



**Lao People's Democratic Republic**  
**Peace Independence Democracy Unity Prosperity**

**National Assembly**

No. 64 /NA  
Vientiane Capital, dated 01 July 2024

**Law on**  
**Anti-Money Laundering and Counter-Financing of Terrorism**  
**(Amended)**

**Part I**  
**General Provision**

**Article 1 (amended) Objective**

This law sets the principles, regulations and measures relating to the management and monitoring the prevention and combating money laundering and financing of terrorism in order to make them efficient with an aim to combat, prevent, curb and eliminate such offences, create a strong and sound economic and financial system, harmonious and orderly society, facilitate regional and international integration, and to contribute to the national socio-economic development.

**Article 2 (amended) Anti-Money Laundering and Counter-Financing of Terrorism**

The anti-money laundering and counter-financing of terrorism is an act of natural persons, legal persons and organisations domestically and internationally that are directly tasked to finding, combating, preventing, curbing, and eliminating money laundering and financing of terrorism which is an offence that endangers national security, causes damages to the national socio-economic.

**Article 3 (amended) Definitions**

The terminologies used in this law have the following meaning:

1. **Terrorist** shall mean any natural person who commits, or attempts to commit, terrorist acts by any means, directly or indirectly, unlawfully and wilfully; participates as an accomplice in terrorist acts; organises or directs others to commit terrorist acts; or contributes to the commission of terrorist acts by a group of persons acting with a common purpose where the contribution is made intentionally and with the aim of furthering the terrorist act or with the knowledge of the intention of the group to commit a terrorist act.

2. **Terrorist organization** shall mean any terrorist group who commits, or attempts to commit, terrorist acts by any means, directly or indirectly, unlawfully and wilfully; participates as an accomplice in terrorist acts; organises or directs others to commit terrorist acts; or contributes to the commission of terrorist acts by a group of persons acting with a common purpose where the contribution is made intentionally and with the aim of furthering the terrorist act or with the knowledge of the intention of the group to commit a terrorist act.
3. **Funds shall mean** money or properties in all forms corporeal or incorporeal, tangible or intangible, movable or immovable properties, all financial documents or bearer negotiable instruments of all forms either in electronic or digital format, certificates of ownership or all forms of legal documents or instruments evidencing title to or interest in. This includes but is not limited to property of any kind, financial assets, natural resources, such as funds or other assets including but not limited to bank credits, travellers checks, bank cheques, money orders, shares, securities, bonds, drafts and letters of credit and any interest, dividends or other income on or value accruing from or generated by such funds or assets and any other assets which may potentially be used to obtain goods, funds or services.
4. **Financed funds** shall mean funds or properties which natural persons, legal persons or organizations supply or use or attempt to be used in the acts of terrorism;
5. **Virtual Assets refer to** a digital representation of value that can be digitally traded, or transferred, and can be used for payment or investment purposes. Virtual assets do not include digital representations of fiat currencies, securities and other financial assets that are already covered elsewhere under related law of the Lao PDR.
6. **Virtual Asset Service Provider** shall mean any natural or legal person who is not covered elsewhere under related law of the Lao PDR and as a business conducts one or more of the following activities or operations for or on behalf of another natural or legal person: exchange between virtual assets and fiat currencies; exchange between one or more forms of virtual assets; transfer of virtual assets; safekeeping and/or administration of virtual assets or instruments enabling control over virtual assets; and participation in and provision of financial services related to an issuer's offer and/or sale of a virtual asset.
7. **Transaction** refers to services provided by reporting entities to their customers including banking, insurance, securities, precious metals, virtual assets and etc.
8. **Beneficial Ownership** refers to the natural person(s) who ultimately owns or controls a customer and/or the natural person on whose behalf a transaction is being conducted. It also includes those natural persons who exercise ultimate effective control over a legal person or legal arrangement.
9. **Politically Exposed Persons** refer to foreign politically exposed persons, state officials, and officials of international organizations;

10. **Foreign Politically Exposed Person** includes individuals who are or have been entrusted with prominent public functions by a foreign country, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, important political party officials.
11. **State officials include** public servants, military officers, police who are or have been entrusted with prominent public functions and play a crucial role in the Lao PDR, including members of the board of directors or the management of state-owned enterprises or state-holding joint venture.
12. **International Organization Officials** refer to persons who are or have been entrusted with a prominent function by an international organisation includes members of senior management, i.e. directors, deputy directors and members of the board or equivalent functions.
13. **Shell banks** shall mean a bank that has no physical presence in the country in which it is incorporated and licensed, and which is unaffiliated with a regulated financial group that is subject to effective consolidated supervision.
14. **Correspondent banking** shall mean the provision of banking services by one bank (the “correspondent bank”) to another bank (the “responent bank”).
15. **Money transfer** shall mean the transaction on behalf of a natural person, legal person or organization (the originator) via a financial institution by a mean of electronic transfer, which enable a beneficiary to receive the transferred amount at another financial institution.
16. **Seizure** shall mean taking movable property that has been used or will be used in committing a crime, derived from a crime, related to a crime, or has a dispute, according to the order of the relevant investigative agency, prosecutor office or court;
17. **Freezing** shall mean to prohibit to buy, sell, give, transfer, exchange, pledge, mortgage, guarantee, add, destroy or change funds, equipment or other instrumentalities, move or operate capital including bank account that has been used or will be used in committing a crime, derived from a crime, related to a crime, according to the order of the relevant investigation agency, prosecutor office and the court;
18. **Confiscation** shall mean the nationalization of funds wholly or partially, in accordance with a court decision that can be used decisively;
19. **Equivalent Value Properties** shall mean other funds with a value equivalent to the benefit obtained from the original offense or money laundering of the offender or the defendant;
20. **Resolution of the UN Security Council** shall mean United Nations Security Council Resolutions that indicated list of person, legal person or organization, adopted under the United Nations relating to the prevention and suppression of terrorism.

