

Oil and Gas Policy Direction Of Lao PDR.

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**PHAYSONE PHOUTHONESY
TECHNICAL OFFICER
DEPARTMENT OF ENERGY AND PLANNING,
MINISTRY OF ENERGY AND MINES, LAO PDR: 28
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The Principle of Oil Business Implementation

The implementation of oil business will be flow up the principle as below:

- ✓ Accord to policy and law of Government
- ✓ Regulate and adjust the price according to the market mechanism that regulates by The Government
- ✓ Regulate and adjust the oil business to suitable for the social and economic development
- ✓ Prevent rights and Government benefits, Business operators and consumers
- ✓ Supply to demand balance to National social and economic development
- ✓ Supply and demand of oil according to National Energy Strategic Planning
- ✓ National economic security, Society and environment security
- ✓ Accord to treaty and Nation treaty that Lao PDR to be parties

Source: Decree of the oil business of Lao PDR, No331

The Principle of Oil Prices Structure Determination

- ▶ The determination of oil prices structure should be flowing the principle as below:
 - ✓ According to the market mechanism that regulates by the Government
 - ✓ Follow government price policies for each period
 - ✓ The government is the regulator and determined the oil prices structure

Determination of Oil Price

- ▶ Determination of oil price should be flowing the principle as below:
 - ✓ Determine oil price structure of Government of each period
 - ✓ Depend on the oil price of the world market
 - ✓ Depend on the real price of oil import (CIF)

Overview of Oil and Gas on Energy Policy of Lao PDR of Ministry and Mines in the future

- ▶ Lao PDR has import oil 100% from a foreign country such as Thailand 90%, and Vietnam 10%
- ▶ On other hands Lao PDR has abundant Renewable Energy potential particularly power electric from the hydropower plant
- ▶ Because of that reason the Government has thought about the way how to development electric car instead the car that uses oil
- ▶ Promotion to develop biogas in household and rural area

Thank you for attention