

# NEWS ROUND UP

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## ***Sri Lankan industry told to face competition, no protection***

Sri Lanka's government is committed to further opening up the economy and industry must be ready to face competition, not demand protection, State Minister of Finance and Mass Media Eran Wickramaratne said.

"Your industry too has to face up to the issue of protection versus competition, that prices cannot always be controlled and it has to be competitive" he told the 48th Annual General Meeting of the Sri Lanka Shippers' Council.

Foreign participation is a necessity in an integrated and globalised world, Wickramaratne said.

"Liberalisation has worked in other industries like telecommunications and hotels."

As state minister of finance, most of the people who come to see him are businessmen.

"Most of the time they come asking us to protect industry, with the argument that it protects jobs and protects incomes," Wickramaratne said.

"Rarely does anybody speak for the consumer."

Governments are always trying to maintain a balance between the interests of consumers and producers, Wickramaratne said.

While consumers want the best products at the lowest prices, businessmen want to protect their bottom line, he said.

"It is only competition that can deliver on both fronts, for consumers and producers."

Wickramaratne said the government is on track to make Sri Lanka's economy more liberal.

"That's why in the last budget we removed 1,200 para tariffs. We expect to reduce them further. Already people are seeing me and warning that if we do, they might be exposed to unhealthy competition."

The government also wants to change taxation policy and reduce indirect tariffs which hurt the poor more and raise direct taxes. (Economy Next)

## ***Sri Lanka's reported grave crimes plunge, homicides fall***

While high profile criminal acts and gang violence have grabbed headlines, nation-wide police data show a sharp decline in reported grave crimes in recent years, a trend seemed to have begun since a civil war that claimed thousands of lives ended in 2009.

In 2015, 40,188 grave crimes were reported, down from 50,962 in 2014, of which 58 percent were solved by the year end, with 42 percent unsolved (being investigated) a report on police performance filed with the parliament showed.

In 2016, reported grave crimes again fell to 36,917 while unsolved cases (being investigated) fell to 27 percent, or down to 10,068 from 16,613.

In 2017, reported crimes were down to 35,979 and being unsolved cases were down to 7,963 or 22 percent.

The fall in overall grave crimes appeared to have begun after a civil war ended in 2009. This was despite areas previously under the Tamil Tigers also coming under the central government police.

In 2008, 60,870 grave crimes were reported, according to police data, and it fell to 57,340 in 2009. By 2015, grave crimes were down by a third to 40,188.

Reports of homicide and abetment to commit suicide were listed at 1,488 in 2008, while there were 397 attempted murders, making a total of 1,885 incidents.

By 2017, homicides were listed as 452, attempted homicide/abetting suicide was listed as 163 or a total of 615 incidents.

In a breakdown of grave crimes, reported abductions fell from 725 in 2015 to 647 in 2017, but kidnappings rose from 246 to 251.

Cases of reported burglary fell from 12,707 in 2015 to 8,913 in 2017.

Rapes (of adult women) fell from 379 to 294, and rapes of women less than 16 years fell 315 to 232. Statutory rape with the consent of the victim fell from 1,339 to 1,206,

There is also decline in grave crimes against children down from 3,475 in 2015, to 2,911 in 2017, according to the report.

However grave drug crimes were sharply up from 1,641 to 2,845. Grave offense were listed as "importing, exporting, selling or production of any amount of morphine, cocaine or heroin or possession of 1 kilo of hashish, 5 kilos or more of cannabis, 500 grams or more of opium, 03 grams or more of morphine, 02 grams or more of cocaine and 02 grams or more of heroin.:

There were also an increase overall drug offence and police raids. In 2015 there had been 90,408 cases relating to intoxicants and police had seized 13,549 kilograms of drugs of which 13,254 were cannabis.

In 2016, 36 tonnes of cannabis had been seized, which had fallen to 19.7 tonnes in 2017. After the end of the war, there has been increased smuggling of cannabis from India, according to media reports.

Suicides were also up.

It is not clear whether the fall in grave crimes is due to a change in classification or more police being available for policing routine crime fighting after the civil war ended.

"Despite the fact that there is a decline in grave crimes during the past few years, they still seem to exist posing a great threat to the society," the police report said.

"Therefore, a collective effort with the participation of all parties is required to minimize grave crimes."

If the statistics are correct, a current outcry about criminal activity may be due to an anecdotal fallacy, where people arrive a conclusions based on based on unrepresentative evidence, analysts say.

