

Imbalance of Energy Mix in Pakistan and its Consequences

Outline:

1. Introduction

1.1 Energy - Lifeline of Economy

1.2 Global Energy Supply and Politics

1.3 Role of energy in Economy of Pakistan

2. Imbalance of Energy Mix in Pakistan

2.1 Snapshot of energy mix

(Hydel 26%, Nuclear 8%, Renewable 6%, Thermal 59%)

2.2 Heavy Reliance on Conventional methods

2.3 Dependence on exogenous resources to produce Energy

3. Consequences of Imbalance of Energy Mix in Pakistan:

3.1 Persistent Trade deficits due to heavy reliance on imported oil (Trade Deficit \$20 Billion)

3.2 Balance of Payments crisis resulting in exorbitant IMF bailouts (Political cost along with stringent conditionalities)

3.3 Massive use of fossil fuels and oil to generate energy causes climate disaster

3.4 Costly energy mix consequently cause persistent increase in general prices (Inflation 28% in FY 2023)

3.5 Unsustainable rise in debt and debt service payments due to high import bills (External Debt Rs. 24,171 billion)

3.6 High cost of doing business causes low productivity, unemployment, poverty and uncompetitive export products

3.7 Causes reduction in developmental expenditures resulting in social decline

4. Pakistan's Energy Policy and Way Forward

4.1 The Framework Guidelines for Fast Track Solar Initiatives 2022

4.2 Public-Private Partnerships

5. Conclusion