



LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

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Bank of the Lao PDR

Number 229/BOL

Vientiane Capital 14 May 2007

Agreement

On the Establishment and activities of

The Anti- Money Laundering Intelligence Unit, Bank of the Lao PDR

- Pursuant to the law regarding the Bank of the Lao PDR, 05/NA dated 14/10/1999
- Pursuant to the decree regarding Anti- Money Laundering, 55/PM dated 27/03/2006
- Pursuant to the research and recommendations of the Organisation-Personnel Department in conjunction with related agencies

The Governor of the Bank of the Lao PDR issues the following agreement:

Section I

Location and Mandate

Article 1. Location and Mandate

The Anti-Money Laundering Intelligence Unit abbreviated as AMLIU is a section under the direct steering of the Bank of the Lao PDR's Management Committee it will report to the Bank Management Committee to provide for the effective implementation of the Prime Minister Decree of the Lao PDR on Anti-Money Laundering.

Section II

Rights and Duties

Article 2. Rights and Duties

The Anti-Money Laundering Intelligence Unit has the following rights and duties:

1. Research, assimilate and tightly grasp State regulations, laws that are associated with anti-money laundering so as to develop plans, projects and detailed schedules for implementation;

Unofficial Translation

2. Collaborate with related agencies, collect and examine reported money-laundering information or that reported by individuals, organizations or institutions having the responsibility to report;
3. In accordance with permission from the management committee, deal and cooperate with international agencies in the area of anti-money laundering;
4. Exact and analyze information related to anti-money laundering received from agencies involved;
5. Document money laundering activities of individuals and organizations submitting it to authorities so as to conduct legal proceedings;
6. As provided for in regulations, research and submit to the Management committee the scope of financial transaction amounts for reporting institutions so as to provide a reference point in monitoring, investigating and reporting, in addition it would serve as a reminder to reporting institutions regarding financial transactions that are the basis and source of money laundering;
7. Research regulations regarding information gathering of clients and report suspicious financial transactions or those involving amounts exceeding that stipulated so as to report to the management committee and organization managing the reporting institutions so as to authorize their investigation institution to gather further information and report on the said financial transactions;
8. Recommend that the reporting institutions appoint an examining officer to monitor, examine the implementation of anti-money laundering regulations issued by the Bank of the Lao PDR in each period;
9. Collect, examine, exchange information, lessons and provide input on anti-money laundering both internally and internationally within their scope of responsibility or according to that assigned by the management committee;
10. Participate in internal and international meetings/conferences, sign or participate in anti-money laundering conventions at an international level as mandated by the management committee;
11. Report and Summarize its activities to the Bank of Lao's Management committee and associated organizations on a regular basis;
12. Provide recommendations to the management committee on training in anti-money laundering for staff involved and related agencies;
13. Execute other responsibilities as stipulated in the Anti-Money Laundering Decree and in other related regulations within the scope of responsibilities.

Section III

Organizational Structure

Article 3. Administration

The Anti-Money Laundering Intelligence Unit is comprised of the following division:

1. Information technology Division;
2. Information analysis Division;
3. Control and inspection Division.

Article 4. Division responsibilities

4.1 Information Technology Division has the following responsibilities:

1. Advice and coordinate with reporting institutions in the use of information technology in their work especially in the area of information exchange using computers;

Unofficial Translation

2. Research and coordinate with involved agencies in the acquirement of equipment, programs and new technology to ensure secure and up-to-date development and management of information as well as develop the units website to respond to the requirements and the work responsibilities of each period;

3. To operate as a sentry to the unit committee in coordinating with internal and overseas agencies for information and lesson exchange;

4. To operate within its rights and responsibilities as mandated by the unit's committee and the management committee.

4.2 The information Analysis Division has the following responsibilities:

1. Analyze activity reports of all reporting institutions to ensure reporting clarity and trustworthiness and that it can be used as an information reference base for concerned agencies;

2. Monitor and collect all financial transactions, on a regular basis, of reporting institutions via computer and other documentation then recommend and in situ investigation by the control and inspection unit in cases of suspected money-laundering;

3. Collect and obtain information from reporting institutions for the purpose of analysis and regular reporting to the unit committee problems or unresolved issues resulting from the analysis as well as recommending resolution measures in cases of suspected money-laundering;

4. Monitor activities of reporting institutions suspected of activities that contravene the decree on anti money-laundering all other statutes issued by the bank of the Lao PDR in each period documenting such and then referring it to all the rise to organizations authorized to execute legal proceedings;

