Law on Water Resources
(Revised)

Chapter 1 General Provision

Article 1 Purpose (revised)
This law provides principles and measures necessary for the management, exploitation, use, development and protection of water resources, aiming to promote legal rights to use water resources that ensure balance and sustainability of socio-economic development and environmental protection.

Article 2 Water resources (revised)
Water resources comprise all naturally occurring water within the national territory of the Lao Peoples’ Democratic Republic, including precipitation, ground water and the water in springs, streams/rivers, lakes, reservoirs and wetlands as well as the banks and beds of such water bodies and the gravel, rocks, minerals, mud and sand contained within them.

Article 3 Explanation of terms (new)
Within the meaning of this law:

1. Water resources management includes, but not necessarily limited to: data collection and analysis including modeling; the preparation and implementation of draft river basin management plans and other planning activities relating to water resources; the implementation and enforcement of the permit regime for the use of water resources including the determination of permit applications; activities relating to floods, droughts & emergency response; capacity building and education for communities; and inspection of activities involving the use of water resources and the enforcement of the laws and regulations in force.

2. National Water Resource Management Committee means the high-level inter-ministerial coordination and decision-making body established pursuant to article 9 of this law.

3. River basin means the areas of land from which surface water run-off flows through a sequence of rivers into the Mekong River or, in the case of a trans-boundary river that is not a tributary of the Mekong River, to the point where that river crosses the national border.

4. Main river basin means a river basin identified in accordance with article 11 of this law.

5. River basin committee means a consultative body established in accordance with article 15 of this law.
6. **Water body** means a lake, pond, reservoir, river or aquifer.

7. **Water resource permit** means water resource permit issued in accordance with Chapter 4 of this law.

8. **Wastewater** means water from domestic, social, industrial and other economic activities containing pollutants or residues that alter its physical, chemical, and bacteriological characteristics.

9. **Water pollution** means the direct or indirect introduction as a result of human activity of substances or heat into water resources that may be harmful to human health or property or the quality of aquatic ecosystems or which may impair or interfere with legitimate uses of water resources.

10. **Pollutant** means any substance liable to cause water pollution.

11. **Minimum flow** means the minimum necessary flow on a section of a river needed to ensure a healthy aquatic ecosystem or the socio-economic needs of the local population.

12. **Groundwater** means water that is below the surface of the ground.

13. **Aquifer** means a sub-surface layer of rock or other geological strata of sufficient porosity and permeability to allow significant groundwater flow or the abstraction of significant quantities of groundwater.

14. **Wetland** refers to an area of marsh or swamp with terrestrial plants or aquatic plants, whether natural or artificial, permanent or temporary, with water that is static or flowing.

15. **River bank** means the area of land immediately adjacent to a river as determined in accordance with article 48 of this law.

16. **Drought** means a temporary deficiency in surface and groundwater as a result of climatic variability.

17. **Flood** means the temporary covering by water of land not normally covered by water as a result of rainfall.

18. **Dam** means a structure built across a river in order store or regulate the flow of water.

**Article 4  Policy on water resources**

The Government promotes all individuals, entities and organizations to efficiently and sustainably protect, use and develop water resources, ensuring effective management of water resources in a transparent and accountable manner. This will be achieved through increased cooperation and coordination between relevant sectors promoting the conversion of water resources into investment capital.
based on existing strengths, avoiding negative impacts on society and the environment in accordance with market oriented mechanism of the government.

**Article 5  Principles of water resource management (revised)**

Water resources will be managed in accordance with the following principles:

1. Water is valuable natural resource. The Government has the role to regulate the management, development, utilization and protection of water resources.
2. Water must be conserved for basic human needs and protection of ecosystem.
3. The right to use water resources is different to the right to use land. A land use owner does not always have the right to control water adjacent to his or her property.
4. Water has economic, social and environmental values.
5. Decision-making on water resource management is based on consultation and participation process of all concerned sectors.

Government officials and other decision-makers involved in water resources shall consider the principles contained in the first paragraph of this article when fulfilling their duties.

**Article 6  State ownership of water (revised)**

Water resources are the property of the national community represented by the State for the purpose of management and protection. Individuals, entities and organizations may use water resources in accordance with the provisions of this law.

**Article 7  Scope of the law (new)**

This law applies to the management and protection of water resources, all activities that might affect water resources including the diversion, abstraction, impoundment, use of water resources for any purposes and construction along river banks, return flows, water quality and the discharge of waste water and measures to respond to emergencies such as drought, flood, dam safety.

**Article 8  International cooperation**

The Government promotes international, regional cooperation and relations concerning water resources through exchange of lessons, data/information, science, technology, training, and professional upgrade, professional assistance, funding, and implementation of treaties and conventions to which Lao Peoples’ Democratic Republic is a party.

**Chapter 2 Management arrangements**

**Article 9  National Water Resources Committee**

In order to ensure high-level coordination and effective decision-making concerning both the management and use of water resources, the National Water Resources Committee is established.
The National Water Resources Committee is honorably chaired by the Deputy Prime Minister, with the Minister of Natural Resources and Environment as the chair. Other members are the vice ministers responsible for energy and mining, agriculture and forestry, industry and commerce, public works and transport and other vice Ministers of relevant ministries that have responsibilities for water resources maybe determined by the Government.

The National Water Resources Committee meets at least once a year although the Chairman may call for additional meetings as necessary. The secretariat of the committee shall be provided by the Department of Water Resources.

**Article 10  Ministry of Natural Resources and Environment**

The Ministry of Natural Resources and Environment represented by its Department of Water Resources is responsible for water resource management for the country in close coordination with relevant line agencies at central and local levels in accordance with the provisions of this law.

