

[Authentic in Lao only]



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Assembly

Ref: 06/NA
Vientiane Capital, Dated 17 December, 2010

Law on the Resolution of Economic Disputes

PART I General Provisions

Article 1 (revised). Purpose

This Law determines the principles, regulations and measures related to the organization, operation, regulation and supervision of the work related to the resolution of economic disputes in order to ensure that such economic disputes are resolved promptly, peacefully and fairly aiming to promote production, business growth and international integration by creating the favorable environment for both domestic and foreign investors to contribute to the national socio-economic development.

Article 2 (revised). Economic Disputes and their Resolution

An economic dispute is a dispute between legal entities, or between a legal entity and an individual, or between individuals whether domestic or foreign that may arise from the breach of a contract, or [from a dispute related] to production or business operations.

Economic dispute resolution is the resolution of a dispute related to interests by mediation or arbitration that is conducted outside the People's Court.

Article 3 (new). Explanation of Terms

The words used in this Law have the following meanings:

1. **Disputing parties** mean parties to economic disputes consisting of a claimant and a respondent;
2. **A mediator** means a person who is selected by the disputing parties or by the Centre or Offices of Economic Dispute Resolution from the list of mediators and arbitrators to serve as a neutral person to facilitate, assist and provide advice in the resolution of an economic dispute;

3. **An arbitrator** means a person who is selected by the disputing parties or by the Center or the Offices of Economic Dispute Resolution from the list of mediators and arbitrators to serve as an arbitrator to decide an economic dispute;
4. **A representative** means any individual who is authorized by either of the parties to perform duties of a representative in accordance with laws and regulations;
5. **An expert** means any individual who has the knowledge, skill and experience in a specific subject that is recognised by a relevant institute or organisation;
6. **A foreign or international award** means an award [made by] an arbitrator or an arbitration panel of a foreign or international organisation for the resolution of economic disputes through arbitration either in a foreign country or the Lao PDR.
7. **International trade** means the trade in goods or services across borders of two or more countries irrespective of the nationality of the contracting parties.
8. **Foreign investment** means investment by foreign investors who are entitled under the Law on the Promotion of Investment or any other relevant laws.
9. **A production-business operation** means trade, investment, services and others.

Article 4 (new). State Policies on the Resolution of Economic Disputes

The State promotes individuals, business organisations both State and private to resolve economic disputes peacefully by mediation or arbitration.

The State creates favorable conditions for the Centre and the Offices of Economic Dispute Resolution to be able to successfully perform their powers and duties in accordance with laws and regulations.

The State promotes individuals and private organisations to participate in the development of activities related to the resolution of economic disputes.

The State authorises the establishment of private institutions for economic dispute settlement or ad hoc resolution of economic disputes to be determined by specific regulations.

Article 5 (new): Right to Choose the Method of Economic Dispute Resolution

Individuals, legal entities or organisations [whether] domestic or foreign have the right to select the method of resolution of economic disputes in accordance with this Law.

Any individual, legal entity or organisation engaged in the business of international trade or foreign investment in the Lao PDR has the right to choose the institute for economic dispute resolution from a foreign country or international institute including the right to choose arbitrators or an arbitration panel, the governing law, the rules of procedures, the location and the language of arbitration.

Article 6 (new). The Limitations of this Law

This Law applies to economic dispute resolution that arises from production-business operations based on the voluntary agreement of the disputing parties.

Article 7. International Cooperation

The State promotes cooperation with other countries, and regional and international entities, related to activities for the resolution of economic disputes through

coordination, exchange of lessons learnt, upgrading the capacity of the staff of organisations for the resolution of economic disputes and the implementation of these activities in strict accordance with the agreements and treaties to which the Lao PDR is a party.

Part II

Resolution of Economic Disputes

Chapter 1

Principles of the Resolution of Economic Disputes

Article 8 (new). Basic Principles of the Resolution of Economic Disputes

The principles of the resolution of economic disputes must be implemented in accordance with the following basic principles:

1. a guarantee of justice and strict compliance with the law;
2. the voluntary agreement of the disputing parties;
3. the equality of the disputing parties;
4. the independence and impartiality of the mediator or arbitrator;
5. the language used; and,
6. confidentiality.