21. **Anonymous account** shall mean an account in which its information differs or cannot verify the account owner's details such as name, surname, date of birth, address, age and occupation;
22. **Customer** shall mean natural persons, legal persons or organizations that use the services of the reporting entities;
23. **Bearer Negotiable Instruments** include bank cheques, bonds, and others;
24. **Racketeering** shall mean group of people who illegally force to obtain money or properties from natural person, legal person or organization.
25. **Environmental crime** shall mean an offence that causes a severe damage to the natural resources and environment such as illegal possession or trading of protected wildlife and aquatic animals, unlawful extraction of natural resources, illegal logging, illegal poaching and deforest, destruction of natural resources, breaching national environment quality control standards, causing air pollution, land pollution or water source pollution.

#### **Article 4 (amended) Policies on Prevention and Combating Money Laundering and Terrorist Financing**

The state encourages and supports natural persons, legal persons or organizations of all sectors to participate in the prevention and combating money laundering and financing of terrorism.

The state pays attention to raising awareness and education of the general public by various means to be aware of the harms caused by money laundering and financing of terrorism, which can damage the national security, social harmony and orderliness, and the national, regional and international economic systems.

The state encourages and supports the AML/CFT by providing the budget, personnel, means, vehicles and modern techniques and equipment to relevant competent authorities for their effective performances.

#### **Article 5 (amended) Principles on Prevention and Combating Money Laundering and Terrorist Financing**

Activities to intercept and combat money laundering and terrorist financing should follow the following principles:

1. In line with policy guidelines, constitutions, laws, international agreements and conventions that the Lao PDR is a party to;
2. Ensuring the protection of legitimate rights and benefits of natural persons, legal persons or organizations;
3. Combating all the phenomena of power abuse, and application of excessive power, which damage the legitimate rights and benefits of natural persons, legal persons or organizations;
4. Justice, transparency and accountability.

**Article 6 (amended) Protection**

Staffs and authorities working on prevention and combating money laundering and financing of terrorism including those who participate in these works such as directors, managers, informants, information processors, witnesses, experts and their families shall be protected by law from civil and criminal claims, revenge and threats against life, health, freedom and damage to their dignities, reputations or private properties.

**Article 7 (amended) Obligation for Anti-Money Laundering and Counter-Financing of Terrorism**

Natural persons, legal entities and organizations are obliged to provide information and cooperate to prevention and combating money laundering and financing of terrorism.

**Article 8 Scope of application**

This law applies to natural persons, legal persons and organizations, both local and foreign, inside and outside of the territory of Lao PDR.

**Part II**  
**Money Laundering and Financing of Terrorism**

**Chapter 1**  
**Money Laundering**

**Article 9 (amended) Money Laundering**

Money laundering is a conversion, use, movement, exchange, acquisition, possession, genuine ownership transfer of funds by natural person, legal person or organization domestically or internationally knowing or suspecting that such funds are the proceeds of predicate offences to conceal or disguise their characteristics, origin of funds, or location of properties.

Acts of money laundering are as follow:

1. Conversion or transfer of funds with an intention to conceal or disguise the illegal origin of the funds including aid and abet offenders of predicate crimes to avoid the legal consequences of their actions;
2. Concealing or disguising origin, source, location of funds, transfer, possession, movement, or rights with respect to, or ownership of funds knowing that such funds are the proceeds of predicate offences;
3. Acquisition, possession, use of funds derived from predicate offences such as (but not limited to) illicit lending of such money or properties, use of such money or properties in a direct investment knowing that such funds are the proceeds of predicate offences;

4. It is also an offence to participate in planning, helping, implementing, aiding, abetting, facilitating, conspiracy or counselling the commission, including attempting to commit a crime as defined in clauses 1, 2 and 3 above mentioned.

In addition to the above, money laundering is demonstrated as follow:

1. Acknowledgement with intent with regards to offences leading to a money laundering;
2. An event or evidence that proves the funds or properties are derived from the predicate offences without the necessity for a court ruling.

#### **Article 10 (new) Forms of Money Laundering**

There are 4 forms of money laundering as follows

1. Self-money laundering refers to the act where an individual or entity engages in laundering the proceeds of their own criminal activity.
2. Third party Money laundering is money laundering by a person or legal entity who was not involved in the commission of the predicate offence.
3. Standalone Money laundering is prosecuting money laundering offense without predicate offences or money laundering without incident or proof of the original offense;
4. Money laundering with the predicate offences in abroad is money laundering in Lao PDR with the predicate offense occurring outside the territory of the Lao PDR.

#### **Article 11 (amended) Predicate Offences**

Predicate offence refers to all criminal serious offences including offences committed outside the territory of the Lao PDR that constitutes a predicate offence in that country and that constitute a predicate offence if it occurred in Lao PDR. These include frauds, robbery or theft, murder, battery, kidnap, detention and hostage taking, trading of illegal properties, currency counterfeiting or using counterfeit currency, including cheque counterfeiting, or use of counterfeited cheque or bond, document forgery or use of forged documents, infringement of intellectual property rights, corruption including a taking and giving bribery, adult and child prostitution, human trafficking, people smuggling, production and trafficking of narcotics, trading of illegal war arms or explosives, participation in an organized criminal group and racketeering, terrorism including financing of terrorism, environmental crime, tax crimes, insider trading and market manipulation, violation of customs and tax regulations, extortion, hijacking (car, boat, or airplane), robbery at sea piracy, and other predicate offences as define by laws.

