

# MEDIA COVERAGE

## Knowledge Brief “Circular Debt and Electricity Tariffs: Unequal Burdens Across Household Quintiles in Pakistan”

Business Recorder

<https://www.brecorder.com/news/40394057>

Samaa News

<https://www.samaa.tv/2087342235-pakistan-s-poor-hit-hardest-by-energy-sector-crisis-report>

Nation

<https://www.nation.com.pk/11-Nov-2025/40pc-poorest-households-pay-55-60pc-upper-class-15-20pc-total-debt-servicing-surcharge-bills>

APP Pakistan

<https://www.app.com.pk/business/pide-study-recommends-targeting-dss-trs-surcharges-to-high-electricity-consumers/>

Islamabad Post

<https://islamabadpost.com.pk/pakistans-poor-bear-highest-cost-of-power-crisis-reveals-pide-study/>

Global News Pakistan

<https://globalnewspakistan.com/2025/11/24/electricity-costs-hit-lower-income-households-the-hardest-pide-study/>

**Urdu Point**

<https://www.urdupoint.com/en/pakistan/pide-study-recommends-targeting-dss-trs-surc-2090492.html>

**Bloom Pakistan**

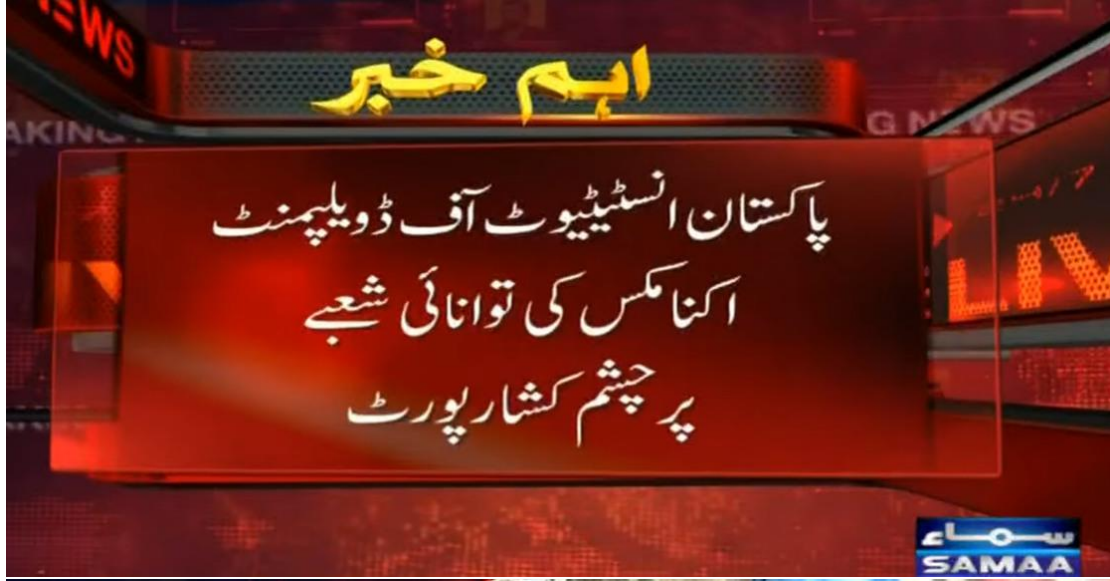
<https://bloompakistan.com/energy-crisis-turns-brutal-for-low-income-homes-warns-pide/>

