

# Topic : Energy Crisis in Pakistan : Causes and ~~May~~ Consequences

## Outline

### A- Introduction

1. A country where light should always shine, darkness has become new normal
2. Energy crisis in Pakistan : causes and consequences
3. Thesis statement

### B- Causes of Energy Crisis in Pakistan

1. Lack of infrastructure to produce energy at domestic level ;
  - a. Pakistani dams are not sufficient to produce desire amount of energy
2. Demand and supply gap : Population is much more than ratio of energy supply ;
  - a. 241 million population is far greater than the production of energy
3. Over-reliance on expensive imported fuel ;
  - a. In 2023 - 2024 , Pakistan imported 30 million tonnes of oil

4. Energy theft at small and high level;

a. People use devices to theft energy at local level

5. Poor governance in the energy sectors;

a. Ineffective bill system in Pakistan

6. Delayed energy projects due to political instability;

a. Frequent regime changes halt existing projects

### C. Consequences of Energy Crisis in Pakistan

1. Economic backlash due to industries shutdown

a. Output decrease 30-40% due to reduction of operational hours

2. Social unrest due to high energy prices;

a. Public protests at metropolitan cities

3. Decline in Foreign Direct Investment;

a. Investors hesitate to invest in energy struggled countries.

4. Increase circular debt due to frequent



borrowing/importing energy at high cost;

a. alternate energy source increase operational cost by 20-30%.

5. Frequent electricity outages affect education;

a. Students are unable to study in long hours of power shut down

6. Environment degradation due to switch toward environment harming source;

a. Diesel produce noise pollution

## D- Pragmatic Measure to Counter Energy Crisis in Pakistan

1- Developing community level renewable energy project

2- Promoting and incentivising renewable energy adoption

## E- Conclusion.



In a country, where the lights should always shine bright, darkness has become the new normal, threatening to snuff out the hopes of millions and stall the pulse of progress. Pakistan ~~is continuously~~ <sup>has been</sup> grappling with energy crises. There are multiple causes of energy crisis in Pakistan. ~~The very first~~ cause is inadequate infrastructure to produce energy at domestic level. Demand and supply gap and over-reliance on expensive imported fuels are also other prominent causes of energy crisis in Pakistan. Furthermore, energy theft at small and large/high level is also major reason of power shortage in Pakistan. ~~These crisis leads to severe consequences.~~

First of all, economic backlash due to industries shutdown under load-shedding.

In the same way, social unrest and decline in foreign direct investments are also result from energy backlash. Last but not the least, ~~due to energy crisis,~~ government moves to import fuel, oil or gas



that increases circular debt. To cap it all, there are different causes of energy crisis in Pakistan such as inadequate infrastructure for energy production and demand and supply gap; these causes lead to severe consequences like economic decline and power shut down; however, with some best course of actions the issues of energy crisis can be resolved.

plz work on language

To begin with, lack of adequate infrastructure to produce energy at local level leads to energy crisis in Pakistan. When there is no infrastructure, government fails to produce sufficient energy to fulfil the public demand. As a result, people have to face power cutdown or shortage at all level. For instance, although Pakistan has dams to produce hydropower energy, they are not sufficient enough to produce required amount of power. Resultantly, energy crisis prevails in Pakistan. Hence, it can be said that inadequate infrastructure is one of the major reasons of energy crisis in Pakistan.



Furthermore, demand and supply gap is also one of the major causes of power backslash in Pakistan. Pakistan is a homeland of millions of people but its power generation capacity is far low than required rate. As a result, people face severe power breakdown. For example, According to Atomic Energy Commission of Pakistan, Pakistan's population is increasing day by day, but its energy production rate is same. It will definitely fuel power crisis in Pakistan. Hence, demand and supply gap leads to energy crisis in Pakistan.

Furthermore, over-reliance on imported fuel disrupts energy sector in Pakistan. Pakistan has always remained dependent for energy. Sometime high prices, power tax or international sanction disrupt the power supply from foreign countries. Resultantly, Pakistan has to face energy crisis. According to



report, in year 2023-2024, Pakistan imported 30 million tonnes of oil from foreign countries. Such dependency creates energy crisis in Pakistan.

In addition to this, energy theft at small and high level leads to power crisis in Pakistan. People illegally use energy but do not pay for it. Some-time, they use extra energy than the prescribe amounts or limits. As a result, the innocent citizens have to face power backlash. According to International Growth Centre, one of major reasons of energy imbalance is power theft in Pakistan.

