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Sindh inks energy deals with Chinese companies

MoUs will bring \$9b investment in coal mining and power generation.

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KARACHI: Sindh Coal and Energy Department has been able to attract attention of two large Chinese energy companies – China Three Gorges Corporation and Orient Group, and has signed memoranda of understanding (MoUs) with them in Beijing, says a Sindh government official.

These MoUs were signed during visit of a Sindh investment delegation to China, led by Sindh Assembly speaker.

Wang Shaofeng, Vice Chairman of China Three Gorges Corp and Mohammad Younus Dagha, Secretary Coal and Energy Board signed the MoU on Tuesday. Under the agreement, the Chinese company will participate in international bidding for Thar coalfield's blocks VIII, IX and X as well as for Sonda coalfield.

The Thar project covers coal mining and 4,000 megawatts of power generation with an estimated investment of around \$8 billion.

Apart from participating in future projects in Thar, the company has already purchased a ready project in Sonda coalfield at Thatta, which was earlier developed by CMC of China for coal mining and power generation.

Another MoU was signed on Wednesday by Hongwei Zhang, Chairman of Orient Group and United Energy Group (UEG) and Mohammad Younus Dagha, Secretary Coal and Energy Board.

The MoU covers both coal power and wind energy projects in Sindh. The group has shown interest in developing coal-based power plants in Thar and Badin coalfields.

It has also acquired letter of intent for a 150-megawatt wind power project in the first two years, which the company intends to scale up to 500 megawatts in four years.

UEG has already invested in oilfields of Badin by acquiring British Petroleum's concessions in the district. The new endeavours of UEG will bring another investment of around \$1.2-\$2.5 billion.

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