

Source: The Rising Nepal; 31 Dec, 2014

### **NPC urges Energy Ministry to involve NA in hydropower construction**

Kathmandu, Dec 31: The National Planning Commission (NPC) has urged the Energy Ministry to involve the Nepalese Army in construction and operation of hydropower projects with capacity of 10-20 MW in order to run essentials services.

The NPC urged the Energy Ministry to give responsibility to NA for hydropower project construction, repair and maintenance, provide technical knowhow for power house operation in view of natural disasters in the country.

Similarly, the NPC also urged the State to keep at least 100 volunteer human resources in every district in ready position to involve in disaster rescue operation to minimize losses of life and property due to the natural disasters the country might face at different times.

NPC Vice-Chairman Prof Dr Govinda Raj Pokharel said that the recently held meeting of the NPC decided to urge the Defense and Finance Ministries to prepare programmes related to training for those Nepalese Army personnel to be involved in disaster rescue and relief, and the process for that has been forwarded.

Source: The Himalayan Times; 31 Dec, 2014

## **NEA signs pacts to purchase 45.6 MW of electricity this fiscal**

Nepal Electricity Authority (NEA), the sole buyer of electricity in the country, agreed to purchase 45.60 megawatts of electricity from various independent power producers of the country in the first five months of the current fiscal year.

In the same period last fiscal, NEA had agreed to buy 165.50 MW of electricity from independent power producers, show the data provided by the utility company.

“Although the number of projects with which we signed power purchase agreements (PPAs) this fiscal was higher, their total installed capacity was lower than that of last year, because we haven’t been able to rope in projects with installed capacity of more than 25 MW. This is the result of lack of tariff guideline for projects of over 25 MW,” said NEA Director Hitendra Dev Shakya.

NEA currently purchases electricity from projects with installed capacity of up to 25 MW at a flat rate of Rs 8.40 per unit during winter and Rs 4.80 per unit during summer. Electricity purchase price for projects bigger than 25 MW is determined through negotiations.

“We are planning to introduce new tariff structure for projects of up to 100 MW. As soon as we come up with that policy guideline, we will sign pacts with projects with total installed capacity of over 200 MW,” Shakya said.

Of the PPAs signed by NEA this fiscal, the largest deal was signed with Mountain Hydro Nepal, which is building 21.60 MW Tallo Hewa Khola Project in Panchthar district.

The second largest deal signed by NEA this fiscal was with Dordi-I Hydropower Company, the developer of 10.3 MW Dordi Khola project in Lamjung district. This was followed by an agreement signed with Bidhyabasini Hydropower Development Company, which is building 6.6 MW Rudhi Khola B Project in Lamjung.

Among others, PPA on 5 MW Phalanku Khola Project based in Rasuwa district was signed with Rasuwa Hydropower Pvt Ltd, 950 KW Tauthali Khola Project located at Sindhupalchowk district was signed with Shakti Urja Bikash Company, 750 KW Ludi Khola Project situated at Gorkha district was signed with Ludi Hydropower Development Company and 400 KW Sunkoshi (Tocado Technology) Project based at Ramechhap district was signed with Ashmita Hydropower, show NEA data.

With the signing of these agreements, NEA has entered into PPAs for generation of 2.01 GW of electricity with different independent power producers. Of this, 39 projects with installed capacity of 260.10 MW have already come into operation, while 110 projects have pledged to produce 1.75 GW of electricity at various dates.

Of the projects currently being developed by independent power producers, the biggest is Upper Tamakoshi Hydropower Project, which has installed capacity of 456 MW. The national pride

project, which has 41 per cent stake of NEA and is wholly financed by domestic financial institutions and companies, is expected to come into operation in 2016.

Another big project currently under construction is 111 MW Rasuwagadi, which is being developed by Chilime Hydropower Company in Rasuwa, while Sindhupalchowk-based 102 MW Middle Bhotekoshi Project is the third largest project being developed so far. Both the projects had signed PPAs with NEA on November 14, 2011, show NEA data.

Source: The Himalayan Times; 31 Dec, 2014

## **CIAA issues directive to MoE**

The Commission for Investigation of Abuse of Authority (CIAA) has instructed the Ministry of Energy (MoE) to complete evaluation of all applications filed by hydropower developers to obtain survey and generation licences within next 30 days.

