



Staff Reporter

The state-owned Bangladesh Power Development Board (BPDB) today will sign a contract with Indian company, Larsen & Toubro Limited (L&T) for construction of 225 MW combined cycle (dual fuel) power plant at Sikalbaha in Chittagong.

The Indian company will be tasked to build the plant at a cost of Tk17.07 billion in 18 months, according to contract documents.

Cabinet Purchase Committee selected the Indian firm on May 12 this year.

BPDB officials said plant will be located in Chittagong near BPDB's existing power plant.

Four development partners in the Middle-East (Saudi Arabia, Kuwait, UAE and OPEC Fund) are financing the project with a fund of US\$ 167.73 million (equivalent to Tk 13.75 billion).

Of the total project cost, the Kuwait Fund for Arab Economic Development (KFAED) will provide \$ 53 million, Saudi Fund \$ 53.33 million, UAE's Abu Dhabi Fund for Development (ADFD) \$ 31.04 million and the OPEC Fund \$ 30 million apart from the government's contribution of \$ 82.34 million. The government has already signed necessary agreements with the co-financiers.

The proposed Shikalbaha 225 MW Dual Fuel (Gas & FO) Power Plant project has been a long standing project which had to face complications in arranging the donors' financing.

On February 19 last year the Executive Committee of the National Economic Council (Ecne) approved the project aimed at meeting growing demand of power in greater Chittagong region.