

LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

President

No. 034/P
Vientiane Capital, dated 30.01.2015

**Edict
of the
PRESIDENT**

of the
LAO PEOPLE'S DEMOCRATIC REPUBLIC

On the Promulgation of the Law on the Management of Foreign Currency

- Pursuant to Chapter VI, Article 67, Item 1 of the Constitution of the Lao People's Democratic Republic;
- Pursuant to Resolution No. 014/NA, dated 22 December 2015, of the National Assembly; and
- Pursuant to Proposal No. 06/NASC, dated 22 January 2015, of the National Assembly Standing Committee.

**The President of the Lao People's Democratic Republic
Decrees That:**

Article 1. The Law on the Management of Foreign Currency is hereby promulgated.

Article 2. This decree shall enter into force on the date it is signed.

The President of the Lao People's Democratic Republic
[Seal and Signature]
Choummaly SAYASONE

LL LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

National Assembly

No. 014/NA

RESOLUTION
of the
NATIONAL ASSEMBLY

of the

LAO PEOPLE'S DEMOCRATIC REPUBLIC

On the Adoption of the Law on the Management of Foreign Currency

- Pursuant to Article 53, Item 2 of the Constitution and Article 3, Item 1 of the Law on the National Assembly of the Lao People's Democratic Republic.

After broad consideration of the contents of the Law on the Management of Foreign Currency at 8th Session of the VII General Assembly of the National Assembly at the afternoon session on 22 December 2014.

The General Assembly Resolves to:

Article 1. Adopt The Law on the Management of Foreign Currency majority resolution.

Article 2. This resolution shall enter into force on the date it is signed.

Vientiane Capital, dated 22 December 2014
President of the National Assembly

[Seal and Signature]

Pany YATHOTOU

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Assembly

No. 55/NA

Vientiane Capital, Dated 22 December 2014

Law
on the Management of Foreign Currency

Part I
General Provisions

Article 1 Objectives

This Law determines the principles, regulations and measures relating to the operations, management, inspection of foreign currency businesses and transactions in order to [ensure] efficiency and correctness with the aim of value building and maintaining the stability of the National currency, promoting the domestic movement of goods-currency, expand international economic cooperation, and contribute to national socio-economic development.

Article 2 Management of Foreign Currency

Foreign currency is the currency of another country, which includes banknotes, coins, cheques, cards, exchange bonds, Government bonds, enterprise bonds, share certificates other valuable documents and gold used by the International community as tools in order to make international payments.

The management of foreign currency is the management of currency businesses operations and international transactions of persons not-domiciled and persons domiciled in the Lao PDR in compliance with foreign currency laws and regulations.

Article 3 Definitions

The terms used in this Law have the following meanings:

1. **Currency** means the Kip currency and foreign currency.;
2. **Exchange rate** means the value of one currency compared to the value of another currency;

3. **Reference exchange rate** means the exchange rate which the Bank of the Lao PDR determines as a reference for commercial banks and currency exchange shops;

4. **Commercial credit** means goods purchase agreements and debt services;

5. **Currency exchange shop** means a business unit that provides currency exchange services;

6. **Holding** means the keeping of currency by one's self;

7. **Domiciled in the Lao PDR** means:

- Lao citizens resident in the Lao PDR;
- Lao citizens who go to study, travel, visit and receive medical treatment abroad;
- Lao officers or civil servants assigned to Lao embassies, consulates and international organizations in foreign countries;
- Lao citizens who live abroad for not more than one year;
- Lao State organizations and associations which operate domestically or abroad;
- Lao or foreign individuals and legal entities in the Lao PDR which are authorized to undertake business and lawfully registered in accordance with the laws of the Lao PDR, including representative offices of such legal entities established abroad for not more than one year;
- Foreigners who work in the Lao PDR for more than one year, who are not officers or employees of foreign embassies, consulates or international organizations; and
- Aliens and stateless persons who live and earn a living permanently in the Lao PDR.

