

**Lao People's Democratic Republic**  
**Peace Independence Democracy Unity Prosperity**

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**Bank of the Lao PDR**

**No. 529/BOL**

**Vientiane Capital, 21 JUL 2015**

**Decision**

**On the Determination of Interest Rates of Commercial Banks**

- Pursuant to the Law on the Bank of the Lao PDR, No. 05/NA, Dated 14 October 1999;
- Pursuant to the Law on Commercial Banks, No. 03/NA, Dated 26 December 2006;
- Pursuant to the Decision at the General Meeting of the Board of Directors of the Bank of the Lao PDR on 16 July 2015; and
- Based on the studies and proposals of the relevant Departments.

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

- Article 1: Commercial banks shall determine 12 month Lao Kip deposit interest rates using the inflation rate of the previous year plus 2%.
- Article 2: Commercial banks shall determine the difference between deposit-loan interest rates on a weighted average not exceeding 4%.
- Article 3: The Currency Policy Department of the Bank of the Lao PDR shall notify the average inflation rate of the previous year, Lao Kip savings accounts interest rates; and 3 month, 6 month, 12 month and 24 month fixed-term savings account interest rates; and issue Guidelines on differences between deposit-loan interest rates as provided in Article 2 of this Decision to commercial banks as a reference for implementation.
- Article 4: Lao Kip deposit and loan interest rates implemented prior to 3 August 2015 shall be implemented in accordance with their existing conditions until the completion of their terms.
- Article 5: The Currency Policy Department, the Commercial Banks Management Department, all regional branches of the Bank of the Lao PDR and commercial banks shall strictly implement this Decision in accordance with their duties.
- Article 6: This Decision is effective from 3 August 2015 onwards. All previous provisions, regulations and instructions of the Bank of the Lao PDR which conflict with this Decision are hereby repealed.

Unofficial translation

Governor of the Bank of the Lao PDR

[signature and seal]

Dr. Somphaw PHAISIT

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