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PRESS RELEASE

Bhutan and Kuwait Fund Signed Loan Agreement for Begana Hydropower Project

The Royal Government of Bhutan (RGoB) and the Kuwait Fund for Arab Economic Development (KFAED) signed a loan agreement of K.D 5 million (kuwaiti dinar five million) for the Begana Hydropower Project on 23 April 2025, at the margins of the Spring Meetings of the World Bank Group and International Monetary Fund in Washington D.C. The loan was signed between the Hon'ble Finance Secretary of the Ministry of Finance and the Acting Director General of the KFAED.

The 25-megawatt Begana project, located on the Thimchu River, will boost Bhutan's winter energy supply and enhance energy generation capacity. The project is financed by a concessional KFAED loan of up to USD 16.272 million (equivalent to K.D 5 million) and is slated for completion by mid-2028, with an expected annual generation of approximately 104.23 GWh.

The Begana Hydropower Project will be executed by Druk Green Power Corporation Limited (DGPC) and its subsidiary, Druk Hydro Energy Limited (DHyE). This agreement underscores Bhutan's commitment to expanding its renewable energy capacity and fostering sustainable economic growth.