The Lao National Mekong Committee undertakes specific tasks relating to the obligations of the Lao Peoples' Democratic Republic under the Agreement on Cooperation for the Sustainable Development of the Mekong River Basin, 1995.

The structure, composition and detailed tasks of the Lao National Mekong Committee are specified in a Presidential decree on the proposal of the Ministry of Natural Resources & Environment.

The Secretariat of the Lao National Mekong Committee is provided by the Ministry of Natural Resources & Environment.

The Department of Water Resources shall assist the Lao National Mekong Committee to fulfill its tasks as appropriate.

**Article 12  River Basin Management**

Main river basins, which include the basins of the main tributaries of the River Mekong, shall form the basis of water resources management.

The National Water Resources Committee will identify the main river basins and their boundaries based on the proposal of the Ministry of Natural Resources & Environment.

The identification of main river basins shall take into account the interaction between surface water and groundwater.

**Article 13  Provincial Natural Resource and Environment Departments**

The Provincial Natural Resources & Environment Departments represented by their Water Resource Sections are responsible for implementation of relevant policies, strategies, and plans approved by the Ministry of Natural Resources & Environment.

**Article 14  District Natural Resources and Environment Offices**

The District Natural Resources & Environment Offices represented by their Water Resource Units are responsible for the implementation of relevant policies, strategies, and plans approved by the Ministry of Natural Resources & Environment and allocated by the Provincial Natural Resource & Environment Department.
Article 15 River Basin Committees

In order to ensure effective water resources management across province and district boundaries, a river basin committee may be established for each main river basin.

The members of the river basin committees include the governors of the provinces and the districts that lie within the relevant basin as well as other key stakeholders.

Chairmanship of river basin committees shall be rotated among three provincial governors on the basis of three-year terms.

Each river basin committee shall meet at least once a year, although additional meetings maybe called by the chair as necessary.

The tasks of the river basin committees are:
- to prepare draft river basin management plans for submission to the National Water Resources Committee;
- to identify areas where there are particular risks to groundwater quality;
- to identify wetlands of basin or regional importance and to facilitate the demarcation of these;
- to identify land areas for designation as water resource protection zones;
- to prepare a draft river basin flood risk management plan;
- to undertake other activities specified in this law.

Each river basin committee has its own secretariat, which is a special unit within the vertical line of the Ministry of Natural Resources & Environment.

Sub-basin committees and technical sub-committees at provincial director general level may also be established on the proposal of the relevant river basin committee and the approval of the Ministry of Natural Resources & Environment.

Chapter 3 Data, strategy and planning

Article 16 Information and Communication Systems for Water Resources Management

An information and communication system for water resources management shall be established as a fundamental instrument for water resources management in the Lao Peoples’ Democratic Republic.

The purpose of the information and communication system is to facilitate the systematic gathering, processing, exchange and dissemination of water resources data and information among relevant agencies involved in aspects of water resources management.

The National Water Resources Committee shall approve the structure and operating rules of the information and communication system for water resources management on the proposal of the Ministry of Natural Resources & Environment, which proposal shall specify the precise duties regarding the gathering, processing, exchange and dissemination of water resources data of the different concerned agencies.

The information and communication system for water resources management shall be based on the principle of decentralization of data and information production, collection and management and the principle of free access to regularly updated
data/information on the quantity and quality of water resources as well as the social and economic aspects of water use and other data necessary to give effect to plans required by this law.

Details of the information and communication system for water resources management will be provided in the next level of legislation on the proposal of the Ministry of Natural Resources & Environment.

The Ministry of Natural Resources & Environment shall coordinate the implementation of the information and communication system for water resources management in collaboration with relevant institutions at national, river basin and local levels and shall periodically review technical standards and the functioning of the system and shall present its findings to the National Water Resources Committee.

**Article 17  Register of water permits**

The Ministry of Natural Resources & Environment shall maintain a central register of water permits that shall contain full information on each permit issued in accordance with this law.

Every person shall have the right to inspect the central register of water permits during office hours.

**Article 18  Access to Water Resources Data**

Water resources data that is collected using public money or by public agencies or which is provided in connection with applications for, or the use of, permits issued under this law shall be publicly available for inspection although the agencies concerned may charge a reasonable fee for copies based on their administrative costs.

Data that is commercially confidential or which raises national security issues shall not be subject to the first paragraph of this article.

**Article 19  National Water Resources Strategy**

The National Water Resources Committee shall prepare and periodically review a National Water Resources Strategy for approval by the Prime Minister.

The strategy shall set out an overall direction, objectives and principles for water resources management, protection and use as well as targets to be achieved within specified timeframes and action plans to achieve these targets together with other matters specified in this law.

The Department of Water Resources, as the secretariat of the National Water Resources Committee, shall ensure widespread consultation of all relevant sectors, including civil society, on the development of the draft strategy.

Following the adoption of the strategy by the Prime Minister, the Department of Water Resources shall ensure the widespread dissemination of the strategy, including through the mass media and the internet.

The strategy shall guide planning and decision-making processes.

**Article 20  River Basin Management Plans**

A river basin management plan shall be prepared for each main river basin as well as the section of the Mekong River that flows through the Lao Peoples’ Democratic Republic.
Each river basin management plan shall be prepared in accordance with the government five year plan, and shall as a minimum address the following issues:

- assessment of the quantity and quality of available water resources in the basin;
- assessment of the risks of flood, drought, water shortages, pollution and dam failure in the basin and the identification of necessary prevention/mitigation measures;
- the identification of land areas for which there are particular risks of flooding and diffuse source pollution in the basin;
- priorities for water use in the basin; and
- measurable development and protection targets in the basin.

In order to ensure a common national approach, the National Water Resources Committee may specify other issues to be addressed in river basin management plans.

