

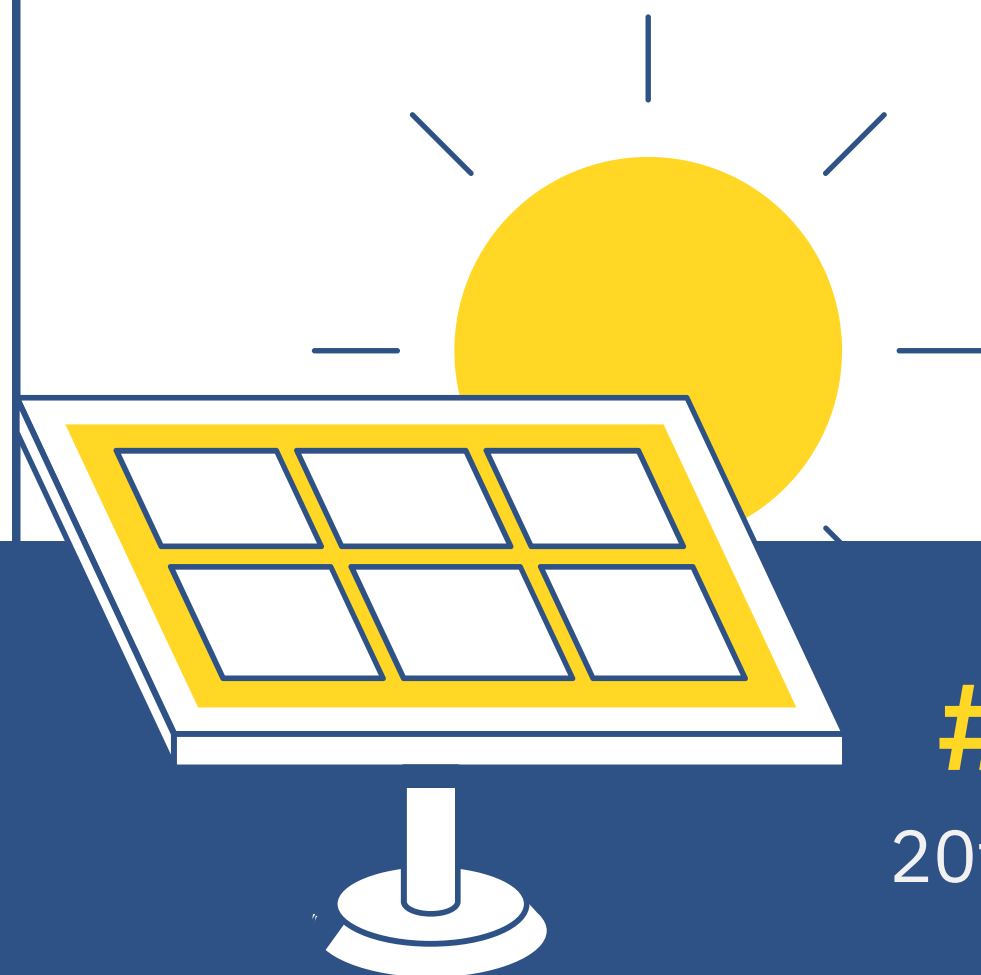


TAXING THE SOLAR SECTOR:

A Pyrrhic Victory



May 2026



#StopSunTax

20th April | 13th June 2026



www.pakistansolarassociation.org

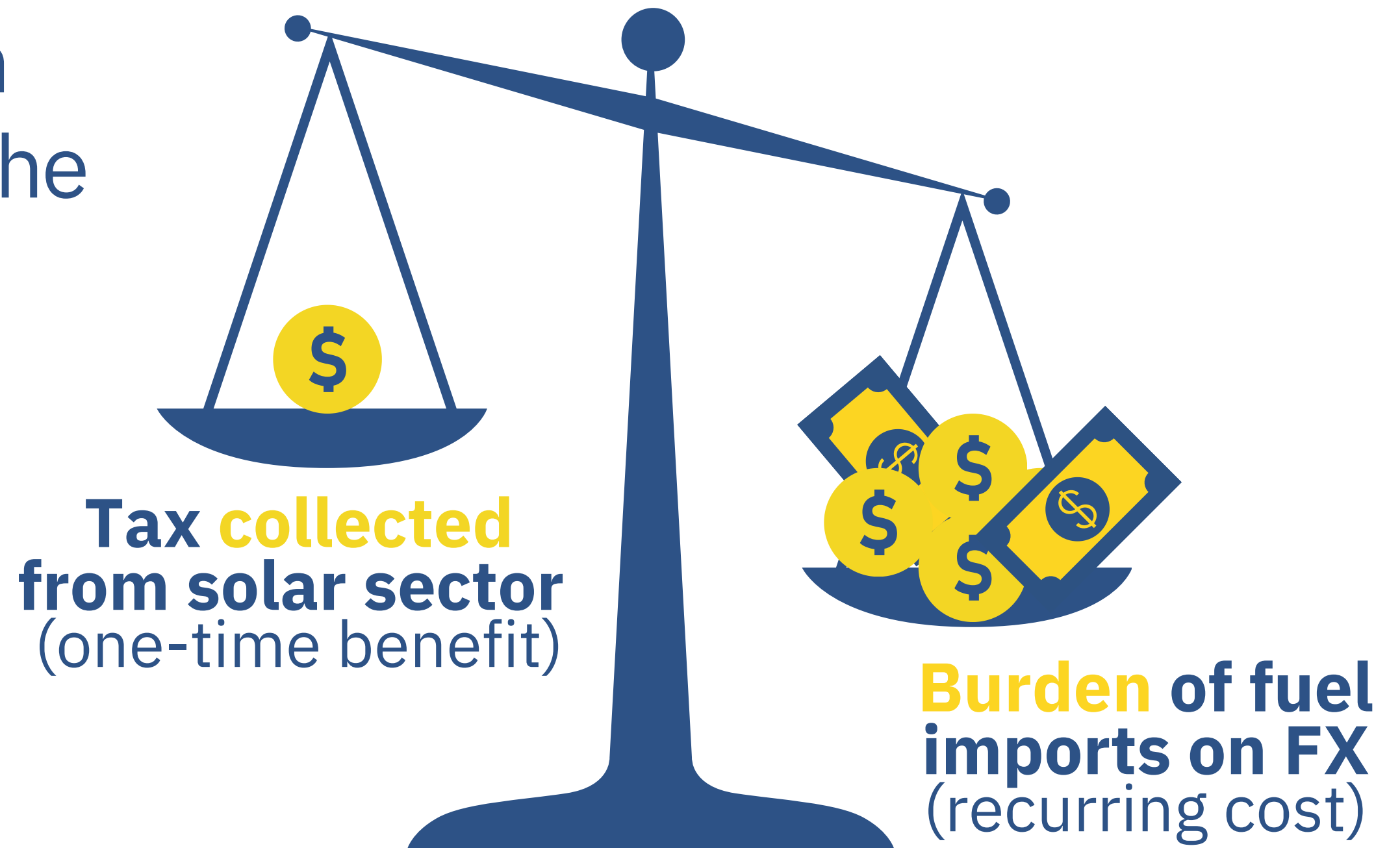
“...a victory gained at such a cost to the victor that it is tantamount to defeat.”

King Pyrrhus of Epirus defeated the Romans in battle
280 BC and 279 BC



“If we are victorious in one more battle with the Romans, **we shall be utterly ruined.**”

-Pyrrhus



Why?

Inflation

**Industrial
competitiveness**

**Foreign exchange
reserves**

How?

