

Sustainable Industry Matters

FOR DEVELOPMENT

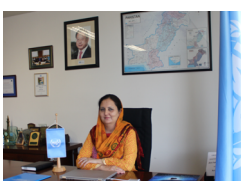
Message from

UNIDO Country Representative

I am pleased to share with you the first issue of the newsletter 'Sustainable industry matters for development'. It showcases the latest milestones and progress of UNIDO's initiatives in Pakistan which aims to promote inclusive and sustainable industrial development that is economically, socially and environmentally viable for all.

UNIDO is working on three thematic areas which are poverty reduction through productive activities; trade capacity-building; and environment and energy. In Pakistan, the portfolio comprises of 10 ongoing projects including Montreal Protocol which are spread across these themes. The current projects as well as the new proposals are designed for supporting sustainable industrial development in Pakistan, covering four components: trade related technical assistance, Agro industry, investment promotion and technology transfer, energy and environment. UNIDO is also launching Private Financing Advisory Network (PFAN) project, funded by the United States Agency for International Development (USAID) worth US\$ 8 Million project, aiming to facilitate access to finance to the SMEs and start-ups for Renewable Energy and Energy Efficiency related interventions. These initiatives, while covering all the thematic areas of UNIDO, are contributing in achieving self-sufficient Industrial systems which regenerate on its own with greater use of renewable energies, in poverty reduction through productivity increase, and in promoting better employment opportunities and improved wages for the poorer.

With the combined efforts of UNIDO country office team and all the public and private partners, Pakistan will get a push to embark on a journey to achieve inclusive and sustainable development. I hope you find the content of this newsletter useful and informative, and that you will enjoy reading it.


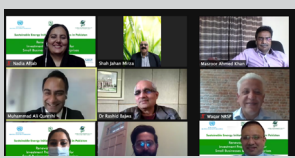
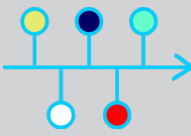





Nadia Aftab
UNIDO Country Representative

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An exclusive Interview with



Ms. Naheed S. Durrani

Federal Secretary Ministry of Climate Change

The year 2021 marks the beginning of the UN Ecosystem Restoration Decade and this year World Environment Day is celebrated on the same theme, which aims at pro-active restoration, rebuilding the degraded areas to improve habitat for wildlife, protect soils, watersheds, support economic resiliency and better confront a changing climate.

“Pakistan is not a big emitter of Green House Gases but suffers the harm disproportionately.”

This will be the first time in history that Pakistan will be officially hosting the day. It will serve as the ‘people’s day’ for doing something positive for the environment, galvanizing individual actions into a collective power that generates an exponential positive impact on the planet. It is the opportunity for everyone to realize the responsibility to care for the earth and to become agents of change.

Like most of the developing countries Pakistan is not a big emitter of Green House Gases but suffers the harm disproportionately. According to German Watch, our country has been ranked in the top ten of the countries most affected by climate change in the past 20 years.



On International Environment Day 2021, Pakistan will make some important announcements related to initiatives that

it has taken to mitigate the effects of climate change, including the 10 Billion Trees Tsunami Programme, Clean Green Pakistan, the Electric Vehicle Policy, National Parks, and Green jobs.



I am pleased to share that the Ministry of Climate Change has endorsed UNIDO’s project, “Accelerating clean technology innovations for integrated and sustainable waste management solutions to reduce greenhouse gas emissions from municipal and industrial solid waste in Pakistan”. This project has multiple components including a competition on innovative ideas related to waste management and will identify and support high-impact clean technologies and green business model innovation. The competition will be organized in alignment with the national initiative of “Clean Green Pakistan Movement” including Clean Green Pakistan Index (CGPI) ranking criteria and will identify and promote at least 12 local solutions through local enterprises and youth as well as the institutions as identified under the Programme.

Promotion of clean green technologies is the need of the hour. In context of Pakistan, there can be multiple projects for sustainable development like Renewable and clean energy projects i.e. Solar, Wind, Biomass and e-vehicle etc. Similarly, Energy efficiency projects would also help in reducing carbon emission. Waste management and plastic pollution are the pressing issue these days and projects catering these issues will be a blessing for the country. And as per the priority of the government, the projects related to tree plantation are of prime importance.

