



LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

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President's Office

No. 45/PO

**DECREE**  
*of the*  
**PRESIDENT**  
*of the*  
**LAO PEOPLE'S DEMOCRATIC REPUBLIC**

**On the Promulgation of the Law on Anti-Corruption**

Pursuant to Chapter 6, Article 67, point 1 of the Constitution of the Lao People's Democratic Republic, which provides for the promulgation of the Constitution and of laws which are adopted by the National Assembly;

Pursuant to Resolution No. 26/NA, dated 20 May 2005, of the National Assembly regarding the adoption of the Anti-Corruption Law; and

Pursuant to Proposal No. 07/SCNA, dated 23 May 2005, of the National Assembly Standing Committee.

**The President of the Lao People's Democratic Republic  
Decrees That:**

**Article 1.** The Anti-Corruption Law is hereby promulgated.

**Article 2.** This decree shall enter into force on the date it is signed.

Vientiane, 25 May 2005

The President of the Lao People's  
Democratic Republic

*[Seal and Signature]*

Khamtai SIPHANDON



LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

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National Assembly

No. 03 /NA  
Vientiane Capital, 19 May 2005

## THE ANTI-CORRUPTION LAW<sup>1</sup>

### Chapter 1 General Provisions

#### Article 1. Objective

The Anti-Corruption Law defines principles, rules, and measures for the prevention and countering of corruption in order to ensure that the property of the State [and] society and the rights and interests of citizens are not damaged, embezzled,<sup>2</sup> or swindled<sup>3</sup>, to subject offenders to legal proceedings and to protect those who are innocent, with the aims of strengthening State organisations, [increasing] transparency, [strengthening] the ability to inspect at all times, and [achieving] political stability, a stable and progressive economy, public security, public order, and justice.

#### Article 2. Corruption

Corruption is the act of an official who opportunistically uses<sup>4</sup> his<sup>5</sup> position, powers, and duties to embezzle, swindle [or] receive bribes or any other

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<sup>1</sup> Literally “The Law on the Countering of Corruption”.

<sup>2</sup> The term “embezzle” is used in this law in the sense it is used in the title of Article 101 of the Penal Law and refers to all three actions described in that article.

<sup>3</sup> The term “swindle” is used in this law in the sense it is used in the title of Article 100 of the Penal Law.

<sup>4</sup> The same Lao word may be translated as either “opportunistic use” or “abuse”. The translators have translated that word as “opportunistic use” in this provision to distinguish the actions described here from the actions described in Article 108 of the Penal Law (entitled “Abuse of State or Collective Property”). Article 108 of the Penal Law is stricter and narrower. The actions described in Article 108 of the Penal Law are a sub-set of acts of corruption and are listed as a bullet point in Article 10 of this law.

act provided for in Article 10 of this law, [which act is committed] to benefit himself or his family, relatives, friends, clan, or group and causes damage to the interests of the State and society or to the rights and interests of citizens.

The official stipulated in this law means leaders at all levels, administrative staff, technical staff, the staff of State enterprises, civil servants, soldiers, [and] police officers, including chiefs of villages and persons who are officially authorised and assigned to exercise any right or duty.

### **Article 3. Prevention and Countering<sup>6</sup> of Corruption**

Prevention of corruption [refers to] protecting against corruption and preventing [corruption from occurring] in State organisations, political organisations, and social organisations by education campaigns, declaration of assets, inspection, implementation of policies, and others<sup>7</sup>.

Countering of corruption [refers to] eliminating, repressing, and suppressing all wrongful acts constituting corruption by inspection, education, implementation of discipline, and punishment as provided by the laws.

### **Article 4. Principles on the Prevention of Corruption**

Prevention of corruption shall be based on the following principles:

- The main focus shall be on preventing corruption, while countering corruption shall be regarded as an important [focus];
- Inspection<sup>8</sup> of corruption phenomena shall be conducted immediately, strictly, independently, objectively, and accurately;
- If there is an offence, the matter should be dealt with strictly, immediately, and with justice;
- To ensure that there is no interference<sup>9</sup>, obstruction, or threat from any individual or organisation;

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<sup>5</sup> Readers should note that the Lao language does not distinguish between genders in pronouns. In this translation, a reference to a gender is a reference to all genders, unless the context requires otherwise. The translators' decision to use the male gender was made in the interests of simplicity and consistency.

<sup>6</sup> The Lao language has two words translated here as "prevention" and "countering". The first, "prevention", refers to preventing corruption from even occurring. The second, "countering" or simply "anti", refers to fighting against and, if possible, punishing corruption that is occurring.

