

Chapter 4

Environmental impact assessment

Article 11: Determining the scope of the study and terms of references

A project developer shall determine the scope of study and terms of reference (TOR) for the environmental impact assessment and submit it to the Water Resources and Environment Administration to consider and approve before conducting any assessment.

The Water Resources and Environment Administration shall complete its review and examination of the scope of study and the terms of reference within 15 public working days and notify the project developer of its comments in writing.

Article 12: Duties of the Water Resources and Environment Administration, the concerned agencies, local administrations, and project developers in assessment of impacts on environment.

The Water Resources and Environment Administration has following duties:

To provide technical guidelines on preparation of reports on the environmental impact assessment, environment management and monitoring plans (EMMP), and social management and monitoring plans (SMMP);

In collaboration with the local administration and the concerned agencies, to conduct field survey, and together with the project affected project affected people by the project and other stakeholders, to participate in the discussions at village and district levels;

To be an active coordinator in organising discussion meetings at provincial or Capital level, review reports on the environmental impact assessment, environmental management and monitoring plans (EMMP), and social management and monitoring plans (SMMP), consider and issue environmental compliance certificate to approve the reports and plans.

The concerned agencies have following duties:

To give technical comments on reports on the environmental impact assessment, environmental management and monitoring plans (EMMP), and social management and monitoring plans (SMMP);

To participate meetings at district level (where provincial or Capital divisions participate), at provincial or Capital level (ministerial agencies participate);

Together with the Water Resources and Environment Administration, to participate in field surveys.

Local administrations have the following duties:

To cooperate with and facilitate project developers in field surveying and in collecting data and information to prepare reports;

To organise consultation meetings with project affected people by the investment project and other stakeholders;

To disseminate to the people of objectives of investment projects, benefits which they will get, impacts on the environment and society which may arise from investment projects and measures to prevent and minimise those impacts;

To deliberate environmental management and monitoring plans (EMMP), and social management and monitoring plans (SMMP) before the Water Resources and Environment Administration will issue environmental compliance certificates to approve those plans.

A project developer has the following duties:

To comply with the scope of the study and the terms of references approved by the Water Resources and Environment Administration;

To collect information on general situation of an investment project such as physical, biological and socio-economic aspects, from the sectors and local administration, or by conducting field survey and consultation with the project affected project affected people by the investment project and other stakeholders, at village, district, and provincial or Capital levels;

To carry out study and determine the direct and indirect impacts on the residents living around the project site, given attention to impacts on health, loss of assets and residences, impacts on living condition, usage of natural resources and other impacts on environment and society such as soil, water, climate, forest and biodiversity, including architectural and cultural heritages and antiques/antiquities, and incorporate into a report on the environmental impact assessment;

In collaboration with local administrations such as the District Water Resources and Environment Offices, the Provincial or Capital Water Resources and Environment Offices, to organise dissemination meetings at village level to explain general situation of the investment project, as well as the benefits, impacts on the environments and society which may arise from the investment project, measures to prevent and minimise impacts on environment and society, and summarise the comments and opinions given in the meetings to incorporate into the report;

To prepare a report on environmental impact assessment, an environmental management and monitoring plan (EMMP), and social management and monitoring plan (SMMP) which include assessment of impacts on health and health management measures;

In collaboration with local administrations like District Water Resources and Environment Offices, to organise meetings at villages, with participation of the project affected people by the investment project and other stakeholders to deliberate the first draft of the report on the environmental impact assessment, environmental management and monitoring plan (EMMP), and social management and monitoring plan (SMMP) and then revise the report and the plans in accordance with the resolution of the meetings, and then disseminate them back to the project affected people by the investment project and other stakeholders to revise them before district meetings;

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In collaboration with the local administrations like Provincial or Capital Capitalater Resources and Environment Offices, to organise district-level meetings, with participation of the representatives of project affected people by investment projects, from each village, the concerned provincial or Capital offices, mass organisations and other district organisations to deliberate the report which was revised in compliance with the resolution of the village meetings. The district-level-revised report must be made either in Lao or in English in which the abstract/executive summary, the environmental management and monitoring plan (EMMP), and the social management and monitoring plan (SMMP) shall be made in both Lao and English, before submitting them to the Water Resources and Environment Administration to review;

The report on the environmental impact assessment, the environmental management and monitoring plan (EMMP), and the social management and monitoring plan (SMMP) to be submitted for review must be enclosed with the minutes of each meeting and must be signed by the project developer and the Consultation Firm which prepare the report.

Article 13: Environmental management and monitoring plans

A project developer must design an environmental management and monitoring plan to be incorporated into a report on environmental impact assessment, which contains the following contents:

A implementation monitoring plan, main activities and persons who are responsible for implementation of the environmental management and monitoring plan:

A monitoring plan of the project developer;

A monitoring plan of the concerned government agencies.

Measures to prevent, minimise, and solve problems, and to restore environmental conditions which are stipulated in the report on the environmental impact assessment throughout the period of construction and operation of the project;

A plan to avoid and minimise the risks, including a plan to prevent and solve any accident or emergency which may arise, as well as allocation of sufficient budget to implement the plans;

A plan for plantation of trees, restoration of forest and conservation of forest areas which are the originating sources of water;

A schedule and a budget for implementation of the environmental management and monitoring plan, including financial mechanism and budget available for each activity;

In relation to a hydropower project, there must be a plan to remove bio-mass from the reservoir area, a plan to manage the river basin, a plan to manage the reservoir, a plan to manage and develop the downstream, a plan to manage fishery and other plans if necessary;

In relation to a mining project, there must be: a plan to close the mining site, a plan to restore the environment in the mining areas, as well as budgeting for the implementation of those plans;

Other necessary information

A project developer must strictly implement the environmental management and monitoring plan approved by the Water Resources and Environment Administration. In case it assigns the task to another company, it must incorporate the terms and conditions of the plan into the contract to ensure that the sub-contractor implement the plan comprehensively;

During the construction and operation period, if the Water Resources and Environment Administration find that problems are not identified and measures to minimise and solve the problems are not sufficiently provided in the environmental management and monitoring plan, as it is actually required, or fail to achieve the goal, the Water Resources and Environment Administration will notify the project developer in writing and set the deadline for the project developer to revise the plan and re-submit it to the Water Resources and Environment Administration to re-review;

Six months before operation, the project developer must evaluate implementation of the environmental management and monitoring plan in the construction phase or the survey-exploration phase, as well as improve the environmental management and monitoring plan, making it suitable for the project operation phase and then submit it to the Water Resources and Environment Administration for consideration and approval before the sector responsible for investment project issuing the Operating Permit. During the project operation phase, the project developer shall review and improve the environmental management and monitoring plan in each period, 2 - 5 years (the period for reviewing and improving the environmental management and monitoring plan depends on the complexity of the investment project which will be stipulated in the environmental compliance certificate) and then submit it to the Water Resources and Environment Administration to consider and approve;

In relation to a mining project, before closing the mining site, the project developer must develop a plan on closure of the mining site and restoration of the mining area and then submit it to the Water Resources and Environment Administration to consider and approve before implementation of the plan.

