



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

The President

**No. 291/P
Vientiane Capital, 13 December 2017**

DECREE

of

THE PRESIDENT

of

THE LAO PEOPLE'S DEMOCRATIC REPUBLIC

on

The promulgation of the Law on Minerals (Revised Version)

- Pursuant to item 1, Article 67, Chapter VI of the Constitution of the Lao People's Democratic Republic (Revised year 2015);
- Pursuant to the Resolution of National Assembly No. 603/NA, dated 3 November 2017 in relation to the approval the Law on Minerals (Revised); and
- Pursuant to the Proposal of the Standing Committee of the National Assembly No. 027/SCNA, dated 30 November 2017.

The President Lao People's Democratic Republic issues this Decree

Article 1: Promulgation of the Law on Minerals (Revised Version).

Article 2: This presidential decree shall inter into force from the date of signature.

The President of the Lao PDR

(Signature and Stamp)

Bounnhang Vorachith



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

National Assembly

**No. 063/NA
Vientiane Capital, 03 November 2017**

**Resolution
of the
National Assembly
of the
Lao People's Democratic Republic
On the Approval of the
Law on Minerals (Revised Version)**

Pursuant to Article 53, point 1 of the constitution (Revised year 2015) and Article 11, point 1 of the Law on National Assembly of Lao People's Democratic Republic (Revised year 2015).

After the 4th Ordinary session of the VIII National Assembly legislature, Wide studies and considerations were undertaken and the agreement was reached on the content of the Law on Minerals (Revised) in the agenda of the afternoon session of 3 November 2017.

The Meeting Resolved that:

Article 1: The Law on Minerals (Revised) is approved by the majority votes.

Article 2: This Resolution is effective from the date it is signed.

The President of the National Assembly
(Seal and signature)

Pany Yathotou



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Assembly

No. 31/NA
Vientiane Capital, 3 November 2017

Law on Minerals
(Revised Version)

PART I
GENERAL PROVISION

Article 1: (Revised) Objective

This Law defines the principles, rules, and regulations relating to managing, monitoring, and inspecting protection, trading, mineral resource and minerals utilization, and the campaign of minerals to make it transparent, efficient, and in order in detection, survey, excavation, and mineral processing, ensuring the protection of health, life, and safety of effected community, workers, and social and environment protection; aiming to develop mineral area under economical plan, green and sustainability, friendly to environment, create opportunities for economic growth , transform to advanced industrialization gradually, contribute to national socio-economic development, improve the livelihoods of Lao people.

Article 2: (Revised) Minerals

Minerals is natural element, contents chemical and physical or abiotic characteristics, shapes in solid, liquid, and gas form such as gold, silver, copper, steel, tin, gems, stone, clay, sandstone, sand, salt, coal, fuel, natural gas, mineral water, warm water, and natural hot water.

Article 3: (Revised) Interpretation of Terms

The terms used in this law have the following meaning:

1. Effected community refers to directly and indirectly effected communities or local area locating in project site and nearby area on livelihoods, access to resource, health, welfare, and environment from the mineral excavation activities;

2. Construction certificate refers to certificate issued by Ministry of Energy and Mine to approve the construction plan;
3. Construction plan refers to new mineral excavation project's construction plan which ensures the sustainable development;
4. Environmental certificate refers to the approval of the reports on preliminary researches, socio and natural environment impact evaluation, including socio and natural environment monitoring and inspecting, and managing plan;
5. Exploration Area refers to searched area to move to exploration procedure;
6. Mineral source or Mineral Deposit refers to naturally minerals accumulated place with certification on quantities and qualities of minerals;
7. Mineral area refers to excavated area, processing factory area, minerals storing warehouse, waste reservoir, transportation road, camping area, office, garage, producing and excavating chemical and explosive element warehouse;
8. Mine refers to surveyed mineral area such as gold mine, silver mine, copper mine, tin mine, coal mine;
9. Minerals refers to chewed, grinded, wash refined, classified minerals including processed minerals;
10. Reserved Minerals refers to mineral processing, excavating, surveying, and searching authorization suspended or disallowed by government due to socio, economic or environmental reasons promulgated by government periodically;
11. Restricted Minerals refers to mineral processing, excavating, and surveying disallowed by government to ensure the health and safety of human life and biodiversity such as rare minerals, radiative minerals, poisonous minerals;
12. Mineral Works refers to works in procession of searching, survey, technical-economic possibility studying, excavation, processing, including shutting down mine and monitoring activities after mine's shutting down;
13. Mining Industry refers to mineral business operation from technical-economic possibility studying, excavation, processing, casting, community development and mineral trading to mine shutting down;
14. Mining Development refers to the operation of mining industry, environment protection and community development;
15. Large Project refers to project with investment fund accounting for equal to or more than 1.5 percent of gross domestic production (GDP) or with excavated volume per year of more than one million and five hundred tons for opened ground and one million tons for underground;
16. Mineral Tails refers to the accumulation of waste mineral, mixed with waste element which unable to completely collect from excavation, producing and wash defining;
17. Mineral Ore refers to waste mineral that naturally flows to gather in one place;
18. Sustainable Development of Mineral Area refers to complete development of excavation site and after mineral excavation by coordination with related parties aiming to ensure the employment and improvement of livelihoods of people on that area gradually, contribute to continuously efficient socio-economic growth;
19. Mineral activities refer to activities on searching, survey, excavating and processing of minerals;

20. Radioactive Minerals refer to technological activities applicable elements but affect to human and animal's health and life, and environment such as Uranium, Thorium;
21. Accidental Event refers to unpredictable and uncontrollable events, examples, flood, landslide, storm, lightning, epidemics, and earthquake.

Article 4: (Revised) Ownership of minerals

Minerals on the ground, underground, and underwater of Lao PDR's territory are under ownership of national communion which centrally administrated by government, and as unity over country.

Article 5: (Revised) Government policy on mineral activities

Government promotes human resource development to serve mineral work managements and developments.

Government supports, promotes the mineral work development by setting strategic and mineral development plans to most efficiently search, survey, excavate, and utilize minerals economically, to follow advanced industrialization, green and sustainable path.

Government is central to study geologic information by searching, mining inspection to collect geologic and mining information to satisfy excavating plan and efficiently mineral utilization and defining mineral resource reservation area for future development and sustainability of natural resource.

Government ensures efficiency in economy and choicely involves in mineral business activities.

Article 6: (Revised) Principle on mineral activities

Mineral activities shall be carried out in accordance with the following basic principles:

1. Be Consistent with policies, strategies, mineral development plans, national socio-economy development plans, law and real capabilities in each period;
2. Ensure mineral business activities and using of minerals economically, efficiently, rationally, transparently, ensure the safety, sustainable development of mineral area and environmental protection;
3. Be conjunction with the development of infrastructure to support community development and poverty reduction of all ethnic communities, ensure public order and social security;
4. Productions, labor supplies, foods, equipment, mineral protection and mineral resource should be done by the participation of people, communities, organizations, and every local administrative authority.

Article 7: Protection of the rights and benefits regarding minerals

The state protects the rights and highest benefit of the nation and rights and benefits of the persons undertaking mineral business and all ethnic communities under the law.

Article 8. Obligation to Minerals Protection

The Government shall take measures to protect minerals and mineral resources within the territory throughout the country.

The protection of minerals and mineral resources shall be the obligation of individuals, legal entities or organizations of all sector in Lao PDR.

Article 9: International Cooperation

The State supports and promotes regional and international cooperation concerning mineral activities in forms of sharing experiences, lessons learned, information, technique-technology, marketing, training and upgrading technical levels for staff, seeking technical assistance and financial support, and to comply with international Conventions and Agreements that Lao PDR is a party to.

Article 10: (Revised) Scope of Application

This law applies to individuals or legal entities, both domestic and foreign, who are undertaking mineral activities and mining business.

This law does not apply to crude oil and natural gas and radioactive minerals.

PART II

MINERAL DEVELOPMENT PLAN

Article 11: (New) Mineral Development Plan

Mineral development plan consists of national mineral development plan and provincial mineral development plan.

In addition, the state shall set mineral development strategies to support mineral development plan in each period.

Chapter 1 Mineral Development Strategy

Article 12: (New) Mineral Development Strategy

Mineral development strategy is fundamental policies on mineral management, administration, usage, protection and development.

Mineral Development Strategy shall consist of following contents:

1. Policies on the survey of geology and basic minerals, protection of unexcavated mineral resources, survey, excavate, process and use mineral economically and efficiently;
2. Plans on the survey of geology and basic minerals, preserved or protected mineral resources, mineral groups or sorts that required the approval on the survey, excavation, procession and after shutting down the mining in balance with productions and usage in period of the strategy;
3. Environment evaluation in strategically;
4. The important activities and methods on the inspection of geology and basic minerals, mineral preservation or protection, mineral groups or sorts survey and excavation, mineral excavation and procession in balance with production, usage and preservation in period of the strategy;

Mineral development strategy shall be effective for ten years and consistent with the vision of fifteen years- Mineral development plan.

Article 13: (New) Mineral Development Strategy Drafting

Mineral development strategy shall be drafted in accordance with the following basic principles:

1. Be consistence with national socio-economy development strategy, social security and safety;
2. Ensure the balance between preservation and excavation, economic and efficient usage under green and sustainability;
3. Ensure the mineral supplies and production to develop socio-economy and export abroad;
4. Usage of the results on geology survey and basic minerals;
5. Complaint with international Conventions and Agreements that Lao PDR is a party to.

Ministry of Energy and Mine is responsible for researching and creating the Mineral development strategy to submit to the government for consideration and then submit to the National Assembly for the approval consideration.

Chapter 2

National Mineral Development Plan

Article 14: (New) National Mineral Development Plan

National mineral development plan is mineral development plan that is a part of five years -socio-economy development plan.

National mineral development plan consists of following contents:

1. The estimation on basic geology survey over the country in period of plan to define development area and preserve area;
2. The estimation on searching, surveying and excavating approval plans;
3. The estimation on accumulated mineral quantities, mineral producing resources and sorts of mineral productions;
4. Demands of minerals and mineral production to supply to domestic and export abroad;
5. Environment evaluation in strategically to avoid severe impacts on natural, health, life and livelihoods and assets of people; and
6. Budget and fund procurement to develop mineral and human resources.

