

TERM OF REFERENCE

Position Title	Local Energy Policy Expert to conduct the political economic analysis for the amendment of the Lao PDR's Electricity Law
Location	Vientiane, Lao PDR
Reports To	LASEP Team Leader

Program Background

Partnerships for Infrastructure (P4I) is a Australian Government's flagship infrastructure initiative for Southeast Asia. It partners with Cambodia, Indonesia, Laos, Malaysia, Philippines, Thailand, Timor-Leste, Vietnam and the Association of Southeast Asian Nations (ASEAN) to foster inclusive growth through sustainable economic infrastructure (i.e. transport, energy, telecommunications, and utilities). Delivered through a single cohesive team, the initiative is led by the Australian Department of Foreign Affairs and Trade in collaboration with EY, Adam Smith International, The Asia Foundation, and Ninti One. The Program's Head Office is in Bangkok (the Hub).

P4I focuses on infrastructure prioritisation and planning, policy and regulation, and procurement and project preparation (P4I does not finance the delivery of infrastructure). All services aim to address gender equality, disability, and social inclusion, and disaster risk reduction and climate change issues. P4I can respond to rapid request, but ultimately aims to develop longer-term infrastructure engagement. Further information about P4I is available at www.partnershipsforinfrastructure.org

The Laos-Australia Sustainable Energy Partnership (LASEP) through its partner The Asia Foundation (TAF) is supporting the Government of Lao PDR (GoL) to enhance capacity for the management and regulation of the energy sector that can adapt over time, with an improved ability to plan, develop and negotiate energy projects and a greater evidence-informed policy and planning processes to support the energy transition, underpinned by a better understanding of all options for energy supply. LASEP addresses three challenges to support the GoL's energy priorities - strengthening energy stability, maintaining reliability, and improving the profitability of the energy sector. Given the central and foundational role the energy sector plays in Lao PDR's economy, it is anticipated that the Program will deliver broader benefits beyond this sector, e.g. more reliable, affordable, and equitable energy supply can help attract investment in energy-intensive industries and address the GoL's fiscal and social inclusion challenges.

Services Procured

Laos' energy sector is vital for economic growth, driven by expanding renewable energy, hydropower, and power export ambitions. However, the sector faces significant challenges, including a complex landscape of stakeholders, insufficient planning, domestic power shortages, and a lack of transparency. Laos' commitment to achieving net-zero emissions by 2050 and addressing growing energy demands requires substantial investment in renewable energy, grid modernization, and emissions reduction strategies. Integrating solar and wind with existing hydropower assets and upgrading transmission systems for regional energy trading could cost billions over the next decades. Additionally, meeting ASEAN Power Grid goals and transitioning to a low-carbon economy will necessitate significant public and private sector financing, supported by international partnerships. Such investments are vital for modernizing the energy sector, enhancing energy security, and positioning Laos as a regional power hub. As a result, in March and September 2022, the former Minister Davong Phonkeo endorsed the establishment of an energy regulatory body within Ministry of Energy and Mines (MEM), and on 1 July 2023, this initiative was formalised, highlighting the need for its inclusion in the upcoming Electricity Law revision.

MEM seeks to amend the Electricity Law to address key challenges and establish a regulatory body under MEM to oversee energy development projects throughout its lifecycle, streamline governance, and reform the tariff structure to attract renewable energy investment. Notably, all neighbouring countries in Southeast Asia, except Laos and Myanmar, have already established energy regulators, highlighting a critical gap in Laos' energy sector governance. The amendment aims to centralise fragmented regulatory roles, manage energy projects effectively, and address evolving complexities, including renegotiating agreements with Independent Power Producers (IPPs). These changes will enhance sector resilience, investment conditions, and Laos' energy transition efforts.



Laos faces several challenges that necessitate the establishment of an energy regulator. The sector's rapid expansion and increasing complexity, fuelled by foreign and domestic investments, have led to a crowded landscape of stakeholders. Additionally, the absence of unified planning and strategy has resulted in inefficiencies, despite an electricity surplus that leads to domestic demand shortages and blackouts. While Laos aspires to become a regional power hub, the lack of a regulatory body hampers its ability to effectively participate in regional decision-making. Moreover, transparency and oversight are lacking in critical decision-making processes, further exacerbating the sector's challenges.

From these challenges emerge a need to update the Electricity Law to enable an energy regulatory body, incorporate the requirements of additional energy sector entrants (such as EDL-T), inform improved planning and transparency and enable Lao to meet its energy ambitions, including its plans to become a regional power hub. More specifically, MEM seeks to amend the Electricity Law to:

- oversee energy development projects throughout its lifecycle;
- streamline governance and centralise fragmented planning and regulatory roles;
- reform the tariff structure to attract renewable energy investment; and
- manage energy projects effectively, and address evolving complexities, including renegotiating agreements with Independent Power Producers (IPPs).

The GoL has requested Australia's support specifically, as a trusted adviser to support the amendment of the electricity law.

As part of this commitment, LASEP is supporting the GoL in updating its legislative and regulatory framework to enhance sector resilience, improve investment conditions, and advance Lao PDR's energy transition. These updates will be guided by recommendations from P4I and will align with international best practices while considering the unique Lao context. They will address disaster risk reduction, climate change, sustainable investment, and Gender Equality, Disability, and Social Inclusion (GEDSI) considerations.

Therefore, P4I seeks the services of a qualified and reputable local energy policy expert to support P4I's LASEP's mission to accelerate clean and renewable energy development towards sustainable infrastructure transition in Lao PDR. The primary activity under this Terms of Reference (ToR) involves conducting a comprehensive research and analysis to guide the amendment of Lao PDR's Electricity Law.

