



**PRESS INFORMATION DEPARTMENT
GOVERNMENT OF PAKISTAN
ISLAMABAD**

**SPEECH OF PRIME MINISTER SYED YUSUF RAZA GILANI ON
INAUGURAL CEREMONY OF 62 MW GULF RENTAL POWER
PLANT (MAY 23, 2010)**

Islamabad May 23, 2010

Following is the text of Prime Minister's speech:-

"Ladies & Gentlemen
Assalm-o-Alaikum,

At this auspicious occasion of the inauguration of 62 MW Gulf Rental Power Plant, I feel pleasure to congratulate Gulf Rental Power Company for completing this venture at a stage when our country is facing power shortage. We are all aware of the current power situation in the country. This has not only led to frustration among the masses but has also badly affected the industry and slowed the pace of economic growth in the country.

The inauguration ceremony of this Power Plant is a moment of relief for all of us during hot summers.

The development of Power Sector is on the top of the agenda of the present Government as this plays a key role in the development and growth of a country's economy. Today, Pakistan's economic growth is seriously affected by the fast increasing gap between supply and demand of energy resources in general and electricity in particular. Our Government believes in expediting sustained economic growth through enhanced direct investment for industrial and infrastructure development and at the same time safeguarding the interests of the common citizens besides improving their standard of living.

The Rental power plants are set up to meet short-term and emergency requirements of the country as these can be commissioned within a short period of time.

I am pleased to learn that the plant is to be run on Residual Furnace Oil (RFO) and its construction has been completed in record time of approximately 7 months.

It is also heartening to note that the plant has undergone all ADB specific relevant reliability based technical tests that were witnessed and certified by independent Engineers M/s. KEMA International, Holland.

Ladies and gentlemen,

It was the PPP government's initiative in the nineties that brought forward the private generation through Independent Power Producers (IPPs).

This was followed by the scathing reaction that was aimed at making the people believe that all investment in this context would be detrimental for the country.

Today, after more than a decade, the IPPs have established credibility and have become successful partners to the government in power generation.

The resolve to take electricity to every nook and corner of the country has necessitated the adoption of multipronged strategy. It is aimed at capacity enhancement through building new power generation plants on one hand and up-gradation of the existing transmission & distribution infrastructure on the other hand to achieve the desired goal. In this respect, both public and private sectors have to work hand in hand. The Government has already announced a lucrative framework to attract investment in energy sector. We are providing full support to encourage local and foreign power generation Companies to invest in this Sector.

Ladies and Gentlemen,

It has been the policy of the Democratic Government to make Pakistan self-sufficient in the field of energy.

The completion of Gulf Rental Power Plant, therefore, is in line with the Government priorities, and this project is a milestone to support our policy of rental plants. The Government of Pakistan appreciates the Group's efforts in promoting our sustainable socio-economic growth. I believe that this group has the potential to play an even greater role in the economic development of Pakistan.

The government of Pakistan appreciates the long term investment by this group in Pakistan. We assure them of our support in all their future projects especially the mega 850 MW Suki Kinari Hydro Power Project with an estimated cost of USD 1.4 billion. Once completed, this will Insha'Allah be one of the largest run of the river hydro power projects in Asia. I understand that Suki Kinari hydro power

enjoys full support of multilateral financial institutions including the World Bank. With projects like these, Sponsors of Gulf Rental Power have exhibited that foreign investors are continuing to invest in Pakistan.

I am sure that professional management of this Group and its committed work force will continue to work with the same commitment and zeal to achieve heights of professional excellence in times to come.

Distinguished guests!

At this auspicious occasion I would like to announce the Vision Statement for the power sector of Pakistan.

This vision statement has been developed by the Ministry of Water & Power and has full blessings of all key stake holders. Some of the salient features of this vision statement are:

- To double the generation capacity of the country *from the current 20,000 MW to 40,000 within the next ten years.*
- To ensure that this capacity development happens along as low a carbon emission path as possible.
- To maximize efficiency gains in generation plants and in transmission/distribution networks.
- To maximize on conservation energy saver lamps, solarization of water heating and irrigation pumping are some examples.
- To develop these projects with maximum private investments as possible public private partnership will be one of the key approaches to the realization of these projects.
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I have asked the Ministry of Water & Power to circulate the vision statement today.

Power sector is the priority of this government and we will solve this problem with our ability and capability. Our government recently organized an Energy Summit taking all the provincial governments and the stakeholders on board. There is a huge possibility of investment in Pakistan and we are considering all the alternative resources of energy to fill the demand supply gap.

Ladies & gentlemen!

We intend to move on a war footing to implement this vision. For this purpose:

- Internally, we have formed a partnership with federal and provincial governments, since both have to play important roles in the realization of this vision.
- Externally, we will form partnerships with the multilateral financial institutions.

- The Ministry of Foreign Affairs will help secure support as needed from bilateral partners.

In the end I would like to once again congratulate Gulf Rental Power management and employees for their professionalism and dedication. At this stage I would assure the Group of maximum governmental support in playing its proactive role towards economic development and prosperity of Pakistan. I wish you all success.

PAKISTAN ZINDABAD”