

Date

Current Affairs

Test Series

Test 1

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Question 1:

Answer

The Socio-economic future of Pakistan is based on its production, electricity or associated products and services. Reforms in the Power sector of Pakistan can contribute major part in development of socio-economic future of Pakistan. Power sector of Pakistan is facing a lot of crises from decade including load shedding, expensive electricity, and losses in production of goods. The power sector must need reforms to pull out Pakistan from these crises.

Issues of Power Sector

There are two major issues in the power sector of Pakistan:

you need to first establish the relationship between power sector and economic development

1) Expensive Electricity

2) Load Shedding

Expensive Electricity Generation:

Pakistan is generating 3rd most expensive electricity in World and 1st most expensive in Asia.

Reason

weak argumentation

The means of production of electricity are mostly imported. Pakistan's 60% of

Date

Power generation is from hydrocarbons and most of the hydrocarbons are imported and have to buy in dollar which is quite expensive. Oil is imported from Saudi Arabia and Qatar, Gas is imported from Qatar, Kuwait and coal from Australia and South Africa. Hydrocarbons are non-renewable source of energy and these are most expensive means for power generation.

### \* Load Shedding

Load Shedding basically means short-fall. From 2007 - 2016 the shortfall was from 5000 to 8000 megawatt source. Megadivision urban centers were facing 5 to 8 hours of load shedding while the rural areas were facing 17 to 18 hours of load shedding.

### • Reasons of Load Shedding

The reasons of load shedding was same as reason of expensive electricity. Means of production are expensive and could not meet the requirement of electricity.

### \* Problems in Production Sector

There are multiple other issues that Pakistan facing in production sector:

#### - Expensive Agreement with IPPs

IPP stands for Independent Power Producers. The expensive agreements done with IPPs are also contributing loss in production sector. According to the agreement Pakistan

Date

will pay foreign and Local IPPs in dollar and capacity Payment of 35% will be Paid by Pakistan whether country use electricity or not. Capacity payment means the agreements done on the basis of Peak demand will give 35% of peak demand whether it is used or not.

### - Line Loss

Line loss is also one of the main reason behind the short fall of electricity. The lines of the countries are old and do not have capacity to carry out electricity and these contributes to the short fall of electricity. The line loss of Pakistan is about 17% to 24% while the Afghanistan and India have line loss of 12% and 9% respectively.

### - Corrupt Practices

There are also some corrupt practices like Kunda System, managing Lineman, meter tempering, and meter bypass. These practices are mostly done by industrialist and in backward Areas. which contribute alot in shortfall of the electricity.

### \* Reforms Pakistan need for better future

Pakistan need to handle these corrupt practices for better future:

### - Switch to Renewable Source of Energy

Pakistan need to Shift its source of

Date

energy from non-renewable to renewable sources. The renewable sources are for long term use and it helps to reduce the price of electricity.

### - Local sources to Produce Power

Pakistan must need to shift from imported sources to local source for power generation. Local sources are less expensive and it will help to generate cheaper electricity.

### - Renegotiate with IPPs

Pakistan need renegotiation with IPPs. In which they have to stop paying capacity payment. The agreements written in 1991 are rewritten in 2020, 20 plus year of delay. Agreement have to renew after every 5 years.

### - New Installation of Lines

Pakistan should have to update its distribution system. Although it costs expensive but it is one time investment. Pakistan can save upto 11000 megawatts of electricity yearly which will help Pakistan to get stable in power sector.

### - Need to increase staff of Wapda

Pakistan need to increase staff with having ability to stop corrupt practices like kunda system and meter tempering. There should be strong system for check and

Date

balance of employees of Discos.

## Impacts of Reforms to the Future of Pakistan

These reforms can help Pakistan for Stable and Strong future.

### - Revival of Industries

Industries of Pakistan are facing problem in power distribution. In result 200+ industries backoff from Pakistan including Toyota, Suzuki, KIA, Nishat and Koh-i-noor. About 80% of cottage industries pulled out their plants of production from Pakistan. These reforms can revive the industrial growth of Pakistan.

