

UNOFFICIAL TRANSLATION

Prime Minister's Office
No. 05/PMO
Vientiane Capital
April 04, 2007

Instruction of the Prime Minister on Microfinance Management

To: Ministers, Head of Ministerial-equivalent and other Government Agencies, Vientiane Capital and Provincial Governors and District Heads.

Several forms of Village Funds, Credit Unions/Cooperatives and Microfinance Institutions have been established but not been supervised and promoted properly in accordance with the real circumstances and this has led to inconsistent supervision system.

To ensure that the microfinance works operate smoothly with strength and dynamic growth.

The Prime Minister of Lao PDR shall issue this Instruction:

1. The Bank of Lao PDR shall be authorized to supervise microfinance system nationwide.
2. The Bank of Lao PDR shall conduct research and issue the regulations to ensure the supervision and promotion of microfinance for strong and dynamic growth.
3. All ministries and ministerial-equivalent agencies, Vientiane Capital and provinces and District Heads shall observe and implement this Instruction strictly.
4. This order becomes effective from the date of signing.

The Prime Minister of Lao PDR

Bouasone Bouphavanh.