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Sustainable Development in the Emerging World Dis | Order

SDPI's 28th Sustainable Development Conference

4 – 7 November 2025 | Islamabad Pakistan

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28th SDC thematic poster designed by: Umair Hassan & initial draft by Mashhood Urfi

SDPI's 28th Sustainable Development Conference

4 – 7 November 2025 | Islamabad | Pakistan

Sustainable Development in the Emerging World Dis|Order

Introduction and Background

28th Sustainable Development Conference (SDC): The Sustainable Development Policy Institute (SDPI) held its 28th Sustainable Development Conference (SDC) from 4 – 7 November 2025 at the Allama Iqbal Open University, Islamabad, Pakistan. This year's overarching theme was "**Sustainable Development in the Emerging World Dis|Order**".

For more than a quarter of a century, the SDC has become a hallmark of SDPI's contributions towards advocating and supporting a sustainable world through engaging the primary stakeholders, providing evidence-based policy solutions and building capacities to implement these solutions.

The flagship event brought together thought leaders from different segments of society including politicians, policymakers, practitioners, researchers, development partners, civil society organization and academics from across the globe for engaging discussions and meaningful dialogues on national, regional and global challenges and opportunities.

Aligning with Key Regional Forums

Providing participants with a unique opportunity to engage with a diverse range of perspectives and initiatives, the 28th SDC took place alongside three other forums that are shaping sustainable development discussions at the local and regional levels. These include:

- SDPI's 3rd Sustainability Investment Expo (SI Expo) with an overarching theme of **"Collaborations for a Climate Smart Future"** that served as a call to action for collective engagement.
- UNESCAP 9th South and South-West Asia Forum on Sustainable Development with an overarching theme of **"Transformative, equitable, innovative and coordinated actions for the 2030 Agenda and its SDGs for a sustainable future for all"**.
- The 18th South Asia Economic Summit (SAES) focussing on the theme of "**Exploring innovations and policies in the circular economy**".

Recap: The 28th SDC brought together an impressive galaxy of over 300 speakers, comprising more than 200 national and 90 international participants from 23 countries who joined in person as well as online.

H.E. Syed Yousaf Raza Gilani, then Acting President and Chairman of the Senate of Pakistan, honoured the delegates by attending the networking event as Chief Guest on 4 November 2025. The event was sponsored by FES and PATH at the occasion of SDPI's 28th Sustainable Development Conference.

Alongside the distinguished voices from within Pakistan, experts and practitioners contributed to the discourse from Australia, Bangladesh, Canada, China, Denmark, Germany, India, Indonesia, Japan, Kenya, the Kingdom of Thailand, Maldives, Mauritius, Nepal, the Philippines, Sri Lanka, Switzerland, Türkiye, the UAE, the UK, the USA and Vietnam. Adding further distinction to the event, H.E. Syed Yousaf Raza Gilani, then Acting President and Chairman of the Senate of Pakistan, honoured the delegates by attending the networking event as Chief Guest on 4 November 2025.

Altogether, a total of 50 sessions were organized, that included 11 high-level plenary sessions, 32 concurrent sessions, and 7 fireside chats. The sessions provided an interactive platform, facilitating meaningful dialogue between distinguished speakers and an engaged audience representing diverse professional and academic backgrounds.

Launch of Publications: The latest SDC Anthology titled "**From Fragility to Resilience: Enhancing Sustainable Development**" jointly published by

SDPI and Sang-e-Meel was launched during SDC 2025. The anthology is available for download from the given link: *https://sdpi.org/from-fragility-to-resilience-enhancing-sustainable--development/publication_detail*.

Additionally, Volume 9 of the Journal of Development Policy, Research & Practice (JoDPRP) was launched and can be accessed at *https://journals.sdpipk.org/index.php/JoDPRP.*

Next to SDPI's own publications stall, development partners and multilateral institutions set up interactive knowledge booths to highlight and share insights from their high-impact work. The following publication stalls were featured at the Conference:

1. SDPI Publications Corner
2. Pakistan Academy of Letters
3. CHIEF International
4. AIOU Publications
5. National Book Foundation
6. Pakistan Language Authority
7. FES publications

3rd Sustainability Investment Expo: Alongside the 28th SDC, under a marquee in the vast grounds of AIOU, the **3rd Sustainability Investment Expo (SIE)** featured stalls from 24 organizations from the development and private sectors, showcasing innovative sustainability products, services, and initiatives.

Sustainability Awards: These were awarded at the opening plenary of SIE in the categories listed here.

- Circular Economy & Production Innovation
- Renewable Energy & Low Carbon Transitions
- Agri-Tech & Food Security
- Gender Equity & Social Impact
- Sustainability Education and Community Led Adaptation
- Disaster Resilience & Climate Risk Management
- Smart Mobility & Green Infrastructure

Capacity Building Hubs (CBH):

Specially designed Capacity Building Hubs ran throughout the four days of the mega event covering the following training sessions by the CBH facilitators:

- Green Skills Program: Energy Modelling through Low Emissions Analysis Platform
- Green Skills Program: Introduction to Carbon Markets
- Introduction to Public Private Partnership
- Impact of Battery Storage Systems in Residential, Commercial, and Industrial Sectors of Pakistan
- Project Management Orientation
- Prevention of Sexual Exploitation and Abuse (PSEA)
- Aga Khan Agency for Habitat (AKAH)'s Approach of Community-Based Hazard Assessment Monitoring and Early Warning System
- Thinking Beyond Knowledge Dissemination in the Age of AI: A Policy Perspective for Future Public Learning
- Safeguarding the Future: Integrating Risk thinking into Development Planning
- Partnerships for Change: Financial Cooperation in the Climate and Energy Sector

Fireside Chats & Climate Conversations: The Expo hosted Fireside Chats with influential voices in climate science, business, diplomacy, and youth advocacy. These were honest dialogues on challenges, innovations, and the personal stories behind climate action. They were:

- Shaping Impact Together: German Development Cooperation in Pakistan
- Private Sector Pathways to Food Security in Pakistan
- Resilient Dairy Futures: Integrating Nutrition, Circularity & Climate Action
- Closing the Loop: Inside PepsiCo Pakistan's rPET Journey
- 5. Redefining Responsibility: EPR, Recycling & the Future of Sustainable Packaging
- Gender, Equity & Social Inclusion
- Collaborating for Change: How AKDN and German Development Cooperation Shape a Sustainable Pakistan

Acknowledgements:

A special thanks to the team of rapporteurs and media professionals deputed to cover the sessions for their valuable contribution in the compilation of policy recommendations and press releases. Press releases, finalised and edited by **Salim Khilji,** can be further viewed at the given link:

https://sdpi.org/sdconference//sustainable-development-in-the-emerging-world-dis-order/pressrelease

Policy recommendations featuring in this Bulletin collected by the team of rapporteurs led by **Nimrah Nadeem** have been curated by **Sarah Siddiq Aneel**. These recommendations were drawn from the thematic sessions and plenaries of the Sustainable Development Policy Institute's 28th Sustainable Development Conference held in November 2025.

The dedication and invaluable support from **Tayyaba Hanif, Romila Qamar, Amber Tasawwur, Mashhood Urfi, Asim Zahoor** and **Umair Hassan** in handling the various aspects that go into preparing this Bulletin and sessions' statistics are much appreciated. This year's Conference poster has been designed by **Umair Hassan** with initial draft by **Mashhood Urfi.**.

About the Bulletin:

This Bulletin provides a summary of the dialogues and discussions held during the Conference highlighting the key themes explored and the insights shared by participants. Moreover, it provides the key policy recommendations derived from these deliberations, serving as an important resource for stakeholders, practitioners and policymakers alike. This Bulletin captures the highlights of the four-day Conference, presenting its discussions, findings, and key takeaways in a clear and accessible reference document.

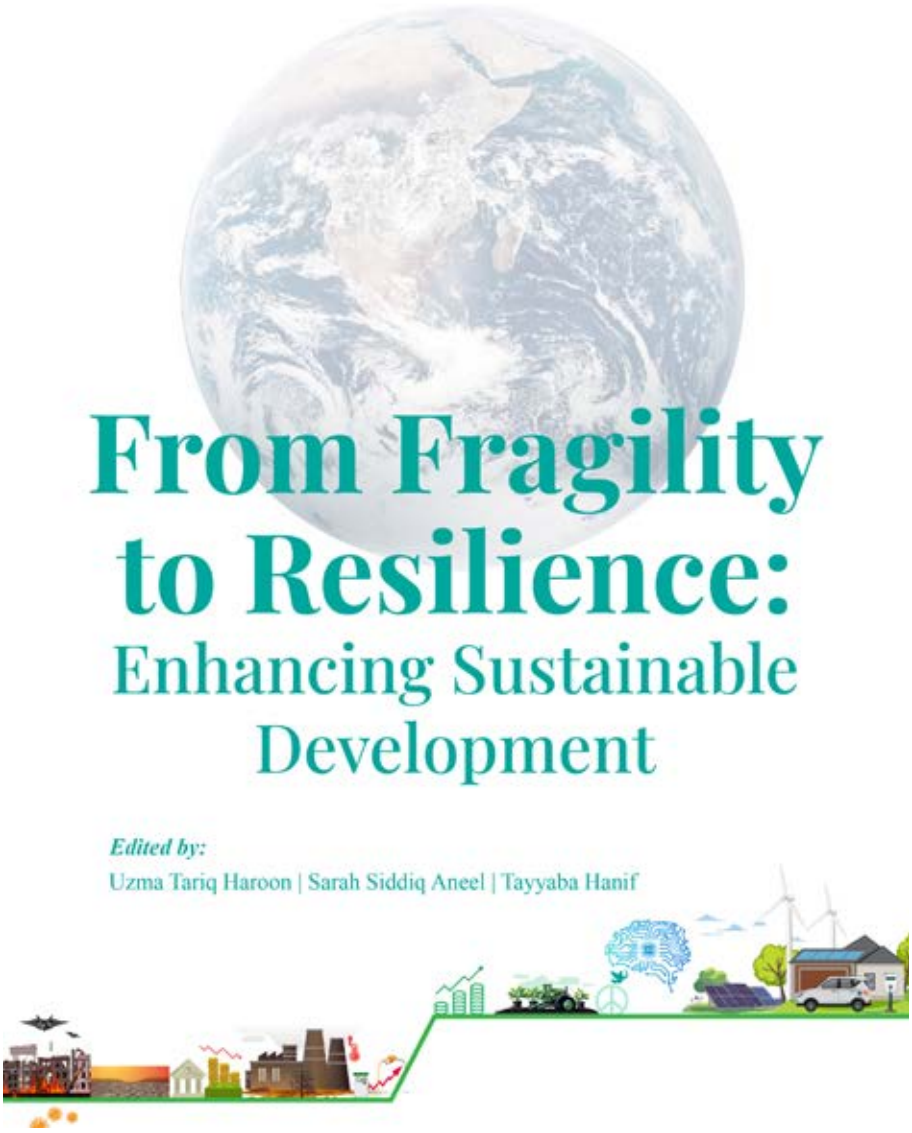
For details of the 28th Sustainable Development Conference, please visit the given link:

https://sdpi.org/sdconference/

Introduction and Recap by: Uzma T. Haroon

SDC Anthology

'From Fragility to Resilience: Enhancing Sustainable Development' jointly published by SDPI and Sang-e-Meel, and launched at the 28th Sustainable Development Conference, is an ambitious intervention into the critical debates surrounding sustainability, resilience, and justice in the Global South. Bringing together a unique combination of evidence-based, data-driven research and the perspectives of Pakistan's leading policymakers, the volume bridges the often-divided worlds of scholarship and governance. It provides not only rigorous academic analysis but also policy reflections from those directly engaged in shaping the country's development trajectory.



The book situates Pakistan as a focal point for understanding the complex tensions between growth-oriented economic policies and the imperatives of environmental stewardship, inclusive governance, and social equity. It explores fragility across political, economic, and ecological systems revealing how weak institutions, resource pressures, and inequality exacerbate vulnerability. Yet, rather than a narrative of despair, the contributions chart a forward-looking vision. They highlight adaptive governance, participatory policy frameworks, gender-responsive planning, and innovative responses to climate and resource crises as viable pathways towards resilience.

Its value lies not only in diagnosing systemic weaknesses but also in offering a platform where policymakers, scholars, and practitioners converge to reflect on sustainable futures. By combining grounded research with insider perspectives from the government, the anthology provides a rare and comprehensive view of the challenges and opportunities that define sustainable development in fragile contexts.

At its core, the book raises pressing questions: How can resilience be institutionalised in states facing chronic fragility? What forms of knowledge and participation are necessary to democratise development? How can national priorities be reconciled with global responsibilities in an age of interdependence?

Interdisciplinary in its approach and unapologetically forthright in tone, 'From Fragility to Resilience' compels its readers to think beyond superficial solutions. It insists on reframing resilience not merely as a technical or economic concern, but as a profoundly political, social, and ethical project. By bringing together data, theory, and lived policy experience, this volume stands as an essential resource for academics, policymakers, practitioners, and engaged citizens who seek to imagine and build more resilient and just futures.

Book Blurb by Sarah Siddiq Aneel

Donors & Partners

SDPI's Twenty-eight SDC was held with support from the following donors and partners

Opening Plenary 1.1
Sustainable Development in the Emerging World Dis|Order

In collaboration with SAES and UNESCAP

Recitation and National Anthem

Master of Ceremony: Dr Khalid Waleed, Research Fellow, Sustainable Development Policy Institute (SDPI), Pakistan

Welcome Remarks: Ambassador Shafqat Kakakhel, Chairperson, Board of Governors, Sustainable Development Policy Institute (SDPI), Pakistan

Introductory Note: Dr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan

Welcome Remarks by the Co-Host: Prof. Dr Nasir Mahmood, Allama Iqbal Open University (AIOU), Pakistan

Remarks by the Chief Guest: Dr Musadik Masood Malik, Federal Minister for Climate Change, Ministry of Climate Change and Environmental Coordination, Government of Pakistan

Remarks by the Guest of Honour: H.E. Ms Syeda Rizwana Hasan, Advisor to the Ministry of Environment, Forest, and Climate Change, Bangladesh

Distinguished Speakers:

1. Mr Mohamed Yahya, UN Resident Coordinator and Humanitarian Coordinator, Pakistan
2. Prof. Kazuhiko Takeuchi, President, Institute for Global Environmental Strategies (IGES), Japan (Online)

Launch of Publications:

1. From Fragility to Resilience: Enhancing Sustainable Development
2. Journal of Development Policy, Research & Practice (JoDPRP), Volume 9
3. Provincial Development Monitor (PDM): A Derived Human Development Index Approach
4. Colours of Pakistan – Through the Eyes of the Diplomats

Plenary Organisers: Ms Romila Qamar & Mr Mashhood Urfi, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Mr Aftab Hameed Mirani, Ms Mursal Qaisari & Mr Sarfaraz Ahmed

Video Link: https://www.youtube.com/live/OAP3GWGNM_8?si=Cx0tYRAEfFnFwQfN

Federal Minister for Climate Change, Dr Musadik Malik accused the wealthy nations of "global hypocrisy" for demanding developing countries go greener while withholding climate finance, saying nations like Pakistan — among the lowest carbon emitters but hardest hit by climate disasters — were being unfairly punished in the new world order.

He was speaking at the Opening Plenary of the four-day 28th Sustainable Development Conference titled Sustainable Development in the Emerging World Dis|Order organized by the Sustainable Development Policy Institute (SDPI).

The Minister said that despite Pakistan emits less than 1% of global greenhouse gases, it is bearing the brunt of floods, droughts and debt pressures. "Forty percent of emissions come from just two countries, and 10 nations are responsible for 75% — yet they receive 85% of global green financing," Dr Malik lamented. "Meanwhile, countries like ours are told to be greener or face carbon taxes. What a hypocrisy."

Malik criticized international lenders for asking Pakistan to "repurpose" funds meant for education and social welfare to rebuild infrastructure destroyed by climate disasters. "When we ask for support, they tell us to redirect what little we have," he said.

Bangladesh's Advisor to the Ministry of Environment, Forest, and Climate Change, H.E. Syeda Rizwana Hasan echoed the concerns, warning that multilateralism is "losing ground" amid growing political unrest in South Asia. She said worsening natural disasters, soil degradation, and regional disputes — particularly between upper and lower riparian nations — threaten millions of lives. "Pakistan has seen actions by upper riparian that violate international law," she noted.

In his welcome address, **SDPI Executive Director, Dr Abid Qaiyum Suleri** said, the Conference serves the region's intellectual purpose where research meets policy, ideas meet responsibility, and optimism meets realism. This year's theme captures the mood of our times, he said, adding that today, uncertainty has prevailed across every front. "The familiar pillars of progress such as trade integration, multilateralism, and predictable growth are weakening. Geopolitical alignments are shifting faster than our institutions can adapt. Climate extremes have become more frequent, costly, and political."

From the Himalayan glaciers to the Bay of Bengal, the climate crisis, debt stress, and digital divides have become our shared realities. Yet South Asia also possesses something more powerful — a remarkable capacity to adapt, Dr Suleri added.

SDPI Chairperson of the Board of Governors, Ambassador Shafqat Kakakhel, said complex threats to peace, prosperity, and human well-

being — such as the impacts of climate change — have grown exponentially, even as our collective will to counter them has receded. He added that the international community has been jolted by the open defiance and outright rejection of scientific findings by countries that were once at the forefront of scientific inquiry, research, and development. Support for developing countries' efforts to protect their fragile and vulnerable economies from the adverse consequences of global warming and climate change has remained woefully inadequate.

Mr Mohamed Yahya, UN Resident Coordinator and humanitarian coordinator, Pakistan said that "The era of small projects is over," adding, "We can support governments technically, but we cannot replace them." He further emphasized, "We need to have something transformative rather than small, little projects that do not have the kind of impact we want to see. Seeing a Bangladeshi Advisor here is a realisation that South-South cooperation is a way to solve the major issues in region. Sharing technical expertise and information in the region is crucial for sustainable development. We, in UN, cannot be a delivery substitute of the government. This is just not going to happen! UN has to be the support system for the government. SDGs have never been about charity; they are the blueprints for investments and shared resilience."

President, Institute for Global Environmental Strategies (IGES), Japan, Prof. Kazuhiko Takeuchi stressed on working collaboratively. He said "Sustainable Development Goals cannot be achieved when every sector works in silos"; the realities of climate change, economic transitions and biodiversity loss are braided together like the strands of a single rope. To strengthen ecosystem resilience, we must champion nature-based solutions, protect biodiversity with intent, and embed circular economy models that reduce pressure on our natural systems. It is time for pollution control measures and biodiversity strategies to move from the margins into the heart of national policy frameworks. This calls for regional collaboration and inclusive governance, a spirit of collective stewardship that IGES is proud to advance as the secretariat of the Asia-Pacific Synergy Report — a regional initiative led by UNESCAP, UNEP, LOP and ADB, with the valued support of the Ministry of Climate of Japan.

AIOU Vice-Chancellor, Dr Nasir Mahmood, called upon the world to shift from fragmented projects to bold, regional programmes to tackle shared environmental challenges. He said the private sector was often seen as a bystander to policy, which was proving to be a partner in transformation — from climate-resilient infrastructure and renewable energy ventures to digital inclusion and sustainable production.

POLICY RECOMMENDATIONS

For South Asia

- Climate instability fuels resource conflicts, migration, and social unrest. A "Climate-Security Nexus" approach ensures preventive action rather than reactive crisis management. South Asian countries ought to integrate climate risks into national security strategies recognising climate change as a threat multiplier.
- Fragmented national approaches cannot address shared climate and resource challenges. Develop a "Regional Plan of Action on Climate Adaptation and Resilience for South Asia", covering plastic waste management, air pollution, and transboundary water governance.
- Circular systems enhance productivity, reduce imports, and support green jobs. Mainstream Circular Economy principles into regional and national development and industrial policies to achieve zero waste and low emissions.
- Shared shocks require shared buffers and shared innovation. Form a "South Asian Food Security Compact" to coordinate emergency grain reserves, climate-resilient agriculture,

and data sharing.

- Climate justice and financial equity are prerequisites for sustainable peace and global trust. Develop a "New Economic Stability Model (World Order 3.0)" focused on sustainability, digital inclusion, and social equity.
- Establish Regional Renewable Energy Hubs for technology transfer and investment facilitation.
- Anticipatory resilience reduces losses, enhances biodiversity, and builds community ownership. Scale up Nature-Based Solutions (NbS) such as watershed restoration, mangrove protection, and urban greening in national adaptation plans. Strengthen early-warning systems and proactive flood risk management through regional data collaboration.
- Governance must evolve to reflect the aspirations of Gen Z and the realities of climate disruption. Encourage intergenerational dialogue between policymakers and youth to bridge the governance gap.
- Shift the SDG framework from a checklist to a compass that guides policies towards justice, equity, and planetary balance beyond 2030. Include new indicators to measure prosperity in the context of climate volatility, digital disruption, and geopolitical fragmentation.
- Encourage countries to localize SDG+ frameworks reflecting their unique vulnerabilities and innovation potential.
- Revitalize South-South and regional cooperation mechanisms like the South Asian Association for Regional Cooperation (SAARC) and strengthen United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) regional mechanisms to jointly address climate change, economic instability, and food insecurity as vehicles for collective resilience.
- Advocate reforming global governance systems to be more representative of the Global South's priorities.
- Position South Asia as a thought leader in the global debate on "order within disorder".
- Encourage the United Nations (UN) and regional bodies to provide technical support and capacity building, not just policy advice.
- Institutionalise regional platforms for data sharing, technology transfer, and policy harmonisation.

For Pakistan

- Establish Green Corridors in Pakistan to promote renewable energy, sustainable transport, and eco-industrial zones.
- Fiscal independence and sustainability must go hand-in-hand to reduce economic vulnerability. Shift from reliance on external aid to domestic resource mobilisation, ensuring fiscal autonomy and accountability.
- Develop a "National Green Financing Framework" to attract private investment into renewable energy, sustainable agriculture and resilient infrastructure.
- Unleashing youth creativity, not just funding, is key to reimagining sustainability and governance. Establish a "Green University Hub" within the Ministry of Climate Change and Environmental Coordination which may be a collaborative digital platform linking Higher Education Institutions (HEIs) for co-creating climate solutions.
- Launch a "National Youth Resilience Fellowship Programme" to empower young innovators in climate technology, renewable energy, and adaptation research.
- Institutionalise resilience-building in all social, fiscal, and environmental development planning; and transform small-scale pilot projects into systemic pathways of change in sync with SDG acceleration strategies.
- Embed climate risk assessment directly into fiscal and development planning.
- Transition from reactive disaster spending to anticipatory public investment that builds climate resilience.
- Develop "Climate-Responsive Budgeting Frameworks" across ministries to link national finance with adaptation and mitigation goals.
- Move beyond the linear "take-make-dispose" model towards circular production systems focused on reuse, redesign, and restoration.
- Incentivise industries to adopt green innovation and circular supply chains, especially in energy, agriculture, and manufacturing.
- Mainstream circular economy principles in trade, industrial, and urban policies.

Plenary 1.2
Sustainability Investment Expo: Awards Plenary & Ribbon Cutting

In collaboration with KfW and Embassy of Denmark

Ribbon Cutting and Visit of Stalls by the Chief Guest

Moderator: Ms Zainab Naeem, Associate Research Fellow, Sustainable Development Policy Institute (SDPI), Pakistan

Welcome Remarks: Dr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan

Introductory Remarks: Mr Peter Emil Nielsen, Deputy Head of Mission, Embassy of Denmark

Special Remarks: Mr Arno Kirchhof, Deputy Head of Mission German Embassy

Presentation of Sustainability Awards

Remarks by the Chief Guest: Professor Ahsan Iqbal, Federal Minister for PD&SI & Deputy Chairman, Planning Commission, Ministry of Planning Development and Special Initiatives, Government of Pakistan

Guest of Honour: Mr Qaiser Ahmed Sheikh, Chairman, Board of Investment, Government of Pakistan

Distinguished Speaker:

- Dr Kamran Jahangir, National Book Foundation
- Winners Group Photo with Jury Members and Chief Guest

Plenary Organisers: Ms Zainab Naeem, Mr Umar Farooq & Engr. Ubaid ur Rehman Zia, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteurs: Mr M. Junaid Sial, Ms Ramla Javed & Ms Shogofa Shokori

Video Link: https://www.youtube.com/live/BDjzTFHcnIw?si=sSpAmK1NR2OA33Il

Federal Minister for Planning, Development and Special Initiatives Prof. Ahsan Iqbal said that Pakistan must harness innovation, inclusivity and integrity to navigate rising global instability and shape a new development world order.

He was speaking at the second plenary, Collaborations for a Climate Smart Future, of the first day of the four-day 28th Sustainable Development Conference. The Minister underscored that Pakistan's contribution to global carbon emissions is negligible, yet the country remains severely vulnerable to the impacts of climate change. He said climate shocks continue to erode economic stability and development gains.

Speaking on the occasion, **Board of Investment Chairman Mr Qaiser Ahmed Sheikh** stressed that value-addition and export-led growth remain the only sustainable path to lift millions out of poverty and push Pakistan towards its target of becoming a $1 trillion economy by 2035. The minister said that nations attracting robust foreign direct investment (FDI) and strengthening export-driven sectors had successfully achieved sustainable growth and overcome poverty traps.

SDPI Executive Director, Dr Abid Qaiyum Suleri, emphasized that sustainability is no longer a choice but an imperative for Pakistan's long-term survival regarding socio-economic stability. He called for deeper collaboration among all stakeholders to build a climate-resilient and economically secure future. Dr Suleri said that the private sector is a critical part of the solution, urging businesses to invest in green technologies, resilient supply chains and low-carbon innovations. "The government alone cannot build climate resilience. The private sector brings innovation, financing capacity and execution strength," he added. Highlighting Pakistan's vulnerability to climate-induced disasters including floods, heatwaves and droughts, he said accelerating climate finance and technology partnerships was vital to safeguard communities and create green economic opportunities.

Mr Peter Emil Nielsen, Deputy Head of Mission at the Embassy of Denmark, said the climate crisis is now a lived reality and demands urgent, coordinated action. Mr Nielsen said the expo provides a critical platform that brings together investors, innovators, policymakers and youth to shape a climate-smart future. "This Expo embodies opportunity. It brings together green hearts and green minds — big and small — to showcase solutions, exchange ideas, and most importantly, build partnerships," he remarked.

Deputy Head of Mission at the German Embassy, Mr Arno Kirchhof, said Pakistan must move beyond simply fighting climate change and

instead embrace a comprehensive shift toward sustainable, environment-friendly economic growth. Mr Kirchhof said that while climate action remains critical, long-term prosperity depends on embedding sustainability at the core of economic and policy decisions. He highlighted Germany's role as Pakistan's second-largest development partner after USAID and said Berlin remains committed to supporting Pakistan's clean energy transition and resilience-building initiatives. "Germany is providing major support in renewable energy and climate-resilient development," he said.

Dr Kamran Jahangir of the National Book Foundation said that climate change is no longer an environmental challenge but a matter of national survival, urging Pakistan to adopt climate-smart governance and invest in knowledge-driven solutions.

Later Sustainability Awards were awarded in the given categories to the following winners:

» Circular Economy & Production Innovation: PepsiCo Pakistan; and, Green Plastic Pvt Limited

» Renewable Energy & Low Carbon Transitions: J.K. Spinning Mills Limited; and, Nestlé Pakistan

» Agri-Tech & Food Security: University of Sargodha

» Gender Equity & Social Impact: Punjab Skills Development Fund; and, The Coca Cola System Pakistan

» Sustainability Education and Community Led Adaptation: Tetra Pak Pakistan

» Disaster Resilience & Climate Risk Management: Jazz Pakistan; and, AI Geo Navigators

» Smart Mobility & Green Infrastructure: Electric Ark Pvt Ltd

POLICY RECOMMENDATIONS

Pakistan needs to:

» Expand Public-Private Partnerships (PPPs): Institutionalise PPPs to implement renewable energy, sustainable agriculture, and circular economy projects.

- Introduce green tax incentives and low interest loans to attract investment in sustainability ventures.
- Encourage joint planning frameworks between government, industry, and civil society for transparent execution.

» Create a Green Investment and Policy Integration Mechanism: The Board of Investment (BoI) should embed environmental and sustainability criteria into all Foreign Direct Investment (FDI) frameworks.

- Mandate ESG (Environmental, Social, and Governance) compliance for major investment projects to sync with national climate-smart goals.

» Enhance Intergovernmental and International Cooperation:

- Strengthen bilateral dialogues (e.g., Pakistan-Denmark, Pakistan-Germany) for knowledge and technology exchange.
- Encourage regional collaboration on climate resilience, water management, and renewable energy transitions.

» Expand Climate Finance Mechanisms: Develop instruments like green bonds, climate investment funds, and public finance guarantees to support low-carbon initiatives.

» Promote Export-Led Sustainable Growth:

- Focus on value-added exports, particularly in renewable technology, sustainable agriculture, and eco-tourism.
- Support export-linked poverty reduction by empowering small-scale producers and local entrepreneurs.

» Leverage Private Sector Innovation: Mobilise private capital for green infrastructure and clean technology startups, ensuring accountability and transparency in implementation.

» Launch a National Education Emergency on Climate Literacy: Integrate climate change, sustainability, and renewable energy concepts into national curricula at all levels.

» Invest in Youth Skill Development:

- Promote technical and digital training for climate-smart innovation.
- Facilitate youth-led community projects on

energy efficiency, waste management, and agri-tech innovation.

» Empower Women and Marginalised Communities: Strengthen inclusion through education, social protection (e.g., BISP), and community leadership programmes to promote equitable resilience.

» Scale Up Community-Led Adaptation: Encourage grassroots resilience projects that combine traditional knowledge with modern sustainability practices.

» Invest in Water and Agriculture Systems:

  • Expand initiatives like "Recharge Pakistan" for water storage and flood management.

  • Promote climate-resilient crops and sustainable irrigation methods.

» Integrate Urban Planning and Green Infrastructure: Adopt climate-smart urban planning on water conservation, green spaces, and eco-friendly transport systems.

» Promote "Cooperation Over Competition": Embed the philosophy of collaboration within institutions and communities to address shared climate challenges.

» Strengthen Social Cohesion through Climate Action: Use education, culture, and civic engagement to unite diverse groups around sustainability goals and collective responsibility.

Plenary 1.3:
Accelerating SDGs in the World Today – Challenges and Opportunities

Roundtable Strategic Dialogue

Multistakeholder Perspectives on Challenges and Opportunities in SDGs 6, 7, 9, 11 and 17
In collaboration with UNESCAP

Moderator & Introductory Remarks: Ms Mikiko Tanaka, Director & Head, Economic and Social Commission for Asia and the Pacific (ESCAP) South and South-West Asia Office, India

Special Address: Ms Armida Salsiah Alisjahbana, Executive Secretary, Economic and Social Commission for Asia and the Pacific (ESCAP), Thailand

Presentation: Summary of the Subregional SDG Review by Ms Mikiko Tanaka

Distinguished Speakers:

- H.E. Mr Faiyaz Murshid Kazi, Ambassador and Permanent Representative to ESCAP, Embassy of the People's Republic of Bangladesh
- Ms Prathma Uprety, Director, Information and Poverty Alleviation Division, SAARC Secretariat
- Mr Daya Sagar Shrestha, Executive Director, National Campaign for Sustainable Development, Nepal & Focal Point SSWA, Asia-Pacific Regional CSOs Engagement Mechanism
- Mr Danish Tariq, Youth Advocacy Network and UN Major Group for Children and Youth
- Dr Sajid Amin Javed, Deputy Executive Director (Research), Sustainable Development Policy Institute (SDPI), Pakistan
- Dr Dushni Weerakoon, Executive Director, Institute of Policy Studies, Sri Lanka
- Ambassador Dr Debapriya Bhattacharya, Convenor, Citizen's Platform for SDGs & Distinguished Fellow, Centre for Policy Dialogue (CPD), Bangladesh (Online)

Plenary Organisers: Dr Shafqat Munir Ahmad, Dr Khalid Waleed & Ms Sadia Satti, SDPI | Dr Rajan Sudesh Ratna & Dr Jing Huang, UNESCAP

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Dr Jing Huang, Ms Amal Shahid & Mr Nazar Muhammad

Video Link: https://www.youtube.com/live/tbhkVjaL_U0?si=WqJ-Zl-YPxMvn5W4

Experts, policymakers and civil society representatives from across South Asia called upon the governments to shift from business-as-usual approaches to genuine transformation, stronger cooperation, and inclusive governance.

The demand was made at a strategic dialogue titled Accelerating SDGs in the World Today – Challenges and Opportunities, which was also the Opening Plenary of the "Ninth South and South-West Asia Subregional Forum on Sustainable Development" hosted at the occasion of SDP's 28th Sustainable Development Conference organized by Sustainable Development Policy Institute here on Tuesday.

Opening the session, **UNESCAP Director Ms Mikiko Tanaka,** highlighted the global preoccupation with "order", questioning what the concept truly means in a world struggling to deliver on the SDGs.

"The status quo order is not enough to achieve transformation," she said, adding that "We need to shake up how things are." The session reviewed five key SDGs under focus this year: Goal 6 (Clean Water and Sanitation), Goal 7 (Affordable and Clean Energy), Goal 9 (Industry, Innovation and Infrastructure), Goal 11 (Sustainable Cities and Communities) and Goal 17 (Partnerships for the Goals).

Ms Tanaka noted that development financing is declining both internationally and domestically, calling for better integration of energy, water and mobility needs within national frameworks. She stressed that successful strategies require close cooperation among governments, the private sector, educational institutions, and civil society, especially across borders.

Ambassador and Permanent Representative to UNESCAP H.E. Faiyaz Murshid Kazi of Bangladesh noted that crises can also bring opportunities for rebuilding. Drawing parallels to the post–World War eras, he said, "If our forefathers could create

an order that lasted 80 years, why can't our young minds create another one?" He noted Bangladesh's efforts to institutionalize SDG coordination through a central government office that mobilises all agencies under a unified agenda. The country's voluntary review was described as "refreshingly honest", highlighting both progress and gaps.

Ms Prathma Uprety from SAARC Secretariat underlined that many development challenges in South Asia are cross-border in nature and cannot be tackled by any single nation alone.

She called for strengthening the SAARC Energy Centre, regional early warning systems, and cross-border climate resilience mechanisms. "When South Asia cooperates, we not only advance the SDGs but also build resilience," she said.

Mr Daya Sagar Shrestha, Executive Director, National Campaign for Sustainable Development, warned that progress on SDGs 10 (Reduced

Inequalities), 12 (Responsible Consumption and Production), and 13 (Climate Action) was regressing in several countries. Nonetheless, he credited CSOs with localizing SDG action, collecting data, and amplifying marginalized voices.

Representing youth voices, Mr Danish Tariq spoke on the systemic barriers such as limited access to policymaking and underfunding of youth-led initiatives. "Youth are not a demographic challenge," he said. "We are the region's greatest asset, if taken seriously." He urged governments to institutionalize youth participation, provide sustained funding, and link young innovators with policymakers.

SDPI Deputy Executive Director, Dr Sajid Amin Javed, acknowledged that "the current system is not delivering on its goals", calling for a move from "accelerating SDGs" to "inclusively accelerating SDGs". He identified four resilience factors that helped communities recover better during the pandemic: digital skills, social networks, sustainable recovery mechanisms, and equitable access to resources.

From Sri Lanka, Dr Dushni Weerakoon reflected on financial challenges, noting that "during fiscal crises, countries divert resources from education and health". She said that the global south needs to start looking inwards once again, like they did before development financing became a popular discourse. She also urged a renewed focus on domestic markets, efficient public spending, and long-term financial resilience.

Joining online from **Bangladesh, Dr Debapriya Bhattacharya** shared that politicisation of governance at all levels undermines SDGs' progress. He also spoke on the risks of myopic policy making. "We've focused too much on the supply side, for instance more doctors, more schools would solve problems, but not on the demand side, the voices of people left behind," he said, adding that focusing solely on the supply side dynamics has not yielded us desired results.

POLICY RECOMMENDATIONS

SDG 2 & 6: Zero Hunger | Clean Water and Sanitation

Water scarcity and climate-induced disasters threaten food security and livelihoods in South Asia. Regional collaboration in water resource management and agri-tech innovation is essential for resilience.

- Strengthen transboundary water governance through data-sharing agreements and joint management of river basins.
- Scale up community-led initiatives like "Recharge South Asia" to promote sustainable water storage and flood control.
- Promote climate-smart agriculture using digital tools and regional knowledge exchange platforms for drought-resistant crops and water-efficient irrigation.
- Establish regional food security taskforces to coordinate responses to climate shocks affecting agricultural productivity.

SDG 7 & 9: Clean and Affordable Energy | Industry, Innovation and Infrastructure South Asia faces dual challenges of energy insecurity and dependence on fossil fuels. Transitioning towards renewable, affordable energy is key to economic resilience and climate mitigation.

- Develop Regional Energy Corridors connecting hydropower, solar, and wind resources across borders to ensure equitable energy access.
- Promote clean energy financing mechanisms including green bonds, concessional loans, and blended finance, to attract private capital for small-scale renewable projects.

» Facilitate regional R&D collaboration on low-carbon technologies and sustainable industrial innovation through academic and private sector partnerships.

» Support youth-led innovation hubs for clean technology and digital transformation in energy efficiency sectors.

SDG 11: Sustainable Cities and Communities

Rapid urbanisation in South Asia exacerbates inequality, pollution, and disaster risk. A climate-smart urban agenda must integrate planning, resilience, and inclusivity.

» Adopt a "Green Urban Compact" across major South Asian cities for low-emission transport, waste management, and urban greening.

» Share best practices on urban resilience particularly disaster management, early warning systems, and climate-proof housing.

» Promote digital governance tools to improve urban data systems, citizen participation, and service delivery.

» Empower women and youth in city-level planning and entrepreneurship to enhance social inclusion and innovation.

SDG 17: Enhance the Global Partnership for Sustainable Development

Sustainable development in South Asia depends on non-partisan partnerships that transcend political boundaries. Fragmented governance and limited policy coherence undermine SDG progress, especially in climate adaptation, energy, and infrastructure.

» Institutionalise Public-Private Partnerships (PPPs) for renewable energy, sustainable agriculture, and circular economy projects with harmonised regional standards.

» Establish a South Asia Green Investment and Policy Coordination Mechanism under South Asian Association for Regional Cooperation (SAARC) or Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) to be linked with national development plans with regional climate priorities.

» Create cross-border climate cooperation platforms to share knowledge on adaptation technologies, disaster management, and early warning systems.

» Mandate ESG (Environmental, Social, Governance) compliance across regional infrastructure and investment initiatives.

Empower Youth and Local Communities

Youth form the largest demographic in South Asia and represent a critical force for innovation and accountability in climate action. However, policy spaces and financing opportunities for youth remain limited.

» Launch a "Regional Climate Education and Skills Accelerator" to integrate sustainability and digital literacy into educational systems.

» Institutionalise youth participation in policymaking through national and regional youth climate councils.

» Provide long-term financing and mentorship for youth-led startups and social enterprises focused on green innovation.

» Encourage community-based adaptation programmes led by women, indigenous, and marginalised groups to strengthen local ownership.

Finance Sustainability and Strengthen Accountability

Dependence on donor funding limits long-term resilience. Regional self-financing models, transparent systems, and accountability are crucial to achieving sustainable growth.

» Establish a South Asia Climate and SDG Fund pooling regional resources for climate adaptation, renewable energy, and green infrastructure.

» Promote regional stock exchanges for green investments, enabling cross-border capital flow into climate projects.

» Adopt open data and transparency frameworks to track SDG implementation and hold institutions accountable.

» Use digital platforms to crowdsource innovation and monitor project impacts at local and regional levels.

» Strengthen Regional Data, Research and Technology Systems

» Lack of reliable, harmonised data impedes SDG monitoring and informed decision-making across South Asia.

» Develop a South Asia SDG Data and Innovation Observatory to harmonise indicators, integrate satellite data, and share best practices.

» Invest in digital infrastructure and AI-based

systems for evidence-based policymaking and forecasting.

» Build research networks among universities, think tanks, and development partners to accelerate knowledge transfer and capacity building.

Plenary 1.4:
Circular Economy in South Asia

High-Level Opening Policy Dialogue

In collaboration with IGES

Master of Ceremony: Ms Zainab Naeem, Associate Research Fellow, Sustainable Development Policy Institute (SDPI), Pakistan

Moderator: Ms Aban Marker Kabraji, Senior Advisor, United Nations Environment Programme (UNEP), Pakistan

Welcome Remarks: Dr Khalid Waleed, Research Fellow, Sustainable Development Policy Institute (SDPI), Pakistan

Special Video Message: Ms Djaheezah Subratty, Head Consumption & Production Unit Resources and Markets Branch, Industry and Economy Division, United Nations Environment Programme (UNEP), Mauritius

Scene Setting: Dr Premkumara Jagath, Institute for Global Environmental Strategies (IGES), Japan

Chief Guest: Dr Shezra Mansab Ali Khan Kharal, Minister of State for Climate Change, Government of Pakistan

Distinguished Speakers:

- Ms Shahnaz Wazir Ali, President, Shaheed Zulfikar Ali Bhutto Institute of Science and Technology (SZABIST), Pakistan
- Dr Fahmida Khatun, Executive Director, Centre for Policy Dialogue (CPD), Bangladesh
- Dr Dushni Weerakoon, Executive Director, Institute of Policy Studies (IPS), Sri Lanka
- Dr Posh Raj Pandy, Chair Emeritus, South Asia Watch on Trade, Economics and Environment (SAWTEE), Nepal (Online)
- Dr Asim Mahmood, Chief Executive Officer, Global Environmental Consultancy & Options (ECO) Group

Launch of Reports:

- State of Circular Economy in Pakistan by Ms Zainab Naeem, SDPI
- Socio Economic Impact Study by Mr Syed Omar, Head, Corporate Affairs & Sustainability, The Coca Cola Company

Plenary Organisers: Ms Zainab Naeem & Mr Umar Farooq, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Mr Tahir Zaman, Mr Mashhood Urfi & Ms Muqadas Hafeez

Video Link: https://www.youtube.com/live/Gwqkq31NzOc?si=PVRq9ngp8ZM16v4l

Dr Khalid Waleed, in his welcome remarks expressed honour to host the esteemed guests. For Pakistan, he said, circular economy has become a strategic necessity and not just a policy aspiration where the current linear model of take, make and dispose has reached its limits with rising resource scarcity. SDPI, under the leadership of MoCC&EC has been interested to develop Pakistan's first national circular economy policy with technical support from IGES and UNEP. The transition cannot be achieved in isolation, he added. It has to be anchored in three things: governance, investment and people.

