

Workshop on “Carbon Credits Opportunities in Industrial Sector of Pakistan”.

4th of August 2008,

Federation of Pakistan Chamber of Commerce and Industries, Karachi

WORKSHOP REPORT

The Clean Development Mechanism (CDM) Cell, Ministry of Environment organized a one-day workshop on “Carbon Credits Opportunities in Industry Sector of Pakistan” on 04th August 2008, at “Federation of Pakistan Chamber of Commerce and Industries” (FPCCI), Karachi. The workshop was organized in collaborations with Federation of Pakistan Chamber of Commerce and Industries and Department of Environment Protection and Alternate Energy, Government of Sind. The workshop was attended by more than 100 participants from member bodies of Federation of Pakistan Chamber of Commerce and Industries (FPCCI), different national and international consultants, included representatives from different industrial sector and companies in Pakistan. Besides a number of investors, CDM project advisory companies and international validators were also present.

2. The day started with the recitation of the verses from Holy Quran. Mr. Gulzar Firoze, Chairman of the FPCCI’s Standing Committee on Environment welcomed all the participants and told about the objectives of the workshop. He said that carbon credits have a huge potential in various industrial units of Pakistan. He thanks the Ministry of Environment on organizing this workshop and assured full cooperation from FPCCI for taking this important mandate forward.

3. Mr. Ehsan Munir, former President of FPCCI in his address said that environmental issues are gaining more concern now because of the fact that at least 3- 45% of GDP is lost due to impact of environment on development. He said that Clean Development Mechanism opportunities need to be exploited not only to combat global warming but also for promoting development and making the industrial sector more profitable.

4. Mr. Mir Hussain Ali, Secretary, Department of Environmental Protection and Alternate Energy, Government of Sindh in his address to the participants thanked the Secretary, Ministry of Environment for organizing this workshop for the industrial sector of Pakistan. HE said that this is a high time for the industries to get benefit from the opportunities under CDM. He also appreciated the

Ministry of Environment's initiative to launch a comprehensive awareness raising session for various potential sectors of Pakistan.

5. The Opening Address of the workshop was delivered by Mr. Ejaz A. Qureshi, Secretary for Environment, Government of Pakistan. In his address, he said that Ministry of Environment, Government of Pakistan is providing a platform to take benefit from Clean Development Mechanism for industrial sector of Pakistan, which could provide a great opportunity to domestic and foreign investors to take benefit from this initiative. He said that CDM projects in industrial important sector would not only help earning additional revenue, but also help the companies to comply with the National Environmental Quality Standards in addition to achieving the objectives of their corporate social values. He said that the Government has allocated sufficient resources for promotion of CDM process in the Country and told that under the leadership of Honorable Federal Minister for environment, the Ministry is making sure that the CDM process is promoted on sustainable basis in the country. He also thanked the FPCCI for providing a platform for organizing this very important event.

6. In the Technical Session after the tea break, presentations and discussions were held on introduction to climate change and how to face its challenge. A presentation was delivered by Mr. Saadullah Ayaz, Acting Head, CDM Cell on introduction to climate change and how to face its challenge. The concept of Clean Development Mechanism (CDM) was introduced and benefits of developing CDM projects in cement production sector were discussed. Mr. Ayaz also elaborated the concept of Certified Emission Reduction (CERs)/ Carbon Credits. He also elaborated the advantages of CDM to developing and developed countries and the eligibility of CDM projects.

7. Mr. Omar Malik, Director of the Carbon Services presented the profile of his company. He told that carbon services is engaged in developing of CDM projects in all the priority sectors and has a presence in many countries of the world. He told that Carbon Services are the exclusive partners of a famous company FACTOR A. G. Switzerland in Pakistan. The company has a very strong profile in CDM has developed a number of projects in cement industry. The company has also a good track record and a project from Carbon Services in cement industry has been sent for grant of Host Country Approval to DNA.

8. Ms. Tasneem Ilyas, Divisional Manger form SGS- Group introduced her company and told about its role in CDM and carbon trading. He said that the company has 7000 employees working in 300 offices in more than 100 countries with a strong experience in the oil and gas and process industry sectors. She said that SGS is a Designated Operation entity (DOE) under the CDM, presently also the largest DOE and is involved in a number of GHG initiatives world wide. She told that a DOE validates and subsequently requests registration of a proposed CDM project activity. A DOE also verifies emission reduction of a registered CDM project activity certifies as appropriate and requests the Board to issue Certified Emission Reductions accordingly. She gave some details of the ongoing validation of CDM projects by SGS in Pakistan.

9. Mr. Daniel Keiser from Carbon Capital, Singapore told about the activities of his company in the global carbon market. He said that Carbon Capital is a leader in the establishment of carbon trading and reforestation businesses based upon the United Nations' Clean Development Mechanism. Carbon Capital has raised investments of over £300 million, and has established a series of Carbon Trading Partnerships which fund reforestation and renewable energy projects in the developing world. It also manages their commercial activities and longer term business development on a similar basis. He threw light of the various CDM activities being undertaken by the company world- wide and told that Carbon Capital is ready to engage itself in the CDM activities in Pakistan on competitive basis.

10. Mr. Azharuddin from National Environmental Consulting in his presentation highlighted the importance of CDM and its role as a catalyst for sustainable development and also for increasing the profitability form industrial processes.

11. The participants and representatives asked different questions regarding opportunities & potential of developing CDM projects in Industrial Sector of Pakistan as well as various issues in this regard were also discussed. The presenters also responded to the queries of the participants which were mostly related to CDM Project Design Documents, carbon finance, PDD cost etc.

12. The workshop ended with the Closing Remarks by Mr. Jawed Ali Khan. Director General (Environment).