

**Needs assessment  
for implementation of the  
WHO Framework Convention on Tobacco  
Control in  
Lao People's Democratic Republic**

**Convention Secretariat**

**February 2015**

## **Table of abbreviations**

COP	Conference of Parties
GYTS	Global Youth Tobacco Survey
GSPS	Global School Personnel Survey
MOAF	Ministry of Agriculture and Forestry
MOES	Ministry of Education and Sports
MOF	Ministry of Finance
MOFA	Ministry of Foreign Affairs
MOH	Ministry of Health
MOHA	Ministry of Home Affairs
MOIC	Ministry of Industry and Commerce
MOICT	Ministry of Information, Culture & Tourism
MOJ	Ministry of Justice
MOLSW	Ministry of Labour and Social Welfare
MONRE	Ministry of Natural Resources and Environment
MOPI	Ministry of Planning and Investment
MOPWT	Ministry of Public Works and Transport
NATS	National Adult Tobacco Survey
NGO	Nongovernmental organizations
SEATCA	Southeast Asia Tobacco Control Alliance
STEPS	WHO STEPwise Approach to Surveillance
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
US CDC	United States Center for Disease Control

### **The WHO FCTC**

- The World Health Organization Framework Convention on Tobacco Control (WHO FCTC) was developed in response to the globalization of tobacco epidemic, which has taken place since the 20<sup>th</sup> century.
- The Convention is an evidence-based treaty that reaffirms the right of all people to the highest standard of health.
- The objective of the Convention is “to protect present and future generations from the devastating health, social, environmental and economic consequences of tobacco consumption and exposure to tobacco smoke”, The Convention asserts the importance of demand-reduction measures as well as supply-side strategies to achieve this end, and Parties are also encouraged to implement measures beyond those required by the treaty.
- The Conference of the Parties (COP) is the decision-making body of the Convention. The Convention Secretariat was established as a permanent body to support the implementation of the Convention in accordance with Article 24 of the WHO FCTC.

### **The needs assessment exercise**

- COP1 (February 2006) called upon developing country Parties and Parties with economies in transition to conduct needs assessments in light of their total obligations related to the implementation of all provisions of the Convention and to communicate their prioritized needs to development partners (decision FCTC/COP1(13)).<sup>1</sup>
- The needs assessment is an exercise undertaken jointly with a government to identify the objectives to be accomplished under the WHO FCTC, resources available to the Party concerned for implementation, and any gaps in that regard. It is based on all substantive articles of the WHO FCTC so as to establish a baseline of needs.
- Post-needs assessment assistance has been provided to the Parties that have conducted needs assessments, based on the reports and priorities identified.

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<sup>1</sup> See COP1/2006/CD, *Decisions and ancillary documents*, available at: [http://apps.who.int/gb/fctc/E/E\\_cop1.htm](http://apps.who.int/gb/fctc/E/E_cop1.htm).

## Executive summary

Lao People's Democratic Republic (Lao PDR) ratified the WHO FCTC on 6 September 2006. The Convention entered into force for Lao PDR on 5 December 2006. To date, there are 179 Parties to the Convention.

An assessment of the needs for implementation of the WHO FCTC in Lao PDR was conducted jointly by the Government of Lao PDR and the Convention Secretariat from June to September 2014, following an initial analysis of the status of implementation, and the challenges and potential needs deriving from the country's most recent implementation report<sup>2</sup> and other sources of information. An international team led by the Convention Secretariat, which included representatives of the WHO Regional Office for the Western Pacific, the WHO Country Office in Lao PDR and the Southeast Asia Tobacco Control Alliance (SEATCA), conducted the mission in Lao PDR together with representatives of the Government from 8 to 12 September 2014. The assessment involved relevant ministries and agencies of the Government, Lao National Assembly and relevant development partners (Annex I).

The needs assessment report presents an article-by-article analysis of the progress Lao PDR has made in implementation of the Convention, the gaps that may exist and the subsequent possible actions that can be undertaken to fill those gaps. The 14 key elements that need to be put in place to enable Lao PDR to fully meet its obligations under the Convention are summarized below. Further details are contained in the report itself.

1. The WHO FCTC is an international treaty and therefore international law. Having ratified this treaty, Lao PDR is legally bound to implement its provisions through national laws, regulations or other measures in line with the Convention. Lao PDR is also encouraged to implement the recommendations contained in the implementation guidelines adopted by the COP and to take measures beyond those included in the treaty in order to support public health. There is therefore a need to identify all obligations in the substantive articles of the Convention, link them with the relevant ministries and agencies, obtain the required resources, and seek support internationally where appropriate.

2. The Government of Lao PDR is committed to fully implementing the Convention and notable achievements have been made in legislation (Annex II), multisectoral coordination, efforts to increase taxes and raising of public awareness about the harms of tobacco consumption and exposure to tobacco smoke. Lao PDR adopted the Law on Tobacco Control (the TC Law) No. 07/NA on 26 November 2009, which came into force on 16 December 2009. In addition to the TC Law, there are other laws, including a tax law, decrees and regulations related to: establishing the National Committee for Tobacco Control and the Tobacco Control Fund; smoke-free environments; textual health warnings; a ban on tobacco advertising, promotion and sponsorship; and control of illicit trade. The TC Law, and related decrees and regulations, have strong provisions in some areas. However, to fully implement the requirements of the Convention, the decrees and regulations need to be further strengthened in several areas, as described below.

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<sup>2</sup> See Lao People's Democratic Republic 2014 Implementation Report, available at: [http://www.who.int/fctc/reporting/party\\_reports/lao/en/](http://www.who.int/fctc/reporting/party_reports/lao/en/) (in process).

3. The Convention requires Parties to develop, implement, periodically update and review comprehensive, multisectoral, national tobacco control strategies, plans and programmes. Lao PDR is developing its eighth Five-Year National Socio-Economic Development Plan (covering 2016–2020), and has developed its strategic plan for the prevention and control of noncommunicable diseases, as well as a separate action plan for tobacco control. It is recommended that Lao PDR include implementation of the WHO FCTC through a whole-of-government approach in the eighth Five-Year National Socio-Economic Development Plan. It is also recommended that Lao PDR utilize the needs assessment report as a reference document in finalizing the multisectoral tobacco control strategy and action plan.

4. The tobacco control programme is guided by the high-level National Committee for Tobacco Control (the Committee) established by the TC Law (Article 51). The Committee is chaired by the Minister of Health and composed of five additional ministries, namely the Ministry of Finance (MOF), the Ministry of Industry and Commerce (MOIC), the Ministry of Education and Sports (MOES), the Ministry of Information, Culture and Tourism (MOICT), and the Ministry of Public Security (MOPS). Implementation is coordinated by a working level interagency Tobacco Control Task Force, which was established in 2005 and which meets regularly. The TC Law (Articles 45 and 47) also established the Tobacco Control Fund (the Fund); and the Government's Decree on the Tobacco Control Fund No. 155/G (Article 5), approved in May 2013, mandates that 2% of industry profits and 200 LAK per packet of local and imported cigarettes be collected directly from the tobacco industry for tobacco control activities. However, collection of the tax from the local tobacco companies has been unsuccessful. It is recommended that the MOF take prompt action to collect these taxes in accordance with Decree No. 2073 (16 July 2014) and make the Fund operational as soon as possible. It is also recommended that full time staff be put in place in the tobacco control unit of the Ministry of Health (MOH) and that staff time be allocated in other ministries and agencies to coordinate implementation of the Convention.

5. The 25-year Investment License Agreement (ILA) between the Ministry of Planning and Investment (MOPI), Coralma International<sup>3</sup> and S3T Pte Ltd, signed in 2001, is a key obstacle preventing Lao PDR from fulfilling its obligations to the Convention and implementing the tax law. The ILA, establishing Lao Tobacco Limited as a joint venture between these two companies and the Government, claims several benefits such as caps on the excise rate on tobacco products; and allows for exemptions from other selected taxes and from changes in the tax law. The joint needs assessment team was also informed that one other tobacco company exploits the same tax protections on the basis of the ILA even though it is not a party thereto. It is also worth noting that the contract was signed before Lao PDR became a Party to the Convention. However, as a Party to the Convention, Lao PDR is legally bound to implement price and tax measures to reduce the demand for tobacco products. The joint needs assessment team deems the ILA to be unfair, in conflict with the Government's commitment to protect the health and welfare of the Lao people, and in violation of Lao PDR's obligations under the WHO FCTC (particularly Articles 5.3 and 6). It is recommended that all companies be required to fully comply with the tax law in force. Further, the Government of Lao PDR should take prompt action, including establishing a high-level task force if needed, to analyse the ILA and assess the validity of the ILA (and its provisions) under the laws of Lao PDR and its international obligations. It is recommended that any provisions of the ILA, or other agreements, that are inconsistent with the Convention and its guidelines, as well as the Constitution of Lao PDR and its national legislation, be

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<sup>3</sup> A subsidiary of Imperial Tobacco Group.

nullified or amended as appropriate under due process of law. In this regard it is recommended that the MOH on behalf of the Committee submit an official report in relation to the ILA to the Office of the Prime Minister and to the Cultural and Social Affairs Committee of the National Assembly without further delay.

6. The TC Law (Articles 48.9, 49 and 50) prohibits tobacco companies from impeding civil servants in their duties, as well as prohibiting civil servants from types of conduct that adversely affect tobacco control. Despite this, it was reported that the tobacco industry has substantial influence and access to high-level policy-makers, which has led to conflicts-of-interest, weakened legislation, and decrees that contradict the law and are not comprehensive in coverage. In particular, this has occurred in cases of legislation and decrees on health warnings, taxation, and advertising at points of sale. It was also noted that the MOIC has received funding from the tobacco industry for activities related to control of illicit tobacco products. It is recommended that no further funds be received directly from the tobacco industry by any government agency for the implementation of public policy and that no voluntary agreement with the tobacco industry should be entered into for the prevention of illicit trade. Further, Lao PDR's efforts to combat illicit trade should focus on becoming a Party to the Protocol to Eliminate Illicit Trade in Tobacco Products and implementing its provisions. It is also recommended that Lao PDR ensure that relevant ministries and agencies that set and implement public policies be prevented from overseeing or managing the tobacco industry. It is also recommended that the Government develop national guidelines or a code of conduct for civil servants to ensure adherence to both the TC Law and Article 5.3 of the Convention and the guidelines for its implementation, including adequate separation between officials responsible for the implementation of public policy and those that oversee and manage the tobacco industry.

7. Tax policies on cigarettes have been put in place in Lao PDR. The different types of taxes imposed on cigarettes include ad valorem, specific excise, value-added, royalty, profit, Tobacco Control Fund tax, and lump sum tax on imports. The government passed the tax law in 2011, applying 60% excise on the wholesale price of cigarettes. However, because of the tax ceiling imposed by the ILA, full enforcement of the tax law is encountering strong resistance. As a result, the tax burden on cigarettes is very low in Lao PDR, and the lowest among ASEAN countries at less than 20% of retail price. This prevents Lao PDR from achieving its health objectives in line with Article 6 of the WHO FCTC and the relevant guidelines adopted by COP6.<sup>4</sup> As described above, it is recommended that the ILA be nullified, particularly with respect to the tax ceiling. Generally, it is recommended that Lao PDR implement the recommendations contained in the Article 6 guidelines. It is further recommended that the MOF raise taxes on a regular basis to take into account both increases in consumer prices and household incomes in order to decrease the affordability of all tobacco products. In this regard, it is recommended that further increases in the specific excise be implemented. In addition, tobacco products other than cigarettes should be taxed in a comparable way to limit substitution among products. It is also recommended that alternative mechanisms (e.g. licensing, registration and other fees) be considered as means of strengthening tobacco control measures.

8. The TC Law (Article 37) has provisions to create smoke-free environments in health facilities, educational facilities, meeting rooms, entertainment rooms, and inside public transport. However, there is a provision in the TC Law (Article 38) that allows for designated

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<sup>4</sup> See [http://apps.who.int/gb/fctc/E/E\\_cop6.htm](http://apps.who.int/gb/fctc/E/E_cop6.htm)

smoking areas to be located in numerous public places and workplaces, including government offices. In addition, regulations issued by subnational authorities and a decree by the Ministry of Public Works and Transport (MOPWT) have provisions for smoking rooms. Lao PDR is legally bound to provide universal protection to prevent exposure to tobacco smoke in indoor public places, indoor workplaces, public transport, and as appropriate, other public places. As such, provisions for designated smoking rooms indoors need to be removed. The guidelines for the implementation of Article 8 include a five-year deadline, which for Lao PDR was reached on 5 December 2011. It is recommended that the regulations and smoke-free decree be revised to be fully compliant with the obligations under the Convention and the recommendations contained in the guidelines.

