



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Government of Lao PDR

No 355/GOV
Vientiane Capital, dated 20 November 2023

Decree on the Management of Dual-Use Goods

- Pursuant to the Government Law No. 03/NA, dated 16 November 2021;
- Pursuant to the request letter of the Ministry of Industry and Commerce No.1000/MOIC, dated 23 June 2023.

The Government has issued a Decree:

Chapter 1 **General Provisions**

Article 1 Objectives

This Decree specifies principles, regulations, and measures on management, monitoring, and inspection of dual-use goods to be convenient, effective, and efficient, aiming for ensuring safety, transparency, maintaining stability and security; allowing for regional and international integration; and contributing to the national socio-economic development.

Article 2 Management of Dual-Use Goods

Dual-use goods are products and technologies that can be used for both civilian and military purposes in which they may be directly or indirectly used to design, develop, produce or use as a weapon of mass destruction (WMD) or a delivery system for the WMD.

The management of dual-use goods is the implementation of principles, regulations, and measures on export, transit, and brokering related to dual-use goods.

Article 3 Definition

Any terms mentioned in this Decree shall be interpreted as the following:

1. **Technology** refers to the knowledge used for the design, development, production or use of dual-use goods and includes software and technical information, i.e., blueprints, templates, drawings, diagrams, formulas, tables, standard, engineering models, guides, and instructions in the publication or electronic format;
2. **Weapon of mass destruction (WMD)** refers to a nuclear weapon, a chemical weapon, a biological weapon specified in the treaties where Lao PDR is a party;
3. **Delivery system for the weapon of mass destruction** refers to any equipment or system specifically designed for the delivery of any weapon of mass destruction such as missiles, rockets, and other delivery systems;
4. **Dual-use goods operator** refers to any individuals, entities operating a business on export, transit, and brokering related to dual-use goods;
5. **Export** refers to taking dual-use goods out of Lao PDR including temporary export and technical assistance provision related to dual-use goods;

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6. **Transit** refers to taking dual-use goods from a particular country passing through Lao PDR to a third country;
7. **Brokering related to Dual-Use Goods** refers to activities of an individual or entity located in Lao PDR to provide the service on negotiating, procuring, or facilitating dual-use good trade transactions from a country to another country, whether the service will occur inside or outside Lao PDR;
8. **License refers to** a document issued by the Ministry of Industry and Commerce to an individual or entity to permit export or transit of dual-use goods base on type, quantity, and destination country specified in the license;
9. **Brokering Certificate** refers to a document issued by the Ministry of Industry and Commerce to an individual or entity to certify and follow up the activity of brokering related to dua- use goods;
10. **End-User Certificate of Dual-Use Goods** refers to a document certifying the details of an end-user of dual-use goods and the purpose of its use which is approved by the dual-use goods management agency or competent authority of destination country importing the dual-use goods.

Article 4 State Policies on the Management of Dual-Used Goods

The State encourages and promotes dual-use goods management by formulating policies, regulations, and measures, and by providing budget, vehicles, equipment and develop human resources so that it is effectively and efficiently operated.

The State encourages and promotes the use of dual-use goods according to the licencing objectives in order to prevent, limit and not to cause any severe impact on health, lives, properties, environment and society.

Article 5 Principles on the Management of Dual Used Goods

The management of dual-use goods shall comply with the following principles:

1. Consistent with policies, laws, strategic plans, and the National Socio-Economic Development Plan and any conventions that Lao PDR is a party to;
2. Ensuring the safety to health, lives, properties, environment, and society;
3. Ensuring peace and security;
4. Ensuring trade facilitation;
5. Ensuring transparency, fairness and non-discrimination.

Article 6 Scope of Application

The Decree shall be applied to any individuals, entities, domestic and foreign organizations performing any dual-use goods activities inside Lao PDR.

Article 7 International cooperation

The State promotes regional and international relation and cooperation on the management of dual-use goods through exchanging lessons, information, techniques, technology, training, and upgrading technical knowledge and capacity for human resource and implementing any conventions that Lao PDR is a party.

Chapter 2

List of Dual-Use Goods

Article 8 List of dual-use goods

List of dual-use goods is dual-use goods items that is divided according to its category and specific code in which each item consists of technical characteristics and specific use elements.

