

## 17 Laos

### Nam Leuk Hydropower Project



Nam Leuk Hydroelectric Power Plant constructed by this project

#### Outline of Loan Agreement

Loan Amount / Disbursed Amount	3,903 million yen / 3,902million yen
Loan Agreement	October 1996
Terms & Conditions	Interest rate 1.0% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	December 2001

#### Project Outline

Construction of a hydroelectric power plant on the Nam Leuk river that flows near the southeastern side of the existing Nam Ngum reservoir, with the objective of strengthening the domestic power supply system, and at the same time, contributing to increased foreign exchange earnings from power sales to Thailand and other countries in the region.

#### Results and Evaluation

This project was an assistance co-financed with the Asian Development Bank, which constructed a dam, power plant (60MW) and transmission lines (85km). The annual generation capacity of this power plant in fiscal 2000 and fiscal 2001 were respectively 263GWh and 237GWh, both of which exceeded the planned value. In the case of this project not being implemented, it is assumed that supply shortfalls during peak capacity would have occurred throughout Laos in 2001, and it can be said that this project has contributed to bolstering the power supply system. From the aspect of earning foreign currency, as the electricity demand within Laos rapidly increased, surplus electricity that could be transferred for export were reduced, and a large increase in foreign currency earnings could not be seen.

The strong sense of project ownership among executing agency personnel is exerting positive influences on the operational management and the building of a cooperative relationship with the residents. Moreover, in the implementation of this project, considerate attention was given to environmental conservation measures and compensation. On the other hand, to ensure the sustainability of this project in the future, the reforms in the finance of executing agencies are primary issues.