Article 14: Social management and monitoring plans

- A project developer must develop a social management and monitoring plan to be incorporated into a report on environmental impact assessment, which is composed of [contains] the following contents:
 - Mitigation measures to prevent and minimise direct and indirect social impacts of an investment project on the society as provided in the report on the environmental impact assessment, throughout the project's construction, operation, and termination periods;
 - Mitigation measures to prevent and minimise the risks including prevention and solutions to any accident or emergency which may arise, as well as allocating sufficient budget (fund) and identifying the source of budget for implementation of the plan and solve such problems;

Unofficial Translation

- Mitigation measures to compensate the loss, resettlement and improvement of the living condition of the project affected people by the development project;
 - A draft of a social development plan for the post-closure period of the mining site and termination of the investment project;
 - A plan to monitor implementation of the social management and monitoring plan;
 - A monitoring plan of the project developer and a monitoring plan of the concerned national agencies;
 - Institution and responsibilities of the agency which will implement the social management and monitoring plan, and other related plans;
 - A schedule and a budget for implementation of the social management and monitoring plan, as well as financial mechanism and allocation of budget for each task and activity;
 - Other necessary information.
- The social management and monitoring plan must be consistent with the Decree and Regulations on Compensation and Resettlement of project affected people by development projects, and consists of a resettlement plan for the project affected people by the investment project, a social development plan and a plan to restore living condition, given particular attention to healthcare of those who are affected etc;
 - The project developer must strictly implement the social management and monitoring plan approved by the Water Resources and Environment Administration, in coordination with the concerned local administration, particularly the Committee of Resettlement and Restoration of Living Condition. In case it assigns the task to another company, it must incorporate the terms and conditions of the plan into the contract to ensure that the sub-contractor implement the plan comprehensively;
 - Six months before operation, the project developer must evaluate the implementation of the social management and monitoring plan in the construction phase or the survey-exploration phase. If necessary the project developer must improve the social management and monitoring plan, making it suitable for the project operation phase and then submit it to the Water Resources and Environment Administration for consideration and approval before the sector responsible for investment project issuing the Operating Permit. During the project operation phase, the project developer shall review and improve the social management and monitoring plan in each period, 2 - 5 years (the period for reviewing and improving the social management and monitoring plan depends on the complexity of the investment project and the pace of restoration which will be stipulated in the environmental compliance certificate) and then submit it to the Water Resources and Environment Administration to consider and approve;
 - During the construction and operation periods, if the Water Resources and Environment Administration find that the problems are not identified and the mitigation measures to minimise and solve the problems are not sufficiently provided in the social management and monitoring plan, as it is actually required, or fail to achieve the goal, the Water Resources and Environment Administration shall notify the project developer in writing and set a deadline for the project developer to revise the plan and re-submit it to the Water Resources and Environment Administration to re-consider and approve;

- In relation to a mining project, the project developer must finalise a social development plan for the post-closure period of the mining site and such plan must be approved by the Water Resources and Environment Administration before project termination.

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Article 15: Examine the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan

Review of the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan must be carried out in accordance with the following procedures:

The project developer must submit an application, as well as the report on the environmental impact assessment, the environmental management and monitoring plan, the social management and monitoring plan, amended after district consultation meeting, to the Water Resources and Environment Administration to review and consider to issue environmental compliance certificate;

The Water Resources and Environment Administration examines the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan, within 15 working days, to ensure that they are correct and comprehensive, and then notify the project developer in writing, as follows:

In case the report on the environmental impact assessment, the environmental management and monitoring plan, the social management and monitoring plan are correct and comprehensive, the project developer must send 15 hardcopies and a softcopy of the report and those plans to the Water Resources and Environment Administration;

In case the report on the environmental impact assessment, the environmental management and monitoring plan, the social management and monitoring plan are not correct and comprehensive, the project developer must revise or prepare/design new report and plans.

The Water Resources and Environment Administration reviews the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan, in general, within 95 working days, and 120 working days for the investment project which is complex, from the date the project developer submitted the documents stipulated in paragraph 2(a) above, excluding the period of time the project developer takes the documents back to revise [in accordance with paragraph 2(b) above], which has the following procedure:

Within 5 working days, the Water Resources and Environment Administration sends the report on the environmental impact assessment, the environmental management and monitoring plan, the social management and monitoring plan back to development project responsible agencies, the relevant local agencies and administration for comment within 30 working days, from the date of reception. If those organisations do not give comment within that period of time, their right [to do so] will be forfeited;

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The Water Resources and Environment Administration organises a technical workshop within 10 working days, from the date it received those documents to listen to the brief presentation on the report on the environmental impact assessment, the environmental management and monitoring plan, the social management and monitoring plan, with participation of the concerned sectoral offices;

The Water Resources and Environment Administration to conduct field survey within 20 working days, after the brief presentation given as stated in [paragraph] 3(b), in coordination with the concerned local agencies and administration;

The Water Resources and Environment Administration to organise a joint technical workshop with the project developer, with the participation of the local concerned agencies and administration, to deliberate and comment on the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan, within 5 working days, from the date it received comments from the related local concerned agencies and administrations, as stated in [paragraph] 3(a). The Water Resources and Environment Administration will then summarise the comments in writing and give it to the project developer to improve the report and plans and then return them to the Water Resources and Environment Administration to re-consider;

After completion of reviewing of the report and plan as provided in [paragraph] (d), the Water Resources and Environment Administration to notify the project developer in writing, to ask the latter to organise a provincial or capital consultation meeting, in coordination with the local administration. The project developer must finalise the improvement of the report in conformity with the resolution of the provincial or capital consultation meeting and then send them to the Water Resources and Environment Administration to consider and issue the environmental compliance certificate;

The Water Resources and Environment Administration to re-review the finalised report on the environmental impact assessment, the finalised environmental management and monitoring plan, the finalised social management and monitoring plan and then send the finalised environmental management and monitoring plan and the finalised social management and monitoring plan to the local administration to consider and approve within 15 working days, before issuing the environmental compliance certificate. The Water Resources and Environment Administration will re-review those documents within 15 working days after it received confirmation from the local administration, in the following circumstances:

To issue an environmental compliance certificate to approve the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan or notify the project developer of the need to revise those report and plans;

To reject the report on the environmental impact assessment, the environmental management and monitoring plan, the social management and monitoring plan of the investment project on the following grounds:

The data and information contained in the report does not correspond to the facts, there is cover-up or concealment of the risks and severe impacts on environment and society which may arise;

The report on the environmental impact assessment still lacks comprehensive study, particularly on risks and possible impacts;

The report on the environmental impact assessment did not derive from an actual study carried under the project, but copied from another investment project, which there is sufficient evidence to prove its actual copying;

There is no scientific evidence to prove the accuracy of the specified impacts;

There is not sufficient data and information in the environmental management and monitoring plan and the social management and monitoring plan;

The project would cause more negative impacts than positive impacts;

The project developer did not comply with the laws, guidelines, and did not undertake the involvement process.

Article 16: Review of the report of the investment project which is complicated

For the investment project which is complicated which requires experts of that specific field to review the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan, the Water Resources and Environment Administration must proceed as follows:

To establish a panel of experts to review the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan within 30 working days, from the date the project developer handed over all necessary documents as stipulated in Article 15, 2(a), by giving priority to the domestic experts or foreign experts to be appointed in the panel of experts;

The panel of experts must consists of experts who are specialist in their respective scientific fields depending on the actual need, who have no connection with and have no direct and indirect interest in the investment project. The panel of experts has the duty to review and comment on the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan in writing and give it to the Water Resources and Environment Administration within 30 working days and must keep that information confidential;

The Water Resources and Environment Administration to review the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan within 120 working days, from the date the project developer handed over all required documents, as stipulated in Article 15, 2(a), excluding the period of time the project developer revises the documents. The report and plans must be revised by following the procedure provided in Article 15 of this Decree.

Chapter 5

Environmental compliance certificate

Unofficial Translation

Article 17: Issuing of Environmental compliance certificate

The Water Resources and Environment Administration issues the environmental compliance certificate to approve the report on initial environmental examination, the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan, as provided in Article 10 and Article 15 of this Decree.

Based on the confirmation from the Water Resources and Environment Administration, with consent from the development project responsible agencies, the local administrations may issue environmental compliance certificate to approve the initial environmental examination.

The environmental compliance certificate may contain some conditions which the project developer is obliged to perform.

Article 18: Expiry date of the environmental compliance certificate

The environmental compliance certificate is valid through the concession period of the investment project.