9. Article 11 of the Convention on packaging and labelling has a three-year deadline, which was reached on 5 December 2009. At present, Lao PDR has a decree mandating textual health warnings covering 30% of the display areas on the front, back and two sides of cigarette packaging. The MOH has developed a draft decree that would introduce pictorial health warnings. Seven of 10 countries in ASEAN already have pictorial health warnings. It is therefore recommended that the Government of Lao PDR adopt and implement the decree on pictorial health warnings without further delay, and that the decree should provide for warnings covering more than 75% of the front and back of all tobacco packaging, and be in line with other recommendations of the guidelines for implementation of Article 11.

10. Lao PDR has a comprehensive ban on tobacco advertising, promotion and sponsorship as outlined in the TC Law (Article 48). However, the Decree on Tobacco Advertising, Promotion and Sponsorship Ban issued on 23 August 2010 (Decree No. 369) (Article 8), provides an exemption allowing tobacco advertising on parasols (outdoor umbrellas) and the display of tobacco products at points of sale. Article 13 of the Convention has a five-year deadline and was to be implemented by 5 December 2011. It is recommended that the Government amend the decree to align it with the TC Law and to be in accordance with Article 13 of the Convention and the guidelines for its implementation.

11. The TC Law, decrees and regulations have not been implemented and fully enforced, which weakens the effectiveness of the legislation. It is recommended that the MOH, together with MOPS, MOF, the Ministry of Home Affairs (MOHA), the Ministry of Public Works and Transport (MOPWT) and other relevant agencies, adopt Decree on penalties for violations and identify agencies for enforcement. It is also recommended that training be provided to law enforcement officials in all relevant ministries and agencies.

12. Education, communication, training and public awareness are important and constitute a key provision of the Convention. It is recommended that the MOH work closely with the Ministry of Justice, MOICT, MOES and other relevant ministries to develop and implement a strategic communication strategy with the long-term goal of denormalizing tobacco use. Particular attention should be paid to communities in remote and rural areas.

13. The United Nations Development Assistance Framework (UNDAF) is the strategic programme framework jointly agreed between the Government and the UN system outlining priorities in national development. The current UNDAF (2012–2016) includes prevention and control of noncommunicable diseases (NCDs) under Outcome 4 concerning more equitable, promotive, preventive, curative and rehabilitative health and social welfare services; as well as Output 4.3 whereby noncommunicable conditions, mental disorders, violence, injuries and visual impairment are prevented and reduced and risk factors for health conditions are

prevented or reduced. As implementation of the Convention is central to reducing NCDs and their burden, it is important to include support to the implementation of the WHO FCTC in the next UNDAF, which is currently being developed. The international team met a representative of the Office of the UN Resident Coordinator (UNRC) and the WHO Representative and brought this matter to their attention. The international team also met representatives of the Department of International Cooperation of the MOPI with responsibility for coordination with the UN system and other development partners. It is therefore recommended that the MOH follow up with MOPI, WHO and the UNRC to ensure that supporting implementation of the Convention is included in the programme activities of the next UNDAF.

14. Addressing the issues raised in this report, including paying particular attention to treaty provisions with deadlines (i.e. Articles 8, 11 and 13 and corresponding implementation guidelines) will make a substantial contribution to Lao PDR meeting the obligations under the WHO FCTC and improve the health status and quality of life of the Lao people.

As Lao PDR addresses these areas, the Convention Secretariat in cooperation with WHO and other relevant international partners is available and committed to providing technical assistance, and to facilitating the process of engaging potential partners and identifying internationally available resources for implementation of the Convention. The Convention Secretariat is also committed to first supporting and facilitating the national multisectoral stakeholder workshop that will consider the needs assessment report and prioritize actions for implementation, and then to providing other post-needs assessment assistance according to priorities jointly agreed with the Convention Secretariat and other partners.

The full report, which follows this summary, can also be used as the basis for any proposal(s) that may be presented to relevant international partners to support Lao PDR in meeting its obligations under the Convention.

This joint needs assessment mission was financially supported by the European Union. The Lao PDR MOH provided resources and logistic support to the mission, including organizing the meetings that took place during the mission.

\*This publication has been produced with the assistance of the European Union. The contents of this publication are the sole responsibility of the Convention Secretariat and can in no way be taken to reflect the views of the European Union.



## **Status of implementation, gaps and recommendations**

This core section of the report follows the structure of the Convention. It outlines the requirements of each of the substantive articles of the Convention, reviews the stage of implementation of each article, outlines achievements and identifies the gaps between the requirements of the treaty and level of implementation by Lao PDR. Finally, it provides recommendations on how the gaps identified could be addressed, with a view to supporting the country in meeting its obligations under the Convention.

### **Relationship between this Convention and other agreements and legal instruments (Article 2)**

Article 2.1 of the Convention, in order to better protect human health, encourages Parties “*to implement measures beyond those required by this Convention and its protocols, and nothing in these instruments shall prevent a Party from imposing stricter requirements that are consistent with their provisions and are in accordance with international law*”.

Lao PDR does not currently have measures which go beyond those provided for by the Convention.

It is recommended that the Government, while working on meeting the obligations under the Convention, also identify areas in which measures going beyond the minimum requirements of the Convention can be implemented.

Article 2.2 clarifies that the Convention does not affect “*the right of Parties to enter into bilateral or multilateral agreements ... on issues relevant or additional to the Convention and its protocols, provided that such agreements are compatible with their obligations under the Convention and its protocols. The Parties concerned shall communicate such agreements to the Conference of the Parties through the Secretariat*”.

Lao PDR is a part of the Association of the Southeast Asian Nations (ASEAN). Under the Common Effective Preferential Tariff (CEPT) scheme of the ASEAN Free Trade Area, tariffs on all manufactured and agricultural products that have at least 40% of its content from ASEAN need to be reduced to 0–5% by the 10<sup>th</sup> year.

#### **Gaps –**

1. There seems to be a lack of awareness of the obligation under this Article and the proactive role that all relevant ministries need to play in the reporting process.

***It is therefore recommended that the Ministry of Foreign Affairs (MOFA) and relevant ministries review any agreements in their jurisdictions that may fall under the scope of Article 2.2 of the Convention. Furthermore, if such agreements are identified, it is requested that Lao PDR communicate these to the Convention Secretariat either as part of their next WHO FCTC implementation report or independently.***

### **Guiding Principles (Article 4)**

The Preamble of the Convention emphasizes “*the special contribution of nongovernmental organizations and other members of civil society not affiliated with the tobacco industry,*

*including health professional bodies, women's, youth, environmental and consumer groups, and academic and health care institutions, to tobacco control efforts nationally and internationally and the vital importance of their participation in national and international tobacco control efforts".*

Article 4.7 recognizes that *"the participation of civil society is essential in achieving the objective of the Convention and its protocols"*.

The TC Law, in Article 6 on obligations of citizens on tobacco control, Article 28 on responsibilities of society and community, and Article 30 on responsibilities of individuals, calls for citizens (individuals, families, organizations, parents, guardians, teachers, teenagers, youth, students) to be involved in the control, management, monitoring and inspection of tobacco and to be role models.

Gap – There appears to be very few local civil society organizations active in tobacco control in Lao PDR at the moment.

***It is therefore recommended that the Government mobilize more civil society organizations, in particular starting with public health associations, consumer protection groups, youth and women's organizations, to support implementation of the Convention. It is also recommended that civil society organizations at the provincial and community levels be mobilized to improve outreach to the general public.***

### **General obligations (Article 5)**

Article 5.1 calls upon Parties to *"develop, implement, periodically update and review comprehensive multisectoral national tobacco control strategies, plans and programmes in accordance with this Convention"*.

Lao PDR has a 5-year tobacco control action plan and an annual operational plan awaiting approval by the Committee. The plans cover activities different agencies will implement at the national and provincial levels, and is based on the budget expected from the Fund.

The 7th Five-Year Health Sector Development Plan (HSDP) 2011–2015 includes prevention and control of noncommunicable diseases (NCDs hereinafter) as a priority. Although the plan stated that to address NCDs, the support of sectors outside of health is needed, there was no specific mention of comprehensive multisectoral strategies. Lao PDR has also developed a draft strategic plan for NCD prevention and control, which is currently awaiting finalization and endorsement.

It is to be noted that the 7th Five-Year National Socio-Economic Development Plan (NSDP) 2011–2015 that outlines the strategy for growth has listed tobacco as one of the main crops to promote cultivation in some provinces. Although the Government has provided no specific support to promote the production of tobacco, (other than in relation to the joint venture tobacco company) this is in conflict to another objective of this plan, which states that improving public health is a priority and a poverty reduction strategy.

### Gaps-

1. The tobacco control action plan is still in draft form and has not been finalized and adopted.
2. The current health sector development plan does not have a comprehensive multisectoral strategy for addressing the NCD risk factors, specifically tobacco.
3. The current NSDP 2011–2015 promotes the production of tobacco which is against Lao PDR's obligations under the Convention. It is also in conflict with the plan's own objective of improving public health.

***It is therefore recommended that the MOH together with all relevant stakeholders further develop and finalize the multisectoral National Tobacco Control Action Plan to implement the Convention. This needs assessment report can serve as a basis and a reference document in developing the action plan. The MOH is advised to organize a high-level national workshop with relevant stakeholders including all relevant government agencies, the National Assembly and development partners, to launch and disseminate the needs assessment report and discuss concrete plans to address the gaps identified and implement the recommendations in the needs assessment report. It is also recommended that the MOH and the Government include the implementation of the Convention as a priority in the 8th HSDP 2016–2020 and the 8th NSDP 2016–2020. It is further recommended that the Government remove tobacco from the list of crops to promote in the 8th NSDP 2016–2020.***

The Convention Secretariat is committed to facilitating provision of expertise and technical support in developing the National Action Plan for Tobacco Control, upon request from MOH.

Article 5.2(a) calls on Parties to “establish or reinforce and finance a national coordinating mechanism or focal points for tobacco control”.

The national focal point for tobacco control is the Director General (DG) of the Hygiene and Health Promotion Department in the MOH. The tobacco control office has no full-time staff, and has been supported by two full-time staff of SEATCA since 2010. This team develops and implements the national tobacco control programmes, provides technical recommendations and advice to MOH and other ministries (e.g. MOF), and supports media advocacy and build capacity for related ministries and provincial officers.

The TC Law (Article 51) established the high-level National Committee for Tobacco Control. The Decree on the National Committee for Tobacco Control No. 214/PMO outlines the organization and responsibilities of the Committee. The Committee is chaired by the Minister of Health and composed of five ministries, namely the MOF, MOIC, MOES, MOICT and MOPS. The focal point for tobacco control serves as the Secretariat of this Committee. At the ministerial level, the Committee provides policy guidance and overall direction. Implementation is coordinated by a working level interagency Tobacco Control Task Force established in 2005, and which continues to meet regularly. Membership of the interagency task force goes beyond the six ministries in the Committee.

The TC Law also established (i) the Tobacco Control Management Authority composed of the MOH, the Provincial and City Health Departments, and the District and Municipal Health Bureau (Article 51) responsible for implementing all tobacco control related activities

(Articles 52–54); (ii) the Tobacco Control Inspection Authority (Article 56) to inspect and ensure activities are implemented in accordance to the law and related regulations (Articles 57–59); and (iii) the Fund (Article 45) which should be managed and directed by the Committee (Article 47) in accordance with periodic work plans. The TC Law (Article 46) states that the TC Fund will obtain its funds from the state budget; profit taxes from tobacco business operators; donations from domestic and international organizations and persons; and incomes from tobacco control activities. The allocation amount is detailed in Article 26 of this needs assessment report. However, as of September 2014, the TC Fund has not yet received any funds. The international team met Mr Bounsoum Sisavat, Permanent Secretary of the Ministry of Finance to discuss this issue and seek his support.

Gaps –

1. There are no full-time staff for tobacco control in the MOH.
2. The TC Fund has not received its budgetary allocation due to challenges in collecting tax from local tobacco companies, and due to budget priorities of the Government at the time of the mission. This has delayed disbursement to partners for implementation of tobacco control activities.

***It is therefore recommended that full-time staff be recruited for tobacco control. It is also recommended that the MOF take prompt actions to collect taxes in accordance with Decree No. 2073/MOF, and make the fund available as soon as possible to enable its operation.***

Article 5.2(b) calls on Parties to “adopt and implement effective legislative, executive, administrative and/or other measures, and cooperate, as appropriate, with other Parties in developing appropriate policies, for preventing and reducing tobacco consumption, nicotine addiction and exposure to tobacco smoke”.