Unlike traditional challenges, like security and trade, Climate Change cannot be deterred by conventional methods or unilateral initiatives. We need synchronized actions which is a viable way forward for sustainable progress to mitigate the impacts of climate change. It is through working together that we will be able to deliver a sustainable, healthy, and prosperous future for all. World Environment Day is a once-a-year activity; however, it does not mean that we should only pay attention to the environment on that one day. Irrespective of the day, organization, event, country, theme — preserving nature is our responsibility.



UNIDO is Supporting Energy Transition for Green and Clean Industrialization in Pakistan

The biggest challenge faced by the industry to access clean, reliable and high-quality energy is the capacity for carrying out investments. Apart from the setup cost, lack of expertise to install and operate the power plant is one of the main challenges which is hindering Renewable Energy (RE) penetration in the industrial sector. To address rising challenges, UNIDO promoted a business model which is an innovative finance mechanism to support energy transition. A Business-to-business (B2B) sales approach for investing in energy system is one in which the developer invests in the Renewable Energy power plants at commercial and industrial sites and operate them for 20-25 years selling electricity to the site owners at a discount to the grid.

UNIDO, through the Global Environment Facility (GEF) funded project 'Sustainable Energy Initiative for Industries in Pakistan', promoted this B2B sales approach to promote RE investments in the industrial sector in Pakistan. Shams Power, a solar power developer and solution provider in Pakistan, was selected as a private sector

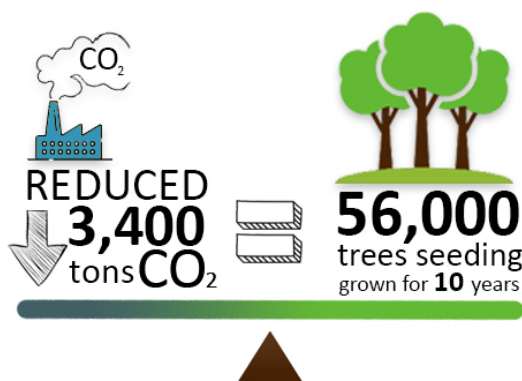
UNIDO's grant enabled Shams Power to secure corporate power purchase agreements for implementation of solar projects at 12 commercial and industrial sites

implementing partner and was given a grant in the form of financial assistance to cater the cost of 5 MW cumulative capacity solar energy projects installation. UNIDO's grant enabled Shams Power to secure corporate power purchase agreements for implementation of solar projects at 12 commercial and industrial sites including Metro Cash & Carry, Packages Mall and Akzo Nobel in Lahore. The B2B Sales model has transformed the industrial sector approach to increase their dependence on Renewable energy sources rather than relying on conventional sources of power. The industrial site owners entered a corporate power purchase agreement with Shams Power. With zero capital and operational costs Solar PV power plants were installed at their vicinity.

Now, through net metering facility, through support and efforts of project counterpart Alternative Energy Development Board (AEDB), the excess energy generated from Solar power systems could be fed and sold to the national grid. This has further strengthened the B2B sales approach whereas the plant operators and site owners can sell the surplus clean and affordable energy to the grids.

The generation of 6,000 MWh clean energy annually through this initiative is contributing to mitigate climate change. The GHGs emissions reduction is approximately 3,400 tons of CO₂ annually, which is enabling the associated industries to go carbon neutral.

In addition, the B2B approach has led to approximately US\$ 4.2 Million investment in renewable energy sector. The increasing reliance on renewable energy will lead towards 30-40% savings in energy costs of the industrial consumers amounting approximately US\$ 200,000 annually. This initiative is also paving way for new avenues of opportunities for young engineers and technicians including women energy professionals who have been trained under capacity building programs organized by UNIDO and its implementing partners.



UNIDO and GEF's Sustainable Energy Initiative has been instrumental in creating market-based adoption of RE technologies and measures in the industrial sectors of Pakistan. Our goal is to scale up and replicate this concept throughout Pakistan's Commercial and Industrial sites. We believe that we have developed the right expertise and experience with the support of UNIDO that will lead to sustainable clean and green industrialization.



Omer M. Malik
Director Business Development
Shams Power

Workshops & conferences



A national stakeholder's workshop on **"Unleashing the potential of industry 4.0 in developing countries"** was organized by UNIDO on 8 June 2021 virtually. The aim for organizing this workshop was to bring onboard stakeholders from public and private sector to discuss the challenges and opportunities, and find a way forward to promote industry 4.0 in Pakistan.

