



Lao People's Democratic Republic  
Peace Independence Democracy Unity Prosperity

Ministry of Finance  
Customs Department

No. 06602 /MOST  
Vientiane Capital, Date: 23 NOV 2021.

### INSTRUCTION NOTICE

- To:**
- Directors of Division on the Customs Department
  - Directors of Provincial and Vientiane Capital Customs
  - Heads of International Customs Checkpoint
  - Head of Customs Office for warehousing, special economic zones and other economic zones throughout the country

**Subject:** The Management and inspection of goods, non-commercial goods and passengers entering and exiting carried by the railway

- Pursuant to the Law on Customs, No. 81/NA, dated 29 June 2020;
- Pursuant to the Instruction on the Implementation of the Customs Law No. 3269 / MOF, dated 26 July 2021;
- Pursuant to the Decision of the Ministry of Finance No. 2059 / MOF, dated 29 April 2021 on the organization and operation of the Customs Department

In order to prepare and support the management, monitoring and inspection of the import-export, transit, movement and storage of goods, commercial goods carried by the Lao-China Railway, which will be opened to serve the transport goods, commercial goods and passengers between Lao PDR and China on 3 December 2021 to ensure the smooth customs control with efficient, effective and harmonized manner.

#### **The Customs Department issues the following Instruction Notice:**

1. Assign Heads of provincial and Vientiane capital customs where railway stations located within his/her jurisdiction to coordinate with the Railway Project Management Board and the Lao-China Railway Company on the availability of infrastructure and facilities for the professional duties of customs officials.
2. Assign Heads of provincial and Vientiane capital customs to appoint customs officers to be stationing at railway stations with passenger and freight services as deemed appropriate in order to carry out specialized duties to facilitate and conduct customs control in accordance with the law of customs, other relevant laws and regulations.

3. Assign the Information Management and Planning Division to coordinate with the Lao-China Railway Company to install the electronic customs declaration systems and other relevant systems to serve the technical work at railway stations that are equipped with sufficient infrastructure and facilities.
4. For railway stations that do not have the sufficient infrastructure and facilities in place, only passenger service is allowed to open for operation but the loading and unloading of goods at the station is not allowed. During the pilot phase, the Lao-China Railway Company shall install a tracking system for freight and passenger information for customs officers stationed at the respective railway stations.
5. The control and inspection of passengers and their belongings are as following:
  - 5.1 Passengers entering and leaving the country with their belongings are under the control and may subject to customs inspection at the relevant railway stations, border checkpoints and domestic stations.
  - 5.2 Passengers' belongings include suitcase, luggage (including hand carry luggage, bag and items declared at the train station (Check In) at the time of departure) and baggage, luggage that are transported before or after the departure of the passenger are also under the customs control in accordance with the laws and regulations.
  - 5.3 Passengers that carry cash, valuable objects and bearer negotiable instrument exceeding 100,000,000 Kip in value as defined in Article 51 of the Law on Customs and / or carry goods with the excess value or number of product categories, as defined in Article 94 and Article 95 of the Law on Customs, shall declare to customs in details by following the instructions of the Ministry of Finance on the implementation of the Law on Customs No. 3269 / MOF, dated 26 July 2021 and inform the Notification of Customs No. 04878 / CD, dated 30 September 2021 on the application of PF customs declaration system for customs import of goods, non-commercial goods delivered by post, ordered via online platform or other medium platform and passengers' belongings. Privileged passengers, such as diplomats, consulates, are exempted from customs declarations and inspections of personal belongings set out in the Customs Law and International Convention to which the Lao PDR is a party.
  - 5.4 The declaration of personal belongings of passengers entering and leaving the country and the inspection of the customs officers shall be carried out at Boten Railway Station.
  - 5.5 The Lao-China Railway Company must provide advance information on passengers and passenger belongings prior arriving at Boten Station for advance information and risk management of customs officers.
  - 5.6 For the inspection of the belongings of the passengers by the customs officer, X-ray Scanner and physical inspection may be utilized in accordance with the principles of risk management.
6. The control and inspection of goods, non-commercial goods imported and exported are as followings:
  - 6.1 Import of goods, non-commercial goods
    - 1) Cargo declaration procedure