Article 15: (New) National Mineral Development Plan Drafting

Ministry of Energy and Mine researches, drafts the National Mineral Development Plan by coordination with others concerned agencies to submit to the government for consideration and then submit to the National Assembly for the approval consideration.

The National mineral development plan shall be created under following conditions and factors:

1. Be consistent with policy direction, strategies, Mineral Development Strategies, National Socio-Economy Development Plans, and social securities;
2. Rational, efficient, economical usages and managements of minerals under green and sustainability;
3. Domestic and international demands;
4. Previous accomplishment of mineral developments.

Article 16: (New) the Revision of National Mineral Development Plan

In case of necessity, the state can review and edit the National Mineral Development Plan, and then submit to the National Assembly Standing Committee for the approval consideration.

If the revision of National Mineral Development Plan is content editions relating to Ministry of Energy and Mine, provincial Mineral Development Plan, the edited results shall be informed to related capital, province for the edition of their own mineral development plan.

Chapter 3

Provincial Mineral Development Plan

Article 17: (New) Provincial Mineral Development Plan

Provincial Mineral Development Plan is Mineral Development Plan that is a part of, five years – provincial socio-economy development plan, National Mineral Development Plan.

Provincial Mineral Development Plan consists of similar contents to National Mineral Development Plan as defined in Article 14 in this law.

Article 18: (New) Provincial Mineral Development Plan Drafting

Twelve months previous to the end period of the National Mineral Development Plan, the Division of Energy and Mine shall coordinate with relating divisions and units to research and collect the basic information for drafting of a Provincial Mineral Development Plan and submit to the Ministry of Energy and Mine for recommendation before submitting to the mayors, provincial governors for consideration on submitting to the Provincial People’s Council for the approval consideration.

After the approval from the Provincial People’s Council, the Division of Energy and Mine shall submit such plan to the Ministry of Energy and Mine to include on the National Mineral Development Plan.

The Provincial Mineral Development Plan shall be created under conditions and factors in Article 15 of this law.

Article 19: (New) The Revision of the Provincial Mineral Development Plan

In case of necessity, the capital, provincial government can review and edit the Provincial Mineral Development Plan, and then submit to the Provincial People’s Council for the approval consideration.

Part III

MINERALS

Article 20: (Revised) Basic Geological Surveys

Basic geological surveys refer to the initial investigation and reconnaissance regarding the occurrence of mineralization, study of geological structures, for drafting of basic geological maps and mineral resources to be references for the classifications of minerals categories and mineral resources areas over Lao PDR.

The Ministry of Energy and Mine is responsible for basic geological surveys over the whole territory in coordination with the other concerned sectors and local administrative authorities.

Article 21: (Revised) Mineral Classification

Minerals are classified into the following three categories:

1. Metallic Minerals include: Antimony, Arsenic, Bauxite, Bismuth, Chromium, Cobalt, Copper, Gold, silver, Indium, Iron, Tin, Lead, Zinc, Manganese, Mercury, Molybdenum, Nickel, Tungsten, Mineral Sands, rare Minerals, Radioactive Minerals, and others;
2. Non-Metallic Minerals include: Barite, Bentonite, Calcite, Chlorite, Dolomite, Emerald, Feldspar, Fluorite, Garnet, Graphite, Limestone, Halite, kaolin, Gypsum, Magnesite, Magnesium salts, Marble, Pagodite, Mica, Quartzite, Phosphate, Potassium salts, salts, Rubidium, Sulphur, white clay, Gravel, Black Soil, Red soil, Basins Stone, Granite, Andesite, Serpentine, Gabbro, Liorite, Diorite and others;
3. Hydrocarbon Minerals include: Coal, crude oil, natural gas, oil contained stone, and other minerals.

In these three categories of Minerals there exist Reserved and Restricted Minerals which the State shall determine based on the proposals of the Ministry of Energy and Mine.

Article 22: (Revised) Minerals Resources and Accumulated Quantity Evaluation

Mineral resources are natural accumulation or occurrences of minerals on or under the surface of ground which benefit for economy, have quantity and quality to excavate and use efficiently.

Accumulated quantity evaluation is the calculation of quantity and quality of minerals contain in the ground.

Minerals and Mineral Resources accumulated quantity evaluation shall be conducted under standard methods in accordance with international rules on Mineral Resources evaluation such as JORC Code, SAMREC, CIM Standard, Reporting Code, SME Guideline, CRIRSCO, NAEN Code, and UNFC.

Article 23: (Revised) Restricted Areas

Restricted Areas are areas where no mineral activities are allowed including the as follows:

1. Dangerous areas such as: areas with unexploded ordinances, toxic area, and areas with severe pollution;
2. Areas near or under buildings or public areas, people's livelihoods areas, communities, cities, that have national importance such as: tourism area, archeological and historic sites, natural area, areas with basic infrastructure, areas that are important for national defense and security and areas that are not appropriate for mineral activities;
3. Forest conservation and restricted areas, biodiversity conservation areas, aquaculture areas, wildlife and upstream forest areas.

The Ministry of Energy and Mine periodically coordinates with concerned Ministries and local administrative authorities to research and submit to the government for consideration on defining restricted areas.

Article 24: (Revised) Reserved Areas

Reserved areas, are Mineral Resources Areas reserved for extraction of a specific mineral(s) or reserved for the development of an area of abundance of natural resources related to tourism.

The Ministry of Energy and Mine periodically coordinates with concerned Ministries and local administrative authorities to research and submit to the government for consideration on defining reserved areas.

Article 25: (Revised) Toxic Area

A toxic area is a chemical, poisonous or toxic contaminate area where is dangerous to lives such as: areas with arsenic mineral, mercury mineral.

The Ministry of Energy and Mine periodically coordinates with concerned Ministries and local administrative authorities to research and submit to the government for consideration on defining toxic areas.

Article 26: (Revised) Areas Licensed for Mineral Activities

Areas licensed for mineral activities are mineral resource areas or preserved areas defined as priority areas for mineral activities business in accordance with defined conditions and standards.

If different sectors need to use the same area but have different objectives, the Government shall agree based upon a comparative study of the socio-economic benefits, socio-environmental impacts, and consistency with long term socio-economic development.

PART IV

MINERAL ACTIVITIES

Article 27: (Revised) Mineral Activities

Activities concerning minerals are as follow:

1. Prospecting;
2. Exploration;
3. Technical-Economic Feasibility Studies;
4. Mining;
5. Mineral processing;
6. Selling and Buying minerals and mineral products;
7. Transportation of minerals and mineral products;
8. Mine Closure; and
9. Transfer the Mining Area.

Article 28: (Revised) Prospecting

Mineral prospecting refers to the study of data and information and field work to determine geological conditions of the area and occurrences of mineralization including evaluation of mineral data aiming to identify feasible areas for exploration. The mineral prospecting shall use advanced equipment to ensure the efficient results.

Individuals, entities, and organizations are not allowed to operate mineral prospecting without legal approvals.

Article 29: (Revised) Exploration

Mineral exploration refers to the study and evaluation of geological structures and mineral sources, within the identified areas, that may include geological work, geophysics, drilling, tunneling, trenching, pitting, sampling, analysis and assay and other activities to learn about quantity and grade of any mineral reserves and to assess the Technical-Economic Feasibility Studies for mining.

Individuals, entities, and organizations are not allowed to operate mineral exploration and mineral mining without legal approvals.

Article 30: (Revised) Technical-Economic Feasibility Studies

Technical-Economic Feasibility Studies is reviews and evaluations of the results from mineral exploration in order to determine the best option for mineral development by comparison in technics, technologies, marketing, investments, and the impacts on social and natural environment.

Article 31: (Revised) Mining

Mining is the extraction of minerals from the surface and underground by any process of excavating, mining, digging, drilling, pumping, blasting, concentrating, removing, and storing of minerals.

Individuals, entities, and organizations are not allowed to operate mining without legal approvals.

Article 32: (Revised) Mineral Processing

Mineral processing is the procedure of extraction economic value products from raw minerals and coal by crushing, grinding, separating, washing, refining, separation by machine, collection of mineral head, polishing, floating, filtering, electrical separation, smelting, storing, and managing the waste of productions.

Article 33: (Revised) Selling and Buying Minerals and Mineral Products

Selling and Buying minerals and mineral products is an agreement between the mining investors with individuals or legal entities, both domestic and foreign, to trade mined minerals and process into products or commodities to supply to domestic and international markets.

Processing approved individuals or legal entities are able to buy, sell, and import raw materials and semi-finished products to process into products or commodities to supply to domestic and international markets.

Article 34: (Revised) Transportation of Minerals and Mineral Products

Transportation of minerals and mineral products refers to the moving of minerals and mineral products from one location to another location domestically or to overseas or from overseas into domestic market, which must be done in accordance with this law and other relevant laws and regulations.

Article 35: (Revised) Mine Closure

Mine closure refers to the improving procedures or mining area rehabilitation after the completion of exploration activities in any area to hand over concession area to the government.

Article 36: (Revised) Handing over/Transfer the Mining Area

Transfer the mining area is the handing over the rights on the licensed mining area to the government.

PART V

MINERAL BUSINESS

Article 37: (Revised) Forms of Investment in Mineral Business

Forms of investment in mineral business shall operate in only the form of Company as provided in the Enterprise Law.

Article 38: (Revised) Types of Mineral Business

Mineral Business includes the following two types:

1. Mining Business; and
2. Business on Specific Categories of Mineral.

Article 39: (Revised) Mining Business

Mining Business is the activities on prospecting, exploration, Technical-Economic Feasibility Studies, mining including the action on mining concession right.

Article 40: (Revised) Business on Specific Categories of Minerals.

Business on specific categories of minerals does not have to follow all the steps of prospecting and exploration in the operation of its mining business.

Types of business related to special categories of minerals are as follows:

1. Traditional metallic minerals refining;
2. Non-Metallic minerals mining for construction; and
3. Non-Metallic minerals mining for industries.

Article 41: (New) Service Business on Mineral Business

Service Business on Mineral Business is business operation to supply services on prospecting, exploration, mapping, geophysics, drilling, mining, transportation, mineral trading, analysis and mineral consultation and other services on minerals.