<sup>7</sup> The term "and others" is a literal translation of the Lao term and is not subject to further specificity.

<sup>8</sup> In the Lao language, the same word is used to represent all of the following related (but slightly different) concepts: "control", "inspection", "supervision", "audit" and "monitoring". As used in this law (including Chapters 4 and 7), the translators have chosen "inspection" (and its variants) as the most appropriate English equivalent but readers should note and bear in mind the other meanings that might have been intended.

- Individuals and organisations to be inspected shall cooperate, create conditions<sup>10</sup>, and facilitate the inspection;
- The State shall create conditions for citizens, social organisations, and mass media to participate in the prevention and countering of corruption according to regulations.

**Article 5. Responsibility of Counter-Corruption Organisation<sup>11</sup>**

The counter-corruption organisation shall perform its duties objectively, with transparency, and correctly according to its scope of rights and duties and [according to] the procedures as stipulated in the laws, including being highly accountable for the conduct of its responsibilities under the laws and [being] subject to inspection by the National Assembly.

**Article 6. Obligations Relating to the Prevention and Countering of Corruption**

Party organisations, state organisations, the Lao Front for National Construction, mass organisations, social organisations, mass media, and citizens all have the obligation to participate in the prevention and countering of corruption by the timely provision of cooperation, facilitation, information, and evidence to concerned organisations which have the rights and duties [to deal with the corruption].

**Article 7. Protection**

Officials who conduct counter-corruption operations, as well as those who participate in such operations such as: reporters<sup>12</sup>, information providers, injured persons, witnesses, [and] experts, shall be protected from revenge, or threat to their life, health, freedom, honour, reputation, and property.

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<sup>9</sup> The connotation is of “improper intervention”.

<sup>10</sup> The connotation is “to create conditions within their organisations or circumstances that assist the inspection”.

<sup>11</sup> In the Lao language, the word roughly meaning “the entire organisation of responsible governmental agencies” is capable of being translated as any one of the following English words: “organisation”, “agency”, or “authority”. In choosing which English word to use, the translators have adopted the following convention. Where the governmental agencies in question have in practice adopted an English term for themselves (e.g., the Tax Authority), the translators have used that term. Otherwise, as in this law, the translators have used the generic term “organisation”. See also Chapter 7 of this law.

<sup>12</sup> This is a reference to persons who report offences to the authorities, not journalists.

## **Article 8. Scope of Applicability**

This law is applicable to leaders at all levels, administrative staff, technical staff, the staff of State enterprises, civil servants, soldiers, [and] police officers who have position, power or duties in party organisations, State organisations, the Lao Front for National Construction, mass organisations, State-owned enterprises, State-mixed enterprises,<sup>13</sup> State-partnerships, technical units, administrative units, [and] all forms of organisations established by the State to engage in business [or] production, including chiefs of villages and persons who are officially authorised and assigned to exercise any right or duty.

## **Article 9. International Relations and Cooperation**

The State conducts relations and cooperates with foreign countries and international organisations on the prevention and countering of corruption[,] based on the laws and regulations of the Lao PDR in compliance with international conventions and agreements that the Lao PDR has signed and is a party to.

## **Chapter 2 Acts that Constitute Corruption**

## **Article 10. Acts that Constitute Corruption**

Acts that constitute corruption can take the following forms:

- Embezzlement of State property or collective property<sup>14</sup>;
- Swindling of State property or collective property;
- Taking bribes;
- Abuse of position, power, and duty to take State property, collective property or individual property;
- Abuse of State property or collective property<sup>15</sup>;
- Excessive use of position, power, and duty to take State property, collective property or individual property<sup>16</sup>;
- Cheating<sup>17</sup> or falsification relating to technical construction standards, designs, calculations, and others<sup>18</sup>;

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<sup>13</sup> Readers may wish to refer to the Business Law for more information on how State-owned and State-mixed enterprises are defined. Readers may also wish to note that “State-partnership” is a new term and does not appear to directly correspond to any entity actually described in the Business Law.

<sup>14</sup> Readers may wish to refer to the Property Law for more information on how State property and collective property are defined.

<sup>15</sup> This bullet point refers to “abuse” in the sense of Article 108 of the Penal Law.

<sup>16</sup> Readers may wish to refer to the Property Law for more information on how individual property is defined.

- Deception in bidding or concessions;
- Forging documents or using forged documents;
- Disclosure of State secrets for personal benefit;
- Holding back or delaying documents.

**Article 11. Embezzlement of State Property or Collective Property<sup>19</sup>**

The embezzlement of State property or collective property is the abuse of confidence in order to take in whole, take in part, or substitute other assets for any State property or collective property which has been assigned to such person to keep, transport, use in construction, repair, or for any other purpose.

