



LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

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President's Office

No. 60/PO

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

**on the Promulgation of the Law on Local Administration**

Pursuant to Chapter VI, Article 67, paragraph 1 of the Constitution of Lao People's Democratic Republic on the promulgation of the Constitution and of laws that have been adopted by the National Assembly;

Pursuant to the Resolution No. 47/NA, dated 21 October 2003, of the National Assembly of the Lao People Democratic Republic, on the adoption of the Law on Local Administration; and

Pursuant to the Letter of Proposal No. 23/SC, dated 27 October 2003, of the Standing Committee of the National Assembly.

**The President of the Lao People Democratic Republic  
Decrees That:**

**Article 1.** The Law on Local Administration is hereby promulgated.

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

Vientiane, 5 November 2003

President of the Lao People's Democratic  
Republic

*[Seal & Signature]*

Khamtay SIPHANDONE



LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

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National Assembly

No. 47/NA  
21 October 2003

**LAW ON LOCAL ADMINISTRATION OF  
THE LAO PEOPLE'S DEMOCRATIC REPUBLIC**

**Part I  
General Provisions**

**Article 1. Objectives of the Law on Local Administration**

The Law on Local Administration outlines the basic principles concerning the organisation, [functions and operational procedures]<sup>1</sup> of local administrations<sup>2</sup> with the aim to improve and establish strong, transparent, unified and systematic local administration throughout the country, to ensure the effective implementation of the Constitution, laws, socio-economic development [plans] and State budget plans, and to protect the legitimate rights and benefits of the State and the people.

**Article 2. Local Administration**

Local administration [refers to] the State administration at the local level. There are three levels of local administration in the Lao People's Democratic Republic: provincial, district and village levels.

At the provincial level, there are provinces, cities and, if required, a special zone;

At the district level, there are districts and municipalities;

At the village level, there are villages.

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<sup>1</sup> The phrase "functions and operational procedures" is one word in Lao. In this translation, where necessary for readability (e.g., in headings), the translators have used the word "function" to encompass this entire idea.

<sup>2</sup> The term "local administration" and its variants (e.g., "provincial and city administration") are used in this law in three ways: first (and most commonly), as a tangible noun phrase referring to the persons or groups that, at local level, administer the country; second, as an abstract noun phrase referring to the concept of administration; and third, as an adjectival phrase.

The government delegates<sup>3</sup> responsibility to the local administration authorities to manage the territory, natural resources and population in order to preserve and develop into a modern, civil and prosperous society.

### **Article 3. Location and Overall Role of Local Administration**

The local administration's role is to represent the locality and be responsible to the government for administering [the following matters within the locality]: political, socio-economic and cultural affairs; human resource management; the utilisation, preservation, and protection of natural resources, the environment and other resources; national and local defence and security; and other responsibilities relating to foreign relations as assigned by the government.<sup>4</sup>

The head of the provincial administration is the governor. The head of the city is the mayor. The head of the district is the chief of district. The head of the municipality is the chief of municipality.<sup>5</sup> The head of the village is the village head.<sup>6</sup>

### **Article 4. Authority and Duties of Local Administration**

The authority and duties of [each] local administration are:

1. To implement the Constitution, laws, resolutions, orders, socio-economic development plans and State budget plans within its area of responsibility;
2. To prepare a strategic plan incorporating socio-economic development plans, State budget plans and defence and security plans based on national strategic plans;
3. To manage political, socio-economic and cultural affairs, natural resources, the environment and national defence and security;
4. To issue resolutions, decisions, orders, instructions and notifications regarding socio-economic and cultural management, and national defence and security within its area of responsibility in accordance with the laws and regulations;

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<sup>3</sup> The word "delegates" is a verb in this Article.

<sup>4</sup> For readability, the punctuation in this sentence has been modified.

<sup>5</sup> The reader should note that the titles for local administration officials have undergone change over time and that the titles used in the Law on Local Administration may be different from titles used in other laws, including the Constitution.

<sup>6</sup> The local administrative official in charge of a village has been translated here as "village head," in keeping with more recent usage and to avoid confusion with the terms "chief of district" and "chief of municipality," although earlier usage in some other laws refers to this official as "village chief".

5. To supervise the performance of the organisations<sup>7</sup> under its responsibility;
6. To collaborate and cooperate with foreign countries as assigned by the government; [and]
7. To exercise such other rights and perform such other duties as provided by the laws.

## **Article 5. Organisation Principles and Functions of Local Administration**

The organisation, functions and operational procedures of the local administrations are implemented in accordance with the principle of democratic centralism, [with devolution of responsibility to the local administration level]<sup>8</sup>, which divides responsibility among management levels. The village level reports to the district level, the district level reports to the provincial level and the provincial level reports to the government under the guidance and responsibility of the party committee<sup>9</sup> based on the Constitution and the laws.