Article 9 (new). Ensuring Justice and Strict Compliance with the Law

In the resolution of economic disputes a mediator or arbitrator must ensure justice and the strict compliance with the regulations.

Article 10 (new). Voluntary Agreement of the Disputing Parties

Disputing parties have the right to request the resolution of an economic dispute as determined in Article 16 of this Law by presenting the dispute to the Centre or Office for Economic Dispute Resolution for resolution without coercion or threat from any individual or organization.

Article 11 (revised) Equality of the Disputing Parties

In the resolution of economic disputes, each party has equal rights before the law irrespective of their of gender, race, nationality, ethnicity, socio-economic status, language, educational level, belief, residential settings, and so on.

Foreign nationals, aliens and stateless individuals engaged in business in the Lao PDR have equal rights to those of Lao citizens unless otherwise determined by law.

Article 12 (revised). Independence and Impartiality of Mediators and Arbitrators

In the resolution of an economic dispute, a mediator or arbitrator shall carry out his/her duties independently, fairly and impartially in accordance with the regulations free from interference by any individual or organisation.

Article 13 (revised). Language Used

The language to be used in the resolution of a dispute in the Centre or the Offices of Economic Dispute Resolution shall be Lao unless stated in the contract or agreed otherwise by the disputing parties. The parties or the participants in the resolution of a dispute who are unable to use Lao may use their own language or another language through a translator.

Article 14 (revised) Ensuring Confidentiality

In the resolution of economic disputes, the information and the various documents submitted for use in the mediation or arbitration shall be kept confidential.

Mediators, arbitrators, the disputing parties and any other participants have no right to disclose any confidential information to any other individual unless otherwise authorised by the disputing parties.

Chapter 2 The Resolution of Economic Disputes

Article 15 (revised). Types of Resolution of Economic Disputes

The following are the two types of resolution of economic disputes:

1. Resolution by mediation; and,
2. Resolution by arbitration.

Article 16 (revised). Conditions for the Resolution of an Economic Dispute

The conditions for the resolution of an economic dispute by the Centre or the Offices for Economic Dispute Resolution shall be as follows:

1. the dispute shall be related to economics or trade;
2. the disputing parties have agreed [to mediation or arbitration] in a contract;
3. the disputing parties voluntarily agreed to dispute resolution [through mediation or arbitration];
4. the dispute has not been referred to the People's Court for consideration or the court has not rendered a final decision;
5. The dispute is not related to the violation of laws and regulations concerning the stability of the State, social security and public order and the environment.

Chapter 3 The Procedures for the Resolution of an Economic Dispute

Article 17 (new). [Location] for Submitting a Claim [to Resolve the Dispute]

Individuals or organisations that have the objective to resolve an economic dispute shall submit a claim and the relevant documents to the Center or Offices for Economic Dispute Resolution where the parties find convenient and mutually agreeable. In the event

that there is no agreement [on the location], the dispute shall be re-submitted to the place where the dispute arose.

Article 18 (new) Documentation

The documents to be included in the claim to the Centre or Offices for Economic Dispute Resolution are as follows:

1. the claim;
2. the relevant contracts;
3. a written agreement of the disputing parties to submit the dispute to the Centre or Offices for Economic Dispute Resolution, if any;
4. Any information or other documents as evidence.

Article 19 (revised). Contents of a Claim

Any claim submitted for resolution shall include the following:

1. name and surname, age, occupation, nationality, address and business location of the disputing parties or representatives;
2. the issues of dispute;
3. the value of the dispute;
4. the requests of the disputing parties.

Article 20 (revised). Consideration of the Claim

Within seven days from the day of receipt of the claim, the Centre or Offices for Economic Dispute Resolution shall have examined the claim and summoned the disputing parties to come to discuss and agree on the type of resolution to be used. If a party does not respond to this invitation without a valid reason, the claim will be declared null and void. The claim will be returned to the claimant.

In the event that the claim does not comply with the conditions in Article 16 of this Law, the Centre or Offices for Economic Dispute Resolution shall inform the claimant of the reason within seven days from the date of receipt of the claim.

Article 21 (revised). Selection of the Type of Resolution

Disputing parties have the right to choose resolution either by mediation or arbitration as determined in Article 27 of this Law.

