

Unofficial translation



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

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Ministry of Finance

No.: 1183/MoF
Vientiane Capital, dated 21 May 2008

**Decision
of the Minister of Finance
on the Income-Expense Management of the Lao Air Traffic Management**

- Pursuant to the Prime Minister's Decree on the Organization and Operation of the Ministry of Finance, No.: 80/PM, dated 28 February 2007;
- Pursuant to the Notification of the Prime Minister's Office on the Improvement of Aviation Management, No.: 1444/PMO, dated 02 October 2002;
- Pursuant to the Decision of the Minister of Communication, Transport, Post and Construction on the Organization and Operation of the Lao Air Traffic Management, No.: 9966/MCTPC, dated 28 July 2004.

The Minister hereby issued a Decision:

**Chapter 1
General Provisions and Definitions**

Article 1. Objectives

This Decision defines fundamental principles and regulations on planning, implementation, summary, monitor and inspection of the income-expense budget of the Lao Air Traffic Management to ensure transparency in spending, saving, and using public funds effectively aiming at implementing specialized tasks in order to ensure prompt social services and exploration of financial resources to contribute to the development of aviation as well as national socio-economic development.

Article 2. Definition of Technical Administrative Office

Lao Air Traffic Management Unit is a technical administrative organization financed by public assets and budgets for social services. Lao Air Traffic Management Unit is a secondary budget unit of the Ministry of Public Works and Transport.

Article 3. Budget

The budget of the Lao Air Traffic Management Unit shall be calculated. Income-expense shall be reviewed to be summarized in an annual budget plan of the Ministry of Public Works and Transport and shall follow the regulation on state finance under the administration of financial and relevant line ministries.

Income-expense of the Lao Air Traffic Management Unit shall be calculated and reviewed. In case income is less than expense, the government will provide support, and if income exceeds expense, the surplus shall be transferred to the government budget.

Chapter 2 Income and Expense Management

Article 4. Income

The primary income of the Lao Air Traffic Management Unit derives from:

1. Service charges for fly through airspace;
2. Radio-assisted flight services;
3. Other services;
4. Financial assistance and subsidies from government budgets.

Article 5. Expense

The primary expense of the Lao Air Traffic Management Unit arises from:

1. Expense in salary treasury, subsidies, and other allowances;
2. Expense in technical administration (or ordinary administration);
3. Expense in technical tasks;
4. Expense in interest and financial guarantees;
5. Unexpected expense;
6. Investment expense (small-sized).

Article 6. Income-Expense Management *(proposed to be amended by the Ministry of Finance)*

Lao Air Traffic Management Unit shall transfer income as defined in Article 4 on a monthly basis into a bank account of the national treasury no later than the 15th of the following month.

If the technical income collected exceeds the plan adopted by the National Assembly, the exceeded amount shall be implemented according to regulations set forth by the Ministry of Finance in each year.

Chapter 3 Creating and Approving an Annual Budget Plan

Article 7. Creating an Annual Budget Plan

Lao Air Traffic Management Unit creates an annual budget plan as following:

1. An income plan is created on the basis of the estimated amount of fly through airspace services and radio-assisted flight usage according to contracts and actual information on income from commercial services.
2. An annual expense budget plan is created on the basis of an ability to generate income and ensure expense on management and air traffic services to ensure safety and to generate income for the government budget. The expenses on investment shall be included in investment plan of the government budget (based on the economic analysis, major investment shall be implemented by the Civil Aviation Department).

Article 8. Approving an Annual Budget Plan

The Ministry of Public Works and Transport approves the annual income-expense budget plan of the Lao Air Traffic Management Unit before submitting to the National Assembly via the Ministry of Finance.

Chapter 4 Budget Implementation

Article 9. Commander and Accountants

1. 'Commander' refers to the Minister of Public Works and Transport who has the rights to assign the Director of the Lao Air Traffic Management Unit and Director of Air Traffic Management Office in provinces to execute orders on income-expense based on their rights and duties.
2. The Director of the Accounting Division and Head of the Accounting Unit of Air Traffic Management Office in Provinces are assigned as Accountants.

Article 10. Income-Expense Calculation

The Commander is responsible for calculating and executing orders to transfer income, sign payment commitments, confirm payments, and order payments. The Accountants have the rights to collect income, sign commitments, confirm payments, and order payments. The Accountants have the rights to collect income and make actual payments based on transfer and pay order executed by the commander.

Article 11. Treasury and Accounting Management

Lao Air Traffic Management Unit holds an account of the government budget and has a deposit account with the National Treasury. Lao Air Traffic Management Unit can make an advance payment of deposit account if necessary. After that, they can create a budget withdrawal form to compensate for such advance payment.

Article 12. Commitment of Air Traffic Management

Lao Air Traffic Management Unit is responsible for monitoring, collecting, calculating and transferring income into the government budget regularly.

Article 13. Reporting Regime

Monthly, quarterly, half-yearly, and annually work circumstance on air traffic management shall be regularly reported to the above authority.

Chapter 5 Final Provisions

Article 14. Implementation

Lao Air Traffic Management Unit and relevant line ministries shall recognize and effectively implement this Decision. For practical implementation, this Decision can be amended to meet socio-economic development level in each period.

Article 15. Effectiveness

This Decision replaced the Decision of the Minister of Finance, No.: 2750/MoF, dated 21 November 2007, which entered into force and has been implemented since 01 October 2007. Any decisions and regulation contrary to this Decision shall be canceled.

Minister of Finance

[Signature and Seal]

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