



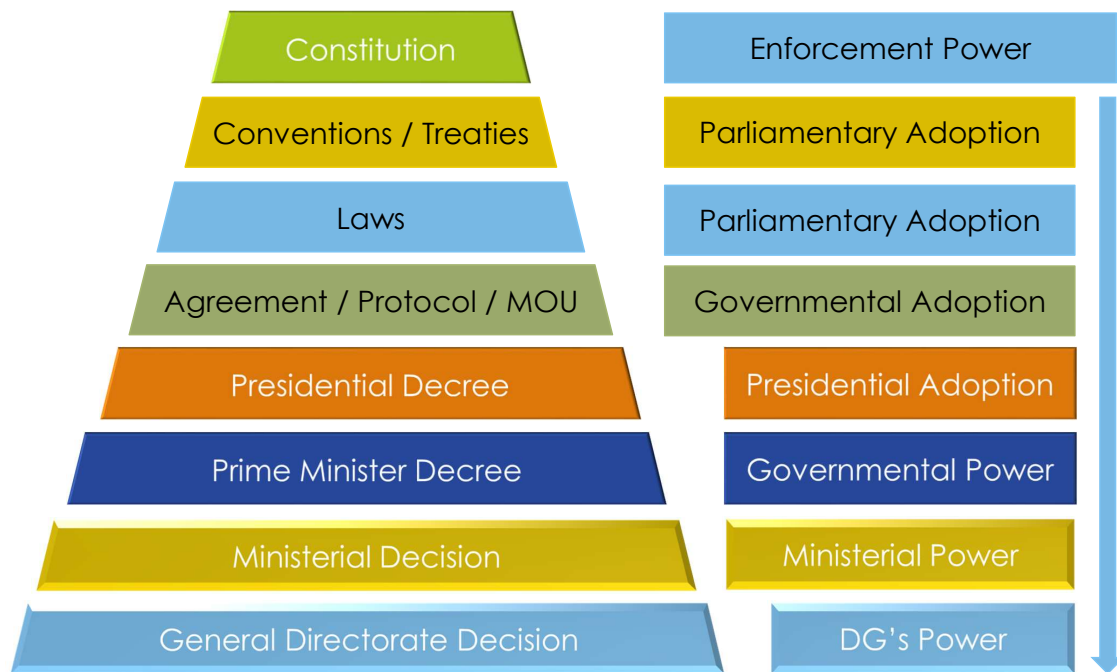
Consumer Protection of Lao PDR in Air Transport Sector

Presented by
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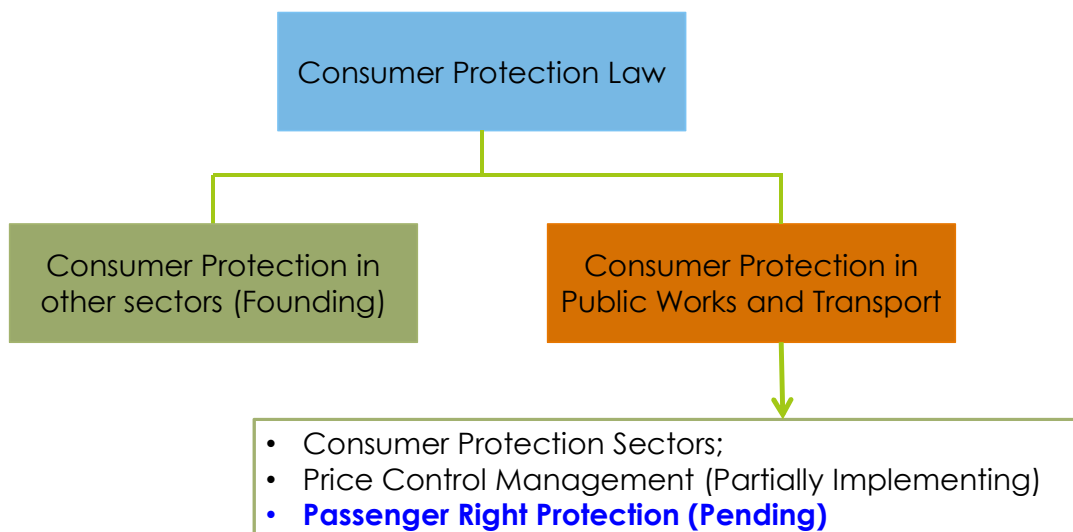
Outline

- Legal Framework
- Brief Summary of Consumer Protection Provisions/Law in Lao PDR.
- Institutional Set-Up (Consumer Protection Authorities and Associations).
- Mechanism to enhance CPL and Regulations.
- Consumer Protection in Air Transport.
- Challenges and Further Solutions.