The research will examine the necessary processes involved in amending the electricity law, providing a detailed roadmap of the steps required for effective legislative reform. It will also identify and analyse the roles and influences of key stakeholders, including government agencies, private sector entities, civil society organizations, and international development partners, in shaping and supporting the amendment process. Furthermore, the research will highlight critical challenges and potential opposition that may arise during the process, offering insights into the dynamics of resistance and areas of contention. Finally, it will provide strategic recommendations to address these challenges, foster stakeholder collaboration, and ensure the successful amendment and implementation of the electricity law.

Scope of work

To support the Lao PDR Government's efforts in advancing its energy sector, the research will provide an in-depth analysis of the legislative reforms needed to amend Lao PDR's Electricity Law. This research aims to guide the amendment process by offering a comprehensive understanding of historical developments, identifying key stakeholders, assessing potential supporting body and opposition, and providing recommendations for the successful amendment of the law.

The local energy policy expert will work as part of a broader team, including the LASEP in-country team, international legal experts, and a local law firm. This will include regular check-ins, reporting, and providing inputs, feedback, and information as needed by the team.

P4I is requesting the following service to be performed by the local energy policy expert:

- **Task 1: Desk review and historical Analysis of Amendments to the Electricity Law**
 - Conduct a desk review and historical analysis of amendments to the Electricity Law (1997, 2004, 2007, 2008, 2011, 2013, 2017, and 2024), summarizing the evolution of the law to date and examining the rationale and objectives behind each amendment since its inception. Identification of gaps or weaknesses in previous amendments that should be addressed in the current revision.
- **Task 2: Identify and Develop a Detailed Roadmap of the Legislative Amendment Process**



- In consultation with the local legal consultant, provide a detailed step-by-step breakdown of the legislative procedures required to update the Electricity Law, including timelines, key decision points, and stakeholder involvement.
- **Task 3: Key Stakeholder Identification and Analysis**
 - Identify and analyse the key stakeholders who will be involve and most likely to impact the amendment process, including government agencies, private sector actors, and key civil society organizations.
 - Develop a stakeholder influence matrix and conduct structured interviews with high-priority stakeholders to assess their roles, levels of influence, interests, and potential impacts.
- **Task 4: Assessing Supporting Body and Potential Challenges and Opposition**
 - Based on the stakeholder identification, further analyse key supporters of the amendment, including their interests, motivations, and the implications that these supporters will have on the law amendments and the implication on the law amendment on these supporters.
 - Identify potential challenges and opposition, focusing on critical areas of contention, such as policy misalignments, capacity limitations, and conflicting priorities among stakeholders.
 - Examine the positions and concerns of opposing stakeholders, including their reasons for resistance and the implications of the amendments on their interests.
 - Evaluate the potential for external actors, such as Australia, to facilitate dialogue or mediate disputes between supporting bodies and opposing bodies of the amendment. Highlight opportunities for trade-offs or compromises to align diverse interests and foster consensus.
- **Task 5: Recommendations and Strategic Approaches**
 - Provide targeted strategic recommendations and strategies to address identified challenges, promote effective stakeholder collaboration, and facilitate the successful amendment and implementation of the Electricity Law in including engagement and mitigation strategies to manage opposition and reinforce support for the amendment, ensuring a more inclusive and collaborative process.
 - Identify the training or resource needs for the Ministry of Energy and Mines (MEM) and stakeholders to support the effective implementation of the amended law.
 - Collaborate with local lawyers to provide technical input to ensure the recommendations of the international legal experts are aligned with relevant laws and policies.

The local energy policy expert is required to provide an inception report outlining the methodology, timeline, and tools for data collection and analysis and prepare a summary report, summarising findings, analyses, and strategic recommendations of the 5 tasks above to guide the amendment process. To ensure alignment and timely updates, the local energy policy expert will join the international legal team and local lawyers for fortnightly check-ins, providing insights and progress updates on PEA and related matters.

Deliverables

	Deliverable	Tentative delivery date	Working days
1.	Inception report- detailed work plan with milestones and a risk management plan.	February 2025	1
2.	Summary report, annotated timeline and comparative analysis of the past amendments.	February - March 2025	6
3.	Identify and Develop a Detail Roadmap of the Legislative Amendment Process	February - March 2025	5
4.	Key Stakeholder Identification and Analysis	February - March 2025	4
5.	Assessing Supporting Bodies, Potential Challenges and Opposition	March – April 2025	4
6.	Recommendations and Strategic Approaches	April - May 2025	4



7.	Summary report	June 2025	6
Total days			30

Note that delivery date may be adjusted based on the progress of amendment phases or regulatory requirements in coordination with GoL.

Desired Qualification

- Individual with an extensive track record of energy consulting, policy, planning, financing, project development, and related work.
- Advanced degree in Renewable Energy, Economics, Environmental Science, or related fields.
- Minimum of 5 years of experience in energy policy analysis, economic research, or renewable energy projects.
- Experience working with and good understanding of the Lao government institution especially the Ministry of Energy and Mines.
- Proven experience in conducting similar studies, preferably in Southeast Asia or similar contexts.
- Strong analytical, writing, and communication skills.
- Proficiency in both English and Lao is desirable.

Contact

Prior to the application due date, the consultant may submit queries or request for further information concerning this ToR to inthanongsone.inthavongsa@asiafoundation.org.

Qualified consultant must submit proposals in electronic format only to recruitment@partnershipsforinfrastructure.org by 5:00 pm of 12 February 2025 (GMT+7). Partnerships for Infrastructure (P4I) is an equal opportunity employer, with personal and professional development opportunities provided to all staff. P4I adheres to a strict code of ethics and has zero tolerance for sexual harassment and exploitation