Proceeds of predicate offences for the purpose of this act are funds which are derived directly or indirectly from predicate offences, including properties transformed or changed, wholly or partially to other forms of properties, including returns of investment.

## **Chapter 2**

### **Financing of Terrorism**

#### **Article 12 (amended) Financing of Terrorism**

The financing of terrorism is an act if any person, legal person or organization domestically or internationally by any means directly or indirectly, unlawfully and wilfully, provides or collects funds (from whether legitimate or illegitimate source) with the intention that they should be used or in the knowledge that they are to be used in full or in part to carry out or attempt to carry out an offence of terrorism under article 13 or by a terrorist or terrorist organization or any activities of terrorism. It is including an attempt to commit an offence in this article, along with participating in as an accomplice to a terrorist financing offence or attempted terrorist financing offense. This also includes planning, helping, implementing, aiding, abetting, facilitating, conspiracy, organizing or directing others to commit a terrorist financing offence or attempted terrorist financing offence, contributing to the commission of one or more terrorist financing offences or attempted terrorist financing offences by a group of persons acting with a common purpose. An offence under this section can be prosecuted regardless of whether the funds and other assets (a) were actually used to carry out or attempt a terrorist act(s); or (b) are linked to a specific terrorist act(s).

This offence includes financing the travel of individuals who travel to a State other than their States of residence or nationality for the purpose of the perpetration, planning, or preparation of, or participation in, terrorist acts or the providing or receiving of terrorist training.

In order to prove intent and knowledge it is possible to infer such intent and knowledge from objective factual circumstances and this offence applies regardless of whether the person alleged to have committed the offence(s) is in the same country or a different country from the one in which the terrorist(s)/terrorist organization(s) is located or the terrorist act(s) occurred/will occur.”

#### **Article 13 (amended) Terrorism**

Acts of terrorism are an act in which natural persons, groups of people, organizations or terrorist organization within or outside of the territory of the Lao PDR:

1. Acts that effect the national security, socio-economic foundation, foreign and international organizations, cause difficulties to international relations of the Lao PDR or chaos to people in the society;
2. Acts that affect lives (death), health (serious bodily injury), freedom, or deemed as a physical and psychological coercion and threat of citizens or any individual in order to create fear for citizens or to force the state or any international organization to act or not to act;
3. Seizure, damaging properties, invasion, attack, obstruction, causing damages and chaos to computer communication and Internet systems or digital instruments of state organizations, legal persons and natural persons;

4. Processing, production, use, packaging, transportation, consolidation, and obtaining of explosives, radioactive substances, toxics, inflammables, and trading of weapons, equipment, vehicles including an offering of advice for certain act with an intention as defined in subparagraph 1, 2 and 3 of this Article;
5. Disseminating, recruiting, encouraging, coercing, threatening, hiring or creating conditions, and aiding an act as defined in subparagraph 1, 2, 3 and 4 of this Article;
6. Organizing, financing, participating and attempting to participate in the organization, teaching, training, participate in training, financing the travel of individuals who travel to a State other than their States of residence or nationality for the purpose of the perpetration, planning, or preparation of, or participation in, terrorist acts or the providing or receiving of terrorist training participating in action as defined in sub-paragraph 1, 2, 3, 4, and 5 of this Article;
7. Acknowledgment of an act with intent from objective factual circumstances;
8. Other offences defined as acts of terrorism as per relevant international agreements or treaties that the Lao PDR is a party to.

### **Part III**

#### **Activity Of Anti-Money Laundering and Financing of Terrorism**

##### **Article 14 (amended) Activity of Anti-Money Laundering and Combating Financing of Terrorism**

The activities of anti-money laundering and Combating Financing of Terrorism are the activities of reporting entities, legal persons, non-profit organizations and relevant organizations to intercept, limit, combat, and eliminate behaviors of deriving proceeds of crimes and to make such fund or properties legitimate or financing of terrorism.

### **Chapter 1**

#### **Activities of Reporting Entities**

##### **Article 15 (amended) Reporting Entities**

Reporting entities are legal persons and natural persons who obligate to responsible in anti-money laundering and combating financing of terrorism such including those operating in the following categories: commercial banks, micro-finance institutions, pawnshops, leasing companies, money transfer service companies and agents, insurance companies, security companies, virtual asset service providers, companies or agents selling and managing financial payment instruments, real estate agents, businesses buying and selling precious metal, trust and companies service providers, accounting and auditing enterprises, casinos, legal enterprises, lawyers and other reporting entities as designated by the National Coordination Committee on Anti-Money Laundering and Financing of Terrorism.

##### **Article 16 (amended) Rights and Obligations of Reporting Entities**

The reporting entities have the following rights and obligations:

1. Internal control;
2. Risk Based Approach;
3. Know Your Customer;
4. Customer Due Diligence;
5. Customer Information Collection;



6. Dealing with Politically Exposed Persons;
7. Dealing with Correspondent Banks;
8. Data Collection on money transfer;
9. Record keeping;
10. Reporting;
11. Reporting of Suspicious Transaction Reports;
12. Applying Provisional Measure;
13. Confidentiality.

Branches and subsidiaries of reporting entities in both domestic and overseas are obliged to comply with the first paragraph of this article.

In case the law of the country where the branch and subsidiary are located do not allow to comply with the above obligation, the reporting entity must apply appropriate additional measures to manage the ML/TF risks and report its supervisory agency.

