

Source: The Kathmandu Post, June 9, 2019

Nepal fails to meet energy sector targets in the current fiscal

- PRAHLAD RIJAL, Kathmandu

In the opening year of the government declared 'Energy Development Decade 2018-2028', the country has only met 9 percent of its generation target.

Against a target of 760 MW set by the Energy Ministry, only 71 MW has been added to the national grid in 11 months of this fiscal, records show.

"We had estimated electricity generation at 760 MW hoping that the 456 MW Upper Tamakoshi hydropower project and other private projects would start generating power but the projects were pushed back owing to poor work execution and technical issues," said Gokarna Raj Panta, deputy spokesperson at the Ministry.

The Upper Tamakoshi Hydropower Project, touted as a role model project and being built with domestic resources, has been pushed back because of recent technical mishaps.

The project is unlikely to meet the target of switching on the first turbine and feeding 76 MW into the national grid even by December-end as construction crews are still struggling to repair the damage caused by a crane failure during the installation of the penstock pipes in May.

As per project officials, the project is overhauling equipment that broke down in the recent crane failure and has been set back by two to three months.

Against the annual target of building 4,299 kilometre of new transmission lines, authorities have only been able to add around 410 kilometres of power lines.

Also, the government has failed to conclude construction of high voltage substations and cross border transmission lines, mainly the Butwal-Gorakhpur and Galchhi-Kerung-Rashuwa-gadhi in line with the set targets for the current fiscal.

The Butwal-Gorakhpur transmission line project, also the major component of a \$630 million compact between Nepal and the Millennium Challenge Corporation has failed to get off the ground as Nepal-India are yet to sign an agreement to that front.

And construction of major transmission lines, like the 132 kV Thankot-Chapagaun, 220 kV Bharatpur-Bardaghat, 400 kV Hetauda-Dhalkebar-Duhabi and 400 kV Tamakoshi-Kathmandu, has stalled due to land compensation and forest clearance issues and delays by contractors.

Moreover, the state bodies under the energy ministry have been struggling to meet spending targets.

The Department of Electricity Development, the government body which facilitates consultants to study various power projects and deals with issues affecting private producers, was only able to spend 24.17 percent of its budget in the nine months of the current fiscal year.

According to department statistics, out of the total budget of Rs1.16 billion allocated for eight major tasks and projects, the department was only able to spend Rs280 million.

And, out of the total Rs615.97 million allocated for studying prospects of new hydropower projects, the department was able to spend only Rs55.13 million in nine months.

Department officials say the study works under various projects were stymied by poor performance of consultants which led to non-disbursement of funds.

“The department did not receive quality reports from majority of consultants assigned to study various projects and was unable to release payments,” said Madhu Prasad Bhetwal, director general of the Department.

“We have asked them to revise the works and in the end of current fiscal, the spending figures will

probably jump to around 50 percent.”

Also, obstructions and complications facing the Saptakoshi and Pancheshwar multipurpose projects have resulted in poor spending.

Detailed Project Report (DPR) for the construction of the Saptakoshi High Dam Multipurpose Project has still not been prepared, 14 years after its inception due to obstructions from local residents in the district.

“Despite mobilising resources, we have not been able to solve the issues facing Saptakoshi project as locals are adamantly opposing its development,” said Bhetwal.

The department has injected Rs15.046 million in 10 months of the current fiscal for preparing the report on Saptakoshi without anything concrete to show.

Source: The Rising Nepal, June 9, 2019

Budhi Gandaki be developed with country's investment: Deuba

Gorkha, June 9: Nepali Congress President Sher Bahadur Deuba on Sunday stressed the need for building the Budhi Gandaki Hydropower Project with Nepali investment.

He voiced against foreign investment in national pride projects reasoning that Nepalis could get long-term returns on their investment in such projects.

Addressing the NC's second Gorkha town assembly, he said Nepali people have funds, and they should be provided investment opportunities.

He also questioned awarding of the Budhi Gandaki project contract to Chinese Gezhouba Group Corporation without 'competition'. He referred to the Chinese Corporation having delayed a project completion by many years.

