

Decision On the Importation of Petroleum and Lubicant

- Pursuant to Decree on Petroleum Business no.331/PM, dated 27 October 2017;
- Pursuant to Decree on the Organization and Operation of Ministry of Industry and Commerce no.604/PM, dated 15 October 2021;
- Pursuant to the request letter of Department of Import and Export no.0912/DIMEX, dated 10 March 2022.

Minister of Industry and Commerce has issued:

Chapter 1 General Provision

Article 1 Objective

This Decision specifies principles, regulations, and procedures on importation of petroleum and lubricant into Lao PDR in order that this work is correct and complied with laws and regulations focusing on protecting the benefits of the government, business operators and consumers contributing to the national socio-economic development.

Article 2 Importation of Petroleum and Lubicant

Importation of petroleum and lubricant is the importation of petroleum and lubricant from the foreign countries that meets the national standard via the international border checkpoint into Lao PDR in the form of tariff-tax payment or receiving special policy on tariff-tax and other fees according to laws and regulations.

Article 3 Definitions

Any terms mentioned in this Decision shall be interpreted as the following:

- 1. Petroleum** refers to oil products that uses for combustion as specified in the Decree on petroleum business which consists of gasoline, diesel, jet fuel, kerosene, stove oil, bio fuel, and other fuel as specified by the petroleum business management agency.
- 2. Lubicant** refers to oi products that uses for lubricating engines such as engine oil, gear oil, brake oil, lubricating oil (Keratin) and hydraulic oil.
- 3. Petroleum Company for Domestic Distribution** refers to the company that operates a business on purchasing petroleum from the petroleum import and export, producers and manufacturers inside the country for distributing to gas stations and their own customers as specified in the Decree on petroleum business.

Article 4 Scope

This Decision is applied to natural person, legal person, and both internal and foreign organisation that import petroleum and lubricant into Lao PDR, except raw petroleum and semi-petroleum imported for filtering or manufacturing.

Chapter 2

Importation of Petroleum

Article 5 Forms of Petroleum Importation

Importation of Petroleums shall be operated by the Petroleum Import and Export company which has the criterias specified according to Decree on Petroleum Business only in which there are two forms based on the purpose of import as followings:

1. Importation for supplying to the petroleum company for domestic distribution;
2. Importation for supplying to the governmental organization, embassies, consulates, international organisation, concession projects or investment projects that are approved by the government and that receives the policy on exempt, waive or duties-taxes and or other fees concession.

Article 6 Application for Petroleum Import Permit

To apply for the permit of import petroleum, the applicant shall prepare documents and submit to the Department of Import and Export and the required document are different for each case as followings:

1. Documents for the application for license to import petroleum for form 1:
 - 1) Request letter in the form provided by the Department of Import and Export;
 - 2) Copy of business certificate;
 - 3) Copy of the Import and Export Petroleum Buiness Operation License;
 - 4) Annual petroleum importation and distribution master list and petroleum importation monitoring book.
2. Documents for the applying the permit of importing petroleum for form 2:
 - 1) Request letter in the form provided by the Department of Import and Export;
 - 2) Copy of business certificate;
 - 3) Copy of the Import and Export Petroleum Buiness Operation License;
 - 4) Annal importation master list and copy of Decision approving the annual importation master list issued by related line ministries;
 - 5) Document certifying the duration of the annual importation master list issued by related line ministries who are the project development contract parties where the annual importation master list does specify the duration.

Article 7 Consideration for Issuance the License of Import Pretroleum

Upon receiving all correct and completed document, the Department of Import and Export shall consider issuing the import license within three working days from the receiving date.

In the case that the documents are not correct or incomplete, the Department of Import and Export shall notify the applicant immediately or no later than thirty minutes in order to advise the applicant for fixing.

In the case that the import license cannot be issued, the Department of Import and Export shall notify in writing to the applicant within three working days from the date receiving document that is correct and complete.

Article 8 Validity and Modifying Petroleum Import License

The petroleum import licnese is valid until 31st December of the year issuing the license only and the license can not be extended.

In the case that there is a need to modify the contents of the petroleum import license, the applicant shall prepare document as specified in Article 6 of this Decision base on each case attaching the orginal import license and submit to the Department of Import and Export for consideration.

