

Press Release

The Power Division, Ministry of Power, Energy and Mineral Resources has noted that the report titled “Rampal and Matarbari Power Projects: Governance Challenges in Environmental Impact Assessment and Land Acquisition” published by Transparency International Bangladesh (TIB) through a press conference on 16 April, 2015. It has caused a lot of concern and confusion among the citizen of the country on the environmental and governance issues on these two mega projects. Clarifications of Power Division are given in order to remove all confusions and misunderstanding of the people for the greater interest of country.

2. People are already aware that the Government has undertaken different steps to develop the Power Sector of the country. Power Generation has increased more than double in the last 6 (six) years. As a result, access to electricity has increased from 47% to 70%. To meet the ever increasing demand of electricity, Government has taken up short, medium and long term implementation plan to develop the power sector. Considering the gradual depletion of gas reserve, the Government has taken initiatives to install coal based mega power plants as a least cost and sustainable option for energy security. It may be mentioned here that still coal dominates the base load power plants throughout the world. Site selection for coal based power plants has been made considering a huge challenge of coal transportation, with minimum re-settlement and above all addressing the environmental issues. Likewise, two sites were selected for coal based power plants in two coastal areas, Rampal of Bagerhat and Matarbari of Cox’s Bazar considering all these aspects through detailed feasibility studies. Before finalization of sites stakeholder workshops, public hearing and open discussion with the local people and environmentalists were held. During the last 2-3 years, a series of dialogue were also held in the electronic and print media regarding the two projects.
3. On review of the TIB report, it is apparent that Government’s overall efforts regarding the two projects have not been reflected in the report. This may raise a negative impression in the mind of the people. In order to remove the confusion regarding the two projects clarifications of the Power Division are given below:



A. Maitree Super Thermal Power Plant Project:

The feasibility study report recommended Rampal as the best site among the 3 probable sites under Khulna Division. Rampal is 72 Km away from the Sundarban's World Heritage Site and 14 Km from the Sundarban's ECA. After the socio-economic and techno-economic study, a complete EIA study was undertaken. Only 150 families needed to be rehabilitated. Most of the land in the project area was non-agricultural land. Land filling and other development works were undertaken after receiving no objection certificate from Department of Environment (DOE). Water from the Pasur River will be utilized in the power plant through re-cycled process which is only 0.06% of average discharge of the River. A small amount of treated water will be released in the same river with ambient temperature as set by DOE. Modern state- of- the- art technology Ultra Super Critical Technology will be introduced in the power plant such that the plant will run with maximum efficiency and high quality coal will be used to ensure environmental parameter. Flue Gas Desulfurization (FGD) unit will be installed to keep SO_x at the allowable level. To keep NO_x at the allowable level, low NO_x burners will be used in the power plant. As a result, the cumulative impact on the environment will be almost nil. It may be mentioned that even the developed countries do not select such technology considering environmental aspects. Even though the cost of the project has increased substantially, Bangladesh has given highest consideration to environmental issues while selecting the technology.

B. Matarbari Ultra Super Critical Power Plant Project:

The Government of Bangladesh has signed an agreement with Japan Government to finance the Matarbari Ultra Super Critical Power Plant project under the ordinary Overseas Development Assistance (ODA) loan scheme of Japan. However, TIB did not have any idea about the source of finance. The use of Japanese climate fund in this project was not used at all. This fund of JICA would finance infrastructural development including the Matarbari Power Plant, port facilities, coal handling facilities etc. Only 16 families needed to be rehabilitated and most of the land was non agricultural land. EIA



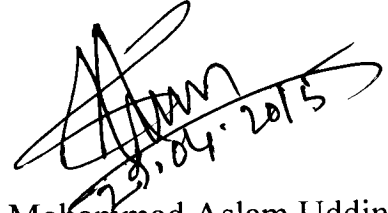
report of the project was conducted by Tokyo Electronic Services Co. Ltd. The company was selected by JICA through international competitive bidding process. Similar to Rampal project, the Matarbari project adopts the state-of-the-art Ultra Super Critical technologies which will enable the highest thermal efficiency rate and drive down its CO₂, NO_x and SO_x emissions way below the conventional levels. Therefore, together with a powerful Electrostatic Precipitator which will collect the whole fly ash, the project is environment friendly for a coal-fired thermal power plant. Ash will be used in cement factory and brick industry.

Land acquisition in the project area has been done following the Government rules and regulations. Compensation was completed through District Commissioner Office. Regarding the allegation about the compensation payments for the project affected persons in Matarbari, the government has taken a serious view on it. Actions have been against alleged persons, the certificate case and criminal suit have been lodged against them. Departmental actions are being taken against the alleged public officials. Anti corruption commission is also taking actions against the culprits.

4. In Appendix-1 of TIB report, a comparative statement of the 2 projects has been given. Budget for Rampal project has been shown as Tk. 14,510 Crore while for Matarbari project Tk. 36,000 Crore. The Matarbari project includes the cost of construction of deep sea port, channel, coal terminal and other facilities besides the power plants. So comparison wasn't made apple to apple and not with proper judgment.
5. At the end, Power Division would like to assure the conscious citizens of the society that all the projects under Power Division are taken up for the greater interest of the country as well as wellbeing of the society in a transparent manner with a vision to provide electricity to all at an reasonable price by the year 2021.



6. It is expected that the above clarifications of the Power Division will remove all confusion about the project and misunderstanding of the people. At the same time, TIB is urged to prepare such report in consultation with Power Division in future so that true picture is reflected in the report. Only then, the people and the country will be benefited and the image of TIB will increase as well.



Handwritten signature of Mir Mohammad Aslam Uddin, dated 29.04.2015.

(Mir Mohammad Aslam Uddin)

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