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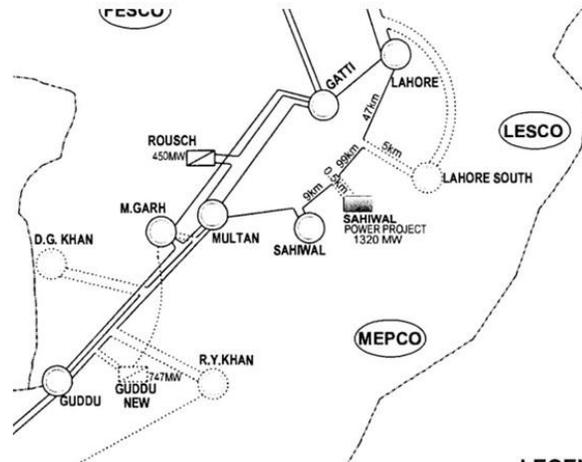
Issue Brief

CPEC Arrives on Ground With the Initiation of the Sahiwal Coal Power Project

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The first project under the China Pakistan Economic Corridor (CPEC) - the Sahiwal coal-fired power plant - is up and running. Prime Minister Nawaz Sharif had laid the foundation of 1320 MW Sahiwal coal-fired power plant back in May, 2014.



Dealing with the electricity shortage in the country has been a top priority of the present government, and this mega project was initiated even before the official announcement of CPEC. After the historic agreement signed on April 20, 2015, the Sahiwal coal-fired power plant was listed under CPEC's Energy Priority Projects. The civil works on the site began in May 2015 and the project is set to be operational within two years as originally expected. China Huaneng Group is the project developer and it has been successful in constructing the plant on time, while the transmission line to connect the power plant to the national grid was completed in November 2016. As per official updates, 95 percent of civil work has been completed and the power plant has been connected to the national grid by the National Transmission and Despatch Company Ltd (NTDC). The power plant consists of two units of 660 MW capacity, out of which the first one will start generating electricity by May 2017. The power plant is expected to become fully operational in June 2017.¹

The plant is located on main GT road and is 9 kilometres away from Sahiwal city. Sahiwal district is one of Pakistan's agricultural heartlands but the farmers and natural environment of the area will not be adversely affected as the project meets all the requirements set by the local government and environmental regulatory authority. China's thermal power equipment and technology are one of the most advanced in the world. The company which has developed this plant has used up to date equipment to make the plant efficient and environment friendly. Being Pakistan's first supercritical power plant, this will achieve greater thermal efficiency than the traditional ones in the country which results in lower greenhouse gas emissions. The installed equipment at the plant removes ash particles

and sulphur during the process, while the imported coal that is being used in the plant has low sulphur content. To safeguard the livelihoods of local farmers, the plant will only consume a restricted amount of water for its operations from the Lower Bari Doab that will ensure availability of sufficient water for agricultural purposes. Furthermore, ash water will be prevented from entering groundwater through the construction of anti-seepage ash yard.²



Local engineers welcome the first freight train bringing shipment of coal to Sahiwal

On 31 January 2017, 12000 tonnes of coal arrived at the power plant on a freight train from Karachi. The train was welcomed at its destination by Chief Minister of Punjab, Shahbaz Sharif, and Chinese Consul General Long Dung Bin. Speaking at the occasion, the Chief Minister stated that this marks a giant step towards eliminating power outages in the country.³

The electricity shortfall in the country had reached up to 6000 MW in 2016, so there is still a long way to go before this crisis is brought to an end.⁴ The completion of this project shows that the government's efforts are well-directed towards meeting this challenge.

There are 12 more energy priority projects including thermal, solar, hydel and wind, which are at various stages of completion and the combined energy generated from these projects will be 10350 MW.⁵

The realization of Sahiwal coal-fired power plant has generated a lot of positivity. Reduction in power shortage is going to boost economic activity and create more employment opportunities while the timely completion of this project has addressed many of the scepticism surrounding Chinese investments. The government should continue its efforts to support the development of projects under CPEC as they are of vital national interest.

Notes and References:

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- ¹ "NTDC connects 1,320MW Sahiwal power plant with grid," *The Express Tribune*, January 28, 2017.
 - ² "Sahiwal Coal Power Project set to become first CPEC project to be completed," *Pakistan Today*, May 7, 2016.
 - ³ "Sahiwal power plant: Train arrives with 12,000 tonnes of coal," *The Express Tribune*, February 1, 2017.
 - ⁴ "Power shortfall beyond 6,000MW," *Dawn*, May 21, 2016.
 - ⁵ <http://cpec.gov.pk/energy>