Legal entities intend to operate Service Business on Mineral Business shall apply for enterprise establishment in accordance with the enterprise law and law on investment promotion.

PART VI

MINING BUSINESS

Chapter 1

Prospecting, Exploration and Technical-Economic Feasibility Studies

Article 42: (New) The investment in Prospecting, Exploration and Technical-Economic Feasibility Studies activities

Legal entities intend to invest in Prospecting, Exploration and Technical-Economic Feasibility Studies activities shall apply to Investment Single window of service office for investment licenses in accordance with the Law on investment promotion.

There is no requirement of the contract on Prospecting, Exploration and Technical-Economic Feasibility Studies activities.

After obtaining the investment licenses, the investors shall apply for the approvals on Prospecting, Exploration and Technical-Economic Feasibility Studies operation to the Ministry of Energy and Mine.

A. The Prospecting

Article 43: (Revised) Field Data Collection

Legal entities intend to operate mineral business can collect field data in any specific area which is not restricted area and permitted minerals by government but must have the approvals from the Ministry of Energy and Mine.

The Application on field data collection activities shall include following documents:

1. The application form on field data collection activities;
2. Copy of Business Certificates;
3. Technical Certificate of field data collection implemented persons; and
4. Map of target area;

The conditions on the approvals of the field data collection activities are defined in other regulations, the investors have no monopolized rights of the area.

Article 44: (New) The Consideration on Field Data Collection Approvals

The Ministry of Energy and Mine shall consider the application for Field Data Collection within ten workdays from the date of the complete document is received. The applicant shall be notified of the result, in case of declination, of consideration in writing within such period.

The Field Data Collection activities are defined in other regulations.

Article 45: (New) Rights and Obligation of Business Operators related to Filed Data Collection

Business operators undertaking activities related to the Filed Data Collection have following rights and obligations:

1. Entry prospecting site;
2. Operate field data collection; and
3. Report the results on Field Data Collection to Energy and Mine sector within fifteen workdays from the date of completion Field Data Collection.

Article 46: (New) Application of the Prospecting License

After permission on investment license, the investor shall apply to the Ministry of Energy and Mine for prospecting license within thirty workdays from the date of receiving complete and correct application documents.

The application of the prospecting license shall include following documents:

1. Investment license;
2. The report on results of the Field Data Collection;
3. Location defined map of prospecting application;
4. Prospecting fund sources, minimum expenditure and prospecting plans; and
5. Academic and experience qualifications on minerals of officers;

Article 47: (New) Prospecting License

Prospecting License is right verifying document for investors who operate prospecting business under approved plan by Ministry of Energy and Mine.

Prospecting License shall content following terms:

1. Name, Surname and position of delegate appointed by legal entities;
2. Address of the company and contact information;
3. Approved mineral, location and area, and term of license;
4. Undertaken fund and minimum expenditure plans; and
5. Prospecting concession costs and other obligations;

Conditions on prospecting license implementation are as follows:

1. Use for only prospecting business operations on defined minerals, area and under approved period; and
2. Attach the prospecting license on disclosed places such as site or field office and head office of company;

The Prospecting License is invalid for handing over, transferring and selling, using for joint stock and collateral for loans or other benefits negotiating tools.

Article 48: (New) Term of Prospecting License

Prospecting License is valid up to two years with extendable once but not more than one year.

Conditions on Prospecting License renewal are as follows:

1. The application shall be submitted ninety days before the expire date of existing license, otherwise, the application is not taken into consideration;
2. Financial obligations, obligations under local administrative authorities and other obligations under the law shall be implemented;
3. Submitting reports on prospecting results and completing operation at least sixty percent of undertaken prospecting plan;
4. Applying continue prospecting plans;
5. Renewing, renovating areas that have been dug, drilled such as unnecessary trenches and pits; and
6. Returning twenty five percent of implemented area with non-economic benefit minerals along with the reports on prospecting operations which include prospecting information, relevant maps, sample inventory location and analyzed results.

Article 49: (New) Licensed Prospecting Area

A legal entity can operate one area of mineral prospection which covers maximum of two hundred square Kilometers. The applied area must be consistent with concession area management system of the Ministry of Energy and Mine.

Licensed prospecting area for each mineral type is defined in other regulations.

People stay in that area can continue their livelihoods as usual.

B. Exploration

Article 50: (New) Application of Exploring License

After completion of prospecting and founding the feasibilities in exploration, the investor shall apply to the Ministry of Energy and Mine for exploring license within ninety days previous to expire date of the prospecting license.

The Ministry of Energy and Mine considers the application within thirty workdays from the date of receiving reports on prospection and exploring application.

The exploring application shall include following documents:

1. Prospecting license and reports on prospection;

2. Exploring fund sources, minimum expenditure and exploring plans,
3. Socio-natural environment monitoring, inspecting, and managing plans; and
4. Certificates of implementation of financial obligations and other obligations under the law;

For area that has been prospected and have geologic information, any legal entity can directly apply for exploration.

Article 51: (New) Joint Stock During Exploration Term

During the exploration term, the investors are able to joint stock with other investors after receiving approvals from National Investment Promotion and Management Committee which applied by the Ministry of Energy and Mine.

The conditions on the Joint Stock are as follows:

1. Completion of exploration by more than fifty percent of the exploration plan with certifying from the Ministry of Energy and Mine;
2. Remaining applicant's fund at least twenty percent of the total exploration value;
3. Providing the reasons of the Joint Stock application in written; and
4. Complete implementation of financial obligation and other obligation under the law;

Article 52: (New) Exploration Certificate

Exploration License is right verifying document for investors who operate exploration business under approved plan by Ministry of Energy and Mine.

Exploration License shall content following terms:

1. Name, Surname and position of delegate appointed by legal entities;
2. Address of the company and contact information;
3. Approved mineral, location and area, and term of license;
4. Undertaken fund and minimum expenditure plans; and
5. Exploring concession costs and other obligations;

Conditions on Exploration License implementation are as follows:

1. Use for only exploring business operations on defined minerals, area and under approved period; and
2. Attach the Exploration License on disclosed places such as site or field office and head office of company;

In case of renewal, the investors shall apply to the Ministry of Energy and Mine with complete documents within ninety days before the expire date of the Exploration License.

The Exploration License is invalid for loans collateral.

Article 53: (New) Term of Exploration License

Exploration License is valid up to three years with extendable once but not more than one year.

Conditions on Exploration License renewal are as follows:

1. The application shall be submitted ninety days before the expire date of existing license;
2. Financial obligations, obligations under local administrative authorities and other obligations under the law shall be implemented;
3. Submitting reports on exploration results and completing operation at least sixty percent of undertaken exploring plan;
4. Applying continue exploring plans;
5. Renewing, renovating areas that have been dug, drilled such as unnecessary trenches and pits; and
6. Returning twenty five percent of implemented area with non-economic benefit minerals along with the reports on exploring operations which include exploration information, relevant maps, sample inventory location and analyzed results.

Article 54: (New) Licensed Exploring Area

A legal entity can operate one area of mineral exploration which coverage shall base on the results of prospection. In case of prospected information verifies the minerals out of the licensed area, the investors are able to apply for area expansion by ten percent of licensed area from the government or the National Assembly Standing Committee base on cases.

Article 55: (New) Accumulated Mineral Verification

Before acceptance of exploration reports, the Ministry of Energy and Mine shall appoint a committee for inspecting and evaluation accumulated mineral as standards defined in Article 22 of this law to verify the mineral accumulated volume.

Article 56: (Revised) the Return of Prospecting and Exploring Areas

After the completion of prospection, the investors shall return the non-economic area at least twenty five percent of the implemented area to the government along with prospected information. If remaining prospecting areas include two or more with unattachment on each, the investors are able to apply for reservation of those areas for exploration but not over than three areas.

In case of prospecting or exploring area includes mineral information wit geologic and mineral verifications, the investors are able to reserve that area.

The investors shall inform the to return prospecting and exploring areas to the Ministry of Energy and Mine in written for issuing certificate of returning within thirty days from the date of informed.

The return of prospecting and exploring areas are not compensated in any cost or replaced with new areas.

Article 57: (Revised) Sending Samples for Analysis

An investor for mineral prospecting and exploration who has the intention to send mineral samples for analysis in the domestic or overseas shall apply for authorization from the Ministry of Energy and Mine.

The investor shall split the mineral samples that will be sent for analysis to the Ministry of Energy and Mine for storage and comparative analysis. After the completion of the analysis, the investor shall submit a summary report on the result of analysis to the Ministry of Energy and Mine.

The quantity, volume and weight of samples that will be split for analysis and for the Ministry of Energy and Mine are determined in other regulations.

C. Technical-Economic Feasibility Studies

Article 58: (New) Technical-Economic Feasibility Studies

After the acceptance of summary report on mineral exploration, the investors shall apply for certificate of Technical-Economic Feasibility Studies implementation to the Ministry of Energy and Mine within fifteen workdays from the date of receiving applications.

The Technical-Economic Feasibility Studies shall be implemented in accordance with regulations of the Ministry of Energy and Mine.

Article 59: (New) Definition of Term of Technical-Economic Feasibility Studies

Term of a Technical-Economic Feasibility Study is up to two years with extendable once but not more than one year.

The investors shall pay for concession fee and other obligations under the laws and regulations.

After the completion of Technical-Economic Feasibility Study, the licensed investors are able to implement mining under the negotiations and contracts with the government.

Article 60: (Revised) Sending Mineral Samples to Select Technology for Designing Plant

The licensed Investors for Technical-Economic Feasibility Study can send mineral samples in the domestic or overseas for testing in order to select technology in designing a plant; for metallic and non-metallic minerals not over three hundred tons, for coal not over one hundred tons; with the approval from the Ministry of Energy and Mines.

The investors shall pay mineral resources fees and other obligations under the laws for products obtained from the testing of mineral samples.

The products obtained from the testing of mineral samples may be sold with the consent of the Ministry of Energy and Mine.

The results of analysis and plant designing shall be reported to the Ministry of Energy and Mine in written with verifying documents no later than three months from the date of approval for Sending Samples for Analysis.