#### **Article 17 (amended) Internal Control**

Reporting entities must establish internal control policy by issuing, improving and implementing work plans by having regard to the ML/TF risks and the size of the business, including the following:

1. Policies, procedures and internal monitoring;
2. Procedures for selecting, screening and accepting qualified employees;
3. Training plan for employees and conduct on-going training;
4. Independent internal audit of the implementation of this law and other related legislation;
5. Evaluation of the implementation to anti-money laundering and countering the financing of terrorism;
6. Report the outcomes of the implementation of the program to anti-money laundering and countering the financing of terrorism to its supervisory agency from time to time.

Reporting entities must appoint compliance officers at the management level or senior officer with qualifications, experience in anti-money laundering and countering the financing of terrorism to be responsible for the tasks specified in the first paragraph of this article, as well as to coordinate with the Anti-Money Laundering Intelligence Office (AMLIO).

#### **Article 18 (amended) Risk Based Approach**

Reporting entities must implement the principles of risk-based approach on money laundering and financing of terrorism by identifying, assessing, monitoring and mitigating that risk such as customers, existing and newly created products and services, service channels, methods and new technology in service delivery or business operations including geography or countries.

The implementation mechanism of Risk-Based Approach is defined in separate regulation.

#### **Article 19 (amended) Know Your Customer**

Reporting entities must know your customer by requiring customers to show their identification documents such as identity cards, family books, passport, enterprise registration or other official documents that can be verified about the customers or those who are acting on behalf of the customers and then properly record, copy and secure storage.

The implementation mechanism of Know Your Customer is defined in separate regulation.

## **Article 20 (amended) Customer Due Diligence (CDD)**

The reporting entities must apply customer due diligence measure in the following cases:

1. Establishing business relationship for new customers;
2. Carrying out occasional, one-off or multiple transactions that are suspicious;
3. Complex, high value and unusual transactions;
4. Conducting transactions on behalf of customer in the name of legal person and legal arrangements;
5. There is a suspicion of ML/TF, regardless of any exemptions;
6. There are doubts about the veracity or adequacy of previously obtained customer identification data.

In addition, the reporting entities must conduct on-going monitoring of the customers to ensure that the previously provided information is accurate, up to date and customers' business operations are correct and consistent with their profiles and their business operations' historical records including knowing the sources of their funds if necessary.

Reporting entities must pay special attention to business relationships or transactions with natural persons, legal persons or organizations in countries that do not have legal on anti-money laundering and countering the financing of terrorism or if the implementation of such laws and regulations is not strict and under the sanction list of relevant international organizations.

The implementation mechanism of Customer Due Diligence is defined in separate regulation.

## **Article 21 (amended) Customers Information Collection**

Reporting entities must collect, prove and verify information on the name and surname, date of birth, nationality, address and occupation of the individual customer.

For legal persons customers, the reporting entities must collect, prove and verify information on the name and address of the companies, identification documents of directors, details of shareholders, activities and size of the business.

In case of failure to collect full detail of the customer information as defined in the first and second paragraphs of this article, the reporting entities must stop providing services or not establishing business relationships with that customer and consider it as suspicious transaction and report to the Anti-Money Laundering Intelligence Office as defined in Article 27 of this law.

Reporting entities must collect information on the purpose and objective of customers in using services or establishing business relationships with their institutions and must find out whether the customer's business relationship is in the name of the customer himself or someone else to find out the ultimate beneficiary owner such as funds owner including the capital in the establishment of the enterprise which is the origin or the person who has the authority to settle the issue.

## **Article 22 (amended) Dealing with Politically Exposed Persons**

The reporting entities must have an appropriate risk management system to find out whether customers or beneficial owners are Politically Exposed Persons.

If the customer is Politically Exposed Persons the reporting entities must conduct as follows:

1. Obtain senior management approval for establishing (or continuing, for existing customers) such business relationships;
2. Take reasonable measures to establish the source of wealth and source of funds;
3. Conduct enhanced ongoing monitoring of the business relationship.

In case of customer are family members or close associates of Politically Exposed Persons, then reporting entities must also apply the measure as stated in paragraph 2 of this article.

## **Article 23 (amended) Dealing with Correspondent Banks**

Reporting entities that have business relations or other similar relations with correspondent banks must undertake act as follows:

1. Review the status of corresponding banks that they are doing business with;
2. Gather data on the nature of business operation of a corresponding bank;
3. Assess the creditability, management and inspection of a corresponding bank based on publicly available information;
4. Assess the correspondent bank's AML/CFT controls;
5. Implement relevant laws and regulations relating to a business relation with correspondent banks.

If corresponding banks have business relations or transactions with shell banks or their subsidiary, the reporting entities must not establish or continue business relations with such corresponding banks or their subsidiary.

## **Article 24 (amended) Collecting Information on Money Transfer**

Each time when providing a money transfer service, reporting entities must gather and verify the information on name and surname, address, account number of the originator including the purpose of transfer.

In case of reporting entities acting as an intermediary of the transfer, reporting entities must ensure that the information on the originator and details of transfer are accurately and comprehensibly recorded before further deliver to a beneficiary.

In case of reporting entities receives a money transfer with no or missing information of originator, reporting entities must verify and seek further information from the ordering reporting entities or beneficiary. If the information is not provided, the beneficiary reporting entities must refuse the payment to the beneficiary and transfer the money back to the ordering reporting entities and report to the AMLIO immediately.

The supervision of domestic and international money transfers is defined in separate regulations.

#### **Article 25 (amended) Record Keeping**

Reporting entities must maintain information of customers, documents related to business correspondence, copies of all records obtained through the CDD process including identity documents, beneficiaries of transactions, completed transaction records, account files, records on results of any analysis undertaken and reported transactions of customers in order to provide the information to AMLIO and other competent authorities swiftly.

