



LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

National Assembly

No. 105/PO

DECREE
of the
PRESIDENT
of the
LAO PEOPLE'S DEMOCRATIC REPUBLIC

On the Promulgation of the Law on Agriculture

Pursuant to Chapter 5, Article 53, point 1 of the Constitution of the Lao People's Democratic Republic which provides for the promulgation of the Constitution and of laws which are adopted by the National Assembly;

Pursuant to the Resolution No. 01-98/NA, dated 10 October 1998, of the National Assembly regarding the adoption of the Law on Agriculture; and

Pursuant to Proposal No. 13/NASC, dated 15 October 1998, of the National Assembly Standing Committee.

**The President of the Lao People's Democratic Republic
Decrees that:**

Article 1. The Law on Agriculture is hereby promulgated.

Article 2. This decree shall enter into force on the date it is signed.

Vientiane, 6 November 1998

The President of the Lao People's
Democratic Republic

[Seal and Signature]

Khamtay SIPHANDONE



LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

National Assembly

01-98/NA
10 October 1998

LAW ON AGRICULTURE

Part I General Provisions

Article 1. Function of the Law

The Law on Agriculture has the function of determining principles, rules, and measures regarding the organisation and activities of agricultural production which is the basis of the country's economy, including management and preservation of agricultural activities and production [with the following aims:] to encourage, promote, and expand agricultural production to guarantee the food supply and [to guarantee] commodity production[;] to create favourable conditions for building and expanding agro-industrial processing[;] to contribute to national economic growth[;] to make people wealthy[;] to strengthen the nation[;] and to avoid damaging and endangering the environment.

Article 2. Agriculture

Agriculture [refers to] cultivation, animal husbandry and fishery for consumption and [for producing] food for the public, raw materials to supply industrial processing factories, and commodities for domestic consumption and export.

Article 3. Promotion of Agricultural Production

The State encourages and promotes the [multi-ethnic] people and all economic parties, both domestic and foreign, to progressively make broad and modern investments in agricultural production that produces food, commodities, [and] raw materials for supply to domestic processing factories and for export.

Article 4. Protection of the Rights and Interests of those who carry out Agricultural Activities¹

¹ In the Lao language, the same word is used for “activities” and “operations”. The translators have chosen the English equivalent based on whether the context suggests a reference to individual

The State protects the rights and interests of those carrying out agricultural activities by determining rules, laws, provisions, regulations and policies², such as credit policies, policies for exemption from or reduction of duties [and] taxes, [and] restrictions on the importation of some types of non-essential agricultural products in order to promote agricultural production and to encourage distribution domestically and abroad.

Article 5. Agricultural Land

Individuals and organisations who have received permission to undertake agricultural activities do not have the right to [fill]³ agricultural land or excavate agricultural land, in any form or manner, causing such agricultural land to change from its original condition, without first receiving approval from the agriculture and forestry sector⁴.

Agricultural land shall be protected in accordance with Article 6 of the Land Law.

Article 6. Environmental Protection

Individuals and organisations undertaking agricultural production are obligated to protect the environment. Agricultural producers must use appropriate methods and measures to protect the land, water, forests, the air and others⁵.

Article 7. International Agricultural Cooperation

The State promotes international agricultural cooperation to create conditions enabling agricultural activities to grow and to progressively become modern.

actions or tasks (“activities”) or to a system of related actions or tasks, especially when attributed to an organisation or factory (“operations”). However, readers may wish to note and to bear in mind the other possible intended meaning.

² The term “policies” in this context takes the meaning of “privileges”.

³ The meaning here is to put earth on top of.

⁴ The word “sector” is often used to refer to the cluster of government ministries or agencies engaged in a particular activity.

⁵ The term “and others” is a literal translation and is not subject to further specificity.

Part II **Agricultural Activities**

Article 8. Agricultural Activities

Agricultural activities [refers to] activities relating to cultivation, animal husbandry and fishery.

Article 9. Types of Agricultural Activities

Agricultural activities in the Lao People's Democratic Republic are divided into various types such as activities relating to[:] agricultural land, irrigation, plant and animal species, fertilizers and animal feed, insecticides and animal medicines, agricultural tools, vehicles and machinery, warehouses, processing of agricultural products, the agriculture market, [and] international agricultural cooperation.

Article 10. Rights and Duties of those who undertake Agricultural Activities

Those who undertake agricultural activities have the following rights:

- To receive legal protection;
- To own assets and the products of their agricultural activities;
- To receive professional and technological advice and assistance from the agriculture and forestry sector;
- To transfer and succeed to agricultural activities⁶.

