



LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

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No. 5/NA  
October 14, 1995

**Law  
On  
The Bank of the Lao PDR**

**Section I  
General Provisions**

- Article 1: The function of the Law on the Bank of the Lao PDR  
The Law on the Bank of the Lao PDR determines the characteristics, role, scope of rights and duties, organization and operations of the Bank of the Lao PDR in carrying out its monetary policy, maintaining stability of the value of Kip and contributing to the growth and efficiency of the socio-economic development of the Lao PDR. .
- Article 2: Position of the Bank.  
The Bank of the Lao PDR is a financial institution of the Government, has the equivalent status to Ministry, is the Central Bank of the country, is juridical person and has the head quarter in Vientiane Capital.
- Article 3: Roles of the Bank.  
The Bank of the Lao PDR shall have the following roles:
1. To be secretariat for the Government in the administration of macro finance, currency, in monetar credit of Banks within the country.
  2. To promote and maintain stability of Kip within and outside of the country; strengthen the efficiency of payments mechanism and solvency of banking system in order to create an efficient operation and transparency of monetary, credit system of the Lao PDR.
  3. To promote and facilitate and control the flows of money to serve the socio-economic development plan of the Lao PDR.

**Section II  
Scope of Rights and Duties of the Bank of the Lao PDR**

- (New) Article 4: Scope of Rights of the Bank.  
The Bank of the Lao PDR has the following rights:
1. To be sole institution to issue notes and coins with the approval of the Government and manages the currency circulation within the country;
  2. To administer the macro monetary and to be the bank of the commercial banks and financial institutions under its supervision and to be the final lender to such commercial banks and financial institutions with the objective to implement the monetary policy;
  3. To implement the policy on foreign currency control and exchange rate;

4. To issue its own bonds with the objective to carry out monetary policy, to buy and sell bonds directly with other commercial banks and financial institutions;

5. To authorize the establishment of branch of the Bank of the Lao PDR, the establishment of local commercial banks foreign commercial banks, financial institutions under *its supervision based on the approval of the Government.*

(New) Article 5: Duties of the Bank.

The Bank of the Lao PDR shall have the following duties:

1. Administering and supervising the operations of commercial banks and financial institutions under its supervision to ensure the stability and the development of the banking system and financial institutions;

2. Maintaining and managing the foreign reserves;

3. Collecting, compiling and analyzing the economic and financial data, currency and the operations of the banks and financial institutions from the concerned persons and sectors within the country and abroad in order to serve the formulation of the monetary policies and the task of banking sector.

4. Reporting and proposing the opinions on the economic, monetary and banking situations to the Government at regular basics;

5. Managing and adjusting the money supply in the circulation in accordance with the approved plan of the Government;

6. Being the agent of the Government in the international financial institutions, to coordinate, cooperate and to sign the financial and monetary agreements with foreign countries and international financial organizations according to the Government assignment;

7. Carrying out other duties as provided by laws or according to the Government assignment.

### **Section III**

#### **Capital, Profits, Business Expansion Fund, General Reserves of the Bank of the Lao PDR**

Article 6: Capital of the Bank.

The Bank of the Lao PDR registered capital is contributed by the Government and the Government is the sole holder of the capital. The Bank of the Lao PDR operates under the principle of economic calculation.

Article 7: Annual net profit of the Bank.

Annual net profit of the Bank of the Lao PDR is the difference between the annual revenue and annual expenditure.

The annual expenditure includes:

- Administration and technical costs;
- Depreciation of fixed assets;
- Devaluation of currency and bad debts;
- Payment for the Risk taking provision of the Bank.

The Board of Directors of the Bank of the Lao PDR determines the ratio of the amount of fund deducting from revenue to be expenditure of each category.

Article 8 Business expansion fund of the Bank.

Business expansion fund of the Bank of the Lao PDR is the reserve for the expansion of the activities and assets of the Bank of the Lao PDR. The business expansion fund is deducted from the net profit of the Bank in each financial year. The Board of Directors of the Bank of the Lao PDR determines the ratio of the amount of the fund to be deducted in each financial year.

Article 9: General reserve account of the Bank.

The general reserve account of the Bank of the Lao PDR is a special fund of the Bank of the Lao PDR created to compensate losses resulted from the banking operations in the implementation of monetary policy of the Bank.

The general reserve account of the Bank is deducted from the net profit of the financial year determined by the board of directors after the deduction for the business expansion fund.