Ms Aban Marker Kabraji, Senior Advisor, United Nations Environment Programme (UNEP), Pakistan moderated the panel after thanking SDPI and shedding light upon the "disorder" mentioned in the title and its relevance with the current times.

The government is in the final stages of unveiling Pakistan's first National Circular Economy Policy, with the draft now in its final review phase, said the Minister of State for Climate Change, Dr Shezra Mansab Ali Khan Kharal. She was speaking at a high-level Plenary titled Circular Economy in South Asia, organized in collaboration with Institute of Global Environmental Strategies.

The framework, which places strong emphasis on reuse, recycling, and repurposing, will make Pakistan the first country in the region to formally introduce a comprehensive circular economy policy, she said, adding that the circular economy shift is not only timely but critical for Pakistan's environmental and economic future.

President of Shaheed Zulfikar Ali Bhutto Institute of Science and Technology (SZABIST), Ms Shahnaz Wazir Ali, said uneven economic growth is deeply linked to energy disorder, rapid population increase, and unplanned urbanization, which continue to stretch infrastructure and weaken development outcomes.

She stressed that addressing waste management challenges and urban governance was essential for sustainable growth and environmental resilience. She emphasized that informal waste workers play a pivotal role in recycling and circularity, yet operate without rights, safety nets, or policy support.

A special video message by Ms Djaheezah Subratty, Head, Consumption and Production Unit, Resources and Markets Branch, Industry and Economy Division at the United Nations Environment Programme (UNEP), was played during the conference, highlighting the immense global benefits of shifting towards circular economic systems.

Ms Subratty said the circular economy approach had the potential to unlock around $4.5 trillion in economic value and create 6 million jobs worldwide, underscoring how sustainable production and consumption models can drive inclusive growth.

Dr Premkumara Jagath of the Institute for Global Environmental Strategies (IGES), Japan, said South Asia's rapidly expanding population

and urban footprint are intensifying climate and environmental pressures but also opening vast opportunities for circular economy transformation,

The region which is home to nearly 2 billion people, Dr Jagath said, the scale of urbanization, resource demand, and emissions require urgent shifts in production and consumption patterns. At the same time, the population size and industrial expansion create significant potential for circular business models, green technologies, and resource efficiency innovations. "Circular economy is no longer a choice — it will happen," he stated. "The question is how quickly we can implement and take action."

Dr Jagath stressed that South Asian countries must accelerate policy execution and move beyond commitment statements to tangible interventions across sectors. He called for robust policy frameworks, targeted incentives, strong regulatory systems, and effective data management to support the transition.

Highlighting the urgency of coordinated regional efforts, Dr Jagath said South Asia can position itself as a global leader in circularity if governments, private sector players, and civil society work jointly to deploy practical solutions and unlock green investments.

Regional policy experts from Bangladesh, Sri Lanka and Nepal stressed the need for targeted incentives, blended financing tools and central bank-led green financing initiatives to accelerate South Asia's circular economy transition, warning that consumers in the region are not yet ready to bear extra costs associated with sustainable products.

Dr Fahmida Khatun, Executive Director, Center for Policy Dialogue (Bangladesh) expressed that derisking and sourcing the investments for SMEs is challenging where 74% of investment flows in through informal channels and only the rest is categorized as formal. She quoted examples from Bangladeshi initiatives that can be studied for derisking circular economy model. Blended finance can create opportunities for more finance as a mix of concessional funds from public sector and commercial capital.

Dr Dushni Weerakoon, Executive Director, Institute of Policy Studies (IPS), Sri Lanka quoted the response of Sri Lanka's small business sector upon the banning of polythene bags in supermarkets. It was observed that the consumers, having cost of living pressures and deep economic crisis, were not ready to pay for the shopping bags. Such policies (like banning plastic bags) are introduced in an ad-hoc fashion and they do not really buy in the consumer behaviour.

Dr Asim Mahmood, Chief Executive Officer of the Global Environmental Consultancy & Options (ECO) Group, highlighted the lack of government support for the private sector and for professionals seeking to drive unconventional change through the use of modern materials

Dr Posh Raj Pandey, Chair Emeritus, South Asia Watch on Trade, Economics and Environment (Nepal), emphasized that affordability remains a major barrier and circular economy adoption will stall unless governments and financial institutions step in with support.

POLICY RECOMMENDATIONS

South Asia faces escalating resource pressures, waste mismanagement, and environmental degradation amid rapid urbanisation and population growth. The circular economy offers a pathway to economic resilience, reduced pollution, and inclusive green jobs. Regional collaboration and coherent national strategies are essential to scale this transformation.

» **Regulatory Frameworks**

- Develop region-wide frameworks defining circular economy principles, with measurable targets for waste reduction, resource efficiency, and recycling.
- Introduce harmonised Extended Producer Responsibility (EPR) policies across South Asia to hold manufacturers accountable for product life cycles and encourage eco-design.

» **Collaboration and Partnerships**

- Create national and regional platforms

uniting governments, private sector, academia, and civil society to share best practices and innovations.

- Form a "South Asia Circular Economy Network" to exchange technologies, financing models, and policy tools among member states.

» **Investment in Infrastructure**

- Develop modern waste management systems (waste collection, sorting, and recycling facilities) to improve efficiency and reduce landfill dependence.
- Support regional innovation and incubation centres focused on circular technologies, repair-based industries, and resource recovery models.

» **Education and Livelihood**

- Integrate sustainability and circular economy principles into school and university curricula.
- Provide vocational programmes in recycling, composting, repair, and resource recovery.
- Create decent jobs in circular sectors, ensuring at least 30% participation by women and marginalised groups.

» **Resource Maximisation**

- Adopt technologies for energy, water, and material recovery from waste streams.
- Encourage sustainable production and consumption patterns through regional awareness campaigns and behavioural incentives.

» **Financial Incentives and Green Procurement**

- Offer tax breaks, low-interest loans, and risk guarantees for Micro, Small and Medium Enterprises (MSMEs) adopting circular models.
- Mandate public procurement of sustainable goods and services to drive demand for circular economy solutions.

» **Social Inclusion and Labour Transition**

- Establish regional guidelines for retraining and transitioning workers displaced by automation or green technologies.
- Include informal waste workers in formal waste systems with protection, health benefits, and fair wages.

Pakistan

Pakistan faces severe waste management challenges, limited recycling capacity, and heavy dependence on informal waste workers. Transitioning towards a circular economy can alleviate environmental pressure, create jobs, and support poverty reduction provided that approaches are inclusive and adapted to local realities.

» Establish a coherent national policy defining goals, standards, and responsibilities for circular economy implementation.

» Enforce Extended Producer Responsibility (EPR) for key sectors (plastic, packaging, electronics) to ensure producers take ownership of post-consumer waste.

» Encourage private sector involvement in waste management and recycling infrastructure.

» Strengthen coordination between federal, provincial, and municipal bodies to design context-specific waste solutions.

» Provide funding, mentorship, and digital platforms for recycling entrepreneurs (e.g., Khazana.pk).

» Establish decentralised waste segregation and recycling hubs in major cities and rural clusters.

» Embed circular economy and sustainability modules in schools and universities.

» Develop vocational and technical training for youth and informal workers in recycling, upcycling, and repair trades.

» Link circular economy projects to employment programs, ensuring inclusion of women and informal workers.

» Promote Material Recovery Facilities (MRFs) and incentivise industries using secondary raw materials.

» Encourage behavioural change through public campaigns and reward-based recycling systems (SMS or digital incentives).

» Provide subsidies or tax relief for industries investing in waste reduction, recycling, and eco-innovation.

» Require government departments to prioritise eco-certified materials and suppliers in public projects.

» Formalise the informal sector and recognise and integrate waste pickers into municipal systems with safety equipment and social protection.

» Set achievable, people-centred waste reduction goals acknowledging poverty constraints (e.g., phased "low-waste" targets).

» Leverage traditional practices of repair and reuse through community campaigns and local repair hubs.

Plenary 1.5
Alternative Finance Strategy – Closing the Fiscal Gap for Sustainable Development

In collaboration with UNICEF

Moderator: Ms Sadaf Zulfiqar, Chief Social Policy, United Nations International Children's Emergency Fund (UNICEF)

Chief Guest: Mr Adnan Pasha Siddiqui, Advisor to Finance Minister on Special Initiatives, Finance Division, Government of Pakistan

Guest of Honour: Mr Anteneh Girma, Chief Mission Nutrition, United Nations International Children's Emergency Fund (UNICEF), Pakistan

Introductory Remarks: Dr Sajid Amin Javed, Deputy Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan & Dr Razia Safdar, Advisor, Center of Health & Policy Institute (CHIP), Sustainable Development Policy Institute (SDPI), Pakistan

Distinguished Speakers:

» 1. Ms Ambrina Bakhtiar, Chief SDGs, Ministry of Planning, Development & Special Initiatives (MoPD&SI), Government of Pakistan

» 2. Mr Muhammad Mateen Farooq, Head, Investment Banking Group, The Bank of Punjab (BOP), Karachi (Online)

» 3. Prof. Mustafizur Rahman, Distinguished Fellow, Centre for Policy Dialogue (CPD), Bangladesh

» 4. Ms Shumaila Rifaqat, Head Innovation Investment and Monitoring & Evaluation, Karandaaz

» 5. Ms Shameen Bashir, Head of Social Finance, British Asian Trust, Pakistan

Plenary Organisers: Dr Razia Safdar & Ms Khadeeja Hassan, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

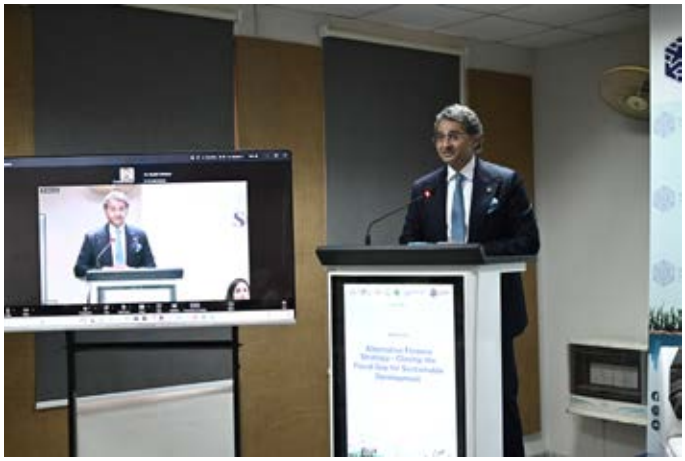
Rapporteur: Ms Aneela Aziz

Video Link: https://www.youtube.com/live/U7ZorQf_O_w?si=jq0Hebioz_W9ltDM

Highlighting the issue of decline in international development assistance, experts called upon Pakistan to generate its own resources and attract private investment to sustain human and social development amid mounting economic and climate challenges.

Speaking at the Plenary titled Alternative Finance Strategy- Closing the Fiscal Gap for Sustainable Development in collaboration with UNICEF, economists and development experts warned that concessional official development assistance (ODA) is shrinking globally, leaving countries like Pakistan with fewer external financing options. They stressed that the private sector must step up to invest in human capital, health, education, and climate resilience.

"International funding is drying up — we have to help ourselves," said P**rof. Mustafizur Rahman, distinguished fellow at Bangladesh's Center for Policy Dialogue (CPD).** "The cost of borrowing is rising, and we must focus on non-debt creating resources through judicious spending and returns."



Mr Adnan Pasha, Advisor to Finance Minister, linked unchecked population growth, climate change, and food and energy insecurity as interlocked crises, warning that the human cost of inaction is already severe. "Investment in climate is not charity — it's a smart investment. Pakistan faces alarming rates of child stunting, with 40 to 60% of children under five affected," he said.

Mr Anteneh Girma, Chief Mission Nutrition, United Nations International Children's Emergency Fund, said the absolute number of stunted children remains high, urging the government to adopt "child-focused budgets" that prioritize nutrition and health. "Investing in children is not a luxury — it's the foundation of human development," the UNICEF official said.

Dr Sajid Amin Javed, SDPI's Deputy Executive Director, highlighted Pakistan's tight fiscal space, noting that debt servicing has reached PKR 8.2 trillion, which is double the total national development budget. "We're in an IMF programme with low growth," he said, adding, "If we don't invest in our young population — 60% of whom are under 30 — the demographic dividend will turn into a population bomb."

Ms Ambrina Bakhtiar, Chief of SDGs, Ministry of Planning, Development and Special Initiatives acknowledged progress on Sustainable Development Goals (SDGs), with one-third of 154 tracked indicators showing improvement since 2016, especially in areas like zero hunger and clean energy. However, education outcomes remain stagnant, she said,

Representatives from the private sector, including the Bank of Punjab and Karandaaz Pakistan, said businesses are increasingly investing in sustainable agriculture, renewable energy, and innovation. Ms

Shumaila Rifaqat, Karandaaz's head of innovation investment reported deploying 85% of its PKR 1 billion private-sector fund toward these sectors. "We can't wait for international politics to shift — we must act now," she said.

Mr Muhammad Mateen Farooq, Head of Investment Banking at the Bank of Punjab, said Pakistan's fiscal space is under severe pressure and traditional public financing can no longer keep pace with national development needs. He highlighted the importance of alternative financing models that blend public, private and philanthropic capital to fund measurable outcomes.

He cited the Pakistan Skill Impact Bond — the country's first outcome-based financing instrument—as a key example. The bond addresses long-standing issues in public–private partnerships, where the public sector typically absorbs losses when projects miss their targets. Under this model, investors provide upfront capital, governments or donors pay only when results are independently verified, and institutions such as the Bank of Punjab act as intermediaries to ensure transparency and accountability.

Ms Shameen Bashir, Head of Social Finance at the British Asian Trust, said outcomes-based financing represented a mindset shift rather than just a set of mechanisms. She explained that it tied funding to results, creating financial incentives to change behaviour.

Using the Pakistan Skills Impact Bond as an example, she said the Trust worked with training partners to shift their focus from merely certifying participants to ensuring they secured jobs. This approach, she added, transformed behaviour at the implementation level and aligned funding with measurable employment outcomes.

Experts concluded that Pakistan's path forward lies in mobilizing domestic resources, encouraging private capital, and prioritizing investment in people — especially children and young workers — to turn its demographic challenges into opportunities.

POLICY RECOMMENDATIONS

- Every effort should be undertaken to expand the fiscal space in order to create surplus in the revenue budget to underwrite the financing needs for implementing the Sustainable Development Goals (SDGs). Here full and interoperable digitalisation of the domestic revenue mobilisation system could be an effective tool.
- In searching for new and alternative avenues of financing for the SDGs, it needs to keep in mind that because of middle income graduation, sources of concessional loans are shrinking and loan conditionalities are becoming more stringent. Financing for SDG implementation ought not to put countries into middle income trap and debt. Both financing and spending strategies have to be smart.
- Opportunities of closer interface with Southern Multilateral Development Banks (MDBs) such as National Development Bank (NDB) and Asian Infrastructure Investment Bank (AIIB) must be explored more proactively, along with legacy Multilateral Development Banks (World Bank, Asian Development Bank).
- While most borrowings are dominated in USD, opportunities of incurring borrowings in lender country currencies need to be more actively explored and negotiated e.g. ruble, rupees, yuan, etc.
- The soft windows of traditional international financing sources will need to be explored more proactively, for example the International Development Association (World Bank) and the Poverty Reduction and Growth Trust (International Monetary Fund) window of the IMF.
- Opportunities of Blended Finance to underwrite SDG-related investment must be actively explored. For example, in Bangladesh mobile transfer platforms such as Bkash has benefitted from cash infusion by philanthropic organisations like Bill and Melinda Gates Foundation.
- Consider issuing sovereign and earmarked Green Bonds to underwrite green ventures (e.g., renewable energy, climate-resilient infrastructure), as done in Fiji, with support from the World Bank (WB) and the International Finance Corporation (IFC). Indonesia's Green Sukuk Sovereign Bond is another example.

These initiatives contribute to achieving Nationally Determined Contributions (NDCs) as part of the global commitment under the Paris Agreement.

» Countries of the Global South must unite in view of the upcoming COP30 in Belem, Brazil so that climate financing commitment by rich countries are met and realised on the ground.

Pakistan ought to:

» Strengthen Sustainable Investment Mandates

- Set phased portfolio targets for financial institutions, requiring a growing share of lending to link up with verified green and social projects under national taxonomies.
- Start with voluntary targets and transition to mandatory allocation thresholds within five years, supported by technical guidance from the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

» Improve the Economics of Sustainable Finance

- Introduce capital incentives by applying preferential regulatory treatment (e.g., lower risk weights) to taxonomy-linked loans and bonds.
- Encourage commercial banks to develop sustainability-linked financial products by offering partial credit guarantees and concessional refinancing facilities through SBP.

» Standardise and Enforce Sustainability Criteria

- Launch and operationalise the "Pakistan Green Taxonomy" and accelerate development of a "Social Outcomes Taxonomy", ensuring consistency with international frameworks while reflecting local development priorities.
- Mandate taxonomy alignment for all projects accessing public or blended finance, to prevent greenwashing and ensure integrity in capital deployment.

» Enhance Impact Measurement and Disclosure

- Establish a national impact reporting platform requiring all publicly funded or guaranteed projects to disclose standardised performance indicators.
- Use this database to track outcomes, benchmark performance, and guide future budget and investment allocations.

» Integrate Outcomes-Based Financing into Public Expenditure

- Create an outcomes-linked window within the Public Sector Development Programme (PSDP), allocating a defined percentage of funding based on verified improvements in service delivery, human capital, and inclusion outcomes.
- Pilot this approach in social sectors (education, health, employment) before scaling to infrastructure and climate resilience programmes.

» Build a Unified Performance Financing Facility

- Pool government, donor, and private resources under a national "Performance Financing Facility" managed jointly by the Ministry of Finance and Economic Affairs Division.
- Use outcome verification mechanisms to trigger payments and attract catalytic capital from impact investors and development partners.

» Embed Results-Based Incentives in Fiscal Federalism

- Link intergovernmental transfers to provincial performance in key human development indicators.
- Introduce results-based grant formulas rewarding measurable progress in education quality, health coverage, and employment outcomes promoting accountability and innovation at the subnational level.

Plenary 1.6:
Unlocking Circular Opportunities in Plastics and Agri-Food Systems

High-Level Plenary
In collaboration with PepsiCo, Pakistan

Moderator: Ms Zainab Naeem, Associate Research Fellow, Sustainable Development Policy Institute (SDPI), Pakistan

Welcome Remarks: Dr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan

Chief Guest: Mr Rana Tanveer Hussain, Minister for National Food Security and Research & Minister of Industries and Production, Government of Pakistan

Distinguished Speakers:

- Dr Ranga Pallawala, Key Expert, EU SWITCH-Asia Official, The European Union (EU), Thailand
- Mr Haseeb Malik, Senior Director Supply Chain & Office of Sustainability Lead, PepsiCo Pakistan
- Dr Shunichi Honda, Programme Officer, International Environmental Technology Centre (IETC)

Plenary Organisers: Ms Zainab Naeem & Mr Umar Farooq, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteurs: Ms Ramla Javed

Video Link: https://www.youtube.com/live/42iSYaYydyg?si=qU_w3GWxQ9G2qzbX

Federal Minister for National Food Security and Research, Mr Rana Tanveer Hussain, lauded the Sustainable Development Policy Institute to align food security, circular economy, and climate resilience within one dialogue.

He was speaking at the plenary session titled Unlocking Circular Opportunities in Plastic and Agri-Food Systems, that featured distinguished speakers from the government, development sector, and private industry.

The Minister said: "The Government is committed to resolving the issue of circular economy that minimizes waste, reuses resources, and promotes sustainable production and consumption."

He outlined ongoing government initiatives under the Agricultural Innovation and Growth Plan (AIGP), aimed at introducing climate-smart technology, value addition, and biodegradable packaging solutions in the agri-food sector. "Circular opportunities in plastics and agri-food systems are not just about waste management, but they represent a new model of growth where sustainability and prosperity go hand in hand," Mr Rana Tanvir said. The Minister emphasized close collaboration with the private sector, highlighting that public-private partnerships are essential to Pakistan's climate and food security agenda.

Dr Abid Qaiyum Suleri, SDPI Executive Director, welcomed the participation of PepsiCo and other private sector leaders in the sustainability dialogue. "For too long, private sector actors were viewed as part of the problem. Today, they are part of the solution," Dr. Suleri remarked. He further said: "Initiatives like PepsiCo's circular plastic programmes and regenerative agriculture efforts prove that corporate engagement can drive meaningful environmental impact."

Dr Ranga Pallawala, key expert, EU Switch-Asia Official, said that Pakistan is an agriculture dependent country, therefore, it should look into the value chain. He said private sector engagement is important as it plays a major role, adding that high resource efficiency yields high profitability.

Earlier, **Mr Haseeb Malik, Senior Director Supply Chain and Office of Sustainability Lead Pepsico Pakistan**, outlined the company's comprehensive sustainability vision known as "PepsiCo Positive" (pep+). The approach integrates sustainable practices across its entire value chain — from agriculture and manufacturing to packaging and community impact.

PepsiCo's presence in Pakistan spans over six decades, and nearly 80% of our operations are localized," he said.

"All our key agricultural raw materials, including potatoes for Lay's and corn for Quaker and Cheetos, are sourced 100% locally. Our focus is on uplifting farming communities, promoting sustainable practices, and creating long-term value for Pakistan."

He emphasized PepsiCo's three core sustainability pillars — Positive Agriculture, Positive Value Chain, and Positive Choices — highlighting the company's ongoing work in water conservation, soil health improvement, biodiversity restoration, and carbon emission reduction. He noted PepsiCo's major efforts toward regenerative agriculture, including initiatives on biochar production, compost use, and solar-powered irrigation systems, which now cover 60% of the company's farmed area.

He also spotlighted PepsiCo's strong social impact programmes, such as Roshan Kal, one of Pakistan's largest internship programmes engaging over 15,000 students, and several female-friendly farm daycare centres supporting working women in the agricultural sector.

Highlighting community initiatives, he shared success stories from PepsiCo's Model Village Project in Chak Ayes, Multan, where small-scale interventions in clean water, sanitation, and education have improved livelihoods and

addressed multiple Sustainable Development Goals (SDGs).

Dr Shunichi Honda of the International Environmental Technology Centre said humanity had long relied on practices that polluted the environment in order to sustain agriculture. He noted that innovations such as plastic-coated fertilisers were once seen as beneficial, but their environmental impact had been overlooked.

Dr Honda added that plastic packaging, including PET bottles, had helped provide safe drinking water in countries lacking proper water infrastructure. Of the UN's 193 Member States, only around 20 can reliably supply fresh water through established systems.

He highlighted the global dilemma of balancing the immediate benefits of plastics — particularly for agriculture — with the urgent need to transition from polluting materials to cleaner alternatives.

Mr Zawar Kazmi from PepsiCo said over a period of time the organic matter of our soil has fallen to one percent and in some cases event below it, adding that we are water stressed or water scared country.

The plenary brought together experts, policymakers, development partners, and international delegates from South Asia, Japan, the European Union, and the United States. Participants underscored the importance of cross-sectoral collaboration to achieve Agenda 2030 and advance sustainable economic growth that is inclusive and climate-resilient.

POLICY RECOMMENDATIONS

1. Sustainable Water and Soil Management

» Expand adoption of drip and sprinkler irrigation technologies, coupled with subsidies and low-interest financing for smallholders transitioning from flood irrigation.

» Institutionalise regular soil testing, promote the use of organic compost, biochar, and crop rotation to restore fertility and address Pakistan's critically low organic matter levels (<1%).

» Develop water allocation frameworks based on real-time monitoring and digital tools, integrating water pricing that encourages efficient use and equitable distribution.

» Incentivise the installation of solar-based water pumps to reduce energy costs and emissions in water management.

2. Circularity and Waste Reduction

» Implement a phased ban on single-use plastics supported by the development of local biodegradable alternatives and investment in R&D for circular packaging.

» Establish recycling hubs at district levels to process multi-layer plastics and agri-packaging waste (e.g., pesticide containers) through PPPs.

» Enforce Extended Producer Responsibility (EPR) regulations, requiring manufacturers to collect and recycle post-consumer plastic packaging.

» Encourage businesses to invest in converting agricultural residues into bioenergy, compost, and bioplastics.

3. Regenerative and Climate-Smart Agriculture

» Offer tax breaks and grants for adopting regenerative farming techniques such as cover cropping, integrated pest management, and biogas generation.

» Provide capacity-building and technical training to local farmers on high-tech regenerative tools and climate-smart technologies.

» Promote circular farming systems that reuse agricultural by-products (e.g., composting, manure recycling) to improve yield and reduce waste.

4. Public-Private Partnerships (PPPs) and Investment Frameworks

» De-risk private investments by developing fiscal instruments (e.g., green bonds, credit guarantees) to attract private capital into circular agriculture and food systems.

» Create PPP forums linking farmers, agribusinesses, municipalities, and recyclers for joint resource recovery and supply chain resilience projects.

» Provide co-financing for pilot projects on circular logistics, packaging reuse, and sustainable input production.

5. Governance and Institutional Strengthening

» Align policies between agriculture, environment, and industry under the National Circular Economy Policy (2025) to ensure coherence in implementation.

» Support partnerships between universities, extension services, and international organisations for research on local adaptation of circular models.

» Empower provincial authorities to manage

localised circular agriculture projects with clear performance metrics and community participation.

6. Social Inclusion and Gender Empowerment

» Integrate women into value chains through training, access to finance, and leadership in rural circular economy initiatives.

» Encourage cooperatives and micro-enterprises led by smallholders to engage in recycling, composting, and eco-packaging ventures.

» Conduct national campaigns on sustainable consumption, waste segregation, and circular farming practices.

7. Fiscal and Market-Based Policies

» Mandate government and corporate procurement of eco-friendly and recycled materials.

» Offer tax rebates or customs duty exemptions for circular economy technologies and equipment.

» Reward businesses that demonstrate measurable improvements in resource efficiency and waste reduction.

8. Climate Adaptation and Food Security

» Embed circular economy targets within Pakistan's climate adaptation frameworks to enhance food system resilience.

» Support breeding and distribution of drought- and flood-tolerant varieties.

» Use digital and satellite-based tools for weather forecasting and crop monitoring to protect smallholders from climate shocks.

Thematic Session A-1: Rewiring Economic and Fiscal Planning for Climate Prosperity

High-Level Policy Dialogue

In collaboration with Embassy of Denmark & Climate Vulnerability Forum

Moderator: Ms Nismah Rizwan, Research Associate, SDPI

Welcome and Scene Setting Remarks: Engr. Ubaid ur Rehman Zia, SDPI

Chair: Mr Rana Ihsaan Afzal, Coordinator to the Prime Minister on Commerce, GoP

Technical Presentation: Mr Hamza Haroon, CVF

Distinguished Speakers:

- Dr Pierre Horna, Economic Affairs Officer, UNESCAP (Online)
- Mr Faran Rana, IRENA, UAE
- Dr Fahmida Khatun, ED, CPD, Bangladesh
- Mr Adnan Rehmat, Program Manager, IMS Pakistan
- Ms Anam Rathor, Program Lead Pakistan, CVF-V20 Secretariat

Closing Remarks: Dr Abid Qaiyum Suleri, ED, SDPI

Report Launch: Exploring Country Platforms to Advance Pakistan's Energy Transition by Ms Nismah Rizwan

MoU Signing: SDPI & CVF

Panel Organisers: Engr. Ubaid ur Rehman Zia, Dr Khalid Waleed, Ms Nismah Rizwan & Ms Saira Adnan, SDPI

Hall In-charge: Mr Rahat Ullah, SDPI

Rapporteur: Ms Shogofa Shokori

Video Link: https://www.youtube.com/live/QHSYtTjmGSM?si=ApOGgWMEyglkNfli

Engr. Ubaid ur Rehman Zia, SDPI thanked and welcome the speakers for joining to discuss climate debate and Pakistan's climate vulnerabilities. He invited the Chair for his remarks and requested Ms Nisma Rizwan to further moderate the session.

Coordinator to the Prime Minister on Commerce, Mr Rana Ihsaan Afzal, declared climate change a "national economic emergency," urging integration of climate sustainability into the country's broader economic, fiscal, and export growth strategies.

Speaking at a high-level dialogue on climate resilience, Mr Afzal said that Pakistan's climate policy and economic policy "run parallel" and must be pursued together to ensure sustainable growth. "Climate is not a curse, but an opportunity to help ourselves grow and reduce its impact on our economy and people," he said.

He noted that despite contributing less than one per cent to global carbon emissions, Pakistan remained one of the most climate-vulnerable countries in the world. "Look at the 2022 floods—one-third of the country was under water, over 1,700 lives were lost, and the economy suffered more than $20 billion in damages," he said. "Every flood, heatwave, and weather shift adds fiscal costs and hits key sectors like agriculture. We did not create this mess, yet we face its brunt."

He said the government was not waiting for international justice but taking its own steps to build resilience. "We have introduced several new initiatives, including a carbon tax, to address climate challenges through homegrown solutions," he added.

Mr Hamza Haroon from the Climate Vulnerable Forum (CVF) said that while over 70 vulnerable countries faced similar threats, their limited financial and technical capacity remained a critical

barrier. "The storm remains the same, but our ability to cope is not," he remarked. "Over $200 billion flows annually from developing countries to developed ones, even though it's the G20 nations that created this crisis. We receive five times less than what we actually need to cope."

He underscored the urgent need for fair climate financing, better access to concessional funding, and global recognition of the capacity gap in vulnerable nations.

Mr Faran Rana of the International Renewable Energy Agency (IRENA), UAE, said that although renewable energy is setting new records globally, "comprehensive policies and deeper international collaboration" were essential. He stressed the need for more concessional loans, grants, and trade cooperation as official development assistance (ODA) continued to shrink.

Dr Pierre Horna, Economic Affairs Officer at the UN Economic and Social Commission for Asia and the Pacific (UNESCAP), estimated that South Asia required over $190 billion annually to confront climate challenges. He called for energy efficiency, reduced financing costs, and greater private-sector involvement to mobilize domestic resources.

Ms Anam Rathor, Program Lead Pakistan at the CVF-V20 Secretariat, said the V20's work focused on reforms and tools specifically for vulnerable

countries. She explained that their financial mechanisms not only filled fiscal gaps but also restructured economic risks.

Ms Rathor highlighted innovations such as climate budget tagging, now used in Bangladesh, Ghana, the Philippines, and Pakistan, to track climate-related expenditures within national budgets. She also noted that integrated assessment models linked climate shocks to macroeconomic impacts, helping ministries of finance quantify climate-related fiscal risks.

Dr Fahmida Khatun, Executive Director of the Centre for Policy Dialogue (CPD), Bangladesh, said her country began climate policy work in the 1990s but still struggled with low implementation due to limited funds and institutional capacity. "This cannot be done in silos," she said. "The developed world must also fulfil its commitments and play an active role."

Mr Adnan Rehmat, Program Manager at IMS Pakistan, said policies could not communicate themselves and required mediation by the media to reach the public. He noted that the effectiveness of this process depended on the professionalism of the media and the availability of accessible information to help them explain policies clearly.

Mr Rehmat added that people's perceptions of issues like climate change were often shaped by

the media's limited understanding, which was influenced by political pressures. He highlighted that climate coverage tended to focus on disasters and government costs rather than public impacts or potential policy benefits. He emphasised the need for media engagement not only in communicating policies after they were formulated but also during their development, to ensure the public understands and could contribute meaningfully.

Giving the concluding remarks, **Dr Abid Qaiyum Suleri, Executive Director of SDPI**, said successful policies required four prerequisites: institutional arrangements, financial allocations, human resources, and technical expertise. Referring to climate finance, he noted that while it became a major focus after the 2022 floods, Pakistan lacked clear institutional responsibility. Multiple ministries — including Climate Change, Finance, Planning, Economic Affairs, and the Foreign Office — could potentially manage it, but without coordination, the effort risked becoming no one's responsibility. He recommended establishing a dedicated institutional framework to effectively manage and rewire climate finance.

POLICY RECOMMENDATIONS

By embedding climate risk assessments and green budgeting tools at the core of public finance management, Pakistan can link growth with sustainability and fiscal stability:

- Make climate risk and opportunity assessment mandatory in every Planning Commission Form-I/II (PC-I/II), Medium-Term Budgetary Framework (MTBF), and Public Sector Development Programme/ Annual Development Programme (PSDP/ ADP) submission, with a decarbonisation and resilience line included in cost-benefit analyses.
- Introduce a system to tag all expenditures as adaptation, mitigation, or dual-purpose, and publish a "Green Annex" alongside the FY26 budget.
- Establish a single platform to consolidate

climate projects, pipelines, and investors, with monthly investment reviews and a shared data room.

» Rank and prioritise public projects by their climate Net Present Value (NPV)

» Earmark petroleum carbon levy for a "Climate Prosperity Fund" and dedicate a fixed share of carbon levy receipts (30-40%) to co-finance adaptation, disaster risk reduction, and energy transition investments, with quarterly public expenditure reports.

» Create an annual issuance plan/ Sukuk & SDG Bond Program for sovereign and SOE green bonds using partial guarantees and political-risk wraps to reduce borrowing costs.

» Introduce Viability-Gap Funding (VGF) mechanisms for off-grid agricultural solar, SME power systems, and energy storage, with standardised rules and eligibility.

» Design parametric insurance products, contingent credit lines, and catastrophe bonds for provincial level disaster resilience.

» Reduce fiscal leakages to create climate fiscal space. Cut T&D losses by 2 percentage points, retarget electricity subsidies to lifeline consumers, and digitalise fertilizer support for climate-smart inputs.

» Link the Climate Prosperity Plan (CPP) to sectoral roadmaps (textiles, agriculture, mobility, construction) with quantifiable export, job, and resilience targets.

» Establish a permanent CPP Steering Committee comprising Finance, Planning, Energy, Water, Commerce, and provincial representatives with a Delivery Unit tracking progress.

» Modernise grid codes for renewable integration, enable time-of-use markets, bankable PPAs for storage, and open access for industries.

» Aggregate rooftop solar and storage procurement for industrial clusters, with concessional green finance lines and export branding for low-carbon products.

» Update provincial ADPs with climate-risk overlays prioritising watershed protection, resilient roads, and urban drainage.

» Pilot large-scale energy storage tenders, concessional finance lines for BESS, and local assembly incentives for clean technology.

» Integrate climate shocks into debt sustainability analysis; develop SBP guidance on climate-risk disclosures and green-lending ratios.

» Develop a central registry for climate-tagged spending, emissions data, and resilience metrics with open dashboards and independent verification.

» Communicate tangible benefits like lower energy bills, jobs, and flood protection through public campaigns and civic partnerships.

» Deploy solar-powered efficient pumps, pilot water pricing, and expand digital vouchers for climate-smart seeds and inputs.

» Rehabilitate drainage in high-risk districts, implement heat early-warning systems, and retrofit public buildings with cool roofs.

» Restore mangroves and riverine buffers using results-based financing and community stewardship.

Thematic Session A - 2
Report Launch
Going Against the Grain: Implementing Pakistan's Geoeconomic Pivot Amidst Geopolitical Chaos

In collaboration with FES

Moderator: Mr Ejaz Haider, Senior Resident Fellow, CSSPR, Lahore

Chair: Lt. Gen. Aamer Riaz (Retd.) HI(M)

Author: Dr Moeed Yusuf, VC, BNU

Distinguished Speakers:

- Ambassador Aizaz Ahmad Chaudhry, Former Foreign Secretary of Pakistan & Chairman, Sanober Institute
- Prof. Dr Huma Baqai, Rector, MiTE University, Karachi

Vote of Thanks: Ambassador Shafqat Kakakhel, Chairperson, BoG, SDPI

Panel Organisers: SDC Unit | Mr Hamayoun Khan, FES

Hall In-charge: Mr Asif Khan

Rapporteur: Mr Sarfaraz Ahmed

Video Link: https://www.youtube.com/live/isfQdxJ3-Qg?si=bknS9o188cqu5ewO

NARRATIVE REPORT

Mr Ejaz Haider, Senior Resident Fellow at CSSPR, Lahore, welcomed all the speakers and requested Dr Moeed Yusuf to explain the rationale behind the report, as he had authored it. He also asked Dr Yusuf to elaborate on how the report was linked to the national security policy that had been put out by him and his team when he was the National Security Adviser, and what role it played in the context of the changing geopolitical scenario.

Former National Security Adviser, Dr Moeed Yousuf, said that Pakistan's security and prosperity depended less on military posturing and more

on creating deep economic interdependence — "cooperative geo-economics"— so that friends and rivals alike suffered more if Pakistan is unstable than if it was stable.

He was speaking at the launch of a report titled "Going Against the Grain: Pakistan's Geoeconomic Pivot Amidst Geopolitical Chaos" authored by him, at the second day of 28th Sustainable Development Conference. He stated: "Two immediate conclusions follow: Pakistan must adopt a 'no cap' (non-aligned/multi-aligned) foreign policy rather than fully siding with any one power; and Pakistan cannot achieve economic security in isolation — regional connectivity is a binding constraint."

He said the world may be shifting toward protectionism and economic weaponization, but the fundamentals of cooperative geo-economics still applied. Geo-economics originally contemplated using economic tools for geopolitical ends; weaponization today favoured states with advantages in four domains: critical industries, financial/monetary infrastructure, control of strategic resources (rare earths, critical minerals), and digital/cyber capabilities. Pakistan was unlikely to be a leader in any of those areas soon, so it could not meaningfully "weaponize" its economy. Its realistic option was to leverage these domains to build interdependence – attract capital, enable outbound trade/value chains, and export manpower – the three pillars of its geo-economic strategy.

Practically, he said, this meant prioritizing development partnerships and connectivity projects that deliberately co-located Western and Chinese investment so that instability would impose costs on multiple outside stakeholders. Pakistan must resolve issues around CPEC, rethink South Asia strategy given strained ties with India, and carefully manage relations with Afghanistan and Iran to preserve access to Central Asian links.

The central policy prescription, he said, would be to create 10 to 20 flagship projects where Western and Chinese interests coexist in Pakistan, build multi-aligned diplomacy, and focus on cooperative, not competitive, geo-economics so external actors had strong incentives to protect Pakistan's stability.

Dr Huma Baqai, Rector, MiTE University, said the document emphasized pragmatic economic diplomacy as the foundation of modern global power. It rejected pessimism and excessive intellectualism, presenting a passionate, balanced, and realistic vision for Pakistan. She said while advocating cooperative geo-economics, it called for regional partnerships and development-focused strategies over coercion, framing interdependence — not confrontation — as the path forward.

Former Foreign Secretary, Ambassador Aizaz Ahmad Chaudhry, discussed the evolving concept of geo-economics, praising the shift from coercive to cooperative geo-economics, emphasizing that true cooperation required stable geopolitics. He argued that geo-economics was a subset of geopolitics, as economic progress depended on political stability. Highlighting Pakistan's National Security Policy (NSP), he noted progress in defence but stressed the need to strengthen economic and human security. His recommendations included improving CPEC connectivity, addressing security challenges, and balancing relations with China and the U.S.

In the end, he urged the government to move beyond despair, build confidence, and attract investments for a secure and prosperous future.

Lt. Gen. Aamer Riaz (Retd.) HI(M) reflected on Pakistan's National Security Policy (NSP), explaining that its core aim was to define the country's challenges, objectives, and path toward socioeconomic rebalance and internal economic

resilience. The NSP was designed as a guiding framework for all other national strategies — foreign, defence, economic, industrial, and educational — emphasizing good governance, devolution, and local development. He stressed that the issue lay not with the policy itself but with its implementation. He reaffirmed that the NSP promoted cooperative geopolitics, not isolated geo-economics, aiming for collaboration among civil and military institutions and regional partners, including India, to foster long-term stability and cooperation.

In conclusion, **Ambassador Shafqat Kakakhel, Chairperson SDPI Board of Governors,** thanked the panellists and participants for making the session a success.

POLICY RECOMMENDATIONS

» Pakistan should update and reissue the National Security Policy (NSP) to reaffirm commitment to the geoeconomic vision, integrating new realities like global protectionism and shifting regional dynamics. Political ownership of the revised NSP would convert it from a legacy policy into a living national strategy.

» Create an empowered coordination hub, under the Deputy Prime Minister or revived National Security Division, to serve as Pakistan's "economic diplomacy czar." A central office would eliminate duplication between the Ministries of Commerce/Finance and Foreign Affairs, ensure synergy across federal and provincial institutions, and make Pakistan's international economic outreach more targeted and measurable.

» Formally launch an Economic Outreach Initiative (EOI) led by the Prime Minister to align exports, FDI, and labour exports under one umbrella, with an apex body uniting all relevant ministries and provincial nominees. The EOI can consolidate fragmented economic engagements into a single national narrative, enabling Pakistan to pitch itself globally as a partner in trade, investment, and development rather than as an aid-dependent economy.

» Clarify the division of labour between the Special Investment Facilitation Council (SIFC), the Board of Investment (BOI), and provincial counterparts, in sync with their mandates on export-oriented FDI and investor retention. A coordinated investment ecosystem is vital to attract and sustain high-quality FDI. Clear institutional roles, predictable policies, and data integration will build investor confidence and reduce bureaucratic friction.