- After the freight train leaves the place of origin in the People's Republic of China and before arriving in the Lao PDR, the carrier or customs agent shall submit a cargo declaration at the Boten Railway Station in the printed form prescribed by the Customs Administration based on the information in the Railway Manifest;
  - The customs officer at Boten station briefly inspect the cargo declaration documents against the information in the freight and passenger tracking system. If found to be correct, he/she shall put sign the cargo declaration form.
  - Proceed to declare the containers and pay the fees in accordance with the Presidential Decree on Fees and Charges No. 002/P via electronic payment system (Bor 53).
- 2) Detailed customs declaration procedure
- The customs declarant (general declarant or customs broker) shall prepare the detailed customs declaration before the goods arrive at Boten checkpoint as specified in Article 31 of the Customs Law by specifying the place of unloading (where the goods arrive) in box 27 of the detailed customs declaration (ACDD) along with supporting documents to the detailed declaration forms in 3 copies then submit to the customs officers at Boten station;
  - The customs officer inspects the information and the customs declaration documents, if it is found to be correct, proceed to with the verification of customs declaration and receive the payment of duties and other taxes via electronic payment system;
  - After the train arrives at Boten station, the transport service provider or the head of the train or the authorized representative shall bring the transport documents to submit to the customs officers in accordance to the regulations;
  - Customs officers at Boten Rail Station shall inspect the following:
    - In the case of goods and non-commercial goods that need to be inspected and released at Boten station, the information, documents and physical goods shall be inspected in accordance with the principles of risk management in accordance with laws and regulations;
    - In the case of goods, non-commercial goods that need to be inspected and released at a domestic station, the information, documents, condition of the container and affix seal (s) the container. Also record the details of the condition of the container, container number and seal(s) on the release note; sign and certify the initial release note and retain 1 a set of copy of customs declaration document. The other two copies are for the carrier to submit to the customs officer at the train station where the goods are unloaded.
- 3) Inspection and release procedure
- After the train arrives at the unloading station, the transport service company or the customs declarant shall submit two sets of copies of detailed customs declarations to the customs officer stationed at the station;

- Customs officers inspect information, documents and conduct physical inspection of the goods in accordance with the principles of risk management in accordance with laws and regulations. If it is found to be correct, record the results of additional inspections then sign and certify the initial release note, retain one set of the copy of customs declaration documents and the other set of copy is given to the customs declarant. In case of wrongdoing on the customs declaration or violation of the Law on Customs, the case shall be prosecuted in accordance with the laws and regulations in coordination with the Boten Customs Checkpoint and the relevant agencies.
- Customs officers at the station may utilize the modern equipment such as scanners, weight scales and other tools for technical inspections.

## 6.2 Exports of goods, non-commercial goods

### 1) Detailed customs declaration procedure

- The customs declarant (general declarant or customs broker) shall prepare a detailed customs declaration at the train station where the goods are loaded by following the customs declaration procedure as prescribed in the laws and regulations;
- Customs officers shall inspect information, documents and conduct physical inspection in accordance with the principles of risk management in accordance with regulations;

### 2) Inspection and release procedures

- In the case of goods, commercial goods to be inspected at the domestic railway station (except Boten station), after the completion of the detailed customs declaration and the release of goods, affix seal(s) on the container to carry out customs control and prevent smuggling;
- After the freight train arrives at Boten Station, the customs officer shall inspect the condition of the seals and containers. If it is deemed correct, proceed with the approval of the release of goods in accordance with the laws and regulations, in case of wrongdoing in customs declaration or violation of the Law on Customs, the case shall be prosecuted in accordance with the laws and regulations in coordination with the station of origin and the relevant agencies.
- Customs officers at the station may utilize modern equipment such as scanners, weight scales and other tools for technical inspections.

6.3 In the case of goods in transit, shall obtain a permit from Customs Department and carryout customs clearance at the customs border checkpoint of first entry in accordance with the transit regulations of the international agreements that Lao PDR is a party to such the AFAFGIT, the GMS-CBTA, bilateral or multilateral agreements and affix seal(s) or electronic seal(s) to perform customs control and prevent illegal distribution within the country. After the goods, non-commercial goods arrive at the customs border checkpoint of exit (Boten International Customs Checkpoint), the customs officer shall inspect the information and detailed customs declarations, inspect the condition of the seals and proceed with the release in accordance with laws and regulations.

7. In the case of the electronic customs clearance system faces problems, which causes all steps of the customs clearance cannot be completed at the station of departure (Boten Station), the cargo declaration shall be conducted according to printed form set out by Customs Administration and make a record on guarantee to conduct the release and allow goods to leave the warehouses or customs checkpoint as defined in Article 17 of the instruction on the implementation of the Law on Customs No. 3269 / MOF, dated 26 July 2021.
8. The Heads of Customs Administration at each level shall disseminate this notification to the customs officers, traders and other relevant parties, in large scope, in order to implement this notification successfully. If problems are encountered during the actual operation, shall report to the Customs Department for guidance in accordance with the laws and regulations periodically.
9. This Instruction Notice is effective from the date of signing.

Director General of Customs Department

Phoukhaokham Vannavongxay

Delivery:

- Minister of Finance 1 copy (Used for reporting)
- Deputy Minister of Finance 1 copy (For reporting)
- Lao-China Railway Management Committee 1 copy (For information and implementation)
- 1 copy of Lao-China Railway Company (For information and implementation)
- 1 copy