

(Unofficial translation)



Lao People's Democratic Republic
Peace Independence Democratic Unity Prosperity

Ministry of Science and Technology

Ref no. 0541/MOST
Vientiane Capital, date 8 JUN 2016

Decision

Of Minister of Science and Technology on Management, Inspection and Certification of Fuel's Quality in Lao PDR

- Pursuant to Law on Standard (Amended) Ref no. 49/NA, date 18 July 2014.
- Pursuant to Prime Minister's Decree on Organization and Function of Ministry of Science and Technology Ref no.309/PM, date 28 September 2011.
- Pursuant to the proposal of Department of Standard and Measure Ref no.1528/MOST-DSM, date 20 May 2016.

Minister of Science and Technology issues a decision:

Chapter 1

General Provisions

Article 1: Purpose

This Decision outlines a principle, regulation and measure on management, inspection and certification of fuel's quality that is produced, imported, exported, refined and distributed in Lao PDR on the basis of complying with regulations, principles and national standard that are consistent with regional and international practices aiming at promoting service quality and that is in accordance with actual circumstances and contributes to the national socio-economic development.

Article 2: Fuel

Fuel is a product from the refinery of crude oil, the refinery of natural resources and other resources through the production process which conforms with the national standard in accordance with the regional and international standards.

Article 3: Interpretation of Term

Terms used in this decision shall be interpreted as follows:

1. Fuel Business means business related to production, importation, exportation, refinery and wholesale and retail sale service of various type of fuel in Lao PDR;
2. Fuel Business Operator means a person, juristic person and organization both local and foreign operating business, that is registered under Enterprise Law, relating to fuel business in Lao PDR;
3. Consumer means a person, juristic person and organization who consume fuel from Fuel Business Operator;
4. Quality Mark means a sign of evidence that passed fuel quality inspection;
5. National Standard of Lao PDR with an abbreviation (ຸລ) means a standard that is approved by the National Standard Council and officially announced for using by Ministry of Science and Technology;
6. Quality means a characteristic that is required by physics and chemistry being consistent with the national, regional and international standard;
7. Fuel Quality Certification means an implementation being officially acknowledged and being issued by the Authority for Management, Inspection and Quality Certification of Fuel.

Article 4: Scope of Application

This decision applies to person, juristic person both local and foreign and organization who operates fuel business in Lao PDR.

Article 5: Basic Principle for Fuel Quality Inspection

Fuel quality inspection aims at strengthening quality and efficiency on socio-economic development relating to fuel management, services and consumer protection on the basis of the following principles:

1. Respond to the need and assure safety on health and environment, and fuel energy security;
2. ensure openness, justice, equality and transparency, able to inspect, avoid non-discrimination and create obstacles to fuel business;
3. ensure consistency with the national standard, reality and ability to implement quality inspection on fuel;
4. Ensure that producer, distribution, importation, exportation, refinery and services providing complying with principles and procedures of fuel quality inspection.

Chapter 2

Rights, Obligations of Fuel Business Operators and Consumers

Article 6: Rights of Fuel Business Operators

The fuel business operators have rights as follows:

1. Provide services, advertise quality of fuel according to reality after being inspected and certified quality;
2. Improve its own services quality and request justice from concerned administrative authority if it finds unfair treatment on quality inspection of fuel;

3. propose to concerned administrative authority to re-inspect if it finds that fuel's quality is abnormal;
4. Implement other rights as being defined in the regulation and relevant laws.

Article 7: Rights of Consumers

Consumers have rights as follows:

1. Choose to consume fuel with quality as needed;
2. Report to concerned authority when discovering unfair treatment from provided service;
3. propose to concerned authority when discovering that the fuel business operators bring about threaten impacts on social and environment;
4. Receive information relating to quality and service of fuel;
5. Notify concerned authority regarding violation of the standard and technical regulation of fuel;
6. Implement other rights that define in the relevant regulations and laws.

Article 8: Obligations of Fuel Business Operator

Fuel business operator has obligation as follow:

1. Prior to produce, import, export, refinery and distribution services on fuel, the inspection and fuel quality certification must be received from authority concerned in consistent with national standard;
2. Full responsible for all damages due to the fuel did not meet quality requirement according to the law;
3. Cooperate and facilitate to government official concerned to inspect the fuel quality each time;
4. Implement other obligations which defines in regulations and law concerned.