List of dual-use goods consists of 10 categories as followings:

1. Nuclear Materials, Facilities, and Equipment;
2. Special Materials and Related Equipment;
3. Materials Processing
4. Electronics
5. Computer
6. Telecommunication and Information Security
7. Sensors and Lasers
8. Navigation and Avionics
9. Marine
10. Aerospace and Propulsion

Article 9 Establishment and Revision of List of dual-use goods

Ministries of Industry and Commerce is mainly responsible for coordinating with line ministries, organizations, and related sectors to establish, revise, and promulgate the use of list of dual-use goods periodically.

Chapter 3

Export and Transit of Dual-Use Goods

Article 10 License request for export and transit of dual use goods

Any individuals or entities who wish to export or transit dual-use goods shall submit a licence request to Ministry of Industry and Commerce together with the supporting documents as specified in Article 11 of this Decree.

Export or transit of dual-use goods that are not in the dual-use goods list shall follow the same export or transit procedures as that of the dual-use goods according to any of following circumstances:

1. The dual-used goods management and inspection agency notifies dual-use good operator to proceed with a license request process as there is reliable information that such goods may be used directly or indirectly to design, develop, produce, or use as a WMD or a delivery system for the WMD;
2. The dual-use good operator knows or suspects that such goods may be used directly or indirectly design, develop, produce, or use as a WMD or a delivery system for the WMD.

Article 11 Supporting documents for a license request

The supporting documents for a license request to export or transit dual-use goods shall include:

1. A license application form as provided by Ministry of Industry and Commerce;
2. A copy of business registration certificate;
3. An End-User Certificate;
4. Documents specifying a technical detailed information, characteristics, and usage of dual- use goods;

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5. Documents certifying the source and acquisition of dual-use goods such as purchase-sale contract, purchasing order, invoice, list of goods, and memorandum of delivery;
6. A certificate of ICP standards for global license request;
7. Any other related documents.

Article 12 Consideration for a license issuance

Upon receiving valid and completed documents, Ministry of Industry and Commerce shall coordinate with related sectors for considering a license issuance.

In the case that a certificate cannot be issued, Ministry of Industry and Commerce shall notify reasons to the applicant in writing.

A detailed procedures, conditions, and timeline on consideration for a license issuance are specified in a separated regulation.

Article 13 License

A license for export or transit of dual-use goods consists of:

1. An individual license can be used only one time within one year to export or transit one or more categories of dual-use goods to a single end user;
2. A global license can be used many times within two years to export or transit one or more categories of dual-use goods to a single or multiple end user.

Article 14 License Revocation

A license shall be revoked in the following circumstances:

1. The license recipient has voluntarily requested to cancel export or transit of the dual-use goods;
2. The dual-use goods management and inspection agency has a reliable information that such goods will be used directly or indirectly to design, develop, produce, or use as a WMD or a delivery system for the WMD;
3. The licence recipient does not follow with its licensed objectives and purposes;
4. The license recipient has violated laws and regulations and caused losses to the economy-society, and the national defence and public security work;
5. The license recipient has given license to other individual or entities to use.

Ministry of Industry and Commerce shall notify about the revocation to the license recipient, relevant ministries and agencies, and customs authority within 48 hours from the time of issuing the notification on revocation of the license.

Article 15 An Appeal of License Revocation

The recipient whose license has been revoked may submit a request to Ministry of Industry and Commerce within 30 days from the date of issuing the notification for reconsideration if it is proved that the recipient has properly and fully complied with requirements and relevant laws or there is evidence to certify that the reasons for revocation are invalid according to the fact.

Article 16 Storage of Document and Information

Dual-use goods exporter or transit operator shall maintain a complete set of relevant documents and information, such as dual-use goods specifications, purchase-sales contract parties, dual-use goods trade transactions, end use, and end user for five years from date of export or transit which can be stored in paper or electronic form.

Chapter 4

Brokering related to Dual-Use Goods

Article 17 Brokering Certificate Request

Any enterprises who wish to operate a brokering related to dual-use goods shall request for a brokering certificate from Ministry of Industry and Commerce with supporting documents as specified in Article 18 of this Decree.

Article 18 Supporting Documents for Brokering Certificate Request

Supporting documents for brokering certificate include:

1. A request letter in a form provided by Ministry of Industry and Commerce;
2. A copy of enterprise registration certificate;
3. Documents indicating details of brokering;
4. ICP standard certificate.

Article 19 Consideration for a Brokering Certificate Issuance

Upon receiving valid and completed supporting documents, Ministry of Industry and Commerce shall consider issuing brokering certificate within 10 days from the date receiving the documents.

