

**LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY**

National Trade Facilitation Committee
No. 005/NTFC
Vientiane Capital, date 08 April 2022

Instruction

**On The Implementation of Supplement of Some Contents of Order No. 12/PM
on Facilitation of Import and Export, Temporary Import, Transit and Domestic
Movement of Goods in Lao PDR**

- Pursuant to Decision on Regulation and Working Method of the Government series IX no. 41/PM, dated 30 April 2021;
- Pursuant to Order no. 12/PM, dated 16 October 2019 on Facilitation of Import and Export, Temporary Import, Trade in Transit and Domestic Movement of Goods in Lao PDR;
- Pursuant to Decision on Appointing of National Trade Facilitation Committee no. 48/PM, dated 26 July 2018;
- Pursuant to the Report of Ministry of Industry and Commerce no. 006/NTFC, dated 07 September 2021.

Vice Prime Minister, Chairman of the National Trade Facilitation Committee has issued the instruction:

I. Objective:

Issuance of this instruction is purposed to include more details in implementing Order no. 12/PM, dated 16 October 2019 on Facilitation of Import and Export, Temporary Import, Transit and Domestic Movement of Goods in Lao PDR for the relevant central and provincial agencies to implement in unified manner, aims to reduce operation time at least 50 percent, reduce cost and document at least 30 percent.

II. Some Additional Contents are as following:

1. Issuance of License, Permit and Certificate for Movement of Goods in the Country:

1.1 The Ministry of Agriculture and Forestry is assigned as a center to collaborate with relevant sectors in studying and improving the regulations related to the issuance of license, permit and certificate for movement of goods in the country between one province to another province, one district to another district to reduce the procedure, time and document which is unnecessary and overlapping as following details:

- 1.1.1. Timbers from natural resource and timber from plantation area or timber from replantation area in types of log, liver timber, sawn timber, big size timber, wood charcoal, semi-processed timber and finished timber, it shall determine in detail the level of management, procedure and document on the issuance of license, permit and certificate for movement.
- 1.1.2. Animal and animal products (cow/beef, buffalo, horse, pig, poultry, sheep/lamp, goat and other animal and animal products), aquatic animal and aquatic animal products (fish, shrimp, crab, shell, frog and other aquatic animal and aquatic animal products), it shall have a clear specific regulation that which case the movement license is required and which case can be moved without requiring the license. For the plant and plant products (rice, coffee, bean, casava, maize,

fruit, vegetable and other plant and plant products) can be moved without requiring the license. In case there is the outbreak of animal disease or pest, the movement of such goods is strictly not allowed.

- 1.1.3. Non-timber Forest products which are the pharmaceutical natural resource which are the traditional medicine, it shall determine the list of products under the management in detail as well as improving the procedure and document in unified manner, and avoiding the duplication in clearly manner on the implementation between the Agriculture and Forest Sectors and Health Sectors at the central and local level.

2. Issuance of License and Certificate for Timber Export:

2.1 The Ministry of Industry and Commerce is assigned as a center to collaborate with the Ministry of Agriculture and Forestry, Ministry of Finance and relevant sectors to improve the regulations, mechanism and procedures on the issuance of license, permit and certificate for wood and wood product export which aims to reduce procedure, time and cost as following details:

- 2.1.1 The procedures of requesting for obtaining permit, appointing the inspection committee, sealing the container of goods and signing the minute of actual inspection until the issuance of license, permit and certificate for wood and wood product export from natural resource and plantation or replantation area, the Industry and Commerce sectors and the Agriculture and Forestry sectors shall take consultation to divide the responsibilities to be completed quickly.
- 2.1.2 Furniture and handicraft product made from wood which is sold and bought in the exhibitions, shops, electronic marketplace and other places shall study and improve the regulation and mechanism to promote the export by reducing unnecessary procedure and document on the issuance of license, permit and certificate for export of the relevant agencies.

2.2 The Ministry of Energy and mine is assigned as a center to collaborate with the relevant agencies to improve the regulations, mechanism and procedures for minerals and mineral product export which aims to reduce procedure, time and cost as following details:

- 2.2.1 The request for obtaining export permit shall be presented to the Ministry of Energy and Mine (Department of Mining Management) or Provincial Offices of Energy and Mine as divided in the level of management.
- 2.2.2 The actual export (before loading to truck), the Provincial Office of Energy and Mine is assigned to take initiative in appointing the joint committee on inspection, sealing the container of goods and signing the minute of actual inspection which consist of representatives from the Office of Energy and Mine and Office of Finance, one for each representative.
- 2.2.3 Make and improve the joint inspection minute in unified manner across the country.

3. Operation of Border Inspection

3.1 The Ministry of Finance is assigned as a center to collaborate with the Ministry of Agriculture and Forestry, Ministry of Energy and Mine and relevant sectors to study and improve the inspection mechanism of wood and minerals export when arrive the border checkpoint as following details:

- 3.1.1 The relevant officers to check the customs declaration documents as the specialized technique and use the modern tools, namely ASYCUDA system, scanner, scale, etc. in comparison with the number, quantity and weight between the scales of origin and destination.
- 3.1.2 In case of any suspicion or reliable source on smuggling of unpermitted goods, the relevant officers to conduct the physical inspection of goods. Each physical

inspection of goods shall have the minute and report on the inspection result to their vertical agencies for consideration.

