



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Coordination Committee
on Anti-Money Laundering
and Counter Financing of Terrorism

No. 07/NCC
Vientiane Capital, dated 07 April 2017

Decision
on Appointment Committees for National Risk Assessment of Money
Laundering and Financing of Terrorism of the Lao PDR

- Pursuant to Law on Anti-Money Laundering and Counter Financing of Terrorism No. 50/NA, dated 21 July 2014;
- Pursuant to Notification of Cabinet of the Prime Minister's Office No. 477/CPMO.Sec., dated 24 March 2017;
- Pursuant to Decision on the Organization and Operation of the National Coordination Committee on Anti-Money Laundering and Counter Financing of Terrorism (Revised Version) No. 350/PM, dated 14 October 2016;
- Pursuant to Resolutions of the Fourth Ordinary Session of the National Coordinating Committee on Anti-Money Laundering and Counter Financing of Terrorism on 16 December 2016.

The Deputy Prime Minister, President of the National Coordination Committee on Anti-Money Laundering and Counter Financing of Terrorism (NCC) decides:

Article 1 Designating the Ad Hoc Committee for overall guidance on the National Risk Assessment of Money Laundering and Financing of Terrorism that is comprised of:

1. Maj. Gen. Kongthong Phongvichith, Vice Minister of Public Security, Vice President of NCC as Committee Director;
2. Ms. Vathana Dalaloy, Vice Governor of the Bank of the Lao PDR, NCC Member as Committee Deputy Director;
3. Ms. Thipphakone Chanthavongsa, Vice Minister of Finance, NCC Member as Committee Member;
4. Mr. Bounyang Chandalasane, Vice Chief of the Office of the Supreme People's Prosecutor, NCC Member as Committee Member;
5. Mr. Singphet Bounsavattiphanh, Vice President of the State Inspection Authority, NCC Member as Committee Member;

6. Ms. Pheangsi Pheangmeuang, Acting Director General of the Anti-Money Laundering Intelligence Office as Committee Member and Secretary.

The Ad Hoc Committee for overall guidance has the rights and duties to guide, lead and to monitor-inspect the task implementation of 08 Subcommittees as specified in Article 2 of this Decision.

Article 2 Designating 08 Subcommittees to be in charge of various tasks as follows:

- 2.1. The subcommittee responsible for the research, data collection and risk assessment of money laundering that may occur is comprised of the following officials:

- 1) Deputy Director General of Criminal Cases Monitoring-Inspection Department, Office of the Supreme People's Prosecutor as Subcommittee Director;
- 2) Deputy Chief of Cabinet of the People's Supreme Court, People's Supreme Court as Subcommittee Deputy Director;
- 3) Member of the Division management team, Anti-Money Laundering and Information Division, Economic Police Department, General Police Department, Ministry of Public Security as Member;
- 4) Member of the Division management team, Investigation-Interrogation and Case Files Division, Drug Prevention and Combat Police Department, General Police Department, Ministry of Public Security as Member;
- 5) Member of the Division management team, Legislation Division, Customs Department, Ministry of Finance as Member;
- 6) Technical Staff, Administrative Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member and Secretary.

This Subcommittee has the rights and duties to collect and summarize the statistical data connected to criminal case investigation-interrogation, prosecution and judgments that are related to money laundering and predicate offences in order to study and assess the action or behavior including the method of an individual or a group of individuals such that their movement is a crime or they are criminally connected to money laundering that has the potential to cause harm to or affect the economy-society of Lao PDR regionally and internationally.

- 2.2. The subcommittee responsible for the research, data collection and assessment of measures to prevent money laundering and terrorism financing risk that may occur is comprised of the following officials:

- 1) Deputy Director General of Legislation Inspection and Assessment Department, Ministry of Justice as Subcommittee Director;
- 2) Deputy Director General of Corruption Inspection and Prevention Department, State Inspection Authority as Subcommittee Deputy Director;
- 3) Deputy Director General of Economic Police Department, General Police Department, Ministry of Public Security as Subcommittee Deputy Director;

- 4) Deputy Director General of Drug Prevention and Combat Police Department, General Police Department, Ministry of Public Security as Member;
- 5) Deputy Director General of Legislation Department, Ministry of Defense as Member;
- 6) Deputy Director General of Customs Department, Ministry of Finance as Member;
- 7) Member of the Division management team, Drug Case Prosecution Division, Office of the Supreme People's Prosecutor as Member;
- 8) Member of the Division management team, Analysis Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member and Secretary.

This Subcommittee has the rights and duties to coordinate, summarize and collect the data particularly on legislation, measures and implementation mechanism of anti-money laundering and counter financing of terrorism from various sections of both the private and public sectors in order to analyze and assess the loop holes or weaknesses in the anti-money laundering and counter financing of terrorism implementation of the country including other related legislation.

