



LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

Prime Minister

No. 12/PM
Vientiane, date 16 October 2019

Order
on Facilitation of Import and Export, Temporary Import,
Trade in Transit and Domestic Movement of Goods in Lao PDR

**To: Ministries, Ministry-equivalent State Organizations, Capital and Provinces
Across the Country.**

- Pursuant to Law on Government no. 04/NA, dated 06 November 2016;
- Pursuant to Decree on Import and Export of Goods no. 114/GOV, dated 06 April 2011;
- Pursuant to Letter of Request of Minister of Industry and Commerce, Deputy Head of National Trade Facilitation Committee no. 032/NTFC, dated 08 May 2019.

To implement the guidance and policy of the Party and Government on improving environment for doing business in Lao PDR, and implement the facilitation activities for import and export, temporary import, trade in transit and domestic movement of goods in the country, to avoid making trade obstacles aiming to contribute the economic and trade development of Lao PDR.

Prime Minister Orders:

1. Issuance of Licenses and Certificates for Import and Export, Temporary Import and Trade in Transit

Ministries, Ministry-equivalent State Organizations and Local Government Authorities across the country that directly have roles, functions, responsibilities and rights related to the issuance of licenses and certificates for import and export, temporary import and trade in transit of goods shall implement reforming and reducing number of procedures and time as follows:

- 1.1 The Industry and Commerce sector is assigned to take initiative in collaboration with the Finance sector, Public Work and Transport sector, Agriculture and Forestry sector, Public Health sector, Science and Technology sector, Energy and Mines sector and relevant sectors to perform as follows:
 - (1) Continue conduct the regulatory and procedural review on the issuance of licenses and certificates for import and export of goods under their own responsibilities in simpler and speedier manner aiming to reduce time at least 50 percent, costs and documents at least 30 percent by 2022 as stipulated in the Trade Facilitation Road Map for 2017-2022. Any regulations, procedures, time, cost and documents on the issuance of licenses and certificates that are found as unjustified and duplicated shall be reformed or abolished.
 - (2) Review and streamline the Non-Tariff Measures (NTMs) for import and export of goods in a tight manner aiming to protect life and health of human and animal, to ensure the safety to consumer, the national security and environment protection, namely Sanitary and Phyto-sanitary (SPS), Technical Barrier to Trade (TBT) and other measures in consistency with agreements and treaties in which Lao PDR is a party.

- (3) Make and disseminate the service charter completely and clearly that consists of flow charts, supporting documents, fees and time of service as well as determine the target for improvement in each period. Moreover, to improve the internal document operating procedure in simpler manner by the document receiver to check the document and inform immediately. If the document is accurate and complete, the receiver shall hand over directly to the responsible unit to review and propose their own managements for consideration and approval. In case of the document is inaccurate and incomplete, the responsible unit shall inform the applicant for adjustment.
 - (4) Reform the regulations concerned with the temporary import and trade in transit of goods to address issues which are not harmonized on procedures, supporting documents and business unit managements as well as the validity date of such licenses and certificates.
 - (5) Improve the procedures and documents in simpler manner on the actual export inspection of goods of relevant sectors such as wooden and minerals products. Meanwhile, the committee appointed from the relevant sectors to inspect, seal the security and sign the joint note shall be only one representative each.
- 1.2 The Finance sector is assigned to take initiative in collaboration with the relevant sectors to perform as follows:
- (1) Encourage and turn to use the modern electronic system gradually such as the Lao National Single Window for the issuance of licenses and certificates including the collection of fees and service charges.
 - (2) Improve the procedures and time in simpler manner on the review, consideration and approval of the master list for importing goods and belongings for the foreign loan and official development assistance projects that obtained customs duty and tax incentives, in particular the technical certification or acceptance of relevant sectors before proposing the Finance sector for consideration and approval.
- 1.3 The Investment and Planning sector is assigned to take initiative in collaboration with relevant sectors to improve the procedures and time in speedier manner on the review and consideration of the master list for facilitating the enterprises invested in the list of sectors with customs duty and tax incentives, in particular the technical certification or acceptance of relevant sectors before proposing the Finance sector for consideration and approval.