The Government of Lao PDR is committed to fully implementing the Convention and notable achievements have been made in legislation. The National Assembly passed the TC Law on Tobacco Control No. 07/NA in November 2009, which became effective in December 2009. The Government has also passed several decrees and regulations to implement the Convention. In addition to the TC Law, there are other laws including tax law, decrees and regulations related to establishing the Committee, setting up the Fund, smoke-free environments, textual health warnings, tobacco advertising, promotion and sponsorship ban, and control of illicit trade. The list of tobacco control related legislation is in Annex II of this report. The TC Law, decrees and regulations address most of the substantive articles of the Convention – Articles 4.7, 5.2(a), 5.3, 6, 8, 11, 13, 14, 15, 16, 18, 22 and 26.

The current legislation is comprehensive but new decrees and regulations need to be issued so that the tobacco control measures in Lao PDR are fully in line with the Convention. These include: 100% smoke-free indoor environments, pictorial health warnings, banning point-of-sale tobacco advertising, and marking that indicates the origin and destination of the tobacco products. Inclusion of the following would also strengthen the legislation: introduction of effective disclosure to the public of information about contents and emissions; disclosure of ingredients, characteristics and design features of tobacco products; and a provision that requires qualitative statements about the harmful substances in tobacco products.

The tobacco control inspection authority is tasked with enforcement, and sanctions are to be imposed for non-compliance. Articles 63 and 64 of the TC Law mandate the development of

regulations to require disciplinary measures towards civil servants and officials, as well as the rates of fines for violations. There is currently no enforcement of the law and no imposition of penalties as the regulations have not been developed. The Lao people have a strong sense of courtesy and respect, which is how they relate to the law as well. This spirit is also reflected in the TC Law (Article 60), whereby rewards are given to individuals or organizations who successfully implement the law and adhere to the provisions.

Gaps –

1. The TC Law is not fully WHO FCTC-compliant in a few areas, particularly in relation to the time-bound provisions in Articles 8, 11 and 13 of the Convention, and other areas as discussed in this report.
2. The regulations to stipulate disciplinary measures towards civil servants and officials as well as the rates of fine for violations have not been developed.
3. The law is not enforced and penalties are not imposed.

***It is therefore recommended that the Government develop and issue new decrees and regulations to ensure full compliance with the Convention and the guidelines for its implementation. It is also recommended that the Decree should also stipulate penalties for non-compliance in all relevant tobacco control legislation, including the tax law which requires the collection of tax for the TC Fund. It is further recommended that the Government establish a law enforcement system in order to implement the current legislation, including provision of training to officials in all relevant ministries and agencies.***

Article 5.3 stipulates that in setting “public health policies with respect to tobacco control, Parties shall act to protect these policies from commercial and other vested interests of the tobacco industry”.

The guidelines for implementation of Article 5.3 recommend that “all branches of government... should not endorse, support, form partnerships with or participate in activities of the tobacco industry described as socially responsible”.

The TC Law has several provisions that aim to protect policies from commercial or other vested interests of the tobacco industry. Tobacco businesses are prohibited from bribing or impeding the duty of civil servants and officials (Article 48(9–11)); and civil servants and officials are prohibited from acting in ways that may adversely impact the interests of the State and tobacco control work (Article 49). Articles 61 and 63 of the TC Law state that penalties will be imposed or disciplinary actions taken on violators. In addition, the Decree on Civil Servants No. 82/PM (Articles 10 and 11) requires civil servants to fulfill their responsibilities, adhere to professional standards, and maintain confidentiality of official information. This Decree may also be used to govern and protect public health policies from commercial or other vested interests of the tobacco industry.

A significant obstacle to Lao PDR fulfilling the obligations under Article 5.3 is the 25- year Investment License Agreement (ILA) that the Government signed with the Imperial Tobacco Group through its subsidiary Coralma International and with S3T Pte Ltd in November 2001 to privatize the country’s state-run tobacco monopoly into a joint venture (JV). The ILA confers several benefits on the JV, such as (1) best efforts from the Government to protect and support the production, manufacturing and distribution of tobacco products manufactured

locally; (2) status as most favoured company, including protection from competition against other tobacco companies; (3) priority processing for approvals required for all the operations and activities of the JV; (4) caps on tobacco excise tax rates (explained more fully below in the section on taxation); (5) exemptions from other selected taxes and duties; (6) benefits in rent and other production costs; (7) exemption from any changes in the law, including tax law, except changes that positively impact the JV; and (8) authority to renew the 25-year contract term indefinitely. Whereas the ILA applies only to the JV, the adverse impact of the ILA on tobacco control efforts overall is immense, given the majority market share of the JV in Lao PDR.

In order to raise awareness on the obligations under Article 5.3, the tobacco control team within the MOH has organized advocacy workshops for policy makers and government officers. However, these events have only reached technical programme officers, whilst the tobacco industry has been able to lobby high-level officials and influence the policy- and legislative-making processes.

It was also brought to the attention of the international team that information is available on tobacco industry interference with public policies. Examples include the following: the Ministry of Agriculture has received sponsorship from the tobacco industry for tree planting; and the tobacco industry has tipped off customs and tax officers on illicit tobacco products and offered rewards for detection.

#### Gaps –

1. Awareness of Article 5.3 and its guidelines among relevant ministries is low.
2. No code of conduct for civil servants in relation to the implementation of Article 5.3 and its guidelines has been developed. In addition, there are no measures in place requiring that all interactions with the tobacco industry deemed necessary are conducted in a transparent manner.
3. There is no law or policy that prohibits former or retired Government officials of a certain level and their family members from working for the tobacco industry or their front groups.
4. The 25-year ILA was signed prior to the ratification of the WHO FCTC and remains in effect, continuing to impede coherence of policies and legislation developed or made by non-health sector government agencies with the obligations of Lao PDR under the Convention.

***It is therefore recommended that Lao PDR develop and implement a Code of Conduct for Government officials and civil servants for their interactions with the tobacco industry, in line with Article 5.3 and its guidelines, and that the MOHA should be involved in its development. Lao PDR should also include a provision in the Decree on Civil Servants or any relevant State policy to prohibit former or retired senior Government officials of a certain level and their family members from working for the tobacco industry or their front groups. It is also recommended that any meetings that may occur between Government officials and the tobacco industry be made transparent and that any relevant information or notes for record be made available to the public.***

***It is further recommended that any provisions of the ILA or other agreements that are inconsistent with the Convention and its guidelines, as well as the Constitution of Lao PDR and its national legislation, be nullified or amended as appropriate under due process of***

***law. In this regard it is further recommended that the MOH on behalf of the Committee submit an official report in relation to the ILA to the Office of the Prime Minister and to the Cultural and Social Affairs Committee of the National Assembly without further delay.***

In support of the Government's effort to implement Article 5.3 and its guidelines, and in particular to nullify or amend any provisions of the ILA, the Convention Secretariat is committed to facilitating provision of expertise and technical support together with WHO upon request from the Government.

Article 5.4 calls on Parties to “*cooperate in the formulation of measures, procedures and guidelines for the implementation of the Convention and the protocols to which they are Parties*”.

Lao PDR participated in all five sessions of the Intergovernmental Negotiating Body on a Protocol on Illicit Trade in Tobacco Products; and attended all but the first session of the COP as it was not a Party to the Convention at that time. Lao PDR has not participated in any of the working groups established by the COP. Lao PDR is encouraged to participate in existing and future working or expert groups. Further cooperation and participation in intergovernmental processes in this regard will facilitate implementation of the Convention, its Protocol, and other instruments adopted by the COP.

Article 5.5 calls on Parties to “*cooperate, as appropriate, with competent international and regional intergovernmental organizations and other bodies to achieve the objectives of the Convention and the protocols to which they are Parties*”.

Lao PDR has been cooperating with international and regional organizations and other development partners, such as the WHO, the US Centers for Disease Control and Prevention (CDC), and SEATCA. Further details on international cooperation are given under Article 22.

Lao PDR has met its obligations under Article 5.5 of the Convention, and is encouraged to continue to do so.

Article 5.6 calls on Parties to “*within means and resources at their disposal, cooperate to raise financial resources for effective implementation of the Convention through bilateral and multilateral funding mechanisms*”.

Lao PDR has sought and received funding from international agencies including the WHO, the US CDC and SEATCA for legislation, policy development, capacity building, advocacy and surveillance activities. However, Lao PDR is encouraged to mobilize additional resources for funding full-time tobacco control staff, for effective implementation of the Convention and for strengthened enforcement of the relevant legislation.

Lao PDR has met its obligations under Article 5.6.

## **Price and tax measures (Article 6)**

In Article 6.1, the Parties recognize that “*price and tax measures are an effective and important means of reducing tobacco consumption by various segments of the population, in particular young persons*”.

Article 6.2(a) stipulates that each Party should take account of its national health objectives concerning tobacco control in implementing “*tax policies and, where appropriate, price policies, on tobacco products so as to contribute to the health objectives aimed at reducing tobacco consumption*”.

The Guidelines for the implementation of Article 6 emphasize that “tax and price policies are widely recognized to be one of the most effective means of influencing the demand for and thus the consumption of tobacco products. Consequently, implementation of Article 6 of the WHO FCTC is an essential element of tobacco-control policies and thereby efforts to improve public health.” It also identifies that “Determining tobacco taxation policies is a sovereign right of the Parties” and “Tobacco tax policies should be protected from vested interests” as two important guiding principles among others which underpin the implementation of Article 6.

The TC Law (Article 35) states that the prices of tobacco products are to be periodically collected, reviewed and adjusted in accordance to customs and tax policies to contribute to reducing tobacco consumption. Article 36 obliges customs and tax officers to ensure taxes on production, importation and distribution of tobacco products in the Lao PDR are imposed in accordance with the law and regulations.

**Taxation of tobacco products:** The Tax Department of the MOF is responsible for initiating changes to tax policies and rates, and for the registration of local cigarette manufacturers. The Invoice Management and Printing Division of the Tax Department is responsible for printing tax stamps and for stamp sales to tobacco factories. The Customs Department of the MOF is responsible for printing and controlling the sale of customs stamps for duty-paid and duty-free cigarettes, and for regular tax stamps for imported cigarettes.<sup>5</sup>

Ad valorem, excise, value-added, royalty, and TC Fund taxes are imposed on local tobacco products; and excise and TC Fund taxes on imported tobacco products. Profit tax is imposed on companies that produce, import and supply tobacco products. There are no excise duties on smokeless or chewing tobacco, and manufactured cigarettes exported from Lao PDR.

Due to the ILA, as explained above, the local tobacco industry has claimed to be only subjected to an excise tax rate of 15 or 30% depending on the production cost instead of the legally stipulated 55–60%. Production cost is based on information provided by tobacco manufacturers, which is reported to have remained the same over the last decade, ensuring the excise tax rate remains at 15%. Whereas the ILA applies on paper only to the JV, another tobacco company, though not party to the ILA, also enjoys the same benefits according to a letter from the Prime Minister issued in 2002. This letter is cited as grounds for not following the TC Law, the Tax Law No. 05/NA, Decree on the TC Fund No. 155/G, and Decree on TC Fund Collection No. 2073/MOF.

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<sup>5</sup> Lao PDR Tobacco Tax Report Card. (June 2010). Southeast Asia Initiative on Tobacco Tax (SITT), SEATCA.



The Tax Department has also reported difficulties in collecting the 2% of profit tax and 200 LAK per pack on local cigarettes for the tobacco control fund as required under Decree No. 155/G. In addition, because of the ASEAN CEPT scheme, Lao PDR is to reduce tariffs on all manufactured and agricultural products that have at least 40% of its content from the ASEAN to 0–5% by the 10<sup>th</sup> year. From October 2014, tariffs on imported tobacco from ASEAN countries will be at 5% of cost, insurance and freight price (CIF) from the current rate of US\$200 per box of 500 packs. By 2015, there will be no import tariffs.

In order to reduce affordability of tobacco products, the Government increased specific excise tax from 100 LAK to 500 LAK per pack in March 2011 with plans to further raise this to 1200 LAK in 2014. As of September 2014, the proposed amendment is pending submission to and approval by the Cabinet.

According to a 2014 Southeast Asia Initiative on Tobacco Tax (SITT) report, Lao PDR has one of the lowest tax burden as percentage of retail price (16% for imported and 19.7% for domestic cigarettes) in the Southeast Asian Region.

