



iPPAN

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Independent Power Producers' Association, Nepal (IPPN)

President Message

NEPALESE PRIVATE SECTOR, READY FOR COLLABORATION WITH INDIA FOR ENERGY DEVELOPMENT

IPPN, the Independent Power Producers Association of Nepal, established 25 years ago on January 17, 2001 (Magh 4, 2057) with the objective of promoting the development and growth of Nepal's energy sector through active participation of the private sector. IPPAN currently encompasses 506 corporate and 60 associate members. This organization has been continuously advocating for necessary policy debates for the development of the energy sector and providing suggestions to the government. IPPAN has been organizing various national and international conferences and seminars to create an investment-friendly environment, modify power development policies, rules, and laws according to current needs, and increase local and foreign investor participation and attraction in this area.

As we delve into the details of Nepal's Hydropower sector, it's crucial to acknowledge the remarkable progress our nation has achieved



Ganesh Karki
President, IPPAN

in recent years. Both Nepal and India are at pivotal points in their energy journeys, with vast potential for cooperation and growth in the renewable energy sector, particularly in hydropower. Our transition from energy scarcity to becoming a net exporter of clean, renewable energy reflects our resilience, creativity, and steadfast commitment to sustainable development.

The private sector has become an essential partner in the generation

of electricity, and IPPAN continues to work alongside the government to create a favorable investment environment through collaboration, coordination, and facilitation. Though the Electricity Act which was passed in 1992, private sector involvement in hydropower production only began in 1999, with an initial generation capacity of 250 MW. Today, Nepal boasts an electricity generation capacity of 3,500 MW, with the private sector contributing 80% (2,800 MW) and the government providing 20% (700 MW).

Currently, 435 projects are under development, with a total capacity of 19,428.85 MW spanning hydropower, solar, wind, and co-generation technologies. Out of these, 141 projects (4,063 MW) are under construction, and another 141 projects (4,363 MW) are in various stages of development, awaiting Power Purchase Agreements (PPA).

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VISION OF IPPAN

To be an umbrella organization of IPPs that advocates for an investor-friendly environment for power development in Nepal.

MISSION OF IPPAN

- ↳ Lobby for private sector friendly policies, regulations and their prompt and effective implementation.
- ↳ Disseminate information through media, seminar, conferences to political parties, government, officials, civil societies and the people.
- ↳ Build capacity of IPPs and related stake holders.
- ↳ Develop linkages for regional co-operation in power sector.
- ↳ Create an atmosphere of friendly cooperation between the government and private sector.

IPPN ANNOUNCES "POWER SUMMIT, 2025"

The Independent Power Producers' Association, Nepal (IPPN) is pleased to announce its flagship event, the "Power Summit 2025," which will be held on 17th and 18th September 2025. This year's theme, **"Mission 28,500 MW, Powering Nepal, Energizing the Region,"** reflects IPPAN's commitment to advancing the energy sector. Since its inception in 2006, IPPAN has organized the Power Summit in every two years, and this will be the 9th edition of the prestigious event, taking place in Kathmandu.



The Power Summit serves as a key platform for promoting renewable energy, fostering a collaborative business environment, and offering valuable insights into the latest technologies,

policies, and energy-related developments. It attracts a diverse range of participants, including policymakers, politicians, national & international experts, academia, national & international govt representatives, all the stakeholders, manufacturers, suppliers, consultants, financial institutions, banking and insurance companies, national & international vendors, contractors, construction companies etc. all coming together to explore innovative solutions and opportunities for growth in the energy sector.

IPPAN lobbying with high level politician for policy reform

IPPAN Meets Former Prime Ministers, Deuba and Prachanda



Kathmandu: President of the Nepali Congress Sher Bahadur Deuba has said that, the work that is causing suffering to energy entrepreneurs, should stop.

He made this remark during the meeting with a delegation of Independent Power Producers' Association, Nepal in his residence in Budhanilkantha on February.

He mentioned that not only hydropower but also other development works were being obstructed due to forest-related issues.

Similarly, IPPAN delegation with Former Prime Minister and Leader of the Opposition Party, Pushpa Kamal Dahal 'Prachanda' in Khumaltar, he assured that he would take steps to resolve the issues raised by IPPAN, which represents the private sector that accounts for two-thirds of Nepal's electricity generation.

Stating that there is no alternative but to move forward by implementing the agreement to export electricity to Bangladesh through India and to sell 10,000 megawatts of electricity to India in 10 years and the agreement to export electricity to China, he said that attention should be paid to electricity generation in this regard.

However, Prachanda noted that the present government has been increasingly interfering with existing structures rather than promoting the development of electricity. He

hailed IPPAN for playing an important role in power generation. Chairman Prachanda clarified that while he was leading the government, he had introduced ordinances to address various forest issues, including the National Parks Act 2029, but the court had stayed it, so more lobbying was needed for this.

IPPAN President Ganesh Karki drew high level politician attention mainly to three issues in the hydropower sector.

Karki has drawn attention to the issue of court interference in the executive's jurisdiction, the initial public offering of 74 companies was stopped when the Public Accounts Committee went beyond its jurisdiction and directed the Securities Board of Nepal, and the proposed Electricity Bill has reduced the license period of hydroelectric

projects from 50 years to only 35 years.

He said that the Supreme Court's order banning infrastructure construction in preservation areas would bring all development work in Nepal to a standstill.

President Karki pointed out examples from countries like the UK and the US, where similar issues were resolved without impacting hydropower projects.