Chapter 4

Resolution of an Economic Dispute by Mediation

Article 22 (new). Mediation

Mediation is the resolution of an economic dispute between disputing parties through compromise, negotiation and discussion with the use of a single mediator or a group of mediators as a neutral person.

Article 23 (revised). Selection and Appointment of a Mediator

In the conduct of a resolution, the disputing parties have the right to select a single mediator or a group, but there must always be an odd number. The selection must be made from the list of mediators and arbitrators.

In the event that the parties agree to have a single mediator, the disputing parties shall agree to select the mediator within fifteen days from the day of the agreement. If a selection cannot be made, the Centre or Offices for Economic Dispute Resolution shall select a mediator within ten days.

In the event that the disputing parties select three mediators, each party shall select one mediator within fifteen days from the date of the agreement. If one of the disputing parties is unable to select a mediator, the Centre or Offices for Economic Dispute Resolution shall select a mediator within ten days. After this, the two selected mediators shall select a third mediator as the chairperson within fifteen days. If the two mediators are unable to select a third mediator, then the Centre or Offices for Economic Dispute Resolution shall select the third mediator within ten days.

In the event that the disputing parties agree to select more than three mediators, the procedure described in the paragraph above for the selection of three mediators shall be followed.

The Centre or Offices for Economic Dispute Resolution shall appoint the mediators within seven days from the date of the receipt of the list of mediators proposed by the disputing parties.

Article 24. Recusal and Challenge of a Mediator

A mediator has the right to recuse him/herself from mediation if he/she is a relative [of a disputing party], has an interest in the dispute, has a dispute with either party or is otherwise unable to perform his/her duties.

A disputing party has the right to challenge the selection of a mediator if it is found that the terms of the first paragraph of this article applies to such mediator.

In the event that an appointed mediator recuses him/herself, or has been objected to, a new mediator shall be selected and appointed. The procedure for selecting a new mediator is as provided in Article 23 of this Law.

Article 25. Mediation Procedures

The mediation shall start within fifteen days from the date of appointment of the mediator(s) [and shall be conducted] in the presence of the disputing parties or their representatives.

The disputing parties have the right to present the various issues, information or evidence relevant to the dispute and to propose the way to resolve the dispute to the mediator(s) during the mediation process.

Article 26 (revised). Termination of the Mediation

The mediation will be terminated in the following circumstances:

1. The disputing parties are able to come to an agreement;
2. One or both of the disputing parties fail to participate in the mediation without having a valid reason;
3. The disputing parties are unable to come to an agreement;
4. The death of a disputing party without a successor.

Article 27 (revised). Change of Mediation Model

If it is impossible to resolve the dispute the disputing parties have the right to propose arbitration to the Centre or Offices for Economic Dispute Resolution. The mediators for a dispute may not act in the arbitration panel.

In the event that the disputing parties do not agree to use the Centre or Offices for Economic Dispute Resolution for arbitration, the parties have the right to bring the claim before the People's Court.

Article 28 (revised). Record of Mediation

The record of the mediation shall have the following content:

1. The date, time, month, year, title, reference number of the dispute and location of the mediation;
2. The name(s) and surname(s) of the mediator(s) and the record-taker;
3. The name(s) and surname(s), age, occupation, nationality and address of the disputing parties or their representatives;
4. Key issues of the economic dispute;
5. Results of the mediation;
6. The method for implementing the mediation agreement;
7. The responsibility of each disputing party in terms of payment of fees, service charges and other costs of the mediation;
8. The date, time, month, year of the termination of the mediation, the signatures of the disputing parties or of their representative(s), signature(s) of mediator(s) and of the record-taker, and the signature of the Head of the Centre or Office for Economic Dispute Resolution where the mediation took place.

Each mediation shall include the participation of a record taker, who shall be a staff of the the Centre or Office for Economic Dispute Resolution.

Chapter 5

Resolution of Economic Disputes by Arbitration

Article 29 (new). Arbitration

An arbitration award is the decision of an arbitration panel on the resolution of an economic dispute.

Article 30 (revised). Selection and Appointment of Arbitrators

In the resolution of an economic dispute by arbitration, the arbitration panel shall comprise three or more arbitrators in accordance to the agreement of the disputing parties, however, the number of arbitrators shall be an odd number.