**Table 1. Rates and types of tax applied on tobacco products in Lao PDR**

Source of information	Type of tax	Type of tobacco product	Tax rate
ILA )	Ad valorem (base: production cost)	Domestic products	15%
Government Cabinet Office (GCO) Letter No. 3324/GCO dated 6 December 2010	Specific excise tax	Domestic products	500 LAK per pack
VAT Law No. 03/PO	Value-added tax (base: retail price)	Domestic products	10%
Tax Law No. 05/NA	Royalty (base: production cost)	Domestic products	5%
Regulation No: 3364 /MOF. Issued 18 May 2013; valid for 1 year.	Excise tax	Imported products	US\$200 per box (500 packs)
Decree No. 155/G (Article 5)	TC Fund tax	Domestic and imported products	200 LAK per packet
Tax Law No. 05/NA	Excise tax (Article 20)	Cigarettes containing shredded tobacco, packaged cigarettes and cigars	60% (only 15 or 30% is applied because of ILA) <sup>6</sup>
	Excise tax as per ILA	Cigarettes (production cost is < 1500 LAK)	15%
	Excise tax as per ILA	Cigarettes (production cost is ≥ 1500 LAK)	30%
Tax Law No. 05/NA (Article 29) & Decree No. 155/G (Article 5)	Profit tax	Legal entities which produce, import and supply tobacco products	26% (2% for TC Fund)

**Price of tobacco products:** According to the 2013 price survey, the prices of tobacco products are as follows:

<sup>6</sup> It is to be noted that although the law states 55%, only 15–30% is applied because of a 25-year (2001–2026) Investment License Agreement between the government and the tobacco industry.

- 1) Domestic cigarettes
  - a. A Deng is priced at US\$0.90 per pack of 20 cigarettes
  - b. Dok Mai Deng is priced at US\$0.39 per pack of 20 cigarettes
- 2) Imported cigarettes
  - a. Marlboro is priced at US\$1.70 per pack of 20 cigarettes
  - b. 555 is priced at US\$1.95 per pack of 20 cigarettes
  - c. Benson is priced at US\$1.95 per pack of 20 cigarettes

According to SITT reports, both domestic and imported cigarettes are increasingly affordable. The price of A Deng, the most popular cigarette in Lao PDR, has risen nominally by 1000 LAK (approximately US\$0.13) each year, whilst the relative income price of imported cigarettes has fallen most dramatically for expensive brands, and slightly for the average priced and cheapest brands.

**Expenditure on tobacco:** According to the NATS 2012, the average expenditure on tobacco per month is USD 11.40 for manufactured cigarettes, USD 3.50 for hand-rolled cigarettes, and USD 3.20 on loose tobacco (pipes, smokeless). The annual cash expenditure on manufactured cigarettes is USD 65.6 million, and about 41% of it is spent by people who can least afford it – those earning less than USD 2 per day.

**Government revenue from tobacco taxes:** According to a 2010 SITT report, the government revenue from tobacco taxes has been increasing (from 19,782 million LAK in 2003 to 78,111 million LAK in 2008) but the proportion is still small (1.54–2.39%). An earlier 2008 SITT report indicated that due to the ILA, the net loss of tobacco tax revenue to the government was nearly 195 billion LAK over five years from 2002 to 2006. Based on projections, in 2007 when there was no profit tax holiday, the net loss from excise tax revenue was estimated to be around 74 billion kip. With Decree No. 2073/MOF, tobacco tax can be a sustainable funding source for health promotion.

**Cigarette manufacturers:** The largest cigarette manufacturer in Lao PDR is the Lao Tobacco Company Limited, which is a joint venture between the Government and the Imperial Tobacco Group, established in 2001 under the ILA. The Lao-China Lucky Tobacco Company Limited is the second biggest manufacturer and is owned by a Chinese company.

**Gaps –**

1. The ILA obstructs implementation and full enforcement of existing tobacco tax legislation.
2. Production cost is based on information provided by tobacco manufacturers, which is reported to have remained the same over the last decade.
3. Currently the tobacco product taxation level is still very low, and specific tax rates do not take into account changes in household incomes and inflation.
4. There are no taxes imposed on smokeless tobacco or loose tobacco.

*As described above, it is recommended that any provisions of the ILA or other agreements that are inconsistent with the Convention and its guidelines, as well as the Constitution of Lao PDR and its national legislation, be removed. It is also recommended that the Government conduct an audit of tobacco manufacturers to determine how production costs are set and to impose penalties if the audit uncovers fraudulent practices. It is further*

*recommended that the Government monitor, increase or adjust tobacco tax rates on a regular basis, potentially annually, taking into account inflation and income growth developments (for specific taxes) in order to reduce consumption of tobacco products. To this end, Lao PDR should consider having regular adjustment processes or periodic reevaluation of tobacco tax levels. Tobacco products other than cigarettes should be taxed in a comparable way to limit substitution among products.*

*The Government of Lao PDR should take all necessary steps to fully implement its existing tax law and to implement tax and price measures to meet its obligations under Article 6 of the Convention and its guidelines, and in doing so to protect tobacco tax policies from vested interests of the tobacco industry. It is recommended that all companies be required to fully comply with the tax laws in force. According to the Guidelines for the implementation of Article 6, enforcement measures usually include imposing penalties for non-compliance which usually include suspension or cancellation of license or the application of more stringent conditions on the license, fines and/or jail, forfeiture of products, forfeiture of equipment used in the manufacture or distribution of products including machinery and vehicles, cease and desist orders, and other administrative remedies as appropriate.*

Article 6.2(b) requires Parties to prohibit or restrict, “as appropriate, sales to and/or importations by international travellers of tax- and duty-free tobacco products”.

The Customs Law No. 04/NA states that passengers traveling to Lao PDR are permitted to bring in all types of cigarettes not exceeding 1 carton (200 cigarettes), cigars not exceeding 50 cigars or tobacco leaves not exceeding 250 grams, and be exempted from duty.

Lao PDR has met the requirements of the Convention in relation to Article 6.2(b). However it is recommended that consideration be given to further prohibit or restrict the sale to and/or importation by international travellers, of tax-free or duty-free tobacco products.

Article 6.3 requires that Parties shall “provide rates of taxation for tobacco products ... in their periodic reports to the Conference of the Parties, in accordance with Article 21”.

Lao PDR has provided this information in its two-year and five-year reports and has therefore met the obligations under Article 6.3.

### **Protection from exposure to tobacco smoke (Article 8)**

Article 8.2 requires Parties to “adopt and implement in areas of existing national jurisdiction as determined by national law and actively promote at other jurisdictional levels the adoption and implementation of effective legislative, executive, administrative and/or other measures, providing for protection from exposure to tobacco smoke in indoor workplaces, public transport, indoor public places and, as appropriate, other public places.”

The Article 8 guidelines emphasize that “there is no safe level of exposure to tobacco smoke” and call on each Party to “strive to provide universal protection within five years of the WHO Framework Convention’s entry into force for that Party”.

There are national law and regulations that ban smoking in indoor and/or outdoor areas to protect people from exposure to second-hand smoke. The TC Law (Article 37) stipulates

nonsmoking areas which include health and education facilities, meeting and entertainment rooms, public land, water and air transport, places with inflammable materials and other places with no smoking signs and smoke free places. However Article 38 gives a wide range of public and work places exemptions. Article 38 allows for designated smoking areas in public places and offices, which may be indoor or outdoor. Articles 25 and 50(2) require compliance to the smoking ban.

Different sectors have also established regulations to implement the smoking ban and have required smoke-free indoor areas and the display of “No Smoking” or “Thank You for Not Smoking” signs. 100% smoke-free policies have been introduced by the MOES in national university in 2006 and in the health and sports sector in 2012, the Ministry of Security among security forces in 2007, the MOH in the health sector in 2007, and by the Lao Women’s Union in 2008. However, some other Regulations<sup>7</sup> have exemptions that allow separate rooms to be designated as a smoking area.

The TC Law (Article 61) states that penalties will be imposed on violators, though there are no specific enforcement guidelines on penalties as yet. Each ministry is responsible for monitoring and ensuring compliance to the smoke-free regulation. The international team was informed that where there are ‘No Smoking’ or ‘Thank You for Not Smoking’ signs, people have respectfully adhered to the regulation.

According to the 2012 National Adult Tobacco Survey (NATS), the exposure to second-hand smoke in homes is high (68%) as well as among those working in enclosed areas (47%). In common public areas of government buildings, restaurants and public transport, the exposure to second-hand smoke is about 50%.

The 2011 Global Youth Tobacco Survey (GYTS) found that fewer youth are exposed to second-hand smoke in public places and in homes compared to 2003. In 2011, half (50.1%) are around others who smoke in places outside their home, and 36.5% live in homes where others smoke in their presence. More than half (55.4%) think that smoking should be banned from public places similar to that found in 2003. However, in 2011, 56.2% think smoke from others is harmful to them, lower than the 61.7% in 2003, highlighting a possible lapse in educating about the harms of second-hand smoke.

The five year time line to provide universal protection from exposure to second-hand smoke in indoor public and work places, as provided for by the Guidelines for the implementation of Article 8 concluded on 5 December 2011.

#### Gaps –

1. Lao PDR has missed the five year time line to implement 100% smoke free policies in indoor public places, public transport and indoor workplaces.
2. The TC Law and some regulations permit construction of an enclosed room for smoking.

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<sup>7</sup> Smoke-free public work and transport workplaces No. 10070/MOPWT, Ban on smoking in Luang Prabang International Airport Notice No. 0819/DCA, Regulation of Vientiane Capital Provincial Governor (VCPG) on Implementation of Smoke-Free Policy No. 075/VCPG, Regulation of Champasak Provincial Governor on Implementation of Smoke-free 8th National Games and 25th SEA Games No. 075/VCPG, and Regulation of Luang Prabang Provincial Governor (LPPG) - Smoke-free Luang Prabang World Heritage No. 092/LPG.

3. There are no guidelines detailing penalties to be imposed for violations, and the smoke free policies have not been enforced.

***It is therefore recommended that Lao PDR develop and issue a new Decree or Regulations in line with Article 8 and its guidelines, and implement 100% smoke-free policies in all indoor workplaces, public transport, indoor public places and, as appropriate, other public places. It is also recommended that Lao PDR develop guidelines detailing the penalties for smoking ban violations.***

### **Regulation of the contents of tobacco products (Article 9) and Regulation of tobacco product disclosures (Article 10)**

Article 9 requires Parties to “adopt and implement effective legislative, executive and administrative or other measures” for the testing and measuring of the contents and emissions of tobacco products.

The partial guidelines for the implementation of Articles 9 and 10 recommend a range of measures in relation to Article 9, including that Parties should prohibit or restrict ingredients that may be used to increase palatability in tobacco products, ingredients that have colouring properties, and that Parties should prohibit ingredients that may cause the impression tobacco products have a health benefit, and ingredients associated with energy and vitality such as stimulant compounds. In relation to cigarettes, the partial guidelines also recommend that Parties require cigarettes to comply with a reduced ignition propensity standard.

The TC Law (Article 16) states that cigarette production shall be under the strict control, management, monitoring and inspection, and in compliance with the regulations of the Tobacco Management and Inspection Authority. This includes, for example, technical standards, printing of labels and warnings. At present, there are no measures developed or adopted for testing, measuring and regulating the contents and emissions of tobacco products.

### **Gaps –**

1. The TC Law does not have a requirement for testing and measuring the contents and emissions of tobacco products.
2. There are no measures and standards to regulate contents and emissions of tobacco products, including the banning of additives.

***It is recommended that Lao PDR include a requirement for testing and measuring contents and emissions in a new law governing tobacco products. It is also recommended that the MOH take the lead to develop measures and standards for testing and measuring the contents and emissions of tobacco products, and to regulate contents of tobacco products, in accordance with the partial guidelines for implementation of Articles 9 and 10 adopted by the COP. It is further recommended that the MOH and the Tobacco Management and Inspection Authority assess the arrangements for testing, in particular by utilizing capable laboratories in the region through bilateral arrangements.<sup>8</sup> The tobacco company should bear all the costs of such testing requirements.***

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<sup>8</sup> The WHO Regional Office for the Western Pacific is committed to facilitate such bilateral arrangements upon the request of the Government of Lao PDR

Article 10 requires each Party to “adopt and implement effective legislative, executive, administrative or other measures requiring manufacturers and importers of tobacco products to disclose to governmental authorities information about the contents and emissions of tobacco products. Each Party shall further adopt and implement effective measures for public disclosure of information about the toxic constituents of the tobacco products and the emissions that they may produce”.

There are no measures that require tobacco manufacturers and importers to disclose the contents and emissions of tobacco products to Government authorities or to the public.

Gaps –

1. The TC Law does not require tobacco manufacturers and importers to disclose the contents and emissions of tobacco products to Government authorities.
2. There are no measures on public disclosure of information about the toxic constituents of tobacco products and the emissions that they may produce.

***It is therefore recommended that Lao PDR include a requirement in the proposed Decree for tobacco producers to disclose the contents and emissions of tobacco products and other information in accordance with the Articles 9 & 10 partial guidelines to Government authorities. It is further recommended that Lao PDR enable public access to information submitted by the tobacco industry.***

**Packaging and labelling of tobacco products (Article 11)**

Article 11 requires “within a period of three years after entry into force of the Convention for the Party to adopt and implement... effective measures” on packaging and labelling of tobacco products.