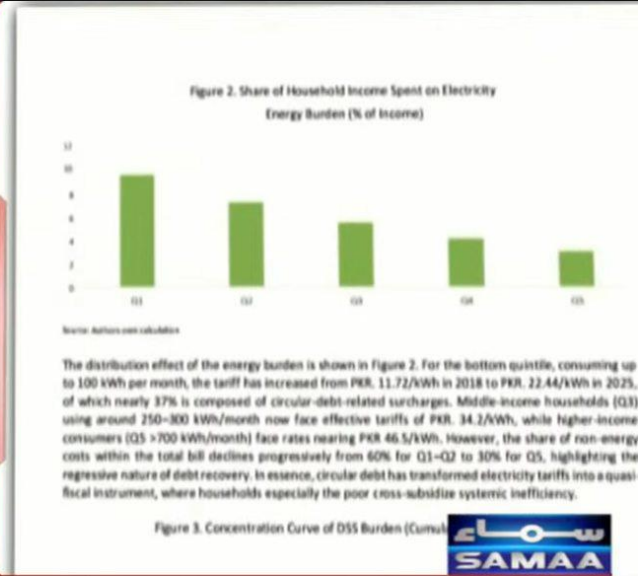
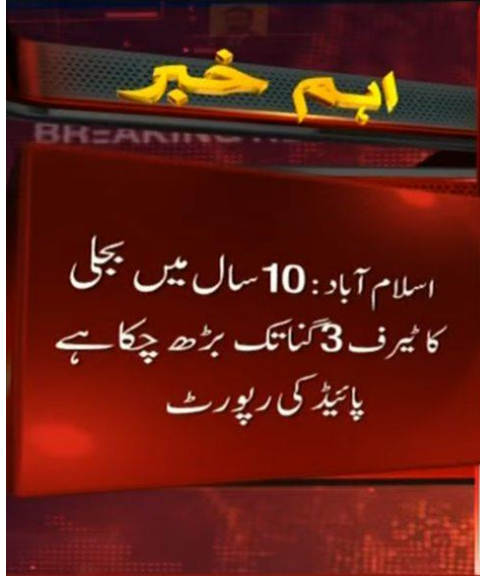
**TechJuice**

<https://www.techjuice.pk/circular-debt-study-warns-poorest-households-now-paying-the-highest-electricity-cost/>

**Minot Mirror**

<https://minotmirror.com.pk/the-crisis-of-unchecked-urban-growth-467046/>





PAKISTAN INSTITUTE OF DEVELOPMENT ECONOMICS

## Circular Debt and Electricity Tariffs: Unequal Burdens across Household Quintiles in Pakistan

Quantifying How Debt Servicing Translates into  
Regressive Tariff Impacts



Watch later Share



اسلام آباد: 10 سال میں بجلی کا ٹیرف 3 گنا تک بڑھ چکا ہے

پائینڈ کی رپورٹ

Figure 1. Share of household income spent on Electricity  
Energy Burden (% of income)

Year	Share of household income spent on Electricity (%)
2018	11.7
2019	10.5
2020	9.8
2021	9.2
2023	8.2

Source: WFP/World Bank/IEA

The distribution effect of the energy burden is shown in Figure 2. For the bottom quartile, consisting up to 100 kWh per month, the tariff has increased from PKR 11.72/kWh in 2018 to PKR 22.54/kWh in 2023, of which nearly 57% is composed of circular-debit related surcharges. Middle income households (200-300 kWh/month) now face effective tariffs of PKR 34.25/kWh, while higher income consumers (250-1000 kWh/month) face rates reaching PKR 48.33/kWh. However, the share of low-energy rates within the total bill declines progressively from 60% for Q1-Q2 to 40% for Q3, highlighting the regressive nature of debt recovery. In essence, circular debt has transferred electricity tariffs to the financial instrument, where households especially the poor cross-subsidize.

Figure 2. Concentration Curve of DDB burden (Contd.)

دونوں خودکش حملہ آوروں کے پاس رائفلز اور پیسٹ گرنیڈ تھے، رپورٹ

01 15 PM  
24 Nov | Mon

غریب گھرانوں کے بلوں میں 37 فیصد حصہ سرکلر ڈیبٹ سرچارجز کا ہے، رپورٹ

سرچارجز کا ہے، رپورٹ

01 15 PM  
24 Nov | Mon