The selection of arbitrators shall be conducted in accordance with the principles for the selection of mediators as described in paragraphs 3, 4 and 5 of Article 23 of this Law.

Article 31 (revised). Recusal and Challenge of Arbitrators

Recusal and challenge of arbitrators shall be performed in the same manner as the recusal and challenge of a mediator as determined in Article 24 of this Law.

Article 32 (revised). Submission of Information and Evidence

The disputing parties shall submit to the arbitration panel the information and evidence related to the economic dispute.

The arbitration panel may undertake a search for other information and evidence as proposed or agreed by the disputing parties.

In the event that it proves necessary to determine the veracity of the information and evidence, the arbitration panel may invite an expert(s) to verify such information and evidence.

The arbitration panel shall examine the claim, the documents, the information and the evidence in detail, completely and objectively. Once a sufficiency of evidence has been established, the arbitration panel shall invite the disputing parties to provide additional reasons and further evidence before an arbitral award is made.

Article 33 (revised). Duration of an Arbitration

The resolution of an economic dispute by arbitration shall be successfully completed within three months from the date of the appointment of the arbitration panel. In the event that the dispute is particularly complicated in terms of the collection of evidence or for any other reason, the Centre or the Office for Economic Dispute Resolution shall inform the disputing parties of the reason for the delay.

Article 34 (revised). Measures for the Protection of the Interests of the Disputing Parties

During the arbitration process, if the disputing parties request the seizure or confiscation of any property in order to protect their rights and interests, the arbitration panel may send a request to the People Court to issue an order within seven business days of the date of receipt of such request if the panel deems it necessary.

Article 35 (revised). Rights of the Disputing Parties to Agree before an Arbitration Award

During the arbitration, the disputing parties may agree to resolve the dispute before the arbitration award. Such agreement by the disputing parties shall be in writing and be signed by both disputing parties, the arbitration panel and the Head of the Centre or Office for Economic Dispute Resolution where the arbitration took place.

The agreement of the disputing parties before an arbitration award has the same effect as an award by the arbitration panel.

Article 36 (revised). Arbitral Awards

An award by an arbitration panel shall be within the limitations of the claim of the disputing parties. In the event that the arbitration panel is unable to reach a unanimous decision, the award will be based on a majority vote.

The arbitral award must be read out in the presence of the disputing parties or their representative(s) and shall be effective from the date of the issue of the award or the date when the disputing parties are informed of the award, if one of the disputing parties fails to appear for the reading of the award without a valid reason.

Article 37 (revised). Contents of the Arbitral Award

An arbitral award shall have the following content:

1. The date, time, month, year, name, reference number of the dispute and location of arbitration;
2. The name and surname of the arbitrators and the record-taker;
3. The name and surname, age, occupation, nationality and address of the disputing parties or their representatives;
4. The main content of the dispute, and the reasoning and references for the arbitral award;
5. The arbitral award;
6. Each disputing party's responsibility in relation to registration fees, labour costs and service charges;
7. The signatures of all the arbitrator(s), of the record-taker and signature of the Head of the Centre or the Office for Economic Dispute Resolution where the arbitration took place.

Article 38 (new). Refusal of an Arbitration Award

A disputing party may submit a request to challenge an arbitral award to the People's Court within 45 days from the date of receipt of the arbitral decision in any of the following circumstances:

1. The disputing parties did not agree to arbitrate the dispute or the agreement was cancelled;
2. The composition of the arbitration panel was not in accordance with the agreement of the parties and laws and regulations;
3. The arbitration process was not in accordance with law and regulations on economic dispute resolution that the disputing parties had agreed on in the contract;
4. The information and evidence submitted to the arbitration panel and on which the award was based, was falsified or the arbitral panel accepted money, property or other inducements to distort the course of justice;
5. The dispute is not covered by the scope of this Law;
6. The arbitral award exceeded or was less than the claim of the disputing parties.

Part III

The Centre and the Offices of the Economic Dispute Resolution

Article 39 (revised). Status and the Role

The Centre and the Offices of the Economic Dispute Resolution are organisations that have professional, social and legal characteristics under the supervision of the judicial sector and that create favorable conditions for disputing parties, mediators and arbitrators to resolve economic disputes.