The total net profit of the Bank remained from the deduction for the business expansion fund and for the general reserve account of the Bank shall be paid to the State budget. In case of losses caused by the implementation of the strategic plan of the Government, such losses will be recovered by the Government.

#### **Section IV**

##### **Board of Directors of the Bank of the Lao PDR**

Article 10: Board of Directors.

The Board of Directors of the Bank of the Lao PDR is the highest authority of the Bank of the Lao PDR.

The Board of Directors comprises seven to nine members, namely Chairman, Vice Chairmen and other members.

Article 11: Structure of the Board of Directors.

The Board of Directors of the Bank of the Lao PDR shall consist of :

- Deputy Prime Minister is Chairman of the Board;
- Governor of the Bank of the Lao PDR is Vice Chairman;
- Minister of Ministry of Finance is Vice Chairman;
- Vice Governor of the Bank of the Lao PDR is member;
- Some other members, who are the persons with competence and experiences in agriculture, industry, trade, banking and finance selected from various sectors.

Article 12: Appointment and terms of office of the Board of Directors.

Members of the Board of Directors of the Bank of the Lao PDR are appointed or removed from office by the Prime Minister, based on the proposal of the Governor of the Bank of the Lao PDR.

The Board of Directors have terms of office for five years. Members of the Board of Directors may be re-appointed.

Article 13: End of function of a member of the Board.

The function of the member of the Board of Directors comes to an end by expiration, death, resignation or removal from office. The resignation shall be approved by the Prime Minister.

In case that any member of the Board of directors dies, resigns or is removed from office which will cause the difficulty for the administration of the Bank, the Prime Minister shall immediately appoint new person in accordance with the provisions of the article 12 of this Law to ensure the continuity of the duty for the remaining period of the Board.

(New) Article 14: Rights and duties of the Board.

The Board has the following rights and duties:

1. To be secretariat for the Government on economic and monetary matters;
2. To adopt the organizational structure and by-laws of the Bank of the Lao PDR;
3. To adopt the regulations on the control of foreign currency, credit and others regulations of the Bank of the Lao PDR.
4. To search on the monetary policy, policy on exchange rate, credit based on the proposal of the Governor of the Bank of Lao PDR;
5. To determine ratio of the current assets, the ratio of different mandatory reserves and similar obligation, determine the method of calculation of such obligation for unity use by similar type of commercial banks;
6. To adopt the regulations on the interest of deposit, loan, on buying of discounted bonds and other ratio;
7. To adopt the annual report , the balance sheet, the income statement and the annual budget of the Bank of the Lao PDR;
8. To adopt external auditor to carry out auditing on the activities of the Bank of Lao PDR.

Article 15: Meetings of the Board.

The Board executes its activities as specified by the rule of meeting. Meetings of the Board shall be held at least once every two months called by Chairman or on the proposal of at least two members of the Board.

The ordinary meeting of the Board requires at least seven days prior to its opening a written notice attached with agenda of the meeting to the members of the Board. In case of necessity, extraordinary meeting may be held at any time.

The quorum for a meeting of the Board consists of more than one half of the members of the Board.

Decisions of the meeting shall be taken by a simple majority of those presenting members. In the case of equivalent votes, the Chairman has a casting vote.

Article 16: Qualifications of members of the Board.

Members of the Board have the following qualifications:

1. Member of the Board shall be a person with good attitude, ability, long experience and has credibility from community related to money and finance business, from other professional fields.
2. The following persons shall not be appointed as members of the Board of the Bank of the Lao PDR:
  - Person whose husband or wife, father, mother, brother or sister is a partner or shareholder in the same company, in the same commercial bank or financial institution;
  - Person who is member of the Board, Director, manager or member of a commercial bank or financial institution;

- Person who was criminally punished by the court or civilly responsible by violating the credibility on the performance of his/her duties as member of the Board of Directors.

3. All members of the Board have to disclose their benefits having direct or indirect link to the Board and have to refrain from voting on any matter related thereto in the meeting of the board, but counted into the number of members attending the meeting;

4. In performance of his/her duties the member of the Board must not incline to specific interest of the business or sector related to him/her.

## **Section V**

### **The Governor, Deputy Governor of the Bank of the Lao PDR**

Article 17: Appointment of Governor and Deputy Governor.

