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Pakistan is facing severe energy crisis. Critically analyze the causes behind this dilemma also discuss the policy initiatives of government to counter it.

1)

Preamble:-

Pakistan is grappling with multifaceted energy crisis, compounded by economic stagnation and prevalent mismanagement. Prime Minister of Pakistan said during cabinet meeting,

“Energy crisis is a major hurdle behind stagnant growth pushing the country further towards darkness”

The energy crisis in Pakistan are often driven by mismanagement and absence of efficient using of natural resources. The country is full of natural resources and human capital. Despite being atomic power, the prevailing energy crisis in the

country reflects its uncompetitiveness.

2) A Brief survey of Pakistan's energy sector:-

Pakistan's energy sector is run by the Ministry of Power and Water. The country's current electricity producing capacity is approximately 48000 MW in which 28811 MW from thermal resources, 10600 MW from hydro-electric projects, 1800 MW from wind mills, 826 MW from solar power, and 350 MW from nuclear power.

3) Prevalent Energy Crises: Capacity and

Cost issues:-

Despite being capacity of 48000 MW, the country produce much lesser due to minimum demand. The demand of electricity is decreasing gradually due to increasing prices, and non-uniform availability.

Owing to inefficiencies in power market, the country's circular debt has risen to 2.4 trillion rupee and per unit cost has risen to 70 rupee to consumers.

4) Causes of Energy Crisis

i) Cost of electricity :-

The sharp rise in cost of electricity has shocked the consumers, resultantly the demand of electricity is decreasing gradually. The current cost of electricity is 70 rupee per unit, including all taxes.

ii) Theft of electricity :-

The Minister of Power, Awaiz Legari, revealed that the current theft of electricity has risen to Rs. 600 billion annually, which account for 16.3 percent of total production.

iii) Outdated transmission lines, loss in power.

The outdated power distribution lines cost much from Pakistan. Sect Secretary Power Division claims that Pakistan ~~has~~ loss more than 100 billion rupee due to poor transmission lines.

iv) International oil and gas prices

Due to Russia-Ukraine and Gaza wars, the international prices of oil and gas are fluctuating. Pakistan being importer of these things, cannot sustain market uncertainty.

vi) Waste of energy at domestic level

The ~~underutilized~~ switched ON electric appliances, and waste of electricity in government offices waste 25 percent of electricity in Pakistan.

vii) Waste of water and minimum number of Dams.