If the investment project does not start to operate within 2 years, from the date it obtained the environmental compliance certificate, the certificate will be automatically expired and cannot be used. Three months prior to the expiry date, if the project developer wishes to continue its investment project, it can request the Water Resources and Environment Administration to re-consider;

After the investment project gets the environmental compliance certificate, 6 months prior to the completion of the construction phase, the project developer must review and evaluate the implementation of the measures to minimise the impacts on environment and society or the environmental management and monitoring plan, the social management and monitoring plan during the period of construction of the investment project, as well as improve the measures to minimise impacts on environmental and society or the environmental management and monitoring plan, and the social management and monitoring plan for the operation period of the project and then request the Water Resources and Environment Administration to approve. During the operation of the project, the project developer must review and improve measures to minimise the impact on environmental and society or the environmental management and monitoring plan, and the social management and monitoring plan in each period, 2 - 5 years (the period for reviewing and improving the environmental management and monitoring plan depends on the complexity of the investment project) and then submit it to the Water Resources and Environment Administration to consider and approve.

Article 19: Issuing environmental compliance certificate to an investment project which is under operation

For the investment project which is under operation without an environmental compliance certificate prior to the effective date of this Decree must comply with the following procedure:

The local administrations to make a list of the businesses which are located within their administration areas, under their respective categories and sizes of the investment project, in either category 1 or category 2, and then send the list to the Water Resources and Environment Administration within 90 working days, after this Decree becomes into effect;

The Water Resources and Environment Administration considers it with reference to the degree of impacts on the environment and society of the investment project:

For the project which has no impact on the environment and society, the Water Resources and Environment Administration will notify the project developer to continue its operation;

For the project which has impacts on the environment and society, under the class and size of the investment project, either category 1 or category 2, the Water Resources and Environment Administration will notify the project developer in writing to demand the project developer to prepare and finalise the environmental management and monitoring plan, and the social management and monitoring plan within 90 working days, for the investment project which falls under category 1, and 120 working days for the investment project which falls under category 2, from the date of notification. If the plans cannot be finalised within that specified period, the measures provided in Article 37, 38, 39, and 40 of this Decree will be respectively imposed on the investment project, depending on their circumstances.

For the investment project which the Water Resources and Environment Administration has already approved the scope of study and ToR for the environmental impact assessment, and the investment project of which its report on initial environmental examination or report on the environmental impact assessment has already been submitted, but have not yet received environmental compliance certificate, before the date this Decree becomes into effect, that project developer can follow the Regulatory Provisions on Environmental impact assessment in Lao PDR No.1770/STEA.PMO, dated October 3, 2000 or this Decree.

Chapter 6

Obligatory Contribution of Fund for Initial environmental examination or Environmental impact assessment and Management of Fees and Service Charges

Article 20: Obligatory contribution of fund for initial environmental examination or environmental impact assessment

A project developer must be liable for all expenses incurred in preparation and examination of a report on initial environmental examination or a report on the environmental impact assessment, an environmental management and monitoring plan, and a social management and monitoring plan, as well as implementation and monitoring of measures on prevention and reduction of the impacts on environment and society or an environmental management and monitoring plan, and a social management and monitoring plan as follows:

Field survey;

Project dissemination meetings, consultation meeting on the initial environmental examination or the report on the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan, at all levels (village, district, province or prefecture);

Fees and service charges in compliance with laws and regulations;

Unofficial Translation

Implementation of mitigation measures on prevention and reduction of impacts on environment and society or the environmental management and monitoring plan, the social management and monitoring plan, and monitoring;

Hiring domestic and/or foreign experts to review the environmental impact assessment, the environmental management and monitoring plan, and the social management and monitoring plan;

Strengthening and providing the public officials with necessary equipment and vehicles for monitoring of the environmental and social management;

Environmental and social monitoring and inspection on regular and emergency basis.

Article 21: Fee and Service Charge

The Water Resources and Environment Administration or the local administration which issues environmental compliance certificate has the duty to collect fees and services charges, as provided in the Presidential Ordinance on Fees and Service Charges, No. 03/P, dated November 19, 2008, as follows:

All fees are to be put into the State Treasury;

Service charges must be calculated and put in a balance sheet, to sum up revenues and expenses, as part of the Water Resources and Environment Administration or the local administration budgeting, in compliance with the State financial management regulation; and under the management of the Water Resources and Environment Administration or local administration and financial offices.

Part III

Management and Monitoring

Article 22: Management and Monitoring

Managing and monitoring of the implementation of measures on prevention and mitigation of environmental impacts or an environmental management and monitoring plan (EMMP), and a social management and monitoring plan (SMMP) of an investment project comprises:

Monitoring by project developers;

Monitoring by Governmental agencies;

Monitoring by external bodies.

Article 23: Monitoring by project developers

Project developers shall proceed as follows:

For the investment projects fallen within Category 1, (the project developers shall) carry out implementation and monitor the implementation of the mitigation measures on prevention and mitigation of impacts on environment and society on their own and report to the Water Resources and Environment Administration, development project responsible agencies, relevant agencies and local administration regularly.

For the investment projects fallen within Category 2, (the project developers) must establish their own environmental and social management offices respectively to implement and monitor the outputs of implementation of the environmental management and monitoring plans (EMMP), and the social management and monitoring plans (SMMP), and report to the Water Resources and Environment Administration, development project responsible agencies, relevant agencies and local administration regularly.;

Article 24. Monitoring by Governmental agencies

Government agencies shall proceed as follow:

The investment projects in Category 1 :

The organisation which reviewed the report on initial environmental examination has a duty to monitor outputs of the implementation of the measures on prevention and mitigation of impacts on the environment and society, by spending the budget allocated in the report on initial environmental examination, and report to the Water Resources and Environment Administration, and the local administration regularly.

The Water Resources and Environment Administration has a duty to inspect the implementation of the measures on prevention and mitigation of impacts on the environment and society; and to conduct an emergency ad hoc inspection, in collaboration with the relevant agencies and local administration and report to its superior.

The investment projects in Category 2 :

The Water Resources and Environment Administration has a duty to monitor implementation of the environmental management and monitoring plans (EMMP) every six months or as required, in collaboration with the relevant agencies and local administrations and report to its superior.

The National Environmental Committee has a duty to inspect the implementation of the environmental management and monitoring plans (EMMP), and the social management and monitoring plans (SMMP) of the investment projects.

Local administrations has a duty to establish environmental management units, in the districts where the investment projects located, in collaboration with the Water Resources and Environment Administration, to monitor the implementation of the environmental management and monitoring plans (EMMP), on a regular basis, and report to the local administrations and the Water Resources and Environment Administration regularly, or urgently in the case of emergency.

Local administrations has a duty to establish a unit to deal with the issues of resettlement and restoration of living conditions, which functions as:

Unofficial Translation

A secretariat of the Resettlement and Restoration of Living Condition Committee;

An inspector of the implementation of the social management and monitoring plan (SMMP), in collaboration with the project developer, and then report to the local administration and the Water Resources and Environment Administration regularly, or urgently in the case of emergency.

- 1) The Water Resources and Environment Administration has a duty to provide technical advice to, build capacity for, and provide trainings for the environmental and social management monitoring units within the scope of the work-plans and budgets provided for in each phase. The fund mainly comes from concession contracts or the environmental management and monitoring plans (EMMP), the social management and monitoring plans (SMMP), and the budget of the State.
- 2) Article 25: Monitoring of external bodies
- 3) The purpose of monitoring by external bodies is to inspect the implementation of the environmental and social activities of the investment projects. Monitoring of external bodies consists of:
 - 4) Oversight of the National Assembly, as provided in the Law on Oversight of the National Assembly;
 - 5) Inspection of the State Inspection Administration, as provided in the Law on State Inspection;
 - 6) Auditing of National Audit Administration, as provided in the Law on Audit;
 - 7) Monitoring of Panel of Expert, if necessary.