The Ministry of Natural Resources & Environment acting through the relevant Provincial Natural Resources & Environment Department or District Natural Resources & Environment Office or river basin committee secretariat, if there is one, shall prepare the draft plan for each basin, in consultation with the river basin committee, if there is one, and with involvement of relevant civil society stakeholders.

The Ministry of Natural Resources & Environment, in consultation with the Lao National Mekong Committee, shall prepare the river basin management plan for the Mekong mainstream, taking into account the obligations of the Lao Peoples’ Democratic Republic under international law.

Each draft river basin management plan shall be endorsed by the relevant river basin committee, if there is one, and submitted to the National Water Resources Committee for adoption.

A river basin management plan shall be reviewed every five years.

**Chapter 4 Water resources use**

**Article 21 Water resources use**

For the purpose of this law, water resource use includes: the abstraction and use of water from surface and ground water; the impoundment or storage and release of water behind a dam; the diversion, restriction or alteration of the flow of water in a river; the abstraction of gravel, sand, minerals and rocks from water bodies; the alteration of the bed, banks, course or characteristics of a river; the construction of permanent structures on rivers and river-banks; the re-use of wastewater; the use of aquaculture cages in water bodies; and recreational uses, including boat racing.

All users of water resources use shall use water rationally and economically, protect waters from pollution and respect the rights of other water users.

**Article 22 Small scale use of water resources**

The following uses of water resources shall be considered to be small scale uses of water resources and shall not require a water resources permit:

- human consumption and other domestic needs of the user;
- irrigation of households plots of the user;
- bathing, washing, boating and navigation;
- abstraction and use of water for fire fighting or other emergency situations; and other non-commercial small scale uses.

The Ministry of Natural Resources & Environment may temporarily restrict small-scale uses of water resources in cases where there are clear dangers for human life and health.

The Ministry of Natural Resources & Environment shall monitor small-scale uses of water resources to ensure that basic livelihood needs can be met and taken into account when decisions are concerning the allocation of water resources.

**Article 23 Single window water-resources permit scheme**

All uses of water resources not classified as small-scale in accordance with article 22 of this law shall require a water resources permit in accordance with the provisions of this chapter, including uses for agriculture, hydropower, industry, nam papa, public health, tourism, mining, the extraction of gravel, sand and other minerals from water bodies.

**Article 24 Nature and duration of water resources permits**

A water resources permit confers a secure legal right upon the holders to use the quantity of water specified in the permit.

An ordinary water resources permit shall last for 12 years, however if the use involves a major investment, such as the construction of a hydropower dam or a water supply system, a permit may last for up to 30 years.

Every permit shall be subject to conditions that specify:
- the quantity of water resources that maybe used and the purpose and place of use;
- monitoring and reporting requirements;
- that water resources use fees must be promptly paid;
- that the permit is personal to the holder and may not be transferred without the permission of the Department of Water Resources except in cases of succession or following the sale or transfer of the land to which the use relates;
- that the water resources must used beneficially and effectively.

Permits shall also be subject to standard conditions depending on the purpose of the use as set specified by decree and specific conditions to minimize negative impacts on the environment and other water resource users.

Water resources allocated under a water resources permit may not be reallocated, except for reasons of public interests and on the payment of compensation to the holder or the provision of equivalent water resources from another source.

**Article 25 The coordination of water resources permits for dams**

Where two or more dams are located on the same river, or where this is proposed, the concerned operators must establish an appropriate mechanism to coordinate the release of water from such dams to meet socio-economic, safety and environmental needs which shall be submitted to the Ministry of Natural Resources & Environment for its approval.

If the operators fail to do so, the Ministry of Natural Resources & Environment has the authority to require the operators to set up such a mechanism through a
negotiated process leading to the conclusion of a binding protocol that shall be reflected in the relevant water resources permits.

If the operators cannot conclude an agreement in the form of a protocol, the National Water Resources Committee shall recommend a Prime Minister decree setting out a coordinated release regime.

**Article 26 Priority for water resources use**

Satisfying the basic domestic and drinking water needs of the population and ensuring minimum flows to protect livelihoods and to maintain the ecological balance shall have priority over all other uses of water resources.

Unless a river basin management plan specifies a different order of priority for water use, the use of water resources shall take place in accordance with the following priority:

- hydropower generation;
- irrigation and the water for livestock;
- aquaculture;
- mining and industry;
- sport and recreation;
- other purposes.

**Article 27 Applications for water resources permits under the single window permit scheme**

Applications for water resources permits shall be submitted to the Department of Water Resources in the prescribed form and shall be accompanied by the application fee and documents specified in the decree, including an environmental impact assessment report as necessary, and proof of public consultation.

Applications for ordinary water resources permits are determined by the Department of Water Resources while application for long term permits are approved by the Government on the proposal of the Ministry of Natural Resources & Environment and other relevant ministries in accordance with the procedures set out in a Prime Minister’s decree.

In determining whether or not to issue a permit the decision-maker shall have regard to:

- the relevant river basin management plan and applicable priorities for water use;
- the content of the environmental impact assessment report if any;
- the outcomes from the public consultation processes;
- the potential impacts on small scale water resources uses;
- environmental flow and water quality requirements;
- the obligations of the Lao Peoples’ Democratic Republic under international law.

A water resources permit shall not be issued if it would negatively impact:

- the water rights of other permit holders;
- minimum environmental flows;
- water quality standards.

Every permit shall be entered into the permit register,
A decision of the Department of Water Resources to refuse a permit may be appealed to the Minister of Natural Resources & Environment.