Those who undertake agricultural activities have the following duties:

- To properly use agricultural land in accordance with its purpose⁷ and with the laws and regulations;
- To not cause damage to other people's production or the social and natural environment;
- To report animal epidemics;
- To fulfil obligations with respect to unavoidable circumstances⁸;
- To comply with technical safety standards;
- To meet tax and duty obligations and other obligations relating to agricultural activities;

⁶ The reference here is to being able to transfer the undertaking.

⁷ The reference here is to objectives that may have been established for the land in question under national plans, etc. Readers may wish to refer to the Land Law for more information on the purpose of land.

⁸ Readers may wish to refer to Article 22 of this law which deals with unavoidable circumstances.

- To report the results of agricultural activities in accordance with the contract⁹;
- To cooperate with administrative and inspection officials in respect of agricultural activities.

Chapter 1 **Agricultural Land**

Article 11. The Use of Agricultural Land

The State allocates and promotes the use of agricultural land for production in conformity with targets [and] according to the abilities of each area [of land], so that each household has [sufficient] land to undertake production subject to their labour and capital capacities, by granting the right to use¹⁰ or a lease in accordance with the laws and regulations, with the primary objective of raising the productivity of the land to progressively transform it into intensive agriculture.

The State attends to the allocation of land to the [multi-ethnic] people for permanent cultivation to progressively decrease and ultimately stop the practice of slash and burn agriculture.

Article 12. Types of Agricultural Land

Agricultural land is divided into two types:

- Land for cultivation;
- Land for animal husbandry.

Land for cultivation includes:

- Flat lands;
- Highlands or hilly land.

Land for animal husbandry is degraded¹¹ land or types of weeded areas which can be converted to plant crops and grass for animal husbandry or land upon which a pond can be dug for raising aquatic animals.

Article 13. Conversion of Agricultural Land

The conversion of one type of agricultural land into another type of agricultural land must first be approved by the agriculture and forestry sector according to the size of the land to be converted.

⁹ The reference here is to cases where agricultural activities are performed under a contract in which some other party may have an interest.

¹⁰ Readers may wish to refer to the Land Law for more information on rights in land, one of which is “the right to use”.

Article 14. Upgrading Agricultural Land

Individuals and organisations who undertake agricultural production must attend to improving the land to make it fertile, usable for long periods of time and productive for cultivation and animal husbandry by using various fertilizers, such as: animal waste, compost, green manure, saltpetre, lime, peat, [and] gypsum.

Article 15. Conditions for the Use of Agricultural Land

Individuals and organisations intending to receive land for agricultural production must seek approval from the State as provided for in Article 7 paragraph 2 of the Land Law¹².

Individuals and organisations who have received approval to use agricultural land as provided for in paragraph one above, must properly use such [land] in agricultural production in conformity with the purpose [of the land], productively, and in accordance with the laws and regulations.

If those who have received approval to use agricultural land do not adhere to the conditions referred to above within three years from the date of approval, their rights to use such land shall expire as provided for in Article 18 of the Land Law.

**Chapter 2
Irrigation¹³**

Article 16. Irrigation

Irrigation is the supply of water to agricultural production by various means, such as building reservoirs, weirs, flood gates, pumping water, and building irrigation ditches.

Article 17. Use of Irrigation

Because the agricultural production of the country is still nature-dependent and subject to the threat of droughts and floods, to achieve productive commodities production, it is necessary to build irrigation for use in agricultural production.

The use of irrigation in agricultural production must comply with the Law on Water and Water Resources.

¹² Readers may wish to note that the Land Law has since been amended and article references in this law to the previous Land Law may not be consistent with the new Land Law.

¹³ Readers may wish to note that “irrigation” is sometimes used elsewhere in this law (as a standalone word without any qualifying nouns or adjectives) in what appears to be a reference to “irrigation activities”, “irrigation facilities” or “irrigation system”. The translators have not been able to determine which of these possibilities may have been intended and have translated the Lao word as “irrigation”.

Article 18. Building and Management of Irrigation

Irrigation activities are in three scales:

- Small-scale irrigation;
- Medium-scale irrigation;
- Large-scale irrigation.

Small-scale irrigation [refers to] irrigation that serves a production area of less than 100 hectares; medium-scale irrigation [refers to] irrigation that serves a production area of 100 to 500 hectares; large-scale irrigation [refers to] irrigation that serves a production area exceeding 500 hectares.

Small-scale irrigation is irrigation that families, groups of people, or associations of water users invest in and build, and manage and use themselves. If necessary, the State may provide support, and contribute to the building of small-scale irrigation.

Medium-scale irrigation is irrigation that a cooperative [or] an association of water users invest in and build, and manage and use themselves. For medium-scale irrigation with sophisticated technical [specifications] and which demand a large investment, the State and the people will jointly invest in building such irrigation and then transfer the ownership to the people for their own management and use.