8. **Not domiciled in the Lao PDR** means :

- Foreign individuals and legal entities resident in a foreign country;
- Foreigners who come to study, travel, visit and receive medical treatment in the Lao PDR;
- Foreign embassies, consulates, international organizations and foreign officers or employees of such organizations, foreign consultants, and experts assigned to the Lao PDR, including their families;
- Foreigners who reside in the Lao PDR for not more than one year;
- Representative offices of foreign legal entities established in the Lao PDR for not more than one year; and

- Lao citizens who live abroad for more than one year for other reasons than study or medical treatment; and

9. **Transaction** means currency activities relating to sales-purchase, exchange, loans, transfers, savings, withdrawals, payments, import-export and other activities.

Article 4 Policies of the State on the Management of Foreign Currency

The State manages foreign currency in a centralized and unified manner nationwide in order to ensure the stability of the national currency through the determination of versatile policies, the provision of facilities, contributing personnel, the provision of budgets and equipment to the relevant competent authorities as appropriate.

The State promotes individuals, legal entities and all sector organizations to participate in the activities and management of foreign currency.

The State emphasizes dissemination, training of, and the provision of information to the public in various forms to instill a sense of awareness in society to use the Kip currency and foreign currency in accordance with laws and regulations.

Article 5 Principles for Foreign Currency Management Activities

Foreign currency management activities shall be performed in accordance with the following principles:

1. Ensure the management of the State in relation to foreign currency activities in a centralized and unified manner nationwide;
2. Ensure the stability of the national currency;
3. Ensure the independence of the national currency; and
4. Ensure that domestic and foreign payments are fluid.

Article 6 Obligations in the Management of Foreign Currency

Domestic and foreign individuals, legal entities and organizations which operate businesses and/or undertake transactions within the Lao PDR have an obligation to manage foreign currency, cooperate with, and participate in the implementation of such.

Article 7. Scope of Application of Law

This Law applies to domestic and foreign individuals, legal entities and organizations which operate businesses and/or undertake foreign currency transactions within the Lao PDR.

Article 8 International Cooperation

The State is open to foreign, regional and international cooperation in regards to the management of foreign currency through the exchange of data and information, lessons, experience, technology, the

development of human resources and the implementation of international treaties and conventions to which the Lao PDR is a party.

Part II

Activities Relating to Foreign Currency

Chapter 1

The Possession, Use of, and Exchange of Currency in the Lao PDR

Article 9 The Possession of Foreign Currency Within the Lao PDR

Persons domiciled and not domiciled in the Lao PDR may possess foreign currency that is acquired legally by holding and/or opening savings account with commercial banks in the Lao PDR.

Article 10 Use of Currency within the Lao PDR

Domestic and foreign individuals, legal entities and organizations which operate businesses and/or undertake transactions within the Lao PDR may use foreign currency for the following objectives:

1. The payment for goods imported from abroad;
2. The payment of service charges relating to the direct import-exports, such as charges relating to the movement of goods across borders, warehousing and other service charges;
3. Repayment of foreign loans and other commercial credit;
4. Provision of foreign assistance as agreed by the Government;
5. Repatriation or transfer of profits, dividends, principle, interest, and other service charges of foreign investors and wages of foreigners to their home country or a third country;
6. Transfer funds for investment in a foreign country;
7. Study, tourism, visit and receive medical treatment in a foreign country; and
8. Other objectives in accordance with regulations enacted by the Bank of the Lao PDR.

Except where otherwise authorized by the Government, individuals and legal entities shall use the Kip currency for the purchase-sale, the receipt of payments and the making of payments for goods, services, repayment of debts, salaries, making obligations to the State, the determination of prices, advertising the prices of goods and service charges, etc in the Lao PDR.

Article 11 Currency Exchange

Domestic and foreign individuals, legal entities and organizations which operate businesses and/or undertake transactions within the Lao PDR that wish to change a currency into another currency shall only exchange such at a commercial bank or currency exchange shop authorized by the Bank of the Lao PDR.

