



**LAO PEOPLE DEMOCRATIC REPUBLIC**  
**PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY**

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National Coordination Committee for Anti-Money Laundering  
and Counter-Financing of Terrorism

No. 01/ NCC  
Vientiane, dated 08 January 2020

**Directive**  
**on Money Laundering and Terrorist Financing Prosecution**

- Pursuant to the Law on Anti-Money Laundering and Counter-Financing of Terrorism, No. 50/NA, date 21 July 2014.
- Pursuant to the Criminal Code, No. 26/NA, dated 17 Mai 2017.
- Pursuant to the Criminal Procedure, No. 37/NA, dated 14 November 2017.
- Pursuant to the Order on the sequestration, seizure and attachment of the funds connected to the terrorists and financing of terrorism, No. 03/PM, dated 11 February 2011.
- Pursuant to the Decision on the appointment of the taskforce for assessment of the performance of activities of the anti-money laundering and financing of terrorism of Lao PDR in 2019-2021, No. 90/PM, dated 26 October 2019.
- Pursuant to the Instruction on the use of temporary measures on the properties connected with the money laundering and financing of terrorism, No. 08/ NCC, dated 30 March 2016.
- Pursuant to the Notice on the organization of the meeting on the implementation of the Law on Anti-Money Laundering and Counter-Financing of Terrorism, No. 30/ NCC, date 10 January 2019.

After the issuance of the laws, orders, instructions notices relating the legal prosecution and proceeding of the money laundering and financing of terrorism, it is found that such laws, orders, instructions notices have not yet been effectively implemented. In order to satisfy the needs in carrying out of activities and to be used as reference for the relevant officials in performing their duties on the money laundering and financing of terrorism, in particular for the investigators and interrogators, prosecutors, judges and court judgment enforcement officers have an uniform implementation throughout the country, and to assist Lao PDR in assessing the status of legal proceeding of money laundering and financing of terrorism in 2019-2021 to have its statistics, figures and data on the legal proceedings of the money laundering and financing of terrorism,

**The National Coordination Committee  
For Anti-Money Laundering and Counter-Financing Of Terrorism**

**Issues The Order As The Following:**

**Section 1  
General Provisions**

**Article 1 Objectives**

This Instruction determines the principles, regulations, methods and procedure on the investigation-interrogation, prosecution against the accused persons, judgement and enforcement of the final judgments of the money laundering and financing of terrorism cases in order to ensure the implementation of the laws and other legislation relating to the anti-money laundering and counter-financing of terrorism and to be used as reference for the effective implementation of duties of the legal proceeding organizations.

**Article 2 Money Laundering and Financing of Terrorism**

Money laundering is the transformation, utilization, displacement, exchange, acquisition, possession, transfer of true ownership of funds or other properties of a natural person, legal person or organization that knows, knew or suspects that the properties are derived from the predicate offences to conceal or disguise their characteristics, origin, and location. This is aimed at legalizing the funds or properties.

Actions of the money laundering are defined in Article 6 of the 2014 Law on Anti-Money Laundering and Counter-Financing of Terrorism.

The financing of terrorism is an intentional act, both direct and indirect, of a natural person, legal person or organization that attempt to give, collect, acquire funds or properties, legally or illegally, wholly or partially, to supply funds to terrorism, terrorist or linked to a specific terrorism act whether the funds or properties are used in the actions or not.

Actions of the financing of terrorism are defined in Article 6 of the 2014 Law on Anti- Money Laundering and Counter-Financing of Terrorism.

**Article 3 Definition**

Terms used in this Instruction shall have the following meaning:

1. A legal proceeding organization means investigation-interrogation organization, prosecutor office and court.
2. Predicate offenses mean all criminal offences which are the cause of money laundering including offences committed outside the territory of the Lao PDR that cause proceeds of crime. These include frauds, robbery or theft, murder and grievous bodily injury, kid napping, illegal restraint and hostage-taking, illicit trafficking in stolen and other goods, counterfeiting currency, forgery,

counterfeiting and piracy of products, corruption and bribery, sexual exploitation including sexual exploitation of child, trafficking human being and migrant smuggling, illicit trafficking in narcotic drugs and psychotropic substances, illicit trafficking of war arms and explosives, participation in an organized criminal group and racketeering, terrorism including financing of terrorism, environmental crime, tax crimes, insider trading and market manipulation, smuggling (including in relation to customs), extortion, piracy and others.

**Article 4 Policies**

The policies on the anti-money laundering and counter-financing of terrorism are defined in Article 6 of the 2014 Law on Anti- Money Laundering and Counter-Financing of Terrorism.

**Article 5 Basic Principles of Activities of Anti- Money Laundering and Counter-Financing of Terrorism**

The legal proceeding of money laundering and financing of terrorism shall be conducted based on the same basic principles as provided for in Article 10 of the 2017 Law on Criminal Procedure (amended version).

