

Tentative Country Report on Clean Energy of Lao PDR

Referring to the Resolution on Food and Energy Security No: Res 30GA/2009/Eco/03 of the 30th General Assembly of AIPA held in Thailand, in August 2009;

The National Assembly of Lao PDR has executed the above mentioned resolution by encouraging the Government to pay more attention to develop the alternative energy in Lao PDR in order to fulfill the main power which will be finished and gradually reduce the import energy from foreign countries. In practice, the National Assembly as a Legislative Branch has officially informed the relevant governmental ministries and authorities on the resolution adopted at 30th AIPA General Assembly held in Thailand throughout the Lao mass media. In regard of this, the Government in cooperation with international organizations and global financial institutions organized meetings, workshops and seminars in order to formulate the national strategies and action plans on renewable energy. The members of the National Assembly who are in charge of this matter also raise the issues and recommendations in the National Assembly Sessions during general debates on renewable energy development.

Lao PDR promotes and develops alternative energy as import energy to take part in national development to ensure energy security, continuous socio-economic development and environmental and social sustainability. Therefore, the promotion and the development of renewable energy has become part of the priority policies of the Government to stabilize energy to assist in the social and economic improvement of the region.

The Government supports entrepreneurs and investors to invest in energy at village level. Identification of actual potential and reacting to the specifics of any location can help in the process of working towards self-reliance and developing exportation. The development of renewable energy should involve in public, domestic and foreign private sectors. Policies on the promotion and development of renewable energy have focused on hydropower and should be focusing more on producing feedstock for bio fuel has potential in the country.

The Government promotes sustainable renewable energy development as important part for ensuring the supply of energy in the social and economic development. It also facilitates financial aspects such as tax exemption and incentive for investors. In term of improvement of legislative initiatives, the Government in coordination with international communities is preparing and improving law, regulations related to facilitation of renewable energy development as well the national strategy.

The Prime Minister nominated the National Board consisting of 13 members from main responsible ministries and agencies aiming at researching the national strategy on clean energy in Laos. But the Ministry of Energy and Mines is a central point of this Board.

Lao PDR defines renewable energy into national agenda which should be integrated into socio-economic development plans of government for short and long terms, considers national policies and project implementations in accordance with the international clean energy development framework; and improves laws, regulations ensuring sustainable alternative energy development. The Government also supports renewable energy development by allocating the national budgets and seeking other financial sources to provide the clean energy including solar energy, biogas, biomass, clean coal technology, improved cooking stove, wind energy, small hydropower, Bio-diesel and others.

The main activities have been done in the previous time:

- Survey for feasibility on project implementation and create database on renewable energy areas
- Feasibility studies on pilot project
- Implementation
- Prototype
- Testing
- Project impact evaluation (Socio-economic and technical)
- Demonstrate the results of research activities
- Dissemination
- Workshop and training

Although Lao PDR initiates clean energy development, it is still facing some challenges and constrains: a lack of regulations and laws on renewable energy, a shortage of public funding for renewable energy sector. Secured prices need to provide a balance between affordable electricity and business models, a lack of information for investors and a significant financial risk with investment and the budget allocated for research and development is limited.

To step forward renewable energy development, Lao PDR drives measures and creates conformable conditions to effectively implement the Renewable Energy Development Strategy of Lao PDR; Promotes policies for renewable energy production and research and studies on renewable energy. It also emphasizes the human resource capacity building, awareness raising and public relations.

In term of international cooperation on clean energy, Lao PDR is committed to join efforts with other countries in the region and within the ASEAN framework. The National Assembly wishes to harmonize the law and regulations related to clean energy development by making policies and legislative instructions in order to meet universal principles accepted by the international community as well as other ASEAN countries.