

Unofficial translation

LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

Ministry of Finance

No 5916/MOF  
Vientiane Capital, dated 25 November 2021

**Instruction**  
**On Management of Customs Declaration Service Provider and**  
**General Customs Declarant**

- Pursuant to Law on Customs no. 04/NA, dated 20 December 2011;
- Pursuant to Law on Enterprise no. 46/NA, dated 26 December 2013;
- Pursuant to Prime Minister's Decree no. 600/PM, dated 14 October 2021 on the Organization and Work Activity of Ministry of Finance.

**Ministry of Finance issues the Instruction as follows:**

**1. Objective**

This Instruction determines the principles, regulations, criteria, conditions, procedures on the management and controlled measures of the activities of the customs declaration service providers and the general customs declarants as a basis for managing the customs declaration in coherence with the international standard, and aims to implement the Customs Law and relevant regulations strictly in unified manner across the country.

**2. Scope**

This Instruction serves for managing activities of the customs declaration service providers and the general customs declarants who operate the businesses related to import and export, goods transport services, customs declaration services, port services, airport services, product distributors, etc. This Instruction excludes the declaration of passenger belongings which goes in and out Lao PDR which stipulated in the specific regulation.

**3. Definitions**

- **Customs Declarants** refers to the individual, legal entity or organization, customs declaration service provider or a person who granted the right, which are authorized by the Customs Department to proceed customs declaration as well as signing the detailed customs declaration form. Customs declarants consist of the general customs declarants and the customs declaration service providers.
  - **General Customs Declarants** refer to the individual, legal entity or organization who are the owner of goods and materials, which are authorized by the customs authority to proceed customs declaration for the import or export of their own goods and material specifically or those who are granted the right by the owner of the goods and materials.
  - **Customs Declaration Service Providers** refer to legal entity who are authorized by the customs authority to proceed the customs declaration on behalf of the owner of the goods and materials or the transporter as the assignment of right in written.

**4. Principles**

The management of the customs declaration service providers and the general customs declarants shall perform the following principles:

- Shall ensure the implementation in coherence with the relevant laws, regulations and international principles, aims to enhance the customs and trade facilitation;
- Shall ensure the equality in managing the customs declaration service providers and the general customs declarants;
- Customs authority promotes the individual and legal entity having the correct criteria and conditions to proceed customs declaration, operate the business on customs declaration service in order to raise the implementation of the laws and regulations strictly, and be responsible to customs authority.

## **5. Conditions and Criteria**

### **5.1 Conditions and Criteria of General Customs Declarants**

The individual, legal entity or organization who wish to proceed customs declaration for import or export of their own goods and materials specifically shall have the following conditions:

#### **1) Individual General Customs Declarants:**

- Individual who is the passenger travelling in and out via the customs border checkpoint who has the belongings that exceeds value and/or quantity exempted in the stipulated law which is used for personal and uncommercial purpose, shall proceed the customs declaration and pay duties and taxes correctly and completely in accordance with the regulations;
- Individual who is the receiver or sender of goods which is delivered via the post and ordered online or other intermediates that exceeds one million five hundred thousand Kip which exempted in the stipulated law, and which is used for personal and uncommercial purpose, shall proceed the customs declaration and pay duties and taxes correctly and completely in accordance with the regulations;
- Individual who is authorized by the Industry and Commerce to the import or export of goods, shall use the customs declaration service provider to proceed the customs declaration instead.

#### **2) General customs declarants who are the state organizations, social organizations and international organizations:**

- Shall be the organization having the import or export of materials served for their own works and non-commercial goods;
- Shall not commit any customs offence for three years prior to proposing the general customs declarant training.
- Shall have at least one personnel who passed the training and has received the general customs declarant certificate from the Customs Department.

#### **3) General customs declarants who are the import and export entrepreneurs of goods:**

- Shall have the enterprise registration certificate that allowed to import and/or export goods and shall have the tax identification number in accordance with the laws and regulations;
- Shall use the standard accounting system in coherence with the accounting law and regulations;
- Shall be the business unit holding the account in the value added tax system;
- Shall have the annual tax compliance certificate;
- Shall have the standard warehouse system;
- Shall not be convicted in any customs offense for three years prior to proposing the general customs declarant training;

- Shall have the financial liquidity, no outstanding debt of customs duty, tax and other duties.
- Shall have at least one personnel who passed the training and has received the general customs declarant certificate from the Customs Department.

