

Is it 'Good Bye Trinco Coal Power'?

by E. Carlo Fernando
Former Power Development
Consultant CEB

A full-page article titled 'Good bye Trincomalee' by Elawantha Withanage, an environmental scientist, appeared in The Island of 20.09.1999. It is all about the hazards, the Trincomalee region will face if the Eppawala Phosphate project is implemented. It is the same boring itinerary of protests which were shouted out loud in the late 1980's against the coal power project which was to be set up in Trincomalee - deterioration of marine resources like fish, whales, blue whales, sperm whales and dolphins; mineral sands like ilmenite, rutile, zircon, etc; tourist resorts in the inner harbour and so on.

On the one side it is said that Trincomalee bay is one of the best deep natural harbours the world, and then on the other side the claim is to keep this great natural resource of Sri Lanka as a fish pond and tourist resort.

SNUG COVE SITE

My writing here is not to deal with these ridiculous claims, but to draw attention of the authorities to a very important issue, the Trinco coal power project. I notice that the factory site of the Eppawala phosphate project, which accompanied EW's article, is the same

Sung Cove Site where the Trinco coal power plant is to be set up. See the diagrams. What do the authorities have to say about this.

It is because of the availability of the deep water - natural harbour facility, Trincomalee was selected for the coal power project as the first choice. Though there were environmental protests against this project, it had to be set aside mainly because of the security problem over there. In our long term power planning to provide a reliable power supply, Trinco coal is an absolute necessity.

Given herewith are capacities of power systems in some countries to be compared with that of ours. Australia's population is same as that of Sri Lanka - 18 million. In 1981 she had 24000 MW of power (UN statistics). Taiwan's population is only one half of Sri Lanka. The capacity of her power installations at present is nearly 20,000 MW. In contrast, Sri Lanka has only about 1500 MW. Our ambition is to become a Newly Industrialised Country (NIC) in the near future. All the NIC's in the East Asian region have large power systems in the range of 10,000 MW or more. Thus, because of the extremely poor power system in Sri Lanka, it is absolutely essential that at Trincomalee a super thermal coal power plant has to be installed at a future date.

It is also possible to make use of the deep-water harbour at Trincomalee to set up a coal

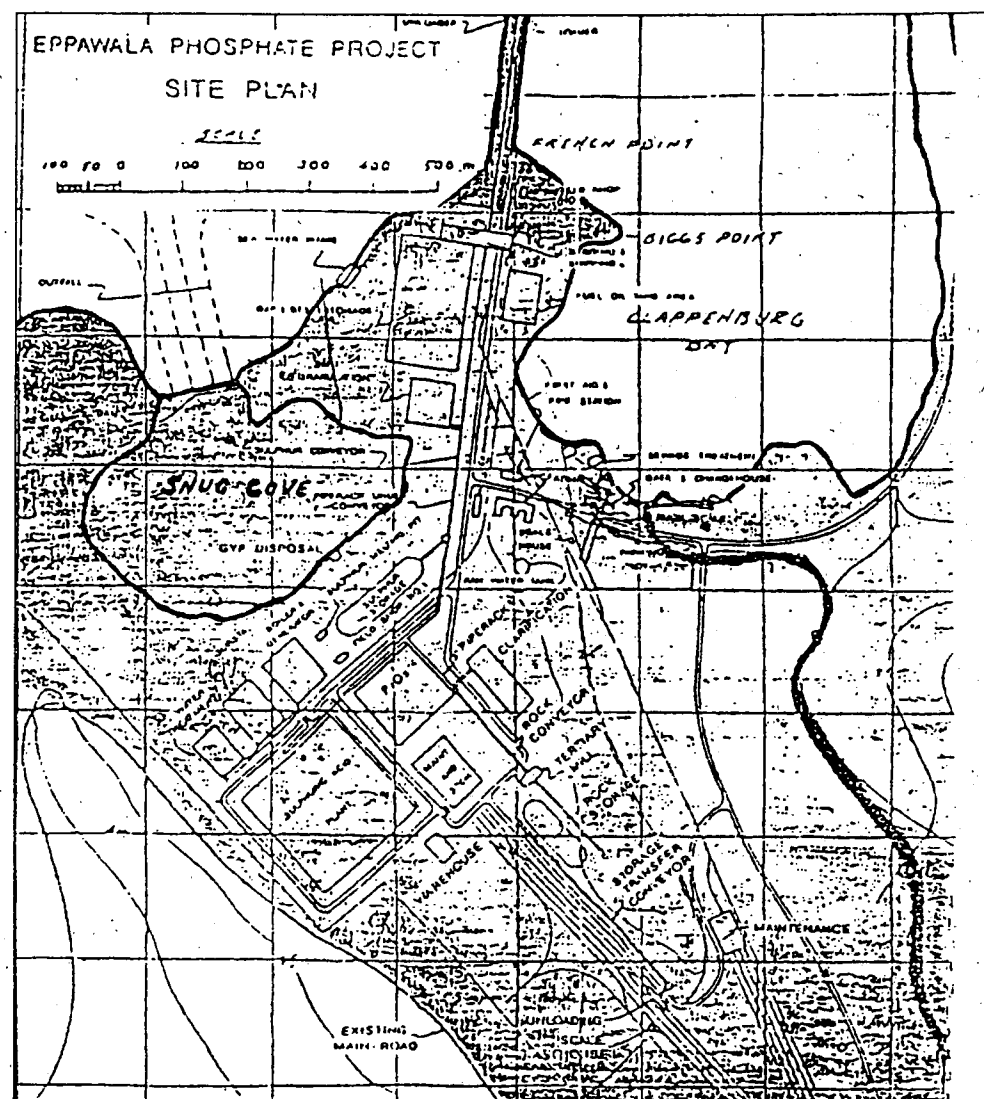
transfer point. That is to bring coal in extra large coal carriers - 120,000 dwt - to Trincomalee and from there tranship coal in smaller vessels to South India, Pakistan, and Bangladesh, as well as to power plants which could be set up on other sites in Sri Lanka coast. This is how the resources we are gifted with should be used wisely for our progress instead of making the great Trincomalee harbour a fishpond and a pleasure ground for foreigners. Neither should we permit foreigners to set up factories to remove the natural wealth of the nation at the very site where the Trinco coal power plant is to be constructed to meet our electricity needs.