The information as defined in the first paragraph of this article must be kept for at least ten years from the date of completion of the transaction or termination of the business relationship with the customer.

#### **Article 26 (amended) Reporting**

The reporting entities must report to AMLIO in case a customer request to do the following transactions:

1. Cash transaction is above the applicable designated threshold;
2. Wire Transfer is above the applicable designated threshold;
3. Other transactions as defined by AMLIO.

The Bank of the Lao PDR is responsible for determining an applicable designated threshold for cash transaction, wire transfer which are required for reporting, and issuing legislations on reporting.

#### **Article 27 (amended) Reporting of Suspicious Transactions.**

In the case of a suspicious or has reasonable grounds to suspect that transaction might be proceeds of a criminal activity that would constitute a predicate offence, or are related to money laundering or financing of terrorism, including customer's attempted transaction, regardless of the amount of the transaction. The reporting entities should be required to promptly report such suspicious transaction to AMLIO.

#### **Article 28 (new) Applying Provisional Measure**

Reporting entities, postal enterprises and relevant legal persons has right to apply provisional measure by suspend or withhold transaction to freeze or hold fund or assets if they detect, find or suspect that such fund or assets related to money laundering or financing of terrorism or as per the regulation issued by the National Coordination Committee or as per the notice of AMLIO.

Reporting entities, postal enterprises and relevant legal person if detected or found that funds related to terrorist and terrorist organization as per consolidated UNSCR sanction list, they must withhold or freeze such fund without delay.

In parallel with the utilization of provisional measure, reporting entities must report to relevant authorities, AMLIO and comply with relevant regulations.

## **Article 29 (amended) Reporting Confidentiality**

The directors, officers and employees of the reporting entities are prohibited from disclosing the fact that STR or related information is being filed with AMLIO. shall maintain a confidentiality of transaction report in suspicious of money laundering or financing of terrorism or other information reported to AMLIO.

A clause on maintaining customers' confidentiality by the reporting entities as defined in their internal regulation or agreement shall comply with this law and shall not an obstacle in providing information to related the authorities.

The directors, staff and reporting entities will not be disciplined or prosecuted on the ground of disclosing customers' secrets, if the reporting or the provision of such information is done with good faith and in compliance with this law, and will not be held liable for any wrongdoing.

## **Part 2**

### **Activities of Legal Persons or Organizations and Non-Profit Organizations**

#### **Article 30 (amended) Legal Persons**

A legal person is a partnership enterprise and a company that does not belong to a reporting entity that has been established and conducts business correctly as defined in the relevant laws.

Legal persons are responsible for preventing and combating money laundering and terrorist financing as follows:

1. Ensure its activities will not get abused by money laundering or financing of terrorism;
2. Record and provide information on enterprise registration, owners, beneficial ownership, shareholders, stakeholders and information on its internal management structure with transparency and ensure clarity, comprehensive and accuracy from time to time as well as such information shall be recorded for at least ten years. Investigative agencies, supervisory agencies and enterprise audit of reporting entities, AMLIO, other relevant competent authorities can access the information at any time.

#### **Article 31 (amended) Non-Profit Organizations**

Non-profit organizations includes international non-governmental organizations and civil society organization, including associations and foundations that have been approved to establish in accordance with relevant regulations that primarily engages in raising or disbursing funds for charitable, religious, cultural, educational, environment, public health, sports, acrobatics, humanitarian and social or fraternal that carrying out with non-profit purposes such as associations or foundations.

Only high-risk non-profit organization is responsible for anti-money laundering and countering financing of terrorism:

1. Screening sanction list of designated persons by relevant international organizations;
2. Verify the source of the funds that have been donated;
3. Collect donor information;
4. Record information on registration, establishment, owners, founders, beneficial owner and information on their internal management structure with transparency and ensure

clarity, comprehensive and accuracy from time to time as well as record such information for at least ten years.

Supervisory agencies of NPOs, AMLIO, Investigative agencies and other relevant competent authorities can access the information at any time as stipulated in the paragraph 1 and 2 of this article.

Supervisory agencies of NPOs must regularly assess, monitor and inspect on the risk of each NPO in order to avoid them from being abused for money laundering and financing of terrorism.

### **Chapter 3** **Activities of Relevant Organization**

#### **Article 32 (amended) Declaration of Cash, Precious Metal and Bearer Negotiable Instruments at Border Checkpoints**

Natural persons, legal person or organization who carry cash, precious metal and bearer negotiable instruments in or out of the Lao PDR, with value exceeding the threshold periodically set by the Bank of the Lao PDR, must declare them to customs officers at border checkpoints and such Customs officers shall further report to AMLIO.

#### **Article 33 (amended) Examination by Customs Officers at Border Checkpoints**

Customs officers at border checkpoints are responsible for checking the accuracy of declaration of cash, precious metal and bearer negotiable instruments of passenger entering/exiting of the Lao PDR in accordance with relevant regulations and laws.

In case of inaccurate declaration, inaccurate amount, non-declaration or false declaration on cash, precious metal and bearer negotiable instruments when crossing Lao PDR's borders, a declarer will be fined in accordance with the relevant regulations.

In case customs officers at border checkpoints detected, found or suspect that there is a non-declaration or false declaration of cash, precious metal and bearer negotiable instruments, such cash or items will be seized or frozen immediately and report to AMLIO, simultaneously with opening an investigation to determine origins of cash, precious metal or bearer negotiable instruments.

### **Part IV** **Prosecution of Money Laundering and Financing of Terrorism Offense**

#### **Article 34 (new) Prosecution of Money Laundering and Financing of Terrorism Offense**

Prosecution of money laundering and financing of terrorism is the activity of related agencies in criminal proceedings organization to prosecute money laundering and financing of terrorism and other participants in order to swiftly, completely and comprehensively find out the wrongdoings as well as bring the wrongdoer to trial and ensure the correct and fair implementation of the law.

