

## **Accord signed on \$3bn Thar coal project**

KARACHI, Sept 19: A Chinese consortium, M/s Global Mining Company (GMC), on Monday signed a memorandum of understanding (MoU) with the Sindh government to make an initial investment of \$3 billion in the Thar coalfield to develop by 2014 a coal mine of five million tonnes per annum and a power generation project of 900 megawatts.

Willing to invest up to \$8.5 billion in the Thar coalfield to develop coal mining and power generation projects, the Chinese firm, according to documents, will complete a feasibility report and move its machinery to the coalfield within six months where it has been allotted 122 square kilometres in Block 1.

The firm has also shown interest to make investment of \$1.5 billion in key infrastructure projects such as transmission lines, water conduits and an effluent treatment system.

The MoU was signed by secretary of coal and energy development department Muhammad Yunus Daga and chief executive officer of the Sino-Sindh Resources Liyang Liu at a simple ceremony held at the Chief Minister's House. Sino-Sindh Resources is a local subsidiary of the GMC.

According to the MoU, the GMC has planned coal mining of five million tonnes per annum in two to three years which is to be increased to 50 million tonnes by 2020 and power generation of 900MW in phase-I and an additional 1,200MW by 2016 with eventual expansion to 10,000MW by 2020 with an additional investment of \$4 billion.

Speaking at the ceremony, Chief Minister Syed Qaim Ali Shah appreciated the planned investment in the project and assured the firm of all possible help and facilitation of the government for its implementation.

He recalled that Sindh had huge reserves of coal out of which 175 billion tonnes were located in Thar coalfields and the Pakistan and Sindh governments had assigned top priority to developing coal mining, coal-based power generation and other uses of coal by offering most attractive fiscal incentives.