Article 9 Obligations on Petroleum Importation Statistics Reporting

Petroleum importer shall collect statistics and report on the information on the actual importation of petroleum of each month to the Department of Import and Export for no later than 15th day of next month.

Chapter 3 Importation of Lubicant

Article 10 Importation of Lubicant

Lubicant importer who meets the criterias specified in the Article 11 of this Decsion having a purpose to import lubicant for distribution or direct use for aftersale service can proceed with customs declaration without the need to apply for the lubicant import license from the industry and commerce sector.

For the lubicant importation that has been granted a special policy on tariff-tax and other obligation correctly and comply with the law can proceed with customs declaration through the importer who meets the criteria udner article 11 of this Decision and there is no need to apply for the imported lubicant license from the industry and commerce sector, but the said lubicant shall be summarized and recored into the Master list management system based on the regulation specified periodically by financial sector.

Article 11 Criteria for Lubicant Importer

Lubicant importer shall has any of the following criteria:

1. Be the petroleum import and export company that meets the criterias under the decree on peptroleum business;
2. Has been granted the lubicant wholesale-retail business operation license correctly according of the criteria specified under the Decision on wholesale-retail business;
3. Has the inland vehicle business operation license in the case of importing for a direct use on aftersale service.

Chapter 4 The Implementation of Petroleum Importation Management

Article 12 Implementation of Petroleum Importation Management

Implementation of Petroleum Importation Management consists of three level as followings:

1. For central level, it is the Department of Import and Export;
2. For provincial level, it is Vientiane Captial, Provincial Industry and Commerce Office;
3. For District level, it is the Captial, District Indutry and Commerce Office

Article 13 Rights and Duties of Department of Import and Export

Department of Import and Export has the following rights and duties:

1. Study, establish, revise legislation on the management of petroleum and lubicant importation to the high management for consideration;
2. Disseminate, advise, and facilitate on each import procedure on the basis of accuracy and compliance with laws and regulations set out each period;
3. Adopt anual petroleum and lubicant imporation master list;
4. Consider the issuance, termination and elimination the import license for petroleum;
5. Follow up, report the situation and problems on importation of petroleum and lubicant nationwide to the high mangement regularly;
6. Coordinate with related sectors to monitor and inspect the importation of petroleum and lubicant;

7. Use other rights and duties as specified in the laws and regulation.

Article 14 Rights and duties of Vientiane Capital, Provincial Industry and Commerce Offices

Vientiane Capital, Provincial Industry and Commerce Offices has the following rights and duties:

1. Disseminate and advise on the rules and procedures on the importation of petroleum and lubricant set out periodically to the society and related sectors to know widely;
2. Follow up and report on the situation and problems on the importation of petroleum and lubricant as assigned by the high management regularly;
3. Lead or cooperate with related sectors to monitor and inspect the importation of petroleum and lubricant as assigned by the high management;
4. Study and propose to the high management to consider all measures to manage the importation of petroleum and lubricant being convenient, guarantee, and comply with laws;
5. Use other rights and duties as specified in the laws and regulation.

Article 15 Rights and Duties of Industry and Commerce Office in District

Industry and Commerce Office in district has the following rights and duties:

1. Disseminate and advise on regulations and procedures for importing petroleum and lubricant to related sector and society in the district, capital;
2. Follow up and report on the situation and problems on importation of petroleum and lubricant as assigned by the Vientiane Capital, provincial industry and commerce office;
3. Participate in the monitoring and inspection the importation of petroleum and lubricant as assigned by the Vientiane Capital, provincial industry and commerce office;
4. Use the rights and implement other duties as specified by the law and regulation.

Chapter 5 Final Provision

Article 16 Implementation

The Department of Import and Export is assigned to cooperate with the Vientiane Capital, provincial industry and commerce offices, the capital, districts industry and commerce offices and related sectors in order to implement this Decision for high effective outcome.

Article 17 Effectiveness

This decision shall be effective after the date of signature and published on the Lao Official Gazette for 15 days.

This decision replaces the decision on the regulation of applying the permit for importing and selling petroleum in Lao PDR No.0237/MOIC.DIMEX, dated 2 February 2012

Minister

Dr. Khampheng Xaisompheng