Source: The Kathmandu Post, June 11, 2019

Asian Infrastructure Investment Bank okays first loan to Nepal

- PRAHLAD RIJAL, Kathmandu

The Asian Infrastructure Investment Bank has approved its first loan to Nepal since the China-backed institution was established in 2014. Nepal will receive \$90 million for the construction of the 216 MW Upper Trishuli 1 hydropower plant in Rasuwa.

The anti-dollar alliance, hailing its first investment in Nepal as an example of how to facilitate investments in the energy sector, said that the \$647.4 million hydel plant would increase the country's power generation by almost 20 percent.

“The AIIB's investment will provide much-needed, long-term financing for a vital infrastructure project,” said the bank's Director General Dong-ik Lee. “We are confident that our investment will demonstrate the viability of Nepal's sustainable energy sector to other potential private-sector investors.”

The Asian Infrastructure Investment Bank plans to start disbursing the pledged amount from October 2019. The project, being developed under a 35-year build-own-operate-transfer model by Nepal Water and Energy Development Company, is financed with a mix of debt and equity funding. The total debt stands at \$453.2 million and is entirely financed by foreign capital with funds from sponsors including International Finance Corporation, Asian Development Bank and others.

According to International Finance Corporation, a stakeholder and lender to the developer, the plant has a capacity to provide 40 percent of the country's expected annual output during the dry seasons including the peak winter demand months.

The hydel plant with three units, each churning out 72 MW of electricity, is expected to be commissioned in October 2024.

The developer and the Energy Ministry signed a project development agreement in December 2016. As per the terms of the agreement, the sponsors—a Korean consortium, local promoter and International Finance Corporation—will be responsible for the design, engineering, financing, construction, completion, commissioning, ownership, operation and maintenance and transfer of the project.

The project will be developed and commissioned in line with two modalities—engineering, procurement and construction by a joint venture of Daelim and Kyeryong, and operation and maintenance by Korea South-East Power.

The electricity generated by the plant will be sold to the Nepal Electricity Authority. The parties signed a 30-year power purchase agreement in January 2018. The state-owned power utility has agreed to buy the energy under a take-or-pay arrangement.

Earlier, the project had sunk into uncertainty after the developer threatened to pull out from Nepal over a foreign exchange hedge row with the government after it asked the developer to contribute a hefty sum to a hedge fund which would be used as a cushion against exchange rate risk.

When the Nepal Electricity Authority signed a power purchase agreement with Nepal Water and Energy Development Company a year ago to purchase the electricity generated by the project, the state-owned power utility agreed to pay in US dollars for a period of 10 years or until the portion of the investment made with foreign loans is recovered by the developer, whichever comes first.

According to the electricity authority's estimate, it will be exposed to a foreign exchange risk of around \$300 million if the exchange rate of the US dollar rises at the rate of 3 percent annually. And in line with the estimate, the government had asked the developer to contribute \$150 million to the fund which it refused to do, an anonymous source at the electricity authority said.

“After the row over the hedge fund, the developer agreed to provide 17 percent of the energy to the utility for free after 14 years of commercial operation if it agrees to absorb the risks for the stipulated time,” the official said.

“Unlike dollar billing for power purchased from other projects under the build-own-operate-transfer model, billing for electricity produced by the plant will be done in Nepali currency after 10 years of commercial operation which will result in financial benefit to the Nepal Electricity Authority whenever the dollar depreciates. Also, the developer will absorb risks in equity which amounts to \$194.2 million. If the company does its financial closing and manage funds in time, the electricity authority and the government will not be exposed to heavy risks,” the official said.

According to Energy Ministry officials, just before the Investment Summit in March, the Cabinet accepted the developer’s offer to provide free energy after 14 years of operation and asked the electricity authority to implement the agreement with the amended terms.

“As per the hedge fund agreement, the developer will contribute one-third of the amount and the electricity authority and the government will put up two-thirds of the required fund maintained by Nepal Rastra Bank,” said Prabin Raj Aryal, spokesperson for the Energy Ministry without disclosing the size of the hedge fund.

