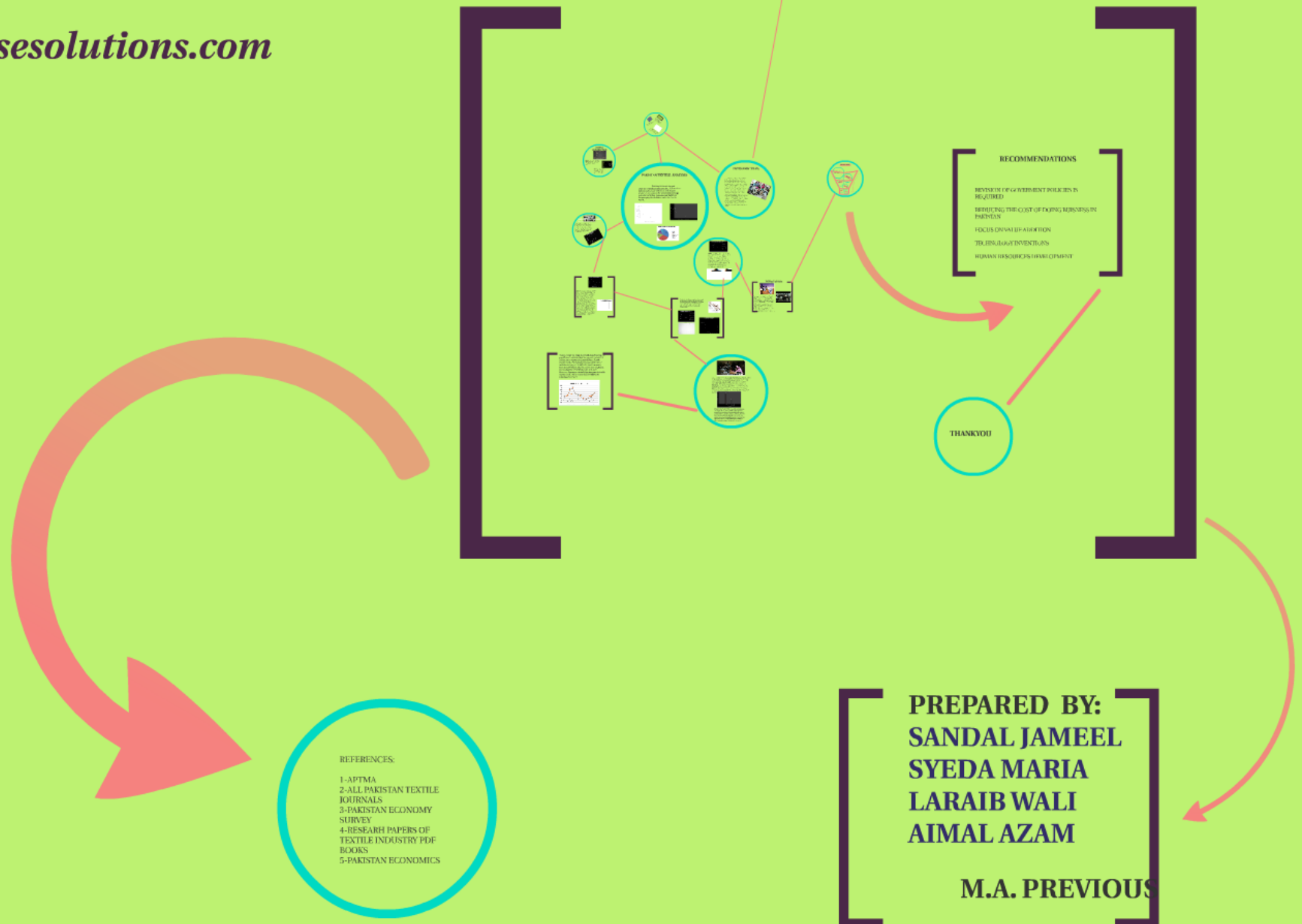


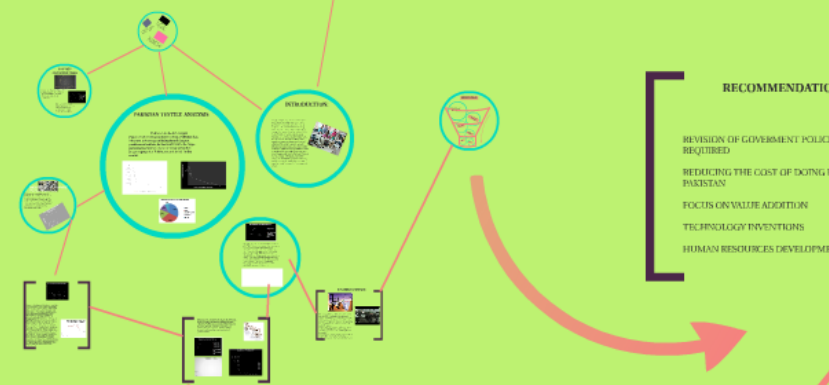
Impact of Introduction of Green Resources as Substitute for Oil in Pakistan

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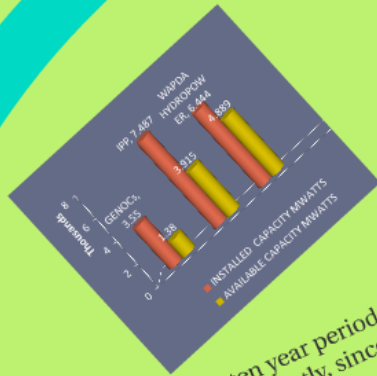
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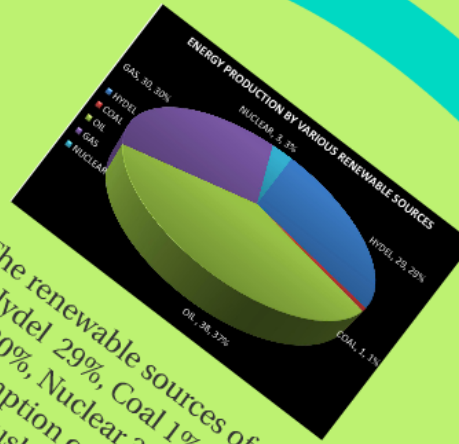
INTRODUCTION:

Energy, being an essential component of every production process, plays a pivotal role in the growth process of a country. Now, it is widely recognized that industrialization is an energy-intensive process; hence, uninterrupted supply of energy is necessary to keep the production process in run. In addition, high per-capital energy consumption is considered as an indicator of the level of economic development. This positive correlation between energy consumption and output growth (and development) led many countries, particularly developing ones, to design policies for subsidized energy provision with focus on supply-side in late