

Unofficial translation

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

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National Assembly

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## **Law on Land Transport (Amended version)**

### **Part I**

#### **General Provision**

##### **Article 1 (Amended) Objective**

This Law determines the principles, regulations and measures for the implementation, operation, management, monitoring and inspection of business related to domestic and cross- border land transport in order to facilitate and control the development of passengers and good transports with the aim to improve the transport in a convenient, safe, quick, timely, effective, modern, sustainable manner and without the impact to the environment, to use the country's potential in respect of its geographical location as the centre of countries in the region for integrating with the international to contribute to the socio-economic development and the national defence and public security.

##### **Article 2 (Amended) Land Transport**

Land transport is the transport of passengers, goods, materials or animals via roads by means of various types of vehicles on a case-by-case basis, such as all sizes of automobiles, tourist transport vehicles, three-wheeled vehicles, two-wheeled vehicles, truck, trailers, including tractors carrying goods.

##### **Article 3 (New) Definitions of Terms**

The terms applied in this Law have the meanings as follows:

1. **Transport Vehicle Stations** refers to the service facility to pick up – deliver passengers, goods, materials or animals;
2. **Logistics** refers to the administration system of goods moving process, including the planning, control, storage, packaging, uploading, transport, service and providing of relevant information in an efficient and effective manner from the starting point to the destination based on the customer's demand;
3. **Logistic Zone** refers to the zone for arrange facilities to the logistics, which comprises of goods transport stations, container yards, container freight stations, and warehouses;
4. **Container Yard** refers to the place for keeping and repairing good containers;
5. **Container Freight Station** refers to the place for keeping good containers to wait for the transfer into the transport vehicle;
6. **Vehicle Rest Area along Road** refers to the temporary rest area built along the road

- in order to give convenience to drivers, travellers to relax and inspect their vehicles during the journey;
7. **Vehicle Technical Inspection** refers to the inspection of vehicle's quality such as structure, machine, smoke, sound, running system, brakes, shaft, light;
  8. **Vehicle's Follow Up Book** refers to a vehicle book for recording the information about the activity of transport enterprise vehicles or specialized transport vehicle.
  9. **Transport Vehicle Sign** refers to a badge, letter symbol, digit existed outside the vehicle which indicate the type and level of service of transport business vehicles and specialized transport vehicles;
  10. **Goods Sender** refers to individual, legal entity or organization who possess the goods or who is assigned to be the transport contract party with the goods sending operator;
  11. **Goods Sending Operator** refers to individual, legal entity or organization who acts or takes responsibility on behalf of the freight forwarder who takes part in the operation of transport;
  12. **Goods Receiver** refers to individual, legal entity or organization who has the rights to receive the goods from the transport operator;
  13. **Freight Forwarder** refers to individual, legal entity or organization who provides a service in the gathering, packing, packaging of goods and preparing documents to hand over to transport operator;
  14. **Emergency Transport**
  15. **Goods** refers to materials, objects, animals, and other products in respond to the consumers' requirements or needs, which is valuable in economic aspect, including goods cupboards, supporting shelves, packs, transport ware or other similar materials and equipment which are not provided by the transport operator;
  16. **Route for Public Passenger Bus** refers to the route where the road starting point, the destination, parking spot along the road are determined with the authorization of the public works and transport sector.
  17. **Passenger** refers to a person who travels by all types of passenger transport vehicles;
  18. **Special transport** refers to the transport of goods, over size or over-weight commodities which obtain permission;
  19. **Dangerous Goods** refers to goods containing radiations, order, vapor which is risk to the health, life of human beings, animals and plants;
  20. **Special Drawing Rights** refers to the financial calculation unit determined by the International Monetary Fund;
  21. **Goods Distribution Center** refers to good gathering place to facilitate the dispatch and distribution of goods;
  22. **Transport Vehicle** refers to all types of transport vehicles running by machine.

#### **Article 4 (Amended) Government Policy on Transportation Tasks**

The State promotes individuals, legal entities or organizations to invest in the development of transportation tasks to enable its growth, with the aim to encourage the production of goods and to integrate with the regional and international levels.

The State promotes the person who operates land transport business within the country to have qualification to access the sources of fund, to build the strengths, to develop the services within the country and in abroad in order to ensure the development

and growth of such tasks.

The State encourages individuals, legal entities or organizations operates business dealing with transport services in the rural, remote, hazardous areas by formulating tax and custom policy, regulations, measures and other conveniences.

#### **Article 5 (New) Principles of Land Transport Work**

The land transport work shall be implemented based on the basic principles as follows:

1. Ensure the conformity with the national socio-economic development plan, the effectiveness and the sustainability in the social-economic aspects, the national defence-public security and the environmental protection;
2. Guarantee the quality, convenience, ease, quickness and safety to life, health, property; safeguard the legitimate rights and interests of service users and service providers;
3. Ensure the transparency, fairness and courtesy of the services;
4. Guarantee modern expectation in terms of economic-technique, technology, and standard of service related to land transport;
5. Coordinate among sectors, local administrations and the involvement of the society in the management, monitoring, inspection of the land transport works.

#### **Article 6 (Amended) Obligations of Land Transport Operator**

The person who operates land transport business is obligated to respect the laws and regulations related to the transport, safeguard safety and orderliness, protect the road, natural and social environment, educate and train his own staff, as well as to perform other obligations in respect of the transport in accordance with the laws and regulations.

#### **Article 7 (Amended) Scope of Law Application**

This law shall be applied to domestic and foreign individuals, legal entities or organizations who operate all types of land transport business in the Lao PDR and cross-border transport by using the transport vehicles set forth in Article 2 of this law.

This law shall is not applied for transport via train, pipes and the fundamental ways of transport of the local people.

#### **Article 8 (New) International Cooperation**

The State opens to public and promotes the link and cooperation with foreign countries, at the regional and international levels with respect to the land transport through the exchange of lessons, information, science, technique and technology, the building, training and upgrading of technical skill to the staff, the mobilization of assistance, investment cooperation, as well as to comply with the treaty and international convention in which the Lao PDR is a party.

