

(Unofficial translation)



LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

Bank of Lao PDR

No. 01/BOL

Vientiane Capital, dated 15/05/2007

**Decision**

**on establish and management Import and Export Company of Precious Metals**

- Pursuant to Edict on the Management of Foreign Exchange and Precious Metals No. 01/PC, dated 29/09/2003.

**The Governor of the Bank of Lao PDR hereby issues the following Decision:**

**Section I**

**General Provisions**

**Article 1 Purpose**

This Decision sets out structure condition, roles and duties, sell-buy regulation, inspection system, report and other issue with relevant to establishment and management for the import and export company of precious metals of Lao PDR in order to form the basic implementation for import-export company of precious metals and facilitate Bank of Lao PDR to manage import and export of precious metals compliant to foreign exchange policy for basic economic growth of Lao PDR.

**Article 2 Meaning**

The word mention in this decision has meaning as following:

- Precious metals means “gold bar with qualify as international standard 99,99% and also silver seed with qualify as international standard 99,99% which in unfinished goods.
- “import and export company of precious metals means” company has legal registration from Bank of Lao PDR that be able to operate import and export of precious metals in order to wholesale for processing operators within domestic and export precious metals to aboard.

- Bank Statement means summarize of property, income-outcome payment, saving account and list of sell-buy precious metals.

### **Article 3** The request for registration Import- Export Company of precious metals

Any individual, entity of Lao citizen has the right to fulfill condition as article 4 of this decision which has propose to registration Import-Export Company of precious metals from Bank of Lao PDR. Requester should send official request letter to Bank of Lao PDR in order to obtaining official approval from Bank of Lao PDR and then to be registered enterprises and tax registration from relevance agencies compliant with Lao law.

For foreign investor has to send application to Promotion and Investment Committee in Central or Provincial levels based on the case, together with documents such copy of transit document, CV, feasibility of economic-technic or business plan, business information.

## **Section II Terms and considered for registration of Import and Export Company of precious metals.**

### **Article 4** Terms for registration of Importation or Exportation of precious metals

1. Application letter for establishment for Import-Export Company of precious metals based on Bank of Lao PDR format.
2. In case if for individual of Lao citizen should have bank statement, if the entity should have copy of their own saving account in any bank of Lao PDR within last 03 years.
3. Feasibility study
4. Organization structure, human resource and equipment to fulfill business.
5. Criminal certificate from court
6. Required capital unless 20 million Kip, which 80% is real capital and 20% is property.
7. Suitable location for the office and service security
8. Requestor for establishment Import-Export Company of precious metals has to pay fees according to regulation.

### **Article 5** Consideration

Bank of Lao PDR shall consider application and official inform the result to requester no later than 30 working days since received full set of proposal based on article 4 (except article 4.7) of this decision.

### **Section III**

#### **Rights and duties of Import and Export of Precious Metals Company**

##### **Article 6 Rights and duties of Import and Export of Precious Metals Company**

- Import precious metals
- Provide precious materials within domestic
- Export precious metals
- Sell-buy precious metals in abroad (before implementation should have permission from Bank of Lao PDR)
- To set up label of Import and Export company of precious metals
- To set up business registration of Import and Export company of precious metals in the visual area
- Any import-export should have license from Bank of Lao PDR
- Follow establishment and management of import-export of precious metals regulation strictly.

##### **Article 7 Open saving account for Import and Export of Precious Metals Company**

- The import-export of precious metals Company shall open saving account in Kip and foreign currency within internal banks of Lao PDR in order to facilitate their own business operation
- If Import-Export of Precious Metals Company want to open saving account abroad in order to have business operation. They should have permission from Bank of Lao PDR based on article 11 on Edict on the Management of Foreign Exchange and Precious Metals No. 01/PC, dated 29/09/2003.

##### **Article 8 Obligation for Import-Export of Precious Metals Company**

The Import-Export of Precious Metals Company should have their own obligation for paying tax and other duties according to the regulations of Ministry of Finance strictly for each period.

### **Section IV**

#### **Sell-Buy Precious Metals**

##### **Article 9 Sell-Buy Precious Metals and receiving bill and invoice**

- Sell-buy precious metals both internal and external should through banking system

- Sell-buy precious metals in Lao PDR, payment should be in Kip currency.
- Sell-buy precious metals with foreigner should have copy invoice for each time.
- Sell-buy precious metals within domestic should have receiving bill for each time.
- Both invoice and receive are considering as a certificate of accounting for each time.

## **Section V**

### **Accounting, inspecting and reporting**

#### **Article 10 Accounting**

Import-Export of Precious Metals Company should hold an account to monitor the movement of Import-Export of Precious Metals and hold account business based on Lao law.

#### **Article 11 Monitoring and inspection**

- To implement Import-Export of Precious Metals business should under monitoring and inspection by the Bank of Lao PDR.
- Import-Export of Precious Metals each time should obtain license from Bank of Lao PDR.
- Precious metals with obtained import license from Bank of Lao PDR, enterprises must take to internal banks of Lao PDR and attached certify copy for Bank of Lao PDR within 1 week.
- Each year, Import-Export of Precious Metals Company requires external auditors by State Audit Organization or legal company which get business license of Lao PDR based on Lao laws.
- Bank of Lao PDR able to inspect in place at least one a year and emergency inspect if necessary.

#### **Article 12 Reporting**

- Import-Export of Precious Metals Company must to conduct the accounting-financing by using format from Ministry of Finance strictly.
- Import-Export of Precious Metals Company must send financial report, and the movement of import-export precious metals, sell-buy monthly, quarterly and yearly according to the format of Bank of Lao PDR.
- Import-Export of Precious Metals Company must send monthly report within first week of next month, quarterly report within two week later after quarter and yearly report after month later of coming year.

**Section VI**  
**Violation measure**

**Article 13 Violation measure**

Import-Export of Precious Metals Company which holding business registration of Lao PDR has violation in this decision, it should get warning by official letter from Bank of Lao PDR, if enterprises still continuing for violation, Bank of Lao PDR will cancel or withdraw business license as mentioned Edict No 01/NA, dated 09/08/2002 and Implementation Guideline No 02/BOL, dated 29/09/2003 on Management Foreign Exchange and Precious Metals.

**Section VII**  
**Implementation**

**Article 14 Changing location of import and export precious metals**

In case company has to move business location, company should send request letter in advanced 01 month to Bank of Lao PDR and relevant authority.

**Article 15 Dissolve**

- Order to dissolve from Bank of Lao PDR.
- Bankruptcy.
- Company face bankruptcy in each period of time and unable to solve.

**Article 16 Cancellation or withdraw business registration of Import-Export precious metals Company**

Bank of Lao PDR has the right to cancel or withdraw business registration in case of import and export precious metals company has commit crime for this decision

**Article 17 Implementation**

Department of Monetary Policy, Bank of Lao PDR shall coordinate with relevant authorities to implement this Decision accordingly and effectively.

**Article 18 Effectiveness**

This Decision shall be effective after the date of signature.

**The Governor of the Bank of Lao PDR,**  
**[Signed and sealed]**  
**Phuphet Khamphouvong**