In case of differentiation on the results of mineral samples analysis of investor and government, the analysis results of the third party with international standard is considered to be basis for obligation to state calculation.

The conditions for gems are defined in other regulations.

D. The Acceptance of reports on Prospection, Exploration and Technical-Economic Feasibility Studies

Article 61: (New)The Acceptance of Report on Prospection

The Ministry of Energy and Mine accepts prospection reports with following contents:

1. The implemented works, activities related to the prospecting;
2. The information on geological territory, concession area and mineral sources;
3. The characteristics of mineral network and mineral sources;
4. The studies on engineering geology;
5. The results of mineral samples analysis;
6. The results of natural-social environment information collection;
7. The concession area returned to state; and
8. The expenditures on prospection.

Article 62: (New)The Acceptance of Report on Exploration

The Ministry of Energy and Mine accepts exploration reports with following contents:

1. The implemented works, activities related to the prospecting;
2. The information on geological territory, concession area and mineral sources;
3. The characteristics of mineral network and mineral sources;
4. The studies on engineering geology;
5. The results of mineral samples analysis;
6. The evaluation of accumulated minerals and mineral resources;
7. The concession area returned to state; and
8. The expenditures on exploration.

The Ministry of Natural Resources and Environment accepts the results of natural-social environment information collection, natural-social environment inspecting and managing plans.

Article 63: (Revised) The Acceptance on Technical-Economic Feasibility Study Reports

The Ministry of Energy and Mine accepts the Technical-Economic Feasibility Study Reports no later than one hundred and twenty days from the date of receiving complete and correct reports.

The Ministry accepts Technical-Economic Feasibility Study Reports with following contents and documents:

1. Geologic location;
2. Accumulated minerals and mineral resources;
3. Designing, mining plans, processing technology;
4. The waste from mining and mineral tails eliminating plans;
5. Infrastructure designing, organization structure and estimated project value which includes capital, mining costs, processing costs, area rehabilitation costs and mine closure;
6. Human resource developing plans;
7. Risk, investment evaluations and financial analysis;
8. The environmental certificate of natural-social environment impact evaluation reports, natural-social environment inspecting and managing plans and along with certificate of natural-social environment obligations;
9. Mine closure plan, environment rehabilitation plan and along with inspecting plan after mine closure;
10. The compensating plans of utilizing mining area for people in territory including buildings and crops in consistence with laws and regulations; and
11. Project fund verification documents.

For large project, the Ministry of Energy and Mine requests the evaluation, from the third party, of Technical-Economic Feasibility Study Reports, natural-social environment impact evaluation reports, rehabilitation and mine closure plans. The costs of the such evaluation is on licensed investor on Technical-Economic Feasibility Study.

E. Suspending and Revoking Certificates of prospecting, Exploration, Technical-Economic Feasibility Study

Article 64: (New) Suspending Certificates of Prospecting, Exploration, Technical-Economic Feasibility Study

Certificates of Prospecting, Exploration and Technical-Economic Feasibility Study are suspended in any of following cases:

1. Non-complaint activities under Prospecting, Exploration and Technical-Economic Feasibility Study plans;
2. Dispute that may lead to severe lost;

3. Non-compliance with purposes of Prospecting, Exploration and Technical-Economic Feasibility Study plans;
4. Non-compliance with financial obligation, natural-social environment obligations and other obligations under the laws;
5. Non-compliance with natural-social environment inspecting and managing plans; and
6. Violating related laws and regulations.

The Ministry of Energy and Mine notifies suspending decision in written to the investors and allocates deadline for correctly solving or improving after receiving the notification.

Article 65: (New) Revoking Certificates of Prospecting, Exploration, Technical-Economic Feasibility Study

Certificates of Prospecting, Exploration and Technical-Economic Feasibility Study are revoked in any of following cases:

1. Not implementing Prospecting, Exploration and Technical-Economic Feasibility Studies within one hundred and twenty days after the date of implementing approvals;
2. The absolute judgement from court of revoking the certificates; and
3. Non-compliance with suspending notification defined in Article 64 of this law.

The Ministry of Energy and Mine revokes the certificates after twice notifications for improving and solving situation.

Chapter II

Mining

Article 66: (New) Investment in Minerals Mining

The Investment in Minerals Mining shall have mineral developing concession contract, mining approvals and mine closure.

A. Mine Developing Concession Contract

Article 67: (New) Negotiation on Mine Developing Concession Contract

After the acceptance of the Technical-Economic Feasibility Studies reports, the investors have the rights to apply for investment to the Investment Single Window Service Office for negotiating mineral developing concession contracts.

The Ministry of Energy and Mine submits to National Investment Promotion and Management Committee for approvals on proceeding negotiation of mineral developing concession contracts.

The negotiation of mineral developing concession contracts shall include representative participants from Ministry of Energy and Mine, Ministry of Planning and Investment, relevant local administrative authorities and sectors.

For large project and projects which impact reserved forests, protection forests, watersheds, communities must apply to National Assembly Standing Committee for approvals.

Article 68: (New) Term of Negotiation

The Term of Negotiation is not over one hundred eighty days. In case of fails in negotiation within such term, the investors are able to apply for renegotiation once to Mine, Ministry of Planning and Investment within sixty days from the date of ending negotiation.

The term of second negotiation is not over one hundred twenty days.

The mineral developing concession contract is canceled if investors do not have mining certificate or the certificates were revoked, canceled or expired.

Article 69: (New) Signing of Mineral Developing Concession Contract

After completion of the negotiations on mineral developing concession contract, National Investment Promotion and Management Committee must inform the results to the government for consideration.

In case of the agreement on mining project, the Prime Minister issues the Power of Attorney to Minister of Ministry of Planning and Investment and/or Minister of Ministry of Energy and Mine to sign the Mineral Developing Concession Contract by witnesses of relevant local administrative authorities.

Article 70: (Revised) Steering and Managing Committee on Large Mining Project

The Steering and Managing Committee on Large Scale Mining Project is appointed by the Prime Minister by the applying from the Ministry of Energy and Mine. The Steering and Managing Committee on Large Mining Project is established to ensure the correct and effective implementation of the contract to ensure compliance. which consists of:

1. Vice Minister of Energy and Mines Ministry as Chairman;

2. Vice Minister of Planning and Investment and concerned Vice Governor or Vice Mayor as vice Chairman; and
3. Representatives of concerned sector as members.

The organization and activities, including the rights and duties of the Steering and Managing Committee on Large Mining Projects shall be provided in specific regulations.

Using the National Budget for the expenditure of the Steering and Managing Committee on Large Mining Projects.

B. Mining Application

Article 71: (New) Mining Application

After receiving Investment Certification and signing the Mineral Developing Concession Contract, the investors must apply for mining approval to the Ministry of Energy and Mine.

The Ministry of Energy and Mine considers the application and issues the Mining License within thirty days from the date of receiving applications.

Article 72: (New) Mining License

The Mining License is verifying document for licensed investor to implement mining activities under the undertaken plans by the Ministry of Energy and Mine.

The Mining License shall include following contents:

1. Name, Surname and position of delegate appointed by legal entities;
2. Address of the company and contact information;
3. Approved mineral, location and area, and term of license;
4. Undertaken fund and minimum expenditure plans;
5. Exploring concession costs and other obligations;
6. Concession fees and other obligations.

Conditions on the Mining License implementation are as follows:

1. Use for only mining business operations on defined minerals, area and under approved period; and
2. Attach the Mining License on disclosed places such as site or field office and head office of company;

In case of renewal, the investors shall apply to the Ministry of Energy and Mine within ninety days before the expire date of the Mining License.

The Mining License is invalid for loans collateral.

Article 73: (New) Term of Mining License

The term of Mining License is not over twenty years with extendable ten years each time, the term of Mining License includes inspecting period after mine closure.

Conditions on renewal of the Mining License implementation are as follows:

1. The application must be submitted twenty months before the expire date of Mining License;
2. Completely implementation of financial obligations and other obligations under the laws;
3. Compliance with undertaken mining plans;
4. Continual project implementation plan;
5. Negotiation on conditions of contracts if needed.

Article 74: (New) Mining Implementation

Investors shall implement mining operation by advanced techniques and technologies with standardized in construction and safety, less negative impacts on environment and social communities in that area.

Mining Implementation is divided into two works as Mine Constructing and Mining Operation.

Article 75: (New) Mine Constructing

Mine Constructing includes the constructing of mining area, minerals storing area, minerals transporting road, processing factory, mineral tail storing reservoir and other infrastructure for serving mining activities.

Before the implementation of Mining Constructing, the investors shall submit the Mining Constructing plans to the Ministry of Energy and Mine for approval consideration.

Mining Constructing plans include:

1. Mining Constructing plans along with the map of constructing area, defined term of construction, defined road from main road to field;
2. The list of contractors and subcontractors with business registrations;
3. Measures on reducing pollutions such as Air Pollution, Noise and measure on controlling the speed of vehicles;
4. Measure on managing erosion;
5. Measure on ensuring healthy and safety;
6. List and source of materials and equipment serving constructing activities;
7. Estimated number of employee and workers both Lao nationality and foreigner including local labors; and
8. Countermeasure plans on natural and social environment issues.

Article 76: (New) Mining Operation

Mining Operation is the mineral bringing out of mine into production process.

Before the implementation of Mining activities, the investors shall submit the Mining Operation plans to the Ministry of Energy and Mine for approval consideration.

Mining Operation plans include:

1. Mining plans;
2. Mineral processing plans;
3. Measure on ensuring healthy and safety;
4. Environment inspecting and managing plans; and
5. Society inspecting and managing plans;

Article 77: (Revised) Mineral Processing

A Mining operation shall be related with mineral processing in country in principal to upgrade mineral values by using modern and advanced techniques and technology to produce semi- finished or finished product depending on the type of mineral in order to supply commodity within the country and for the export.

In case of a legal entity intends to operate Mineral Processing business which is not related to mining, such legal entity must apply to the Ministry of Energy and Mine for consideration.

Article 78: (New) Selling-Buying, Importing and Exporting Mineral Products

The promoted investors on mineral processing in country to upgrade mineral values have a right of selling-buying, importing and exporting mineral products.

