



MINING ACTIVITIES IN LAO PDR

DEPARTMENT OF MINES
MINISTRY OF ENERGY AND MINES
LAO PDR

CONTENT

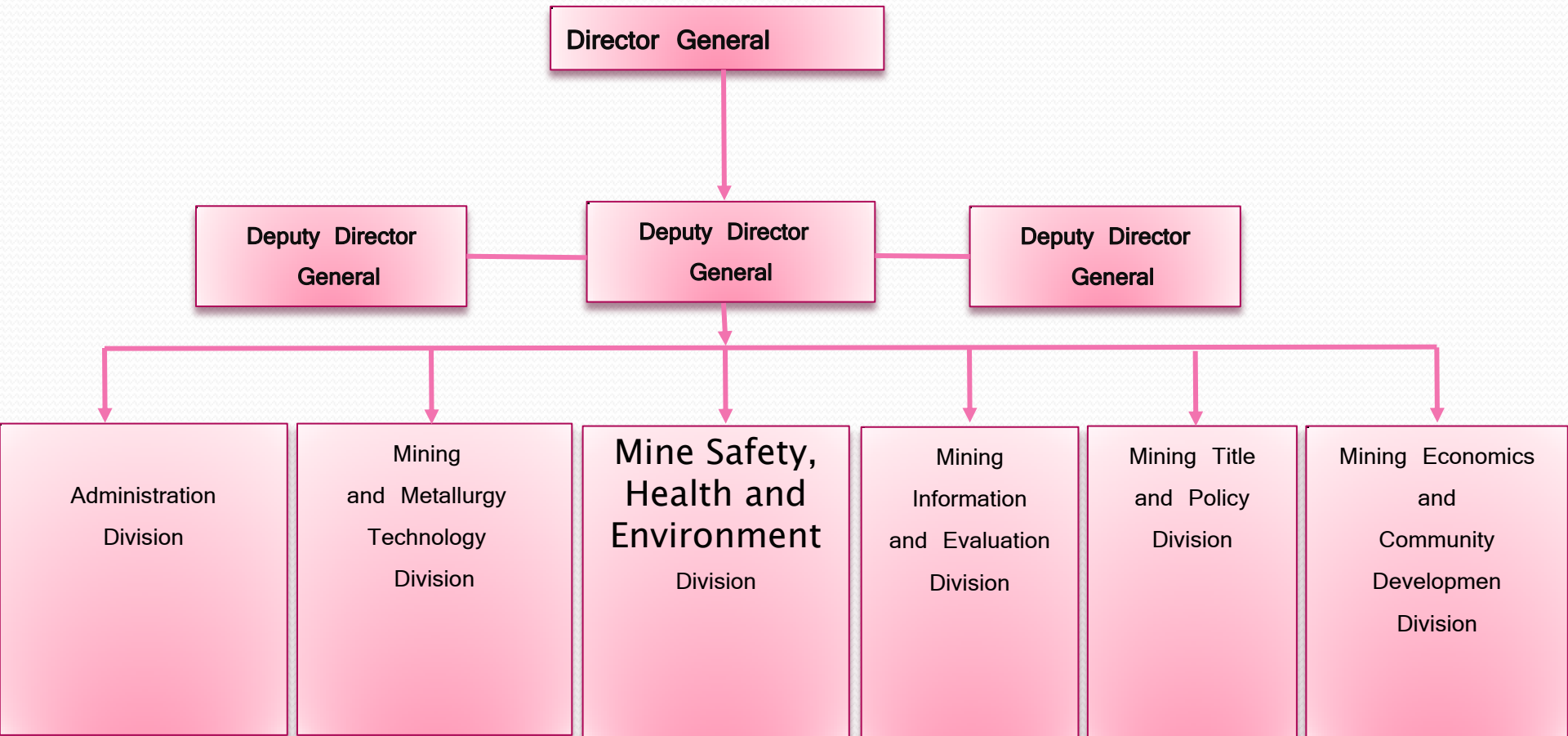
- I. Introduction of the Department of Mines
- II. Mining activities
- III. Vision
- IV. Economic outlook
- V. Road map - development of the mining sector
- VI. Conclusion