Part IV

Investment Project Steering Committee and Implementation of Environmental and Social Management and Monitoring Plans

Article 26: National Steering Committee

If an investment project is complicated and (has a potential to) create(s) enormous [significant] impacts on the environment and society, the government may form a National Steering Committee which has the following authority and duties:

To give directions, to lead and encourage, as well as monitor during the phase of construction and/or operation of the investment project, among other things, giving particular attention to monitoring of the implementation of the environmental

management and monitoring plan (EMMP), the social management and monitoring plan (SMMP) to report to the government regularly;

To appoint a team of experts or a qualified consultant company to monitor the implementation of the environmental and social activities of the investment project;

The National Steering Committee shall be financed by a budget derived from the investment project, from the budget of the State allocated to the ministry in charge of the investment project, and other sources.

Article 27: Institutional structure of a National Steering Committee.

A National Steering Committee shall consist of:

The Head of the development project responsible agency, being the Chairperson;

Deputy head of the development project responsible agency, being the Vice-Chairperson, as well as the Standing Member of the Committee;

The Deputy head of the Water Resources and Environment Administration, and the Vice-Mayors of the related province or capital, being the Deputy-Chairpersons;

The representatives from the relevant agencies, the Lao Front for National Construction, and mass organisations, being Members of the Committee;

The project developer's representative, being a member of the Committee;

A National Steering Committee shall be assisted by a secretariat. Members of a secretariat consists of representatives from the relevant departments-offices of the development project responsible agency, the Department of Environmental and Social Impact Assessment, the Water Resources and Environment Administration; the secretariat of the Provincial or Capital Resettlement and Restoration of Living Condition Committee..

Article 28: Resettlement and Restoration of Living Condition Committees

The Government appoints a Provincial or Capital Resettlement and Restoration of Living Condition Committee which has the authority and duties, as follows:

To lead and give directions, supervise, and monitor the resettlement and restoration of living condition of the project affected people located in its province or prefecture; in compliance with the Social Management and Monitoring Plan(SMMP);

To consider petitions filed by the people, in close coordination with the project developer, the concerned agencies and report to the government regularly;

This committee functions by relying on the budget allocated from the investment project, the State budget and other sources.

Article 29: Personnel composition of a Resettlement and Restoration of Living Condition Committee

A Resettlement and Livelihood Restoration Committee shall comprises:

The Provincial or Capital Mayor, being the chairperson;

The Provincial or Capital Vice-Mayor, being the Vice-Chairperson, as well as the Standing Member of the Committee.

Unofficial Translation

The Governor of the related District, the representatives from the relevant offices and the Provincial or Capital Office, Lao Front for National Construction, and the representative of the project developer, being Members of the Committee.

A Provincial or Capital Resettlement and Restoration of Living Condition Committee shall be assisted by a secretariat which is appointed by the Chairman of the Resettlement and Restoration of Living Condition Committee.

Part V

Change of Investment Project Owner

Article 30: Change of Investment Project Owner

A project developer who wishes to transfer the investment project (hereafter called the former developer) to another person (hereafter called new developer) shall make a proposal to the sectoral body concerned for approval. The concerned agencies will allow transferring [such a transfer] only if the current developer and the tentative developer can reach an agreement on fulfilment of the environmental and social obligations.

In relation to the investment project which has not yet get the environmental compliance certificate, the new developer shall continue to carry out the initial environmental examination or the environmental impact assessment and prepare an environmental management and monitoring plan (EMMP), and a social management and monitoring plan (SMMP), as provided in this Decree.

In relation to the investment project which has already got the environmental compliance certificate, the new developer shall fulfil the approved environmental and social obligations and must allocate sufficient budget for the implementation of the environmental management and monitoring plans (EMMP), the social management and monitoring plan (SMMP), based on written agreement between the former developer and the new developer.

Part VI

Information Disclosure

Article 31: Disclosure of General Information

Disclosure of the general information shall be done [carried out], as follows::

The Water Resources and Environment Administration has a duty to manage information on the environmental and social aspects of an investment project , in coordination with the concerned agencies and the project developer, as well as facilitate the stakeholders and the project affected people in accessing such information.

A project developer has a duty to manage information on outputs of the implementation of the measures on prevention and mitigation of the impacts on environment, or the environmental management and monitoring plan (EMMP), the

social management and monitoring plan (SMMP), and to facilitate the people who are (will be) directly affected by the investment project and other stakeholders in accessing the information. In relation to the investment projects in Category 2, the project developers shall build information centres within the area of the investment projects and in the related Districts.

The data and information to be disseminated must be both in Lao and English, consisting of:

A report on initial environmental examination or a report on environmental [] impact assessment, an environmental management and monitoring plan (EMMP), and a social management and monitoring plan (SMMP), except confidential information provided in Article 32 of this Decree;

A report on implementation of measures on prevention and mitigation of the impacts on environment, environmental management and monitoring plans (EMMP), and social management and monitoring plans (SMMP) of the project developers;

The reports of the Water Resources and Environment Administration or of the local administration which issued the environmental compliance certificate on monitoring of implementation of the environmental management and monitoring plans (EMMP), and the social management and monitoring plans (SMMP);

Detailed information on finings or other disciplinary measures which the Water Resources and Environment Administration or Provincial or Capital Offices of the Water Resources and Environment Administration, and the development project responsible agencies has imposed on the project developer;

The investment project expenditures on environmental and social activities.

Article 32: Confidential Information

The confidential information shall be operated [handled] as followed:

The Water Resources and Environment Administration reserves the right to disclose any information related to the National stability in any report on initial environmental examination or in any report on environmental impact assessment, environmental management and monitoring plan (EMMP), and social management and monitoring plan (SMMP).

Based on a written request of a project developer, the Water Resources and Environment Administration may consider to keep some information confidential and can refuse to put such information in any report on initial environmental examination or any report on environmental impact assessment; an environmental management and monitoring plan (EMMP), and a social management and monitoring plan (SMMP). The information includes:

Information on privacy of an individual;

Information on property;

Unofficial Translation

Information on commercial license;

In the case a project developer does not wish to disclose any of the above information, stated in Article 32(2) above, the project developer may submit a request enclosed with the information in question, and send it to the Water Resources and Environment Administration. Within 25 public working days, the Water Resources and Environment Administration shall conclude whether, all or some part of, the information in question is confidential or not.

In the case the submitted information is considered confidential, that information shall be kept confidential for 4 years. If the project developer wishes to extend [this period], he or she must submit a request 60 public working days prior to the expiry date, otherwise the information will not be regarded as confidential information anymore.

Part VII

Settlement of Environmental and Social Disputes

Article 33: Types of Dispute

Environmental and social disputes can be:

The right and responsibility in managing, mining and utilising of natural resources , mainly are water, land, mines, forests, wild plants and produces and biodiversity within the area of the investment project.

Determining original sources of pollution, environment degradation which creates impact on people's lives and assets, including disputes over liability for resolution, maintenance, restoration and compensation for the damage caused by the said phenomena.

Allocation of budget or determination of the amount compensation for the loss/damages, such as land, houses, services, and so on, including dispute over payments or official Resolutions on compensation of the loss.

Article 34: Parties to the Disputes

An environmental and social dispute may erupt between:

A project developer and another project developer ;

A project developer and the people who are (will be) affected by the investment project;

A project developer and a Governmental agency or an international organisation, and a local administration.

Article 35 Dispute Settlement

Dispute settlement shall be carried out:

In case the dispute is between a project developer and a project developer, they should first enter into negotiation. If they cannot reach an agreement, they may take the matter to the Economic Dispute Arbitration Organisation to arbitrate. If they are not satisfied with the arbitration, they may file a lawsuit with a People Court of Lao PDR, unless the terms of their contract stipulate otherwise.

In case the dispute is between a project developer and the people are (will be) affected by an investment project:

The project developer must consider the complaint and solve the environmental disputes through transparent consultation/discussion and with compromise to each other. If a compromised agreement cannot be reached, the parties can request the environmental management and monitoring agency and local administrations, at each level, to resolve. If the environmental management and monitoring agency and the local administration fail to resolve the dispute, the parties may take the matters to a People Court to adjudicate, in compliance with the laws.

