



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Assembly

No. _____/NA

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Law of Electricity

Chapter I

General provision

Article 1. Purpose

The electrical law provides the principles, regulation and measures for organization, activities, management and the electrical work inspection, which shall make the production, operation of electrical business to have the high productiveness, also aiming at the natural resource potentials with economization and endurance, encouraging the national economic – society plan and improving the living level of people.

Article 2. Electricity

Electricity is a kind of energy, which is consisted of electrical power, electrical current, electrical intensity and the frequency produced by natural resource as: Water power, wind power, solar energy, fuel, coal, gas energy, electrical source of heat, gas, vegetable oil and nucleus energy and others.

Article 3. Definition of Term

All terms used in this law are the following as:

1. Activity of Electricity means the movement of data survey, plan, design, construction and installation, production, exportation, distribution, import – export and other services of electricity;

2. Business of Electricity means the business operation of electrical activity, which shall seek the profit;
3. Equipment and Material of Electricity means the embankment and reservoir, stream, powerhouse, station of electrical cut of – wire, electricity station, electricity control center, transmission line, electrical distribution line and electrical consumer’s material;
4. Operation of Electricity Business means the person, organization or authorized individual who legally operates the electrical business;
5. Memorandum of Understanding means the initial permissive document, which the government will allow the required individual to operate project feasibility study as: technical – economic feasibility study, including the study of society and environment impact of project;
6. Permissive Concession of Electricity Business means the permitted site, the time proved by state which shall allow the investor to operate production and importation of electrical energy and under the contractual conditions;
7. Rural Electricity means the electrical system wiring from the central electricity system or specific system of some areas’ electricity, which is produced by small energy or other energies to be used with rural area;
8. Bio-waste means the rubbish from plant, human, animal and others;
9. Biogas means the gas which is produced by bio-waste, especially the rubbish of wood and others;
10. Electrical Energy means the multiple result between electrical pressure and electrical current, which is channeled by electrical conductor;
11. Power of Installation means the capacity of electrical production of powerhouse or electrical generator;
12. Electrical Current means the movement of electron, which is in the same direction of electrical conductor, including the amperage of electrical current;
13. Electrical Pressure means the energy of electrical current generation, which will be channeled from a point to another of electrical conductor or difference between level of two points’ electrical pressure, during the electrical current channeled by two points of electrical conductor;
14. Frequency means the number of cycles moving within one second of one cycle;
15. BOT means the build, operation and transfer;
16. BOOT means the build, operation, own and transfer;

17. BTF means the build, transfer and finance;
18. BOO means the build, own and operation;
19. Force Majeur means the incident occurred without reckoning and control as: Flood, thunderbolt, storm, earthquake and others.

Article 4. Ownership of Electrical Energy Source

Source of nationwide electricity energy is the ownership of national relationship, which the government centrally and integrally manages and allows the person, organization or individual to adopt.

Article 5. State Policy of Electricity

Promoting the person, organization or individual within domestic and foreign country, which shall invest into the production, transportation, distribution, service of electricity, especially the hydropower is related to water source protection and the remote area with policy condition as: Tax, duty, right of natural resource usage as the regulation.

State protects the fair right for economic section, which equally invests and participates in operating the electrical business.

State promotes to develop the electrical, which shall use the electrical energy source with economization, effectiveness, endurance, scientific usage and modern technology into electrical business and reduction of society and environment impact.

State adds the potentials to see the need of required electricity, which shall develop the national economic – society, participate in national protection, security and improvement of people's living and as the goods selling to foreign country.

Article 6. Principle of Electrical Work

Operation of Electrical Activity and Business is to conduct as the following principles:

1. In accordance with social – economic development;
2. With productiveness, economization and endurance;
3. Protection of environment, society and nature as: Forest and water source;
4. Insure the safety.

Article 7. Scope of Law

This law is used for person, organization or individual, including the domestic and foreign country in Lao PDR that operates the electrical business, activity contribution or administrative management, which is related to the equipment and electrical material, including the electrical consumer.

This law will not cover the electrical energy from nuclear source.

Article 8. International Cooperation

State opens widely to the relation and international cooperation, region and internationals with lesion exchange, information of electrical work, especially the production, transportation, distribution, import-export, transit, development and service of electrical business.

Chapter II

Activity of Electricity

Article 9. Activity of Electricity

Activity of electricity includes: Scheme of electrical development, plan, data survey, design, construction and installation, production, transportation, distribution, import-export, electrical service.

Article 10. Scheme of Electricity Development

1. To insure the principle of natural resource usage, energy source with appropriateness, economization and high productiveness;
2. Will provide the target, strategy and method in developing the technical economic base with electrical project, insuring the distribution of safe and regular electricity, getting rid of society and environment impact of national social-economic development;

3. To insure the domestic consumption based on social-economic growth in each period and policy of national social-economic development;
4. To provide the transportation based on the priority of electrical usage and requirement in neighboring countries.