According to Aryal, the developer is ready to get the project off the ground, and has been developing infrastructures at the site. “Apart from mobilising heavy equipment, the developer has been taking care of prerequisite structures to execute the project,” he said. The electricity generated by the plant will be evacuated to the Upper Trishuli 3B hub over a 10-km 220 kV transmission line connected to the national grid.

Apart from the \$90 million loan, the Beijing-based bank has also provided Nepal with \$900,000 for the proposed Tamakoshi 5 hydroelectric project and \$1 million for a power distribution system upgrade and expansion project from its project preparation special fund. The special fund helps eligible Asian Infrastructure Investment Bank members to mobilise grants for preparation of various projects.

Nepal is one of the 22 signatory countries that signed a memorandum of understanding to establish the bank in 2014. In January 2016, Nepal was elected to the bank’s board of directors.

Source: My Republica, June 11, 2019

AIIB to provide \$90m loan for 216MW Upper Trishuli-1

US\$ 900,000 loan for Tamakoshi V

KATHMANDU, June 11: The Asian Infrastructure Investment Bank (AIIB) has approved a loan of up to US \$ 90 million for the 216 MW Upper Trishuli-1 Hydropower Project, which is being developed by a Korean joint venture company. The approval was made by the board of directors of AIIB on Monday. A press statement issued by the bank said Nepal's power generation will increase by almost 20 percent with the completion of the project.

The project, whose estimated cost is US\$ 650 million, will be financed entirely through foreign capital. Besides AIIB, the project has other co-funders including the International Finance Corporation, Asian Development Bank and other development institutions. The project is to be developed under build-own-operate-transfer model.

"This project is one of several steps AIIB is taking to support the development of Nepal's electricity sector," added the press statement.

The bank has also decided to finance US\$900,000 for the proposed 87 MW Tamakoshi V Hydropower Project. JICA and the European Investment Bank are also likely to invest in the project.

Likewise, the AIIB has decided to provide another US\$ 1 million for the proposed Power Distribution System Upgrade and Expansion Project from its Project Preparation Special Fund.

These grants are part of AIIB's overall efforts in Nepal to increase energy generation capacity, reduce the demand-supply gap, upgrade transmission infrastructure and reduce electricity system losses, said AIIB.

AIIB Vice President and Chief Investment Officer DJ Pandian says, "By investing in hydropower and encouraging further private sector investment in the country, we will help drive economic growth and poverty alleviation efforts."

"AIIB's investment will provide much-needed, long-term financing for a vital infrastructure project," said AIIB Director General Dong-ik Lee. Lee further said,

"We are confident that our investment will demonstrate the viability of Nepal's sustainable energy sector to other potential private-sector investors."

Source: The Kathmandu Post, June 12, 2019

Electricity Regulatory Commission begins work to formulate directives

- PRAHLAD RIJAL, Kathmandu

The newly formed Electricity Regulatory Commission has begun work to formulate directives to govern the electricity market. According to commission officials, it is currently preparing an interim directive laying down the rules for power generation and trade in the country.

“We are holding stakeholder discussions to gather information about the issues being faced by the parties and preparing a governing document which will set the course for the energy sector in the upcoming days,” said Ram Prasad Dhital, member of the regulatory body. “We will first publish an interim directive and revise the document after the stakeholders have reviewed it before enforcing the rules.”

The Electricity Regulatory Commission was established to oversee power generation, transmission, distribution and trade. The Electricity Regulatory Commission Act 2017 authorises it to implement a code of conduct pertaining to grid development and power distribution, set the power purchase rates and introduce competition in the electricity market.

According to Dhital, the commission is currently engaged in creating a grid and distribution code of conduct, forming rules concerning initial public offerings by hydropower companies, and analysing the various tariffs in line with the provisions of the act.

Independent power producers--who have long been complaining about monopsony and unfair market practices as the Nepal Electricity Authority is the only off-taker of power and is itself a producer--met commissions members on Tuesday to press for the introduction of a multi-buyer electricity market.