» Revise the Strategic Trade Policy Framework (STPF) with updated sector priorities, demand mapping, and new performance metrics for diplomats and Trade and Investment Officers (TIOs). Linking trade policy with emerging global markets and hiring specialised commercial diplomats will help Pakistan shift from low-value exports to high-return sectors, closing the competitiveness gap.

» Adopt country-specific labour export plans backed by skills development, accreditation agreements, and digital one-window systems for overseas employment. Labour exports are Pakistan's most reliable source of non-debt foreign inflows. Structured, skilled migration can transform remittances into a deliberate economic growth instrument rather than a by-product of necessity.

» Deepen economic and transport links with China, Central Asia, and other South Asian countries. While regional politics constrain east-west integration, Pakistan can still expand north-south and westward linkages through CPEC, TAPI, CASA-1000, and new digital corridors, strengthening its hub status despite India's non-cooperation.

» Use cultural diplomacy, international events, academic exchanges, and regional business forums to reshape Pakistan's global image. Perception directly affects investment and tourism. Soft power initiatives can recast Pakistan as an open, creative, and secure destination for global business and people-to-people exchange, complementing its economic diplomacy efforts.

Thematic Session A-3: Transformative, Sustainable and Equitable Energy Transition

In collaboration with UNESCAP

Moderator: Ms Mikiko Tanaka, Director & Head, Economic and Social Commission for Asia and the Pacific (ESCAP) South and South-West Asia Office, India

Distinguished Speakers:

- H.E. Mr Faiyaz Murshid Kazi, Ambassador of Bangladesh to the Kingdom of Thailand, Thailand
- Mr Faisal Sharif Muhammad, Director (Environment), PPIB, GoP (Online)
- Mr Ahsan Javed, Research Fellow (Renewable Energy), SAARC Energy Center, Pakistan
- Ms Subathirai Sivakumaran, Chief of Section, Macroeconomic Policy and Financing for Development, ESCAP (Online)
- Mr Muhammad Ameen Keryo, Chairperson, Sindhica Reforms Society Pakistan
- Ms Mahnoor Rashid, Partnerships & Grants Manager, Politics4Her Asia- Pacific, Pakistan
- Dr Khalid Waleed, Research Fellow - Climate and Energy, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

Panel Organisers: Dr Shafqat Munir Ahmad, Dr Khalid Waleed & Ms Sadia Satti, SDPI | Dr Rajan Sudesh Ratna & Mr Joseph George, UNESCAP

Rapporteurs: Mr Joseph George & Mr Nazar Muhammad

Video Link: https://www.youtube.com/live/zpgvIEVVq24?si=e-U_DNnQUqZmKzd6

While moderating the session on Transformative, Sustainable and Equitable Energy Transition, **Ms Mikiko Tanaka, Director & Head, Economic and Social Commission for Asia and the Pacific (ESCAP)** South and South-West Asia Office, said they would have an interesting discussion because the speakers would offer diverse perspectives with possible common threads on sustainable energy transition. She noted that the session would begin with presentations from Bangladesh and Pakistan, followed by insights on financing from her colleague Ms Subathirai Sivakumaran, a regional view from the SAARC Energy Centre, and contributions from civil society and youth.

The session on Transformative, Sustainable and Equitable Energy Transition was held at the occasion of UNESCAP's 9th South and South-West Asia Forum on Sustainable Development with an overarching theme of "Transformative, equitable, innovative and coordinated actions for the 2030 Agenda and its SDGs for a sustainable future for all" at SDPI's 28th Sustainable Development Conference.

Pakistan must rapidly mobilize climate finance, strengthen institutions and accelerate clean-energy technology adoption to meet its ambitious emission-cutting targets and protect vulnerable communities from intensifying climate impacts, said **Mr Faisal Sharif Muhammad, Director (Environment) at the Private Power & Infrastructure Board (PPIB).**

He said Pakistan's updated climate commitments aimed for a 50% reduction in projected emissions by 2035, including a 62% renewable energy share in the national grid by 2030 under the Indicative Generation Capacity Expansion Plan (IGCEP). "The energy transition lies at the heart of Pakistan's development and climate agenda — but it demands innovative financing, technology partnerships and strong governance," he noted.

According to PPIB's presentation, Pakistan envisions 60% renewables including hydropower by 2030, universal electricity access, and improved energy efficiency, with energy intensity targets set to decline from 5.1 MJ/USD in 2010 to 4.1 MJ/USD by 2030.

Mr Faisal Sharif Muhammad stressed that scaling climate finance — including green bonds, carbon markets, blended finance, debt-for-climate swaps and Just Energy Transition Partnerships (JETPs) — was essential to close the large funding gap. Pakistan required $308 billion for decarbonisation and energy transition initiatives by 2035.

Mr Faiyaz Mirshid Kazi, Ambassador of Bangladesh to Thailand said that achieving the United Nations Sustainable Development Goal-7 (SDG-7) — affordable, reliable, and sustainable energy for all — was fundamental for inclusive development and climate resilience.

He stressed that universal access to energy, scaling up renewable energy, and improving energy efficiency were the core pillars of SDG-7, noting that modern, clean energy access was directly linked to economic empowerment and poverty reduction.

Sharing Bangladesh energy data, he noted that renewable energy accounted for 1.58%, non-renewable for 81.69%, while 16.73% of energy was imported in the region. He highlighted that Bangladesh was currently importing 2,656 MW of electricity from India to stabilize supply and meet demand.

"Bangladesh has set a target to generate at least 20% of its electricity from renewable sources by 2030, rising to 30% by 2040," he said, adding that Dhaka was prioritising solar, wind, and hydropower as major growth areas.

He described Bangladesh as a high-potential destination for renewable-energy investors, citing government incentives, policy support, and rising market demand.

"Bangladesh offers enormous investment opportunities in renewable energy, supported by multiple incentives and strong government commitment," he said, calling for greater collaboration

The envoy said Bangladesh's energy cooperation — including cross-border power trade, technology transfer, and green-finance mobilisation — would be critical to ensuring South Asia's transitions to

clean and affordable power systems.

Ms Subathirai Sivakumaran, Chief of Section, Macroeconomic Policy and Financing for Development, ESCAP said that Pakistan's energy landscape was critical depending on imported fossil fuel. The structural issue had not only exacerbated chronic energy affordability and security challenges but has fuelled persistent circular debt surpassing PKR 2.6 trillion.

Dr Khalid Waleed, Research Fellow at SDPI, said Pakistan's renewable energy transition presented both major opportunities and serious policy challenges that must be navigated carefully to ensure long-term sustainability and economic stability.

He warned that while Pakistan was moving towards clean and affordable power, the shift required strategic planning, stable policies, and strong institutional capacity. "The renewable energy transition is not merely a technological shift — it is a structural transformation of the energy economy," he said.

He cautioned that as Pakistan remained under an IMF programme, the government must be mindful of policy decisions that could undermine renewable-energy growth.

"The government should be cognisant that IMF-driven reforms do not unintentionally withdraw necessary incentives for renewable energy," Dr Waleed said, noting that abrupt removal of support mechanisms could slow clean-energy momentum and discourage investors.

He stressed that Pakistan's energy transition provided a unique chance to reduce fuel import dependence, stabilise power costs, and develop a resilient and green energy system — but it demanded coordinated action from the public and private sectors.

Mr Ahsan Javed, Research Fellow (Renewable Energy), SAARC Energy Centre said that SAARC was actively supporting South Asia's transition towards clean and sustainable energy through capacity building, knowledge sharing and pilot-scale renewable initiatives.

He highlighted that the SAARC Energy Centre, based in Islamabad, served as a regional hub

to strengthen technical expertise, promote collaboration among member states and facilitate practical energy solutions.

He emphasized the importance of regional cooperation in addressing shared energy challenges, noting that South Asian nations faced similar issues of rising demand, climate vulnerability and the need for affordable clean power.

Mr Muhammad Ameen Keryo, Chairperson of the Sindhica Reforms Society Pakistan, noted that civil society in regional areas had consistently supported government and private initiatives for solar systems, even in very rural and remote areas. However, he pointed out that civil society's role in planning and decision-making had remained limited. He added that some national governments were considering taxes on solar energy, and they had urged governments to avoid such measures as they would negatively impact SDG 7.

Ms Mahnoor Rashid, Partnerships and Grants Manager at Politics4Her Asia Pacific Pakistan, addressed the session and highlighted several challenges. She noted that the UNEP had released its Emissions Gap Report the previous day, tracking progress under the recently submitted NDC 3.0. She stated that, according to the report, the world was on a trajectory of 2.5°C of warming, and that achieving 1.5°C was no longer considered possible — something acknowledged for the first time in such a report. Speaking about youth and sustainability, she stressed the need

to return to the core meaning of sustainability: using current resources in a way that allows future generations to benefit from them. She observed, however, that despite three decades of regional and global negotiations, resources continued to be used in highly unsustainable ways.

POLICY RECOMMENDATIONS

Achieving SDG 7 (Affordable and Clean Energy) in South and South-West Asia (SSWA) requires a multidimensional strategy that addresses both structural and financial barriers. The region's progress towards renewable energy expansion, energy efficiency, and universal access remains constrained by limited investment flows, weak grid infrastructure, and policy uncertainty. Strengthening financing and pricing mechanisms, de-risking private investments, and integrating innovative solutions are essential to mobilise capital at scale. At the same time, resilient grid systems and regional power cooperation can lower costs, enhance reliability, and unlock cross-border trade in clean energy. Countries in South and South-West Asia (SSWA) need to:

- Increase investments in energy transition and energy efficiency across the region.
- Promote the installation of large-scale solar initiatives; however, address land scarcity challenges, particularly in coastal countries like Bangladesh.
- Ensure alignment of energy transition initiatives with national development priorities.
- Expand substantial market size with mandated adoption of clean and renewable technologies.
- Recognise Pakistan's strong commitment to energy transition despite its relatively low share in global carbon emissions.
- Introduce attractive tax incentives and streamlined regulatory processes to encourage private sector participation.
- Highlight investment in sustainable energy as a unique opportunity offering both immediate market demand and long-term national development benefits.
- Enhance investments to strengthen and accelerate energy transition.
- Address key challenges including weak data monitoring systems, inadequate grid infrastructure, high energy intensity, and limited innovative financing mechanisms.
- Mobilise concessional financing and innovative financial tools to meet the costs of energy transition.
- Enhance federal, provincial, and sectoral institutions, improve governance frameworks, and build technical skills to design, implement, and monitor just transition pathways.
- Ensure affordable access to advanced renewable energy, storage, and efficiency technologies through partnerships and localised value chains.
- Develop solar waste recycling systems and implement producer responsibility regulations.
- Foster joint efforts to mobilise climate finance, encourage collaborative R&D and innovation, promote knowledge-sharing platforms, and expand cross-border clean energy trade and investment.
- Recognise that energy transition financing presents both challenges and opportunities.
- Address institutional coordination issues caused by fragmented governance and overlapping mandates among entities.
- Overcome barriers to accessing long-term, low-cost international concessional finance for large-scale projects.
- Mobilise green finance and support market progress for renewable energy solutions.
- Develop a Comprehensive Energy Transition and Investment Plan (ETIP) to leverage innovative blended finance models combining public and private capital for greater scale and impact.
- Focus not only on making energy accessible but also on ensuring inclusive transition outcomes, such as empowering women to run energy-based enterprises.
- Promote decentralised and community-based energy projects to enhance local ownership and resilience.
- Engage civil society organisations as watchdogs and active partners in energy transition projects to ensure transparency and accountability.
- Strengthen inter-institutional coordination for coherent and efficient policy implementation
- Integrate energy initiatives with social protection programmes such as those like the Benazir Income Support Program (BISP) in Pakistan. For example, by providing solar panels to beneficiaries instead of cash transfers to promote sustainable energy access.

Thematic Session A-4: South Asia in a Changing World

High-Level Roundtable Dialogue

Moderator: Ms Mikiko Tanaka, Director & Head, Economic and Social Commission for Asia and the Introduction & Moderator: Mr Imran Shauket, JOBS-DC Inc.; Convener Pakistan & SA Initiative, Former Advisor to GoP

Opening Remarks: Dr Abid Qaiyum Suleri, ED, SDPI

Distinguished Speakers:

- Ambassador Seema Ilahi Baloch, Former Diplomat
- Mr Haroon Sharif, Chairman, PREF, Pakistan
- Mr Tariq Suleman, Senior Research Fellow, Bloomsbury Pakistan
- Brig. Feroz Hassan Khan, (Retd), NPS, USA
- Mr Anthony Renzulli, Associate Partner, South Asia, Albright Stonebridge Group
- Mr Jon Danilowicz, ED, Right to Freedom, USA
- Mr Skip Waskin, CEO, International Solutions
- Ms Maureen Shauket, Former Development Advisor (US Mil Central Africa Command, Stuttgart), Mission Director Kosovo, Procurement Executive USAID
- Mr Michael Kugelman, Former Director South Asia Institute, Wilson Center, USA
- Ms Elizabeth Threlkeld, South Asia Director, Stimson Center, USA
- Mr Tariq Cheema, Founder, World Donors Forum
- Dr Bishnu Raj Upreti, ED, NCCR, Nepal
- Dr Kala Peiris, Director, Senior Researcher, CENWOR/ Sri Lanka Center for Development Facilitation (APRCEM)
- Major General Dr Ehsan Mehmood Khan

Hall In-charge: Mr Faizan Basharat, SDPI

Panel Organisers: Dr Sajid Amin Javed, Ms Sadia Satti, SDPI & Mr Imran Shauket, JOBS-DC Inc.

Rapporteurs: Mr M. Junaid Sial & Ms Muqadas Hafeez

Video Link: https://www.youtube.com/live/ZLl3F3OTllE?si=X4awRz5mfXF_P-UE

Speakers at a roundtable suggested formulating SAARC-like body at sub-regional level so that the problems and grievances of the region may be resolved within the region.

The suggestion was made at a roundtable titled South Asia in a Changing World at the of second day the 28th Sustainable Development Conference. The session, which brought together former US diplomats, state department officials, academics and Pakistani experts, took the discussion further to delve into the challenges and opportunities in South Asia, particularly Pakistan.

SDPI Executive Director, Dr Abid Qaiyum Suleri, in his opening remarks, said that discussions were brewing once again about the revival of organizations like SAARC as a solution to overcoming South Asia's multifaceted challenges. "This echoes the recent remarks of a Bangladeshi minister, who highlighted the importance of reinvigorating the South Asian Association for Regional Cooperation (SAARC), even as the organization faces significant challenges," he added.

Former Advisor to the Government of Pakistan, Mr Imran Shauket took the discussion from there and shared his opinions on SAARC, referring to it as being "on life support". He suggested that the region needed to pursue economic integration, even in the absence of a cohesive political framework.

Ms Elizabeth Threlkeld highlighted the need for an inclusive South Asia perspective, noting the value of engaging external partners, such as the Gulf, to ease regional sensitivities. She emphasised careful framing of initiatives in Pakistan, Bangladesh, and Sri Lanka to navigate shifting geopolitical dynamics and balance regional influences.

Mr Skip Waskin, CEO of International Solutions, stressed the shift from assistance to cooperation, emphasising that South Asian countries should define their development priorities. He noted that the US aimed for foreign programs to advance its own security, strength, and prosperity.

Mr Jon Danilowicz, ED of Right to Freedom, USA, highlighted the importance of engaging younger generations, noting that discussions often involved senior figures nearing career ends. He emphasised empowering early-career participants to ensure sustained, long-term impact.

Mr Tariq Cheema highlighted Pakistan's potential as a resource-rich country, stressing the need for better management and regional partnerships. He emphasised improving human development alongside economic growth, noting that reducing disparities was crucial for peace and security.

Mr Anthony Renzulli, Associate Partner at Albright Stonebridge Group, emphasised de-risking South Asia and noted Pakistan's current geopolitical "sweet spot". He urged Pakistan to capitalise on this opportunity to strengthen its economy and development, highlighting its potential positive role across South and West Asia.

Dr Bishnu Raj Upreti, ED of NCCR, Nepal, stressed focusing on thematic cooperation, such as climate insecurity, rather than attempting to revive SAARC. He noted that meaningful regional collaboration requires high-level political will from both Pakistan and India, which currently appears limited.

Dr Kala Peiris highlighted Sri Lanka's transitional challenges and emphasised partnership and collaboration in South Asia. She stressed that domestic resource mobilization, including circular economy approaches, had been crucial, noting that civil society had observed the human impact of development projects beyond external figures.

Major General Dr Ehsan Mehmood Khan (retd.) discussed South Asia in a changing world order, emphasising that no region achieves total cooperation or confrontation. He highlighted the interplay of convergences and divergences in national interests and stressed the importance of constants — geography, history, culture, and the shared pursuit of peace and prosperity — as the foundation for a workable cooperative paradigm.

Former Director of South Asia Institute at Wilson Center, Mr Michael Kugelman, called SAARC "dead in water" and still something that could be revived. He noted that it was one of the very few regional organizations where all eight members were on equal footing. Mr Kugelman pointed out that Pakistan faced significant regional isolation, with few strong alliances within South Asia. Sri Lanka, for instance, maintained strong ties with other South Asian countries, while Bangladesh's political future remained uncertain due to upcoming elections. "Pakistan and Afghanistan tensions need to be reduced," he said, adding that internal security challenges in Pakistan also posed a major barrier to regional cooperation. Until Pakistan can stabilize domestically, sustainable regional cooperation would remain out of reach, he said.

Pakistan Regional Economic Forum (PREF) Chairman, Mr Haroon Sharif, steered the conversation to a new area, arguing that South Asia must move beyond outdated thinking and adapt to the changing global landscape. He pointed out that while the political geography of the region remained largely unchanged, the economic geography had shifted dramatically, which also required a new approach to regional development.

"The time of aid has passed," Mr Sharif said, adding, that South Asian countries like Pakistan and Bangladesh must learn to stand on their own, without relying on foreign intervention. The region faced growing challenges, from rising debt to geopolitical tensions. In this context, Mr Sharif advocated strengthening partnerships with the private sector and building institutions that focused on development, moving away from dependence on state-led aid.

Mr Sharif suggested that the United States as well as other global powers must focus on "de-risking of South Asia", using tools beyond traditional state-to-state diplomacy. "The risk level in the region has increased across the board, from economic growth to development," he explained, adding, "This is how the US can look at Pakistan and approach entities for cooperation while also accepting that new players have emerged."

Brig. Feroz Hassan Khan (retd.) noted that the problem did not lie with Pakistan's ability to benefit from regional opportunities, rather it was the country's inability to sustain it. "Whenever there are favourable circumstances for Pakistan, it cashes them, but once those circumstances

inevitably change, the benefits crumble, because no solid foundation is built to continue to sustain those advantages," he said, adding that legacy institutions had failed to do that job and perhaps something new was now needed.

Discussions also delved into the issue of local resource mobilization with Ambassador Seema Ilahi raising important questions about the concept of "local ownership" in development.

Former USAID Executive, Ms Maureen Shauket, responded that local ownership meant aligning national budgets with localized priorities and ensuring that both domestic and international financiers were engaged in supporting these goals.

Despite the momentum for regional cooperation, the region's complex political landscape remained a significant hurdle. Pakistan's longstanding tensions with India, particularly over the Kashmir issue, continued to complicate efforts to insulate economic and climate issues from political discord. This was also highlighted during the session, when **Bloomsbury Senior Research Fellow, Mr Tariq Suleman,** suggested that one potential solution could be to "delink economy and climate from politics". However, as Mr Haroon Sharif pointed out, this approach had often been tried but had not yielded lasting results. "Take the reality and deal with it," Mr Sharif reiterated, advocating for pragmatic solutions that address the region's challenges head-on.

The conversation moved towards seeking "transactions" instead of "talks", not just between Pakistan and India, but among all South Asian Nations and beyond. The role of external players in South Asia's development was also highlighted.

POLICY RECOMMENDATIONS

South Asia faces persistent geopolitical rivalries and weak regional mechanisms that limit collective progress. A cooperative, geoeconomic, and human-centred approach can transform these challenges into shared opportunities.

Pakistan's bridging role makes regional dialogue, economic integration, and inclusive diplomacy essential for long-term stability and growth.

South Asian countries ought to:

- Establish a South Asia Economic Forum for structured business-government policy dialogue.
- Promote sustained regional dialogue through South Asian Association for Regional Cooperation (SAARC) revival and sub-regional cooperation forums.
- Create regional development funds focused on education, infrastructure, and climate resilience.
- Strengthen cross-border trade via improved border infrastructure and digital systems.
- Encourage private sector collaboration in renewable energy, technology, and innovation.
- Facilitate youth and women participation in regional policymaking and entrepreneurship programmes.
- Advance cultural, educational, and media exchanges to deepen people-to-people ties.
- Pursue strategic restraint and Confidence-Building Measures (CBMs) between South Asia's two nuclear states.
- Expand trilateral and multilateral cooperation with China, Türkiye, and Saudi Arabia.
- Develop regional frameworks for human rights, social equity, and economic justice.
- Launch joint research initiatives on climate change, digital transformation, and sustainable trade.
- Emphasise pragmatic, non-rivalrous foreign policies centred on shared development goals.
- Enhance regional humanitarian coordination for crisis management and disaster relief.
- Build economic corridors connecting Pakistan, India, and Bangladesh to boost regional markets.
- Strengthen policy coordination through think tanks, academia, and track-II diplomacy platforms.
- Integrate sustainable humanism into policy frameworks that prioritise peace, cultural continuity, and cooperative prosperity.

Thematic Session A-5: Inclusive Growth for Shared Prosperity

High-Level Policy Dialogue

In collaboration with Coca-Cola Pakistan

Moderator: Ms Zainab Naeem, SDPI

Welcome Remarks: Dr Abid Qaiyum Suleri, ED, SDPI

Chair: Ms Shaista Pervaiz Malik, Convenor, Parliamentary Taskforce on SDGs & MNA, GoP

Guest of Honour: Mr Fahad Haroon, SAPM Digital Communication, GoP

Scene Setting Presentation: Coca-Cola Pakistan Socio Economic Impact Report (2019 - 2024) by Mr Umar Farooq, SDPI

Distinguished Speakers:

- Prof. Dr Muhammad Naveed, Bahria University, Islamabad
- Dr Aliya Hashmi Khan, former Dean, Quaid-e-Azam University, Islamabad
- Mr Sami Wahid, General Manager, The Coca-Cola Company

Panel Organisers: Ms Zainab Naeem & Mr Umar Farooq, SDPI

Hall In-charge: Mr Rahat Ullah, SDPI

Rapporteurs: Ms Mursal Qaisari & Ms Shogofa Shokori

Video Link: https://www.youtube.com/live/1g-NzauAMU0?si=vSCH8YMIKJ7oDFKE

NARRATIVE REPORT

Dr Abid Qaiyum Suleri, Executive Director of the Sustainable Development Policy Institute (SDPI), said the SDGs' central message — "leaving no one behind" — must guide Pakistan's future policies. "With shrinking fiscal space, we need innovative solutions at both micro and macro levels to ensure inclusive growth and prosperity," he advised. He was speaking at a policy dialogue titled Inclusive Growth for Shared Prosperity at the second day of the 28th Sustainable Development Conference.

Mr Umar Farooq presented the Coca-Cola Pakistan Socio-Economic Impact Report (2019–2024), covering financial and market performance, environmental sustainability, corporate social responsibility, and performance in the current economic context. The report highlighted that Coca-Cola Pakistan continued to strengthen its position as a leading beverage producer, driven by strong brand value, consumer engagement, and innovative marketing. Expansion into new distribution zones and greater accessibility in rural and semi-urban areas further enhanced the company's market performance.

Pakistan was striving to adopt a growth model that benefits every segment of society through digital transformation and stronger public-private partnerships (PPPs), said **Mr Fahad Haroon, Special Assistant to the Prime Minister on Digital Communication.**

Mr Haroon said the government was working towards a "Digital Pakistan" by improving connectivity, empowering communities, and creating a level playing field for businesses. "We should unlock the full potential of the private sector while ensuring ease of doing business and supporting startups and new entrants," he said, emphasizing that the government, civil society, and the private sector must "go hand in hand" to achieve inclusive growth.

Chairperson of the Parliamentary Taskforce on SDGs and MNA, Ms Shaista Pervaiz Malik, said Pakistan continued to face "multiple challenges", particularly gender disparity. "The prime minister has formed a mainstreaming committee to address this issue," she said, adding, "Things are changing and there are baby steps forward, but the gap remains." She emphasized bridging divides between the government, private sector, and academia, calling for "an inclusive society" to drive development. "Climate is the biggest challenge right now," she added.

Dr Aliya Hashmi Khan, former Dean at Quaid-e-Azam University, Islamabad, underscored that Pakistan must prioritize key Sustainable Development Goals (SDGs), starting with tackling youth unemployment and the skills gap. "Around 33% of young people aged 18 to 24 years are jobless or lack education and skills," she said. "We have to address these gaps as they are critical for growth and prosperity." She called for seamless collaboration between the government and private sector to realize sustainable development targets.

Dr Muhammad Naveed from Bahria University said that while private sector growth was vital, it must be balanced with social justice and environmental protection. "We should give economic value to nature and the environment," he noted, adding that sustainability reporting should become a norm for corporations operating in Pakistan.

Highlighting the corporate sector's contribution, **Mr Sami Wahid, General Manager, The Coca-Cola Company,** said the company had contributed PKR 250 billion to Pakistan's GDP in the last two years and invested over $1 billion in the past nine years in capacity building, technology, and social initiatives. "We can become a bridge between the government, private sector, and chambers to achieve shared development goals," he said.

POLICY RECOMMENDATIONS

- Establish a national Inclusive "Growth and Shared Prosperity Framework" under the Planning Commission to align private sector operations with SDGs, ensuring shared economic, social, and environmental gains across industries.
- Mandate Environmental, Social, and Governance (ESG) compliance for large corporations and incentivise small and medium enterprises (SMEs) to adopt sustainability certifications through tax relief and capacity-building support.
- Create a formal "Public-Private Sustainability Partnership" (PPSP) platform for continuous coordination among government agencies, MNCs, and local businesses to co-design green infrastructure, recycling systems, and resource efficiency programmes.
- Launch a "Green Skills and Digital Inclusion

Initiative" jointly funded by government and industry. This initiative would equip youth and women with employable skills in renewable energy, digital entrepreneurship, and circular economy value chains.

» Rationalise federal excise duties and introduce green tax incentives to encourage reinvestment in sustainable production and localised value chains.

» Require MNCs to embed inclusive business models such as local sourcing, micro-distribution networks, and women-led community enterprises within their operational strategies.

» Establish a blended-finance mechanism, led by the Ministry of Finance and supported by private capital, to fund renewable energy, water security, and social enterprise projects aligned with SDGs 6, 7, 8, and 13.

» Institutionalise annual inclusive growth and ESG reports at the national level to track employment generation, environmental performance, and social outcomes of corporate activities.

» Incentivise establishment of industrial recycling and resource-recovery clusters in major cities, co-financed by government and business associations, to reduce waste and create green jobs.

» Expand SDPI-led dialogues into a "National Council for Inclusive Growth" bringing together policymakers, academia, private sector leaders, and civil society for joint policy design and review.

» Institutionalise gender equity targets within corporate reporting, including women's leadership quotas, supplier diversity, and community water or skills programmes modelled after initiatives like "Water for Women."

» Commit to stable, long-term industrial and fiscal policies to attract responsible private investment, supported by transparent government-business coordination mechanisms.

» Require multinational corporations operating in Pakistan to allocate a fixed share of local revenue toward SDG-linked social investments such as education, water security, or entrepreneurship hubs.

» Establish "Innovation Labs" connecting universities, startups, and corporations to co-develop technologies for low-carbon manufacturing, waste-to-value models, and inclusive service delivery.

Thematic Session A-6: Strengthening the Role of Parliament in Public Debt Management in Pakistan

Roundtable Dialogue in collaboration with FES

Moderator: Dr Sajid Amin Javed, SDPI

Opening Remarks: Mr Abdullah Dayo, FES

Closing Remarks: Mr Syed Naveed Qamar, Chairman, Parliamentary Standing Committee on Finance and Revenue, GoP

Distinguished Speakers:

- Mr Rana Ihsan Afzal, Coordinator to PM, MOC
- Mr Muzzammil Aslam, Advisor, Ministry of Finance, KPK
- Mr Mohsin Mushtaq Chandna, DG (Debt), Finance Division, GoP
- Dr Ali Salman, ED, PRIME
- Dr Farooq Sattar, MNA, GoP
- Dr Aneel Salman, Chair Economic Security, IPRI
- Ms Uzma Zia, PIDE
- Dr Umer Khalid, PRIDE
- Mr Umer Akhlaq Malik, UNDP
- Mr Abdul Rehman Warraich, SECP, GoP
- Dr Mirza Ikhtiar Baig, MNA, PPP
- Mr Mehtab Haider, Senior Report Officer, The News
- Mr Riaz Fatyana, MNA, PTI
- Dr Nasir Iqbal, Associate Professor, PIDE
- Dr Muhammad Arshad, Chief (Macroeconomics), MoPDSI
- Prof. Mustafizur Rahman, Distinguished Fellow, CPD, Bangladesh
- Dr Lakmini Fernando, RF, IPS, Sri Lanka
- Mr Zafar ul Hassan, Ex-Joint Chief Economist Eco Policy
- Mr Imtiaz Ali Solangi, FBR
- Ms Rashida Dohad, ED, Omer Asgher Khan Foundation
- Dr Sajeela Rabbani, Asst Professor, Iqra University
- Mr Shahbaz Rana, Reporter, Express Tribune

Panel Organisers: Dr Sajid Amin Javed, Ms Aqsa Naveed & Mr Muhammad Sameer, SDPI

Hall In-charge: Mr Asif Khan

Rapporteur: Mr M. Junaid Sial

Video Link: https://www.youtube.com/live/7UpCgCN54gk?si=JPBTvzR-i2iR1kOe

NARRATIVE REPORT

Pakistan's debt burden had become unsustainable, and the country could no longer continue borrowing unchecked, warned **Mr Syed Naveed Qamar, Chairman of the National Assembly's**

Standing Committee calling for the Parliament to assert control over the borrowing process and enforce fiscal discipline.

Speaking at a roundtable titled Strengthening the Role of Parliament in Public Debt Management in Pakistan organized in collaboration with Friedrich Ebert Stiftung (FES), **Mr Qamar** said the government's borrowing behaviour — across successive administrations — had pushed the economy to a breaking point.

"Debt has become unsustainable. Debt servicing is rising and eating our fiscal space. Time has come to cut our own throat — and by that I mean cut NFC allocations and other expenditures because space simply isn't there," he remarked, adding, "Debt servicing as part of budgetary expenditure has to be squeezed. We need to renegotiate loans and stop borrowing blindly."

He stressed that Pakistan's long-standing policy of placing no restrictions on government borrowing had been disastrous, and the Parliament must now step into exercise oversight.

He called for a structured process where external borrowing was first scrutinised and approved by the Parliament, followed by domestic borrowing oversight. He also criticized Pakistan's tight monetary policy — kept restrictive to curb inflation — arguing that while inflation control was necessary, the policy was eroding fiscal space and squeezing growth.

Mr Muzzammil Aslam, Advisor to the Ministry of Finance, Khyber Pakhtunkhwa, said Pakistan urgently needed an independent debt-reporting authority, similar to Pakistan Bureau of Statistics (PBS), to consolidate and transparently report the country's true debt burden.

Mr Aslam warned that Pakistan's actual debt was significantly higher than officially acknowledged due to major obligations not being reflected in the public debt ledger.

He noted that Pakistan's circular debt — spanning both electricity and gas — combined with pension liabilities and net commitments linked to the Roshan Digital Accounts, remained a major fiscal threat. Mr Aslam said PKR 12.3 trillion in other obligations had not reflected in the official debt data.

"The outstanding debt is not PKR 78 trillion — it is PKR 90 trillion when these obligations are included, and that's besides additional liabilities," he remarked, warning that the lack of comprehensive disclosure clouded the true fiscal picture. He stressed that there was currently "no clarity on domestic debt at all", calling for a unified mechanism to track and reconcile all government-level liabilities, contingent guarantees, and off-balance-sheet financing. Mr Aslam further argued that the Fiscal Responsibility and Debt Limitation (FRDL) Act must be reviewed and made realistic, saying present thresholds and rules did not reflect economic ground realities or evolving debt structures.

He cautioned that without reforming debt-

management frameworks and improving reporting standards, Pakistan risked policy missteps, weak debt sustainability, and heightened macroeconomic vulnerability.

Mr Mohsin Mushtaq, Director General (Debt), Ministry of Finance, said Pakistan had adopted the most robust and internationally aligned debt-reporting framework in line with IMF recommendations, ensuring transparency and market confidence.

Mr Mushtaq said the government had adopted a medium-term debt strategy for 2025-28, published half-year debt reports, and adhered strictly to the auction calendar to ensure predictability for markets. "The best possible debt-reporting mechanism has been adopted in line with IMF suggestions. Our auction calendar is followed, and the market has full knowledge," he said.

He noted that while technical definitions of public debt were debated, determining them ultimately remained the Parliament's prerogative. Mr Mushtaq said Pakistan expected to save up to PKR 500 billion in the current fiscal year due to lower debt-servicing costs supported by a stable interest-rate environment.

Calling public speculation on external debt "counter-productive," he said Pakistan followed global reporting standards, and sensitive debt discussions must be handled responsibly to avoid market disruption. He also disclosed that a Debt Coordination Committee had been established to improve reconciliation, reporting, and oversight across institutions.

Dr Farooq Sattar, Member of National Assembly, said that remedy was prevention to overcome the increasing debt.

Mr Abdul Rehman Warraich of Security Exchange Commission of Pakistan said that there was deficiency in debt definition and international standards are not being followed for reporting. He said Public Private Partnerships, pensions liabilities and circular debt were not included to debt.

Dr Ali Salman, Executive Director PRIME, said that improvements had been witnessed in the system.

POLICY RECOMMENDATIONS

» Legislative and Institutional Strengthening

- Revise the Fiscal Responsibility and Debt Limitation (FRDL) Act to clearly define parliamentary oversight mechanisms, introduce realistic debt ceilings, and mandate public disclosure of contingent liabilities and guarantees.
- Establish a Parliamentary Debt Oversight Unit (DOU) composed of non-partisan economists, legal experts, and researchers to provide continuous analysis of borrowing decisions, loan terms, and debt sustainability.
- Ensure independence of the Debt Management Office.

» Enhancing Transparency and Accountability

- Mandate annual debt bulletins and quarterly public debt reports to be presented in the Parliament and published online, including domestic and external debt, contingent liabilities, and debt-servicing projections.
- Develop a digital debt management dashboard to allow real-time tracking of public debt indicators, linked to the State Bank, Finance Division, and Economic Affairs Division data.
- Introduce pre-loan scrutiny protocols requiring ministries to justify how each borrowing is in sync with national and provincial development priorities before approval.

» Strengthening Parliamentary Capacity

- Institutionalise capacity-building programmes for members of the finance and public accounts committees to improve literacy on debt, fiscal indicators, and macroeconomic linkages.
- Expand membership and diversify expertise within the Parliamentary Standing Committee on Finance ensuring inclusion of economists, social scientists, and fiscal analysts as technical advisers.
- Require debate on the Medium-Term Debt Strategy (MTDS) and budget strategy papers at least three months before budget approval, ensuring meaningful parliamentary input.

» Integrating Debt with Development Outcomes

- Link borrowing decisions to SDG-aligned development outcomes, with mandatory impact assessments before major loan approvals.
- Embed performance-based indicators into debt utilisation reports (e.g., how much borrowing contributed to infrastructure, education, or employment outcomes).
- Prioritise productive debt (investment in human capital, renewable energy, and industrial competitiveness) over consumptive debt (recurrent expenditures).

» Improving Coordination and Data Integration

- Integrate debt databases across the Finance Division, Economic Affairs Division, and State Bank to remove data inconsistencies and duplication.
- Establish inter-agency debt committees chaired by the Parliamentary Finance Committee to regularly review debt positions and new commitments.
- Encourage cross-party consensus on debt management principles to avoid policy reversals with government changes.

» Promoting Fiscal Responsibility and Public Engagement

- Empower local governments to raise revenues and manage local borrowing responsibly, easing pressure on federal debt.
- Introduce citizen debt literacy programmes and open data portals so the public and media can monitor debt trends and hold policymakers accountable.
- Foster continuous dialogue between the Parliament, civil society, and think tanks (SDPI, PIDE, PRIME) to ensure evidence-based decision-making.

» Long-term Strategic Reforms

- Adopt a Medium-Term Debt Strategy (MTDS) and ensure parliamentary approval before implementation.
- Institutionalise periodic audits of debt instruments by the Auditor General and require follow-up actions reported to Parliament.
- Link monetary policy and debt strategy coordination through joint sessions between the State Bank and Finance Committees.

Thematic Session A-7: Sustainable Cities and Communities

In collaboration with UNESCAP

Moderator: Mr Jawed Ali Khan, Senior Advisor/Programme Manager, UN-Habitat Pakistan

Distinguished Speakers:

- Mr Curt Garrigan, Chief, Sustainable Urban Development Unit, Environment and Development Division, ESCAP (Online)
- Barrister Arsalan Islam Shaikh, Mayor of Sukkur, Pakistan (Online)
- Ms Anum Shahid, The Urban Sector Planning and Management Services Unit (The Urban Unit), Govt. of Punjab
- Mr Khawaja Sikandar Zeeshan, DG PHATA, Pakistan
- Ms Shajeea Khalid, Technical Specialist, Climate Finance NCGCL (Online)
- Dr Kala Peiris, Director, Senior Researcher, CENWOR/ Sri Lanka Center for Development Facilitation (APRCEM)
- Dr Paras Kharel, ED, SAWTEE, Nepal

Panel Organisers: Dr Shafqat Munir Ahmad, Dr Khalid Waleed & Ms Sadia Satti, SDPI | Dr Rajan Sudesh Ratna & Ms Gawon Lee, UNESCAP

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteurs: Ms Gawon Lee & Ms Amal Shahid

Video Link: https://www.youtube.com/live/Z6Jtj3msaXM?si=jpKCLollfQV6LNBl

NARRATIVE REPORT

Highlighting challenges and efforts surrounding the United Nations' Sustainable Development Goal-11 (Sustainable Cities and Communities), experts at a thematic session outlined that despite significant resource constraints, government bodies and civil society organizations were making strides towards more sustainable urban development. The session on Sustainable Cities and Communities was held at the occasion of UNESCAP's 9th South and South-West Asia Forum on Sustainable Development with an overarching theme of "Transformative, equitable, innovative and coordinated actions for the 2030 Agenda and its SDGs for a sustainable future for all" at SDPI's 28th Sustainable Development Conference.

Mr Jawed Ali Khan, Senior Adviser and Programme Manager at UN-Habitat Pakistan, said that cities were the engines of growth and development — but when the engine was faulty, it could not deliver the benefits it should. He noted that the session on Sustainable Cities and Communities would examine these challenges and opportunities, and aimed to build a consensus on a collective way forward for the South and South-West Asia Subregional Forum.

Mr Curt Garrigan, Chief of the Sustainable Urban Development Unit at UNESCAP, presented a sobering outlook on the current state of urbanization. He pointed out that rapid, unplanned urban growth was straining infrastructure, public resources, and services. Additionally, growing inequality in access to housing, transportation, and basic urban amenities was deepening social divides. Mr Garrigan also highlighted the heightened disaster risks that urban areas face, particularly as climate change intensified extreme weather events. He noted that policy gaps, lack of integration, and limited financial resources were exacerbating these challenges.

However, despite these setbacks, Mr Garrigan also cited positive developments, particularly in waste management. He said that UNESCAP data showed that targeted investments were being made in modernizing infrastructure, promoting green building standards, sustainable construction practices, and improving air quality monitoring, all of which contributed to progress toward SDG 11.

Ms Anum Shahid, from the Urban Sector Planning and Management Services Unit of the Punjab Government, shared the provincial government's efforts to incorporate youth and community voices into policy-making. Shahid specifically pointed to housing projects as a key area of focus, reflecting a growing commitment to inclusive urban development.

Barrister Arsalan Islam, Mayor of Sukkur, also presented the local government's achievements, sharing that Sukkur had used its own resources to construct oxidation farms, despite receiving insufficient fiscal transfers from federal and provincial governments. "We are planning to build dedicated routes for electric vehicles (EVs) to reduce carbon emissions," he said, adding, "In three years, Sukkur will be the first to provide free drinking water to all households." He also detailed improvements to rainwater drainage systems, which had significantly reduced the time it took for water to be discharged after rainfall.

Mr Khawaja Sikandar Zeeshan, a panellist from the Punjab Housing and Town Planning Agency (PHATA), discussed challenges in the housing sector. He identified two main issues: first, the

tendency to adopt one-size-fits-all solutions without local adaptation; and second, the need to create stronger links between innovators and policymakers to facilitate better-informed decision-making.

Dr Kala Peiris, a lawyer and civil society representative from Sri Lanka, added another layer to the discussion, focusing on the need for defining inclusivity in policy. She questioned whether marginalised communities were truly being considered in the policy frameworks that claimed to be inclusive. "When we talk about inclusivity, we must ensure that it goes beyond mere rhetoric and actually reaches the communities that need it most," she said.

Ms Shajeea Khalid, a Climate Finance specialist, joined the discussion online and highlighted ongoing campaigns led by civil society organisations, particularly youth and women-led initiatives. One such campaign, the 'Saans Lene Do' movement, involves young girls in Islamabad filing a lawsuit against the Capital Development Authority (CDA) for its failure to manage pollution levels effectively.

Finally, **Dr Paras Kharel, Executive Director of SAWTEE,** addressed the challenges of data collection in the region. He pointed out that inadequate data was a major barrier to informed policymaking, particularly in countries like Nepal. He proposed a solution to this issue: begin data collection in pilot constituencies, then scale it up across broader regions.

