

Govt vows to end circular debt by 2020

ISLAMABAD: The government has set a target to get rid of the circular debt by December 2020, Prime Minister Imran Khan was told in a meeting held on Monday to ascertain the progress on reforms introduced in the power sector.

The premier was briefed in detail about ongoing reforms in the power sector to remove impediments in power transmission, measures to curb power theft and cope with the issue of circular debt.

Officials from the Ministry of Power told the premier that during 2017-18, the circular debt had increased by Rs450 billion which would be brought down to Rs293bn during the current year and Rs96bn by 2019-20. However, the issue of circular debt would be completely overcome by end of next year.

The prime minister was informed that a fresh policy for power production through alternate energy resources with a time horizon of 25 years had been formulated to cope with power supply and demand.

Under the policy, 20 per cent of total electricity would be produced from alternate resources by 2025 which would be enhanced to 30pc by 2030.

The officials also said the drive to curb power theft and recovery of dues had brought in positive outcomes. Within four months, the additional power dues worth Rs48bn had been recovered that would touch Rs80bn mark by December and Rs190bn till June 2020.

The officials informed the prime minister that losses caused by theft, technical and transmission issues were given special attention and steps taken to reduce these losses are coming to fruition.

As a step to curb power theft, 27,000 First Information Reports had been registered against those involved while 4,225 people had been arrested including 433 officials from the power sector. Moreover, another 1,467 officials had been charge-sheeted.

During the briefing, it was informed that production capacity at the power system had been enhanced by 3,000 megawatt through addressing 15 major shortcomings.

It was assured that no loadshedding would be done on 80pc feeders across the country during Ramazan due to improved distribution and transmission system. For rest of 20pc feeders, a load management plan had been formulated in accordance with the losses where the ratio of power theft was above 80pc. However, it has been ensured to provide uninterrupted power supply during Sehr and Iftar timings.

Briefing on the petroleum sector, the authorities concerned said that policy for exploration and production was being amended and a shale policy was also on cards. Moreover, the premier was also notified that the work on bifurcation of exploration and production was also being done.

The prime minister was told that 40 blocks had been identified for exploration and production and international road shows would be conducted to attract technically-equipped foreign firms so that the country's oil and gas reserves could be extracted.

The meeting was attended by Minister for Power Omar Ayub Khan, Finance Adviser Abdul Hafeez Sheikh, Special Adviser to PM on Petroleum Nadeem Babar, Dr Firdous Ashiq Awan, Nadeem Afzal Chan, Yousuf Baig Mirza, Irfan Ali and other senior officers, a PM Office statement said.

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