The lobbying by the Independent Power Producers' Association comes a week after Commission Chair Dilli Singh informed stakeholders about its plan to issue power sector directives.

“We discussed issues plaguing the power sector with commission officials, and called for the introduction of laws that would allow multiple buyers and sellers to exist in the power sector,” said Kumar Pandey, vice-president of the association. “The power sector must be a level playing field for the parties involved; but currently there is only a single buyer which is itself a power producer, and that is against the norms of a fair market.”

Previously, in the absence of a regulatory body, the state-owned power utility had been fixing the power purchase agreement rates with independent power producers. But after the formation of the governing authority, its office bearers must approve the power purchase agreement and its terms.

But for lack of guidelines and directives, the commission has not been able to approve the power purchase agreements that have been put on hold for over a year by the Nepal Electricity Authority since the formulation of the act.

“There are potential power producers who are waiting for their power purchase agreements and approvals to build hydel plants with a combined installed capacity of 6,000 MW,” said Kulman Ghising, managing director of the Nepal Electricity Authority. “Following the formation of the commission, it is now up to it to pave the way for these independent projects.”

Commission officials said the interim directive would address the concerns of both the power utility and independent producers.

Source: The Rising Nepal, June 12, 2019

Joshi hydropower catches fire

Ilam, June 11: A fire broke out in Joshi Hydropower project based at Puwakhola in Ilam Municipality-4. The fire has engulfed the Hydropower turbine.

According to Ward-3 chair of the Municipality Nutan Dev Dulal, locals and workers are working to douse the fire. The cause behind the fire is yet to be confirmed, he added.

Source: My Republica, June 12, 2019

Govt urges donor agency to invest in energy sector

RSS

KATHMANDU, June 11: The government has urged the Japan International Cooperation Agency (JICA) to increase investment in Nepal's energy sector. The government urged at the time when Tanahun Seti hydropower project is likely to start its construction.

JICA has invested in 140 MW Tanahun Seti hydel project. During the meeting with Director General of the South Asia Department JICA, Hara Shohei Minister for Energy, Water Resources and irrigation, Barshaman Pun, urged the organization to focus on the hydropower sector. During the meeting, Minister Pun urged JICA to increase investment, saying the government has set a target to generate 15,000 MW power in next 10 years.

He also praised JICA's support in Nepal's energy sector. He said that JICA could encourage private sectors of Japan for the investment in the energy sector of Nepal. Similarly, Under-Secretary at the Energy Ministry, Sagar Gautam, expected JICA's support in other different projects. He said that Nepal has already established a bilateral mechanism with China, India, Bangladesh and Austria for energy cooperation and added that they have been taking the initiative to establish the same mechanism in Japan.

On the occasion, the discussion was also held on the progress made in regional power trade of Nepal and construction of inter-country transmission line.

Source: The Himalayan Times, June 13, 2019

IPPs establish power trading firm to export energy to India, Bangladesh

UMESH POUDEL

Twenty private power developers have come together to establish 'Nepal Power Exchange Ltd'.

The independent power producers (IPPs) aim to supply power generated by private developers in the domestic market as well as export electricity to neighbouring countries like India and Bangladesh through the power trading company.

The IPPs have jointly formed the energy trading company as the additional electricity expected to be generated by the end of next fiscal is at risk of going to waste if the government is unable to export it. At present, the country is generating 1,142 megawatts of electricity, of which more than half is generated by IPPs.

“Despite our significant contribution to the energy sector, the government has largely ignored our genuine concerns,” claimed Asish Garg, managing director of the company, who is also the promoter and general secretary of Independent Power Producers’ Association, Nepal (IPPAN). “Hence, we have established a public company to ensure the market for electricity generated by IPPs.”

As per him, the company has submitted an application at the Electricity Regulatory Commission and the Ministry of Energy, Water Resources and Irrigation for further process.

The company is finalising some of the projects in Arun basin developed by IPPs that can export energy to India and Bangladesh in the near future.

“We have already inked a memorandum of understanding with the Bangladeshi government and their private sector regarding power trade and we will soon hold further discussions regarding mutual benefits for both parties,” Garg said.