Prosecution on money laundering must execute parallelly with other predicate offences as well as conduct financial investigations each case. In cases where there is no predicate offense

found or the predicate offense occurred abroad, only the case related to the money laundering facility shall be prosecuted for such offense.

The methods and procedures in the prosecution of money laundering and terrorist financing shall follow the provisions stated in the Criminal Procedure Law and other related laws.

### **Article 35 (new) The Criminal Proceeding Organization for Money Laundering and Financing of Terrorism**

The criminal prosecution organization responsible for money laundering, terrorism and financing of terrorism cases are as follows:

1. Investigative agencies;
2. Prosecutor office;
3. Court.

The investigative agencies consist of the investigative agency of the police, the investigative agency of the military, the investigative agency of the customs/tax, the investigative agency of the forestry, the investigative agency of the anti-corruption, the investigative agency of Lao securities commission and the investigative agency of other parties as defined in the relevant laws.

For cases related to terrorism and financing for terrorism, the investigative agency of the police is responsible for conducting the investigation in coordination with other relevant parties.

Office of People's Prosecutor and Court proceedings shall be conducted in accordance with the Criminal Prosecution Law and other laws related.

### **Article 36 (amended) Seizure, Freezing of Funds**

Relevant investigative officers are eligible to apply measures to detain, seize or freeze proceeds or assets of equivalent value in case they detected, found or suspected that such fund relates to money laundering or financing of terrorism.

Funds of terrorist, terrorist organizations, natural persons and a legal person including international terrorist and terrorist organization as stipulated in the Resolutions of the UN Security Council and their successor resolutions must be immediately seized and frozen.

Relevant investigative authorities have right to seize and freeze funds related to the financing of terrorism without prior notification in order to prevent such funds from being transferred or move forwarded to terrorist and terrorist organizations.

Applying the seizure or freezing measures must be in conformity with the Law on Criminal Procedure and relevant regulations and laws of the Lao PDR while protecting the rights and bona fide third party and ensuring no impacts on the operations of the financial and monetary system.

### **Article 37 (amended) Confiscation**

In case there is sufficient evidence that funds relating to predicate offences, money laundering, financing of terrorism and a participation of such offenses, the court shall pass a decision for the confiscation of such funds as follow:

1. Funds derived from predicate offences including properties gained from investment or from exchange or properties and assets of equivalent value related to the activities;

2. Funds used or intend to be used in committing the offenses;
3. Funds and other benefits generated by funds used in committing crimes;
4. Financial instruments relating to offences;
5. Funds as defined in clause 1 to 4 whose rights to ownership or transferred to a natural person or third parties.

## **Part V**

### **International Cooperation on Anti-Money Laundering and Combating Financing of Terrorism**

#### **Article 38 (amended) Principles for International Cooperation**

International cooperation on anti-money laundering and counter financing of terrorism between the competent authorities of the Lao PDR and foreign competent authorities shall follow the principles of respect for independence, sovereignty and territorial integrity, non-interference in each other's domestic affairs, mutual benefits, and in conformity with relevant international agreements and treaties which the Lao PDR is a party to.

#### **Article 39 (amended) Contents of International Cooperation**

International cooperation on anti-money laundering and counter financing of terrorism shall be in the following contents:

1. Gather, study, and exchange of information, technologies and lessons on anti-money laundering and counter financing of terrorism;
2. Sign agreements with foreign countries or become a party to the international treaties and agreements on anti-money laundering and counter financing of terrorism;
3. Mutual assistance in technical assistance, capacity building including training and improve knowledge for concerned personnel and officers;
4. Exchange of information on the supervision of reporting entities, legal persons, non-profits organizations, holder of right, beneficial ownerships etc.;
5. Comply with the international agreements and treaties which the Lao PDR is a party to.

#### **Article 40 (amended) Mutual Legal Assistance**

A mutual legal assistance is an international cooperation between Lao PDR with its international jurisdiction aims at requests to testify, providing evidence, participation of individuals in the requesting state, participation in criminal proceedings of individuals who have been sentenced or detained, finding address or identity of individuals, searching, seizing and handing over evidence, seizing or freezing property, objects, confiscation or confiscation of objects and other criminal matters that is requesting or requested, extradition, requesting for information and additional request for evidence relating to the crimes.

The implementation of mechanism and procedure for mutual legal assistance shall be in compliant with the Law on Mutual Legal Assistance, the Law on Extradition, other relevant laws of the Lao PDR, including treaties to which the Lao PDR is a party to.



## **Part VI**

### **Prohibitions**

#### **Article 41 (amended) General Prohibitions**

Natural persons, legal persons and organizations are prohibited from the following behaviors:

1. Having dealings related to, participated in money laundering or financing of terrorism;
2. Maintaining relations in all forms and giving any type of assistance in money laundering or financing of terrorism;
3. Dealing with individuals, legal persons or organizations that fall under the sanction list of the United Nations Security Council on Terrorism and financing of Terrorism;
4. Acts as an intermediary giving bribes to staff or competent authorities;
5. Producing or using of document forgery;
6. Concealing, disguised, threatening, impeding and obstructing the operation of competent authorities;
7. Opening or using anonymous accounts or using accounts of non-existent name of natural persons, legal persons or organizations;
8. Other acts that contravene laws and regulations.