He said that development in Nepal would not be possible unless the issues raised by the IPPAN were addressed.

He emphasized that Nepal's development would be impossible unless such a policy is amended.

Karki further explained, "It is a sector where 6.5 million investors have

already invested. After 35 years, their investments shouldn't become worthless. IPOs for 43 companies have been halted. The Public Account Committee has instructed that permission be denied if there is not 90% real net worth. The Finance Committee has also raised concerns, which has led to a delay of 18 months in allowing public offerings for hydropower projects."

Karki particularly pointed out that, the executive had introduced an ordinance, which was later approved by Parliament, but the court had nullified it. This action had impacted hydropower projects worth 45,000 MW. IPPAN General Secretary Balaram Khatiwada said that the sector, which has already attracted more than Rs. 1.5 trillion in investments from 6.5 million general investors, promoters, and financial institutions, could create significant economic problems if further impeded.

He requested to intervene and resolve the issue, as public offerings worth Rs. 5.6 billion from 42 IPOs and 41 FPOs had been halted.

IPPAN Executive Member Bharat Parajuli suggested that, if the court issues orders to stop infrastructure development in protected areas, the executive should amend the law to ensure that national park laws do not apply to hydropower and cable car development areas.



SC'S ORDER AFFECTS 40,000 MW CAPACITY PROJECTS: IPPAN

Kathmandu, Jan. 26: The Independent Power Producers' Association, Nepal (IPPAN) has stated that the Supreme Court's order to ban construction of infrastructure development in National Parks and protected areas will affect projects with a total capacity of 40,000 MW

On the eve of Nepal Investment Summit 2024, aimed at creating an investment-friendly environment, the government of Nepal introduced the **"Investment Facilitation Amendment Bill 2081,"** which was issued through an ordinance by the Council of Ministers.

This ordinance amended several impractical provisions of existing laws, including the Land Act 2081, the National Parks and Wildlife Conservation Act 2029, the Land Acquisition Act 2034, the Public-Private Partnership and Investment Act 2075, the Foreign Investment and Technology Transfer Act 2075, and the Forest Act 2076, to provide a positive message to investors.

The bill, passed by both houses of Parliament and approved by the President, aimed to amend the laws related to investment facilitation. However, after the amendment of the National Parks and Wildlife Conservation Act 2029, a petition was filed in the Supreme Court, which issued an order on February 15, 2025, halting infrastructure development.

IPPAN claims that this Supreme Court order



has caused the suspension of infrastructure development altogether.

According to IPPAN, before the amendment of the National Parks and Wildlife Conservation Act 2029, from 2065 B.S to the end of 2080 B.S, several hydropower projects had already received approval and agreements from the concerned authorities for necessary actions.

These projects were carried out regularly without any interference from the amendment. However, after the Supreme Court's order, projects advanced within protected areas, including work approvals, land rights, tree removal, and studies, have been abruptly halted, affecting the development of these projects for the past six months.

IPPAN pointed out that after the Supreme Court's urgent interim order, nearly six months after the amendment, the 267 hydropower

projects with a total capacity of 19,736 MW, which had already made investments and paid required fees, royalties, and revenues, are now facing new complications.

As a result, the future of these projects along with 40,000 MW capacity is uncertain.

Impact of SC's order:

1. Construction of 267 hydropower projects with a total capacity of 19,736 MW, where investments had already been made, is now halted.
2. The future of additional 20,000 MW projects, currently undergoing desk studies in national parks, is uncertain.
3. The future of 6 million people's investments in these projects is now uncertain.
4. There is a possibility of facing load-shedding again.

IPPAN and ProClima Signs Deal for 2,000 MW Electricity Under I-RECs

Kathmandu, Feb. 1: The Independent Power Producers' Association of Nepal (IPPAN) has signed an agreement with Proclime, a company that specialises in carbon trade and carbon management in Chennai, India, regarding the international Renewable Energy Certificates (I-RECs) for 2,000 megawatts of electricity produced by the private sector.

The agreement was signed by IPPAN President Ganesh Karki and CEO of Proclime, Kavin Kumar Kandasamy, during a ceremony held in Kathmandu on Friday. Under the agreement, 2,000 megawatts of electricity produced by Nepal's private sector will be eligible for carbon trading in the first phase out of the 3,700 megawatts of electricity generated by the private sector in Nepal.

According to IPPAN President Ganesh Karki, with this agreement, Nepal's private sector will be able to trade carbon trading worth approximately Rs. 1 billion annually.

Proclime CEO Kandasamy said that neighbouring countries like India, Bhutan and Sri Lanka are already benefiting from carbon trading, and Nepal will now take advantage of this opportunity.

Sushil Pokhrel, Vice President of the International Hydropower Association (IHA), said that the



hydropower projects being built in Nepal are meeting the standards of sustainable development and that Nepali projects will also soon receive money from carbon trading.

Launch of I-RECs calculator for Nepal

During the event, Dr. Ram Prasad Dhital, Chairman of the Electricity Regulatory Commission, launched the I-RECs calculator designed specifically for Nepal.

This calculator helps determine how much carbon trading is possible based on the amount of electricity produced.

For example, if 2,600 megawatts of electricity produced by the private sector in Nepal is linked

to carbon trading, it could generate a benefit of approximately one billion rupees annually.

Dr. Dhital emphasised that while carbon trading is happening globally, Nepal has not been able to benefit from it so far. Stating that Nepal has not been able to benefit from carbon trading in the global market, Chairman Dr. Dhital stressed that Nepal, which has immense potential in hydropower and is currently producing more than 3,000 megawatts of hydropower, should now be able to benefit from carbon trading.