**Article 12. Swindle of State Property or Collective Property<sup>20</sup>**

Swindle of State property or collective property is engaging in trickery, deceit or fraud by any means to cause a person in charge of any State property or collective property to hand over [such property] to himself<sup>21</sup>.

**Article 13. Taking Bribes**

Taking bribes is receiving, claiming, requesting, or agreeing to accept material items or benefit from someone else by using one's position, power and duties to provide direct or indirect benefit to the person giving the bribe.

**Article 14. Abuse of Position, Power and Duty**

Abuse of position, power and duty to take State property, collective property or individual property is the use of one's position, power, and duty in order to benefit oneself, or one's family, relatives, or clan<sup>22</sup> that causes damage to the interests of the State and collectives or the rights and interests of citizens.

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<sup>17</sup> The connotation is of a "mixture of embezzle and stealing", as in "to cheat someone out of".

<sup>18</sup> The cheating and the falsification might occur in relation to any of these things.

<sup>19</sup> The definition of "embezzlement" in this article tracks very closely (but not exactly) the definitions in articles 101 and 110 of the Penal Law.

<sup>20</sup> The definition of "swindle" in this article tracks very closely (but not exactly) the definitions in articles 100 and 111 of the Penal Law.

<sup>21</sup> This is a reference to the swindler.

<sup>22</sup> The translators are aware that this list is slightly different from Article 2.

**Article 15. Abuse of State Property or Collective Property**

Abuse of State property or collective property is the use of State property or collective property for personal benefit that causes severe damage to the interests of the State or collective.

**Article 16. Excessive Use of Position, Power and Duty**

Excessive use of position, power, and duty is the intentional use of position, power, and duty beyond the scope of the authority provided by the laws and regulations in order to benefit oneself, or one's family, relatives, or clan that causes damage to the interests of the State and collectives or the rights and interests of citizens.

**Article 17. Cheating or Falsification Relating to Technical Construction Standards**

Cheating or falsification relating to technical construction standards is cheating or falsification relating to technical standards [that occurs in the process of]<sup>23</sup> survey, design, calculation, and others between project owners and contractors and other persons concerned[,]<sup>24</sup> regarding any activity such as: construction, repair, decoration, installation and other activities, for personal benefit and that causes damage to the interests of the State and society or the rights and interests of citizens.

**Article 18. Deception in Bidding or Concessions**

Deception in bidding or concessions is an agreement between State officials and the contracting company and other concerned persons to create conditions to win the bid or concession for a certain State activity, for personal benefit and that causes damage to the interests of the State and society or the rights and interests of citizens.

**Article 19. Forging Documents or Using Forged Documents**

Forging documents is the falsification of any signature or seal, or the deletion or addition of any word to the contents of documents.

The use of forged documents is the use of any document that one knows is forged, but that one uses for personal benefit, and that causes damage to the interests of the State and society or the rights and interests of citizens.

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<sup>23</sup> The literal translation is "cheating or falsification relating to technical standards in the survey, design, calculation and others".

<sup>24</sup> The translators are unable to resolve whether "between the project owners and contractors and others" qualifies the "cheating and falsification" or merely the process of "survey, design, calculation" etc.

**Article 20. Disclosure of State Secrets for Personal Benefit**

Disclosure of State secrets for personal benefit is the disclosure for personal benefit of any document or secret information, or any government or official decision that is not allowed to be disclosed.

**Article 21. Holding Back or Delaying Documents**

Holding back or delaying documents is the keeping, holding back, [or] delaying in dealing with any official document by one who has the position, power or duty, which causes damage to the interests of the State and society or the rights and interests of citizens.

**Chapter 3**  
**Measures for Prevention of Corruption**

**Article 22. Role Model of Leaders**

Government staff at all levels<sup>25</sup>, especially the leaders, shall act as role models in the strict implementation of the laws and regulations, shall lead in having transparent lifestyles and shall have no corruption.

**Article 23. Duties of the State**

In the prevention of corruption, the State has the following duties:

1. To educate [the public] to respect and strictly comply with the laws and regulations;
2. To improve governance mechanisms to ensure [that they are] good, effective and transparent;
3. To define and implement policies toward government staff at each level clearly and to ensure proper living conditions;
4. To strictly and immediately impose discipline and punishment on offenders charged with corruption;
5. To promote the public, mass media, and social organisations to participate in the prevention and countering of corruption according to regulations.