## **5.2 Condition and Criteria of Customs Declaration Service Providers**

The legal entity who wishes to operate the business on customs declaration service shall have the following conditions and criteria:

- 1) Shall have the enterprise registration certificate and the tax identification number in accordance with the laws and regulations;
- 2) Shall use the standard accounting system in coherence with accounting law and regulations;
- 3) Shall be the business unit holding the account in the value added tax system;
- 4) Shall have the registration capital above three (3) million kips;
- 5) Shall place a guarantee money to the customs authority in the amount of five hundred (500) million kips;
- 6) Shall not be convicted in any customs offense for three years prior to proposing for the general customs declarant training;
- 7) Shall have the financial liquidity, no outstanding debt of customs duty, tax and other duties. Shall have the financial capability to place the guarantee money for operating the business on customs declaration service as stipulated in section 9.2 of this Instruction;
  - Shall have at least one personnel who passed the training and has received the customs declaration service provider certificate from the Customs Department.

## **6. Duties of Customs Declarants**

The general customs declarants and customs declaration service providers shall have the following main duties:

- 1) Comply with the customs laws and regulations, other relevant regulations, and the guarantee contract signed with the Customs Department strictly;
- 2) Prepare the relevant data and document correctly and complete in accordance with the stipulated laws and regulations to proceed the brief and detailed customs declaration;
- 3) Fill in the detailed customs declaration form and register the customs declaration in the electronic customs declaration system in the correct, complete and clear manner;
- 4) Sign the detailed customs declaration form or sign electronically (box 54) for the validation of the customs declaration;
- 5) Submit the detailed customs declaration form with supporting documents or submit via the electronic customs declaration system in the correct and clear manner;
- 6) Provide additional clarification, data and document in case it is asked by the customs officer;
- 7) Joint the physical examination in case the physical examination is undertaken by the customs officer and/or relevant officer;
- 8) Pay the customs duty and other duties as stipulated in the laws and regulations;
- 9) After complete the detailed customs declaration procedure, shall bring the goods and materials out of the customs checkpoint or warehouse immediately;
- 10) Perform other duties related to the customs procedure in conherence with the Customs Law and relevant regulations.

## **7. Rights of Customs Declarants**

The general customs declarants and customs declaration service providers who are authorized by the customs authority have the following rights:

- 1) Proceed the customs declaration at the customs border checkpoints across the country;
- 2) Inspect the goods at the warehouse or storing place to ensure the data and document for the customs declaration in the correct manner accurate in line with the actual goods;
- 3) Acknowledge and access to the information, law and regulations related to import and export of goods and materials, and international transport of goods in transit;
- 4) Propose the customs authority to ask for taking sample of goods and materials for testing and characteristic analysis in detail;
- 5) Propose the technical guidance and explanation on the customs regulation, procedure, method, principle or measure;
- 6) Propose the modification of data and document on the detailed customs declaration in accordance with the stipulated regulations;
- 7) Propose the customs officer to undertake the re-examination of goods and materials partially or totally in case the customs declarant found the examination result is not correct in line with the actual goods and materials;
- 8) Propose the guarantee to bring the goods and materials out of the customs checkpoint or warehouse prior to the detailed customs declaration in accordance with the conditions stipulated in the regulations;
- 9) Re-propose the customs authority in accordance with Article 111 of the Customs Law in case there is the unfair customs declaration.
- 10) Propose the customs authority to consider the improvement of regulations, mechanisms, methods and measures which are not coherence with the international practice and/or creating difficulties for customs declaration.

## **8. Responsibilities of Customs Declarants**

The general customs declarants and customs declaration service providers shall have the following main responsibilities:

- 1) Ensure the data and document accuracy that declared to the customs authority. In case the customs officer found the incorrect declaration of data and document, namely quantity, brand, value, HS code, origin and other data. The customs declarant will subject to prosecution in accordance with the laws;
- 2) Cooperate in providing data related to import or export of goods and materials, and sample of goods to the customs officer at the time of the detailed customs declaration and after the customs declaration;
- 3) In case the customs officer found any offence at the time of customs declaration or after the customs declaration, the customs declarant shall be responsible for the offence such as the overdue payment of customs duties and taxes, and the conviction measures as stipulated in the laws and regulations;
- 4) Retain the detailed customs declaration documents and supporting documents for three (3) years for undertaking the post clearance audit. In case the customs declaration service provider is the customs declarant on behalf of the owner of goods and materials, the customs declaration service provider shall retain the original of customs declaration document, and send the copied document which is validated by the customs declaration service provider to the owner of goods for retention. In the post clearance audit, if any document is found as the offense, it shall be retained for additional ten (10) years;
- 5) In case the organization is the customs declarant, shall be responsible for the activity of their personnel that performs the condition and task authorized by them. If it is found that their personnel committed the offence or it is suspected that there is the offence, shall notify the Customs Department for acknowledgement immediately to proceed the corruption prevention and perform the measure against violator in accordance with the stipulated laws and regulations;
- 6) Cooperate with the customs authority and relevant government organizations to enhance the implementation of the law and trade facilitation measures;

