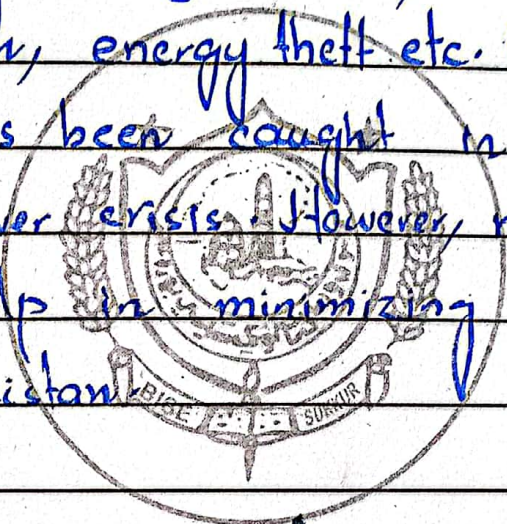


Power crisis in Pakistan: Causes and Solution

Outline

1- Introduction

Thesis statement:- In Pakistan, several factors have contributed to power crisis which include, imported hydrocarbon, outdated transmission system, energy theft etc. Resultantly, Pakistan has been caught in a vicious cycle of power crisis. However, rational policies can help in minimizing power crisis in Pakistan.



2- A bird's eyeriew of power crisis in Pakistan

3- Causes of power crisis in Pakistan

- a) Dependency syndrome on imported hydrocarbon for energy generation
- b) Massive loss of energy due to outdated transmission system

- c) Rampant energy theft in Pakistan
- d) Growing indulgence in corruption in the WAPDA sector
- e) No bill payment system in FATA
- f) Continual temper with meter reading
- g) Overuse and misuse of electricity in homes

4- Implications of power crisis on Pakistan

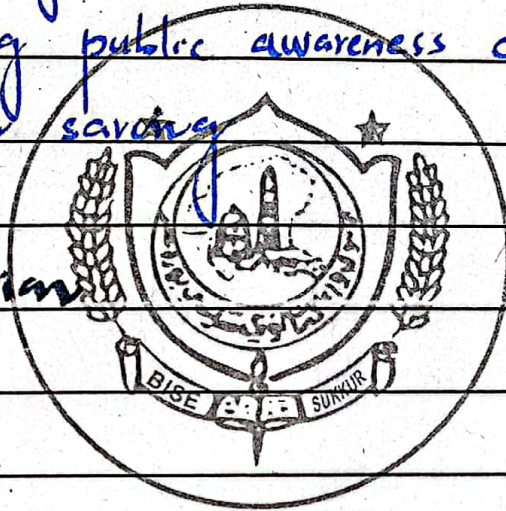
- a) Tremendous debt trap has caught Pakistan in a severe trouble
- b) Unprecedented trade deficit due to imported hydrocarbon
- c) Massive loadshedding in rural and urban areas
- d) Price of energy has reached at peak
- e) Decline in industrial growth in Pakistan
- f) Public protest against skyrocketing prices of energy

5-

5- Rational policies to minimize power crisis in Pakistan

- a) Focusing on energy generation from local resources.
- b) Replacing outdated transmission system with a new system
- c) ^{Ensuring} Digital meter reading in Pakistan
- d) Making government officials accountable
- e) Enhancing public awareness on the importance of power saving

6- Conclusion



Essay:

"Pakistan has been caught in energy crisis since 2007." (The Pakistan Bureau of Statistics, 2020). However, Pakistan is facing energy crisis, but rational measures can put an iron hand to such crisis? Unfortunately, several factors have contributed to power crisis in Pakistan. Among them, chief factors are dependency syndrome on imported hydrocarbon for energy generation, massive energy loss due to outdated transmission system, rampant energy theft, and growing indulgence in corruption in the WAPDA sector. Not only these, but no bill payment system in FATA is also one of main causes. Along with these, continual tamper with meter reading, and overuse and misuse of electricity in homes have also led to power crisis. In consequence, Pakistan faces several implications such as, tremendous debt

trap, unprecedented trade deficit, massive loadshedding, skyrocketing energy prices etc. However, Pakistan has potential to solve growing power crisis with the recommended measures including, production of energy from local sources, fixing new transmission system, digital meter reading, making government officials accountable and so on. In Pakistan, all above factors have contributed to power crisis. Imported hydrocarbon, out-dated transmission system, energy theft etc are chief contributors. However, rational policies can help in minimizing power crisis and its implications.

Pakistan, unfortunately, has been facing energy crisis since 2007. No doubt, Pakistan has become vulnerable to massive power crisis. As a result, the massive loadshedding is prevailing in Pakistan as an unending dilemma.