**Article 28 **Variation/suspension/cancellation of permits

A water resources permit maybe varied by the Department of Water Resources:
- on a permanent basis at the request of the holder in which case, if there are likely to be significant third party impacts or environmental impacts, the request shall be dealt with as a new application;
- on a temporary basis in times of drought or whether it is necessary to give effect to minimum flow requirements.

A water resources permit maybe suspended by the Department of Water Resources:
- for a period of 30 days, in the case of non-compliance with permit conditions;
- to give effect to minimum flow requirement during a drought; or
- in an emergency situation or where this is necessary to protect public health.

A water resources permit maybe cancelled:
- at the request of the holder;
- by the entity that determined the original permit application, if the water resources to which the permit relates has not been used for a period of 3 years;
- by the entity that determined the original permit application, in cases where it is necessary in the public interest to re-allocate the water resources to another user in which case compensation shall be payable to the permit holder or water shall be provided from another source;
- by a decision of the court in the case of serious and repeated non-compliance with permit conditions.

**Article 29 **Termination and extension of water resources permits

At least 12 months before the expiry date the holder of a water resources permit may apply for extension of that permit and such extension should be granted unless the priorities for the river basin have changed or in accordance with the river basin management plan a less quantity of water should be made available to the applicant.

If a permit is not extended, all permanent hydraulic structure relating to the permit shall be vested to the government.

**Chapter 5 Protection of water resources**

**Article 30 **Prohibition of Discharges to water resources

Subject to article 34 of this law, the direct or indirect discharge or introduction of wastewater, solid wastes, pollutants and effluent to water bodies and to land in circumstances where they can be expected to flow into water bodies is prohibited.

**Article 31 **Minimum flow requirements

Minimum surface water flows shall be specified to achieve an ecological balance and to meet social water requirements.
The Ministry of Natural Resources & Environment shall determine minimum flow requirements for the Mekong River and its main tributaries, as well as other transboundary rivers, on the basis of the obligations of the Lao Peoples’ Democratic Republic under international law, and river basin management plans shall give effect to such requirements.

Local authorities including provincial, district, sub-district level determine water level of streams, lakes, wetlands, and ground water as appropriate, taking into account the relevant river basin management plan.

**Article 32  Ambient water quality standards**

Ambient water quality of water bodies shall be protected to meet water quality objectives and standards for different types of water resources use.

The Ministry of Natural Resources & Environment shall determine ambient water quality standards for specific types of water use for specific water bodies with close consultation and collaboration with relevant stakeholders.

**Article 33  Waste water discharge standards**

The Ministry of Natural Resources & Environment shall determine waste water discharge standards, including emission limit values, treatment standards and monitoring and reporting requirements.

Treatment standards may specify the use of the best available technology, taking into account the need to balance economic growth with environmental protection.

**Article 34  Single Window Permit for wastewater discharges**

Wastewater may only be discharged to a water body on the basis of water resource permit issued under the single window permit scheme and which authorizes the discharge of waste water (hereafter a ‘waste water discharge permit’).

Wastewater discharge permits shall be subject to conditions that specify waste water discharge standards and processes, treatment and monitoring standards and may be varied, suspended or cancelled in accordance with article 28 of this law.

A wastewater discharge permit shall last for up to three years, but may be renewed.

**Article 35  Applications for wastewater discharge permits**

Applications for waste water discharge permits shall be submitted to the Ministry of Natural Resources & Environment in the prescribed form and shall be accompanied by documents specified in a prime ministerial decree, including an environmental impact assessment as necessary, and proof of public consultations.

Applications for waste water discharge permits shall be determined by the Ministry of Natural Resources & Environment in accordance with a prime ministerial decree that shall specify a joint application mechanism for activities that involve both the abstraction and use of water resources as well as the discharge of waste water.

In determining whether or not to issue a waste water discharge permit, the Ministry of Natural Resources & Environment shall have regard to Article 23 of this law and shall not issue a wastewater discharge permit if it will negatively impact an existing lawful water use or if it will prevent compliance with ambient water quality standards.
Every wastewater discharge permit shall be entered into the permit register.
A decision by the Ministry of Natural Resources & Environment to refuse to issue a waste water discharge permit maybe appealed to the National Water Resources Committee.

**Article 36  Responses to pollution**
The Ministry of Natural Resources & Environment has the legal power to require any individual, entity, and/or organization that has caused serious pollution of water resources to clean up and remediate environmental damage, failing which the Ministry of Natural Resources & Environment will be entitled to undertake necessary clean up/remediation work itself and to recover the cost from the polluter through the courts.

In cases where a polluter causes loss of life and/or damage to the property of other people, the polluter shall be responsible for the losses in front of the civil laws depending on circumstances.

**Chapter 6 Use and protection of groundwater**

**Article 37  Use of groundwater**
The use of groundwater shall take place in accordance with the Single Window Permit Scheme provided for in Chapter 4 of this law.

In areas where there are particular risks of over-abstraction of groundwater, the Ministry of Natural Resources & Environment may require the registration of existing wells and the restriction through the permit system for the drilling of new wells.

**Article 38  Community based groundwater management**
The National Water Resources Committee may propose a Prime Ministerial decree for the creation of community-based groundwater management organization as special kind of legal entity, operated by groundwater users to adopt and enforce rules among themselves in order to regulate groundwater use.

**Article 39  Regulation of well-drilling**
A well-drilling business operator must have a special business license/permit with proof showing sufficient qualifications.

The drilling of wells, including exploratory wells, may only be undertaken on the basis of a well drilling permit issued by relevant levels of the Ministry of Natural Resources & Environment, depending on the scale of the proposed groundwater use.