"This revolution will boost entrepreneurship and ecosystem in Pakistan"



Opening the national stakeholder's workshop, the chief guest, Mr. Asim Shahryar Husain, CEO of Ignite National Technology Fund (a non-profit company owned by the Government of Pakistan and administered by the Ministry of Information Technology and Telecommunication) commended the efforts of UNIDO, and said, "This is a much-needed discussion and the impact of 4IR is inevitable.

This revolution will boost entrepreneurship and ecosystem in Pakistan". He also opined that he believed that a component of Industry 4.0 in that policy would further glorify and help industries in competing at a global level.

Dr Bernado Calzadilla Sarmiento, Managing Director, Directorate of Digitalization, Technology and Agri-Business, UNIDO HQ Vienna in his remarks said, "One of the six priority themes of UNIDO is Industry 4.0. It has the potential to improve productivity and competitiveness, increase energy and resource efficiency and effectiveness and hence to protect the environment. I am sanguine that Industry 4.0 and Society 5.0 will significantly contribute towards inclusive and sustainable industrialization in Pakistan."

Speakers of the sessions included:



Mr. Marco Kamiya
Chief of Innovation and
Digitalization Division
UNIDO HQ, Vienna



Mr. Azhar Zia Ur Rehman
Author of book on
Technology Governance and
Industry 4.0



Dr. Sundus Wahid
Founder, Dentinet



Ms. Maheen Rahman
CEO, InfraZamin Pakistan



Ms. Sophia Hasnain
CEO, Linked things



Mr. Amer Hashmi
Chairman, Special Technology
Zones Authority,
Government of Pakistan



Dr. Umar Shahbaz
Central Project Director/
Chairman National Centre of
Robotics and Automation

More than 500 participants were engaged in an interactive workshop, including more than 100 women professionals. The discussions focused on the mega trends and key concepts of Industry 4.0, its potential applications in developing countries; and Policy Framework and Government's Role. The discussions from the panellists lead to a way forward for Industry 4.0 that can be leveraged for Inclusive and Sustainable Industrial Development in Pakistan. Gender aspect in Industry 4.0 was also brought into discussion which extended how women in technology and industrial sector can excel especially as entrepreneurs.

Activities this Quarter

Footwear Cluster Design Hub launched to Improve quality as well as exports



International footwear market is design savvy. Key challenge faced by the local manufacturers is lack of designing vis-à-vis product diversification. Due to which they are constrained in their ability to engage in sustainable business with foreign brands. Overcoming these challenges is beyond the capacity of individual firms, there is a common understanding about the need to enhance the scope and scale of design capacity within the sector (especially SMEs) in order to increase sector's share of value added in global markets.

In May 2021, a design hub at the footwear cluster level has been established by UNIDO and Punjab Small Industries Corporation (PISC) with close collaboration with Pakistan Footwear Manufacturer Association. This design hub will facilitate the local manufacturers in market intelligence related to the existing and potential exports and provision of design related services. It is expected that through this hub internationally recognized designers' club will be established. Furthermore, 25-30 footwear SMEs will be served with new collections each year at 30-40% cheaper rates comparing with similar services from other countries. The hub will have the capacity to train more than 100 individuals each year in the areas of 3D printing, design and development.

International Benchmarking of Pakistan's Industrial Clusters



Under the Cluster Development Initiative (CDI), UNIDO has conducted benchmarking studies for 14 selected clusters including readymade garments, auto parts and leather footwear clusters situated in Lahore, and Surgical cluster in Sialkot. The aim of this activity was to learn from better performing peers or other entities in order to improve structures, processes, products and services.

Based on the studies a set of policy recommendations have been provided to the relevant public and private sector stakeholders to improve the success of the CDI project being implemented by Punjab Small Industries Corporation (PSIC) with the technical assistance of UNIDO.

International Women's Day Celebrations

On 8 March 2021, a webinar was organized to acknowledge the women professionals in leadership roles in the industries.

More than 100 participants from different walks of life attended this event.

The webinar was clubbed with a social media campaign on UNIDO Pakistan Facebook page and twitter. A video was also produced to promote women professional in leadership roles



Sustainable Transition of Leather Business though Common Effluent Treatment Plant at Sialkot Tannery Zone



For years the industrial hub of Pakistan - the city of Sialkot has been affected at large by the industrial waste of the tanning industry. UNIDO, with the funding from the GEF, in collaboration with Industrial Community of Sialkot, has been successful in starting the construction for the Common Effluent Treatment Plant for Sialkot Tannery. With this initiative the waste water of all the tanning zone industrial units will be collected at a single point and will be treated to make it free of the harmful and poisonous impurities. This would help in effective control of environmental hazards caused by tanning industry in the city. Onsite work has started in April 2021, which will help in effective control of environmental hazards.