The project developer must listen to the complaint/petition and solve social disputes by following the Prime Minister's Decree on Compensation and Resettlement of People Affected by Development Projects No. 192/PM, dated 7 July 2005 and Regulatory Provisions on Implementation of Decree on Compensation and Resettlement of People Affected by Development Projects No 1432/STEA, dated 11 November 2005, or other regulations which replace those regulations.

In case the dispute is between a project developer and a State organisation, a local administration or an international organisation, the dispute must be settled in compliance with the laws of Lao PDR or the conventions or treaties which Lao is a member party or a signatory (if any).

Part VIII

Policies Towards Persons with Outstanding Compliances and Measures for Violators

Article 36: Policy towards person with outstanding compliance

Any natural person, legal entity or organisation [who] has outstanding achievements in management and implementation of the environmental management and monitoring plan (EMMP), the social management and monitoring plan (SMMP) of the investment project and strictly complies with the laws and regulations of the Lao PDR shall be commended and awarded in other forms appropriately.

Article 37: Disciplinary measures towards violators

Any natural person, entity or organization [who] violates this Decree shall be warned and educated, fined, ordered to compensate and prosecuted accordingly, depending on the degree of severity of wrongful commission [the violation], in compliance with the laws..

Unofficial Translation

Article 38: Measures on warning and educating

In case the monitoring outcomes [results] indicating that the measures on prevention and mitigation of impacts on environment and society, the environmental management and monitoring plan (EMMP), the social management and monitoring plan (SMMP) are [not] completely implemented, the Water Resources and Environment Administration will notify in writing and demand the project developer to implement those measures or plans strictly in order to resolve the pending problems, within a certain period of time, before it is too late. The written notice shall consist of:

The problems which are leading to or is likely to lead to violations;

The resolution procedures and period of time needed to resolve the problems.

Article 39. Fining measures

Any natural person, legal entity or organization [who has taken] the following actions will be fined in compliance with the relevant laws:

Giving false or misleading information in the report on initial environmental examination or in the report on environmental impact assessment, the environmental management and monitoring plan (EMMP), the social management and monitoring plan (SMMP), including the monitoring reports.

Refusing to cooperate with or obstructing the performance duty of the inspectors, even though they has informed in advance:

Refusing to cooperate or obstructing (the inspectors) entering into the site of the investment project.;

Refusing to cooperate or obstructing taking of samples or collecting evidence for environmental monitoring.

Does not cooperate or obstructs taking of pictures or obstruct interviewing/interrogating of any person on the investment project.

Ignoring or failing to inform or report of the severe environmental and social impacts to the concerned agency in time.

Clearing the area, start mining or constructing an investment project without an environmental compliance certificate.

Operating without the improved measures on prevention and mitigation of impacts on the environment and society or environmental management and monitoring plan (EMMP), social management and monitoring plan (SMMP), as provided in this Decree;

Creating environmental and social impacts within the area of the investment project or expanding the investment project without carrying out additional initial environmental examination and without measures on prevention and mitigation of impacts on the environment and society or carrying out any additional environmental impact assessment and formulating environmental management and monitoring plan (EMMP), and social management and monitoring plan (SMMP);

Failing to comply with the terms provided in the environmental compliance certificate, or the environmental and social obligations provided in the Concession Contract.

Failing to completely implement measures on prevention and mitigation of impacts on the environment and society or environmental management and monitoring plan (EMMP), and social management and monitoring plan (SMMP);

Failing to comply with any of the terms and guidelines [time periods?] provided in the Warning Notice;

Failing to comply with the environmental quality standards and pollution releasing standards [environmental technical standards].

The Water Resources and Environment Administration shall issue separate specific legislation for the rate of fines.

Article 40: Other disciplinary measures

In addition to the disciplinary measures provided in Article 37, 38, and 39 above, any natural person, legal entity or organization, operating an investment project, who violates this Decree shall be alternatively [also?] Imposed with the following measures:

To confiscate vehicles and equipment used or involved in the commission of the violation.

To temporarily or permanently suspend the investment project partially or wholly, in accordance with an Order of the Water Resources and Environment Administration, in coordination with local concerned agencies and administrations.

In determining the additional penalties, as well as the periods of any temporary partial or whole suspension, the following factors must be taken into account:

The degree of severity of the environmental and social impacts;

The severity of pollution caused by the violation;

[whether] It is a foreseeable environmental and social impact, but the preventive measures have not been put in place, or it is an unforeseeable impact;

Record of violations committed by the project developer;

Record of violations committed by the investment project;

If the violation causes damage to the environment, the project developer may be ordered to be liable for all expenses incurred in cleaning up or for an environmental remedy.

Part IX

Final Provisions

Article 41: Enforcement

The Water Resources and Environment Administration is the central authority to coordinate with the local agencies and administration to disseminate and enforce this Decree.

The related natural person, legal entities and organizations, both in private and public sectors, must be informed and implement this Decree strictly.

Unofficial Translation

Article 42: Its effectiveness

This Decree is effective after 30 days, from the date of signature. Any existing Provisions and Regulations which is inconsistent with this Decree are null and void.

Prime Minister of Lao PDR,

Signed and Sealed

1.5 Regulation on the Wastewater Discharge from Industrial Processing Factories (Unofficial Translation)

- Referring of the law on Industrial processing no 01/99, dated 3/4/1999
- Referring of the law on Environment no 09/ Lao PDR, dated 12 April 1999.

PART I General Principles

Article 1: This regulation is issued in order to control and monitor the wastewater discharge from industrial processing factories, which may have impact on the environment such as: surface water, groundwater, and the health of people and other living things.

Article 2: Definition

Waste: It is a dirty material or substance, wastewater, toxin and poisonous or non-poisonous substance, as well as accumulated substances in state of liquid and gas.

Central wastewater treatment system: It is a wastewater treatment system that is constructed in order to treat domestic wastewater and industrial wastewater (such as from industrial processing factories) in one system.

Existing factory: An industrial processing factory that has obtained an operation permit before the promulgation of this regulation.

New factory: An industrial processing factory that requests an operation permits after the promulgating this regulation.

Surface water: It means river, stream, channel, canal, pound, swamp, marsh.

Groundwater: It is water that is found under the ground.

Wastewater from factories: It means wastewater discharged from processes of manufacturing, washing, cleaning, steaming, and cooling and any other operations of factories.

Wastewater discharge from factories: The wastewater which is discharged to the outside of factories.

Concentration: The proportion of any pollutants in wastewater discharged from the industrial processing factories, which is expressed in the unit of milligram per liter.

BOD₅ (Biochemical Oxygen Demand): Amount of dissolved oxygen required by organisms for the aerobic decomposition of organic matters present in water. It is expressed in milligrams per liter (mg/L).

COD (Chemical Oxygen demand): A measure of the ability of chemical reactions to oxidize matters in a water body. It is expressed in milligrams per liter (mg/L).

TDS (Total Dissolved Solid): A term used to describe inorganic salts and a small amount of organic matters present in solution.

TSS (Total Suspend Solid): The amount of particles which are suspended in water.

Public drainage channel: Channels, canals and pipes that are constructed in order to drain

rainwater, wastewater from industrial processing factories, and wastewater from communities, hotels, hospitals, schools and other service businesses.

Non-contaminated rainwater: Rainwater which is not contaminated with wastewater discharged from manufacturing processes, cleaning and operation in the industrial processing factories.

Discharge point: A location of wastewater discharge from industrial processing factories.

Wastewater treatment system of industrial processing factories: A system of wastewater treatment in industrial processing factories.

PART II

The wastewater discharge from industrial processing factories into the environment

The industrial processing factories shall observe the following prohibitions:

Article 3: To open covers, connect pipes, and change drainage systems, which might have effect on the public drainage system.

Article 4: To connect roof drainage or change a flow of polluted water discharged to the wastewater discharge point. It shall be exempted if the Director of Industry or Director of Industry and Handicrafts in provinces approves connecting.

