



Lao's People Democratic Republic
Peace Independent Democracy Unity and Prosperity

Ministry of Industry and Commerce

No. 0118 /MOIC.DIMEX

Vientiane Capital, dated 31 January 2020

Instruction on
Preferential Rules of Origin

- Pursuant to the organization and implementations of the Ministry of Industry and Commerce, No. 230/PM, dated 24 July 2017;
- Pursuant to the Prime Minister's Decree on Rules of Origin for the import and export of goods, No. 228/PM, dated 22 April 2010;
- Refer to the proposal letter from Department of Import and Export, No 6100/DIMEX.CO, dated 18 December 2019.

To elaborate the provision of Chapter II of the Decree on Rules of Origin for the Import and Export of Goods, No. 228/PM, dated 22 April 2010 and to determine suit with the current situation as well as to comply with the laws, regulations and international agreements which Lao PDR is a party and as to implement the preferential rules of origin effectively and uniformly throughout the country

Ministry of Industry and Commerce issues the Instruction as follows:

I. The certification of origin under the preferential scheme

The certification of origin under the preferential scheme is to certify that such goods have an origin or been processed in Lao PDR to be entitled to the criteria of preferential schemes of the country providing such preferential treatment. In case importing countries provided preferences treatment no need CO, the company/factory, producer, exporter no needs to ask for CO.

Requester asks for CO means company/factory, producer, exporter or authorized representative.

There are two procedures on issuing CO such confirmation of product eligibility: CPE and CO under the preferential scheme as following:

1. Confirmation of product eligibility: CPE

1.1 Confirmation of product eligibility: CPE is documenting to certify that such goods have origin or been produced in Lao PDR and compliance with the criteria of the rules of origin, as a reference to ask for the certificate of origin: CO.

To issuing CPE is to use a reference to ask for the Certificate of Origin under the preferential treatment: CO and all items must be issued CO under the preferential treatment, whether those products are wholly obtained or produced goods, or not wholly obtained or produced goods.

1.2 Requester for the CO under the preferential schemes can ask for the CPE at the CO Office nationwide under the Form provided by the Department of Import and Export (DIMEX). The required documents for CPE are as follows:

- 1.) The request letter form provided by DIMEX;
- 2.) Import Invoice;
- 3.) Certified letter on detailed, production process, cost and price and the production chart based on form provided by DIMEX;
- 4.) Documents of obtaining or import of raw materials [inputs], as reference.
- 5.) Master plan of export capacity;
- 6.) Enterprise signature form as provided by DIMEX;
- 7.) A copy of enterprise certificate and/or business license;
- 8.) Annually Tax Certificate.

1.3 After documents have been checking, CO Officers must inspect the factory to see the actual production or its warehouse immediately, at least 3 working days to ensure compliance with CO rule. For collecting data at the factory shall follow DIMEX's Form.

1.4 The timeframe to issue the CPE is within 3 working days subject to all required documents and information submitted completely and after completed company/factory inspection.

1.5 The issuance of one CPE is for one item of goods based on the Harmonized System of Tariffs Nomenclature 6 digits as compliance with tariff and goods schedules of Lao PDR under ASEAN Harmonized Tariff Nomenclature (AHTN). If the criteria to obtain the CPE is changed, the one requesting for the CO should ask for the new CPE by following in 1.2, 1.3 of I on this instruction.

1.6 The CPE is valid for 1 year; after its expiration, CPE should newly be requested one month before expired by following 1.2, 1.3, 1.4 of I on this instruction.

2. The request for issuing the certificate of origin (CO) under the preferential scheme

There are three categories of a certificate of origin (CO) under the preferential scheme as a manual, electronic certificate of origin issuing system: e-CO and self-certification.

For an electronic certificate of origin issuing system: e-CO and self-certification has its specific regulations.

2.1 The issuance of a certificate of origin (CO) under the normal preferential scheme

The one requesting for the CO shall file and complete the following documents:

- 1.) The request letter form provided by DIMEX;
- 2.) A copy of CPE or the certificate [documents] related to such obtained goods;
- 3.) The filled [complete] CO form;
- 4.) Export Invoice and Packing list;
- 5.) Documents related to the customs declaration in details;
- 6.) The shipping documents.

The copy of documents mentioned above shall be signed and stamped by the one requesting for the CO.

The timeframe to issue the CO under the preferential scheme is within two working days, subject to all required documents and information submitted completely.