The Ministry of Finance may exchange currencies through the banking system to make international payments.

Article 12 Determination of Exchange Rates

The Bank of the Lao PDR uses market exchange rate mechanisms managed by the State using daily reference exchange rates to enable commercial banks and currency exchange shops to determine their exchange rates.

Chapter 2

Transfer of Money, and Movement of Cash Currency Into and Out of the Lao PDR

Article 13 Transfer of Foreign Currency

Persons domiciled and not domiciled in the Lao PDR may transfer foreign currency into the Lao PDR in unlimited amounts. The transfer of foreign currency out of the Lao PDR shall be performed in accordance with relevant regulations and in compliance with Article 10 of this Law.

Article 14 Movement of Cash Currency Into, and Out of the Lao PDR

Persons domiciled and not domiciled in the Lao PDR may bring cash currencies into the Lao PDR in the amounts determined by the Bank of the Lao PDR. Excesses of such amounts shall be declared to border customs officers for the issue of certification.

Persons domiciled and not domiciled in the Lao PDR may take cash currency out of the Lao PDR in the amounts determined by the Bank of the Lao PDR. Excesses of such amounts shall be authorized by the Bank of the Lao PDR. In the event that import certification evidencing currency import into the Lao PDR, such may be presented to border customs officers in order to take such currency out of the Lao PDR.

Chapter 3

Opening Bank Accounts and the Use of Money in Savings Accounts

Article 15 Opening Bank Accounts and the Use of Money in Savings Accounts in the Lao PDR

Persons domiciled and not domiciled in the Lao PDR may open savings accounts, make withdrawals and receive interest in foreign currencies with a commercial bank in the Lao PDR.

Persons not domiciled in the Lao PDR who possess foreign currencies may open Kip savings accounts by exchanging foreign currencies at a commercial bank and may make withdrawals and receive interest and exchange Kip in such accounts into foreign currencies.

Article 16 Opening Bank Accounts Abroad

Persons domiciled in the Lao PDR may open accounts abroad with the authorization of the Bank of the Lao PDR for the following objectives :

1. Cross-border business, such as land, air and water transport, post, insurance, tourism, labor export and contractor projects abroad;
2. Receive and repay loans, including foreign commercial credit;
3. The establishment of branches or representative offices in a foreign country with the authorization of the relevant authorities;
4. Investment abroad; and
5. Other objectives in accordance with Bank of the Lao PDR regulations.

Students, diplomats and civil servants assigned to work abroad may open bank accounts abroad without the authorization of the Bank of the Lao PDR.

Article 17 Management of Foreign Currency Revenues

Persons domiciled in the Lao PDR who operate businesses with foreign entities which generates foreign currency revenues shall transfer the revenues into their bank account opened with a commercial bank located in the Lao PDR.

All foreign currency budget revenues shall be deposited with the Bank of the Lao PDR, where such is to be used domestically, such foreign currency shall be sold to the Bank of the Lao PDR at the exchange rates of the Bank of the Lao PDR announced daily.

Chapter 4

Operation of Foreign Currency Businesses

Article 18 Foreign Currency Businesses

Foreign currency businesses include currency exchange business, gold import-export used as a tool to make international payments.

Article 19 Authorization to Operate Foreign Currency Businesses

Individuals or legal entities that wish to operate foreign currency businesses shall submit an application and accompanying foreign currency business operation application documents to the Industry and Commerce Sector and be authorized by the Bank of the Lao PDR pursuant to regulations.

The conditions for applications to operate foreign currency business shall be provided in separate regulations.

Article 20 Consideration of Foreign Currency Business Applications

Upon receipt of the application and business operation application documents by the Industry and Commerce Sector, the Bank of the Lao PDR will study and consider [the application] within 15 business days for currency exchange shops, and 30 business days for gold import-export businesses to be used as

tools to make international payments applications and supporting documents in full and in accordance with regulations from the date of receipt of the application and application documents.