2.3. The subcommittee responsible for the research, data collection and risk assessment of money laundering and terrorism financing that may occur in the banking sector is comprised of the following officials:

- 1) Deputy Director General of Commercial Bank Supervision Department, Bank of the Lao PDR as Subcommittee Director;
- 2) Deputy Director General of Banking Operation Department, Bank of the Lao PDR as Subcommittee Deputy Director;
- 3) Member of the Division management team, Monetary Policy Department, Bank of the Lao PDR as Member;
- 4) Technical Staff of Analysis Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member and Secretary.

This Subcommittee has the rights and duties to gather, collect all information relating to anti-money laundering and counter financing of terrorism in the banking sector nationwide, i.e.: efficiency of law implementation, products offered, knowledge about anti-money laundering and counter financing of terrorism of the bank staff, quality of the regulation used for customer search and customer due diligence and other relevant matters in order to assess and to see how high or low the risk in the Lao PDR banking sector in terms of it being used as a money laundering and terrorism financing tool.

2.4. The subcommittee responsible for the research, data collection and risk assessment of money laundering and terrorism financing that may occur in the securities sector is comprised of the following officials:

- 1) Deputy Director of Lao Securities Commission Office, Bank of the Lao PDR as Subcommittee Director;
- 2) Deputy Director of Lao Securities Exchange as Subcommittee Deputy Director;
- 3) Member of the Division management team, Lao Securities Commission Office, Bank of the Lao PDR as Member;
- 4) Member of the Division management team, Tax Department, Ministry of Finance as Member;
- 5) Technical Staff of Analysis Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member and Secretary.

This Subcommittee has the rights and duties to coordinate, gather and collect the data on access to source of funds, origin of source of funds, information on supervision legislation, procedures and policies regarding the approval on access to source of funds, products, services and customer search that are available now and those planned to be provided in the future of the securities company and Securities Exchange in order to analyze and assess the risk that may occur in this sector.

2.5. The subcommittee responsible for the research, data collection and risk assessment of money laundering and terrorism financing that may occur in the insurance sector is comprised of the following officials:

- 1) Deputy Director General of SOE Management, Development and Insurance Department, Ministry of Finance as Subcommittee Director;
- 2) Member of the Division management team, Tax Department, Ministry of Finance as Subcommittee Deputy Director;
- 3) Technical Staff of Monitoring and Inspection Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member and Secretary.

This Subcommittee has the rights and duties to coordinate, gather and collect the data particularly on legislation, management efficiency, integrity and knowledge on anti-money laundering and counter financing of terrorism of the staff in the insurance companies, effectiveness of the monitoring and reporting of activities deemed suspicious and etc. of the insurance companies in order to analyze and assess the risk that may occur in this sector regarding anti-money laundering and counter financing of terrorism.

2.6. The subcommittee responsible for the research, data collection and risk assessment of money laundering and terrorism financing that may occur in the financial institution and access to financial services sector is comprised of the following officials:

- 1) Deputy Director General of Financial Institution Department, Bank of the Lao PDR as Subcommittee Director;

- 2) Member of the Division management team, Tax Department, Ministry of Finance as Subcommittee Deputy Director;
- 3) Member of the Division management team, Enterprise Registration and Management Department, Ministry of Industry and Commerce as Member;
- 4) Member of the Division management team, Investment Promotion Department, Ministry of Planning and Investment as Member;
- 5) Member of the Division management team, Monetary Policy Department, Bank of the Lao PDR as Member;
- 6) Member of the Division management team, Commercial Bank Supervision Department, Bank of the Lao PDR as Member;
- 7) Member of the Division management team of Risk Analysis Division, Financial Institution Department as Member;
- 8) Member of the Division management team of Legislation Division, Financial Institution Department, Bank of the Lao PDR as Member;
- 9) Technical Staff of Administrative Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member;
- 10) Technical Staff of Analysis Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member and Secretary.

The Subcommittee has the following rights and duties:

- 1) Coordinating, gathering and collecting data particularly the information relating to business operation permission, foreign investor, tax payment of financial institutions in both the central and provincial area from government organizations and the information on products offered, origin of the source of funds of the financial institutions operating a business in Lao PDR and other related information in order to analyze and assess the money laundering and terrorism financing risk that may occur in this sector;
- 2) Assessing the access to source of funds on the basis of coordination with relevant sections in collecting the information on supervision legislation, procedures and policies regarding the approval on access to source of funds, products and services that are available now and those planned to be provided in the future, and products and services of access to source of funds exempting from customer due diligence (CDD) from supervision authorities and financial institutions or non-financial institutions, which provide access to source of funds services.

