



Ruling Party and Its Pre-Election Pledge for Mining Domestic Coal

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Staying in state power the governments of Bangladesh Awami League during its consecutive terms since 2009 experienced various challenges in creating sustainable energy security mainly emphasizing imported fuel. Despite spending billions of dollars in setting up enabling infrastructures for importing coal, LNG, and liquid fuel, long-term sustainable energy security relies more and more on fuel imports from the global market which is highly volatile due to various geopolitical developments. In addition, transportation challenges are affecting the smooth operation of the supply chain. Technical experts, economists, and analysts have long been suggesting the exploration and exploitation of superior-quality coal resources lying at mineable depths. Various studies have been conducted by local and international experts, justifying the proposals for mining coal and using it as the cheapest alternative to depleting natural gas. Even the present government in its past three terms pledged for mining coal. However, the required political decision in this regard has not been made. The present global situation

also does not favor international financing for developing fossil fuels. Mining now and mining in 2010 s have huge differences in matters of costs, and mobilizing resources. But this government through successfully implementing some major mega projects like Padma Multipurpose Bridge, Rooppur Nuclear Power Project, Karnaphuli River Tunnel, and Matarbari Energy and Power Hub has ideally demonstrated that any such mega project is possible to implement if the government has a proper mindset and honest desire for implementing the project. The technological and economic aspects heavily favor mining domestic coal. The required information is available in various study documents and analyses. But for negative mindset against mining coal influenced by various anti-mining lobbies and ill-motivated syndicates benefiting from the import of fuel have successfully managed to keep coal buried underground so far. The need now is for the government to take the decision of mining or not mining coal. Nothing but domestic coal can ensure sustainable energy security for Bangladesh in the prevailing and

emerging global geopolitical situation. Despite global movement for energy transition from fossil fuel to renewable energy coal is going to remain one of the major fuels over the next 30-40 years. Moreover, Bangladesh has no obligation to limit emissions as it has only a negligible carbon footprint of its own.

Chronological Development of Events in Coal Resource Exploitation

Bangladesh has 5 discovered coal fields in the greater Rangpur and Dinajpur districts in the northern region. Father of the nation Bangabandhu Sheikh Mujibur Rahman for realizing his vision of self-reliant energy security towards economic emancipation pioneered the creation of Bangladesh Oil Gas and Mineral Corporation (BOGMC) later divided into Bangladesh Oil and Gas Corporation (BOGC) now Petrobangla and Bangladesh Mineral Development Corporation (BMDC). He engaged two trusted reputed geo-scientists as Chairman of the two Grade A Corporations with the status and authority of secretary. He took the initiative to

mine the granite of Madhyapara and the coal of Jamalganj. His unfortunate killing in 1975 made Bangladesh ride in the reverse direction. BMDC was merged with BOGC creating a Directorate of Mining. But later that directorate was also abolished as the government failed to make political decisions about mining coal. At present a Chinese company is mining coal using a long-wall top caving underground mining method. The coal produced is not even enough to meet the demand of all three mine-mouth power plants. The present government set up a committee headed by a reputed mining engineer and former chairman of Petrobangla and BERCL Md Mosharaf Hossain to review the pros and cons of coal mining. The committee, among others, recommended an open pit pilot project in the shallow northern flank of Barapukuria. The committee also recommended reviewing the Scheme of Development of the Phulbari and Khalashpir fields. Unfortunately, that report was not reviewed by policy maker and the government neither accepted nor rejected that report. UNDP also commissioned a study. Ajoy K Ghose, a celebrated mining expert in the world, made specific recommendations for coal mining in Bangladesh. The government engaging a consultant also carried out a feasibility study of the Dighipara field. Unfortunately, over the past 15 years, the present government has remained hesitant in taking the required political decision to mine coal.

The BNP-led government in the early 1990s engaged BHP Mineral Corporation, Australia for exploration of coal in the Northern region. The leading mining company discovered a large field at Phulbari. After long hesitation in deciding on mining, BHP later reassigned the contract to Asia Energy Corporation during the regime of the Awami League-led government of the 1996-2001 term. According to that contract, Asia Energy engaging the world's leading mining consult-



ants carried out a detailed feasibility study. On completion, it submitted a

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comprehensive Scheme of Development recommending carrying out open-cut mining methods in 2005. Unfortunately, the government was dominated at that time by an unholy alliance of corrupt business syndicates that did not want to mine domestic coal. They set up a committee mostly comprised of non-miners to review the technical aspects of the Asia Energy proposal. In the meantime, vested interest groups carried out extensive propaganda against mining and convinced local people to stage demonstrations. Through pre-arranged plans, the law-enforcing agencies killed local people. At that time of agitation, the present Prime Minister, the then leader of the opposition, pledged not to carry out open pit mining. PM Hasina was seemingly ill-advised about potential environmental disasters arising out of open pit mining and irreparable loss of agriculture. None of the Energy Supply Chain explained to the PM about the advanced technologies that may address all her concerns. That is why her government, despite pledging to utilize coal resources, failed to do that since then. Now when global events created an unbearable energy crisis stemming out of chronic fuel supply, the government is left with no other option but to explore and exploiting own coal resources. In the meantime, for managing and mini-

mizing global GHG emissions all countries are implementing energy transition. Mining coal has become extremely challenging as donor agencies and investment banks have opted out from financing fossil fuel development.

The government paying through its nose realized that the increasing dependence on imported fuel through ignoring exploration and development was a major political mistake. Global events and geopolitical risks proved that the fragile economy of Bangladesh cannot absorb the price shock nor can manage the risk of disruptions in the supply chain. Exploration of coal and gas should be a top priority national agenda. The government should not only make an immediate political decision to mine coal it must also reorganize the mining directorate of Petrobangla to champion coal mining. Enough authentic study reports are ready at hand. Competent mining professionals can be tasked to manage mining. The authentic study



reports evidence that Bangladesh has enough discovered coal resources to cater to fuel demand for 10,000MW mine-mouth Power Generation for 40 years. The political decisions that the government made for other mega projects like Padma Multipurpose Bridge, Rooppur Nuclear Power Plant, Matarbari Power, and Energy Hub, should make coal mining decisions without hesitation and delays.

Bangabandhu conceived mining coal and exploring petroleum resources offshore and onshore. That was his energy philosophy behind the creation of BOGMC. By not making a mining decision, and delaying petroleum exploration even the government, led by her daughter, compromised with the energy philosophy of Bangladesh. It is now expected that the government will make a decision to mine and set up at least 5,000MW mine-mouth coal power plants soon, yielding fruits by the end of the present term of the government. A positive sig-

nal of the government will encourage investment. In the meantime, the government engaging competent mining experts can review all study reports for implementing mining strategy.

PSMP 2010 approved by the present government in the previous term provided for a 50% contribution from coal. Of this 50%, 29% contribution was supposed to come from local coal. The failure to make a political decision virtually led to the failure of the PSMP 2010. PSMP 2016 rather went for a 35% contribution of coal – including 34% imported coal. Sensing the mindset of the policymakers, coal mining was completely taken out of the context. Even the IPEMP 2023 does not have a clear directive about coal mining. However, the election agenda of the ruling party before the general election of 2024 included a government pledge to mine coal. Hope policymakers will produce convincing and authentic documents to the Prime Minister for her courageous decision. Local coal will delay the requirement for importing fuel from abroad. The government will have breathing space for exploring and developing offshore petroleum resources and logically expanding solar and wind power resources.



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