Large-scale irrigation is irrigation that the State and the people jointly invest in to build. In the event that the management of such irrigation does not involve sophisticated technical [specifications], it shall be assigned to the people to manage. If the management of such irrigation involves sophisticated technical [specifications], the State will participate in the management of such irrigation.

Article 19. Reservoirs

A reservoir is a system for collecting water by excavating a holding area [and] damming a stream or river to have sufficient water supply, to store water for agricultural production and family consumption, [and] to ensure the continued existence of the natural and social environment.

Article 20. Weirs

Weirs are the damming of water flows, such as streams and rivers[,]¹⁴ to increase water levels and to use such water in agricultural production areas.

¹⁴

For readability, the punctuation in this sentence has been modified.

Article 21. Pumping Water

The pumping of water is taking water from the surface of the ground or from under the ground for use in agricultural production by means of rudimentary or modern equipment, such as: a water pump [or] a water turbine.

Article 22. Unavoidable Natural Facts and Circumstances

The person who possesses land below must accede to the regular and natural flow of the watercourse from the land above across such person's land.

In the event that the person who possesses land below dams up water causing damage to the person who possesses land above[,]¹⁵ the person possessing the land below shall be liable to compensate for any damage that occurs.

The person who possesses land above has no right to interfere with the regular and natural flow of the watercourse down to the land below, causing damage to those who use water on the land below.

If there is interference causing damage to those who use water on the land below, the person possessing the land above shall be liable to compensate for the damage in accordance with the laws.

Article 23. Unavoidable Legal Circumstances

Individuals or organisations who have agricultural land in the middle of or adjoining another person's land [where such land] has no exit, or has no irrigation ditches or electricity installed on that land to use for agricultural production, have the right to request that a road [or] irrigation ditch be built or that electricity wires be extended onto their land over others' surrounding land as appropriate, and the person [from whom permission is] being requested must give approval for such passage as provided for in Article 35 of the Law on Water and Water Resources, Article 61 of the Land Law and Article 28 of the Law on Electricity.

If the building of a road, an irrigation ditch or the installation of electricity wires over another's land causes damage to the person who gave permission for such passage, the person receiving the permission must compensate for such damage in accordance with the laws.

In the event that the person permitting passage also receives benefits, no demand for damages shall be made, except [in the event that] permitting such passage causes damage exceeding the benefits received.

¹⁵ For readability, the punctuation in this sentence has been modified.

Chemical fertilizers are fertilizers composed of one type of chemical substance or of a combination [of substances] that are direct plant nutrients, such as: urea, phosphorus, potassium, and others.

Organic fertilizers are fertilizers composed of a combination of substances derived from the disintegration of vegetable remains, animal carcasses, and many kinds of minerals that are indirect nutrients for plants and that also help to improve the quality of the soil, such as: compost, animal waste, and others.

Article 29. Using Fertilizers

The use of all types of fertilizer must be done properly and strictly according to rules relating to the use of fertilizers, such as: using fertilizers according to their purpose, type and volume to [achieve] efficient use of [such] fertilizers, [and] ensuring that the fertilizers cause no danger to the lives or the health of people and animals.

The Ministry of Agriculture and Forestry issues rules regarding the use of fertilizers and determines the types of fertilizers that are seriously dangerous, the use of which is prohibited. In addition, [the Ministry] must assist in training and encouraging farmers to primarily use organic fertilizers and properly use fertilizers according to methods, [and] technical standards, and according to seasons of production.

Article 30. Animal Feed

Animal feed [refers to] material used to raise animals, which is derived from nature, production, or processing, from agricultural produce and from other substances that have nutritional value.

Animal feed comprises three types:

- Fresh foods, such as green grass [and] seeds;
- Semi-processed foods, such as: rice bran, rice stalks, fermented grass, [and] hay;
- Processed food, such as: food processed according to a nutritional formula for each type of animal.

Article 31. Management of Fertilizers and Animal Feed

The Ministry of Agriculture and Forestry determines rules regarding the management of chemical and organic fertilizers and animal feed in coordination with relevant parties, such as the industry and handicrafts sector, [and the] commerce, finance, banking, [and] science, technology and environmental agencies¹⁸, in order to determine the type and quality of fertilizers, to administer the importation, transportation, distribution, storage

¹⁸ The reference is to governmental agencies responsible for commerce, finance, banking and science, technology and environment.

and packaging and other activities relating to fertilizers, to ensure that all types of fertilizers meet the mix standards determined by their formulas, [and] are of good quality, [and] to encourage domestic production of fertilizers and animal feed.

Chapter 5 Insecticides and Animal Medicines

Article 32. Insecticides

An insecticide [refers to] a chemically reactive substance used to protect against and control undesirable insects that cause damage to crops, including chemical substances used in storing, maintaining and transporting such [crops].

Insecticides are derived from combining various chemical substances processed by factories or are plant abstracts, which are referred as traditional insecticides.