Despite the numerous challenges highlighted during the session, there was a collective and commendable drive to progress on SDG 11, with ongoing collaboration, policy adaptation, and increased investment in sustainable infrastructure.

POLICY RECOMMENDATIONS

South and South-West Asian cities need integrated governance frameworks to break silos and ensure efficient, accountable delivery of urban services linked with sustainability goals by:

» Strengthening Urban Governance, Planning, and Coordination

- Create integrated urban governance frameworks to ensure cooperation across numerous agencies while avoiding duplication, inefficiency, and blame-shifting.
- Introduce legal and regulatory measures that will allow cities to pursue both short-term urban management and long-term sustainability objectives.

» Address Data Gaps and Enhance Urban Monitoring Systems

- Create robust local data collection methods to fill large data gaps for SDG 11 indicators.
- Allow local communities and municipalities to collect, manage, and utilise urban data for planning and monitoring.
- Create national-to-local data-sharing systems to facilitate joint monitoring, transparency, and cross-country learning (as demonstrated by Nepal's coordination mechanisms).
- Invest in developing technical ability for city officials and planners to use urban diagnostic tools like the UN-Habitat City-Wide Tool.

» Ensure Financial Sustainability and Localised Climate Financing

- Create multi-level finance mechanisms that direct national climate and development funds directly to districts and municipalities.
- Introduce social impact bonds and risk-reduction mechanisms to encourage commercial and community investment in sustainable urban projects.
- Prioritise long-term urban development plans (20-30 years) over short-term projects for continuity and resilience.

» Promote Inclusive Urban Development

- Implement bottom-up approaches where residents are not only beneficiaries but also co-creators of sustainable systems.
- Recognise and scale youth-led climate solutions (e.g., “Saans Lene Do”, Modulus Tech, Concept Loop) that empower vulnerable groups.
- Encourage Public-Private Partnerships (PPPs) to implement clean water, waste management, and renewable energy projects as demonstrated in Sukkur, Pakistan.
- Strengthen collaboration among policymakers, academics, and practitioners to develop context-specific urban solutions.
- Increase investment in Research and Development (R&D) for sustainable building materials, green infrastructure, and low-carbon technologies.

» Adopt integrated national urban policies to bolster multilevel governance: Governments should adopt national urban policies to enhance multilevel governance to direct robust investments (and financing) in infrastructure and inclusive urban planning to address the needs of burgeoning urban populations.

» Plan for urban demographic changes with strengthened spatial planning and inclusive social policies to address rapid growth, international migration and informality in urban areas.

Thematic Session A-8: The Economy of Green Skills in Pakistan – Building a Future-Ready Workforce

In collaboration with UNICEF

Moderator: Ms Meeran Jamal, Social Policy Officer, UNICEF Pakistan

Chair: Ms Gulmina Bilal Ahmad, Chairperson, NAVTTC

Guest of Honour: Ms Sharmeela Rassool, Deputy Representative Programs, UNICEF Pakistan

Presentation: Proposed Green Skills Framework and Implementation Plan (2025-2030) by Engr. Ahad Nazir

Distinguished Speakers:

- Dr Abid Qaiyum Suleri, ED, SDPI
- Ms Sobiah Becker, Advisor, Pak-German Climate and Energy Partnership, GIZ
- Ms Aamena Aly Kamal, MoPD&SI, GoP
- Dr Quratulain Bakhteari, Founding Director, IDSP, Pakistan
- Dr Asanka Wijesinghe, RF, IPS, Sri Lanka
- Dr Nisha Arunatilake, Director of Research, IPS, Sri Lanka

Panel Organisers: Dr Razia Safdar & Ms Khadeeja Hassan, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteur: Ms Aneela Aziz

Video Link: https://www.youtube.com/live/Mxo-ZFaaM8I?si=_iPOlGQ9BCY0vPT7

Ms Meeran Jamal, Social Policy Officer at UNICEF Pakistan, welcomed the speakers and thanked SDPI for providing a platform for public dialogue. She noted that Pakistan was at a critical juncture and ranked among the most climate-vulnerable countries.

She recalled recent extreme events — floods, heatwaves and droughts — stressing that these were not isolated but had wide impacts across sectors such as education, agriculture and energy. While Pakistan had made progress in disaster preparedness and renewable energy initiatives, she emphasised the need to shift from response to readiness.

She said that building a climate-resilient, low-carbon economy required institutionalising knowledge, skills and technologies, and highlighted the importance of green skills. With more than 60% of the population under 30, investing in green skills would both empower young people and strengthen the country's climate resilience.

Green skills were no longer optional, but they were essential to fight existentialist threat, said **Ms Sharmeela Rassool, Deputy Country Representative of United Nations Children's Fund (UNICEF) in Pakistan.** She was speaking at a session titled Economy of Green Skills - Building a Future-Ready Workforce.

The UNICEF intended to work with Pakistan to make the green-skilling initiative a reality, she said, adding that that green skills framework needed to be implemented with the public-private partnership, and that they should be part of the broader agenda of climate adaptation and mitigation.

Ms Rassool said that Pakistan today faced challenges such as population explosion, economic uncertainty and climate vulnerability, however, the country had a strong dividend in the form of 68% youth population, who can be used as a global force by providing them with not only green skills but also life skills to transform economies.

Engr. Ahad Nazir from SDPI presented the "Proposed Green Skills Framework and Implementation Plan (2025–2030)". He explained that the study aimed to mainstream sustainability across all areas rather than limit it to specific sectors or to climate change alone. Green skills, he noted, could be embedded in any domain — including fields such as human resource management.

He said the broader goal was to develop a skilled, climate-ready workforce capable of supporting Pakistan's national and international commitments.

SDPI Executive Director, Dr Abid Qaiyum Suleri, stressed the need for the private sector to focus on green financing to sustain not only their profits but also their export share. "They have to reduce carbon emissions from their operations for that to happen," he said. Dr Suleri said that Pakistan's farmers were literate enough to use the green technologies like drones, precision farming and other green technologies to boost agriculture productivity. He said the private sector should also come on board to bridge the supply side financing.

Ms **Sobiah Becker, Advisor, Pak-German Climate and Energy Partnership, GIZ,** said: "We need a systemic transformation like capacity development, knowledge and technology transfer, institutional strengthening to realize the dream of green skilling and upskilling. We can help our partners to make this happen; there needs to be greater alignment." She said institutional linkages at the federal and provincial level, and academia and industry cooperation were imperative for this to happen.

Ms Aamena Aly Kamal, Member of Development Communication at the Planning Commission of Pakistan, said that the government was creating opportunities that aligned with green skills. She

further said steps to improve the supply side financing were also under way. “Challenges of climate adaptability and mitigation need to be addressed, and for that to happen, both the government and the private sectors would have to come forward to “make everything green”.

Dr Quratulain Bakhteari, Founding Director, Institute for Development Studies and Practices (IDSP), said that while focusing on youth empowerment, “We should look at the toughest and the hardest of places where the help is the most needed.” She also stressed the need for exploiting entrepreneurial tendencies of the Balochi youth. “Our policies should revolve around the youth to know their sufferings and try to elevate them by giving them the best of skills.”

Dr Asanka Wijesinghe, Research Fellow, Institute of Policy Studies (IPS), Sri Lanka, said it was imperative for countries like Pakistan and Sri Lanka to ensure soil and water management in addition to focussing on precision agriculture to improve productivity and have sustainable agriculture. “The South Asian nations need to work on technology transfer, specifically in agriculture, for boosting productivity in particular crops,” said Dr Wijesinghe.

Dr Nisha Arunatilake, Director of Research, IPS, Sri Lanka, said training programmes were available, but regretted that resources to execute them and the well-trained individuals were minimal. She said only five and six per cent of youth, respectively, were actually in training in Sri Lanka and Pakistan. “So, both the countries should first look into these causes, and then look for green skilling them,” she said.

Ms Gulmina Bilal Ahmad, Chairperson of NAVTTC, said that the organisation created jobs, trained new entrants and reskilled workers of all ages. NAVTTC’s mandate, she noted, focused on producing “workforce-ready” individuals — effectively a “plug-and-play” workforce for the market. She highlighted that global consumers

were increasingly conscious of their environmental footprint and preferred processes that contributed to solutions rather than problems. She expressed her enthusiasm at being invited to the green panel and thanked GIZ for supporting NAVTTC’s initiatives, especially in strengthening technical capacity and competence.

POLICY RECOMMENDATIONS

Pakistan stands at a pivotal moment in its transition towards a green and sustainable economy. To build a future-ready workforce and ensure inclusive growth, Pakistan needs to:

- Ensure the inclusion of marginalised communities in climate dialogue and decision-making to promote equitable climate action.
- Build a climate-ready workforce by integrating green skills across all sectors through certifications, incentives, and updated training programmes.
- Establish a National Green Skills Council and Employment Index with measurable KPIs and data-driven monitoring to track job creation, carbon reduction, and GDP impact.
- Develop a National Green Skills Diagnostic and Index as a shared evidence-based infrastructure.
- Promote green entrepreneurship and inclusive leadership by empowering youth and women, ensuring gender equality, and improving digital access in rural areas.
- Gazette modular micro-credentials in priority trades such as climate-smart agriculture, renewable energy, and the circular economy.
- Strengthen public-private and inter-provincial collaboration through performance-based incentives, outcome-based financing, and coordinated implementation of sustainability goals.
- Encourage the private sector to lead the green

transition by adopting sustainable practices and greening supply chains to promote the creation of green jobs and green skills.

» Establish strong institutional linkages within government to ensure coordination, accountability, and systemic change for promoting green skills.

» Strengthen academia-industry collaboration through government-backed partnerships to enhance knowledge transfer, capacity building, and innovation in green technologies. Establish coordinated funding and technical linkages where industry co-invests in TVET programmes for green skills development.

» Ensure a just transition from fossil fuels to renewable energy by upskilling workers in traditional sectors, promoting behavioural change, and designing government-led green interventions that make sustainability a practical reality.

» Place youth at the core of all national green skills policies by creating inclusive systems that empower every child regardless of background and ensure equitable access to green education, training, and employment opportunities.

» Develop inclusive green skills policies for individuals with no formal education, including out-of-school and never-schooled populations, through tailored non-formal education programmes adapted to local contexts.

» Design targeted green skills programmes focused on technologies that reduce high water consumption in agriculture and textile sectors, Pakistan's two most water-intensive industries to enhance resource efficiency, sustainability, and competitiveness.

» Implement systemic changes to improve skill programme completion rates by increasing public awareness and demand for green skills. Strengthen media capacity for effective TVET journalism to promote understanding and visibility of green skills initiatives.

» Encourage a societal mindset and lifestyle shift to embed green skills within national policy and academic frameworks.

» Leverage community knowledge of traditional green practices particularly in livestock and agriculture when planning for green jobs and skills development.

» Enhance multi-sectoral coordination and strengthen linkages between green industries, sub-sectors, and the public and development sectors to ensure cohesive progress in the green skills agenda.

Thematic Session A-9
Pakistan's Coal to Clean Transition: Opportunities and Challenges

Moderator: Ms Zainab Babar, SDPI

Chair: Mr Malik Amin Aslam, Former Minister for Climate Change, GoP

Welcome Remarks and Presentation: Engr. Ubaid ur Rehman Zia, SDPI

Technical Presentation: Pakistan's Coal to Clean Transition: Opportunities and Challenges (GDPC & SDPI) by Zainab Babar & Dr Ying Qian, Boston University, USA

Distinguished Speakers:

- Dr Julia Skorupska, Head of Secretariat, PPCA, UK (Online)
- Dr Ying Qian, Boston University, USA
- Ms Haneea Isaad, Energy and Finance Analyst, IEEFA
- Mr Mustafa Hyder Sayed, ED, PCI
- Mr Hamid Sharif, Former Managing Director, Asian Infrastructure Investment Bank (AIIB) & President, GTTN.
- Mr Faran Rana, IRENA, UAE
- Ms Yvonne Yujing Liu, Principal (China Power System & Renewables), RMI China

Program Launch: Transform Program: Transition Finance for Actionable Mitigation

Panel Organisers: Engr. Ubaid ur Rehman Zia, Ms Zainab Babar & Ms Saira Adnan, SDPI

Hall In-charge: Mr Rahat Ullah, SDPI

Rapporteurs: Mr Aftab Hameed Mirani & Ms Amal Shahid

Video Link: https://www.youtube.com/live/lipxudtsgXA?si=NZ69JeilsaleMurT

Pakistan was steadily moving towards a greener energy future, with renewables already making up 10-15% of its power mix and a target to raise the share to 60% by 2030. This was stated by **former Minister for Climate Change, Mr Malik Amin Aslam,** while speaking at a session titled Pakistan's Coal to Clean Transition: Opportunities and Challenges.

Mr Aslam cautioned that while solar energy was booming, it was critical to ensure base-load stability and energy security. "The solar boom in Pakistan is driven by the public, not the government," he said, adding that coal utilization was declining while solar energy was rapidly expanding. He further said that the country was exploring coal gasification and other clean technologies, with opportunities to repurpose coal projects as China stops financing new coal ventures abroad.

Dr Ying Qian from Boston University echoed that view, saying that existing Chinese and Pakistani coal power plants would reach the end of their life cycles by 2047, making them prime candidates for repurposing.

Ms Haneea Isaad, Energy and Finance Analyst at IEEFA, highlighted the inefficiencies in Pakistan's power sector, where only 34% of total generation capacity is utilized while the remaining 66% remained idle in 2024 that was still incurring hefty capacity payments. "Thar coal is underutilized. While megawatt-to-megawatt replacement with renewables can be tricky, it is possible with investment in transmission, grid, and storage," she said.

She went on to say that battery storage systems were feasible despite high costs and called for renegotiating contracts with power producers to reduce capacity payment burdens.

Ms Yvonne Yujing Liu, Principal for China Power System and Renewables at RMI China, said that

while China was reducing coal dependence, it kept coal plants operational for reliability. Even the head of state could intervene if reliability is at risk, she said.

Dr Julia Skorupska, Head of Secretariat at the Powering Past Coal Alliance (PPCA), UK, stressed the need for a "just transition" from coal that involved local communities and industries. "Flexibility, balancing services, and energy security are key," she said, urging incentives for renewable energy adoption.

Mr Faran Rana of IRENA, UAE, said that for the first time globally, investment in renewables, grids, and storage had surpassed fossil fuel investments in 2024. He praised Pakistan's climate actions, saying, "Pakistan is sending the right signals by committing to 60% renewables by 2030."

Mr Mustafa Hyder, Executive Director of the Pakistan-China Institute (PCI), called for integrated energy planning and economic realism. "Even with supercritical coal technology, it's not the energy of the future. We have to reboot our energy outlook," he said.

However, **Mr Hamid Sharif, former Managing Director of the Asian Infrastructure Investment Bank (AIIB) and current President of GTTN,** warned that while the transition was necessary, Pakistan could not overlook its base-load needs. "Renewables alone can't provide energy security,"

he said. "We need to de-risk investors, honour contracts, and improve governance, as power theft continues to cause massive losses."

In response to Mr Rana's observation that China invested over $74 billion globally in solar panels and EV manufacturing but none in Pakistan, Mr Hyder said the issue lay in Pakistan's own missed opportunities. "When China was building power projects under CPEC, the goal was to supply energy to Special Economic Zones. But Pakistan failed to develop even the three early-harvest SEZs, prompting private Chinese investors to shift elsewhere," he said.

POLICY RECOMMENDATIONS

Pakistan's transition from coal to clean energy is critical for achieving energy security, climate resilience, and sustainable economic growth. To make this shift practical, inclusive, and investment-ready, the following policy actions are recommended:

- Develop a unified, data-driven National Energy Transition Plan (NETP) that ensures energy security, equity, and gradual replacement of coal with renewables such as solar and wind, starting with pilot conversions in Thar and Sahiwal.
- Establish a Just Transition Framework (JTF) under the Ministry of Energy (Power Division) to support coal-dependent workers and communities in Tharparkar and Lakhra through skills training, social protection, and alternative livelihoods.
- Strengthen governance and financial transparency in the power sector by addressing circular debt, ensuring timely payments to Independent Power Producers (IPPs), and restoring investor confidence in the National Transmission and Dispatch Company (NTDC) and Central Power Purchasing Agency (CPPA-G).
- Mobilise innovative green finance, including debt-for-climate swaps, blended finance through Asian Development Bank (ADB) and Asian Infrastructure Investment Bank (AIIB), and sovereign green bonds to refinance coal debt and accelerate renewable investments.
- Repurpose existing coal infrastructure such as idle plants in Jamshoro and Port Qasim, for solar power generation, battery storage, and green hydrogen production to prevent stranded assets.
- Reform Power Purchase Agreements (PPAs) to reduce unsustainable capacity payments and introduce market-based mechanisms, similar to China's capacity payment model, for improving system reliability and affordability.
- Promote local manufacturing of renewable energy technologies such as solar panels, inverters, and wind turbines through China-Pakistan Economic Corridor (CPEC) industrial zones in Gwadar and Faisalabad, enabling Pakistan to become a regional technology supplier.
- Create policy incentives for private sector participation, including tax breaks and concessional financing, to attract foreign direct investment (FDI) in renewable projects from partners like the United Arab Emirates (UAE) and China's Renewable Energy Development Company (REDC).
- Establish a National Transition Coordination Working Group (NTCWG) bringing together the Ministry of Finance, Ministry of Energy, and Ministry of Climate Change to link up fiscal, energy, and climate priorities.
- Engage regional and international partners such as IEEFA (Institute for Energy Economics and Financial Analysis), IRENA (International Renewable Energy Agency), Rockefeller Foundation, and PPCA (Powering Past Coal Alliance) to access technical assistance, capacity building, and transition financing.
- Develop bankable, evidence-based transition models using data from National Electric Power Regulatory Authority (NEPRA) and the Pakistan Bureau of Statistics (PBS) to justify coal-to-clean shifts and attract concessional finance.
- Institutionalise multi-stakeholder dialogue platforms under the Sustainable Development Policy Institute (SDPI) to foster open dialogue among government, industry, academia, and civil society for politically feasible and socially equitable energy transition policies.

Thematic Session A-10: Designing the Transition to a Circular Economy in South Asia

In collaboration with IGES

Moderator: Ms Zainab Naeem, SDPI & Dr Shunichi Honda, PO, IETC

Chair: Mr Dhani Ram Sharma, JS (Head of Division), Foreign Aid Coordination Division, Ministry of Finance, Nepal (Online)

Distinguished Speakers:

- Dr Lakmini Fernando, RF, IPS, Sri Lanka
- Dr Pham Ngoc Bao, IGES, Japan
- Ms Farheen Zahoor, GM ESG, YTML (Online)
- Mr Muhammad H. Shafqaat, CEO, PTC
- Mr Sheikh Waqar Ahmed, Nestle Pakistan

Panel Organisers: Ms Zainab Naeem & Mr Umar Farooq, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Mr Tahir Zaman & Mr Saad Hamed

Video Link: https://www.youtube.com/live/2Y9cXydyWAY?si=7nbKrcEuX9sVZrh4

Ms Zainab Naeem from SDPI thanked IGES for its partnership and support to the South Asia Circular Economy Forum, noting its technical expertise and its assistance to the Government of Pakistan on the national circular economy policy. She then introduced the panellists and handed over to Dr Shunichi Honda, who joined from Japan to moderate the session.

Dr Shunichi Honda, Programme Officer at IETC, noted that the timing of the session was significant, as the seventh United Nations Environment Assembly would take place in the first week of December, where the circular economy agenda would be further advanced for both upstream and downstream management. He added that the COP30 would involve challenging negotiations, including on circular economy approaches. Before opening the panel discussion, he offered brief introductory remarks, highlighting that over the past 48 hours the forum had benefited from extensive expertise and the latest insights on circular economy practices, shared generously by panellists and presenters. He stressed that the shift from a linear to a circular economy was essential not only for resource management but also for addressing the three planetary crises — climate change, biodiversity loss and pollution.

Experts at a panel discussion on Designing the Transition to a Circular Economy in South Asia stressed the need for regional collaboration, responsible business practices, consumer awareness and regulatory reforms to reduce waste, promote recycling and ensure sustainable production systems. South Asian countries must embrace coordinated policies, invest in capacity building and harmonize regulations to accelerate the shift towards a circular economy,

Mr Muhammad H. Shafqaat, the Chief Executive Officer of Pakistan Textile Council (PTA), said circularity could not be achieved in isolation and required collective effort from government, industry, consumers, and international partners.

"We need collaboration not only within Pakistan but internationally. The demand for durable and recyclable production — like in the EU — requires alignment across markets," he said. Circularity challenges involved producers, lenders and consumers alike, he said, adding that 99% of recycled textiles produced in Pakistan were exported to African countries.

"One country cannot manage the circular transition alone. We must fix design issues and value-chain linkages," he further said.

Country Director Corporate Affairs, Nestlé Pakistan, Mr Sheikh Waqar Ahmad said decentralization and lack of harmonised policies between provinces and environmental bodies

hindered progress. “Regulatory harmonization is crucial. Circular economy transition is a matter of responsible behaviour — from producers to consumers,” he noted.

He said packaging must be designed to be recyclable and the private sector could not operate alone. “We need unified efforts, regulatory clarity and consumer behaviour change. Recyclable packaging materials must be integrated into production, and although no food-specific circularity laws existed earlier, industry continues to collaborate with the government.”

Dr Lakmini Fernando, Research Fellow at Institute of Policy Studies, Sri Lanka said the country faced unique constraints as it navigated IMF-supported reforms. “Sri Lanka needs a strong national framework, digitalization, private-sector participation and capacity building to advance circularity,” she said, stressing that policy design must balance economic recovery and sustainability.

Mr Dhani Ram Sharma, Head of Division, Nepal’s Ministry of Finance, highlighted initiatives the government was taking to support circular systems. He said South Asia’s transition required institutional commitment and stakeholder coordination.

Japanese expert, Dr Pham Ngoc Bao, from Institute for Global Environmental Strategies emphasized that circularity needed clear responsibility frameworks for producers, recyclers, consumers and regulators. “Circularity succeeds when roles are defined and accountability is enforced across the value chain,” he said.

Speakers agreed that circular economy adoption in South Asia remained in early stages but presented vast economic and environmental opportunities if countries moved beyond pilot initiatives toward full-scale policy and market transformation.

They stressed cross-border knowledge sharing, investment in recycling value chains, regional regulatory alignment, and consumer education as critical pillars for a successful circular economy transition.

Ms Farheen Zahoor, GM ESG at YTML, said that circularity for their business was primarily customer-driven. She noted that customers currently preferred recycled content of only up to 20%, and that significant trade-offs existed in using recycled materials in products. She added that it was too early to recommend specific policies, as clarity was still needed on legislation and customer expectations. On recycled polyester in textiles, she suggested its best use was in products that could be recycled multiple times, rather than in single-use fabrics, emphasising that products should be designed for recycling from the outset.

POLICY RECOMMENDATIONS

South Asia must urgently shift from a linear to a circular economic model to achieve sustainable growth, resource efficiency, and regional competitiveness. The following actions can accelerate this transition:

- Establish a “Circular Economy Incentive Fund” across South Asia to provide grants, subsidies, and tax breaks for industries adopting recycling, reuse, and waste reduction practices.
- Integrate circular economy concepts into national education curricula and Technical and Vocational Education and Training (TVET)

programmes to build a skilled green workforce.

» Fund research and innovation on circular technologies, materials recovery, and waste-to-resource models through Public-Private Partnerships and regional research networks.

» Promote Green Public Procurement (GPP) policies in government institutions to increase demand for sustainable, locally produced goods.

» Develop digital platforms to enable product reuse, sharing, repair, and traceability across supply chains starting with pilot programmes in packaging and textile sectors.

» Build multi-stakeholder platforms that bring together governments, businesses, academia, and communities to co-design national and regional circular economy strategies.

» Offer fiscal incentives for electric vehicles (EVs) and eco-design practices to promote low-carbon and resource-efficient mobility.

» Encourage regional cooperation among South Asian Association for Regional Cooperation (SAARC) members to harmonise circular economy policies and certification standards.

» Strengthen partnerships with international organisations such as the United Nations Environment Programme (UNEP), United Nations Development Programme (UNDP), and World Wide Fund for Nature (WWF) to access finance, knowledge, and best practices.

» Introduce data-driven monitoring frameworks and circularity indices to assess progress and guide evidence-based policymaking.

» Support startups and micro-enterprises with seed funding and incubation programmes to develop circular business models in sectors like plastics, textiles, and agriculture.

» Advance community engagement to promote responsible consumption and behavioural change through awareness campaigns and local circular hubs.

» Link national policies and regional frameworks to eliminate regulatory overlaps and create consistent incentives for sustainable production and consumption.

» Promote corporate circularity commitments, encouraging major producers to adopt recyclable design, take-back schemes, and supply chain transparency.

Thematic Session A-11: Voluntary National Reviews (VNRs) and Voluntary Local Reviews (VLRs) of SDGs – Lessons for SDGs Acceleration

In collaboration with UNESCAP

Moderator: Ms Mikiko Tanaka, Director & Head, Economic and Social Commission for Asia and the Pacific (ESCAP) South and South-West Asia Office, India

Distinguished Speakers:

- Ms Juliet Nicole Braslow, UNESCAP, Thailand (Online)
- Ms Tashi Choden, Senior Planning Officer at the Prime Minister's Office, Bhutan
- Mr Adam Azim, Mayor of Malé City, Male City Council, Republic of Maldives (Online)
- H.E. Mr Faiyaz Murshid Kazi, Ambassador of Bangladesh to the Kingdom of Thailand, Thailand
- Dr Sulakshana Jayawardena, DG (Corporate Affairs), Ministry of Finance, Planning and Economic Development, Government of Sri Lanka (Online)
- Ms Shilpa Lamichhane, ED, Visible Impact, Nepal (APRCEM)
- Ms Memoona Asif, Assistant International Engagements, Youth Advocacy Network
- Prof. Selim Raihan, University of Dhaka, Bangladesh (Online)

Panel Organisers: Dr Shafqat Munir Ahmad, Dr Khalid Waleed & Ms Sadia Satti, SDPI | Dr Rajan Sudesh Ratna & Ms Gawon Lee, UNESCAP

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteurs: Ms Gawon Lee, Mr Umair Talha & Ms Shogofa Shokori

Video Link: https://www.youtube.com/live/qtODpeU3jVo?si=pNcXvb2rXyWezkzW

Voluntary National Reviews (VNRs) were central to track Sustainable Development Goals (SDGs) progress, fostering accountability, inclusiveness, and evidence-based policy making; complementing this, Voluntary Local Reviews (VLRs) enhanced local ownership and community engagement, experts said at the session titled Voluntary National Reviews (VNRs) and Voluntary Local Reviews (VLRs) of SDGs – Lessons for SDGs Acceleration. This session was held at the occasion of UNESCAP's 9th South and South-West Asia Forum on Sustainable Development with an overarching theme of "Transformative, equitable, innovative and coordinated actions for the 2030 Agenda and its SDGs for a sustainable future for all" at SDPI's 28th Sustainable Development Conference.

Ms Mikiko Tanaka, Director & Head, Economic and Social Commission for Asia and the Pacific (ESCAP) South and South-West Asia Office, introduced the panellists and further moderated the session.

Ms Juliet Nicole Braslow from UNESCAP, Thailand, emphasized that the VNRs served as a cornerstone for tracking progress on the Sustainable Development Goals (SDGs), fostering a whole-of-government and whole-of-society approach. "It not only promotes accountability and transparency but also provides a space for countries to reflect on achievements, challenges, and future needs." She highlighted the importance of using high-quality disaggregated data and qualitative insights to identify who was being left behind. Complementing this, VLRs enable local governments to engage communities directly in the implementation process. Ms Braslow underscored that peer learning, collaboration, and shared capacity building across countries enhance both VNR and VLR quality, collectively driving the 2030 Agenda forward.

Ms Tashi Choden, Senior Planning Officer at the Prime Minister's Office, Bhutan, shared her country's reflections from its third VNR. She noted that VNRs had significantly influenced Bhutan's national planning processes, especially in integrating SDG targets into the 13th Five-Year Plan following its graduation from Least Developed Country (LDC) status. Bhutan had strengthened evidence-based policymaking through disaggregated data, improved inter-ministerial coordination, and fostered partnerships with civil society, youth, and the private sector.

Dr Sulakshana Jayawardena, Director-General of Corporate Affairs at Sri Lanka's Ministry of Finance, Planning, and Economic Development, reiterated Sri Lanka's strong institutional commitment to SDGs under the Sustainable Development Act No. 19 of 2017. The Sustainable Development Council coordinates national implementation, with VNRs in 2018 and 2022 strengthening SDG data systems, inclusive stakeholder engagement, and budget alignment.

Mayor Mr Adam Azim of Malé City, Maldives, showcased local leadership through the Voluntary Local Review (VLR), focusing on urban sustainability, transparency, and data-driven governance. Despite challenges such as limited land, high population density, and climate vulnerability, Malé prioritizes resilience, coastal protection, and digital transformation. Mr Azim called for global partnerships to support small island cities' adaptation and inclusive service delivery, demonstrating how local action drives global change.

Bangladesh Ambassador to Thailand, His Excellency Faiyaz Murshid Kazi, reflected on their experience with the Vienna exercise, noting strong similarities with Sri Lanka's process. Bangladesh undertook eight months of preparation

involving 4,000 participants from diverse groups, emphasizing youth voices following last year's youth-led movement for reform. The exercise coincided with government reform initiatives on constitutional, judicial, and anti-corruption issues, aligning with key SDG targets. Bangladesh's Voluntary National Review was praised for its honesty in recognizing both progress and challenges.

Ms Memoona Arif of the Youth Advocacy Network stressed that youth and CSOs across South and Southwest Asia were key agents of transformation — from advancing gender equality to climate innovation — yet their contributions were often underrepresented in official VNRs. She called for institutionalizing youth participation, leveraging citizen-led data, and ensuring mutual accountability so that SDGs were not merely reported but lived experiences across communities.

Ms Shilpa Lamichhane, Executive Director of Visible Impact, Nepal, emphasized the role of youth and CSOs in complementing government-led reviews. While Nepal completed its third VNR in 2024, local reviews remain nascent. She identified data gaps, especially for marginalized groups, and proposed using community-based research and storytelling to make SDG monitoring more inclusive and actionable.

Prof. Selim Raihan from the University of Dhaka reflected on the regional evolution of VNRs and VLRs. He noted that South Asia's rapid urbanization, demographic shifts, and climate challenges made it a critical testing ground for SDG innovation. By embracing evidence-driven planning, regional cooperation, and inclusive governance, countries could accelerate SDG progress and build resilience against emerging global challenges.

POLICY RECOMMENDATIONS

» Institutionalise Voluntary National Reviews (VNRs) and Voluntary Local Reviews (VLRs) within national and local planning systems so that findings directly inform policies and budget allocations. For example, Bangladesh has begun linking its VNR outcomes to national SDG implementation plans.

» Embed SDG monitoring indicators in ministry-level planning and reporting cycles to ensure evidence-based policymaking as practiced in Sri Lanka, where SDG data is integrated into sectoral plans.

» Strengthen coordination between national and local statistical offices to harmonise data collection and ensure consistency across regions similar to Bhutan's approach of linking its national statistical system with SDG monitoring frameworks.

» Localise SDG implementation by empowering municipal governments to lead climate-resilient and inclusive urban development seen in the Maldives, where local councils incorporate climate adaptation into city planning.

» Establish national peer-learning platforms among cities and provinces to exchange best practices from VLRs inspired by Japan's network of cities conducting joint SDG reviews.

» Prioritise scaling up high-impact, proven projects over launching many small pilot initiatives to accelerate measurable SDG progress, an approach reflected in Bangladesh's focus on high-yield social protection and green infrastructure programmes.

» Ensure inclusive and participatory review processes that integrate perspectives of youth, women, and marginalised groups as demonstrated in Nepal, where youth organisations co-develop local SDG progress reports with municipalities.

» Enhance digital and data literacy at the local level so that subnational authorities can collect, visualise, and analyse SDG data effectively. Indonesia's use of digital dashboards for local SDG tracking offers a practical model.

» Build regional cooperation frameworks that promote cross-border learning and capacity-building for VNR and VLR preparation, for instance, ASEAN countries have started joint training and technical exchanges on SDG reporting.

» Institutionalise follow-up mechanisms to ensure that lessons from VNRs and VLRs translate into policy adjustments and implementation roadmaps rather than static reports, a gap identified in several South Asian countries' review cycles.

Thematic Session A-12
South Asian Coalition for Improved Nutrition (SACIN): Transforming Food Systems through Fiscal and Trade Policies Reforms

In collaboration with IDRC

Moderator: Ms Imrana Niazi, SDPI

Introductory Remarks & Scene Setting: Ms Madiha Ahmed, Snr. Program Specialist, IDRC, Canada

Chair: H.E. Ms Syeda Rizwana Hasan, Minister of Environment, Forest and Climate Change, Bangladesh

Special Remarks:

- Mr Udaya Namalgama, Rep., CAA, Sri Lanka
- Ms Shabnam Shivakoti, JS, Ministry of Agriculture and Livestock Development, Govt. of Nepal

Distinguished Panellists:

- Mr Sakib Sherani, Founder & CEO, Macro Economics Insights, Pakistan
- Ms Hasani Rajapaksha, Research Professional, CEPA, Sri Lanka
- Ms Neelu Thapa, SF, SAWTEE, Nepal
- Mr Md. Badruddin Saify, ARK Foundation, Bangladesh

Panel Organisers: Ms Dua Mobeen, Ms Khansa Naeem & Syed Qasim Ali Shah, SDPI

Hall In-charge: Mr Asif Khan

Rapporteur: Ms Ramla Javed

Video Link: https://www.youtube.com/live/FJIMFkM6DIE?si=aaAYCjHoQBCYq9Vl

Ms Imrana Niazi, from SDPI, moderating the session welcomed the participants to the session on South Asian Coalition for Improved Nutrition (SACIN): Transforming Food Systems through Fiscal and Trade Policies Reforms held in collaboration with the IDRC and introduced the distinguished panelists.

The session saw delegates from Pakistan, Nepal, Sri Lanka, and Bangladesh present research findings on the state of food systems and nutrition across these countries, offering recommendations for future action.

H.E. Syeda Rizwana Hasan, Advisor for the Ministry of Environment, Forest, and Climate Change, Bangladesh, said that the South Asian Association for Regional Cooperation (SAARC) often came together in times of disaster to provide food assistance, but it had not achieved its broader objectives in the region. She was speaking at the session titled South Asian Coalition for Improved Nutrition (SACIN): Transforming Food Systems through Fiscal and Trade Policies Reforms.

The Advisor highlighted Bangladesh's particular vulnerability due to its limited landmass. "Unlike other countries in South Asia, Bangladesh is a land-restricted country, and the loss of agricultural land is a serious problem there," she said. She stressed the need for a more comprehensive approach to policy issues like hunger and education, noting that the regional governments often favoured large infrastructure projects over addressing more pressing social needs. "When you ask them to build a huge bridge, they will eagerly take on the project because it is visible. But when it comes to tackling hunger or improving education, they cite capacity issues," she said.

Discussing the influence of Western dietary research, which often casts doubt on traditional foods like coconut and mustard oils in favour of alternatives like soybean oil, she argued for greater scrutiny of such claims and underscored the importance of educating farmers to improve food security and reduce reliance on imports.

Ms Madiha Ahmed, Senior Program Specialist at the International Development Research Centre (IDRC), shed light on the increasing recognition of food systems as critical tools for achieving food security, improving nutrition, supporting livelihoods, and ensuring environmental sustainability.

She said that food and nutrition policies in South Asia must be grounded in robust evidence. The governments should adopt multi-pronged strategies to avoid over-reliance on a single policy and involve extensive engagement with various stakeholders.

Mr Sakib Sherani, CEO of Macro Economic Insights, presented key findings from Pakistan's research, revealing that the country faces a "triple burden" of malnutrition, i.e. undernutrition (such as stunting and wasting), micronutrient deficiencies (hidden hunger), and overnutrition (overweight and obesity). He noted that Pakistan's nutritional indicators were worse than the regional average for South Asia as well as the comparable economies.

Mr Sherani also drew attention to Pakistan's low levels of food-related spending, with nutrition-specific financing being especially poor. Over the past decade, Pakistan had spent just 0.07% of its GDP on nutrition-specific initiatives, and this spending tends to drop dramatically during austerity periods imposed by the International Monetary Fund (IMF). He stressed the need for increased domestic resource mobilization and proposed higher duties on unhealthy foods,

alongside strengthening the Sanitary and Phytosanitary (SPS) measures to support local agriculture.

The Sri Lankan delegate, Mr Udaya Namalgama, said that despite significant expenditure on agriculture and social services, there was a persistent gap in aligning fiscal and trade policies with food security goals. He highlighted that while trade liberalization had made some foods available, their remained a significant issue, compounded by policies that discourage local production.

Mr Namalgama called for greater regional research partnerships to address the common challenges South Asia faced, asserting that such collaborations would help the region move toward achieving food security more effectively.

Ms Shabnam Shivakoti, presenting Nepal's report, discussed the country's ongoing struggle with high rates of stunting and malnutrition, despite being an agrarian economy. She pointed out the prevalence of food insecurity, high food wastage, and a heavy reliance on imports for food availability. "Some locally sourced food is available, but the open border with India skews the data," she noted, adding that food prices remained historically high in Nepal. She also noted that urban diets tended to be more diverse than rural ones, which highlighted the role of urbanization in shaping food consumption patterns.

Mr Md. Badruddin Saify from ARK Foundation, Bangladesh said that the country's biggest challenge to achieving its nutrition goals was the rising population. Discussing the rapid urbanization that resulted in the loss of agricultural land, with between 2,500 and 3,000 hectares being lost each year, he illustrated the growing cost of nutritious diets in Bangladesh, which was increasingly out of reach for many due to declining affordability.

POLICY RECOMMENDATIONS

» Make nutrition a core objective of fiscal frameworks by earmarking at least 1% of public expenditure for nutrition-specific and nutrition-sensitive programmes, with multi-year budget lines and performance triggers (e.g., disbursing against reductions in anaemia or under-5 stunting).

» Use excise taxes to reshape demand away from ultra-processed and high-sugar products and ring-fence a share of the revenue for healthy school meals and fortification quality control. Pakistan's 2023 federal circular raised excise on aerated drinks to 20% and added a 10% duty on juices/energy drinks which is proof that fiscal levers can be updated quickly; Pakistan should now escalate rates and close loopholes. Sri Lanka's gram-based sweetened beverage tax demonstrates a practical, tiered design that discourages higher sugar content. Maldives shows a complementary approach using specific (per-litre) duties on drinks in plastic packaging that can be calibrated for nutrition targets while cutting plastic waste.

» Link tariff policy with nutrition: temporarily lower or waive import duties on nutrient-dense staples when domestic shocks threaten affordability, paired with sunset clauses to protect farmers. Bangladesh reduced or waived rice import duties in late-2024/early-2025 after floods to stabilise prices; that playbook should be formalised with pre-agreed triggers.

» Embed health in trade policy impact assessments and require that all major tariff/quota decisions include quantified effects on the cost of a healthy diet (CoHD) and on micronutrient intake, not just CPI. Regional bodies should publish a quarterly CoHD dashboard to guide SAFTA/SAARC negotiations.

» Mandate and enforce fortification where market failures persist. Bangladesh's mandatory vitamin-A fortification of edible oil (since 2013) is a working regional example; enforcement and quality audits should be scaled with ring-fenced financing. Nepal's 2024 law limiting industrial trans-fat is another low-cost, high-impact regulatory fix; other SACIN countries should adopt best-practice (≤2% iTFA) limits.

» Protect and expand nutrition in safety nets using trade-smart sourcing. Nepal's fortified-rice roll-out in school meals shows how procurement and fortification can move in tandem; scale this region-wide and finance premix through excise/tariff revenues.

» Modernise SPS/food-safety regimes to lower

healthy-food trade frictions while blocking unsafe imports. Bangladesh has updated food-fortification and safety regulations via BFSA; SACIN should support a regional mutual-recognition pathway for fortified staples that meet Codex/WHO specs, and create a joint residue-testing network to reduce duplicative costs.

» Replace blunt, growth-harming input bans with targeted, time-bound incentives that preserve yields and diet diversity. Sri Lanka's 2021 fertilizer import ban reduced output and worsened food security; SACIN members should codify "do-no-harm" checks (yields, diet cost) before agriculture input restrictions and prefer precision subsidies/eco-schemes instead.

» Localise healthy supply: offer temporary tariff credits and concessional finance for domestic production of pulses, oilseeds, horticulture, and premix. Tie these to climate-smart practices and guaranteed offtake from school/public procurement. Pair with place-based grants for cold chains and farmer aggregation.

» Hard-wire nutrition into GST/VAT structures by maintaining high rates on sugary drinks/ultra-processed foods and lower rates (or zero-rating) for minimally processed staples and fresh produce.

» Create national multi-sector coordination units with statutory authority to link agriculture, health, trade, and finance on nutrition, plus a unified monitoring framework with gender and climate indicators; publish annual "nutrition-in-trade" scorecards and use results-based grants to reward provinces that reduce the CoHD.

» Mobilise domestic resources by dedicating at least 20% of health-harm-product excise proceeds to: (i) fortification monitoring, (ii) healthy-school-meal scale-up, (iii) farmer training in high-yield legumes/horticulture, and (iv) consumer awareness on healthy diets.

» Use regional trade to lower the cost of a healthy diet: fast-track SAFTA tariff line-by-tariff line reductions for pulses, edible oils, premix, fortified rice kernels, and cold-chain equipment; standardise fortification specs and accept regional certificates to speed up intra-SAARC flows.

» Require ministries of finance, commerce, and agriculture to publish annual nutrition budget tagging, nutrition-health tax incidence, and trade-policy health impact statements.