It could also be related to a phenomenon, known as confirmation bias, where people focus only on information that support their beliefs or theories, while ignoring any contrary evidence (cherry picking).

Politicians, especially so-called 'law and order' or nationalist candidates are also known to create false impressions about crime in a bid to promote authoritarian rule.

Donald Trump, who has the backing of Christian evangelists and white nationalists, cited false crime data or cherry picked data to present himself as a 'law and order' candidate, as opposed to a person who promotes rule of law and justice (Trump incorrectly says murders are up in New York).

In the US violent crimes such as homicides have been falling steadily since 1993, but there have been changes in individual cities. The changes also appear large in some years because the base is low, fact-checkers who examined Trump's lies found.

Observers say in countries where there are extra-judicial killings and suspects die in police custody, people will naturally distrust police statistics and it will be easy to fuel conspiracy theories.

After the 1971 and 1979 constitution broke the civil service commission, making once permanent secretaries impermanent, and allowing outsiders to be made ministry secretaries, critics have said that the police was transformed from an institution that protected the people, into a 'Gestapo' that protected the rulers, while only the label was retained.

However after a constitutional council was set up in 2015 the police is chief is no longer appointed directly by the President. It is not clear however whether politicians still have the ability to transfer or punish officers who insist on catching criminals or solving cases.(Economy Next)

### ***Google Romeos slash dengue mosquitoes in Australia town***

More than 80 percent of a dengue fever-spreading mosquito has been wiped out in an Australian town during a landmark trial scientists said Tuesday offered hope for combating the dangerous pest globally.

Researchers from Australia's national science body CSIRO bred millions of non-biting male *Aedes aegypti* mosquitoes in laboratory conditions at James Cook University (JCU) in a project funded by Google parent company Alphabet.

The insects were infected with the Wolbachia bacteria, which renders them sterile.

They were then released into the wild at trial sites around the Queensland town of Innisfail where over three months they mated with females who laid eggs that did not hatch, causing the population to plummet.

The *Aedes aegypti* mosquito is one of the world's most dangerous pests, capable of spreading devastating diseases like dengue, Zika and chikungunya.

It is responsible for infecting millions of people around the world each year and JCU's Kyran Staunton said the successful trial was a major step forward.

"We learnt a lot from collaborating on this first tropical trial and we're excited to see how this approach might be applied in other regions where *Aedes aegypti* poses a threat to life and health," he said.

The so-called sterile insect technique has been used before but the challenge in making it work for mosquitoes was being able to rear enough of them, identify males, remove biting females, and then release them in large enough numbers to suppress a population.

To address the challenge, Verily -- a life sciences company funded by Alphabet -- has developed a mosquito rearing, sex sorting and release technology as part of its global Debug project.

"We're very pleased to see strong suppression of these dangerous biting female *Aedes aegypti* mosquitoes," Verily's Nigel Snoad said.

"We came to Innisfail with CSIRO and JCU to see how this approach worked in a tropical environment where these mosquitoes thrive, and to learn what it was like to operate our technology with research collaborators as we work together to find new ways to tackle these dangerous mosquitoes." (Economy Next)

### ***Sri Lankan PM mulls new local govt structure in 'Megapolis' era***

Sri Lanka needs to reconsider the structure of its local governments to keep up with changing times and the emergence of 'mega-cities' like the planned Western Province Megapolis, Prime Minister Ranil Wickremesinghe said.

Asian urban centers are taking the lead in integrating their national economies with global value and supply chains, he said in a key note speech at the World Cities Summit, International Water Week and Cleanenviro Summit in Singapore, Monday.

"Metropolitan regions with mega infrastructure is the key to transnational connectivity that enables global economic integration."

Wickremesinghe said that large cities have become centres of industrialisation and modernisation.

"They have reaped the benefits of economies of agglomeration. When firms and workers cluster together there is improved productivity and job creation. Mega-cities have gone one step further: they have become highly productive centres which connect workers and businesses with global markets," he said.

"Cities, therefore, have become hubs of wealth creation, attracting waves of people with opportunities for advancement not available in their villages."

But he said the allure of urban life also resulted in the unexpectedly rapid, and therefore unplanned, expansion of cities in South and South East Asia, creating challenges of congestion such as immense population pressures on infrastructure, basic services, land, housing, and the environment.

"Apart from constraining the benefits of agglomeration, these pressures also reduce the quality of life of a city's residents," Wickremesinghe said. "It leaves them unable to access sanitation, sewage, transport, and decent housing. It condemns them to breathing polluted air and to drinking contaminated water."