In September last year, when Energy Minister Barsha Man Pun had visited Bangladesh, Bangladeshi government had expressed interest to purchase electricity generated from

the Upper Karnali Hydropower Project of Nepal. The Bangladeshi government had said it would purchase 500 megawatts of power from the 900-megawatt project.

Back then, Energy Minister Pun had said that Bangladesh planned to buy 9,000 megawatts of power from Nepal by 2040. He added that the two countries were in discussion regarding Bangladesh purchasing around 1,500 megawatts of electricity to be generated from Dudhkoshi and Upper Arun Hydropower projects of Nepal.

At that time, Minister Pun had said the talks would be concluded soon.

As per Garg, the company is planning to visit India this week to discuss the prospects of power trade with the southern neighbour. “We are scheduled to hold discussions with the Central Electricity Authority of India, along with other power-related entities for power sales and other transmission line issues.”

According to him, the establishment of the firm will increase competitiveness and break monopoly of Nepal Electricity Authority in power trade.

Source: The Himalayan Times, June 12, 2019

Marsyangdi II hydel project discussed

This undated image shows the building of Investment Board Nepal at Minbhawan, Kathmandu. Photo courtesy: Tilak Acharya

Lamjung, June 11

A discussion on construction of Upper Marsyangdi II Hydropower project on the border of Lamjung and Manang districts was held today.

Investment Board Nepal organised an interaction with stakeholders, including high-level government officials of Lamjung and Manang and people's representatives. The discussion was aimed at seeking suggestions for the project.

As per the discussion, a dam for the project will be constructed at Sirantal of Naso Rural Municipality, and a power house will be constructed at Syange of Marsyangdi Rural Municipality. Similarly, a 14-km tunnel will be built for the project.

Indian company GMR had put the 600-megawatt Upper Marsyangdi Hydropower on hold for the last ten years. During Prime Minister KP Sharma Oli's China sojourn, Nepal's Butwal Power Company had signed a pact to construct the 600-megawatt project in collaboration with a Chinese company last year.

At the programme, Nepal Communist Party (NCP) Chief Whip Dev Gurung said the hydel project should be constructed keeping in mind the interests of people and the country.

Federal lawmaker Palden Gurung from Manang said while constructing the hydel projects, locals' concern and their interest should also be considered. "A hydro power project should not be constructed by violating people's rights," he said.

Nepal Communist Party (NCP) Gandaki Province Chief Whip Mayanath Adhikari said the tendency to keep rivers and streams in the bag should end pronto. He stressed the need to maintain transparency on hydro power projects.

Province lawmaker Dhananjaya Dawadi said hydro projects had to inform locals about compensation and the shares locals are entitled to receive in advance.

Investment Board Nepal's CEO Maha Prasad Adhikari said the project would start as per the existing laws and agreements signed.

"PDA will be done in three months," he said. Adhikari urged the local levels to facilitate the project. After PDA, we shall proceed with PPA and general licence, said Adhikari.

Source: Spotlight, June 12, 2019

PPA: Take It Or Not

The decision of Nepal Electricity Authority (NEA) to stop take or pay Power Purchasing Agreement (PPA) for hydropower projects has sparked a row

- **Bhim Gautam**

As Minister for Energy, Water Resources and Irrigation Barshaman Pun is luring the national and international investors to invest in the energy sector by showing the government's readiness to purchase power because of its huge market in Nepal, the Nepal Electricity Authority has stopped the take or pay PPA.

NEA claims that the limit set for the take or pay PPA for Run of the River (RoR) projects is over. However, investors are saying that without take or pay PPA, financial closure is impossible for all the hydropower projects as banks don't finance that type of projects.

According to the NEA, the government has fixed the target to produce 15000 MW within 10 years and the RoR ratio is only 35 percent of the total or only 5250 MW. The limitation for PPA has already reached.

NEA signed the last PPA with Kalika Construction Company for developing Upper Daraudi project of 8.3 MW capacity but limitation of RoR, only 5.442 MW is in take or pay and 2.858 MW is in take and pay .