Article 5: To discharge directly or indirectly wastewater into public water sources that might have adverse impact on the ecosystem of water sources, the health of people, and the use of water, such as:

1. To discharge wastewater with polluting components and toxic substances (solids, liquid or gas), which may have adverse impact when it is mixed with other compounds.
2. To discharge wastewater mixed with wastes in large amount as to obstruct the flow of water and disturb the use of water, such as: asphalt, carcasses, remains of decomposition, ashes, sand mud, straw, remains of vegetables, sawdust, metal, glass, rags, dung, fur, crude oil, plastics, wood, blood, bone, hair, meat, paper bowls and other wastes.
3. To discharge crude oil and petroleum products that might have adverse impact on water sources.
4. To discharge fuel oil, engine oil, and remains of oil from refining and production processes.
5. To discharge oil or grease that is dissolved by biological process such as: animal oil and vegetable oil that has a high concentration exceeding the standard value.
6. To discharge solid substances that is dissolved or non-dissolved, which might become sediment or obstruct the water flow.
7. To discharge wastewater which has an odor, which might disturb the surrounding people.
8. To discharge wastewater that has high concentration of sulfide substances

exceeding the standard value.

9. To discharge chemical compounds that emits toxic gas.
10. To discharge wastewater with high concentration exceeding the standard value of chlorine and other chemical compounds that are used to prevent infection.
11. To discharge wastewater that contains high volume of hydrochloride or other phosphorus compounds exceeding the standard value.
12. To discharge wastewater that contains radioactive substances.
13. To discharge wastewater that contains substance which can cause of sediment or solid or liquid in the temperature of 15°C-38°C.
14. To discharge wastewater that changes the color of soil surface and water surface exceeding the standard value.
15. To dump garbage and all kinds of wastes from industrial processing factories and any other places.
16. To discharge wastewater with high concentration of chemical compounds such as: Iron, Chromium, Phenols, Plastics, Copper, Nickel, Zinc, Mercury, Cadmium, Selenium, Arsenic or any other toxic substances.

Article 6: Standard concentration value for specific industrial processing factories:

1. Sugar Factories:

Parameters	Unit	Concentration (not more than)
BOD ₅	mg/l	60
TSS	mg/l	100
pH		6-9.5

2. Garment Factories:

Parameters	Unit	Concentration (not more than)
BOD ₅	mg/l	40
Phenol	mg/l	1
TSS	mg/l	40
pH		6-9.5

3. Paper Mills and Paper Factories:

3.1 Paper Mills

Parameters	Unit	Concentration (not more than)
BOD ₅	mg/l	90
Ammonia Nitrogen	mg/l	7
Phenol	mg/l	1
TSS	mg/l	60
pH		6-9.5

3.2 Paper Factories

Parameters	Unit	Concentration (not more than)
BOD ₅	mg/l	30
TSS	mg/l	30
pH		6-9.5

4. Slaughterhouses

Parameters	Unit	Concentration (not more than)
BOD ₅	mg/l	40
Ammonia Nitrogen	mg/l	4
TSS	mg/l	40
pH		6-9.5

5. General Standard (The Standard for general factories and specific factories)

5.1 Standard for General Factories:

Parameters	Unit	Concentration (not more than)
BOD ₅	mg/l	30
Ammonia Nitrogen	mg/l	4.0
TSS	mg/l	30
pH		6-9.5
TDS	mg/l	3,500
Phenol	mg/l	0.3
Phosphorous	mg/l	1.0
Silver	mg/l	0.1
Zinc	mg/l	1.0
Sulfide	mg/l	1.0
Free Chlorine	mg/l	1.0
Chloride	mg/l	500
Iron	mg/l	2.0
Fluoride	mg/l	15
Cyanide	mg/l	0.1
Copper	mg/l	0.5
Lead	mg/l	0.2
Oil and Grease	mg/l	5
Nickel	mg/l	0.2
Mercury	mg/l	0.005
Manganese	mg/l	1.0
Arsenic	mg/l	0.25
Barium	mg/l	1.0
Cadmium	mg/l	0.03
Chrome (+6)	mg/l	0.1
Total Chromium	mg/l	0.5

5.2 Standard for Specific Factories

5.2.1 Factories that deal with organic substances

Type of Factory	Parameter		
	BOD ₅ (not more than)	TSS (not over)	pH (not over)
Fish Can	40	50	6-9.5
Beer	30	30	6-9.5
Cassava Starch	70	80	6-9.5
Leather	40	40	6-9.5
Color	40	40	6-9.5
Medicine	40	40	6-9.5

5.2.2 Factories that deal with inorganic substances

Parameters	Unit	Concentration (not more than)
pH		6-9.5
Zinc	mg/l	5.0
Cyanide	mg/l	0.2
TSS	mg/l	30
Chrome (+6)	mg/l	0.3
Total Chrome	mg/l	2.0
Nickel	mg/l	0.2
Copper	mg/l	1.0
Total Metals	mg/l	6.0
Oil and Grease	mg/l	30

5.3.3 Battery Production

Parameters	Unit	Concentration (not more than)
Lead	mg/l	0.2
Copper	mg/l	0.5
Zinc	mg/l	1
Antimony	mg/l	1
Cadmium	mg/l	0.03
Chromium	mg/l	0.5
Nickel	mg/l	1.0
Mercury	mg/l	0.005
pH	mg/l	6-9.5

PART III Duties of Industrial Processing Factories

Article 7: The industrial processing factories shall:

1. Obtain an approval of permit for wastewater treatment system construction from the Director of Department of Industry or the Director of Industry and Handicrafts of municipalities, provinces, and special zones before starting the construction. In the construction permit applicants shall attach a treatment approach and a plan for waste management and treatment system. During construction period, industrial processing factories shall submit construction progress reports on regular basis to the Department of Industry or the Department of Industry and Handicrafts in provinces.

2. Filter oil, grease, sand, a large amount of inorganic soil substances, inflammable wastes and any other materials that can be harmful to their wastewater treatment systems. Factory owners shall be responsible for management of the wastes from filtration of oil, grease and other solid substances with appropriate methods.
 3. Install wastewater treatment systems, volume measurement equipments, and other necessary facilities for monitoring and sample analysis. Wastewater measurement systems shall be located in a safe and accessible place to meet conditions prescribed in construction plans.
 4. Explain a detailed plan and treatment processes in response to request of inspectors to check whether their location and a master plan of wastewater treatment system comply with the conditions and regulations as defined.
 5. Monitor and analyze wastewater at regular intervals and report analysis results to the Department of Industry or the Department of Industry and Handicrafts of provinces every three months.
 6. Clean and maintain regularly wastewater treatment systems in order to comply with the standard of hygiene.
 7. Repair wastewater treatment systems on regular basis in order to ensure the efficiency of wastewater treatment operation.
 8. Install an electricity meter for wastewater treatment systems used at a particular place in order to check and record the use of electricity frequently.
- Article 8: In case of using chemicals in the wastewater treatment process, it is necessary to record the dairy use of chemical substances, explain the purpose of chemical use, and keep import licenses and invoices of chemicals as well.
- Article 9: The industrial processing factories, which receive the notification of termination of discharging wastewater, shall immediately stop discharging wastewater.
- Article 10: Factory owners have responsibility for the cost of construction and installation of wastewater treatment facilities, as well as laboratory analysis and reporting works.
- Article 11: Before connecting all piping systems, it is necessary to be inspected and approved by factory environment inspectors.
- Article 12: Channel dimension and piping installation methods outside processing industry factories' boundary, digging, piping, connecting, testing and land filling shall be approved by the sectors concerned, and adhere to regulations.
- Article 13: Sanitary wastewater shall be separately treated before being discharged into public channel in accordance with appropriate processes such as soak pits and pre-treatment by biological system.
- Article 14: Wastewater concentration of processing industrial factories discharge permission must be not more than the concentration that is defined in this regulation and adhere to the certification of wastewater discharge.
- Article 15: Wastewater discharge into river or public channels must be treated to comply with

the standard value and must be approved by the Director of Industry Department or the Director of Industry and Handicrafts in Province with the purpose of monitoring, sampling and analyzing.