Scheme of electrical development is consisted of strategic plan, long, medium and short period.

Ministry of Energy and Mine is an important center to coordinate with the concerned organization, which shall make the plan to develop electricity and offer the government to consider the decision.

Article 11. Plan

Plan is the processing research, step of electrical project development prior to operating the survey of data collection, design, construction and operation of electrical project.

Article 12. Survey of Data Collection

Survey of initial information collection of social-economic, environment, biology, disaster which is the energy and mine section by coordinating with other sections and local concerned authority; as the technical reference of calculation, design, construction and equipment installation and electrical material and operation of electrical project.

Article 13. Design

Design includes the placement of construction structure, equipment installation and electrical material.

Step of design includes: Initial design, detailed and final design of project as provided the special procedures.

Article 14. Construction and Electrical Installation

Construction and electrical installation shall insure the safety, limitation and damage reduction of nature and people's properties.

Construction and electrical installation shall be conducted by electrical technical standard of Laos.

Article 15. Production of Electricity

Electrical production is the procession of electrical energy production, which the dynamotor will be spun by water power, wind power, power of heat, biogas and other energies.

Electrical production shall insure to use the modern equipment, with standard and quality, limitation and reduction of society and environment impact.

Article 16. Transmission of Electricity

Transmission of electricity is the sending procession or electrical transport from electrical production site to electrical distribution station, to urban and consumer or foreign countries.

Electrical transit through Laos is electrical transmission from other countries, which shall be channeled through Lao border to the third country, as the Lao government's decision. Electrical transit will be transported by national transmission line, free of charge. In case of national transmission line is not able to supply, the government temporarily allows transporter to make the sole transmission line, but shall be under the management and inspection of Ministry of Energy and Mine and other concerned agencies of Lao PDR.

Building the transmission line system through Laos shall insure the reduction of environmental impact and people's damage, paying the transit fee of Lao border and other service fee, including the repayment of all damages occurred by impact of transmission line system and allows Lao PDR to use that transmission line as requirement and insures the technique.

Article 17. System of National Transmission Line

System of national transmission line is the transmission line of high voltage, which is connected to other nationwide sections and foreign transmission line system; to insure the management of production, transmit and electrical distribution, including the environment and property protection of people.

All sources of electrical production shall transmit the electricity into national transmission line, except the electrical distribution within precinct of powerhouse, production of small electrical dimensions or the place with no national transmission line.

Besides the national transmission line still has other private, domestic and foreign transmission lines.

Article 18. Distribution of Electricity

Electrical distribution is electrical supply from the transmission line system or electrical producing machine to consumption point of various electrical kinds, which is called as the network by using high pressure system (Higher than 35 kilovolts), medium pressure system (Higher than 1 kilovolt, not exceeding 35 kilovolts) or low pressure system (From 100 voltages or higher, but not exceeding 1 kilovolt).

Electrical distribution shall conduct as the following basic principle:

1. Distribution of continuous and regular electricity;
2. Distribution of wide, sufficient and economical electricity;
3. Distribution of safe electricity;
4. Electrical distribution to insure the social-economic development;
5. Electrical distribution to serve the work of nation – security protection.

Article 19. Import – Export of Electricity

Electrical transmit as the goods exporting to the foreign country sufficiently insures the supplying priority for domestic consumption, including industrial expansion and national social-economic development.

Importing the foreign electricity into Lao PDR can conduct in the case as approved by the government, by referring to the need of national social-economic development.

Article 20. Service

Service will be conducted by installation, maintenance, inspection, repair, advice of equipment and electrical material which shall be given to the consumers and suppliers.

Article 21. Equipment Installation and Electrical Material

Person, organization or individual who conducts on the construction, installation, expansion, repair and equipment maintenance, the electrical material will be implemented on technical standard of Lao electricity strictly.

Article 22. Build and Conduction of Electrical Technique Standard

Ministry of Energy and Mine shall make the electrical technique standard, which toll, electrical equipment, transmission line and electrical appliance is consisted of standard, safe insurance, economization and the same nationwide standard, be able to inspect the quality of all electrical appliances, as produced within country and import from the foreign country.

Reinstallation, expansion, repair, design, construction, operation and maintenance or equipment management and electrical material; shall be conducted by electrical technique standard of Lao PDR.

Article 23. Adaptation of Electrical Technique Standard

In case of finding the installation, expansion, repair, design, construction, equipments and electrical material has no quality, the energy and mine division or committed section has the right to issue the order, which shall allow electrical business operator to adapt, renovate or improve as accuracy, in accordance with Lao electrical technique standard or order to have temporary stoppage of equipment and electrical material.