Dr. Maheshwar Dhakal, Joint Secretary for the Ministry of Forests and Environment, said that Nepal has been receiving some income from carbon credits related to forests, but hydropower projects have yet to benefit from this.

Prabal Adhikari, senior energy expert at the Ministry of Energy, Water Resources and Irrigation, expressed confidence that Nepal, which is exporting electricity to the regional market, will soon be able to earn good income from carbon trade. Ashok K. Chandela, Manager of the Global Carbon Council, and Erik Solheim of the Global Renewable Alliance also addressed the event and said that Nepal, situated between powerful countries like China and India, should take advantage of carbon trade.

IPPAN Calls for Revising National Park Boundaries to Boost Hydropower Development

IPPAN meets Chief Whips of all Political Parties

Kathmandu : The Independent Power Producers' Association of Nepal (IPPAN) has urged the government to create a conducive environment for developing hydropower projects within national parks and conservation areas.

During a separate meeting with chief whips of the ruling party CPN-UML, Nepali Congress, and the opposition party, CPN-Maoist Center, Rastriya Swatantra Party (RSP) and Rastriya Prajatantra Party (RPP), in Kathmandu, IPPAN called for creating an environment for developing hydropower projects even within national parks and various conservation areas.

Recently, a decision by the Constitutional Bench of the Supreme Court has created a situation where no physical structures can be built in forest areas under various conservation areas. This decision has been widely criticized, including by the government itself.



Mahesh Bartaula, Chief Whip of the CPN-UML, acknowledged the significant impact of conservation areas on development projects.

Bartaula said that discussions are underway on how to amend this issue. He said, "We cannot allow the country to be held hostage by the court's decision. The current ruling prevents even the installation of a single pipe in conservation areas." He proposed two possible solutions: the first option is for the government to issue a notification in the gazette to revise the boundaries, and the second is to redefine the conservation areas.



Shyam Kumar Ghimire, Chief Whip of the Nepali Congress, said that he would raise all the issues raised by IPPAN in Parliament as an MP who believes that all doors of development should be opened.

He said, "The broken socialist model has created a situation where businesses are viewed as corrupt just for earning a small profit. The state functions on taxes, and businesses generate those taxes through profits. If businesses don't make a profit, taxes won't come. Nepal has fallen behind due to this socialist mindset."



Chief Whip of the CPN (Maoist Centre), Hitraj Pandey said that the hydropower is the foundation of the country's prosperity and assured that his party would raise the issue in parliament to protect and support the development of the hydropower sector.

Pandey also stated that the hydropower sector, which had not been able to produce 3,000 MW of electricity at once, has reached this point through phased development, and expressed his commitment to providing as much support as possible to safeguard it.

Santosh Pariyar, Chief Whip of the Rastriya Swatantra Party (RSP), said that laws that allow smugglers to sell timber but prevent citizens from cutting down fallen trees should be amended.

He said that he would raise his voice to end the situation of having to import timber from Malaysia to Nepal, which is about to reach 50 per cent of its forest area.



Rastriya Prajatantra Party (RPP), leader and chief whip Gyanendra Shahi also expressed concern that the Supreme Court's order could completely halt further development work in the country. During a meeting, Shah mentioned that the Supreme Court's order could cause further problems with electrification in the Karnali province.

Before the investment conference, he stated that the government had amended laws related to forests through an ordinance, and both houses had approved it. However, Shah suggested that the Supreme Court's order could be seen as judicial interference in the executive's authority.

Ganesh Karki, President of IPPAN, warned that the decision will halt new projects, waste electricity from existing ones by blocking transmission lines, and jeopardise investments in ongoing projects.

"If the full text of this decision does not use language to protect hydropower projects, all projects will be affected. Even projects under construction will have to be stopped. New ones cannot be built," Karki said.

Senior Vice President of IPPAN Mohan Kumar Dangi warned that if the decision is not reconsidered, no additional hydropower projects will be developed in Nepal.

Even though not all projects fall within conservation areas, transmission lines will inevitably pass through conservation areas. If transmission lines cannot be built, electricity from existing projects cannot be transmitted, leaving no space for new projects, he explained.

Prakash Dulal, Deputy Secretary-General of IPPAN, said that if the US can back out of international agreements, Nepal should also reconsider anti-development agreements.

He said that such decisions made in the name of

environmental protection will not only prevent the construction of hydropower projects but also prevent the digging of canals, which will bring the entire development to a standstill.

Former IPPAN President Shailendra Guragain mentioned that the delay in public offerings by SEBON for the past 18 months has not only affected hydropower projects but has also negatively impacted industries selling construction materials such as cement, thereby harming the overall economy.

IPPAN Working Committee member T.N. Acharya said that as hydropower is the foundation of Nepal's development, any activities aimed at stopping it are unacceptable.

NEPALESE PRIVATE SECTOR, READY...

The government of Nepal has already secured a long-term agreement with India to export 10,000 MW of electricity within the next 10 years. Additionally, Bangladesh has expressed its intention to import 9,000 MW of electricity from Nepal over the next 15 years. As a crucial partner in this vision, the private sector will play a pivotal role. Therefore, IPPAN's engagement with the private sector is more important than ever to ensure the success of these goals.

