

Lao's People Democratic Republic

Peace Independence Democracy Unity Prosperity

Prime Minister's Office

No.456/PM

Vientiane Capital, Date: 1.11.2010

Decree on Management of Local staffs Working for International Organizations in Lao's PDR

- In accordance with the law on the government of Lao's people democratic republic, No.02/NA, dated 6 May 2003;
- In accordance with the labor code No.06/NA, dated 27 Dec 2006;
- In accordance with a proposal by Minister of Foreign Affairs, No.05690, dated 19 Oct 2010.

Prime Minister issued:

Section 1

General Provision

Article 1: Objectives

This decree regulates all matters related to a management of local staffs working for international organizations in Lao's PDR with an aim to protect the rights and interests of local staffs and international organizations and ensure the enforcement of the relevant national laws of Lao's PDR.

Article 2: Terminology definition

Terminologies used in this decree have the following meanings.

1. Local staffs refer to Lao citizens, foreigners with a permanent residence in Lao's PDR who work for international organizations in Lao's PDR;
2. International organizations refer to embassies, consulates, UN agencies, international non-governmental international organizations, international financial institutions, grant, loan and technical cooperation projects with the government of Laos and its agencies, foreign representative offices allowed in Lao's PDR;
3. Local staff management office refers to Ministry of Foreign Affairs of Lao's PDR.

Article 3: Scope of application

This decree is applicable to embassies, consulates, residences of diplomatic corps, residences of experts, UN agencies, international non-governmental organizations, international financial organizations.

international boundary water development commissions, grant, loan and technical cooperation projects with the government of Laos and its agencies, and foreigners' agencies, offices and residences located in Lao's PDR that recruit local staffs.

Section 2

Conditions, rights and obligations of local staffs

Article 4: Conditions of applying as local staff

Any individual who will work for an international organization shall be a Lao citizen, a foreigner with a family registration book and a permanent residence in Lao's PDR, clean profile and a specific technical skills, and no less than 18 years of age.

A local staff who will work for an international organization shall submit all relevant application documents to MOFA in Vientiane Capital

Article 5: Rights of local staff

A local staff who works for international organizations has the following rights.

1. To sign an employment contract with an employing international organization;
2. To receive salary, allowances and other welfares from an employing international organization, or to be recruited for work by an international organization in compliance with this decree and the labor code of Lao's PDR;
3. To be entitled to leaves and official holidays, namely weekly leave in compliance with the labor code of Lao's PDR and other official festivities as defined by the GOL and a concerned international organization;
4. To participate in a consultation workshop held by MOFA in order to share comments on the management of local staffs working for international organizations in Lao's PDR;
5. To propose suggestions to MOFA on the strengths, weaknesses and other negative phenomena encountered during an undertaking of their assignments;
6. To education, research or study to upgrade one's professional knowledge and other disciplines in accordance with the GOL's related general policy and a relevant international organization's support capacity;
7. To exercise legal rights and deserved interests as spelled out in the relevant national laws and regulations of Lao's PDR.

Article 6: Obligations of local staff

A local staff has the following obligations.

1. To strictly fulfill his/her obligations to the state in compliance with the relevant laws and regulations of Lao's PDR and rules issued by MOFA;
2. To comply with terms and conditions of his/her employment contract signed with an employing international organization;
3. To notify MOFA his/her CV, rank, position and salary;

4. To pay personal income taxes based on his/her salary in compliance with the tax law of Lao's PDR;
5. To protect and promote Lao national good traditions and cultures.

Section 3

Salaries or wages and leaves of local staffs

Article 7: Salary or wage of local staff

A salary or wage of a local staff who works for an international organization or its international staff in the area of babysitting, cleaning, cooking, gardening, security guarding, among others shall be no less than LAK 1,000,000 (one million) per person per month. A Salary or wage of a local staff with a position equivalent to a secretary or higher shall be no less than LAK 2,000,000 (two million) per person per month. A setting on a minimum salary or wage will be adjusted from time to time through an issuance of a decision by Minister of Foreign Affairs.

An enforcement of policies on local staffs' allowances, salaries or other wage payment arrangements such as, for work on official holidays or over time shall be spelled out in employment contracts in compliance with the labor code of Lao's PDR.

Article 8: Weekly leave and official holidays

A local staff has a right to one day of a weekly leave, which can be any day subject to an agreement between the individual and an employing international organization.

With regards to an enforcement of official holidays, it shall observe a regulation set by the GOL, and the one by a concerned international organization.

