

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Prime Minister's Office

Ref. No. 013/PM
Vientiane, date 8 January 2010

Decree
on International Non-Governmental Organizations (INGO)

- Pursuant to the Law on Government of the Lao People's Democratic Republic number 02/NA of 6 May 2003;
- Referring to the proposed amendment by the Minister of Foreign Affairs number 04101/MoFA.I.O.3, dated 23 July 2009;

The Prime Minister decrees the following:

CHAPTER I
General Provisions

Article 1. Objective

This Decree defines rules and regulations on International Non-Governmental Organizations (INGO) with a view to enabling them to carry out their operations effectively, thus contributing to the implementation of the Socio-economic development plan and poverty eradication in the Lao People's Democratic Republic (Lao PDR).

Article 2. Definition

International Non-Governmental Organization or INGO is an international or foreign non-profit organization having a legal status, which desires to provide development assistance and humanitarian aides without any pursuit of profit.

Article 3. Terminology

The following terms mean:

- 3.1. Operation Permit** is an official registration or permission provided to an INGO to operate in the Lao PDR in accordance with the rules and regulations prescribed in this Decree;
- 3.2. Project Approval** means an approval by the Government for an INGO to carry out its development assistance project in the Lao PDR;
- 3.3. Project Office Approval** means an approval by the Government for an INGO to set up its Project Office in order to carry out its project;
- 3.4. Representative Office Approval** means an approval by the Government for an INGO to set up its Representative Office in the Lao PDR,
- 3.5. Regional Representative Office Approval** means an approval by the Government for an INGO to establish its Regional Representative Office in the Lao PDR in order to facilitate its activities in the region including in Lao PDR;
- 3.6. Approval of INGO Representative, Project Director and Staff** means an approval of nomination by the Government for an INGO Representative or Project Director or Staff respectively to work in the Lao PDR in accordance with their defined respective terms of reference;
- 3.7. Approval for Activity** means an approval by the Government for an NGO to undertake its short-term non project activity.

Article 4. Scope

This Decree is applicable to international and foreign non governmental organizations as defined in Article 2, including non-governmental organizations in a form of association, foundation, charity, institutional and charitable clubs.

CHAPTER II

Procedures and Requirements for Approval

Article 5. Procedures

In order for an INGO to operate in the Lao PDR, it requires to obtain the followings:

- 5.1 Operation Permit;
- 5.2 Project Approval;
- 5.3 Office Approval;

- 5.3.1 Project Office Approval;
- 5.3.2 Representative Office Approval;
- 5.3.3 Regional Office Approval;
- 5.4 Approval of INGO Representative, Project Director and Staff
- 5.5 Approval for a short-term Activity.

Article 6. Operation Permit

In order to obtain Operation Permit, it requires the followings:

- 6.1 Legal status and formal registration under the Laws and regulations of the country of origin;
- 6.2 A status of non-profit organization;
- 6.3 An institutional status or charter governing the organization;
- 6.4 Ensured sound financial status and legal source of income;
- 6.5 An objective to assist the Lao PDR in development and humanitarian aids.

Article 7. Project Approval

For an INGO project to be approved by the Government, it requires the followings:

- 7.1 Valid Operation Permit in accordance with Article 6 of this Decree;
- 7.2 Project should be in line with the plan approved and priority area designated by the Government;
- 7.3 Project should have a clear objective, concrete activities and be in line with the Lao Government's development Strategy,

- 7.4 Project should have appropriate budget;
- 7.5 Project should clearly identify the role and responsibility of concerned implementing agencies and INGO;
- 7.6 Project should outline concrete activities and appropriate budget allocation for each activity to be undertaken;
- 7.7 Project should allocate the bulk of its budget to the project activities;
- 7.8 Project should be managed by a Project Implementing Committee consisting of representatives from all concerned agencies and NGO. Project Implementing Committee has a duty to approve a concrete project action plan, actual budget disbursement and evaluation reports:

Article 8. Project Office Approval

For INGO Project Office to be approved by the Government, it requires the followings:

- 8.1. Obtain Project Approval to be implemented in the Lao PDR;
- 8.2. Provide a written permission from the landlord and certified by the local authority to use the location or property as an office premise;
- 8.3. The permission of the Project Office should be valid throughout the duration of the project approved by the Government and be terminated within 30 days upon the completion of the project,

Article 9. Representative Office Approval

For INGO Representative Office to be approved by the Government, it requires the followings:

- 9.1 Have a minimum five-year experience of successful development assistance in the Lao PDR with a value of five hundred thousand US dollars annually(US\$ 500,000);
- 9.2 Provide a written permission from the landlord and certified by the local authority to use the location or property as an office premise;
- 9.3 Provide a clear defined mandate and organizational Structure of the Office.