The Mineral Processing licensed investors have a right of selling-buying, importing materials and semi-finished products for processing and supplying to domestic market and export.

Article 79: (New) Mineral Product Transportation

Mineral Product Transportation shall comply with this law and other relevant laws with following verifying documents:

1. Definition of mineral transporting road;
2. Implementation of financial obligation; and
3. The weighing and samples for inspection.

C. Mine Closure

Article 80: (New) Mine Closure Operation

After completion of mining, investor must operate mine closure in compliance with mine closure procedures, timetables and evaluations of the expenditures on area rehabilitation, mine closure and the inspection after mine closure in accordance with the approved Mine Closure and Mining Area Rehabilitation plans.

The continually implemented mining and mine closure plans from the beginning of mining operation must be reviewed and improved in every three years.

The investors must periodically report the progress of mining area rehabilitation and mine closure to the Ministry of Energy and Mine.

Two years before end of mine closure, the Ministry of Energy and Mine coordinates with The Ministry of Natural Resources and Environment, relevant local administrative authorities and communities in project areas to consult on the utilize of land, infrastructure, building and others.

After completion of mining area rehabilitation and mine closure, the investors must return the concession area along with infrastructure and other relevant rights to the state. If investors correctly complete all the conditions, the Ministry of Energy and Mine issues certificate of Mine Closure and concession area returning.

Article 81: (New) Warranty of Environment Rehabilitation and Mine Closure

Investors must warrant the costs of environment rehabilitation and mine closure including the inspecting activities after mine closure by type of money, bond or other financial tools in a bank in Lao PDR as value in the approved Mine Closure and Mining Area Rehabilitation plans.

The Warranty of Environment Rehabilitation and Mine Closure is implemented as follows:

If term of the project is among sixteen to twenty years, investors must warrant fifteen percent of value in the first year then averaging of the remaining value to each year.

If term of the project is among ten to fifteen years, investors must warrant twenty percent of value in the first year then averaging of the remaining value to each year.

If term of the project is among five to nine years, investors must warrant twenty five percent of value in the first year then averaging of the remaining value to each year.

If term of the project is less than five years, investors must warrant fifty percent of value in the first year then averaging of the remaining value to each year.

Chapter 3

Mining Concession Auction

Article 82: (New) Mining Concession Auction

Mining Concession Auction is the auction on the rights of mine prospection, mining or development.

Areas for Mining Concession Auction are as follows:

1. Areas prospected, mined and had mineral geologic data by the state;
2. Areas voluntarily returned by licensed investors to the state; and
3. Areas with certificates revoked by the state.

The Ministry of Energy and Mine shall announce and invite legal entities to join the Mining Concession Auction. After completing the auction, the Ministry shall report the results to National Investment Promotion and Management Committee for approval consideration of the investment.

Principles, conditions, procedures and methods of the Mining Concession Auction are defined in specific regulations.

Article 83: (New) Data Accessing

The Ministry of Energy and Mine shall support data on auctioning areas to the auction participants, along with providing the supports on office and field data accessing.

Article 84: (New) Conditions of Auction Participants

Mining Concession Auction must be implemented in transparency in order to select bidders who provides most benefits to the state.

Conditions of Auction Participants are as follows:

1. Deliberate Notes of business operation of the auctioning minerals;
2. Legal entities with experiences and famous in mineral exploration development accepting in international level;
3. Certificates of financial statement and credits from any financial institutions with final financial audition report from any financial auditing agency;
4. No records of offensive actions on economy, finance and environment; and
5. Payment of fees and related financial obligations of the auction.

Part VII
Business related to Special Categories of Minerals

Chapter 1

Artisanal Mining of Metallic Mineral

Article 85: (Revised) Artisanal Mining of Metallic Minerals

Artisanal mining of Metallic Minerals is extraction activity by using primitive tools, equipment without chemical such as utensils for panning minerals, hoe, shovel, spade.

Article 86: (New) Management of Artisanal Mining of Metallic Minerals

Capital, Provincial Division of Energy and Mine, City and Municipal office of Energy and Mine are the management of the Artisanal mining of Metallic Minerals.

Artisanal mining of Metallic Minerals shall be permitted only for Lao citizens residing in the concerned community.

Energy and Mine sectors periodically coordinate with the Ministries and related local administrative authorities to issue managing regulations on the inspection of the Artisanal Mining of Metallic Minerals implementation including implementation monitoring and inspecting.

Chapter 2

Non-Metallic Constructing Mineral Mining

Article 87: (New) Non-Metallic Constructing Minerals

Non-Metallic Constructing Minerals is Non-Metallic Minerals using for constructing purposes such as road construction, building construction.

Non-Metallic Minerals using for construction are as follows:

1. Sand (Exception of white sand) which includes SiO_2 less than eighty five percent but includes or not includes Cassiterite, Monazite, Zircon, Ilmenite or combines gold with less quantity which are unable to be calculated in terms of mineral source accumulation under the standard of the Ministry of Energy and Mine;
2. Clay for brick and tile production under standards and regulations, clay (Exception of Bentonite, Kaolinite) which are unable to be used for Ceramics, fire resistant clay and cement under the standard of the Ministry of Energy and Mine;
3. Sandstone and Quartzite stone which includes SiO_2 less than eighty five percent but includes or not includes metallic minerals, Pure metal, Radioactive elements and rare elements with less quantity which are unable to be calculated in terms of mineral source accumulation under the standard of the Ministry of Energy and Mine;
4. Types of Sediment Stone (Exception of Diatomite and Bentonite), Alkalic stone (exception of Nepheline, Syenite, Basanite with rims and bubbles), transforming stone (Exception of Mica which includes high level of Vermiculite) but includes or not includes metallic minerals, Pure metal, emerald gems, Semi-emerald gems, Radioactive elements and rare elements with less quantity which are unable to be calculated in terms of mineral source accumulation under the standard of the Ministry of Energy and Mine;
5. Every types of schists (Exception of schists for roofing, burnable schists and schists that contain sillimanite) included more than thirty percent;
6. Big stone, mineral stone and small crushed stone which contain gold, white gold, semi-emerald gems and emerald gems, Laterite that not contain pure metal or metal minerals;
7. Limestone, chalks and marbles (Exception of crushed limestones, white limestones and marbles) which are not qualify for cement production and stone plates or carved stones under technique standard and regulation of Ministry of Energy and Mine; and
8. Dolomite Stone that contain MgO less than fifteen percent. Dolomite Stone that is not qualify for glass production, constructing or using as material for stone plates or carved stones under standards of Ministry of Energy and Mine.

Article 88: (New) Exploration, Mining of Non-Metallic Constructing Minerals

The Exploration, Mining of Non-Metallic Constructing Minerals must be implemented in compliance with Article 50, 90, 91 and Article 92 of this law.

Chapter 3

Non-Metallic industrial Minerals Mining

Article 89: (New) Non-Metallic industrial Minerals

Non-Metallic industrial Minerals is all types of Non-Metallic Minerals that used in industrial purposes.

Business related to Non-Metallic industrial Minerals Mining must be implemented in compliance with Article 90 of this law.

Article 90: Non-Metallic industrial Minerals Mining

Non-Metallic industrial Minerals Mining shall be implemented in compliance with follows:

1. For mining quantities less than one hundred thousand cubic meters per year, the Provincial Investment Promotion and Management Committee considers the approval on for only Lao nationality legal entities to invest to supply for domestic market and not allow to export; and
2. For mining quantities over than one hundred thousand cubic meters per year, the National Investment Promotion and Management Committee considers the approval for Lao nationality or foreign legal entities to invest to supply for domestic market and export;

The evaluation procedures used for the approval of Non-Metallic industrial Minerals Mining are in level lower than procedures for Mining Businesses and easier Technical-Economic Feasibility Studies reports.

The approval of Non-Metallic industrial Minerals Mining must include Mine Developing Concession Contract.

Article 91: (New) Application Documents for Non-Metallic industrial Minerals Mining

Application Documents for **Non-Metallic industrial Minerals Mining of quantities** less than one hundred thousand cubic meters per year are as follows:

1. Copy of Business Registration;
2. Location map and detailed mining territories which covers less than four hectares;
3. Business implementation plans which include mining methods, stone crushing and processing, equipment, types of minerals and final communities, number of labors;
4. Mine Closure and Mining Area Rehabilitation plans.
5. The Certificate of environment approved of Natural and Social environment impacts evaluation reports; and
6. Source of funds verifying documents.

Application Documents for Non-Metallic industrial Minerals Mining of quantities over than one hundred thousand cubic meters per year are as follows:

1. Copy of Business Registration;
2. Location map and detailed mining territories which covers less than thirty two hectares;
3. Business implementation plans which include mining methods, stone crushing and processing, equipment, types of minerals and final communities, number of labors;
4. Mine Closure and Mining Area Rehabilitation plans.

5. The Certificate of environment approved of Natural and Social environment impacts evaluation reports; and
6. Source of funds verifying documents.

Article 92: (New) Approval of Non-Metallic industrial Minerals Mining

After receiving complete application documents from the Investment Single window of service office, the Energy and Mine Sector must investigate and inspect the applying mining area and provide comments to the Investment Single window of service office as defined in law on investment promotion.

For the provincial consideration of the applications, the Division of Energy and Mine in provinces reports and requests the comments from the Ministry of Energy and Mine before submitting comments to the Investment Single window of service office.

The certificate of Non-Metallic industrial Minerals Mining is valid up to five years with extendable five years per once.

PART VII

SAFETY, HEALTH AND ENVIRONMENT

Chapter 1

Safety and Health

Article 93: Occupational Safety and Health

The investor in mining business shall be required to develop a system to ensure safety and to protect the health of labor by identifying measures and establishing a warning system to prevent, control, eliminate, or minimize the impacts and risks that are dangerous to mining labor in the mines area, by consistence with related laws.

All activities concerning minerals shall institute a Mine Safety and Labor Health Committee which consists of the participation of employers and employees' representative in accordance with the Labor Law and other related laws.

The investor in mining business shall cooperate and facilitate the committee operations and duties.