Such pressures also leaves people's homes and lives vulnerable to the ravages of climate change and natural disasters and compels them to create subcultures in a city's underbelly -- as ghettos, gangs, drug traffickers, and transient communities, Wickremesinghe said.

“For Sri Lanka or any other country to deal with these challenges, we need to politically and financially revitalize and empower local governments,” he said.

The biggest issue in the management of mega-cities is that they involve many levels of Government and Local Authorities.

“Political power in many of our countries were distributed between the Central Government, the Provinces and the Local Authorities in the last century when concepts such as mega-cities and global connectivity had not even been thought of,” Wickremesinghe said.

“ Given that we will now have to exercise these powers for completely different objectives in a completely different environment, it is inevitable then that we must reconsider the structure of our local governments.”

Wickremesinghe said he sees a future where a sprawl of mega urban centres stretches from Beijing to Bangkok to Jakarta to Mumbai.

Although cities across Asia are growing apace, only three (Singapore, Tokyo, and Kobe) are in the top 50 of the Mercer Quality of Life index.

Colombo was the highest ranked South Asian city, but still only stood at 137 out of 231 cities, Wickremesinghe said.

“At least 15 Asian cities are in the bottom 50 of this ranking. Our challenge, as leaders, is to make these Asian cities livable for the present and the future. The sustainable development of our globe depends on whether we succeed or fail,” Wickremesinghe said.

The key thrust of the Sri Lanka initiative will be the Western Megapolis and the two connecting corridor which will cover 9 million people, he said.

The mega infrastructure includes the development of the ports of Colombo and Hambantota in the South. The new landfill adjacent to the Colombo Port is planned as an offshore Financial Centre. Four Special Economic Zones will provide the infrastructure for industry.

Wickremesinghe said the government envisions the Western Province of Sri Lanka, which includes Colombo and the capital Sri Jayewardenepura as a Megapolis of interconnected metropolitan areas.

This would include a light railway system with elevated railways, elevated highways, a multi-modal transport hub, the development of old waterways, and three LNG plants and encompass a Logistics City, a Forest City, and an Aero City.

“We will aim for maximum livability by implementing sewerage and solid waste projects, an Eco Zone, and Riverine Buffer Zone Development,” Wickremesinghe said. “Plans for the megapolis were prepared by Surbana Jurong and the Ministry of Megapolis are in the initial stages of implementation.” (Economy Next)

### ***Govt. gets aggressive on ports as pivot***

Hot on the heels of concluding the landmark revamp of Hambantota Port, the Government is unleashing a slew of initiatives to develop the rest of the Ports in the country as a pivot to strengthen the island’s hub status and boost the economy.

As per measures already approved, multiple Ports in the country will see over \$ 200 million in immediate investment, with more likely if plans go well.

Ports and Shipping Minister Mahinda Samarasinghe told the Daily FT that plans are underway to further expand facilities in the Colombo Port, apart from new measures to maximise the potential of the Ports of Trincomalee and Galle, as well as revive prospects for Kankesanthurai and Oluvil.

In a bid to improve the competitiveness of the Sri Lanka Ports Authority's (SLPA) flagship Jaya Container Terminal (JCT), a fifth facility will be added to the existing offering of four JCTs.

Cabinet has approved the launch of JCT 5 with a wider quay and modern equipment, with an investment of \$70 million. The SLPA's deep-water East Container Terminal (ECT) will be operationalised with a \$100 million investment, though initially a leasing of machinery and equipment is being explored as an option to fast-track.

The Cabinet has also approved for calling for Expressions of Interest for the Colombo West Port, as well as approving the feasibility study by the Asian Development Bank (ADB) for a Colombo North Port.

"To better serve the growing demand for Colombo we need to enhance capacity as well as efficiency," Minister Samarasinghe told the Daily FT in an interview.

The Minister said during the first 5 months of 2018, transshipment volumes in the port of Colombo had increased by 19% with SLPA JCT's growing by 20%.

Colombo is the 13th best connected port in the world, and ranked as the 23rd largest container port in the world, having handled 6.2 million TEUs last year.

Additionally, EOIs have been called for the development of a state of the art passenger terminal, in the Port of Colombo, to cater to the growing arrival of cruise tourists. He said several cruises are bypassing Colombo due to lack of improved infrastructure. Tenders have been called for the setting up of a Marina in Galle Port, which too will boost high-end tourism.

For Trincomalee, the master plan submitted by Singapore's Surbana Jurong, including the setting up of an industrial zone is being studied.