- 7) Be responsible for the payment of lifting and transshipment fee at the time of goods examination.

## **9. Obligations of Customs Declarants**

### **9.1 Obligations of General Customs Declarants**

#### **1) Individual General Customs Declarants:**

- Shall comply with the instruction as stipulated in the customs declaration regulations, and the guidance of the customs officer strictly;
- Shall pay the customs duty and other duties in the correct, complete and timely manner.

#### **2) General customs declarants who are the state organizations and entrepreneurs:**

- Shall participate the customs declarant training, and pay the registration fee for the training as stipulated by the customs authority;
- Shall sign the guarantee contract with the Customs Department to operate the customs declaration activity;
- If there is a change of personnel who is in charge of customs declaration for the company or the organization, shall notify in written to the Customs Department within three (3) days;
- Shall pay the customs duty and other duties in the correct, complete and timely manner.

### **9.2 Obligations of Customs Declaration Service Providers**

- 1) Shall perform the obligations prescribed in section 9.1 above;
- 2) Shall sign the guarantee and place the guarantee money to customs authority in amount of five hundred (500) million kips.

## **10. Use of Customs Declaration Service Providers**

Individual, legal entity or organization can grant the right to the customs declaration service provider to proceed the customs declaration instead. The owner of goods and materials that granted the right to the customs declaration service provider to proceed the customs declaration instead, have the following responsibilities:

- 1) Provide the data and ensure the accuracy and completeness of data and document to the customs declaration service provider to proceed the customs declaration in accordance with the laws and regulations;
- 2) Issue the letter of attorney to the customs declaration service provider to associate with the customs officer instead by using a form as prescribed in annex 4. One assignment of right can be used for the one customs declaration, unless the case of assignment of right of the project owner, the letter of attorney can be issued for the customs declaration service provider once per one contract;
- 3) Comply with the customs duty and other duties related to its own import, export of goods or international transport of goods in transit;
- 4) Comply with the customs declaration contract signed with the customs declaration service provider strictly;
- 5) In case the customs officer found any offence caused by the owner of goods and materials that provided the relevant data and document which is incorrect and incomplete or useless to the customs declaration service provider, the collusion with the customs declaration service provider or the collusion with the customs officer; the owner of goods and materials shall take responsibility for the customs offence as stipulated in the law and regulation.

For the customs declaration service provider has the responsibilities in accordance with the contract signed with the owner of goods or who granted the right in accordance with the laws.

## **11. Organizing the Training Course for Customs Declarants**

The Customs Department is the training course developer and organizer for the general customs declarants and the customs declaration service providers as appropriated with the actual situation in the periodic manner.

The Customs Department shall issue the notification to the society for acknowledgement broadly on the date, time and venue for organizing the customs declaration training.

The person who wishes to participate the training course, the general customs declarant and the customs declaration service provider shall have the supporting documents submitted to the Customs Department as follows:

- 1) Letter of application for participating the training; (As a form prescribed in annex 1)
- 2) Copied enterprise registration certificate; (In case of legal entity)
- 3) Letter of attorney or Decision; (In case of legal entity or organization)
- 4) Copied tax payment certificate;
- 5) Copied certificate of educational qualification in specific field of economic, finance, accounting and law of the person who will participate the training;

The Customs Department shall consider the conditions of the applicant, and issue the notification on the list of those qualified to participate such training course.

The training course for the general customs declarant and the customs declaration service provider has the following main titles:

- 1) Knowledge on the Customs law, relevant laws and regulations related to import, export of goods, and international transport of goods in transit;
- 2) Knowledge on the transport, forward and warehouse of goods;
- 3) Operation on the electronic customs declaration procedure;
- 4) HS code classification and tariff nomenclature;
- 5) Customs Valuation;
- 6) Certification of rule of origin and the free trade agreements compliance;
- 7) Other relevant titles.