Article 16: Wastewater treatment systems or connection points of wastewater treatment plants to river shall be completely constructed and installed. The factory shall report to the Director of Industry Department or the Director of Industry and Handicrafts in Province with the purpose of monitoring, sampling and analyzing.

Article 17: All construction and installation of wastewater treatment systems shall comply with standards and regulations.

Article 18: All measures tests and analyses shall comply with the standards that are determined by the Ministry of Industry and Handicrafts. The department of Industry shall issue detailed regulations according to the standard testing and analyzing.

PART IV Certification and Fee

Article 19: The industrial processing factories, which were established before the promulgation of this regulation and discharge wastewater more than 3m³/day, shall immediately apply a wastewater discharge certificate and complete the construction of wastewater treatment systems within one year. As for newly established industrial processing factories, they shall apply to certificates of factory wastewater discharge together with operation licenses.

Article 20: A certificate of factory wastewater discharge is valid for 3 years.

Article 21: Authorities shall issue a certificate to industrial processing factory with consideration for the administrative level of industrial processing factories.

Article 22: Issuance of a certificate of processing industry factory wastewater discharge shall require the following fee:

No.	Wastewater Discharge Volume m ³ /day	Fee Kip/3-years
1	3	50,000
2	4-5	75,000
3	6-15	150,000
4	16-30	300,000
5	31-50	450,000
6	51-70	600,000
7	71-90	800,000
8	91-110	1,200,000
9	111-200	1,500,000
10	201-400	3,000,000
11	401-600	6,000,000
12	601-900	8,500,000
13	901-1000	9,500,000
14	> 1000	10,000,000

Article 23: 50% of the issuance fee of the certificate of industries processing factory wastewater discharge shall be allocated to the government budget and the remaining 50% shall be saved for the environment foundation of Ministry of Industry and Handicrafts.

PART V Rights and Authorities of Industry Sectors

Article 24: Factory environment inspectors shall carry a card issued by the Minister of Industry and Handicrafts and may enter any place of industrial processing factories with the purpose of inspection, observation, measurement, sampling and monitoring wastewater discharge to public water sources.

Article 25: Factory environment inspectors may collect all information on manufacturing process of processing industry factories, which is relevant to sources and types of wastewater.

Article 26: Factory environment inspectors shall follow safety regulations of factories when in operation.

Article 27: If factory environment inspectors find any factories discharging any wastewater or other waste into any public area, which is harmful or affects the ecology and people's health, living things or any properties, inspectors shall:

- a. Revoke certification of wastewater discharge from factories.
- b. Notify factories owners.

Article 28: The Director of Industry Department or the Director of Industry and Handicrafts of the Province has the right to suspend or terminate wastewater discharge of any industrial processing factories that violates this regulation, until they improve wastewater treatment systems to comply with standards.

Article 29: When wastewater discharge is suspended, the industrial processing factories shall immediately stop all wastewater discharge into public water sources.

Article 30: Industrial processing factories whose wastewater discharge is suspended shall submit a proposal to the Director of Industry Department or the Director of Industry and Handicrafts in provinces in order to review its certificate of wastewater discharge with the purpose of evaluating whether proposed measures are appropriate.

Article 31: When an industrial processing factory whose wastewater discharge is suspended would like to discharge wastewater, it shall re-apply to a certificate of wastewater discharge and pay all fees.

PART VI Fines and Punishment

Article 32: Industrial processing factories which violate this regulation, they shall be given

- First: warning, suspension of import and export, or suspension of production.

- Second: fine of 5 to 10 times of its certificate of industrial processing factories wastewater discharge fee.
- Third: fine of 10 to 15 times of its certificate of industrial processing factories wastewater discharge fee, and punishments defined by other relevant regulations.

Article 33: Industrial processing factories which have any adverse environmental impact on water sources, agriculture products or people's property shall compensate the damage as provided for in Article 28 of Environmental Protection Law and other relevant laws.

PART VII Final Provisions

Article 34: This regulation enters into force 120 days from the date of its signature. The previous regulation is replaced by this regulation. Department of Industry shall implement this regulation.

Minister

Ministry of Industry and Handicrafts

Appendix 1

The administrative level for industrial processing factories wastewater discharge certification issuing

- I. Central level will issue certificate of wastewater discharge to 6 types of factories in Level I Factory, according to The Law on the Processing Industry.
 1. Textile, thread and yarn factories
 2. Factories processing leather and leather products
 3. Chemical processing [and] chemical production factories, and [factories] producing curative drugs
 4. Factories processing sugar
 5. Factories processing non-metallic substances
 6. Food and beverage processing factories
- II. Provincial level will issue the certificate of wastewater discharge to Level II Factory according to The Law on the Processing Industry.

Source: Department of Industry and Commerce, Vientiane City

1.6 Water Supply Law (Draft)

Source: WREA

Unofficial Translation for ADB TA 6484-REG: Mekong Water Supply and Sanitation Project Preparation

LAO PEOPLE'S DEMOCRATIC REPUBLIC

PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

WATER SUPPLY LAW

**This draft approved by National Assembly in
September 2009.**

Unofficial Translation

This unofficial November, 2009 translation has been prepared for ADB TA 6484-REG: Mekong Water and Sanitation Project Preparation in November 2009. It is understood that the Law will only be signed once the Investment Law is signed because of articles on investment appearing in this Law requiring the support of the Investment Law.

Unofficial Translation for ADB TA 6484-REG: Mekong Water Supply and Sanitation Project Preparation

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LAW ON WATER SUPPLY

Chapter I

General Provisions

Article 1 Objectives

The Law on Water Supply determines the principles, regulations and measures on organization, activities, promotion, management and supervision of water supply activities and business aiming at promoting the production and provision of water supply widely and sufficiently to the users in towns and rural areas in order to ensure the safety for health and to enhance the level of living standards of multi-ethnic people to contribute to social and economic development of the nation.

Article 2 Water Supply

Water Supply is water treated from surface, underground and spring water sources, and from other water sources into clean, safe and standardized water in compliance with technical processes and procedures without any toxic substances, bacteria and over-authorized combination of chemical substances to provide to the consumers for using in various targets.

Article 3 Definition of Terms

Terms used in this Law shall have the following meanings:

1. **Water supply service** means transmission and distribution of water supply to users in sufficient and regular manners throughout the service areas at reasonable and payable tariffs;
2. **Water supply Infrastructure** means buildings, installations, water supply production plants, reservoirs, transmission and distribution pipelines system together with facilities which are constructed, installed and used by water supply service providers for the purpose of supplying to service users and firemen;
3. **Surface water source** means rivers, watercourses, ponds, marshes, lake and others;
4. **Process** means methods, procedures and stages of water supply production;
5. **Qualified water** means standardized water in terms of cleanness and safety for consumption accordingly to regulations issued by the Ministry of Public Health;
6. **Sanitation** means carrying out of storage, displacement, disposal and treatment of wastewater from households and sewages from various water uses, including water-closet construction and human excrements disposal in avoidance to be flowed into the water sources and water supply system aiming at protection of human health;
7. **Water supply activities concessionaire** means legal entities which received authorization or powers of attorney to construct the water supply infrastructure and to run water supply business by contract;
8. **Water supply service provider** means concessionaire or person received authorization to operate water supply business;

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9. **Water supply service user** means person or organization that uses water supply and pays water supply fees accordingly to contractual obligations made with water supply service provider;
10. **Service area** means geographical area delineating the service for users in towns and rural areas or village clusters to ensure the sufficient and regular service of water supply;
11. **Water supply network** means water supply transmission system for sending water supply from production places to consumption places, which is comprised of transmission pipelines, distribution pipelines, water gates, water pumping stations and pipes connected to the premises of water supply users;
12. **Water supply activities facilities** mean all things that support management, operation, maintenance and repair of water supply system, such as: fields, roads, workshops, electrical transformer stations, valve manholes, water meter boxes, reservoirs, pumping stations, offices, water analysis laboratories, warehouses and others;
13. **Water supply equipment** means water meter, water measure and control pressure meter, water leakage control meter, pipes, pumping machines, components, accessories and others;
14. **Regulation** means State technical and economic regulations to ensure that the water supply business operators may run their business effectively and to ensure that the service users may consume qualified water supply at reasonable and payable tariffs;
15. **Water supply tariffs policy** means declaration of Government on strategy to be applied in order to meet the targets on needed water supply tariffs and to notify all parties concerned on the logic and expectation of the Government on water supply tariffs period by period with the aims to ensure the effectiveness and sustainability of water supply infrastructure development and payable tariffs.

