

# Government-Industry Energy Council formed

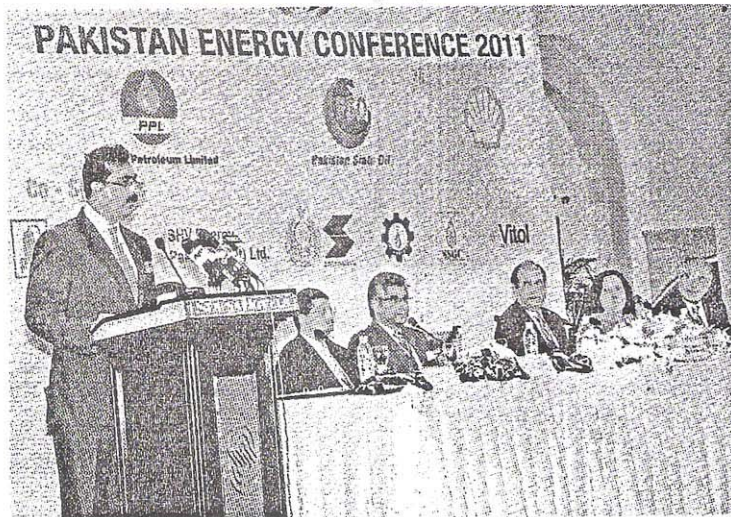
PM says govt to take political leadership on board before presenting next budget

By Asim Yasin

ISLAMABAD: Prime Minister Syed Yousuf Raza Gilani announced on Sunday the formation of a Government-Industry Energy Council to address the energy issues of the country and to make far-reaching recommendations to the government.

"The government cannot tackle the energy related issues single-handedly and it definitely needs your assistance to move forward. This would entail a team effort and forging a mutually rewarding and strategic partnership between the government and energy sector," he said while addressing the three-day Pakistan Energy Conference here on Sunday.

The prime minister said, "These challenges have caused financial constraints to the country and the government is



**ISLAMABAD: Prime Minister Syed Yousuf Raza Gilani addressing the inaugural session of the three-day Energy Conference here on Sunday. —APP photo**

determined to face these challenges in the same way as it has done in the political arena." He said high economic growth, reduction in poverty levels and

improvement in countrywide literacy remain important and achievable targets for this

# Government-Industry Energy

Continued from page 1

government. He said the government was taking necessary steps in the short term to achieve these goals and in the long term would strengthen the relevant institutes in the country to bring sustainable change for the betterment of people. He said energy was an essential drive for the country's economy to achieve accelerated GDP growth as the economy needed reliable, uninterrupted affordable supply of energy.

The prime minister said Pakistan today was facing the overwhelming challenge of bridging its energy demand and supply gap, which is likely to double in the next 15 years and urged the need for the participation of all the stakeholders, including the private sector and the government.

The prime minister said fuelling the future was to have a vital plan for the exploration of new areas in the fields of gas and oil. "If my childhood memories serve me right, the Sui Field at the time of discovery in the Fifties was believed to have enough natural gas reserves which would last for two centuries.

This is obviously no longer the case on account of rapid growth in demand and depleting reserves from this gas field," he said.

He said despite several gas discoveries since then, the growth in energy demand was more than the gas supply from domestic sources. "Load management measures have been taken by the gas distribution companies to balance the current supply and demand situation," he said.

He said the share of natural gas as one of the primary energy sources had increased from 40 percent in 1999 to 60 percent in 2010 and at present we consume our entire domestic natural gas production, providing for approximately 50 percent of our total energy requirements.

Gilani said Pakistan was an

energy-deficit country, meeting nearly 90% of its oil requirement through imports.

He said the government was also trying to move fast to start importing natural gas via LNG and regional pipelines in the near future to offset the growing gas deficit in the country. "Being an elected government, we are walking on a tight rope, balancing the public expectations and the economic rationale of reducing subsidies on energy," he added.

He said development of local energy sources, including hydel projects and the Thar coalfields, also remains a high priority for this government.

He said his government had already added 1,700 MW to the national electricity grid during the last three years and many more power projects were at various stages of completion.

He said "fuelling the future" requires finding new oil and gas reserves through aggressive exploration activities, optimising production from existing fields by applying cutting-edge technology, enabling gas imports from across the borders via regional pipelines and LNG shipments. "We are encouraging foreign investments in energy infrastructure development and in a broader context, development of alternate sources of energy and energy conservation, for a sustainable energy supply," he added.

Later, talking to media persons after the conference, the prime minister said that the government would take the entire political leadership, whether allies or in the opposition, on board before the presentation of the budget for the next fiscal year to evolve a roadmap for providing relief to the people and to resolve the issue relating to increase in petroleum prices.

"I have directed the finance minister to hold consultation with the political leadership before the budget to find out a comprehensive resolution of people's problems and to pro-

vide them relief."

The prime minister had been in London to be near his son who had undergone surgery there, and had returned to Islamabad on Sunday morning.

Talking about meetings with Nawaz Sharif and Altaf Hussain, the prime minister said that the entire political leadership of the country was united to steer the country clear of the current crisis. "I discussed all the challenges facing the country with them," he said.

To a question about the increase in the POL prices, Gilani justified the increase, saying that there was no other option but to increase the rates as these were linked with the international prices. "The government has so far provided Rs35 billion as POL subsidy to the consumers," he added.

On devolution of the HEC, the prime minister said that the government had the ability to address all the challenges as there was "nothing wrong without a remedy".

When told the parties that had supported the 18th Amendment were opposing the HEC's devolution, the prime minister said that difference of opinion was a part of democracy. "It is healthy and positive attitude as difference of opinion is the beauty of democracy," he added.

When repeatedly asked about the future of the HEC, he said parliament is the forum where such issues would be resolved. "When the issue comes into parliament, it would be resolved," he added. He said the government provided the best incentives for the agriculture sector where 70 percent farmers live in the villages and now they are leading a happy life.

Commenting on the statement of Dr Zulfiqar Mirza about the MQM, the prime minister said that whatever he said was his personal opinion and did not reflect the party line. "The PPP respects the mandate of all the political forces," he said.