National Statement
Lao People’s Democratic Republic
By
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the Lao PDR

Resumed 12th Session of the Implementation Review Group

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Excellencies:

- Chairmen
- Distinguished representatives
- Ladies and gentlemen!

It is my great honour and privilege to represent the Lao People’s Democratic Republic, specifically, the State Inspection Authority today here at the Resumed 12th Session of the Implementation Review Group in the Vienna International Centre. Due to the country’s strict Covid-19 pandemic control measures, I regret to inform the session that the high-level delegation from the Lao PDR could not make it here physically. All in all, I strongly believe that under your Excellency’s chairmanship, the session shall have productive discussions and fruitful outcomes as the set objectives.

Acknowledging that corruption is a serious problem and is posing threats to the national stability and security of the societies, undermining public institutions and leadership and jeopardizing socio-economic development and the rule of law. Convinced that corruption is no longer a single country’s matter, but has increasingly become transnational in nature, pushing for more international cooperation. At the same time, there is the need for States to strengthen international cooperation in asset recovery to effectively deal with transnational transfers of the proceeds of corruption.

Distinguished delegates!

On these solemn occasion, It is my pleasure to share some of my country’s recent progresses made in preventing and combating corruption. In particular, I will briefly highlight the country’s enduring efforts in realizing the recommendations resulted from the previous review cycles of the United Nations Convention Against Corruption (UNCAC). More specifically, the implementation of recommendations relating to Chapters 4: International Cooperation and 5: Asset Recovery as follows:

1. International Cooperation

   Extradition (art.44)

   - Lao PDR has had the Law on Extradition since 2012. Lao People’s Democratic Republic, at the time of ratification, declared that it makes extradition conditional on the
existences of a treaty and bilateral agreements meaning that it does not consider the Convention as the legal basis for extradition. However, extradition may be carried out in the absence of bilateral or multilateral agreements on the basis of reciprocity. In accordance with Article 44, paragraph 18, Lao PDR has concluded extradition agreements with 4 countries: China, Cambodia, Russia and Thailand.

Consultation before refusing extradition, although it is not specified in the law, but in accordance with the Extradition Guide (2018), the Lao PDR (Office of the Supreme People’s Prosecutor) is obliged to notify the results of extradition proceedings or punishment on a regularly basis to the Requesting State without request or on voluntary basis to maintain sound cooperation with the Requesting States as well as to be in line with its obligation as specified in the international treaty.

Article 32 of the Extradition Law states that the management organs for extradition includes the Ministry of Foreign Affairs, Ministry of Public Security, Office of the Supreme People’s Prosecutor, People’s Supreme Court, Ministry of Justice and Local Administration authorities. Of those, the Supreme People’s Prosecutor is the central authority for extradition.

Transfer of Sentenced Persons (art.45)

The Lao PDR has signed two treaties with the United Kingdom of Great Britain and Northern Ireland and the Kingdom of Thailand on the Transfer of Sentenced Persons.

Mutual Legal Assistance (art.46)

The National Assembly of the Lao PDR has adopted the Law on International Cooperation in Criminal Matters. This law defines principles, regulations and measures concerning mutual legal assistance (MLA) in criminal matters; procedures, requests and documents required. It also provides detailed areas for MLA cooperation, contents and formats acceptable to the Lao PDR. The MLA requests and all supporting documents must be translated into Lao language or other languages as specified in the treaty. Other interesting point to note is that there are 10 reasons that lead to MLA request refusal. One of them is that if the requesting state did not specify details and objectives as to how the information or assistance sought shall be used.

The Lao PDR has signed three bilateral treaties in civil and criminal matters with the Socialist Republic of Vietnam, People’s Republic of China, Democratic People’s Republic of Korea and is a Party to the ASEAN Treaty on Mutual Legal Assistance in Criminal Matters.

According to the Law on International Cooperation in Criminal Matters, the central authority for MLA for the Lao PDR is the Office of Supreme People’s Prosecutor. Other related organs include Ministry of Public Security, People’s Supreme Court, Ministry of Foreign Affairs, Ministry of Justice and Local Administration authorities. Internally, there are inter-agency coordination and cooperation mechanism among competent authorities for MLA.

Law Enforcement Cooperation (art.48)

The Lao PDR became a member of the ASEAN Parties Against Corruption or ASEAN-PAC on Preventing and Combating Corruption in 2010. To further law enforcement cooperation, Laos has concluded 5 anti-corruption agreements with its neighbouring countries, including Vietnam, China, Cambodia, Myanmar and Thailand. Recently, another so-called trilateral
cooperation mechanism has been established between Laos, Cambodia and Thailand. The purpose of the mechanism is to jointly address cross-border crimes that relates to corruption in their shared borders such as illegal logging, bribery, smuggling of migrants, trafficking in persons, wildlife, and money laundering. So far, two discussion and consultative meetings have been held which was participated by a number of local anti-corruption law enforcement officials.