Article 40 (new). The Organisational Structure of the Centre and the Offices [of Economic Dispute Resolution]

The abbreviation for the Centre for Economic Dispute Resolution shall be CEDR and is under the supervision of the Ministry of Justice and has equal status to other departments [in the Ministry of Justice].

The abbreviation for the Offices of Economic Dispute Resolution shall be OEDR and are under the supervision of the Judicial Administration Division [at the provincial level]; the Head of the Office is equivalent to the Deputy Head of a Division in a province or the capital.

The institutional and personnel structures of the Centre and the Offices of Economic Dispute Resolution are determined in specific regulations.

Article 41 (revised). Powers and Duties of the Centre of Economic Dispute Resolution

The Centre of Economic Dispute Resolution has the following powers and duties:

1. To research, draft or improve laws and regulations related to economic dispute resolution and propose to higher authorities for consideration;
2. To research and make recommendations to the Minister of Justice to assign or remove names from the list of mediators and arbitrators;
3. To disseminate information and provide education and training on economic dispute resolution;
4. To discuss the assignment, removal or changing of mediators or arbitrators for the resolution of economic disputes from time to time in accordance with the regulations;
5. To administrate and facilitate the resolution of economic disputes in the areas for which they are responsible;
6. To accept claims, documents, information and evidence from the disputing parties;
7. To build capacity, train and upgrade the level of the technical knowledge of technical staff of the Centre and the Offices for Economic Dispute Resolution, the mediators and the arbitrators;
8. To communicate with the disputing parties and coordinate with the relevant sectors to facilitate the resolution of economic disputes;
9. To cooperate with other countries, and regional and international bodies, regarding economic dispute resolution as assigned by higher authorities;
10. To summarise, evaluate and report on its activities to the Ministry of Justice;
11. To exercise other powers and to perform duties as provided by laws and regulations.

Article 42 (new). Powers and Duties of the Offices for Economic Dispute Resolution

The Offices for Economic Dispute Resolution have the same powers and duties as those of the Centre of Economic Dispute Resolution as defined in Article 41 of this Law. To propose to the Centre of Economic Dispute Resolution to assign or remove names from the list of mediators and arbitrators.

**Part IV
Mediators and Arbitrators**

Article 43 (revised). Mediators and Arbitrators

Mediators and arbitrators may be full-time or part-time.

Full-time members [mediators and arbitrators] are staff of the Centre or Offices for Economic Dispute Resolution appointed by the Minister of Justice.

Part-time members [mediators and arbitrators] are those from offices, institutes, business enterprises, both State and private, including foreigners and aliens who are assigned by the Minister of Justice based on the selection and recommendation of the Center of Economic Dispute Resolution.

Article 44 (revised). Qualifications for Mediators and Arbitrators

Mediators and arbitrators who are of Lao nationality must have the following qualifications:

1. have a good character [and be ethical and honest];
2. possess the necessary technical knowledge supported by a proper certificate;
3. have not less than 5 years of work experience;
4. have never been given a prison sentence by a Court for committing an intentional offence;
5. have participated in training on the resolution of economic disputes;
6. be in good health.

Article 45. (new) The Directory of Arbitrators and Mediators

The directory of arbitrators and mediators is a list of the names of mediators and arbitrators including their biographical histories.

After the Minister of Justice has assigned a mediator or arbitrator the Centre shall enter his/her name in the list and send a copy to the Offices of Economic Dispute Resolution.

Article 46.(new) Powers and Duties of Mediators and Arbitrators

Mediators and arbitrators have the following powers and duties:

1. to accept or refuse the resolution of an economic dispute;
2. to be independent in the resolution of the economic dispute;
3. to ensure that the resolution of the dispute is fair, prompt and honest;
4. to exercise high moral principles in their profession;
5. to collect information and evidence at the site;
6. to receive payment for their work based on the agreement of the disputing parties;

7. to maintain the confidentiality of an economic dispute, except for information provided to the relevant sector in accordance with laws and regulations;
8. to pay [financial] obligations to the State in accordance with laws and regulations;
9. to exercise powers and perform duties as determined by laws and regulations.