### **Part II**

### **Proceedings of Land Transport**

#### **Chapter 1**

#### **Types of Scopes of Land Transport**

### **Article 9 (Amend) Types of Land Transport**

Land transport is divided in three types as follows:

- Hiring transport;
- Special transport;
- Personal transport.

Hiring transport refers to a service involving domestic or cross-border transport of passengers, goods, materials, animals through transport fee payment.

Specialized transport refers to the transport of people, goods, materials, animals to serve in any organizations such as business in the field of tourism, fuel, beers, soft drinks, etc.,.

Personal transport refers to the transport of people, materials, and animals to serve personal needs.

### **Article 10 (Amended) Scope of Land Transport**

The scope of land transport of the Lao PDR refers to the scope of traffics within which is determined that a transport vehicle may conduct transport. The land transport is divided in two scopes as follows:

1. Domestic transport;
2. Cross-border transport.

Domestic transport refers to the transport within districts, within provinces and between provinces.

Cross-border transport refers to the transport from the Lao PDR to via certain country to the third country or the transport from certain country through the Lao PDR to the third country.

### **Article 11. Domestic Transport**

A transport vehicle of individuals, legal entities or organizations who wish to operate domestic transport must be registered as domestic transport properly and fully in accordance with this law and must have a location in the Lao PDR.

Small and medium size transport vehicle which carry out public bus passenger transport business shall operate within the scope specified in specific regulation.

### **Article 12. Cross-Border Transport**

The Lao PDR allows the transport to pass through its territory, give convenience and guarantee as necessary as specified in the treaty and international covenant in which it is a party.

Cross-border transport may include uploading or without uploading based on the Government's decision.

Foreign transport into or inside, through the territory of the Lao PDR must comply with the traffic rules and the laws and regulations of the Lao PDR.

## **Chapter 2 Land Transport Vehicles**

### **Article 13 (Amended) Size of Land Transport Vehicles**

Transport vehicles are divided in three sizes as follows:

- Small transport vehicles;
- Medium transport vehicles;
- Large transport vehicles.

Small transport vehicle refers to a transport vehicle with passenger seats available for a maximum of nine persons, including the driver, or goods transport vehicles with the load, including the weight of the empty car, not exceeding three and half tons.

Medium transport vehicle refers to a transport vehicle with passenger seats available for ten to thirty-five persons, including the driver, or goods transport vehicles with the load, including the weight of the empty car between three and half tons to fifteen tons.

Large transport vehicle refers to a transport vehicle with passenger seats available for thirty-six persons and more, including the driver, or goods transport vehicles with the load, including the weight of the empty car between fifteen to fifty tons.

In case of goods transport vehicle with the load, including the weight of the empty car more than fifty tons, the permission from the Ministry of Public Works and Transport must be obtained.

#### **Article 14 (Amended) Requirements for Drivers of Land Transport Vehicles**

The drivers of all types of land transport vehicle shall meet the following requirements:

- Hold a proper driver's license in accordance with the category and type of the vehicle, and have experience in driving;
- Respect the laws and regulations related to the transport and traffic rules;
- Possess good courtesy and politeness in driving;
- Have never been convicted to imprisonment by the court for violation of traffic rules which cause an accident;
- Have good health.

#### **Article 15 (New) Conditions of Vehicles Used in Hiring Transport and Specialized Transport**

The vehicles to be used in hiring transport and in specialized transport must meet the following basic conditions:

- Be under the ownership of transport enterprise, in case of a rental car, it should be owned by the car rental enterprise;
- Must be a left wheel car;
- Have use terms not exceed twelve years for specific route passenger bus running between provinces and cross countries;
- Have proper technical standard in according to the regulations of the Ministry of Public Works and Transport;
- Have been registered and posted with the business registration sign;
- Have car running permission and car follow up book;
- Have posted with the sign in according to the regulations of the Ministry of Public Works and Transport;
- Have paid annual road usage fees;
- Maintain insurance based on the categories and the scope of transport.

The State allows the registration of rights wheel only for business related to cross-

border with the country that use the left wheel system only.

#### **Article 16 (New) Conditions of Personal Vehicles**

Personal vehicles comprises of the basic conditions as follows:

- Under the ownership of individual;
- Is a left-wheel car and is certified of technical standard;
- Maintain insurance based on the type of transport;
- Have paid annual road usage fees;
- Have weight and seats as specified in Article 13 of this law regarding the small size transport vehicles.

#### **Article 17 (Amended) Vehicle Use Permit**

A vehicle use permit is a certification for each vehicle that use into a hiring transport and special transport must be in conformity with the types, scope of transportation and technical standard. In the event of any modification of types, scopes of transports and technical standards, a new vehicle use permit must be applied for.

#### **Article 18 (Amended) Vehicle's Technical Inspection and Driver's Health**

All transport vehicles shall receive technical inspection within the time period and shall properly and strictly obtain a certificate of technical standard from the technical inspection unit, such as machinery system, lower part system, brake system, electrical system, tyre and smoke.

Before leaving the station, the passenger vehicles must undergone vehicle technical inspection and driver's health inspection.

Ministry of Public Works and Transport is in charge of determining the technical standard and the technical inspection regulations.

#### **Article 19. Insurance for Transport Vehicles**

Goods and passenger transport vehicles of all sizes, and vehicles for specialized and personal transport involve in domestic and cross-border activities, must have at least a compulsory third party insurance, as specified in the Law on Insurance.

In addition to the third party insurance, the passengers and goods transport vehicle must have insurance that cover the passengers and the commodities as well.

### **Part III Land Transport Enterprise**

#### **Article 20 (New) Business of Land Transport Enterprise**

Land transport enterprise has the main business activities as follows:

- Transport of passengers;
- Transport of goods;
- Freight forwarding;
- Station for transport vehicles;
- Vehicle rental;
- Goods distribution Center;

- Logistic Zone;
- Roadside rest area;
- Bus ticket selling shop.