Recently, the Government of Nepal has set a bold vision to generate 28,500 MW of electricity by 2035, with 10,000 MW marked for export to India, 5,000 MW for export to Bangladesh, and the remaining 13,500 MW for domestic consumption. This ambitious goal presents tremendous opportunities for international investors, with an estimated investment requirement of \$46.5 billion USD. IPPAN is fully committed to supporting this initiative and ensuring that the private sector plays a central role in realizing these energy ambitions.

Likewise, the potential for solar energy development in Nepal is equally significant. According to a preliminary study conducted by the Investment Board Nepal, there are potential for over 4.32 GW of solar energy production, which clearly highlights the immense potential for solar energy production in our country.

Till today, Nepal and India has been sharing a longstanding and dynamic relationship, particularly in the energy sector. This cooperation has strengthened over the years, evidenced by numerous Power Trade Agreements between our countries. For the past 50 years, India and Nepal have been exchanging power, and in 2014, a Power Trade Agreement was established between the two nations. Since then, India has continued to invest heavily in Nepal's hydropower sector.

The 5,000 MW projects in Nepal, which had received Indian investment, are currently in the development phase. Not only financial investments, India has also provided consultants, equipment, contractors, suppliers, and other

business areas thereby further strengthening the bilateral ties between our nations.

To date, 1 cross-border transmission lines (Dhalkebar-Muzaffarpur) have been completed, facilitating seamless electricity exchange between Nepal and India. Ongoing projects such as Butwal-Gorakhpur will continue to enhance infrastructure for power trading. Furthermore, 8 projects are in development phase, which will further deepen our energy connectivity and contribute to regional economic growth.

Our collaboration with India spans both Business to Business (B2B) and Public-Private Partnerships (PPP). Notably, Arun-3, Upper Karnali, and



Pancheshwar are joint projects that involve government entities from both countries.

On the other hand, PPPs brings the private sector into the fold, facilitating investment, management, and operation of hydropower projects. Indian companies like Adani Group, Tata Power, Jindal Power, GMR Group, SJVN Limited, and others are making significant contributions to the development of Nepal's energy infrastructure. We highly encourage all the other investors to invest in Nepal's hydropower sectors as there are lot of opportunities available. These partnerships not

only provide funding but also introduce advanced technologies and management expertise.

Furthermore, private-sector collaboration has also facilitated energy trading between Nepal and India. The Nepali private sector has already set up several trading companies for energy exchange with India. Therefore, we encourage all trading companies in India to partner with us.

The benefits of both B2B and PPP partnerships are profound, fostering sustainable development by supporting large-scale infrastructure projects. These collaborations enhance energy security and promote regional integration, not only for Nepal and India but also for South Asia as a whole. These partnerships have help in generating employment, stimulating economic growth, and facilitating the transfer of cutting-edge technology.

With the government's target of 28,500 MW by 2035, Nepal stands poised to welcome significant Foreign Direct Investment from around the globe. Today, we are deeply grateful to India for approving the landmark agreement to trade 10,000 MW of electricity with Nepal, which is a major step forward in our energy cooperation, and we look forward to the benefits it will bring to both the countries. This vision will open doors to multiple opportunities from development of the Cross Border Energy Trade and Joint ventures, encouraging equity investments in existing Hydropower projects and Debt financing for Hydropower Projects, leveraging hydropower development expertise, expanding renewable energy technologies and knowledge transfer to the concerned parties, building the capacity and training, conducting joint research and development, financing large scale hydropower projects, strengthening policy support and institutions, creating business opportunities, supply of hydropower equipment and engineering services, modernizing smart grid and transmission system, hydrological forecasting and digitalizing hydropower operations, providing consulting and project management services, initiating carbon trading, facilitating cross-border energy trade and regional integration etc.

Marking huge future investment potentialities in Nepal, I am confident that, with the support of international investors and the private sector, Nepal will continue to make strides toward achieving its energy goals.

IPPAN Welcomes 28,500 MW Power Production Roadmap, but 17 Obstacles need to be addressed



Kathmandu, Jan. 10: The Independent Power Producers' Association of Nepal (IPPAN) welcomed the government's goal of achieving 28,500 MW of electricity production in the next 10 years.

However, it also demanded that the government should address 17 key obstacles hindering energy production.

In a press release, IPPAN expressed its support for the "Energy Development Roadmap and Action Plan, 2081" approved by the Cabinet on December 31, 2025.

The roadmap is taken as a historic step for the development of the energy sector. IPPAN also thanked the Prime Minister and Energy Minister for their leadership.

The roadmap aims to generate revenue through taxes, royalties, and other sources. If this roadmap is implemented, the government will receive Rs. 375 billion in VAT alone during the project construction period, Rs. 2.5 billion annually in royalties, and Rs. 88 billion in revenue. It is also expected to create employment for 750,000 people during the project construction phase and 150,000 people during the operational phase.

However, IPPAN pointed out that there are several legal and procedural barriers to energy production in Nepal. These include environmental, land-related, and forestry laws that need to be suspended in order to facilitate energy development.

The 17 problems identified by IPPAN and their solutions:

Amendment of the Electricity Bill:

- To replace Section 19 of the Electricity Bill with the provisions of Section 5 of the Electricity Act, 2049.
- Keep the provisions of Section 10 of the Electricity Act, 2049, in place instead of the proposed Section 23.

- Add a provision in Section 5 of the Electricity Bill that projects that have been identified by the private sector themselves and applied for an electricity license will not have to compete.
- Remove provisions that hinder the private sector's ability to compete and invest.

Opening of Power Purchase Agreements (PPA):

- Open PPAs for all hydropower projects that have applied to the Nepal Electricity Authority (NEA) for the implementation of the roadmap.