Article 47 (new). Foreign Mediators and Arbitrators

Foreigners may be a mediator or arbitrator in the Lao PDR.

In the resolution of economic disputes, the disputing parties may select foreign mediators or arbitrators who are on the list of mediators and arbitrators.

The qualifications and conditions for foreign mediators or arbitrators [to be included in the list of mediators and arbitrators] will be determined in other regulations.

Part V

Implementation of the Resolution of Economic Disputes

Article 48. Results of Economic Dispute Resolution

The results of economic dispute resolution include:

1. a mediation agreement;
2. an agreement [reached by] the disputing parties before an arbitral award;
3. an arbitral award of an arbitration panel.

Article 49 (revised). Obligations of the Disputing Parties

The disputing parties are obliged to implement the results of the resolution of an economic dispute within fifteen days from the date of the agreement or the arbitral award, or when the disputing parties are informed of the award, if one of the disputing parties fails to appear for the reading of the award without a valid reason.

Article 50. Rights of Disadvantaged Disputing Party

Any disputing party who is in a disadvantaged situation because of the non-implementation of the result of the economic dispute resolution shall have the right to request the People's Court to issue an order to enforce the result of the economic dispute resolution.

Article 51 (revised). Decision by the People's Court

Upon receipt of the disputing parties' request, the People's Court must issue their decision within fifteen days from the date of its receipt.

In reaching a decision, the People's Court shall verify that the resolution of the dispute was properly conducted in accordance with laws and regulations, and the international treaties to which the Lao PDR is a party; and that it does not endanger the stability of the nation, the peacefulness of society and the environment. If it is seen that [the conduct of the resolution of the dispute] was proper, the People's Court shall issue a decision to enforce the result. The decision of the People's Court has immediate effect and there is no right to appeal.

In the event that the People's Court finds that the result of an economic dispute resolution violates laws and regulations, the People's Court will not certify the result of the resolution. In this case, the disputing parties have the right to submit a request to the Centre or the Offices for Economic Dispute Resolution to re-arbitrate the dispute or to file a claim in the People's Court [regarding the dispute] for consideration in accordance with the Law.

Article 52 (revised). Recognition and Enforcement of Foreign or International Arbitration Awards

The Lao PDR recognises and enforces an arbitration award from foreign or international arbitration that is certified by the Lao People's Court.

The Lao People's Court will consider certifying the foreign or international arbitration award based on the following conditions:

1. The disputing parties must be nationals of countries that are parties to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitration Awards;
2. The decision must not be in conflict with the Constitution and the regulations related to stability, peace and environment;
3. The disputing party who has the obligation to pay the award debt must have property, business operation, equity, bank deposits or other assets in the Lao PDR.

After an international or foreign arbitration award has been recognised and certified by the People's Court, its implementation shall proceed in accordance with the Law on the Implementation of Judgements of the Court of the Lao PDR.

Part VI Costs of Economic Dispute Resolutions

Article 53 (revised). Expenses Relating to Economic Dispute Resolution

Expenses relating to the conduct of an economic dispute resolution include:

1. Charges;
2. Service fees;
3. Labour costs.

Article 54 (revised). Charges

Charges are an obligation of the disputing parties to be paid to the State budget.

The collection of charges shall be in accordance with provisions of relevant legislation on charges issued from time to time.

In any mediation, the disputing parties shall equally share the payment of the charges prior to the conducting of the mediation of an economic dispute unless otherwise agreed.

With regard to arbitration, the disputing parties are responsible for the payment of charges in accordance with the arbitral award of an arbitration panel.

Article 55 (revised). Service Charges

Service charges are those expenses incurred in the mediation and arbitration process, such as sending subpoenas, document copying, organisation of meetings and other [expenses related to] the mediation or arbitration panel.

The collection of service charges must be in accordance with the legislation on service charges issued from time to time, and the claimant shall pay all charges at the time of the submission of the claim.

Article 56 (revised). Labour Costs

Labour costs are those costs related to payments to mediators or arbitrators, payments to experts, and other necessary expenses related to the dispute settlement.

Labour costs are those costs agreed on by the disputing parties with the mediators, arbitrators or experts and reported to the Centre or the Office for Economic Dispute Resolution where the economic dispute resolution took place.

