

Ministry of Finance

No. 1398/PM  
Vientiane Capital, 16 June 2010

**INSTRUCTION  
OF THE MINISTER OF FINANCE  
ON CUSTOMS VALUATION**

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- Based on the Customs Law No. 05 /NA dated 20 May 2005;
- Based on the Prime Minister's Decree No. 362/PM dated 19 October 2007 on the implementation of the Customs Law;

The Minister of Finance instructs:

**Article 1: Purpose**

This Instruction sets out rules and principles on customs valuation of goods in accordance with Article 13 of the Customs Law No. 05/NA dated 20 May 2005 and Article 4 of the Prime Minister's Decree No. 362/PM dated 19 October 2007 on the implementation of the Customs Law.

In order to implement customs valuation of goods in accordance with this Instruction, Annex I of the Interpretative Notes of the Agree



- f. In a sale between related persons, the transaction value shall be accepted whenever the importer demonstrates that the declared value of the goods being valued closely approximates to one of the following values ascertained at or about the same time.
- the transaction value of identical goods, or of similar goods, in sales to unrelated buyers in Lao PDR;
  - the deductive value for identical goods or similar goods;
  - the computed value for identical goods or similar goods.
- g. Provided that in applying the values used for comparison, due account shall be

imported goods shall be based on the unit price at which the imported goods or identical or similar imported goods are sold in the greatest aggregate quantity to persons who are not related to the sellers in Lao PDR, subject to the following deductions:

a.

- the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of Article 8;
- the price of the goods for the export to a country other than Lao PDR;
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certain period which will eventually be transformed to the implementation of transaction value of goods in accordance with the provisions of this Instruction.

**Article 12: Elaboration**

The Customs Department shall issue additional regulations to elaborate this Instruction in details and to reflect the situation in each period.

**Article 13: Implementation**

Ministries, ministry-equivalent agencies, provinces, Vientiane Capital, departments within the Ministry of Finance, Customs Department and other relevant parties shall be informed and implement this Instruction according to their respective functions.

**Article 14: Effectiveness**

This Instruction is applicable to all imported goods, except controlled goods for import and export that are issued from time to time. Any other guidelines, notifications or regulations contradict to this Instruction shall be annulled. This Instruction enters into force ninety (90) days after it is signed.

Minister of Finance

[signed and sealed]

Somdy Douangdy