferential Rules of Origin.

**1). Non-Preferential Rules of Origin**

(a) Non-Preferential Rules of Origin are used for:

- determining the origin of import goods for the purpose of the application of most-favored-nation treatment;
- implementing measures and tools of trade policy such as anti-dumping measures and protection of domestic producers measures;
- collecting trade statistics; and
- Government procurement.

(b) This guidance is based on following principles to determine the origin of the goods:

- **Wholly obtained or produced goods:** including live animals born and raised in that country; plant and plant products harvested, picked or gathered in that country; waste and scrap products derived from manufacturing operations and used articles, if they are collected therein and are fit only for the recovery of raw materials; and products taken from the waters, seabed or beneath the seabed outside the territorial waters, provided that that country has the rights to exploit such waters and undersea areas.

- **Substantial transformation of products:** The change in tariff heading shall be the only criterion used to determine the last substantial transformation. Where many countries were involved in the production of a good, the country carrying out the last substantial transformation shall be regarded as the country of origin of that good.

(c) Simple manufacturing or processing operations as per Article 8 and 10 of decree No. 228/PM, Dated 22 April 2010 is not deemed as an originating goods.

(d) Factors not impacting the origin of the goods. Article 9 and 10 of decree No. 228/PM, Dated 22 April 2010 set out factors not impacting the determination of origin of the products such as: packaging, spare parts, manuals, energies, factories, machines and tools used in production.

## 2) Preferential rules of origin

Lao PDR would use the Preferential rules of origin on the products of country and country group under trade agreements which Lao PDR joined as a party (as set out in Article 5 of decree No. 228/PM, Dated 22 April 2010).

The following countries and country group have the right to receive preferences on import tariff reduction or exemption from Lao PDR, if the goods imported from the country and produced in those countries are in line with the criteria of the following preferential rules of origin:

1. The Common Effective Preferential Tariff of ASEAN Free Trade Agreement.
2. ASEAN-China Free Trade Agreement.
3. ASEAN-Japan Free Trade Agreement.
4. ASEAN-India Free Trade Agreement.
5. ASEAN-Australia-New Zealand Free Trade Agreement.
6. ASEAN-Korea Free Trade Agreement.
7. Lao-Viet Trade Agreement.

## III. Certificates of origin

There are two types of Certificates of origin namely: Ordinary Certificate of Origin and Preferential Certificates of Origin.

**(a) Ordinary Certificate of Origin:** is a kind of document to give buyers confidence that the exported goods are wholly obtained, produced or manufactured in Lao PDR.

**(b) Preferential Certificates of Origin:** is a kind of document to increase the advantages in the competition for exported goods. The buyers have the right to receive the reduction or exemption on import duty on imported goods under unilateral preferential schemes or the free trade agreements. Preferential Certificates of Origin are divided in the following types:

1) **Certificate of Origin Form A:** issued for products that receive the reduction or exemption on import duty under unilateral preferential schemes granted by countries or country group, for instance: EU, Switzerland, Japan, Norway and so on.

- 2) **Certificate of Origin Form CO Korea:** issued for products that receive the reduction or exemption on import duty from Korea under the trade preferential scheme granted by Korea to Least Developed countries.
- 3) **Certificate of Origin Form DFTP:** issued for products that receive the reduction or exemption on import duty from India under the trade preferential scheme granted by India to Least Developed countries.
- 4) **Certificate of Origin Form D:** issued for products that receive the reduction or exemption on import duty under the Common Effective Preferential Tariff (or ASEAN Trade in Goods Agreement) within ASEAN Member Countries.
- 5) **Certificate of Origin Form E:** issued for products that receive the reduction or exemption on import duty under the ASEAN-China Free Trade Agreement.
- 6) **Certificate of Origin Form APTA:** issued for products that receive the reduction or exemption on import duty under the Asia-Pacific Trade Agreement.
- 7) **Certificate of Origin Form AK:** issued for products that receive the reduction or exemption on import duty under the ASEAN-Korea Free Trade Agreement.
- 8) **Certificate of Origin Form AJ:** issued for products that receive the reduction or exemption on import duty under the ASEAN-Japan Free Trade Agreement.
- 9) **Certificate of Origin Form AI:** issued for products that receive the reduction or exemption on import duty under the ASEAN-India Free Trade Agreement.
- 10) **Certificate of Origin Form SPT:** issued for products that receive the reduction or exemption on import duty from China under Early Harvested Program.
- 11) **Certificate of Origin Form AANZ:** issued for products that receive the reduction or exemption on import duty under the ASEAN-Australia-New Zealand Free Trade Agreement.
- 12) **Certificate of Origin Form AISP:** issued for products that receive the reduction or exemption on import duty under the ASEAN Integration System of Preferences granted by Old ASEAN Member Countries to New ASEAN Member Countries.
- 13) **Certificate of Origin Form S:** issued for products that receive the reduction or exemption on import duty under the Preferential Trade Agreement between Laos and Vietnam.

#### **IV. Agencies issuing Certificates of Origin**

1. The Department of Import and Export, Ministry of Industry and Commerce, and the Department of Industry and Commerce of Provinces and Vientiane Capital, are the governmental agencies that have the right to issue preferential certificates of origin.
2. The Lao National Chamber of Commerce and Industry and provincial Chambers of Commerce and Industry, are the agencies authorized to be the issuing authorities of ordinary or non-Certificates of Origin.

#### **V. Application for Certificates of Origin**

1. Applicants of preferential certificates of origin shall prepare a complete and correct document set and submit it to the concerned authorities in the

Ministry of Industry and Commerce, or the Department of Industry and Commerce of the Provinces throughout the country.

2. Applicant for non-preferential certificates of origin shall prepare a complete and correct document set and submit it to the concerned authorities at the Lao National Chamber of Commerce and Industry and provincial Chambers of Commerce and Industry throughout the country.

#### **VI. Issuance of Certificates of Origin**

Concerned agencies or bodies shall issue the certificates of origin within 3 working days in the case of exporters and importers having prepared a complete and correct document set, or not exceeding 7 working days in case there is a need to re-check.

#### **VII. Rejection of issuance of certificates of origin**

Certificates of Origin Issuing Bodies have the right to reject the issue of a certificate of origin in the following cases:

- The Applicant for the certificates of origin has not provided a complete and correct document set as set out.
- If they gave credible information that the goods are not originating in Laos.

In case of rejection, the certificate of origin issuing authority shall inform the applicant in writing of the reasons for the rejection.

#### **VIII. Implementation**

1. This Guidance shall enter into force from the day the decree No. 228/PM, dated 22 April 2010 is effective.
2. Should any problems occur in the implementation of this Guidance, concerned government authorities and business persons shall report to the Ministry of Industry and Commerce in order to address the problems immediately.

Minister of Industry and Commerce  
[Signed and Sealed]  
Dr. Nam VIYAKETH