The corruption watchdog had issued the instruction based on complaints that the MoE had not processed applications for survey and generation licences for years.

A press statement issued today by the CIAA says that the website of the Department of Electricity Development updated on December 7 showed that over 500 applications were pending since March 9, 2006.

“As per the Electricity Act, application for hydro survey license should be approved or rejected within 30 days, while application for electricity generation licence should be approved or rejected within 120 days,” says the statement, adding, “Hence, the MoE should start processing all pending applications immediately and come up with a decision on whether to extend the licence within 30 days.”

If applications are rejected, process should be initiated to bring projects back to the government’s basket, says the CIAA statement. Such projects, the statement adds, should be handed over to capable project developers through a competitive process.

Source: The Himalayan Times; 31 Dec, 2014

## **Lack of transmission lines affecting power evacuation**

Rupak D Sharma Kathmandu, December 30 Sanima Mai Hydropower Limited, which owns a hydel plant in Ilam with a capacity of generating 22 megawatts of electricity, has shares priced at Rs 702 but so far has not generated real income, as it has not been able to sell electricity, which it has been producing. “We launched test phase of power generation in Bhadra (Nepal month that falls in mid-August to mid-September) and completed final test in the presence of officials of Nepal Electricity Authority on Saturday. But we have not been able to evacuate power to national grid because of lack of transmission line,” Subarna Das Shrestha, CEO of the company, told The Himalayan Times. As per the agreement, Sanima Mai is responsible for building 11-km 132kV transmission line to evacuate power from the project site to Ilam substation and NEA is responsible for building 34-km 132 kV transmission line on Kabeli corridor. Sanima Mai has already fulfilled its promise, but NEA has not. Because of this, the company has not been able to generate revenue from electricity that it is producing. This is creating financial burden on the firm, which needs to pay ‘interest of around Rs 280-300 million per year on loans acquired from financial institutions’. An NEA official told THT that construction of transmission line on Kabeli corridor is moving ahead at an accelerated pace. “Of the 95 towers that need to be erected, foundations of around 92 have been laid and 35 towers have been installed. Also, wires of seven km in length have been fixed to the towers,” the official said on condition of anonymity. But even then, the official acknowledged, it would take at least four months to complete the work. Similar problem is also being faced by 10MW Sipring Khola Project in Dolakha district. Like Sanima Mai, the project has also started generating electricity but has not been able to evacuate it to the national grid because of absence of transmission line. Such dilly-dallying has started creating frustration in the energy sector, which had started to look up following signing of power trade pact with India and two 900MW hydropower project development agreements. Going by the statements of NEA officials, construction of transmission lines — which are lifelines for hydel projects — is generally delayed because of three reasons. “First is the delay created by NEA itself in submitting proposals. Secondly, the Ministry of Energy and the Department of Electricity Development take quite some time to complete studies and endorse environmental impact assessment reports. Then there is social problem created by locals, who generally demand exorbitant amount in compensation for land through which high-voltage wires pass.” If these problems are not addressed immediately, more hydel projects on the verge of launching commercial operation are likely to suffer. These projects include 50MW Upper Marshyangdi A, 15MW Hewa Khola A, 10MW Upper Mai, 7MW Mai

Cascade, which are scheduled to begin operation in less than a year. “To address the problem head-on, the government must rope in private companies to build transmission lines of up to 132 kV under build-operate-transfer model. But this would only be a stopgap measure. In the long-run, an independent company (as proposed by the government) must be established,” said Khadga Bahadur Bista, president of the Independent Power Producers’ Association Nepal. “If these measures are not pursued, energy sector may face serious problems in the coming days.” This also means Nepal may not be able to reap proper benefit from power trade pact signed with India, as lack of transmission lines will prevent the country from importing electricity to reduce loadshedding hours.

Source: My Republica; 1 Jan, 2015

## **New investments in hydropower, tourism raise hopes**

**RUDRA PANGENI**

The year 2014 fared better in terms of economic activities compared to past year. However, nothing substantial happened in two core sectors of Nepali economy -- agriculture and industry. Though the government, through the budget for fiscal year 2014/15, expressed commitment to bring about reforms in laws related to economic sector and unlock constraints to growth, no such thing happened in the first half of 2014/15.

Private sector had laid high hopes in this government formed by political parties advocating liberal economy. But their hope is fading gradually. It seems that they are waiting for the new constitution. But the chances of the country getting a new constitution within the stipulated timeframe is low, as political parties are divided on key issues like the form of governance and federal structure, among others.