As per the report of PBS, "Pakistan has faced the peak of ~~in~~ loadshedding in fiscal year 2022" (Pakistan Bureau of Statistics, 2022). This shows that Pakistan has been revolving in a vicious cycle of power crisis since 2007.

Dependency syndrome on imported hydrocarbon for energy generation is one of the causes that have contributed to power crisis in Pakistan. In fact, Pakistan generates its energy from imported hydrocarbon. This has made Pakistan to depend on hydrocarbon to meet its required energy. "About 60% of energy in Pakistan is producing from imported hydrocarbon" (The Pakistan Bureau of Statistics, 2022). Hence, dependency syndrome on imported hydrocarbon for energy generation has resulted power crisis.

Along with imported hydrocarbon, massive loss of energy due to outdated transmission system is also a major cause. Unfortunately, Pakistan is still relying on outdated transmission system for energy transmission. Resultantly, Pakistan loses a major part of its energy. According to the PBS, "Pakistan has the highest energy loss in transmission system in Asia with 17 pc loss of energy." (The Pakistan Bureau of Statistics, 2022). Therefore, massive energy loss due to outdated transmission system has increased power crisis in Pakistan.

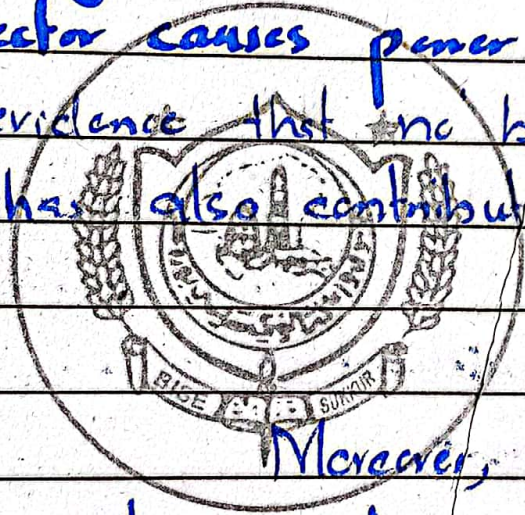
Further, rampant energy theft in Pakistan is not a new thing that has contributed to power crisis. More than half of Pakistan has become used to energy theft in order to save personal money. It is seemed that "kumchi system" has become a common trend

for energy theft. "People of Sindh and Balochistan are used to 'kundi system' for energy theft in Pakistan." (The Pakistan Health Service Department, 2012)
This rampant energy theft has led to power crisis in Pakistan.

Furthermore, growing indulgence in corruption in WAPDA sector has become a tradition. That has deep roots indulgence in corruption. As a consequence, power crisis has become a complicated challenge to Pakistan. Almost employees in the WAPDA are involve in corruption on the ideology of 'give and take' - power in Pakistan. Thus, growing indulgence in corruption in WAPDA has resulted power crisis in Pakistan.

Not only these, but no bill payment system in FATA is also

a main driver of power crisis in Pakistan. Unfortunately, Pakistan lacks proper checks and balances in its governance of power promotion. This is visible in FATA system which has no policy of bill payments. According to the experts, "In Pakistan, there is no crisis, but crisis of governance in managing efficient power sector causes power crisis." This is an evidence that no bill system in FATA has also contributed in power crisis.



Moreover, continual tamper with meter reading has also threatened power sector of Pakistan. In fact, meter reading is not a complete effective tool for transparency. As people are using different tricks to tamper with meter reading. In consequence, Pakistan has become vulnerable to the threat of tamper meter reading. Hence, tam-

per with meter reading has increased power crisis in Pakistan.

Besides these, overuse and misuse of electricity in homes is one of factors that have contributed to power crisis in Pakistan. In fact, Pakistanis are careless regarding the importance of energy. Most of energy has been wasted due to misuse and abuse in homes. Keeping electric appliances on such as fans, bulbs, electric meters without any use, contribute to power loss. Therefore, overuse and misuse of energy in homes also lead to power crisis in Pakistan.

Unfortunately, growing power crisis has several impacts on Pakistan, among which tremendous debt trap is a serious trouble. Pakistan has become fragile to foreign debt due to growing

power crisis. This is definitely a push towards a dark phase of debt. As per Barclays Bank, "Pakistan has about \$ 15.5 billions of foreign debt." (Barclays Bank, 2022). Hence, tremendous debt trap has become a serious challenge to Pakistan.

