

Q.7

Pakistan's energy crisis was due to the lack of strategy and political will. Discuss. (CSS-2020)

Pakistan's energy crisis can indeed be attributed to a combination of factors, including a lack of clear strategies and political will. Let's discuss these aspects in detail:

1- Lack of Strategy:

a- Inadequate

a- Inadequate planning: Historically, Pakistan has struggled with inadequate long-term planning in the energy sector. This has resulted in a failure to anticipate and address the growing energy demands of the country.

b- Over emphasis on fossil fuels: There has been disproportionate focus on conventional

ditional thermal power generation, heavily reliant on costly imported fuels such as oil and gas. Insufficient attention was given to diversifying the energy mix and developing renewable energy resources.

Political Will:

a- **Policy inconsistency:** Frequent changes in energy policies and lack of continuity across the successive governments have hindered the development of a stable and conducive environment for the energy sector.

b- **Delayed decision-making:** Critical decisions related to energy projects, including approvals, permits, and investments, have often been delayed due to bureaucratic processes, political considerations, and a lack of timely decision making.

c- **Inadequate Implementation:** Despite the formulation of energy plans and policies, their effective implementation has been hindered by bureaucratic hurdles, corruption, and political interference.

Lack of Investment:

a- **Insufficient Funding:** The energy sector has faced a chronic lack of investm-

ent, both domestic and foreign, due to various factors, including economic instability, policy uncertainty, and an unfavourable business environment.

b- Financial Constraints: Pakistan's fiscal challenges have limited the government's ability to invest adequately in the energy sector, resulting in the lack of funding for infrastructure development and capacity expansion.

04
Circular Debt and Financial Sustainability:

a- Circular Debt: The accumulation of circular debt, caused by delayed payments, non-recovery of dues, and inefficiencies in the energy distribution system, has significantly impacted the financial sustainability of the energy sector.

b- Subsidy burden: Excessive subsidies on electricity tariffs, aimed at keeping consumer prices low, have further strained the financial health of the energy sector, leading to liquidity issues and hindering investment in infrastructure development.

05
Infrastructure Challenges:

a. Inadequate transmission and distribution infrastructure: The out-dated and insufficient capacity of the transmission and distribution infrastructure has resulted in technical losses, load shedding, and inefficiencies in the energy supply chain.

b. Limited energy storage capacity:

Insufficient energy storage capacity facilities, such as pumped storage hydropower, have limited the country's ability to manage intermittent renewable energy sources and ensure stable and reliable power supply.

Conclusion

To sum up, addressing the energy crisis in Pakistan requires a comprehensive approach that includes the formulation and implementation of a long-term energy strategy, consistent policies, enhanced investment opportunities, improved governance, and a focus on diversifying the energy mix. It is crucial to prioritize renewable energy sources, improve infrastructure, promote energy efficiency, address circular debt, and create an enabling environment to

attract domestic and foreign investments. Additionally, ensuring transparency, accountability, and effective regulation within the energy sector is essential for its sustainable growth and development.