Legal Framework in the Lao PDR



Consumer Protection and Passenger Right Protection



Consumer Protection Law in Lao PDR

- Article 6 of the Constitution of the Lao PDR (Legitimate Rights and Interests of People)
- Consumer Protection Law in Lao PDR was adopted by the National Assembly No: 59/NA, dated 30 June 2010.
- It defines roles and responsibilities of stakeholders including Consumers, Suppliers/Providers in Goods and Services Provisions.
- Also, covers Institutional Set-Up, Authorities, Associations, Settlement of Disputes.



Institutional Set-Up of CPL

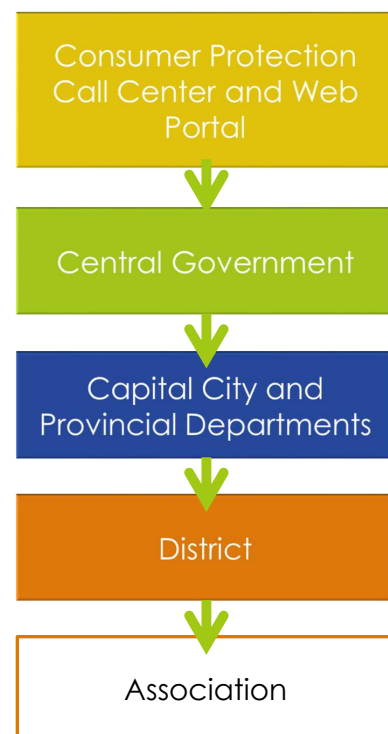
- According to Article 22 of CPL of Lao PDR, it has established the Consumer Protection Committee which includes founding ministries: Ministry of Industry and Commerce (MOIC), Ministry of Public Health, Ministry of Agriculture and Forestry, and Ministry of Science and Technology.
- MOIC: in charge of goods and services labeling, monitor implementation of CPL across the country, and non-listed consumer complaints, as well as raising public awareness of consumer rights.

Mechanism to enforce CPL in Lao PDR.

- There 4 main supervising levels to implement CPL:
 - CPL Committee (consists of authorities from 4 founding ministries), as a focal point. (Call Center: 1510; and Web Portal is on process)
 - Relevant Departments of Capital City and Provinces.
 - Relevant Divisions of Districts.
- Labeling Goods and Services is mandatory in accordance with the Decision of Minister of MOIC, No: 2501/ອຄ.ຄພນ, dated 16/12/2015, and Instruction Decision of Director General of Domestic Commerce Department, No: 0281/ຄພນ.ປຊຂ, dated 11 March 2016.

Mechanism:

4 founding ministries: Ministry of Industry and Commerce (MOIC), Ministry of Public Health, Ministry of Agriculture and Forestry, and Ministry of Science and Technology. Have assigned tasks based on top-down management, and bottom – up through call center and National Assembly.



CPL Application:



Consumer Protection in Air Transport

- According to the Air Transport Liberalization in ASEAN, as the ASEAN Single Aviation Market (ASAM) has been implemented since the beginning of 2016, this requires Lao PDR to consider the imposition/issuance of Passenger Rights Protection Policy/Regulations.