2. Asset Recovery

(Articles 51, 56 and 59) General Provision, Special Cooperation and bilateral and multilateral agreements and arrangements

– The Law on Extradition, Law on International Cooperation in Criminal Matters, including bilateral or multilateral treaties, have been the basis for the Lao PDR in the execution of extradition and MLA requests. The return of assets is specified in Article 26 of the extradition law. The MLA law also provides detailed reference to deal with MLA requests. Then there is also the ASEAN Treaty on Mutual Legal Assistance in Criminal Matters, to which the Lao PDR is a Party.

– MLA may also be granted in the absence of bilateral agreements or treaties based on the condition of reciprocity (Art 271, Criminal Procedure Law).

(Arts 52 and 58) Prevention and detection of transfers of proceeds of crime; Financial Intelligence Unit

– The Law on Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) provides, in Arts 18, 21-32, details of the obligation of reporting entities to implement Know Your Customer (verification of customer identities and identification of beneficial ownership). Enhancing customer due diligence is required for the politically exposed persons (PEPs), their immediate family members and associates.

– The AML/CFT law also specifies in Art 28 that the customer information be maintained for 10 years and 5 years for transaction records.

– Under AML/CFT law, no natural, legal persons or organizations shall be allowed to open or use an ‘anonymous account’, nor have dealings with banks that associates and make transactions with shell banks.

Financial Disclosure

– Pursuant to the Law on Civil Servants, the Decree on Asset Declaration and its Implementing Guidelines, and the Anti-Corruption Law, all public officials are required (including their domestic and foreign bank accounts) to make asset and income declarations. A reporting threshold is 20 million Kip (approx. US$ 2,328), or 5 million Kip (approx. US$ 582) for gifts. The declarations are accessible only to law enforcement authorities for investigative purposes in case of suspicion. The Lao PDR has completed two rounds of financial disclosures of public officials.

Measures for direct recovery of property; mechanisms for recovery of property through international cooperation in confiscation; international cooperation for purposes of confiscation (arts. 53, 54 and 55)
Article 361 of the Law on Civil Procedure allows individuals, organizations or enterprises in foreign countries to file claims against persons in the Lao People’s Democratic Republic, according to relevant international cooperation treaties or, in the absence of such treaties, through the Ministry of Foreign Affairs. Courts are required to make decisions on compensation in criminal cases at the same time as they consider the criminal case (arts. 16 and 51 of the Criminal Procedure Law). Additional provisions on compensation are found in the Penal Law (art. 46), the Law on Civil Procedure (art. 250) and the Anti-Money-Laundering Law (art. 61).

The Criminal Procedure Law protects the rights of victims to present evidence and file petitions and affords civil plaintiffs the same rights in criminal proceedings as victims (arts. 67 and 68). These measures can also be applied to foreign States.

*Return and disposal of assets (art. 57)* The Criminal Procedure Law establishes the rights of victims and civil plaintiffs to receive compensation for losses (arts. 67 and 68).

National Coordination Committee for Anti-Money-Laundering and Countering the Financing of Terrorism Guideline No. 08/NCC recognizes the claims of legitimate owners over assets that are seized, frozen or confiscated (art. 6).

Art. 30 of the Law on International Cooperation in Criminal Matters No.88/NA 12 November 2020 provides detailed procedures to return assets or properties to the requesting state. That is, after the provincial court has decided that the confiscated assets be returned to the requesting state, the central authority (Office of People’s Prosecutor) together with the Ministry of Foreign Affairs to prepare and hand over those assets within 30 days or as specified in the treaty, after the court made its decision.

The management and preservation of the frozen or confiscated assets or properties shall be implemented based on the Criminal Procedure Law of the Lao PDR (art.30).

**Ladies and gentlemen!**

With that said, I would like to conclude that the Lao PDR has made significant progress in the area of international cooperation and asset recovery. Although most of the asset recovery cases are domestic, the experiences are proved helpful, coupled with relevant legislations having been adopted recently such as the Law on International Cooperation in Criminal Matters, provisions in other laws and regulations. All these will further strengthen international cooperation and in asset recovery for the Lao PDR and other States Parties. Finally, I wish the Session a great success and good health to you, your family and everyone in our international communities!

**Thank you**