Prabal Adhikari, spokesperson of NEA, said that after finishing of RoR projects in take or pay PPA limitation decided by NEA board committee, NEA is going to PPA in take and pay.

"The government has taken the aim of producing 15,000 MW in 10 years and kept the RoR limit of 35 percent of projects and according to the decision taken by the Authority, it will now be take and pay PPA," he said.

According to NEA, despite crossing the limitation of RoR, peaking RoR has enough place for take or pay PPA. Some 30 percent of total or 45 hundred MW has limitation but only 910 MW has done PPA and 7 projects with 1090 MW are in PPA pipeline.

Here some 2500 MW space is there for take or pay PPA. Similarly, 35 percent of total of 5250 MW for storage project but only 140 MW has been PPA. In the storage projects, there is a possibility of take or pay PPA at large capacity but most projects are RoR.

According to the NEA, 133 RoR projects with 4167 MW are in PPA pipeline. Private developers have been telling that the banks don't invest in take and pay PPA and projects cannot manage money without financial closure. For project construction, there

are no limitations in PPA and government withdraws these types of restriction. "Energy minister, secretary and managing director of NEA have been always telling about take and pay, they assured us but in reality, they are telling one thing and doing another thing," said Shailendra Guragain, chairman of the Independent Power Producers Nepal (IPPAN)- "10% of energy is not purchased with condition of NEA now and take and pay PPA brings other conditions of NEA, it shows that the authority does not want to purchase electricity. This is the major obstacle for hydropower development."

He argued that without take or pay PPA, there will be no hydropower projects and without hydropower projects, the government's dream of economic prosperity, including the promotion of less developed country to developing status is impossible and it will fail. "Instead, the government has to create other mechanisms for purchasing of all produced power and to sell to national and international markets, and without doing so, economic prosperity through hydropower will be become meaningless."

According the Department of Electricity (DoED), most license holders of hydropower projects are RoR. So if the government doesn't open the take of pay PPA, it creates huge problems in hydropower sectors. The Energy Ministry has said that the government is searching for an alternative way for purchasing all power and discussion has been already started. "The Ministry has begun to end restriction of electricity procurement and reason of fulfilling of limitation take or pay PPA, blocking of electricity purchasing is impossible," said spokesperson and joint secretary of Ministry of Energy, Water Resources and Irrigation Pravin Raj Aryal. "There have been many opportunities including electricity trade in neighbouring countries, it should increase the limit, now we are at the discussion phase and we will solve these problems soon."

Three years ago, the government announced the national energy action plan for developing hydropower with the target of 10 thousand MW within 10 years. The action plan declared the ratio of RoR, PProR and storage projects. Limitation of RoR was 30%, but the limitation has crossed. After that the private sector demanded an end to the limitation. Again one year ago, energy minister Pun announced the energy production plan of 15,000 MW in the next 10 years. There was also the limitation of PPA of RoR projects.

The latest five-year plan of the National Planning Commission has declared that 40 thousand MW power will be produced within 25 years as hydropower is the key driver for economic growth of Nepal. Nepal had already signed power trade agreement (PTA) with India and Bangladesh has proposed to Nepal for purchasing 9 thousand MW within 20 years. The energy minister is also telling the national and international investors and others for investing in the hydropower projects in most of his meetings with them but in reality, there have been restrictions in take or pay PPA.

Source: The Kathmandu Post, June 12, 2019

Gautam Buddha Airport slated to be second fully solar-powered airport in the world

- SANGAM PRASAIN, Kathmandu

Gautam Buddha International Airport in Bhairahawa could become the second fully solar-powered airport in the world when it opens in early 2020, after India's Cochin International Airport which earned the distinction in 2015.

A fully solar-powered airport means that the entire airport—from the air traffic control room, baggage claim and runway lights to ground control rooms and passenger terminals—operates on energy from the sun.

“The airport premises contain plenty of vacant space that can be used to set up solar panels. The Asian Development Bank has agreed ‘in principle’ to fund the ‘green airport’ project,” said Naresh Pradhan, project officer-transport at the Asian Development Bank. The multilateral lending agency may provide a separate grant for the project. The airport covers an area of 787 bighas.