Part VII Prohibitions

Article 57 (new). Prohibitions for Staff, Mediators and Arbitrators

Members of staff, mediators and arbitrators shall not:

1. openly disclose any information related to an economic dispute resolution that he or she knows about without authorization or unless the Law determines otherwise;
2. use any information known either for their personal benefit or to damage the rights and benefits of others;
3. [cause] any undue obstruction, delay or difficulty in the resolution of an economic dispute;
4. accept or ask for money or other benefits from the disputing parties;
5. participate in the resolution of an economic dispute in which they, their husbands or wives, or their relatives have a vested interest;
6. be partial;
7. use coercion or issue threats;
8. behave in a way that violates laws and regulations.

Article 58 (new). Prohibitions for the Parties

It is prohibited for the disputing parties to:

1. falsify documents or information and evidence related to the dispute;
2. threaten, force or deceive the members of staff, mediators, arbitrators or experts;
3. offer bribes or other benefits to the members of staff, mediators, arbitrators or experts;
4. behave in a way that violates laws and regulations.

Article 59 (new). Prohibitions for Individuals, Legal Entities or Other Organisations

It is prohibited for individuals, legal entities or other organisations to:

1. refuse to fully cooperate with or to obstruct members of staff, mediators, arbitrators or experts in the execution of their duties;
2. incite others to refuse the dispute resolution by the Centre or the Offices of Economic Dispute Resolution;
3. to act as an intermediary in the offering and[/or] the acceptance of bribes;
4. behave in a way that violates laws and regulations.

Part VIII

Regulation and Supervision of Economic Dispute Resolutions

Chapter 1

Regulation of Economic Dispute Resolutions

Article 60. Organisations Responsible for the Regulation of Economic Dispute Resolution

The organisations responsible for the regulation of economic dispute resolution are:

1. The Ministry of Justice;
2. The Departments of Justice at the provincial [and] Vientiane Capital levels.

Article 61 (revised). Powers and Duties of the Ministry of Justice

In the regulation of economic dispute resolution, the Ministry of Justice has the following powers and duties:

1. to research [and] draft strategies and plans in respect of the resolution of economic disputes for submission to the government for its consideration;
2. to issue decisions, regulations, instructions, guidelines and notifications in relation to economic dispute resolution;
3. to guide and regulate the implementation [and] the budget of the Centre and the Offices for Economic Dispute Resolution;
4. to instruct, monitor and supervise the conduct of economic dispute resolution throughout the country;
5. engage in training and skills upgrading, promote high moral and professional standards of the staff of the Centre and Offices for Economic Dispute Resolution, mediators and arbitrators;

6. to propose the appointment, removal or transfer of the Head of the Centre for Economic Dispute Resolution to the Prime Minister;
7. to appoint, remove or transfer the Deputy Head of the Centre, and the Head and the Deputy Head of an Office for Economic Dispute Resolution in coordination with the relevant sectors;
8. to appoint or remove mediators or arbitrators based on the recommendation of the Centre for Economic Dispute Resolution;
9. to coordinate with those sectors involved in the regulation of economic dispute resolution;
10. to cooperate with foreign countries, and regional and international organisations, in relation to economic dispute resolution;
11. to summarise, evaluate and report on economic dispute resolution activities to the government;
12. to exercise other powers and perform other duties as determined by laws and regulations.

Article 62 (revised). Powers and Duties of Departments of Justice at Provincial and Capital Levels

In the management of economic dispute resolution, the Departments of Justice at the provincial and capital levels have the following powers and duties:

1. to elaborate strategies, plans and laws and regulations related to economic dispute resolution;
2. to publicise, disseminate and educate in respect of the Law on Economic Dispute Resolution and implementing regulations;
3. to guide and manage the organisation and the budget of the Offices for Economic Dispute Resolution under their jurisdiction;
4. to guide [and] monitor the conduct of economic dispute resolution under their jurisdiction;
5. to provide recommendations to the Minister of Justice on the establishment and improvement of the Offices for Economic Dispute Resolution, the appointment, removal or transfer of the Heads [and/or] the Deputy Heads of such Offices in coordination with the relevant sectors;
6. to accept, examine and address the petitions of individuals, legal entities or organisations for the resolution of economic disputes by the Offices for Economic Dispute Resolution in coordination with the relevant sectors;
7. to guide, summarise, evaluate and report activities of the Office for Economic Dispute Resolution to the Centre for Economic Dispute Resolution for further reporting to the Ministry of Justice;
8. to exercise other powers and perform other duties as determined by laws and regulations.