Minister Samarasinghe said the Government is keen to resuscitate the \$50 million spent on Oluvil Port, set up with Danish assistance. "The Port has had issues with sand accumulating as well as facing sea erosion. The Cabinet has agreed on a two-pronged strategy - undertake capital dredging with a Euro 15 million assistance from Denmark at a concessionary rate, and purchase a small dredger for SLPA as a permanent solution, to carry out dredging as and when necessary in the future. We have called for EOIs for investment opportunities within the Oluvil harbour followed by RFPs. A solution has been found to the land compensation issue as well. SLPA will provide alternative land for those whose original land was acquired," the Minister said.

Given these breakthroughs, Samarasinghe expressed confidence that Oluvil port can be operationalised and aim for commercial viability. For the Kankesanthurai port, Cabinet has approved for a soft loan worth \$45 million from India to reactivate it. Minister Samarasinghe said that a national shipping policy is being prepared in consultation with industry stakeholders and once finalised will be submitted to the Cabinet for approval.(Daily FT)

## ***Building liveable cities a challenge to all leaders: PM***

Building liveable and sustainable cities calls for greater integration with global chains, strengthening local governments and ensuring social inclusivity, Prime Minister Ranil Wickremesinghe said yesterday.

Delivering the keynote address at the World Cities Summit, International Water Week and Clean Environment Summit in Singapore, Wickremesinghe noted that large-scale migration to cities has provided new challenges to Governments and policy makers to grow liveable cities that use resources, especially water, sustainably.

“I use the term “Anthropocene” to describe the times we live in, because it is an era indelibly shaped by human activity. One such incredibly influential activity has been our large-scale migration from the countryside to the city; thus the “Anthropocene” is fundamentally marked by urbanisation. Data from the World Bank shows that in 2017, 54.7% of the world’s population – that is 4.1 billion people – lived in urban areas,” he said.

The Prime Minister noted that this change has taken place because around the world, urbanisation has been a transformative trend that has propelled economic growth. By bringing people and enterprises together, large cities have become centres of industrialisation and modernisation. They have reaped the benefits of economies of agglomeration. When firms and workers cluster together there is improved productivity and job creation. Mega-cities have gone one step further: they have become highly productive centres which connect workers and businesses with global markets. Cities, therefore, have become hubs of wealth creation, attracting waves of people with opportunities for advancement not available in their villages, he pointed out.

“The Beijing- Tianjin- Qinhuangdao corridor has a population of over 100 million. I can see a future where a sprawl of mega urban centres stretches from Beijing to Bangkok to Jakarta to Mumbai. Although cities across Asia are growing apace, only three (Singapore, Tokyo, and Kobe) are in the top 50 of the Mercer Quality of Life index. Colombo was the highest ranked South Asian city, but still only stood at 137 out of 231 cities. At least 15 Asian cities are in the bottom 50 of this ranking. Our challenge, as leaders, is to make these Asian cities liveable for the present and the future. The sustainable development of our globe depends on whether we succeed or fail.”

Given its importance, the task of building liveable and sustainable cities require integrating with global supply chains, social inclusivity, and access to new and old ecosystem services. The Prime Minister also outlined plans by the Government to develop Colombo into a Megapolis to improve living standards of nine million people, and would include a light railway system with elevated railways, elevated highways, a multi-modal transport hub, the development of old waterways, and three LNG plants.

“It will encompass a Logistics City, a Forest City, and an Aero City. We will aim for maximum liveability by implementing sewerage and solid waste projects, an Eco Zone, and Riverine Buffer Zone Development,” he said. “For Sri Lanka or any other country to deal with these challenges, we need to politically and financially revitalise and empower local governments. The biggest issue in the management of mega-cities is that they involve many levels of Government and Local Authorities. Political power in many of our countries were distributed between the Central Government, the Provinces and the Local Authorities in the last century when concepts such as mega-cities and global connectivity had not even been thought of. Given that we will now have to exercise these powers for completely different objectives in a completely different environment, it is inevitable then that we must reconsider the structure of our local governments.



“As we continue to face these traditional challenges, we must also be aware of the new developments in urbanisation, which will characterise the Anthropocene in the 21st Century. One characteristic of high-density living is the opportunity for a wide variety of people-to-people interactions.”

However in recent times, Wickremesinghe stated, that human communication has been completely overshadowed by a new phenomenon. Driven by sophistication in electronic sensors for information capture, new generation high-speed internet for rapid information transmission or receipt, and artificial intelligence for making judgments based on the analysis of massive volumes of data, “things” are now communicating, both with each other and with humans. Around 35 billion “things” are connected to the Internet today. Cisco Systems estimates that this will rise to 50 billion by 2020, far exceeding the number of humans connected to the internet, estimated at around 4 billion persons using 25 billion apps.

