



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

**Government**

No. 257/GOV  
Vientiane Capital, Date 23.08.2023

**Decree**  
**on Emergency Relief Fund**

- Pursuant to the Law on the Government, No. 03/NA, dated 16 November 2021;
- Pursuant to the Law on Lao Red Cross Work, No. 28/NA, dated 31 October 2017;
- Pursuant to the Proposal Letter from the Lao Red Cross, No. 0195/LRC, dated 07 August 2023.

**The Government issues the Decree**

**Part 1**  
**General Provisions**

**Article 1 Purpose**

This Decree establishes the principles and regulations related to the management, utilization and monitoring of the Emergency Relief Fund to ensure that such fund operates properly, efficiently and effectively, with the aim of providing funding for emergency humanitarian assistance to victims in an urgent and timely manner.

**Article 2 Emergency Relief Fund**

The Emergency Relief Fund, abbreviated as “ກາທຊສ” and denoted in English as “**Emergency Relief Fund**” “**ERF**,” is a fund established to accumulate and mobilize funding from various sources, both domestic and international, with the aim of ensuring a sufficient and sustainable budget to provide emergency humanitarian assistance to victims affected in terms of [their] physical, lives, psychological, and property aspects due to natural or man-made disasters in an urgent, timely, efficient and effective manner.

**Article 3 Terminology**

The terms used in this Decree contain the following meanings:

1. **Victim** refers to an individual who is affected or incurred damage in terms of [their] physical, lives, psychological and property aspects due to natural or man-made disaster;
2. **Emergency assistance** refers to the response and action taken to address the initial impacts of disaster through emergency rescue and emergency relief;
3. **Emergency rescue** refers to the deployment of rapid assistance to affected areas to save, assist and provide physical and psychological first aid to victims of natural or man-made disaster; mainly road, air, water accidents, flood, fire, storm, landslide, building collapse, earthquake [and] epidemics;
4. **Emergency relief** refers to the deployment to affected areas to provide initial relief assistance through distribution of essential non-food items and food items, as well as psychological alleviation to victims of natural or man-made disasters in an urgent manner.

#### **Article 4 Principles on Management and Utilization**

The management and utilization of ERF shall adhere to the following principles:

1. Centralized and uniform in accordance to the Government Accounting system;
2. Ensure fund utilization is consistent with the objectives, economical, efficient and sustainable;
3. [Ensure] agility, quickness, fairness, transparency, openness and auditability;
4. All revenues and expenditures shall operate through the accounting system, as well as receive regular monitoring, inspection and audit in accordance with the laws.

#### **Article 5 Scope of Application**

This Decree applies to domestic and foreign individuals, entities [and] organizations, both the public and private sectors, operating and engaging with ERF in Lao PDR.

### **Part 2**

#### **Revenue Sources and Utilization of Emergency Relief Fund**

#### **Article 6 Revenue Sources of Emergency Relief Fund**

The revenue sources of ERF come from:

1. Contribution from the Government;
2. Voluntary contribution from individuals, entities [and] organizations, both domestic and foreign;
3. Technical operations and resource mobilization activities;
4. Interest gain from deposit [account] and revenue from the management of ERF;
5. Other legal revenues in accordance to the laws and regulations.

#### **Article 7 Objectives of the Utilization of Emergency Relief Fund**

ERF shall be utilized for the following objectives:

1. Emergency rescue;
2. Emergency relief;
3. Preparedness for emergency assistance;
4. Conduct emergency assistance fundraising activity;
5. Management and administration of ERF;
6. Other objectives related to emergency assistance work as agreed by the Board of Directors of ERF.

#### **Article 8 Opening Deposit Account for Emergency Relief Fund**

ERF shall have an accounting system in compliance with the Law on Accounting. It can open a deposit account at the National Treasury and/or at a secure and credible commercial bank in Lao PDR, as agreed by the financial sector. All revenue sources of ERF shall be transferred into such deposit account.

#### **Article 9 Disbursement of Emergency Relief Fund**

Disbursement of funding from the deposit account at the National Treasury or commercial banks shall align with the programs, projects and activities considered and

approved by the Board of Directors of ERF, and [supported by] a plan developed correctly in accordance with the Government accounting and relevant regulations.

#### **Article 10 Request for Utilization of Emergency Relief Fund**

Once an emergency event occurs, the Secretariat of ERF can approve the use of ERF for the [Lao Red Cross] Office, the Provincial, Capital Red Cross Branch or the District, Municipality, City Red Cross Office, where the emergency event took place, to deploy for data collection, damage assessment and consolidate the needs for initial assistance, in order to [make the] request to the Secretariat of ERF within twenty-four hours starting from the day of deployment for data collection.

The Secretariat of ERF shall develop the plan for initial assistance within twenty-four hours starting from the day when the data is received, in order to propose to the Board of Directors of ERF at its level for consideration.