### - Local Products can compete with International Products

Expensive production results into lesser production and compromised quality. If these reform will get implemented then local producer can compete with international market.

### - Lesser Import more Exports

These reforms can help Pakistan to reduce its imports and promote its local products to international markets

### - Less pressure on PKR

The pressure on PKR to compete with the price of dollar can be reduced using these reforms. Lesser the imports lesser the pressure on PKR.

Date

## - Attraction of foreign Investor

These reforms can attract the foreign investor and this is because these reforms have ability to increase the dollar reserves of the country. Foreign investments results into the strong and stable economy.

## Conclusion

Pakistan is facing hardships in power sector from decades. These problems results multiple reasons for Pakistan's weak economy and unstability in region. These issues needs reforms in power sector which can help Pakistan to grow its economy and compete with the international companies and markets. Pakistan have ability to grow its economy which will results into the better and stable future of Pakistan.

7

Date

## Question no 2

### Answer

The Global narrative on climate change is "The world eco system is in danger". COP is a platform where world is trying to control the increasing temperature of the Global <sup>e</sup>at which is increased upto the 1.5°C. Multiple <sup>work on your introduction</sup> efforts can be seen from the forum of COP to control the carbonemissions which results in the rising temperature of the world. The efforts of COP was not enough to control the rising temperature of world.

### \* COP1 to COP20

From COP1 to COP20 the stance of world was not much concerning about the rising emissions and rising temperature of the world. The main focus of COP was to grow forests and more trees to control the rising temperatures and other effects of Global warming.

### \* Stance of Global West

The Stance of Global West led by US President George Bush was that Global warming is a myth and it is the natural effects of weather that results rise in the temperature of the world.

### \* COP21; Paris Agreement

In the year 2015, COP21 was hosted by

Date

France in Paris, where 197+ countries participated in summit. The climate of that time was effecting developing and developed countries which was a sign of warning for the world. In COP21 plan was submitted to cut carbon emissions to 45% and set the standard of 2010's climate. The cut of Carbon emission will be led by developed countries like USA and China. US promised to cut it 45% of emission by 2030 and China planed to cut its emission to 30% and likewise other states will cut down according to their nation of emission.

### COP21 & North South Divide

COP21 was first ever successful agreement to cut down carbon emission, but unfortunately it was also a <sup>remain</sup> failed agreement. because Global North led by US President Obama was participated to cut down the carbon emissions but when Obama's government ends and trump became President, his stance on carbon cut was opposite to the stance of Obama. Global South led by China, Brazil and India says that climate change is main cause but global North is more responsible than global South as industrialization in Europe starts in 19th and 20th century while the global South became emitter in little past.



Date

## COP 27 & findings

COP 27 was held in Sharm el Sheikh in Egypt 2022. The carbon cut down plan was failed not even a single country met its target of emission cut down. In COP 27 funds was allocated for the losses faced by the developing country due to Climate Change "Losses and damages" concept was to help the developing countries that faces issues in development. 100M\$ was allocated by the major emitters. Approximately 24B M\$ by US and 20M\$ by Europe, 3M\$ by Canada and 13M\$ by China.

### Funds Allocation

A group of 50 plus countries from Global South, which are worst affected by Climate Change including Pakistan as we faced by damages from floods and earth quakes due to climate change.

### Apportunities for Pakistan.

As Pakistan is one the country that faces the damages from climate change and we are also the less emitters from our limit. UN security General stance about Pakistan is

"Pakistan is a developing country and faced Multiple problems from Climate change."

Pakistan have oppurtunity to fulfill the damages that is faced due to

Date

Climate change: Pakistan can also utilize 90%  
these money from in giving loan back to  
IMF

## Losses & Damages faced by Pakistan

- 1) Drought
- 2) Floods
- 3) Heavy Rainfall
- 4) Effect on Agriculture Sector.

23