This is one of the articles of the Convention that contains a deadline for implementation of specific measures. The three-year deadline for Lao PDR is 5 December 2009.

The TC Law (Articles 20, 33, 34 and 48) states that tobacco packaging needs to bear textual labels and warnings determined by the Government, and prohibits misleading users on the characteristics of tobacco products using trademarks, forms, colors or other logos. The TC Law (Articles 22–24), the Decree on printing health warnings on cigarette packets and cartons No. 370/GO, the Decision on Printing Health Warnings on Cigarette Packs and Cartons (Articles 7 and 8), which was issued in May 2006, require manufacturers, importers and distributors to adhere to the regulations on labels and health warnings. Decree No. 370/GO provides for enforcement by authorized officers (Articles 9–11) with penalties for violations (Article 13). By 2015, the MOH intends to issue a new Decree on pictorial health warnings.

**Table 2. Comparison of the treaty requirements and level of compliance with these requirements in Lao PDR, concerning measures under Article 11.**

Paragraph in Art. 11	Content	Level of compliance	Comments and identified gaps
1(a)	tobacco product packaging and		TC Law (Article 48)

	labelling do not promote a tobacco product by any means that are false, misleading, deceptive or likely to create an erroneous impression about its characteristics, health effects, hazards or emissions, including any term, descriptor, trademark, figurative or any other sign that directly or indirectly creates the false impression that a particular tobacco product is less harmful than other tobacco products. These may include terms such as “low tar”, “light”, “ultra-light”, or “mild”.	OBLIGATION MET	prohibits tobacco business operators from misleading tobacco users on the characteristics of tobacco products using trademarks, forms, colors or other logos.  Decree No. 370/GO (Article 7) prohibits misleading terms.
1(b)	Each unit packet and package of tobacco products and any outside packaging and labelling of such products also carry health warnings describing the harmful effects of tobacco use, and may include other appropriate messages.	OBLIGATION MET	Addressed in the TC Law (Article 20) and Decree No. 370/GO (Articles 3–4).
1(b)(i)	[The warning] shall be approved by the competent national authority.	OBLIGATION MET	Addressed in the TC Law (Article 20 and 34) and Decree No. 370/GO (Article 4). Health warnings should be determined by the Government.
1(b)(ii)	[The warnings] shall be rotating.	OBLIGATION PARTIALLY MET	Warnings are to be changed every two years. Provision is addressed in Decree No. 370/GO (Articles 6 and 8). However, the rotation has not been implemented.
1(b)(iii)	[The warning] shall be large, clear, visible and legible.	OBLIGATION NOT MET	Addressed in Decree No. 370/GO (Articles 3–5). However, the warning has also appeared in small sizes on the side of the pack or the bottom front of the pack.
1(b)(iv)	[The warning] should be 50% or more of the principal display areas but shall be no less than 30% of the principal display areas.	OBLIGATION NOT MET	Currently, the requirement is only 30% of the displayed areas which includes a 2mm bordering frame. Article 11 implementation guidelines recommend that the border be excluded from the size of the health warning when calculating the percentage of display area.
1(b)(v)	[The warning] may be in the form of or include pictures or	NOT YET IMPLEMENTED	MOH plans to issue a new Decree on pictorial health

	pictograms		warnings in 2015.
2	Each unit packet and package of tobacco products and any outside packaging and labelling of such products shall, in addition to the warnings specified in paragraph 1(b) of this Article, contain information on relevant constituents and emissions of tobacco products as defined by national authorities.	NOT YET IMPLEMENTED	Currently no requirement on this in either the TC Law or the Decree. According to the guidelines for implementation of Article 11, relevant qualitative statements are to be displayed on the packet about the emissions of the tobacco products.
3	Each Party shall require that the warnings and other textual information specified in paragraphs 1(b) and paragraph 2 of this Article will appear on each unit packet and package of tobacco products and any outside packaging and labelling of such products in its principal language or languages.	OBLIGATION PARTIALLY MET	Decree No. 370/GO (Article 4) requires the warning message to be in Bold Saysettha Lao font. However, the health warning has also appeared in English.

#### Gaps-

1. Lao PDR missed the three-year deadline to implement health warnings in accordance with the Convention.
2. The size of health warnings mandated in the TC Law and Decree No. 370/GO is much less than the size recommended under Article 11 and its guidelines. The size is actually less than 30% as the border should be excluded from the size of the health warning when calculating the percentage of the display area.
3. The rotation has not been implemented despite requirements of the TC Law and Decree.
4. Not all the health warnings are in the local language despite requirements of the TC Law and Decree.
5. Pictorial health warnings have not been implemented.
6. There is no regulation concerning information on the constituents and emissions of tobacco products on packaging and labeling.
7. There is no law mandating health warnings on other tobacco product packaging.
8. Enforcement of the requirement for health warnings is still weak, and compliance with the current Decree in terms of size, rotation, language, etc. has not been subject to penalties and other administrative measures.

***It is therefore recommended that the Government of Lao PDR revise the health warnings Decree to introduce large-size pictorial health warnings, covering more than 75% of the front and back of all tobacco packaging including smokeless tobacco packaging, and in line with other recommendations of the Article 11 guidelines. While pretesting and identifying pictorial health warnings, a rotation plan for the warnings should be considered to enable the implementation of rotation in the future. It is also recommended that the Government introduce a requirement in the proposed Decree on pictorial health warnings for tobacco producers to disclose the contents and emissions of tobacco products to Government authorities; a requirement for qualitative statements about tobacco***



*constituents and emissions to be printed; and penalties for non-compliance. It is further recommended that the MOH enforce the current Decree No. 370/GO pending adoption and implementation of the Decree on pictorial health warnings.*

In support of the Government's efforts to implement Article 11 and the guidelines for its implementation, the Convention Secretariat is committed to facilitating provision of expertise and technical support upon request from the Government.

### **Education, communication, training and public awareness (Article 12)**

Article 12 requires that “each Party shall adopt and implement effective legislative, executive, administrative or other measures to promote” education, communication and public awareness about the health, economic and environmental consequences of tobacco consumption and exposure to tobacco smoke, the benefits of tobacco cessation and tobacco-free lifestyles as well as training to all concerned professionals and persons and public access to information on the tobacco industry.

Lao PDR has promoted public awareness of the health and economic consequences of tobacco consumption and production, and on the health risks of second-hand smoke. The Decree of the President on the Promulgation of the Law on Hygiene, Disease Prevention and Health Promotion No. 13/PO (Articles 10, 26 and 31) highlights the importance of learning about the dangers of tobacco use and to avoid smoking to prevent noncommunicable diseases. The TC Law (Articles 31 and 32) states that individuals and organizations are to inform, educate and influence people to not pick up or to encourage people to quit smoking; and Article 67 designates 31 May as National No Tobacco Day during which various health promotion and tobacco control campaigns and activities will be implemented. The MOH celebrates World No Tobacco Day on 31 May each year to campaign for tobacco control. The MOH and MOICT have organized workshops for mass media, technical officers and policy-makers; published the TC law and the health and economic impact of tobacco use via different media channels; and mobilized and educated the tuk-tuk group on tobacco control.

The MOH plans to continue to distribute the TC newsletter to all target groups; conduct regular meetings and workshops with media to provide updates; and to integrate tobacco control in the school and medical curriculum. In the long run, the MOH will look into modes to reach the rural population; and into integrating tobacco control in other community programmes such as maternal and child health programmes. SEATCA currently provides support for the tobacco control report, monthly newsletter and workshops with the media, which the Government plans to sustain with budget from the TC Fund.

The MOJ's Law Promotion Department disseminates tobacco control legislation but does not engage stakeholders to explain the law and its provisions due to limited resources. The 2008/9 version of the school curriculum has general information about the harms of tobacco use and will need to be enhanced. Teachers will also need to be trained on effective teaching methodology, and to involve parents in health promotion. The MOES and the Youth Union has also trained youth volunteers in provinces and districts to do advocacy in their own schools.

The 2011 GYTS indicated that 56.2% of youth aged 13–15 years think smoke from others is harmful to them compared to 61.7% in 2003, which suggests more efforts are needed to raise

awareness about the harm of second-hand smoke. The GYTS also found that 78.3% of youth saw anti-smoking media messages in 2011, lower than the 91.8% in 2003. In school, 51.2% reported having been taught in class about the dangers of smoking, 37.3% discussed the reasons why people their age smoke, and 50.2% had been taught about the effects of tobacco use. In 2003, the figures were higher at 65.1%, 45.5%, and 60.2% respectively.

While there have been efforts in education, training and public awareness, there is still a need for the MOH to focus on evidence-based research in promoting and strengthening public awareness of tobacco control issues. This would require rigorous pretesting, monitoring and evaluation to enhance effectiveness of current efforts. Reaching the diverse rural populations with effective communication programmes remains a challenge in the country.

#### Gaps –

1. Lack of comprehensive multisectoral action plan of education, communication and training activities with the involvement of all stakeholders.
2. There are limited training, sensitization and media awareness programmes on tobacco control among key target groups, such as high-level policy-makers and administrators, educators, and community and social workers.
3. GYTS findings show deterioration for certain key indicators related to knowledge, education, and anti-tobacco messaging in 2011 from 2003.
4. There is a lack of systematic evaluation of the effectiveness of education, communication and training programmes for tobacco control.

*It is therefore recommended that the Ministry of Health take the lead to develop a multisectoral action plan of education, communication and training activities with the involvement of all relevant stakeholders. It is recommended that Lao PDR promote the tobacco-free lifestyle as a social norm and encourage role models such as respected leaders, doctors, teachers and celebrities to join such social movement. It is also recommended that training and sensitization programmes on tobacco control be targeted at key stakeholders, particularly high-level policy-makers and administrators, educators, and community and social workers. It is also recommended that the MOICT play a more proactive role and ensure that the national television and radio channels and other government media provide free airtime or space to communicate the harmful effects of tobacco use and exposure to tobacco smoke. It is further recommended that MOH make efforts to pretest and rigorously research and evaluate the impact of these activities in order to achieve better outcomes, particularly for hard-to-reach rural populations. International cooperation may be useful to ensure that rigorous, systematic and objective methods are used in designing and implementing these programmes.*

#### **Tobacco advertising, promotion and sponsorship (Article 13)**

Article 13.1 of the Convention notes that the Parties “recognize that a comprehensive ban on advertising, promoting and sponsorship would reduce the consumption of tobacco products”.

Article 13.2 of the Convention requires each Party to: “in accordance with its constitution or constitutional principles, undertake a comprehensive ban of all tobacco advertising, promotion and sponsorship. This shall include, subject to the legal environment and technical means available to that Party, a comprehensive ban on cross-border advertising,

*promotion and sponsorship originating from its territory. In this respect, within the period of five years after entry into force of this Convention for that Party, each Party shall undertake appropriate legislative, executive, administrative and/or other measures and report accordingly in conformity with Article 21”.*

This is one of the articles of the Convention that contains a five-year deadline for implementation of specific measures. The deadline for Lao PDR was 5 December 2011.

The TC Law has a comprehensive ban on tobacco advertising, promotion and sponsorship (Article 48). The Decree No. 369 was issued in August 2010 to implement the ban. This decree bans all kinds of advertisement and promotion in all mass media, and via any materials or vehicles. It also bans all kinds of sponsorship. However, tobacco point of sale display and advertisement on parasols at point of sale are permitted.

It is to be noted that under Lao PDR law, there is a five-year moratorium on amendments or changes to any existing Decree or Regulation from the time it comes into effect. As the deadline for this Article has passed, as soon as it is possible at the beginning of 2015, a Decree to implement a comprehensive TAPS ban, including a parasol ban should be issued.

The Decree No. 369 (Article 10) lists the different Ministries responsible for implementing this Decree and states that penalties may be imposed for non-compliance. The MOICT in collaboration with the MOES and MOH states that it conducts regular checks and has been able to enforce the law in urban areas but less so in rural areas.

The NATS 2012 found that 71% of adults had seen anti-tobacco messaging and 32.4% had seen tobacco company marketing through advertisements, sponsorships, or promotion. The most common form of anti-tobacco messaging was through the television (63%); and the most common form of tobacco marketing was advertisements (umbrellas, store advertisements, tobacco company vehicles) (26.5%). Data from the 2011 GYTS found that 47.1% of youth aged 13–15 years saw pro-cigarette ads at points of sale and 58.4% on billboards, newspapers, or magazines; 12.3% have an object with a cigarette brand logo; and 8.9% were offered free cigarettes by a tobacco company representative. In 2003, 56.7% saw pro-cigarette ads on billboards, 57.7% saw ads in newspapers or magazines, and 10.5% were offered free cigarettes by a tobacco company representative, respectively. There appears to be slightly less exposure to pro-cigarette ads at points of sale and fewer youth being offered free cigarettes by a tobacco company representative in 2011.