Details on the process and procedure for the utilization of ERF are established in a separate regulation.

#### **Article 11 Approval for utilization of Emergency Relief Fund**

The Board of Directors of ERF at each level is [the body that] approves the utilization of ERF within twenty-four hours starting from the day when the action plan is received, if the request for utilization of ERF is considered consistent with the criteria and objectives as established in this Decree.

In the case where district or provincial level ERF has insufficient funding for emergency assistance during the disaster, the Board of Directors of ERF at such level shall request to the Board of Directors of ERF at the provincial or central level for consideration of approval.

#### **Article 12 Withdrawal from the Emergency Relief Fund**

Withdrawal from the deposit account of ERF requires two signatures of the signatories authorized by the Board of Directors of ERF and it must lie within the approved activity plan only.

Withdrawal from the deposit account shall not exceed the total revenue of ERF in each fiscal year. The funding of ERF cannot be withdrawn entirely and must retain at least ten percent (10%) of the amount in the deposit account of ERF.

### **Part 3 Management of Emergency Relief Fund**

#### **Article 13 Location of the Emergency Relief Fund**

ERF at each level has the following location:

1. At the central level, it is located at the Lao Red Cross;
2. At the provincial level, it is located at the Provincial, Capital Red Cross Branch;
3. At the district level, it is located at the District, Municipality, City Red Cross Branch.

#### **Article 14 Organization structure of the Emergency Relief Fund**

The organization structure of ERF at each level consists of the followings:

1. Board of Directors of ERF;
2. Secretariat of ERF.

#### **Article 15 Board of Directors of the Emergency Relief Fund**

The Board of Directors of ERF is a non-standing body responsible for the operation of ERF. The Board of Directors of ERF consists of the Chair, Vice-Chair and a number of members from the relevant parties.

The Board of Directors of ERF at the central level is appointed by the Prime Minister as per the recommendation of the President of Lao Red Cross. The Board of Directors of ERF at the provincial level is appointed by the Provincial, Capital Governor as per the recommendation of the Head of Provincial, Capital Red Cross Branch. The Board of Directors at the district level is appointed by the District, Municipality, City Governor as per the recommendation of the Head of District, Municipality, City Red Cross Branch.

The term of office for the Board of Directors of ERF at each level is five years and the term can be further extended.

#### **Article 16 Personnel structure of the Board of Directors of Emergency Relief Fund**

The Board of Directors of ERF at the central level has a personnel structure as following:

1. President of Lao Red Cross Chair;
2. Vice President of Lao Red Cross Vice-Chair, as well as a Standing Member;
3. Director General of State Budget Department, Ministry of Finance Vice-Chair;
4. Director of Cabinet Office of Lao Red Cross Member;
5. Representative of the Ministry of Labor and Social Welfare Member;
6. Representative of the Prime Minister Office Member;
7. Representative of the Lao Red Cross Honorary Members Member;
8. Director of Fundraising and Disaster Management Office Member,  
as well as Head of the Secretariat.

As for the personnel structure of the Board of Directors of ERF at the provincial and district level, it is established in a separate regulation.

Personnel of the Board of Directors of ERF at each level shall not receive salary or wage from ERF for the performance of their duties, other than meeting allowances or other benefits as established in the regulations of the Ministry of Finance.

#### **Article 17 Rights and Duties of the Board of Directors of Emergency Relief Fund**

The Board of Directors of ERF at each level has the following rights and duties:

1. Govern and manage ERF, including implement the mobilization of emergency assistance within the scope of its responsibilities;
2. Consider and endorse the internal rules, operation plans, reports [and] annual budget plans of ERF;
3. Consider and endorse the programs, projects and activities of ERF;
4. Lead [and] provide guidance on resource mobilization and fundraising from individuals, entities [and] organizations, both domestic and foreign;
5. Appoint the Secretariat of ERF;
6. Consider [and] endorse regulations on the management and operation of ERF;

7. Examine, consider [and] approve the utilization of ERF;
8. Propose to the higher-level Board of Directors of ERF to consider the approval of emergency assistance fund, in the case where funding of ERF at its level is insufficient;
9. Monitor, inspect and evaluate the utilization of ERF according to [its] objectives, plans and budget plans, in order to attain transparency, efficiency and effectiveness;
10. Endorse the financial audit results of ER;
11. Conclude and report on the operation of ERF to its higher-level authorities at least once per year;
12. Exercise other rights and perform other duties as stipulated in the laws and regulations.

#### **Article 18 Emergency Relief Fund Board of Directors Meeting**

The Board of Directors of ERF at each level [shall] convene its ordinary meeting at least once per year. In the case of necessity or urgency, an extra-ordinary meeting can be convened any time, as called by the Chair of the Board of Directors of ERF or at the proposal of at least one-third of the total members of the Board of Directors. The meeting can commence once at least two-third of the total members of the Board of Directors of ERF are present.

