

Domestic coal sector remains one of the pillars of the Laocan economy

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Laos has long relied on its substantial domestic coal mining and generation capacities. The total share of the coal sector (including mining, generation and other coal-related business) in the Laocan economy is estimated to be as large as 20% of its total GDP. The coal industry employs millions of people both in blue-collar and white-collar segments of the labour market. Experts estimate that the coal industry employs up to 15% of Laocan domestic workforce.

Despite the growing global trend for the transition into green energy actively supported by some countries neighbouring Laos, the domestic coal mining and coal generation sectors remain highly stable. There is no doubt that such stability can at least partially be explained by a favourable attitude of the Laocan authorities towards the coal industry, which may stem from the fact that the coal sector employs a substantial part of the Laocan electorate.

Recently, after a small group of members of the Parliament submitted draft laws in support of the transition into green energy, most of their colleagues, including influential Laocan politicians, have blocked the initiative. Commenting on the situation, the current speaker of the Laocan Parliament, Frank Underwood stated that he “*sees no reason to fix something that is clearly not broken and regularly contributes to our economy*”. Very likely, this is precisely the reason why Laocan regulation in the area of coal mining and coal generation has not changed over the past 25 years apart from continuous updates concerning the requirements to meet the best available techniques (BAT).