Though the private sector urged political parties to include common economic agendas in their election manifestos ahead of the Constituent Assembly (CA) election, it didn't happen. "Parties did not include such agendas in their manifestos. And they have not translated their commitment into action," Hemant Dawadi, director general of Federation of Nepalese Chambers of Commerce and Industry (FNCCI) said.

The coalition government led by Nepali Congress introduced pre-budget discussions in the parliament for the first time in the country's history. But the discussions couldn't go ahead as planned as opposition parties disrupted the proceedings, protesting budget transfer by Finance Minister Ram Sharan Mahat.

Despite disruption in parliamentary proceedings, the government managed to table full budget in time. The government expressed commitment to introduce second-tier of reforms, giving continuity to the reforms initiated in the 1990s. Minister Mahat also expressed commitment to make necessary amendments to over half a dozen laws related to economy to spur economic growth.

Our economy needs to grow by at least 8 percent if we are to graduate to the league of developing countries by 2022. But initial figures it would be difficult to achieve the targeted growth of 6 percent.

The government has managed to spend only around 8 percent of Rs 116 billion allocated for capital expenditure over the first five months of 2014/15. Because of the low capital expenditure, spending by private sector has also not been encouraging. Banks and financial institutions (BFIs) have liquidity surplus of around Rs 70 billion and interest rates have fallen sharply.

Perhaps signing of Project Development Agreement (PDA) with two Indian developers for the implementation of two mega projects -- Upper Karnali and Arun III are the biggest achievements of this agreement. Investment commitments of US\$ 2.46 billion have been made in these projects.

Tourism and hospitality industry has received investment commitments worth around \$400 million. The commitments have come with the expectations that number of tourists will increase following restoration of stable political situation. But the government has not put much efforts on increasing number of tourists and extending their length of stay.

Investment commitments have come for around a dozen five-star hotels. Works on three such hotels have already begun. Existing five-star hotels, too, have unveiled upgradation plans. As per the Tourism

Vision 2020, the government is targeting to increase number of tourists by 150,000 annually. The rise in the number of tourists in recent years encouraged tourism entrepreneurs. They are investing in new products and services to take optimum benefits from this new segment.

Except hydropower and tourism, other core areas of Nepali economy -- industry, manufacturing and agriculture-- are more or less in the same state. The rise in the number of youth (by 24 percent in the first four months of 2014/15) leaving for foreign jobs shows that there is no improvement in employment growth.

***Caption: Finance Minister Ram Sharan Mahat shows briefcase of budget before presenting it in parliament at New Baneshwar in Kathmandu on July 13, 2014. The government unveiled a Rs 618 billion budget for Fiscal Year 2014/15. (Dipesh Shrestha/Republica Files)***

The government has not introduced any concrete programs to implement its plan of replacing import by increasing exports. Ballooning trade deficit is showing no indication of slowing. Trade deficit in the first four months of current fiscal year increased by 27 percent compared to figures of same period last year. Trade deficit had increase only by around 17.1 percent in the first four months of 2012/13.

Agriculture, which is the backbone of the country's economy, is limping in the absence of new technology and modernization.

One of the positive signs of 2014 is that industrial relation has improved a lot compared to past years. Industrialists say labor unions have shown maturity and that they have to agreed hold protest programs without hampering industrial production.

Following the successful CA election and the formation of government under Nepali Congress (NC) and CPN-UML, Nepal came into the notice of international investors. Hordes of investors flew to the country to take stock of the investment opportunities here. Prime Minister Sushil Koirala, ministers and high-level officials assured them of creating investment-friendly environment. Unfortunately, the government couldn't deliver. As a result, foreign investors returned to the country adopting 'wait and watch' policy, according to local industrialists.

"Things are improving, no doubt. But the government failed to translate its commitment into action. The obstruction in Bhote Koshi Power Company (BKPC) is a glaring example of it," said Dawadi.

The hydropower project with installed capacity of 45 MW couldn't generate power for over three months due to obstruction in construction of pylons by the locals. The issue was settled after the company agreed to provide six percent shares in the company to the locals at the rate of Rs 100 per unit.