Part III

Taking loans, Grants and the Import into, and the Export of Funds out of the Lao PDR

Chapter 1

Loans and Grants

Article 21 Foreign Loans Taken Out by the Government

The Ministry of Finance is the representative of the Government in signing loan agreements or issuing security documents in taking out foreign loans by the government, and is responsible for managing the monitoring and inspection of the implementation of loan agreements, including the opening of savings accounts by the Government abroad, managing the inspection of the use of loans by the government and notifying the Bank of the Lao PDR of such loans in writing.

Foreign loans taken out by the Government shall be deposited in Ministry of Finance savings accounts or Government project accounts opened with the Bank of the Lao PDR. Such loans may be used to make direct payments abroad or exchanged with the Bank of the Lao PDR to be used to make domestic payments.

Article 22 Management of Grants

The Ministry of Finance is responsible for the centralized management of, and consolidating the value of grants from abroad, including monetary and material non-governmental assistance by international organizations in coordination with the relevant authorities. Monetary grants made in foreign currency shall be deposited into the savings accounts of the Ministry of Finance opened with the Bank of the Lao PDR.

The Ministry of Finance is responsible for the monitoring, inspection and consolidation of grants abroad provided by the Government, legal entities, organizations and social organizations of the Lao PDR.

Article 23 Provision and Receipt of Foreign Loans and Commercial Credit

Prior to providing or receiving foreign loans or commercial credit, persons domiciled in the Lao PDR shall request authorization for such from the Bank of the Lao PDR, whereby such transactions shall be undertaken through the banking system and reported to the Bank of the Lao PDR in relation to loan repayments until all contractual payments have been made.

Chapter 2

Import into, and Export of Funds out of the Lao PDR

Article 24 Import of Foreign Investment Capital

Foreign individuals, legal entities and organizations wishing to invest in the Lao PDR shall import their capital into the Lao PDR through the banking system and open a savings account with a commercial bank located in the Lao PDR. The importation of the actual foreign currency and in-kind capital, shall be evidenced by certifying documents and provided to the Bank of the Lao PDR in accordance with regulations.

In-kind capital is the value of materials and equipment purchased by the investor and paid for abroad and imported legally in accordance with the laws of the Lao PDR for use directly in the operation of business. Materials imported through the use of money located in the Lao PDR for payment shall not be deemed in-kind capital. The notification of in-kind capital shall have supporting documents relating to the importation issued by the relevant authorities in accordance with regulations.

In the event that capital is brought in as cash, a certificate shall be provided which was issued by border customs officers along with other relevant supporting documents.

Article 25 Export of Capital for Investment Abroad

Persons domiciled in the Lao PDR who wish to export funds to invest abroad shall be authorized by the Bank of the Lao PDR on the basis of the consent from the relevant authorities.

Part IV

Foreign Payment Balances

Article 26 Foreign Payment Balances

Foreign payment balances is the exchange of economic activities between persons domiciled in the Lao PDR for and persons not domiciled in the Lao PDR, such as trade, exchange of goods and services, the transfer of grants, the transfer of right of ownership in assets and debts, taking out loans and repayment of loans, the flow of funds between countries at any given time.

Article 27 Consolidation of Statistics and Creation of Foreign Payment Balance Plans

The Bank of the Lao PDR is responsible for the consolidation of statistics and the creation of foreign payment balance plans of the national economic system for macro economy management in cooperation with the relevant sectors.

Persons domiciled and not domiciled in the Lao PDR which generate revenues and expenses in foreign currency shall cooperate with, summarize and report information to the Bank of the Lao PDR.