Article 9: Obligations of fuel consumers

Consumers have obligations as follows:

1. utilize services following service providers' recommendation;
2. Implement other obligations being defined in the relevant regulations and laws.

Chapter 3

Administration, Inspection and Quality Certification Authority

Article 10: Management, Inspection and Quality Certification of Fuel Authority

Administration, Inspection and Quality Certification of Fuel Authority is Department of Standard and Measure, Provincial and Vientiane Capital Department of Science and Technology as being authorized or entrusted.

Article 11: Rights of administration, Inspection and Quality Certification of Fuel Authority

Sector that is responsible for the administration, inspection and quality certification of Fuel has rights as follows:

1. Manage fuel quality inspection system to be consistent with the national standard and technical regulations, and regional and international provisions;

2. Collect fuel sample for quality inspection to be compliant with the national, regional and international standards prior to the production, importation, exportation, refinery and distribution;
3. Issue fuel quality certification after being inspected in accordance with the national standard;
4. Inspect fuel quality based on regular plan once a month and emergency case;
5. After fuel quality inspection if it is found in compliance with the national, regional and international standard, concerned sectors should be coordinated to temporarily revoke the import, export, production, refinery and distribution of the fuel and to seek the superior guidance.

Article 12: Functions of administration, Inspection and Quality Certification of Fuel Authority

Administration, Inspection and Quality Certification of Fuel sector has functions as follows:

1. Collaborate with concerned authority to inspect fuel quality to be consistent with the national and regional standard;
2. Fair, transparent, equivalent and purify in pursuing its own responsibility;
3. Set time frame in the implementation of the fuel quality inspection clearly to producer, importer, exporter and refinery (except for emergency inspection);
4. Introduce the procedure to apply for fuel quality inspection to producers, refinery, importer-exporter and distributor.
5. Store and provide information to related authority on fuel quality inspection;
6. Report on fuel quality inspection situation to concerned authority and superior;
7. Issues a fuel quality inspection certification which passed the quality standard;
8. Implement other functions which are defined in concerned regulations and law.

Chapter 4

Documentation system, Inspection and Fuel Quality Certification Procedure

Article 13: Document requirements for fuel inspection and quality certification

Documents required for the fuel inspection and quality certification are as follows:

1. Application;
2. Copy of fuel business license;
3. Copy of documents requested for production, importation, exportation, refinery of fuel.
4. Quality Certification from exporting country (valid less than six months since the date of issuance);
5. Other related documents (if necessary).

Article 14: Consideration and Approval

Document requested for inspection and quality certification of the fuel should be considered within three working days;

1. After checking an accuracy and fulfilment of the document, and completing the fuel quality inspection in compliance with the national standard, the fuel quality certification should be issued within five working days.

Article 15: Issuance of Quality Certification

Person, juristic person both local and foreign and organization who operate fuel business in Lao PDR prior to import, export, distribute and after refining the fuel shall be inspected and certified its qualify by Department of Standard and Measure, Provincial and Vientiane Capital Department of Science and Technology as being authorized.

The Fuel quality certification is valid for only one time.

Article 16: charging inspection fee and fining measures

The inspection and quality certification of the fuel shall be charged fees, service fees and fining measure as follows:

1. Inspection fees shall be in accordance with President Decree on Fee and Charges ref 003/P, date 26 Dec 2012 (Amended).
2. Fining fees shall be in accordance with Prime Minister Decree on measure against violator related to standard and measurement.

Article 17: Inspection Principles

Principles for the fuel quality inspection are as follows:

1. When executing the inspection, every time, officials in charged shall carry an official ID issued by Department of Standard and Measure, Provincial and Vientiane Capital Department of Science and Technology as being authorized.
2. When the officials execute the inspection in a field and found that the inspection result is consistent with the national standard, the relevant officials should issue the quality inspection result in order to certify an accuracy of the fuel.
3. In case that the inspection result is inconsistent with the national standard, the officials who execute the inspection should make a report and order to temporarily terminate the import, export, distribute and refine the fuel for reporting the superior and other related authority.