Each well drilling permit shall last for a period of one year, renewable, and shall specify as a minimum:
- the land area where drilling is permitted;
- the number and maximum depth of wells that maybe drilled;
- the types of drilling equipment to be used; and
- measures to protect water quality, including the covering of exploratory and unused wells.
Within 30 days after the end of each drilling operation, the holder of the well drilling permit shall provide the Ministry of Natural Resources & Environment and its vertical line, as appropriate depending on the size of groundwater use, with detailed data on the drilling operation including hydro-geological characteristics.

**Article 40  Groundwater protection**

Every river basin committee shall identify the areas within its basin where there are particular risks to ground water quality and shall in accordance with guidelines issued by the Ministry of Natural Resources & Environment established protection zones above such aquifers in which activities involving potentially harmful substances maybe prohibited or restricted.

The Ministry of Natural Resources & Environment may propose a Prime Ministerial decree on groundwater management and protection that may specify such matters as management objectives for groundwater, minimum groundwater flows, quality objectives for groundwater, the regulation of groundwater recharge, conditions for groundwater exploration and use, protected zones around wells and groundwater protection zoning.

**Chapter 7 Wetlands**

**Article 41  Protection of wetlands**

Social and economic development plans as well as land use plans shall recognize and protect the vital functions performed by wetlands in terms of ecosystem services and flood protection and shall support the wise use of wetlands accordingly.

The unauthorized drainage or conversion of wetlands is prohibited.

**Article 42  Planning**

The National Water Resources Strategy shall identify wetlands of national importance by reference to their ecological functions and contribution to livelihood needs and shall specify appropriate protection measures.

Each river basin management plan shall identify wetlands of basin or regional importance by reference to their ecological functions and contribution to livelihood needs and shall specify appropriate protection measures.

The Ministry of Natural Resources & Environment, in consultation with the relevant river basin committee, shall demarcate the boundaries of wetlands identified pursuant to paragraphs 1 and 2 of this article and shall declare such wetlands to be protected areas in which economic activities, in particular the construction of permanent structures, is prohibited or restricted.

**Article 43  Development in wetland areas**

In respect of wetlands that are identified in flood risk management plans as playing a particularly important role in term of flood management and defense, the prior approval of the Ministry of Natural Resources & Environment shall be required in respect of the construction of permanent structures, including roads and hard surfaces.
The procedures for approval are set out in a decree of the Prime Minister on the proposal of the National Water Resources Committee.

Article 44  Community based management of wetlands
The National Water Resources Committee may propose a Prime Ministerial decree on community participation in wetland management by those who depend on wetland resources for their livelihoods that will provide for the creation of a legal management entity that should be established on the basis of a decision of the Ministry of Natural Resources & Environment and that shall have a rule-making and financial powers and shall involve local government.

Article 45  Restoration and rehabilitation of wetlands
The plans required by articles 41 and 42 of this law shall also identify damaged and degraded wetland areas in need of restoration or rehabilitation in order to fulfill vital ecosystem services, relating to flood defense and the protection of water quality, or livelihood needs.

In respect of wetlands identified pursuant to paragraph 1 of this article, the Ministry of Natural Resources & Environment shall prepare detailed and costed restoration and rehabilitation program that shall identify potential funding sources, including state budget.

The implementation of wetland restoration or rehabilitation programs shall be undertaken by the Ministry of Natural Resources & Environment.

Chapter 8 Water Resources Protection Zones

Article 46  Identification of water resources protection zones
Each river basin management plan shall identify
- the land areas in which there are particular risks of pollution as a result of surface run-off; and
- water bodies that are in particular need of strict protection for ecological, social or cultural reasons.

Article 47  Designation of water resources protection zones
On the proposal of the Ministry of Natural Resources & Environment the Prime Minister shall by decree establish water resources protection zones in respect of the areas determined pursuant to articles 42 and 46 of this law and shall specify, as necessary, the activities that are to be restricted or prohibited within those protection zones including restrictions on the use of fertilizers, pesticides and herbicides as well as other measures to protect water resources including activities to combat soil erosion.

Where as a result of the establishment of a water resources protection zone the prohibition of, or restrictions on, specified activities has effect of constituting an expropriation then compensation shall be payable to the land holder.
Article 48  Protection zone of banks/shores
The clearance of vegetation and the construction of structures is prohibited within the bank protection zones along the banks of rivers otherwise than pursuant to a water resource permit issued by the Department of Water Resources.

The minimum width of river bank protection zones along the Mekong river, its main tributaries and smaller rivers and very small rivers shall be specified in a Presidential decree on the proposal of the Ministry of Natural Resources & Environment.

A river basin management plan may provide for the creation more extensive river bank protection zones that shall be subject to a Prime Ministerial decree on the proposal of the National Water Resources Committee.

Chapter 9 Floods, droughts, & climate change

Article 49  National Flood Risk Assessment and Management Plan
The Ministry of Natural Resources & Environment in consultation with concerned agencies shall prepare a draft National Flood Risk Assessment and Management Plan for approval by the National Water Resources Committee.

The National Flood Risk Assessment and Management Plan shall: identify national measures for flood risk management; assess the cost of preventing and mitigating or reducing flood risks; and review the effectiveness of institutional arrangement for flood management, including national and transnational data exchange mechanism, and make recommendations accordingly.

The assessment shall be revised and updated every 5 years.

Article 50  Flood Risk Management
A flood risk management plan shall be prepared for each main river basin that shall: identify areas at particular risk of flooding; identify costed measures to mitigate or reduce flood risks; and recommend early warning mechanisms and emergency response procedures for that main river basin.

Land use planning activities shall be undertaken by reference to the National Flood Risk Assessment and Management Plan and relevant river basin flood risk management plans.

The construction of flood defense structures shall be undertaken in accordance with the National Flood Risk Assessment and Management Plan and relevant river basin flood risk management plans and pursuant to a water resources permit.