In the case that a certificate cannot be issued, Ministry of Industry and Commerce shall notify reasons to the applicant in writing.

A detailed procedure and conditions on consideration for a brokering certificate are specified in a separated regulation.

Article 20 Brokering Certificate Validity

A brokering certificate is valid for two years and can be extended by submitting supporting documents as specified in Article 18 of this Decree to Ministry of Industry and Commerce within 30 days prior to the expiring date.

Article 21 Revocation of Brokering Certificate

A broker shall have the certificate revoked in the following circumstances:

1. Voluntarily requested to cancel brokering related to dual- use goods;
2. Does not follow with its certified objectives and purposes;
3. Has violated laws and regulations and caused losses to the economy-society, and the national defence and public security work;
4. Has given brokering certificate to other people for using;
5. Does not follow conditions specified in brokering certificate.

Ministry of Industry and Commerce shall notify about the revocation to broker, relevant ministries and agencies within 48 hours from the time of issuing the notification on certificate revocation.

Article 22 An Appeal of Brokering Certificate Revocation

The recipient whose certificate has been revoked may submit a request to Ministry of Industry and Commerce within 30 days from the date of issuing the notification for reconsideration if it is proved that the recipient has properly complied with requirements and relevant laws or there is evidence to certify that the reasons for revocation are invalid according to the fact.

Article 23 Storage of Brokering Documents and Information

A broker shall maintain a complete set of relevant documents and information on brokering related to dual-use goods such as a specification of dual-use goods, purchase-sales contract parties, dual-use goods trade transactions, end use, and end user for five years from date of brokering which can be stored in paper or electronic form.

Chapter 5 Internal Compliance Program Standard

Article 24 International Compliance Program Standard

Internal Compliance Programme (ICP) Standards are a set of internal management procedures for the dual-use goods operators to ensure compliance in the implementation of dual-use goods management.

Article 25 ICP Standard Elements

ICP Standard has the following elements:

1. There is a promise from the executive not to involve in the proliferation of Weapons of Mass Destruction;
2. There is internal unit or personnel to specifically responsible for the management of dual-use goods;
3. There is a system to manage export, transit or brokering related to Dual-use goods;
4. There are trainings for staffs on the management of dual-use goods;
5. There is internal audit and risk management;
6. There is document and information record keeping system.

Article 26 ICP Standard Certificate Request

Any enterprises who wish to apply for ICP standard certificate shall submit a request to Ministry of Industry and Commerce with the following supporting documents:

1. A request letter in a form provided by Ministry of Industry and Commerce;
2. A copy of enterprise registration certificate;
3. A business operational license;
4. An enterprise's regulation;
5. An initial ICP standard elements evaluation document in a provided form.

Article 27 Consideration for ICP Standard Certificate Issuance

Upon receiving valid and completed supporting documents, Ministry of Industry and Commerce shall conduct a visit to the enterprise according to the ICP standard elements specified in Article 25 of this Decree within five working days.

After a visit and it is found that the enterprise has completed ICP standard elements, Ministry of Industry and Commerce shall issue a certificate within three working days. In the case that the enterprise does not have the specified elements, Ministry of Industry and Commerce shall notify the enterprise to further improve and amend.

Article 28 ICP Standard Certificate Validity

ICP standard certificate is valid for two years and extendable.

Chapter 6 Rights and Obligations of Dual-Use Goods Operators

Article 29 Rights of Dual-Use Goods Operators

Any dual-use goods operators shall have the following rights:

1. Operate an export, transit of dual-use goods or provide brokering related to dual-use goods as licensed or certified;
2. Propose to any relevant sectors when finding any violations of the law and regulation on the management of dual-use goods;
3. Receive information and trainings on the management of dual-use goods;
4. Receive the protection of their legitimate rights and interests in accordance with relevant laws and regulations;
5. Exercise other rights as specified in relevant laws and regulations.

Article 30 Obligations of Dual-Use Goods Operators

Any dual-use goods operators shall have the following obligations:

1. Inform the dual-use goods management and inspection agency if suspecting that goods that will be exported, transited, or brokered will be used or may be used directly or indirectly to design, develop, produce, or use as a WMD or a delivery system for the WMD;
2. Provide valid documents and information at the time of applying for license brokering certificate related to dual-use goods;
3. Implement the ICP standards for global export, transit or brokering related to dual-use goods;
4. Pay any fees and service charges according to regulations;
5. Maintain documents and information on business operation related to dual-use goods;
6. Report on their business operation related to dual-use goods to Ministry of Industry and Commerce according to regulations;
7. Exercise other obligations as specified in relevant laws and regulations.

