OVERVIEW

24-25 overall lectures
8-9 lecture **Contemporary portion** – Sir Farid Khan
4-5 lecture C.A Relations
6-8 lecture Security and Politics of Pakistan
3 lecture Constitutional developments
2 lecture nuclear securities
3-4. lecture organization
~~(BRICS)~~

Pak Affairs/ CA/ IR / essay/ pol sci/ pub adm/ environmental etc. etc. many topics are overlapping and cover here
Sir Farid's Portion: All the Contemporary topics and main topics
Either relational, international etc. and comparatively old and smaller topics are being devolved to other facilitators.

1. US China
    a. Trade war
    b. Currency war
    c. Taiwan
    d. Rivalry in the middle east
    e. QUAD
    f. BRI
    g. BRI vs B3W
2. Russia VS NATO
    a. Resurgence of Russia
    b. Revival of NATO
    c. War in Ukrain and its implication
3. Multipolarity
    a. Retreats to U.S
        i. U.S debt Crises
    b. The rise of China
    c. The resurgence of Russia
4. Politics of Climate change
    a. North – south divide on de carbonization
    b. COP 21
    c. Findings of COP 26-27
    d. Challenges
5. War on terror
    a. Revival of Taliban in Afghanistan
    b. Challenges of Afghan Taliban Government
    c. Why U. S and NATO failed in Afghanistan
    d. The revival of TTP in Pakistan
6. Middle East
    a. Saudi Arabia – Iran Rapprochement
    b. Yemen
    c. Syria
    d. Iraq
    e. Lebanon
    f. Israel (Palestine)
    g. Pakistan
    h. US- China Rivalry
    i. **Hammas Israel War – Implications on the region and global power dynamics**
7. Commodities Supercycle
8. BRICS, G20

National Topics:

1. Energy Crises
2. Economy (2 lectures)
    I. Balance of payment crisis
    II. Budget deficit
    III. Trade deficit
    IV. Loan and IMF
    V. Devaluation of Pkr
    VI. Inflation
3. Internal security (TTP)
4. Political crises and instability

Relations: CPEC (China-Pakistan relation)- the decade of CPEC (achievement and failures)

1. Pak relations with Saudi Arabia and Iran
2. Kashmir issue (Pakistan – India relation)
3. US – India Strategic partnership and its implication on Pakistan
4. Pakistan China strategic partnership

Preparation:

1. Those who wants to study by themselves:
    a. National
        i. Dawn (editorials and articles)
        ii. IPRI
        iii. ISSI
        iv. IICR
        v. Pildat
    b. International
        i. Foreign affair magazine
        ii. Foreign policy magazine
        iii. The economist
        iv. Wall Street Journal
2. Those who wants to study with us:
    a. Facebook group: Sirfaridkhan (data in a proper sequence)
    b. CSS related books:
        i. CA book and Magazine of NOA
        ii.
    c. Lectures

Data Bank:
Data should be in bullet form
separate file for each topic and subjects

start attempting questions according to the data bank.

Energy Crises in Pakistan

Introduction

a. General start
b. Particular topic
c. Summary (Conclusion)

Pakistan has been facing multiple and serious challenges like political instability, constitutional crises, security threats, unprecedented economic crises, etc. (General start). one of the severe crises faced by the country is the energy crises where the state faces not only the inadequate amount of loadshedding but also mounting prices of electricity bills. (Particular/ Specific statement) This energy crises have far reached negative implications on industries, agriculture, markets, domestic life, and public sector. There is a need of addressing these crises at the earliest in order to overcome its negative implications on the national life of Pakistan. (summary)

Loadshedding In Pakistan:
The energy sector of Pakistan is facing severe loadshedding.
In the Summer 2023, the shortfall was well above the 7000 MW
Loadshedding in the urban centers varies from 4-5 hrs a day while in rural areas 10-12 hrs a day

In Summer 2022, the short fall was more than 10,000 MW while loadshedding in the urban center was around 8hrs a day. In rural areas around 16-18 hrs a day.
From 2007 till end of 2016, the shortfall varied from 5000 to 8000 MW
The loadshedding in the urban centers from 2006 to 2016 was around 8hrs a day.
In rural areas, more than 18hrs a day. In 2022-23, dangerous revival of energy.

Expensive electricity generation is the major problem of Pakistan:

As the country generates the most expensive electricity in Asia and 3rd most expensive electricity generated in the World. (PM of Pakistan)
domestic unit charges vary from 34 to 65 PKRs. The price of per unit decided on the basis of SLABS being introduced by NEPRA. Below 100 units (1-100units) the cost is almost 28Pkr including all the taxes and other charges. From 100–300-unit slab price is 44 Pkr per unit including all the taxes and other charged. From 300-600 unit slab the cost is about 56 pkr per unit. Above 600 units the minimum price per unit is 65 pkr.
In commercial (markets, industry, agriculture), it varies from 48 to 90+ PKRs per unit cost. Slabs are also vary the prices per unit. The prices got almost more than 3 times in the last two years. The cost of domestic unit of slab 300-600 unit, 18pkr in 2022, now the price rises more than 56 Pkr.