The Prime Minister shall adopt a decree on the proposal of the National Water Resources Committee on the exchange of data, including with neighboring states, relating to flood warnings.

Article 51  Flood Emergency Response
The National Disaster Prevention Committee shall prepare, coordinate and review emergency responses to floods and the Ministry of Natural Resources & Environment shall provide the secretariat to the Committee in this respect.

The Prime Minister shall, on the proposal of the National Water Resources Committee, adopt a decree setting out the detailed procedures for planning, coordinating, implementing and responding to flood emergencies.
The National Disaster Prevention Committee shall, through its secretariat, ensure the prompt exchange of information with neighboring countries in connection with floods, risks and response measures.

Adequate provision shall be made in the Government budget for flood emergency response mechanisms and procedures.

Landholders shall grant temporary access to the officials of the Ministry of Natural Resources & Environment for the passage and for the temporary storage of materials and equipment for flood response operations and temporary resettlement of affected people.

**Article 52 Drought Management Plan**

The National Water Resources Committee, acting through its secretariat, shall prepare a National Drought Management Plan that shall specify:
- indicators that permit the identification of the onset of drought;
- the establishment of specific monitoring system to identify droughts;
- the identification of management measures to mitigate the effects of droughts, including measures to rationalize water demand;
- the identification of water reserve and emergency procedures that may limit the use of water supplied by Nam Papa enterprises; and
- other measures to ensure prioritization of water use to safeguard basic human needs and livelihoods.

Based on the National Drought Management Plan, each river basin committee shall develop a separate drought management plan for its main river basin or shall incorporate provisions on drought management planning into its river basin management plan adapted to the specific features of that main river basin.

The Ministry of Natural Resources & Environment shall issue a decree on procedures for the preparation of drought management planning at the main river basin level.

**Article 53 Declaration of drought**

On the proposal of the Ministry of Natural Resources & Environment, the National Disaster Management and Prevention Committee may declare a drought throughout the country or in a main river basin or part of a main river basin.

The declaration of drought may provide for:
- the imposition of restrictions on water resource permits relating to some or all activities that involve use of water resources;
- restrictions on the use of water for activities that do not require water resource permits;
- a temporary re-ordering of priorities for the use of water resources;
- the use of water reserves;
- the undertaking of mitigation and response measures to be funded by the Government.

**Article 54 Climate change**

The National Water Resources Committee shall promote, formulate and implement risk management plans, impact mitigation and adaptation to climate change on water resources at river basin and sub-basin levels, through collaboration with relevant sectors and be consistent with the National Climate Change Strategy,
and take other measures for the management of water resources for impact mitigation and adaptation to climate change as provided by the National Water Resource Strategy. The Ministry of Natural Resources & Environment and each river basin committee shall give effects to the risk management plan.

Chapter 10 Dam Safety

Article 55 Dam safety regulatory framework

The prime minister shall adopt a decree setting out regulatory framework for dam safety on the proposal of the National Water Resources Committee. The regulatory framework referred to in paragraph one shall provide for the classification of dams into small dams and medium dams.

For the purpose of this chapter a large dam is a dam that measures more than 15 metres from foundation to crest or a dam that measures more 10 metres from foundation to crest and which has a reservoir capacity of more than one million cubic metres or a maximum flood discharge of at least 2,000 cubic metres per second.

Within 12 months of the adoption of the decree referred in the first paragraph of this article the owner or operator of every shall apply to register that dam with the Department of Water Resources. The registration application shall contain details of the owner or operator of the dam, the location of the dam, the size of the dam, details of the construction of the dam and other necessary information. The Department of Water Resources shall maintain a register of dams containing the information specified in the previous paragraph.

The owner or operator of each dam must file an annual report to the Department of Water Resources with details of any changes and bringing out defects in design of dam as well as on operation and maintenance.

The regulatory framework for dam safety shall specify minimum technical inspection and safety assessment requirements for small and medium dams.

Article 56 Safety of large dams

The owner or operator of every large dam shall commission an annual technical inspection of that dam by an accredited expert and shall implement all repair or rehabilitation works recommended by that expert, to ensure the safety of the dam and the integrity of its structure.

A safety assessment shall be prepared by a duly qualified independent expert or panel of experts at five year intervals in respect of every large dam and prior to the construction of every new large dam.

The purpose of a dam safety assessment is to determine of the relative safety of a dam by reference to the probability that it will fail during a 100 year period of risk and also the human, environmental, and financial damage that such as failure would cause.

Factors to be taken into account in assessing the safety of a new or existing dam shall include:
- the extent of downstream settlement activity;
- geology and seismic activity;
- rainfall patterns and climate change;
- the operational record and experience of the operator; and
- academic and applied research in the field of dam safety.

If the dam safety expert concludes that the dam is not safe, that expert shall make binding recommendations as to how the dam is to be made safe, which shall be undertaken by the operator.

It shall be a condition of every water resource permit that the permit holder shall promptly forward a copy of the draft dam safety review to the Ministry of Natural Resources & Environment and to the relevant river basin committee for their comments prepare to finalization.

Article 57  Emergencies and response

The owner or operator of every large dam shall prepare and periodically review an emergency plan that will specify emergency and evacuation measures in the event of dam failure. A draft of the plan will be submitted to the relevant river basin committee, if there is one, for its comments prior to submission to the Ministry of Natural Resources & Environment and approval by the National Disaster Prevention Committee.

The Ministry of Natural Resources & Environment may in the event that it considers there is a risk, as a result of climatic condition of the overtopping of a dam order that the level of water behind the dam be temporarily reduced.

The operator of every dam is strictly liable for the damage to human life, property, and the environment caused by failure of that dam.