Each local administration is authorised to conduct meetings to discuss and decide important local issues.

## **Part II Provincial and City Administrations**

### **Chapter 1 Location, Role, Functions and Organisational Structure**

## **Article 6. The Province and the City**

The province is a local [administrative territory] comprising several districts and municipalities.

The city is a local [administrative territory] comprising larger urban communities and several municipalities. It is the centre of political, economic, cultural and social services and activities that influence the socio-economic development of the country. Vientiane Capital City consists of several districts and municipalities.

## **Article 7. Roles and Functions of Provincial and City Administrations**

Provincial [administrations] and city administrations have the [following] roles, functions and operational procedures: to manage political,

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<sup>7</sup> The translators are aware that this Article does not track word-for-word Article 76(2) of the Constitution. Here, “organisations” is a wider term and also includes mass organisations and social organisations in the locality.

<sup>8</sup> The literal translation of the single Lao word used here is “deconcentration”. The translators believe that this is the intended meaning of that word.

<sup>9</sup> This is a reference to the committee that represents the Party at the relevant local level.

economic, [and] socio-cultural affairs and human resources; to protect, preserve and utilise natural resources, the environment and other resources; and to manage national and local defence and security, and foreign affairs as assigned by the government.<sup>10</sup>

## **Article 8. Organisational Structure and Personnel of Provincial and City Administrations**

The organisational structure of each provincial or city administration comprises:

- The provincial or city cabinet; [and]
- The local divisions of the line ministries and ministry-equivalent organisations.

The personnel of each provincial or city administration comprises:

- The governor or mayor;
- The vice-governor(s) or vice-mayor(s);
- The chief and deputy chief of such provincial or city cabinet;
- The director and deputy director of the local divisions; [and]
- Other personnel in such provincial or city administration.

## **Article 9. Status<sup>11</sup> and Role of Provincial or City Cabinets**

Each provincial or city cabinet is part of the organisational structure of a province or city. The role of the cabinet is to act as the secretariat of the governor or mayor in his<sup>12</sup> management of tasks; to formulate program and project plans; to study, finalise, draft, research and edit documents; to coordinate with concerned persons<sup>13</sup>; to provide information; to supervise and support the implementation of legal acts of higher-level authorities and of its province or city<sup>14</sup>; [and] to facilitate the operation of the province or city administration.

Further details of the organisational structure, personnel, authority and duties of the provincial and city cabinets are set out in specific regulations.

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<sup>10</sup> For readability, the sentence structure and punctuation have been modified.

<sup>11</sup> The same word in Lao is used to describe physical locations and the “position” of an organisational component in relation to the larger system in which it is situated. Where the latter meaning is intended, the word has been translated as “status”.

<sup>12</sup> The reader should note that the Lao language does not distinguish between genders in pronouns. In this translation, a reference to a gender is a reference to all genders, unless the context requires otherwise. The translators’ decision to use the male gender was made in the interests of simplicity and consistency.

<sup>13</sup> The word “person” includes natural persons and entities.

<sup>14</sup> For the cabinet of a province or city, such “higher-level authorities” would include authorities at the provincial, city and central level.

**Article 10. Status and Role of Local Divisions of the Line Ministries and Ministry-Equivalent Organisations in the Province and City**

The local divisions<sup>15</sup> of the line ministries and ministry-equivalent organisations are part of the organisational structure of the provincial or city administration. The role of the local divisions is to act as the secretariat to the ministries and ministry-equivalent organisations and to the province or city by managing the activities of the concerned sectors<sup>16</sup>, according to the principle of democratic centralism, [with devolution of responsibility to the local administration level].

Further details of the organisational structure, personnel, rights and duties of local divisions of the line ministries and ministry-equivalent organisations in provinces and cities shall be set out in specific regulations.

**Chapter 2  
Creation of Provinces and Cities**

**Article 11. Creation, Abolition, Division, Merger and Land Area Definition of Provinces and Cities**

The creation, abolition, division, merger or definition of the land area of a province or city is approved by the National Assembly, based on the recommendation of the Prime Minister.

**Article 12. Criteria for Creation**

(a) The criteria for the creation of a province are:

1. A suitable geographical location for administration and a strategic location for national defence and security;
2. The presence of good conditions for socio-economic development;
3. The presence of infrastructure like telecommunication [facilities], roads and streets, markets, electricity, water supply, schools, health facilities and others;
4. A population of at least one hundred and twenty thousand; [and]
5. A minimum of five districts.

[Even if all these criteria are not met,] the government may in special cases still make a proposal to the National Assembly for consideration and approval.

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<sup>15</sup> Readers should note that terms for the “local bodies” of ministries and ministry-equivalent organisations are determined by the government and do not necessarily follow any consistent or legally-required terminology. As of 2005, the term “division” is typically used for provincial bodies and the word “office” is typically used for district bodies.