**Section 2**  
**Investigation-Interrogation of the**  
**Anti- Laundering and Counter-Financing of Terrorism Cases**

**Article 6 Investigation-Interrogation Organizations**

The investigation-interrogation organizations are provided for in Article 46 of the 2017 Law on Criminal Procedure (Amended version). They are as follows:

1. Investigation-interrogation organizations of the police officers.
2. Investigation-interrogation organizations of the military officers.
3. Investigation-interrogation organizations of the customer and tax officers.
4. Investigation-interrogation organizations of the forestry officers.
5. Investigation-interrogation organizations of the anti-corruption officers.
6. Investigation-interrogation organizations of the other sectors determined in the relevant laws.

**Article 7 Rights and Duties of the Investigation-Interrogation Organizations**

The rights and duties of the investigation-interrogation organizations, in addition to those which are provided for in Article 47 of the 2017 Law on Criminal Procedure (Amended version) and in other legislation, shall also have the rights and duties of investigation and interrogation in the case of money laundering and financing of terrorism as provided for in this Instruction.

**Article 8 Open or Non-Open of Investigation-Interrogation**

The investigation-interrogation shall be conducted in compliance with Part V of the Law on Criminal Procedure, amended version in 2017.

The open or non-open of the investigation-interrogation shall be conducted in compliance with Articles 84, 85, 90, 91 and 92 of the 2017 Law on Criminal Procedure (Amended version).

Once having opened the investigation-interrogation on the predicated offenses, it is found that there are traces of money laundering or financing of terrorism, the investigation-interrogation organizations shall make a modification or addition to the order of opening the investigation-interrogation for additional charge in money laundering and financing of terrorism.

In case of non-open of the investigation-interrogation without sufficient grounds, but through the inspection of the prosecutor office it is found that there are traces of money laundering or financing of terrorism, the Head the prosecutor office shall cancel such order of non-open of the investigation-interrogation, and shall issue the order of opening the investigation-interrogation by oneself and send such order to the investigation-interrogation organization for conducting the investigation-interrogation in accordance with Articles 94 and 95, para 3 of the 2017 Law on Criminal Procedure (Amended version).

Modification or addition to the order of opening the investigation-interrogation shall be done in compliance with Articles 91, para 5, 6, 7 and 8 of the 2017 Law on Criminal Procedure (Amended version)

The report on financial intelligence of the Anti-Money Laundering Office sent to the investigation-interrogation organizations is considered as a notification, therefore, the investigation-interrogation organizations may whether issue or not issue the opening or non-opening the investigation-interrogation order as provided in Articles 90, 91 and 92 of the 2017 Law on Criminal Procedure (Amended version)

**Article 9 Methods of Investigation-Interrogation**

The investigation-interrogation organizations and the prosecutors' offices shall conduct investigation-interrogation by using the guideline on legal proceeding and Part VI, Section 1, 2 and 3 of the 2017 Law on Criminal Procedure (Amended version)

The investigation-interrogation of the predicate offenses shall be conducted parallelly with the investigation-interrogation of the money laundering and financing of terrorism based on the information, evidences and financial transactions or other properties occurred in the period of the commission of predicate offenses whose actions as provided for in Article 2 of this Instruction.

**Article 10 Measures of Prevention, Suspension, Dismissal and Termination of Investigation-Interrogation**

The measures of prevention, suspension, dismissal and termination of investigation-interrogation shall be done in compliance with Part VI, Section 4 and 5 of the 2017 Law on Criminal Procedure (Amended version).

In addition, they shall be compliant with the Articles 38 and 40 of the 2014 Law on Anti-money Laundering and Counter-Financing of Terrorism, and Instruction, No. 08/NCC, dated 30 March 2016, on the Use of Temporary Measures against Properties connected with the money laundering and financing of terrorism, and Order, No. 03/NCC, date 11 February 2016, on Sequestration, Seizure and Attachment of the funds connected with the money laundering and financing of terrorism.

**Article 11 Record of Investigation-Interrogation Results**

Record of the results of the investigation-interrogation in the criminal cases shall be done in compliance with Article 150 of the 2017 Law on Criminal Procedure (Amended version).

For the record of the results of the investigation-interrogation in the money laundering and financing of terrorism cases, the investigation-interrogation organizations shall file the cases to the prosecutors' offices for legal prosecuting such cases to the court for judgment in accordance with the relevant laws.

**Article 12 Collection of Statistics on the Cases of Money Laundering and Counter-Financing of Terrorism conducted by the Investigation-Interrogation Organization**

The collection of statistics on the cases of money laundering and financing of terrorism shall be done in compliance with the relevant annexes to this Instruction.