#### Gaps –

1. The five year deadline to implement 100% ban on tobacco advertising has not been met.
2. Tobacco advertising is permitted on parasols where tobacco products are displayed for sale (Article 8 of the Decree).
3. Tobacco product display, which in itself is advertising, at the point of sale is still permitted (Article 8 of the Decree).
4. There are no guidelines detailing penalties to be imposed for violations.

***It is therefore recommended that the Government issue a new Decree as soon as possible to be fully in line with Article 13 and its guidelines and ban advertising on parasols and tobacco product display at point of sale. It is also recommended that the Government develop guidelines detailing penalties for violations in the new Decree.***

Article 13.5 encourages Parties to: “implement measures beyond the obligations set out in paragraph 4”.

Lao PDR has not implemented any measures beyond the obligations set out in paragraph 4.

Article 13.7 reaffirms Parties’ “sovereign right to ban those forms of cross-border tobacco advertising, promotion and sponsorship entering their territory and to impose equal penalties as those applicable to domestic advertising, promotion and sponsorship originating from their territory in accordance with their national law”.

Lao PDR has not implemented any measures to ban cross-border tobacco advertising, promotion and sponsorship.

***It is recommended that Lao PDR consider including a provision in the Decree that bans tobacco advertising, promotion and sponsorship entering into and originating from its territory, and a provision that details penalties for violations.***

#### **Measures concerning tobacco dependence and cessation (Article 14)**

Article 14.1 requires each Party to “develop and disseminate appropriate, comprehensive and integrated guidelines [concerning tobacco dependence and cessation] based on scientific evidence and best practices... [and] take effective measures to promote cessation of tobacco use and adequate treatment for tobacco dependence”.

The MOH collaborated with the Thai Action on Smoking and Health Foundation to develop guidelines for health professionals on smoking cessation counseling. These guidelines have been distributed to health centers but have not been officially adopted by the Ministry of Health.

***It is therefore recommended that Lao PDR adopt the draft guidelines on cessation counseling as soon as possible, taking into account the recommendations of the guidelines for the implementation of Article 14 of the Convention.***

Article 14.2 stipulates that to achieve the end outlined in Article 14.1, “each Party shall endeavour to” implement effective tobacco cessation programmes aimed at promoting the cessation of tobacco use, include diagnosis and treatment of tobacco dependence and counselling services on cessation of tobacco use in national health and education programmes, establish in health care facilities and rehabilitation centres programmes for diagnosing, counselling, preventing and treating tobacco dependence, and ensure the accessibility and affordability of treatments for tobacco dependence.

The TC Law (Articles 39–44) calls for cessation support for tobacco users. The MOH has trained health professionals in five provinces on the 5As (Ask, Advise, Assess, Assist and Arrange) tobacco cessation methodology and encouraged them to apply brief intervention. A quit line run by a health facility has been discontinued as there were not many users. Products

to aid cessation such as nicotine replacement therapy (NRT), bupropion and varenicline might be available in private pharmacies but are not covered by the national health insurance. For next steps, MOH plans to train more health professionals on brief intervention and cessation counseling in all provinces; include cessation in the medical and nursing curriculum; and to run a quitline when there are available resources. In addition, WHO plans to support the MOH to train health system professionals to integrate cessation services into the primary health care system.

According to the NATS 2012, cessation rate is low with a quit ratio (success rate) of 3.7% among those who had ever been daily smokers; and negligible for ever been daily smokeless tobacco users. There was little interest in quitting among 96% of survey respondents in rural areas without roads, 84% of those earning less than 1 USD per day, and 78% of the youngest adults (ages 15–24). But the interest in cessation was more promising among those with education beyond primary school (approximately 5–6%). The GYTS found that fewer youth aged 13–15 years want to stop smoking and have ever received help to stop smoking in 2011 compared to 2003 (75.3% in 2011 and 91.4% in 2003; and 72.7% in 2011 and 83.9% in 2003, respectively). This is an area to strengthen.

#### Gaps –

1. There is no comprehensive and integrated tobacco cessation programme.
2. Pharmaceutical products for treatment of tobacco dependence are not freely available in the public health service.
3. Curriculum on tobacco dependence treatment at medical, dental, nursing and pharmacy schools are limited.

***It is therefore recommended that (i) national programmes on diagnosis and treatment of tobacco dependence, and tobacco cessation counselling services be established and promoted in different settings (e.g. educational institutions, primary health care centres, workplaces and sporting environments); (ii) Lao PDR collaborate with other Parties to facilitate accessibility and affordability of pharmaceutical products for treatment of tobacco dependence; and (iii) curriculum on tobacco dependence treatment is enhanced at medical, dental, nursing and pharmacy schools. These services should be integrated into the national health and education systems.***

#### **Illicit trade in tobacco products (Article 15)**

In Article 15 of the Convention the “*Parties recognize that the elimination of all forms of illicit trade in tobacco products, including smuggling, illicit manufacturing and counterfeiting, and the development and implementation of related national law, in addition to subregional, regional and global agreements, are essential components of tobacco control*”.

The Protocol to Eliminate Illicit Trade in Tobacco Products was adopted at COP5 in November 2012. It has not come into force.

The TC Law (Article 17) states that importation of tobacco products will be under strict control, management, monitoring and inspection; Article 36 requires customs and tax officers to inspect and impose taxes on production, importation and distribution of tobacco products;

Article 48 and 50(4) prohibits production, importation, distribution and sale of illicit tobacco products; and Article 61 imposes penalties on violations.

The MOIC established an anti-smuggling committee composed of representatives from the MOIC, MOF, Customs, Tax and the Police to monitor and control smuggled cigarette; and information on illicit tobacco products are collected and stored at the local level. The Tax Department estimates about 5–7% of tobacco products are smuggled. And the 2011 Study of National Revenue Loss from Illicit Tobacco Trade in Lao PDR estimated the value of cigarettes smuggled into Lao PDR in 2007 to be about US\$4.29 million.

An overview of the measures against illicit trade in tobacco products, with identified needs is given in **Table 3** below.

**Table 3. Overview of measures taken against illicit trade in tobacco products in Lao PDR**

Paragraph in Art. 15	Content	Level of compliance	Comments and identified gaps
2	Each Party shall adopt and implement effective legislative, executive, administrative or other measures to ensure that all unit packets and packages of tobacco products and any outside packaging of such products are marked to assist Parties in determining the origin of tobacco products.	NOT YET IMPLEMENTED	There are no markings to determine the origin of tobacco products. The health warning Decree does not have such provision.
2(a) and 3	require that unit packets and packages of tobacco products for retail and wholesale use that are sold on its domestic market carry the statement: “ <i>Sales only allowed in (insert name of the country, subnational, regional or federal unit)</i> ” or carry any other effective marking indicating the final destination or which would assist authorities in determining whether the product is legally for sale on the domestic market.	NOT YET IMPLEMENTED	There are no markings to determine the final destination of tobacco products. There are customs and tax stamps to indicate whether duty has been paid and are legally for sale on the domestic market.
2(b) and 3	consider, as appropriate, developing a practical tracking and tracing regime that would further secure the distribution system and assist in the investigation of illicit trade.	NOT YET IMPLEMENTED	There is no tracking and tracing system.
4(a)	monitor and collect data on cross-border trade in tobacco products, including illicit trade, and exchange information among customs, tax and other	PARTIAL COMPLIANCE	The Customs Department collects data on cross-border trade in tobacco products including illicit trade. MOIC collects information on illicit

	authorities, as appropriate, and in accordance with national law and relevant applicable bilateral or multilateral agreements.		tobacco products in the domestic market. However, information is collected cooperatively with the tobacco industry and is not shared routinely with other authorities such as the MOH.
4(b)	enact or strengthen legislation, with appropriate penalties and remedies, against illicit trade in tobacco products, including counterfeit and contraband cigarettes.	PARTIAL COMPLIANCE	<p>The TC Law (Article 61) imposes penalties on violators but no guidelines have been developed stipulating the penalties for violations.</p> <p>According to the MOIC, the Customs Law does impose fines (approximately 30% of production cost).</p>
4(c)	take appropriate steps to ensure that all confiscated manufacturing equipment, counterfeit and contraband cigarettes and other tobacco products are destroyed, using environmentally-friendly methods where feasible, or disposed of in accordance with national law.	OBLIGATION PARTIALLY MET	According to the Tax Department, local (provincial) authorities destroy confiscated illicit tobacco products once a year. But they were usually burned rather than using environmentally-friendly methods.
4(d)	adopt and implement measures to monitor, document and control the storage and distribution of tobacco products held or moving under suspension of taxes or duties within its jurisdiction.	OBLIGATION MET	
4(e)	adopt measures as appropriate to enable the confiscation of proceeds derived from the illicit trade in tobacco products.	NOT YET IMPLEMENTED	
5	Information collected pursuant to subparagraphs 4(a) and 4(d) of this Article shall, as appropriate, be provided in aggregate form by the Parties in their periodic reports to the COP, in accordance with Article 21.	OBLIGATION MET	Information has been provided in the report to the COP. However further improvement of providing concrete data on seizures of illicit tobacco products is encouraged.
6	Promote cooperation between national agencies, as well as relevant regional and international intergovernmental organizations as it relates to investigations, prosecutions and proceedings, with a view to	OBLIGATION MET	LAO PDR is a member of the World Customs Organization and cooperation on smuggling control including illicit tobacco products has been ongoing.

	eliminating illicit trade in tobacco products. Special emphasis shall be placed on cooperation at regional and subregional levels to combat illicit trade of tobacco products.		
7	Each Party shall endeavor to adopt and implement further measures including licensing, where appropriate, to control or regulate the production and distribution of tobacco products in order to prevent illicit trade.	NOT YET IMPLEMENTED	There is no licensing of retailers to control and regulate distribution of tobacco products.

Gaps –

1. There is no requirement for products to include markings to indicate origin and final destination.
2. There is no tracking and tracing system to combat illicit trade in tobacco products.
3. There is no licensing of retailers to control and regulate the distribution of tobacco products.
4. The MOIC signed a MOU with the tobacco industry to enforce smuggling control and receive incentives for the enforcement.

***It is therefore recommended that Lao PDR accede to the Protocol to Eliminate Illicit Trade in Tobacco Products, and promote international bilateral and multilateral cooperation to curb illicit trade in tobacco products. It is also recommended that Lao PDR require that products include effective markings to indicate origin and final destination of tobacco products; establish an effective tracking and tracing system to secure the distribution system and support the investigation of illicit trade; establish a centralized data collection system with the involvement of all relevant government agencies and promote information sharing on a regular basis; a licensing system for retailers to control and regulate the distribution of tobacco products; and allocate funds from the TC Fund for enforcement. It is further recommended that the MOIC terminate its MOU with the tobacco company and the Government prohibit any such similar arrangements with all law enforcement agencies in combating illicit tobacco products.***

**Sales to and by minors (Article 16)**

Article 16 requires “measures at the appropriate government level to prohibit the sales of tobacco products to persons under the age set by domestic law, national law or eighteen.”

Article 16.1.(a) requires Parties to ensure that “all sellers of tobacco products place a clear and prominent indicator inside their point of sale about the prohibition of tobacco sales to minors and, in case of doubt, [to] request that each tobacco purchaser provide appropriate evidence of having reached full legal age;”.

There is no provision that requires sellers of tobacco products to display a sign at point of sale concerning the ban on sales to minors, and no requirement to request proof of legal age in case of doubt. Under the TC Law (Article 62), sale of tobacco to children under 18 years



of age is listed as a non-serious violation of the law, which means the recommended penalty is educational measures only.

Gaps –

1. There is no requirement for signs at points of sale about a ban on sale of tobacco products to minors.
2. There is no requirement for sellers to request proof of legal age in case of doubt.
3. Sale of tobacco products to minors is listed as a non-serious violation of the law.

***It is therefore recommended that the Government require all sellers of tobacco products to place a clear and prominent indicator inside their point of sale about the prohibition of tobacco sales to minors; and to require sellers to request proof of legal age in case of doubt. It is also recommended that the Government develop guidelines stipulating penalties for violations, and recognizing sale of tobacco products to minors as an offence for which penalties would be appropriate.***

Article 16.1. (b) requires Parties to “*ban the sale of tobacco products in any manner by which they are directly accessible, such as store shelves;*”.

The TC Law (Article 18) restricts the distribution, sale or purchase of tobacco products in health facilities, educational facilities, state offices and agencies, entertainment venues, and public transport; Articles 24 and 48(3) allow tobacco products to be sold only in suitable authorized places; and Article 61 states that penalties will be imposed for violations.