3.1.3 Costs occurred from the physical inspection of goods such as: opening the container, removing the seal lock, lifting or transshipment of goods shall perform the following cases: if the smuggling is found, it shall be under the responsibility of goods owner or exporter and he/she is subjected to prosecution according to the laws and regulations. If there is no smuggling, it shall be under the responsibility the relevant officer or agency and it can proceed the customs procedure.

3.2 The Ministry of Finance is assigned as a center to collaborate with Ministry of Agriculture and Forestry, Ministry of Health and relevant sectors in implementing the risk management and the coordination mechanism to facilitate the import and export of goods, materials, and implementing the joint inspection procedures between relevant border agencies at the international border checkpoints according to the signed joint Memorandum of Understanding to ensure the uniformity across the country.

3.3 The Ministry of Finance to continue developing the ASYCUDA and Lao National Single Window: LNSW) in periodic manner as well as encouraging and expanding the use of such systems to Ministry of Agriculture and Forestry, Ministry of Industry and Commerce, Ministry of Energy and Mines and relevant sectors for the issuance of license, permit and certificate, the collection of fees and service charges and the release of goods at the international border checkpoints to increase gradually.

3.4 The Ministry of Home Affairs is assigned to take initiative to collaborate with Ministry of Industry and Commerce, Ministry of Public Security, Ministry of Finance, Ministry of Agriculture and Forestry, Ministry of Health, relevant sectors and relevant local authorities to monitor, inspect and evaluate the implementation of Decree on International Border and Airport Checkpoint no. 558/GOV, dated 31 December 2018 especially the organizational structures, positions, personnel, documents and goods inspection for import and export of the border agencies.

4. Setting up the Inspection Checkpoints along the road:

4.1 The Ministry of Public Security is assigned as a center to collaborate with relevant sectors to study and improve the regulations related to the document inspection involving with the vehicle and driving such as: driver's license, vehicle registration card, certificate of vehicle standard and technique, and annual road fee document according to the Land Traffic Law and Traffic Regulation without conducting any goods inspection and requesting for any fee collection. In case of any suspicion or reliable source on the smuggling of drug movement, war weapon and other goods related to the national security and national stability, the police officers can conduct inspection as their roles.

4.2 The Ministry of Public Work and Transport in collaboration with relevant sectors to evaluate the implementation of truck weight and size inspection of the weight station, aims to reduce unnecessary and duplicate time and cost for transport as: there shall be only the weight inspection certificate from the officer at the authorized weight station, and the weight station located along the way shall not re-inspect the weight unless the case of suspicion that increases the weight on the way. Apart from this, to study and improve the regulation on the use of modern system for the truck weight inspection, penalties, and the use of measures to violator who transport the overweight truck in unified manner.

4.3 The Ministry of Industry and Commerce, Ministry of Finance and Ministry of Agriculture and Forestry and relevant sectors to continue instructing the officer under their responsibilities such as: the Trade Inspection officer, Customs Investigation and Anti-Smuggling officer, Tax officer, Forestry Inspection officer and other officers on the setting up of the checkpoints along the road to prevent the smuggling of illegal goods movement and protect the outbreak of disease to people, plants and animals as followings:

- 4.3.1 If necessary, the temporary ad-hoc checkpoint along the road can be set up, but it shall obtain the permit from the Provincial Governors, the date of setting up the checkpoint shall be clearly determined. If there is any unpermitted temporary ad-hoc checkpoint, it shall be withdrawn.
- 4.3.2 In case there is the urgent suspicion or reliable source, the temporary mobile ad-hoc inspection can be made.
- 4.3.3 Each inspection shall not create obstacle for the movement of goods, they shall not inspect the goods which does not involve with their work, and shall not collect any fee which is not coherent with the stipulated laws and regulations.
- 4.3.4 After complete the inspection, they shall report the inspection result to the Provincial Governor and their vertical agencies for acknowledgement.
- 4.4 The Ministry of Industry and Commerce as the permanent office of the National and Provincial Trade Facilitation Committee to take initiative in monitoring and encouraging the expansion of this Instruction, then reporting to the government in periodic manner.

III. Implementation:

1. The Ministry of Industry and Commerce is assigned as a center to collaborate with relevant sectors to implement and disseminate the implementation of supplement of some contents of Order no. 12/PM, dated 16 October 2019 on Facilitation of Import and Export, Temporary Import, Transit and Domestic Movement of Goods in Lao PDR to receive a good result.
2. The relevant ministries that are assigned to implement this Instruction in detail according to tasks related to their agencies to achieve the good outcome.
3. The secretariat office of the National Trade Facilitation Committee (NTFC) is assigned to monitor, encourage and inspect the implementation of this Instruction, then regularly report to the chair of NTFC for acknowledgement and guidance.
4. If there is any difficulty on the implementation of this Instruction, the relevant sectors to report to the secretariat office of the NTFC to seek the guidance from the NTFC chair according to the procedures to address issues in timely manner.
5. This Instruction shall become effective from the date of signature.

**Deputy Prime Minister
Chair of NTFC**

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