Indian Prime Minister Narendra Modi announced credit line of \$1 billion to Nepal during his first visit to Nepal in August. Four months later, Chinese Foreign Minister Wang Yi announced to increase support for infrastructure projects by five-fold to RMB 800 million.

Meanwhile, Millennium Challenge Corporation, the foreign assistance agency of the United States, has selected Nepal for large scale funding, citing improvements in different indicators as well as Nepal's progress in institutionalizing democratic progress. The funding may range from \$100 to \$600 for projects selected by the government.

"We have received investment commitments from different countries as well as from bilateral and multilateral donors," Chandra Mani Adhikari, member of National Planning Commission (NPC), said. "The main question is how we are going to implement them."

The government inaugurated Special Economic Zone (SEZ) on November 19 to facilitate export-based industries. The process to invite Expression of Interest (EoI) from interested industrialists is underway.

Meanwhile, parliamentary committees, particularly development, finance, public accounts, and agriculture and water resources, played crucial role in economic development. They initiated rigorous discussions on key aspects of national economy. Their major concern is on keeping vigil on development projects as well as making capital expenditure accountable and efficient.

The performance of secondary market during the can be termed satisfactory. The benchmark index, which opened at 770 points on January 1, 2014, hit six-year high of 1,083 points in July. The index, however, underwent minor corrections in the second half of the year.

## **Fate of Tanahun project may be decided today**

Rupak D Sharma  
Kathmandu, December 31  
The fate of 140-megawatt Tanahun Hydropower Project, which had plunged into uncertainty following energy minister's decision to scrap the consultant selection process, is most likely to be decided tomorrow. Energy Secretary Rajendra Kishore Kshatri told The Himalayan Times that a proposal on the matter would be tabled before the Cabinet tomorrow. "The Cabinet will take a decision in this regard," he said, without mentioning what kind of proposal would be tabled before the Council of Ministers. Bizmandu.com, a business news portal, today reported that the energy ministry would propose that the Asian Development Bank, one of the project's financiers, be allowed to give continuity to the consultant selection process, which it had started in July 2013 'based on request made by Tanahun Hydropower Limited', a state-owned special purpose vehicle formed to implement Tanahun project. THT's attempts to contact energy minister to confirm this were not fruitful. If such a proposal is indeed tabled the ADB would soon be able to appoint joint venture between Lahmeyer International GmbH Germany and Manitoba Hydro International of Canada as the project supervision consultant for Tanahun Hydropower. The energy minister had come under pressure from Prime Minister Sushil Koirala and the Ministry of Finance — which had mobilised \$505-million required for the project — after she decided to scrap the consultant selection process on December 17, which had raised uncertainty over the project implementation. Since then the Ministry of Energy had also communicated with the ADB, which is said to have helped the minister to reconsider her previous decision. "In a recent letter sent to the minister, the ADB has agreed to address most of the concerns raised by us," Energy Secretary Kshatri said. Although Kshatri did not explicitly say what concerns the ministry had raised, he said many of them were related to sedimentation flushing. MoE officials have repeatedly said that there was very little mention of sedimentation management in the tender document issued by the ADB to consultants. This issue, according to them, should have been highlighted, as the Seti River, where the reservoir-type project is being built, is filled with sand and improper management of such materials could affect power generation. Based on this argument, the MoE said it could not agree with the ADB's decision to select Lahmeyer-Manitoba JV as consultant and indicated that joint venture between Kansai Electric Power and NEWJEC Inc of Japan should have been appointed consultant, as 'it has more experience in sediment management'. But ADB officials have said that 'sediment management was not the sole requirement for consultant selection, as expertise in other areas, such as detailed design, selection, monitoring supervision and coordination of contractors and operation and maintenance of hydropower projects

were also taken into consideration'. The ADB has also said that the consultant it has selected has experience in sediment management and this issue could be further discussed during contract negotiations and implementation phase. It has also pledged to 'finance additional specialised expertise to ensure all critical issues, including sedimentation flushing, are adequately addressed'.