The Governor of the Bank of the Lao PDR, a member of the Government, is appointed or removed from office by the President of the country upon proposal of the Prime Minister, then proposed to the National Assembly for approval.

The Deputy Governor is appointed or removed from office by the Prime Minister upon the proposal of the Governor of the Bank of the Lao PDR.

Article 18: Qualifications of the Governor and the Deputy Governor.

The person who will be appointed as the Governor or the Deputy Governor of the Bank of the Lao PDR shall:

- Have good attitude, knowledge and ability;
- Not be director, a member of the Board of Directors of a commercial bank, neither an officer of a financial institution, not be a partner or shareholder of any financial institution. In the case of holding such positions, he/she shall resign.

(New) Article 19: Rights and duties of the Governor and the Deputy Governor.

The Governor of the Bank of the Lao PDR has the following rights and duties :

1. To be responsible to the Government for monetary and banking matters;
2. To manage the tasks of the Bank of the Lao PDR and to supervise and control the commercial banks and financial institutions that are under the supervision of the Bank of the Lao PDR;
3. To search the monetary policy, policy on the interest rate and the exchange rate policy in order to propose to the Board of Directors, then propose to the Government for decision , promulgation and implementation on such policy;
4. To propose to the Prime Minister to appoint, the head of Department as well as to transfer him/her to another office or to remove from office;
5. To appoint, remove the Deputy head of Department of the Bank, the Head and Deputy Head of divisions, branches or sub-branches, Head and Deputy of representative office of the Bank of the Lao PDR;
6. To improve the organizational structure and recruit the officers of the Bank of the Lao PDR;
7. To decide all problems of the Bank of the Lao PDR under his/her responsibility and perform other duties as provided by the law and by-laws of the Bank of the Lao PDR.

The Deputy Governor of the Bank of the Lao PDR shall assist the Governor of the Bank of the Lao PDR and may be assigned to take responsibility for some task by the

Governor. When the Governor of the Bank of the Lao PDR is absent from office or is unable to perform his/her duties, the assigned Deputy Governor shall carry on during absence. The assignment to be acting Governor shall be made in writing from by stipulating the contents and timeframe clearly.

## **Section VI**

### **Auditing and Inspection on the Bank of the Lao PDR**

Article 20: Auditing.

At the end of each financial year, the Bank of the Lao PDR shall be audited by internal auditing committee of the Bank of the Lao PDR, the auditing committee from the Ministry of Finance appointed by the Government or shall be audited by an external auditor.

Before submitting the report to the Government, the annual financial accounts of the Bank of the Lao PDR shall be certified by the aforesaid auditors to be accepted as lawful accounting.

Article 21: Inspection by the Government.

The Bank of the Lao PDR shall be inspected regularly by the Government. The Government's inspector shall be appointed or removed from office by the Prime Minister. He/she has the authority to request for data or question on any issues at any time from the officers of the Bank during he/she is performing his/her inspection to fulfill this inspection.

The Government's inspector may attend an ordinary and extra-ordinary meeting of the Board of Directors of the Bank, may give opinions on such meeting but shall not cast a vote. In the case that the opinion of the Government's inspector is different from the resolutions of the Board, the Government's inspector shall report to the Prime Minister.

Article 22: Maintaining the confidentiality.

While performing duties or after completing the task, all auditors shall maintain the confidentiality of any problems, documents and data of the Bank of the Lao PDR, of the commercial banks or financial institutions, they have known and found, except as otherwise approved by the board of directors or by order of the court only.

## **Section VII**

### **Monetary Units, Notes and Coins**

Article 23: monetary unit of Lao People's Democratic Republic

The monetary unit of Lao People's Democratic Republic is the "Kip", divided into one hundred "at".

Article 24: printing of notes and minting of coins.

The Bank of the Lao PDR shall print notes and mint coins, determine the design, the form, and the value of the notes and minting coins to put into circulation after getting approval from the Government.

The Bank of the Lao PDR shall secure the necessary condition for the printing notes, money drawing instrument on demand and the minting of coins and for all matters related thereto the security and safety for the custody of notes and coins that are not put

yet into the circulation-Note printing plates, coin moulds, notes and coins with drum from circulation shall be in safe custody or shall be destroyed as necessary.

Article 25: lawful tender.

Notes and coins issued by the Bank of the Lao PDR for circulation shall have the lawful tender within Lao People's democratic Republic. In each note and coin the value shall be denominated.