The resolutions of the ERF Board of Directors Meeting are decided by majority votes; in the case of equal votes, the recommendation of the Chair shall be taken as the final verdict, but the statement of the minority votes shall be recorded for information.

In the case where the Chair of the Board of Directors is not present or unavailable, the authorized Vice-Chair shall perform such duty in [his/her] place.

#### **Article 19 Secretariat of Emergency Relief Fund**

The Secretariat of the Emergency Relief Fund is an established body that functions on a permanent basis to support the Board of Directors of ERF in the management of ERF.

[For] the Secretariat of ERF at the central level, the Fundraising and Disaster Management Office of the Lao Red Cross is designated as the place of operation for the management of ERF, which shall consist of the Director, one to two Deputy Director(s) and a number of assistant staffs appointed or discharged by the Board of Directors of ERF and their term of office is equal to that of the Board of Directors of ERF.

For the Secretariat of the Board of Directors of ERF at the provincial and district level, the Board of Directors of ERF at such level shall be the one to appoint the members.

#### **Article 20 Rights and Duties of the Secretariat**

The Secretariat of ERF at each level has the following rights and duties:

1. Support the Board of Directors of ERF in governing and managing the operation and accounting-finance of ERF;
2. Examine [and] develop the internal rules, annual operation plans, reports and annual budget plans to propose to the Board of Directors of ERF for consideration;
3. Examine [and] develop the programs, projects and activities to propose to the Board of Directors of ERF for consideration;

4. Examine [and] develop regulations on the governance and management of ERF, then propose to the Board of Directors for consideration;
5. Approve the utilization of ERF when emergency event takes place, as determined by the Board of Directors of ERF;
6. Disseminate the regulations on ERF;
7. Govern and manage the operation of ERF to [ensure] alignment with the objectives in a transparent and effective manner;
8. Study [and] examine the methodologies and forms of resource mobilization, from both domestic and international [sources], including implement resource mobilization and fundraising activities for ERF;
9. Record [and] document the revenue-expenditure of ERF, manage the assets [and] funding received from contributions and various sources of revenue, as well as manage the deposit account of ERF with transparency and auditability;
10. Disburse funding and materials to support the implementation of various activities in accordance with the endorsed plans;
11. Monitor, inspect and evaluate the utilization of funding and materials by various approved parties;
12. Collaborate with relevant parties on the implementation of emergency assistance work;
13. Conclude and report on the operation of ERF to the Board of Directors of ERF on a regular basis;
14. Exercise other rights and duties as stipulated in the laws and as assigned by the Board of Directors of ERF;

## **Part 4**

### **Auditing, Inspection and Reporting**

#### **Article 21 Auditing**

The accounts of ERF at each level shall be audited every year by the State Audit Organization. The audit findings shall be verified by the Board of Directors of ERF and reported to the Lao Red Cross at its level, as well as shared with the general public for the purpose of transparency on the utilization of funding from ERF.

In the case where a violation of laws and regulations is identified, offenders will face the measures stipulated in the laws according to each case.

#### **Article 22 Inspection**

Inspection of ERF is an evaluation of the utilization of ERF to ensure transparency, efficiency, effectiveness, and compliance with the laws and regulations.

The inspection of ERF at each level shall encompass the main contents as following:

1. Inspection on the implementation of plans, programs, and projects related to ERF;
2. Sources of revenue [and] implementation of the expenditure plans of ERF;
3. Inspection on the operation of the Secretariat of ERF and implementation of various policies.

#### **Article 23 Types of Inspection**

The inspection of ERF consists of the following types:

1. Regular inspection is a planned inspection conducted on a regular basis, following a precisely defined timeframe;

2. Inspection with advance notification is an unplanned inspection undertaken when deemed necessary, with prior notice extended to the subject of inspection.

3. Surprise inspection is an urgent inspection without prior notice extended to the subject of inspection.

When conducting the inspection, the inspection officials shall strictly comply with the laws and regulations.

#### **Article 24 Reporting**

The Secretariat of ERF at each level shall report on the management and utilization of ERF, including the quarterly, biannual and annual revenues-expenditures to the Board of Directors at its level for endorsement and reporting to its higher-level authorities and other relevant parties.

### **Part 5 Final Provision**

#### **Article 25 Stamp**

ERF has its own stamp to serve the operation of official business.

#### **Article 26 Implementation**

Lao Red Cross shall take the initiative to effectively execute and implement this Decree.

Ministries, state ministry-equivalent agencies, local administrative authorities and relevant parties shall acknowledge and strictly implement this Decree.

#### **Article 27 Effective Date**

This Decree is effective starting on 23 August 2023.

**On behalf of the Government of Lao PDR  
Prime Minister**

[Signed and Stamped]

Sonexay SIPHADONE