

**Press Release**

**Signing of Concession Agreement for 600 MW Kholongchhu Hydroelectric Project in Bhutan**

**June 29, 2020**

The Concession Agreement for the 600 MW Kholongchhu (Joint Venture) Hydroelectric Project between the Royal Government of Bhutan and Kholongchhu Hydro Energy Limited was signed on 29 June 2020 in Thimphu, in the presence of Dr. S. Jaishankar, External Affairs Minister, Government of India and Lyonpo Dr. Tandi Dorji, Foreign Minister, Royal Government of Bhutan. Lyonpo Loknath Sharma, Minister of Economic Affairs, Royal Government of Bhutan and senior government officials including Foreign Secretaries of India and Bhutan, Secretary (Power), Gol, Ambassador of India to Bhutan and Ambassador of Bhutan to India were also present at signing ceremony, which was held through video conferencing.

2. The 600 MW run-of-the-river project is located on the lower course of the Kholongchhu River in Trashiyangtse District in Eastern Bhutan. The Project envisages an underground powerhouse of four 150 MW turbines with water impounded by a concrete gravity dam of 95 meters height. It will be implemented by Kholongchhu Hydro Energy Limited, a Joint Venture company formed between Druk Green Power Corporation (DGPC) of Bhutan and Satluj Jal Vidyut Nigam Limited (SJVN) of India. The signing of the Concession Agreement will lead to commencement of construction and other works of this first Joint Venture Hydroelectric Project between India and Bhutan. The project is expected to be completed in the second half of 2025.

3. Both the External Affairs Minister of India and Foreign Minister of Bhutan emphasized the importance of hydro power development as an important pillar of mutually beneficial bilateral economic cooperation. They also recalled the trust, co-operation and mutual respect that have long characterized the unique and special friendship, anchored in mutual understanding and reinforced by a shared cultural heritage and strong people to people links between India and Bhutan.

4. Hydropower sector is the flagship area of India-Bhutan bilateral cooperation. The 720 MW Mangdechhu hydroelectric project was jointly inaugurated earlier in August 2019 by the Hon'ble Prime Ministers of India and Bhutan. With this, four (04) hydroelectric projects of bilateral cooperation (336 MW Chukha HEP, 60 MW Kurichhu HEP, 1020 MW Tala HEP and 720 MW Mangdechhu HEP), totaling over 2100 MW, are already operational in Bhutan.

**29 June 2020  
New Delhi**