Article 33. Animal Medicines

Animal medicines are chemically reactive substances made from chemical components or plant or animal abstracts with medicinal features, used in preventing and treating diseases in domesticated animals.

Article 34. Using Insecticides and Animal Medicines

Those using insecticides or animal medicines must strictly adhere to rules and regulations and use them in compliance with their intended purpose, including the storage of such substances¹⁹ for the efficient use of such insecticides or animal medicines, to ensure that there is no danger to health or to the lives of people or animals.

Article 35. Management of Insecticides and Animal Medicines

The Ministry of Agriculture and Forestry determines rules to manage insecticides and animal medicines in coordination with concerned parties, such as: the Science, Technology and Environment Agency, the Ministry of Public Health, the Ministry of Industry and Handicrafts, the Ministry of Commerce, [and] the Ministry of Finance to determine the type and quality of dangerous insecticides, and types prohibited for use, to control the import, transport, distribution, storage, and other activities related to insecticides or animal medicines, [and] to ensure that these types of medicines have proper composition according to their formulas and according to technical standards, and are of good quality.

¹⁹ In the Lao language, the same word is used for “medicine” and “insecticide”. When the reference is meant to encompass both terms, the translators have chosen to use the word “substances”.

All types of insecticides and animal medicines that are approved for use and distribution must have affixed upon them a clear, conspicuous, and easily understood label, which states the nature and kind of chemical substance, details and time period for the use of such chemical substance, its dangerous properties, and the method of first aid treatment for poisoning.

Chapter 6
Agricultural Tools, Vehicles, [and] Machinery

Article 36. Agricultural Tools, Vehicles, [and] Machinery

Agricultural tools, vehicles, [and] machinery [refers to] tools, vehicles, [and] machinery used in cultivation and in animal husbandry which include:

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Article 39. Building Warehouses

Warehouses must be built in accordance with regulations and technical standards determined by the Ministry of Agriculture and Forestry. In addition, [warehouses must be built] in accordance with town planning regulations.

**Chapter 8
Agricultural Product Processing²¹**

Article 40. Agricultural Product Processing

Agricultural product processing [refers to] taking produce derived from cultivation, animal husbandry and fishery and processing it as a half finished product, such as by fermenting or drying it, or as a finished product, such as by canning, pressing vegetable oils, producing consumables, and others.

Article 41. Building Agricultural Plants and Agricultural Product Processing Factories

Agricultural plants and agricultural product processing factories must be built in accordance with regulations and technical standards established by the Ministry of Industry and Handicrafts and the Ministry of Public Health. In addition, [agricultural plants and agricultural product processing factories must be built in accordance with] town planning regulations.

**Chapter 9
Agricultural Markets**

Article 42. Agricultural Markets

An agricultural market [refers to] a place where agricultural products are bought and sold between producers and consumers, including the sale of agricultural products in commodity trading. Agricultural markets are important in encouraging the agricultural production movement in the Lao People's Democratic Republic in order to provide a sufficient level of food and to serve as commodity exports.

Article 43. Building Agricultural Markets

Agricultural markets must be widely established in many forms and levels, both domestically and abroad, as places to distribute agricultural products[. There should also be]²² established agricultural cooperatives, companies that bind themselves to buy and sell through direct links with farmers, [and] agricultural products export companies.

²¹ Readers may wish to note that “agricultural product processing” is used in some articles of this law as an adjectival phrase and is sometimes combined with one or more nouns to form complex noun strings. In cases where it may not have been possible to recast such noun strings without radically rearranging the structure of the text, the translators have translated the text as it appears in Lao.

²² For readability, the structure of this sentence has been modified.

Chapter 10

International Cooperation on Agriculture

Article 44. Technical Cooperation

The State broadens international cooperation on agriculture through the exchange of know how, technical expertise, management, [and] modern scientific technologies use of science [and] modern technology for the development of agricultural activities in the country, in order to achieve growth and a high level of efficiency.

Article 45. Foreign Economic Cooperation

The Lao People's Democratic Republic seeks foreign capital to expand cultivation and animal husbandry, and attracts foreign investment into agricultural activities.

Part III

Investment in Agricultural Activities

Article 46. Investment in Agricultural Activities

Investment in agricultural activities [refers to] investment in cultivation, animal husbandry and fishery to undertake agricultural production or agricultural business.

Article 47. Forms of Investment

The forms of investment in agricultural production comprise:

- Investment by family units;
- Joint investment by people;
- Private investment;
- The State invests on its own in the event that no other party invests, but such investment is important and necessary for the benefit of the multi-ethnic people;
- The State invests with domestic or foreign private parties;
- Private domestic and foreign investment;
- Wholly foreign investment.

Investment in agricultural production is in three scales, such as:

- Small-scale agricultural production and business;
- Medium-scale agricultural production and business;
- Large-scale agricultural business.