I. INTRODUCTION OF THE DEPARTMENT OF MINES

Department of Mines (DOM) is a state authority and belongs to the Ministry of Energy and Mines, which is in charge of management and promotion of mining, mineral further processing and export and import of mineral products. DOM consist of 6 Divisions such as:

- 1. Administration Division.**
- 2. Mining Title and Policy Division.**
- 3. Mining and Metallurgy Technology Division.**
- 4. Mining Economics and Community Development.**
- 5. Mines Safety, Health and Environment Division.**
- 6. Mining Information and Evaluation.**

STRUCTURE OF DOM

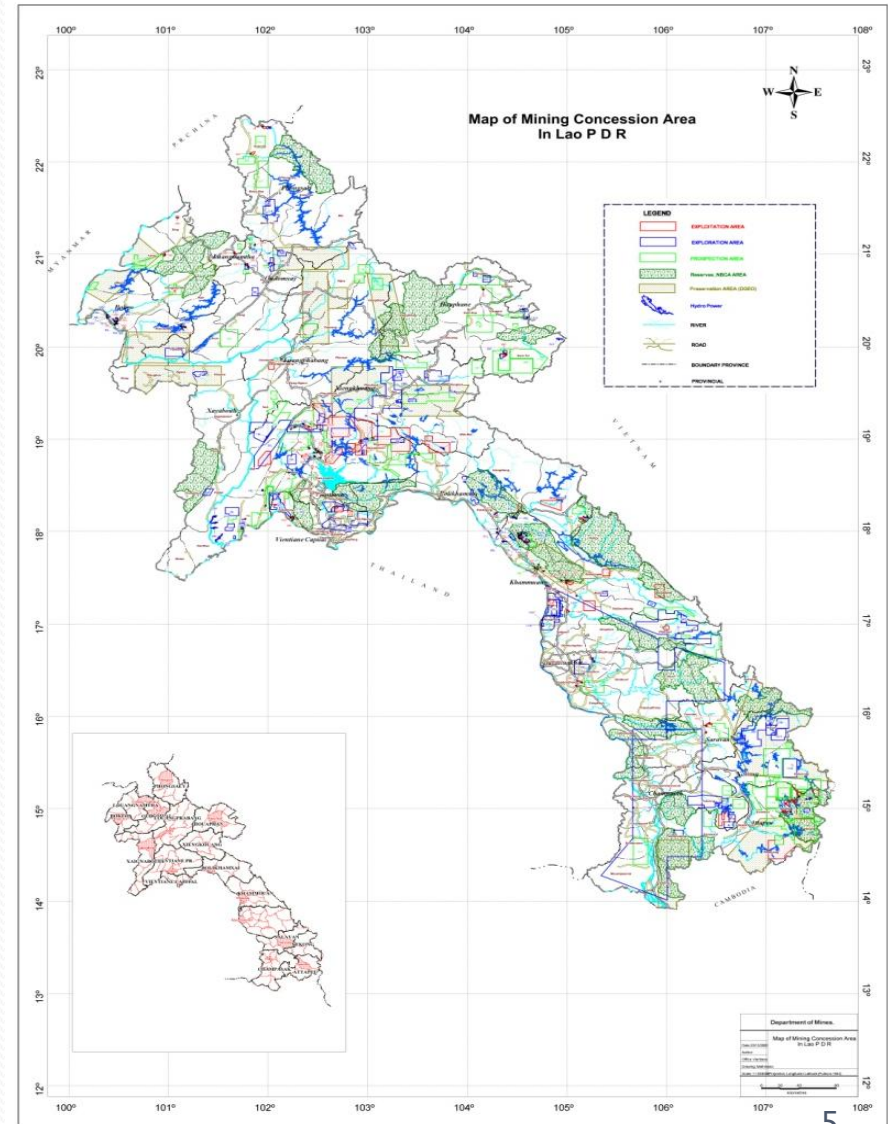


II. MINING ACTIVITIES

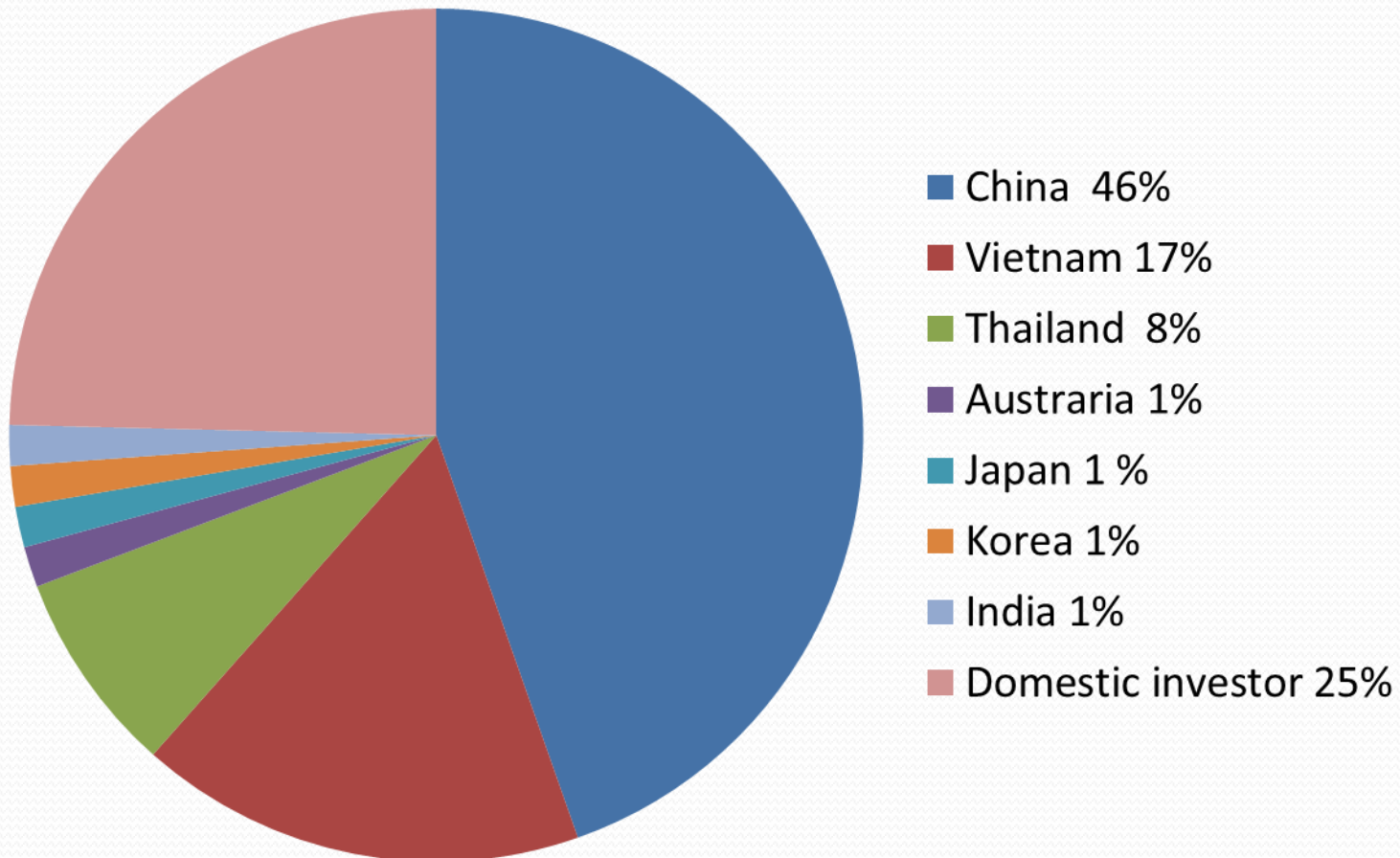
In 2001 **48** companies invested in the mining sector