Chapter II

Activity of Electricity

Article 24. Operation of Electrical Business

All electrical activities provided in article 9 of this law can operate as the electrical business. Electrical business is divided into two types as: General electrical business and electrical business with concession.

General electrical business includes: Plan, survey of data collection, design, construction, installation, distribution and general services.

Electrical business with concession includes: Production and importation of private electrical part

Electrical business can be changed by the type, as the government's decision by proposing the Ministry of Energy and Mine.

Person, organization or individual who is intended to operate the electrical business; shall ask for the permission with industry and commerce section, as the approval of energy and mine section and implementing on the enterprise law.

Person, organization or individual is intended to operate the electrical business with concession; shall ask for the permission with planning and investment section, as the approval of energy and mine section and implementing on the law of domestic and foreign investment promotion.

Article 25. Appointment of Engineering Chief

Person, organization or individual operated the electrical business shall appoint his/her own engineering chief, who will be responsible for technical design, construction, installation and operation of electrical equipment and material, including the mention appointment is declared to concerned organization as regulation.

Article 26. Investment of Electricity Business

Investment of electrical business will be aimed at the natural resource, as the potentiality in a country.

Type and form of electrical business investment will be implemented on the enterprise law.

Investment can be conducted by:

1. Build, operation and transfer (BOT);
2. Build, Operation, own and transfer (BOOT);
3. Build, transfer and finance (BTF(;
4. Build, operation and own (BOO);
5. The state solely operates to allow the state electricity company as the representative.

Article 27. Permitted Condition of Electricity Enterprise Establishment

Permitted Condition of Electricity Enterprise Establishment is the following as:

1. With experience of electrical business operation;

2. With sufficient finance status;
3. With sufficient technical experts;
4. Without court decision becomes the offender of electrical business.

Article 28. Amendment of Business Operating License

Operator of electrical business is intended to amend his/her business operating license; shall submit the application and the reason of amendment with energy and mine section for consideration.

Article 29. Application of Electrical Business Concession

Person, organization or individual who is intended to operate the business of production and electrical export; shall ask for the concession with Ministry for Planning and Investment which will be approved by Ministry of Energy and Mine, other ministries and local concerned authority to propose the government for consideration.

Article 30. Procession of Concession Application

Application of electrical business concession is consisted of initial study procession, survey of initial data, propose of investment, consideration of investment application, signature of MOU, detailed survey, making the technical-economic feasibility study, making the estimation of nature and environment impact, estimation of project value, signature of project development, consideration of approved concession.

Article 31. Technical – Economic Feasibility Study

Technical – economic feasibility study is consisted of the following contents as:

1. Technical – economic capacity;
2. Production of maximum electrical energy;
3. Estimation of project value;
4. Estimating the length and stability of embankment and other electrical systems;

5. Estimation of electrical price and supplying market;
6. Plan and procession of operation: Build, installation and start of electrical energy supplies.

Article 32. Estimation on the Impact of Environment, Society and Nature

The estimation on impact of environment, society and nature is consisted of the following main contents as:

1. Estimating the environmental impact in each case by proposing the method, measure to solve or reducing the bad impact on environment, water source, ground or underground, on the bio-dwelling, biodiversity and habitual source of aquatic animal and wildlife;
2. Estimating the damage and moving the people who are impacted by the project;
3. Method of reducing the impact of water volume, including the collective impact under electrical embankment reservoir, which is the direct cause adding the flood in rainy season, by having the canal excavation to direct the water to another place, in case of having the necessity or other methods;
4. Expenses of renovation provided in the section 1, 2 and 3 of this law shall be calculated into project capital.

Article 33. Condition of Applicant and Concession Renewal

The applicant of electrical business concession has the following conditions as:

1. Having the financial capacity and technical capacity;
2. Having the good and faithful biography of electrical business operation.

Applicant of concession renewal has the following conditions as:

1. Expiration of business operating register;
2. Having the necessity to continue and conduct the project completely;
3. Conducting on the legal work in the step of technical – economic feasibility study, concession contract and concerned regulation;
4. Implementing on the regular obligation.

Article 34. Term of Concession

The concession term in the form of build, operation and transfer (BOT) or build, operation, own and transfer (BOOT), which will not exceed at least thirty years and commences from the date of approved concession.

The concession may be renewed, not exceeding ten years as the government's decision. Concession renewal will be proposed in five years before the concession term concludes.

After the concession term expired, the concessionaire will transfer all ownerships to the government, which shall be in good condition inspected and certified by independent engineers, without repaying any value.