Facilitation of Land Acquisition and Tree Cutting:

- Streamline the process for using government land and cutting trees for power projects as specified in the approved land use plans. Ensure permissions can be obtained from local authorities or concerned protected areas.

Expediting Transmission Line Projects:

- Address the lack of transmission lines as highlighted in the roadmap. Allocate necessary budgets for the construction of transmission lines and simplify the tree-cutting and land-use permission processes for these projects.

Electricity Trade:

- Allow for the internal and external trading of electricity as part of the roadmap's implementation.

Mobilisation of Capital from the Financial Market:

- Facilitate the issuance of IPOs and rights shares for energy projects to mobilize the required \$46.5 billion in financial resources.

Crowd Financing for Energy Projects:

- Simplify regulations to enable crowd financing for energy projects, removing restrictions on shareholding and lock-in periods once power production begins.

Loans from Banks and Financial Institutions:

- Banks and financial institutions should increase

their lending to the energy sector by 2% annually, to reach 20% in 10 years.

Removal of Hydrology Penalty:

- Remove the hydrology penalty for large hydropower projects, which are being applied due to climate change and reduced river flow.

Addressing Local Issues:

- The federal government should create unified laws to address local challenges that hinder hydropower and transmission line projects.

Security for Energy Projects:

- The government should ensure proper security for hydropower and transmission projects and create strict laws to discourage activities like strikes.

Related Work with the Company Registrar:

- Create provisions that allow energy projects to operate under more than one registered company.

Energy Industry Issues:

- Remove the requirement for approval from the Investment Board for energy projects that have already obtained permits from the Department of Electricity Development.

Land Boundary Issues:

- Ensure that there are no restrictions on land-use boundaries for hydropower projects and transmission lines once the approved land-use plans are in place.

Land Use and Zoning Provisions:

- Maintain provisions for hydropower projects (up to 100 MW), solar power projects (up to 25 MW), and transmission line projects (132 kV) to only require zoning permissions.

Facilitation of Explosives:

- Simplify the procurement of explosives necessary for hydropower projects.

Insurance-Related Issues:

- Make the insurance process for hydropower projects easier, including reducing deductible amounts, simplifying claims, and facilitating tariff adjustments.

In conclusion, IPPAN believes that past energy production goals were not achieved due to a lack of favourable laws, delays in legal reforms, and a failure to adopt private sector-friendly policies. To ensure the successful implementation of the current roadmap, the government must immediately address these 17 points, and IPPAN urged the introduction of a 'Sunset Law' to expedite these changes.

Silver Jubilee of IPPAN



Focus on big projects using your own funds, not foreign investments: PM Oli

Kathmandu: Prime Minister KP Sharma Oli urged the private sector to invest confidently in the energy sector.

Speaking at IPPAN's 25th anniversary, he encouraged the private sector to invest in large-scale projects.

Prime Minister Oli inaugurated the special event 'Silver Jubilee' of IPPAN amidst a function.

"You should invest. You don't have to keep giving away the river while bringing others," he said. "But Arun, the problem is that others are not giving money. You should raise it yourself. The most important thing is people's participation. Big projects have not been run with foreign aid."

"Invest yourselves. You don't need to rely on bringing others to give the projects," he said. "The problem with Upper Arun is that others did not provide money. You should raise funds yourselves. The most important thing is people's participation. Big projects have not been successful with foreign assistance."

He expressed gratitude to the private energy producers for their contributions to the country's development.

"You have spent money to bring the country on the path of development. This reflects a national spirit. Many people try to send money out through informal channels (hundi), but you are investing here to develop the country. Your success stories show that it is possible," he said. "Over 95% of the country is electrified. Studies on green hydrogen are underway. We can do it."

According to him, the concern about energy sales is not a matter of concern.

"Energy creates its places of consumption. Iron ore is being mined from the Dhaubadi Valley. Iron is to be mined from there. Without energy, it is not possible to excavate mine," he said. "The fertiliser industry has to be opened. Other industries have to be revived. Different models have to be adopted and run. Energy is needed for that," he said.

Prime Minister Oli raised a question about the Janakpur Cigarette Factory: "Who ate the factory?" He noted that 500 employees were expected, but there were 2,700 employees. "The government changes every six months, and ministers bring in their own people. Due to overstaffing, the factory was shut down," he added. "There are other reasons as well. We are naturally wealthy, but development is needed, and an ecosystem must be maintained for progress."

He questioned the value of a forest where people are not allowed to enter.

"Policies are meant to work, not to stop progress. The government is keen to solve the problems in the energy sector," he said. "We should not say that citizens' investments will sink."

Minister for Energy, Water Resources, and Irrigation Minister Dipak Khadka said that the government has introduced a roadmap to produce 28,500 MW of energy within the next 10 years to bring prosperity to the country.

He assured that the government would address the issues faced by the private sector.

IPPAN Senior Vice President Mohan Kumar Dangi welcomed the government's decision to pass the energy development roadmap.

He said that the target of the roadmap could be achievable only if the private sector was facilitated in investing.

Tiger numbers should be reduced: PM Oli



Kathmandu: Prime Minister KP Sharma Oli has said that the number of tigers should be reduced for the safety of humans.

While addressing the 25th anniversary of the Independent Power Producers' Association of Nepal (IPPAN), he remarked that there are currently around 350 tigers in Nepal and that this number should not be doubled.