» Design all reforms with distributional safeguards targeted food vouchers in lean seasons, nutrition top-ups for women and adolescent girls, and farmer compensation when tariff changes lower farmgate prices so that trade and fiscal tools deliver equitable nutrition gains, not unintended harm.

Plenary 2.1
Development Beyond 2030: Rethinking Global Priorities in an Age of Disruption

In collaboration with IGES

Moderator: Ms Zainab Naeem, Associate Research Fellow, Sustainable Development Policy Institute (SDPI), Pakistan

Chief Guest: Dr Ishrat Husain, Professor Emeritus and Chairman, Centre for Excellence in Islamic Finance (CEIF), Institute of Business Administration (IBA), Pakistan

Guest of Honour: Senator Sherry Rehman, Chairperson/Convener, Senate Standing Committee on Climate Change and Environmental Coordination, Government of Pakistan

Distinguished Panellists:

- Mr Mohamed Yahya, UN Resident Coordinator and Humanitarian Coordinator, Pakistan
- Mr Haroon Sharif, Chairman, Pakistan Regional Economic Forum (PREF), Pakistan
- Dr Premkumara Jagath, Institute for Global Environmental Strategies (IGES), Japan
- Mr Rabi Shanker Sainju, Vice Chair, South Asia Watch on Trade, Economics and Environment (SAWTEE), Nepal

Vote of Thanks: Dr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan

Plenary Organisers: Ms Zainab Naeem & Mr Umar Farooq, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Ms Mursal Qaisari & Mr Saad Hamed

Chairperson of the Senate Standing Committee on Climate Change and Environmental Coordination, Senator Sherry Rehman, noted that the world was living through an "extraordinary era of anxiety and disruption where global development and multilateralism face an existential threat".

She was speaking at a plenary session titled Development Beyond 2030: Rethinking Global Priorities in an Age of Disruption organized on the occasion of the 28th Sustainable Development Conference by Sustainable Development Policy Institute (SDPI) in collaboration with the Institute for Global Environmental Strategies (IGES), Japan.

The Senator warned that "shared global development is no longer possible without peace and an architecture of law", noting that rising nationalism, conflicts, and shrinking international funding have fractured the world's development agenda. "Multilateralism is in crisis. The rise of hard nationalisms, wars, and militarized priorities have diverted resources from basic citizen entitlements such as health, sanitation, and climate resilience," she observed.

She warned that global military spending, projected to reach US$6.6 trillion by 2035, posed an "existential threat to sustainable development and climate finance", urging countries like Pakistan to "look inward, set their own priorities, and convene a national conference of parties for climate and development".

Highlighting the fragility of the global system, Senator Rehman said that with less than 15% of the UN Sustainable Development Goals (SDGs) on track, the world must reassess its approach. "Resilience and sustainability cannot emerge in a vacuum, they demand peace, justice, and equitable funding," she emphasized.

Professor Emeritus and Chairman, Centre for Excellence in Islamic Finance (IBA), Dr Ishrat Husain

as Chief Guest noted that "China has emerged as a giant in human capital and technology, surpassing the United States," and emphasized that Pakistan must maintain "sovereignty in its choices" within a multipolar world. He cautioned that global power contestation would intensify, requiring Pakistan to align decisions with its own priorities.

UN Resident and Humanitarian Coordinator for Pakistan, Mr Mohamed Yahya said the rise of China marks a shift toward a multipolar order, urging developing nations to "adapt strategically" to this transition. He lamented that no civil society movements in developed countries protested the rising defence budgets, underscoring the urgency of addressing mass poverty, migration, and conflict through transformative governance rather than piecemeal projects.

Chairman of Pakistan Regional Economic Forum (PREF), Mr Haroon Sharif remarked that "uncertainty is the new normal," with global institutions struggling to forecast beyond six months. He warned that human development and poverty reduction were disappearing from political discourse, saying, "We talk of conflicts and threats, not people. The world must bring back people-centric policies." Mr Haroon Sharif highlighted development's evolving definition, debt pressures in South Asia, shrinking aid, and institutional weaknesses, urging regional countries to shift from reliance on Western models toward

local partnerships and self-sustained solutions for resilient, inclusive development.

Dr Premkumara Jagath from IGES Japan highlighted the "dilemma of ownership among youth", urging inclusive global dialogue in shaping future development goals. Dr Jagath highlighted Nepal's LDC graduation, persistent gaps in poverty, inequality, malnutrition, and climate action, stressing integrated, subnational governance and SDG localization to turn challenges into sustainable development opportunities.

Vice Chair of South Asia Watch on Trade, Economics and Environment (SAWTEE), Nepal, Mr Rabi Shanker Sainju shared Nepal's efforts to build resilience through climate adaptation and non-aligned cooperation amid growing geopolitical pressures. He emphasised on acting now for sustainable development, balancing future planning with present action, adapting to societal and technological changes, and fostering collaboration across government, private sector, and communities.

Dr Abid Qaiyum Suleri, Executive Director of SDPI, expressed his appreciation for the panellists' expertise on sustainable development beyond 2030. He discussed how AI had the potential to transform lives, highlighted the need for debt resets, noted rising deglobalization, and emphasised local solutions. He proposed convening a Pakistan COP and establishing a climate bank to address development, climate, and institutional challenges. He observed that the world beyond 2030 would differ greatly from 2015. He noted that rising populist sentiments and deglobalization, reinforced by nationalism in the US, EU, and UK, were unlikely to reverse. He emphasised that, in this era of reduced global assistance, local solutions had become critical for sustainable development. He urged countries to unite for regional cooperation, adapt to challenges, and not let geopolitics hinder progress.

Ms Zainab Naeem thanked IGES for supporting the South Asia Circular Economy Forum and for providing assistance in developing Pakistan's national circular economy policy.

POLICY RECOMMENDATIONS

- Strengthen regional cooperation across South Asia by revitalising SAARC or similar mechanisms to manage shared resources particularly transboundary rivers and regional energy networks through equitable water-sharing treaties and coordinated climate adaptation plans.
- Establish a "South Asian Climate and Development Bank" or facility to mobilise concessional finance for climate resilience, renewable energy, and social protection. This

bank should pool regional capital and negotiate blended financing with international partners to reduce dependency on donors.

» Reorient fiscal and development planning towards people-centric, inclusive growth, ensuring that investments prioritise poverty reduction, nutrition, and human capital over mega-infrastructure or geopolitical competition.

» Implement domestic institutional reforms that empower local governments, strengthen transparency, and create mechanisms for community participation in designing and monitoring development programmes.

» Prioritise institutional capacity-building to design and deliver bankable projects in climate resilience, public health, and sustainable agriculture, with targeted technical support from multilateral and UN agencies.

» Advocate for a global debt restructuring framework for developing economies facing climate-induced fiscal stress, linking debt relief to investments in renewable energy, social protection, and resilience.

» Increase budgetary allocations for health and education, focusing on universal access and the quality of service delivery; integrate technological innovation to improve reach and efficiency.

» Promote technological innovation and digital inclusion as tools for equitable development, while managing risks of automation and technological disruption through labour reskilling programmes and digital safety nets.

» Strengthen governance frameworks to ensure transparent, accountable management of international aid, climate finance, and trade partnerships, minimising leakages and political capture.

» Realign trade and investment strategies to enhance regional self-reliance in essential sectors such as food, health, and energy, while maintaining global cooperation instead of geopolitical alignment or dependency on any single power bloc.

» Foster Public-Private Partnerships (PPPs) in sectors such as renewable energy, climate-smart agriculture, and social infrastructure, anchored in clear accountability standards and community benefit clauses.

» Reimagine development by repurposing economic and fiscal policies to support local solutions and SMEs, particularly those led by youth and women, to reduce inequality and promote inclusive entrepreneurship.

» Address poverty and inequality simultaneously through integrated social protection systems that combine income support, affordable energy, and equitable access to finance for microenterprises.

» Institutionalise climate justice frameworks that ensure fair burden-sharing, protecting vulnerable and landlocked countries such as Nepal and Bhutan from being left behind in global climate financing.

» Mandate multistakeholder cooperation among governments, private sectors, and civil society for SDG implementation moving from blame-shifting to shared responsibility and results-based coordination.

» Encourage cooperation over de-globalisation by promoting fair trade, technology transfer, and regional innovation clusters, reducing systemic fragmentation in the post-pandemic global economy.

» Integrate risk foresight systems into national planning to anticipate economic, climate, and technological disruptions, enhancing adaptability and policy agility.

» Promote ethical use of emerging technologies including AI and biotechnology through regional guidelines and data governance frameworks that balance innovation with public welfare.

» Anchor sustainable development in democratic renewal by safeguarding participation, freedom of information, and inclusive policymaking, recognising that democratic change remains foundational to equitable progress.

» Cultivate solidarity and hope as strategic assets: foster global empathy and cooperative governance where development assistance and partnerships prioritise mutual interest over charity, aid and loans.

Thematic Session B-1
Accelerating Green Industrialisation: Policy Pathways, Opportunities and Challenges

Regional Dialogue in collaboration with NCET

Moderator: Ms Saleha Qureshi, SDPI

Chair: Mr Asif Saeed Khan Lughmani, Additional Secretary, MoI&P, GoP

Welcome Remarks: Engr. M. Abdul Jabbar, CEO, Automotive MFG Pvt. Ltd

Distinguished Speakers:

- Mr Faisal Shafaat, Senior JD, SBP
- Mr M. Abdul Aleem, SG, OICCI (Online)
- Ms Sobiah Becker, Advisor, Pak-German Climate and Energy Partnership, GIZ
- Dr Paras Kharel, ED, SAWTEE, Nepal
- Ms Kanwal Shehzadi, GHG Lead Auditor, SGS Pakistan, Pvt. Ltd
- Ms Chen Yan, CEO, Challenge Fashion Private Limited (Online)
- Mr Farooq Khalili, CEO, Axiom Energy, Lahore

Panel Organisers: Ms Saleha Qureshi, Dr Khalid Waleed & Engr. Ubaid ur Rehman, SDPI

Hall In-charge: Mr Asif Khan

Rapporteurs: Ms Amal Shahid & Ms Mursal Qaisari

Video Link: https://www.youtube.com/live/GOjTF40jbdQ?si=GdqNSILXqg-SFd1n

Additional Secretary for the Ministry of Industries, Mr Asif Saeed Lughmani said that Pakistan's export products would become more competitive if produced through environment-friendly processes, stressing that green industrialization was vital for sustainable growth and private sector's role was crucial in this regard.

Speaking at a regional dialogue titled Accelerating Green Industrialization: Policy Pathways, Opportunities and Challenges organized on the third day of the 28th Sustainable Development Conference by the Sustainable Development Policy Institute (SDPI), he said South and Southeast Asia faced the brunt of climate change and required enhanced regional cooperation and knowledge sharing to build resilience.

Mr Lughmani noted that the government's industrial policies, including electric vehicle policy, were people-centred and inclusive, which were developed through strong consultations. He said that following the 18th Amendment, the federal government provided policy guidelines while implementation rested with provincial and district governments.

"Under the IMF programme, the government cannot offer tax exemptions for the EVs, but is incentivizing demand while imposing taxes on internal combustion engines to generate PKR 125 billion over five years," he said, adding that the new industrial policy included a dedicated chapter on green clusters, ensuring that new industries were environment-friendly and existing ones transition to sustainable practices.

Senior Joint Director of the State Bank of Pakistan (SBP), Mr Faisal Shafaat, said that federal governing structures should play a leading role in developing a national taxonomy, raising awareness, and building capacity across sectors to boost green economic activity.

Mr Shafaat said the SBP was fully cognizant of the importance of addressing climate change and had introduced several initiatives, including Green Banking Guidelines and Climate Risk Guidelines. He highlighted that the SBP's renewable energy financing scheme, with an outstanding portfolio of PKR 93 billion, had contributed about 4,000 megawatts of renewable energy to the national grid, supporting Pakistan's transition towards a sustainable economy.

Dr Paras Kharel, Executive Director of the South Asia Watch on Trade, Economics and Environment (SAWTEE), Nepal, said that South Asia, one of the poorest regions in the world was disproportionately affected by climate change, with nearly 40% of its exports at risk from climate-related disruptions. He pointed out that industrial policies in the region were not adequately aligned with carbon emissions reduction goals. Dr Kharel urged the South Asian countries to revise their industrial policies to integrate environmental sustainability and climate resilience.

Engineer M. Abdul Jabbar, Chief Executive Officer of Automotive MFG Ltd., endorsed the idea that the federal government should have oversight for taxonomy with clear objectives, suggesting that the responsibility for green industrialization should be exclusively assigned to the Ministry of Industries to ensure coordination under one umbrella.

Ms Sobiah Becker of Gesellschaft für Internationale Zusammenarbeit (GIZ) stressed the need for viewing industrial policy through a climate lens and rationalizing incentives for efficiency.

Emphasizing the need for greater data transparency, **Mr M. Abdul Aleem, Secretary-General OICCI,** said member companies follow ISO certifications.

Ms Kanwal Shehzadi, GHG Lead Auditor at SGS Pakistan, urged centralizing carbon emissions data and standardizing emission factors.

Mr Farooq Khalili, CEO, Axiom Energy, said that industries needed clear policies and stable demand so new entrants could invest and create sustainable products like the biomass product his company was planning to start. They proposed collecting pine needles from Punjab's 100,000 acres of forest and converting them into wooden or biomass pellets for industrial use. This would build a bio-circular economy by engaging local communities, paying them, and creating jobs. They would also use agricultural waste such as rice husk and peanut shells. He believed regular use of these materials would create a positive environmental impact.

Ms Chen Yan, CEO of Challenge Fashion Private Limited, said they used recycled polyester in textiles and focused on solar energy and green renewable fuel. She stated they were compliant with green policies. Regarding green financing, she believed solar energy was cheaper than power-plant electricity and encouraged wider adoption.

POLICY RECOMMENDATIONS

- Create a single, time-bound "National Green Industrialisation Taskforce" under the Ministry of Industries & Production to coordinate policy, standards, financing, and reporting across federal, provincial, and district levels; mandate quarterly progress dashboards and link provincial transfers to green Key Performance Indicators (KPIs).
- Issue a unified Green Industrial Policy Note within 120 days that: (a) embeds sustainability across sectoral policies, (b) clarifies institutional ownership by ministry/agency, and (c) sets a demand-stabilisation plan for priority value chains (textiles, cement, agro-processing) to de-risk private investment.
- Stand up a Green/Climate Bank window (or facility at DFIs/State Bank of Pakistan) to on-lend at concessional rates for energy efficiency, process heat electrification, RE self-generation, and zero-/low-carbon fuels; require a project pipeline developed jointly by government, academia, and banks.
- Operationalise green banking: finalise SBP climate-risk guidelines; require banks to publish green lending targets, environmental risk assessment practices, and board-level sustainability governance; tie reserve-relief or refinancing lines to verified green disbursements.
- Adopt a national green taxonomy and MRV (monitoring, reporting, verification) framework linked with global standards; build a public emissions database so firms can calculate footprints and verify progress at low cost.
- Prepare Carbon Border Adjustment Mechanism

(CBAM) readiness plans for export sectors (textiles/leather/cement/steel): energy audits, heat-recovery retrofits, fuel-switch roadmaps, supplier data collection, and product-level EPDs (environmental product declarations).

» Launch a nationwide "Save a megawatt before you make one" programme: mandatory energy audits for large users, performance contracts for retrofits, and accelerated depreciation/ credit lines for high- Return On Investment (ROI) efficiency upgrades.

» Scale renewables for industry (onsite/offsite solar and wheeling) with standardised PPAs and grid-access rules; enable pilots for green hydrogen where industrial off-takers exist (starting with Balochistan nodes).

» Build local green-skills pipelines by updating National Qualifications Frameworks for energy managers, GHG accountants, and process engineers; tie technical grants to firms that hire trainees on live decarbonisation projects.

» Implement circular-economy markets: create digital exchanges linking agricultural-residue suppliers to biomass users; set NEQS-compliant pellet standards and certify community-based residue collection to cut open burning and create rural jobs.

» Mandate annual corporate carbon disclosures (scope 1-3 where material) and independent verification for large emitters; harmonise with Overseas Investors Chamber of Commerce and Industry (OICCI)/industry data-transparency initiatives to reduce reporting friction.

» Introduce carbon pricing pilots (crediting or fee-and-rebate) in energy-intensive subsectors; recycle revenues into export competitiveness grants for cleaner technologies and SME retrofits.

» De-risk private investment via PPP templates for waste-to-energy, industrial wastewater reuse, and renewable heat; require community-benefit clauses and transparent procurement.

» Localise transition costs by co-developing localised emission factors, standard toolkits, and affordability support for SMEs (voucher-style audit subsidies, credit guarantees).

» Tighten policy execution by assigning each recommendation to a lead agency with a budget line, timeline, and measurable target; publish a public scorecard and enforce at district level.

» Strengthen South-South and regional cooperation for technology transfer, harmonised standards, and shared carbon market infrastructure focusing on common bottlenecks and internal policy strengthening.

» Support farm-industry linkages that protect natural resources and farmer incomes (e.g., residue-to-biomass value chains, water-smart processing, and nature-positive sourcing).

Thematic Session B-2
Circular Economy and Food Systems Nexus: Transforming Pakistan's Dairy Sector for a Sustainable Future

In collaboration with Tetra Pak

Moderator: Ms Amna Urooj, SDPI

Distinguished Speakers:

- Mr Noor Aftab, Director Corporate Affairs Pakistan and MENA (Middle East & North Africa), Tetra Pak
- Mr Muhammad Bin Shahzad, Sustainability Manager, Tetra Pak Pakistan
- Dr Kashif Majeed Salik, SDPI
- Mr Muddassir Shafique, IFC
- Dr Irfan Chatha, SDPI

Closing Remarks: Ms Sobiah Becker, Advisor, Pak-German Climate and Energy Partnership, GIZ

Panel Organisers: Ms Zainab Naeem & Ms Amna Urooj, SDPI | Mr Muhammad Bin Shahzad & Mr Noor Aftab, Tetra Pak

Hall In-charge: Mr Rahat Ullah, SDPI

Rapporteur: Mr Aftab Hameed Mirani

Video Link: https://www.youtube.com/live/4LjLAPf0j8g?si=XuHWSi8yl0C0HUe0

NARRATIVE REPORT

Experts from international organizations, think tanks, and the private sector urged the government to rationalize taxes and modernize Pakistan's dairy industry, warning that high sales tax on packaged milk, poor regulations, and lack of investment had slowed growth in one of the country's most vital rural industries.

The warning was made at a session titled Circular Economy and Food Systems Nexus: Transforming Pakistan's Dairy Sector for a Sustainable Future.

Dr Kashif Majeed Salik, Research Fellow at SDPI, highlighted that agricultural and dairy products were both economic and social goods, which were vital for Pakistan's rural economy. "Farmers need awareness about animal feed and

methane emissions. Investment in feed and breed improvement is crucial," he said and added that women should be encouraged to join the dairy sector, trained in business and marketing skills, and offered fair rewards. "Good policies exist, but implementation remains the biggest challenge," he said.

Dr Irfan Chatta from SDPI said dairy was not only a consumable product but also a major part of Pakistan's food basket and a key income source for rural farmers. "We need to raise awareness and promote waste segregation at the community level," he added.

Mr Muddassir Shafique from the International Finance Corporation (IFC) said Pakistan's sales tax on packaged milk was the highest in the world, which discouraged investment. "When IFC partnered with the private sector, dairy was under a zero-rated regime, but it was later moved to the exempted category," he said. "That change caused the sector to decline by nearly 16%, and now its growth is less than 6%." He urged the government to restore a rational tax structure and introduce a pasteurization law to bring the informal dairy market into the formal economy.

Mr Noor Aftab, Director Corporate Affairs at Tetra Pak, echoed these concerns, calling for sensible regulation developed through stakeholder consultation. "The sales tax on packaged milk in Pakistan is massive — probably the highest globally. If rationalized, it would attract more investors and support sector growth," he said. Mr Aftab also emphasized the need for investment to improve milk yield through better genetics and breeding, as Pakistan's yield remained among the lowest in the region.

Mr Muhammad Bin Shahzad, Sustainability Manager at Tetra Pak Pakistan, said the informal sector suffered from poor quality control and outdated practices. "We must invest in automation, sorting, and recycling machinery. Segregation at source is the need of the hour," he stressed. Mr Shahzad proposed deposit-return schemes and cash-back rewards to promote recycling and urged the government to incentivize recycling industries through subsidies and rebates on imported equipment.

Ms Sobiah Becker, Advisor at the Pak-German Climate and Energy Partnership, GIZ, said circularity was a crucial topic. She shared that she had worked for years in climate, and the partnership focused on assessing carbon footprints across Pakistani sectors and building national capacity to reduce emissions while delivering sustainable products and services. Circularity spanned the entire value chain — from farm-level practices, like milk productivity and bovine emissions, to supply-chain emissions from packaging and delivery. She acknowledged Dr Salik's points on packaging and praised Tetra Pak's progress in recyclable and circular packaging, noting there was still room for improvement.

POLICY RECOMMENDATIONS

» Build a resilient, inclusive, and sustainable dairy value chain that integrates circular economy principles closing resource loops, minimising waste, and transforming the dairy community into an economically empowered society.

» Enforce sustainable and recyclable dairy packaging linked with Organisation for Economic Co-operation and Development (OECD) circular economy standards, supported by strong regulatory compliance and effective EPR (Extended Producer Responsibility) policies.

» Establish a national recycling system with mechanical and chemical processing facilities, enabling municipalities to collect and segregate packaging waste efficiently through improved local infrastructure.

» Introduce tax incentives and PPP models to attract private investment in eco-friendly packaging, recycling industries, and circular business models.

» Formalise the informal dairy sector through clear regulations, digital traceability, and capacity-building programmes for small-scale producers.

» Promote innovation and efficiency by rationalising import duties on modern dairy machinery and improving livestock genetics and breeding under the Cow-to-Cotton initiative.

» Support scientific research and climate-smart feed solutions to lower methane emissions, improve animal nutrition, and strengthen environmental resilience.

» Provide farmer training on sustainable practices, feed management, and climate adaptation, while ensuring women's empowerment through entrepreneurship and access to markets.

» Foster community and social awareness around milk safety, sustainable consumption, and environmental stewardship from household to industry level.

» Strengthen solid waste management systems by empowering local governments and community organisations for waste segregation at source and effective collection.

» Ensure policy continuity, merit-based governance, and protection of community-driven initiatives from political influence.

Thematic Session B-3
Investing in Girls' Education in the Emerging World Dis|Order: Solutions and Reforms for Pakistan

In collaboration with Malala Fund

Moderator: Ms Arooj Khalid, ITA

Chair: Ms Farah Naz Akbar, MNA

Opening Remarks: Dr Nishat Riaz, Chief Executive, Malala Fund Pakistan

Distinguished Panellists:

- Dr Muhammad Shahid Soroya, DG, PIE
- Mr Qamar Naseem, Program Manager, Blue Veins
- Ms Urwa Naeem, Snr. PO, Pakistan Coalition for Education
- Ms Maliha Hyder, Education Specialist, TWB

Panel Organisers: Dr Kashif Salik & Mr Yahya Gulraiz, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteurs: Ms Ramla Javed & Mr M. Junaid Sial

Video Link: https://www.youtube.com/live/7scwmGvOXg0?si=uEJuu2oKPbOEsUSr

NARRATIVE REPORT

Panellists at a session on investing in girls' education were unanimous in their call for allocating a separate budget line in the budgets both at the federal and provincial levels for improving the girls' literacy rate in Pakistan. The session titled Investing in Girls' Education in the Emerging World Dis/Order: Solutions and Reforms for Pakistan was organized on the second day of 28th Sustainable Development Conference by Sustainable Development Policy Institute here on Thursday.

In her opening remarks, **Dr Nishat Riaz, Chief Executive of Malala Fund Pakistan,** praised the girls' bravery, courage and resilience in getting education. She said strained

resources and state's wavering commitment was failing the girls' pursuit of education.

Ms Farah Naz, Parliamentary Secretary for Ministry of Federal Education and Professional Training, said the government was committed to investing in girls' education. "All the stakeholders, including government, community, teachers and parents need to be taken onboard for improving the education system."

She admitted that climate shocks, terrorism and remoteness of schools in rural areas were big challenges. "Not much attention has been given to uplift the standard of girls' education in rural areas, specifically in Balochistan, Khyber Pakhtunkhwa." She said recurring floods had also complicated issues in these areas.

Ms Naz said that the girls' education emergency was being imposed in the country, with plans to increase education budget from 1.7% to 4% of GDP, with primary focus on enrolling the almost 26 million out-of-school children. She said the National Curriculum Council was engaging provinces to give girls' education a top priority.

Education Specialist at the World Bank, Ms Maliha Hyder, said the Bank was supporting the government to bring out-of-school children back to school. She also called for increasing the education budget to 4% of GDP. She pointed out that 60% of school going children were not learning, highlighting a global learning crisis. She said teachers' learning levels were below students' learning levels, and technology should be used to improve their learning levels.

Dr Muhammad Shahid Soroya, Director-General Pakistan Institute of Education pointed out that dropout rate from primary to upper secondary was high due to long distances to schools, and lack of buildings. He said the SDG-6 envisaged increasing the education budget to 6% of GDP. "We have launched a drive to ensure separate budget lines were allocated in the budget for girls. He said the National Education Policy should ensure that investments are across the board. He said Pakistan education statistics report was going to be launched, seeking accountability for all.

Mr Qamar Naseem, Programme Manager at Blue Veins, also called for separate budget line for girls' education. He said Khyber Pakhtunkhwa had 4.9 million out-of-school children. He said KP needed 15,000 more schools, but the province had no resources to build them. He called for involving private sector to meet the needs of schools in KP. He said community, teachers and parents were not taken on board in policymaking. Mr Naseem pointed out that second shift teachers in the province were not paid salary. He pointed out that South Asia failed to implement gender parity in education due to growing population.

Ms Urwa Naeem, Senior Programme Officer, Pakistan Coalition for Education called for fostering value of education and imparting practical and out-of-box skills. She pointed out computer

labs in most of schools were not functional, adding, "We are not delivering technology to schools."

POLICY RECOMMENDATIONS

Pakistan can unlock a powerful development dividend by putting every girl in school and learning backed by predictable finance, local ownership, and real-time accountability. The government needs to:

- Declare a national Girls' Education Acceleration Window (GEAW) for 2026-2028 with ring-fenced, gender-responsive budget lines and quarterly public releases; use performance triggers tied to enrolment, attendance, and learning in high-need districts.
- Expand access where gaps are largest, e.g., plan and fund at least 25,000 additional schools in Khyber Pakhtunkhwa (and satellite campuses in other underserved provinces), prioritising safe walking distance, transport stipends, and multi-shift models.
- Make WASH and safe learning spaces a non-negotiable minimum standard in every girls' school; fast-track repairs and sanitation blocks through school-level grants with simple, auditable checklists.
- Launch a Learning-Poverty Strike Plan by targeting the lowest-performing tehsils with structured pedagogy, tutoring, and foundational literacy-numeracy programmes; track progress monthly through digitalised school dashboards.
- Professionalise teaching at scale through continuous in-service training, coaching, and classroom observation; and link career progression to demonstrated gains in student learning, not just tenure.
- Digitalise school management end-to-end (enrolment, attendance, finance, assets) to improve data accuracy, procurement, and transparency; publish district scorecards each quarter.
- Streamline school registration (public and private) through a one-stop portal and simplified provincial procedures to capture true out-of-school and dropout numbers and bring unregistered schools into the net.
- Devolve resources to schools and empower school councils/PTAs with small, formula-based grants for minor works, learning materials, and outreach; and require social audits with community sign-off.
- Stand up district Girls' Education Platforms (parents, community leaders, CSOs, youth) to identify barriers (mobility, safety, norms), co-design solutions, and run attendance drives especially for adolescent girls.
- Create a PPP playbook for school infrastructure, transport, EdTech connectivity, and remedial services using viability-gap funding and outcome-based contracts in hard-to-serve areas.
- Address debt-era financing constraints by prioritising education in medium-term fiscal frameworks; and protect girls' education during budget cuts via statutory floors and on-time releases.
- Integrate technology sensibly via blended learning, offline-first content for remote areas, devices for teachers, and connectivity for cluster schools; and then monitor usage and outcomes, not just distribution.
- Embed practical/vocational modules and career counselling from middle grades; partner with local employers for internships and safe work-readiness tracks for girls.
- Improve psychosocial and climate resilience by integrating mental-health support, climate risk awareness, and emergency continuity plans (temporary learning spaces, catch-up calendars) to keep girls learning through shocks.
- Tighten accountability and charge provincial assemblies' spending committees to hold quarterly hearings on girls' education outputs and value-for-money; mandate public disclosure of allocations vs. releases vs. expenditures by district.
- Set national targets for 2028: (i) reduce out-of-school children by at least 50% from the current ~26 million, with priority to rural girls; (ii) ensure 100% girls' schools with functional WASH; (iii) achieve ≥80% grade-level proficiency in foundational learning in targeted districts.

Thematic Session B-4
Advancing SDG 7 in the Hindu Kush Himalaya: Climate-Resilient Renewable Energy, Regional Cooperation and Pathway

In collaboration with ICIMOD

Moderator: Ms Zainab Babar, SDPI

Welcome Remarks: Engr. Ubaid ur Rehman Zia, SDPI

Scene Setting Presentation: Dr Abid Hussain, ICIMOD, Nepal

Chair: Mr Riaz Fatyana, MNA, GoP

Launch of ICIMOD's Regional Energy Report: Together We Have More Power: Status, Challenges, and the Potential for Regional Renewable Energy Cooperation in the Hindu Kush Himalaya by Dr Abid Hussain, ICIMOD, Nepal – and Remarks and Key Findings by Ms Izabella Koziell, Deputy Director General, ICIMOD

Presentation: Navigating the Path to SDG 7 (Affordable and Clean Energy) in Asia and the Pacific: Breakthroughs and Barriers - Ms Fadiah Achmadi, UNESCAP (Online)

Distinguished Speakers:

- Ms Shubhuti Kiran Ghimire, ICIMOD, Nepal
- Syed Aqeel Hussain Jafri, PPIB
- Mr Anis Zaman, UNESCAP (Online)
- Ms Kiran Gautam, SAARC Energy Centre

Vote of Thanks: Dr Khalid Waleed, SDPI

Panel Organisers: SDC Unit and Energy Unit

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteur: Ms Muqadas Hafeez

Video Link: https://www.youtube.com/live/UodkbK5IuHs?si=xqGmWXrUI9Rb3Svj

Engr. Ubaid ur Rehman Zia of SDPI thanked the collaborating partners for supporting the session, noting its strong relevance to current debates and ongoing developments. He also expressed his appreciation to the speakers for their valuable participation.

Member of National Assembly Mr Riaz Fatyana, citing Pakistan's transition to solar energy as an example, called for stronger regional cooperation to overcome existing challenges. He was speaking at a session titled Advancing SDG 7 in the Hindu Kush Himalayas: Climate-Resilient Renewable Energy, Regional Cooperation and Pathways. He also highlighted the issues arising from Independent Power Producer (IPP) contracts and spoke on the importance of energy trade between the eight countries to address common challenges. He reiterated the vast energy potential of the region and the significant untapped resources.

ICIMOD's Deputy Director-General, Ms Izabella Koziell, highlighted the region's climate vulnerabilities and vast energy potential. The region, she said, often referred to as the "Third Pole" due to its extensive glaciers not only played a critical role in the global climate system but also presented significant challenges due to its difficult terrain. Hindu Kush Himalayas (HKH), one of the world's most climate-sensitive areas, was faced with environmental degradation and pollution,

which needed immediate attention of the world.

Ms Koziell pointed out that while the HKH offers immense potential for hydro, wind, and solar energy, mere ambition was not enough. For meaningful progress, the eight countries in the region (Afghanistan, Bangladesh, Bhutan, China, India, Myanmar, Nepal, and Pakistan) must work together on trade, research, and development efforts.

Dr Abid Hussain from ICIMOD maintained that the HKH was home to 3.4 billion people, many of whom relied on its rivers for their energy needs. The region had an estimated energy potential of 3.5 terawatts, yet only 6% of this potential was currently harnessed. He underscored several challenges, including social issues such as displacement, inequities, and health risks, technical challenges like the lack of research and development, and political hurdles related to fossil fuels and geopolitical fragmentation.

Ms Fadiah Achmadi from UNESCAP delivered a technical presentation that revealed stark disparities in energy access across the region. While electricity access was near universal, access to clean cooking facilities remained low at just 64%. This discrepancy exacerbated health and gender inequality challenges. Ms Achmadi highlighted

the region's continued reliance on fossil fuels, over 80%, and the negative impact of ongoing fossil fuel subsidies, which hindered investment in renewable energy.

Ms Achmadi recommended several policy measures, including improving inclusive access to energy, mobilising finance for renewables, phasing down coal, and fostering greater collaboration among the HKH countries.

Ms Shubhuti Kiran Ghimire from ICIMOD Nepal explained that the organization was focusing on climate-resilient basin management not only in Nepal but also in Bhutan and Pakistan.

Syed Aqeel Hussain Jafri from PPIB added that Pakistan's Integrated Generation Capacity Expansion Plan (IGCEP) was guiding the country's energy policy for the next decade. However, he stressed the need for a more coordinated approach across multiple sectors, including the economy, to ensure effective policy implementation. He also highlighted the potential benefits of digitising Pakistan's power distribution sector, which would allow the country to better manage both demand and supply, leading to more informed policy decisions.

Mr Anis Zaman, joining online from UNESCAP, said the organisation had played a significant role in advancing environmental and social safeguard frameworks for inclusive and sustainable energy development in the Asia–Pacific region. He noted that ESCAP, as an intergovernmental body with nine divisions covering all dimensions of development, worked directly with governments to integrate environmental and social considerations into national energy policy, planning, and investment through technical assistance, knowledge sharing, and capacity-building. Speaking from the energy division, he said ESCAP supported long-term integrated energy planning to ensure a sustainable, inclusive, reliable, and affordable energy future. He added that ESCAP's work on national SDG7 roadmaps helped align SDG7 and NDC targets while strengthening environmental and social parameters.

Ms Kiran Gautam from SAARC echoed similar sentiments, noting that water and energy had become strategic commodities. Despite the transition towards renewable energy, she pointed out that many countries in the region remain heavily dependent on fossil fuels. She further emphasized that each country had unique energy potential, whether solar, hydro, or wind, and that regional cooperation was essential to harness these resources.

Addressing the geopolitical challenges that had long plagued the region, Ms Kiran expressed confidence that, despite these obstacles, cooperation was still possible. "We need to diversify our energy resources both within our countries and across the region," she said.

The session wrapped up with the launch of an ICIMOD report, "Together We Have More Power: Status, Challenges, and the Potential for Regional Renewable Energy Cooperation in the Hindu Kush Himalaya", detailing the energy policies of HKH countries, their energy mixes, and the benefits of regional cooperation in achieving SDG 7.

The report showed that despite immense renewable energy potential in the HKH region, clean energy currently made up only 6.1% of total energy supply. Fossil fuels dominated the region with Bangladesh generating 98% of its energy through fossil fuels, India 77%, Pakistan's 76%,

China 67%, and Myanmar 51%.

The report outlined the region's immense opportunity to transform into a global leader in clean energy, noting that tapping into regional renewable resources could significantly reduce energy costs, create jobs, and promote economic stability. By building stronger regional grids and collaborating on technology, infrastructure, and energy trade, the HKH nations could secure a sustainable energy future and meet climate goals.

Dr Khalid Waleed of SDPI thanked the panel for an engaging discussion. He emphasised the need to advance progress on SDG7, particularly in the HKH region, and expressed his gratitude to the chair and all the speakers for participating in the session.

POLICY RECOMMENDATIONS

The Hindu Kush Himalayan (HKH) region faces acute climate vulnerability but also holds immense untapped renewable energy potential. Achieving SDG 7 (Affordable and Clean Energy) in this region is essential not only for climate resilience but also for economic stability, water security, and peacebuilding:

» Accelerate solar and decentralised renewable systems to expand clean energy access and reduce smog. Pakistan's Quaid-e-Azam Solar Park illustrates how large-scale solar can lower energy costs while improving air quality. Nepal's Karnali mini-grid programme shows how decentralised solar can power remote mountain communities.

» Adopt climate-resilient hydropower models by integrating water-storage and flood-risk assessments. Bhutan's Mangdechhu Hydroelectric Project demonstrates sustainable hydropower planning, while Nepal's move to climate-proof existing dams offers replicable lessons for the HKH region.

» Create a regional clean-energy cooperation framework under SAARC and ICIMOD for cross-border power trade and shared research. The Bangladesh-Nepal power import deal (2024) provides a model for structured energy sharing that can be expanded to include Pakistan and Afghanistan.

» Advance coal retirement and just transition strategies to protect workers and communities. Pakistan's plan to repurpose Jamshoro power units into gas and solar hybrids show viable pathways towards low-carbon transformation.

» Bridge investment gaps through blended finance and green markets. Nepal's Renewable Energy Development Fund and Bangladesh's Green Transformation Fund provide blueprints for mobilising private capital for solar, wind, and clean cooking.

» Scale clean cooking and rural energy access through innovative business models. In Bhutan and Nepal, community biogas and electric cooking initiatives have reduced indoor air pollution and fuelwood dependency. Pakistan and Afghanistan can adapt these through microfinance and women-led enterprises.

» Empower women and youth in the energy transition. Nepal's Rural Women's Energy Cooperative Network model has proven effective in training women as clean-energy entrepreneurs. Similar initiatives should be replicated in Pakistan's Gilgit-Baltistan and Balochistan regions.

» Diversify energy portfolios with modern storage and green hydrogen. Pilot battery-storage projects in Bangladesh offer regional examples for introducing flexible, resilient energy systems in the HKH.

» Strengthen institutional capacity and long-term planning. Pakistan's Alternative and Renewable Energy Policy 2019 and Nepal's Energy Sector Strategy 2023–2030 highlight how clear frameworks can attract investment and enhance inter-ministerial coordination.

» Promote public trust and awareness through transparent project planning and community participation. Bhutan's community benefit-sharing in hydropower and Pakistan's citizen-led solar cooperatives are models for inclusive engagement.

» By translating these shared insights into coordinated regional action, HKH countries can transform their mountains into a renewable energy corridor delivering energy security, resilience, and prosperity to millions while advancing global climate goals.

Thematic Session B-5
From Baku to Belem: The Road Ahead for Pakistan's Climate Finance Architecture

Roundtable

Moderator: Ms Saleha Qureshi, SDPI, Pakistan

Welcome Remarks: Ms Sobiah Becker, Advisor, Pak-German Climate and Energy Partnership, GIZ

Scene Setting Remarks: Dr Khalid Waleed, SDPI

Presentation: A Strategic Overview of Global Climate Finance, National Commitments and the Urgent 2025 Climate Roadmap for Pakistan Resilience by Ms Saleha Qureshi

Chair: Dr Nafisa Shah, MNA, GoP (Online)

Distinguished Speakers:

- Mr Faisal Shafaat, Senior JD, SBP
- Mr Arslan Muhammad Iqbal, Chief Risk Officer, BoP
- H.E. Mr Faiyaz Murshid Kazi, Ambassador of Bangladesh to the Kingdom of Thailand, Thailand
- Engr. M. Abdul Jabbar, CEO, Automotive MFG Pvt. Ltd

Panel Organisers: Ms Saleha Qureshi, Dr Khalid Waleed, Engr. Ubaid ur Rehman Zia, Ms Zainab Naeem & Ms Saira Adnan, SDPI | Ms Sobiah Becker, GIZ

Hall In-charge: Mr Asif Khan

Rapporteur: Mr Nazar Muhammad

Video Link: https://www.youtube.com/live/g5N1jAxTes4?si=ltf06heWpcRGJRsz

Lawmakers, bankers, and climate experts at a roundtable called for strengthening Pakistan's climate finance architecture and aligning financial systems with green and resilient development goals at a roundtable titled From Baku to Belem: The Road Ahead for Pakistan's Climate Finance Architecture. Experts agreed that Pakistan's path from Baku to Belem must ensure climate justice, institutional coordination, and green financial reforms to translate global commitments into local resilience.

Ms Sobiah Becker, Advisor to the Pak-German Climate and Energy Partnership, GIZ, said a project preparation facility for Pakistan focused on renewable energy, e-mobility, water security, and circular economy solutions could have bridged the gap. Combined with credit guarantees, first-loss tranches, and concessional blending, it could have turned intent into investment. She asked which institutional anchor or coalition might have hosted such a facility and linked with provincial governments to generate a credible, diversified project pipeline. She also urged consideration of a country-platform approach, noting that climate finance in Pakistan remained fragmented and required unified coordination.

Ms Saleha Qureshi from SDPI noted that the global climate finance architecture was being shaped between COP29 in Baku (2024) and COP30 in Baku (2025) to help decision makers, negotiators, and finance leaders align Pakistan's domestic climate policies with international commitments. She highlighted Pakistan's acute vulnerability — driven by reliance on fossil fuels, rising social risks, heat waves, droughts, forest fires, and melting glaciers — which posed major adaptation and mitigation challenges. She said NDC 3.0 estimated Pakistan's needs at USD 532 billion, compared with a global quantified goal of USD 1.3 trillion annually by 2035. She stressed that adaptation should receive 50% of future climate finance, while the USD 700 billion loss and damage fund remained underfunded. She added that MDB reforms, debt-for-climate swaps, and pilot projects in Pakistan were essential to convert pledges into measurable, deliverable finance by COP30.

Bangladesh's Ambassador to Thailand, Mr Faiyaz Murshid Kazi, said South Asian countries shared aligned climate diplomacy goals but needed to build bankable projects and financing pipelines domestically, with international support for capacity building.

Dr Nafisa Shah, Member of National Assembly, said Pakistan had a strong narrative as a climate-vulnerable nation, but international pledges had not materialized. She highlighted governance gaps, fiscal constraints, and the absence of climate discourse in the parliament and local governments. She warned that cuts in National Finance Commission shares could have implications for provincial climate action.

