



## 2- Reasons for Expensive electricity in Pakistan.

### a- Generating electricity through Hydrocarbons:

Pakistan generates almost 60% of energy through hydrocarbons. 12000 MW energy is produced by Diesel, 1000 MW through LNG, around 6500 MW through Coal. All these hydrocarbons are imported. Diesel is the most expensive one, LNG is 2nd most expensive and coal is the third expensive hydrocarbon.

The price of HCs jumped up in the international market after the war in Ukraine and sanctions on Russia. In 2021, if 1 billion dollar oil is imported, it had a cost of 178 billion PKR and today it has 275 billion PKR.

### b- Expensive Agreement with IPPs:

IPPs produce electricity through hydrocarbons. In 1994 and 2005 IPPs were installed

paid local IPPs in dollars which results in decline of dollar reserves

### 3- Problem with Electricity distribution and transmission system.

The total loss in transmission system is approximately 33%. Out of which, 17% of electricity is being lost by transmission lines. This is because majority of transmission lines are being expired. Resultantly, the line lost in Pakistan is highest in Asia which is 17%. The line lost in China is 3%, 9% in India and Bangladesh and 12% in Afghanistan. So out of 100 MW production, 17% being lost in transmission lines. This lost expense is beared by state and consumers. Another reason that there are numerous problem in distribution system that result in 16% loss of electricity. One of the reason of increase in prices of electricity is electricity theft Pakistan is on top of list. This theft is done

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is less and demand is more. While in 2011 and 2014, IPPs were installed to minimize dependency on oil and shift to LNG.

The more the increase in demand, the more the IPPs were installed. First and the major reason of expensive electricity is the capacity payments to IPPs. The IPP's payment agreements were signed on the basis of maximum demand. In Summer the demand is maximum as in July 2023 it is almost 28000 MW but in winter it reduces to 450% as in January 2023 it is about 14000 MW.

The government has to purchase the capacity in maximum.

If the government will not purchase <sup>maximum</sup> as in winter ~~is~~ the requirement is less, yet again government has to pay 33% to 40% of total payment. Another reason for the increasing prices of electricity is that IPP's were paid in dollars and the local IPP's were paid in rupees. But unfortunately, we have

done through kunda system and temper the meter reading. In rural H B agriculturist who use to theft and in urban centre industrialist and builder used to theft electricity. Also in tribal area, there is no system of paying bills and free subsidies in certain departments in Pakistan which result in 16% loss.

#### 4- Implications:

a) Industry is on the worst hit:

The price of product is decided on the basis of purchase of raw material, transportation cost, labor rates and electricity cost. On the one hand, the state has not ensured non-stop supply of electricity and on the other the price of electricity mounted three times resultantly the price of industrial products also hiked. The products of Pakistan not competeable in international market as of India and

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Bangladesh which results in decline of exports of specially textile, leather sports etc. Industries are on the worst hit. Almost 200 industries are being closed in Pakistan in last 3 years. Multiple factors are responsible for this, but rise in electricity prices is the major reason.

#### b- Agriculture Sector:

More than 30% of agriculture is based on tubewells and digwells. These tubewells are powered by electricity. ~~The~~ The more the loadsheddings, the more set back of agriculture. The price of agricultural products rises with the increase in electricity prices.

#### c- Domestic Life:

Most of the part of income in a middle class house is spent on electricity bills. This increase in prices of electricity tremendously disturbed the budget of domestic household. Also the

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has disturbed the domestic life

#### d- Public life:

The loadshedding caused the deindustrialization which results in increase in unemployment. The increase in price of commercial band the shopkeeper to add cost on the products. On one hand it decline the people purchasing rate and on the other the earning of businessmen is curtailed. Hence, increasing loadshedding and expensive electricity have far reaching negative impacts on National life.

#### Way Forward:

##### 1- Renegotiate the agreements of IPPs:

The agreement negotiated signed in 1986, 1991, 1994, 2002 and 2005 should have been renegotiated long time ago but decades long delay was made by successive governments. Until 2020, when agreement were renegotiated, no capacity

Payments. It was a positive development and it had solved the problem maximum to 40%. The local IPPs ~~was~~ should be paid in PKR. The agreement signed in 2011 and 2014 cannot be renegotiated until 2028.

## 2b- Install local and cheaper electricity Projects.

Elec Energy policy of 2030, focuses on indigenization of electricity. 15000 MW of electricity would be produced from hydro projects in which diamabasha produce 4500 MW by 2029 and Dasu would yield 4300 MW by 2027 etc. Secondly increasing focus on electricity generation from coal of Thar, as one project of 1320 MW. Also production of electricity through turbines and solar projects. The objective of Pakistan is zero dependency on hydrocarbons import for electricity by 2030.



### 3- Updated transmission lines:

Country is in dire need to change the expired transmission lines in order to reduce the line loss of electricity.

### 4- Stop Electricity Theft:

The work of state must be improved in order to stop electricity theft. Also the state must ensure not to provide free units to any department in Pakistan.

