

China

Wuqiangxi Hydroelectric Power Project (I) - (V)



The dam at Wuqiangxi Hydroelectric Plant

Outline of Loan Agreement

Loan Amount / Disbursed Amount	25,090 million yen / 24,831 million yen
Loan Agreement	August 1988 - October 1992
Terms & Conditions	Interest rate 2.5% / 2.6% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	August 1995 - November 1997

Project Outline

The project involved construction of a hydroelectric power plant (total capacity: 1,200 MW) on a tributary of the Yangtze in Hunan Province, with the aim of alleviating power shortages in the province, and also to prevent flooding and improving shipping navigation.

Results and Evaluation

The project was implemented between 1988 and 1992 via a total of five, phased Japan's ODA loans, and covered the establishment of the dam, the power plant, navigational equipment, and substations, etc.; all work was completed on schedule in 1996.

The power plant has subsequently been generating 4.0-5.3 billion kWh of power, which accounts for 12~15% of total output in Hunan Province, and it is an important power supply source in the province.

Moreover, since project completion there has been no flood damage below the dam, thus the project is also inferred to have contributed to flood prevention as well as power supplies.

In implementing this project, a greening project was undertaken in the surrounding area, and cultural assets such as ancient ruins were transferred in line with domestic regulations. On the other hand, whilst initial predictions called for the relocation of approximately 84,600 people, this number ultimately reached around 115,800 people, thus the amount of compensation was also substantially greater than planned. No problems were reported during implementation, however, it will be necessary for the related bureaus in Hunan Province to continue to follow up and monitor the circumstances of the relocated residents.