**Article 24. Obligations of Other Organisations**

Party organisations, State organisations, the Lao Front for National Construction, mass organisations, and social organisations, at all levels from central to local level, including State-owned enterprises, shall implement their assigned roles, rights, and duties completely, strictly, [and] immediately, shall

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<sup>25</sup> The single Lao word used has the connotation of “everyone -- from lowest to highest level personnel, right up to Ministers”.



provide evaluation and feedback to each other on the performance of functions by their government staff, shall conduct regular education campaigns, and shall coordinate with concerned sectors to prevent, counter and deal with<sup>26</sup> corruption within the scope of their responsibilities.

#### **Article 25. Prohibitions on Person who has Position, Power and Duty**

It is prohibited for a person with position, power and duty to commit any of the following acts:

1. To receive money, material items, or other benefits from any individual or organisation that relates to his functions<sup>27</sup> which causes damage to the interests of the State and society, or the rights and interests of citizens;
2. To cause difficulty<sup>28</sup>, hold back, delay, or interfere in dealing with any activity;
3. To open bank accounts outside the Lao PDR without informing the concerned authority;
4. To act as a consultant to private enterprises in relation to his decision-making power for personal benefit;
5. To act as a broker to individuals or organisations for personal benefit; for instance, by lobbying<sup>29</sup> in legal proceedings, or for projects or quotas;
6. To use his position to borrow the money of any collective that is under his responsibility for other persons, or to provide any guarantee to other persons to borrow money from the banks;
7. To recruit, post, or appoint<sup>30</sup> one's own wife, husband, children or close relatives in leading positions in those functions under his responsibility that would create conditions for corruption, [such as positions] in organisational<sup>31</sup> and control<sup>32</sup> activities, finance and

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<sup>26</sup> Literally “to settle”. This is the same word that is sometimes translated as “resolve” in the context of disputes. In the context of this article, it has the meaning of “try to solve” or “handle”. The same word is used in Article 31 of this law and has been translated in a similar manner.

<sup>27</sup> There is an implication that such exercise of functions will be abusive, but this is implied and is not actually stated.

<sup>28</sup> Literally “to make more difficult”.

<sup>29</sup> The literal translation is “running legal proceedings”, which has the connotation of facilitating, through unfair means, certain results.

<sup>30</sup> This trio of verbs has the progressive connotation of “merely hiring”, “setting tasks for” and “appointing to a formal position, usually of a higher, management level”.

<sup>31</sup> This is the short form for the “Organisational and Personnel” departments of ministries and governmental organisations. These departments control hiring and firing.

accounting, treasury functions, warehouse keeping, procurement, and contracting;

8. To incorrectly<sup>33</sup> possess or use any house or land belonging to the State or collectives in order to benefit himself or his family, relatives, group, or clan;
9. To disclose any State or administrative secret<sup>34</sup>;
10. To use money or property of the State or the collectives to organise parties<sup>35</sup>, to use as gifts or to allocate to staff or other persons in contravention of laws and regulations;
11. To suppress, threaten, or obstruct any person who brings a claim, or provides feedback, including [a person] who provides negative information to concerned<sup>36</sup> persons;
12. To refer to<sup>37</sup> the reputation, position, power, and duty of a higher authority or other person for personal benefit.

Any government official who infringes any of the above-mentioned prohibitions will be subject to re-education and disciplinary [measures]; and if the infringement constitutes an offence, [the offender] shall be punished as provided in the laws and shall pay compensation for the damage he has caused.

#### **Article 26. Property Declaration**

Before or after receiving position, power, or duty, the person who has position, power, and duty as provided in Article 8 of this law must declare his or her own property and debts, and that of [the person's] own husband or wife and children who are under his or her charge<sup>38</sup> accurately, faithfully, and honestly and must be accountable under the law for the contents of the declaration.

The government issues detailed regulations on the declaration of property and debt.

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<sup>32</sup> This is the short form for the “Monitoring and Inspection” departments or organisations in government.

<sup>33</sup> The connotation is that the action is “in contravention of laws and regulations” but this is implied and is not actually stated.

<sup>34</sup> The phrase “administrative secrets” is a literal translation. The translators believe this may refer to secrets of administrative bodies below the central or State level, but there is insufficient textual evidence to depart from the literal translation.

<sup>35</sup> This is a reference to social get-togethers, not political parties.

<sup>36</sup> “Concerned” is used in the sense of “relevant”, such as when reports are made to the responsible government officials.

<sup>37</sup> The connotation is “to imply that one has connections with”.

<sup>38</sup> The phrase “under his or her charge” qualifies husband, wife and child.