### 5- Privatization of Electricity System.

The electricity system should be privatized and the government just play the role of regulator.

### Conclusion.

In a nutshell, increasing electricity prices has become a severe issue and it has impacted many sectors like industry, agriculture, domestic, commercial and public.

negative. An adequate amount of strategies should be followed in order to overcome these impacts.

QNO2:

Taiwan is <sup>potential</sup> politically conflict between China and ~~Taiwan~~ USA. Critically evaluate the reason and why and how the two countries must avoid conflict.

Ans:

1- Introduction:

Tensions ~~over~~ between China and United over Taiwan amount as a classical conflicts. Both are taking their actions they viewed as defensive and the opposing view as escalatory. Taiwan caused the potential conflict between China and US. But US cannot afford the war with China because of war ~~is~~ in Ukraine.

## Critical Analysis of Conflict:

### 2- US Agreements with Taiwan:

The US supporting Taiwan in order to reduce risks on the border with China.

US has started increasing agreements with Taiwan especially by providing weapons, secondly by providing military aid thirdly by paying visit especially US leady Navy to Taipei. This enraged China, it military encircles Taiwan completely because China wanted a one unit system.

Chinese violating Taiwan air space with repeatedly jet fighters. Also China fired Ballistic missiles from sea to sea over Taiwan.

### 3- Reason of War:

#### a) US encircled China:

US has increasingly encircled China. It made alliances with Australia called AUKUS. It has also made alliance with India, Japan and Australia called QUAD. It has

It has also deployed its navy in Guam, Okinawa etc.

### B- China declaring Islands as Sovereign Territory:

China has declared all the islands including Taiwan as sovereign territories. Any kind of intervention from US or any other country would be militarily retaliated. This increases the possibility of military conflict between two countries.

### C- Taiwan as Clash Point:

Taiwan emerged as a clash point between the two countries. If US China annex Taiwan, US will come for its defense. This increased the possibility of war between China and US.

### 3 Why and how to avoid war:

In order to avoid the war negotiations must be occurred between two countries over Taiwan. Both the countries

Countries are dependendent on each other over exports and China has provided more than \$1.5 trillion loan to US. So the both countries are not in condition to start war. US cannot afford war with China because it already stuck in <sup>two</sup> war fronts, Middle east (Israel-Palstine) and Ukraine. China also cannot afford war because if it attack Taiwan, US Europe and other allies impose sanctions on China.

### Conclusion:

To sum up, Taiwan is significant issue between China and US which led them to enter in War ~~but~~ <sup>and</sup> both countries have many reasons to fight war. But Both countries avoid war. ~~In~~ In case of China, it would avoid war to stay away from sanctions implemented on it after attack. US would avoid war because it is stuck in two war fronts so afford no more news.

Q<sub>NO7</sub>

Critically evaluate Israel. —  
— — — — — How it would  
impacts its relation with  
Arab world?

Ans.

Introduction:

In 1948, Israel announced state of Israel on the land of Palestine. That sparked resistance from Arab world but the ~~west~~ big powers supported Israel. The UN was formed to bring peace in the world. But it cannot solve the Palestinian issue. Even P. Israel was the participant of United Nations but Palestine is not its participant. On October 7, 2023 Hamas a military and political organization launched a surprise attack on Israel which results in genocide actions by Israel on Gaza. The Arab world failed to protect Palestine from war crime by Israel.

## War Crime Committed by Israel:

- a) State launched terrorism against Gaza

Israel has destroyed the northern and southern Gaza. Almost 90% of the buildings were demolished in indiscriminate bombardment. All the hospitals were destroyed. Almost all mosques and two churches are destroyed. Hospital, mosques, churches, universities nothing would be forsaken.

- b) Human tragedy in Gaza:

More than 37,000 Palestinian have lost their lives including women, children, doctors, healthworkers, social workers, journalists etc.

More than 10,000 were injured.

More than 1.7 million people were displaced from Gaza.

The refugee camps were also under the attack.

- c) Israel stop Food and medicine

Supply:

Israel has stopped the supply of food, medicine

and other necessary items in Gaza. It even destroyed the electricity supply and water resources. Only limited supply of water, food and medicine is allowed in southern part of Gaza by Israel.

#### d) ICJ decision on War Crimes.

South Africa is on the lead to raise the voice against Palestinian killings. He filed case against Israel in International Court of Justice. All the Arab and most world countries favoured him in this case. But governments in Europe, US and Canada imposed this idea. ICJ demanded to Israel to stop these war crimes and also demanding their respective governments to stop supporting Israel.

#### Conclusion:

To sum up, ICJ demanded Israel to stop this genocide but Israel



claimed it was not abode  
by any rule. US facing  
students campaign against  
war crimes in favour of  
Palestine. Majority of countries  
favoured Palestine like Iran  
which attacked on Israel  
and also Saudi Arab,  
Pakistan and UAE condemned  
Israel for the war crimes.