<sup>16</sup> For example, a local division of the public health authorities would assist the Ministry of Health by managing local activities in the sector of public health.

(b) The criteria for the creation of a city are:

Except for Vientiane Capital City, other cities will be created if they:

1. Occupy a large urban area that is the centre of economic, political and socio-cultural activities, [and of] tourism, services, commerce, communications, transport and foreign affairs;
2. Make a significant contribution to the socio-economic development of the country;
3. Have a population of at least eighty thousand; [and]
4. Have a developed infrastructure and public facilities.

### **Chapter 3**

#### **Roles, Authorities and Duties of Governors and Mayors**

##### **Article 13. Roles of Governors and Mayors**

Each governor or mayor is the chief of the [relevant] provincial or city administration and represents the province or city. He is responsible to the government for fulfilling his role, authority and duties of provincial or city administration.

##### **Article 14. Authorities and Duties of Governors and Mayors**

Each governor or mayor shall have the following authorities and duties:

1. To ensure the effective implementation of the Constitution, laws and rules of the State;
2. To convene and preside over provincial or city administration meetings;
3. To study and develop strategies for provincial or city socio-economic development and budget plans;
4. To implement the socio-economic development plan, the State budget, [measures for] the defence and security of the province or city, the prevention of negative occurrences; and the monitoring and inspection of central government projects being implemented in the province or city;
5. To facilitate and manage concerned organisations to ensure the timely and accurate accounting of local revenue collections;
6. To motivate, promote and facilitate the participation of the Lao Front for National Construction, mass organisations, social organisations and all economic entities and ethnic people in the socio-economic development of the province or city;
7. To issue decisions, orders, instructions, notifications and other regulations in accordance with the laws;
8. To implement citizen management at the local level;
9. To suspend or cancel the legal acts of lower-level local administrations, or propose to higher-level authorities that they

- cancel the legal acts of [other] sectors, that conflict with laws and regulations;
10. To propose the creation and abolition of districts and municipalities, and any local division within the structure of the province and city administration;
  11. To create, abolish, merge, divide and delineate village boundaries;
  12. To propose the appointment, transfer or removal of chiefs of districts and chiefs of municipalities;
  13. To appoint (or acknowledge the appointment of) directors and deputy directors of the local divisions of line ministries or ministry-equivalent organisations at provincial or city level[, and to appoint (or acknowledge the appointment of)] the heads of office of the line ministries and ministry-equivalent organisations at the district level;
  14. To appoint, transfer or remove the chief or deputy chief of the provincial or city cabinet, the deputy chief of district or municipality, the chief and deputy chief of the district or municipal cabinet, and the deputy director of local offices of the line ministries and ministry-equivalent organisations at the district or municipal level, and other personnel in accordance with regulations;<sup>17</sup>
  15. To manage the performance of organisations and personnel in accordance with their authority, including supervising and reporting on the performance of civil servants of line ministries and ministry-equivalent organisations;
  16. To consider, advise on or resolve complaints, petitions and proposals from within the civil service, relating to inappropriate behaviour or unsatisfactory performance of staff or organisations within the scope of their jurisdiction in accordance with the laws;
  17. To regularly report the overall situation in the province or city to the government;
  18. To cooperate with international organisations as assigned by the government; [and]
  19. To exercise such other rights and perform such other duties as provided by the laws.

**Article 15. Authorities and Duties of the Vice-Governors and Vice-Mayors**

The vice-governor(s) [of each province] and the vice-mayor(s) of [each city] shall assist the governor or mayor and shall perform such specific functions as are assigned by the governor or mayor.

In the event that the governor or mayor is unable to implement his duties for any reason, the vice-governor or vice-mayor assigned by the governor or mayor will take over [his duties].

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<sup>17</sup> Although not specifically stated, the powers listed in this paragraph only apply to those districts or municipalities that are within the responsibility of the relevant province or city.

**Article 16. Appointment and Term of Office of the Governor or Mayor, and of Vice-Governor(s) and Vice-Mayor(s)**

Each governor and mayor is appointed, transferred or removed by the President of the State based on the recommendation of the Prime Minister.

Each governor and mayor shall have a five-year term of office and can be reappointed for one additional term in the same place.

The vice-governor(s) and vice-mayor(s) are appointed, transferred or removed by the Prime Minister, based on the recommendation of the governor or mayor, and shall have a five-year term of office and may be reappointed.

**Chapter 4  
Provincial and City Administration Meetings**

**Article 17. Provincial and City Administration Meetings**

Regular provincial and city administration meetings shall be held once a month and shall be convened and chaired by the governor or mayor. The participants in such provincial or city administration meetings include the vice-governor(s) or vice-mayor(s), the chief of provincial or city cabinet, and the director of the local divisions of the line ministries and ministry-equivalent organisations. If necessary, the representatives of the chiefs of districts and the chiefs of municipalities or representatives of concerned parties may be invited to attend.