Article 26: Note and coin withdrawal from the circulation.

The Bank of the Lao PDR may withdraw notes and coins which are not suitable for the use in the new situation with the consensus of the Government. A notice on such withdrawal shall be given to the public. The holder of such notes and coins withdrawn shall be entitled to change their money from the Bank of the Lao PDR based on the value of the notes or coins. The exchange shall be made within two years from the date of the notice. Such exchange shall not charge any fees.

Article 27: Exchange of unusable notes

The Bank of the Lao PDR is entitled:

1. to set conditions for the exchange of notes which are former partially damaged. A notice of such conditions for exchange shall be made to the public;
2. to decide on the exchange for coins which have been perforated, cut, clipped, broken, or which are marked or which appear with non-monetary character or the signs of which are not identified. .

Article 28: Liability for shipment of notes.

The Bank of the Lao PDR shall be liable to compensate for any damages on the shipment of notes and coins only if such shipment is under its responsibility.

## **Section VIII**

### **Foreign Reserve, Foreign Exchange and Special Reserve Fund**

Article 29: Foreign Reserve.

The Bank of the PDR shall establish and maintain foreign reserve according to the conditions and the term of the specific regulation from time to time determined by the Bank of the Lao PDR with the approval of the Government.

The foreign reserve consist of all or any of the following assets:

1. Gold;
2. Foreign currencies in the form of notes and coins or in the form of Bank deposit denominated in any hard currency in the foreign banks and in any country as approved by the Board of directors;
3. Any assets internationally recognized as foreign currency:
  - The reserve fund of the Lao People's Democratic Republic in the International Monetary Fund;
  - Lao People's Democratic Republic's holdings of special drawing rights which internationally called DTS;
4. Bills of exchange, promissory notes, as well as treasury bills and other securities issued or guaranteed by foreign Governments or International Financial Institutions, denominated in a foreign currency and which is payable within and outside Lao PDR as the Board may approve;

5. Other assets regarded as foreign currencies as the board may approve. In order to ensure the international payments the Bank of the Lao PDR shall maintain the international reserve at the appropriate level.

Article 30: Report on the level of the foreign reserve.

The Board of directors shall regularly report to the Government once every month on the level of the foreign reserve.

If the board of directors finds that such foreign reserve has declined or has decreasing trend jeopardizing its adequacy the Bank shall immediately report to the Government together with suggestion of necessary measures in order to solve such situation to the normal condition and shall continue to submit such report at least twice a month until such situation is in normal condition

Article 31: Business operation of the Bank.

Based on the approval of the Board the Bank of the Lao PDR carries out transactions on foreign currencies, precious metals and other valuable materials as following:

1. Buys, sells bullion of gold, gold in various forms, precious metals, and other valuable materials;
2. Buys, sells foreign currencies by using the instruments commonly used in general;
3. Buys, sells treasury bonds and other securities issued or guaranteed by foreign governments or International Financial Organizations;
4. Opens and maintains accounts in International Financial Organizations, Central Banks, monetary fund and other financial institutions which are officially authorized outside the Lao PDR;
5. Opens, maintains deposit accounts and acts as agent or correspondent for institutions mentioned in paragraph "4" of this Article or for foreign governments and their agencies.

The Bank of the Lao PDR determines, publishes and manages the exchange rate, buys, sells or deals with foreign currencies from time to time.

Article 32: Scope of business relations of the Bank.

The Bank of the Lao PDR, in its business relations deals only with the Government, commercial banks and financial institutions within the country, foreign government's agency, international financial organizations, Central Banks, monetary fund and financial institutions outside the country..

Article 33: Special Reserve Account.

The Special Reserve Account shall record the profit or the loss of the financial year of the Bank of the Lao PDR arising from any change in the value of the Bank's assets or liabilities denominated in gold, special drawing rights (DTS) or arising from any change in value of the Bank's assets or liabilities in foreign currencies of the Government in terms of Kip of the Lao PDR as stipulated in the article 29 of this Law.

Article 34: Methods of solving the Special Reserve Account.

If the Bank of the Lao PDR has any losses in balance of financial year arising from any change as stipulated in the article 33 above, such losses shall be taken off from any surplus fund in the Special Reserve Account. If such surplus fund is insufficient to



cover such losses, the Government shall issue non-negotiable securities for the Bank of Lao PDR to cover such losses and in conformity with regulation of the Bank of the Lao PDR.