The Customs Department is authorized to collect the training registration fee for the budget serving for conducting the training such as venue arrangement, study equipment, document, and training administrative expenses as appropriated. The training participants shall be responsible for the total expenses related to their participation such as travel, accommodation, food, etc.

After completed the training, shall undertake an exam to assess the knowledge and capacity. The examinee who passes the exam will receive the training completion certificate. The examinee who does not pass the exam can re-apply for the training and exam.

After received the training certificate and received the USER-ID Card. In case he or she does not proceed the customs declaration within two (2) years, the certificate will be considered as invalid, and shall re-participate the training if still having intention to continue proceed the customs declaration.

For customs declaration service provider that does not proceed the customs declaration within one (1) year, and does not pay the tax, the service provider will be automatically cancelled from the system.

## **12. Approval Procedures**

### **12.1 The Approval for General Customs Declarants**



A person who passed the training course on the general customs declarant, and received the training certificate shall perform as follows:

- 1) Sign the guarantee contract with the Customs Department (Risk Management and Customs Clearance Division);
- 2) The Risk Management and Customs Clearance Division to study and report to the Customs Department for consideration and approval;
- 3) The Customs Department provides comment to the Information Technology and Planning Division to issue the USER-ID Card, username and password for the use of the electronic customs declaration.

### **12.2 The Approval for the Customs Declaration Service Providers**

The authorization for the customs declaration service provider shall perform the following procedures:

- 1) A person who received the training certificate on customs declaration service to submit the documents to obtain the authorization for operating the customs declaration service to the Customs Department (Risk Management and Customs Clearance Division). The supporting documents are as follows:
  - Request of application to obtain the authorization for operating the customs declaration service (As a form prescribed in annex 2);
  - Copied enterprise registration certificate;
  - Copied training certificate on the customs declaration service provider;
  - Guarantee document issued by the bank or finance institute.
- 2) The Ministry of Finance grants the right to the Customs Department as the issuing authority;
- 3) After the Customs Department has issued the authorization, the applicant shall sign the guarantee contract and submit the guarantee document to the Customs Department (Risk Management and Customs Clearance Division). Such contract shall be registered with the state organizations in accordance with the stipulated laws and regulations;
- 4) The Customs Department provides comment to the Information Technology and Planning Division to issue the USER-ID Card, username and password for the use of the electronic customs declaration.

In case the applicant having the conditions and criteria that is not complete as stipulated in this Instruction, the Customs Department can reject the authorization of the customs declaration service, and notify the applicant in written for acknowledgement.

The authorization license for operating the customs declaration is valid one (1) year from the date of issuance. Before the expiration date in one (1) month, the customs declaration service provider who wish to extend the license validity for operating the customs declaration service provider, shall propose the Customs Department in written. The Customs Department will evaluate and assess the previous activities of the customs declaration service provider. If it is found the good activities and did not commit the offence, it will be considered to extend the license for additional three (3) years.

The customs declaration service provider cannot withdraw the guarantee money and cannot use the guarantee document for operating other transactions which is not related to the customs declaration service.

In case the customs declaration service provider stops the customs declaration service activity, the guarantee document can be withdrawn in accordance with the bank regulations managing such document.

### **13. USER-ID Card for Customs Declaration**

After complete the authorization procedure prescribed in section 12 above, the Customs Department will issue the USER-ID Card for the customs declaration for the general customs declarant and the customs declaration service provider to certify the customs officer who receive the document for the user validation at the time of operating the detailed customs declaration via the ASYCUDA at the customs border checkpoints across the country.

### **13.1 USER-ID Card Design**

- Front: consists of reference number; logo of the Customs Department; photo of card owner, name and surname; enterprise registration number; name of company or state organizations; password; date of issuance and expiration; type of customs declarant (A customs declaration service provider, B customs declarant for its own company, C Customs declarant on behalf of the state organization or international organization); QR code that expresses data such as reference number, user ID, name and surname, enterprise registration number, date of issuance and expiration, and type of customs declarant; signature and stamp of the Director of Information Technology and Planning Division, Provincial Customs Management Unit and Provincial Customs Inspection Unit.
- Back: consists of instructions.