In the event that an emergency or urgent matter arises, the governor or mayor can call a special meeting.

In each meeting, minutes of the meeting shall be recorded. The minutes shall be approved and signed by the chairman, and then distributed to the participants and concerned parties for implementation. In the event that there is a decision on important issues, a resolution of the meeting shall be prepared.

**Article 18. Agenda of Provincial and City Administration Meetings**

The agenda or topics to be considered and agreed upon in provincial or city administration meetings should include:

1. Socio-economic strategy and development plans for the province or city;
2. Province or city budget plans and annual budget amendments or adjustments;
3. [Proposals to] create or abolish districts, [and] municipalities and [proposals regarding the] organisational structure of the province or city for consideration by the government;
4. [Consideration of] drafts of the legal acts of the province or city;
5. Consideration of investment projects in the province or city;

6. Reports on the implementation of activities in the province or city;
7. An annual report to the government;
8. Local defence and security of the province or city, and international relations and cooperation; [and]
9. Personnel management issues.

Each provincial or city administration meeting may also discuss other important and necessary issues.

### **Part III District Administration**

#### **Chapter 1 Location, Role, Functions and Organisational Structure**

##### **Article 19. District**

A district is a local [administrative territory] under the supervision of a province or capital city. A district comprises several villages.

##### **Article 20. Role and Functions of District Administrations**

District administrations have the [following] roles, functions and operational procedures: to manage political, economic, [and] socio-cultural affairs and human resources; to protect, preserve and utilise natural resources, the environment and other resources; and to manage national and local defence and security, and foreign affairs as assigned by the province or capital city.

##### **Article 21. Organisational Structure and Personnel of District Administrations**

The organisational structure of each district administration comprises:

- The district cabinet; [and]
- The local offices of the line ministries and ministry-equivalent organisations.

The personnel of each district administration comprises:

- The chief of district;
- The vice-chief(s) of district;
- The chief and deputy chief of the district cabinet;
- The director and deputy director of line offices in the district; [and]
- Other personnel in such district administration.

## **Article 22. Status and Role of District Cabinets**

Each district cabinet is part of the organisational structure of a district. The role of the cabinet is to act as the secretariat of the chief of district in his management of tasks; to formulate program and project plans; to study, finalise, draft, research and edit documents; to coordinate with concerned persons; to provide information; to supervise and support the implementation of legal acts of higher-level authorities and of its district; [and] to facilitate the operation of the district administration.

Further details of the organisational structure, personnel, authority and duties of the district cabinet are set out in specific regulations.

## **Article 23. Status and Role of Local Offices of the Line Ministries and Ministry-Equivalent Organisations in the District**

The local offices of the line ministries and ministry-equivalent organisations are part of the organisational structure of the district administration. The role of the local offices is to manage their own sector's responsibilities as assigned by the province, capital city, line ministries and ministry-equivalent organisations; and to implement legal acts of higher-level authorities and the socio-economic development plans for the province, capital city and district.

Further details of the organisational structure, personnel, rights and duties of local offices of the line ministries and ministry-equivalent organisations in districts are set out in specific regulations.

## **Chapter 2 Creation of Districts**

### **Article 24. Creation, Abolition, Division, Merger and Land Area Definition of Districts**

The creation, abolition, division, merger or definition of the land area of a district is approved by the government, based on the recommendation of the governor or mayor.

### **Article 25. Criteria for Creation**

The criteria for the creation of a district are:

1. A suitable geographic location for administration;
2. A population of at least thirty thousand for districts in the low-lying areas and twenty thousand for those in the mountainous areas, (however, when deemed necessary, the government can decide to make an exception [to this criterion]<sup>18</sup>; and]

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<sup>18</sup> The parentheses have been added and are not in the original text.

3. The presence of infrastructure and conditions for socio-economic development.

### **Chapter 3**

#### **Roles, Functions, Authorities and Duties of the District Chief**

#### **Article 26. Roles of District Chiefs**

Each district chief is the chief of the [relevant] district administration and represents the district. He is responsible to the provincial and capital city administrations for fulfilling his role, authority and duties.