#### **Article 21 (Amended) Establishment of Land Transport Enterprise**

Individuals, legal entities or organizations wishing to establish a land transport enterprise shall comply with this law, the law on enterprise, the law on investment promotion and other relevant laws and shall meet the following conditions:

1. For enterprise dealing with the transport of passenger, goods, freight forwarding and logistics:
  - Have experience in the operation of land transport business;
  - Have technical staff with technical skills in land transport and other relevant technical staff in commensurate number with the size of the business;
  - Have capital, office, service site, vehicles, equipment, suitable facilities, transportation line for bus transport approved by the Division of Public Works and Transport;
  - Have professional ethics in road transport.
2. Other businesses:
  - Have business operation experience in the relevant businesses;
  - Have technical staff with technical skills, other relevant technical staff in the number commensurate with the size of the business;
  - Have capital, office, service site, vehicles and necessary equipment as approved by the Division of Public Works and Transport;

#### **Article 22 (New) Establishment of Branch of Road Transport Enterprise**

Road transport enterprise, both within the country and in abroad, wishing to establish its branches, agents, or representatives must seek permission as stipulated in the Law on Investment Promotion and relevant laws and regulations.

### **Part IV**

### **Operation of Road Transport Business**

#### **Chapter 1**

#### **Transport of Passengers**

#### **Article 23 (New) Transport of Passengers**

Transport of passengers is the movement of passengers through the transport vehicles from one point to another point with safety and reaching destination.

Transport of passengers comprises of the transport of passenger with specific route and non-specific route.

#### **Article 24 (New) Transport of Passengers with Specific Route**

Transport of passengers with specific route refers to a transport of passengers conducted along a given road, with a starting and ending terminal, a sale of passenger tickets, a determination of car parking area along the roadside, a determination of trip and vehicle release schedule, in accordance with the regulations of the Division of Public Works and Transport.

In the transport of passengers with specific route, it is required to arrange the seats for monks, elders, handicapped and disabled persons, pregnant women, children, including rewarding policies toward the national heroes, contest veterans.

#### **Article 25 (New) Transport of Passengers with non-specific Route**

Transport of passengers with non-specific route is a transport of passengers conducted in according to plan, transport contracts, without any given road, without specific terminal and without the sale of passenger tickets.

Transport of passengers with non-specific route comprises of two categories, such as specialize transport and chartered transport, as stipulated in specific regulation.

#### **Article 26 (New) Rights, Obligations and Responsibilities of Passenger Transport Operator**

The person who operates passenger transport has the rights to collect the fees for passenger transportation, fees for sending documents and things, based on the agreed price in a reasonable and fair manners or as determined by the State, ask for any unpaid transport fees from passengers, refuse to accept a passenger who is drunk, insane without custodian, or carrying prohibited or illegal objects.

The person who operates passenger transport has the main obligation and responsibilities as follows:

- To offer convenience, provide the information related to the journey to the passenger and perform all transport condition;
- To send the passenger to his destination in a convenient, safe and timely manner;
- To paste stickers to the passenger's as well as to guarantee that such passenger's belongings from any loss. In the event that passenger's belongings are damage, lost, the compensation shall be made based on the actual cost;
- To compensate for any injuries or loss of life of the passenger, in accordance with the laws and regulations;
- To urgently transfer passenger to the nearest health treatment place in case of emergency sickness or delivery time.

In case of cross-border transport, if the passenger is injured or died due to the mistake of the transport operator, the compensation for the injuries or the loss of life shall not exceed 9000 SDR (Nine thousand Special Drawing Right) per each victim and in the case of loss or damage to the registered belongings of passenger, the highest amount of compensation shall be 8.33 SDR (Eight point thirty-three Special Drawing Right) per one kilogram or shall not exceed 333.34 SDR (Three hundred thirty-three point thirty-four Special Drawing Right) per machine per person.

#### **Article 27 (New) Rights, Obligations and Responsibilities of Passengers**

The passenger has the rights to receive the information, convenience, ease, safety, to reach destination and to ask for compensation for any loss occurred due to the mistake of the transport operator.

The passenger shall be obligated to comply with the transport regulation; maintain cleanliness, environment, peace, manners; declare high-value items, dangerous objects, weapon, pay passenger fees and be responsible to pay charge for overweight items to transport operator.



## **Article 28 (Amended) Goods Transport Contract**

Goods transport contract is a written agreement between the transport operator and goods sender regarding the move of goods from the starting point to the destination based on the agreed timeframe and the transport operator must ensure that goods are maintained in its original condition, secured from loss, and goods sender or goods receiver must pay the transport fees to the transport operator in according to the contract.

## **Article 29 (Amended) Contents of the Contract**

The contract on domestic goods transportation shall have the main content as follows:

- Category, quantity, volume, weight and nature of goods;
- Place of dispatch and name of sender; - Destination and name of receiver;
- Packing, storage, uploading;
- Transport charges and fee payment method;
- Date and time of delivery;
- Insurance

For cross-border goods transport, it shall be comply with the treaty and international compact on land transport in which the Lao PDR is a partner country.

## **Article 30 (Amended) Bill of Lading**

The transport operator must provide a bill of lading to be accompanied with the vehicle on each trip based on the form issued by the Ministry of Public Works and Transport. For specialized transport to serve [the operator's] own business or activities, a bill of lading must be similarly accompany the vehicle on each trip.

## **Article 31 (Amended) Rights, Obligations and Responsibilities of Goods Transport Operator**

The goods transport operator shall have the rights to transport goods as mutually agreed, ask for the outstanding transport fees from goods sender or good receiver, to refuse the acceptance of prohibited goods or illegal goods.

Goods transport operator has the obligation to deliver the goods to its destination within the timeframe, protect the goods to remain its original condition and secure from the loss.

In case that the goods are broken, damage or lost due to the transport operator's mistake, the operator must compensate the loss in accordance with the laws and regulations.