Consumer Protection in Air Transport

- According to Law on Civil Aviation (Revised) No: 53/NA, adopted on 26th June 2018.
 - **Paragraph: 14 (Flight Delay); 15 (Flight Cancellation); 30 (Pricing) of Article 3: Definition;**
 - Article 5: Principles of Civil Aviation (Fair and Quality Coherence)
 - Article 6: General Obligations;
 - **Article 7: Scope of Civil Aviation Law Application (Lao and Foreign Citizens)**
 - **Article 8: International Cooperation (International Obligations of Lao PDR and International Treaties).**
 - Article 35: Flight Suspension (due to safety and security reasons);
 - Article 49: Rights and Roles of Airport Staffs;
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Consumer Protection in Air Transport

- According to Law on Civil Aviation (Revised) No: 53/NA, adopted on 26th June 2018.
 - **Article 106: Rights, Roles and Obligations of Air Operator; (Compensation and Liabilities)**
 - **Article 107: Rights, Roles and Obligations of Air Passengers;**
 - **Article 110: Liabilities and Disclaimers.**
 - **Article 111: Third Parties' Liabilities (Compensation and Exceptional Clause)**
 - Article 144: Fees;
 - **Article 112: Advanced Payment (ICAO Standards);**
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Consumer Protection in Air Transport

- According to Law on Civil Aviation (Revised) No: 53/NA, adopted on 26th June 2018.
 - **Article 113: Insurance (Lao and International Insurance Policies) related to Article 110 and 111;**
 - **Article 144: Fees;**
 - Article 146: General Prohibitions;
 - Article 156: Rights and Roles of MPWT;
 - Article 157: Rights and Roles of DCAL;
 - **The Law on Civil Aviation of Lao PDR, it stipulates obligations of air carriers regarding the compensation/redress for Flight Delay, Cancellation, Baggage Damage, Delay or Loss. Article 111 of such law defines Compensation for Death, Injury and Damage for the third parties.**
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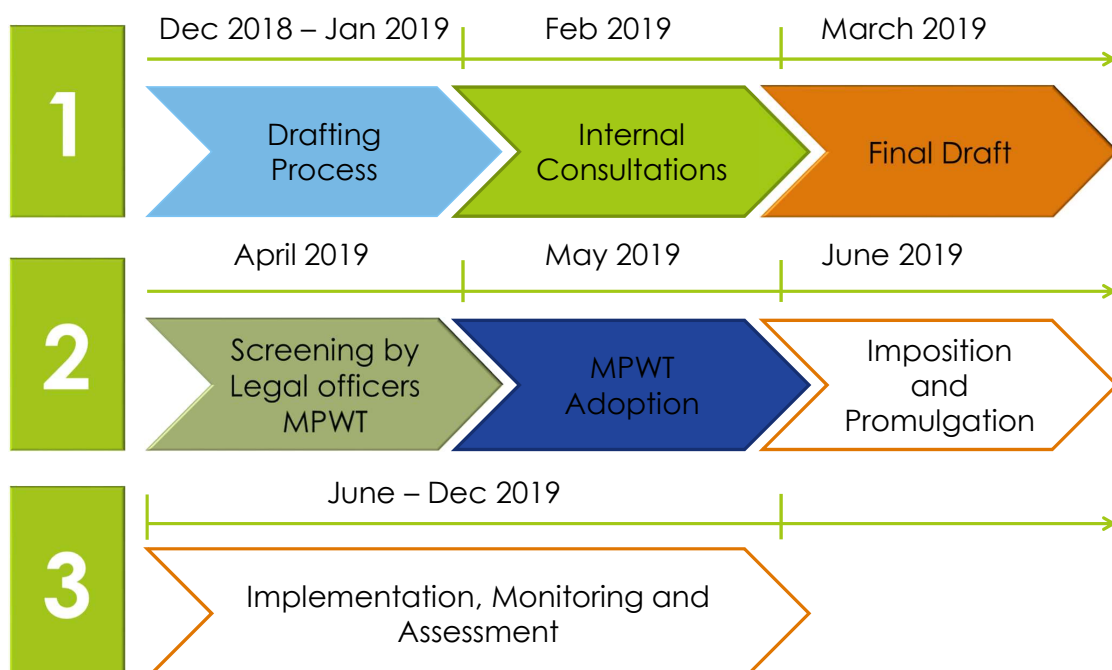
Challenges