Article 35. Approval of Project Dimension

Electrical project in Lao PDR is divided into four dimensions as the following:

1. Electrical project having the installing capacity under one hundred kilowatts, the district chief, chief of urban will agree to approve as the proposal of energy and mine division of province, Vientiane capital;
2. Electrical project having the installing capacity upper one hundred kilowatts up to five megawatts, the district chief, chief of urban will agree to approve as the proposal of energy and mine division of province, Vientiane capital;
3. Electrical project having the installing capacity upper five megawatts up to one hundred megawatts, the government will agree to approve as the proposal of Ministry of Energy and Mine;
4. Electrical project having the installing capacity upper one hundred megawatts or having the reservoir upper ten thousand hectares, the government will offer the standing committees of National Assembly to assure.

Article 36. Safety of Operation and Maintenance

Person, organization or individual operated the electrical business shall insure the safety in operating and maintaining the equipment and electrical material of powerhouse construction as: Embankment, reservoir, overwhelming reservoir, electrical engine house,

transmission line, electrical station, electrical distribution line and equipment and electrical material, including the electrical consumers.

To insure the mentioned safety, person, organization or individual operated the electrical business shall make the safe procedures of operation and maintenance, in accordance with electrical technique standard Os Laos, then proposing the energy and mine section to assure.

Article 37. Right of Concessionaire

The concessionaire of electrical business has the following right as:

1. Lease or concession of necessary land in operating the electrical business, including the usage of natural resource in leasing land or concession; shall be approved by the state first;
2. Obtaining the profit from concession;
3. Obtaining the protection as law;
4. To be instructed by technique and technology of electricity;
5. Transferring or assigning the electrical business in remained concession area for other individuals, which will be approved by the state.

Article 38. Obligation of Concessionaire

The concessionaire of electrical business has the following main obligation as:

1. Operating the legal business in the concession contract, technical – economic feasibility study and the impact on environment, society and nature;
2. Paying the money of bank guarantee as the agreement;
3. The capital of foreign currency will brought in accordance with the law or contract;
4. Holding the legal account of enterprise;
5. Paying the tax, duty and other obligations fully and punctually;
6. Repaying the damage, in case of causing the damage on lives, health and properties of people, environment or on the removal to allot the people;
7. Training and building the technician and insuring the welfare of staffs, technicians and workers;

8. Recording and reporting the result of due concession, including the expenses for various detailed projects;
9. Maintaining, repairing the machine and electrical equipment in good condition as the due time and in accordance with technical principle;
10. Strictly implementing on the labor law and other laws of Lao PDR;
11. Pay all debts and repairing the machine in usable condition before assigning the electrical business to the state;
12. Assigning the project with technical – economic feasibility study and other project documents to the state, without repayment when the concession maturity or in a concessionaire is not continue to operate the electrical business;
13. Having the coordination and cooperation to participate in social – economic development of locality where the project is concerned.

Article 39. Conclusion of Concession

Concession will be concluded as the following:

1. Expiration of concession;
2. the concession is stopped before the maturity, as the proposal of concessionaire and the state's approval;
3. The concession right is drawn due to having the severe law infringement or will not implement on the contractual obligation or regulation;
4. Be unable to repair or restore the lost activity by force majeure;
5. Having the contractual termination.

Article 40. Electricity Project of Unwanted Concession

Electrical project can be operated as the following unwanted concession:

1. Build and equipment installation and electrical material that state operates solely;
2. Building the electrical project with installing capacity under 5 megawatts and having the little damage on environment, society and nature;

3. Build and installation of electrical production machine by the heat system, which is under five hundred megawatts and build and installation of electrical system by recompensed energy, the energy of solar, wind, bio-waste, vegetable oil, streaming and others.

Article 41. Land Usage of Electrical Project

The land usage of electrical project will be conducted as the following:

1. The project developer will provide the description of land usage area, the way of land compensation in the period of making the technical – economic feasibility study, the impact on environment, society and nature of project;
2. Energy and mine section will coordinate and cooperate with the land management agency, other sections and local concerned authority, which shall have the plan to use the conceded area;
3. The land management section shall assign the land area to investor to use in the land law of Lao PDR, after being approved.

Article 42. Funding Contribution

The electrical project developer, beside paying the tax, duty and natural resource value; will have the funding contribution to protect the environment in concession area, close precinct, downstream reservoir, under project area and development of local social – economic foundation where the project is concerned.

Article 43. Report

Person, organization or individual operated the electrical business shall report the energy and mine and local concerned authority regularly, for design, build, operation and electrical safety as the regulation.

Chapter IV

Development of Rural Electricity

Article 44. Promotion of Rural Electricity

Person, organization or individual and all economic sections investing into the electrical production, electrical distribution, operation of electrical sale – purchase, investment of building the electrical transmission line, electrical distribution line or electrical production source by new energy, recompensed energy to supply the electricity in rural and remote area, highland, which shall obtain the special additional policy of investment, as well as the investment promotion activity in the domestic and foreign investment promotion law.