Not only this, but unprecedented trade deficit due to imported hydrocarbon is ^{also} another serious challenge to Pakistan. Pakistan, unfortunately, has unbearable trade deficit every year. Growing dependency on imported hydrocarbon has pushed Pakistan towards deficit of trade. "About 60% of trade deficit of Pakistan is due to imported hydrocarbon." (Pakistan Bureau of Statistics, 2022). This trade deficit has caused economic downturn in Pakistan.

Further, the massive

loadshedding in rural and urban areas is also a growing dilemma. Unfortunately, Pakistan has become unable to meet with required energy supply. In consequence, both rural and urban population has deprived of energy supply.

"Unfortunately, 16 to 18 hours of loadshedding in rural and 8 to 10 hours of loadshedding in urban is a clear evidence of it." (Pakistan Bureau of Statistics, 2022). Hence, the massive loadshedding in rural and urban areas is a growing dilemma in Pakistan.

Furthermore, price of energy has reached at peak. In Pakistan, skyrocketing price of energy is growing, day by day, instead of decreasing. In fact, both prices, commercial and domestic unit, have touched at peak. As per economic survey, "Price of domestic unit in 2022 was"

increased from 16 to 34 PKR; however, price of commercial unit was 36 to 64 PKR per unit." (Economic Survey, 2022). This skyrocketing price of energy has weakened position of Pakistan.

Moreover, decline in industrial growth has been prevailing since 2007. In Pakistan, energy crisis start led to industrial development downturns. Resultantly, Pakistan has also lost essence of its industrial development. "About 35% of cotton is shifted to abroad and 80% of industries are closed in 2022." (Economic Survey, 2022). Therefore, power crisis has become a root cause of industrial decline in Pakistan.

Along with all above, Pakistan also faces the public protest against skyrocketing prices of energy.

Pakistan as the third world country has not able to pay unprecedented energy prices. People have low incomes to run their households. This, as a result, made people aggressive against skyrocketing prices of energy. Therefore, public led to massive protest against high energy prices in Pakistan.

However, Pakistan has a huge potential to contain power crisis with recommended measures including energy generation from local sources. In fact, Pakistan needs to reduce its tendency towards imported hydrocarbon for energy generation. Fortunately, Pakistan has unlimited resources to produce its energy from renewable sources. According to Economic Survey, "Pakistan will produce its 60pc of energy from local sources including, wind, solar, and hydro." (Economic Survey, 2022). This



energy generation from local sources can reduce power crisis in Pakistan.

Moreover, replacing out-dated transmission system with a new system can also put an iron hand to power crisis in Pakistan. In fact, Pakistan should get ready to replace its out-date transmission system that has been working since its creation. However, Pakistan has also put effort to shift a new transmission system. "Transmission loss is reduced by 3pc due to a new transmission system from Lahore to Multan." (Pakistan Bureau of Statistics, 2023). Therefore, replacing out-dated transmission system with a new system can reduce power crisis in Pakistan.

Along with these, ensuring digital meter reading can also

contain power crisis in Pakistan. In fact, Pakistan has a need of shifting digital meter reading to run efficient power sector. It will definitely decrease growing power crisis. Hence, Pakistan should ensure a strong digital meter reading.

Furthermore, making government officials accountable is a major step ahead to make power sector transparent. In fact, transparency is a huge solution to every problem. This accountable mechanism can also help Pakistan in reducing power crisis. "Accountability is an iron hand to corruption and for corrupt individuals." (Toqeer Hussain). Thus, making government officials accountable is a major solution of power crisis in Pakistan.



Last but not the least, enhancing public awareness on the importance of power saving would be the best solution. As Pakistan is the populated country and most of its population is unaware of importance of energy saving. Enhancing awareness can help in saving power in Pakistan. According to Nelson Mandela, "Education (awareness) is a tool of changing the world." Therefore, enhancing awareness among public on the importance of power saving can reduce power crisis in Pakistan.

In conclusion, Pakistan faces power crisis that need rational solutions. Unfortunately, several factors have main contributed to power crisis such as, dependency on hydrocarbon for energy generation, outdated transmission system, rampant energy theft etc. Not only



these, but Pakistan has also become vulnerable to its implications. Tremendous trap of debt, unprecedented trade deficit, massive loadshedding and skyrocketing price of energy are some of its severe implications.

Despite all above, Pakistan, fortunately, has a tremendous potential to reduce growing power crisis. Several rational measures including, energy generation from local sources, replacement of outdated transmission system, digital meter reading and so on can help in reducing power crisis.

Therefore, Pakistan can put an iron hand to power crisis for the better future progress. "Pakistan has a tremendous potential to contain energy crisis." (The World Bank Recommendations, 2023).