The Ministry of Agriculture and Forestry determines the scale of agricultural production and business in coordination with the Committee for the Management and Promotion of Investment²³.

Part IV **Promoting Agricultural Production**

Article 48. Objectives

The promotion of agricultural production has the objectives of ensuring that agricultural products are quantitatively and qualitatively guaranteed to satisfy the demands of society and that there are sufficient reserves and [sufficient amounts to] be sold as commodities.

Article 49. The Contents of Agricultural Production Promotion

To ensure maximum productivity of agricultural production, the promotion of agricultural production shall be undertaken in a comprehensive manner and comprise:

- Capital and promotion fund;
- Plant and animal species;
- Fertilizer and animal feed;
- Insecticides and animal medicines;
- Agricultural tools, vehicles [and] machinery;
- Irrigation;
- Technical Expertise;
- Agricultural information and data;
- Research centres and experimental stations;
- Farmer training;
- Warehouses, curing and cold storage [facilities];
- Agricultural product processing;
- Seed banks and animal banks;
- Marketing;
- Pricing;
- Protecting farmer benefits.

Article 50. Capital and Promotion Funds

Capital and promotion funds [refers to] financial vehicles used in agricultural production. The State will encourage people to take loans, such as short, medium and long term [loans], to undertake agricultural production from time to time, with concessional interest rates, and will also attract foreign assistance to encourage agricultural production.

²³ Readers may wish to note that the Law on the Promotion and Management of Foreign Investment has since been amended and the name of the committee used here may not be consistent with that used in the new law.

In the event of a natural disaster such as drought, flood, animal epidemic, insect infestation or other event causing serious damage to agricultural production, the State may have reasonable policies to grant grace periods for the repayment of loan principal and interest that the State has granted to farmers.

The State establishes an agricultural promotion fund to encourage efficient agricultural production. The agricultural promotion fund is derived from:

- Capital contributed by the State;
- Capital contributed by the people;
- International assistance.

Article 51. Plant and Animal Species

The Ministry of Agriculture and Forestry, in coordination with the Science, Technology and Environment Agency, the National University of Laos and local administrations, is responsible for scientific research to seek out plant and animal species, both domestic and foreign.

Article 54. Agricultural Tools, Vehicles [and] Machinery

Agricultural tools, vehicles [and] machinery [refers to] vehicles necessary and important to improve the productivity of agricultural production. The State promotes the domestic production of suitable and modern agricultural tools, vehicles [and] machinery, and [,] in necessary cases [,] timely and sufficient imports from abroad are allowed according to laws and regulations. In addition, the State also encourages the organisation of agricultural machinery units²⁵ in various areas primarily used for agricultural production.

Article 55. Irrigation

In order for agricultural production to be undertaken in many seasons and be efficient, the State extensively promotes the development of irrigation at many levels and scales, primarily the excavation of water ponds [and] reservoirs, the domestic production of water pumps and their import from abroad in a sufficient number according to the laws and regulations.

Administrative authorities have the duty to encourage and mobilise the building of irrigation systems through individual or collective capital, joint investment by the State and people, or investment by State on its own.

Article 56. Technical Expertise

In agricultural production, technical expertise is a decisive factor. The State has the duty to build up agricultural technicians at many levels to meet the needs of, to encourage, and to instruct farmers from the date of preparation for production to the date of harvest, as well as during storage, initial processing, packaging and transporting [produce] to market.

In addition, the State also encourages other parties to build up agricultural technical expertise.

Article 57. Agricultural Information and Data

The State shall provide information, data and statistics regarding agricultural production such as: techniques for cultivation, animal husbandry and fishery, plant and animal species, international quality and standards, price fluctuations in the marketplace, meteorological information, hydrological data, and others[. The State shall also]²⁶ create a system to collect information, data, and statistics from the level of villages, [and] grass roots units up in order to derive factual information. In addition, the State also encourages other parties to contribute agricultural information and data.

²⁵ The term “units” refers to work units engaged in a particular activity. In this article, the unit is involved in activities relating to agricultural machinery and is therefore referred to as an “agricultural machinery unit”. Similarly, in Article 59, there is a reference to “agricultural production units”, and in Article 62 to “economic units”.

²⁶ For readability, the structure of this sentence has been modified.

Article 58. Research Centres and Experimental Stations

Research centres and experimental stations have a role in research, in using good experiences within the country and in integrating the use of international agricultural successes into the country, in order to enhance the productivity of agricultural production.

Research centres and experimental stations have the duty to research and experiment with plant and animal species, fertilizers and animal feed, insecticides and animal medicines, [and] agricultural vehicle and machinery production techniques, including cultivation and animal husbandry techniques.

The State promotes the building and expansion of research centres and experimental stations in various production areas as deemed suitable.

