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LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

Office of the Prime Minister

No. 474/PM

Vientiane Capital, 18 November 2010

DECREE
on the Administration of Prices of Goods and Services

- Pursuant to Law on the Government of Lao PDR No. 02/NA dated 06 May 2003;
- Pursuant to Law on the Protection of Consumers No. 02/NA dated 30 June 2010; and
- Pursuant to the proposal of the Minister of Industry and Commerce No. 1220/MOIC dated 01 June 2010.

The Prime Minister Decrees:

Section 1

General Provisions

Article 1. Purpose

This Decree determines the principles, rules and measures on price administration aiming at achieving price stability, and protecting lawful rights and interests of business operators and consumers, and State interests.

Article 2. Price Administration

Price administration is the administration of prices of goods and of services by the Price Administration Authorities in accordance with the principles and provisions set out under this Decree.

Article 3. Definitions

The terms used in this Decree shall have the following meanings:

- "Price" means the price of goods or services.
- "Maximum price" means the maximum price of goods or services which business operator may charge for sales or services;
- "Minimum price" means the minimum price of goods or services which business operator may purchase goods or services;

- "Price bracket" means that range of prices of goods or services from the minimum to the maximum within which business operator may charge for sale or service;"
- "Business operator" means any individual, entity or organisation whether domestic or foreign that produces, sells, buys for resale or imports for sale or services within the territory of the Lao PDR;"
- "Production" means the act of making, mixing, processing, sale services

3. The State may apply measures to administer prices only in case of necessity, and shall adhere to non discrimination and transparency principles.”

Article 5. Scope of Applicability

This Decree applies to all business operators and Price Administration Authorities.

Section 2

Price Administration

Article 6. Price Administration Measures

In case of necessity, the Price Administration Authorities may apply two measures of price administration: price control and price surveillance.

Price control measures are:

1. Determining price components;
2. Determining maximum price, minimum price or price bracket;
3. Controlling goods [commodity] in reserves;
4. Subsidizing goods and services;
5. Adjusting the supply and demand.

The Ministry of Industry and Commerce, in

control. The determination of the maximum price, minimum price and price bracket may be based on the following factors:

1. Price components;
2. Demand and supply of goods and services;
3. Purchasing power within TB1 Tf2.6150D0T0037T5 (minimum) 4.11jTT.360TD01eTf1.530TDih0Tc800.

Article 14. Rights and Duties of Ministry of Industry and Commerce

In implementing price administration, the Ministry of Industry and Commerce has the following rights and duties:

1. To prepare policy and measures on price administration;
2. To study and research on prices and business operations including propose project, programme and measures for price administration;
3. To specify regulation to implement price administration;
4. To supervise the provincial and Vientiane Capital Industry and Commerce Departments, district Industry and Commerce Offices, and relevant sectors on the implementation of price administration;
5. To implement the price administration in accordance with this Decree and other relevant regulations;
6. To disseminate and guide the implementation of this Decree and other relevant regulations;
7. To monitor the movement of prices and practices of business operators in relation to price administration;
8. To consider complaint by any persons affected by any damages or losses caused by any act affecting prices;
9. To penalise violators as set out in Article 26 of this Decree for goods being assigned as Price Administration Authority in the price control list;
10. To make summary, report and proposals to the Government in relation to the implementation work as set out in points 2, 3 and 7 of this Article;
11. To issue, notices, regulations, decisions and other regulations as assigned by the Government; and
12. To perform other rights and duties as set out in laws and regulations.

Article 15. Rights and Duties of Provincial and Vientiane Capital Industry and Commerce Departments

In implementing price administration, the Provincial and Vientiane Capital Industry and Commerce Departments shall have the following rights and duties within their respective jurisdictions:

1. To study and research on prices and business operations including propose project, programme and measures for price administration;
2. To supervise the district Industry and Commerce Offices and coordinate with other departments and relevant sectors in the implementation of price administration;

7. To penalise violators as set out in Article 26 of this Decree for goods being assigned as Price Administration Authority in the price control list;
8. To make summary, report and proposals in relation to the implementation work as set out in points 1, 2, 5 and 6 of this Article to the Ministry of Industry and Commerce and to relevant provincial authority; and
9. To perform other rights and duties as set out in laws and regulations.

Article 16. Rights and Duties of District Industry and Commerce Offices

In implementing price administration, the district Industry and Commerce Offices shall have the following rights and duties within their respective jurisdictions:

1. To study and research on prices and business operations including propose project, programme and measures for price administration;

5. To disseminate and guide the implementation of this Decree and other relevant regulations;
6. To monitor the movement of prices and practices of business operators in relation to price administration;
7. To consider complaint by any persons affected by any damages or losses caused by any act affecting prices;
8. To penalise violators as set out in Article 26 of this Decree for goods being assigned as Price Administration Authority in the price control list;
9. To make summary, report and proposals in relation to the implementation work as set out in points 1, 3, 6 and 7 of this Article to the Government;
10. To issue notices, regulations, decisions and other regulations as assigned by the Government; and
11. To perform other rights and duties as set out in laws and regulations.

Section 4

Rights and Obligations of Business Operators

Article 18. Rights of Business Operators

Business operators shall have the following rights:

1. To set prices in accordance with the market

In their duties, officials are prohibited from:

1. Abusing their power, position or duties for benefits;
2. Exceeding power by way of forcing and threatening such as the use of violence, weapons, torture, rude behaviours or words;
3. Abandoning duties and avoid activities of their work;
4. Omitting, neglecting, being irresponsible or lying;
5. Hiding, protecting, concealing or abetting any offender in exchange for a bribe or any other advantage;
6. Revealing secrets without consent of business operators for purposes other than for the price administration; or
7. Engaging in any other illegal activities.

Article 21. Prohibitions for Business Operators

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Business operator who violates this Decree will be warned and educated.

Article 25. Disciplinary Measures

Officials who violate this Decree will be subject to disciplinary measures as set out in relevant laws and regulations governing them.

Article 26. Measures for Fines

Business operator who violates this Decree provided that such an offence is not a criminal offence and who has already been warned and educated twice shall be fined depending on the case. The fines shall be as follows:

1. between 500,000 to 1,000,000 kip per time per item for failing

Ministries, ministerial equivalent organisations and local authorities shall acknowledge and cooperate in the implementation of this Decree in strict accordance with their roles.

Article 30. Effectiveness

This Decree replaces the Decree on the Administration of Prices of Goods No. 207/PM dated 11 October 2001 and shall come into force ninety days from its date of signature.

Any regulations which contradict this Decree are hereby repealed.

The Prime Minister of the Lao PDR

[Signed and sealed]

Bouasone Bouphavanh