Tilleke & Gibbins

Laos Issues Guidelines for Freight Operators

On April 11, 2020, the Lao Ministry of Public Works and Transport (MPWT) issued Guidelines for the Domestic Transportation of Goods, and Entering and Exiting the Lao PDR, during the Protection, Control, and Eradication Period for COVID-19 No. 266/MPWT.

These guidelines provide welcome guidance on previous measures issued by the Lao Prime Minister (detailed <u>here</u> and <u>here</u>), which instructed transport business operators to abide by specific rules but did not provide clear guidelines from the MPWT on how to do so.

The guidelines provide the following details:

1. Domestic Transportation of Goods

Drivers transporting goods through districts, provinces, or the capital, and drivers carrying out door-to-door deliveries, can transport goods and food to their destination, or to their customers, as usual. However, drivers must wear a mask at all times and have their body temperature checked by a government officer from the health sector at arrival, in accordance with the planned itinerary. If suspicious symptoms are detected, the measures prescribed by the health sector should be strictly followed. Otherwise, the driver can continue as normal.

2. International Transportation and Transit of Goods

For the purposes of this article we have retained the language used in the announcement as closely as possible. However, from discussions with the relevant authorities, we understand that references to "foreign drivers" will also apply to citizens of Laos who transport goods across the border, to the extent practical. For example, the requirement for a health certificate issued in the previous country before crossing the border would still apply, but the requirement to leave the country as soon as possible would not. The provisions below should be read in that context.

General goods

Foreign drivers who enter Lao borders must comply with directions from the Ministry of Industry and Commerce and the Ministry of Health, including wearing a mask and providing a physical examination certification from health officers in the country of origin. Lao heath officers will then authorize their entry into Laos. The goods must be loaded or unloaded at a point determined by a Lao officer, after which the vehicle must return to the country of origin immediately.

Special goods

Foreign vehicles and their drivers which import goods for the purpose of a project (such as highways, the Lao-China railway, hydropower plants, etc.) or fuel, liquids, or other flammable objects which cannot simply be unloaded, are authorized to go to their destination, but they must observe the following measures:

- The driver must have a certificate from the owner of the goods, the authorized distributor in Laos, or the project owner, expressly indicating the destination to which the goods will be transported.
- The itinerary must be shown to inspection point officers along the way.
- The driver can only travel in accordance with the itinerary indicated and for the reason specified.
- If it is necessary for the driver to stay overnight, stay for more than one day, or stop on route, the transport company, its representative, the owner of the goods, or the project owner must arrange for the driver to stay and eat in the vehicle, a separate room, or in a dedicated zone for transport vehicles only. Ministry of Health rules must be observed.
- In order to guarantee and evidence compliance with these rules, officers at the border will sign a certificate with the driver, the owner of the goods, or the project owner.

Transit of goods to a third country

When the goods enter the country, vehicles coming from abroad must come to the loading point, as indicated by the officers, and load the goods into a Lao vehicle.

When the goods exit the country, the Lao vehicle transporting the goods can transport them to the border to load them into the foreign vehicle of the third-country, or drive the Lao vehicle up to the destination, if the third-country allows it.

The guideline further provides that foreign drivers must undergo a medical check.

However, the guideline fails to expressly indicate whether foreign drivers are authorized or prohibited to drive through Laos up to the third-country, for cross border transportation of goods. Since this was prohibited in the previous order, issued on April 2, 2020, we recommend that transport businesses check with the authorities on this point.

3. For Transport Business Operators

Transport business operators must:

- Clean the company premises and disinfect the interior of the truck and container before each loading;
- Record drivers' condition, including a temperature check, every day;
- > Devise a plan, including replacement, for employees with an abnormally high temperature;
- Ensure that all employees regularly wash their hands with soap, alcohol, gel, or disinfectant. Multiple handwashing stations must be put in place for customers, drivers, and employees in the operator's offices;
- Ensure that drivers hold a drivers' license, ID card, and vehicle documents, at all times, to facilitate monitoring; and
- Ensure that drivers wear masks when working or travelling.

4. For Vehicle Drivers

Drivers must:

- ▶ Hold a driver's license, ID card, and vehicle documents at all times, in order to facilitate monitoring;
- Wear a mask when working or travelling;
- Avoid touching their mouth, eyes, and nose with their hands;
- Wash hands with soap and water, or alcohol (75% or more); and,
- Avoid entering crowded areas or touching others, and keep one meter away from others.

5. Prohibitions and Sanctions for Violations

- It is prohibited to transport goods using more than two drivers, or one driver and one other employee.
- It is prohibited for government officers, or related staff, to collect payment from the transport drivers, at any checkpoints along the way.
- All infringers will be sanctioned in accordance with Lao laws.

For more information on these provisions, or any aspect of the impact of the COVID-19 pandemic on the law of Laos, please contact Dino Santaniello at <u>dino.s@tilleke.com</u>.

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Our Commitment to Continuous Client Service

During the COVID-19 outbreak, we are focused on maintaining high-quality client services while ensuring the safety and wellbeing of our team. Over the past several weeks, Tilleke & Gibbins has implemented our Business Continuity Plan across our offices in Cambodia, Indonesia, Laos, Myanmar, Thailand, and Vietnam. The vast majority of our team members are now working remotely, and based on our robust technology infrastructure, we are providing our full range of services as usual. We are now carrying out all client meetings through the use of technology, and, as many of you will have already experienced, this is proving to be a highly effective solution. By implementing a range of technology and agile working measures, we will ensure that you continue to receive the highest quality services with the fastest possible response times from our team. We know that you are facing complex business challenges during this crisis, and we have put together a bank of practical resources tracking the legal developments in the region as they happen—you can access them all at this link. In addition, we want to assure you that our team will be continuously available to help you navigate these issues across Southeast Asia. If you have any queries about these measures, please contact your usual client service partner, or email <u>communications@tilleke.com</u>.