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Lao People's Democratic Republic

Peace Independence Democracy Unity Prosperity

Ministry of Industry and Commerce

No. 0442/MOIC.DIMEX

Vientiane Capital, 06 March 2013

Decision on

Management and Implementation of

The Second ASEAN Self Certification Pilot Project

- Pursuant to Prime Minister's Decree on the organization and Activities of the Ministry of Industry and Commerce no. 552/PM, Dated 23 December 2011.
- Pursuant to confirmation letter for the implementation of the MOU on the Second ASEAN Self Certification Pilot Project no. 32/OOG.DJC Dated 10 January 2013
- Pursuant to application letter from Department of Import and Export No. 1392/DIMEX, Dated 28 February 2013.

The Minister of Industry and Commerce issued this Decision as follows:

Article 1. Objective

The purpose of this Decision is to determine the regulations to manage and implement the Second ASEAN Self Certification Pilot Project also with the aim to secure consistency in regulations and procedures to implement what has been prescribed by ASEAN, as well as achieve highly beneficial results.

Article 2. Interpretation of Terms

The terms used in this decision are defined as follows:

1. **The Second ASEAN Self Certification Pilot Project** means the implementation of certification of the origin of products by producers and exporters themselves to be implemented between countries that have jointly signed the ASEAN Self Certification Pilot Project and refers to the regulation and the implementation period that have been set by the project;
2. **Member Countries** means countries that signed the MOU to implement the Second ASEAN Self Certification Pilot Project;

3. **Invoices Declaration** means the exporter's commercial invoice that mentions "origin status" used as an official letter to show to domestic and foreign customs to clarify that the products on the invoice list have origin status in Lao PDR, for the purpose of claiming the preferential tariff under the ASEAN Trade in Goods Agreement (ATIGA);
4. **Certificate of Certified Exporter** means a certificate which is issued by relevant government agencies to certified exporters that pass the standard and conditions for issue of Self Certification (here after is "certified authority");
5. **Authorizing agencies** means the Ministry of Industry and commerce (Department of Import and export) or the Department of Industry and Commerce of the provinces and Vientiane capital;
6. **Certified Exporters** mean producers and exporters authorize by the Authorizing Agencies.

Article 3. Conditions of Certified Exporters

Applicants who wish to register to be a Certified Exporter should follow the conditions below:

1. a company or factory that is a registered business has the right to produce or export goods according to the law of Lao PDR;
2. [Maintain] transparent business records and contribute regularly to the government's activities;
3. Have experiences of having implemented ASEAN rules of origin;
4. Producers that export to Member Countries of the Pilot Project.

Article 4. Procedures of Self Certification.

To issue a Self Certification the procedures below must be followed:

1. Exporters that intend to become certified exporters, must submit a request letter and related documents to the Authorizing Agencies (See Annex 1).
2. The Authorizing Agencies together with related sectors, shall consider the request of the exporter with the standards and conditions mentioned in Article3 above. In the case of documents being corrected and completed the Authorizing Agency must issue the certification to the exporter within 3 working days. If there is a need for inspecting of procedures and products the consideration may take longer but not more than 7 working days (See Annex 2).
3. After the exporter is authorized to be a certified exporter, the exporter should notify the specimen signature specimens of the persons allowed to sign the Self Certification document (not more than 3 persons) and submit them to the Authorizing Agency (See Annex 3).

4. When the Authorizing Agency receives the notification of the specimen signatures, the Authorizing Agency shall send it to all member countries of this project to store in the database as a reference to check for consideration for reduction or exemption of import tax permission.
5. After the Authorizing Agency receives notification from member countries about the specimen signatures, the Authorizing Agency will send an official notification to the exporters. Thereafter the certified exporter may begin to officially implement the scheme (See Annex 4).

Article 5. Duty of Certified Exporters

Certified exporters must abide by the duties below:

1. Strictly follow regulations and procedures of Self Certification as set out in the Second ASEAN Self Certification Pilot Project;
2. Report export statistics under the Self Certification Project to the Authorizing Agency regularly on monthly, six-monthly and yearly basis;
3. In the case of suspicions, certified exporters must cooperate with the Authorizing Agency to clarify and explain the procedures for the production of products as well as supplying related information and documents from government, domestic or external sectors in order to solve the problems.

Article 6. Limitation of Self Certification

Certified exporters can issue Self Certification only for the products that they produce and that are conformant with the ASEAN origin criteria and that are in the list of products permitted by the Authorizing Agency. If there are new products, exporters must inform the Authorizing Agency in order to process according to the regulations before they can export.

Article 7. Failure to follow regulations

If certified exporters breach this decision by: Certifying products that do not have origin status, notifying incorrect information to the Authorizing Agency, certifying products of other producers thus creating difficulties or damages, certified exporters shall be responsible both domestic and international violation of regulations as follows:

Domestic violation of regulations: the first time there will be a warning and the offence will go on record. The second time, there will be a warning and a fine of 50% of the export value. The third time, there will be a fine of 100% [of the export value] together with withdrawal of the rights of the certified exporter and related agencies shall be informed in order to withdraw [the exporter's] business license.

International violation of regulations: [the exporter] shall be responsible for all the costs of import tax and other liabilities under the regulations of the importing country.

Article 8. Keeping of Documents and Restoring Data.

Certified exporters must keep documents used in the production, export and certification of product origin and other related document in full for the period of 3 years, as a reference in the case of suspicions or checks requested by the importing country as agreed in the agreement for this project.

Article 9. Implementation

The Department of Import and Export shall implement [this decision] in collaboration with related agencies in order to achieve highly beneficial results

Article 10. Effectiveness

This Decision shall become effective from the date of signing.

Minister of Ministry of Industry and Commerce.

Dr. Nam VIYAKETH