Article 45. Investment of Rural Electricity Development

Investment of rural electricity development will be conducted as the following case:

1. Province, Vientiane capital, district, urban investing into the build and equipment installation and electrical material by itself;
2. Person, organization or individual, including the domestic and foreign country investing into the build, equipment installation and electrical material, which shall be given to the province, Vientiane capital, district, urban to manage and use;
3. Unit of electrical enterprise operating to distribute the electricity, build, installation and service will be responsible in investing to build and install the medium voltage electricity. Transformer, low pressure up to electrical ammeter. Person, organization or individual consuming the electricity shall be responsible for payment, commencing from the date installed in house or office;
4. The people contributing for properties, labors into the rural electricity development where are concerned in their local areas;
5. Rural and remote area, special zone or the area having the economic complication and nobody invests into the electrical business; the state has policy to supply the capital to build the transmission line with medium pressure system, transformer up to ammeter.

Article 46. Approval of Rural Electricity Project

Making the plan to build and develop the rural electricity, the survey of data collection, which is related to small electrical energy, having the capacity from one hundred kilowatts up to five megawatts, the province, Vientiane capital will operate, as the small electrical energy having the capacity under one hundred kilowatts, which will be operated by district, urban.

Province, Vientiane capital, urban will approve the rural electrical project, which is in its own responsibility as the capacity provided in the paragraph above, on the base of technical approval of energy and mine section.

Article 47. Fund of Rural Electricity Development

The fund of rural electricity development is from the state budget, domestic and foreign assistance, and loan, fee of electrical consumption and contribution of people.

Management and usage of rural electrical development fund provided in the specific regulation.

Chapter V Price of Electricity

Article 48. Price of Electricity

Stipulation of electrical price will insure according to social – economic condition of nation and in accordance with the using purpose and consumer's type.

Electrical price will have the stability and also insuring the income of investment and electrical development.

Ministry of Energy and Mine will coordinate with division and other concerned sections to study and direct the research of each type's electrical price instruction; to propose the state to consider periodically.

Electrical price of using purpose and consumer's type which shall be provided by the government.

Article 49. Type of Electricity Price

Electrical price will be divided into the following types as:

1. Price of incoming purchase and outgoing sale to the foreign country;
2. Purchase price and the sale price in foreign country.

The government will direct about each type's electrical price.

Article 50. Price of Rural Electricity

The price of rural electricity has the following as:

1. The electrical price to be used in the rural area, which will be connected to central electricity system, by implementing on the article 49 above;
2. Price of electrical sale – purchase of electrical project invested by the state, which is not connecting with the central electrical system; shall be researched by the energy and mine division to offer the price, as the agreement of local concerned authority;
3. Price of electrical sale – purchase invested by the private section and in accordance with electrical purchaser and supplier, which will be researched by the energy and mine division to offer the policy price, as the agreement of local concerned authority.

Chapter VI

Right, Function and Obligation of Electrical Producer, Supplier and Consumer

Article 51. Right, Function and Obligation of Producer

The producer has the right and function as the following:

1. Making the legal sale – purchase contract with electrical consumer;
2. transferring or assigning the electrical activity to another individual as the state's approval;
3. Obtaining the service of electrical price and right protection and his/her profit;

4. Undertaking the cooperation with energy and mine division and local concerned authority as the requirement.

The producer has the following obligation as:

1. Implementing on the safe regulation of operation, maintenance and electrical technique standard of Laos strictly;
2. Paying the tax, duty and other obligations as the regulation;
3. Producing and supplying the electrical current continuously and regularly.

Article 52. Right, Function and Obligation of Electrical Supplier

The electrical supplier has the right and function as the following:

1. Collecting the electrical fee from distribution and service;
2. Warning, claiming the electrical consumer who infringes on the electrical regulation or makes the damage or the thing may cause the damage on the electrical distraction;
3. Ceasing the electrical distribution for consumer, who strongly infringes on the electrical regulation;
4. Making the measure of social security and environment of electrical distribution;
5. Inspecting the installation and electrical usage of consumer;
6. Rejecting the application of person, organization or individual, who is required to use the electricity for private distribution, in the case of finding that it is not safe of technical.

The electrical supplier has the following obligation as:

1. Supplying the electricity for consumer punctually, widely, regularly and having the quality of Lao electrical technique standard;
2. Informing the electrical consumer in advance, before cutting out electricity each time, except the case of emergency;

3. Making and advising about electrical usage regulation, the necessary information for the electrical consumer to have the safety, giving the service for electrical consumer with responsibility and punctuality;
4. Using the electrical equipment with good and modern quality;
5. Insuring the safety and welfare of electrical staff, the safety of society;
6. Paying the tax, duty, fee, service fee and implementing on other obligations as the law and regulation;
7. Repaying the damage, in the case caused the damage on lives, health, properties of the people, republic and environment;
8. Allowing the person, organization or individual to use the electrical distribution line of Lao electrical technique standard;
9. Summing, reporting the result of distribution and electrical management as Lao electrical technique standard, this shall be summed and reported to energy and mine division regularly.

