

Business

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More banks to integrate with ATM network

Times Reporters

More than 10 banks in Laos will have linked up with the ATM pool system by the beginning of next year, according to a senior bank official.

Banks to be part of the ATM network include BCEL, LDB, APB, LVB, Joint Development Bank, ST Bank Co. Ltd, Indochina Bank Ltd and Banque Franco-Lao Ltd, a report revealed at a recent official ceremony for the ATM pool project.

Lao ATM Pool Switch (LAPS), a Chinese grant assistance project to boost more modern banking services in Laos, worth a total of US\$9 million (more than 70 billion kip), was officially launched in Vientiane last Friday.

Under the cooperation between the governments of Laos and China, the Bank of the Lao PDR (BOL) and China Development Bank (CDB) are representing the governments to carry out the cooperative project.

Speaking at the launch ceremony, BOL Deputy Governor Mr Sonexay Sithphaxay said studies into the project and the gathering of information about the system development by CDB were carried out in 2011.

BOL and CDB inked

a Memorandum of Understanding about their cooperation in setting up the project at the end of 2012 in Kunming, China.

"In 2013, CDB sent its experts to carry out a feasibility study in cooperation with BOL and signed two agreements on accepting the approval of the studies into the project and the project implementation in 2014," he said.

He said the government of China also sent its experts to train Lao banking officials about technical management and other essential procedures relating to the ATM Pool system as well as grant scholarships to study Chinese language.

Currently, Banque pour le Commerce Extérieur Lao Public (BCEL) and Lao Development Bank (LDB) cover 70 percent of ATMs across the country.

Contract work on the ATM system development project is being undertaken by China UnionPay Company Limited.

The pool system will effectively create a centralised ATM network, cutting unnecessary costs and saving time for customers as they will no longer have to seek out the ATM of a particular bank.

The system will also help maintain an appropriate level of cash flow in keeping with real needs.

ATM card users of BCEL,

Agriculture and Promotion Bank (APB), Lao-Viet Bank (LVB) and Lao Development Bank (LDB) could utilise each other's ATMs as the systems of all four banks were already integrated, according to a recent report by BOL.

The system reflects the strong ties between the banks that are together trying to make their services simpler, thereby increasing customer satisfaction with domestic banks.

BCEL signed a Memorandum of Understanding with seven domestic banks regarding the development of an ATM pool system in November, 2012 aiming to provide convenience for ATM card users.

Deputy Prime Minister Dr Bounpone Bouttanavong, who is in charge of the macroeconomic affairs and services, Vice President of the Laos-China Cooperation Commission, Mr Vichit Xindavong, and Chinese Ambassador to Laos, Mr Guan Huabing, were also present at the ceremony.

In addition, the Executive Vice President at China Development Bank (CDB) Mr Wang Yongsheng and Vice Chairman of the Board and President at China UnionPay Company Limited Mr Shi Wenchao also took part in the launch ceremony.



Mr Somsavat Lengsavat cuts the ribbon to start the commercial operation of Nam Khan 2 power plant.

Nam Khan 2 energy generation commences in Luang Prabang

Times Reporters

Luang Prabang province: Energy generation at the Nam Khan 2 hydropower project in Luang Prabang province officially commenced on Saturday in Xieng Ngeun district, after a four year construction phase.

The dam is on the Khan River and was built by a Chinese company, Sinohydro Corporation Ltd; the project is managed and operated by Electricite due Laos (EDL).

The Energy and Mines Minister, Dr Khammany Inthilath said that the Nam Khan 2 is an important project under the master plan of the government. It has an installed capacity of 130 megawatts (MW) and will be able to generate 558 GWh of electricity per year.

"The project involves total investment of about 2.4 trillion kip (US\$308.5 million)," Dr Khammany said at the opening ceremony, which was attended by Deputy Prime Minister Mr Somsavat Lengsavat and officials from Luang Prabang, the Ministry of Energy and Mines, along with the Chinese Ambassador to Laos, Mr Guan Huabing and company representatives.

"The opening of the project is a present to celebrate the 40 year anniversary of Laos," Dr Khammany said.

The Nam Khan 2 dam is a government project and the entirety of the investment money for the project has been



A view of Nam Khan 2 hydropower project in Luang Prabang.

borrowed from the Exim Bank of China.

The project construction included a 115kV transmission line that links to a substation in Xieng Ngeun district of Luang Prabang that will supply the generated electricity to the northern provinces and Vientiane.

The dam will particularly benefit people in northern Laos and remote areas who are still waiting for electricity to be supplied to their villages.

The reservoir will also be developed as a tourist attraction, which will provide a boost for the local economy.

The government is promoting the rapid development of power plants for local supply in a bid to cut electricity imports.

Dr Khammany said that prior to national liberation in 1975 there were only three

hydropower plants in Laos with a total installed capacity of just 33MW.

"So far we have 38 power plants with a total installed capacity of 6,264 MW, which are able to generate electricity of more than 33,400GWh annually," he said.

"In 1975, there were only 19,000 families or 3 percent of the total population that had electricity use in Laos; however these days about 89.6 percent of the total population can access the power grid. Laos is aiming for a total installed capacity of about 12,000MW by 2025, a report from the Ministry of Energy and Mines states.

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



(From left to right) Mr Wang Yongsheng, Mr Sonexay Sithphaxay and Mr Shi Wenchao jointly cut a ribbon to officially launch the Lao ATM Pool Switch project in Vientiane last Friday.

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Exchange rates as of November 30, 2015

Banque pour le Commerce Extérieur Lao Public

Foreign Currencies	Buying	Selling
US Dollar 50-100	8,148	8,188
Thai Baht	227.55	229.25
Euro 50-500	8,602	8,645