

Speech of the Honorable Mir Hazar Khan Bijrani, Minister Planning & Development, Government of Sindh, at the Premier Public Talk on the “Progress of CPEC Projects in Sindh” China-Pakistan Study Center, ISSI, 14 December 2017

Ambassador Khalid Mahamood, honorable diplomats, friends from academia, distinguished guests, ladies & gentlemen. Assalam-o-Alaikum and a very good morning.

I am thankful for being invited to speak on such an important aspect of our national development. It gives me an immense pleasure to share my views regarding the China-Pakistan Economic Corridor, especially in the context of CPEC projects in the province of Sindh.

The transit corridor envisaged to Gwadar with Hinterland of China, is gradually transforming into an economic corridor. This monumental transformation is evolving and crystallizing into infrastructure projects and industrial cooperation.

CPEC derives its strength from mid and long term interests of two nations. It connects China to two oceans providing a quicker and less costly access to Middle Eastern and North African markets. For us, CPEC related investments provide big opportunity to transform our image of a low middle income country to a country progressing for shared prosperity.

Ladies and Gentleman:

Owing to law and order situation, low saving investment, we have been losing significantly on economic growth. Chinese investment is bringing a qualitative change in Pakistan’s economy which will help in spurring snowball effect for global investors. The resulting employment opportunities will help us in gainfully engaging our people in constructive economic pursuit. The engagement will assist in pacifying internal strife thus achieving sustainable security.

As we all know Sindh is a resource rich province. It provides 71 % of total gas and 44 % of total oil produced in the country. It also has 28% of installed capacity for power generation in Pakistan and 185 Billion Tons (BTs) for coal reserves. Sindh has great potential for alternative energy in the presence of a wind corridor – with an estimated capacity for generating 50,000 MW of power.

Endowed with coastal access, Sindh is a major center of economic activity and has a highly diversified economy ranging from heavy industry, manufacturing, services sector and agriculture. The province has two sea ports handling bulk of country’s exports and imports. Its vibrant Stock Exchange and the most resilient business community have been the driving force behind country’s industrialization.

Excellence & Dignitaries

Pakistan’s energy independence lies in shifting energy portfolio from a mix of hydel and oil to a mix of coal and renewable, and Sindh is endowed with both resources. Under CPEC, Sindh has several energy and related infrastructure, port, special

economic zone and urban infrastructure projects. Core of CPEC investments stem from Thar coal field, coal fired power generation and allied infrastructure.

The center of gravity for coal based power lies in Thar coal fields, which have proven reserves of 175 billion metric tons spread over 9000 square km in desert in Tharparkar. The Thar coal can generate 50,000 MW, per annum for 200 years. The coal field is divided into 12 blocks and open pit mining is currently being done in block- II. A depth of 110 m has already been achieved to reach coal deposits at a depth of 140 m. A 660 MW power plant, based on indigenous coal, is under construction in Thar Coal field. The project is much ahead of its schedule and it is expected to get on grid by June 2019. The mining on block 1 is nearing its financial closure, expected by end December, 2017. Soon after financial closure, the excavation work on block 1 will start. Sindh Government is well aware of the inequity rendered to energy producing areas of Sui and Ghotki. In view of foregoing Sindh Government has ensured that Thar people should be beneficiaries of Thar coal dividends and not affected of Thar and coal projects. As a result, Sindh Engro Coal Mining Company (SECMC) has employed 1500 local people out of total work force of 2000 people employed at Thar coal. Thari women advancing the mining process and driving 60 ton dumpers is shown on domestic and international media proudly. Thar coal mining company is working on desalination project, mass scale vegetation and plantation in the adjoining areas.

Sindh has huge potential for wind power. The wind corridors located in Gharo-Jhampir area are capable of producing 50,000 MW per annum for indefinite time. Presently, 5 wind turbine generators are producing 250 MW of electricity in several sites of the wind corridor and another 22 wind power projects are in pipeline. Completion of these projects is expected in 2020. Once the pipeline projects are completed, Sindh's wind power generation will increase from 250 MW to 1530 MW.

Ladies & Gentlemen:

On the recommendation of Federal Government, Keti Bandar has been included in CPEC projects, which envisage setting up of coal handling berths, liquid handling berths, power park and industrial zone. Major motivation for Keti Badar is to use the Thar coal for power generation. In the initial phase two power plants of 650 MW using imported coal are proposed and in later phase, power park is proposed to be developed. Keti Badar is 340 km from Thar coal field and needs to be connected via road and railway. A consortium of reputable technical, legal and financial consultation is working on comprehensive feasibility of Keti Bandar project.

While Keti Badar would be instrumental in leveraging on Thar Coal power and industrialize Southern Sindh, Special Economic Zone (SEZ) of Dhabeji will be instrumental in broadening industrial cooperation and joint ventures between Pakistani and Chinese firms. Dhabeji has recently been included in list of SEZs under CPEC to encourage industries of automobile, auto parts, light engineering, electronics, food etc. It is situated at a distance of 55 km from Karachi and 29 km from Port Qasim. With such proximately to consumption and export markets, Dhabeji's SEZ would be able to attract Chinese and Pakistani firms. Renowned management consultants, experienced & young are being hired to conduct the feasibility of Dhabeji's SEZ.

Ladies & Gentlemen:

The Karachi Circular Railway (KCR) will be the hub of the main transit plan envisaging affordable and decent connectivity for Karachiites. KCR is a loop which would be connected with the six bus rapid transport (BRT) services planned by the six major arteries of Karachi. Project has been approved by Planning Commission and ENCNEC. It stands technically qualified and mature for implementation. KCR would provide seamless connectivity between proposed SEZ of Dhabeji, Karachi airport, Karachi's business districts, and residential neighborhoods through a system of circular railway and a complementing bus transport system.

I am absolutely positive that links formed by infrastructure investment will be followed by close working between industrial and agricultural stakeholders of Pakistan and China. The industrial and business cooperation in industrial park and SEZs will redefine the regional value chains thus ensuring lasting prosperity and peace in the region.

In the end, I would like to extend my profound gratitude to all the participants, speakers and dignitaries for this wonderful event and assure on behalf of Government of Sindh for its commitment towards economic development and betterment of the life quality of the citizens across the province.

Thank you.