

Pakistan offers \$100bn investment opportunities in energy sector: Ayub

ISLAMABAD: Pakistan and China on Monday pledged to keep the China-Pakistan Economic Corridor (CPEC) unaffected by the temporary challenge of coronavirus outbreak as Energy Minister Omar Ayub Khan pitched for about \$100 billion worth of investment opportunities in the country's power sector.

Speaking at a ceremony — Energy Week — organised by National Electric Power Regulatory Authority (Nepra), Mr Ayub said the country's energy sector offered investment opportunities of \$100bn. This included about \$45bn in power generation, \$20bn in transmission and \$15-20bn in distribution.

He said the government was planning to provide sustainable, affordable and reliable power to the consumers by producing 75 to 80pc of electricity from indigenous resources. He said Pakistan was a large and open market for all the industries of the world to come and invest and enjoy high rates of return.

"We are also removing barriers of entry," he said and expressed satisfaction that several companies were evincing interest in relocating their manufacturing facilities of producing wind turbines and solar panels to Pakistan.

Envoy says Beijing committed to CPEC initiative

Mr Khan said the governments was aiming to increase the share of alternative sources of energy to 20pc by 2025 and 30pc by 2030 under the new renewable energy policy. He said several companies were coming forward and showing keen interest in relocating their manufacturing facilities of producing wind turbines and solar panels to Pakistan.

Speaking on the occasion, Chinese ambassador in Islamabad Yao Jing said despite the challenge posed by coronavirus, China was determined to take forward the CPEC initiative and the projects under the CPEC would not be affected by this temporary challenge.

Jing lauded the overall structural reforms taking place in the power sector and assured the continued cooperation in energy, agriculture, science and technology sectors. He added that the CPEC-funded energy projects would be completed on time.

He said the next stage of the CPEC will focus on cooperation in diverse sectors including industrial, agriculture, science and technology and renewable energy and hydro power that would give a new momentum to the future development of Pakistan's economy.

He said the energy sector of Pakistan was undergoing transformation and the new he was encouraged by focus of the new government on providing affordable and reliable energy. He assured that Chinese government and investors would fully cooperate with Pakistan in this endeavour.

CPEC Authority chairman Asim Saleem Bajwa said the economic corridor was now a reality and it would now be taken forward to next phases. He explained that phase-I of the project had been completed and the phase-II was currently in progress while the approval for the phase-III was in pipeline.

As such, he said the majority of energy projects started during first phase of CPEC have been completed. In phase-II the focus was on the promotion of industrial, agriculture and science and technology sectors, he said.

Mr Bajwa also pledged that coronavirus would not affect the pace of work on CPEC projects and the corridor schemes would be completed on time.

He said the authorities were taking various measures to fully utilise the benefits of Thar coal for cheap energy production.

“We are not talking about coal gasification but talking about coal to liquid conversion, we are talking about transportation of coal outside of Thar for blending with other coal projects for affordable -electricity generation”, he said.

Mr Bajwa said the work was also moving fast on the Western Route of CPEC and the construction of Hyderabad-Sukkur Motor-way would begin soon and on completion would reduce the travelling time from Karachi to Peshawar by half.

Nepa Chairman Tauseef H. Farooqi pointed out that over Rs1.9tr circular debt in the power sector was a serious challenge for the country and the focus of all stakeholders particularly the government should be on the improvement of improvement of the power sector. He said the regulator was working to protect the interests of the end consumers and at the same taking steps to encourage investment in power sector.

He said purpose of energy week was to come up with recommendations for resolving the power sector issues. Ayub agreed that energy sector was affecting every citizen of the country and the end-consumers were bearing the burden of capacity payments.