Mr Faisal Shafaat, Senior Joint Director at the State Bank of Pakistan (SBP), said that "climate

risk is financial risk". He noted that SBP was developing regulations to require banks to monitor and manage climate-related credit and market risks, while promoting innovative green financing products and risk-sharing facilities for SMEs.

Mr Arslan Muhammad Iqbal, Chief Risk Officer at the Bank of Punjab, called climate risk a major challenge for the banking sector, stressing that concessional finance alone was not enough — blended finance and demand for green banking products must be strengthened.

Dr Khalid Waleed of SDPI proposed a 10-point ecological fiscal justice framework, urging carbon tax recycling, environmental value internalisation in budgets, and recognition of "planetary rights" alongside property rights.

Engr. M. Abdul Jabbar, CEO of Automotive MFG Pvt. Ltd, said NGOs in Pakistan should focus on influencing systems, as Dr Khalid suggested, and develop their own models rather than being directed by international buyers. He noted that Pakistan's overall financing needs stood at USD 386 – 586 billion. With declining funding and reduced support from the United States, he stressed the importance of exploring public-private-people partnerships to help address the country's climate finance challenges.

POLICY RECOMMENDATIONS

As the global climate finance agenda shifts from Baku (COP29) towards Belém (COP30), Pakistan faces an urgent need to reimagine its financial architecture to mobilise climate investment at scale, safeguard fiscal stability, and accelerate the transition towards resilience and sustainability. Pakistan must move from climate finance access to climate finance governance and ownership anchored in institutional reform, innovation, and accountability:

- Transform financial institutions into climate-resilient actors. Mandate all banks to assess climate risk, adopt green taxonomies, and integrate environmental, social, and governance (ESG) standards into credit and investment decisions.
- Example: Bangladesh's central bank green lending quotas and Nepal Rastra Bank's Climate Risk Management Guidelines can guide Pakistan's State Bank (SBP) reforms.
- Operationalise the Pakistan Green Taxonomy across financial institutions to standardise green investment criteria and prevent greenwashing. Ensure alignment with the ASEAN Sustainable Finance Framework and EU Taxonomy for credibility and international access.
- Establish a Climate Finance Coordination Council (CFCC) to harmonise public, private, and provincial initiatives bridging gaps between ministries, development partners, and financial institutions.
- Develop a national pipeline of bankable climate projects, supported by a dedicated Project Preparation Facility to de-risk investments and leverage concessional and blended finance, like Indonesia's SDG Indonesia One Platform illustrate how structured project pipelines attract private capital.

» Strengthen the debt-resilience nexus by integrating climate clauses into sovereign bonds and explore debt-for-nature and debt-for-adaptation swaps to maintain fiscal stability while financing green priorities, e.g., Bhutan's debt-for-nature restructuring (2024) and Barbados' climate-resilient debt instruments offer replicable models.

» Introduce a phased carbon levy to fund national adaptation programmes and gradually reduce reliance on imported oil, with transparent earmarking for renewable energy, clean transport, and reforestation initiatives.

» Reform exchange rate and trade policies to support green exports and climate-smart trade liberalisation. Facilitate tariff reductions for renewable energy technology and climate-resilient materials.

» Mobilise domestic climate finance through green bonds, Islamic finance instruments (sukuk), and provincial green funds, reducing overdependence on donor-based financing.

» Strengthen parliamentary oversight and embed climate finance accountability within budgetary and audit processes to ensure transparent, performance-based spending.

» Prioritise grant-based adaptation finance for vulnerable communities and ecosystems, with simplified access procedures to the Green Climate Fund (GCF), Adaptation Fund, and other multilateral mechanisms.

» Build capacity and awareness within banks, local governments, and the private sector on climate risk assessment, green financial products, and monitoring frameworks.

» Promote intergenerational equity through legislation that safeguards future generations, ensuring that climate borrowing today does not compromise tomorrow's fiscal and ecological security.

» Enhance regional cooperation with South Asian peers through SAARC and ESCAP platforms to share best practices, complement green taxonomies, and expand South-South climate finance partnerships.

Thematic Session B-6
Just Transition and Circular Economy: Integrating the Informal Sector in South Asia

In collaboration with IGES

Moderator: Ms Zainab Naeem, SDPI & Ms Amna Urooj, SDPI

Presentations:

» A Bankable, MRV-ready Playbook to Institutionalise Informal Actors in JT & CE Programs by Ms Rizwana Anjum, CM, Green Programme Punjab

» Community-Centric Enterprise Approach to Waste Management and Piloting the Circular Economy in Sahiwal, Pakistan by Mr Imran Javed, AHKF

Distinguished Speakers:

» Dr Bishnu Raj Upreti, NCCR, Nepal

» Mr Sheikh Waqar Ahmed, Head of Corporate Affairs & Sustainability, Nestle Pakistan

Panel Organisers: Ms Zainab Naeem, Mr Umar Farooq, SDPI | ILO

Hall In-charge: Mr Rahat Ullah, SDPI

Rapporteurs: Mr M. Junaid Sial & Ms Shogofa Shokori

Video Link: https://www.youtube.com/live/tas_TDwCpP0?si=3Tky6l4q5sujvQzC

NARRATIVE REPORT

At the session on Just Transition and Circular Economy: Integrating the Informal Sector in South Asia, experts from government, academia and industry sought urgent and coordinated efforts to address Pakistan's worsening waste management crisis, stressing that fragmented policies and lack of awareness among policy makers have threatened environmental and public health.

Ms Zainab Naeem, from SDPI, welcoming the

participants to the session on 'Just Transition and Circular Economy: Integrating the Informal Sector in South Asia' organised in partnership with IGES Japan, explained that it formed part of the South Asia Circular Economy Forum, which was hosted for the first time in Pakistan. She thanked the IGES Japan for sponsoring the Forum.

Dr Bishnu Raj Upreti of Nepal Center for Contemporary Research (NCCR) said waste management required coordinated planning involving the private sector, local communities, and industries, while also integrating the informal sector, which played a vital role in recycling and collection. "Unfortunately, most policy makers, including government departments, are unaware of these concepts," he said, adding that they must be sensitized to act proactively. "With development financing shrinking, the challenge is becoming more serious."

Ms Rizwana Anjum, a representative of the Chief Minister's Green Programme Punjab, said the province launched a pilot green credit programme in Lahore in December 2024, offering cash rewards for plastic collection. "We pay PKR 2,500 per kg of plastic collected and have disbursed around PKR 42 million so far," she said. The programme, the first of its kind in Pakistan, would be expanded across the Punjab by December 2025.

She said the initiative focused on 38 climate actions, including six related to solid waste management,

and actively engaged women, students, and domestic workers. However, she emphasized the need for greater public awareness, adding that e-waste was also under consideration. "Policy makers and local communities must be involved, as most workers in this sector are informal female labourers," she noted.

Mr Imran Javed from the Akhtar Ali Khan Foundation said his organization was working on solid waste management in Sahiwal, engaging waste pickers and contractors. "Waste management is a major issue in Pakistan, and both provincial and federal governments need to focus on it," he said, adding that local industry must be integrated into the solution.

Mr Sheikh Waqar Ahmed, Head of Corporate Affairs & Sustainability at Nestlé Pakistan, said waste management posed a major reputational

and operational challenge for multinational companies. "We need collective action and policy harmonization across provinces and the federation," he said. "Different laws and priorities exist at multiple levels, therefore, institutional coordination is essential. Alongside policy reforms, we must also promote behavioural change and community awareness to achieve cleaner environments," he concluded

POLICY RECOMMENDATIONS

South Asia faces mounting pressure from rapid urbanisation, rising plastic consumption, and limited waste processing capacity, which threaten both environmental sustainability and public health. To move towards a circular economy that creates decent jobs and reduces waste leakage, governments must adopt coordinated, inclusive, and data-driven waste management policies:

» Strengthen municipal contracts to formally include informal waste workers by requiring government-issued identification, minimum wage standards, safety equipment, and digital payments. Kathmandu Metropolitan City in Nepal has piloted this by linking Doko Recyclers' informal collectors to official waste routes and extending safety coverage through city programmes.

» Establish city-level inclusion windows in social protection databases to ensure waste workers can access health insurance, pension benefits, and childcare services. In Dhaka, Bangladesh, cooperatives supported by Practical Action have improved collection efficiency while increasing worker welfare and retention.

» Implement Extended Producer Responsibility (EPR) mandates, where producers are responsible for the post-consumer phase of their products, requiring them to procure part of their collection from recognised waste-picker groups and pay minimum (floor) prices for segregated materials. Sri Lanka's draft plastic EPR regulations now include mandatory engagement with local collection cooperatives for beverage producers.

» Set minimum recycled-content standards for packaging materials such as Polyethylene Terephthalate (PET) and High-Density Polyethylene (HDPE), with tax incentives or customs rebates for compliant manufacturers. Punjab Province in Pakistan has begun testing a 15% recycled-content requirement for bottled water producers.

» Adopt public procurement standards that prioritise recyclable, reusable, or compostable packaging in hospitals, schools, and defence supplies. The Directorate of Health Services in Bangladesh has begun phasing out non-recyclable sachets in its procurement chain.

» Introduce digital material tracking systems that monitor collection, segregation, and recycling flows from local wards to industrial recyclers. The Maldives Waste Management Corporation uses an Internet of Things (IoT)-based dashboard to track waste movement from island collection points to mainland recycling centres.

» Launch market incentives for reuse-based business models such as refill, deposit-return, or packaging take-back systems. Lion Brewery in Sri Lanka recovers over 90% of its bottles by combining refundable deposits with municipal logistics partnerships.

» Promote inter-ministerial coordination between the Ministry of Environment, Ministry of Labour, and Ministry of Urban Development to integrate circular economy goals into national climate and development strategies. Nepal's Solid Waste Management Policy (2023) links circular economy measures directly with its Nationally Determined Contribution (NDC) targets under the Paris Agreement.

» Expand urban recycling infrastructure through Public-Private Partnerships (PPPs) that include social inclusion clauses requiring participation of informal sector groups. Narayanganj Municipality in Bangladesh, in partnership with the United Nations Development Programme (UNDP), is building recycling hubs that formally contract informal cooperatives.

» Strengthen regional knowledge-sharing and cooperation through platforms such as the South Asian Association for Regional Cooperation (SAARC) or the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), focusing on waste management data, EPR models, and financing tools. Current policy dialogues among Sri Lanka, Nepal, and Bhutan on plastic credit trading could evolve into an annual South Asian Circular Economy Forum.

Thematic Session B-7
Contours of Change: New Voices in Sustainable Development

Moderator: Ms Uzma T. Haroon, SDPI, Pakistan

Chair: Dr Saima Hamid, Professor, Public Health & Theme Lead, Global Health and Development, STMU

Special Remarks:

- Dr Khalid Waleed, SDPI, Pakistan
- Dr Sofia Khalid, Chairperson, Dept. of Environmental Sciences, AIOU, Pakistan

Summary of Key Policy Recommendations: Dr Rabia Manzoor, Deputy Chief (Policy) & JS, PSDE, PIDE – Key Policy Recommendations and Way Forward for Pakistan

Distinguished Speakers:

- Ms Shaista Tariq, Textile Research & Circulatory Innovation, Pakistan
- Mr Asjed Sanaullah, IBADAT International University, Pakistan
- Mr Rameez Ahmed Sheikh, SIF Mission, Pakistan
- Dr Tariqullah Khan, CEO Ventureethica Toronto, Canada
- Ms Noor Ul Ain, UIII, Indonesia
- Ms Kiran Ejaz, Muslim Hands, Pakistan

Panel Organiser: SDC Unit

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteur: Ms Mursal Qaisari

Video Link: https://www.youtube.com/watch?v=3OjD3L9rzIE

Moderating the session, **Ms Uzma T. Haroon from SDPI,** highlighted how emerging voices, from the Global South, were reshaping development in a changing world and explained that the session was designed to review innovative solutions, inclusive approaches and critical reflections in times of transition as seen from the academia. She introduced the presenters and welcomed the panellists at the thematic session titled Contours of Change: New Voices in Sustainable Development organized on the 3rd day of the 28th Sustainable Development Conference. The session featured critical insights into circular innovation, feminist climate leadership, climate resilience, and the intersections between human and ecological well-being.

Chairing the session, Dr Saima Hamid, Professor of Public Health and Theme Lead for Global Health and Development at Shifa Tameer-e-Millat University (STMU), Islamabad, commended SDPI for selecting the conference theme and for organising a session that brought diversity, inclusion and new voices to the fore. She noted that while high-impact practices were well known and highlighted by the experts, the session's strength lay in its emphasis on indigenous knowledge. Dr Hamid referred to Stacey's complexity matrix as a useful tool for bridging the gap between policy and practice by simplifying complex issues to enable effective action. She thanked the moderator for structuring the session to facilitate expert feedback and expressed confidence that the critiques would help presenters refine and publish their work for wider benefit. She concluded by thanking the organisers and extending her best wishes to all participants.

Dr Rabia Manzoor, Deputy Chief (Policy) at Pakistan Institute of Development Economics (PIDE), underscored the need for integrated, inclusive, and data-driven approaches to sustainable development, calling for synergy between academia, policy institutions, and community stakeholders to shape a resilient and equitable future for Pakistan.

Ms Shaista Tariq, Sustainable Textile and Circularity Consultant, presented her research on "Redesigning Textile Waste: A Gender-Inclusive Circular Model for Sustainable Growth in Pakistan", revealing alarming statistics about plastic use and recycling. She noted that while only one per cent of plastic was recycled, nearly 50% of all plastic produced was of single-use, most of which ended up being dumped or incinerated. Ms Shaista Tariq underscored that low-income women were already engaged in informal waste collection and recycling, yet their labour remained unrecognized

and undervalued. Her model proposed a system that improved waste management, enhanced recycling, formalized employment for women, and contributed to sustainable economic growth.

Mr Asjed Sanaullah from Ibadat International University presented "Redesigning Textile Waste: A Gender-Inclusive Circular Model for Sustainable Growth in Pakistan". He emphasized the paradox that women, though disproportionately affected by climate change, were largely excluded from decision-making processes. Highlighting four major challenges – patriarchal norms, tokenistic representation, funding disparities, and policy exclusion, he pointed out that fragile states often adhered to donor-driven agendas rather than empowering local women's leadership. His research called for systemic reform to ensure women's genuine participation in shaping climate policies.

Mr Rameez Ahmed Sheikh from SIF Mission Pakistan presented findings from a field study conducted across Sindh's districts of Larkana, Jamshoro, and Sukkur. His report titled, "Localized Impact of Climate Change on Communities in Pakistan: A Way Forward for Community-Based Adaptation Strategies", elaborated the multidimensional effects of climate risks, including floods, droughts, locust invasions, extreme cold, and heatwaves. The data underscored the compounding nature of these events, which threatened livelihoods, food security, and economic stability in vulnerable communities.

Dr Tariqullah Khan, Chief Executive Officer of Ventureethica, Canada, introduced his concept of "Regenerative Human(e) Development (RGD): Sustainability Beyond 2030". His study revealed that not all Sustainable Development Goals (SDGs) were progressing in harmony – advancements in one area may inadvertently hinder another. He highlighted the inherent tension between human development and ecological preservation, noting that countries with higher human development indices tended to have a larger ecological footprint. Dr Khan proposed a comprehensive framework to measure SDGs' impacts holistically, promoting balance between human prosperity and environmental sustainability. He also addressed the intergenerational transmission of inequality as a critical sustainability concern.

Ms Kiran Ejaz examined "Building National Resilience: Climate Change Impacts on Food Security in the Province of Punjab". Her study estimated that flood damage in the Punjab amounted to $18 billion in 2022, with further $6 billion in losses recorded in 2025 to-date. Through citizen interviews, she found that while government disaster prediction mechanisms had improved, the implementation of preventive measures remained slow. The government's preparedness was largely focused on floods, leaving other climate-induced disasters insufficiently addressed. However, her research also highlighted successful cases where collaborative approaches with multiple stakeholders improved resilience outcomes.

Ms Noor Ul Ain from Universitas Islam Internasional Indonesia (UIII) presented her research titled "Comparative Analysis of Plastic Waste Mitigation Strategies in Pakistan and Indonesia: Policy Frameworks and Pathways to Circularity". Alongside a detailed analysis of plastic consumption trends, she argued that integrating local community knowledge into policy design could yield more effective recycling and waste reduction strategies. As an example, she pointed to community-led initiatives where local producers had replaced plastic bags with sustainable cloth alternatives, demonstrating the potential of grassroots innovation in achieving circular economy goals.

Following the presentations, **Dr Sofia Khalid, Chairperson of the Environmental Sciences Department at AIOU**, and **Dr Khalid Waleed, Research Fellow at SDPI**, provided their valuable feedback. They encouraged the presenters to further align their work with Pakistan's broader

research and policy frameworks to ensure greater policy relevance and practical implementation.

POLICY RECOMMENDATIONS

» Redesigning Textile Waste: A Gender-Inclusive Circular Model for Sustainable Growth in Pakistan

- Formally register women's recycling groups and cooperatives to ensure visibility, protection, and access to local resources.
- Support women through targeted training and small-scale funding to promote textile waste innovation and entrepreneurship.
- Encourage industries to supply waste responsibly and reward partnerships with local women-led recycling hubs.
- Set up women-run local centres for sorting, upcycling, and producing marketable goods from textile waste.
- Include circular textile models within Pakistan's national sustainability and climate change frameworks.
- Run awareness campaigns to shift public perception from waste as garbage to waste as a resource.

» Localised Impact of Climate Change on Communities in Pakistan: A Way Forward for Community-Based Adaptation Strategies

- Launch district-level climate literacy campaigns, community-based early warning systems, and integrate Disaster Risk Reduction (DRR) education into schools.
- Introduce drought- and flood-tolerant crop varieties, promote climate-smart agriculture, and create livelihood diversification grants.
- Adopt rainwater harvesting, groundwater recharge zones, and community-based water governance; regulate groundwater extraction and expand solar-powered desalination.
- Recognise women as key adaptation actors, establish women-led climate committees, and invest in rural water infrastructure to ease women's workload.
- Link provincial strategies with the National Climate Change Policy and the Sendai Framework for Disaster Risk Reduction; form district-level adaptation task forces.
- Incorporate mental health care into climate recovery programmes, train local women as community mental health focal persons, and create safe shelters for displaced families.

» Building National Resilience: Climate Change Impacts on Food Security in the Province of Punjab

- Shift from top-down to bottom-up approaches, engaging farmers and communities.
- Strengthen agricultural extension services and real collaboration with NGOs.
- Integrate Disaster Risk Reduction (DRR) codes and climate rules in all agricultural and infrastructure projects.

» Regenerative Humane Development: Sustainability Beyond 2030

- Move beyond Gross Domestic Product (GDP) or Human Development Index (HDI) towards Regenerative Humane Development (RHD) indicators such as Normalised Balanced Coordinates (NBCs).
- Use NBCs and four-quadrant models to evaluate ecological and social performance for targeted interventions.
- Incorporate STO (Substitutions, Transformations, and Offsets) Strategies in post-2030 sustainability policies to enable regenerative growth.
- Use optimisation frameworks to maximise RHD outcomes within fiscal limits.
- Integrate ethical and intergenerational equity principles into climate finance and policy design.

» The Invisible Hand of Women: Feminist Climate Leadership in Fragile States Governments:

- Implement gender-responsive budgeting in climate and disaster ministries.

- Mandate quotas for women's participation in local climate councils and national adaptation bodies.
- Invest in climate leadership training for young women in rural and fragile areas.

» Civil Society:

- Support women's collectives with technical training, legal aid, and advocacy platforms.
- Ensure intersectional inclusion of indigenous, displaced, and disabled women.

» International Donors:

- Create women-led adaptation funds with simplified access and long-term financing.
- · Co-design programmes with grassroots women leaders for local relevance.

» Think Tanks and Policy Institutions:

- Mainstream feminist climate leadership in research, policy briefs, and national dialogues.
- Conduct gender audits of national climate strategies and facilitate cross-sector dialogues.

» Comparative Analysis of Plastic Waste Mitigation Strategies in Pakistan and Indonesia: Policy Frameworks and Pathways to Circularity

- Strengthen plastic collection, sorting, and recycling systems through public-private investments (e.g., Unilever with Circulate Capital Ocean Fund and Closed Loop Partners).
- Adopt Extended Producer Responsibility (EPR) policies to make producers accountable for the full lifecycle of packaging.
- Promote Global Standards like the United Nations (UN) Treaty on Plastic Pollution with legally binding commitments.
- Strengthen partnerships via the Ellen MacArthur Foundation and UN Global Commitment to improve transparency and circular economy collaboration.
- Encourage businesses to integrate circular design, focusing on reuse, recyclability, and reduced resource use.

Thematic Session B-8
Telecom and the Digital Future of Pakistan: Artificial Intelligence, Connectivity, and the Frontiers of Development

Policy Dialogue in collaboration with Jazz

Moderator: Engr. Ubaid ur Rehman Zia, SDPI

Chair: Dr Mukaram Khan, DG (CVD), PTA

Welcome Remarks: Brigadier Mohammad Yasin (Retired), Distinguished Advisor Emeritus, SDPI, Pakistan

Opening Remarks: Syed Zaheer Mehdi, Group Chief Corporate & Regulatory Affairs, Jazz

Presentation: Governing Data as Capital: Smart Data Portfolios for AI and Connectivity by Prof. Talha Yalta, Prof. of Economics at the TOBB University of Economics and Technology, Türkiye & Ms A. Yasemin Yalta

Distinguished Speakers:

- Mr Pervez Iktikhar, International ICT Consultant
- Mr Ahmed Qadir, DG, Competition Commission of Pakistan
- Mr Bilal Anwar, CEO, NDRMF

Vote of Thanks: Ms Zainab Naeem, SDPI

Panel Organisers: Mr Ali Aamer, Ms Romila Qamar & Engr. Ubaid ur Rehman Zia, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Mr Aftab Hameed Mirani

Video Link: https://www.youtube.com/live/MpJSSTW5h2k?si=l2nVgdnQUG22PgbM

NARRATIVE REPORT

Driven by Artificial Intelligence (AI), immersive technologies, and policy reforms, Pakistan's digital landscape was rapidly evolving; inclusive growth, ethical governance, infrastructure development, and strategic collaboration were essential to ensure a sustainable and transformative digital future. This was the crux of a roundtable titled Telecom and Digital Future of Pakistan: Artificial Intelligence and the Frontiers of Development organized on the third day 28th Sustainable Development Conference.

Engr. Ubaid ur Rehman Zia from SDPI, moderating the session thanked Jazz for collaborating in this session. He explained that the focus would be on how industry and policy research could work together to build a forward-looking digital ecosystem to support Pakistan's sustainable development ambitions. The session subsequently transitioned to the formal opening and presentation of its objectives, followed by a review of the agenda.

Brig. Mohammad Yasin (Retired), Advisor Emeritus at SDPI, welcomed participants to the policy dialogue on Pakistan's telecommunication and digital future. Emphasizing the importance of foresight, collaboration, and decisive policymaking, he highlighted that telecommunication and connectivity form the foundation of today's digital society — driving business, governance, education, and defence.

Dr Mukaram Khan, Director-General (CVD) Pakistan Telecom Authority said the digital landscape in Pakistan was poised for transformation through AI, disruptive technologies, and the emerging Metaverse. While AI had already impacted 30% of jobs, the next wave involved immersive VR experiences, where tasks currently done via smartphones would shift to smart glasses. Internationally, this required preparing for high-bandwidth, low-latency infrastructures like WiFi 7 and satellite connectivity.

Nationally, Pakistan's Digital Policy Act and upcoming Digital Authority aimed to enable a digital society, government, and payment economy. A "super app" integrating banking, government services, and commerce was in development, potentially connecting even rural areas. However, challenges such as low fiberisation, unstable internet, and telecom revenue models must be addressed to fully realize this digital revolution in the next three to five years.

Prof. Talha Yalta, Department of Economics at the TOBB University of Economics and Technology, Turkiye, presented a research framework, focusing on practical applications for the telecom sector. He said, "Together with my

colleague, we proposed a Smart Data Portfolio — a method to govern data like financial assets, ensuring AI systems remained explainable, fair, and aligned with societal values. By governing inputs rather than just outputs, we could control AI's decisions, protect jobs, and guide sustainable development. For Pakistan, he said, connectivity was being combined with digital services such as video, music, social media, mobile money, and device finance. The system was designed to be efficient, fair, and auditable. Multiple data sets were used, including technical data, economic data such as tariffs and affordability metrics, and social data such as surveys and crowdsourced information. All of these were incorporated into AI training. Using portfolio logic and AI training, these data sets were applied in telecom applications for different purposes. They were bundled, for example, for recommendation engines, child-safe portfolio constraints, auditable adverse action reports, and traceable inputs.

Syed Zaheer Mehdi, Group Chief Corporate and Regulatory affairs Jazz, said in 1993, Pakistan's telephone density was only 3%, but today millions were connected via mobile communications. He said key questions included leveraging AI for inclusion, establishing ethical and secure governance frameworks, and building institutional, technical, and human capacities. Open access to data and infrastructure was essential to ensure sustainable, equitable participation in an AI-driven economy, benefiting both the connected and the underserved.

Mr Pervez Akhtar, International ICT Consultant said AI was not the future — it was the present, actively powering products, services, and daily business operations at Jazz. Pakistan's telecom sector, built over 30 – 35 years, supported over 200 million subscribers, providing a foundation for widespread AI adoption. Responsible regulation was essential, but AI also presented opportunities for education, research, financial inclusion, and empowerment of minorities and women. Pakistan should recognize its progress, move swiftly, and leverage AI to compete with advancing nations. By embracing enhanced intelligence and fostering collaboration across government, industry, and civil society, the country could ensure inclusive, sustainable digital growth.

Mr Ahmed Qadir, from the Competition Commission of Pakistan said AI's evolution was gradual, rooted in decentralization and scientific breakthroughs. Regulatory approaches must distinguish between data management, monitoring, and policing to avoid overreach that stifles innovation, he said, adding that optimization relied on robust data, highlighting the need for careful design rather than heavy-handed governance. "Governments risk harming progress by rushing into policy, whereas minimal, targeted regulations — focused on privacy and confidentiality — can enable sustainable growth. In climate policy, especially within the climate race, digital tools and AI can play a transformative role if guided by thoughtful, measured oversight rather than excessive control," he said.

Mr Bilal Anwar, CEO of Pakistan's National Disaster Risk Management Fund (NDRMF), said key drivers included open spectrum allocation, market liberalization, and tax reforms to encourage competition. Artificial Intelligence, preferably framed as augmented intelligence, offered potential benefits but raised regulatory challenges around bias, employment, and social inclusion. AI adoption risked job losses, economic marginalization, and political manipulation if not carefully managed. Effective policy required a whole-of-government, civil society, and academic approach, ensuring inclusivity, connectivity, and data protection.

Ms Zainab Naeem from SDPI expressed gratitude to Jazz for supporting the very inclusive and engaging panel. She said the panel highlighted that the digital divide had essentially become a development divide. It also emphasised the urgent

need to address the climate crisis. Integrating AI and digitalisation was presented as crucial for improving early warning systems and related interventions.

The Current Status of Policy Recommendations (1993-2025) booklet, prepared by SDPI for the IT sector, was presented to the panellists and participants.

POLICY RECOMMENDATIONS

» Develop a national framework for ethical and transparent Artificial Intelligence (AI) deployment, ensuring all public and private applications meet standards for accountability, fairness, and data protection.

» Prioritise investment in digital infrastructure, including fibre-optic expansion and spectrum optimisation, to support large language models and high-capacity AI systems.

» Reform taxation policies that currently restrict digital growth by introducing technology-specific exemptions or incentives for innovation, connectivity, and local telecom providers.

» Encourage local telecommunications enterprises through simplified licensing and shared-spectrum models to increase rural connectivity and reduce dependence on a few major operators.

» Promote AI governance focused on inputs rather than only outputs, treating data quality, ethical use, and inclusivity as national assets alongside financial capital.

» Launch nationwide re-skilling and up-skilling initiatives in data science, AI, and digital literacy to prepare the workforce for rapid technological transformation.

» Ensure technology neutrality in regulation, enabling multiple digital solutions to coexist without bias toward specific platforms or providers.

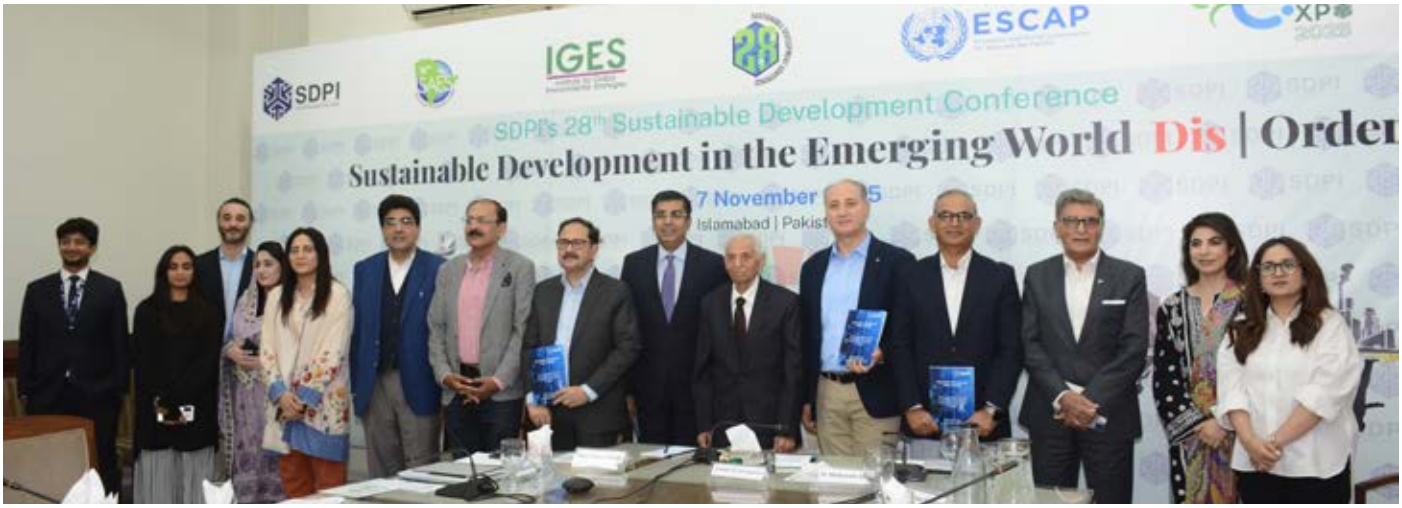
» Establish technology marketplaces and innovation zones to attract domestic and foreign investment in AI applications, start-ups, and connectivity solutions.

» Introduce basic regulations on data privacy, confidentiality, and monetisation, coupled with clear guidance on data ownership and cross-border data flows.

» Integrate AI-based predictive models into national risk-reduction and climate-adaptation strategies, using big data to improve disaster preparedness and environmental monitoring.

» Promote inclusive digital development, ensuring that marginalised communities, women, and youth benefit equally from AI and connectivity initiatives.

» Create a multi-stakeholder AI and digital governance council as outlined in “Pakistan’s National AI Policy 2025” involving government, academia, industry, and civil society to monitor ethical standards and coordinate digital policy implementation.



Thematic Session B-9
Moving Beyond GDP: Towards Inclusive Wealth

In collaboration with UNEP, Kenya

Moderator: Ms Saleha Qureshi, SDPI

Scene Setting: Dr Pushpam Kumar, Chief Environmental Economist, UNEP (Online)

Technical Presentation: Dr Muhammad Khurshid, Former Officer, Planning Commission of Pakistan

Distinguished Speakers:

- Mr Zafar ul Hassan, Former Joint Chief Economist, MOPDSI
- Mr Towfiqul Islam Khan, Add. Director, Research, CPD, Bangladesh (Online)
- Mr Farooq Khalili, CEO, Axiom Energy, Lahore
- Mr Mohammad Farooq, Director Research, PIDE, Islamabad
- Mr Muhammad Ali Kemal, Chief, Employment & Research (E&R), MOPDSI

Vote of Thanks: Dr Sajid Amin Javed, SDPI

Panel Organisers: Dr Khalid Waleed, Ms Saleha Qureshi and Ms Sadia Satti, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteur: Mr Tahir Zaman

Video Link: https://www.youtube.com/live/qiKVSelkgDQ?si=g1HLZJvZaH36BTnS

NARRATIVE REPORT

Economists and policy experts called upon the government to move beyond GDP-based growth models and adopt an inclusive wealth framework that measures sustainability, equity, and well-being alongside economic output. The call was made at a session titled Moving Beyond GDP: Towards Inclusive Wealth.

Ms Saleha Qureshi from SDPI welcomed the panellists and explained the background of the session, noting that inclusive wealth measured the total inventory of a nation's productive foundation,

encompassing human capital, natural capital, and resource capital. This multi-dimensional approach was said to provide a more integrated and forward-looking perspective on sustainability, resilience, and long-term well-being.

Former Joint Chief Economist Mr Zafar ul Hassan said Pakistan's pursuit of GDP growth through short-term consumption and remittance-driven spending had come at the cost of depleting natural resources and underinvesting in human capital. "This approach depletes natural capital, erodes resilience, and fails to build high-quality human capital," he said, adding that the recurring boom-and-bust cycles push Pakistan into repeated stabilisation programmes such as those with the IMF, leaving the country's fundamental wealth weaker each time.

With a population exceeding 250 million, he stressed the need to prioritize education, skill development, and job creation. "Pakistan needs growth that is not just number-driven but based on human development and wealth creation rooted in strong fundamentals," he added.

Highlighting key challenges, he pointed to high production costs, rising interest rates, inflationary pressures, and limited innovation. However, he said there were clear opportunities if Pakistan aligned its policies with the URAAN Pakistan 5Es Framework — focusing on exports, digitisation, environment and climate change, energy and infrastructure, and equity — three of which directly relate to sustainable and inclusive development.

Dr Pushpam Kumar, Chief Environmental Economist at the United Nations Environment Programme (UNEP), said that inclusivity must become the basis for measuring progress. "Measuring GDP is important, but it tells only part of the story. We must move beyond it to measure well-being, sustainability, and inequality," he said, adding, "GDP should be replaced by wealth — a comprehensive measure of a nation's true assets." He said that Pakistan was still using an outdated and misleading indicator, one that ignored the depletion of its "savings account" — its natural and human capital.

Dr Muhammad Khurshid, former officer of the Planning Commission of Pakistan, noted that while produced and human capital were growing, natural capital was steadily declining. Between 1992 and 2019, Pakistan's inclusive wealth grew by an average of 2.3% annually, with produced capital increasing by 3.2% and human capital by 2.9%, but natural capital fell by 0.1% annually due to population pressure and land-use changes.

Mr Mohammad Farooq of Director Research, PIDE said inclusive wealth meant more than single phenomenon. Planning Commission should lead in this regard of institutionalisation. More comprehensive policy work was needed, he added.

Experts emphasized that Pakistan must integrate inclusive wealth into its planning and policy processes, transition to green, blue, and brown economies, leverage climate finance, and adopt nature-based solutions for resilience. They called for valuing forestry, biodiversity, and other natural

resources to unlock carbon and biodiversity credits and achieve the Sustainable Development Goals (SDGs).

Mr Farooq Khalili, CEO, Axiom Energy, Lahore, shared that their model was designed to support forest health and fire mitigation, so they were not considered resource extractors. They aimed to address the greatest challenge faced by forested areas: the risk of fire. By collecting pine needles from the forest helped reduce this threat. Removing the pine needles allowed more sunlight to reach the soil, which in turn improved conditions for regeneration and supported healthier growth of pine trees within the forest. This was essentially the purpose and impact of their work in this area.

Mr Towfiqul Islam Khan, Add. Director (Research), CPD, Bangladesh, noted that many developing countries, particularly in Asia, were not yet prepared for this emerging concept, although some South American and Central American countries were engaging with it. He stressed that, while the methodology was still being developed, estimating inclusive wealth was feasible with proper effort and resources. He added that regional mechanisms in South Asia remained weak, despite the need for stronger regional and transboundary approaches, as many natural resources were shared across borders. Measuring inclusive wealth, he said, aimed to safeguard development, with economic and human capital likely to grow in developing countries.

Mr Muhammad Ali Kemal, Chief, Employment & Research (E&R), MOPDSI, said annual income flows could rise or fall, but trends in total wealth would be more revealing. Without 7–9% growth, he argued, the goal of a trillion-dollar economy might

be reached by 2027 rather than 2035, and a three-trillion-dollar economy earlier than projected. He emphasised that inclusive wealth — covering all capital assets underpinning well-being — was vital for sustainability, though earlier national estimates had been neglected. He stressed that GDP remained essential for expanding the economic "pie", noting that wealth such as property could not simply be sold to fund development. A rise in inclusive wealth signalled sustainability.

Participants concluded that URAAN Pakistan 2024–29, coupled with deep-rooted economic and institutional reforms, could help Pakistan shift from a consumption-based GDP model toward one that truly measures and sustains its national wealth.

On behalf of **SDPI, Dr Sajid Amin** thanked the panellists for joining the session. Summing up the discussion, he noted that there had been a clear consensus that development measurement needed to go beyond GDP. He observed that the discussion had two components: the narrative aspect and the technical computation aspect. He considered the narrative component — building agreement on why it was necessary to move beyond GDP — more important than the computational component. He added that all indicators typically started with varying opinions, followed by synthesis and refinement, but establishing the narrative that development measurement should go beyond GDP was a critical first step.

POLICY RECOMMENDATIONS

» Pakistan

- Pakistan should institutionalise annual Inclusive Wealth Accounts as an appendix to the Economic Survey and the national budget to complement Gross Domestic Product (GDP) and guide long-term sustainability decision-making.
- Establish an inter-ministerial task force comprising the Planning Commission, Ministry of Finance, Ministry of Climate

Change, Pakistan Bureau of Statistics (PBS), and State Bank of Pakistan (SBP) to standardise wealth accounting and embed Inclusive Wealth indicators into fiscal policy, debt sustainability analysis, and national planning.

- Shift from a narrow focus on GDP growth to broader wealth formation that captures human, produced, and natural capital as indicators of genuine progress.
- Transfer the institutional home of Inclusive Wealth Accounting to the Planning Commission to ensure coordination across ministries and integration with national development plans.
- Adopt a "One-Framework, One-Platform" model to link provincial and federal institutions for implementing Inclusive Wealth metrics and natural-capital valuation.
- Introduce targeted measures for soil-degradation management and promote sustainable agricultural practices to preserve natural capital.
- Mandate the PBS and Planning Commission to publish an annual Inclusive Wealth Statement, linking it to inter-provincial fiscal allocations such as the National Finance Commission (NFC) Award.
- Strengthen national data systems and develop a unified statistical framework for human, produced, social, and natural capital to inform targeted public investment.
- Enhance community participation to build social capital and empower planning institutions to act as facilitators at the local level.
- Develop a national wealth-based scorecard within the Planning Commission to track district-level disparities and link public expenditure to improvements in human, social, and natural capital.
- Encourage balanced regional development and end the "boom-bust" growth cycle driven by consumption and remittances.
- Integrate ecological sustainability and equity into economic planning, and conduct regular national assessments of wealth depletion and natural-capital use.
- Establish a regional cooperation framework for shared management of forests, biodiversity, and water resources.
- Incorporate climate-risk screening and green-taxonomy criteria into the PC-1 and PC-2 project appraisal process to ensure all public investments meet sustainability and resilience benchmarks.
- Develop a uniform legal and measurement framework for Inclusive Wealth Accounting with consistent definitions, methodologies, and data standards across ministries and academia.
- Complement GDP with broader metrics that capture social capital, environmental assets, and climate impacts.
- Integrate weather and climate data into national wealth accounts and promote green employment across sectors.

» South Asia

- Given Bangladesh's experience, link Inclusive Wealth Accounting with existing development and macroeconomic frameworks to ensure policymaker engagement and coherence with global sustainability goals.
- Promote a regional South Asian Inclusive Wealth Platform to address transboundary natural-capital challenges such as shared water systems, ecosystems, and climate vulnerabilities.
- Build institutional and technical capacity for data collection and ecological valuation to strengthen evidence-based decision-making.
- Prioritise forestry as a key component of natural capital and national climate resilience.
- Invest in afforestation, biodiversity conservation, and community-led forest-fire mitigation systems such as pine-needle removal and local fire-management networks.
- Link natural-capital restoration to livelihoods through community incentives and sustainable resource-use schemes.

Thematic Session B-10
Fortify Pakistan: Compliance, SMEs and Consumer Trust

Moderator: Dr Kashif Majeed Salik, SDPI

Distinguished Speakers:

- Dr Tahira Siddique, DD, Islamabad Food Authority
- Dr Tanveer Ibrahim, NIH
- Prof. Dr Asif Ahmad, PMAS-AAU
- Ms Dua Mobeen, SDPI

Panel Organisers: Dr Kashif Majeed Salik & Mr Yahya Gulraiz, SDPI

Hall In-charge: Mr Rahat Ullah, SDPI

Rapporteurs: Ms Ramla Javed

Video Link: https://www.youtube.com/live/_Se8NwCXMYg?si=ypU8Lc9rlzfROvrf

NARRATIVE REPORT

Experts at a session stressed the urgent need for food fortification in Pakistan with a focus on addressing malnutrition issue and improving public health. The call was made at a session titled Fortify Pakistan: Compliance, SMEs and Consumer Trust.

Moderating the session, **Dr Kashif Majeed Salik from SDPI** highlighted that nutrition had been a major challenge in Pakistan, noting that over 40% of children under five years of age were stunted, with widespread deficiencies in vitamin A, iron, and iodine. The statistics were described as deeply concerning. He emphasised that food fortification was a globally recognised, cost-effective solution to address these issues, but progress in Pakistan had been limited. The discussion was set to focus on regulatory gaps, complex compliance barriers,

and ways to improve consumer awareness regarding food fortification. He then introduced his distinguished panel of experts. explained

Dr Tahira Siddique, Deputy Director of the Islamabad Food Authority, highlighted the prevalence of "triple burden" of undernutrition, overnutrition, and micronutrient deficiencies in Pakistan. "Spending just $1 on nutrition could save Pakistan $15 in health-related costs," she said while explaining the importance of preventive measures. She cited iodine fortification as a positive example of progress, but warned that despite such successes, the country faced significant gaps in fortifying staple foods such as wheat.