Part V

Prohibitions

Article 28 General Prohibitions

Individuals, legal entities and organizations which operate businesses and undertake transactions in the Lao PDR are prohibited from the following behavior:

1. Receive and make payment for goods, services, repayment of debts, payment of salaries, making obligations to the State, determine the values in contracts, announce and advertise prices and other costs in a foreign currency without authorization;
2. Operate a foreign currency business without authorization;
3. Exchange currency with individuals, legal entities and/or business units not authorized to operate currency exchange business accordance with laws and regulations;
4. Determine and announce exchange rates without the authorization of the Bank of the Lao PDR;
5. Manipulate exchange rates causing damage to the economy of the country;
6. Bring into, and take cash out of the Lao PDR in excess of the amounts provided in regulations without notifying the relevant officers without authorization;
7. Open foreign bank accounts in a manner that is not in accordance with Article 16, Items 1 - 5 of this Law;
8. Provide or take out foreign loans and commercial credit without the authorization of the Bank of the Lao PDR;
9. Conceal wrongdoings or participation in wrongdoings relating to currency;
10. Obstruct, refuse to cooperate with officers who undertake foreign currency management activities;
11. Other acts in violation of other laws and regulations.

Article 29 Prohibitions on Foreign Currency Business Operators

Foreign currency business operators are prohibited from the following behavior:

1. Operate a foreign currency business which is not consistent with laws and regulations or outside the scope of authorization;

2. Pay bribes to officers or civil servants of the State;
3. Conceal information, make false reports or falsify documents in the operation of foreign currency business; and
4. Other behavior in violation of laws and regulations.

Article 30 Prohibitions on Officers or civil Servants of the State

Officers or civil servants of the State are prohibited from the following behavior:

1. Operate a business, be a consultant, be a technical employee of a business unit which operates a foreign currency business which relate to its responsibilities;
2. Reveal confidential information of individuals, legal entities and organizations under its responsibilities without prior authorization;
3. Demand, request, accept bribes, be partial, delay, be an accomplice, falsify documents relating to foreign currency activities;
4. Use one's position for personal gain and/or of associates relating to foreign currency, including the operation of related businesses;
5. Ignore one's responsibilities in regards to foreign currency business operators who commit wrongdoings; and
6. Other behavior in violation of other laws and regulations.

Part VI

Dispute Resolution

Article 31 Forms of Dispute Resolution

Dispute resolution involving foreign currency shall be undertaken in the following forms:

1. Resolution through mediation;
2. Administrative resolution;
3. Resolution by the Economic Dispute Resolution Organization;
4. Resolution by the People's Court; and
5. International dispute resolution.

Article 32 Dispute Resolution through Mediation

In the event of a dispute involving foreign currency, including the operation of a foreign currency business, the parties may resolve such dispute through consultation and mediation for mutual benefit.

Article 33 Administrative Resolution

In the event of a dispute involving foreign currency, including the operations of a foreign currency business, which dispute is of an administrative nature which is within the scope of responsibility of the Bank of the Lao PDR and the relevant authorities, the parties may request such relevant sector to consider resolution through legal means.

Article 34 Resolution by the Economic Dispute Resolution Organization

In the event of a dispute involving foreign currency, including the operations of a foreign currency business, the parties are entitled to request that the Economic Dispute Resolution Organization to consider and resolve the dispute through legal means.

Article 35 Resolution by the People's Court

In the event of a dispute involving foreign currency, including the operations of a foreign currency business, the parties are entitled to submit the case to the People's Court to consider and resolve the dispute through legal means.

Article 36 International Dispute Resolution

Dispute resolution involving international foreign currency works shall be undertaken in accordance with the laws of the Lao PDR or treaties and conventions to which the Lao PDR is a party.

Part VII

Management and Inspection of Foreign Currency Activities

Chapter 1

Management of Foreign Currency Activities

Article 37 Foreign Currency Management Organization

The Government of the Lao PDR manages foreign currency activities in a centralized and unified manner nationwide by assigning the Bank of the Lao PDR as directly responsible and as the central [organization] for coordinating with the Ministry of Finance, the Ministry of Industry and Commerce, the Ministry of Planning and Investment and the Ministry of Public Security, other relevant sectors and local authorities.