Article 53. Right, Function and Obligation of Electrical Consumer

The electrical consumer has the right and function as the following:

1. To be safe in using the electricity;
2. Obtaining the convenient service in installing and repairing the electricity in the house or office;
3. Obtaining the instruction of electrical usage;
4. Proposing to have the inspection of electrical price calculation, which is found to be incorrect;
5. Proposing or claiming the electrical business operator, this is caused by damage and due to the service or unsafe electricity technique.

The electrical consumer has the following obligation as:

1. To be responsible to maintain, change the line and electrical equipment in a house or office;
2. Implementing on regulation and instruction of electrical usage;
3. Consuming the electricity with economization and efficiency;
4. Paying the electrical fee and service fee as used fully and regularly;

5. Facilitating the staff and electrical authority in stalling, repairing, inspecting and noting the electrical usage unit;
6. Informing the staff or electrical authority immediately, in case of finding the abnormal incident of electricity;
7. Contributing to help the equipment protection and electrical material.

Chapter VII

Prohibition

Article 54. Prohibition of Electricity Staff and Authority

Prohibiting the electrical staff and authority to have the following conduction as:

1. Taking the opportunity to use the position, function and taking the graft for personnel benefit from the electrical business operation;
2. Using the overmuch function, which causes the damage on state's benefit, group or fair benefit of people;
3. Neglecting the function and responsibility of electrical business, which is committed by organization;
4. Disclosing the confidence of state and official of electrical business;
5. Counterfeiting the various document of electrical business;
6. Operating and participating in the electrical business in all respects;
7. Using the influence, force, threat and other measures that is not in accordance with the law and regulation;
8. Sale – purchase of equipment and electrical material is illegal;
9. Having the other prohibited conductions as provided in the law and regulation.

Article 55. Prohibition of Businessman

Prohibiting the businessman and foreigner to have the following conduction as:

1. Operating the survey and electrical development which is not approved;

2. Build, installation and operation of equipment and electrical material which is not approved;
3. Delaying the project operation of electrical development which is not approved;
4. Using or declaring the information of survey, design, build and operation of illegal electricity business;
5. Giving the graft to staff, authority and people;
6. using the influence and asserting another individual's name to threaten the staff, authority and people;
7. Sale – purchase of equipment and electrical material which is not in the standard and illegality;
8. Infringing on the right and function of local concerned authority of electrical business;
9. Having the other offenses which is the prohibition provided in the law and regulation.

Article 56. Prohibition of People

The people are prohibited to have the following offenses as:

1. Trespassing the area, stealing, destroying the equipment and electrical material;
2. Constructing, settling or cultivating within the area of equipment and electrical material installation, without absolute permission;
3. Cooperating with the businessman, staff or authority to trespass the area, steal, destroy the equipment and electrical material;
4. Obstructing the conduction of staff and electrical authority;
5. Using the influence and asserting another individual's name to threaten the staff and electrical authority or other people for personnel benefit;
6. Purchase and sale of equipment and electrical material is illegal;
7. Having the other offenses which is the prohibition provided in the law and regulation.

Article 57. Prohibition of Organization and Other Individuals

The organization and other individuals are prohibited to have the following offenses as:

1. Giving the overmuch right and function, using the influence and asserting another individual's name to threat the staff and electrical authority for unfair benefit;
2. Taking the opportunity of function to obtain the personnel benefit or group of electrical business;
3. Operating the electrical business by his/her self or having the share which is not approved;
4. Permitting the survey, design, build or operation of equipment and electrical material, which is not in accordance with the procession and regulation;
5. Delaying the case procession of electrical business disputation;
6. Obstructing the conduction of electrical authority;
7. Operating the electrical business which is not approved as the law;
8. Producing, performing, purchasing, selling, distributing, importing the equipment and electrical material, which is not in the standard or having the bad quality;
9. Having the other offenses which is the prohibition provided in the law and regulation.

Chapter VIII

Dissolution of Disputation

Article 58. Form of Dispute Dissolution

Form of dispute dissolution may be conducted as the following:

1. Conciliation and compromise;
2. Administrative solution;
3. Solution of economic arbitration committees;
4. Decision of court;
5. Solution of international aspect.

Article 59. Conciliation and Compromise

In case of having the disputation of electrical business operation, which a litigant can negotiate, conciliate and compromise each other

Article 60. Administrative Solution

In case of being unable to dissolve by the compromise, which a litigant has the right to propose the energy and mine division, where he/she has been approved to solve.

