Cambodia’s Royal Group announced yesterday that it would proceed with its Vietnamese partner on a US$700 million hydroelectric plant along the Lower Sesan River, with construction due to start by the end of the year. The 400 megawatt Sesan hydro plant will be located 40 kilometres northwest of the town of Stung Treng and is expected to enter commercial operations in 2017, a Royal Group statement said. “This power generation project will contribute greatly to the continued economic development of Cambodia, ensuring a reliable, moderately-priced supply of electricity,” said Royal Group Kith Meng in the statement. The joint venture – called the Cambodia-Vietnam Hydropower Company – is 51 percent owned by EVNI Joint Stock Company of Vietnam, with the remainder held by Royal Group, officials said earlier this year. The venture was officially established yesterday at the 2nd Cambodia-Vietnam Conference on Investment Promotion at Phnom Penh’s Peace Palace, where a number of deals were signed. Negotiations for the supply of electricity are presently underway, Kith Meng said yesterday, adding they were “about 90 percent finished already.” Royal Group said in the statement that project studies are complete. The impact of large-scale hydroelectricity projects has been a contentious issue in the Kingdom. Chith Sam Ath, Executive Director of NGO Forum, urged the joint venture to learn from what he saw as the problems caused by other dams. One in particular, the Yali Falls Damn in Vietnam, “created a lot of negative impact for the people who live downstream,” he said. Kith Meng declined to discuss the venture’s environmental impact assessment yesterday and referred questions to government officials. Officials from the Environment Ministry declined
comment yesterday. EVNI had valued the cost of the project at $806 million in a 2010 statement on its website.

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