In case that goods receiver fails to accept or refuse to accept the goods, the transport operator must urgently inform the sender in order to seek resolution together.

For cross-border transport which facing the loss due to mistake of the transport operator, the compensation must be made in the amount not exceed 8.33 SDR (eight point thirty-three million Special Drawing Rights) per one Kilogram of the total weight of the goods which are broken, damage or lost.

## **Article 32 (New) Rights and Obligation of Good Senders**

Goods sender has the rights to follow up his own goods from the transport operator or the goods receiver. In the event that such goods are lost or are delayed in delivery, the sender has the rights to ask for compensation in accordance with the contract or the laws and regulations.

Goods sender has the obligation to declare the nature of the goods, number of package, weight, quantity, and if the goods are in the status of dangerous, fragile, expired or quickly rotten, this should be similarly declare to the transport operator to protect from being broken, damaged or lost.

#### **Article 33 (New) Rights and Obligations of Goods Receiver**

Goods receiver has the rights to follow up the goods from the transport operator or the goods sender, ask for the compensation in accordance with the contract or the laws and regulation in case that such goods are broken, damaged or lost, ask for compensation due to the delay in goods delivery, the failure to accept and pay transport fee, if such delays cause the loss of oneself interest.

Goods receiver has an obligations to pay goods transportation fees in according to the contract, declare in written the damage of goods to transport operator and goods sender, and create a memo with the transport operator for evidence.

#### **Article 34 (New) Seeking Compensation for the Loss of Goods**

In the event that some parts of goods are not found, goods sender must inform in written to the transport operator within seven days from the date receiving the goods onward in order to demand for compensation.

In the event that all the goods are not found, the goods receiver must inform in written to the transport operator within thirty days from the date in which the goods delivery is agreed in order to demand for compensation.

#### **Article 35 (New) Transport of Easily Rotten Goods**

Transport of easily rotten goods is the movement of organic matters, foodstuff items, including the crops which are risky of easily lost in quality due to the impact from the transport condition, temperature, moisture, dryness.

The transport of easily rotten goods must comply with regulation of the Ministry of Public Health, Ministry of Agriculture and Forestry and be all the times accompanied with a certifying letter The list of easily rotten goods for each period are stipulated separately in a specific regulation.

#### **Article 36 (New)Transport of Items Used as Foodstuff and Crops**

To transport items used as foodstuff and crops, it is required to use a vehicle with goods container and suitable transport vessels. The inside of the goods container and transport objects must be made from materials which are rustproof, waterproof, easy to clean, disinfected and cause no adverse impact to the transport items.

Goods container, vessel which is used to transport foodstuff and crops shall not be used for transporting living things or other products which may cause damages or infection, except in the case that such goods, vessels have been cleaned and disinfected.

#### **Article 37 (New) Transport of Live Animals**

Before each trip for transporting live animals, all animals must obtain health inspection and health certification from a veterinarian. The animals which are on the last stage of pregnant and are infected shall not be allowed to be transported.

Animal transport vehicle and animal container must have sign indicating the

transport of live animals, with enough space for the animal to move, easy to clean, prevent animals from escape, capacity to bear animal weight and to ensure safety, avoid injury or being affected.

Transporting animal in large group must be proceed in appropriate road without causing obstacle to the traffic, not cause bad smell and dirtiness to the road.

#### **Article 38 Transport of Dangerous Materials**

The transport of dangerous materials, such as: chemical materials, flammable materials, explosive materials, must receive approval from the Ministry of Public Works and Transport, other concerned ministries and must strictly comply with the regulations regarding the transport of dangerous materials.

#### **Article 39 (New) Special Transport**

In the special transport, such as the transport of goods or materials which are overweight or oversized, the operator of the special transport must survey the transportation road in order to seek an approval from the Ministry of Public Works and Transport.

### **Chapter 3 Freight Forwarding**

#### **Article 40 (New) Freight Forwarding**

Freight forwarding is a service in gathering, packing and packaging of goods and preparing documentation in order to move the goods from its delivery point to the destination based on the agreed timeframe.

#### **Article 41 (Amended) Rights and Obligations of Freight Forwarder**

A freight forwarder has the rights to make a contract with the goods' owner or goods sender and goods transport operator, receive and inspect the goods, contact with the state authority in connection with the freight forwarding and accept freight forwarding service charge as agreed.

The freight forwarder has the obligation in gathering, packaging, packing of goods to hand over to the goods transport operator, preparing the bill of lading, declaring detailed substance regarding the nature of the goods, pasting sign and serial number, reporting on the weight, volume, quantity; in case of dangerous goods [the freight forwarder] must declare the dangerous nature of such goods to the transport operator and must perform other obligation in accordance with the contract.

#### **Article 42 (Amended) Responsibilities of Freight Forwarder**

A freight forwarder is responsible for correctly completing the bill of lading, ensuring the complete forwarding of goods in accordance with the amount listed, preventing loss or damage to goods or loss in quality due to the packing-packaging and ensuring that such goods reach their destination.

In case of the loss or damage is due to the lack of accuracy and incompleteness in declaring the details of the goods as provided in paragraph 2, Article 41 of this law, the freight forwarder must be responsible to pay compensation to the transport operator.

## **Chapter 4**

### **Transport Vehicle Stations**

#### **Article 43 (Amended) Type of Transport Vehicle Stations**

Transport vehicle stations is divided into three types as follows:

- Stations for passenger transport vehicles;
- Stations for goods transport vehicles;
- Stations for animals transport vehicles.

The location and blueprint of the transport vehicle station must be in conformity with the master plan of the town, while the service system and the technical standard for the construction of such station must be in line with the regulations of the Ministry of Public Works and Transports.

#### **Article 44 (Amended) Size of Stations for Passenger Transport Vehicle**

Station for passenger transport vehicle is divided into three different sizes as follows:

- Large size is the station of passenger transport vehicle between provinces and between the countries;
- Medium size is the station of passenger transport vehicle within the province, city and between province, city to district, municipality;
- Small size is the station of passenger transport vehicle within the district, municipality and between the district, municipality to the village.

