

**The Investment Opportunities of  
Islamic Republic of IRAN  
in Hydropower**

|   |   |  |
|---|---|--|
| <b>1- Project title:</b> Karun II Dam and Power Plant   |   |  |
| <b>2- Field of activity:</b> Water and Energy Generation  |   |  |
| <b>3- Project type:</b> Establishment <input checked="" type="checkbox"/> expansion and completion <input type="checkbox"/>   |   |  |
| <b>4- Project description:</b><br>karun II project is a high head run of river hydropower plant that will be constructed for producing energy at peak bar on karun river. Design specification of project components are determining based on feasibility study by Dezab consulting engineer. Construction of physical models, geotechnical & geophysical investigations are some of the most important subjects that will be surveyed in this study. |   |  |
| <b>5- Location:</b> Karun River, Upstream Of Karun 1 Dam Reservoir, Southwest of Eizeh City, Khouzestan Province, Iran.   |   |  |
| <b>6- Products:</b> Hydroelectric energy  |   |  |
| <b>7- Total Capacity:</b> 588 MW  |   | <b>Total Annual Product:</b> 1895 GWh  |
| <b>8- markets:</b>  | Domestic 100%                           | Foreign 100%                           |
| <b>9- Local/internal raw material access:</b> 100 %   |   |  |
| <b>10- sale:</b><br>- Anticipated local market : 80 %<br>- Anticipated export market : 20 %   |   |  |
| <b>11- Construction Duration:</b> 7 years   | <b>Start:</b> 2014                      | <b>End:</b> 2021                       |
| <b>12- Operation Year:</b> 2021   | <b>Length of Operation:</b> 50 years    |  |
| <b>13- Anticipated Employment:</b>  | Direct: 5200                            | Indirect: 18000                        |
| <b>14- Project status:</b>  |   |  |
| - Feasibility study available? <b>In Process</b>  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| - Required lands provide?   | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| - Legal permissions (establishment license foreign currency quota, environment, etc.) taken? <b>In process</b>  | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| - Partnership agreement with local/foreign investor concluded?  | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| - Financing agreement concluded?  | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| - Agreement with local/foreign/contractor(s) concluded?   | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| - Infrastructural utilities (electricity, water supply, telecommunication, fuel, road, etc.) procured? <b>The quantities for construction are procured.</b>   | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| - List of know-how machinery, equipments, as well as seller/builder companies defined?  | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| - Purchase agreement for machinery, equipment and know-how concluded?   | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |

**15- Investment Volume and Fractions:**

| Description      | Foreign Currency<br>(Million Euro) |
|------------------|------------------------------------|
| Total Investment | 765                                |

Exchange Rate: 1 Euro = 14000 Rials

- Internal rate of return (IRR): 20.78 %
- B/C: 2.71

**16- Scheme of project financing:**

- a- Foreign Direct investment (equity participation)
- b- Contractual Arrangements: 
  - Short-term loan (financing)(\*):
  - Buy-back:
  - BOT schemes: BOT  BOO  BRT  BLT  Other

(\*)similar to the program of basic construction works (like access roads and diversion system) this part is foreseen to be financed from local sources and the main parts of the project from foreign financer.

**17- Employer/ local partner profile:**

- Name (legal/natural persons): *Iran Water & Power Resources Development Co. (IWPCO)*
- Company's current activities: *Hydroelectric Power Plant & Dam Projects Construction*
- Address: *No 3., Bidar St, Africa Junction, Modarres Expressway, Tehran, IRAN*
- Tel: 27823113, Fax: 27823151, E-mail (Mr. Shahram Jalali): [s.jalali@iwpc.com](mailto:s.jalali@iwpc.com), [sh1352j@gmail.com](mailto:sh1352j@gmail.com)  
Website: [www.iwpc.com](http://www.iwpc.com).
- Company's legal structure: Governmental  Non-governmental  Public non-governmental