*Gap* - no provision in the TC Law or any decree to ban the sale of tobacco products in any manner which they are directly accessible, though in most of the shops tobacco products are kept behind the counters.

***It is therefore recommended that the MOH include a provision to address this treaty obligation when amending the Decree.***

Article 16.1(c) requires Parties to prohibit “*the manufacture and sale of sweets, snacks, toy or any other objects in the form of tobacco products which appeal to minors*”.

The TC Law (Article 48) prohibits the manufacture and sale of objects that may resemble tobacco products.

Gap – Enforcement is lacking and there are no guidelines stipulating the penalties for violations.

***It is therefore recommended that the Government step up enforcement of this provision and develop guidelines for stipulating penalties for violations.***

Article 16.1(d) calls on each Party to ensure “*that tobacco vending machines under its jurisdiction are not accessible to minors and do not promote the sale of tobacco products to minors*”.

The TC Law (Article 48) prohibits tobacco business operators from selling cigarettes through all kinds of automatic vending machines; and Article 61 states that penalties will be imposed for violations.

Lao PDR has met the obligations under Article 16.1(d).

Article 16.3 calls on Parties to “endeavour to prohibit the sale of cigarettes individually or in small packets which increase the affordability of such products to minors”.

The TC Law (Articles 19 and 48) states that there must not be less than twenty sticks in a packet or less than fifty sticks in a tin; and that tobacco business operators are prohibited from producing packets that do not meet these requirements including sale of single sticks. Article 61 states that penalties will be imposed for violations, though there are no specific guidelines stipulating penalties as yet. This provision of the law is not enforced and single sticks are still sold in the country.

Gap – Enforcement is lacking and there are no guidelines stipulating the penalties for violations.

***It is therefore recommended that the Government enforce this provision and develop guidelines for stipulating penalties for violations.***

Article 16.7 calls on Parties to “adopt and implement effective legislative, executive, administrative or other measures to prohibit the sales of tobacco products by persons under the age set by domestic law, national law or eighteen.”

The TC Law (Articles 18 and 48) prohibits the distribution of, purchase by and sale of tobacco products to and by children under 18 years; Article 50(3) prohibits attempts at inducing others, such as children under 18, to smoke or to use them to purchase or sell tobacco products; and Article 61 states that penalties will be imposed on violators. However, there are no specific guidelines on penalties.

GYTS 2011 found that 51.2% of students aged 13–15 years were able to buy cigarettes in a store, and 73.1% who bought cigarettes in a store were not refused purchase because of their age. This is higher than in 2003 (40.7% and 57.3%, respectively).

Gaps –

1. According to 2011 GYTS, more than half of youth reported being able to buy cigarettes in a store, higher than that in 2003.
2. There is no enforcement and no guidelines stipulating penalties for violations.

***It is therefore recommended that the Government step up enforcement of the provisions prohibiting sale of tobacco products to persons under the age of 18 years; and develop guidelines stipulating penalties for violations.***

### **Provision of support for economically viable alternative activities (Article 17)**

Article 17 calls on Parties to promote, as appropriate, “*in cooperation with each other and with competent international and regional intergovernmental organizations... economically viable alternatives for tobacco workers, growers and, as the case may be, individual sellers*”.

The TC Law (Article 4) states that the Government controls tobacco by formulating policies and measures such as supporting farmers to grow alternative crops. Currently, there is no policy or programme that supports economically viable alternative activities for tobacco workers, growers or sellers.

Tobacco plantations can be found all over the country but it is grown in many areas of Khammouane, Bolikhamxay and Savannakhet provinces. According to the 2010 Statistical Year Book, Lao PDR produced 211.8 million packets of cigarettes and 5908.3 tonnes of tobacco leaves. And according to 2005–2006 data in the 2010 SITT report, the tobacco harvested area increased from 5 360 hectares to 5 615 hectares; tobacco leaf production decreased from 28 100 tons to 24 690 tons, which might have been due to flooding that destroyed many crops; and cigarette production increased from 105 to 117 million packs.

Gap – There is no policy, plan or programme to promote economically viable alternatives for tobacco workers, growers and individual sellers.

***It is recommended that the relevant government agencies be made aware of the obligation under Article 17 and promote economically viable alternatives to tobacco workers and growers. It is also recommended that Lao PDR follow the recommendations in the policy options on implementation of Articles 17 & 18 adopted by the sixth session of the Conference of the Parties and promote economically viable alternatives to tobacco growing. It is further recommended that the Government remove tobacco from the list of crops to promote in the next 8<sup>th</sup> NSDP 2016–2020.***

### **Protection of the environment and the health of persons (Articles 18)**

In Article 18, Parties agree to “*have due regard to the protection of the environment and the health of persons in relation to the environment in respect of tobacco cultivation and manufacture*”.

The TC Law (Article 22) states that manufacturers are obligated to protect the environment, especially in their production area; and to protect and promote the health of workers according to regulations. There is currently no regulation requiring tobacco farms to pass an environmental impact assessment and no requirement for an environmental protection plan to be in place. Lao PDR has also not ratified the ILO Occupational Safety and Health Convention, 1981 (No. 155).

Gaps –

1. There is no specific measure in place to protect the environment and health of persons who work in tobacco cultivation and manufacture.

2. There is a conflict of interest in leaving the protection of the environment and the health of tobacco growers and workers exclusively in the hands of the tobacco companies.

***It is therefore recommended that the MOH, the MOA and the Ministry of Natural Resources and Environment work together to meet this treaty obligation, and to require tobacco farms to pass an environmental impact assessment and to have an environmental protection plan in place. It is also recommended that the MOH work together with the Ministry of Labour and Social Welfare to assess the implementation and enforcement of the Labour Law to meet this treaty obligation.***

### **Liability (Article 19)**

Article 19 requires Parties to consider, for the purpose of tobacco control, “taking legislative action or promoting their existing laws, where necessary, to deal with criminal and civil liability, including compensation where appropriate”. In addition, a guiding principle of the FCTC is that “issues relating to liability ... are an important part of comprehensive tobacco control” (Article 4.5).

There is no provision in Lao PDR’s tobacco control legislation to deal with criminal and civil liability. The minimum standard of holding the tobacco companies accountable would be to enforce the current law and ensure tobacco companies comply. However, Article 19 of the WHO FCTC presents Lao PDR with an opportunity to hold the tobacco industry legally liable for the harms it causes, and to pursue compensation for the social and medical costs of tobacco-related illness. Up to now, there has been no case filed in Lao PDR in relation to the harms caused by tobacco use.

Gap – There is no provision in the tobacco control legislation to deal with criminal and civil liability.

***It is recommended that Lao PDR promote its existing laws, and as necessary, introduce a provision in its tobacco control legislation to deal with criminal and civil liability, including compensation where appropriate, and strengthen its existing civil and criminal law frameworks. It is also recommended that Lao PDR review and promote the options for implementing Article 19 in its national context.***

### **Research, surveillance and exchange of information (Article 20)**

Article 20 requires Parties to “develop and promote national research and to coordinate research programmes at the regional and international levels in the field of tobacco control”.

Research and surveillance in the field of tobacco control have been conducted in collaboration with WHO, SEATCA and the US CDC, namely Global Youth Tobacco Survey (GYTS) and Global School Personnel Survey (GSPS). For each survey, financial and technical assistance were provided as well as training for key country personnel on survey methodology, implementation and analysis. The tobacco control-related studies that have been conducted in Lao PDR include:

- WHO STEPwise approach to Surveillance (WHO STEPS) – 2008 and 2013
- WHO, SEATCA and US National Institute of Health – National Adult Tobacco Survey (NATS) 2012
- WHO and US CDC – national GYTS in 2003 and 2011; the national GSPS in 2007; and GYTS (Luang Prabang, Savannakhet, Vientiane Capital and Vientiane Province) in 2007 and 2003

The National Statistics Office is supposed to coordinate all surveys but mentioned that it is not aware of the GYTS.

Studies conducted by SEATCA in collaboration with the MOF include a 2012 study on cigarette affordability, a 2008 study on tax policies, and two analyses in 2009 and 2012 on the ILA.

The WHO STEPS 2013 found that 24.6% of adults currently smoke tobacco daily (47.8% of males and 8.3% of females); and the average age they started smoking was around 17.5 years old. Of the daily smokers, 71.4% smoked manufactured cigarettes (80.8% of males and 33.2% of females). And among those who smoke manufactured cigarettes, men smoked about 9.4 sticks a day and women about 2.3 sticks a day.

According to the NATS 2012, the prevalence of current daily smokers is 24.4% (41% of males and 8.1% of females). The rate of tobacco smoking among women in Lao PDR is reportedly twice as high as that in neighboring countries (e.g. Cambodia, Thailand and Viet Nam). And this is due to smoking of hand-rolled cigarettes and pipes. The dominant users are male current smokers aged 45–64 (60.8%) and female current smokers aged 65 and above (14.6%). Among current users, smoking loose tobacco in hand-rolled cigarettes and pipes (12.9%) is as common as smoking manufactured cigarettes (13.9%). The smoking of hand-rolled cigarettes and pipes are predominantly in the rural areas. The prevalence of smoking hand-rolled cigarettes is more than 20% in rural Lao PDR without access to roads, more than 10% in rural areas with road access, and less than 5% in urban areas. For smokeless tobacco, the prevalence of current daily users is 4.0% with the prevalence higher among females at 7.1% compared to 0.8% among males. And among females, those aged 65 and above are the dominant users (41.9%).

The 2011 GYTS indicated 8.0% currently smoked cigarettes (14.3% of boys and 1.1% of girls) and 6.6% used other tobacco products (i.e. smokeless tobacco) (7.7% of boys and 5.3% of girls). This is higher than in 2003 (6.1% and 5.0%, respectively). The higher prevalence rates in 2011 compared to 2003 correspond to the increase of risk factors and decrease of protective factors. That is, a higher proportion of students surveyed reported being able to buy cigarettes in a store and were not refused because of their age; fewer want to quit or have received help to quit; more reported seeing pro-cigarette ads on billboards, newspapers or magazines; fewer saw anti-smoking media messages; fewer were taught in class about the dangers of smoking and effects of tobacco use.

According to the 2008 Health Care Cost Study supported by SEATCA and the International Development Research Centre, the total cost of inpatient care caused by smoking was

approximately US\$3.34 million in 2005, representing 0.8% of the Lao PDR GDP and 22% of the Lao PDR health expenditure.

#### Gaps –

1. The National Statistics Office is unaware of some of the tobacco-related surveys conducted in Lao PDR (e.g. GYTS and GSHS).
2. There is no research on alternative livelihoods and a lack of evaluation studies on the effectiveness of interventions to reduce tobacco use prevalence.

***It is therefore recommended that the Government develop and promote more coordination and cooperation among the National Statistics Office and the MOH, other relevant agencies, the national research institutes and competent international and regional organizations. It is also recommended that the Government conduct research on alternative livelihoods and on the effectiveness of interventions to reduce tobacco use prevalence.***

#### **Reporting and exchange of information (Article 21)**

Article 21 requires each Party to “submit to the Conference of the Parties, through the Secretariat, periodic reports on its implementation of this Convention”.

Lao PDR has provided three implementation reports. The two-year report due in 2008 was not submitted. The first report received was submitted on 2 March 2010, the second (five-year / 2012) report on 28 February 2012, and the 2014 report on 19 November 2013. The next report is due 1 January – 15 April 2016.

Lao PDR has met the obligations under Article 21, and is encouraged to continue to do so.

#### **Cooperation in the scientific, technical, and legal fields and provision of related expertise (Article 22)**

Article 22 requires that Parties “shall cooperate directly or through competent international bodies to strengthen their capacity to fulfill the obligations arising from this Convention, taking into account the needs of developing country Parties and Parties with economies in transition. Such cooperation shall promote the transfer of technical, scientific and legal expertise and technology, as mutually agreed, to establish and strengthen national tobacco control strategies, plans and programmes”.

The TC Law (Article 8) encourages international cooperation and exchanges of experiences, data and information, techniques, technologies, trainings and capacity building to make tobacco control effective in accordance to the Convention.

Lao PDR has received support from the WHO through the Country Cooperation Strategy, specifically in developing and implementing national tobacco control legislation, strategic health communication, and capacity building for tobacco control. In Lao PDR, SEATCA is active in supporting tobacco control efforts. SEATCA has supported the MOH since 2007 to develop the tobacco control law and related regulations; since 2010, on increasing tax rates; and currently has a Memorandum of Understanding with both MOH and MOF on

implementing the WHO FCTC, as well as with the National Institute of Public Health (NIPH) and local universities to conduct policy relevant research including the NATS 2012. In addition, SEATCA has allocated two full-time staff to work with MOH and MOF on WHO FCTC implementation. A four-year plan funded by the Gates Foundation will start in January 2015.