Article 38 Scope of Rights and Duties of the Bank of the Lao PDR

The Bank of the Lao PDR has scope rights and duties in the management of foreign currency activities as follows:

1. Study and formulate strategies, policies and laws relating to the management of foreign currency for submission to the Government for consideration;
2. Authorize, suspend or dissolve foreign currency businesses, the opening of foreign savings accounts, the provision of, or taking out foreign loans and commercial credit and the monitoring and inspection of such business units;
3. Advertise and disseminate laws and regulations relating to foreign currency activities and instill a sense of duty in society in the use of the Kip currency;
4. Formulate, improve, train and upgrade knowledge relating to foreign currency activities for its employees and relevant organizations;
5. Compile and consolidate data relating to foreign currency activities;
6. Coordinate with the relevant authorities in the implementation of laws and regulations relating to foreign currency;
7. Coordinate internationally and regionally in the management of foreign currency activities;
8. Summarize and report on the implementation of foreign currency activities to the Government regularly; and
9. Use rights and perform other duties as provided in laws and regulations'

Article 39 Rights and Duties of other Ministries, Sectors and Local Administration Authorities

Other ministries, sectors and local administration authorities have the following of rights and duties in the management of foreign currency activities:

1. The Ministry of Finance has the rights and duties in the management, and monitor the use of loans and providing security for loans by the Government taken out by the government and grants provided to the Government, receive notifications regarding currency imports into and out of the Lao PDR, including the implementation of measures against violators of this Law and other relevant laws in accordance with its role;
2. The Ministry of Industry and Commerce has the scope of rights and duties in the management, and monitoring the advertising, determination of prices of goods, services

and other charges in Kip, including the implementation of measures against violators of this Law and other relevant laws in accordance with its role;

3. The Ministry of Planning and Investment has the scope of rights and duties in the management, and monitoring the importation of capital by foreign investors and foreign investments by persons domiciled in the Lao PDR as provided in this Law and other relevant laws in accordance with its role;
4. The Ministry of Public Security has the scope of rights and duties in the management and monitoring the use of, and exchange of currency not authorized by the Bank of the Lao PDR, including the implementation of measures against violators of this Law and other relevant laws in accordance with its role; and
5. Other sectors and local administration authorities have the scope of rights and duties to participate in the management and monitoring works relating to foreign currency, provide information and cooperate with management organizations as provided in Article 37 in this Law in accordance with its role.

Part 2

Inspection of Foreign Currency Management Activities

Article 40 Inspection of Foreign Currency Management Activities

The Foreign Currency Management Activities Inspection Organization is comprised of:

1. the Internal Inspection Organizations which is the same organization as the Foreign Currency Management Activities Inspection Organization provided in Article 37 of this Law; and
2. The external Inspection organizations are the National Assembly, the Government Inspection and Anti-Corruption Organization and the State Inspection Organization, mass organizations, social organizations, the mass media and the public.

Article 41 Content of Inspection

The inspection of foreign currency management activities involves the following:

1. The implementation of the Law on the Management of Foreign Currency and other relevant laws;
2. The performance of the rights and duties of inspection organizations, including the implementation of legal measures against violators; and
3. The operation of foreign currency businesses and the undertaking of transactions.

Article 42 Forms of Inspection

There are three forms of inspection as follows:

1. Normal inspection, which is a planned, regular inspection with a determined time-frame;
2. Advance notice inspection which is unplanned and undertaken where deemed necessary; and
3. Surprise inspection which is an urgent inspection undertaken without prior advance notice.

Inspections of foreign currency management activities shall be strictly implemented in accordance with laws and regulations.

In undertaking such inspections, officers have the right to question, and inspect documents relating to the operations of foreign currency businesses where deemed necessary.

Article 43 Rights and Duties of the Foreign Currency Management Activities Inspection Organization

The Foreign Currency Management Activities Inspection Organization has the rights and duties in the inspection of such activities as provided in Article 41 of this Law in cooperation with local administration authorities and concerned officers.

Article 44 Reporting

Commercial banks, financial institutions, business units operating foreign currency businesses shall report on their business operations to the Bank of the Lao PDR in accordance with regulations issued periodically.