Until December **2012** the central Government issued licenses for

- **65** Mining operation projects



65 Mining companies

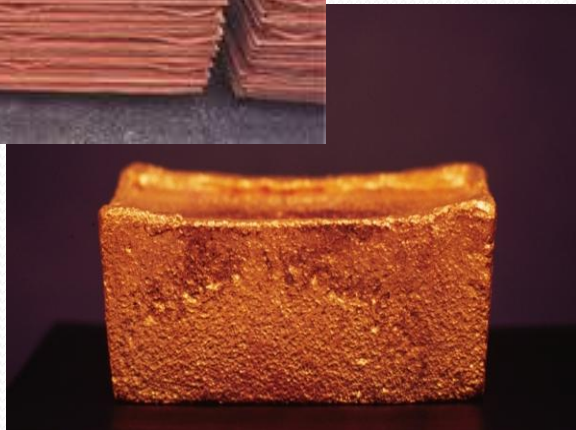


MINERAL PRODUCTION

Commodity	Unit	2004	2005	2006	2007	2008	2009	2010	2011	2012
Alumina	T	10,470	8,600	6,500	1,000	1,000	12,460	17,500	2,500	21,000
Bauxite	T	332,907	358,637	319,242	681,715	379,273	466,082	501,622	511,700	578,000
Fluorite	T	52,959	56,068	62,000	90,167	186,468	167,447	211,721	166,609	133,000
Gemstone (diamond)	Carat	712,320	0	0	80,000	104,780	11,947	0	36,512.92	0
Iron ore (million tonne)	T	6.98	10.40	13.17	9.26	5.81	5.13	5.11	3.40	10.00
Iron content in concentrate (18-20%)	T	0	0	1,646	4,094	107,890	256,479	302,487	284,059	291,000
Iron ore (million tonne)	T	244,145	109,787	206,104	232,250	337,304	761,331	553,396	686,150	578,000
Iron content in concentrate (20-25%)	T	144	240	809	1,109	551	598	925	674	700
Iron content in concentrate (25-30%)	T	2,000	8,000	7,500	9,750	8,597	4,000	5,000	5,320	5,000
Iron content in concentrate (30-35%)	T	0	3,500	4,000	4,500	2,950	2,000	2,270	2,921	4,000
Iron content in concentrate (35-40%)	T	0	20,514	60,757	62,621	63,540	67,571	64,322	78,042	87,000
Iron content in concentrate (40-45%)	T	0	0	0	0	11,219	26,095	31,565	26,471	190,000

III. VISION

Utilize **minerals and mineral resources** in conjunction with **environmental protection** consistent with the national **socio-economic plan**.



Create conditions for the gradual **improvement** of the **economic growths, national income, industrialization, progressive modernization, development of the mineral sector and standard of living** of all ethnic groups of Laos

IV. ECONOMIC OUTLOOK

The LAO PDR **Mining sector** -

- is one of Lao PDR **priority sectors** for the **socio-economic development**
- is an important source of **economical growth** and **national revenue**
- is a driver for **local community development**
- is an increasingly important contributor for **poverty alleviation**
- has **increased** over the last 5 years about **14 %** per year
- Contribution to **GDP** increased from **0,5 %** in 2002 to **8%** in 2007 to **10,3 %** in 2011
- Comprises more than **60%** of LAO PDR's **total exports**
- Increased its **export volume** to **68 %** since 2002

V. ROAD MAP - DEVELOPMENT OF THE MINING SECTOR

A.Short term:

- Restructure DOM (now 6 Divisions)
 - 1) Administration;
 - 2) Mining title and Policy;
 - 3) Mining Technology and Metallurgy;
 - 4) Mining Economics and Community Development;
 - 5) Mining Information and Evaluation;
 - 6) Mines Safety, Health and Environment.
- Upgrade **capacity** of the DOM'S staff
- Set up **IT center** and **Library**
- Draft roles, **regulations** and technical **standards** for Pre-F/S and Detailed F/S, Mines Health Safety and Env. Protection
- **Monitoring** and **evaluation** of Mining Projects.

ROAD MAP - DEVELOPMENT OF THE MINING SECTOR

B.Long term:

- Cooperation with **Educational Sector** introduce **Scholarship** in Mining Sector;
- Cooperation with **Environmental Sector** to establish Strategy Master plan on sustainable development of the Mining sector;
- Cooperation with **Financial Sector** to manage the collection of the revenue from the Mining Sector;
- Study and re-draft **Mining Policy** by 2015 and 2020;
- Planning for the **Decentralization** of the Mining management to the provincial level.

VI. CONCLUSION

1. Mineral development in the LAO PDR is rapidly becoming an important source of **economic growth** and poverty reduction supporting sustainable development
2. There are 65 companies conducted to mining and mineral processing.
3. There are Laws and regulations on mining environmental management, but there are difficulties for implementation of laws and regulations.
4. The implementation of laws and regulations should be improve and new regulations are needed.
5. The Government encourages investors to join existing / new licenses



WELCOME TO LAOS



THANK YOU!