Article 18: Methods of Fuel Quality Inspection

Fuel quality inspection consists of 3 methods as follows:

1. prior to import, export the fuel quality shall be inspected to ensure consistency with the national, regional and international standard;
2. The Quality inspection of the fuel that is produced, refined and distributed based on a regular plan shall be once a month;
3. The Quality inspection of the fuel that is produced, refined and distributed on unexpected basis (emergency) will be executed without advanced notice to those who are inspected.

Article 19: Type of Fuel

All type of fuel quality shall be inspected mainly:

1. Gasoline including Gasoline 91 and Gasoline 95;
2. Diesel including Regular Diesel and Super Diesel;
3. Kerosene;
4. Heavy Fuel Oil;
5. Jet Fuel/Oil;
6. Bio Fuel;
7. Engine Oil/Lubricant.

Article 20: Labels and Markers

All Containers used to hold each type of fuel shall be labeled and marked on its exterior where it is easy and clear to be noticed, content of the labels shall be in Lao language, as for foreign language its content shall be consistent with the Lao version (except for containers in underground) the content should include the following:

1. Name of products;
2. Type or kind;
3. production kit;
4. Mark of a factory;
5. Trade Mark;
6. Name of Factory and Name of Country of the product and Refinery;
7. Net Volume in dm³ or liter in case of refinery, import for sale tie with the container;
8. Phase or Mark show “Flammable object”
9. Standard Mark (if being authorized);
10. Date, Month, Year of Quality Inspection.

Chapter 5 Prohibitions

Article 21: Prohibition for Business Operators

Business operators are prohibited to behave as follows:

1. Import, export, distribute, produce and refine fuel that is not inspected and certified its quality by Department of Standard and Measure, Provincial and Vientiane Capital Department of Science and Technology as being delegated.
2. Obstruct the operation of inspectors, give bribe and conspire with fuel quality inspectors;
3. Forger documents and other certification related to fuel.

Article 22: Prohibition for the officials who inspect fuel quality

The official who inspect the fuel quality are prohibited to behave as follows:

1. operate the inspection of fuel quality without being appointed;
2. Leave a duty without responsibility;
3. execute a duty without fairness, prejudice (bias) to person, juristic person and organization;
4. Receive bribe and take advantage from its position for its own benefit;
5. Forger, delay and retard documents for certifying quality;
6. Other behaviors that violate law and regulation.

Article 23: Prohibition for Person, Juristic Person and Other Organization.

Person, juristic person and other organization are prohibited to behave as follows:

1. Take advantage from the operation of the fuel quality inspection to create obstacles and interfere with the work of officers who are responsible for fuel quality inspection;
2. Advertise, promote unqualified fuel;
3. Create pollution to the environment and society;
4. Assist and protect violators of this decision;
5. Conceal and hide actions that are against law and regulation;
6. Other behaviors that are against law and regulation.

Chapter 6 Awards and Sanctions

Article 24: Awards

Person, juristic person and organization who are outstanding in cooperating, and active contributing to implement law and regulation relating with the fuel quality management or this decision will be awarded or granted other incentives according to law and regulation.

Article 25: Measures imposed on misconducted officials

Officials who retard or violate this decision will be disciplined such as being educated, transferred, removed from the position or dismissed from being public servant, in addition they will be imposed measures indicated in Chapter 8 of Law on Criminal on case by case basis and in accordance with other related law and regulation.

Article 26: Measures imposed on other violators

Person, juristic person or organization that violate this decision will be warned, educated, fined, and disciplined according to Civil Law or Criminal Law on case by case basis.

Chapter 7 Final Provisions

Article 27: Implementation

Ministry of Science and Technology assigns Department of Standard and Measure to collaborate with line agencies to implement this decision in accordance with its own function.

Article 28: Effectiveness

This decision shall enter into force from the date of signature and after publishing in the official gazette 15 days. Every regulation being contradict to this decision shall be abolished.

Minister
Ministry of Science and Technology

(Signed and Sealed)

Borviengkham VONGDARA