Article 59. Farmer Training

To make agricultural production efficient [and] capable of [producing] commodities, the State attends to training farmers regarding cultivation, animal husbandry and fishery by organising training, study tours, and seminars, both domestically and abroad, so that they have a broad based knowledge of how to use scientific techniques and new technology in agricultural production [and] learn international standards relating to agricultural products[. The State]²⁷ also disseminates, learns from, [and] broadly and timely publicizes good experiences from model families and agricultural production units.

The State promotes all sectors to participate in the training of farmers regarding agricultural production.

The State shall incorporate basic agriculture studies into the educational curriculum.

Article 60. Warehouses, Curing and Cold Storage Facilities, and Processing Factories

To maintain stable agricultural products that can be stored over a long period of time, the State extensively promotes people to build warehouses, curing and cold storage facilities and initial processing factories that conform to technical standards.

The Ministry of Agriculture and Forestry has the duty to recommend and to provide people with technical expertise regarding warehouse systems, curing and cold storage facilities and initial processing factories.

²⁷ For readability, the structure of this sentence has been modified.

Article 61. Seed Banks and Animal Banks

To ensure that farmers have capital to undertake production and still meet their family expenses, the State encourages and promotes the establishment of seed banks and animal banks to satisfy farmers' needs in times of necessity, so that [farmers] may use their production as loan security but have the right to sell such secured products when such products yield higher prices [in the market].

In addition, seed banks and animal banks also have the purpose of providing farmers with the ability to borrow seeds or animals in times of necessity.

Article 62. Marketing

Commodity trading is very important in encouraging commodities production and broad-based production. Therefore, the State encourages economic units to seek out both domestic and foreign markets by advertising commodities, holding exhibitions of agricultural commodities and by expanding international relations regarding buying and selling and exchanging agricultural commodities. In addition, the State encourages the people's agricultural production by means of bilateral agreements, encourages the establishment of farmer's cooperatives and [encourages] State enterprises to create binding arrangements to buy and sell agricultural products.

The import or export of agricultural products must comply with the laws and regulations.

Article 63. Prices

The State ensures minimum prices for certain agricultural products necessary for people's lives.

If necessary, the State shall buy such agricultural products itself to maintain stable prices, especially during harvest seasons. In addition, the State shall seek every means to prevent oppressive pricing of agricultural products, in order to protect producers' and consumers' interests.

Article 64. Protection of Farmer's Interests

The State attends to the protection of farmers' interests by encouraging the expansion of production and the use of domestic agricultural products, reducing and restricting the importation of unnecessary agricultural products from abroad, as well as applying various measures to encourage [such production] as provided for in Part IV of this law.

Part V
Environmental Protection

Article 65. Environmental Protection

Individuals and organisations who undertake any type of agricultural activity shall attend to the protection of the social and natural environment, such as: people, animals, soil, water, forests, and the air.

Article 66. Environmental Protection in Cultivation

Clearing, preparing and using land, activities when building irrigation, the use of water and fertilizers[,] and the storage of insecticides shall minimise any adverse impact on people, animals, soil, water, forests and the air.

Article 67. Environmental Protection in Animal Husbandry

Animal husbandry shall be established in a suitable location[. A]nimals²⁸ should not be penned under one's house or near public artesian wells, or near streams, ponds, canals, or marshes. In animal husbandry, one must regularly attend to sanitizing animal pens to avoid creating an environment that endangers people's health and the environment. Animals are not to be raised at the side of national roadways. In animal husbandry, one must attend to controlling and caring for one's animal to prevent the destruction of other's crops and to prevent the occurrence of road accidents.

Article 68. Environmental Protection in Fishery

Fishery shall ensure the protection and expansion of fish species and other aquatic animals. It is forbidden to use fishing equipment or means [of fishing] with destructive characteristics that can destroy fish species and other aquatic animals, such as: poison, explosives, electricity, fine mesh cast nets, fine mesh gillnets [or] scuba masks, including the use of enclosed fence traps, barrier nets, [and] bag nets²⁹ in streams to collect small fry [or] large fish primarily during the breeding season.

When breeding fish and other aquatic animals, care should be taken to avoid putrid water endangering the environment.

²⁸ For readability, the structure of this sentence has been modified.

²⁹ These terms refer to various types of traditional methods to trap fish.

Part VI
Administration and Inspection³⁰ of Agricultural Activities

Chapter 1
Administration of Agricultural Activities

Article 69. Agricultural Administration Agency³¹

The Agricultural Administration Agency comprises:

- The Ministry of Agriculture and Forestry;
- The provincial, municipal³² and special zone agriculture and forestry divisions;
- The district agriculture and forestry offices;
- Village administrative authorities.

When necessary, additional specific committees may be organised to contribute to the administration of agricultural activities.

