



**LAO PEOPLE'S DEMOCRATIC REPUBLIC**  
**Peace Independence Democracy Unity Prosperity**

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**Government**

**No 155/G**

Vientiane Capital, date 24 May 2013

**DECREE ON TOBACCO CONTROL FUND**

- Reference to The Law on Government No 02/NA, dated 06 May 2003;
- Reference to The Law on Tobacco Control No 07/NA, dated 26 November 2009;
- Reference to the proposal letter of Minister of Ministry of Health No 333/MoH, dated 13 March 2012.

**The Government issues:**

**Section 1**  
**General Provisions**

**Article 1. Objective**

This Decree determines principles, rules on the establishment, management, use and control the Tobacco Control Fund in order to mobilize the fund from local and international agencies to be used for tobacco control works, aiming at promoting the health of Lao people, contributing to the protection and development of the country. The Government of Lao establishes the Tobacco Control Fund or shortly called "TCF" is to promulgate and implement the Law on Tobacco Control.

**Article 2. The Tobacco Control Fund**

The Tobacco Control Fund shortly called "TCF" is the health promotion fund, established by the Government of Lao in order to promulgate and implement the Law on Tobacco Control, which is directly under the directive of The National Committee on Tobacco Control, having rights and duties to manage the performance of the Tobacco Control Fund in the effectiveness and transparency manner.

**Article 3. Administration Principles**

The administration on the Tobacco Control Fund shall comply with the following principles:

- To ensure the regular audit and control, conclusion and evaluation on fiscal year basis;
- To ensure the transparency in the management and use of the fund.

**Article 4. Scope of the Decree**

This Decree shall generally be used for individuals, juristic person and organizations related to Tobacco Control Works in Lao PDR.

## **Section 2**

### **Income Sources and Fund Use**

#### **Article 5. Income Sources**

The Tobacco Control Fund has its income or support from different sources as follows:

1. Government budget;
2. Collection in the form of the benefit tax by collecting two per cent (2%) of the benefit of tobacco product business owners, mentioning in the Tax Law;
3. Individuals and juristic person locally produced tobacco and/or imported the manufactured tobacco products from abroad shall contribute two hundred (200) kip per pack for the health promotion;
4. Donation or contribution from individuals, juristic person, domestic and international organizations;
5. Financial mobilization activities for the tobacco control works such as: sport competition, art and cultural performance and others.

#### **Article 6. Fund Use**

The Tobacco Control Fund shall be used in the following activities:

1. Dissemination on policies, strategies, laws and legal instruments, including treaties, international convention on tobacco control that Lao PDR is its party;
2. Production of IEC materials and other related activities to make the society be aware and cooperate to limit the impact of tobacco and tobacco smoke to the health;
3. Assistance on tobacco cessation for smoker who need to quit, as appropriately;
4. Establishment the smoke – free environment by expending the smoke-free areas to promote the healthier of population;
5. Research on tobacco impact to the health, economy and social;
6. Restraint the illicit trade in tobacco;
7. Grant award and recognition to individuals, juristic person and organizations having good achievement and best performance in implementing the tobacco control;
8. Administration and Management on the fund and performance other necessary duties given by Tobacco Control Fund Council and National Committee on Tobacco Control;
9. The Fund use for the activities items 1-8 of this article shall be in an amount of thirty and seven per cent (37%) of total budget;
10. Contribution to the health insurance scheme shall be in an amount of thirty and two per cent (32%) of total budget;
11. Contribution to strengthening on health care service quality such as: building, renovation and purchasing for medical supply and necessary equipment for public hospitals to be used for diagnosis and treatment tobacco-related diseases shall be in an amount of twenty and five per cent (20%) of total budget;
12. Administration and necessary performance for the National Committee on Tobacco Control shall be in an amount of six per cent (6%) of total budget;

13. It shall be saved and invested in low risk investment to get the additional income for the fund.

**Article 7. Bank Account**

The Tobacco Control Fund shall have its own bank account in the bank.