The station for passenger transport vehicle must include facilities system, such as ticket service system, information-technology system.

#### **Article 45 (New) Station for Goods or Animal Transport Vehicle**

The station for goods or animal transport vehicle must include facilities system, with precise size and technical standard.

The construction of the station for goods or animal transport vehicle must be in conformity with the urban master plan and the regulations of the Ministry of Public Works and Transport, and other concerned ministries.

## **Chapter 5**

### **Vehicle Rentals**

#### **Article 46 (Amended) Vehicle Rental Operators**

A vehicle rental operators are individuals, legal entities or organizations that rent their vehicles to other persons on a temporary or permanent basis in according to the contract. Vehicle rentals may include a driver and vehicle standby staff.

#### **Article 47 (New) Rights, Obligations and Responsibilities of Lessors**

A lessor has the rights to receive the vehicle rental fees in accordance with the agreement and the inspection of vehicle's condition. After the lessee returns the car, in case of loss or damage the lessor has the right to ask the lessee to fix or compensate in accordance with the law and regulation.

The lessor has the obligations to present the vehicle to the lessee following the time frame specified in the contract, guarantee the availability of technical standard, the

enterprise registration sign, accurate and complete vehicle documentation, and the third-party insurance.

The lessor shall be responsible for any damages caused due to the technical condition of the vehicle, giving vehicle which is not belong to oneself to other persons for lease without the permission from the owner.

#### **Article 48 (New) Rights, Obligations and Responsibilities of Lessees**

A lessee has the rights to receive the vehicle; and inspect the technical condition, vehicle document; ask the lessor to provide the vehicle within the timeframe and use the vehicle in according to the contract.

The lessee is obligated to pay rent, use vehicle properly following the contract, protect the vehicle to remain in its original condition throughout the duration of the contract, return the vehicle, as well as vehicle documents to the lessor within the timeframe.

The lessee is responsible for any ruins, damages or losses arisen to the vehicles due to his own mistakes, as specified in the laws and regulations.

### **Chapter 7 Logistical Zone**

#### **Article 51 (New) Logistic Zone**

Individuals, legal entities or organizations establish logistical zone for the development and management of domestic and cross-border goods transport to a quality management and service system in accordance with Article 21 of this law in order to operate service business under the management of the Division of Public Works and Transport.

#### **Article 52 (New) Rights, Obligations and Responsibilities of Logistical Zone**

A logistical zone has the rights involve the state and private sectors concerning to the service, service charge, receiving information on logistic from concerned sectors.

The logistical zone has the obligations to govern the goods moving process which is planned for control, storage, packaging, uploading, transporting of goods and service, and providing relevant efficient and effective information from the delivery point to the destination based on the customer's need.

The logistical zone is responsible for the accuracy and completeness of the goods and the bill of lading. In case of any defects in the service which cause incompleteness, damages and loss of goods, the logistical zone must be liable for the compensation.

### **Chapter 8 Vehicle Rest Area along the Road**

#### **Article 53 (New) Vehicle Rest Area along Road**

Individuals, legal entities or organizations establish vehicle rest area along the road in order to reduce the transport risk, the trip of passenger in accordance with Article 21 of this law in order to operate business under the management of the Division of Public Works and Transport.

#### **Article 54 (New) Rights, Obligations and Responsibilities of Vehicle Rest Area along Road**

The vehicle rest area along the road has the rights to advise the service users to use the vehicle rest area in accordance with the available objectives, inspect the orderliness, peace, cleanness and protect the environment of the vehicle rest area.

The vehicle rest area along the road has the obligations to promote the public participation in the distribution of local goods, the provision of emergency service and necessities in the vehicle's trip, the information service of the transportation road to the transport operator and the traveler.

The vehicle rest area along the road is responsible to provide convenient, safe service to the passengers who use the service.

### **Chapter 9 Public Bus Ticket Selling Shop**

#### **Article 55 (New) Public Bus Ticket Selling Shop**

Individuals, legal entities or organizations establish the shop for selling public bus ticket in accordance with Article 21 of this law in order to operate business under the management of the Division of Public Works and Transport.

#### **Article 56 (New) Rights, Obligations and Responsibilities of Bus Ticket Shop**

A bus ticket shop has the right to publicize about the bus ticket selling service, collect and accept the service charge for bus ticket selling, advise the passengers about the route.

The bus ticket shop has the obligations to provide the service in selling bus ticket in according to the contract agreed with the public bus transport company, create electronic linkage system with the transport station in order to control ticket selling, provide information service to the passengers.

The bus ticket shop is responsible for the tickets which sold to a passenger to enable him to reach the destination, including other facilities as appropriate. In case that the passenger cannot reach the destination due to the mistake of such bus ticket shop, such shop must be liable to compensate for any damages arisen to the passenger.

### **Part V Land Transporters Association**

#### **Article 57 (Amended) Land Transporters Association**

Land transporters association is a social organization under the Division of Public Works and Transport which is the place for gathering business operator engaged in land transport activities which are established in according to the laws and regulations related to the association.

#### **Article 58 (New) Role of Land Transporters Association**

The land transporters association has the role to consolidate solidarity, intellect; educate its own member to help each other, protect the legitimate rights and interest of its members and give support to the society, perform activities under the

Constitution, the laws and regulations and its own ethics in order to promote and develop land transport business to become strong and up-to-date so that it can contribute to the national socio-economic development and the poverty eradication.