In case of the goods shipped by air or directly to the final destination [imported country], the one requesting for the CO can submit the customs declaration documents in detail and shipping documents to the officer at the CO Office within 5 working days from the date of issuing such CO.

Fees related to the issuance of CO based on the edict of the president on fees and services charges issued each period.

2.2 In case that the CO is lost, stolen or damaged

In case that the CO under preferential scheme is lost, stolen or damaged, the one requesting for the CO can bring the copy kept for certification to CO Office or request for the new one as following:

- A. To bring the copy of such CO kept with requesting for the CO to be certified that has to submit documents as following:
 - 1.) The request letter form as provided by DIMEX;
 - 2.) The copy of CO kept with the one requesting for the CO;
 - 3.) The document certifying/verifying the lost, stolen or damaged from requesters.

The timeframe for stamp and certification of the copy CO is one working day after all required documents and information submitted completely.

- B. Requesting for the new CO, the following complete documents shall be submitted:
- 1.) The request letter form as provided by DIMEX;
 - 2.) The filled [complete] CO form;
 - 3.) The copy of CO kept. In case of CO has been lost, stolen or damaged that must be certified from company/factory;
 - 4.) The document certifying/verifying the lost, stolen or damaged from registers.

The timeframe for re-issuing the CO is two working days after all required documents and information submitted completely.

Fees related to the issuance of CO based on edict of president on fees and services charges issued each period of time.

2.3 Issuing CO in case of the modification of information

To modify information in the CO under the preferential scheme in case mistaken from CO Officer or requester have to following the procedure as below:

- A. In case that the mistake made by the CO Officer, the CO Officer shall correct it with signature and stamp to certify the correction at the modified one and no need to pay for service charges.
- B. In case the mistake made by the one requesting the CO, the one requesting for the CO should propose to the CO Office to issue the new one for replacement with the following complete documents:
 - 1.) The request letter form as provided by DIMEX;
 - 1.) The filled (complete) CO Form;
 - 2.) The original CO and the copy of incorrect CO;
 - 3.) Other documents related to such modification [correction] according to each case;

A fee for correction of CO is the same as the fees for issuing the normal CO.

2.4. To purchase CO Form under the preferential scheme

The one requesting for the CO shall have the letter of request for buying the form and shall not buy more than 50 sets/time/form. Before requests to buy the next one, the one who requesting have to attach CO form is used and/or not used from the previous one.

The cost of CO Form is based on the edict of the president on fees and services charges issued each period.

2.5. The filling of the CO Form under the preferential scheme

To fill the CO Form, the one requesting for the CO shall do as follows:

- 1.) The information filled in the Form shall be consistent with the information in the provided documents and typing should not go beyond each box frame;
- 2.) To fill the form in English only as CAPITAL LETTER;
- 3.) The filled CO Form shall be clean, clear letter, no deletion or strike over or additional filling in any place;
- 4.) To fill information in the Form shall type row by row without space of the row. In case, there is space left in the row after information provided, four asterisks (*) should be typed in to close the sentence and type the line until the row ends.

2.6.To fill the reference number into the CO Form under the preferential scheme

To fill the reference number into the CO Form by the CO Office shall put into 8 digits, starting with the year code (last 2 digits of the year), followed by the CO Office code (2 digits) and order number (4 digits). As for some CO Form that country code should be added in or country acronym, these should add into the front of such 8 digits. To fill the reference number of CO Form can use the typing machine to type it in or stamped numbers

II. The CO Office under the preferential scheme

The CO Office under the preferential scheme in nationwide comprises of:

1. Department of Import and Export;
2. The Provincial and Vientiane Capital Department of Industry and Commerce, Special Economic Zones, Chamber of Commerce and Industry at central and provincial level; or other agencies authorized to issue the CO.

To issue the CO have to passed training course and receiving certificates from the Department of Import and Export, Ministry of Industry and Commerce.