#### **Article 27. Authorities and Duties of District Chiefs**

Each district chief shall have the following authorities and duties:

1. To ensure the effective implementation of the Constitution, laws and rules of the State;
2. To convene and preside over district administration meetings;
3. To study and develop strategies for district socio-economic development and budget plans;
4. To implement the socio-economic development plan, the State budget, [measures for] the defence and security of the district, the prevention of negative occurrences, and the monitoring and inspection of central, provincial and capital city investment projects being implemented in the district;
5. To facilitate and manage concerned organisations to ensure the timely and accurate accounting of revenue collection in the district;
6. To motivate, promote and facilitate the participation of the Lao Front for National Construction, mass organisations, social organisations and all economic entities ethnic people in the socio-economic development of the district;
7. To issue decisions, orders, instructions, notifications and other regulations in accordance with the laws;
8. To implement citizen management in the district;
9. To suspend or cancel the legal acts of lower-level local administrations, or to propose to higher-level authorities that they cancel the legal acts of [other] higher-level local administrations, that conflict with the laws and regulations;
10. To propose the creation and abolition of villages and any offices within the structure of the district administration;
11. To propose the appointment, transfer or removal of deputy district chief(s), and of chiefs and deputy chiefs of the district cabinet;
12. To propose (or acknowledge) the appointment of deputy directors of local offices of the line ministries and ministry-equivalent organisations in the district;
13. To appoint, transfer or remove the heads and deputy heads of units of the district administration and other personnel in accordance

with regulations; and to approve the election or appointment of the village heads;

14. To manage the performance of organisations and personnel in accordance with their authority, including supervising and reporting on the performance of civil servants of line ministries or ministry-equivalent organisations;
15. To consider, advise on or resolve complaints, petitions and proposals from within the civil service, relating to inappropriate behaviour or unsatisfactory performance of staff or organisations within the scope of their jurisdiction in accordance with the laws;
16. To regularly report the overall situation in the district to the governor or mayor;
17. To cooperate with international organisations as assigned by the province or capital city; [and]
18. To exercise such other rights and perform such other duties as provided by the laws.

**Article 28. Authorities and Duties of Deputy District Chiefs**

The deputy district chief(s) shall assist the district chief and shall perform such specific functions as are assigned by the district chief.

In the event that the district chief is unable to implement his duties for any reason, the deputy chief assigned by the district chief will take over [his duties].

**Article 29. Appointment and Term of Office of Chiefs and Deputy Chiefs of District**

Each chief of district is appointed, transferred or removed by the Prime Minister based on the recommendation of the governor or mayor.

Each chief of district shall have a five-year term of office and can be reappointed for one additional term in the same place.

The deputy chief(s) are appointed, transferred or removed by the governor or mayor, based on the recommendation of the chief of district, and shall have a five-year term of office and may be reappointed.

**Chapter 4  
District Administration Meetings**

**Article 30. District Administration Meetings**

Regular district administration meetings shall be held once a month and shall be convened and chaired by the district chief. The participants in the district administration meeting include the deputy district chief(s), the chief of the district cabinet, and directors of local offices of the line ministries and ministry-equivalent organisations. If necessary, the representatives of other concerned parties may be invited to attend.

In the event that an emergency or urgent matter arises, the district chief can call a special meeting.

In each meeting, minutes of the meeting shall be recorded. The minutes shall be approved and signed by the chairman, and then distributed to the participants and concerned parties for implementation. In the event that there is a decision on important issues, a resolution of the meeting shall be prepared.

### **Article 31. Agenda of District Administration Meetings**

The agenda or topics to be considered and agreed upon in district administration meetings should include:

1. Socio-economic strategy and development plans for the district;
2. District budget plans and annual budget amendments or adjustments;
3. [Proposals to] create or abolish villages and [proposals regarding the] organisational structures of the district for consideration by the government;
4. [Consideration of] drafts of the legal acts of the district;
5. Consideration of investment projects in the district;
6. Reports on the implementation of activities in the district;
7. An annual report to the governor or mayor;
8. Local defence and security of the district, and international relations and cooperation; [and]
9. Personnel management issues.

Each district administration meeting may also discuss other important and necessary issues.

## **Part IV Municipal Administration**

### **Chapter 1 Location, Role, Functions and Organisational Structure**

### **Article 32. Municipality**

A municipality is a local [administrative territory] which is in an urban area. It is the place where the offices of the provincial or city administration are located, or some other urban area that meets the criteria provided in this Law, such as high population density and socio-economic, political, cultural and public service development. A municipality comprises several villages.

### **Article 33. Role and Functions of Municipal Administrations**

A municipal administration is a local administration at the same level as a district administration and is under the supervision of the Chief of Municipality.

The role and functions of a municipal administration are to manage political, economic, [and] socio-cultural affairs and human resources; protect, preserve and utilise natural resources, the environment and other resources; to plan and implement urban development and public services; to ensure the peace, security and cleanliness of the municipality; and to engage in foreign affairs activities as assigned by the province or city.

### **Article 34. Organisational Structure and Personnel of Municipal Administrations**

The organisational structure of each municipal administration comprises:

- The Municipal administration Cabinet; and
- The local divisions of the line ministries, ministry-equivalent organisations, and technical and service units.

The personnel of each municipal administration comprises:

- The chief and deputy chief(s) of the municipality;
- The chief and deputy chief(s) of the municipal cabinet;
- The head and deputy heads of local offices; and
- Other personnel in the municipal administration.