"Not all salt packages are iodized, despite widespread awareness of its benefits," she said, pointing out that the effort had previously been carried out with more diligence nationwide. "Now the challenge is fortifying wheat due to widespread iron deficiency." However, the policy framework for this effort was fragmented, and we have yet to establish a formal legislative policy for wheat fortification, she said.

Dr Siddique also explained that while voluntary initiatives were underway, with 15 flour mills in Islamabad currently adding iron to wheat voluntarily, the overall lack of coordination between the five separate food authorities in the country remained a significant obstacle. "We don't have a cohesive regulatory structure, and each authority is working in silos," she said.

Dr Tanveer Ibrahim from the National Institute of Health (NIH) reinforced the growing issue of micronutrient deficiencies in Pakistan, particularly iron, calcium, and vitamin D. He Identified non-compliance as a more pressing concern and said: "Iodine fortification in salt is widespread, yet our tests in Rawalpindi revealed multiple salt samples that were not iodized. Sellers argued that iodine evaporates, but our testing showed there was no trace of iodine at all."

Highlighting the weak enforcement of product

standards in the country, he said: "Regulatory bodies like the PSQCA are responsible for setting product standards, but they lack the authority and capacity to enforce them effectively." He suggested that better packaging designed to preserve iodine and provide clear consumer information, including expiry dates, could help address some of these challenges.

Prof. Dr Asif Ahmad, a key panellist from PMAS-AAU, suggested that engaging young people and students was essential for driving forward food fortification and improving food security. He shared that a collaboration was underway between his university and the army in Southern Punjab to tackle iron deficiency, particularly in women and children. "We are working on fortifying wheat flour with iron and researching fortification methods for calcium and vitamin D," he said, adding that efforts were also underway to fortify oils, fats, and ghee with vitamin D.

Ms Dua Mobeen from SDPI said: "Around 60% of Pakistan's population cannot afford a healthy diet. The cost of a healthy diet starts at $3.95, while the World Bank defines the poverty line at $3. This means that the majority of the population is struggling to meet basic food needs, let alone prioritising nutrition," she said.

"The private sector has a crucial responsibility in raising awareness and laying the groundwork for better nutrition," she argued and proposed that a stronger partnership between the public and private sector could help bridge the gap

in consumer education and awareness. "The public sector can provide data and policies, while the private sector can play a pivotal role in implementing those policies and educating the public," she said. She added that consumer education on how to read food labels, understand expiry dates, and interpret nutrition information was also crucial.

Dr Ibrahim echoed this, noting that while some laboratories in Pakistan were tasked with testing food products, there was a need for greater awareness among medical students of the diverse career opportunities within the food and nutrition sector. "Medical students often think their only path is in general medicine, but we have a range of opportunities in food testing, pathology, training, and education," he said.

POLICY RECOMMENDATIONS

Fortifying wheat is critical to address the growing prevalence of iron deficiency and anaemia. However, this presents challenges for farmers and other actors in the supply chain, as fortification may increase production costs and ultimately raise consumer prices:

- Government support is essential to develop and enforce clear fortification regulations, particularly in regions of Pakistan most affected by malnutrition.
- Micronutrient deficiencies should be addressed through naturally available, affordable food products in local markets. Staple foods that are consumed daily should be prioritised for fortification.
- The major obstacle to effective food fortification in Pakistan is the lack of consistent and balanced regulatory mechanisms. Strengthening these systems is necessary to ensure compliance and quality assurance across the supply chain.
- Comprehensive clinical and non-clinical data are needed to assess current health conditions, measure progress, and establish evidence-based benchmarks for food quality and nutritional outcomes.
- Consumers require clear, simple, and standardised nutrition labels to understand the value of fortified foods. Small and Medium Enterprises (SMEs) and larger food manufacturers should enhance packaging transparency and run awareness campaigns to build public trust and promote healthier food choices.
- Micronutrient deficiencies, particularly in vitamin D and iron, affect over half of Pakistan's population especially women and children under five resulting in malnutrition and impaired cognitive development. The government, together with SMEs, should promote the consumption of fortified foods and raise public awareness of their long-term health benefits.
- Leading food brands should actively participate in nationwide nutrition awareness campaigns to emphasise the importance of fortified foods. By leveraging their influence, they can contribute significantly to combating micronutrient deficiencies and supporting national nutrition goals.
- Students studying food sciences and nutrition should be given practical opportunities to strengthen their academic learning through field-based capacity-building programmes. They should be equipped with food testing kits to assess quality and nutrition, thereby contributing to improved public health standards.
- Laboratory infrastructure for food testing in Pakistan should be strengthened and mobilised to identify nutrient gaps in frequently consumed foods and to ensure compliance with national fortification standards.
- Provincial food authorities should be empowered and adequately resourced to enforce legislation, conduct regular inspections, and implement strict compliance frameworks to ensure food safety and fortification standards are met.
- All food-related organisations should work in coordination rather than isolation, pooling health and nutrition data to build an interconnected system that supports evidence-based decision-making and enhances food security outcomes.

Thematic Session B-11
Strategic Framework for Living Wage Implementation in Pakistan: Economic Rationale and Policy Pathways

Roundtable in collaboration with Unilever

Moderator: Engr. Ahad Nazir, SDPI

Chair: Senator Roshan Khursheed Bharucha, Member, Judicial Commission of Pakistan; Member, BoG, SDPI

Technical Presentations:

- Unilever Living Wages by Mr Matteo Squire, Global Sustainability Manager, Unilever (Online)
- The Business and Economic Case for a Living Wage by Engr. Ahad Nazir, SDPI

Distinguished Speakers:

- Sheikh Waqar Ahmed, Nestlé Pakistan
- Dr Lubna Shahnaz, Chief Executive Officer, PRIDE (Online)
- Mr Muhammad Ali Kemal, Chief, Employment & Research (E&R), MOPDSI
- Mr Abdullah Dayo, FES
- Mr Ahmed Ijaz, Director, Sigma Distributors Pvt. Ltd
- Ms Fatima Arshad, Unilever

Panel Organisers: Engr. Ahad Nazir, Ms Maheen Rehan & Mr Hammad Nadir, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteur: Mr M. Junaid Sial

Video Link: https://www.youtube.com/live/4DIl_Muc-to?si=I6EbXLuQs7SVYps0

NARRATIVE REPORT

Senator Roshan Khursheed Bharucha, member of the Judicial Commission of Pakistan and former Senator, said that food, health, and education were the basic rights of every citizen, yet many Pakistanis were deprived of them. She was speaking at a session titled Strategic Framework for Living Wage Implementation in Pakistan: Economic Rationale and Policy Pathways.

Senator Bharucha said despite the government's claim of fixing the minimum wage between PKR 37,000 and PKR 40,000, this amount was not enough to meet daily needs or ensure children's education and health because of rising inflation, and that the existing social safety nets had failed to protect the lives of people and to meet their requirements.

During a discussion on the concept of a "living wage", representatives from the corporate and public sectors urged the government to move beyond the minimum wage framework to ensure a decent standard of living for workers.

Mr Matteo Squire, Global Sustainability Manager, Unilever, while sharing a technical presentation on Unilever Living Wages noted that there was a "huge difference between the minimum wage and the living wage," pointing to a company study that found a wide gap between the two across different regions of Pakistan.

Sheikh Waqar Ahmed of Nestlé Pakistan called the living wage a "noble cause" but said wage requirements differed by geography. He added that while multinational companies generally paid living wages, most local industries did not. "It's not only about wages — access to health, education, food, and clean water is equally vital," he said, urging the government to strengthen institutions that safeguard these rights.

Engr. Ahad Nazir from SDPI, who presented his research, said that while a living wage should ensure a decent standard of living, it varied across provinces and cities due to differing living costs. "Even the minimum wage announced by the government is often not implemented," he observed.

Mr Muhammad Ali Kemal Chief, Employment & Research (E&R), Ministry of Planning Development and Special Initiatives emphasized that ensuring a decent standard of living should be a national priority. "Living wage is one way to reduce poverty, but we must also improve the legal framework and institutional mechanisms to support decent wages and work environments," he said.

Mr Abdullah Dayo from the Friedrich-Ebert-Stiftung (FES) said that providing a standard living is the government's responsibility, especially in the areas of education and health care. "Since public schools and hospitals are not functioning effectively, people are forced to rely on expensive private services, which further strains household budgets," he said. He added that adopting a living wage strengthens the "social contract" between the government and citizens. "The world has moved beyond the minimum wage — it's time Pakistan follows suit," Mr Dayo said, suggesting that District Vigilance Committees should be formed to monitor and report bonded labour cases.

Ms Fatima Arshad of Unilever said she had enjoyed the discussion and highlighted the

company's progress over the past two to three years. She noted that Unilever had moved from limited awareness to actively planning the implementation of living wages, reflecting significant advancement. While proud of Unilever's role as a pioneer, she emphasised the need to expand living wages beyond the private sector, advocating for collaboration between industry, civil society, and government to make meaningful progress on this agenda.

Mr Ahmed Ijaz, Director of Sigma Distributors Pvt Ltd, said he was pleased to participate and described himself as a "poster child" for fair and responsible business practices. He noted that adopting these practices had initially been a leap of faith but had since proven to be a strong and demonstrable business case, backed by two years of experience within his company. He invited industry representatives with reservations to visit his organisation, meet employees and see the impact firsthand. Citing Henry Ford's historic decision to double wages in 1914, he said such bold steps could transform entire industries. He added that similar initiatives, including those by Unilever, had the potential to reshape the sector as a whole, and expressed pride in contributing to this change.

Dr Lubna Shahnaz, Chief Executive Officer, PRIDE said the country needed to think outside the box and develop innovative solutions for implementing living wages. She noted that informal workers formed a crucial part of the workforce, with the Pakistan Bureau of Statistics' Labour Force Survey indicating that 72% of workers were engaged in informal or agricultural work. Only 10% were in the formal sector, employed in factories or in public and private institutions. She added that Pakistan's existing labour laws benefited only this small formal segment of the workforce.

POLICY RECOMMENDATIONS

» Adopt a National Living Wage Framework

- Shift from minimum wage to living wage standards that reflect the real cost of living across Pakistan.
- Develop city- and region-specific wage benchmarks to address variations in living expenses.

» Integrate the Informal Sector

- Bring informal labourers (especially in mines, agriculture, and daily wage sectors) under formal wage protection systems.
- Introduce social protection and insurance mechanisms for informal workers.

» Strengthen Public-Private Collaboration

- Encourage cooperation between government institutions and corporate sectors (e.g., Nestlé, Unilever) to implement living wage policies.
- Incentivise private firms that adopt living wage standards through tax relief or recognition programmes.

» Enhance Accountability and Local Monitoring

- Establish District Vigilance Committees to ensure fair wage implementation and monitor labour exploitation.
- Ensure transparency in wage disbursement through digital payment systems and regular audits.

» Address Inflation and Cost of Living Pressures

- Introduce inflation-indexed wage adjustments to counter rising food and living costs (noted at 32%).
- Strengthen coordination with the Prime Minister's Youth Initiatives to enhance employment opportunities and income generation.

» Grounded Policy Design and Research

- Develop wage policies based on ground realities through data-driven research.

» Encourage think tanks and research bodies like the Sustainable Development

- Policy Institute (SDPI) to conduct regular studies on living wage impacts

Thematic Session B-12
Anticipating Tomorrow: Forging Pakistan's National Strategy for Proactive Disaster Risk Reduction

Roundtable in collaboration with GIZ

Moderator: Dr Shafqat Munir Ahmad, SDPI

Chair: Mr Thomas Conan, Deputy CD, WFP

Keynote Speaker Presentation: Transforming Development to Minimise Risk Creation by Mr Marcus Oxley, Founder, GNDR, UK (Online)

Distinguished Speakers:

- Mr Naeem Gul, WFP
- Dr Mona Shrestha, CEO, EMERGE, Geneva
- Mr Bilal Khalid, DRM Specialist, TWB
- Mr M. Abrar Khan, DM Officer, JICA
- Mr Qazi Saqib Basir, Muslim Aid, Pakistan
- Mr Arup Kumar Chatterjee, ADB, Manila (Online)
- Ms Fatima Akhtar, VP Corporate Communications & ESG, Jazz
- Gen (Retd) Asghar Nawaz, Former Chairman NDMA

Closing Remarks: Ms Johanna Knoess, Head, Adaptive Social Protection Project, GIZ Pakistan

Panel Organisers: Dr Shafqat Munir Ahmad, Mr Muhammad Awais Umar, Ms Ramsha Mehboob Khan & Mr Ali Rehmat, SDPI

Hall In-charge: Mr Asif Khan

Rapporteurs: Ms Amal Shahid & Mr Aftab Hameed Mirani

Video Link: https://www.youtube.com/live/MKE2KVE5Ir8?si=x6MXd0vBaSIWZUNg

Dr Shafqat Munir Ahmad, SDPI, said the special experts' roundtable had been organised to gather insights from specialists across finance, energy, early warning systems and other fields. The aim, he noted, was to draw on collective wisdom to discuss pre-arranged financing, institutional cooperation and community-level interventions. He invited experts to share their thoughts, suggestions and inputs to help shape a more informed and collaborative approach.

Experts at a roundtable titled Anticipating Tomorrow: Forging Pakistan's National Strategy for Proactive Disaster Risk Reduction stressed the need for strengthening forecasting, early warning systems, ensuring robust pre-arranged financing, institutional cooperation and community intervention for proactive disaster risk (DRR) management and reduction.

Mr Naeem Gul, a representative of World Food Programme (WFP) said, "The idea behind the anticipatory action is that we do the preparedness action and we do the response action. WFP is working to enable the stakeholders, including National Disaster Management Authority (NDMA), Provincial Disaster Management Authorities (PDMAs) and District Disaster Management Authorities (DDMAs) to be proactive in their response to the disasters. We are also trying to align these anticipatory mechanisms with social protection systems to make their utility effective."

Mr Bilal Khalid, Disaster Risk Specialist, World Bank, said, "Future of the country lies in proactive, long-term resilience, reliable forecasts and credible financing. We are also strengthening the early warning systems, and building the capacity of institutions in this regard." He further shared, "The World Bank has also introduced a disaster toolkit that offers the countries an integrated set of operational and financial instruments to prepare for the disasters. Anticipatory action is also about early thinking."

Mr Arup Kumar from the Asian Development Bank, while speaking online from Manila said, "We need to first understand the risk to be able to plan. Like the World Bank, we are promoting disaster risk framework, which is basically risk exposure analysis to identify the frequency of the disasters, the severity of disasters, then identify the appropriate instruments. It is important for the policy makers that their budget is optimally managed. We are also supporting contingency financing mechanisms, therefore, if loss exceeds a pre-determined threshold, there is pre-arranged financing to meet the budgetary gaps. We are also in conversation with the government to establish a solidarity fund to be used for uptake of disaster risk transfer instruments."

Mr Abrar Khan, Disaster Management Officer from JICA said, "JICA's approach to anticipatory action is aligned with the strategies of the government of Pakistan. We are helping the Pakistan Met Department to install automatic weather stations. We are going to improve weather forecasting system to control floods by installing four weather radars and upgrading the existing ones."

Mr Qazi Saqib Basir from Muslim Aid, Pakistan, said that Pakistan's National Disaster Reduction Policy had less focus on implementation, which was surprising, as it was key to disaster preparedness and response. He called for the strengthening of district disaster management bodies.

Dr Mona Shreshtha, CEO of EMERGE, Geneva, said the private sector can play a critical role in bolstering resilience disaster risk efforts. She said the involvement of private sector could help ensure that supply chain works smoothly in the event of a disaster.

Ms Fatima Akhtar, Vice-President of Corporate Communication and ESG, JAZZ, highlighted the vital role of technology in disaster preparedness and response. She noted that, as climate impacts intensified and floods became a new norm in Pakistan, technology remained a missing link in early warnings and communication. She explained that Jazz, as the country's largest digital company, had worked with the government, NDMA and GSMA to adopt a unified communication protocol for disaster response. Over recent years, the company had issued heat and flood advisories, sending more than 350 million SMS alerts to communities across Pakistan.

Speaking at the roundtable, Gen. Asghar Nawaz (Retired), former Chairman of NDMA, said, "We have to ensure that the right of way of rivers is not blocked. If their right of way is blocked, they will certainly try to reclaim that. We also need to significantly improve the capacity of our Metrological Department. They need to have quality of forecasting a disaster. We also need to have a very strong local government system to actually realise what we are talking about."

Ms Johanna Knoess, Head, Adaptive Social Protection Project, GIZ Pakistan, also highlighted the role of a strong local government system for effective and proactive disaster response. She said, "We have a programme on adaptive social protection to bring together all the elements linking policy, programmes, solutions, disaster risk management as well as climate change education. We want to ensure that people are at the centre of all of this."

Mr Thomas Conan, Deputy Country Director, WFP, said local knowledge was key to strengthening the anticipatory approach to disasters. "Technology progress, early warning progress, pre-arranged financing and participation of private sector are important in this regard," he emphasized.

Mr Marcus Oxley, Founder Member of the Global Network of Disaster Reduction, spoke online from London, highlighting the concept of planetary boundaries. He noted that the latest "planetary health check" reported that seven of nine boundaries had been breached, threatening the stability and resilience of Earth's systems. He emphasised that social and economic development depended on a healthy planetary environment, and that exceeding these boundaries significantly increased risk. He particularly focused on climate change, ecosystem decline, and land-system degradation, warning that these environmental pressures were key drivers of future disaster and risk creation.

POLICY RECOMMENDATIONS

» Risk-Informed and Anticipatory Planning

- Adopt risk as a strategic enabler for national growth and ensure that all planning and investment decisions are risk-informed and forward-looking.
- Act ahead of disasters by switching from a reactive to a proactive Disaster Risk

Reduction (DRR) approach that focuses on anticipatory activity rather than post-event response.

- Create specific national guidelines for identifying and agreeing on risk thresholds, allowing for early decision-making and preventative interventions.
- For reduced long-term vulnerabilities, include resilience into Pakistan's national development strategies.

» Institutional Strengthening and Coordination

- Clarify institutional mandates and enhance cooperation across Pakistan's National Disaster Management Authority (NDMA), Provincial Disaster Management Authority (PDMA), and District Disaster Management Authority (DDMA).
- Strengthen local governments and promote community engagement in disaster risk reduction planning and implementation. Communities should actively participate in decision-making and preparedness programmes.
- Increase disaster management authorities' institutional capacity to oversee early warning, rapid response, and long-term resilience programmes.
- Tag at least 5% of the national and provincial budgets for DRR activities across sectors to ensure sustained financing.

» Forecasting, Early Warning and Data Systems

- Invest in robust early warning systems, including automatic weather stations, especially in upstream and hazard-prone areas to improve real-time data collection and dissemination.
- Upgrade the technical capacity of the Pakistan Meteorological Department (PMD) for both qualitative and quantitative forecasting, enhancing accuracy and coverage.
- Address gaps in data interoperability and forecast integration, ensuring that different datasets (climate, hydrological, and socioeconomic) are compatible and accessible.
- Develop AI-driven and digital forecasting models to strengthen predictive analytics and improve anticipatory responses to multi-hazard risks.
- Establish a unified national data framework for disaster information management, ensuring evidence-based decision-making across institutions.

» Financing and Risk Transfer Mechanisms

- Institutionalise contingent financing mechanisms such as solidarity funds, contingent credit lines, and insurance schemes for critical infrastructure, agriculture, and livelihoods.
- Invest in risk-layered financing systems that ensure timely resource allocation for response and recovery while protecting fiscal stability.
- Ensure gender-sensitive and inclusive financial solutions that provide employment opportunities and safeguard vulnerable groups.

» Private Sector Engagement and Partnerships

- Foster Public-Private Partnerships (PPPs) for infrastructure resilience, local capacity building, and investment in anticipatory action.
- Mainstream the private sector as a key partner in national DRR strategies, moving beyond a bystander role to active participation in preparedness and recovery.
- Prioritise multi-hazard vulnerability assessments at the district level to identify risk hotspots and guide targeted interventions.
- Ensure DRR strategies are climate-aligned, recognising the link between disaster risk and climate vulnerability.
- Restore and manage natural ecosystems, including restoration of river pathway, as part of long-term resilience and risk reduction efforts.

» Infrastructure Resilience and Pre-Investment

- Invest in resilient infrastructure to minimise economic loss during disasters, incorporating disaster-resilient standards in construction, transport, and utility networks.
- Encourage multi-hazard design standards that account for geophysical, hydrological, and climate-related risks in infrastructure projects.

Evening Plenary 3.1
Mobilising Finance for a Circular, Climate-Resilient South Asia: Blended Finance, Regional Funds & Private Capital

High-Level Plenary in collaboration with IGES

Master of Ceremony: Ms Zainab Naeem, Associate Research Fellow, Sustainable Policy Research Institute, Islamabad

Moderator: Dr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan

Chief Guest: Senator Muhammad Aurangzeb, Federal Minister for Finance & Revenue, Finance Division, Government of Pakistan

Distinguished Speakers:

- Mr Zulfiqar Younas, Senior Advisor, Climate Finance, CVF/V20
- Mr Zafar Masud, Chief Executive Officer, Bank of Punjab (BOP), Pakistan
- Dr Pushpam Kumar, Chief Environmental Economist, UNEP, Nairobi, Kenya (Online)
- Dr Premkumara Jagath, Institute for Global Environmental Strategies (IGES), Japan
- Dr Paras Kharel, Executive Director, SAWTEE, Nepal
- Mr Saad Yusufi, Chief Financial Officer, The Coca-Cola Company

Plenary Organisers: Ms Zainab Naeem & Mr Umar Farooq, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Mr Tahir Zaman & Ms Muqadas Hafeez

Video Link: https://www.youtube.com/live/YJ8bs4v-0Rw?si=cnXGB2WDRgWJBqwS

Federal Minister for Finance and Revenue, Mr Muhammad Aurangzeb, underscored the urgency of mobilizing climate finance to safeguard Pakistan's economic and environmental future, calling climate change and population growth "existential threats to national survival". He was speaking at a high-level plenary on Mobilizing Finance for a Circular, Climate-Resilient South Asia: Blended Finance, Regional Funds and Private Capital.

Mr Aurangzeb said that climate financing was a global challenge rapidly raising the policy agenda, and Pakistan must move decisively to align its fiscal, regulatory, and institutional frameworks to attract sustainable investment. "Global GDP growth is improving, and Pakistan, too, is implementing structural reforms to stabilise its economy and boost investor confidence," he said.

The Finance Minister emphasized that the private sector's growing engagement in the economy was a positive signal, noting that innovative financial instruments and digital platforms could accelerate Pakistan's green transition.

He announced that Pakistan had already established the Virtual Asset Regulatory Authority (VARA) under an ordinance to regulate crypto and digital assets, while a Pakistan Crypto Council had been created to develop this ecosystem responsibly. He said the government planned to introduce formal legislation soon, viewing digital finance as a tool to enable climate-related investment and innovation.

The Minister highlighted that Pakistan had secured a $1.3 billion climate financing agreement with the IMF, while the Asian Development Bank (ADB) had pledged $500 million and the World Bank's ten-year Country Partnership Framework will bring in $2 billion annually. He also disclosed that Pakistan would soon issue Panda Bonds in the Chinese capital market.

Dr Abid Qaiyum Suleri, Executive Director of SDPI, said that financing remained the backbone of all climate actions. He reminded participants that under the Paris Agreement, developed countries estimated $1 trillion for climate finance but only $300 billion and that too blended financing was pledged. He posed critical questions: "Can the public sector absolve itself of responsibility? How much can the private sector contribute? And will blended finance really work in Pakistan?"

Mr Zafar Masud, Chairman of the Pakistan Banking Association and Chief Executive Officer of the Bank of Punjab, called for the establishment of a Regional Climate Bank to mobilize and manage funds for climate-related projects across South Asia. He argued that climate change was a shared regional challenge and proposed including climate financing under the 27th Constitutional Amendment to ensure long-term policy integration.

Mr Zulfiqar Younas, Additional Secretary and Head of Climate Finance at the Ministry of

Climate Change, said that circularity was vital for transitional economies like Pakistan, which could not afford wastage in the face of resource scarcity. He called for a regional approach in South Asia to promote circular and climate-resilient development.

Dr Pushpam Kumar, Chief Environmental Economist at UNEP, said that South Asian and African economies needed to prioritize blended finance to leverage limited public resources. He stressed the importance of credible carbon pricing and urged for a "course correction" through a comprehensive national action plan for mitigation and adaptation. "Policy coherence and an enabling regulatory framework are missing for blended finance," Dr. Kumar observed. "We also need to build national capacity to attract such financing effectively." He further argued that economies must move beyond GDP as a measure of progress and instead focus on inclusive wealth — the combined stock of natural, human, and produced capital. "We must measure how much wealth we are gaining or losing each year," he said.

Dr Premkumara Jagath from the Institute for Global Environmental Strategies, Japan, said that South Asia must abandon the linear development model and transition to a circular economy that prioritises resource efficiency and sustainable lifestyles. "Blended finance is key to enabling this transformation," he added.

Dr Paras Kharel, Executive Director of SAWTEE, Nepal, pointed out that developing countries often failed to benefit from international mechanisms like the Clean Development Mechanism (CDM) due to limited capacity to design bankable projects. He warned that cross-border carbon tariff adjustments by developed economies could become a new form of non-tariff barrier for South Asian exporters.

Mr Saad Yusufi, Chief Financial Officer, The Coca-Cola Company, said he was pleased to see finance discussions extend beyond numbers to sustainability and circular financing, noting South Asia's $4.5 trillion circularity opportunity. He explained that circularity was central to Coca-Cola's strategy, guided by two pillars: design and partner-led collection. By 2035, the company aimed to use 45% recycled packaging, including 35% recycled PET, and to collect 75% of all bottles and cans sold. He stressed that scaling circular systems required more than public-sector investment, emphasising the need to attract sustainable private capital to build the necessary regional infrastructure.

POLICY RECOMMENDATIONS

South Asian countries should adopt a regional approach to tackle circularity and climate challenges as shared resources and environmental impacts connect the region culturally and economically. Governments must finalise carbon market systems and define clear guidelines for what counts as green investment:

- Encourage corporate sectors to invest in decarbonising industries and adopt circular production models.
- Develop and follow a Climate Prosperity Plan that can be shared across the region as a model for cooperation and sustainable growth.
- Establish a Climate Bank at the regional level to coordinate climate financing and support projects across South Asia.
- Promote green taxonomy and improve institutional capacity in both provincial and

federal governments for better management of climate funds.

» Introduce project-based risk sharing to encourage private sector participation in climate initiatives.

» Ensure women's empowerment and inclusion in climate finance mechanisms for equitable development.

» Strengthen capital markets to support financing of climate-friendly and circular economy projects.

» Adopt blended finance as the main strategy to fund green climate actions, integrating national mitigation plans with international and private sector support.

» Establish a credible carbon pricing system to ensure fair and transparent carbon trading.

» Promote policy coherence across regional governments and reduce donor-driven fragmentation.

» Focus on innovation, knowledge sharing, and inter-ministerial cooperation for effective implementation.

» Invest in human, natural, and social capital, as these are key forms of wealth in developing countries.

» Shift towards a circular model of development that changes how goods are produced and consumed.

» Improve capacity building for circular financing at both government and private sector levels.

» Strengthen partnerships with private enterprises, not just with federal institutions, to broaden funding sources.

» Promote behavioural and lifestyle changes that support sustainable production and consumption patterns.

» Create a Regional Circularity Fund involving multiple South Asian countries to support recycling and green innovation.

» Encourage corporate responsibility, such as Coca-Cola's Extended Producer Responsibility (EPR) programmes, to achieve high recycling rates.

» Focus on carbon pricing and policies that make recycling both environmentally and financially rewarding.

» Move from pilot projects to large-scale transformation for long-term sustainability.

» Partner with banks and Development Finance Institutions (DFIs) to fund circular economy projects and reduce greenhouse gas emissions.

Plenary 3.2
Annual State of Renewable Energy 2025: Regional Trends and Development Pathways

High-Level Plenary

Moderator & Technical Presentation: Engr. Ubaid ur Rehman Zia, Sustainable Development Policy Institute (SDPI), Pakistan

SDPI's Clean Energy Transition Program

Opening Remarks: Mr Adil Khattak, Member, Board of Governance, Sustainable Development Policy Institute (SDPI), Pakistan

Chief Guest: Mr Shah Jahan Mirza, Managing Director, Private Power and Infrastructure Board (PPIB), Ministry of Energy (Power Division), Government of Pakistan

Distinguished Speakers:

- Mr Faran Rana, Energy Transition Finance & Policy Analyst, International Renewable Energy Agency (IRENA), UAE
- Engr. Ahad Nazir, Associate Research Fellow & Head, Centre for Private Sector Engagement, Sustainable Development Policy Institute (SDPI), Pakistan
- Prof. Talha Yalta, Chair of Economics at the TOBB University of Economics and Technology, Türkiye
- Ms Yvonne Yujing Liu, Principal (China Power System & Renewables), RMI China
- Mr Hussain Ali Talib, Head of External Affairs, Unilever Pakistan Ltd
- Dr Shen Wei, Lead Researcher, International Institute of Green Finance (IIGF), UK (Online)

Plenary Organisers: Dr Khalid Waleed, Engr. Ubaid ur Rehman Zia & Ms Saira Adnan, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteur: Mr Sarfaraz Ahmed

Video Link: https://www.youtube.com/live/czlonpt9Z6w?si=U5lOEOk4eZd1u4OI

NARRATIVE REPORT

Pakistan's renewable energy sector was rapidly expanding with solar and wind capacity surpassing 6.4 GW and significant off-grid adoption. Supported by government policies, private initiatives, and international collaboration, the country was advancing towards a cleaner and sustainable energy future. This was the consensus statement at a high-level evening plenary tiled Annual State of Renewable Energy 2025: Regional Trends and Development Pathways organized on the third day of 28th Sustainable Development Conference.

Mr Shah Jehan Mirza, Managing Director of Private Power and Infrastructure Board, said Pakistan's renewable energy sector had grown rapidly, with grid-connected capacity exceeding 6.4 GW by September 2025, alongside an estimated 10,000–12,000 MW of off-grid solar PV, placing the country among Asia's leaders in renewable adoption. Positively, Pakistan's 2025–2035 indicative generation plan foresees no new thermal plants, with 8,500 MW solar PV, 1,500 MW wind, and 2,500 MW battery storage.

Mr Hussain Ali Talib, Head of External Affairs, Unilever, Pakistan had collaborated with SDPI on clean energy in Pakistan for four years, highlighting that the energy transition transcends industries. The journey began with a $26 million loan from the State Bank of Pakistan, enabling Unilever to adopt solarization despite limited initial business incentives.

Mr Faran Rana, Associate Programme Officer, Refinance and Policy, IRENA, said Pakistan's energy transition was underway, with solar expansion, coal phase-out, and policy reforms, yet access to affordable finance remained critical. Globally, 2024 saw record $2.4 trillion investment in renewable energy and transition sectors, driven by policy support, market momentum, and falling technology costs.

Dr Wei Shen, Lead Research, International Institute of Green Finance (IIGF), was of the view that China dominated renewable energy, contributing over 70% of new capacity additions recently, driven by its technology in solar, wind, hydrogen, batteries, and more. IIGF's new database tracked Chinese overseas renewable energy investments, recording over 334 projects across Asia since 2022, representing substantial installed capacity.

Ms Yvonne Yujing Liu, Principal (China Power System & Renewables) Rocky Mountain Institute (RMI), said with stagnant electricity demand, it was easier to target new industrial zones and factories for higher-standard power adoption, as seen in China. It was noted that large-scale renewables had become a safer investment as costs had dropped significantly, making them less risky than

imported coal. Long-term, multi-year PPAs based on LCOE, with guaranteed dispatch priority, were seen as key to boosting investor confidence and supporting the large-scale adoption of solar, wind, battery, and other clean technologies.

Prof. Talha Yalta, Chair of Economics at the TOBB University of Economics and Technology, Türkiye, said that economists used models to assess costs and benefits for both private actors and society, including energy-specific models like levelized cost of energy and integrated assessment models that consider environmental impacts. These models guide policy but often simplify or generalize, labelling overlooked effects as externalities. He said renewable energy had significant, sometimes underrecognized externalities.

Engr. Ahad Nazir, Head Centre for Private Sector Engagement, SDPI, talked about social impacts of wind energy project and power plants in Jhampir and the related issues. During recent visits to wind power project sites, we observed significant differences between renewable projects and fossil fuel plants in community development, he said. Many areas were previously underdeveloped, with limited informal employment and inadequate social services.

Mr Adil Khattak, CEO Attock Refinery Limited, Member Board of Governors, SDPI, while presenting welcome address said the rapid transition to renewable energy was critical for

sustainable growth, as had been emphasized at COP28. Globally, 2024 saw record renewable capacity, with Asia leading, especially China. Pakistan was progressing, with 4,000–6,000 MW of solar installed, largely through private distributed projects. However, excess capacity, long-term IPP contracts, and rising private solar adoption posed economic and equity challenges.

Engr. Ubaid ur Rehman Zia, Head of Energy Unit, SDPI, presented report of the state of energy and future plans to boost its energy production with solar energy leading the in the last two years. He said Pakistan's renewable energy was shifting from utility-scale to smaller, decentralized projects, reflecting growing attention to investment and consumer scale. Uptake was rising across industry and corporate sectors, often through carbon credits.

POLICY RECOMMENDATIONS

The Government of Pakistan needs to:

- Ensure renewable energy expansion goes hand-in-hand with affordability to avoid high electricity costs becoming a burden on communities.
- Strengthen cooperation between government,

academia, and relevant stakeholders to broaden strategic thinking on renewable energy.

» Mobilise financing for renewable energy projects without increasing the national debt burden.

» Develop a local battery manufacturing industry by using existing raw materials and market strengths.

» Expand and diversify renewable energy models suitable for Pakistan's context.

» Promote green energy as a foundation for domestic industrial productivity.

» Recognise green jobs as long-term national economic assets and develop targeted strategies to expand them.

» Establish small, decentralised energy units to enhance resilience during disasters.

» Improve state support for high-quality planning of renewable energy development.

» Introduce regulatory reforms to improve national electricity capacity and grid efficiency.

» Strengthen capacity building for renewable energy market systems, including capacity markets.

» Prioritise affordability and adoptability when expanding renewable energy programmes.

» Integrate Pakistan into renewable energy supply chains to improve competitiveness.

» Launch transformation programmes for shifting traditional systems to renewable energy systems.

» Engage local entrepreneurs to accelerate renewable energy development.

» Create dedicated energy production zones for import and export opportunities.

» Increase investment in renewable energy projects to expand national capacity.

» Conduct public consultations to improve participatory planning in renewable energy development.

Thematic Session C-1: Transboundary Water Management in Changing World

Moderator: Dr Shafqat Munir Ahmad, SDPI

Opening Remarks: Ambassador Shafqat Kakakhel, Chairperson, BoG, SDPI

Special Remarks: H.E. Mr Faiyaz Murshid Kazi, Ambassador and Permanent Representative to ESCAP, Embassy of the People's Republic of Bangladesh, Thailand

Presentation: Mr Ashfaq Mahmood, Former Federal Secretary for Water and Power, GoP

Distinguished Speakers:

- Prof. Dr Shaheen Akhtar, HoD, IR, NDU, Pakistan
- Mr Aftab Alam Khan, CEO, Resilient Future International

Panel Organisers: Dr Shafqat Munir Ahmad, Mr Muhammad Awais Umar, Ms Ramsha Mehboob Khan, Mr Ali Rehmat & Ms Sadia Satti, SDPI

Hall In-charge: Mr Rahat Ullah, SDPI

Rapporteur: Mr Umair Talha

Video Link: https://www.youtube.com/live/5o954Q7TdNQ?si=EJzSJopGK6dFkst7

NARRATIVE REPORT

Highlighting the growing challenges of transboundary water management in the context of climate change, population growth, and geopolitical tensions, experts said that sustainable solutions of the issue require cooperative, ecosystem-based approaches, benefit-sharing, technology, and adherence to international treaties to ensure equitable water access and resilience at the global level. They were speaking in the session on Transboundary Water Management in Changing World on the final day of the four-day Sustainable Development Conference.

In his welcome remarks, **Ambassador Shafqat Kakakhel, Chairperson of SDPI Board of Governors,** said transboundary rivers and lakes, often termed international waterways, were shared by two or more countries and played a key role in fostering cooperation. Giving examples like Africa's Lake Victoria, he said, nearly half the world's population depended on such waters, with

206 – 243 identified globally. He further said power imbalances, where upstream nations dominate, often shaped water relations, especially in South Asia, a region inherently defined by transboundary river systems.

Mr Ashfaq Mahmood, former Federal Secretary water and power, discussed the pressures of population growth, urbanization, and industrial demands, which strained water resources and reduced agricultural water availability. He said climate change further altered water availability, timing, and patterns in addition to increasing evaporation, floods, and droughts. Changing geopolitics also affected water cooperation, with upper riparian countries sometimes exerting hegemonic control, complicating transboundary water management, he maintained

He further said effective management required action, including efficient water use, dams, recycling, and infrastructure within countries. For transboundary waters, the focus must shift from rigid "my water/your water" approaches to benefit-sharing, such as joint projects for flood control, hydroelectricity, watershed management, and early warning systems. Coordination, dialogue, and data sharing were crucial.

He also referred to examples of successful cooperation such as the Columbia River (US-Canada), the Mekong River, and the Nile, demonstrating equitable sharing, flood control, and hydroelectric benefits.

Ambassador Faiyaz Murshid Kazi, Ambassador and Permanent Representative to ESCAP, Embassy of the People's Republic of Bangladesh,

Thailand, emphasized threadbare discussions on transboundary water cooperation within the 2030 Agenda, particularly SDG 6.5, which promotes joint management of shared water resources. He said that progress on this goal was measured through the number of international agreements covering transboundary water bodies. However, only about 59% of global watercourses were currently governed by such treaties, reflecting deep political sensitivity, especially between upstream and downstream nations. Highlighting Bangladesh's challenges as a lower riparian country, he called for a holistic "source-to-sea" and basin-wide management approach to address the ecological, social, and economic dimensions of water governance.

Dr Shaheen Akhtar from National Defence University, Islamabad said transboundary water agreements had historically focused on allocation and distribution, not on cooperative management. A shift was needed: water must be treated as a shared resource, with joint strategies for efficient use, especially under pressures from climate change, demographic growth, and urbanization, she said, adding that integrated approaches should consider the entire ecosystem, from glaciers to deltas, and include marginalized communities dependent on water for livelihoods, particularly women, children, and small farmers. She said technology and smart agriculture could improve water productivity, early warning systems, and flood management. She said current frameworks

like Integrated Water Resources Management and the water-energy-food nexus were underutilized, thus redressal of issues like power asymmetries and geopolitical tensions was crucial, as this influenced water governance and hindered equitable cooperation. Sustainable management required shared vision, technology, and cross-boundary collaboration, she concluded.

Mr Aftab Alam Khan, CEO of Resilient Future International, said it was evident from climatic events that chaos in water management was rising. "Upper riparian control often drives conflict, but solutions exist," he emphasized. He said two key approaches were: updating the Indus Water Treaty toward a basin-wide, benefit-sharing framework, and embedding human rights safeguards in transboundary water governance. Practically, he said, community and civil society monitoring and real-time technological data sharing could ensure transparency and cooperation. These steps could shift the mindset from unilateral control toward collaboration, equity, and sustainability.

Dr Shafqat Munir Ahmad from SDPI while moderating the session highlighted the importance of the subject and said there were over 150 international agreements on transboundary water issues. Experts discussed their importance, the impacts of climate change, and emerging challenges as cross-border water flows — vital for communities — created both cooperation and conflict between nations over shared resources.

POLICY RECOMMENDATIONS

» Shift from water-sharing treaties to basin-management treaties to focus on functional rather than political issues. River basin management, as part of Integrated Water Resources Management, brings upper and lower riparian countries together on common challenges, including climate-related water issues, while improving coordination, dialogue, and data sharing.

» Integrate human rights safeguards into water-sharing and management treaties to protect lower riparian communities. As affirmed by the International Court of Justice, even if countries withdraw from treaties, customary international law prohibits causing significant harm to others.

» Consult native communities and civil society alongside government departments in negotiating and monitoring transboundary water agreements to depoliticise water sharing and management, e.g., the James Bay and Northern Quebec Agreement (1975) involved Inuit and Cree communities in hydroelectric development and water management decisions in Quebec, Canada.

» Leverage technology for real-time data collection, sharing, and transparency with communities and monitoring bodies.

» Use technology to improve agricultural water efficiency and develop early warning systems, given South Asia's agrarian economies. Domestically, enhance water efficiency through dams, recycling, and infrastructure.

» Shift from collective water sharing to collective water management, adopting a holistic approach to transboundary issues that includes glaciers, ecosystems, and climate-induced challenges.

» Address water management issues bilaterally rather than internationalising them to ensure negotiations are effective, less politicised, and faster. Finland and Russia, despite political differences, manage shared water resources peacefully through bilateral mechanisms.

» Replace myopic, boundary-focused thinking with a vision of collective good through benefit sharing, moving beyond water division or ownership. The Columbia River Treaty between the United States (US) and Canada addressed floods via dams for storage and flood control, with shared electricity generation revenue.

» Include strong dispute resolution clauses in treaties, with third-party mechanisms for fairness and justice. This prevents upper riparian countries from weaponising water for political ends.

