

Source: The Kathmandu Post; 27 Oct 2016

## **Distribution of compensation payments for Arun III starts**

*DIPENDRA SHAKYA*

The distribution of compensation payments for land to be acquired for the Arun III Hydroelectric Project in Sankhuwasabha district has formally started.

Chief District Officer Khum Kanta Acharya launched the programme by handing over a cheque to one of the affected locals amid a ceremony on Wednesday.

The District Administration Office will be distributing Rs1.30 billion to private landowners whose property will be taken over by the \$1.4 billion, 900 MW hydropower scheme planned to be built on the Arun River in eastern Nepal.

The project has also started opening bank accounts to transfer the money. Acharya said that compensation payments would be distributed to 265 affected households in Num, Pathivara, Yaphu and Diding VDCs.

The amounts range from Rs900,000 to Rs60 million. "As the construction work will start only after the land has been acquired, we have fixed the amount of the compensation payment," he said.

Biman Parajuli, a project affected local, said that the compensation amount had been determined through a trilateral agreement between the developer SJVN Arun III, the local administration and affected locals.

The district administration has marked 49 hectares of private land required for the project. The land parcels have been divided into five categories—sloping land, small farmland, large cardamom field, paddy field and residential land.

The compensation amount for different types of land varies accordingly. In all four VDCs, the administration has offered Rs825,000 per ropani for sloping land and Rs907,500 per ropani for small farmland.

It will pay Rs1.04 million per ropani for large cardamom field and Rs1.2 million per ropani for paddy field. If the land touches the North-South Koshi Highway, the owner will get 20 percent more.

Similarly, those who own large cardamom fields producing 40 kg of large cardamom will get an additional Rs100,000 in compensation per ropani for three consecutive years as opportunity cost.

Besides, these farmers will be provided Rs25,000 per ropani as large cardamom land development cost and Rs24,000 as transportation and plantation cost for three years.

The compensation determination committee has considered 200 square metres of residential land as a parcel of land, and has offered Rs1.1 million in compensation.

The rate is slightly higher for residential land at Faxinda of Num, where the office has offered Rs1.23 million in compensation for a parcel measuring 200 square metres.

The project developer will also acquire houses, cowsheds, huts and plants on those land plots, and the district administration office has fixed the compensation amount for all the assets on the land.

The affected people will also be ensured transportation and food security costs including other social benefits. There are 391 private land parcels, including 112 in Diding, 82 in Yaphu, 147 in Num and 50 in Pathivara VDCs that will be acquired.

According to the Project Development Agreement signed between the government and the developer, the company has to complete financial closure by November 2016.

As per the agreement signed between Investment Board Nepal (IBN) and SJVN in November 2014, the developer will complete the construction of the plant and start energy generation by 2020.

According to IBN, Nepal will receive Rs348 billion over 25 years from the project. SJVN will provide 21.9 percent of the energy generated free of cost, which is worth Rs155 billion, plus another Rs107 billion in royalties.



Source: The Kathmandu Post; 28 Oct 2016

## **Power Summit 2016 to kick off on Dec 15**

Independent Power Producers Association, Nepal (IPPAN) on Thursday announced it will hold Power Summit 2016 in the Capital from December 15-16 under the theme “10,000MW by the Sunset”.

The summit will hold discussions on national pride projects like Budhi Gandaki Hydroelectric Project, foreign investment projects, establishment of national grid company, realistic electricity demand forecast, construction of transmission lines and sustainable development of hydropower, among others.

The summit will also discuss the government’s ambitious “Electricity Development Decade” plan that aims to produce 10,000MW of electricity. “We will ask the government when will the countdown begin,” said Khadga Bahadur Bisht, president of IPPAN, speaking at a press meet here.

The summit will showcase the success of Power Grid Corporation of India Limited (PGCIL). “PGCIL

Source: My Republica; 28 Oct 2016

## **Power Summit to focus on govt's hydropower generation plan**

Independent Power Producers' Association, Nepal (IPPAN) is organizing Power Summit 2016 on December 15-16 with the objective of expediting power generation targeting generation of 10,000 MW in next 10 years. The conference focused solely on hydropower generation is being held after a gap of three years. The last gathering of power developers was last held in 2013.

IPPAN President Khadga Bahadur Bisht told media persons that the summit will focus on translating the government's plan of generating 10,000 MW in a decade into action. Other agendas include inviting foreign investors to put their money in hydropower sector and ask the government to officially start a countdown for the 10-year energy generation plan.

Issues of energy security, analysis on energy demand and supply, and beginning the execution of Budhigandaki Hydropower Project are some of the key agendas of the gathering that will see participation of bureaucrats, hydropower developers, financial institutions, and foreign investors.

The event will be held under the patronage of the Government of Nepal and the Ministry of Energy.

Other agendas to be discussed during the two-day gathering are project financing in hydropower development, operation of transmission line grid company and development of hydropower in a sustainable manner among others.

IPPAN has hailed the government's Energy Development Plan 2016-2026 unveiled in February, urging the government to focus on the implementation part.

Organized right after the end of insurgency, Power Summit 2006 marked the beginning of the series of such gatherings of hydropower stakeholders. Many foreign investors, interested to put their money into the country's hydropower sector, had participated in the meeting.

Things have changed for good over the past decade. "Banks and financial institutions (BFIs) have started financing hydropower projects which was very rare a decade ago," Bisht said, adding that increment in paid-up capital of BFIs to Rs 8 billion has enabled them to inject fund into the sector which was getting least priority earlier.

Initial public offerings (IPOs) of hydropower projects have seen overwhelming response, particularly after 2013 when Power Summit 2013 was organized.

"The first summit held in 2007 and the second one held a year later had drawn a large number of investors to Nepal. The government issued survey license of many projects after the two summits," Bisht said, adding that the country, however, could not receive investment as the years that followed were full of tumults and agitation.

Source: The Himalayan Times; 28 Oct 2016

## **Power Summit in Dec**

The Independent Power Producers' Association, Nepal (IPPAN) has announced it is organising Power Summit 2016 from December 15 to 16 in the Capital to support the government's initiative to generate 10,000 megawatts of hydro electricity within 10 years. The Power Summit 2016 will be participated by policymakers, executing agencies, developers, potential investors (both foreign and domestic), and potential financiers, among others, according to IPPAN.

"The Power Summit will hold discussions on challenges and the way forward for hydropower development in Nepal. It will also review the key bottlenecks for reform in the energy sector and lapses from the government and private sector."

Despite having tremendous potential for hydropower generation, the country has been able to tap only negligible portion of its hydropower potential with total installed capacity of just 800 megawatts.

Contribution of hydroelectricity in the total energy consumption is less than three per cent.

The Ministry of Energy (MoE) will provide support for the event.

The National Energy Crisis Prevention and Electricity Development Decade introduced by the MoE in April this year had envisaged to generate 10,000 megawatts of electricity within 10 years.