“This can have an immense impact on the way we live in and govern cities. Consider something seemingly simple, like ‘smart’ streetlights. A 2015 study by the Northeast Group estimated that cities around the world would invest \$64 billion in LED and ‘smart’ streetlights by 2025, along with sensors, communications, and analytics software that would make their street lighting infrastructure ‘smarter.’

“We must recognise that our cities cannot stand in isolation: they depend on their hinterland for the provision of the ecosystem services. In Sri Lanka water has become the most critical of these eco-system services. The challenge for the ancient Kingdoms was to manage the vast volumes of water made available by the Monsoons. The rainwater was conserved in artificial ponds and man-made reservoirs for drinking and irrigation, which remain serviceable to this day. In recent years, possibly due to global climate change, while Sri Lanka’s annual precipitation is falling, the frequency of extreme events is increasing. This is further aggravated by the rising population and industrialisation of the southwest. The result has been disastrous. Lives, livelihoods, and property have been lost with disturbing regularity through floods and landslides. Water today is a foe. In fact, the 2004 tsunami made the sea our enemy as well.” (Daily FT)

### ***Lankan-born Michael Ondaatje’s *The English Patient* wins public poll of best Man Booker in 50 years***

*The English Patient*,” the wartime love story by Sri Lankan-born Canadian Michael Ondaatje, won the Golden Man Booker Prize in London on Sunday night, the New York Times reported.

The one-off award, voted for by the public, commemorates the 50th anniversary of the Man Booker prize. The shortlist of five novels was selected by a panel of judges from the 51 previous winners of the Man Booker, which honours the best novels written in English and published in Britain or Ireland.

“The English Patient is a compelling work of fiction — both poetic and philosophical,” Baroness Helena Kennedy, chair of the Booker Prize Foundation, said in a statement. “As we celebrate the prize’s 50th anniversary, it’s a testament to the impact and legacy of the Man Booker Prize that all of the winning books are still in print.”

Born in 1943 in Sri Lanka, when it was known as Ceylon, Ondaatje now lives in Canada. “The English Patient,” which follows the lives of four characters brought together during World War II, told through the morphine-affected memories of a severely burned patient, was a Booker Prize winner in 1992.

In a review in The New York Times, Christopher Lehmann-Haupt wrote: “Reading ‘The English Patient,’ you hold on to the gunnel and your hat at the start. But by the end you find yourself resting on the bottom of the boat, with your hat over your face to keep off Ondaatje’s too brilliant prose.” The film adaptation, starring Kristin Scott Thomas and Ralph Fiennes, won nine Academy Awards in 1997, including Best Picture.

Each of the judges for the Golden Man Booker Prize was allocated a decade from the prize’s history and tasked with selecting the best work from it. The public then voted on this shortlist.

Last year’s winner, “Lincoln in the Bardo,” by George Saunders, was selected by the poet Hollie McNish. Simon Mayo, a novelist and broadcaster, chose the 2009 prize winner “Wolf Hall” by Hilary Mantel. The poet Lemn Sissay picked “Moon Tiger” by Penelope Lively, the winner in 1987. And Robert McCrum, a writer and editor, selected “In a Free State” by V.S. Naipaul, which won in 1971. “The English Patient” was selected by the novelist Kamila Shamsie to represent the 1990s. Shamsie said in a statement, “‘The English Patient’ is that rare novel which gets under your skin and insists you return to it time and again, always yielding a new surprise or delight.” (Daily FT)

### ***Qatar Airways adds additional capacity to Colombo***

Qatar Airways has deployed the state-of-the-art A350 aircraft to Sri Lanka’s capital city, Colombo, commencing 1 July, boosting capacity in tandem with growing demand.

It said the new aircraft will increase the award-winning airline’s daily capacity to Colombo by 15%, with an additional 195 seats per day to accommodate increased travel demand to and from Sri Lanka.

The ultra-modern Airbus A350-900 aircraft features a total of 339 seats, with 30 Business Class seats and 309 in Economy Class. Due to the extra-wide cabin design, passengers on board are offered unparalleled comfort in both cabins, with fully lie-flat beds in Business Class and spacious seats in Economy Class.