The United Nations Development Assistance Framework (UNDAF) is the strategic programme framework jointly agreed between governments and the United Nations system outlining priorities in national development. At its fourth session, in decision FCTC/COP4 (17)<sup>9</sup> the COP fully acknowledges the importance of implementation of the Convention under the UNDAF as a strategic approach to ensure long-term and sustainable implementation, monitoring and evaluation of progress for developing countries. It encourages developing countries to utilize the opportunities for assistance under the UNDAF and requests the Convention Secretariat to actively work with the UN agencies responsible for implementation of the UNDAF and coordination of the delivery of assistance, in order to strengthen implementation of the Convention at country level. The United Nations Economic and Social Council adopted resolution E/RES/2012/4 in August 2012 on United Nations system-wide coherence on tobacco control. The resolution highlights the need to strengthen the multisectoral and interagency response for the full implementation of the WHO FCTC in order to address the health, social, economic and environmental consequences of tobacco use.

The current UNDAF in Lao PDR, covering the period from 2012 to 2015 includes NCD prevention and control under Outcome 4, concerning more equitable, promotive, preventive, curative and rehabilitative health and social welfare services; and output 4.3 whereby NCDs, mental disorders, violence, injuries and visual impairment and its risk factors are prevented and reduced. As implementation of the Convention is central to reducing NCDs and their burden, it is important for the Convention to be reflected in the UNDAF. The international team met the Office of the UN Resident Coordinator (UNRC) and the Representative of WHO and brought this to their attention. The international team also met the Department of International Cooperation of the MOPI with responsibility for coordination with the UN system and other development partners.

Gap – Supporting implementation of the Convention has not been highlighted as a priority in the current UNDAF, though it is implicit as part of the noncommunicable disease and international policy outcomes.

***It is therefore recommended that the MOH actively follow up with the UNRC, the MOPI and the MOFA to include support of implementation of the Convention under the programme activities of the next UNDAF. The activities may include priorities identified based on the joint needs assessment report. It is further recommended that the Government of Lao PDR actively seek opportunities to cooperate with other Parties, competent international organizations and development partners present in the country to support implementation of the Convention.***

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<sup>9</sup> See FCTC/COP4/REC/1, *Decisions and ancillary documents*, available at: [http://apps.who.int/gb/fctc/E/E\\_cop4.htm](http://apps.who.int/gb/fctc/E/E_cop4.htm).

## **Financial resources (Article 26)**

In Article 26, Parties recognize “*the important role that financial resources play in achieving the objective of this Convention*”. Furthermore, Article 26.2 calls on each Party to “*provide financial support in respect of its national activities intended to achieve the objective of the Convention, in accordance with its national plans, priorities and programmes*”.

The Government of Lao PDR fully recognizes the importance of financial resources in implementation of the Convention. Article 4 of the TC Law stipulates that the State provides the budget, necessary means and materials for the accomplishment of tasks related to tobacco control. Articles 45–47 establish the TC Fund and state that it will be funded by profit taxes from tobacco business operators as mentioned in the Tax Law. The Tax Law No. 05/NA (Article 29) states that 2% of profit tax is applied to entities which produce, import and supply tobacco products, and is directed to the TC Fund. The Decree No. 155/G (Article 5) requires 2% of profit tax and 200 LAK per packet of local and imported cigarettes be collected and directed to the TC Fund; and Article 6 allocates 37% of the TC Fund’s total budget to tobacco control related activities, 32% to the health insurance scheme, 25% to strengthening health care service quality, and 6% for administrative costs. According to this Decree, taxes are to be collected every quarter with the collection starting from October 2014. However, as mentioned in Article 6.2(a), there are difficulties collecting taxes from local tobacco companies due to the ILA.

### **Gaps –**

1. The collection of tax from local tobacco companies has been unsuccessful and therefore the TC fund has not been operational.
2. Administrative measures and penalties have not been applied or enforced to implement the tax law with regards to the collection of tax for the TC Fund.

***It is therefore recommended that the MOF take immediate actions to collect taxes in accordance to Decree on TC Fund Collection No. 2073/MOF, to direct funds to the tobacco control related activities in accordance with Decree No. 155/G, and to make the fund available as soon as possible to enable its operation. It is also recommended that administrative measures such as revoking licenses and penalties should be enforced with those manufactures, producers and importers who refuse to pay due tax.***

Article 26.3 requires Parties to “*promote, as appropriate, the utilization of bilateral, regional, subregional and other multilateral channels to provide funding for the development and strengthening of multisectoral comprehensive tobacco control programmes of developing country Parties and Parties with economies in transition*”.

As described in Article 22, the WHO, the US CDC and SEATCA have been supporting the MOH to develop and implement national tobacco control legislation, to conduct strategic health communication and research, and to build capacity for tobacco control.

The UNDP, the United Nations Children’s Fund, UNFPA, the Food and Agriculture Organization of the United Nations and other United Nations agencies present in the country could play a more active role in supporting implementation of the Convention under the UNDAF in various programmes including poverty reduction, education of children and young people, and promotion of economically viable alternatives to tobacco cultivation.



Gap – Lao PDR has not yet fully utilized the bilateral, regional, subregional and other multilateral channels available to provide funding for the development and strengthening of a multisectoral comprehensive tobacco control programme.

***It is therefore recommended, in line with Article 26.3 of the Convention, that the Government seek assistance from development partners and promote inclusion of implementation of the Convention in bilateral and multilateral agreements and action plans developed with these agencies.***

Article 26.3 specifically points out that projects promoting “economically viable alternatives to tobacco production, including crop diversification should be addressed and supported in the context of nationally developed strategies of sustainable development”.

There is no national strategy of sustainable development that directly promotes economically viable alternatives to tobacco production.

Gap – The national strategies of sustainable development have not addressed economically viable alternatives to tobacco production, including crop diversification.

***It is therefore recommended that the MOH and relevant ministries make efforts to implement the obligations under Article 26.3 of the Convention.***

Article 26.4 stipulates that “Parties represented in relevant regional and international intergovernmental organizations, and financial and development institutions shall encourage these entities to provide financial assistance for developing country Parties and for Parties with economies in transition to assist them in meeting their obligations under the Convention, without limiting the rights of participation within these organizations”.

Lao PDR was successful in mobilizing financial assistance from regional and international organizations and development partners (listed under Article 22 of this report), thus meeting the obligation under Article 26.4 of the Convention.

***Lao PDR is encouraged to further utilize the potential of Article 26.4 to advocate for moving the Convention higher up the international development agenda. Ministries such as the MOFA, MOF and MOIC, when representing Lao PDR in other regional and global forums, are encouraged to urge regional and international organizations and financial institutions to provide financial assistance to developing countries with a view to supporting them in implementation of the Convention.***

## **ANNEX I**

### **List of Government agencies and their representatives, legislative bodies, members of the international team and nongovernmental organizations participating in the joint needs assessment**

#### Ministry of Health

1. Associate Professor Dr Bounkong Sihavong, Vice-Minister of Health
2. Dr Phath Keungsaneth, Director General, Department of Hygiene and Health Promotion, Ministry of Health
3. Dr Soulivanh Pholsena, Chief of Foreign Relation Division and Secretary to Minister

#### Ministerial Office

Mr Inporn Souliyamith, Director General

#### Ministry of Finance

Mr Bounsoum Sisavat, Permanent Secretary, Ministry of Finance

#### Ministry of Industry and Commerce

Mr Bounthong Sophavanhdy, Deputy Director General, Permanent Secretary Office, Ministry of Industry and Commerce

#### Lao National Assembly

Mr Amphay Chitmanonh, Director General, Law Department, Law Committee, Lao National Assembly

Mr Chanpheng Bouasavanh, Director General, Social Department, Culture and Social Committee, Lao National Assembly

Dr Bounlom Keoubouahome, Vice Director General, Social Department, Culture and Social Committee, Lao National Assembly

Mr Khampoun, Vice Director General, Economic Department, Economic Committee, Lao National Assembly

#### Participating Government agencies

1. Ministry of Agriculture and Forestry
2. Ministry of Culture, Information and Tourism
3. Ministry of Education and Sports
4. Ministry of Finance
5. Tax Department, Ministry of Finance
6. Ministry of Foreign Affairs
7. Ministry of Industry and Commerce
8. Ministry of Justice

9. Ministry of Labour and Social Welfare
10. Ministry of Post and Communication
11. Ministry of Planning and Investment
12. Ministry of Public Security
13. Ministry of Public Works and Transport
14. Ministry of Sciences and Technology
15. Ministerial Office
16. Social Department of the National Assembly

#### International team

#### Convention Secretariat

1. Ms Guangyuan Liu, Technical Officer
2. Ms Karlie Brown, Programme Officer
3. Ms Trinette Lee, Temporary Adviser

#### WHO Regional Office for the Western Pacific

Dr Carmen Audera-Lopez, Team Leader, Tobacco Free Initiative (TFI)

#### WHO Country Office in Lao PDR

1. Dr Juliet Fleischl, WHO Representative to Lao PDR
2. Dr Eunyoung Ko, Technical Officer
3. Mr Douangkeo Thochongliachid, National Professional Officer (TFI)
4. Mr Phonesavanh Keomanyone, National Professional Officer

#### Nongovernmental organizations

#### Southeast Asian Tobacco Control Alliance

Ms Bungon Ritthiphakdee, Director, SEATCA

#### International organizations and other development partners

Mr Glenn Dodge, Head of Office, Office of the UN Resident Coordinator

## **Annex II**

### **List of legislation, decrees, regulations and other legislative documents**

#### **Legislation and Decree**

1. Tobacco Control No. 07/NA dated 26 November 2009 and effective 16 December 2009 (TC Law)
2. Decree on TC Fund No. 155/G dated 24 May 2013 (Decree No. 155/G)
3. Decree of National TC Committee No. 214/Office of the Prime Minister (OPM) dated 21 May 2012 (Decree No. 214/OPM)
4. Decree on tobacco advertising, promotion and sponsorship ban Decree No. 369/OPM dated 31 August 2010 (Decree No. 369/OPM)
5. Decree on printing health warnings on cigarette packets and cartons No. 370/GO dated 23 May 2006 (Decree No. 370/GO)

#### **Regulation and Decision**

6. Regulation on smoke-free education and sports workplaces No. 892/MOES dated 22 June 2012 (Regulation No. 892/MOES)
7. Smoke-free public work and transport workplaces No. 10070/Ministry of Public Works and Transport (MOPWT) dated 22 June 2012 (Regulation No. 10070/MPOWT)
8. Regulation of Vientiane Capital Provincial Governor (VCPG) - Implementation of Smoke-Free Policy. No. 075/VCPG dated 19 February 2009 (Regulation No. 075/VCPG)
9. Regulation of Champasak Provincial Governor - Implementation of Smoke-free 8th National Games and 25th SEA Games. No. 075/VCPG dated 19 February 2009 (Regulation No. 075/VCPG)
10. Ban on smoking in Luang Prabang International Airport 2008, Notice No. 0819/Department of Civil Aviation (DCA) dated 8 July 2008 (Notice No. 0819/DCA)
11. Smoke-free Lao Women's Union No. 062 dated 5 February 2008 (Regulation No. 062)
12. Regulation of Luang Prabang Provincial Governor (LPPG) - Smoke-free Luang Prabang World Heritage No. 092/LPG dated 30 March 2007. (Regulation No. 092/LPG)
13. Smoke-free health sector Decision No. 385/MOH dated 21 March 2007 (Decision No. 385/MOH)
14. Smoke-free security force Decision No. 891/Ministry of Security (MOS) dated 19 September 2007 (Decision No. 891/MOS)
15. Smoke-free National University of Lao PDR Decision No. 3174/MOES dated 21 September 2006 (Decision No. 3174/MOES)

### **Tax Legislation, Decree and Regulation**

16. Tax Law (Revised version) No. 05/NA dated 20 December 2011 (Tax Law)
17. Law on Value Added Tax (VAT) No. 03/President's Office (PO) dated 16 January 2007 (VAT Law No. 03/PO)
18. Customs Law No. 04/NA dated 20 December 2011
19. Finance Ministerial Regulation on Temporally Ongoing Collection on Internal Fixed Duty Fee for some Imported Luxurious Goods, No. 3364 /MOF dated 18 May 2013 (Regulation No. 3364/MOF)
20. Ministry of Finance Decree on TC Fund Collection No. 2073/MOF, 16 July 2014 (Decree No. 2073/MOF)

### **Others**

21. Decree on Civil Servants, Decree No. 82/PMO dated 19 May 2003 (Decree No. 82/PMO)