Pertaining to an annual leave, Art. 21 of the labor code of Lao's PDR No.06/NA, dated 27 Dec 2006 and a regulation set by an employing international organization in compliance with this decree and the labor code of Lao's PDR shall be observed.

Section 4

Employment contract and conflict resolution

Article 9: Employment contract

A recruitment of a local staff shall entail with a direct agreed employment contract between a local staff and an international organization on the basis of the principles of equality, fair and compliance with the relevant laws and regulations of Lao's PDR.

Article 10: Termination of employment contract

Prior to an employment contract termination, an employing international organization shall notify in writing to a concerned local staff and MOFA in advance of 15 official working days, irrelevant to any justifications. During the notification stage, a concerned local staff is still required to work as usual and entitled to his/her salary or wage.

In case of a severe mistake committed by a concerned local staff, an employing international organization can immediately cease his/her involvement and is required to notify MOFA no later than 30 official working days.

For each case of an employment contract termination, an employing international organization shall notify MOFA in writing and precisely describe the justification to such termination.

In addition, an employing international organization shall pay a concerned local staff his/her entitled pay and allowances prior to an employment contract termination in compliance with an employment contract and the labor code of Lao's PDR.

Article 11: Conflict resolution

In case there is a conflict between a local staff and an employing international organization, the following conflict resolution procedures shall be observed.

1. A concerned local staff and an employing international organization shall try to resolve by means of negotiation and compromise. If a conclusion cannot be met, both parties have a right to propose to MOFA for a mediation;
2. Upon receiving a request for conflict mediation by either party, MOFA shall invite both parties for a discussion to seek justice for both parties within 15 working days from the date of receiving the request.
3. In case of a conflict cannot be resolved by MOFA, conflicted parties have a right to litigation at the People's Court of Lao's PDR or a justice process.

A conflict resolution between a local staff and an employing international organization as defined in paragraph 1, 2 and 3 of this article is based upon the relevant laws and regulations of Lao's PDR.

Section 5

Right s and duties of international organizations

Article 12: Recruitment right of international organization

An international organization has a right to being facilitated and a provided quality local staffs through its recruitment process. However, Lao citizens shall be given special preference in compliance with the labor code of Lao's PDR.

Article 13: Duties of international organization

An international organization has the following duties:

1. To notify MOFA, once in every six months as being requested, the list of its local staffs, their positions, places of work and salaries who work at its offices, agencies, projects or its international staffs' residences;
2. To notify MOFA the list of newly recruited or resigned local staffs within 15 working days from the date of effective recruitment or resignation;
3. To facilitate a participation of local staffs in MOFA's organized workshops or other activities upon its official invitation issued at least 5-working day in advance;
4. In case a local staff encounters an impairment or loss of limbs or a body's part due to an industrial accident or an ailment owing to occupational diseases or a loss of life, an employing international organization shall pay treatment fees and other allowances to a concerned victim in compliance with the labor code of Lao's PDR and the concerned international organization's relevant regulation.

Section 6

Rights and Duties of MOFA

Article 14: Scope of management by MOFA

The GOL is to manage international organizations' local staffs in a centralized manner by delegating rights, duties and responsibilities to MOFA to undertake this task in a close collaboration with Ministry of Finance, Ministry of Labor and Social Welfare, and other concerned sectors.

Article 15: Rights of MOFA

MOFA has the following rights.

1. To manage, monitor and inspect the use of local staffs;
2. To issue an instruction on the enforcement of this decree;
3. To encourage local staffs to properly observe their tax liabilities to the state in compliance with the tax law of Lao's PDR;
4. To propose for a termination of an employment contract between an employing international organization and a local staff in case the contract's substances are not in line with this decree and the labor code of Lao's PDR;

Article 16: Duties of MOFA

MOFA has the following duties.

1. To provide an international organization a local staff based upon the requirements and qualifications requested by the concerned international organization;
2. To monitor and manage local staffs recruited by international organizations prior to the enforcement of this decree;
3. To take an active role in educating and resolving a conflict between a local staff and an employing international organization;
4. To encourage international organizations to enforce and ensure the welfares towards local staffs;
5. To facilitate local staffs' duty undertaking;

Section 7

Final Provision

Article 17: An enforcement

MOFA is tasked to effectively enforce this decree in line with its rights, duties and responsibilities in collaboration with concerned sectors.

Ministries, ministerial equivalent agencies, and local administrations shall be informed and strictly observe this decree.

Article 18: Effectiveness

This decree is effective from the date of signing onwards. Any rules and provisions in contradiction with this decree shall be null.

Prime Minister of Lao's PDR



Bouasone Bouphavanh