PFAID Developed Good Agricultural Practices Guide for Apple Value Chain

UNIDO has developed a Good Agricultural Practices (GAP) guide for the Apple Value Chain in consultation with the Department of Agriculture Balochistan and other public and private stakeholders under the Project for Agri-Food and Agro-Industry Development Assistance. In a concluding ceremony held in Quetta on February 16, organized by UNIDO, Engineer Zmarak Khan Achakzai, the Provincial Minister for Agriculture Government of Balochistan, appreciated the efforts of UNIDO and JICA in Pakistan and said that "the support from UNIDO in the development of the Apple Value Chain in seven districts of Balochistan will have a profound effect on the livelihood of people." High-level governmental officials and the technical committee member of the GAP guideline attended this event organized by UNIDO. The technical committee members of the GAP guidelines also received appreciation certificates at the end of the session.



Activities this Quarter

Expert Consultation for Preparing Pakistan HPMP Stage III

The consultation meeting on the overarching strategy of Hydrochlorofluorocarbons (HCFC) phase out management plan Stage-III Pakistan and preparation of Pakistan Hydrofluorocarbons Phase Out Management Plan (HPMP) Stage III was organized by UNIDO in collaboration with National Ozone Unit and UNEP in Lahore on 5-6 March 2021.

The consultation with eminent stakeholders of the project revolved around draft proposal for HPMP Stage III which was prepared by a team of consultants. Feedback from the attendees fueled further improvement in the design phase of the HPMP-III proposal. The consultation talked through the investment component including policy, recommendations, Regulatory Framework etc., as well as non-investment component includes as training, curriculum, certification, e-licensing etc. were discussed at the meeting.

International standards introduced to Regional Pesticide Quality Control and Research Laboratory, Balochistan



UNIDO conducted an assessment to identify the gaps of the Regional Pesticide Quality Control and Research Laboratory of Balochistan and upgrading the lab to the general requirement of ISO 17025:2017 for testing laboratories. Based on which an action plan for upgrading the lab was developed. The up-gradation of the laboratory is in progress. As part of the process, 16 lab staff from four different local departments have been trained on the general requirement of ISO 17025:2017 and the measurement of uncertainty in the test/calibration results. The training was held at the Agriculture Research Department from 1-4 February 2021.

Awareness Seminar on Solid Waste Management to Reduce Carbon Footprint

On 6 March 2021, UNIDO with funding from the GEF organized a seminar on solid waste management for Korangi leather area in collaboration with Pakistan Tanneries Association (south zone) Environmental Society (PTA (S.Z) ES), in Karachi.

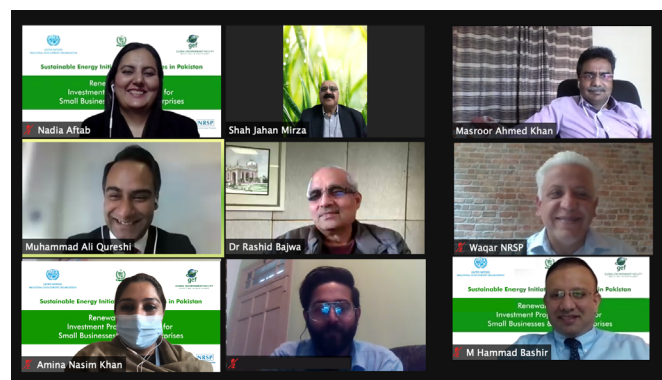
The purpose of this seminar was to create awareness among the tanneries to improve solid waste management and reduce carbon foot print. Mr. Gulzar Firoz, President PTA (S.Z) chaired the event and explained the importance of solid waste management for better environment. The seminar was attended by team members of PTA (S.Z) ES.

Meat Value Chain Progress Review Meeting

On 12 January 2021, Second Project Steering Committee Meeting (PSC) to review the progress of PFAID project and planning of the activities next six months was held virtually. The meeting

was chaired by the Federal Secretary Ministry of National Food Security and Research, Mr. Ghufran Memon and attended by the JICA Pakistan Representative Ms. Hagiwara and UNIDO country representative Ms. Nadia Aftab along with other committee members. The chair appreciated the Government of Japan and UNIDO's contribution in development of province and the support to uplifting the livelihoods of the meat value chain actors in KP and Balochistan.