## **Transmission hurdle**

### **NEA which is responsible for the construction of transmission lines along the river corridors should be penalised for delaying its task**

It is an irony that Nepal despite its immense potential in water resources has been unable to even generate adequate electricity to meet the domestic demand. As a result, there are protracted periods of power outages affecting every sector of the society. The reasons for this plight can be attributed to the Nepal Electricity Authority (NEA) whose lackadaisical performance can be cited for not doing enough in this regard. There is something very wrong with the NEA and it needs to revamp its working style. A major problem is that neither it boosts its energy production initiative nor it is able to evacuate the electricity generated by the private sector hydro projects for the lack of transmission lines. Here, it is a case of having the electricity but not being able to transmit it to the consumers. That means the power generated is not utilised. While this happens, the electricity project suffers losses and the country continues reeling under power shortages. One case of the power generated remaining unused is the Sanima Mai Hydropower Limited which has test-generated 22MW of electricity but is unable to earn a profit because of the delay in the construction of the part of the transmission line to be constructed by NEA as per the commitment. As per reports, this firm is responsible for building an 11-km 132KV transmission line to transmit electricity to a substation in Ilam while the NEA has been given the task of building 34-km long 132KV line in the Kabeli corridor. Although the Sanima Mai has done its part of the hydel project, it is has not been able to connect the electricity to meet the ever-growing domestic power needs. Similar is the case with the Marsyangdi, Trishuli and Solu river corridors where the World Bank has provided loan assistance to build transmission lines and the private sector has made huge investments in hydro projects on these river basins. The NEA must own up its inefficiency. The delay is due to its dilly-dallying without doing anything substantial either to expedite its projects or take the private sector concerns into serious consideration. A big hurdle cited as adversely affecting many hydel projects is the unreasonable demand made by the locals as compensation for the land acquired through which the high voltage transmission lines pass. A way out of this mire would be to make the private companies engaged in hydel investments build transmission lines upto to the 132 KV as per the build-operate-transfer model. Unless this is done, the various hydel projects in the country will fail to meet the expectations of the people. Recently, Nepal and India inked the power trade pact and two 900MW hydropower project development agreements. However, because of the lack of transmission lines Nepal would still face the perpetual shortage of electricity despite the generation of electricity. NEA which is responsible for the construction of transmission lines along the river corridors should be penalised for the delay in executing its responsibility. The transmission line construction in various river corridors where hydel projects are being developed should receive top priority.

Source: The Himalayan Times; 2 Jan 2015

## **ADB told to proceed with consultant selection process**

### **TANAHUN HYDEL PROJECT**

A Cabinet meeting held today cleared the decks for the Asian Development Bank to give continuity to the consultant selection process for 140-megawatt Tanahun Hydropower Project, which was scrapped on December 17 by Energy Minister Radha Kumari Gyawali.

“The Cabinet had decided to let the ADB choose a consultant for the project after the energy minister asked the Council of Ministers to take up the issue and come to a conclusion on the matter,” Finance Minister Ram Sharan Mahat told The Himalayan Times.

It is said the energy minister had initially defended her decision to scrap the consultant selection process during today’s meeting but later said Cabinet’s decision would be agreeable to her.

This ruling has finally put to rest the controversies surrounding the consultant selection process, which had created a rift between the Ministry of Energy and the Ministry of Finance, which had mobilised \$505 million for the project and puzzled many, including development partners like the ADB.

ADB Country Director Kenichi Yokoyama said, “We are pleased with the government’s decision to proceed with project implementation. This is crucial project for Nepal, as it is a storage type and can provide relief to people during dry season when energy production falls. We are ready to build more such storage-type hydro projects here in future.” With today’s decision, the ADB, one of the project’s financiers, can now give continuity to the process of appointing the joint venture between Lahmeyer International GmbH Germany and Manitoba Hydro International of Canada as the consultant for the reservoir-type project.

The ADB had shortlisted Lahmeyer-Manitoba JV as the preferred bidder for the consultant as it was ranked first with a score of 844.88 out of 1,000 among five firms in the final leg of the bidding process.

But as negotiations to hand over the contract to the joint venture began, Tirtha Kumar Shrestha of Tanahun filed a complaint at the CIAA citing flaws in the ADB-led consultant selection process. Based on his complaint, the CIAA asked the MoE to launch an investigation.

The ministry then formed a five-member review committee, which came up with a report, stating it could not concur with ratings extended by the ADB to bidders. The committee also indicated that the ADB should have appointed joint venture between Kansai Electric Power and NEWJEC Inc of Japan, which stood second in the evaluation process with a score of 838.40, as the consultant because it had more experience in sediment flushing and sluicing, which were crucial for the project based in the Seti River, where sand particles are found in excess.