2. Border Checkpoint Operation

Ministries, Ministry-equivalent State Organizations and Local Government Authorities across the country that directly have roles, functions, responsibilities and rights related to the inspection and release of goods in the international border and airport checkpoints shall implement the reforming and reducing number of procedures and time as follows:

- 2.1 The Home Affairs sector is assigned to take initiative in collaboration with the Finance sector, Agriculture and Forestry sector, Public Health sector, Public Work and Transport sector and relevant sectors to review and reform the organizational structures, roles, rights and duties of the relevant border agencies in compliance with the Decree on International Border and Airport Checkpoint no. 558/GOV, dated 31 December 2018.
- 2.2 The Finance sector is assigned to take initiative in collaboration with the Industry and Commerce sector, Agriculture and Forestry sector, Public Health sector, Energy and Mines sector and relevant sectors to perform as follows:
 - (1) Facilitate the inspection and release of goods, in particular exporting goods such as wooden and minerals products that are inspected, sealed and signed the joint note by the committee appointed from relevant sectors. Once the goods arrived, the relevant officers are not allowed to remove the security seal except any case of suspicion or reliable source of information only.
 - (2) Make the joint inspection mechanism for the relevant border agencies (Customs, Plant and Veterinary Quarantine, Food and Drug) to implement on the basis of risk

management and post audit principles to reduce procedures, costs and time on the release of goods.

- (3) Make and develop the compilation system of import and export statistics of goods and the deduction system of master in all border checkpoints across the country to be able to link with the responsible agencies to track and report their own managements in accurate, complete and timely manner.
- (4) Develop the customs duties, fees and service charges payment system via the centralized modern electronic system as the Lao National Single Window for the relevant border agencies aiming to ensure the revenue collection into the state budget in transparent and complete manner.
- (5) Review, make and reform regulations to facilitate the inspection and release of life animal, perishable goods and expedited goods.
- (6) Disseminate and encourage entrepreneurs turn to use the mechanism of advance ruling and pre-arrival customs declaration broadly.
- (7) Build capacity for entrepreneurs to be able to comply with the Authorized Economic Operator (AEO) in efficient and sustainable manner.
- (8) Conduct the time release study in each period, and disseminate widely to the society for acknowledgement.

3. Domestic Movement of Goods

Ministries, Ministry-equivalent State Organizations and Local Government Authorities across the country that directly have roles, functions, responsibilities and rights related to the domestic movement of goods shall implement the reforming and reducing number of procedures and time as follows:

- 3.1 The Agriculture and Forestry sector to review regulations and procedures on the issuance of licenses and certificates for domestic movement of goods such as agriculture products, animals and animal products, woods, and non-timber forest products to reduce the procedures and documents that are duplicate and unnecessary at the provincial and district level.
- 3.2 Setting up of the checkpoints along the road for domestic transport or movement shall have only three sectors:
 - (1) Public Security sector: Only the booths of traffic police and highway police are allowed which specifically check the documents concerned with the vehicle and driving according to the Land Transport Law and Traffic Rules. Goods inspection is not allowed.
 - (2) Public Work and Transport sector: Only the weigh stations are allowed to protect the road condition which specifically check the weight and size of transport truck. Goods inspection is not allowed.
 - (3) Finance sector: only the customs focal points to perform the anti-smuggling activities which could set up the checkpoint for goods inspection in case of suspicion and reliable source of information only.

If necessary, relevant sectors could set up the ad-hoc checkpoint as temporary which is approved by the governor of capital and provinces and shall determine time period clearly. Each inspection shall not make obstacles for domestic movement of goods, and not allow to inspect goods which are not involved with their own tasks.

4. Implementation

- 4.1 Ministries, Ministry-equivalent State Organizations and Local Government Authorities across the country shall extend and implement this Order and Annex 01 strictly.

4.2 The Industry and Commerce sector as the secretariat office of the Central and Provincial Trade Facilitation Committee is assigned to take initiative in collaboration with all relevant sectors to encourage and implement this Order the good result. If there is any difficulty, the Central Trade Facilitation Committee is assigned to conclude and report the government for consideration and solution in timely manner.

5. Effectiveness

This Order shall become effective from the date of signature and fifteen days from the date of publication on Official Gazette.

This Order replaces the Prime Minister's Order on Facilitation of Import and Export and Domestic Movement of Goods no. 24/PM, dated 22 September 2004.

Prime Minister

Thongloun Sisoulith