In addition to this, delayed energy projects due to political instability fuel energy crisis in Pakistan. Every new regime halts the existing policies and promulgates their own agenda. As a result, the projects go to temporary or permanent pause. For instance, Kalabag dam is still under construction due to political instability and unstable conditions. Hence, it is



~~not wrong to say that delayed projects due to continuous regime change fuel energy crisis in Pakistan.~~

The preceding paragraphs have substantiated that the causes of energy crisis in Pakistan; the paragraphs ahead will demonstrate the consequences of energy crisis in Pakistan.

~~The very first consequence is the economic backlash due to industries shutdown.~~ When there is limited power supply, the operational hours<sup>are</sup> declined. Firstly, it reduces the output and other the companies<sup>own</sup> disqualify the worker. In both cases, the economy suffers. For instance, when the operational hours decrease, the output declines from 30-40%. International Monetary Fund report. Hence, it can be said that energy crisis affects the economy of that country.

In the same way, energy crisis creates social unrest in societies. When societies suffer from energy imbalance,



the governments have to increase prices / retail taxes to tackle the imbalance in supply chain. As a result, people initiate set-ins to pressure government on price reduction. It creates social unrest. In 2012, people protested in metropolitan cities of Pakistan on high fuel prices. It created a chaotic situation in Pakistan. Hence, it can be said that energy crisis leads to social unrest in Pakistan.

Moreover, the energy crisis of Pakistan directly affects its foreign direct investment. The investors feel hesitation to invest in the power struggling countries. They do not show their willingness to open their small or large scale business. So, overall FDI decreases. In the book, The Coming Oil Crisis, author states that crisis of energy sector directly link with FDI. So, the disorganised energy sector of country like Pakistan affects its Foreign Direct Investment.



As well as, frequent electricity outage affects education self study, virtual classes or online presentation cannot be pursued without power outage. Students are unable to study in long hours of power shutdowns. Resultantly, their productivity decreases. According to report on educational crises in developing nations, power supply gap is one of major reasons of decline education productivity. Hence, it can be said that energy <sup>crisis</sup> affects social sectors.

Last but not the least, ~~one~~ another major consequence of Pakistan's energy crisis is the rapid degradation of the environment. Shortage of gas and electricity intensify both houses and industries to switch to diesel generators to meet their basic power needs. This shift release significantly high level of harmful gases. For example, According to Climate Action Center, Petrol and diesel emissions are responsible for about 60% of pollution in Karachi. Hence, it can be said energy crisis,



directly or indirectly, leads to environment degradation.

The following paragraphs will present some way forward to combat energy crisis in Pakistan.

First of all, by developing community level renewable energy projects, the energy crisis in Pakistan <sup>can be resolved</sup>. These projects at local level will help to fulfil the demands of that particular areas. Furthermore, they also minimize the energy supply burden from federal institutions. Pakistan will prevent itself from vicious cycles of power outage.

Similarly, by promoting and incentivizing renewable energy adoption, <sup>energy crisis can be resolved</sup>. At first, At first hand, Pakistan has to aware people about the benefit of renewable energy resources. They have to promote green or renewable energy adoption. On other hand, Pakistan has to incentivize the renewable energy adoptions. It will help the people to switch toward



~~cheap and environmentally friendly resources.~~

~~To conclude, it can be said~~  
that Pakistan ~~is grappling~~<sup>is well</sup> with  
many ~~crisis~~ ✓. one of which is  
energy crisis ✓. There ✓ are multiple  
reasons of energy crisis in Pakistan.

The ~~very first~~ reason is inadequate  
infrastructure to produce energy  
at domestic ✓ level. Furthermore, ✓  
demand and ~~supply~~ gap and over-  
reliance on expensive imported fuel  
are ~~also leading cause of energy~~  
crisis in Pakistan. Moreover, ✓  
energy theft at small and large  
level is ~~also led to energy back-~~  
lash in Pakistan. These causes  
of energy crisis energy crisis lead  
to severe ~~consequences~~ ✓. First of all,  
economic backslash due to industries  
shutdown ✓ and ✓ social unrest due  
to high fuel taxes. ✓ Moreover,  
power shortage ✓ stems FDI decline.  
Last but not least, energy  
crisis increase ✓ circular debt



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of countries including Pakistan. However, energy breakdown in Pakistan can be resolved with some appropriate measures. First of all, by developing community level renewable energy project, ~~power gap can be curbed.~~ Furthermore, promoting and incentivising renewable energy ~~adoptions~~, energy crisis in Pakistan can be mitigated. At the end, ~~it can be hoped that Pakistani government will opt concrete steps to counter its crisis of energy sector.~~