The project aims to create a power neutral airport which means that it can produce as much energy as it consumes. A round of discussions with the Tourism and Finance ministries, Nepal Electricity Authority and Nepal Civil Aviation Authority of Nepal have been completed, said Pradhan.

The stakeholders may also visit some airports operated by solar power. According to Pradhan, the project aims to produce 10 MW of solar power. “The surplus energy will flow into the national grid.”

The solar plant is estimated to cost nearly \$10 million, or \$1 million per MW, and take around six months to complete. The airport will not have to pay any electric utility bill, and it can earn revenue by selling extra energy. Its only expenses will be repair costs.

“The green airport can set an example for the rest of the world by contributing to the protection of the environment,” said Pradhan. “It’s a preliminary plan. But we expect to see it materialise within the next six months when the airport comes into operation.”

Located in south central Nepal, the airport is the gateway to the international pilgrimage destination of Lumbini, the birthplace of Gautam Buddha.

The civil works contract worth Rs6.22 billion was awarded to China's Northwest Civil Aviation Airport Construction Group in November 2013. The airport was initially slated to be ready by December 2017. However, fuel and building material shortages due to the months-long Tarai banda in 2015 delayed the upgradation work by six months, and its operation deadline was revised to June 2018.

Subsequently, a dispute over payment between the Chinese contractor and the Nepali sub-contractor, Northwest Infra Nepal, stalled work at the construction site for more

than six months. As a result, the project deadline was extended many times after the initial extensions. The project is expected to come into operation by early 2020.

In March, the Civil Aviation Authority of Nepal awarded a \$4.83 million contract to install communications, navigation and surveillance and air traffic management systems at the airport to Aeronautical Radio of Thailand.

The Thai company needs to complete the navigation system by December. After the equipment is installed, tested and commissioned, flight calibration of the navigation and communication systems needs to be done. This will take at least two more months, according to the Civil Aviation Authority.

Two weeks ago, the cabinet had given an in-principle approval to the Tourism Ministry to appoint international firms for the operational readiness and airport transfer (ORAT) operation of the airport in Bhairahawa through a government to government deal.

ORAT is the best way to ensure that every aspect of a new facility functions flawlessly right from day one. ORAT consultants work with airport stakeholders to formulate new processes, train staff, and test every single new system and procedure from passenger and baggage handling to airside operations.

Source: The Rising Nepal, June 14, 2019

Lower Modi hydro-power project's works stalled

Parbat, June 13: The construction works on the Lower Modikhola Hydroelectricity Project have remained stalled for 11 days due to the strike by project workers and employees.

Workers and employees have padlocked the project office located at Kushma municipality-8 and halted works since June 3, putting forth demands including giving the employees and labourers permanent status.

Construction of the powerhouse, head works and tunnel is also stalled since the last 10 days due to the strike.

The 20-Megawatts-capacity project is in the final stages of trial production. The project had made preparations to start the trial production in the third week of this month. Modi Energy Limited, a private sector energy developer, is constructing the project.

Among other demands put forth by the workers and employees include making provisions for providing permanent jobs to the locals from the project affected area, and the workers and employees who have been newly recruited for construction of the powerhouse and other structures should not be given permanent job.

Forty employees at the project have halted works. "New employees have been recruited from outside without the knowledge of the employees who have been working for the project from the very beginning," Ek Narayan Giri, an employee, said. He added that they were compelled to resort to padlocking the project office as their demand for giving them permanent job has been neglected time and again.

Employees had also padlocked the project and stopped work from May 22 to 26 before this. They resumed works and removed the padlock after the project management agreed to address their demand after June 3.

They had also picketed the District Administration Office on Tuesday and Wednesday seeking the administration's intervention to get their demands fulfilled.

However, the project management has stated that no employee has been given permanent status and it has plan to give permanent status to some of the employees only after fulfilling the required process after the project starts its production.

Project chief Pawan Kumar Yadav said some skilled employees have been appointed as assistants in course of preparations for trial production only and they have not been given permanent status.