The above mentioned profit and loss shall not be included in the annual net profits of the Bank.

At the end of each financial year, all surplus account in the Special Reserve shall be applied to compensate the value of the securities issued by the Government stipulated in the section above of this article.

Any credit or debit from the Special Reserve Account shall serve the purpose specified in this Article.

## **Section IX**

### **Relations with Financial Institutions.**

Article 35: Rights and restrictions of activities .

The Bank of the Lao PDR may open deposit accounts with , and accept deposits from financial institutions, called “account holders” as the terms and conditions the Board may from time to time determine.

The Bank of the Lao PDR is not entitled to invest in general business operation except as otherwise provided by this Law.

Article 36: Buying and selling of valuable documents.

The Bank of the Lao PDR may, as the terms and conditions the Board may from time to time determine, purchase, sell or buy, discounted valuable documents from the account holders in the following rules:

1. Bills of exchange, promissory notes, certificates of deposits and cheques for commercial, industrial or agricultural purposes;
2. Treasury bonds or other securities guaranteed by the Government or issued for sale to the public;
3. Securities issued by the Bank of the Lao PDR.

These documents shall be valid for payment only if they bear two or more signatures in which one shall be signature of the financial institution. The documents shall repay within one hundred and eighty three days from the date of acquisition by the Bank.

The Bank of the Lao PDR may advance loan to account holders with the period not exceeding one hundred and eighty three days as the terms and conditions determined by the Board.

Article 37: Advanced Loan with security.

The Bank of the Lao PDR may grant advance Loan to account holder against the security of valuable documents as stipulated in the article 36 of this Law and in accordance with resolutions of the Board or secured by the following instruments:

- Treasury bonds and other securities guaranteed by the Government in profit of the public;
- Commercial papers, documents of titles issued on insured commodities;
- Other assets which the Bank is permitted to buy, sell as provided in the article 31 of this Law.

Article 38: Unsecured advanced Loan.

The Bank of the Lao PDR may grant unsecured advanced Loan, in terms of decision and special regulation of the Board, in the case that such advance is exceptionally necessary to meet financial requirement of the borrower.

(New) Article 39: Determination of interest rates.

The Bank of the Lao PDR shall determine and promulgate its interest rate for the discounted securities and the interest rate of its advanced loan to the commercial banks and financial institutions under its supervision. The commercial banks and financial institutions may determine their own interest rate for deposit and lending to general customers in accordance with the market mechanism under the State management.

(New) Article 40: Compulsory maintenance of deposit reserve level.

The Bank of the Lao PDR may require commercial banks and financial institutions that are under its supervision to maintain the ordinary level of compulsory primary deposit reserve and marginal compulsory primary reserves including the liquid assets to ensure the implementation of monetary policy, the payments of deposits and similar obligations as the Board may determine.

(New) Article 41: Determination of the net foreign currency status.

The Bank of the Lao PDR requires the commercial banks and financial institutions under its supervision to maintain the status of net foreign currency in one specific hard currency or in many currencies in accordance with the regulations of the Bank of Lao PDR.

(New) Article 42: Supervision on the regulations of financial institutions.

The Bank of the Lao PDR shall supervise regulations and give instructions on the regulations on credit and on other regulations of the commercial banks and financial institutions under its supervision including the implementation of these regulations.

(New) Article 43: Guaranty for foreign loans.

The Bank of the Lao PDR shall guaranty foreign loans for commercial banks and financial institutions in accordance with the agreement of the Government.

(New) Article 44: Payment instrument

The Bank of the Lao PDR shall establish payment mechanism to facilitate the commercial banks and financial institutions under its supervision to widely extend the payment instruments and to use payment by checks and other instruments.

## **Section X**

### **Relations with the Government**

Article 45: Reporting to the Government.

It shall be the duty of the Bank of the Lao PDR to submit regular reports to the Government on matters relating to the performance of the Bank.

In the case of difficulty which is likely to affect the achievement of its objectives, the Bank shall immediately report it to the Government.

Article 46: Deposit account of the Government.

The Bank of the Lao PDR shall open for account deposit of the Government. The Government may also maintain account deposits and use the services of commercial banks and financial institutions according to its own free will.

Article 47: Account held on behalf of the Government outside Lao PDR.

The Bank of the Lao PDR shall be the account holder in foreign currencies of the Government in foreign countries.

Article 48: Management of the securities. .