## **Chapter 4**

### **Conduct of Inspections Relating to Corruption**

#### **Article 27. Causes for Conducting an Inspection**

The causes that result in the conduct of an inspection by the counter-corruption organisation are as follows:

- When firm information and evidence that an act constituting corruption has been committed are found;
- When there is a notification, submission, proposal, report, [or] claim regarding corruption;
- When any government staff, [or] husband, wife or child under the charge of such government staff, appears to be unusually rich.

#### **Article 28. Inspection Procedure**

The counter-corruption organisation shall conduct inspections according to the following procedure:

1. Examine the notification, submission, proposal, report, or claim and, if deemed necessary, collect data in the field;
2. Prepare and establish a plan for the actual inspection in coordination with concerned sectors<sup>39</sup> and local administrations;
3. Inspect all documents and assets of concerned individuals or organisations, especially to inspect the financial situation and accounts, revenue[, and] expenses<sup>40</sup>, and the use of grants and loans;
4. Call and invite<sup>41</sup> the representative of the organisation or the individual concerned to come to give explanations and clarification;
5. Summarise, evaluate, and decide on the result of the inspection.

#### **Article 29. The Decision on the Result of the Inspection**

If, through the inspection, firm evidence [of corruption] is found, the counter-corruption organisation has the right to decide [as follows]:

- In the case of a minor offence not causing substantial damage[,], as provided for in Articles 32 and 33 of this law, it shall submit [the

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<sup>39</sup> The term “sectors” is often used to refer to the cluster of governmental agencies responsible for a certain area or matter.

<sup>40</sup> The literal translation would be a compound word: “revenue-expenses”.

<sup>41</sup> The term “call and invite” is the translation of a single Lao word that is intended to reflect two different sorts of request (depending on the context). A “call” can be made to peers and subordinates. An “invitation” is usually for persons of higher rank.

matter] to the concerned organisation which has the rights and duties to educate, warn or impose disciplinary measures on the offenders;

- In the case of a serious offence[,] as provided for in Article 34 of this law, it must undertake investigation<sup>42</sup>, and when there is firm or solid evidence, it should summarise the case and send it to the public prosecutor<sup>43</sup> to consider to prosecute the offenders in court.

### **Article 30. Implementation of the Recommendation of the Counter-Corruption Organisation**

The authority that has received a recommendation from the counter-corruption organisation as provided in Article 29 of this law, has an obligation to implement that recommendation within thirty days from the date it receives such recommendation. If that authority does not implement the recommendation, the counter-corruption organisation has the right to propose to the concerned higher authority to deal with the issue; if there is no reason for the failure [of the authority that received the recommendation], it will be regarded as an infringement of the law.

## **Chapter 5 Measures for Countering and Dealing with Corruption**

### **Article 31. Measures for Dealing [with Corruption]**

The use of measures to counter the corruption of any government staff who commits an offence<sup>44</sup> [relating to corruption] is based on the severity of the offence.

If it is a minor offence, there will be education measures and imposition of disciplinary [measures]; if it is a serious offence, it will be subject to legal proceedings as provided under the laws.

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<sup>42</sup> The literal translation would be a compound word: “investigation-interrogation”. In Lao, the word “investigation” usually refers to actions other than questioning people (e.g., going out in the field to inspect evidence). Since the English word “investigation” already includes the idea of questioning, the translators have truncated the Lao compound word.

<sup>43</sup> The term “public prosecutor” has been chosen because it is the English term commonly used in Laos for this title/institution. Other common translations are “people’s prosecutor” and “people’s public prosecutor”. Readers from common law jurisdictions should note that the Lao public prosecutor has considerably more powers than public prosecutors in their home jurisdictions and is more akin to a procurator in socialist systems. In addition, readers should note that the term is principally used, as it is used here, to refer to the “office” or “organisation” of public prosecutors rather than to refer to individual prosecutors.

<sup>44</sup> The term “offence” is used to refer generally to criminal acts. There are three levels of such criminal acts as set out in Article 7 of the Penal Law: “minor offence”, “major offence” and “crime”. However, the term “serious offence”, which is used in this article does not appear to have any direct correlation to “major offence” or “crime” in the Penal Law.

### **Article 32. Education Measures**

If, through the inspection, a minor offence is found, and the offender honestly reports [the offence], and admits to the concerned organisation that he committed the offence and returns all assets that he took away, he will be subject to education measures and a warning.

### **Article 33. Imposition of Disciplinary [Measures]**

Any government staff who commits an offence [relating to corruption] which is not serious, but who does not willingly report or who escapes from the offence, shall be subject to the following disciplinary [measures]:

- be criticised<sup>45</sup>, and be admonished by recording a note in his biographical file<sup>46</sup>;
- be suspended from receiving any promotion, [raise in] salary level, or reward;
- be removed from his position or transferred to another position which has a lower title than his former position;
- be dismissed from office without receiving any policy<sup>47</sup>.

