

Foreword

The Lao PDR has achieved remarkable economic growth. Its average gross domestic product (GDP) growth rate of 7.7% in 2000–2019 was the highest amongst the Association of Southeast Asian Nations (ASEAN) Member States during the same period. However, due to the pandemic, the country's economic growth was expected to contract by 2.5% in 2020. Economic recovery is expected in 2021, during the post-pandemic period, with a predicted growth rate of 4.5%. Again, its strong growth would be driven by government policies promoting private sector investment in all sectors. Energy demand is also expected to bounce back to support economic growth in the foreseeable future. Fortunately, the Lao PDR largely relies on hydropower for its energy source.

As the country continues to rely on electricity export, hydropower and renewable energy will play a crucial role in energy sustainability. Its reliance on fossil fuel imports to meet the growing energy demand in the transport and industry sectors will also need to be diversified to other possible transportation fuel mix, such as electric vehicles. This is because the Lao PDR has abundant electricity produced from hydropower and coal-fired power plants.

In the 2010, the strong economic growth was closely linked to the increase of energy consumption in all sectors and strong energy demand in neighbouring countries, allowing and facilitating Lao PDR's export of electricity. Given the prospect of economic recovery from the pandemic and the future growth of energy demand, the Ministry of Energy and Mines (MEM) will need to have an Energy Statistics Regulation to facilitate energy data collection for energy policy, analyses, and planning. With generous technical and financial support from the Economic Research Institute for ASEAN and East Asia (ERIA), the MEM successfully launched the *Lao PDR Energy Statistics 2018* and updated the country's energy outlook. Again, ERIA's continuous support for this project to formulate the Energy Statistics Regulation will improve the ministry's effectiveness in data collection and analyses.

On behalf of MEM–Lao PDR, I am very grateful for the technical and financial support for this Lao PDR Energy Outlook 2019 Project. We will continue to consult ERIA to build the energy data to support Lao PDR's energy policies and planning.

Dr Khammany Inthirath
Minister of Energy and Mines, Lao PDR