



LAO PEOPLE'S DEMOCRATIC REPUBLIC
Peace Independence Democracy Unity Prosperity

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Ministry of Finance
Cabinet Office

No. 1556/CO.MOF
Vientiane Capital, dated 8 July 2009

NOTICE

To The Directors of Petroleum/Fuel Import Companies and Developing Projects
Subject: The Management of Importation of Exempted Fuel for the Developing Projects

- Pursuant to the Customs Law No. 05/NA, dated 20 May 2005;
- Pursuant to the Instruction of Finance Minister No.491/MOF, dated 12 March 2009;
- Pursuant to the Notice of Customs Department No. 1599/CD, dated 8 June 2009 regarding to authorization for establishing special warehouses for fuel and on the formality of management of the importation of exempted fuel for granted and/or loaned finance project

To ensure that fuel imported for developing projects that the government has granted duty and tax exemption for is utilized for the right purpose and to provide measures to prevent breaching by distributing such fuel to the domestic market, The cabinet office of the Ministry of Finance is pleased to notify the directors of all fuel import companies and developing projects obtaining incentives on duty and taxes exemption for imported fuel for the developing projects that:

1. From 25 July 2009 onward the fuel imported under an exemption scheme for developing projects across the country shall be mixed with certain chemical coloring elements, such as blue color for diesel and
2. Purple color for gasoline. The process of mixing color with the exempted fuel shall be conducted as follow:
 - For importation at the Friendship Bridge 1 Checkpoint, the imported fuel shall be stored at a designated special warehouse and shall be mixed with the determined color before delivery to the project sites. In the case of under-performance of the fuel supplying contract for a developing project, the government shall allow the fuel import company to deliver the fuel to the project site immediately without storing it at the special warehouse, such fuel shall have the color mixed in prior to importation;
 - For importation at other checkpoints where special warehouses are not available, color mixing can be conducted at the premises of the importers. In the case that the importer intends to make a direct delivery from the checkpoint to the project sites, the color mixing shall be carried out prior to the importation.
3. At present, Insy Logistic Company Ltd. has established a special warehouse in Vientiane Capital to provide the service of storing exempted fuel. The establishment of such business is promoted. If any legal entities are interested in setting up such a kind of service, they should submit their proposal to the Ministry of Finance for consideration of issuing the license.
4. The customs department is assigned to manage importation of exempted fuel.

5. Should customs encounter any obstacles or difficulties in practice, it should seek guidance from the Ministry of Finance.
6. This notification shall become effective from the date of signing.

All relevant persons/entities shall acknowledge and firmly apply the above provisions.

Ministry of Finance
Cabinet Office
Director-General
Sipheng Phonsamath