

LAO PEOPLE'S DEMOCRATIC REPUBLIC

PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

The Office of the Prime Minister

No. 95/PM

**THE BANK OF LAO PDR
BASED ON THE DECREE OF THE PRIME MINISTER
NO 95/PM DATED JUNE 22, 1993**

Role

The Bank of the Lao PDR is a perpetual legal entity: an organization equivalent to a Ministry performing the task of state management within the machinery of the Government and has the role of a Central Bank of the Lao PDR.

Overall Responsibilities

The duties of the Bank of the Lao PDR are as follows:

1. To safeguard the stability of the nation's monetary economic system, to implement various measures in a flexible and creative manner in order to stabilize national currency (kip): to

7. To organize and promote professional education and training for bank staff of all levels in order to meet the requirements of the whole banking system, encouraging the introduction of new technology and innovation in the financial and banking sector to the country.
8. The scope of operation of the Bank of the Lao PDR extends throughout the country and may include activities and relations with foreign countries in its own field on the

2. The appointment and principal rights and duties of the Governor of the Bank of the Lao PDR are stipulated in Articles 10, 11, 12, 13, 14, 15, and 16 of the above mentioned Law on the establishment of the Bank of the Lao PDR. In the head office of the Bank of the Lao PDR are Departments with the following responsibilities:

1. Administration Department:

Is responsible for administrative and secretarial duties, documentation, preparation of general reports, and public relations and information matters for the Bank of the Lao PDR, reviews the regulations or the Bank established by the various Departments. Is responsible for protocol matters and liaison work with foreign experts and other guests come to work with the Bank of the Lao PDR. Prepares and consolidates financial plans manages assets, improves the physical and psychological well being of the staff and oversees the operations of the nurseries and day-care centers. Maintains order and security on Bank premises.

2. Organization and personnel Department :

Assists the party Committee of the Bank of the Lao PDR in the task of building and consolidating the party. Handles political and ideological work within the Bank, as well as matters of personnel and mass organizations.

Studies the organization, structure, role and division of responsibilities among the various Departments and performs organizational tasks, such recruitment, selection, assignment, appointment, and transfer of personnel in accordance with the decisions of the Executive Committee of the Banks. Formulates general plans on human resources development needs, is in charge of ideological work among the staff. Studies and implements personnel policies such as, education and training, congratulations (recognition of merits), promotion, and training welfare policies.

3. Economic Research Department :

Gathers, consolidates, and maintains statistical data for research use. Prints and disseminates Bank's data and information. Conducts research on the world economics. As o

5. Credit Department :

Studies policies and regulation concerning credit such as: loans procedures, lending interest rates, all categories of deposits. Formulates macro-economic plans concerning sources of funds, summarizes and reports on the credit situation of the country. Manages and implements credit projects assigned to the Bank by the Government. Administers, supervises, and accelerates the recovery of debts which have reached or passed maturity for commercial banks and directly for clients.

6. Accounting Department :

Studies procedures and techniques for bank accounting, issue forms and documents for nation wide uniformity in bank accounting. Organizes, disseminates, and advises on new modifications in accounting techniques. Summarizes operations and prepares balance sheets and financial statements for banks throughout the country.

7. Currency Department :

Studies rules and principles regulation the issuing of currency, establishes a plan for a balance of bank notes in circulation. Withdraws money from circulation, prints bank notes and negotiable instruments and mints coins. Studies rules and principles concerning the treasury and monitors commercial activities of precious metals. Formulates macroeconomic plans for cash flow and prepares periodic summary reports of its work. Maintains the security of the Treasury.

8. Banking operations Department :

Organizes customer service by deposits to and withdrawals from accounts. Issues and purchases stock. Provides credit with interest. Prepares daily, monthly, and annual balance sheets for the Department. Sets the mandatory reserve requirements for commercial banks and for the Central Bank itself. Establishes an inter-bank clearing facility and handles overseas banking-related transactions.

9. Supervision Department:

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