



# *Coal News and Trends*

## *November 2008*

### **Coal Industry Bid Announcements:**

- **Coal Preparation Facility in India**

The International Competitive Bidding Notice for a 5 million ton per year coal preparation plant to be set up on a build-operate-maintain model has been advertised by Bharat Coking Coal, Ltd. (BCCL), a subsidiary of Coal India, Ltd. The details of the announcement are as follows:

- The bidder is responsible for the entire project spectrum, to include planning, design and engineering, equipment selection, installation, commissioning, operation, and maintenance for 10 years;
- BCCL will provide capital funding and related infrastructure such as land, water, and power;
- Construction is to be completed within 18 months from the contract signing date;
- Bid documents may be purchased for a fee of \$3,000 from October 30, 2008 until November 11, 2008. The document may be downloaded from the website [www.bccl.cmpdi.co.in](http://www.bccl.cmpdi.co.in);
- **Bids must be submitted to the BCCL office by 1:00 pm on February 5, 2009.** Bids will be opened at 3:30 pm on this date;
- A pre-bid meeting will take place at the BCCL office at 12:30 pm on January 5, 2009;
- The link for the bid notice is <http://bccl.cmpdi.co.in/tenderdownload/EDP08-12529.pdf>;
- U.S. companies with requests for additional information on this project are encouraged to contact the Commercial Service Trade Specialist in Kolkata, India: [Arup.Mitra@mail.doc.gov](mailto:Arup.Mitra@mail.doc.gov)

### **Upcoming Events:**

- **International Mining & Machinery Exhibition, November 5-8, Kolkata, India**

The Ninth International Mining and Machinery Exhibition (IMME), organized by the Confederation of Indian Industry (CII) in association with the Ministry of Mines, Ministry of Coal, and Government of India, focuses on coal and mining opportunities, both internationally and within India. The four-day event will provide U.S. companies with a comprehensive look at export opportunities in India's mining sector. U.S. companies with interests in joint ventures and business-to-business alliances are encouraged to attend the event. For additional information, please refer to <http://www.immeindia.com/> or contact [Arup.Mitra@mail.doc.gov](mailto:Arup.Mitra@mail.doc.gov).

- **International Conference on Greenhouse Gas Technologies, November 16-20, Washington, D.C.**

The 9th International Conference on Greenhouse Gas Technologies will be held November 16-20 at The Omni Shoreham Hotel in Washington, D.C. The Conference will be organized by MIT in collaboration with the IEA Greenhouse Gas R&D Programme (IEA GHG), with major sponsorship from the U.S. Department of Energy. The Greenhouse Gas Control Technologies conference series was formed in 1997, and the conferences are held every two years in IEA GHG's member countries. The conference series rotates between, North America, Europe and Asia. To register for the upcoming event, please refer to <http://mit.edu/ghgt9/registration.html>.

## **Recent Events:**

### **ITA Coordinates Over 20 Overseas Delegations to Attend the 2008 MINExpo International Conference**

As the premier coal and mining event in North America, MINExpo International has taken place in Las Vegas since 1996, at which time the country's largest coal event and largest mineral mining event consolidated into one conference. By all accounts, the September 22-24, 2008 MINExpo International conference was hugely successful when compared to the last event, which took place in 2004. The trade floor's square footage increased by 30 percent and attendance was up by 44 percent to a record 38,500 participants. Moreover, the range of participants extended beyond mining equipment suppliers and coal companies and included computer software companies and financial service vendors. Amid the noteworthy successes of the conference, the International Trade Administration (ITA) set a record of its own by coordinating over 20 overseas delegations to attend the conference. ITA trade and energy specialists from Brazil (Belo Horizonte and Sao Paulo), Canada, Chile, China, Ecuador, Ghana, India (Kolkata and New Delhi), Indonesia, Kazakhstan, Mexico, Mongolia, Morocco, Nigeria, Peru, Philippines, Romania, South Korea, and Thailand coordinated delegations of coal and mining company representatives to attend the conference. In addition, ITA international representatives from Argentina, Australia, Turkey and eleven ITA trade specialists from domestic regions with large coal and mineral resources provided support for the event.