Micro-Financing Scheme launched for Small Businesses and Micro Enterprises to Promote Renewable Energy Solutions for Productive Uses



UNIDO formally launched a Renewable Energy specific Micro-Financing Scheme utilizing the GEF grants in partnership with National Rural Support Programme (NRSP) during an impressive event held virtually in March 2021.

This unique initiative intends to provide interest free loans to beneficiaries for procurement and installation of Renewable Energy projects along with post installation maintenance support. The program is being implemented in 48 districts across Punjab and Sindh provinces providing access to clean, reliable and affordable Renewable Energy based solutions to more than 400 small businesses, and women owned micro enterprises. The program which is planning to install a cumulative capacity of minimum 600 kW of solar based solutions, not only contributing in reducing GHG emission in rural areas but is setting examples in successfully providing sustainable livelihoods to the marginalized communities.

The Virtual launch event which was chaired by Mr. Shah Jahan Mirza, CEO Alternative Energy Development Board was attended by representatives from public sector organisations, donors, official from NRSP district offices and beneficiaries including smallholding farmers and local renewable energy solution providers. The launch highlighted the technology solutions and their capital requirements with cost reduction and other benefits to the attendees.

A brochure in Urdu language was also developed for the outreach among the locals of project districts.



Years in Review



2020

UNIDO launched an exclusive page for guidelines on SMEs on how to deal with COVID-19 related impacts for SMEs on the website [link](#)

Conducted a survey on Impact Assessment of Covid-19 on Pakistan's manufacturing firms- Survey results of first round of survey Report available at this [link](#)



Published Market Intelligence Report identifying six potential export markets

Orders for more than USD one million matured for surgical cluster companies.

Collaborated with National Rural Support Program for providing access to clean energy through implementing 600 KW cumulative capacity of RE projects in small, micro and women owned enterprises for productive uses with the GEF grant.

2019

UNIDO Country Programme (CP) signed with Ministry of Industries and Production, Government of Pakistan for the period 2018 -2022

The cabinet of Japanese Government approved USD 5 million funding for the Project for Agri-Food and Agro-Industry Development Assistance in Pakistan (2019-2023). MOU signing ceremony between JICA and UNIDO was held in August 2019.



A trade mission for the surgical companies to South Africa organized for 16 representatives from 10 surgical companies.

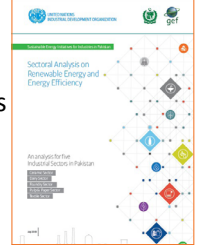
Design Studio for readymade garments cluster in Lahore kick started operational activities funded by Cluster Development Initiative.



A 25 KW demonstration unit based on Bio Gas Technology has been commissioned in remote village a Kasur, Punjab.

UNIDO successfully launched the Energy Management System Program in 50 energy intensive industries across Pakistan, engaging 10 consortia comprising of energy management consultants, academia and energy auditors.

A sectoral analysis study on Renewable Energy and Energy Efficiency potential and opportunities in energy intensive sectors of Pakistan was launched.[link](#)



Stella Jean, an acclaimed Haitian-Italian fashion designer, visited Chitral district Under UNIDO ITPO project. Impressed with the artisans, Jean employed Kalash women for the embroidery and showcased their work at Milan Fashion Week.

2018

UNIDO Pakistan team won the 'Gender Equality Mobilization Award' from UNIDO HQ.



Establishment of the first Biomass Cluster in Pakistan in collaboration with USPCASE, NUST.

UNIDO kick started a project on the Agro-Food Industry development in Gilgit Baltistan.

Energy Efficient Technology, i.e., three Solar Dryers, was transferred to Agriculture department of Gilgit Baltistan

A special training session on Energy Management System Implementation Training for Women Professionals was held in Islamabad in December 2018. Training more than 40 women professionals from the energy sector.

Built the capacity of more than 400 professionals through training on Energy Management System, Energy System Optimization, Certified Energy Auditor, and Certified Energy Manager.



