

# Business

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## New Year food prices remain relatively stable

**Times Reporters**

The price of most vegetables and other food products remained relatively stable over the Lao New Year (*Pi Mai Lao*) holiday due to sufficient supply to meet market demands.

This year's *Pi Mai* holiday, many vendors in different markets in Vientiane, especially Khuadin Market, remained open for trade over the holiday period.

The larger number of vendors open for business also meant there was more competition and therefore prices did not rise to the extent they have done in previous years.

Last year only a few vendors remained open over the *Pi Mai* holiday which saw the price of vegetables spike considerably, a Vientiane vendor named Ms Tham told *Vientiane Times* recently.

The price of some vegetables reached as high as double what they normally would, she told reporters.

Ms Tham said industry and commerce officials could also take some credit for the

stable prices this year as they had paid attention to market prices and sought to ensure there was no unnecessary price gouging.

Before the holiday, industry and commerce officials joined with market authorities to tour local vending houses and cautioned vendors not to take advantage of customers, she explained.

However, some vendors still disobeyed officials' instructions to set their prices to make only a reasonable profit, Ms Tham added.

While some prices may have risen, almost all vegetables prices are currently back to normal after the holiday period.

Currently onions are selling for just over 10,000 kip per kg, raw chillis for 10,000 kip per kg while mint is 6,000-7,000 kip per kg.

Tomatoes are selling for 8,000-10,000 kip per kg and lettuce costs 15,000 kip per kg. Morning glory and amaranth are selling for 4,000 kip per kg.

Over last year's *Pi Mai*, the price of tomatoes doubled

from 3,000-5,000 per kg to 10,000 a kg.

Lemons also rose from 10,000-12,000 kip per kg to 16,000 kip, egg plants went from 5-6,000 kip to 8,000 kip per kg while cabbage rose from 12,000 kip per 12kg to 30,000 kip.

Last year the price of mint remained stable at 4,000-5,000 kip a kg, onions stable at 8,000 kip a kg, and raw chilli unchanged at 6,000 kip per kg.

Meanwhile meat prices did not rise to the same extent as they did around three years ago as supply is now largely able to meet demand. Prices did rise but not to the same extent, according to anecdotes.

The supply of vegetables, as well as beef, pork and fish in Laos is currently sufficient to supply the market so prices will not rise like they have done over the past few years, agricultural technical staff reported.

They observed that the numbers of farmers growing crops and vegetables has increased in Vientiane and also in other provinces, as has the number of livestock breeders.



A view of the diversion tunnel of Nam Khan 2 hydropower project.

## Nam Khan 2 power plant readies for generation

**Times Reporters**

Nam Khan 2 hydropower plant expects to start energy generation within the next five months after construction began in 2011 in Luang Prabang province.

The project conducted an impoundment ceremony on April 18 that took place on a platform at the entrance to the diversion tunnel, attended by Deputy Prime Minister Somsavat Lengsavad and officials from the province, Energy and Mines Ministry and Electricite du Laos (EDL).

The ceremony was to begin water storage in the reservoir to supply the power plant for electricity generation in Xieng Ngeun district, according to a press release from EDL yesterday.

Some of many million cubic metres of water will be used for energy generation with the rest going towards agricultural enterprises and other uses.

EDL Managing Director Mr Sisavath Thiravong said in his statement that Nam Khan 2 was a government

project that was handed over to EDL to operate and manage. The project involves a total investment of about 2.4 trillion kip (US\$308 million) that has been borrowed from Exim Bank of China.

The Nam Khan 2 power plant project is on the Khan River, with commercial operation expected to commence this year. Construction is being carried out by a Chinese company, Sinohydro Corporation.

The project has an installed capacity of 130 megawatts and will be able to generate 558 GWh of electricity per year.

The electricity generated will be transmitted via a 115kV transmission line to the substation in Xiengneun district to supply the northern provinces and Vientiane.

Nam Khan 2 is a large power plant project that will supply electricity for local consumption. It will particularly help people living in the northern part of Laos or remote areas who are still waiting for electricity to be supplied to their villages.

The project's large reservoir will also be

developed as a major tourism site in the future helping to improve living conditions of people in the area.

The project states it will lessen environmental impacts with gas, petroleum and energy producer Gazprom Marketing and Trading Singapore Pte., Ltd agreeing with EDL on an Emissions Reduction Purchase Agreement in 2012 to buy carbon credits from the project via a clean development mechanism.

Laos still has many other hydropower plants with the potential to sell carbon credits, and energy developers have already been contracted to sell carbon to other overseas companies.

Twenty-seven power plants are currently operational with installed capacity of about 3,304MW in Laos.

Laos is aiming for total installed capacity of about 12,000MW by 2025, a ministry report has noted.

The abundant resources of the Mekong River and its tributaries give Laos the potential to produce more than 25,000MW.



Vegetables prices remained relatively stable in various different fresh food markets--photo by Phoosab.

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