#### **Article 59 (New) Rights and Duties of Land Transporters Association**

The land transporters association has the rights and duties as follows:

1. To formulate internal rules, publicize, disseminate policy, laws and regulations and the national socio-economic development plan related to land transport;
2. To assist, build and promote its members to perform land transport duties in a progressive and effective manner;
3. To manage, protect the legitimate rights and interest of its members and transport service user on the basis of the laws and regulations;
4. To represent its members to give opinion about various issues related to the land transport tasks to concerned organizations;
5. To be proactive in studying, researching, promoting, applying modern science, technique and technology into the development of the land transport tasks;
6. To exchange lessons, experiences related land transport in order to upgrade knowledge and skills of its members to higher level gradually;
7. To increase solidarity, unity among the members and cooperate with other associations both within the country and in abroad, as assigned;
8. To summarize, report the outcome of its performance to the Division of Public Works and Transport and to other concerned sectors on a regular basis;
9. To exercise other rights and perform other duties as specified in the laws and regulations.

### **Part VI Prohibition**

#### **Article 60 (New) General Prohibition**

Individuals, legal entities or organizations are prohibited from the following behaviors:

1. To operate land transport business without obtaining permission from concerned sectors;
2. To hinder, fail to facilitate and give cooperation in the inspection of authority and state officials concerned;
3. To destroy or cause damages to the environment, infrastructure and land transport facilities, such as bridges, roads, land traffic signal system and others;
4. To make use of vehicle with the state license plate to conduct transport;
5. To delay the duration of transport unreasonably;
6. To transport drugs and other illegal things;
7. To add and alter the vehicle without permission;
8. To overload objects on the vehicle's roof over the limit;
9. To have other behaviors which violate the laws and regulations.

#### **Article 61 (New) Prohibition for Drivers of Transport Vehicle**

Drivers of transport vehicle are prohibited from the following behaviors:

1. To drive without driving license, drive using improper type of driving license or using

- an expire driving license;
- 2. To drive with over limit speed, with negligence and lack of manners;
- 3. To use drugs, get drunk during driving;
- 4. To load overweight or oversize objects;
- 5. To park vehicle, upload goods or pick up-drop passengers at no parking area;
- 6. To leave along the road a piece of wood, rock or obstacle used under the tire;
- 7. To have other behaviors which violate the laws and regulations.

#### **Article 62 (New) Prohibition for Concerned Official and Government Staff**

Concerned officials and government staffs are prohibited from the following behaviors:

- 1. To operate business, serve as an adviser, technical staff to the land transport company which is directly related to his own responsibility;
- 2. To disclose the information on the bidding of land transport tasks;
- 3. To demand for, ask for, accept bribe, bias, delay, conspire, falsify document, abuse of position for the interest of themselves and group in connection to land transport;
- 4. To ignore their own responsibilities, improper behaviors of those who operate land transport business;
- 5. To have other behaviors which violate the laws and regulations.

#### **Article 63 (New) Prohibition for Land Transport Operators**

Land transport operators are prohibited from the following behaviors:

- 1. To lease, transfer their own enterprise registration certificate to other persons or to use the enterprise registration certificate of other persons;
- 2. To operate business not in according to the authorized types, without permission, with expire permission;
- 3. To a leased vehicle to drive by a driver who has no driving license or who has proper type of driving license;
- 4. To use vehicle that is lack of technical inspection certificate, without car running permission, with an expired car running permission;
- 5. To use transport vehicle with foreign license plate for operating domestic transport without authorization from the Division of Public Works and Transport;
- 6. To provide fake document, conspire or give bribe to official and government staff in order to obtain permission to operate land transport business;
- 7. Not to give cooperation, hide, falsify, misrepresent the information related to enterprise financial accounting and transport volume against the inspection of concerned officials and staff;
- 8. To recruit drivers who have no driving license, bad manners, alcoholism, addicted to drugs and other alcoholic drinks;
- 9. To have other behaviors which violate the laws and regulations.

### **Part VII Dispute Resolution**

#### **Article 64 (New) Form of Dispute Resolution**

Dispute resolution may be conducted through any forms as follows:

- 1. Compromise;



2. Resolution through administrative channel;
3. Resolution done by the economic dispute resolution organization;
4. Court sentence;
5. Resolution through international Aspect.

#### **Article 65 (New) Compromise**

In the event that land transport dispute arise, the conflict parties may discuss, negotiate and compromise.

#### **Article 66 (New) Resolution through Administrative Channel**

In the event that land transport dispute arise, the conflict parties have the rights to propose the relevant Division of Public Works and Transport to consider finding resolution in accordance with the laws and regulations.

#### **Article 67 (New) Resolution done by the Economic Dispute Resolution Organization**

In the event any dispute arisen in the operation of land transport business, the conflict parties have the rights to propose the economic dispute resolution organization to consider and find solution in accordance with the laws and regulations.

#### **Article 68 (New) Court Sentence**

Once a dispute on land transport arise, either party can lodge a claim to the people's court for consideration and making decision, in accordance with the laws and regulations.

#### **Article 69 (New) Resolution through International Aspect**

In the resolution through international aspect with regard to the operation of land transport business, the conflict parties can propose to the authority in charge of conflict resolution within the country, in abroad or at international level as agreed or must comply with the treaty and the international convention in which the Lao PDR is a party.

### **Part VIII National Transport Committee**

#### **Article 70 (Amended) Establishment of the National Transport Committee**

To enable the management and the promotion of all types of transport in the Lao PDR to become convenient, quick, safe, integrated into transport system at ASEAN, regional and international level, the State establish the national transport committee which is a non-standing organization, having the role to coordinate with domestic and foreign authority in the management of all types of transport management tasks to have an advancement to contribute to the development of the socio-economic development of the nation.

#### **Article 71 (New) Structure of the National Transport Committee**

The National Transport Committee comprises of:

1. The Minister of Public Works and Transport, President;
2. The Deputy Minister of Industry and Trade, Vice President;

3. The Deputy Minister of Finance, Member;
4. The Deputy Minister of Agriculture and Forestry, Member;
5. The Deputy Minister of Foreign Affairs, Member;
6. The Deputy Minister of Security, Member;
7. Chief of Cabinet or Director General of Department of concerned ministries, Member;
8. Representative of relevant business sectors, both state and private, Member.

The National Transport Committee is appointed by the Prime Minister and have a secretariat office appointed by the President of the National Transport Committee and located at the Ministry of Public Works and Transport.