Cost of Energy

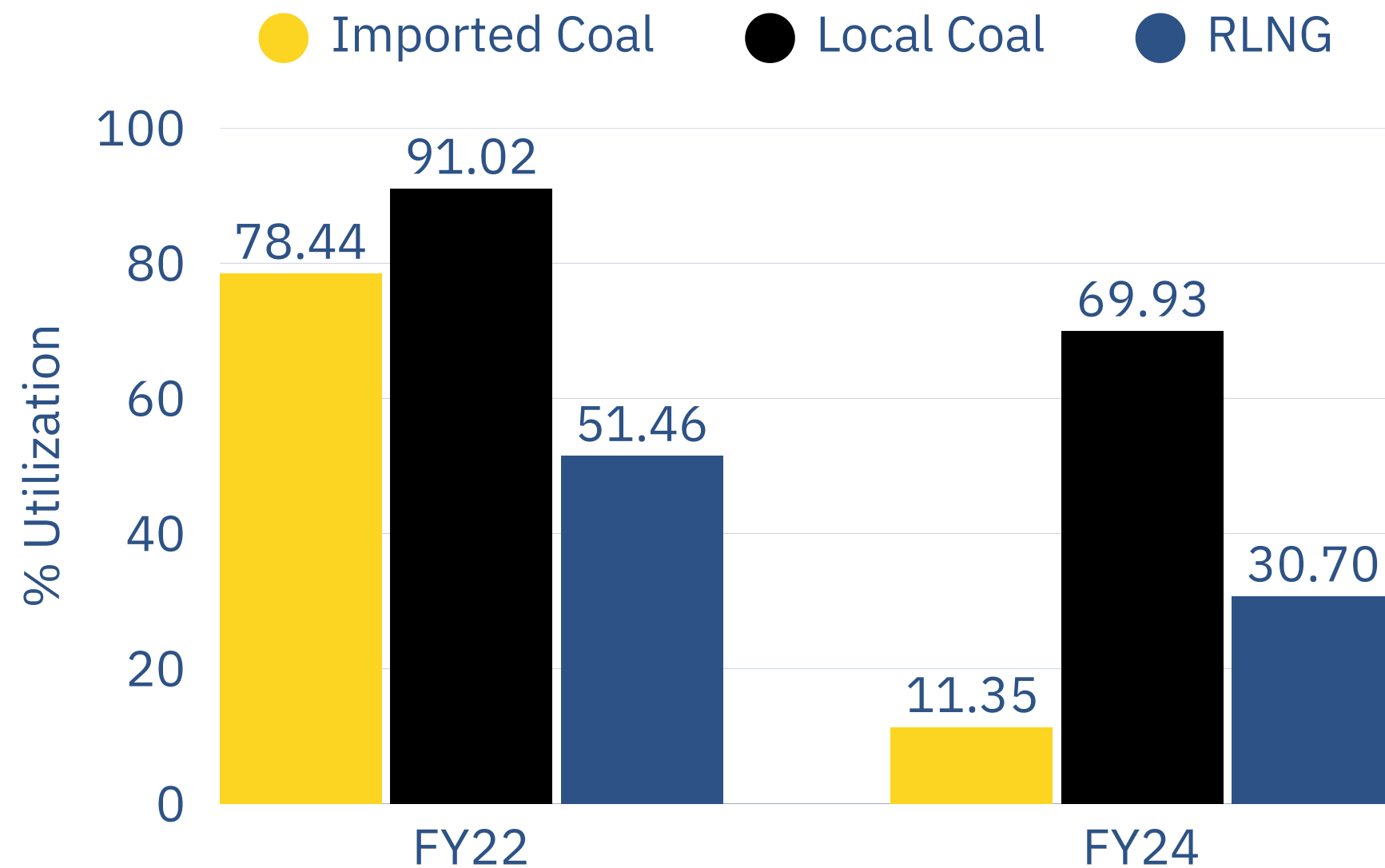
Energy Security

Reduces Imports

...energy policy is economic policy



**Figure 1—Utilization of thermal plants,
FY22-FY24**



≈ *USD 12-18 Billion*
saved on fossil fuel imports



What do the numbers say?

ECONOMY

Fully deployed, the **48GW** of imported solar PV capacity could avoid **USD 100-120 billion** in fuel imports over its operational life.

POWER SECTOR

Industrial electrification **will increase demand** by around **37%** in the long term from **15.8 TWh** in 2025 to **159.6 TWh** in 2050.

INDUSTRY AND PEOPLE

Electricity generated from fossil fuels cost **PKR 29-32/kWh** in FY24 and FY25, solar power would have cost **PKR 3.5-5/kWh**.



What does the industry say?



#StopSunTax | FY 2026-27 Budget campaign
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#StopSunTax:

1.

REMOVE GST

Abolish GST on **solar panels** and **inverters**

2.

REMOVE IMPORT DUTIES

No customs duties on **batteries, inverters**, except for as part of a **strategic initiative** encouraging **local manufacturing**

3.

ENSURE TAX STABILITY

Stable tax regime for solar and batteries imports aligning with **national renewable energy goals**



TAXING THE SOLAR SECTOR:

A [_____] Victory.



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THANK YOU!



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