The person who is subject to the imposition of disciplinary [measures] must return completely all of the property that was unlawfully taken.

### **Article 34. Case Proceedings**

If, after the inspection and investigation, there appears to be solid information and evidence<sup>48</sup>, the counter-corruption organisation shall make a summary of the inspection result, complete the file of the case and then send it to the public prosecutor to consider bringing a prosecution in court.

In the event that the public prosecutor fails[,] without reason[,] to prosecute the case in court within 30 days from the date of receiving the case file, the counter-corruption organisation has the right to submit to the higher level of public prosecutor to consider and deal with the issue.

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<sup>45</sup> There is a connotation of “public criticism”.

<sup>46</sup> This is a reference to the detailed file of personal particulars and work performance maintained by the offender’s organisation.

<sup>47</sup> “Policy” is used (here and in Chapter 9) in the sense of “privileges”.

<sup>48</sup> Although not specifically stated, there is an implication (especially when read in conjunction with Articles 29 and 31) that this refers to information and evidence of a serious offence.

## **Chapter 6 Enforcement of Judgment**

### **Article 35. Judgment Enforcement**

The judgment of the people's court in a corruption case that has become final must be strictly enforced in accordance with the Law on Enforcement of Judgments<sup>49</sup>.

It is absolutely prohibited for any individual or organisation to interfere in or obstruct the enforcement of any judgment in a corruption case.

### **Article 36. Monitoring of Judgment Enforcement**

The counter-corruption organisation and other concerned organisations shall monitor, promote, and facilitate the enforcement of judgments in corruption cases in accordance with their roles, rights, and duties, and ensure that judgments regarding corruption are strictly enforced throughout the country.

## **Chapter 7 Counter-Corruption Organisation<sup>50</sup>**

### **Article 37. Status<sup>51</sup> and Role**

The counter-corruption organisation<sup>52</sup> is a State organisation that has the role to prevent and counter corruption within the country by assigning to<sup>53</sup> the

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<sup>49</sup> Readers may wish to refer to this law for information on when a court decision is final and other information relating to judgment enforcement.

<sup>50</sup> "Counter-corruption organisation" is used in two senses interchangeably in this Chapter. First, "counter-corruption organisation" may refer to the overall governmental structure (comprising agencies at various levels) responsible for countering corruption. Second, when used in the terms "counter-corruption organisation at provincial level" and "counter-corruption organisation at provincial level", "organisation" refers to the actual agencies at those levels.

<sup>51</sup> The same word in Lao is used to describe physical locations and the "position" of an organisational component in relation to the larger system in which it is situated. Where the latter meaning is intended, the word has been translated as "status".

<sup>52</sup> The translators understand that, at the time of this translation, no actual counter-corruption organisation had been set up. Rather, the functions for countering corruption are currently carried out by the agencies under the State Inspection Authority. It is unclear where there are intentions to set up a separate counter-corruption organisation.

<sup>53</sup> Although this provision is expressed in terms of a counter-corruption organisation that "assigns" or delegates the State Inspection Authority to implement tasks, as noted earlier, there is in fact no counter-corruption organisation as at the time of this translation and the State Inspection Agency is de facto the implementer of counter-corruption activities.

State Inspection Authority at central level and state inspection authorities at provincial level to implement [this task].

The counter-corruption organisation is an investigation organisation and performs its duties independently.

### **Article 38. Organisational Structure**

The organisational structure of the counter-corruption organisation consists of:

- [Counter-corruption organisation] at central level;
- [Counter-corruption organisation] at provincial level.

The counter-corruption organisation at the central level has a status equal to a ministry. The head of such organisation is appointed and removed by the same procedure as a member of the government.

The counter-corruption organisation at the provincial level has a status equal to a provincial division. The head of the counter-corruption organisation at the provincial level is appointed or removed by the head of the counter-corruption organisation at the central level, after coordination with the provincial governor, city mayor, or chief of special zone.

The supporting mechanism of such organisation shall comply with general regulations on public administration.

### **Article 39. Rights and Duties of the Counter-Corruption Organisation at Central Level**

The counter-corruption organisation at the central level has the following main rights and duties:

1. To study<sup>54</sup> policies, directives, plans, laws, regulations, and measures relating to the prevention and countering of corruption, and thereafter to submit to the government for consideration;
2. To direct and inspect the implementation of activities relating to the prevention and countering of corruption within the entire country;
3. To conduct activities to prevent and counter corruption among government staff within the entire country, especially government

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<sup>54</sup> There is a connotation of “studying what other jurisdictions have done” and “developing drafts” of these documents for consideration.

