

HOME

OTHER BLOGS ▾

HELPFUL LINKS ▾

Phonesack Group to Study Feasibility of Nam Theun 1 Dam Construction

Posted by [greater_mekong](#) on March 16, 2012 · [Leave a Comment](#)

March 12, 2012

[VietStock FI English](#)

The government has given the green light for a Lao company to study the possible development of the Nam Theun 1 hydropower plant in central Laos after a Malaysian firm failed to see the project through.

Deputy Minister of Planning and Investment Mr Bounthavy Sisouphanthong signed a memorandum of understanding with Phonesack Group Chairman Mr Phonesack Vilaysack, which allows the company to spend 18 months conducting a feasibility study of Nam Theun 1 dam construction in Borikhamxay and Khammuan provinces.

The recent MOU signing ceremony in Vientiane was attended by senior government officials and company staff.

The government gave permission to the Phonesack Group to conduct the feasibility study after cancelling an MOU with Malaysia's Gamuda Bhd after it failed to develop the Nam Theun 1 project in accordance with the agreed time frame.

The Lao government has begun to take serious action against investors who fail to develop concession projects within the agreed time frame as part of measures to ensure investment opportunities are given only to worthy companies.

Late last year, the National Assembly approved a government proposal to terminate agreements with companies that fail to develop projects in the allotted time frame as part of efforts to speed up the development of power plants.

Laos plans to build at least 10 hydropower plants from 2011 to 2015 in the hope of securing GDP growth of at least 8 percent.

Laos already has 16 operational hydropower plants with a total capacity of 2,000MW, while the government has granted approval for feasibility studies on the construction of 73 power plants over the past decade.

Under the new MOU, the Phonesack Group is obliged to report to the government on the results of the feasibility study within 18 months.

The agreement allows the government to consider whether to permit the company to develop the Nam Theun 1 project by granting it a concession period in a timely manner.

Phonesack Group officials said the company has experience in dam construction and hopes to contribute to government efforts to boost socio-economic development over the next five years.

The officials said the company would hire experts to carry out the feasibility study before it announces an investment commitment and makes a firm comment on the power generation capacity of the dam.

The Nam Theun 1 dam site is located downstream from the Nam Theun 2 and Theun-Hinboun dams in the two central provinces of Borikhamxay and Khammuan, about 30km from the Mekong River confluence. It is expected the dam will have a generating capacity of about 500MW.

Source: <http://en.baomoi.com/Info/Phonesack-Group-to-study-feasibility-of-Nam-Theun-1-dam-construction/3/242942.epi>

Filed under [Cambodia](#) · Tagged with [Gamuda Bhd](#), [Nam Theun 1 \(NT1\)](#), [Phonesack Group](#)