At today's cost, money spent on the Trincomalee coal studies will amount to about Rs. 700 million. It will be tragic if the phosphate project is implemented as planned now, because all these expensive coal power studies and the prospect of setting up a large coal power plant as required to meet long term power needs of the nation will be lost. When the CEB states that not only the coal power plant at Noracholai, but also coal power plants at Trincomalee and Mawella are essential, why does the CEB remain silent about this impending great set back to coal power generation.

RESOURCES AT TRINCOMALEE

Regarding our neglect of resources at Trincomalee, the oil Tank Farm, which the British left behind, must be mentioned. This is a valuable relic of the 2nd world war - 100 tanks, each 100 feet diameter. The British left 50 years ago, still the tanks remain neglected and not attended to. On the other hand Singapore did not have such a fine tank farm. New tanks were set up and for many decades now a very lucrative oil business has been carried out there. I understand that it is the biggest income earner in Singapore.

Those who speak about the greatness of the Trincomalee deep water harbour are the very same persons who advocate downgrading it to become a mere fish pond and a playground for foreigners. The report on 'Globalisation and Sri Lanka' by Kanes in The Island's Business, Finance and Economic section (26th September 1999) revealed some hard facts about the much desired foreign investment in Sri Lanka. It states that in 1996 for instance foreign direct investment inflow to Sri Lanka was only \$ 80 million, which is equal to 0.6% of the GDP while in Malaysia it was \$4,500 million or 4.5% of GDP. Sri Lanka has not attracted as much foreign



Eppawala phosphate project - factory site

investment as it expected from liberalisation. Why is this?