- staff under the supervision and management of the central level<sup>55</sup> and other government staff of organisations<sup>56</sup> at the central level;
4. To conduct investigations into corruption by using measures that are defined in the law on criminal procedure;
  5. [During the period] when the inspection has yet to be completed, to propose the temporary suspension [of a person under inspection] from his position or duty or [to propose that a person under inspection] not be removed, appointed,<sup>57</sup> or have his job swapped;
  6. To liaise, coordinate, and cooperate with concerned sectors at the central and local level to perform its rights and duties;
  7. To consider, decide, and use measures against the inspected person as provided in the laws;
  8. To summarise the results of activities for the prevention and countering of corruption, and then to periodically report to the Prime Minister and the National Assembly Standing Committee;
  9. To exercise such other rights and perform such other duties as provided by laws and regulations.

**Article 40. Rights and Duties of Counter-Corruption Organisations at Provincial Level**

Counter-corruption organisations at the provincial level [each] have the following main rights and duties:

1. To implement policies, directives, plans, laws, regulations, and measures relating to the prevention and countering of corruption;
2. To conduct activities to prevent and counter corruption among government staff who are within the scope of its responsibility and are not under the supervision of the [counter-corruption organisation at the] central level;
3. To conduct investigations into corruption by using measures that are defined in the law on criminal procedure;
4. [During the period] when the inspection has yet to be completed, to propose the temporary suspension [of a person under inspection] from his position or duty or [to propose that a person under inspection] not be removed, appointed,<sup>58</sup> or have his job swapped;
5. To liaise, coordinate, and cooperate with concerned sectors to perform its rights and duties;

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<sup>55</sup> This phrase “government staff under the supervision and management of the central level” would be understood as referring to politicians at local level who are subject to the supervision of authorities at the central level.

<sup>56</sup> E.g., mass organisations.

<sup>57</sup> This has the connotation of “appointed to a new position”.

<sup>58</sup> This has the connotation of “appointed to a new position”.



6. To consider, decide, and use measures against the inspected person as provided in the laws;
7. To summarise the results of activities for the prevention and countering of corruption, and then to periodically report to the head of the counter-corruption organisation at the central level, the provincial governor, the city mayor, the chief of special zone, and the chairman of the members of the National Assembly in such constituency<sup>59</sup>;
8. To exercise such other rights and perform such other duties as provided by laws and regulations.

**Article 41. Standards and Qualifications of the Government Staff to be in Charge of Corruption Prevention**

Government staff in charge of corruption prevention shall meet the following standards and qualifications:

1. Have strong political commitment, be honest, be transparent, and have not committed any act of corruption;
2. Have knowledge, be capable and have a level of profession<sup>60</sup> appropriate to the tasks for which they are responsible;
3. Have a sense of justice, look at matters deeply, completely and objectively, not be partial or prejudiced, be able to accurately and clearly distinguish data and have courage in decision-making;
4. Be persons who are strict and act as role models in the implementation of laws and regulations, strictly observe organisational hierarchy<sup>61</sup>, do not compromise, and are strongly committed to preventing and countering anything that appears to be corruption.

The head of such organisation shall have<sup>62</sup> important political status, roles, and influence, and shall be trusted by the public.

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<sup>59</sup> The “members of the National Assembly in the constituencies” is a group of parliamentarians. Readers may wish to refer to Articles 42 to 44 of the Law on the National Assembly for further information on this institution.

<sup>60</sup> This has a connotation of “being qualified in a profession that equips one with the skill to conduct counter-corruption inspection”.

<sup>61</sup> Literally “highly respect the organisation”.

<sup>62</sup> Although expressed in the future tense, the intended meaning is that a candidate “must possess” these qualities in order to qualify to be the head.

## **Chapter 8**

### **Obligations, Responsibilities, and Rights of Inspected Persons**

#### **Article 42. Obligations and Responsibilities of Inspected Persons**

Inspected organisations and individuals have the following obligations and responsibilities:

1. To provide cooperation, and to facilitate the inspection by timely providing information and other documents [and] by providing clarification and explanations according to the request of the inspection officials;
2. To strictly and timely perform orders, instructions, notifications, submissions, and decisions of the counter-corruption organisation;
3. It is prohibited to assign, transfer, sell or change<sup>63</sup> their own property when the inspection has yet to be completed, except with the approval of the counter-corruption organisation.