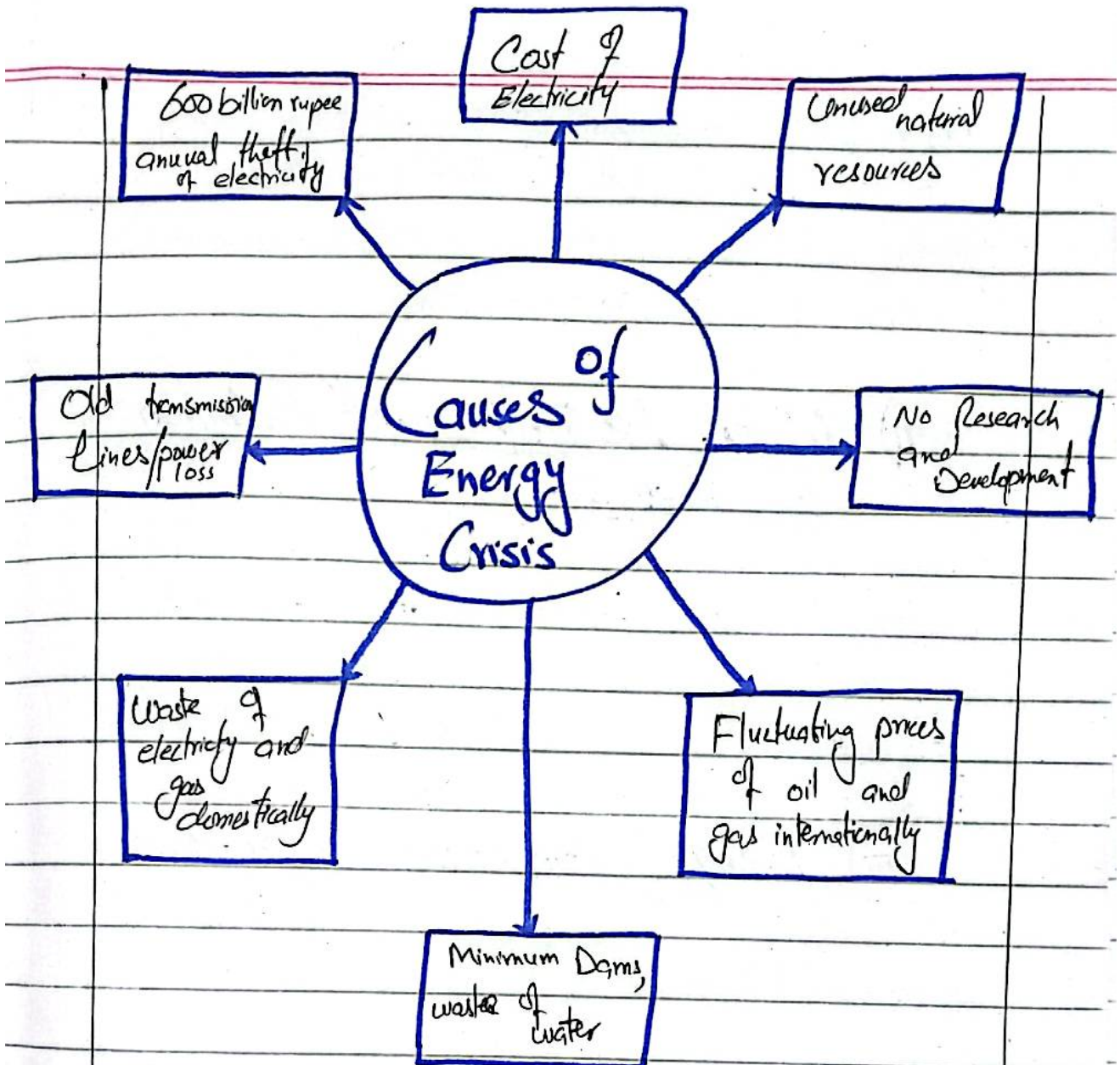
Power Ministry and Islamabad's Pakistan Institute of Developmental Economics, claim that Pakistan has capacity of producing more than 0.1 million megawatt electricity by water only, but all is wasted.

viii) Lack of planning and Research and Development.

Despite being nuclear power, Lack of Research and Development and proper planning is pushing the country towards severe energy crisis.

ix) Under-utilized natural resources of country.

Pakistan is rich with Water resources, air currents, thermal resources, and gas resources, but all these are under-utilized due to lack of planning and economic resources.



5) Policy Initiatives to Counter

Energy Crisis in Pakistan:

(i) Power Generation Policy - 2015:

Power generation

Policy-2015 says that all energy needs will be met with available sources and gradual move towards ~~non-renewable~~ non-renewable energy generation.

ii) Winter Electricity Tariffs Reduction in 2024-25.

The government of Pakistan has reduced per unit cost by 10 rupee in order to ~~clear~~ counter the increasing energy demand for winter season 2024-25.

iii) Energy Conservation Plan-2023.

The government decided to shift all government offices to non-renewable resources and cut in 40 percent in fuel expenditure of government vehicles.

iv) The National Energy Efficiency Policy-2023.

Plan aims at shifting energy resources to non-renewable by 2030 with all available economic

resources and with 35 percent international assistance.

v) Shifting to renewable energy

Shifting to non-renewable resources is primary target of government. In this regards, it has imported 200 MW solar panels from China in 2024.

vi) Criminal Law Ordinance-2023 to tackle Energy theft::

To counter the electricity theft of 600 billion rupee annually, the government has amended the Criminal Law Ordinance-(2023) and decided the 3-year jail with 1-million fine in theft case.

vii) National Electric Vehicle Policy 2021::

The government aims at bringing electric vehicles manufacturing in Pakistan. Government of Punjab has signed MOU with Belarus in this regard.

viii) Cooperation with allies on LWR projects::

ix) Revised agreements with IPPs:-

The Ministry of Power has negotiated with Independent Power Producers (IPPs) to shift ~~capacity~~ ~~pay~~ from capacity payment to give-and-pay or Take-and-Pay policy. In this regard, government will save 460 billion rupee annually.

6) Conclusion:-

Pakistan is grappling with severe energy crisis. The lack of management and lowering Research and Development efforts have put the country toward severe energy crisis. It is need of hour to save energy by available sources and design workable mechanism to shift towards non-renewable energy resources by 2020.

Which is correct method? (Please suggest)

- ① Name of Policy as heading
- ② Write general heading and policy name as reference.