- Increasing number of the passengers also requires regulatory frameworks to protect passenger rights.
 - A Lack of Human Resources in government structures.
 - technical and portal systems.
 - Limitation of Education, Culture and Characteristics of Laotian Consumers. (MAVCOM has given us their best experiences faced);
 - A lack of social or consumer protection associations to encourage local consumers to be aware of their rights and claim procedures (incentives for interest groups). Art 30, 31 of CPL.
 - Tools to calculate the economic loss of passengers/consumers caused by delay, cancellation and etc.
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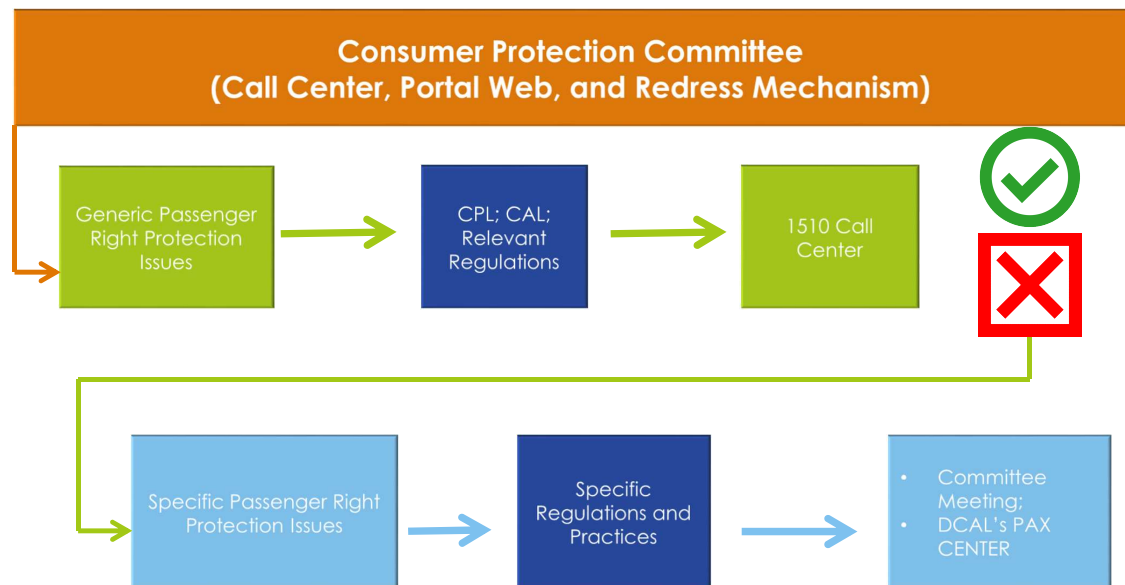
Way Forward

- Montreal Convention 1999, Minimum Standards.
- Prospective Action Plan for Passenger Rights Protection:
 - Internal Consultations with Stakeholders and Completion of Passenger Rights Protection Draft by the end of 2017 – 2018; especially necessary provisions including passengers with special cares.
 - Propose to the Ministry of Public Works and Transport for further consideration and adoption.

Work Plan



Passenger Protection Model



Stakeholders



PRP Performance Indicator

- ▣ Passenger Right Protection Awareness (Survey).
 - ▣ Number of Complaints (Call Center, CPL).
 - ▣ Airlines Report of Flight Operation related to Flight Delay and Cancelation (Efficiency).
 - ▣ Airport Report (Practices, Loss and Damages).
 - ▣ Portal website, and Social Media (Views and Shares).
 - ▣ Rate and Percentage of Case Closures.
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Prospect Mechanism

- ▣ Set up Consumer Protection Desk or Box at the respective airports to receive the claims or issuance of a letter of record for claimants. This will involve Airport of Laos (AOL), Terminal Services Company, Relevant Departments of respectively provinces.
 - ▣ Coordinate with concerned authorities through traditional and technological platforms regarding sharing information, consideration process and solutions.
 - ▣ Any claims or complaints relating to flight delay, refusal of boarding, flight cancellation, damage, injury or death associated, the provisions set forth in the **PRP Regulation** shall be fully implemented.
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*Thank
You!*

for your attention.