Implications:

1. **Industry is one of the major and worst hit.**
   The price of the product is decided on the basis of the purchase of raw material, transportation cost, labor rates and the price of electricity. On one hand the state has not be able to ensure the non-stop supply of electricity. On the other hand, the generation cost of electricity has been increased three times that has resulted in higher production cost of industrial products. Therefore, the products of Pakistan not been able to compete in international market those which are produced in Bangladesh and India, resultantly decline in exports especially in textile, leather, sports products etc. Industry is the worst hit. More than 200 industries closed in Pakistan since last 2 years. Multiple factors are responsible, unprecedented rise in electricity is the major reason.
2. **Setback for the agriculture:**
   More than 30% of Agriculture of Pakistan is based on tube wells and digwells. Majority of those tube wells are powered by electricity. The more the loadshedding the more the set back of agriculture. The cost of agricultural product rises with the increase in the price of electricity.
3. **Implications on domestic life:**
   More than the 40% of the earning of lower middle class is being consumed by the electricity bills because there has been unprecedent increase in per unit price of electricity. This has negatively impacted disturbed the routine domestic budget of every house hold. Repeated load shedding effected the domestic life.
4. **Commercial market**:
   Commercial markets effects badly due to increase price of electricity. As Per unit cost of electricity has been increased almost 3 times in last few years. Shopkeepers have to add the price of electricity to the price of the product they sale. Burden is shifted to the consumer. Load shedding have forced them to make the use of generators in the peak or shopping hours which are taken from the buyers.

5. **Public life:**
   Because of loadshedding, deindustrialization in under process. Results in increase in unemployment. The price of commercial unit has increased. Therefore, the shopkeeper is bound to add the cost of electricity to the final cost of the product. On one hand purchasing capacity of people decline on the other the earning of the businessman is tremendously curtailed. Therefore, electricity tariffs have become the major socio-economic problem of the company that has been far reaching negative implication on the national life of the country.

Reasons of expensive electricity in Pakistan:

1. **Pakistan generates more than 60% electricity through Hydrocarbons (HC).**

12000 MW electricity units are installed capacity of diesels, more than 7000 MW of LNG, around 6500 MW of coal. Diesels is most expensive; LNG is the second most and 3rd the Coal. Almost all the HC being consumed for production of electricity are imported. All the diesels, LNG, petrol and majority of Coal is being imported. The prices of HC jumped up in international market after the war in Ukraine and Sanctions on Russia. All the HC has been purchased in Dollars while Rupee has been devalued against dollars. In 2021, if 1-billion-dollar oil is import had a cost of 178 billion Pkr, today it has more than 275 billion Pkr.

2. **Expensive agreements with IPP (Independent power producers)**

Independent power producers or the private sector producers produces electricity from HC. These IPP were installed in 1994, 2005, 2011, and 2014. The more the increase in demand, the more the IPPs got installed. First and the major reasons for expensive electricity is the capacity payments made to IPPs. In Summers, the demand is on the peak as in July 2023 it was around 28,000 MW while in winters it reduces by more than 50% as in January 2023 it was less than 14000 MW. The agreement with IPP is being signed on the basis of maximum demand. In Summers the state has to purchase the maximum demand while in winter it reduces (normally it reduces to 40%). The state has to purchase this much electricity the minimum. But if the state does not purchase, the required volume of electricity yet again it has to pay the price. Unprecedented increase in the capacity payment which is currently more than 2.3 Trillian Pkr.

All the IPPs Payment are being paid in Dollars. As far the external IPPs has send they. Must have to pay in dollars, but locally owned IPPs has being paid in Pkr. Unfortunately, we have paid the local IPPs in dollars that results into decline in the dollar reserves.

3. **Problems with the electricity distribution system results in loadshedding and expensive electricity.**

The transmission line of Pakistan is seriously outdated. Majority of them has got expired either before 2000 or 2010. Resultantly the line lost in Pakistan is highest in Asia which is 17%. This line lost in China is 3%. Approx. 9% in India and Bangladesh. Around 12% in Afghanistan. This means out of 100 MW being produced and 17 MW being lost in lines. The cost of it to be afforded by the state and consumer.

Secondly, electricity theft is one of the major reasons for the increase in electricity prices. In South Asia, Pakistan is on the top of the list. The common pattern of electricity thefts is the Konda system, temper the meter reading etc. This electricity theft in urban centers, Karachi is

the top most city, while there is no single city where electricity theft is not reported. In urban centers it is mostly done by industrialist and builders while in rural areas it is by agriculturist who use to theft. This electricity theft in common areas where the writ of the state.

Solutions:

1. **Renegotiate the agreements of IPPs.**

The agreement signed in 1986, 1991, 1994, 2002, and 2005 should have been negotiated long time ago but unfortunately decades long delay was made by the successive governments. Until 2020, when these agreements were renegotiated no more capacity payments, local IPPs would pay off in Pkr. It was a positive development but the it has solved the problem maximum by 40%. As majority of IPPS being installed in 2011 and 2014, which cannot be renegotiated till 2028.

2. **Install local and cheaper electricity projects.**

Energy policy 2030, focuses on indigenization of electricity generation. 15000 MW of electricity would be produced from hydel projects, in which diamer basha dam would add 4500 MW by 2029, Dasu would add 4300 MW by 2027, Mumand dam 800 MW by 2025, Karot has already started generation of 730 MW, Sukhi kinari would 883 MW etc. Secondly increasing focus on electricity from local coal of Thar, as one project of 1320 MW, and 4 projects of 320 MW are already completed. Thirdly, 4500 MW would be produced by wind turbines and 2000 MW from solar projects. The objective of Pakistan is to achieve zero percent of dependency on important hydrocarbons for electricity generation by 2030.

3. **Revamp / updated the transmission lines**

Though it is an expensive phenomenon but the country is in dire need of changing the outdated transmission lines. The local transmission and the broader network NTDC (National transmission dispatch) needs to be changed. The line lose and the electricity theft would be greatly reduced.

Conclusion:

Above steps mentioned steps will be taken, not only loadshedding would be over with that would help to decrease the overall price per unit.