### **Article 35. Status and Role of Municipal Cabinets**

Each municipal cabinet is part of the organisational structure of the municipality. The role of the cabinet is to act as the secretariat of the chief of municipality in his management of tasks; to formulate program and project plans; to study, draft and finalise, research and edit documents; to co-ordinate with concerned persons; to provide information; to supervise and support the implementation of legal acts of higher-level authorities and of its municipality; and to facilitate the operations of the municipal administration.

Further details of the organisational structure, personnel, authority and duties of the municipal cabinets are set out in specific regulations.

### **Article 36. Status and Role of Local Offices of the Line Ministries and Ministry-Equivalent Organisations in Municipalities**

The local offices of the line ministries and ministry-equivalent organisations are part of the organisational structure of the municipal administration. The role of the local offices is to manage their own sector's responsibilities as assigned by the province or city, local divisions or equivalent organisations, and the technical and service units; and to implement

the legal acts of higher-level authorities and the socio-economic development plans for its province or city and its municipality.

Further details of the organisational structure, personnel, authority and duties of local offices of the line ministries and ministry-equivalent organisations of the municipality are set out in specific regulations.

## **Chapter 2 Creation of Municipalities**

### **Article 37. Creation of Municipalities**

The creation, abolition, division, merger or definition of the land area of a municipality is approved by the government, based on the recommendation of the governor or mayor.

### **Article 38. Criteria for Creation**

The place where the provincial or city administration offices are located shall be considered as a municipality. The urban centres of other districts can be established as a municipality if they meet the following criteria:

1. Population of at least 10,000 people, (however, when deemed necessary, the government can decide to make an exception [to this criterion]<sup>19</sup>);
2. A developed economic, social, and cultural area and a developed infrastructure system; [and]
3. An ability to generate revenue to respond to necessary expenditures.

## **Chapter 3 Role, Authorities and Duties of Chiefs of Municipalities**

### **Article 39. Roles of Municipal Chiefs**

Each chief of municipality is the chief of the municipal administration, and represents the municipality. He is responsible to the province or city for fulfilling his role, authority and duties.

### **Article 40. The Authority and Duties of Chiefs of Municipalities**

Each chief of municipality shall have following authorities and duties:

1. To ensure the effective implementation of the Constitution, laws, [and] rules of the State;
2. To convene and preside over municipal administration meetings;

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<sup>19</sup> The parentheses have been added and are not in the original text.

3. To study and develop strategies for municipal socio-economic development and budget plans;
4. To implement the socio-economic development plan, the State budget, [measures for the] defence and security of the municipality, the prevention of negative occurrences, and the monitoring and inspection of all municipal, provincial, city and central government investment projects being implemented in the municipality;
5. To facilitate and manage concerned organisations to ensure the timely and accurate accounting of revenue collections in the municipality;
6. To motivate, promote and facilitate the participation of the Lao Front for National Construction, mass organisations, social organisations and all economic entities and ethnic people in the socio-economic development of the municipality;
7. To issue decisions, orders, instructions, notifications and other regulations in accordance with the laws;
8. To implement citizen management in the municipality;
9. To suspend or cancel the legal acts of lower-level local administrations, or to propose to higher-level authorities that they cancel the legal acts of [other] higher-level local administrations, that conflict with the laws and regulations;
10. To propose the creation and abolition of villages and any offices within the structure of the municipal administration;
11. To propose the appointment, transfer or removal of the deputy chief(s) of municipality and the chief and deputy chief(s) of the municipal cabinet;
12. To propose (or acknowledge) the appointment of the deputy directors of the local offices of the line ministries and ministry-equivalent organisations in the municipality;
13. To appoint, transfer or remove the heads and deputy heads of units of the municipality administration and other personnel, in accordance with regulations, and to approve the election or appointment of village heads;
14. To formulate, implement and supervise socio-economic and cultural development plans, and manage security and public order;
15. To develop and implement urban planning; maintain the infrastructure; manage socio-cultural affairs, sports and municipal service delivery including roads, electricity, water supply, markets, schools, hospitals, recreation facilities, sewage system, and garbage collection; protect river banks and manage natural disasters (for instance, fire and flood); clean and protect the environment; and provide public lights, parks and other amenities and facilities;
16. To manage and regulate building construction and other proposed development according to the urban plan of the municipality;
17. To manage the performance of organisations and personnel in accordance with their authority, including supervising and reporting on the performance of civil servants of line ministries and ministry-equivalent organisations;
18. To manage revenues, expenditures, property, vehicles and other equipment of the municipality in accordance with regulations;

19. To consider, advise or resolve complaints, petitions and proposals from within the civil service relating to inappropriate behaviour or unsatisfactory performance of staff or organisations within the scope of their jurisdiction;
20. To regularly report on the overall situation in the municipality to the governor or mayor;
21. To collaborate and cooperate with international organisations as directed by the province or city; [and]
22. To exercise such other rights and perform such other duties as provided by the laws.