Any individual or organisation that does not perform its obligations and responsibilities mentioned above or that hinders or fails to cooperate with any inspection shall be deemed to have violated the laws and regulations and shall be warned, and be subject to disciplinary and other measures as provided by the laws.

#### **Article 43. Rights of Inspected Persons**

Inspected organisations and individuals have the following rights:

1. To defend themselves, and respond to the charge by providing information and evidence to clarify and explain to the counter-corruption organisation;
2. To challenge<sup>64</sup> the official in charge of the inspection who has an interest in the dispute or has a history of prejudice<sup>65</sup>;
3. To propose, provide comments on, and explain one's reasons to the higher organisation to [request that it] reconsider the inspection results of the counter-corruption organisation; the higher organisation concerned shall consider and give a response to the person concerned within 30 days from the date of receiving the proposal and the explanation;
4. To exercise such other rights as provided by the laws.

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<sup>63</sup> There are two connotations: "making changes to" and "exchanging:".

<sup>64</sup> There is a connotation of "request that the official be removed from the case".

<sup>65</sup> Literally "has shown prejudice in the past".

An inspected person can defend himself, or have a lawyer or other protector<sup>66</sup> to provide him legal assistance as provided in the Law on Criminal Procedure.

## **Chapter 9**

### **Policies Towards Persons with Outstanding Performance and Measures Against Violators**

#### **Article 44. Policies Towards Persons with Outstanding Performance**

Individuals or organisations with outstanding performance in the implementation of this law, particularly those that provide cooperation and information on corruption, will receive the protection of security<sup>67</sup>, rewards, and other policies as appropriate.

#### **Article 45. Measures against Violators**

Any individual or organisation that violates this law, and thereby causes damage to the interests of the State and society or the rights and interests of citizens, shall be subject to educational or disciplinary measures as provided in Articles 32 and 33 of this law or to penal measures depending on the gravity of the offence, including [having to pay] compensation for the damage caused by such person.

#### **Article 46. Penal Measures**

Any government staff who commits an act stipulated in Article 10 of this law that constitutes a serious offence shall be subject to penal measures.

Embezzlement, swindling of State property or collective property, taking bribes, abuse of position, power, and duty, abuse of State property or collective property, excessive use of position, power, and duty, forging documents and using forged documents shall be punished as provided in the Penal Law.

#### **Article 47. Cheating or Falsification Relating to Technical Construction Standards, Design and Calculation**

Any government staff who cheats in relation to or falsifies any technical standards on construction, survey, design, or calculation shall be punished by one to five years' imprisonment, and shall be fined one percent of the value of the damage.

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<sup>66</sup> This is a literal translation. It refers to “any person (other than a lawyer) with standing to defend” the inspected person.

<sup>67</sup> This is a reference to ensuring the person’s physical safety.

When the offender engages in cheating or falsification relating to technical standards on construction, survey, design, and calculation on a regular basis and causes severe damage, such person shall be punished by five to fifteen years' imprisonment, and shall be fined one percent of the value of the damage.

When the offender engages in cheating or falsification of technical standards on construction, survey, design, and calculation on a regular basis, as part of an organised group and causes severe damage, such person shall be punished by fifteen to twenty years' imprisonment, and shall be fined one percent of the value of the damage.

**Article 48. Deception in Bidding or Concessions**

Any government staff who commits deception in bidding or concessions shall be subject to deprivation of liberty and fined as provided in Article 47 of this law.

**Article 49. Disclosure of State Secrets for Personal Benefit**

Any government staff who discloses State or administrative secrets for personal benefit shall be punished by one to three years' imprisonment, and shall be fined from 2,000,000 Kip to 10,000,000 Kip.

**Article 50. Holding Back or Delaying Documents**

Any government staff who intentionally holds back or delays documents for any benefit shall be punished by three months' to one year's imprisonment, and shall be fined from 1,000,000 Kip to 5,000,000 Kip.

**Article 51. Civil Measures**

In addition to penal measures, the government staff who commits an offence relating to corruption[,] as provided in Article 10 of this law, that causes damage to the interests of the State and society, or the rights and interests of citizens, shall pay compensation for damages in full and all of the assets acquired from the offence shall be confiscated.

**Chapter 10  
Final Provisions**

**Article 52. Implementation**

The government of the Lao People's Democratic Republic is assigned to issue a decree and to implement this law.

**Article 53. Effectiveness**

This law shall enter into force after sixty days from the day when the President of the Lao People's Democratic Republic issues a decree for its promulgation.

Vientiane, 25 May 2005  
President of the National Assembly

*[Seal and Signature]*

Samane VIGNAKET