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**National Coordination Committee on Anti-Money Laundering  
And Counter-Financing of Terrorism**

No. 09/NCC  
Vientiane Capital, Date: 30 March 2016

## **Decision On Administrative Measures Violated Regulations and Law on Anti-Money Laundering and Counter-Financing of Terrorism**

- In pursuance to the Law on Anti-Money Laundering and Counter-Financing of Terrorism, No. 50/NA, dated 21 July 2014;
- In pursuance to the decree on the organization and operation of the National Coordination Committee on Anti-Money Laundering and Anti-Financing of Terrorism, No. 264/PM, dated 13 October 2014;
- Order on the withholding, freezing or seizure of funds relating to terrorists or financing of terrorism No. 03/PM, dated 11 February 2016;
- In accordance with the proposal by Anti-Money Laundering Intelligence Office, No. 244/AMLIO, dated 25 March 2016.

**The Chairman of the National Coordination Committee on Anti-Money Laundering  
and Counter-Financing of Terrorism Issues this Instruction:**

### **Article 1 Purpose**

This decision sets administrative measures against natural person, legal person including reporting entities which have violated the Law on Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT), regulations and notices as issued by the National Coordination Committee on Anti-Money Laundering and Counter-Financing of Terrorism, aiming to re-educate such natural person, legal person including reporting entities, to raise their consciousness for strict compliance with such laws and regulations and to be the basis for the authority supervising the AML/CFT working applying administrative measures against natural person, legal person including reporting entities properly and consistently.

### **Article 2 Administrative Measures**

Administrative measures pursuant to this decision shall be the re-education for natural person, legal person including reporting entities for their violation of any regulations and law on AML/CFT which is not a serious violation and has not caused any substantial damages even if such violation has all elements of a criminal offence.

Administrative measures include:

1. Warning;
2. Fine;
3. Suspension or removal of management position;
4. Withdrawal of business operating license or enterprise registration certificate.

### **Article 3 Violations**

Violations under this Decision include:

1. Failure to establish programs as required under Article 19 of AML/CFT law;
2. Non-compliance with the risk assessment and risk based management principles as set out in Article 20 of AML/CFT law;
3. Non-compliance with Know-Your-Customer procedures as required under Article 21 of AML/CFT law;
4. Non-compliance with customer due diligence as required under Article 22 of AML/CFT law;
5. Non-compliance with collection of detailed data on customers as required under Article 23 of AML/CFT law;
6. Non-compliance with data collection of customers' transactions as required under Article 24 of AML/CFT law;
7. Non-compliance with rules on the dealing with politically exposed persons as set out in Article 25 of AML/CFT;
8. Non-compliance with rules on the dealing with corresponding banks as set out in Article 26 of AML/CFT;
9. Non-compliance with data collection on wire transfer as required under Article 27 of AML/CFT law;
10. Non-compliance with data record-keeping as required under Article 28 of AML/CFT law;
11. Non-compliance with transaction postponing as required under Article 29 of AML/CFT law;
12. Non-compliance with reporting obligation as required under Article 30 of AML/CFT law;
13. Non-compliance with reporting obligation on suspicious transactions as required under Article 31 of AML/CFT law;
14. Non-compliance with reporting confidentiality obligation as required under Article 32 of AML/CFT law;
15. Failure to cooperate with inspectors of Anti-Money Laundering intelligence Office;
16. Violations of notices issued by the Anti-Money Laundering intelligence Office;
17. A natural person, legal person including reporting entities violated instruction on application of provisional measures on properties relating to money laundering or terrorist financing No. 08/NCC, date: 30 march 2016;
18. Violations of any prohibitions set out in Article 52 of AML/CFT law;
19. A natural person, legal person including reporting entities violated order on the withholding, freezing or seizure of funds relating to terrorists or financing of terrorism No. 03/PM, dated 11 February 2016.

### **Article 4 Application of Measures**

Any natural person, legal person including reporting entities who have committed any violations listed in Article 3 of this decision shall be subject to the following measures:

#### **1. Warning**

Violations within Clauses 1 to 17 in Article 3 of this decision shall be warned in writing.

## **2. Fine**

Violation as per Clause 18 and 19 in Article 3 of this decision or continuation of violation upon the application of warning as set out in Clause 1 of this Article shall be fined as follows:

- 2.1. Natural person including management shall be fined from LAK 1.000.000 to LAK 10.000.000;
- 2.2. Legal person including reporting entities shall be fined at 0.0001% of total assets of reporting entities to be calculated at the time of violation and in any case the fine shall not be less than LAK 3.000.000 and not exceeding LAK 200.000.000.

## **3. Suspension or removal of management position, withdrawal of business operating license or enterprise registration certificate.**

For its continuation of violation upon the application of measures set out in Clause 2 of this Article, a reporting entity shall be subject to the following measures:

- 3.1. Suspension or removal of its management;
- 3.2. Withdrawal of its business operating license or enterprise registration certificate and submission for prosecution by relevant authority according to laws.

## **Article 5 Forms of Measure Application**

The application of administrative measures against natural person, legal person including reporting entities shall be made in a written form which shall have key contents as follows:

1. Name of natural person, legal person or reporting entity;
2. Content of violation;
3. Measure applied;
4. Timeframe for redress;
5. Next measure in case of continued violation.

## **Article 6 Petition**

If considering that a measure applied to it is not compliant, a natural person, legal person including reporting entity subjected to such measure under this Decision may, within 7 working days of its receipt of the decision on the measure application against it, may file a written petition to the National Coordination Committee on Anti-Money Laundering and Counter-Financing of Terrorism for consideration. The National Coordination Committee on Anti-Money Laundering and Counter-Financing of Terrorism shall consider such petition and shall respond to the petitioner within 15 working days of its receipt of such petition.

## **Article 7 Implementation**

The Anti-Money Laundering Intelligence Office is assigned to implement and apply measures for reporting entities including management of such reporting entities. The competent authorities of Ministry of Public Security assigned to implement measures for the natural person and legal person.

A natural person, legal person including reporting entities have the duty to strictly comply with this decision.

If natural person to be employee or officials of the state was violated must be compliance disciplinary with base on civil servants of Lao PDR regulation and relevant regulations

Unofficial Translation

**Article 8 Effectiveness**

This decision is effective from the date of signing and after 15 days after its publication on the Lao PDR's Official Gazette.

**The Chairman of the National Coordination  
Committee on Anti-Money laundering and  
Counter-Financing of Terrorism**

[Seal and signature]  
Dr. Bounpone BOUTTANAVONG