**Section 3**

**Consideration of the Record of Results of the Investigation-Interrogation And Legal Prosecution of Money Laundering and Financing of Terrorism by the Investigation-Interrogation Organizations.**

**Article 13 Study of Cases and Opinion of Head of Prosecutors' Offices**

Studying the cases, giving opinions and sending back the cases for additional investigation-interrogation conducted by the heads of the prosecutors' offices shall be done in compliance with Articles 152 and 153 of the 2017 Law on Criminal Procedure (Amended version).

**Article 14 Prosecution of the Accused Persons in the Cases of Money Laundering and Counter-Financing of Terrorism**

The prosecution of the accused persons shall be done in compliance with Articles 154, 155 and 156 of the 2017 Law on Criminal Procedure (Amended version).

**Article 15 Collection of Statistics on the Prosecution of Money Laundering and Counter-Financing of Terrorism**

The collection of statistics on the prosecution of money laundering and financing of

terrorism shall be done in compliance with the relevant annexes to this Instruction.

## **Section 4**

### **Procedures of Legal Proceedings of Money Laundering and Financing of Terrorism by the Courts**

#### **Article 16    Procedures of Legal Proceedings by Courts**

The legal proceedings of money laundering and financing of terrorism conducted by the courts of first instance, appellate courts, courts of cassation and revival courts shall be done in compliance with Parts VIII, IX, X, XI and XII of the 2017 Law on Criminal Procedure (Amended version).

#### **Article 17    Acceptance and Time Limit of Consideration**

The acceptance and time limit of consideration for judgment shall be compliant with the Article 164 and 165 of the 2017 Law on Criminal Procedure (Amended version).

In conducting the legal proceeding on money laundering and financing of terrorism, the courts can use the methods of the investigation-interrogation and preventive measures as specified in Article 166 of the 2017 Law on Criminal Procedure (Amended version). If the funds and other properties connected with the money laundering and financing of terrorism have not yet been seized or attached, the courts shall issue the orders on the seizure or attachment of the same as the cases may be.

#### **Article 18    Legal Proceeding by the Courts of First Instance**

The legal proceedings of money laundering and financing of terrorism by the courts of first instance shall be compliant Part IX Section of the 2017 Law on Criminal Procedure (Amended version).

#### **Article 19    Consideration for Judgement on the Cases of Money Laundering and Financing of Terrorism**

In considering the judgement to impose the penalty to the accused persons for the charge of money laundering and financing of terrorism, the courts shall adjudicate on the determination of the penalty to the predicate offenses and the offenses of money laundering and financing of terrorism in detailed and accurate manner based on the principles of imposition of penalty as provided for in the 2017 Criminal Code.

The determination of the penalty for money laundering and financing of terrorism shall be compliant with Articles 130 and 131 of the 2017 Criminal Code.

#### **Article 20    Collection of Statistics of Judgment on Money Laundering and Financing of Terrorism**

The methods of collecting the statistics shall be done in compliance with annexes of this Instruction.

**Article 21 Issuance of Order on Taking the Final Judgement on Money Laundering and Financing of Terrorism for Enforcement**

The issuance of order on taking the final judgement on money laundering and financing of terrorism for enforcement shall compliant with Articles 236, 240, 246 and 247 of the 2017 Law on Criminal Procedure (Amended version).

**Section 5  
Enforcement of Final Judgement**

**Article 22 Execution of Privation of Liberty Penalties and other Penalties**

The execution of the penalties of privation of liberty and other penalties shall compliant with Articles 240, 241, 243 and 245 of the 2017 Law on Criminal Procedure (Amended version).

Application of regulations and procedure for death penalty shall be compliant with Articles 255 and 256 of the 2017 Law on Criminal Procedure (Amended version), records and other legislation which determine the regulations and procedures on the execution of penalties.

The execution of penalties for money laundering and financing of terrorism shall be done same as above-mentioned.

**Article 23 Execution of Penalties on Fines, Confiscation, Confiscation of Commodities and Compensation for Damage**

The execution of penalties on fines, confiscation, confiscation of commodities and compensation for damage shall compliant with Articles 246 and 247 of the 2017 Law on Criminal Procedure (Amended version) and other relevant legislation.

**Article 24 Collection of Statistics of Enforcement of Judgement on Money Laundering and Financing of Terrorism**

The methods of collecting the statistics shall be done in compliance with annexes of this Instruction.

**Section 6  
Final Provisions**

**Article 25 Implementation**

Assign the investigation-interrogation organizations, prosecutors' offices, courts and Ministry of Justice to collaborate and work together in consulting with each other on the actual mechanism for the concrete and effective implementation.

The line ministries and other relevant organizations shall recognize and implement this Instruction for effective results and report the actual situation to the Government from time to time.

**Article 26 Effectiveness**

This Instruction takes effect from the signing date.

**President of National Coordination Committee  
For Anti-Money Laundering and Counter-Financing of Terrorism**

[Signature & Seal]

Somdy Douangdy