Chapter 2

Inspection of the Work of Economic Dispute Resolution

Article 63 (revised). Inspection Organizations (revised)

There are two kinds of inspections of the work of economic dispute resolution organisations, as follow:

1. The internal inspection organisation is one component of the organization in charge of supervising economic dispute resolution as determined in Article 60 of this Law.
2. External inspection organisations are the National Assembly, the National State Inspection Organisation, the National Audit Authority and the Public Prosecutor's Organisation.

An external inspection may be conducted at the request of any individual, legal entity or organisation or be instigated by an external inspection organisation in the event that it is seen that the issues are not clear [and/or] transparent.

Article 64 (new). Content of Inspections

The inspection shall cover the following content:

1. The implementation of the Law on Economic Dispute Resolution and implementing regulations;
2. The petition of any individual or legal entities relating to economic dispute resolution;
3. The conduct of the Centre and the Offices for Economic Dispute Resolution;
4. The management and use of income and expenses of the Centre and the Offices for Economic Dispute Resolution;
5. The responsibility and behaviour of the staff of the Centre and the Offices for Economic Dispute Resolution, mediators and arbitrators.

Article 65 (new). Inspections

There are three kinds of inspections of economic dispute resolutions; regular inspections, inspections with advance notice and emergency inspections.

Regular inspections are inspections that are planned with a defined timeframe [and] which must be conducted at least once a year.

Inspection with advance notice is inspection that is not planned and may be conducted when necessary by giving a notice to the subject at least 24 hours in advance of the time of the inspection.

An emergency inspection is an unplanned inspection that may be conducted when necessary; this inspection shall be done immediately and without prior notification to the subject.

Any inspection must include both inspection of documentation and on-site inspection.

PART IX

Budget, Symbol and Seal

Article 66 (revised). Budget

Budgets for the activities of the Centre and the Offices for Economic Dispute Resolution shall come from the state and be used as follows:

1. The budget for the Centre for Economic Dispute Resolution shall be from the Ministry of Justice;
2. Budgets for the Offices for Economic Dispute Resolution shall be from the Justice Departments in the provinces or capital in which the Office for Economic Dispute Resolution is located.

Article 67 (revised). The Logo

The logo of the Centre and the Offices for Economic Dispute Resolution is a picture of a set of scales within a circle under which is written in letters “Centre for Economic Dispute Resolution” or “Office for Economic Dispute Resolution” [respectively].

Article 68. Seal

The Centre and the Offices for Economic Dispute Resolution shall have their own seal[s] for official use.

PART X

Policy towards Persons of Outstanding Performance and Measures against Offenders

Article 69 (revised). Policy towards Persons of Outstanding Performance

Any individual or organisation that has performed outstandingly well in the implementation of this Law in terms of effective mediation [or] arbitration will be awarded a Certificate of Merit or other award.

Article 70 (revised). Measures against Offenders

Any individual or organisation that commits an offence against this Law by disclosing any information related to the economic dispute either by an unauthorised breach of confidentiality, by giving or accepting gifts, by an abuse of power, or by causing damage to the state, society or another person, shall be subject to re-education measures, discipline, a fine or may be prosecuted depending on the severity of the offense and pay compensation for any damage caused.

Any mediator or arbitrator who intentionally commits an offence in the performance of his/her duties shall be re-educated or removed from the list of mediators or arbitrators depending on the severity of the offence. If the offence is a criminal offence then the punishment shall be in accordance with the Law.

PART XI

Final Provisions

Article 71. Enforcement

The Government of the Lao People's Democratic Republic shall issue a decree on the implementation of this Law.

Article 72. Entry into Force

This Law comes into force sixty days from the date of the promulgation Decree issued by the President of the Lao People's Democratic Republic.

This Law replaces the Law on the Regulation of Economic Disputes No. 02/NA dated 19 May, 2005.

Any provisions and regulations that are in contradiction to this Law shall be null and void.

President of the National Assembly