

WORKSHOP ON “CARBON CREDITS POTENTIAL IN CEMENT SECTOR”

30TH JANUARY, 2008

SPEECH BY HEAD, CDM CELL ON INTRODUCTION TO CDM STRATEGY

Bismillah er Rehman er Rahim.

- Mr. Ijaz Ahmad Qureshi, Secretary, Ministry of Environment,
- Mr. Sami-ul-Haq Khilji, Additional Secretary Environment,
- Mr. Sajjad Ahmad, Joint Secretary (International Cooperation), Ministry of Environment,
- Representatives from Cement Production Sector, Experts, colleagues and dear Participants,

The Ministry of Environment, Government of Pakistan is the focal institution to deal with the issue of climate change. After ratification of the United Nations Framework Convention on Climate Change 1994, Pakistan signed the Kyoto Protocol on 11th January, 2005, and therefore is now eligible to initiate CDM projects in the country and to benefit from this initiative. The CDM offers great benefit to investor in industrial sector. Under this mechanism the industries including cement industry can gain additional benefits from generating carbon credits from switching to environmental friendly technologies. CDM offers great incentives by increasing the profitability of the industries beside addressing local and global environmental concerns and addressing sustainable development in the country.

The Ministry of Environment has created a CDM Cell for facilitating the CDM process in the country, efficiently and transparently and in line with national sustainable development goals. The CDM Cell is now equipped with technical expertise. The Pakistan National Operational Strategy for CDM was approved in February 2006, which highlights the mechanism for processing the projects. For this purpose, a very fast, fair and transparent process has been laid down in the

strategy. Beside reduction of significant amount of greenhouse gas emission the strategy also emphasizes obtaining other sustainable development benefits for Pakistan which include, production of clean and environment friendly energy, transfer of technology, creation of new jobs, building of national technical manpower and improvement of local environmental and economic conditions in Pakistan.

At this occasion I must inform that Pakistan is the only country in the world where the process of grant of Host Country Approval has been made very simple and easy, where Host Country Approval is granted with in time period of a month. This provides a very encouraging platform to project developers to benefit from opportunities under carbon financing. The CDM strategy has made the carbon business more attractive as the ownership of Carbon Credits has been fully awarded to project sponsors.

Ladies and Gentlemen

Under the patronization of Secretary Environment, the Government has Pakistan has made available all necessary financial pre- requisites and policy reforms for the purpose. An amount of 39 million Rs. has been allocated for promotion of CDM in Pakistan, Besides a number of initiatives to develop local capacities have also been initiated for CDM.

At the occasion of this very important event, I would like to take this opportunity to thank the Honorable Secretary Environment for his supervision and patronization for promotion of this very important mandate forward. The Additional Secretary Environment is also thanked overall guidance in policy and institutional support for CDM. I must also acknowledge the strong backing from Mr. Sajjad Ahmad, Joint Secretary (International Cooperation) who is also the National Focal Point/Designated National Authority for CDM in Pakistan for providing a secure platform for promotion of CDM in Pakistan.

Thank you.