**Article 41. Authorities and Duties of Deputy Municipal Chiefs**

The deputy chief(s) of a municipality shall assist the chief of municipality and shall perform such specific functions as are assigned by the chief of municipality.

In the event that the chief of municipality is unable to implement his duties for any reason, the deputy chief of municipality assigned by the chief of municipality will take over [his duties].

**Article 42. Appointment and Term of Office of Municipal Chiefs and Deputy Chiefs**

Each chief of municipality is appointed, transferred or removed by the Prime Minister, based on the recommendation of the governor or city mayor.

Each chief of municipality shall have a five-year term of office and can be reappointed for one additional term in the same place.

The deputy chief(s) of municipality are appointed, transferred or removed by the governor or mayor based on the proposal of the chief of municipality, shall have a five-year term of office and may be reappointed.

**Article 43. Revenues of Municipality**

The revenues of each municipality are derived from the State budget, service charges or fees, local taxes, contributions from people and other revenues specified by the laws and regulations.

**Chapter 4  
Municipal Administration Meetings**

**Article 44. Municipal Administration Meetings**

Regular municipal administration meeting shall be held once a month and shall be convened and chaired by the chief of municipality. The participants in the municipal administration meetings include the deputy chief(s) of municipality, the chief of the municipal cabinet, directors of local offices of the line ministries and ministry-equivalent organisations, and heads

of technical and service units. If necessary, the representatives of other concerned parties may be invited to attend.

In the event that an emergency or urgent matter arises, the chief of municipality can call a special meeting.

In each meeting, minutes of the meeting shall be recorded. The minutes shall be approved and signed by the chairman, and then distributed to the participants and concerned parties for implementation. In the event that there is a decision on important issues, a resolution of the meeting shall be prepared.

#### **Article 45. Agenda of Municipal Administration Meetings**

The agenda or topics to be considered and agreed upon in municipal administration meetings should include:

1. Socio-economic strategy and development plans for the municipality;
2. Municipal budget plans and annual budget amendments or adjustments;
3. Construction projects, and the improvement and maintenance of the infrastructure and services of the municipality;
4. [Proposals for] the creation or abolition of villages and [proposals regarding the] organisational structure of the municipality for consideration by the government;
5. Consideration of investment projects in the municipality;
6. [Consideration of] drafts of the legal acts of the municipality;
7. Reports on the implementation of activities in the municipality;
8. An annual report to the governor or mayor;
9. Local defence and security of the municipality, and international relations and cooperation; [and]
10. Personnel management issues.

Each municipal administration meeting may also discuss other important and necessary issues.

### **Part V Village Administration**

#### **Chapter 1 Location, Role, Functions and Organisational Structure**

#### **Article 46. The Village**

The village is a local [administrative territory] at the grassroots level. It is under the supervision of the district or municipality. A village comprises several households.

**Article 47. Role and Functions of Village Administrations**

The role and functions of each village administration are to implement and manage the socio-economic development plans for the village, to protect and maintain security and public order, and to protect and preserve natural resources and the environment within the village.

**Article 48. Organisational Structure of Village Administrations**

Each village is headed by a village head who is assisted by deputy head(s) and some functional units.

**Article 49. Village Head Elections**

Each village head is elected by eligible voters in the village and approved by the chief of district or the chief of municipality.

In special circumstances, the village head may be appointed or removed by the chief of district or the chief of municipality.

Deputy village head(s) are appointed or removed by the chief of district or the chief of municipality, based on the recommendation of the village head.

The term of office of each village head and the deputy village heads is three years. They can be re-elected or re-appointed.

**Chapter 2  
Creation of Villages**

**Article 50. Creation of Villages**

The creation, abolition, division, merger or definition of the land area of a village is approved by the governor or mayor, based on the recommendation of the chief of district or the chief of municipality.

**Article 51. Criteria for Creation**

The criteria for the creation of a Village are:

1. A suitable geographical location for administration;
2. Population:
  - A village in an urban area should have a population of at least one thousand;
  - A village in the low-lying areas should have a population of at least five hundred;

- A village in the mountainous or remote areas should have a population of at least two hundred; and
3. Socio-economic development conditions must be sustainable.

### **Chapter 3**

#### **Role, Functions, Authority and Duties of the Village Head**

#### **Article 52. Role and Functions of Village Heads**

Each village head is the chief of the village administration and represents the village. He is responsible to the district or municipality administrations and to all villagers for the implementation of his role, authority and duties.