eighties. At the same time, some European countries (i.e. Germany, Denmark, Belgium, Sweden) formulated energy policy focusing on demand-side (energy conservation), and achieved smaller growth rates in energy consumption without any reduction in economic growth.

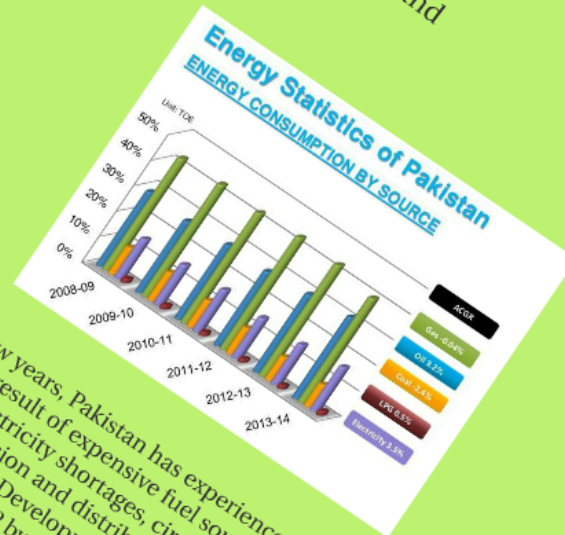




In Pakistan during the last ten year period energy demand has increased significantly, since policy failures supply has failed to match this augmentation. The Wapda produces 64.44%, GENOCs 35.5%, IPPs 74.87% MWATTS .



The renewable sources of energy is Hydel 29%, Gas 30%, Nuclear 3%. The consumption of gas is increased continuously due to the demand by the source.



Over the past few years, Pakistan has experienced a major energy crisis as a result of expensive fuel sources, chronic natural gas and electricity shortages, circular debt, and insufficient transmission and distribution systems. According to the Asian Development Bank, prolonged power shortages cut GDP by 2-3% in 2013.