### **13.2 Validity and Extension of USER-ID Card**

The USER-ID Card is valid one (1) year after the approval from the Customs Department. The entrepreneur who is authorized to use the card, can extend the validity of the card by associating with the Customs Department where the card is issued before the expiration date in one (1) month to inspect the activity record prior to authorizing the extension.

The cancellation of card consists of the customs declarant that committed the customs offence, the card is lost and damaged, no activity record or no use above six (6) months.

### **14. Monitoring Customs Declarant Activities**

The Customs Department shall monitor and inspection the activity of the customs declarant continuously. The customs declarant shall present the authorized card to the customs officer every time of operating the customs declaration and coordinate with the customs officer. In case the USER-ID card is lost or damaged, shall notify the customs authority for acknowledgement immediately to order the cancellation of the lost card, and issue the new one instead. The customs declarant who lost the card, will not be able to proceed the customs declaration until there is the cancellation notification of the old card, and receive the new card.

The custom declarant shall attach the letter of attorney with the supporting documents every time. The customs declaration service provider shall make the contract of customs declaration service with the user of customs declaration service. In case the customs authority wants to inspect the condition and provision in the contract of the customs declaration service provider, shall cooperate in providing such document to the customs authority.

After the operating the business on the customs declaration for a while, if the customs declaration company wants to increase or decrease the number of personnel responsible for the customs declaration, shall propose the customs authority for approval.

### **15. Prohibitions of Customs Declarants**

The general customs declarant and the customs declaration service provider shall ensure the accuracy in implementing the law, have the morality in doing business and prohibit to behave as followings:

- 1) Prohibit to counterfeit the customs declaration data and document; provide the incorrect data and document to the customs officer;
- 2) Prohibit to edit or modify the customs declaration data which is registered in the electronic customs declaration system unless there is the authorization from the customs officer;
- 3) Prohibit to remove the evident data for the inspection or audit of the customs officer;



- 4) Prohibit to conspire with the customs officer and/or the owner of goods to misrepresent the customs declaration data, and avoid fulfilling obligations;
- 5) Prohibit to assist or support any sector to avoid the inspection of the customs office;
- 6) Prohibit to give bribes in any form to the customs officer;
- 7) Prohibit to obstacle the performance of duties of the customs officer;
- 8) Prohibit to give the USER-ID card to another person;
- 9) Prohibit to disclose the customer's confidentiality which may impact to the business operation of such company;
- 10) Other prohibitions as stipulated in the Customs law and the relevant regulations.

#### **16. Measures Against Violation**

- 1) In case the customs officer found any offence of the customs declarant such as giving the USER-ID card to another person, intent to notify the incorrect data and document, etc. the Customs Department can perform the measure in order, namely education, warning, penalty, temporary suspension, permanent cancellation and law prosecution;
- 2) In case the offence on the incorrect customs valuation, HS classification, and rule of origin certification, which impacts the customs and tax value, the Customs Department shall proceed prosecution and issue the notification to the customs declaration service provider to pay the overdue payment and penalty within fifteen (15) working day. If the customs declarant does not proceed payment by such stipulated date, the Customs Department has the right to issue the letter to the bank or finance institute that manages the guarantee account to transfer the money to the account of state budget in the complete amount and timely manner, as well as proceed the measures against violation in accordance with the regulations;
- 3) In case the customs authority found the data and document related to proposing as the customs declaration service provider which is incorrect, incomplete, useless or counterfeit, the Customs Department has the right to suspend the activity and cancel the customs declaration service license.

#### **17. Rewards for Good Performer**

The customs authority undertakes the compliment and facilitation to the customs declarants who perform their activities in accordance with laws and regulations, as well as contributing to the payment obligations to the state budget in the correct, complete and timely manner.

For the good customs declaration service provider will meet conditions to propose to be the AEO standard which will receive the privilege and facilitated measures as stipulated in the regulation on AEO management.

#### **18. Implementation**

- 1) The Customs Department is assigned to organize the training and disseminate this Instruction (Training and Human Resource Development Division) to the relevant government agencies and entrepreneurs for acknowledgement broadly as well as to consider issuing the additional instruction if necessary.
- 2) Entrepreneurs who have obtained the authorization to operate the customs declaration service earlier, shall request the authorization again in accordance with this Instruction.
- 3) This Instruction replaces the Instruction no. 3491/MOF, dated 27 August 2019, and shall be effective from the date of signature and after fifteen days from the date of publication on Lao Official Gazette.

**Minister**

Bounchom Ubongpaseuth