Chapter 7 Prohibitions

Article 31 Prohibitions for Dual-Use Goods Operators

Prohibit any dual-use goods operators on following actions:

1. Operate any businesses that related to dual-use goods incorrectly base on the permission;
2. Provide inaccurate information, misrepresent or provide any false statements to the authority;
3. Give the licence or brokering certificate to other individuals or entities for using;
4. Falsify documents or use false documents;
5. Create obstacles, prevent the operation of authorities on implementing this Decree;
6. Give or being a central unit for bribery;

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7. Perform other actions in violation of relevant laws and regulations.

Article 32 Prohibitions for authorities and officers

Prohibit related authorities and officers on the following actions:

1. Abuse their power, positions, or duties to facilitate the export, transit, and brokering related to dual-use goods that does not comply with this Decree;
2. Force, threaten, or use violence against dual-use goods operators;
3. Evade duties, being irresponsible, or misrepresent the facts;
4. Postpone or delay the document consideration process;
5. Conceal, protect, or cooperate with the violators;
6. Reveal business secret without permission from dual-use goods operators;
7. Claim, request, take bribery or other benefits;
8. Perform other actions in violation of relevant laws and regulations.

Chapter 8

Dual-Use Goods Management and Inspection Agencies

Article 33 Dual-Use Goods Management and Inspection Agencies

Ministry of Industry and Commerce is a responsible agency to manage and inspect dual-use goods directly and mainly responsible for coordinating with Ministry of Finance, Ministry of Foreign Affairs, Ministry of National Defence, Ministry of Public Security, Bank of the Lao PDR, other relevant ministries, agencies, and local administration authorities and sectors.

Article 34 Rights and Duties of Ministry of Industry and Commerce

Ministry of Industry and Commerce has the following rights and duties according to the scope of its responsibilities:

1. Study and formulate the policies, laws, and regulations on the management of dual-use goods and propose to the Government for consideration;
2. Expand policies, laws, and regulations on the management of dual-use goods into plans, programme, and projects for implementation;
3. Advertise and disseminate policies, laws, regulations, plans, programme, and projects on the management of dual-use goods;
4. Research to formulate, amend, and promulgate the list of dual-use goods;
5. Research and develop the dual-use goods management system;
6. Issue, revoke the dual-use goods license, brokering certificate, and ICP standard certificate;
7. Compile and notify list of sanctioned countries, individuals, entities and organisations to relevant sectors;
8. Coordinate with relevant ministries, agencies, and local administration authorities on the management of dual-use goods works;
9. Summarize and report on the implementation of dual-use goods to the Government on a regular basis;
10. Exercise other rights and duties as specified in relevant laws and regulations.

Article 35 Rights and Duties of Ministry of Finance

Ministry of Finance has the following rights and duties according to the scope of its responsibilities:

1. Monitor, inspect the export, and transit of dual-use goods at the customs territory as specified in the Customs Law;
2. Coordinate with Ministry of Industry and Commerce to evaluate and control risks, audit,

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- and certify business related to dual-use goods according to this Decree;
3. Freeze, seize the goods and request dual-use goods operators to provide additional information or evidence when suspecting or having reliable information that the goods will be used or may be used directly or indirectly to design, develop, produce, or use as a WMD or a delivery system for the WMD;
 4. Implement the Strategic Trade Control Enforcement Implementing Guideline as periodically stipulated by the World Customs Organization;
 5. Report and provide statistics on export, and transit of dual-use goods to the Ministry of Industry and Commerce on a regular basis;
 6. Exercise other rights and duties as specified in relevant laws and regulations.

Article 36 Rights and Duties of Ministry of Foreign Affair

Ministry of Foreign Affairs has the following rights and duties according to the scope of its responsibilities:

1. Provide the list of sanctioned countries imposed by the United Nations resolutions;
2. Summarize and report on the implementation of dual-use goods in Lao PDR to the United Nations according to the obligation as specified in the United Nations Security Council Resolution 1540 (2004);
3. Exercise any other rights and duties as specified in relevant laws and regulations

Article 37 Rights and Duties of Ministry of National Defence

Ministry of National Defence has the following rights and duties according to the scope of its responsibilities:

1. Provides information on dual-use goods that can be used to design, develop, produce, or use as a WMD or a delivery system for the WMD to Ministry of Industry and Commerce;
2. Comments on military- technical characteristics of dual-use goods as requested by Ministry of Industry and Commerce;
3. Exercise any other rights and duties as specified in relevant laws and regulations.