"If we increase the number of tigers, children who have gone to America will start following them," he said. "We need to reduce the tiger population. We can protect tigers, but we must also protect humans."

Two employees receive Prolonged-service award



Kathmandu: On the occasion of IPPAN's 25th anniversary, two employees have been honoured for their long service.

Uddhav Ojha and Sharada Guragain were recognised for their contributions after working with IPPAN for more than two decades.

Prime Minister KP Sharma Oli, Energy Minister Dipak Khadka and IPPAN President Ganesh Karki presented the awards to the honourees.

Private Sector Ready to Raise Investment for 28,500 MW of Electricity Production: President Karki

Kathmandu, Jan. 17: President of the Independent Power Producers' Association, Nepal (IPPAN) Ganesh Karki has said that the private sector can raise the investment required to produce 28,500 MW of electricity in the next 10 years.

Delivering a welcome speech at a special programme organised on the occasion of IPPAN's 25th silver jubilee, President Karki said that the private sector is capable of mobilising the Rs. 6.2 trillion required to generate 28,500 megawatts.

He also emphasised that the private sector is prepared to bring in foreign investments if necessary.

"We are happy to celebrate the 25th anniversary of IPPAN. Another joy is that the Energy Development Roadmap and Action Plan-2081 for producing 28,500 MW in the next 10 years has been passed. We are grateful to Prime Minister KP Sharma Oli," said Karki.

According to Karki, private sector involvement in energy production began after the Electricity Act of 1992. The country's total installed capacity has reached 3,500 MW, of which 2,740 MW comes from private sector production, accounting for 80% of the total contribution to energy production.

Additionally, projects totalling 4,000 MW are under construction and projects with a capacity of 4,300 MW are in the stage of financial management stages by completing the PPAs.

The hydropower projects with 12,965 capacities are waiting for PPAs after completing the necessary studies.

"In the past, we were concerned about whether electricity would be consumed and sold, but now, after the roadmap with the target of producing 28,500 MW has been passed, we have a clear plan," he added. "We plan to consume 13,500 MW within Nepal and export 15,000 MW. Now, there will be no other issues," said Karki.

He said, "To achieve the target of producing 28,500 MW of electricity, the Power Purchase Agreement (PPA) should be opened immediately through amendments to the Electricity Bill. Financial management cannot proceed without the PPA, so the government must open it. We respectfully urge the Prime Minister to address this matter."

He said that an EV rally was also organised on the occasion of the Silver Jubilee to promote electric vehicles (EVs).

He complained that hydropower project promoters are forced to visit 16 ministries.

"We must visit the Ministry of Forest and Environment for the construction of hydroelectric projects. The Ministry of Forest has now added so much hassles that it is not possible to get permission even for 3-4 years. Even if permission is obtained, the amount to be paid for using forest areas has now been increased by up to three times," he said.



Furthermore, we are very troubled by the provision that after the Department of Electricity Development grants a license for the study, the private sector has to spend a lot of money to conduct the study and then obtain permission from the National Park and that permission has to be obtained from the Department of National Parks and Wildlife Conservation, he said.

"Some form of facilitation should be done. All private sectors should be encouraged to invest in this sector. There are some issues with the proposed Electricity Bill. It will be said that the Nepali private sector cannot compete. Small investors cannot compete," he said.

"The Electricity Act of 2049 has a license duration of 50 years, but it allows for renewal before that period. It would be better if the old system continues."

Karki pointed out that energy developers are facing several challenges. "We have faced many difficulties. Two years ago, the flood was much bigger than expected, causing damage to 21 projects. We have received many assurances, but not many demands were made. Some of the under-construction projects need repairs," he said.

"One per cent of customs duties were exempted, but this was later raised to 28%. We have requested that customs duties be reduced to 1%. I have sent five letters to the ministers about this. It would have been easier if the old system had continued."

The Supreme Court has nullified the amendment to the Act, creating confusion among the developers, he said.

"The recent Supreme Court order halting construction in protected areas has created uncertainty about the future of projects with billions of rupees in investments. While it is possible to develop hydroelectric projects in the hilly and mountainous regions from East Mechi to West Mahakali, where we can do so, and the Ministry of Energy has granted permission for 20,000

megawatts in this area, a ban on construction in parks and conservation areas poses a significant challenge. In light of this, we urgently seek an alternative solution from the Prime Minister to address this issue," he said.

"In 2024, many projects could not get explosives. The private sector is ready to manufacture explosives under the responsibility of the Nepali Army's territory," he said. "We have requested to extend the project's required commercial operation date for two years, but it's been two years already."

"There is another problem with shares. While there is a mandatory rule that requires hydropower projects to go for an IPO, SEBON is blocking permission for the IPO because the net worth is not sufficient.

Karki said that IPOs for 41 projects have been halted due to the Securities Board of Nepal (SEBON) regulations.

He expressed concerns over restrictions on projects, saying that eight projects, after three years of study, received letters stating that they couldn't proceed. "Many of our colleagues have been arrested due to forest-related issues," he added.

The construction work of many projects has been stalled due to non-approval from the National Park. This includes projects not only from the private sector but also from government agencies, he said and requested for timely facilitation.

He said that the work of dozens of hydropower projects has been stalled due to non-approval from the National Parks.

"We don't just have complaints. We also have dreams. We are ready to invest to fulfill the government's dream of generating 28,500 megawatts within 10 years and achieving economic prosperity through this. If the government creates all kinds of environment for the private sector, the private sector alone is experienced in achieving that goal," said Karki

Experts Recommend Prioritising Domestic Electricity Consumption Over Exports

Kathmandu, Jan. 17: Experts have said that the government should focus on increasing domestic electricity consumption rather than emphasising exports.