2.7. The subcommittee responsible for the research, data collection and risk assessment of money laundering and terrorism financing that may occur in the non-financial institution sector is comprised of the following officials:

- 1) Deputy Director General of relevant Department, Ministry of Industry and Commerce as Subcommittee Director;

- 2) Deputy Director General of Tax Department, Ministry of Finance as Subcommittee Deputy Director;
- 3) Deputy Director General of Accounting Department, Ministry of Finance as Member;
- 4) Deputy Director General of Investment Promotion Department, Ministry of Planning and Investment as Member;
- 5) Deputy Director General of Notary Department, Ministry of Justice as Member;
- 6) Deputy Director General of Justice System Promotion Department, Ministry of Justice as Member;
- 7) Vice President of Lao National Chamber of Commerce and Industry, Ministry of Industry and Commerce as Member;
- 8) Member of the Division management team of Monitoring and Inspection Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member and Secretary.

This Subcommittee has the rights and duties to coordinate with relevant ministries and sections that are the authority supervising the unit in charge of reporting, researching, formulating plan, collecting data (particularly the information on supervision legislation, procedures and policies regarding the approval on access to source of funds, products, services and customer search that are available now and those planned to be provided in the future of the non-financial institution), to summarize the work that is done in order to assess the risk that may occur in this sector.

2.8. The subcommittee responsible for the research, data collection and risk assessment of terrorism financing that may occur is comprised of the following officials:

- 1) Deputy Director General of Investigation-Interrogation Department, Ministry of Public Security as Subcommittee Director;
- 2) Deputy Director General of Internal Defense Department, Ministry of Defense as Subcommittee Deputy Director;
- 3) Deputy Director General of International Police Department, Ministry of Public Security as Subcommittee Deputy Director;
- 4) Deputy Director General of State Management Development Department, Ministry of Home Affairs as Member;
- 5) Deputy Director General of Investment Promotion Department, Ministry of Planning and Investment as Member;
- 6) Deputy Director General of International Organizations Department, Ministry of Foreign Affairs as Member;
- 7) Member of the Division management team of Administrative Division, Anti-Money Laundering Intelligence Office, Bank of the Lao PDR as Member and Secretary.

This Subcommittee has the rights and duties to collect the data on legislation regarding anti-money laundering and counter financing of terrorism of Lao PDR as well as collect the data on terrorism and terrorism financing (particularly the amount of suspected businesses, cases under the investigation-interrogation, cases judged, offenders, assets impacted, individuals impacted, and other information) from law enforcement agencies and relevant sections including all the information from Anti-Money Laundering Intelligence Office in order to conduct the risk assessment on financing of terrorism.

Article 3 Each Subcommittee, besides performing their own duties, set forth in Article 2 of this Decision, have to pay attention to some related tasks as follows:

1. Designating technical staff to assist with work within the Department or Division appropriate to their actual roles in order for them to coordinate, collect and supply the information to your subcommittee and/or other subcommittees as specified in this Decision;
2. In the case where any subcommittee as specified in Article 2 of this Decision is in need of designating the extra section of relevant ministry or organization for their subcommittee, the subcommittee is to report to the Ad Hoc Committee in order to propose to the President of the NCC to consider issuing an additional designation Decision;
3. Each subcommittee is to consult with each other when dividing the responsibility, determining working method-plan, procedure and actual data collection model for each person in the subcommittee to ensure a productive performance;
4. Coordinating with the relevant sections domestically and internationally including in the central and provincial level in order to carry out the National Risk Assessment of money laundering and financing of terrorism on time;
5. Once the data is collected, each subcommittee shall organize a meeting to discuss issues and findings in each period in order to plan the detailed activities for the future focusing on ensuring that the National Risk Assessment of money laundering and financing of terrorism succeeds as expected;
6. Summarizing into an assessment report and formulating the action plan to address risks identified in the assessment report then report it to the Ad Hoc Committee to acknowledge and adopt.

Article 4 After the NCC officially accepted the National Risk Assessment Report on Money Laundering and Financing of Terrorism and action plan to address risks, the designated Ad Hoc Committee and Subcommittees as specified in Article 1 and 2 of this Decision will be terminated.

Article 5 Assigning the relevant ministries and organizations at both the central and provincial level to collaborate, facilitate and supply necessary information to the Ad Hoc Committee to serve a productive and punctual operation.

Article 6 Assigning the NCC to be responsible for the expenses to serve the execution of the Ad Hoc Committee and Subcommittees. For the actual use of the budget, the regulation issued by the Anti-Money Laundering Intelligence Office is to be followed.

Article 7 Assigning the relevant ministries and organizations at both the central and provincial level as well as designated officials to acknowledge and together implement this Decision productively.

Article 8 This Decision is effective from the date it is signed.

**Deputy Prime Minister, President of the
National Coordination Committee on Anti-Money Laundering
and Counter Financing of Terrorism**

[Signature and Seal]

Somdy Douangdy