#### **Article 72 (New) Rights and Duties of the National Transport Committee**

The National Transport Committee has the rights and duties as follows:

1. To study, analyze policy, strategic plan, laws and regulations related to the transport tasks;
2. To develop its own action plan in each period and coordinate with other sectors regarding the transport task;
3. To encourage, promote the growth of all types of transport, the use of modern science, technique and technology which aims to enable the domestic and international transport to become convenient, quick, safe, effective and have no impact to the environment;
4. To study and determine transport road network, all forms of transportation price structure in order to submit to the Government for consideration;
5. To provide comments into the technical standard of the transport vehicle, based on the suggestion of the relevant transport sectors;
6. To study the use of transport document to be in uniformed manners and to enable its linkage with the international transport system;
7. To study the method, coordinate, follow up and solve various problems which hinder the transport;
8. To communicate and cooperate with foreign countries, regional and international level regarding the transport tasks as being assigned;
9. To evaluate, summarize and report the implementation of transport tasks to the Ministry of Public Works and Transport and to the Government on a regular basis;
10. To exercise such other rights and perform such other duties in according to the laws and regulation or as assigned by higher authority.

### **Part IX**

#### **Administration and Inspection of Land Transport Tasks**

##### **Chapter 1**

##### **Administration of Land Transport Tasks**

#### **Article 73 (Amended) Land Transport Administration Agencies**

The Government is in charge of administering land transport task in a centrally and uniformed manner throughout the country by assigning the Ministry of Public Works and Transport and to take direct responsibilities and to coordinate with other ministries or organizations and relevant local administrative authority. The land transport

administration agencies comprise of:

1. Ministry of Public Works and Transport;
2. Division of Public Works and Transport of province, city;
3. Office of Public Works and Transport of district, municipality;
4. Village administrative authority.

#### **Article 74 (Amended) Rights and Duties of the Ministry of Public Works and Transport**

In administering land transport tasks, the Ministry of Public Works and Transport has the rights and duties as follows:

1. To study the policy, strategic plan, master plan and the laws and regulations related to the land transport in order to submit to the Government for consideration;
2. To elaborate the policy, strategic plan, the Government Resolution regarding the land transport tasks to become a program, plan and project;
3. To publicize, disseminate policy, strategic plan, master plan and the laws and regulations related to the land transport tasks;
4. To guide, encourage, follow up the implementation of policy, strategic plan, master plan, laws and regulations, investment plan and transport development plan;
5. To provide convenience to the national transport committee regarding the performance of transport tasks, in particularly to respond to request for budget, vehicles and necessary equipment;
6. To determine, manage the large-size station of transport vehicle, passenger transport road and to administer province to province and cross-border transport enterprise;
7. To manage land transport vehicle of the domestic and international transport enterprise which operate on the road in the Lao PDR;
8. To study transport price, various fees and service charges relating to land transport in order to submit to the Government for consideration in each period;
9. To study and exploit the sources of technical revenue relating to land transport;
10. To study and give comment regarding the investment, expansion, suspension and cancellation of business relating to land transport;
11. To study on dispute resolution relating to land transport;
12. To study, issue licenses for the operation of transport vehicles between provinces and between countries;
13. To improve organizations under its jurisdiction, build, train, upgrade knowledge and skill land transport officials;
14. To manage land transport statistic throughout the country;
15. To coordinate with other sectors and local authorities concerning the land transport tasks;
16. To communicate and cooperate with foreign countries, regional and international levels concerning land transport tasks;
17. To summarize, report the outcome of the implementation of land transport tasks to the Government on a regular basis;
18. To exercise such other rights and perform such other duties as specified in the laws and regulations.

#### **Article 75 (Amended) Rights and Duties of the Division of Public Works and Transport at Province, Municipality Level.**

In the administration of land transport, the Division of Public Works and

Transport at each province, city has the rights and functions as follows:

1. To elaborate the policy, strategic plan and development plan relating to land transport tasks; guide the implementation of laws and regulations, decree, resolution, order, rules and technical standard of vehicle, unit price structure issued by the Ministry of Public Works and Transport, and to publicize, disseminate within relevant province, city;
2. To administer the list of transport vehicles, weigh in station, activities relating to land transport as provided in Article 20 of this law and the land transport association within the province, city for which it is responsible;
3. To administer, follow up technical standard relating to transport vehicle, issue vehicle monitoring book, license for the operation of transport vehicles within the province, city for which it is responsible;
4. To determine the location, administer small-size vehicle transport station, route, number of trip, schedule for releasing public bus and administer transport enterprises located within the province, city for which it is responsible;
5. To draw up project proposal in order to seek domestic and foreign funding sources to serve the development of transport tasks within the country and city where it is possible;
6. To administer, monitoring the operation of land transport business and give comment about the investment, expansion, suspension and cancellation of the operation of land transport business within the province, city for which it is responsible;
7. To study, issue license for the operation of transport vehicles within the province, city;
8. To survey, collect information, statistic relating to land transport task within its locality;
9. To facilitate and settle dispute concerning land transport based on the scope of its responsibilities;
10. To communicate and cooperate with foreign countries regarding land transport tasks as assigned by higher authority;
11. To summarize and report the outcome of the implementation of land transport tasks within the province, city for which it is responsible to the Ministry of Public Works and Transport, other relevant sectors and administrative authority at province, city level on a regular basis;
12. To exercise such other rights and perform such other duties as specified in the laws and regulations and as assigned by higher authority.