Article 61 Solution of Economic Arbitration committee

In case of energy and mine division is false to conciliation and solution, which a litigant has the right to propose the Economic Arbitration Committee to consider the legal solution.

Article 62. Decision of Court

The disputation occurred in electrical business operation, which

The disputation occurred in electrical business operation, which is disagreeable of administrative solution or Economic Arbitration Committee, which a litigant of another party has the right to make the statement of claim to a court; to consider the legal decision.

Article 63. Solution of International Aspect

The dispute dissolution of electrical business operation, between the domestic investor and foreign investor or likewise foreign investor in Lao PDR or the foreign investor and Lao government, which shall be used by Dispute Dissolution Agency in domestic or foreign country or internationals as the litigant's agreement.

Chapter IX

Management and Inspection

Article 64. Agency of Management

The government centrally and unanimously covers the electrical work in country, which shall allow the energy and mine division to coordinate with other concerned sections,

especially the planning and investment division, water resource and environment, national defense – public security, finance, local authority and other concerned sections.

Agency of electrical management is consisted of:

1. Ministry of Energy and Mine;
2. Energy and Mine Division of Province, Vientiane capital;
3. Energy and Mine Office of district, urban.

Article 65. Right and Function of Ministry of Energy and Mine

In managing the electrical work, which the Ministry of Energy and Mine has the right and function as the following:

1. Being the general staff to make the strategic plan, electrical development plan, regulation of electrical energy, which shall be proposed to the government to consider;
2. Advertising, disseminating the law of electricity and electrical development plan;
3. Directing and following up the implementation on nationwide electrical work;
4. Directing and surveying the data collection, making the statistic of nationwide electrical source;
5. Directing the protection of environment and electrical energy source;
6. Studying, researching and giving the advice of electrical business investment under his/her responsibility;
7. Researching the permit renewal, temporary stoppage or withdraw of business operating license of investor;
8. Giving the instruction on the electrical business operator to import the electricity, equipment and concerned electrical material;
9. Insuring the appointment of engineering chief, who will be under his/her responsibility and as the proposal of electrical business operator;
10. Studying, researching the electrical price to propose the government to consider the adoption;
11. Coordinating with other sections, and local concerned authority to manage the electrical business;

12. Relating to cooperate with the internationals of electrical work and seeking the capital source to develop the electricity;
13. Summing, reporting the result of implementation on electrical work, which shall be summed and reported to the government regularly;
14. Implementing on the right and other functions of electrical work, as provided in the law and regulation.

Article 66. Right and Function of Energy and Mine Division of Province, Vientiane Capital

In managing the electrical work, which the energy and mine division of province, Vientiane capital has the right and function as the following:

1. Setting up the expansion of strategic plan, electrical development plan, directing and managing the electrical work under his/her responsibility;
2. Setting up the survey of data collection, statistic collection and protection of electrical energy source;
3. Researching, giving the advice of electrical business operation, which has the installing capacity under five megawatts, related to equipment and electrical material;
4. Studying, researching and giving the technical instruction of electrical business investment, which is under his/her responsibility;
5. Undertaking the appointment of engineering chief, who is under his/her responsibility and as the proposal of electrical business operator;
6. Implementing on the protection of environment and electrical energy source;
7. Relating to cooperate with the internationals of electrical work and seeking the capital source to develop the electricity;
8. Relating to cooperate with the internationals as the commitment of Ministry of Energy and Mine or the administrative authority of province, Vientiane capital;
9. Summing, reporting the result of implementation on electrical work, which shall be summed and reported to the government's high organization regularly;
10. Implementing on the right and other concerned functions, as committed by Ministry of Energy and Mine or administrative authority of province, Vientiane capital

Article 67. Right and Function of Energy and Mine Office of District, Urban

In managing the electrical work, which the energy and mine office of district, urban has the right and function as the following:

1. Implementing on the plan, project, regulation and law of electricity and instruction of Ministry of Energy and Mine, which is concerning to electrical work;
2. Disseminating the regulation and law of electricity and safe procedure of operation and maintenance, which shall be given to the electrical business operator as his/her responsibility;
3. Giving the instruction of electrical business operation, which has the installing capacity under one hundred kilowatts, relating to equipment and electrical material;
4. Giving the instruction in operating the equipment and electrical material, collecting the statistics of severe electrical accident;
5. Coordinating with other sections and his/her locality to manage the electrical work;
6. Summing, reporting the result of implementation on electrical work, which shall be summed and reported to the government's high organization regularly;
7. Implementing on the right and other concerned functions, as committed by energy and mine division or administrative authority of district, urban.

Article 68. Right and Function of Division and Other Sections

In managing the electrical work, which the other sections and local concerned authority has the right and function to coordinate with energy and mine division, as his/her roles.