The Bank of the Lao PDR is responsible for consolidating the results of the implementation of this Law by the ministries, equivalent level organizations and local administration authorities which are to be summarized and reported to the Government periodically.

Chapter VIII

Incentives for Good Performance and Measures Against Violators

Article 45 Incentives for Good Performance

Individuals, legal entities and organizations which show excellent performance in the implementation of this Law will be commended and receive other incentives in accordance with laws and regulations.

Article 46 Measures Against Violators

Individuals, legal entities and organizations which violate this Law, other relevant laws and regulations relating to the management of foreign currency which bring damages on the State and society shall be subject to measures involving training, discipline, liability for damages or criminally responsible depending on severity.

Article 47 Training

Individuals, legal entities and organizations which violate this Law other relevant laws and regulations relating to the management of foreign currency in the first instance [and] the violation is of a slight nature will be warned, trained and have the violation recorded in writing undertaken by the relevant organization at the location of the violation.

Article 48 Disciplinary Measures

Officers or civil servants of the State who violate the prohibitions provided in Article 30 of this Law and other relevant laws and regulations which are not of a criminal nature will be punished as follows:

1. Warned and have the violation recorded in their files;
2. Suspended from promotion, salary increases and commendation;
3. Removed from office or transferred to a lower position; and
4. Removed from civil service and all policies revoked.

Persons subject to disciplinary action shall return all assets to the organization gained illegally.

Article 49 Fines

Individuals, legal entities and organizations which violate this Law and other laws and regulations relating to the management of foreign currency will be fined by relevant officers on a case by case basis as follows:

1. Advertising and announcing prices and other charges in the Lao PDR in a foreign currency shall be subject to a fine of one million (1,000,000) Kip per offence;
2. Receive and make payment for goods, services charges, repay debts, pay salaries, make obligations to the State in a foreign currency will be subject to a fine of three million (3,000,000) Kip per offence;
3. Operate a foreign currency business without authorization will be subject to a fine of thirty million (30,000,000) Kip per offence;

4. Determine and announce exchange rates and exchange currencies as a foreign currency exchange shop not in accordance with regulations will be subject to a fine of five million (5,000,000) Kip per offence;
5. Open foreign bank accounts without the authorization of the Bank of the Lao PDR will be subject to a fine of twenty million (20,000,000) Kip per offence;
6. Fail to report as provided in Article 27 of this Law or submit false reports will be subject to a fine of five million (5,000,000) Kip per offence
7. Provide or take out foreign loans and commercial credit without authorization, first time violators will be subject to a fine of zero point one (0.1%) of the value of the loan or commercial credit; and
8. Bring in, take foreign currency or Kip in cash out of the Lao PDR in excess of the amounts provided in regulations without declaring such to border customs officers or without authorization be the relevant authorities will be fined fifty (50%) percent of the amount per offence.

Subsequent offences shall be subject to a fine of double the amount of the previous fine.

Article 50 Civil Measures

Individuals, legal entities and organizations which violate this Law which damages the economic system, finances and currency of the Lao PDR and other individuals will liable for the damages incurred.

Article 51 Criminal Measures

Individuals who violate this Law which is of a criminal nature and damages the economy, financial systems and currency of the Lao PDR will be punished in accordance with the Penal Code or other laws that prescribe criminal punishment.

Article 52 Criminal Measures Against Violators who are Repeatedly Fined

Individuals who repeatedly violate this Law will be deemed criminal offenders and will be imprisoned between 6 months to two years and fined between three (3,000,000) Kip to ten (10,000,000) Kip.

Part IX

Final Provisions

Article 53 Implementation

Unofficial translation

The government of the Lao People's Democratic Republic is responsible for the implementation of this Law.

Article 54 Effectiveness

This Law is effective from the date that the President of the Lao People's Democratic Republic issues the Promulgating Decree and 15 days after publication in the Government Gazette.

Provisions and regulations which contravene this Law are hereby repealed.

President of the National Assembly

[signature and seal]

Pany YATHOTOU