5. Collect and retain analysed intelligence information for the purpose of informer protection, to prevent damaging reports, or effects to the activities of the money-laundering prevention unit as well as associated agencies;

6. Supply information and documentation regarding money-laundering of individuals, legal entities and other agencies to authorized organizations so as to execute legal proceedings;

7. Improve and develop reports by the anti money-laundering unit To harmonize with the actual situation in each period;

8. To operate within their rights and responsibilities as mandated by the unit's committee and the management committee.

4.3 The control and Inspection Division has the following responsibilities:

1. Examine policies and draft regulations, directives and notification regarding the implementation of decrees concerning Anti-Money laundering;

2. Monitor and inspect all reporting institutions in the implementation of anti-money laundering decrees, regulations, directives and notification regarding anti- money laundering activities as issued by the bank of the Lao PDR in each period as well as recommending resolution measures for reporting institutions contravening the said decrees and regulations;

3. Act as the principle agent with related government and areas of the private sector so as to ensure affective implementation of decrees regarding anti-money laundering as well as arrange training regarding the statutes and regulations related to Anti-Money laundering for both its own staff and those of reporting institutions along with dissemination in the public sector of these issues;

4. Act as the principal agent with various internal and overseas agencies to enlist financial and technical assistance as mandated by the unit committee on the basis of agreement from the management committee;

5. Perform secretarial and internal administrative functions for the unit to ensure continuous operation of the unit;

Unofficial Translation

6. Conclude and report activities as well as plan the units activities on a weekly, monthly, set period and annual basis for the purposes of evaluation and effective steering of works ;

7. To operate within its rights and responsibilities as mandated by the unit's committ and the management committee.

Article 5. Staffing Structure

1. The Anti-Money Laundering Intelligence Unit shall be comprised of one appointed head having the same comparative level as a deputy head of department, shall be appointed or removed by the Governor of the bank of the Lao PDR in accordance with a recommendation from the organization-personnel department;

The head of the unit is directly responsible to the management committee for success and failures in implementing rights and responsibilities as determined in article 2 of this statute; the head of the unit has the right as the signatory for all documentation of the unit. In cases where the head is unable to fulfil his responsibilities, the head shall then transfer temporary responsibilities to a deputy head of the unit.

2. The Anti-Money laundering Intelligence unit shall have a number of deputy heads having the same comparative level as a division-head, shall be appointed or removed by the Governor of the Bank of The Lao PDR in accordance with a recommendation from the organization-personnel department, on a unified basis with the head of the unit. The deputy head of the unit is the unit-head assistant, provides steering-leading in all areas of the unit and shall specialize in an area as assignment by the unit head.

3. The Anti-Money Laundering Intelligence Unit is yet comprised of the heads of the division that have the same comparative level as a deputy division-head, shall be appointed or removed by the Governor of the Bank of The Lao PDR in accordance with a recommendation from the organization-personnel department on a unified basis with the unit committee; in addition it will yet be comprised of a number of technical staff as required by the working situation.

Section IV Operational Working System

Article 6. Operational Working System

1. Shall work according to central democratic principles, consult and agree on important works as a group, administer responsibility to each person clearly and plan works for each;

2. Work and operate according to regulations, laws, that is guidelines issued by the management committee in each period;

3. Monitor, follow-up, inspect and regularly evaluate lessons in the implementation of working responsibilities of the unit, seeking for progressive direction so as to promote and eliminate weak-stagnant areas progressively;

4. Use an informative and works planning system on a weekly, monthly, periodic and yearly basis;

5. All resolutions and recommendations received from upper levels that apply to the unit shall be included in planning, project detailing, shall be discussed and will be unitedly agreed upon as a group then assigned to an individual responsible for its implementation;

6. Continuously operate the system of living in harmony within the unit and pay special attention to internal and external solidarity.

Section V
Final Provisions

Article 7. Seal

The Anti-Money Laundering Intelligence Unit shall have its own seal for its official activities.

Article 8. Implementation

The administration of the Bank of the Lao PDR, all equivalent departments, the Anti-Money Laundering Intelligence Unit and all related agencies are informed and shall cooperate in the effective implementation of this Agreement.

Article 9. Effectiveness

This statute is effective from the date of signing. All other agreements prior to this that are in conflict with this statute are here by repealed.

The Governor of the Bank of the Lao PDR,

Phouphet Khamphounvong