Article 69. Agency of Inspection

Agency of inspection is one of electrical management agency, which is provided in the article 64 of this law.

Article 70. Committee of Technical Inspection

Making the build, installation, electrical business operation to insure the technique, safety and protection of environment, society and nature, this may appoint the committee of technical inspection, including the energy and mine division and other concerned sections.

The committee of technical inspection will be terminated automatically, after the conduction of completed function as appointed and assigned.

Article 71. Exterior Inspection

The exterior inspection is intended to check the implementation on the electrical management and inspection, which shall have the stability, transparency and fairness.

The exterior inspection is the following as:

1. Inspection of National Assembly, which provided in this law of following up and inspection of National Assembly;
2. Inspection of State Inspection Agency, which provided in this law of state inspection;
3. State inspection, which provided in this law of state inspection;
4. Following up and inspection of Lao population.

Article 72. Content of Inspection

The inspection is aimed at the electrical work with productiveness, technical insurance, safety, protection of environment and insuring the electrical business, which will be conducted in accordance with law and regulation.

The inspection of electrical work has the following main content as:

1. Conducting the procession of electrical business operation;
2. Conducting the punctuality of electrical business operation;
3. Implementing on the technical – economic feasibility study of electrical business;
4. Implementing on the plan of electrical business operation;
5. Implementing on the measure of technical safety;
6. Implementing on the and contract of electrical business;
7. Conducting the standard of electrical equipment;
8. Design, build, installation and the managemement of equipment and electrical material;
9. Using the measure to get rid of environmental impact;
10. Repaying the damage on lives, health, properties of people and environment;
11. Finance system, policy and social welfare;
12. Noting and recording the ammeter figure.

Article 73. Form of Inspection

The inspection of electrical work has three forms as the following:

1. Regular inspection;
2. Inspection by declaring in advance;
3. Unexpected inspection.

Regular inspection is to conduct on the regular plan and has the certain punctuality.

Inspection by declaring in advance is the inspection beside plan, which shall inspect as the necessity and declaring the inspected individual in advance.

Unexpected inspection is the emergency inspection, which will not declare the inspected individual in advance.

Chapter X

Policy of Good-working Behavior and Measure of Violator

Article 74. Policy of Good-working Behavior

Person, organization or individual who is good-working in implementing on this law, especially the instruction, implementation on discipline, penalty, civil repayment and criminal execution which is in the light or heavy case.

Article 75. Measurement of violator

Person, organization or individual infringed on this law shall be implemented on the instructive measure, implementation on discipline, penalty, civil repayment or criminal execution which is in the light and heavy case.

Article 76. Measurement of Instruction

Person, organization or individual infringed on this law of electricity, the prohibition is in the light or heavy case shall not be implemented on the electrical technique, which caused the little damage, no report of electrical business operation, dilatory report; shall be warned and instructed.

Article 77. Measurement of Discipline

The authority or electrical staff infringed on this law and prohibition of electricity, without severe offense which shall not be the criminal offense, by causing the damage under

one million kip and being false to report his/her conduction, evading the offense shall be implemented on the following disciplines as:

1. Will be warned about the offense and recorded in the biography;
2. Pausing the position promotion, salary level and admiration;
3. Transferring to do another lower position;
4. Working dismissal without any policy.

A disciplined individual shall return his/her property, which is illegally acquired for the state.

Article 78. Measurement of Penalty

Peron, organization or individual infringed on law of electricity and caused the damage without the false component; shall be fined due to the following offense as:

1. Operating the electrical business without permission;
2. Building, installing the equipment and electrical material without permission;
3. Wiring the electricity into a house without permission;
4. Allowing another person to wire the electricity from his/her house, which is not approved;
5. Modifying the electrical ammeter;
6. Not implementing on the electrical technique standard and safe measure;
7. Not implementing on the measure in getting rid of environmental impact;
8. Not paying the tax, duty and other obligation as the law;
9. Not repaying the damage caused on the lives, health, properties of people and environment.

The penalty rate provided in the specific regulation.

Article 79. Civil Measure

Person, organization or individual infringed on this law, which caused the damage on other people of electrical work; shall be repaid by the damage occurred.

Article 80. Criminal Measure

The individual infringed on this law of electricity offended by criminal case shall be executed by criminal law as provided

Chapter XI
Final Provision

Article 81. Implementation

The government of Lao People's Democratic Republic shall implement on this law.

Article 81. Effectiveness

This law shall enter into ninety (60) days force, commencing from the date signed by the President of Lao People's Democratic republic, which issued the promulgation of decree from now on.

This law is changed instead of the electricity law no. 02/97/NA, dated on 12th May 1997.

The regulation, provision conflicted on this law shall be repealed hereby.

National Assembly