**Article 8. Money withdraw**

The money withdraw from the bank account of the fund shall be followed the financial rule of the Fund itself and the Bank.

The money withdraw from the bank account of the fund shall not be over the remaining balance of the fund and shall be kept enough money to pay its dept.

**Group 3**

**The Management of the Tobacco Control Fund**

**Article 9. Tobacco Control Fund Council**

The Tobacco Control Fund Council is the National Committee on Tobacco Control, which has been officially appointed by the Prime Minister of the Government of Lao.

**Article 10. Rights and Duties of Tobacco Control Fund Council**

The Council shall have the following rights and duties:

1. To manage the Tobacco Control Fund in order to promulgate and implement the policies, strategic plans, other rules of the fund and related rules of Law;
2. To consider and approve the annual action plan, financial plan and programs of the fund;
3. To issue the internal rules of the fund;
4. To appoint and discharge the manager and deputy manager of the fund.
5. To mobilize and seek the fund sources from individuals and internal and international organizations in contributing to the fund;
6. To monitor, control and manage the performance and use of the fund of the managing directorate to comply with the planned targets, in having transparency and high effective manner.

**Article 11. Tobacco Control Fund Council Meeting**

The ordinary meetings for the Tobacco Control Fund Council shall be organized twice a year. In case, having the important issues to be urgently discussed and considered, the extra-ordinary meetings shall be organized at any time, on the request of Tobacco Control Fund Council Chair-man or on the request of at least two of its members.

The meeting could be organized when two third of its total members are available.

**Article 12. Meeting Allowance**

The members of Tobacco Control Fund Council attending its meetings shall receive the meeting allowance, as prescribed in the financial rule of the fund.

**Article 13. Tobacco Control Fund Office**

The Tobacco Control Fund Office shortly called “TCFO” locates in the Ministry of Health, having its tasks as secretariat of TCF Council in the management and implementation on Tobacco Control Fund.

The Tobacco Control Fund Office composed by manager, vice manager and some technical staff, as appropriate.

**Article 14. Rights and Duties of Tobacco Control Fund Office Manager**

The Tobacco Control Fund Office Manager has his/her following rights and duties:

1. To draft action plan, programs and financial plan to be used for tobacco control activities and mobilize the fund for six months and one year and submit to the Council for approval;
2. To draft the internal rules of the fund and submit to the Council for approval and use;
3. To manage the routine works of the fund to comply with planned targets with transparency and high effectiveness;
4. To organize the financial mobilization campaign and fund raising for the Tobacco Control Fund;
5. To recruit, select and allocate staff to work at the Tobacco Control Fund Office , as agreed by the Council;
6. To conclude and regularly report the comprehensive action of the Fund to the Council for their information and advice.
7. To perform other rights and duties given by the Council.

**Group 4**

**The Audit and Report Systems**

**Article 15. The Account Audit**

The Account of Tobacco Control Fund shall be annually audited by the State Audit Organization; in case some violations have been found, the violators shall be prosecuted according the rules of Law of Lao PDR.

**Article 16. Reporting**

The manager of Tobacco Control Fund Office shall regularly submit the report on the fund performance. The annual financial report shall apply according to the report system, mentioning in related rules of Law.

**Group 5**

**Final Provisions**

**Article 17. Logo and Seal**

The Council and Tobacco Control Fund Office shall have its own Logo and Seal to officially use.

**Article 18. Implementation**

The National Committee on Tobacco Control is in charge to promulgate and effectively implement this Decree and report the comprehensive performance on tobacco control fund to the Government twice (2) a year.

The Ministry of Finance is in charge to collect the money given by income Sources, mentioning in article 5, items 1, 2 and 3 of this Decree and then deposit it to tobacco control fund bank account. Ministries, ministry-equivalent organizations, local administrative authorities and all related sectors shall recognize, cooperate and effectively implement this Decree.

**Article 19. Effectiveness**

This Decree shall come into effect from the signature date.

**The Government of Lao PDR  
Prime Minister**

Signed and sealed

H.E. Thongsing THAMMAVONG