POOR POWER SYSTEM

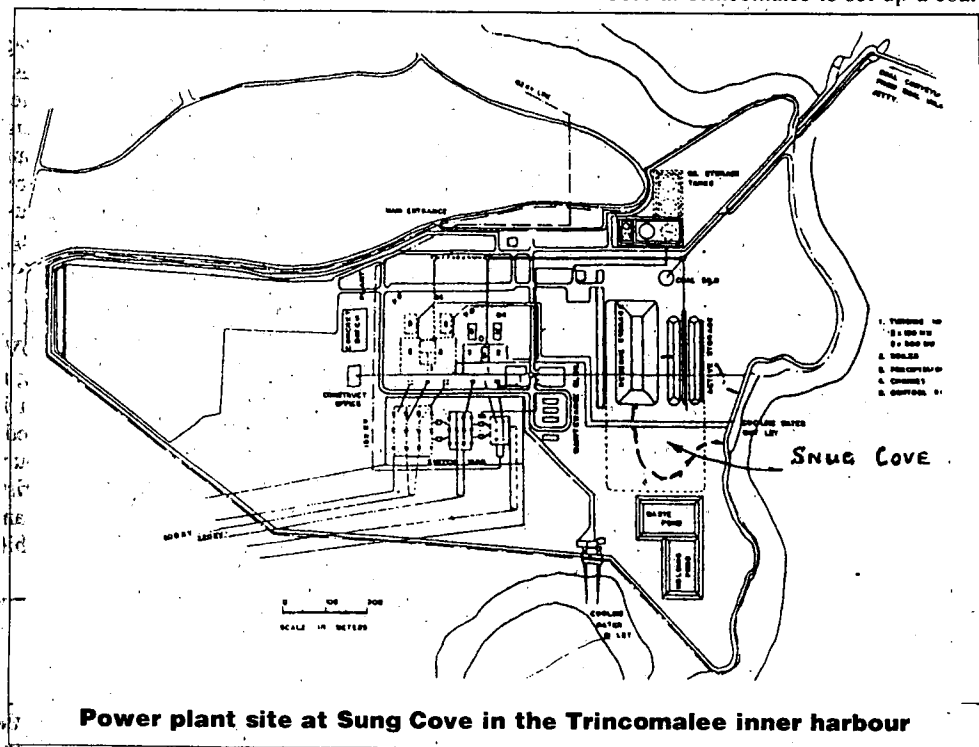
The bar diagram here gives part of the answer. It shows the power production in some East Asian countries as compared to that of Sri Lanka. Here it is seen how miserable Sri Lanka's power supply is. With such a paltry power supply how can we expect foreign investors to set up industries here?

Another important point I observed in Kaness report is that Garments and Textiles exports which formed 62% of the country's industrial exports in 1988 increased to 69% in 1998 making Sri Lanka excessively dependent on one industry. In the Philippines, by contrast electronic and electrical products rose from 26%

of total exports to 58% in the same period, while the share of the garment industry fell from 19% to 8%.

The report also indicates that the investment in Sri Lanka as a percentage of GDP was stagnant during the period 1993-1998. That means the industrial growth has remained stagnant. This is exactly what took place in the Philippines - a stagnant economy - which made President Fidel Ramos to sign the Electric Power Crisis Act and thereby promoted coal power generation at an accelerated pace, which provided a sound steady power supply. This enabled proper industrial growth to take place in the Philippines - diversification of industries i.e. a shift from garments to electronics and electrical products.

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Power plant site at Sung Cove in the Trincomalee inner harbour

My attempt here is to draw the attention of the authorities to the fact that Sri Lanka's power system is extremely inadequate and poor. It does not support any meaningful economic progress and will probably push the country into economic disaster. Sri Lanka's economy can be revived only by speedily promoting coal power development. For this the Snug Cove site in Trincomalee should be preserved for a large coal power complex that will be established at a future date when the site becomes safe for the project. In the present context it is necessary to make a start with the coal power plant at Mawella which is definitely the safest of all the sites now available for this project.

DEVELOPMENT POSSIBILITIES

To come back to EW's 'Good bye Trincomalee', let me present the development possibilities laying emphasis on the Port of Trincomalee which the overseas Coastal Area Development Institute of Japan come out with, when the Trinco coal power project was planned.

• A distribution port, connecting agricultural production areas, including those in the Mahaweli Ganga Development Scheme with

the nation's main cities. The chief cargoes would include rice, fertiliser, general merchandise, construction materials and machinery.

• A port for the transhipment of containers, the export of primary agricultural products (tea, rubber, and coconut products) and the import of general miscellaneous goods.

• Development of water front industries utilising large ships. These industries include petrochemicals, food, wood products, and shipbuilding and repair, and power generation.

• Development of the port town as a nucleus for Trincomalee District.

• A marine product processing base and fishery development base including fishing boat repair facilities.

• Tourism development laying emphasis on seashore resorts and leisure, and development as a port of call for international passenger liners.

The above shows on what lines Trincomalee can be developed. It is sheer folly to listen to the foolish claims of foreign funded NGO protesters who for their own self interest wish to down grade Trincomalee to a fish pond and a playground for foreigners.