Article 94: (Revised) Measures ensuring Occupational Safety and Health

In order to ensure the Occupational safety and health, investors concerned with mineral business shall implement main measures as follows:

1. Establish rules and measures for Occupational safety and health by providing physical examinations for labor at least one time per year;
2. Design exploration operations, construct and install adequate machineries and equipment to meet relevant technical standards;
3. Use efficient techniques and technology to prevent pollution, supply equipment and uniforms to ensure safety of labors;
4. Have a safe place or, warehouse for the storage of explosive and chemical substances in consistence with safety and technique standards;
5. Have the alarm system and to deal with an emergency case or accident;
6. Institute the Mine Safety and Labor Health Committee; and
7. Regularly Report on safety and health of labor including related statistics.

Article 95: (Revised) Report on Accidents

For any accident or other occurrence happening from activity related to mineral business that has or might have unfavorable impact on the environment or health of people or the community, investor must report, within twenty four hours, to local administrative authorities, Division of Energy and Mine and surrounding people, and provide timely protection remedy measures. In case of severe accident, death, serious injury, the investor must report to the Ministry of Energy and Mine.

After receiving the such reports, the Ministry of Energy and Mine shall urgently coordinate with line ministries local administrative authorities and related agencies for impacts estimation and causes investigation, defining remedy measures and providing protection measures.

Chapter 2

Environment

Article 96: Natural and Social Environment Protection

In order to avoid or minimize negative natural and social environment impacts, investors in mineral activities must perform measures as follows:

1. Create plans for the management of the environment and plans of resettlement or people evacuation who are impacted from such business related to minerals in accordance with regulations;

2. Establish a Mine Closure and Mining Area Rehabilitation plan to allow for other uses for people production;
3. Be responsible to pay compensation for damages incurred from the impact of the business operation related to minerals subject to relevant regulations;
4. Treat waste water from the project in order to ensure the health and life of the people, animals and the environment;
5. Contribute fund to the Environmental Protection Fund; and
6. Regularly summarize and report on assessment of natural and social environment impacts to the concerned mineral management/monitoring and inspection organization.

Article 97: Mineral Area Sustainable Development

In order to ensure Mineral Area sustainable development, investors related to mineral business must comply with following practices:

1. Explore in consistence with the National Social Economic Development Plan and in consistence with the government Strategy Plan for the Development of the Mining Industry, and a Comprehensive Land Use Development Plan;
2. Ensure a balance between mining and social economic development activities, as well as natural resource conservation and environmental protection; and
3. Mitigate any negative impacts that occur during mining and after mine closure, develop skills of the local people in the project area and provide community development basing on the potentials of the area, focusing on creation of jobs for local people and aiming to create gradual economic development.

PART IX

RIGHTS AND OBLIGATIONS OF THE MINERALS BUSINESS OPERATORS

Chapter 1

Rights and Obligations of the Mining Business Operators

Article 98: (New) Rights and Obligations of Licensed Prospectors

A licensed prospector has following rights and obligations:

1. To undertake minerals prospecting in accordance with the approved prospecting plan;
2. To enter into prospecting area in accordance with approvals;
3. To cooperate and to facilitate the concerned state officer for the inspection of prospecting work or other people who acts under a purpose that approved from concerned state organization;
4. To acknowledge original rights, allow living people and communities continue their livelihoods and production as usual until the area is changed;
5. To record data related to the prospecting such as drilling, trenches and pits in the fields, mineral samples collecting, inspecting, testing and analyzing; and save the records, documents and mineral samples;
6. To collect data on natural and social environment;
7. To send mineral samples to external or internal country for analyzing;
8. To put guaranteed money in accordance with the law on investment promotion;
9. To pay fee, service fee, tax, duty and other obligations under the laws;
10. To ensure the safety during the prospecting;
11. To protect environment, natural resources and historical trails during the prospecting;
12. To be responsible for compensation of the costs occurred from the prospecting;
13. To report all related situations such as accidents or any incident that damages people, legal entities or organization and environment;
14. To submit final report of the prospected results along with all information related to the prospecting to the Ministry of Energy and Mine;
15. To regularly summarize and report of the prospecting to the Ministry of Energy and Mine; and
16. To exercise the rights and perform other obligations as provided in the laws.

Article 99: (New) Rights and Obligations of Licensed Explorers

A licensed explorer has following rights and obligations:

1. To undertake minerals exploration in accordance with the approved exploring plan;
2. To enter into exploring area in accordance with approvals;
3. To cooperate and to facilitate the concerned state officer for the inspection of exploring work or other people who acts under a purpose that approved from concerned state organization;
4. To acknowledge original rights, allow living people and communities continue their livelihoods and production as usual until the area is changed;
5. To record data related to the exploration such as drilling, trenches and pits in the fields, mineral samples collecting, inspecting, testing and analyzing; and save the records, documents and mineral samples;
6. To collect data on natural and social environment;
7. To send mineral samples to external or internal country for analyzing;
8. To pay fee, service fee, tax, duty and other obligations under the laws;
9. To ensure the safety during the exploration;
10. To protect environment, natural resources and historical trails during the prospecting;

11. To be responsible for compensation of the costs occurred from the prospecting;
12. To report all related situations such as accidents or any incident that damages people, legal entities or organization and environment;
13. To submit final report of the explored results along with all information related to the exploration to the Ministry of Energy and Mine;
14. To regularly summarize and report of the exploration to the Ministry of Energy and Mine; and
15. To exercise the rights and perform other obligations as provided in the laws.

Article 100: (New) Rights and Obligations of Licensed Business Operators related to the Technical-Economic Feasibility Studies

A Licensed Business Operators related to the Technical-Economic Feasibility Studies has following rights and obligations:

1. To undertake Technical-Economic Feasibility Studies in accordance with the approved plan;
2. To enter into explored area of approved territory;
3. To design exploration operations, processing factories, natural and social environment impacts assessment and mine closure;
4. To analyze markets, technologies and other relevant factors;
5. To cooperate and to facilitate the concerned inspectors of implementing work in consistence with this law;
6. To send mineral samples to external or internal country for analyzing to select technologies for designing of factories;
7. To pay fee, service fee, tax, duty and other obligations under the laws;
8. To submit report of the Technical-Economic Feasibility Studies along with all related information to the Ministry of Energy and Mine for consideration;
9. To regularly summarize and report of the Technical-Economic Feasibility Studies to the Ministry of Energy and Mine; and
10. To exercise the rights and perform other obligations as provided in the laws.

Article 101: (New) Rights and Obligations of Licensed Mining Business Operators

A licensed Mining Business Operator has following rights and obligations:

1. To construct or install equipment, plant and buildings, mining, processing, transporting, analyzing, washing, smelting and storing in accordance with the approved plan;
2. To have ownership of assets obtained from mining business operations;
3. To distribute of any mineral product from mining activities in accordance with regulations;
4. To receive the protection of his own right and fair benefit in accordance with the laws;
5. To apply for temporally suspending due to unable to operate business caused by unforeseen incident;
6. To receive the facilitation such as entry or pass through land of people or other organization to the concession territory but shall to coordinate with local administrative authorities and the ownership of those lands;

7. To cooperate and to facilitate the concerned state officer for the inspection of mining work or other people who acts under a purpose that approved from concerned state organization;
8. To use labor, local communities or domestic materials as much as possible; to cooperate with domestic transportation companies or enterprises to transport minerals; to use efficient techniques and technologies to prevent pollution; to supply tools, equipment and other facilitations to the activities on safety and health of labors; to contribute to the labor's welfare and other policies;
9. To implement natural and social environment inspection and management plans and mine closure plan;
10. To use and building capacity of Lao workforce by transferring of skills and technology to Lao technical staff both in the short term and long term to replace the import of workforce from abroad;
11. To compensate for the impact of removal of land and agricultural products, resettlement, place for livelihood from the mining business as equal or more than the previous value and to compensate other costs;
12. To maintain records on technical data with regards to samples, drawings, maps, as well as data on mining operation, interpretations, accounting system and assets in the field and office;
13. To treat waste water, limit air pollution, dust, noise, remained chemical substance; to store and landfill of wastes mineral by means in accordance with Environmental Protection Plan;
14. To timely report to the relevant Energy and Mines sector, on serious accident or events that happened or would happen;
15. To pay concession fee, mineral resource fee, tax, duty, fee, service fee and other obligations under the laws;
16. To contribute to Environmental Protection Fund, Community Development, Human Resources Development, Project Management and Sustainable Development of the mineral area;
17. To monthly, quarterly and yearly summarize and report the mining and mineral processing including finance and accounting to the relevant Energy and Mines sector; and
18. To exercise the rights and perform other obligations as provided in the laws.

Chapter 2

Rights and Obligations of the Business Operator related with the Special Categories of Mineral

Article 102: (New) Rights and Obligations of the Licensed Business Operator related to the Artisanal Mining

A licensed Business Operator related to the Artisanal mining has following rights and obligations:

1. To conduct the artisanal mining operation as defined in the Article 85 and Article 86 of this law;
2. To enter into exploring area in accordance with approvals;
3. To sell the filtered minerals in consistence with regulations;
4. To cooperate and to facilitate the concerned state officer for the inspection of mineral filtering work; and
5. To exercise the rights and perform other obligations as provided in the laws.

Article 103: (New) Rights and Obligations of the Licensed Non-Metallic Constructing Minerals Mining Business Operators

A licensed **Non-Metallic Constructing Minerals Mining Business Operator** has following rights and obligations:

1. To construct or install equipment, plant and buildings, mining, processing, transporting, analyzing and storing in accordance with the approved plan;
2. To process and sell minerals in accordance with the approvals;
3. To receive the facilitation such as entry or pass through land of people or other organization to the concession territory but shall to coordinate with local administrative authorities and the ownership of those lands;
4. To cooperate and to facilitate the concerned state officer for the inspection of mining work or other people who acts under a purpose that approved from concerned state organization;
5. To supply tools, equipment and other facilitations to the activities on safety and health of labors; to contribute to the labor's welfare and other policies;
6. To implement natural and social environment inspection and management plans and mine closure plan;
7. To pay concession fee, mineral resource fee, tax, duty, fee, service fee;
8. To contribute to Environmental Protection Fund, Community Development, Human Resources Development, Project Management and Sustainable Development of the mineral area;
9. To be responsible for the impacts from minerals business operation to protect people in the minerals area;
10. To monthly, quarterly and yearly summarize and report the mining and mineral processing including finance and accounting to the relevant Energy and Mines sector and related sectors; and
11. To exercise the rights and perform other obligations as provided in the laws.