#### **Article 42 (amended) Prohibitions for Reporting Entities**

Reporting entities are prohibited to following behaviors or acts:

1. Having dealings with shell banks, non-existent financial institutions, legal persons or organizations;
2. Having dealings with banks in abroad that do not have law on anti-money laundering and counter financing of terrorism;
3. Opening anonymous accounts;
4. Establish business relation or conducting transactions with natural persons, legal persons or organizations that fall under sanction list of the United Nations Security Council on Terrorism and financing of Terrorism;
5. Other acts that contravene laws and regulations.

#### **Article 43 (amended) Prohibitions for related Officers and Competent Authorities**

Related Officers and Competent Authorities are prohibited to following behaviors or acts:

1. Abusing rights, functions and position, use of violence, coercion or threatens for their own personal, family or relatives' benefit;
2. Tipping-off or disclosure of confidential information to unrelated natural person, legal persons or organizations;
3. Collusion, requesting, demanding and receiving bribes;
4. Omission of the responsibilities or temporalization of documents;
5. Other acts that contravene laws and regulations.

## **Part VII**

### **Supervision And Inspection of Anti-Money Laundering and Counter Financing of Terrorism**

#### **Chapter 1**

#### **Supervision**

#### **Article 44 (amended) Supervisory Agencies for Anti-Money Laundering and Counter Financing of Terrorism**

The Government is the supervisory agency for anti-money laundering and counter financing of terrorism activities centrally and unanimously in the nation, by assigning the National Coordination Committee which is directly responsible for supervision and play the key role to coordinate with other line-ministries such as Ministry of Finance, Ministry of Justice, Ministry of Natural Resource and Environment, Ministry of Industry and Commerce, Ministry of Foreign Affair, Ministry of Home Affair, Ministry of Planning and Investment, Ministry of Public Security, Ministry of National Defense, Ministry of Agriculture and Forestry, Ministry of Technology and Communication, Ministry of Public Works and Transport, Ministry of Energy and Mines, The Bank of the Lao PDR, Office of Supreme People's Prosecution, The People's Supreme Court, State Inspection and Anti-Corruption Authority, other relevant Ministries, Local Government Committee and associated agencies responsible for inspection and monitoring of anti-money laundering and counter financing of terrorism as specified according to their own role.

#### **Article 45 (amended) National Coordination Committee for Anti-money Laundering and Counter Financing of Terrorism**

National Coordination Committee for Anti-money Laundering and Counter Financing of Terrorism is a non-permanent body appointed by the Prime Minister consists of Deputy Prime Minister as the Chairman, the Governor of the Bank of the Lao PDR is the first Deputy Chairman and act as standing member, Deputy Minister or Deputy Head of related organization as the second Deputy Chairman and Committee by having the Anti-Money Laundering Intelligence Office as the assistant/secretariat.

National Coordination Committee for Anti-money Laundering and Counter Financing of Terrorism (herein after called "NCC").

The organizational structure, activities and budget of the NCC is set out in specific regulations.

#### **Article 46 (amended) Rights and Duties of NCC**

The NCC has the following rights and duties:

1. Issue policies, laws, national strategies and regulations regarding anti-money laundering and counter financing of terrorism government's consideration;
2. Transpose policies, national strategies and regulations regarding anti-money laundering and counter financing of terrorism into work plans, program, projects as well as the implementation;
3. Disseminate policies, laws, national strategies, regulations and action plans for anti-money laundering and counter financing of terrorism;
4. Adopt the action plan regarding anti-money laundering and counter financing of terrorism;

5. Determine additional reporting entities (if any);
6. Direct, stimulate, manage and monitor the implementation of anti-money laundering and counter financing of terrorism of AMLIO, supervisory agencies and other relevant agencies;
7. Capacity building, upgrade professional skills of staff on anti-money laundering and counter financing of terrorism;
8. Apply administrative measures against natural persons, legal person or organizations, reporting entities and associated postal enterprise that breach this law;
9. Coordinate, corporate with foreign counterparts both regional and international regarding anti-money laundering and counter financing of terrorism;
10. Summarize and report on its activities to the Government on a regular basis;
11. Perform rights and duties as defined in the laws and assigned by the Government.

#### **Article 47 (amended) Anti-Money Laundering Intelligence Office**

The Anti-Money Laundering Intelligence Office has the role as secretariat of the NCC in supervisory, monitoring and control the work of anti-money laundering and counter financing of terrorism.

The Anti-Money Laundering Intelligence Office (herein after called “AMLIO”) and has the equivalent status of the Department.

AMLIO personnel are consist of Director General, Deputy Director General and Officers. The Director General of the Anti-Money Laundering Intelligence Office is appointed or dismissed by the Prime Minister upon the proposal of the National Coordinating Committee for Anti-Money Laundering and Counter Financing of Terrorism.

The organizational structure and activities of the AMLIO are defined in separate legislation.

#### **Article 48 (new) Rights and Duties of Anti-Money Laundering Intelligence Office**

Anti-Money Laundering Intelligence Office has rights and duties as below:

1. Studying requirements prior issuance of policies, laws, national strategies and regulations regarding anti-money laundering and counter financing of terrorism in order to propose to the NCC’s considering;
2. To transpose the policy, law, strategy plan and other relevant legislations of anti-money laundering and counter-financing of terrorism;
3. To disseminate the policy, law, strategy plan and other relevant legislations of anti-money laundering and counter-financing of terrorism;
4. To develop work plan for implementing of anti-money laundering and counter-financing of terrorism in order to propose to the NCC’s considering;
5. To implement the work of anti-money laundering and counter-financing of terrorism;
6. To hold capacity building, improve staff knowledge that in charge of anti-money laundering and counter-financing of terrorism to enhance the implementation capacities;
7. To apply administrative measures against natural person, legal person or organizations, reporting entities and postal enterprise that violated this Law;
8. To notify the reporting entities regarding the use of provisional measure to customer or clients;