Article 4 State Policy on Water Supply Activities

State promotes public economic sectors as well as others economic sectors, both domestic and foreign sectors, including community organizations to invest in water supply infrastructure construction, network expansion, human resource development, maintenance, business operation in towns and in rural areas, particularly in remote areas, by implementing policies on credits, customs, taxes, data and information providing.

State recognizes the property of investors in water supply infrastructure pursuant to socio-economic plan in various regions throughout the country. Moreover, State encourages and mobilizes all people in the society to take part in planning, construction, use and maintenance of water supply infrastructure in order to ensure the efficient and regular supply of water to all people in the service areas.

State supports good management and use of modern technology in water supply production to increase quantity, to improve quality and to enable the exportation.

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Article 5 Principles of Water Supply Activities

Water supply activities shall be carried out in compliance with following main principles:

1. Comply with National Socio-Economic Development Plan and Urban Plan, ensure the targets and socio-economic effectiveness and environment protection;
2. Ensure the efficient and regular supply of water to users in service areas;
3. Ensure water supply technical and economic specification, services, cleanness and safety of water for users, harmonization between rights, obligations and benefits of service providers and service users;
4. Use of modern technology in water supply production by using in sustainable manner all local water sources and water resources relating to water supply production in order to enable the users to consume and use water for other purposes economically and reasonably;
5. Coordinate all sectors and localities concerned in joint using of water sources by giving priority to water supply production.

Article 6 Scope of Law

This Law is applied to all persons and organization, both domestic and foreign, relating to water supply production, services and uses in towns and in rural areas.

This Law does not cover spring water, well-water, drilling well-water and rainfall water which are not passed through comprehensive technical production processes and procedures.

Article 7 International Cooperation

State widely opens external, regional and international relations and cooperation on water supply activities and sanitation in exchange of lessons, data and information, science, technology, capacity building and training of technicians, assistance, investment participation, implementation of agreements and treaties of which Lao PDR is a Party.

Chapter II

Water Supply Activities Operation

Section 1

Water Supply Activities

Article 8 Water Supply Activities

Water Supply Activities are comprised of development planning, feasibility study, survey and design, construction and installation of water supply and sanitation infrastructures, operation, maintenance and establishment of National Water Supply Data and Information System.

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Article 9 Water Supply Activities Development Planning

Water supply activities development planning is a research technical, socio-economic and environmental data and information to determine a master plan, strategic plans and investment plans for water supply construction, improvement, expansion and services in towns, rural areas and intensive development points.

Water supply activities development plans shall be harmonized with socio-economic development plans of others sectors and of local authorities concerned.

Article 10 Feasibility Study for Water Supply Project

Feasibility study for water supply project is a collection of data and information, a socio-economic and environmental analysis, and then, a preparation of report to all sectors concerned showing technical options, effectiveness of investments, appropriate water supply tariffs and project sustainability, including methods of remedies social and natural environments impacts.

Every water supply project shall have a feasibility study with the participation of all sectors and local authorities concerned and of people.

Article 11 Water Supply Infrastructure Survey and Design

Survey and design of water supply infrastructure are a collection of data and information and comprehensive situation of the project, analysis, conceptual design determination, initial design, detailed design in accordance with technical standards and objectives of the project, including cost evaluation and duration of the construction.

**Article 12 Construction and Installation of Water Supply
and Sanitation Infrastructures**

Construction and installation of water supply infrastructure is construction of water supply infrastructure which is comprised of plant construction, installation of machines and equipments for water production and water quality analysis, reservoirs construction, installation of transmission and distribution pipelines to the residences, buildings and premises of service users, installation of water meters, including extension of pipes, installation of components and accessories within the residences or buildings and premises in service areas in towns and rural areas.

Construction and installation of sanitation infrastructure is construction of infrastructure, installation of machines and equipments for storage, displacement, disposal and treatment of wastewater from households and sewages from various water uses, including water-closet construction and human excrements disposal.

Article 13 Operation

Operation is water supply production, services and maintenance in regular manner, improvement and expansion of water supply infrastructure in service areas of concessionaires, service providers to ensure the economic, technical and service effectiveness.

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Article 14 Creation of National Water Supply Data and Information System

Creation of National Water Supply Data and Information System is a creation of database by collection, assembly, analysis, summary of technical, economic, financial and accounting data and information in order to support the development, monitoring, assessment of implementation of policies, strategic plans and operation relating to water supply activities operation.

**Section 2
Water Supply Infrastructure Standards**

**Article 15 Water Supply Infrastructure Construction and
Installation Standards**

Construction and installation of water supply infrastructure shall be made in compliance with the construction engineering standards issued by the Ministry of Public Work and Transport in conformity with the environmental laws and regulations.

All water supply infrastructure construction and installation shall be supervised and quality certified by advisory engineers and approved by the public work and transport Sectors.

Article 16 Water Supply Equipment Standards

Water supply equipments to be used in construction and installation of water supply infrastructure shall be ensured in terms of quality, health safety and durability; and shall be suitable to the actual conditions.

The Ministry of Public Work and Transport determines water supply equipment standards. Others sectors concerned supervise the quality of water equipments domestically manufactured or imported from abroad for water supply infrastructure construction and installation.

Article 17 Water Supply Quality Standards

Water supply shall be ensured in terms of cleanness and health safety in compliance with the water supply quality standards accordingly to the regulations issued by the Ministry of Public Work and Transport.

**Section 3
Water Sources and Environment**

Article 18 Water Sources for Water Supply Production

Water sources for water supply production are surface water, underground water, spring water and other sources which are surveyed and collected data and information by others sectors concerned and served as a base or reference for investment in effective and sustainable construction, operation and maintenance of water supply infrastructure.

Individuals or organizations may have the rights of possession and use of water sources for water supply production only if they have receive the authorization from the sectors concerned with the approval of the water resources and environment sectors at the same level.

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Article 19 Protection of Water Sources and Environment

During the water supply business operation, the concessionaires and service providers shall reasonably use the water sources and shall have necessary measures to avoid or to reduce the social and natural environments impacts within the concession or business operation areas.

The entrepreneurs, individuals and organizations shall take part in environment protection. No wastewater and sewerage to be left behind and no damages to be caused to water sources.

**Section 4
Maintenance and Development
of Water Supply Infrastructure**

Article 20 Water Supply Maintenance

Concessionaires and service providers shall maintain the water supply infrastructure, including various facilities in conformity with laws and regulations issued by Ministry of Public Work and Transport and by others sectors concerned to avoid the depreciation, damages and breakage in order to ensure the regular operation and the sufficient supply of qualified water supply.

Article 21 Water Supply Infrastructure Development

Concessionaires and service providers shall pay attention to improve and develop the water supply infrastructure by using modern science and technology with the aims to render water supply activities effective and to enable the expansion of water supply network for widely use by multi-ethnic people and to ensure the sustainability of the water supply infrastructure.

Article 22 Water Supply Development Fund

To ensure the effectiveness and sustainability of maintenance, improvement and development of water supply infrastructure, mainly in intensive development areas and in rural areas, the Government authorizes to establish the water supply development Fund.

Sources of the water supply development Fund is derived from State budget, assistance, contribution of individuals and organizations, both domestic and foreign, including service providers.

Management and use of the proceeds of Fund shall be complied with laws and regulations on State budget and others laws and regulations concerned.