Article 104: (New) Rights and Obligations of the Licensed Non-Metallic Industrial Minerals Mining Business Operators

A licensed **Non-Metallic Industrial Minerals Mining Business Operator** has following rights and obligations:

1. To construct or install equipment, plant and buildings, mining, processing, transporting, analyzing and storing in accordance with the approved plan;

2. To process and sell minerals in accordance with the approvals;
3. To receive the facilitation such as entry or pass through land of people or other organization to the concession territory but shall to coordinate with local administrative authorities and the ownership of those lands;
4. To cooperate and to facilitate the concerned state officer for the inspection of mining work or other people who acts under a purpose that approved from concerned state organization;
5. To supply tools, equipment and other facilitations to the activities on safety and health of labors; to contribute to the labor's welfare and other policies;
6. To implement natural and social environment inspection and management plans and mine closure plan;
7. To pay concession fee, mineral resource fee, tax, duty, fee, service fee;
8. To contribute to Environmental Protection Fund, Community Development, Human Resources Development, Project Management and Sustainable Development of the mineral area;
9. To be responsible for the impacts from minerals business operation to protect people in the minerals area;
10. To monthly, quarterly and yearly summarize and report the mining and mineral processing including finance and accounting to the relevant Energy and Mines sector and related sectors; and
11. To exercise the rights and perform other obligations as provided in the laws.

Article 105: (New) Rights and Obligations of the business in services operators related to the Minerals Businesses

A business in services operator related to the Minerals Businesses has following rights and obligations:

1. To provide services in accordance with the approvals;
2. To be responsible on services providing;
3. To pay tax, duty, fee and service fee; and
4. To exercise the rights and perform other obligations as provided in the laws.

PART X

GOVERNMENT'S SHARE

Article 106: (Revised) Equity Participation by the Government

The government has the rights to undertake the share of minerals business in maximum of twenty five percent.

After the acceptance of the reports on Technical-Economic Feasibility Studies, the ministry of Energy and Mine shall submit such reports to the Ministry of Planning and Investment for consideration on proposing to the government for consideration of shares undertaking.

Payment of Share by Government shall be implemented in accordance with Enterprise Law or Joint venture agreement.

Article 107: (Revised) Notice of Equity Participation by the Government

Government shall notify the mining business investors on its intent to participate or not to participate in the equity no later than one hundred and twenty days after the date accepted of Technical-Economic Feasibility Studies reports.

PART XI

PROHIBITIONS

Article 108: (Revised) General Prohibitions

It is prohibited for individuals, entities or organization to conduct the following activities:

1. To destroy mineral sources by encroachment, mining, mineral panning or undertaking other actions that contradict the laws and regulations;
2. To undertake mining, trading, removing or harvesting minerals without approval;
3. To collude with an investor, staff and mining inspectors in undertaking illegal mining, encroachment and destroying mineral resources or mine;
4. To falsify documents and seal related to minerals;
5. To use violence and to refer to other person's name to intimidate staff, mining inspectors and investors;
6. To conceal, destroy minerals or illegally sell mineral samples; and
7. To Have other prohibited behaviors as provided in laws and regulations.

Article 109: (Revised) Prohibitions for Staff and Mining Inspectors

The following conduct is prohibited for staff and mining inspector:

1. To approve the prospecting, exploring and mining investment in reserved forest and protection forest;
2. To abuse duties and position and to receive bribes for their own benefit;

3. To over use the rights and duties that cause loss to the benefits of the State, collectives, or people's fair rights and benefits;
4. To abandon their duty and lack of responsibility for minerals tasks assigned by an organization;
5. To disclose State and Government secret or confidential business trade-techniques related to mining;
6. To falsify documents such as signature, seal and account and data of activity related to minerals;
7. To participate in mineral business operations or to allow a family member to take an operation or to participate in such business;
8. To move, change or destroy boundary bars of concession area without permission;
9. To use violence, intimidation, threats and other illegal measures. and
10. Other prohibited behaviors as provided in laws and regulations.

Article 110: (Revised) Prohibitions for Investors

It is prohibited that domestic and foreign investors conduct followings activities:

1. To carry out prospecting, exploration, mining, processing of minerals in in reserved forest, protection forest, tourism area, historic and cultural areas;
2. To carry out prospecting, exploration, mining, processing or selling and buying of minerals without licenses;
3. To undertake prospecting, exploration, mining and processing out of the approved work plan, or to undertake mineral business operation outside the licensed areas;
4. To encroach, destroy and create damage to mineral sources and mines;
5. To move, change or destroy boundary bars of licensed areas;
6. To import labors, vehicles, machinery and equipment for a mineral business operation without permission;
7. To undertake mining, trading, moving and transporting of restricted minerals;
8. To move or transport minerals exceeding weight, quantity, size, or not in compliance with the documents;
9. To use a license as security or share contribution, loan, lease, transfer, pledge or sale of the license to other people;
10. To offer commission, bribe a government officer, mining inspector or local people to encroach, mine or pan for minerals by any means;
11. To destroy, defraud, embezzle or sell mineral samples, or to collect minerals samples without approvals;
12. To use violence or to refer to other person's name to intimidate mining staff, mining inspectors or local people;
13. To false report or to falsify documents, and seal related to minerals; and
14. Other prohibited behaviors as provided in laws and regulations.

PART XII

DISPUTE SETTLEMENT

Article 111: Forms of Dispute Settlement

Dispute settlement may be conducted in any of the following forms:

1. Mediation or Conciliation;
2. Administrative settlement,
3. Settlement by Committee for Economic Settlement;
4. Judgment of People's Court; and
5. Dispute Settlement that has International Component.

Article 112: Mediation or Conciliation

When a dispute occurs during a business operation and a mineral business operation, the concerned parties may negotiate, conciliate or mediate to reach amicable agreement.

Article 113: Administrative Settlement

The mineral management and inspection organizations, in coordination with concerned sectors and local administrative authorities at the same levels, shall settle disputes related to administrative matters such as undertaking of a mineral business operation without a license, unfulfillment of tax and fee obligations in accordance with the law. If the mineral business operators are not satisfied with the decision, such persons may propose the dispute to the next higher level for settlement.

Article 114: Settlement by the Committee for Economic Settlement

If the dispute occurred from mineral business operation cannot be settled by administrative settlement, a mineral business operator may present the dispute to the Committee for Economic Settlement for settlement or mediation in accordance with laws.

Article 115: Judgment by People's Court

A dispute related to a business operation and a mineral business operation that cannot be settled by mediation and remedy, the disputants may submit the dispute to the People's Court for judgment in accordance with laws and regulations.

Article 116: Dispute Settlement that has International Component

The dispute settlement related to a business operation and a mineral business between domestic and foreign investors or between foreign investors themselves in Lao PDR or between foreign investors and the Government shall use domestic dispute resolution methods, or international methods based on the agreement of the parties.

PART XIII

MANAGEMENT AND INSPECTION OF MINERAL ACTIVITIES

Chapter 1

Management of Mineral Activities

Article 117: (Revised) Mineral Activity Management Organization

The Government centrally and uniformly manages minerals activities nationwide and designates the Ministry of Energy and Mine to have direct responsibility and to act as a focal agency to coordinate with other relevant ministries and relevant local administrative authorities.

Mineral activities management organizations/authorities shall include

1. Ministry of Energy and Mines;
2. Provincial and City Energy and Mines Departments; and
3. District, Municipality Energy and Mines Offices.

Article 118: (Revised) Rights and Duties of the Ministry of Energy and Mines

For the management of mineral activities, the Ministry of Energy and Mine has the following rights and duties:

1. To undertake study-research and to develop the strategy plans, policies, laws and to elaborate the policy directions into work programs, detailed project regarding prospecting, exploring and Technical-Economic Feasibility Studies, mining and mining development in green and sustainable way and submit to government for approval;
2. To conduct prospecting, basic geologic exploration, mining, planning and organize the management of mineral resources nationwide;
3. To study and issue regulations concerning management of mining industry;
4. To disseminate, provide guidelines and monitor the implementation of regulations and law on minerals specifically for the period of prospecting, exploration and Technical-Economic Feasibility Studies, mining, natural and social environment management plan and conditions of environmental license;
5. To conduct scientific, technical, technological researches; to establish a network of statistics and information centers concerning minerals prospecting and exploration and mining industry;
6. To strategically assess environment related to mineral activities by coordination with the Ministry of Natural Resources and environment;
7. To establish the Committee for the Evaluation and Approval of Minerals Reserves;
8. To establish the Committee for Mining Concession Auction;
9. To establish the Committee for Studying, Detecting Approval of Technical-Economic Feasibility Studies reports;
10. To request the consideration from the Prime Minister of establishment the advisory and management committee for the large project;
11. To submit the Technical-Economic Feasibility Studies reports to the Ministry of Planning and Investment for consideration on proposing to the government for consideration of shares undertaking;
12. To study the benefit sharing of the State from the mining industry and to propose to the Government for consideration and to monitor the implementation of obligation of investors in coordination with relevant sectors;
13. To participate in the negotiation and signing of an agreement on mining development and as assigned by the Government;
14. To issue and extend licenses for prospecting, exploring, Technical-Economic Feasibility Studies, mining, establishment of processing and smelting plant, certificate for buying–selling and minerals transportation for the investors;
15. To coordinate with other concerned sectors and concerned local administrative authorities, to study and monitor the performance of financial obligations of investors;
16. To consider the suspension, revoking or cancellation of a licenses for prospecting, exploring and Technical-Economic Feasibility Studies, license for mining, establishment of processing and smelting plant, certificate for buying–selling and minerals transportation of investors which violated laws and regulations;
17. To propose to the Government for consideration of suspension or cancellation of a mining concession contracts which investor violated;
18. To manage and monitor the prospecting, exploring, Technical-Economic Feasibility Studies, mining, mineral processing, smelting and buying-selling of minerals;
19. To build capacities, train and upgrade mineral and geologic skills, mining industry skills to staff and workers;
20. To provide technical certificates for the export of mineral samples for analysis in accordance with regulations;

21. To provide technical certificates for the export and import of minerals, vehicles, machines, and equipment for the use in mining industry, including the issuing of permits for the sending of mineral samples to select technology to design plant;
22. To issue mineral bulletins and register on minerals activities and register on mineral prospecting, exploration and mining areas;
23. To coordinate with other concerned sectors and concerned local administrative authorities to protect, promote, monitor operations and settle the disputes in mining operation and mining industry;
24. To contact and cooperate with foreign countries and international organizations in mineral activities;
25. To regularly summarize and report on the result of the implementation on the management of mineral activities and mineral industry to the Government; and
26. To exercise the rights and perform other duties as provided in the laws and regulations.