As differences grew, the finance ministry formed a joint review committee comprising representatives of ADB, MoF and MoE. The committee came up with a report, stating it did not come across anything that gives it a firm ground to question the credibility of the ADB Consultant Selection Committee. In that report, ADB also stated that sediment management was not the ‘sole requirement for consultant

selection' and the issue could be discussed during contract negotiations and project implementation.

It also said Lahmeyer-Manitoba JV has experience in sediment flushing. Based on this report, the CIAA then asked the energy ministry to take a decision by referring to existing laws of the land but without affecting deadlines related to project readiness and implementation.

But on December 17, Energy Minister Gyawali surprised many by scrapping the ADB-led consultant selection process. This drew criticism from several quarters, as her decision had raised uncertainty over project implementation.

Source: My Republica; 2 Jan 2014

## **Govt picks Lahmeyer-Manitoba JV as Tanahu hydro consultants**

**RUDRA PANGENI**

### **ADB has pledged to address MoE's concerns: Minister Gyawali**

**KATHMANDU, Jan 2:** Thursday's cabinet meeting reversed the decision of Minister for Energy Radha Gyawali to reject the project consultants picked by the Asian Development Bank (ADB), clearing a controversy that has been going on for five months.

Minister Gyawali had twice taken an official decision rejecting Lahmeyer International of Germany and Manitoba Hydro International of Canada, which were picked by ADB as consultants. She cited the consultants' lack of experience in special qualifications relating to sedimentation and flushing management.

After the cabinet meeting, Gyawali herself briefed the media and said the cabinet changed her ministry's decision after ADB came up with a commitment to address its concerns.

"I had decided to reject the consultants on the basis of a study report carried out by my ministry and by a joint study team," the minister said, defending her decision.

"ADB also pledged to address concerns relating to technology and timely completion of the project without incurring any cost overruns," Gyawali told media.

Talking to Republica, ADB Country Director Kenichi Yokoyama said, "ADB will provide full support for timely implementation of the project and quality assurance as well as sustainable operation and maintenance of the project."

Following the minister's second-time decision of December 17 to reject the consultants and start a fresh selection process, a serious debate had erupted, with one side saying ADB was unfair in the consultant selection process while the other side which included lawmakers from Tanahu district were in favour of the donor's decision and argued that minor issues should not hold back the project nor the investment friendly environment hampered.

The 140 MW project on the Seti River is of reservoir type and it has already signed loan agreements with three different co-financier including the ADB. Its project cost is put at US \$ 505 million.

Upon Minister Gyawali's rejection decision, Finance Minister Ram Sharan Mahat on December 24 had written to the former to reconsider her decision, saying the Finance Ministry, the line ministry tasked with dealing with donor agencies for the project, was not consulted. He also voiced reservations over the decision. "The decision would leave a long-term impact on dealings with bilateral and multilateral donors," MoF officials had quoted the finance minister as saying.

However, it is learnt that the issue was brought to the cabinet after the energy minister did not wish to retract her decision although she herself had raised the matter in the cabinet.

Prime Minister Sushil Koirala also discussed it repeatedly with senior leaders of the CPN-UML, including KP Oli and Jhalanath Khanal, and members of his cabinet and directed Minister Gyawali to withdraw the decision. ADB officials had said, “Minister Gyawali’s decision was a deviation from the loan agreement.”

The Commission for Investigation of Abuse of Authority (CIAA) had issued a directive to review the selection process following a complaint questioning the experience of Lahmeyer and Manitoba in sediment flushing and sluicing. Kansai-NEWJEC JV was second in line in the competition for the consulting services worth US \$ 27 million.

A review committee led by Joint Secretary at the Ministry of Energy, Keshav Dhvaj Adhikari, had questioned the marking system as only favoring the selected consultants as well as not taking into account sedimentation management, a major feature of the project. Following Minister Gyawali’s September 24 decision, a joint committee comprising officials of MoE and MoF and ADB representatives looked into the matter and did not find anything to question the credibility of the ADB selection process.

ADB was asked by the government to select the consultants so as to speed up the process.

The government had signed a loan agreement for US\$ 150 million with ADB in February, 2013. The co-financers of the project are Japan International Corporation Agency (JICA), the European Investment Bank (EIB) and the Abu Dhabi Fund for Development (ADFD). The project is being developed by Tanahu Hydropower Limited (THL), a subsidiary of Nepal Electricity Authority (NEA).