Qatar Airways Group Chief Executive Akbar Al Baker said: “We are delighted to bring the A350 to Colombo, to further accommodate the robust demand from both leisure and business travellers. Colombo is our gateway to one of the most vibrant cities in South Asia, and we are thrilled to enhance our offering and continue to demonstrate our long-term commitment to Sri Lanka.

“Qatar Airways continues to offer its passengers the best service in the sky, and is pleased to seamlessly connect even more of its customers from the capital of Sri Lanka through its hub, Hamad International Airport (HIA), to the rest of the world.”

Qatar Airways flies to Colombo four times daily from its home and hub in the State of Qatar, HIA. The airline’s passengers can enjoy seamless connections to more than 150 business and leisure destinations around the world, including London, Milan, Rome, New York, Paris, Los Angeles, Frankfurt, Zurich, Nairobi, and Chicago.

The award-winning airline has received a record number of accolades recently, including ‘Airline of the Year’ by the prestigious 2017 Skytrax World Airline Awards, which was held at the Paris Air Show. This is the fourth time that Qatar Airways has been given this global recognition. In addition to being voted Best Airline by travellers from around the world, Qatar’s national carrier also won a raft of other major awards at the ceremony, including ‘Best Airline in the Middle East’, ‘World’s Best Business Class’ and ‘World’s Best First Class Airline Lounge’.

Qatar Airways recently revealed a host of upcoming new global destinations, including the announcement that it will be the first Gulf carrier to begin direct service to Luxembourg. Other exciting new destinations to be launched by the airline include Tallinn, Estonia; Valletta, Malta; Langkawi, Malaysia; and Da Nang, Vietnam. (Daily FT)

## ***More bidders cry foul over tender process for second Kerawalapitiya LNG power plant***

Bidders involved in the tender process for the second 300 MW LNG Plant in Kerawalapitiya are crying foul over the procurement process followed, with changes to the Request for proposal during the tender period, and withholding of the proper specifications required to submit a comprehensive bid.

The tender conditions were imposed haphazardly and only when it suited some bidders, alleges Windforce & RenewGen, the local partner of Chinese-owned Golden Concord Holdings (GCL), the company recommended by the Procurement Appeals Board (PAB) to be awarded the contract.

The Consortium, with 60% owned by GCL and Windforce and RenewGen holding 40%, appealed against the decision given by the Cabinet Appointed Procurement Committee (CAPC) to award the contract to Lakdhanavi Ltd, affiliated to Ceylon Electricity Board through its 63% shareholding of LTL Holdings which owns 82% of the bidding company shares, outlining a number of issues, including conflict of interests with CEB members sitting in the Technical Evaluation Committee.

“When one bidder was late by two minutes, that bidder was disqualified because they were two minutes late. Then another was disqualified when the pen drive in which they had saved the bid was not opening in the computer which was used by the committee. But when another bidder disregarded a condition, which specifically states they cannot take in any concessions that were not named in the RFP, they were still considered,” a representative for Windforce and RenewGen told Daily FT.

The appeal the Company put to the PAB also highlighted this issue, and both the Finance Ministry and Power and Renewable Energy Ministry have highlighted the same. Further, the letter given by the Finance Minister recording his opinion on the matter specifically states that no concessions are available for the bidder in question.

Further, the TEC and CAPC took over a one-year period for the evaluation, during which time the CAPC Chairman was changed and the recommendations made by TEC were revised on several occasions, as outlined in the 9 page letter by Power and Renewable Energy Ministry Secretary Dr. B. M. S. Batagoda.

The bidders also highlight a conflict of interest in having several members from the CEB, which holds shares in the bidder Lakdhanavi through its shareholding in LTL, on the TEC.

“There is a clear conflict of interest here, giving one bidder undue advantage,” says a Windforce and RenewGen representative.

Further, bidders allege requirements outlined in the RFP were revised twice during the tender period to fit the qualifications of one tenderer, who would not have been able to bid under the original RFP requirements.

In addition, there were shortcomings in the bidding document, with incomplete information given to bidders which left them unable to provide a comprehensive bid. The bid document did not include a

Technical Specification Sheet of LNG, leading to deviations in the bid. This prompted the TEC to accept five bidders with minor deviations.

“We have requested for the specifications of LNG from the TEC repeatedly, but we were not given the same; if the TEC doesn’t know who is to know. We had to make assumptions here, and that’s why some bidders didn’t include a booster pump in the bid, instead costing for a reducer as per the international experience. There was one bidder who had included the cost of the booster pump in the bid, leading to disparities,” one bidder told Daily FT, pointing out shortcomings in the tender document. (Daily FT)