2017

UNIDO along with UN Women and ILO has developed a joint initiative for gender equality focusing on home-based workers in Punjab and Sindh

International accreditation of 19 testing laboratories under TRTA I and 26 labs under TRTA II

EE and RE Policy framework evaluated by international consultant and recommendations submitted to AEDB and NEECA and REEE project

Women Champions



“ I attended a series of training on Energy Management Systems organized by UNIDO in 2018, including training on financing of renewable energy and energy efficiency projects and also a highly technical training on energy systems optimization and also the managerial side of ISO 50001 certification.

As far as personal capacity is concerned, I am able to present my ideas more confidently at any platform no matter how technical they are.

UNIDO is doing a really good job in building the capacity of women professionals in the field of energy.”



Ayesha Obaid

Assistant Manager HSC&E

KSB Pumps Company Limited

Influencers Speakout



Mr. Marek Minkiewicz
Managing Director
METRO Pakistan Pvt. Ltd.

“ Sustainable business and environment protection are key elements of METRO Group’s strategy that has been successfully implemented in Pakistan as part of the Sustainable Development Goals, specifically SDG #7 i.e., affordable and clean energy. I am proud that most of METRO Stores in Pakistan are now using solar energy after successful collaboration with Shams Power through UNIDO and GEF that will allow METRO Pakistan to save 2,639 tons of CO2 every year. ”



Ms. Mubashra
Business Planning Manager
Ravi Automobiles Pvt. Ltd.

“ As a professional in the field of operations in the manufacturing industry for the last 10 years, I believe that the industry despite being labor intensive is very supportive to women professionals. I would encourage fellow women to always stay positive. Recognize your skills and utilize them in a better way, do not hesitate. UNIDO has worked closely with our industry and has always encouraged women professionals to step forward. ”



Ms. Zillay Mariam
Founder/ Managing Partner
ISP Environmental Solutions pvt. Ltd.

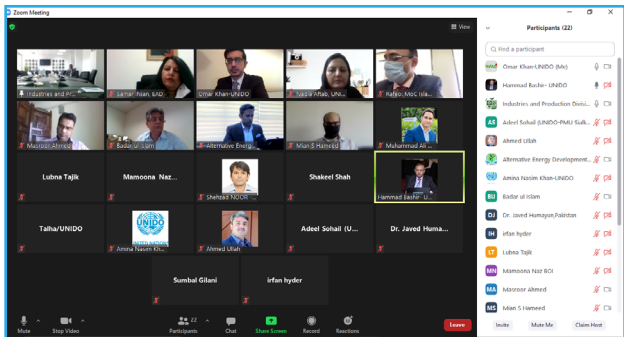
“ Unfold your potential with UNIDO! I have been in the practical field for quite long but never explored myself as an Entrepreneur. UNIDO’s support, I was able to achieve my passion; to become an entrepreneur, no matter what the circumstances were. I strongly encourage women to know their self worth, take a step and lead regardless of what others think or say about you. ”

Snapshot

> Exposure visit to Animal Husbandry in-Service Training Institute, Peshawar, KP on 28 May 2021



> Contractor Meeting on Common Effluent Treatment Plant (CETP) in Sialkot



> Second Steering Committee of UNIDO Country Programme (CP) for Pakistan for Inclusive And Sustainable Industrial Development 2018-2022 was held on Wednesday, 7 April 2021 via Zoom

< EnMS progress Review meeting at Qarshi Industry in March 2021

< International standards introduced through assessment and capacity building of the Regional Pesticide Quality Control and Research Laboratory Balochistan 4 February 2021

Save the Date

Upcoming events in June 2021

- Virtual Meeting on Leather and Solid Waste Management
- Policy dialogue with Sindh Environmental Protection Agency of Cleaner production policy for industries in Sindh.
- Training of trainers on-Good Animal Husbandry
- Training of trainers on-Hygiene Practices (GAHP/ GHP)
- Training of the Lab staff on test methods in Baluchistan

- Third Project Steering Committee – Meat Value Chain
- Lab training by UVAS to LDD and KPFSHFA - Meat Value Chain
- Session on Traceability System for Meat
- Establishment of CoP and e-learning platform for capacity building of Agriculture Extension Worker
- Training of Master Trainers on GAP and Cop in Balochistan- Apple Value Chain

Upcoming events in July 2021

- Consultative process for business model development or slaughter houses administered by the Local Government

Upcoming events in August 2021

- Development of Packaging solution for Apple Value Chain
- Development of Solutions for Apple processing and value-added products



UNIDO Supports Sustainable Development Goals (SDGs)



For Feedback and Suggestions

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