Article 70. Rights and Duties of the Ministry of Agriculture and Forestry

The Ministry of Agriculture and Forestry when administrating agricultural activities has the following rights and duties:

- To serve as the secretariat³³ for the government in elaborating the agricultural production strategy, and in transforming [such strategy] into a plan, a detailed project, and into rules for administration and inspection of agricultural activities;

³⁰ In the Lao language, the same word is used to represent all of the following related (but slightly different) concepts: “control”, “inspection”, “supervision”, “audit” and “monitoring”. As used in Part VI of this law, the translators have chosen “inspection” (and its variants) as the most appropriate English equivalent but readers should note and bear in mind the other meanings that might have been intended.

³¹ In the Lao language, the word roughly meaning “the entire organisation of responsible governmental agencies” is capable of being translated as any one of the following English words: “organisation”, “agency”, or “authority”. In choosing which English word to use, the translators have adopted the following convention. Where the governmental agencies in question have in practice adopted an English term for themselves (e.g., the Tax Authority), the translators have used that term. Otherwise, as in this law, the translators have used the generic term “organisation”.

³² This Law on Agriculture was enacted before the Law on Local Administration. The reader should therefore not assume that the hierarchical relationships and designations described in some detail in the Law on Local Administration applied when this law was enacted. Specifically, the translators are aware that the local administrative territories referred to in this law as “municipalities” may not be the same as those referred to as “municipalities” in the Law on Local Administration, even though the Lao word used in both laws is the same.

³³ The literal translation is “secretariat”. However, in the context, the meaning goes beyond administrative and clerical role, to connote strategic advice and implementation.

- To draft a master plan, a long-, medium-, and short-term plan, and project [documents] relating to agricultural production development;
- To issue rules and regulations for production, environmental protection and agricultural activities development throughout the country;
- To study and comment on applications seeking to conduct large scale or significant agricultural business;
- To undertake technical and scientific agricultural research, to establish a network of research centres and experimental stations, and agricultural promotion units throughout the country, to provide statistical agricultural information and data, [and] meteorological and hydrological information and data;
- To coordinate with local administration and relevant parties to survey potential natural resources and areas suitable for intensive agriculture;
- To inspect agricultural activities to ensure the implementation of regulations, laws, and technical standards for productive production;
- To build, strengthen, [and] upgrade technical abilities of mid-level and high- level technicians in coordination with the National University of Laos, including providing instruction to build up and upgrade [the skills of] low-level technicians and farmers throughout the country;
- To cooperate with foreign parties in agricultural development;
- To exercise such other rights and perform such other duties in the administration of agricultural activities within its scope of responsibility.

Article 71. Rights and Duties of the Provincial, Municipal and Special Zone Agriculture and Forestry Divisions

The rights and duties of provincial, municipal and special zone agriculture and forestry divisions with respect to the administration of agricultural activities are as follows:

- To be the direct secretariat for the Ministry of Agriculture and Forestry and for provincial, municipal, and special zone administrative authorities with respect to agricultural tasks;
- To elaborate the master plan, [and] long-, medium-, and short-term plans [to transform them into] detailed projects to facilitate implementation;
- To build, strengthen, [and] upgrade low-level agricultural technicians within the district and farmers within the province;
- To study and comment on applications seeking to conduct agricultural business within their areas of responsibility;
- To survey the natural resource potential and agriculture intensive areas, including allocating agricultural land within their areas of responsibility;

- To exercise such other rights and perform such other duties relating to the administration of agricultural activities within their areas of responsibility.

Article 72. Rights and Duties of District Agriculture and Forestry Offices

The rights and duties of the district agriculture and forestry offices with respect to the implementation of agricultural activities are as follows:

- To be the direct secretariat for the provincial, municipal and special zone agriculture divisions, and for the district administrative authorities in [such authorities'] implementation of plans, provisions, regulations, and instructions from the provincial, municipal, and special zone agriculture divisions regarding agricultural production;
- To conduct the actual implementation of long-, medium-, and short-term plans and various agricultural projects relating to agricultural development in each village;
- To survey potential natural resources and areas suitable for intensive agriculture, including allocating agricultural land within their areas of responsibility;
- To train and instruct people with respect to intensive agricultural techniques for cultivation, animal husbandry and fishery;
- To exercise such other rights and perform such other duties relating to the implementation of agricultural tasks.

Article 73. Rights and Duties of Village Administrative Authorities

The rights and duties of village administrative authorities with respect to the implementation of agricultural tasks are as follows:

- To conduct the actual implementation of plans, activities, rules, regulations, and instructions of district agriculture and forestry offices and district administrative authorities regarding agricultural production;
- To mobilise and encourage farming families to produce food for self-sufficiency, and to produce excess to serve as reserves and as commodities by using intensive agriculture, primarily by disseminating the use of new and modern techniques and by leading the people to undertake their work productively;
- To allocate areas for cultivation and animal husbandry to each family within the village;
- To exercise such other rights and perform such other duties regarding the implementation of agricultural tasks as assigned to them by the district agriculture and forestry offices and by the district administrative authorities.