Article 10. Regional Office Approval

For INGO Regional Office to be approved by the Government, it requires the followings:

- 10.1 Have a Representative Office in the Lao PDR;
- 10.2 Provide a written permission from the landlord and certified by the local authority to use the location or property as an office premise;
- 10.3 Provide a clear defined mandate and organizational structure of the Office;
- 10.4 Having greater development program in the Lao PDR than in other countries in region;
- 10.5 Provide a future plan for possible increase in development assistance to the Lao PDR.

Article 11. Approval of Representative, Project Director and Staff

For INGO Representative, Project Director and Staff to be approved by the Government it requires:

- 11.1 Project Approval to be implemented in the Lao PDR,
- 11.2 Representative or Project Office Approval in the Lao PDR;
- 11.3 Qualification and experience as defined in the Terms of Reference of the respective position in accordance with the mandate and the operation of the Office;
- 11.4 Clear duration of assignment in the Lao PDR;
- 11.5 Those INGO staff, who serve for the Regional Offices should have a valid permit to the third country where they are required to operate in accordance with the laws and regulations of that respective country. As regard the Lao local staff, they should observe the regulations and the Laws of the Lao PDR.

Article 12. Approval for a Short Term Activity

For an INGO Short Term Activity to be approved by the Government, it requires the followings:

- 12.1 Relevance and in line with the socio-economic development plan of the Lao PDR;
- 12.2 Define clear and concrete steps in terms of implementation;
- 12.3 Identify implementing agencies concerned;

- 12.4 Identify the target area and equipment associated with the implementation,
- 12.5 Define an appropriate budget and a source of funding to carry out this activity;
- 12.6 Obtain an approval from the concerned and local authorities.

Article 13. Vehicle license

Vehicles imported, used and owned by INGO in accordance with the rules and regulations of the Lao PDR, can obtain a registration license in accordance with the Laws and regulations of the Lao PDR under the following requirements:

- 13.1 Valid proof of purchasing documents;
- 13.2 Valid proof of vehicle to be used for the work of NGO,
- 13.3 Declaration of the financial source for purchasing vehicle;
- 13.4 Other requirements applicable in this decree and in related Laws and regulations of the Lao PDR.

Article 14. Extension and amendment of approval

Extension or amendment of any approval under Article 5 of this Decree should be reasonable with the valid recommendation of the concerned authorities.

14.1 Extension Operation Permit

Extension or amendment of Operation Permit should be appropriately validated with an official recommendation by the concerned authorities.

14.2 Extension of vehicle license

For extension of vehicle license to be approved it requires:

- 14.2.1 Certification of ownership of the Vehicles by INGO office or project with a clear record on vehicle and the objective for extension,
- 14.2.2 Relevant recommendations by the concerned authorities.

14.3 Amendment to document or Memorandum of Understanding

Amendment of Memorandum of Understanding and relevant documents should be done on the basis of clear objective and official recommendation from the concerned authorities.

14.4 Replacement or extension of work permit for Representative, Project Director and Staff

To request for a replacement of Representative, Project Director and Staff or for an extension of their Work Permit, it requires a submission of application with a personal evaluation report certified by concerned authorities.

Article 15. Termination of Operation Permit

Operation Permit shall be terminated under the following cases:

- 15.1 Expiration of Operation Permit;
- 15.2 Completion of project,
- 15.3 Desire by INGO to end its operation;
- 15.4 Decision by the Government to withdraw the Operation Permit,

Article 16. Procedures for Approval

The process of Approval of those contained in Article 5 throughout Article 15 should be carried out by the Ministry of Foreign Affairs.

