

First ever hydro power project under CPEC is near completion - Deng Siwen

*Exclusive Interview with CEO & Chairman,
S K Hydro Pvt Ltd*

8 84 MW Suki Kinari Hydropower Project is run-of-the-river hydro-power project located in District Mansehra, Khyber Pakhtunkhwa. This is one of the largest hydropower projects in the private sector in Pakistan and has China Gezhouba Group Company (CGGC) as its main sponsor and lead investor. This project also listed as one of the highest priority 'Early Harvest Projects' in the strategic China Pakistan Economic Corridor (CPEC). Recently, Energy Update had an interview with the CEO and Chairman of SK Hydro, Deng Siwen



■ By Halima Khan

EU: What are the details of first ever hydro power project SK Hydro Project?

Deng Siwen: SK Hydro (Private) Limited is a special purpose company formed to develop, construct, own, operate and transfer the 884 MW Suki Kinari Hydropower Project under the Government of Pakistan's Power Policy 2002. SK Hydro's Main Sponsor and Lead Investor is China Gezhouba Company Limited with Co-Sponsors M/s Haseeb Khan (Private) Limited. SK Hydro completed all formalities and achieved financial close on December 31, 2016 becoming the largest private sector hydropower project in Pakistan and the first hydropower project in CPEC to achieve this important milestone. Since then, the project is under construction and after 30 years of operation, we will transfer the project to the Government of Khyber Pakhtunkhwa.

The Project is a Run-of-the-River project based on the Kunhar River in District Mansehra of Khyber Pakhtunkhwa with an installed capacity of 884MW. It is envisaged to have 4 turbine units with a capacity of 221 MW each, expecting to generate a total of 3,129 GWh of annual energy. This is a high head project with a head race tunnel of 22.6 km. The construction period was envisaged to be 6 years.

EU: Is your company investing in other projects in Pakistan as well?

DS: China Gezhouba Group Company is based out of Wuhan

in Hubei Province of China and started as a construction contracting company. CGGC specializes in hydropower projects and has worked on the construction of many mega projects in China and abroad including the Three Gorges Dam, the largest hydropower Project in the world. Suki Kinari is CGGC's first investment project in Pakistan wherein it intends to invest approximately \$500 million. CGGC is also the lead investor and major shareholder of 700 MW Azad Patan Hydropower Project in Azad Jammu & Kashmir which is expected to achieve financial close by the end of this year.



EU: How the construction activities are progressing?

DS: Construction activities were progressing well and we have completed about 50% of the Project already. The work on the underground cavern for the powerhouse is complete and the work on the head race tunnel is underway. But, as you know, due to the outbreak of Covid-19, the progress has slowed down recently.

EU: What has been the effect of Covid-19 on the project progress?

DS: As you may be aware, the spread of Covid-19 had severely disrupted the supply networks around the world and upset schedules not only for our project but almost all private and public sector entities around the world. In Pakistan, we have to deal with long quarantine times and shortage of labour and mandatory social distancing. While this has affected our work progress, we are committed to follow all national and international SOPs to combat the spread of the virus and have relevant measures in place at our work sites. We are working hard to mitigate these effects but since this situation is ongoing, the final affect remains to be seen.

EU: Does SK Hydro perform any community activities?

DS: Yes, we are very keen to have a

good impact on the community in which we operate. We always endeavor to promote our local communities and encourage them to be successful. The project construction has brought a lot of positive economic development in the area including hiring of thousands of local labour, lease of local land, general procurement from local vendors etc. Additionally, we have been active in promoting the youth in our community wherein we have organized a drawing and speech competitions for schools in the valley. Children were asked to create original drawings and prepare English language speeches wherein more than a hundred children participated and win-

ners were awarded prizes which were distributed by distinguished local leaders.

EU: How is your personal experience of working in Pakistan?

DS: My experience has been very good indeed. I have been personally working with CGGC in various positions for the last 12 years in Pakistan but in my capacity as the CEO of SK Hydro, have really come to appreciate the people of Pakistan, both in the public and private sector. The brotherly relations between the Governments of Pakistan & China is evidence in the working relation between our Chinese team and Pakistani team working for the Project. ■