Chapter 2 **Inspection of Agricultural Activities**

Article 74. Inspection of Agricultural Activities

The inspection of agricultural activities [refers to] the inspection and observation of agricultural activities in order to ensure that such activities comply with objectives³⁴, the Law on Agriculture, rules, and other laws, so that agricultural production is productive but also ensures the safety and protection of the environment.

Article 75. Agricultural Inspection Agency

In the agriculture and forestry sector, in addition to the Agricultural Administration Agency, there is also an Agricultural Inspection Agency.

When necessary, specific committees composed of many parties may be established to inspect agricultural projects and activities in certain areas that violate the directives, policies, regulations and laws.

Article 76. Contents of an Inspection

The inspection of agricultural activities primarily includes the following contents:

- Implementation in compliance with an outlined plan;
- Implementation of production targets;
- Productivity of the production;
- Compliance with regulations and laws with respect to production;
- Fulfilment of obligations with respect to production;
- Meeting safety measures in production;
- Environmental protection.

Article 77. Method of Inspection

The inspection of agricultural activities may be conducted through a system of regular inspections, inspections by advance notice, or surprise³⁵ inspections, as the case may be.

For technical or professional inspections, the Ministry of Agriculture and Forestry may organise technical or specialised committees composed of technical or relevant professional personnel appointed by the Minister of Agriculture and Forestry.

The inspection of agricultural activities shall be coordinated with relevant parties, such as: the industry and handicrafts sector, the Science,

³⁴ The term “objectives” refers to strategic objectives.

³⁵ The Lao word also connotes “inspection in emergency cases”.

Technology and Environment Agency, the National University of Laos, and local administrations.

Part VII
Policies towards Persons who are Productive and
Sanctions Against Violators

Article 78. Policies³⁶ towards Persons who are Productive

Individuals and organisations with excellent results in technical and scientific research used in agricultural production, in productive administration, in encouragement, promotion, and development of agricultural production, as models for one's village, district, province, or throughout the country, in protecting the environment, and in conducting agricultural activities in accordance with the laws and regulations of the Lao People's Democratic Republic, will be rewarded and will receive various policies, such as: credit allowances, tax and duty reductions or exemptions, and other policies as determined by the government.

Article 79. Measures against Violators

Those who violate this law shall be re-educated³⁷, fined, or subject to sanction according to the law.

Article 80. Re-Educational Measures

Individuals or organisations committing minor violations of this law, such as: failing to report results of agricultural activities undertaken by contract; failing to report an animal epidemic; operating in conflict with technical standards and other minor violations shall be warned and shall be re-educated.

Article 81. Fines

Individuals or organisations violating this law shall be subject to a fine equal to double the value of the actual damage arising from any of the following wrongful acts:

- Operating an agricultural business without a license when such licence is required as provided in Article 8 of the Business Law, or failing to extend an expired license;
- Inaccurate reporting;
- Failing to adhere to technical safety measures and causing damage to others;
- Failing to implement measures to avoid affecting the environment;

³⁶ The term “policies” in this context takes the meaning of “privileges”.

³⁷ Here, “re-educated” does not mean the same as “re-education without deprivation of liberty” referred to in the Penal Law.

- Causing damage to production as a result of one's wrongful acts, such as: causing deterioration of agricultural land, failing to prevent the spread of crop or animal diseases, damaging others' production, irrigation systems, streams, ditches, canals, marshes, and others;
- Failing to cooperate with officials administering and inspecting agricultural activities or failing to perform according to an agricultural production contract.

Article 82. Penal Measures

Any individual committing a violation of this law which constitutes a penal offence, such as: falsifying licenses to conduct agricultural activities, abuse of duty and title to seek personal interest, failing to implement safety standards causing death [or] injury or causing damage to the assets of the State, the collective or the people, shall be punished according to the Penal Law.

Article 83. Additional Measures

In addition to the measures provided in articles 81 and 82 of this law, violators causing serious damage to State assets [or] to the social or natural environment, shall be subject to additional measures, such as: suspension of agricultural activities, withdrawal of license, [and] confiscation of vehicles used to commit the offence.

**Part VIII
Final Provisions**

Article 84. Implementation

The government of the Lao People's Democratic Republic shall implement this law.

Article 85. Effectiveness

This law shall enter into force on the date of its promulgation by a decree of the President of the Lao People's Democratic Republic.

Any regulations, provisions and rules that are inconsistent with this law shall be null and void.

Vientiane, 10 October 1998
President of the National Assembly

[Seal and Signature]

Samane VIGNAKET