CHAPTER III
Rights and Obligations of INGO in the Lao PDR

Article 17. Rights of NGO in the Lao PDR

An INGO shall be entitled to various rights under each permit and approval by Government as stated in Article 5 of this Decree:

17.1 Under “Operation Permit’ INGO has the right to:

- 17.1.1 Establish contact and conduct consultations with the Lao concerned authorities in order to gather information and prepare project design document and Memorandum of Understanding to be Submitted to the Government for consideration and approval;
- 17.1.2 Employ local and expatriate staff to represent its organization in consultation, data collection and drafting document to be submitted to the Government for consideration and approval.

17.2 Under “Project Approval INGO has the right to:

- 17.2.1 Employ local staff, in accordance with the relevant Laws and Regulations of the Lao PDR, and expatriate staff to implement the project on the basis of the Memorandum of Understanding approved by the Government and signed with the Lao concerned authorities;
- 17.2.2 Jointly carry out activities with the Lao concerned authorities at the target area as defined in the Memorandum of Understanding approved by the Government;
- 17.2.3 Import and exempt from tax, materials and equipment as defined in the Memorandum of Understanding according to the laws and regulations of the Lao PDR,
- 17.2.4 Open Project Office, rent office premises and residences in accordance with the laws and regulations of the Lao PDR;
- 17.2.5 Apply for Organizational Seal in the form that compatible with the laws and regulations of the Lao PDR;

17.3 Under “Representative and Regional Office” NGO has the right to:

- 17.3.1 The rights stated in Article 17 paragraph 17.2:
- 17.3.2 Nominate Representative;
- 17.3.3 Tax exemption for equipment and vehicles to be used for the office in accordance with the laws and regulations of the Lao PDR;

17.4 INGO representatives and expatriate staff have the right to:

- 17.4.1 Apply for a stay permit for Spouses and children under 18 in accordance with the Law of the Lao PDR, for the period of their approved assignment;
- 17.4.2 Apply for ID card and multiple entry visa in accordance with the Law of the Lao PDR,
- 17.4.3 Spouses of expatriate staff of INGO have the right to work on the basis of work permit. However, the work should not be associated with the duty and assignment of their own.

17.5 Under “Approval of Activity”

- 17.5.1 Undertake the activity approved by the Government,
- 17.5.2 Apply for importation aids in accordance with the laws and regulations of the Lao PDR;

Article 18. Obligations of INGO, staff members and their dependants

INGO, Staff members and their dependants working in the Lao PDR have the following obligations:

- 18.1 Respect the laws, regulations and fine culture of the Lao PDR;
- 18.2 Be accountable for their own activities in accordance with the laws and regulations of the Lao PDR;
- 18.3 Strictly carry out together with the Lao concerned authorities, projects activities under the terms of Memorandum of Understanding approved by Government;
- 18.4 Submit an evaluation report on its operation to the Lao concerned authorities, on a regular basis or at least once a year;
- 18.5 Share book-keeping, project implementation reports and financial reports to be submitted to the donors;
- 18.6 Jointly with the Lao concerned authorities organize monitoring and financial review as well as mid-term and end-project evaluation;
- 18.7 Submit to Ministry of Foreign Affairs within 30 days, a project implementation report upon its completion and an official letter on project hand over to Lao concerned authority;
- 18.8 Provide an update information on the change of organizational chart, office location, number of vehicles owned by an INGO;
- 18.9 Provide an update information on the change of local and expatriate staffs of INGO to the secretariat of Committee on INGO coordination.

CHAPTER IV **Coordinating Mechanism**

Article 19. Management and Coordination of INGO

The Government establishes a Committee on Management and Coordination of INGO with a view to managing and facilitating the operation of INGO in the Lao PDR,

- 19.1 Committee on Management and Coordination of INGO is established at the central level with its Secretariat;
- 19.2 Committee on Management and Coordination of INGO at local level is also set up.