#### **Article 53. Authority and Duties of Village Heads**

Each village head shall have the following authority and duties:

1. To implement the Constitution, laws, resolutions, orders, and socio-economic development plans to improve the living conditions of the population; to protect natural resources and the environment; and to maintain the peace, security, and public order in the village;
2. To disseminate the government policies and laws to all people in the village; to educate, mobilise and encourage harmony and solidarity of the people; [and] to promote the people's exercise of their rights and their compliance with their obligations;
3. To motivate, promote and facilitate the participation of the Lao Front for National Construction, mass organisations, social organisations and all economic entities and ethnic people in the socio-economic development of the village;
4. To preserve and promote good national traditions and cultures of the multi-ethnic Lao people; to discourage negative occurrences and superstitious beliefs; to promote education within the community; and to educate the community to be responsible for hygiene and sanitation;
5. To manage the people in the village, and to support the people in order to bring about more stable employment and sustainable livelihoods;
6. To convene and preside over village administration meetings and attend meetings convened by higher-level authorities;
7. To propose the appointment or removal of the deputy village chief(s) to the chief of district or chief of municipality;
8. To issue rules and notifications in accordance with the laws and regulations;
9. To propose to higher-level authorities the suspension of orders or the cancellation of activities which are against the laws, rules and the common interests of the village;

10. To resolve local conflicts and complaints of the people within the scope of his authority;
11. To regularly report the overall situation in the village to the chief of district or chief of municipality;
12. To receive some allowances in accordance with the laws; [and]
13. To exercise such other rights and perform such other duties as are provided by the laws.

**Article 54. Rights and Duties of Deputy Village Heads**

The deputy village head(s) shall assist the village head and shall perform such specific functions as are assigned by the village head. In the event that the village head is unable to implement his duties for any reason, the deputy village head assigned by the village head will take over [his duties].

**Chapter 4**  
**Village Administration Meetings**

**Article 55. Village Administration Meetings**

Regular village administration meetings shall be held once a month and shall be convened and chaired by the village head. The participants in village administration meetings include the deputy head(s) of the village and heads of units. If necessary, representatives of concerned parties may be invited to attend.

In the event that an emergency or urgent matter arises, the village head can call a special meeting.

In each meeting, minutes of the meeting shall be recorded. The minutes shall be approved and signed by the chairman, and then distributed to the participants and concerned parties for implementation.

**Article 56. Agenda of Village Administration Meetings**

The agenda or topics to be considered and agreed upon in village administration meetings should include:

1. Socio-economic and environmental development plans of the village;
2. Proposals for the creation or abolition of units in the organisational structure of the village for consideration by the government;
3. Consideration of investment projects in the village;
4. Consideration of drafts of village rules;
5. Reports on the implementation of activities in the village;
6. An annual report to the chief of district or chief of municipality; [and]
7. Local defence and security of the village.

Each village administration meeting may also discuss other important and necessary issues.

**Article 57. Village Meetings**

Each village head may convene and chair village meetings. The participants in village meetings comprise the village head, the deputy village head(s), the heads of units, and heads of families. The meeting is organised as required or as advised by higher-level authorities.

**Part VI**

**Working Methods of Local Administration Finance**

**Article 58. Working Methods of Local Administration**

1. The local administrations operate in line with the principles of democratic centralism and unified leadership based on consensus to be achieved at meetings [of the members of such local administration], and division of responsibility;
2. The local administrations do their work following plans, programs, projects, and defined timelines, to ensure the effectiveness of the work in accordance with the situation and conditions of the locality;
3. The local administrations collaborate with concerned parties in all activities. In the event that there is disagreement over some issues, [the disagreements] shall be submitted to higher-level authorities for consideration and approval;
4. The local administrations supervise, evaluate and make reports of the activities in the locality, and report to higher-level authorities; [and]
5. The local administrations at [all] levels must have their performance inspected by the people, by their own level and by higher-level inspection authorities.

**Article 59. Local Administration Finance**

Local administration finance has two levels of budget: provincial budget unit and district budget unit. The village is a basic unit for revenue collection and it incurs expenditures following rules and laws provided by the district level budget unit.

Local administration finance must operate in line with the principles of the centralised State budget, and the local budget shall also be managed according to rules and laws and implement the socio-economic development plans and annual plans which have been approved by the government and assigned [to be implemented at local level.]

[At the province or city administrative level,] the [person who has the highest financial decision making function]<sup>20</sup> is the governor or mayor or a person assigned by the governor or mayor of the province or city. At the district administration level, it is the chief of district or chief of municipality or a person who is assigned to this role.

## **Part VII Final Provisions**

### **Article 60. Stamp**

The local administration at each level shall have its own stamp for official use.

### **Article 61. Implementation**

The government is responsible for implementing this law.

### **Article 62. Date of Effect**

This Law enters 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, 5 August 2004  
President of the National Assembly

*[Seal and Signature]*

Samane VIYAKETH

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<sup>20</sup> This is akin to a “financial controller” or “secretary of the treasury”.