During a panel discussion entitled “Seeping the Future: Strategy and Roadmap for the Energy Sector” held on the occasion of the 25th Anniversary of the Independent Power Producers’ Association, Nepal (IPPAN), experts argued that boosting internal consumption would be beneficial for Nepal in the long term.

Former Finance Secretary Rameshore Khanal said that electricity exports should not be the primary focus of the government policy.

According to him, it is better to connect with northern and southern markets through transmission lines. He added that Nepal’s political relationship with neighbouring countries often fluctuates.

“When talking about political relations between Nepal and India, it is said that when it rains in Delhi, people in Kathmandu use umbrellas. When a tiger roars in Kathmandu, guns are fired in Delhi,” he said, “We should increase domestic consumption of energy. This will be good for Nepal in the long run.”

He also emphasised the importance of prioritising technology-based industries in Nepal, given the country’s favourable environment for such sectors.

He also pointed out the necessity for investment in hydrogen technology.

“Still 51 per cent of Nepali people use firewood for cooking. We can replace firewood and LPG by converting kitchens to electricity across the country. This would significantly contribute to the economy and bring long-term benefits.”

According to him, Nepal should open up its hydropower market to foreign investments, which would facilitate investment.

He said that the current company law does not support this. He emphasised the need to regulate financial structures and ensure that ordinary people’s investments are not lost.

Senior energy expert Prabal Adhikari said that energy dependence should be the focus of Nepal’s development.

He said that even though electricity access has reached 99%, the quality of electricity is still a concern.

“We have committed to achieving net zero emissions by 2045, and the energy development roadmap addresses this. It also highlights the need to provide quality electricity.”

Adhikari said that the current power generation capacity is 3,400 megawatts, of which 662 megawatts come from the Nepal Electricity Authority and the rest from private sector generation.

He claimed that the energy development roadmap is private sector-friendly and that USD 46.5 billion in investment will be needed to implement it.



He further said that funding could come from internal sources, foreign loans, grants, climate financing, NRN, and remittances.

Adhikari said that the roadmap should be a shared document of all political parties and called for a government and judiciary friendly to the private sector and a private sector-friendly electricity bill.

Minister for Energy, Water Resources, and Irrigation Minister Dipak Khadka said that the energy development roadmap sets a target of 13,500 MW of electricity consumption. He added that consumption would exceed this target.

He said that exporting electricity to foreign markets has reduced trade deficits and that plans are underway to provide electric stoves to every household.

He said that the implementation of the energy development roadmap might face challenges due to outdated laws, and a committee is studying the issue.

Chief Executive Officer of Investment Board Nepal (IBN) Sushil Gyawali said that drafts of laws for energy bonds and infrastructure bonds are being prepared, and these laws will be issued soon.

He pointed out that investment from India has been determined by the market.

Stating that the Nepal Electricity Authority (NEA) holds a monopoly on electricity trade, he said that reforms are necessary to bring in more investment.

He added that the government is working on building a transmission line with China and highlighted the need for hydrogen technology.

Deputy Governor of Nepal Rastra Bank Bam Bahadur Mishra stressed the importance of developing hydropower.

He said that hydropower falls under green financing, and the work done by IPPAN should be supported.

Energy entrepreneur Suman Joshi expressed enthusiasm about the energy development roadmap but also pointed out that the speed of implementation needs to improve.

The implementation of the roadmap cannot be done at the current speed, Joshi said and added that even though projects are being built in 15 months to 4 years, they are forced to spend 8 years on paperwork.

According to Joshi said that if it takes 7/8 years to work on paperwork, the goal cannot be achieved.

Director General for the Department of Electricity Development Nabin Raj Singh assured that there should be no doubt about the energy development roadmap.

He claimed that with 44,000 MW of projects in progress, the target of the roadmap would be achieved.

He mentioned that there is no concern in the market, citing a long-term agreement with India to export 10,000 MW of electricity over the next 10 years and export electricity to Bangladesh.

According to him, survey licenses are granted for 5 years, but the project developers often fail to begin work within this period. However, if developers perform well, they can apply for construction licenses.

He assured that the Department would process the licenses promptly if the correct documentation was provided.

Electricity Regulatory Commission Chairman Dr. Ram Prasad Dhital said that the focus should be on river-flow projects but also emphasised the need to develop reservoir-based projects.

IPPAN Silver Jubilee “NEA clinches Futsal title, IPPAN wins Badminton Crown”



Kathmandu, Jan. 12: On the occasion of the 25th anniversary of the Independent Power Producers’ Association, Nepal (IPPAN), the Nepal Electricity Authority won the title of the futsal tournament.

In the final match held on Saturday, the Electricity Authority defeated Mountain Hydro by 5-2 to claim the futsal championship. The futsal competition featured 10 teams, with the Department of Electricity Development finishing in third place.

Other teams competing in the futsal tournament included the Ministry of Energy, Water Resources and Irrigation, the Electricity Regulatory Commission, the National Transmission and Grid Company, HIDCL, BG Group, Butwal Power Company and Chilime Engineering.

In addition, the IPPAN team won the Men’s Doubles Badminton Championship. In the badminton final, held on the same day, IPPAN defeated the Department of Electricity Development 2-0 in straight sets to secure the title.