Article 20. Committee on Management and Coordination of INGO

The Committee on Management and Coordination of INGO is established under the supervision of the Minister of Foreign Affairs and is composed of:

1. Vice-Minister of Foreign Affairs, Chairman of Committee on TNGO Coordinating Mechanism, Chairman;
2. Director General of Department of International Organizations, Ministry of Foreign Affairs, Head of Secretariat;
3. Director of General Planning Department, Ministry of Planning and Investment;
4. Chief of Cabinet, the Lao National Commission for Rural Development and Poverty Reduction;
5. Representative of Ministry of Education;
6. Representative of Ministry of Public Health;
7. Representative of Ministry of Agriculture and Forestry;
8. Representative of Ministry of Labor and Social Welfare;
9. Representative of Lao Woman's Union;
10. Representative of Lao Youth Union;
11. Representative of National Front for Reconstruction;
12. Representative of Ministry of Public security;
13. Chairman of Provincial Committee;

Article 21. Mandate of Committee on Management and Coordination of INGO

The Committee on Management and Coordination of INGO is mandated to formulate the policy and strategic cooperation framework between Lao PDR and INGO, supervise and monitor the implementation of this cooperation framework.

Article 22. Secretariat of Committee on Management and Coordination of INGO

Department of International Organizations, Ministry of Foreign Affairs serves as the Secretariat of the Committee on Management and Coordination of INGO and Director General of the Department of International Organizations serves as Head of the Secretariat.

Article 23. Mandate of the Secretariat of the Committee on Management and Coordination of NGO

The Secretariat is assigned to assist the Committee in discharging its duties, consider concrete cooperation projects to be submitted to the Committee for further consideration and approval; collaborate with the concerned agencies and provincial authorities in the process of monitoring, management and enhancement of the implementation of development projects across the country;

evaluate and report on overall development cooperation with INGO; mobilize resources for the implementation of national development projects in various areas at both central and local levels; and consider proposals and applications submitted by INGO under Article 5 to Article 15.

Article 24. Local Committee on Management and Coordination of INGO

The Committee on Management and Coordination of INGO at the local level is composed of:

1. Vice-Governor of province or Capital, Chairman;
2. Director of Provincial or Capital External Relations Department;
3. Representatives of concerned Provincial or Capital authorities;
4. District Governors.

Article 25. Mandate of Local Committee on Management and Coordination of NGO

Local Committee on Management and Coordination of INGO is assigned to assist the Committee on Management and Coordination of INGO in coordination, management, monitoring and evaluation of the implementation of concrete development projects including management of INGO expatriates serving in respective local levels; formulate and submit development project proposals for consideration and approval and evaluation report on the project implementation to the Committee on Management and Coordination of INGO.

Article 26. Monitoring, Evaluation and Assessment

Authorize the Ministry of Foreign Affairs in collaboration with the concerned ministries, ministerial level organizations, provinces and the capital to monitor, evaluate and assess as well as enhance the implementation of the INGO development projects with a view to ensuring their effectiveness and conformity with the Law and regulations of the Lao PDR.

Article 27. Guideline for the implementation

Authorize the Ministry of Foreign Affairs to provide guidelines to ensure the effective implementation of this Decree; and coordinate with all concerned

agencies at central and local levels to manage the implementation of INGO development assistance Projects.

CHAPTER V

Recognition and Sanctions

Article 28. Recognition

An INGO or its staff who demonstrate an outstanding effort and contribution to the national development and effective implementation of development projects are entitled to receive appropriate honorable recognitions from the Lao PDR.

Article 29. Sanctions

An INGO or its staff who carry out an activity in violation of this Decree shall be warned, Operation Permit or project shall be Suspended depending on the nature of the transgression;

An INGO or its staff who carry out an activity in contrary to the policy of the Government and in violation of the law and regulations as well as the Lao fine traditions shall be subjected to the laws and regulations of the Lao PDR.

CHAPTER VI

Final Provision

Article 30. Nationwide Coordination

Ministries, ministerial level organizations, provinces and the Capital shall cooperate with the Ministry of Foreign Affairs in strict and effective implementation this Decree and its guidelines, and shall fully engage in the implementation of development cooperation and management of INGO operation in their respective sectors and localities.

Article 31. The implementation

Authorize the Ministry of Foreign Affairs as the main Government agency to strictly and effectively implement this Decree. Ministries, ministerial-level organizations, provinces and the Capital shall strictly implement this Decree.

Article 32. Effectiveness

The Decree replaces the Decree 71/PM, dated 20 April 1998, it is effective 30 days from its signing. Any provisions and regulations inconsistent with this Decree are superseded.

Prime Minister of the Lao PDR

[Signed]

Bouason Bouphavanh