9. To ask and collect extra information that's, seem to be necessary or related to money laundering and countering of financing terrorism from reporting entities, legal persons, non-profit organizations and other relevant agencies;
10. To collect information, analysis and make financial intelligence report and disseminate to investigation agencies and providing information related to money laundering and countering of financing terrorism to relevant agencies as proposed;
11. To disseminate information and the result of analysis of suspicious transaction report in terms of spontaneous and upon requested to relevant agencies. Ensure that the information provided is secure and safe;
12. To monitor and evaluate reporting entities under its responsibilities regarding the implementation of anti-money laundering and counter-financing of terrorism;
13. To notify the list of terrorists, terrorist organizations or terrorist financier and list of suspicious persons involving in money laundering to reporting entities timely;
14. To cooperate with sectors, organizations and local administrative units in implementing Anti-Money Laundering and Counter-Financing of Terrorism;
15. To cooperate and coordinate with international organization on anti-money laundering and counter-financing of terrorism matter;
- ~~16.~~ To summarize and report its performance to the NCC on a regular basis;
17. Perform rights and duties as defined in the laws and assigned.

**Article 49 (new) Budget**

the national coordination committee and the anti-money laundering intelligence office utilize the budget from the state in carrying out its activities.

**Article 50 (new) Rights and Duties of Ministries, Agencies and Local Government Agencies**

With respect to the management of anti-money laundering and counter financing of terrorism, ministries, local government committee and other relevant agencies have the rights and duties to cooperate and coordinate with the NCC and AMLIO according to their role and responsibilities as defined in the relevant laws and regulations.

**Chapter 2  
Inspection**

**Article 51 (amended) Inspection Agencies for Anti- Money Laundering and Counter Financing of Terrorism**

The Inspection Agencies for anti- money laundering and counter financing of terrorism include:

1. Internal audit agency which is the same agency with the supervisory agency of prevention and combating money laundering and financing of terrorism as defined in article 44 of this law;
2. External audit organization includes the National Assembly, provincial assembly, the state audit authorities in each level, the state audit organization, the Lao front for national development, Lao veterans' federation, mass organizations, mass media and the people.

**Article 52 (amended) Content of the Inspection**

The inspection of anti-money laundering and counter financing of terrorism has following contents:

1. The implementation of this law and other relevant regulation of anti-money laundering and counter financing of terrorism;
2. Use of right and performance of staffs or relevant officers;
3. To create and implement work plan in of anti-money laundering and counter financing of terrorism;
4. Others as deemed necessary.

**Article 53 (amended) Forms of the Inspection**

The inspection of anti-money laundering and counter financing of terrorism has 03 forms:

1. Regular inspection is a planned inspection with a certain schedule;
2. Inspection with advance notification is an inspection outside the plan when deems necessary by informing target entities in advance;
3. Urgent inspection is an immediate inspection without prior notice.

When undertaking the anti-money laundering and counter financing of terrorism inspection, officers of inspection agencies shall strictly comply with the relevant regulations and laws.

**Part VII****Incentive For Good Duty Performers and Measures Against Violators****Article 54 Incentive for Good Duty Performers**

Any natural person, legal person or organization with notable enforcement performance of this law primarily in the areas of cooperation, reporting or providing information on behaviors or activities in suspicious of money laundering and financing of terrorism, shall be praised or awarded with other incentives in accordance with relevant regulations.

**Article 55 (amended) Measures Against Violators**

Any natural person, legal person or organization violating this law shall be warned, educated, disciplined, fined, civil compensation for damages incurred or proceed with criminal punishment in accordance with the law.

**Article 56 (amended) Criminal Measures for Money Laundering**

Any natural person who committed money laundering:

1. Below the amount of LAK 1,000,000,000 will be deprived of freedom from three to seven years, fined 50% (fifty percent) of total amount launched, and with his/her properties to be confiscated;

2. From LAK 1,000,000,000 and above will be deprived of freedom from seven to ten years, fined 70% (seventy percent) of total amount launched, and with his/her properties to be confiscated.

In case of an organized group, habitual offense, an offender will be deprived of freedom from ten to fifteen years, fined 90% (ninety percent) of total amount launched, and with his/her properties to be confiscated.

The act of preparation and attempt to commit an offence shall also be penalized.

#### **Article 57 (amended) Criminal Measures for Financing of Terrorism**

Any natural person who committed a financing of terrorism:

1. Below the amount of LAK 1,000,000,000 will be deprived of freedom from five to eight years, fined 80% (eighty percent) of total amount of financing, and with his/her properties to be confiscated.
2. From LAK 1,000,000,000 and above will be deprived of freedom from eight to twelve years, fined 100% (one hundred percent) of total amount of financing, and with his/her properties to be confiscated.

In case of an organized group, habitual offense, an offender will be deprived of freedom from fifteen to twenty years, fined 100% (one hundred percent) of total amount of financing, and with his/her properties to be confiscated.

The act of preparation and attempt to commit an offence shall also be penalized.

### **Part IX Final Provision**

#### **Article 58 Implementation**

This law shall be implemented by the Government of the Lao People's Democratic Republic.

#### **Article 59 (amended) Effectiveness**

This law shall come into force upon the dated 01 November 2024 after promulgation by the President of the Lao People's Democratic Republic and signed for publishing in the official gazette onward.

This law replaces the Law on Anti-Money Laundering and Counter-Financing of Terrorism No. 50/NA, dated 21 July 2014 and the Articles 120 (only first paragraph), 130, 131 of the Penal Code No. 26/NA, dated 17 May 2017.

**President of the National Assembly**