Article 38 Rights and Duties of Ministry of Public Security

Ministry of Public Security has the following rights and duties according to the scope of its responsibilities:

1. Provide information of any individuals and entities who has the risk to use dual-use goods to to design, develop, produce, or use as a WMD or a delivery system for the WMD to Ministry of Industry and Commerce;
2. Conduct investigation and prosecution as specified in relevant laws and regulations in the case of criminal offenses;
3. Comments on dual-use good operators and end-users;
4. Exercise any other rights and duties as specified in relevant laws and regulations.

Article 39 Rights and Duties of the Bank of Lao PDR

Bank of the Lao PDR has the following rights and duties according to the scope of its responsibilities:

1. Provides financial information on dual-use goods that are at risk for money laundering and terrorist financing to Ministry of Industry and Commerce;
2. Coordinates with Ministry of Industry and Commerce to summarize and consolidate comprehensive information on the implementation of dual-use goods management in Lao PDR and periodically report to the international organizations related to countering Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) and

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- Counter Proliferation Financing (CPF);
3. Comments on financial transaction that is related to dual-use goods as requested by Ministry of Industry and Commerce;
 4. Exercise any other rights and duties as specified in relevant laws and regulations.

Article 40 Rights and Duties of relevant Ministries, Agencies, Local Administration Authorities and Sectors

Relevant ministries, agencies, local administration authorities, and sectors have following rights and duties according to the scope of its responsibilities:

1. Provides information on dual-use goods that are at risk to be used to design, develop, produce, or use as a WMD or a delivery system for the WMD to Ministry of Industry and Commerce;
2. Comments on technical characteristics of dual-use goods as requested by Ministry of Industry and Commerce;
3. Contribute and cooperate to manage dual-use goods;
4. Exercise any other rights and duties as specified in relevant laws and regulations.

Article 41 Contents for Inspection

Inspection of dual-use goods has following main contents:

1. The implementation of laws and regulations on the management of dual-use goods;
2. The performance of authorities and government officers on the management of dual-use goods;
3. The formulation and implementation of work plan on the management of dual use goods.

Article 42 Forms of Inspection

Inspection of dual-use goods work has following forms:

1. Routine inspection is an inspection that is carried according to plans on regular basis and has a fixed schedule;
2. Advance notification inspection is an unscheduled inspection when deemed necessary by notifying the targets in advance;
3. Sudden inspection is an urgent inspection without notifying the targets in advance.

Chapter 9

Rewards for Outstanding Performers and Measures against Violators

Article 43 Rewards for Outstanding Performers

Any individuals, entities, and organizations who have outstanding performance in the implementation of this Decree shall be received praises or rewards according to laws and regulations.

Article 44 Measures against Violators

Any individuals, entities, and organizations who violate prohibitions shall be subject to measures on warning, re-education, disciplinary action, fine, compensation for civil loss, or criminal punishment depends on cases.

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Article 45 Re-Education Measures

Any individuals, entities, or organizations, who violate this Decree such as minor prohibitions, shall be warned and re-educated.

Article 46 Disciplinary Measures

Any authorities and government officers who violate this Decree such as prohibitions, which are not deemed as criminal offenses and caused any losses, shall be subject to disciplinary action according to the Government Officer Law.

Article 47 Fine Measure

Any individuals, entities, or organizations who violate this Decree shall be subject to the following penalties:

1. 100% of value of goods or services found for the export, transit or brokering related to dual-use goods without permission;
2. 100% of value of goods or services found for giving the license or brokering certificate to other individual or entity for using.

Article 48 Civil Measures

Any individuals, entities and organizations who violate this Decree and causes losses for other persons shall compensate for the losses they caused.

Article 49 Criminal Measures

Any individuals, entities who violate this Decree, which constitutes criminal offenses, shall be punished according to the law.

Chapter 10 Final Provisions

Article 50 Implementation

The Ministry of Industry and Commerce is responsible for leading the implementation of this Decree for a good outcome.

Any ministries, ministry-equivalent authorities, local administration authorities, and other relevant sectors shall acknowledge and provide cooperation in implementing this Decree according to their roles strictly.

Article 51 Effectiveness

This Decree is effective from 23 January 2024.

**On behalf of the Government of the Lao PDR
Prime Minister**