III. Rights and duties of the CO Officers and of the one requesting for the CO under the preferential scheme

1. Rights and duties of the CO Officers

1.1.Department of Import and Export is responsible for all technical aspects to the Ministry of Industry and Commerce regarding the management of CO. Besides, to the rights and duties stipulated in the Article 18 of the Decree on Rules of Origin, Ref. N. 228/PM, dated 22 April 2010, the Department of Import and Export also has the rights and duties as follows:

- 1.) To study and propose to the Minister of Industry and Commerce concerning the agencies eligible to be the CO Office throughout the country;
- 2.) To study and consider certifying CPE for companies/factories and each item receiving CO.
- 3.) To supervise, encourage, monitor, check and assess the performance of the CO matters throughout the country;
- 4.) To be the focal point for those CO Offices and other relevant agencies both domestic and foreign regarding the CO matters;
- 5.) To coordinate and cooperate with international including negotiation on ROO.
- 6.) To certify CO based on duties assigned by the Ministry of Industry and Commerce to comply with this guidance and other relevant regulations.
- 7.) To collect fees and services charges according to an edict of the president of each period.
- 8.) To order printed CO Form with sending to authority office throughout the country based on print requested.
- 9.) To summarize sample of a signature by CO authority offices throughout the country and send to imported countries officials annually;
- 10.) To monitor and research export statistic by utilized CO across the country annually;
- 11.) To preserve suits of Certificate CO hard copy for 03 years period.
- 12.) To follow rights and duties according to laws and high-level assign.

1.2.The Provincial and Vientiane Capital Department of Industry and Commerce, Special Economic Zones, Chamber of Commerce and Industry at central and provincial level; or other agencies authorized to issue the CO has the rights and duties as follows:

- 1.) To issue CO based on the assigned from the Minister of Industry and Commerce in compliance with this instruction and relevant laws;
- 2.) To study and consider certifying CPE for companies/factories and each item receiving CO.

- 3.) To order printed CO Form with DIMEX and response on the fees by attached summarize of the previous form including mistaken form and unused form as well.
- 4.) To summarize sample of a signature by CO authority offices and send to DIMEX no late than 1 October regularly;
- 5.) To collect fees and services charges according to the edict of the president of each period;
- 6.) To monitor and research export statistic by utilized CO report to central CO Office and disseminate regularly;
- 7.) To summarize detailed and companies' information for requesting companies and send to DIMEX no late than 31 December regularly;
- 8.) To preserve suits of Certificate CO hard copy for 03 years period.
- 9.) To coordinate and supply of CO information for DIMEX as requests;
- 10.) To evaluate on issuing CO, CPE, statistic collection and company detailed annually and report to DIMEX before 10 January regularly;
- 11.) To propose DIMEX to organize training and disseminating of CO;
- 12.) To follow rights and duties according to laws and high-level assign.

2. Roles and duties to CO requesters

CO Requesters has roles and duties as below:

1. To has the right to request for CO certificate from CO Authority offices which the production located or buy based on their facility.
2. To request CO certificate from authority offices of CO.
3. To require or blame authorities on implementation when their services attitude unfair or not comply with relevant laws and regulations.
4. To support documents or correct information and match letter of request for CO.
5. To ensure cooperation and support documents or relevance CO information of the company to the CO Office when is necessary from requested.
6. To preserve the hard copy of CO documents and other relevant documents for 03 years.
7. To report on implementation for the inspection from destination country in particular there is not providing facilitation on trade on each period.
8. To study CO and other relevant regulations.

IV. Actions against fraudulent acts

1. For the CO Officers

The CO Officers breaching this Instruction intentionally, for instance, to unreasonably delay the time of issuing the CO set out in this Instruction so as to get benefits from the one requesting the CO, to issue the CO which is not compliant with the rules, or to cooperate with the one requesting the CO to falsify the documents and so on, shall be subject to the following sanction measures: warning, educating, disciplinary punishment, disposition, relief or being fired from the government official according to the seriousness of the offense. If such offense is criminal case, the criminal law will be applied.

2. For the CO requesters

The one requesting for the CO, breaching this Instruction intentionally, for instance, to forge the CO, to inform the incorrect information, to misrepresent CO for non-compliant goods and so on shall be subject to the following sanction measures: warning, educating, cancellation of the granted CPE or CO, withdrawing the rights of requesting for CO or proposal to cease the business operation temporary according to the seriousness of the offense. If such offense is criminal case, the criminal law will be applied.

V. Implementation

To ensure effective implementation of this instruction, the Department of Import and Export shall closely cooperate with relevance sectors, together with guidance CO offices to comply with other regulations.

The regulation process to implementation by self-certificate and electronic Form has mentioned in different regulations.

VI. Effectiveness

This instruction shall enter into force from the date of signature and 15 days after published on Official Gazette.

This instruction will be replacing the instruction No 2225/MOIC.DIMEX, dated 05 December 2014.

Minister

Ms. Khemani Pholsena