Prior to the official opening of the MINExpo International conference, the fifth meeting of the Asia Pacific Partnership - Coal Mine Task Force (APP-CMTF) took place on September 20-21. The meeting allowed the APP-CMTF representatives from Australia, Canada, China, India, Japan, South Korea, and the United States to exchange information on recent flagship activities, current APP-CMTF projects, as well as the future directions of the task force and upcoming project proposals. Under the auspices of the APP-CMTF, the seven member countries are advancing 1) safe coal mining practices; 2) coal mine methane extraction; 3) underground coal gasification; 4) coal mine fire prevention; 5) coal beneficiation; 6) waste coal management; 7) and land reclamation in the developing economies which rely on coal-fired power generation for the majority of their electricity production.

As a designated International Buyer Program, the MINExpo International conference is known worldwide for the quality of discussion opportunities available to U.S. company representatives with export interests in designated markets. As part of the ITA Program of Events, the ITA trade and energy specialists coordinated over 60 pre-arranged meetings between U.S. company representatives and overseas ITA trade specialists engaged in the coal and mining sectors. In a number of instances, the overseas ITA trade specialists were able to coordinate business-to-business meetings between the U.S. company representative and an overseas company representative, thereby serving as an immediate matchmaking and export opportunity. ITA trade specialists are currently following-up on these initial discussions in anticipation of a number of export successes from these meetings.

In addition to the company meetings, the U.S. company representatives gained insight on coal and mining prospects in specific markets through the country panel sessions. These sessions highlighting the markets of India, Mexico, Morocco, Nigeria, and Philippines provided audience members with up-to-date information on each country's 1) economic and political climate; 2) the coal and mining market landscape; and 3) specific issues pertaining to U.S. exports to the designated market. Moderated by the in-country trade specialist, the country panel sessions incorporated overviews and insight from leading company representatives as well as government leaders on upcoming export opportunities available to U.S. firms. For example, the country panel session on India included a discussion on India's growing need for U.S. coal preparation technology and equipment, which will enable India to utilize its domestic coal resources in clean and efficient methods. Four weeks following the MINExpo International conference, a subsidiary of Coal India, Ltd. publically announced a competitive bidding notice for the construction of a coal preparation facility that will clean and process five million tons of coal per year.

Representatives from ITA's Office of Energy and Environmental Industries and the Department of Interior – Office of Surface Mines arranged for a one-day professional development training session on 'International Mining Equipment and Coal Resources,' which followed the MINExpo International conference. Over 20 ITA trade specialists attended the training session which highlighted 1) mineral resources; 2) equipment and machinery; and 3) mineral processing in each of the countries represented by an overseas trade specialist. For all participants, the training session was an insightful opportunity to gain greater understanding of their countries' natural resources as well as the equipment and technologies required to unearth and move the minerals to export markets.

According to the most recent information available from the International Energy Agency, coal serves as a fundamental input for electricity generation throughout many countries in the world. BP's 2008 Statistical Review of World Energy has noted that coal served as the fastest growing fuel worldwide in 2007.

### **Percent of Coal-Fired Power Generation in Select Countries**

*Source: International Energy Agency, <http://www.iaea.org/Textbase/country/index.asp>*

<b>Australia</b>	<b>80%</b>
<b>Chile</b>	<b>17%</b>
<b>China</b>	<b>79%</b>
<b>Germany</b>	<b>49%</b>
<b>India</b>	<b>69%</b>
<b>Japan</b>	<b>28%</b>
<b>Philippines</b>	<b>27%</b>
<b>Poland</b>	<b>92%</b>
<b>Russia</b>	<b>17%</b>
<b>South Africa</b>	<b>93%</b>
<b>United Kingdom</b>	<b>34%</b>
<b>United States</b>	<b>50%</b>

In coming years, the increasing demand for electricity power generation in the developed world and in emerging economies will continue to be met through abundant coal resources. According to the Energy Information Administration, coal-fired generation in 2005 accounted for 41 percent of the world's electricity supply. In 2030, coal's share is projected to rise to 46 percent. Moreover, the rising demand for steel production and infrastructure growth in developing markets will necessitate safe coal mining practices, particularly when one considers that China alone will build between 20,000 and 50,000 skyscrapers in the next 20 years. Currently, more than one-half of China's coal is used in the non-electricity sector, notably for steel and iron production. Both the domestic and international participants at MINExpo International recognized that safe mining practices and clean coal technologies will enable the emerging economies to evolve through their growth in industrial sectors, while the developed economies will continue to advance their manufacturing expertise. The MINExpo International conference highlighted that the worldwide abundance and affordability of coal resources will meet these demands.