

# Essay:- Energy crisis and its impact on Pakistan's economy

Outline

Keep practicing on different themes/topics

## 1) Introduction+

Energy crisis is one of the oldest and constant issue in Pakistan. Energy crisis is affecting every sector of Pakistan. Moreover, its impacts on Pakistan's economy are very negative, ~~and~~ dangerous and long lasting.

## 2) Causes of energy crisis in Pakistan

- a) Demand and supply ~~short~~ <sup>gap</sup> causing frequent power outages
- b) Old/~~and~~ outdated and damaged transmission system with frequent leakage points
- c) Electricity theft and lack of legal action against criminals
- d) Production of electricity from non-renewable resources ultimately making expensive electricity

## 3) Impacts on the economy of Pakistan

- a) Shortfall leading towards outages disrupts the functioning of industries their production rates and eventually ~~declines~~ the exports

leads to decline

- b) Negative impact on agriculture sector ✓ production
- c) Increased ✓ tariffs due to capacity payments ✓
- d) Expensive electricity per unit for domestic and commercial use causes inflation ✓
- e) Increased inflation decreases purchasing ability of common man disrupting commodity cycle ✓
- f) ~~Rep~~ Production of electricity from hydrocarbons and imported coals disrupts balance of payment and causes deficiency of dollars - ✓
- g) Long term economic growth problems due to reduced energy efficiency ~~due to institutional flaws~~

#### 4) Possible solutions for fault in our energy system

- a) Integrated system planning for demand and supply should be adopted ✓
  - b) Removal of structural and governance flaw by ~~needed reforms~~
  - c) Need ~~for~~ change in construction practices for energy conservation and increased efficiency ✓
- 5) Conclusion