#### **Article 76 (Amended) Rights and Duties of the Office of Public Works and Transport at District, Municipality Level**

In the administration of land transport task, the office of public works and transport at district, municipality level has the rights and duties as follows:

1. To disseminate the laws, resolution, order, technical standard and unit price, and to implement on a regular basis the transport task development plan within the district, municipality for which it is responsible;
2. To administer, issue license for the operation of vehicle within the district, municipality for which it is responsible;
3. To administer, monitoring and give convenience to land transport business operator

- within the district, municipality for which it is responsible;
4. To administer the small-size transport vehicle station;
  5. To coordinate with relevant parties in administering transport and in solving dispute relating to land transport which arisen within the district, municipality under its scope of responsibilities;
  6. To write the project proposal in order to mobilize funding sources for the development of transport tasks within the district, municipality for which it is responsible;
  7. To guide, follow up the village administrative authority in relation to land transport tasks;
  8. To survey, collect data, statistic relating to land transport task within the district, municipality for which it is responsible;
  9. To review and report on the outcome of the implementation of land transport task within the district, municipality for which it is responsible, to the Division of Public Works and Transport, other relevant sectors, and district, municipal administrative authority on a regular basis;
  10. To exercise such other rights and perform such other duties as specified in the law and regulations and as assigned by higher authority.

#### **Article 77 (New) Rights and Duties of Village Administrative Authority**

In the administration of land transport task, the village administrative authority has the rights and duties as follows:

1. To disseminate and implement the laws and regulations relating to land transport task and the guideline of the Division of Public Works and Transport and other relevant sectors regarding the land transport task within the village under its responsibility;
2. To encourage the local people's participation in giving comment and contributing in the land transport task within the village under its responsibility;
3. To collect information, statistics relating to land transport tasks within its scope of responsibility;
4. To summarize and report the land transport activities within the scope of its responsibility to the Office of Public Works and Transport, district and municipal administrative authority on a regular basis;

## **Chapter 2**

### **Inspection of Land Transport Task**

#### **Article 78 (New) Land Transport Task Inspection Organization**

The Committee in charge of land transport task inspection comprises of two categories as follows:

1. Internal inspection organization is the same organization as the land transport task inspection organization as specified in Article 73 of this law.
2. External inspection organization:
  - The National Assembly, as specified in the Law on the Oversight of the National Assembly;
  - The Government inspection and anti-corruption organization as specified in the Law on State Inspection;

- The State Inspection Organization, as specified in the Law on Inspection;
- The Lao Front for National Construction, mass organization, the people and mass media.

The external inspection has the objectives to inspect the duty performance of the land transport task administration and inspection organization to ensure its strength, transparency, fairness and effectiveness.

#### **Article 79 (New) Rights and Duties of Land Transport Task Inspection Organization**

The land transport task inspection organization has the rights and duties to comply with the substance and the form as specified in Article 80 and 81 of this law.

#### **Article 80 (New) Substance of Land Transport Task Inspection**

The inspection of land transport task has the main substance as follows:

1. To inspect the implementation of policy, strategic plan, laws and regulations, investment plan, development and renovation and maintenance of infrastructure and facilities relating to land transport task;
2. To inspect the activities of the land transport operator and the land transport association;
3. To inspect the use of technical standard of vehicle, all types of equipment which serve the land transport;
4. To inspect the impact to the environment due to the activities relating to land transport task.

#### **Article 81 (New) Land Transport Task Inspection Form**

The inspection of land transport task comprises of three forms as follows:

1. The inspection on a regular basis, which is the inspection conducted regularly in according to the plan and with certain timeframe;
2. The inspection done through informing in advance which is an out of plan inspection when deem necessary by which the inspection target be informed in advance;
3. The inspection done immediately which is the inspection in a rush, without notifying the inspection target in advance. The process of inspecting the land transport shall be implement strictly in according to the laws and regulation.

### **Part X**

#### **Policies Towards Persons with Outstanding Achievements and Measures against Violators**

#### **Article 82 (New) Policies towards Persons with Outstanding Achievements**

Any person, legal entity or organization with outstanding achievements in implementing the laws and regulations relating to land transport task, such as carrying out land transport with good quality, ensuring safety, convenience, transparency, orderliness, good protection of environment, and strictly adhering to transport fare rates according to the regulations, will receive rewards and other policies in accordance with the regulations.

#### **Article 83 (New) Measures against Violators**

Any person, legal entity or organization violating the laws and regulations

relating to land transport, such as the prohibition, will be re-educated, disciplined, fined, pay civil compensation or be punished according to the law based on the seriousness of the case.

#### **Article 84 (New) Re-education Measures**

Any person, legal entity or organization violating the laws and regulations relating to land transport task, such as prohibition with minor loss and non-criminal offences, will be re- educated, warned.

#### **Article 85 (New) Disciplinary Measures**

Official or staff in charge of the administration of land transport task who violates the laws and regulations relating to land transport task, such as prohibition which is not criminal offense, not case serious damages and who is dishonest to report the offense, escaping from his own wrongdoing, will be subjected to a warning, suspended from a promotion or be discharged from being state employee without any excused policy.

#### **Article 86 (New) Fines**

Any person, legal entity or organization committing violation of the laws and regulations relating to land transport task which cause damages but without any aspect of criminal offense, shall be fined as follows:

1. Carrying out business relating to land transport without permission or not in accordance with the authorized categories or with an expired permission;
2. Leasing or transferring his enterprise registration certificate to other persons;
3. Packing or loading goods not in line with the regulations;
4. Uploading goods not in according to the required location or time;
5. Using vehicle without proper register or below technical standard;
6. Using a license of other persons or give one's own license to other persons for use in the operation of business relating to land transport. The rate of fines is provided in the specific regulation.

#### **Article 87 (New) Civil Measures**

Any person, legal entity or organization who violates the laws and regulations relating to land transport which cause the loss to other person's assets shall compensate for the loss cause.

#### **Article 88 (New) Criminal Measures**

An individual who violates the laws and regulations relating to land transport tasks which is the criminal offences shall be punished under the Penal Law.

### **Part XI Final Provision**

#### **Article 89 Implementation**

The Government of the Lao People's Democratic Republic is to implement this law.

**Article 90 Effectiveness**

This law shall come into effect after sixty days from the date of the promulgating decree of the President of the Lao People's Democratic Republic.

Any regulations and provisions that contradict to this law are hereby repealed.

President of the National Assembly