The Bank of the Lao PDR shall undertake the issuance, purchase, sale and management of Government securities or securities guaranteed by government which are issued to the public in accordance with the capacity to purchase by the major public as the Government may approve.

Article 49: Borrowing funds from abroad.

The Bank of the Lao PDR shall undertake research and give opinions for the Government on matters of borrowing funds from foreign countries. For the commercial banks, financial institutions and enterprises, prior to borrowing funds from abroad, they shall get the approval of the Bank of the Lao PDR.

Article 50: Granting advanced Loan to the Government.

The Bank of the Lao PDR may grant temporary advanced Loan in case of necessity to the Government, which has to repay the principal plus interests within six months by the government. The Bank of the Lao PDR shall determine from time to time the interest rate as applied to the actual situation.

The Bank of the Lao PDR may grant to the Government additional advanced Loan on such terms and conditions as may be agreed, in respect to the subscriptions and other payments resulting from being the membership of Lao PDR in international financial organizations, international financial institutions and other international organizations.

Article 51: Limitations of advanced Loan.

The Government may obtain advanced Loan from the Bank of the Lao PDR not more than twenty five per cent of the Government's average annual ordinary revenue for the last three financial years. The calculation of such revenue shall exclude the borrowings, grants and other forms of economic aids.

If such Loan is assumed to cause the risk, the Bank of the Lao PDR shall report it to the Government together with the resolving measures.

Article 52: Relations with international financial institutions.

The Bank of the Lao PDR shall serve as the depository of, and be financial agency of any international financial organizations of which Lao PDR is a member.

## **Section XI**

### **Accounts of the Bank and Reports**

(New) Article 53: Financial year of the Bank.

The financial year of the Bank of the Lao PDR shall begin on the first day of January and end on the thirty one day of December each year.

The Bank of the Lao PDR, the commercial banks and financial institutions under the supervision of the Bank of the Lao PDR shall comply with the accounting regulations

of the Bank of the Lao PDR and of the commercial banks and financial institutions periodically promulgated.

Article 54: Annual report to the Government.

Within three months after closing of each financial year, the Bank of the Lao PDR shall transmit to the Government as following reports:

- Report on some economic issues;
- Report on the business operations of the Bank of the Lao PDR on last year; and
- Report on the annual accounts of the Bank certified by the auditor.

The Bank of the Lao PDR shall publish the annual report relating to the currency and on some economic issues.

## **Section XII**

### **Measures against the offenders**

(New) Article 55: Violation of the compulsory reserve ratio and other regulations.

The commercial banks and financial institutions under the supervision of the Bank of the Lao PDR having violated the compulsory reserve ratio or the liquid assets ratio or other regulations shall be fined or punished in accordance with the laws and regulations.

Article 56: Giving wrong information.

Any person who intentionally supplies any false or misleading information to the Bank of the Lao PDR shall be fined or punished in accordance with regulations.

Article 57: Engaging in business without license.

Any person who engages in the banking business or financial institution business without license as may be required under the Law, shall be fined or shall punished in accordance with the Laws and regulations.

Article 58: Disclosure of confidential matters.

If any officer or any person who has collected, known or seen the data and information of the Bank of the Lao PDR, of a commercial bank or a financial institution during his/her performance of duties, has disclosed such data or information without the approval as stipulated in the article 22 of this Law shall be punished for acting of disclosure of State secret, as provided by the Criminal Law.

Article 59: Abuse of power.

Any officer of the Bank who abuses his/her position against provisions of this Law to gain interest for himself/herself shall be punished in accordance with the Criminal Law.

Article 60: Other violations.

Any person who counterfeits notes, coins or financial instruments, uses counterfeited notes, coins and financial instruments, destroys notes or coins by way of cutting, tearing, perforating, writing, printing, stamping, drawing, affixing any seal upon such notes or by any other way making the notes or coins issued by the Bank of the Lao PDR damaged and used shall be punished in accordance with the Criminal Law.

## **Section XIII**

### **Final Provisions**

Article 61: Implementation.

The Government of the Lao People's Democratic Republic shall implement this Law.

Article 62: Effect of this Law.

This Law comes into effect from the date that the President of the Lao People's Democratic Republic issues the Decree promulgating it.

This Law supersedes the Law No. 04 on the creation of the Bank of the Lao PDR, dated July 10, 1990, Any regulation, provisions conflicting with this Law shall be abrogated.