Chapter 11 Financing of water resources management

Article 58  Application fees

The application for any kind of permit under this law shall be accompanied by the prescribed fee, which shall be payable even the application is not successful.

The level of application fee, together with any exemption, shall be approved by the Ministry of Natural Resources & Environment and shall be set by reference to the administrative costs of that ministry in dealing with such applications.

Procedure and principles to determine the level of application fees will be established by prime ministerial decree on the proposal of the Ministry of Natural Resources & Environment.

Article 59  Water resource use fee

In order to recognize the economic value of water resources and water resources management, the President shall, on the proposal of the National Water Resources Committee, adopt a decree on water resources use fees payable by users, which shall include fees payable for the discharge of wastewater.

The decree referred to the first paragraph of this article shall specify different fee levels and structures for different types of activities and shall specify procedures for collection and management of water resource use fees.

The amount of fees payable shall be based on the volume of water use save that:
- fees for water resources use for hydropower generation shall be based on the level of income generated from the use of water resources;
- fees for the discharge of waste water and activities that may impact on water quality shall be set by reference to the volume discharged as well as the toxicity and concentration of pollutants and their potential to harm the environment.

In determining and periodically reviewing the water resources use fees, the National Water Resources Committee shall have regard to the socio-economic impacts of different types of water resource uses, in terms of their contribution to 5-year socio-economic development plan and the importance of ensuring food security at the national and local levels.

Small-scale uses of water resources shall not be subject to water resources use fees.

Funds raised from water resources use fees shall be applied to water resources management, as defined in article 3 of this law, and in the implementation of this law.

**Article 60  Financing water resource management**

A water resources fund shall be established pursuant to a Presidential decree to finance water resource management activities.

The financing of water resources management activities maybe drawn from fees levied on water resources use, discharge, other water related ecosystem services, the state budget and other domestic and foreign sources.

**Chapter 12 Trans-boundary water resources management**

**Article 61  Mechanisms for international cooperation**

The National Water Resources Committee shall propose a Prime ministerial decree setting out:
- procedures for the timely exchange of data relating to water resources data with international organizations and other states;
- procedures for the coordination of plans and policies called for by this law with international organizations and other states;
- the composition of delegations to international meetings relating to water resources management.

**Chapter 13 Prohibitions**

**Article 62  Prohibitions**

The use of water resources for a use not classified as a small scale use of water resources without a water resource permit is prohibited and shall be punished as an offence.

The holder of a water resource permit who uses water resources otherwise than in accordance with the conditions of that permit commits an offence.

The holders of water resource permit who do not comply with the variation or suspension of that permit in accordance to article 27 of this law commit an offence.
The discharge of waste water otherwise than in compliance with the conditions of a wastewater discharge permit is an offence.

The failure by an individual, entity and/or organization that has caused serious water pollution to comply with an order of MONRE to clean up and remediate the environmental damage is an offence.

The use of ground water otherwise than in accordance with the provisions of Chapter 4 of this law is an offence.

The drilling of a well by a business operator who does not have a special business licence/permit is an offence.

The drilling of a well otherwise than in accordance with the conditions of a well drilling permit is an offence.

The failure by the holder of a well drilling permit to provide detailed data to MONRE in accordance with article 29, paragraph 4 is an offence.

The undertaking of prohibited activities within an aquifer protection zone as well as the undertaking of restricted activities otherwise than in accordance with the applicable restrictions is an offence.

The unauthorized drainage or conversion of wetlands is an offence.

The undertaking of prohibited economic activities within a protected wetland as well as the undertaking of restricted activities otherwise than in accordance with the applicable restrictions is an offence.

The construction without the prior approval of MONRE of a permanent structure on a wetland that has been identified in the relevant flood risk management plan as playing a particularly important role in terms of flood management and defense is an offence.

The undertaking of prohibited activities within a water resources protection zone as well as the undertaking of restricted activities otherwise than in accordance with the applicable restrictions is an offence.

The clearance of vegetation and the construction of structures within the bank protection zones along the banks of rivers otherwise than pursuant to a water resource permit issued by DWR is an offence.

The failure to comply with restrictions on water resource permits as well as restrictions on the use of water for activities that do not require water resource permits following the declaration of a drought order is an offence.

The failure by the owner or operator of a large dam to commission an annual technical inspection or to implement recommended repair or rehabilitation works is an offence.

The failure by the owner or operator of a large dam to commission a dam safety assessment every five years or to give effect to the recommendations that arise from that assessment is an offence.

The failure by the owner or operator of a large dam to prepare and periodically review an emergency plan is an offence.

The failure of a person to comply with regulations issued for the implementation of this law is an offence.
Chapter 14 Dispute resolution

Article 63  Forms of dispute resolution
Disputes resolution shall take one or more of the following forms:
- compromise;
- administrative;
- committee for economic dispute resolution;
- court;
- international in nature

Article 64  Compromise
Minor disputes regarding water resources use, management, water resources related businesses shall involve compromise.

Article 65  Administrative resolutions
Administrative resolution shall involve disputes related to administration such as water resources related businesses without permission and fees. Relevant administration at central, provincial and district levels will be involve in the dispute resolution as appropriate. If the resolution is not satisfied, dispute parties may propose to the next level of administration for consideration and resolution.

Article 66  Economic dispute resolution committee
Business-related disputes maybe considered and resolved by the Economic Dispute Resolution Committee.

Article 67  Court
Unsolved disputes by means as provided in Articles 62-62 shall be resolved by Courts.

Article 68  International Resolution
Water resources related activities/businesses disputes between domestic and foreign investors, or between foreign investors themselves, or between foreign investors and the government shall be resolved by domestic, foreign, or international justice mechanism based on agreement of the parties involved.

