

Source: Nepal Water and Energy Development Company Pvt.Ltd. (NWEDC) Office; 29 June 2015

Press Release

The Upper Trishuli-1 Hydro-electric Project (UT-1) located in Rasuwa district with the installed capacity of 216 MW is being implemented by Nepal Water and Energy Development Company Pvt.Ltd. (NWEDC).

The devastating earthquake that occurred on 25th April, 2015, and continued aftershocks unleashed severe damage to properties, and claimed lives of over 600 people of Rasuwa District. Local Development Officer of DDC Rasuwa, Mr. Bishnu Prasad Koirala, and Hong Seok Bin, CEO of NWEDC signed MOU amid a function in Dhunche on June 22, 2015. The company will provide US\$ 400,000 to construct temporary accommodation, food, construction of Schools, Health Posts, and latrines, drinking water, solar lamp, mobile health camp to the internally displaced persons of Haku, Ramche and Dhunche Village Development Committees (VDCs) of Rasuwa District.

Immediately after the quake, NWEDC rescued 67 local injured persons by helicopter, and provided immediate relief materials including food, tarpouline, blankets, utensils worth of 68,000 US\$. KOSEP had also handed over US\$ 50,000 to the Nepali Ambassador in Seoul on May 21, 2015. With this the total contribution now stands at US\$ 518,000.

For successful implementation of MOU, the Company will manage financial resources from KOSEP (South Korea), Daelim and Kyeryong (South Korea), International Finance Corporation, and DEG (Germany).

Hong Seok Bin

Chief Executive Officer

NWEDC

29th June, 2015

Source: The Kathmandu Post; 1 July 2015

Locals' protests grind hydro project works to a halt

- PRAKASH ADHIKARI

Work on two micro hydro projects—4.2MW Lohare Khola and 3.75MW Drari Khola—has been completely halted due to obstructions created by the locals.

The projects, based at Naumule in the district, have completed distribution of compensation to the affected locals. The projects have also addressed other demands put forth by the locals.

The projects' promoters said they were frustrated by the 'pointless' demands put forth by various groups that have been backing the locals to launch frequent agitations.

“We have completed all the legal processes as envisaged by the environment impact assessment report. But the demands are unstoppable,” said Mohan Bikram Karki, promoter of Drari Khola project. “If we fulfil a demand of a group, another group appears with a new demand,” he said, adding it has been difficult for them to satisfy all the groups.

There is a growing trend of forming struggle committees to get fulfilled their interests. Recently, the locals had intensified protests demanding a 10 percent share allocation in the project. They were backed by the leaders of CPN-UML. However, the promoters said there were no such provisions that a private company should distribute shares.

“As demands are rising, we are not in a position to fulfil all,” said Surendra Shahi of Lohare Khola project. “No, we don't have options but to seek legal remedy.” He said although the project has settled the compensation issues, various groups have been putting forth their personal demands. However, the agitating locals said the project should be developed in the peoples' interests.

Not only the small projects, even mega projects like 900MW Upper Karnali project have been suffering obstacles. Investors are worried by frequent agitations from so-called stakeholders and ad-hoc committees.

“Development of Upper Karnali has been halted due to anti-Indian sentiments, but small projects that are build under domestic resources are also facing hurdles,” said Rupak Thapa, a local hotel entrepreneur. “Such activities will not send a positive message to potential investors.”

[Dailekh](#) is also known as a hydro hub of the western Nepal. It has vast potential of generating power from its dozens of rivers. Not only has the hydropower sector suffered from politically-backed protests, but investment in other sectors has also been facing similar problems.

For example, the national priority Mid-Hill Highway (Puspahal Lokmarga) project has been affected due to locals' protests. Although the blacktopping of the project started promptly,

further development has been halted. The locals have complained the compensation offered to them was nominal.

Due to the dispute, the government's plan to relocate 10 affected areas to other locations has also been delayed.