



ECONOMIC RELEASE



PRESS RELEASE

No Payments to IPPs without Forensic Auditing First: EFP President

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Ismail Suttar, President of Employers Federation of Pakistan, reiterated his earlier stance on forensic auditing of the IPPs, resented the recent passing of load of circular debt onto the consumers by increasing tariffs.

The new bill would be a huge blow on the competitiveness of the industries, a catalyst to rapid inflation, and a disservice to the plight of a common man. Instead of incentivizing the industrial consumers to utilize the national grid as a source of energy, the current move by the Government seems to coerce and corner the producers and manufacturers while burdening the consumers through higher electricity tariffs. Although the cited reason behind the draft bill is to contain the Rs. 1.8 trillion circular debt, the status quo will not improve unless immediate forensic audits of IPPs are carried out.

Moving the incidence of the circular debt on to the households and industrial consumers will only revive the decade-old wheel of injustice that marginalizes both the economic agents while the IPPs continue to have impunity. In the middle of an escalating pandemic, where the welfare of the populace should be the central force of any upcoming policy and decision, the increase in electricity tariffs without considering the adverse role of the IPPs is a sheer disappointment. The only way forward is to call for an impartial forensic audit of the IPPs, otherwise, no payments should be made. This assertion is for the greater good of the economy of Pakistan and the sustenance of a common man.

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