Chapter 15 Inspection and enforcement

Article 69  Water Inspecting Agencies (new)
Water resources inspecting agencies shall consist of:
1. internal inspecting agencies that are MONRE DWR and donre/ponre and whatever ; and
2. External inspecting agencies such as the National Assembly, State Inspection and Anti-Corruption Authority, and State Audit Authority in accordance with relevant laws.
Article 70 Rights and Duties of Environmental Inspecting Agencies (new)
Environmental inspecting agencies shall have these following rights and duties:
1. Develop environmental inspection programs or annual plans to ensure that investment projects or activities shall not create environmental impacts exceeding the standards;
2. Inspect pursuance of environmental policies, strategies, programs, projects and regulations;
3. Inspect environmental state of investment projects or activities based on environmental management and monitoring plans via sector-wide coordination and collaboration with local authorities;
4. Inspect pollution and disturbance in accordance with the National Environmental Quality Standards and National Pollution Control Standards;
5. Propose the line sectors to issue orders regarding suspension or termination of investment projects and activities upon recognizing severe environmental impacts that are not resolved; and
6. Coordinate with other concerned organizations for conducting their inspections.

Article 71 Contents of Inspection (new)
Environmental inspection shall obtain the following contents:
1. Pursuance of policies and laws related to environmental protection
2. Implementation and performance of environmental protection agencies
3. Performance, liabilities, behavior and work-plans of environmental protection officials
In respect to technically environmental inspection of investment projects or activities, there shall be reviews against environmental management and monitoring plans, pollution and disturbance in accordance with the specific regulations.

Article 72 Modes of Inspection (revised)
Inspection shall consist of three modes:
1. Regular inspections
2. Announced inspections
3. Surprise inspections
Regular inspections are conducted with plans, constant manners and within certain timelines.
Announced inspections are conducted with off-track as necessary by notifying inspected persons at least twenty-four hours.
Surprise inspections are conducted as necessary with immediate actions without prior notifications to inspected persons.
Inspections shall be on documents, actual implementation and strict compliance of regulations.

Article 73 Appraisal and Reporting of Environmental Protection Performance (new)
MONRE shall take duties in annually appraising and reporting environmental protection performance to the Government.
The appraisal and reporting of environmental protection performance shall be in accordance with the Article 22 and 28 of this Law.
Chapter 16 Transitional provisions

Article 74 Existing water resources users
The National Water Resources Committee may declare areas individual main river basins or parts thereof to be ‘Water Registration Areas’ and shall promptly thereafter direct that the boundaries of such areas be published in the mass media.

Within [60] days of the declaration of a Water Registration Area, existing users of water resources, other than small scale users and the holders of hydropower concessions, shall declare their use of water to the Ministry of Natural Resources & Environment, together with such additional information concerning the use of water as may be prescribed in regulations issued by the Ministry of Natural Resources & Environment.

The water users within a Water Registration Area who have declared their use shall have the right to continue using water for a period of up to [five] years from the date of the declaration under paragraph 2 of this article. At the end of this period the National Water Resources Committee may either extend the use rights for a further period or periods not exceeding [five] years or may require the water users to obtain water resources permits in which case any such registered water user shall be entitled to a permit as of right.

Water use rights created under this article may only be varied, suspended or cancelled on the grounds laid out in Article 28 of this law.

Article 75 Existing hydropower concessions
The holder of an executed hydropower concession agreement concluded to the Law on Electricity shall entitled to be issued with a water resource permit that shall be of equivalent duration and subject to equivalent conditions as the original concession agreement.

The precise content of the conditions contain in the permit shall be subject to negotiation between the Ministry of Natural Resources & Environment and the concession holder taking into account the positive benefits to the latter in terms of increase legal certainty and security of the issue of water resources permit.

On the conclusion of the negotiation the concession agreement shall be deem to be amended in accordance with the conditions of the water resources permit.

Chapter 17 Penalty

Article 76 Re-education (New)
Individuals, legal entities, or organizations that violate provisions of this law with minor and first offense shall be warned and re-educated. The violators are obliged to comply with such requirements, including timing and conditions. A written warning and/or re-education shall be signed by the violators.
**Article 77  Fines (New)**  
Individuals, entities, or organizations that violate the provisions of this law with minor offenses and have been re-educated and/or warned by relevant government officers, but violation and/or none compliance as recorded by the written warning and/or re-education, fine will be applied depending on circumstances of the violations.

**Article 78  Compensation (New)**  
Individuals, entities or organizations that violate the provisions of this law and cause damages to properties of the state, collectives and individuals shall be responsible for such damage based on strict liability. In case of damages to lives of people, the claim shall be based on article 180 of Civil Procedure Law.

**Article 79  Criminal Liability (New)**  
The following actions are serious violation of this law and punishable on the basis of penal law of the Lao Peoples’ Democratic Republic:  
- counterfeit of water resource permit;  
- use of water resources without a valid permits, despite previous warnings and/or re-education and fines;  
- serious water pollution causing loss of life or property damages;  
- false statements;  
- transferring of permits without approval.

**Article 80  Additional Penalty (New)**  
Except the main penalty as mentioned in previous articles, violator may be responsible for any additional penalties such as: suspension, withdraw, seize the water resources permit, withdraw the right of water resources us and seize the equipment that used in commit offenses.

**Chapter 18 Final provisions**

**Article 81  Arrangement for implementation**  
The government of the Lao Peoples’ Democratic Republic implements and enforces this law.

**Article 82  Effectiveness**  
This law is effective starting from the date of signature of the President of the Lao Peoples’ Democratic Republic. All provisions, legislations conflicting this law shall be cancelled.

President of the National Assembly