Article 119: (Revised) Rights and Duties of the Provincial/City Level Departments of Energy and Mines

For the management of mineral activities, the Provincial/City Level Departments of Energy and Mine, under its responsibility, has the following rights and duties:

1. To elaborate and implement the strategic plan, decision, orders, notices, advices and regulations of the Ministry of Energy and Mine regarding the implementation of this law;
2. To disseminate laws and regulations related to mineral activities to public;
3. To support, promote the existing activities of prospecting, exploring and mining under its responsibility and provide guidelines, supports, monitoring and devaluation of the operation of District, Municipality Energy and Mines Offices;
4. To study and provide technical comments on mineral activities and mine then to propose to the Ministry of Energy and Mine and Provincial/ City administration Authority for consideration;
5. To issue and extend licenses in accordance with the Article 86 and 92 of this law;
6. To propose to the Ministry of Energy and Mines for consideration on the suspension or cancellation of business operations license in accordance with the Article 86 and 92 of this law;
7. To coordinate with other relevant sectors and concerned local administrative authorities to promote, manage and monitor mineral business activities;
8. To certify the implementation of works related to mineral activities, then report to the Ministry of Energy and Mine, and Provincial/ City Administration Authority;
9. To contact and cooperate with foreign countries and international organizations regarding mineral industry as assigned by the Ministry of Energy and Mine;
10. To regularly summarize and report on the result of the implementation on the management of mineral activities to the Ministry of Energy and Mine, and Provincial/ City Administration Authority; and
11. To exercise the rights and perform other duties as provided in the laws and regulations.

Article 120: (Revised) Rights and Duties of the District and Municipality Level Energy and Mines Office

For the management of mineral activities, the District and Municipality Energy and Mine Office, under its responsibility, has the following rights and duties:

1. To implement work programs, plans, projects, decisions, orders, notification, and guidelines regarding the management of mineral activities as assigned by the Provincial/City Level Departments of Energy and Mine;
2. To disseminate law on minerals and regulations regarding mineral activities in its administrative area;
3. To coordinate with other relevant sectors and concerned local administrative authorities in order to facilitate mineral business operations;
4. To regularly summarize and report on the implementation of mineral activities to prospecting and exploration activities under its responsibility to the Provincial/City Level Departments of Energy and Mine, and the District and Municipality Energy and Mine Office; and
5. To exercise the rights and perform other duties as provided in the laws and regulations.

Article 121: (New) Rights and Duties of the Natural Resources and Environment Sectors

For the management of mineral activities, the Natural Resources and Environment Sector, under its responsibility, has the following rights and duties:

1. To consider the approval of the strategical environment evaluation report;
2. To study and issue certificates of the report of natural and social environment information collection, natural and social environment monitoring and managing plans from the Ministry of Natural Resources and Environment;
3. To consider and issue certificates of environment, to approve the report of natural and social environment impact evaluation, natural and social environment monitoring and managing plans including certificate of the implementation of natural and social environment obligations;
4. To consider the environment rehabilitation plan before the approval of environment rehabilitation and mine closure plans;
5. To coordinate with other relevant sectors and concerned local administrative authorities on the implementation of the natural and social environment management and monitoring of the project from the period of exploring, mining, environment rehabilitation to mine closure.
6. To regularly summarize and report on the implementation of mineral activities to the state; and
7. To exercise the rights and perform other duties as provided in the laws and regulations.

Article 122: (Revised) Rights and Duties of other Sectors and Local Administrative Authorities

The other Sectors and Local Administrative Authorities shall have the rights and duties to coordinate with the Energy and Mine sectors for the management of mineral activities under its roles.

Chapter 2

Inspection of Mineral Activities

Article 123: (Revised) Inspection Organization of Mineral Activities

The Inspection Organization of Mineral Activity consists of internal and external Inspection Organizations.

The Internal Inspection Organization is the same organization as the Mineral Activity Management Organization as stated in Article 117 of this law.

The external Inspection Organization is the National Assembly, the Provincial People's Council, every level of the State Inspection authority, the State Auditing Authority, the Lao Front for National Construction and public organizations under their roles defined in the laws.

Article 124: (Revised) Contents of the Inspection

An inspection of mineral activities has the following contents:

1. The implementation of agreements and laws and regulations related to minerals;
2. The compliance of the procedures of the mineral activities;
3. The compliance of the timeframe and plans of the mineral activities;
4. The implementation of safety standards and mitigation of environmental impacts during the period of mineral activities;
5. The monitoring of the activities of the organizations, government officers, inspectors on mineral activities, including the inspection of mineral business operation;
6. The compensation for negative impacts to the environment, life, health and property of the people during the operation of mineral activities; and
7. The financial system, social welfare and other policies.

Article 125: (Revised) Mineral Activity Inspection Officers

Mineral activity Inspection officers have the principal rights and duties as follows:

1. To conduct the patrol and sites inspections such as sites where mineral activities have been carried out;
2. To receive and record reported violation cases and to request and check documents related to any violation of mineral related laws and regulations;
3. To contact and coordinate with other concerned organizations including local administrative authorities regarding the implementation of inspector's duties;
4. To conduct inspections in compliance with the contents as determined in Article 124 of this law; and
5. To summarize and report on the mineral activities inspections to Energy and Mine sector where inspectors belong to and to local administrative authorities.

Article 126: Inspection Forms

The inspection of mineral activities are three forms as follows:

1. Regular inspection;
2. Inspection with advance notice; and
3. Impromptu inspection.

Regular inspections are carried out at fixed intervals and must be performed at least twice per year.

Inspections with advance notice are inspections carried out, when deemed necessary, by sending advance notice to investors at least 24 hours before the inspection.

Impromptu inspections are the inspection carried out, when deemed necessary, in an urgent situation and without sending any advance notice to the investor.

The inspections could be carried out through both document check and on-site inspection.

PART XIV

AWARDS AND SANCTION

Article 127: Awards for Persons with Outstanding Performances

Individuals, legal entities or organizations with outstanding performance in the implementation of this law mainly in the management, protection of mineral resources and efficient mineral business operations and in compliance with the laws and regulations of the Lao PDR will receive awards and other policies in accordance with regulations.

Article 128: Sanction against Violators

Individuals, legal entities or organizations violating this law shall be subject to measures such as re-education, warning, disciplinary measures, fines, civil measures or penal prosecution in compliance with laws and regulations depending on the seriousness of the violation.

Article 129: Re-Education Measures

Individuals, legal entities or organizations violating this law in minor cases or for the first time, such as: failure to submit a mineral business report within the timeframe, working too slowly, not in accordance with the technical plan, carrying out artisanal mining activities without a permit

which caused damages with the cost less than one million kips but has been reported in good faith, shall be re-educated and warned.

Article 130: Disciplinary Measures

A government official, mineral activity inspector who violates regulations and laws related to minerals and prohibition provisions that are not severe and cannot be constituted as a criminal offense and have cost damages with the cost less than one million kips, but have not reported in good faith, to escape from the offense shall be subject to the following disciplinary measures:

1. Being warned or criticized for the offense by recording such offenses in the CV file of such persons;
2. Being suspended of level promotion, level of salary and other rewards;
3. Being removed from position or transferred to other duty with lower position; and
4. Being removed from official authority without any compensation policy.

The persons who are put under disciplinary measures shall return all property illegally obtained to concerned organizations.

Article 131: Fines

Individuals, legal entities or organizations violating regulations and laws related to minerals and prohibitions provided in this law that does not constitute criminal offense and cause damages with a cost more than one million kips shall be fined at the amount of the damages to minerals, semi and final mineral products in accordance with the market prices.

If it is a second time violation or offense such as a serial offence, such person shall be fined double the cost of the damage to minerals, semi and final mineral products in accordance with the market prices.

Article 132: Civil Measures

Individuals, legal entities or organizations violating this Law which caused damages to another individuals concerning minerals activity must also recompense the damage which he/she has created.

Article 133: Penal Measures

A person or legal entity, who violates this Law which constitutes a penal offence such as: falsification of mining licenses, the destruction of a mineral deposits or sources, illegally mining, failure to apply technical safety and environmental measures causing death or injury, receiving bribes, abuse of power, forging various documents related with mineral activities, abusing their duty and obtaining personal gain from mining business operations, shall be punished as provided in the Penal Law depending on the seriousness of the violation, including to recompense the damage which he/she created.

Article 134: Additional Measures

Apart from the measures mentioned in Article 133 of this law, additional sanctions may be imposed on the offender such as: suspension of mining business operations, withdrawal of license, confiscation of the offender's properties, vehicles and equipment by the State.

PART XV

FINAL PROVISIONS

Article 135: Implementation

The government of the Lao People's Democratic Republic shall implement this law.

Article 136: (Revised) Effectiveness

This law shall enter into force from the date of the promulgating decree issued by the President of the Lao People's Democratic Republic and after releasing on the Official Gazette fifteen days.

This law repeals the Law on Minerals No. 02/NA, dated 20 December 2011.

Beneficial investors, developers and enterprises under previous Law on Minerals and previously contracted with the government shall be entitled to remain conditions and contents of concerned contracts until the expiration.

In the case that the beneficial investors, developers and enterprises by contract in the past wish to continue their activities in compliance with this revised Law have to propose to the concerned sectors within one hundred and twenty days from the date this law comes into force, after that the such concerned sectors shall inform the applicants of the implementation.

All regulations and provisions in conflict with this law are cancelled.

The President of the National Assembly
(Seal and signature)

Pany Yathotu