A total of 12 teams participated in the badminton competition, including 3 teams from IPPAN, 2 teams from Sino Hydro Sagarmatha, and teams from the Department of Electricity Development, the Water and Energy Commission Secretariat, the Electricity Regulatory Commission, Nepal Electricity Authority, Ministry of Energy, National Transmission and Grid Company, and Butwal Power Company.

The futsal competition, which began on January 10, was inaugurated by the Chairman of the Electricity Regulatory Commission, Dr. Ram Prasad Dhital, while the badminton tournament was inaugurated by Secretary of the Water and Energy Commission Secretariat Madhu Prasad Bhetuwal. To mark its silver jubilee, IPPAN is organising various sports events and additional activities. Upcoming events include a blood donation being organised on January 15, an EV rally on January 16 and the main programme of Silver Jubilee on January 17.

Photo Gallery “IPPAN Silver Jubilee 2025”



Photo Exhibition



EV Rally



Blood Donation



Badminton Championship



Futsal Championship



Fostering strong bilateral ties: Engaging in insightful discussions on potential Australian investments in Nepal's energy sector with H.E. Leann Johnston, Ambassador of Australia to Nepal, joined by IPPAN President Mr. Ganesh Karki, CEO Mr. Bhim Gautam, and External Affairs Manager Ms. Anjali Maharjan.



Strengthening bilateral relations: Engaging in meaningful discussions on potential British investments in Nepal's energy sector with H.E. Rob Fenn, British Ambassador to Nepal, alongside IPPAN President Mr. Ganesh Karki, CEO Mr. Bhim Gautam, and External Affairs Manager Ms. Anjali Maharjan



Engaging in constructive discussions on potential Egyptian investments in Nepal's Energy sector with H.E. Ms. Noha Hamdy Ahmed ElGebaly, Ambassador of the Embassy of the Arab Republic of Egypt to Nepal, joined by President of IPPAN, Mr. Ganesh Karki, Advisor, Mr. Batu Lamichhane, CEO of IPPAN, Mr. Bhim Gautam, and Manager of External Affairs of IPPAN, Ms. Anjali Maharjan.



A productive meeting was conducted with the South Asia Regional Infrastructure Connectivity (SARIC) Phase II Design Team, along with IPPAN team members, President, Mr. Ganesh Karki, Vice Presidents, Mr. Ashish Garg, & Mr. Uttam Bhlon, Secretary Mrs. Kabita Pokharel, Executive members, Mrs. Isha Shrestha & Mrs. Suman Joshi, CEO, Bhim Gautam, and External Affairs Manager, Miss Anjali Maharjan. Discussions were made for the key issues for exploration during Design Phase II fostering deeper economic linkages to support regional prosperity and inclusive growth in Nepal.



A constructive dialogue was held to strengthen the bilateral relations between France and Nepal, focusing on opportunities for investment and collaboration within the energy sector, Hydropower. The discussion was led by H.E. Ms. Virginie Corteval, the French Ambassador to Nepal, and included prominent representatives of IPPAN such as Mr. Ganesh Karki, President of IPPAN, Mr. Balaram Khatiwada, General Secretary, Mr. Bhim Gautam, CEO, and Ms. Anjali Maharjan, External Affairs Manager.



In a discussion with the Chargé d'affaires of the Embassy of Malaysia, Honorable Mr. Mohd Firdaus Azman, regarding potential investments in Nepal's energy sector, the meeting was attended by Ippan's President Ganesh Karki, General Secretary Balaram Khatiwada, Chief Executive Officer Bhim Gautam, and Manager Anjali Maharjan, among others.



Engaging in fruitful discussions on potential South Korean investments in Nepal's energy sector with His Excellency Park Tae-Young, Ambassador of the Republic of Korea to Nepal, alongside IPPAN President Mr. Ganesh Karki, Advisor Mr. Batu Lamichhane, CEO Mr. Bhim Gautam, and External Affairs Manager Ms. Anjali Maharjan.



Engaging in productive discussions about potential Swiss investments in Nepal's energy sector with H.E. Dr. Danielle Meuwly, Ambassador of Switzerland to Nepal, alongside IPPAN President Mr. Ganesh Karki, IPPAN CEO Mr. Bhim Gautam, and IPPAN External Affairs Manager Ms. Anjali Maharjan.



Engaging in constructive dialogues to strengthen bilateral relations, focusing on potential investments and partnerships between the United Arab Emirates and Nepal in the energy sector. This discussion was led by H.E. Mr. Abdulla Al Shamsi, Ambassador of the United Arab Emirates to Nepal, alongside key stakeholders including Mr. Ganesh Karki, President of IPPAN, Mr. Bhim Gautam, CEO, and Ms. Anjali Maharjan, External Affairs Manager.



IPPAN's President Mr. Ganesh Karki presenting Token of Love to Rt. Hon'ble PM KP Sharma Oli on the occasion of IPPAN Silver Jubilee 2025, along with Mr. Mohan Kumar Dangi (Vice President of IPPAN) and Hon'ble Minister Dipak Khadka (Ministry of Energy, Water Resources and Irrigation)



The IPPAN's Senior Vice President Mohan Kumar Dangi, Vice President Uttam Bhlon, General Secretary Balram Khatiwada, Secretaries Himad Prasad Pathak and Bharat Nepal, Executive Members Vijay Mohan Bhattarai, Mithun Paudel, T.N. Acharya, Isha Shrestha, Suman Joshi, and Chief Executive Officer Bhim Gautam had the privilege of engaging with the Nepal Electricity Authority's Load Dispatch Center (LDC).