» Adopt an integrated water management policy that links water governance with pollution control, trade, and transport planning prioritising regional cooperation and infrastructure support for landlocked countries to ensure equitable access, sustainable resource use, and climate-resilient economic growth.

Thematic Session C-2
Climate and Health Nexus: Impacts and Implications for Pakistan

In collaboration with PATH, UK

Moderator: Dr Nabeel Goheer, Chief of Asia, Middle East, and Europe, PATH

Presentations:

- Climate and Health Nexus: Impacts and Implications for Pakistan by Dr Nhu Nguyen, Southeast Asia Hub, PATH, Vietnam (Online)
- Air Pollution Crisi in Pakistan; Lessons Learned from China's Success in Improving Air Quality by Dr Mahrukh Shams, Public Health Professional (Online)

Distinguished Speakers:

- Dr Zulfiqar Ali Bhutta, AKU (Online)
- Dr Iqrar Ahmad Khan, Chairman, PHEC
- H. E. Nabeel Munir, Special Secretary UN, MoFA
- Ms Inna Sacci, Senior Vice President for Asia/MENA, URC, USA

Vote of Thanks: Ms Hadiya Ali Khan, Partnerships Associate, PATH

Panel Organisers: Mr Junaid Zahid, SDPI | Dr Nabeel Goheer & Ms Hadiya Ali Khan, PATH, UK

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteur: Ms Zaiba Shoukat

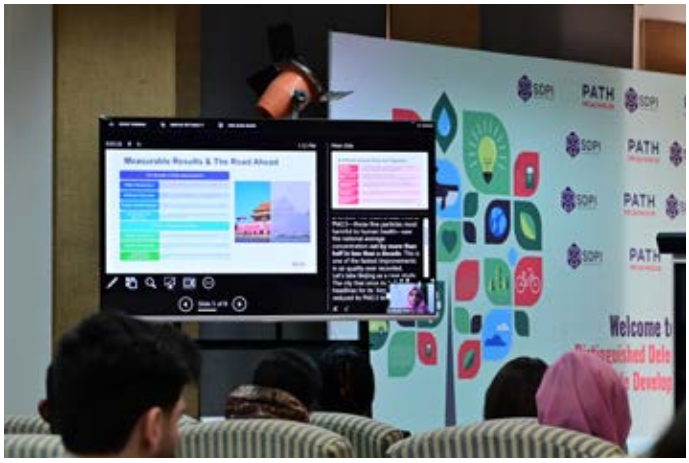
Video Link: https://www.youtube.com/live/irNlkXddwYA?si=vXMrHxlByk-rnVGA

Highlighting the widespread yet often invisible consequences of climate change on public health and social infrastructure, experts at a session underscored that while the direct impacts of climate change were increasingly visible, the deeper, long-term health consequences demand urgent action since Pakistan navigates a climate-driven future, the need for resilient, integrated policy solutions had never been clearer. This was the crux of a session titled Climate and Health Nexus: Impacts and Implications for Pakistan.

Dr Nabeel Goheer from PATH welcomed the panellists and said that the discussion would focus on emerging issues at the intersection of health and climate change. The aim was to explore these challenges collectively and develop strategies, solutions, and innovations. PATH and the distinguished panellists would share their experiences from around the world and discuss how similar approaches could be adapted to improve outcomes in Pakistan.

The session featured a key presentation by **Dr Nhu Nguyen, from the PATH Southeast Asia Hub**, who introduced the 'One Health' model through a Cambodian example. She noted the urgency of tackling antimicrobial resistance (AMR), which caused 1.27 million deaths globally in 2019, with projections to rise to 10 million by 2050. Dr Nguyen accentuated the importance of integrating health, agriculture, and environmental policies to curb AMR, suggesting that preventative investments in this area could save significant GDP costs.

In another key presentation, **Dr Mahrukh Shams, a health expert associated with PATH**, discussed the challenges faced by Pakistan's healthcare system in light of climate-related disasters. Pointing to government actions in sectors such as agriculture, transportation, and air quality monitoring, she stressed the need for broader reforms. Drawing lessons from China's 'Blue Skies' model, which integrates energy, transport, and



industrial reforms. Dr Shams proposed five key actions for Pakistan: i) strengthening governance, ii) cleaning up the transport sector, iii) transforming industry and agriculture, iv) investing in data and transparency, and v) securing green finance.

A panel discussion followed, delving into the nuances of these models and the wider health impacts of climate change. **UN Special Secretary, Ambassador Nabeel Munir**, highlighted the growing threat to public health, citing 70-fold increase in heat-related deaths in recent years. He pointed out that every rise in Air Quality Index (AQI) corresponds directly to a deterioration in public health, with cardiovascular diseases exacerbated by extreme heatwaves.

Ms Inna Sacci, Vice-President at the University Health Company (URC) for Asia and MENA, said

that the benefits of climate-control investments were often invisible but critical. She noted that climate change disproportionately impacts vulnerable populations; women, children, and the elderly; and worsens public health outcomes through diseases spread by flood-borne mosquitoes, including malaria and dengue. Ms Sacci also warned that climate disasters take a toll on mental health, which must be factored into any health-climate strategy.

Dr Zulfiqar Bhutta, the head of Institute of Global Health and Development at Aga Khan University, noted that climate change's indirect effects, such as loss of educational time due to floods or smog-related school closures, were often overlooked, yet carry long-lasting damage.

Dr Bhutta, who joined the conversation virtually, said the loss of crop productivity due to climatic events compounded health problems. He also pointed to the failure of governance during the 2022 and 2025 floods, which deepened the damage. "It's not just about the climate events themselves but how we respond, or fail to respond, to them," he remarked.

Dr Iqrar Khan, Chairman of the Punjab Higher Education Commission, echoed the importance of precision in response strategies. He noted that Pakistan had been witnessing climate vulnerability since 2010, and that more detailed data was needed for effective solutions, such as developing heat-resistant crops and fostering local soybean cultivation to reduce dependence on imports. He also discussed the growing impact of soil degradation on nutrition, with iron and zinc deficiencies now prevalent among the population due to declining soil quality.

The session concluded with a call to action from **Dr Nguyen, who pointed to successful initiatives in Vietnam, Indonesia, and Cambodia.** She stressed that three key factors; political will, inter-sectoral coordination, and local financial investment were essential for building resilience to climate change.

Ms Sacci added that the debate needed to shift from

disease-specific discussions to a broader focus on systemic solutions for sustainable healthcare. She suggested that mobile health clinics could serve as a permanent solution to ensure healthcare accessibility during disasters.

Ambassador Munir concluded with a reminder that climate change was a shared global responsibility, but the solutions must be locally-driven.

Ms Hadiya Ali Khan, Partnerships Associate at PATH, expressed her gratitude to all participants. She thanked the panelists for their valuable contributions and SDPI for facilitating the session. She noted that the discussion had covered topics such as financing, governance, community engagement, policy, and international practices. She welcomed the timely nature of the conversation and expressed hope that it would continue, leading to actionable next steps. Finally, she thanked the audience for their engagement.

POLICY RECOMMENDATIONS

- Establish a Pakistan Climate-Health Resilience Facility to channel international climate finance (e.g., GCF, Adaptation Fund) for strengthening public health systems against heatwaves, floods, and vector-borne diseases.
- Scale up community-based health resilience programmes by integrating climate risk awareness and early warning into the existing

Lady Health Worker (LHW) and community health worker (CHW) models.

» Deploy mobile health and telemedicine units in climate hotspots and flood-affected areas to sustain essential services when access is disrupted.

» Strengthen health supply chains for climatic shocks by pre-positioning essential medicines, oral rehydration salts (ORS), vaccines, and vector-control kits in vulnerable districts.

» Launch a National Climate and Health Research Agenda with cross-sectoral funding to support data-driven decision-making and evidence-based policy.

» Integrate climate-health modules into higher education curricula (medical, environmental sciences, public policy, and urban planning) along with targeted research fellowships.

» Establish university-based Climate and Health Data Hubs that integrate meteorological, epidemiological, and environmental data for real-time disease risk mapping and early warning.

» Mainstream nutrition and food security in health planning, promoting climate-resilient agriculture and targeted interventions for maternal and child nutrition in heat- and drought-prone areas.

» Develop national clinical and public-health protocols for managing heat stress, respiratory illnesses, and maternal/neonatal health during extreme temperature events.

» Enhance cold-chain resilience for vaccines and essential supplies through solar-powered refrigeration and real-time monitoring systems.

» Introduce digital disease surveillance tools and low-cost diagnostics for rapid detection and response to climate-sensitive diseases such as dengue, malaria, and cholera.

» Engage the private sector to ensure affordable access to water purification systems, cooling materials, and diagnostics in climate-vulnerable communities.

» Foster regional and South-South cooperation through SAARC and UN platforms for cross-border disease surveillance, emergency response, and technology transfer.

» Ensure health representation in climate policymaking and mandate the Ministry of Health's involvement in all National Climate Change Council and NDMA-PDMA coordination mechanisms.

» Institutionalise climate-health indicators in Pakistan's national monitoring frameworks (NDMA dashboards, Health Management Information System) to track vulnerability, preparedness, and outcomes.

Thematic Session C-3
Greening the Belt and Road Initiative (BRI): China's Central Role in South-South Renewable Energy Transitions

Podium Discussion in collaboration with PCI

Moderator: Ms Zainab Babar, SDPI & Engr. Ubaid ur Rehman Zia, SDPI

Opening Remarks: Dr Hassan Daud Butt, Senior Advisor, Energy China, MoPD&SI

Technical Presentation: Journey of SDPI's CPEC Green Development Program (2019 – 2025) by Dr Hina Aslam, Senior Research Fellow, ANU (Online)

Distinguished Speakers:

- Dr Ying Qian, Boston University, USA (Online)
- Mr Hamid Sharif, President, GTTN
- Ms Hu Min, Director and Co-Founder, iGDP (Online)

Panel Organisers: Engr. Ubaid ur Rehman Zia, Dr Khalid Waleed & Ms Saira Adnan, SDPI

Hall In-charge: Mr Asif Khan

Rapporteur: Mr Nazar Muhammad

Video Link: https://www.youtube.com/live/oDepPBDWigg?si=S0w0yzQxHx96Cu__

NARRATIVE REPORT

Ms Zainab Babar from SDPI welcomed all the speakers who joined in person and online and shared some housekeeping rules.

Engr. Ubaid ur Rehman Zia from SDPI outlined key points to advance the discussion, including issues related to green industrialisation and the green economy. He briefly set the agenda for the session and took the opportunity to welcome colleagues from the Pakistan China Institute, who were co-organisers of the session alongside iGDP.

Energy and climate experts warned that dependence on imported clean energy and flawed policy decisions were threatening Pakistan's

economic survival, thus the government needed to prioritize localization of clean energy technologies and adopt practical, coordinated measures for green growth. The call was made at a policy dialogue titled Greening the Belt and Road Initiative (BRI): China's Central Role in South-South Renewable Energy Transitions organized on the final day of the 28th Sustainable Development Conference.

Dr Hassan Daud Butt, Senior Advisor at Energy China, Ministry of Planning, Development & Special Initiatives, said that under the Belt and Road Initiative (BRI), sustainable development was a shared journey. He cautioned that while the greening of BRI was crucial, he said, "Green growth cannot be achieved through slogans; it requires practical actions and right-direction planning."

He emphasized that Pakistan's over-reliance on imported clean energy was unsustainable, urging for localization of energy production to safeguard economic stability. "This is not just about clean energy — it is about economic survival," he said, adding that by 2027, Pakistan would have enough hydropower to support industrial growth if strategic investments continue.

Mr Hamid Sharif, President of the Global Think Tank Network (GTTN), warned that climate change was already haunting Pakistan, citing worsening air quality and recurring floods. "Look at Lahore, it is choking. In 2010, vehicles contributed 36% to city pollution; today it is 50%, largely due to low-quality fuel and rising fossil fuel use," he noted.

He revealed that third-rate diesel was worsening the crisis while "vested interest groups and mafias" prevented regulatory action. Mr Sharif urged the government to promote electric vehicles (EVs) and incentivize local manufacturing, arguing that Pakistan's large population presented a vast domestic market.

Highlighting the untapped solar potential, Mr Sharif questioned as to why Pakistan continued to import photovoltaic (PV) panels instead of producing them locally. "Vietnam exports $25 billion worth of panels annually. We could do the same if our government stopped discouraging the sector," he said, referring to the government's proposal to halve net metering tariffs, which he called counterproductive. He also criticized the wheeling policy, saying, "It punishes investors by making them pay for system inefficiencies."

Dr Hina Aslam, Senior Research Fellow at the Australian National University, said that Pakistan must localize solar production to generate jobs and strengthen its economy. She noted that nearly 70% of Pakistan's energy investment originated from China, adding that technology transfer should be a key focus of bilateral cooperation.

Ms Hu Min, Principal of China Power System and Renewables at RMI China, drew parallels between Pakistan and China's energy transition. She noted that in 2000 China's per capita income had been lower than Pakistan's current level, while per capita power consumption had been significantly lower. She stated that China had achieved rapid growth by prioritising energy efficiency and emphasised that Pakistan now needed to do the same.

Dr Ying Qian of Boston University, USA, stated that Pakistan was not alone, as many countries in the region faced similar development challenges and were engaged in various bilateral and multilateral

initiatives. He noted that during his time at the Asian Development Bank, he had worked on the CAREC regional cooperation programme, of which Pakistan was an important member, and referred to the China–Pakistan Economic Corridor as one of several economic corridors in the region. He emphasised that numerous activities were under way and that, in addressing policy, implementation, and technical issues, Pakistan could draw on many partners. Drawing on his experience in regional cooperation and economic corridor development,

he proposed a structured way of thinking that focused on identifying a clear value proposition, such as achieving green industrialisation in Pakistan.

POLICY RECOMMENDATIONS

The Green BRI can serve as a model of inclusive development where innovation, policy coherence, and regional collaboration converge to deliver low-carbon growth. For Pakistan, greening the Belt means greening its future: building better, investing in people, and securing sustainable prosperity through renewable transformation:

» Move from slogans to sustained action by embedding measurable environmental and social indicators into all BRI projects to ensure accountability and continuous improvement.

» Focus on quality over quantity and prioritise sustainable, climate-resilient, and community-responsive infrastructure instead of expanding project numbers.

» Institutionalise policy consistency by establishing a cross-ministerial BRI Green Coordination Council to ensure coherent, long-term policies insulated from political cycles.

» Reduce Pakistan's import dependence by scaling up solar, wind, and hydropower, using indigenous resources to stabilise costs and emissions.

» Develop a National Green Industrialisation Plan that integrates circular economy principles, resource efficiency, and low-carbon manufacturing across all sectors.

» Adopt the "5S Roadmap for Solar Manufacturing in Pakistan":

- Strategy: Formulate a long-term National Solar Localisation Strategy.
- Subsidies: Reform tariffs and taxes to make local solar technologies more competitive.
- Standards: Enforce national quality standards for reliability and performance.
- SEZs: Utilise CPEC Special Economic Zones to attract Chinese and regional joint ventures.
- Science and Knowledge: Build human capital through joint R&D and university-industry partnerships.

» Localise green value chains and promote solar panel assembly, EV manufacturing, and battery recycling industries within Pakistan to retain economic value and create jobs.

» Establish vocational and technical training programmes to prepare youth for green jobs and renewable energy careers.

» Address fossil fuel dependency by phasing down diesel and petrol consumption and curb cross-border fuel smuggling that undermines clean-energy goals.

» Utilise and learn from China's experience in green finance, governance, and technology transfer to strengthen Pakistan's institutional and industrial capacity.

» Invest in power transmission and smart grids to integrate variable renewable energy and improve distribution efficiency.

» Promote regional power connectivity and link with South and Central Asian power corridors for stable, diversified energy trade.

» Ensure investor confidence through regulatory stability, transparent incentives, and protection for domestic and foreign investors in renewable energy.

» Identify and prioritise solar hotspots, notably Balochistan and Southern Punjab, for large-scale solar investments supported by dedicated industrial clusters.

Thematic Session C-4
Tariff Turbulence: Policy Options for Global Trade Governance

Roundtable

Moderator: Dr Sajid Amin Javed, SDPI

Distinguished Speakers:

- Muhammad Ashfaq, Joint Secretary for Ministry of Commerce
- Prof. Talha Yalta, Prof. of Economics, TOBB University, Türkiye
- Prof. Selim Raihan, University of Dhaka, Bangladesh (Online)
- Engr. M. Abdul Jabbar, CEO, Automotive MFG Pvt Ltd.
- Dr Paras Kharel, ED, SAWTEE, Nepal
- Ms Anna Twum, Economist, TWB
- Mr Muhammad Ali Kemal, MoPDSI
- Dr Safdar Sohail, ED, SPRC
- Dr Muhammad Sabir, Principal Economist, SPDC
- Ms Zubia Zubair, VC, SAARC Chamber Women Entreprenuers Council
- Dr Manzoor Ahmed, WTO
- Prof. Dr Abdul Jalil, NDU
- Dr Mona Shrestha, CEO, EMERGE, Geneva
- Mr Rabi Shanker Sainju, Vice Chair, South Asia Watch on Trade, Economics and Environment (SAWTEE), Nepal
- 15. Professor Zhang Jiadong, Director, South Asia Research Center, Fudan University, China (Online)

Panel Organisers: Dr Sajid Amin Javed, Ms Sahar Basharat & Ms Romila Qamar, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Ms Muqadas Hafeez & Ms Ramla Javed

Video Link: https://www.youtube.com/live/wxMeiyjmSUc?si=o8s1FcwcjPU8qGBT

The international, regional and national experts unanimously advocated for in-house policy reforms and capacity building for developing countries to absorb US-tariff regime's exogenous shocks and embrace trade diversification with regional commerce giants. The suggestion was rendered at a roundtable titled Tariff Turbulence: Policy Options for Global Trade Governance.

Mr Muhammad Ashfaq, Joint Secretary for Ministry of Commerce, said Pakistan needed to review its entire paradigm of economic development as the geopolitical scenario considered geoeconomics for devising policy decisions to counter external tariff shocks.

He added that by 2030 the developing countries were going to lead 45% of the world production, which was a nightmare for the West, that is why they were changing rules and policies. "WTO is itself based on the principles of advocating exports, integrating economy, interdependence, globalization, however, it is also now replaced by hyper globalization as a new concept. The situation is not going to remain the same post-US tariffs," the official said. He suggested that diversion of trade was a way out with regionalism as part of the solution.

Dr Sajid Amin Javed, Deputy Executive Director, SDPI said the US tariff regime had an inverse impact for the country with trade deficit bearing no tariff. By the time it was surplus, it would incur tariffs. The unpredictability and uncertainty prevailing in the global market could cause great confusion in global trade that needed to be worked out.

Dr Paras Kharel, Executive Director, SAWTEE, Nepal said the crux of the matter was geopolitics as China entered WTO that resulted in Trump reciprocal tariff formula implying tariff on surplus exports. "Internal reforms and capacity building is critical for developing countries tackling the US tariff. There is a lack of universal definition of

issues like human rights, governance and public development but it can be used as a weapon in tariff war with implications on developing nations," he said. Dr Kharel suggested that South Asia had miniscule inter-regional trade that should be connected as ASEAN region to bear external shocks.

Dr Safdar Sohail, Executive Director, Social Protection Resource Centre, said Pakistan's negotiations with the US had never been difficult due to its geostrategic nature whereas the latter was forcing everybody to start traditional evaluation of exports. However, Pakistan's old tools of trade policy analysis had gone obsolete and required a review and revamp. "Global trade governance is now linked to investments in services, infrastructure and technology that is critical for countries like Pakistan," he said.

Prof. Talha Yalta from TOBB University, Türkiye said that the new US tariff regime's power play was not sustainable as their industry was not sustainable. He noted that the World Trade Organization had weakened, which was the only global institution capable of arbitration, but the world would not revert to old trade order.

Prof. Yalta underlined that the developing countries' biggest need was to diminish their structural weaknesses as these countries need to understand their imports and exports cycle of their economy. "If globalization is not working then regionalism can be approached as a way forward. Pakistan and Türkiye share associations at different multilateral forums that can be approached for regionalism like Shanghai Cooperation Organization (SCO) and

D-8," he said.

Dr Mona Shrestha, Chief Executive Officer of EMERGE, Geneva, said the gender dimension was important component of the tariff discourse that needed to include people with disabilities, people from rural areas and marginalized communities whereas export of services needed to be taken into consideration.

Dr Manzoor Ahmed, International Trade and Customs Facilitation Expert, suggested that the countries like Pakistan had to join the Asia's biggest trading block to counter extraordinary impacts of the US-tariff regime. He said hyper globalization was the moment of opportunity as there were countries like Türkiye and China that promoted venues for regionalism and served as an appropriate source of trade diversification. This year, he said, Pakistan had started five-year tariff programme that would have above average trade with the Asian countries. "Regionalism is thriving and Pakistan should be part of major regional trade regimes and groups whereas domestic reform is a prerequisite for Pakistan to improve its trade profile," he said.

In the session, multiple speakers shared insights on trade disputes, rising tariffs, and global economic dynamics, highlighting challenges and policy options for nations, regional blocs, and multilateral institutions to ensure stable and equitable global trade.

POLICY RECOMMENDATIONS

Pakistan's position in global trade remains precarious due to limited bargaining power in tariff negotiations and an underdeveloped capacity to meet evolving global trade standards. The inertia of the WTO in addressing asymmetries in tariff regimes has further weakened the voice of developing economies. In this environment, Pakistan and other Asian economies must pursue collective regional strategies, strengthen domestic trade governance, and address structural vulnerabilities that impede competitiveness. Equally important is to make trade policy inclusive mainstreaming gender and marginalised groups and to reorient focus towards value-added goods and services. Strategic domestic reforms, institutional capacity building, and evidence-based trade diplomacy are essential:

- Initiate an Asian Trade Standards Forum to harmonise intraregional trade policies and create region-specific benchmarks to reduce dependency on Western-led trade standards.
- Mobilise a coalition of developing countries to collectively lobby for a reinvigorated WTO dispute-resolution mechanism and fairer tariff adjustment frameworks.
- Implement sector-specific tariff adaptability reforms by aligning supply chains with export-driven industries and incentivising value-added production.
- Establish a Tariff Reciprocity Matrix to identify key trading partners and products eligible for negotiated concessions, enhancing predictability and trust in trade relations.
- Institutionalise a Gender and Inclusive Trade Unit within the Ministry of Commerce to safeguard women-led and marginalised enterprises from tariff shocks.
- Build a specialised Trade Negotiation Corps under the Ministry of Foreign Affairs to independently lead regional and bilateral tariff discussions.
- Engage domestic think tanks and private consultancy firms to identify high-demand export products and map global market gaps using real-time trade analytics.
- Conduct an Economic Complexity Assessment to determine which sectors are most exposed to tariff volatility and design tailored resilience measures.
- Broaden trade focus beyond goods to include IT, financial, and creative services, leveraging digital trade agreements to offset goods-based tariff risks.

Thematic Session C-5: Fostering Anticipatory Action to Climatic and Socioeconomic Risks at Sub-national Scales in the Hindu Kush Himalaya Region

In collaboration with ICIMOD

Moderator: Dr Shafqat Munir Ahmad, SDPI

Chair: Mr Idrees Mehsud, Member DRR, NDMA, GoP

Presentation: 'Sustaining Transhumance Yak Herding in the Lower Mustang, Nepal: A Foresight Process' by Ms Sabarnee Tuladhar, ICIMOD (Online)

Distinguished Speakers:

- Prof. Dr Babar Shahbaz, UAF, Pakistan
- Ms Aisha Khan, CEO, MGPO, Pakistan
- Mr Owais Ahmad, Project Manager, SIF
- Mr Mian Muhammad Junaid, Country Director, WaterAid
- Mr Kanchan Mani Dixit, ED, ISET-International, Nepal

Panel Organisers: Dr Shafqat Munir Ahmad, Mr Muhammad Awais Umar, Ms Ramsha Mehboob Khan & Mr Ali Rehmat, SDPI

Hall In-charge: Mr Asif Khan

Rapporteurs: Ms Ramsha Mehboob Khan & Mr Ali Rehmat

Video Link: https://www.youtube.com/live/xTQ73qurAlc?si=3Rycqpj2yZIi_Fwm

NARRATIVE REPORT

Discussing anticipatory climate action in the Hindu Kush Himalaya (HKH) region, experts at the session on Fostering Anticipatory Action to Climatic and Socioeconomic Risks at Sub-national Scales in the Hindu Kush Himalaya Region stressed the need for proactive disaster preparedness, community-

centred resilience, and evidence-based strategies, integrated indigenous knowledge, gender-responsive planning, early warning systems, and institutional strengthening to transform reactive approaches into sustainable, adaptive, and inclusive climate solutions.

Dr Shafqat Munir, Research Fellow at SDPI, moderating the session said the panel would be discussing integrating indigenous knowledge into anticipatory action, advancing gender-responsive climate adaptation, customizing climate models for HKH region, and embedding anticipatory strategies into policy for resilient ecosystems and livelihoods.

Mr Idrees Mehsud, Member DRR at National Disaster Management Authority (NDMA), emphasized the importance of collaborative efforts among policy makers, experts, and activists for effective climate adaptation and disaster risk reduction. Highlighting Pakistan's high vulnerability to climate-induced hydrometeorological hazards, he outlined NDMA's comprehensive approach spanning mitigation, preparedness, response, recovery, and rehabilitation. He noted that while strong institutional frameworks existed at the national and provincial levels, local and district capacities required further strengthening.

Ms Aisha Khan, CEO of Mountain and Glacier Protection Organization, said the HKH region's complex topography, steep gradients, and microclimates made local climate prediction

extremely challenging, often leading to false alarms or missed triggers. She said hazards rarely occured in isolation, with events like glacial lake outburst floods, heatwaves, landslides, droughts, and flash floods being interconnected.

Dr Babar Shahbaz, University of Agriculture Faisalabad, said this project aimed to shift from reactive to proactive adaptation to climate change by emphasizing foresight analysis — exploring multiple possible futures through scenario building

and systematic planning, rather than relying solely on prediction based on past data. He was referring to the project initiated with the International Center for Integrated Mountain Development (ICIMOD) in 2023, that focused on Pakistan's Hindu Kush Karakoram Himalaya (HKKH) region, highly vulnerable to climate disasters. He said despite several national and provincial climate acts and policies, Pakistan still faced challenges in stakeholder engagement and effective policy enforcement.

Ms Sabarnee Tuladhar, ICIMOD, who appeared online, in her presentation explored how anticipatory action could foster resilience amid socio-economic and climate challenges, with a focus on the Lower Mustang region of Nepal. Here, the century-old practice of transhumant yak herding — a key livelihood and cultural tradition — was under threat from climate change, water scarcity, and migration. Using a participatory

foresight approach, the researchers engaged local stakeholders through workshops, interviews, and system mapping to identify critical drivers of change, such as labour availability, climate impacts, and economic potential. By developing future scenarios and desired outcomes, the study sought pathways to sustain traditional herding while strengthening community resilience and adaptive capacity.

Mr Owais Ahmed, Project Manager, Secours Islamique France, said the Hindu Kush region was warming faster than other areas, increasing the frequency and intensity of disasters. Responses were mostly reactive, providing relief but not building resilience. He emphasised that anticipatory action was critical, with clear triggers for early warnings and the release of funds, as hazards could reach communities within minutes.

Mr Mian Mohammad Junaid, Country Director, WaterAid, said the Hindu Kush Himalaya region faced increasing climate impacts, including floods, water scarcity, and ecosystem stress, which heightened community vulnerability. He said anticipatory action was crucial, emphasizing gender-inclusive, climate-resilient WASH systems that protect lives, livelihoods, and ecosystems. Resilient water supply and sanitation infrastructure, strengthened watershed management, and trained women-led community WASH committees reduce disruptions and accelerate recovery after climate shocks.

Mr Kanchan Mani Das Dixit, Executive Director, ISET-International Nepal, said that since 2001, the organisation had worked at the intersection of climate science, social systems, and local governance, emphasising community empowerment and resilience. In the eastern Kathmandu Valley, the Urban Resilience Project integrated disaster preparedness and climate adaptation into municipal systems.

POLICY RECOMMENDATIONS

Integrate Indigenous and Community Knowledge into Anticipatory Frameworks

- There ought to be mandatory integration of indigenous and local knowledge into modern Anticipatory Action (AA) protocols and early warning systems.
- Traditional indicators, such as cloud behaviour, wind patterns, glacial changes, and seasonal calendars observed in Chitral and Swat in Pakistan, and other regions, must be combined with scientific data through co-designed frameworks and community-led pilots.
- Policies should embed grassroots stakeholder engagement in national and sub-national strategies, ensuring community perspectives replace top-down approaches. This includes prioritising community training to position mountain residents as first responders, equipping them with tools and localised systems to overcome terrain-related delays.
- The loss and damage assessments must incorporate non-economic social, cultural dimensions, including erosion of traditions, norms, and community cohesion, to strengthen the culturally resonant and inclusive resilience.

Develop Gender-Responsive and Inclusive Adaptation Strategies

- Anticipatory Action (AA) must mandate women's equitable participation at all stages of climate planning, implementation, and

decision-making, building on the 2022 Gender Climate Change Action Plan.

» Targeted interventions should support marginalised groups, women, indigenous communities, and smallholder farmers through livelihood diversification, access to finance, and women-led committees for Water, Sanitation and Hygiene (WASH) and enterprise development.

» Inclusive mechanisms, such as women-led enterprises and self-assessment tools, are essential to address disproportionate burdens faced by these groups.

» Policies should promote nature-based solutions and early cash assistance that prioritise gender equity, ensuring actions are rooted in local leadership and essential services to overcome governance challenges in remote mountain areas.

Customise Early Warning Systems and Climate Modelling for HKH Specificities

» Early warning systems require urgent customisation for the HKH region's unique mountain hydrology, microclimatic variability, and hazards like Glacial Lake Outburst Flood (GLOFs) and cloudbursts. This includes establishing regional centres (e.g., in Skardu/ Gilgit-Baltistan in Pakistan) that integrate satellite technology, Artificial Intelligence (AI), end-to-end data analysis, and local expertise to enable minute-level response windows.

» Threshold-based triggers, linked to rainfall, temperature, snowfall, or glacial melt signals, must activate automated fund releases and forced evacuations.

» Risk communication should be translated into local languages, incorporating indigenous indicators to reduce false alarms and missed triggers.

» Strengthen Institutional Capacity, Decentralisation, and Multi-Stakeholder Partnerships

» District and local institutions must be strengthened with cutting-edge technologies, contingency funds, and community patronage to shift from reactive to proactive paradigms.

» Full decentralisation to municipal levels, drawing lessons, e.g., from Nepal's post-2015 federalism model, could be critical for ownership and rapid response, including revitalising District Disaster Management Authorities (DDMAs).

» A "whole-of-nation" approach should encourage and strengthen multistakeholder partnerships involving the National Disaster Management Authority (NDMA), the Provincial Disaster Management Authorities (PDMAs), the Sustainable Development Policy Institute (SDPI), the private sector, humanitarians, and academia for risk knowledge sharing, piloting, and policy trigger development.

» Systematic thinking tools, identifying disaster patterns, underlying structures, and inclusive language, should be adopted to bridge academic-policy jargon with community understanding, institutionalising anticipatory action as a core mandate rather than pilot projects.

Work on Innovative Financing and Risk Transfer Mechanisms

» Financing must pivot from reactive relief to dedicated anticipatory streams, including parametric insurance tailored to mountain livelihoods (crops, livestock, assets) and early cash assistance to protect assets before shocks.

» Risk financing solutions should leverage global climate funds, domestic resources, and municipal contingency budgets, with flexible mechanisms that make preparedness "visible" for future events.

» Policies should enforce a three-tier loss and damage framework: emergency relief, rehabilitation (with DRR integration), and resilience-building through anticipatory investments.

» Shifting resources towards resilient infrastructure over aid dependency is essential, supported by an upcoming Disaster Early Warning Tech Expo to showcase innovations.

Adopt Foresight Analysis and Multi-Scenario Planning

» All climate and Disaster Risk Reduction (DRR) policies must replace singular predictive forecasting with foresight analysis and multi-scenario planning that incorporates weak signals, critical uncertainties, and sociological, technological, economic, political, and ethical factors.

» National Determined Contributions (NDCs), National Adaptation Plans (NAP), and provincial/regional strategies should be updated to reflect multiple futures, moving beyond historical data assumptions that treat

hazards as "sudden."

» Establish formal compliance mechanisms which ensure that key policies transition from reactive documents to dynamic, forward-looking frameworks capable of operating under uncertainty

Promote Resilient Infrastructure and Nature-Based Solutions

» Investment in climate-resilient Water, Sanitation and Hygiene (WASH) infrastructure must be foundational, incorporating solar-powered systems, source protection, rainwater harvesting, and groundwater recharge to withstand shocks and support health, nutrition, and household economies.

» Holistic watershed management through nature-based solutions, vegetation cover, slope stabilisation, and organic farming ought to be prioritised to mitigate upstream erosion and downstream floods.

» Community risk mapping, business continuity plans, and slope stabilisation initiatives should be scaled, linking WASH resilience to broader anticipatory goals and reducing service disruptions during hazards.

» Strengthen Regional Collaboration and Transboundary River-Basin Approaches

» Anticipatory action in the HKH demands a holistic river-basin approach across ten major basins, integrating hydrology, geomorphology, land use, and socioeconomics from glaciers to deltas. Regional trust-building through joint simulations, data sharing, and multilateral platforms is essential to overcome transboundary barriers (e.g., India-Pakistan coordination). Geopolitical and sociopolitical dimensions must be addressed via locally owned systems, flexible finance, and inclusive protocols that ensure resilience in one country benefits all.

» High-level councils should enforce updated DRR and climate strategies with anticipatory pillars, securing dedicated finance streams for long-term ecosystem and livelihood resilience across Pakistan, Nepal, and beyond.

Thematic Session C-6
Digital Currencies in Pakistan: Making Sense of Policy Positions, Consequences and Future Trajectory

Policy Dialogue in collaboration with BoP

Moderator: Dr Sajid Amin Javed, SDPI

Welcome Remarks: Dr Abid Qaiyum Suleri, ED, SDPI

Keynote Scene Setting Presentation: 'Digital Currencies in Pakistan Policy Positions, Consequences & Future Trajectory' by Mr Zafar Masud, CEO, Bank of Punjab & Mr Imran Ashraf, Head of Digital Banking, BOP

Distinguished Speakers:

- Mr Faisal Mazhar, Deputy Director Payments, SBP
- Mr Ali Farid Khawaja, Chairman, K-Trade, UK (Online)
- Mr Zaid Munir, CEO, Scytalelabs, UAE
- Dr Yanan Wu, Chairman & CEO, Surfin Group, Singapore (Online)
- Mr Nofel Daud, Chief Digital Officer, BOP, Lahore
- Mr James Humes, CEO, Begini, UK (Online)
- Mr Ayad Butt, SEO, Zodia Markets, UAE (Online)

Panel Organisers: Mr Abdullah Khalid, Muhammad Umar Ayaz & Dr Sajid Amin Javed, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteur: Ms Amal Shahid

Video Link: https://www.youtube.com/live/cPu7rE0KkV4?si=vwii4C3BmXrquRAZ

Pakistan needed to move quickly but carefully towards digital currencies and virtual assets to avoid falling behind the global financial race, experts said at a policy dialogue on Digital Currencies in Pakistan: Making Sense of Policy Positions, Consequences and Future Trajectory warning that regulatory ambiguity, cyber risks, and energy shortages could slow progress.

Dr Abid Qaiyum Suleri, Executive Director SDPI, discussed the dual transformation in the financial sector and the stance of the State Bank, which prohibited financial institutions from dealing in cryptocurrencies while exploring the launch of Central Bank Digital Currencies (CBDCs). He addressed emerging questions on the future of currencies and the cybersecurity of digital assets, and highlighted the United States' keen interest in digital currencies, noting that Pakistan appeared aligned with the current US administration's perspective.

Mr Zafar Masud, Chief Executive Officer of the Bank of Punjab, said that there were a lot of misunderstandings regarding digital currency, but its future could not be ignored and the coming revolution because of it. "Pakistan is at a digital crossroad," Mr Masud said, noting that the country's central bank was also working on a Central Bank Digital Currency (CBDC). "There are new ideas and concepts coming up, and policy makers need to do more," he emphasized.

Mr Masud warned that Pakistan could lose a massive economic opportunity if it failed to regulate digital assets. "There is a $20 to $25 billion window we have to open in Pakistan — either regulate it or we lose and face the capital flight," he said.

Mr Masud pointed out, "There is around $27.6 trillion stable coin worth and increasing." He said this growth posed "a threat to the US dollar sovereignty," but added that the US move towards stablecoins is "a smart step". He asked the government to "shape the rules, before they shape you. They are driving us whether we like or not," adding that Pakistan is also "seriously considering rupee stable coin".

Mr Masud said that CBDC would mark a shift "away from printed currency to digitalized currency", describing it as "a clear-cut case of financial inclusion". However, he warned that while "cyber security is still there in case of digital currency, but more protection is needed". Similarly, "regulatory ambiguity is there (in Pakistan)" along with negative public perception.

Dr Sajid Amin, Deputy Executive Director, SDPI, said Pakistan must streamline its approach to digital currencies and virtual assets though "challenges are also there". He noted that while the State Bank of Pakistan (SBP) had prohibited crypto trading, it was simultaneously exploring the launch of a Central Bank Digital Currency (CBDC). "Cyber protection is also an issue, as to how much it's safe and how to safeguard from different scams," Dr Amin said. "There's also the crypto mining — we should ask whether we have enough energy to feed them." He added that "still there is ambiguity".

Dr Amin said the United States was taking "keen interest in digital currencies space", and suggested Pakistan could explore mining and the use of cryptocurrencies as well.

Mr Imran Ashraf, Head of Digital Banking at the Bank of Punjab, said that "internationally there is more work on it underway", with 70 countries running pilot projects. "E-CNY (China) is already there having a 14 trillion yuan of stable coins," he said, adding that tokenization of real assets and blockchain-based trade systems were being developed worldwide.

Mr Faisal Mazhar, Deputy Director of Payments at the SBP, declined to say whether the bank considered cryptocurrency legal but confirmed that "we are working on the digital currency since 2022". "The current currency and payment mechanism is very fast. We are engaged with the World Bank to help us in capacity building on this subject. The IMF is also supporting through a technical assistance programme," Mr Mazhar said. He described CBDC as "an evolution process," explaining that the SBP was "working on various steps to pilot it". He said, the next step was to develop a prototype for the CBDC project before launching a pilot phase.

Mr Ali Farid Khawaja, Chairman of K-Trade, said global political shifts could affect digital assets. "Right now, when Trump is taking too much interest in crypto, and we relied on him, then what will be next if he leaves?" he asked. Mr Khawaja warned that stablecoins could also threaten the US dollar, adding that "crypto is a diplomacy tool [by Pakistan]".

Mr Zaid Munir, CEO of Scytalelabs, highlighted that most stablecoins were not fully backed, making proof of reserves and redemption a key policy concern, citing USDT as an example. He emphasised the distinction between stablecoins and CBDCs, noting that CBDCs existed in both decentralized blockchain-based and centrally controlled forms, such as China's e-CNY. He also stressed the importance of aligning with global standards and carefully deciding whether to integrate with SWIFT or emerging BRICS alternatives when developing pilots and prototypes.

Mr Ayad Butt, CEO of Zodia Markets, said Pakistan was "ready for crypto and digital assets adaptation", but warned that "capital control and money laundering" remained major challenges. He stressed the need for regulation to "encourage inbound crypto inflow," license exchanges, and ensure oversight. "Ringfencing of the activity and oversight is more important," Mr Butt said.

Discussing crypto's potential for remittances, he said sending $500 through traditional channels costs around $20 excluding conversion charges. "Through stable coin, the cost goes significantly down," he said.

Mr Nofel Daud, Chief Digital Officer of the Bank of Punjab, began by posing a question at the outset: what would happen if crypto were allowed today, what changes would it bring, and would they be positive or negative? The Bank of Punjab had been working for four to five years to develop use-cases in the market. He shared the Bank's numerical achievements, targeting sectors such as agriculture, SMEs, and low-cost housing. He noted that digital currency already existed in Pakistan in essence, and that banks needed to engage, connect the dots, and build the relevant ecosystem.

Dr Yanan Wu, Chairman and CEO of Surfin Group, began by commending the efforts of Dr Sajid Amin and Dr Zafar Masud. He echoed Dr Zafar Masud's points on financial inclusion and emphasised the importance of financial innovation in light of the rising role of AI for Pakistan's population of 245 million, half of whom were under the age of 23. He noted that this demographic presented significant potential for advancing financial inclusion and developing a cashless community.

POLICY RECOMMENDATIONS

- Develop and implement a clear regulatory framework for digital assets and cryptocurrencies: Pakistan currently faces regulatory ambiguity despite the rapid rise of domestic crypto investment. A coherent framework will prevent capital flight, provide investor protection, and allow the country to benefit from innovation rather than being constrained by uncertainty.
- Pilot a Central Bank Digital Currency (CBDC) while gradually integrating supervised stablecoins: Since the State Bank is already exploring digital currency options, a phased pilot of CBDC and stablecoins will modernise the payment ecosystem without overwhelming institutions. This gradual transition will support financial inclusion and enable policymakers to learn and adapt before full-scale deployment.
- Strengthen cybersecurity, Anti-Money-Laundering (AML), and consumer-protection systems for digital finance: Digital currencies introduce new risks related to cybercrime, fraud, and illicit financial flows. Building robust safeguards early, supported by regulatory clarity and enforcement, will mitigate systemic threats and increase public confidence in official digital financial channels.
- Link digital currency policy with national priorities on reducing remittance costs and improving cross-border trade: Pakistan's economy heavily depends on inward remittances, and digital asset rails can dramatically lower transfer costs. Using digital currencies to streamline remittances and trade logistics can unlock measurable economic gains and strengthen the country's global financial competitiveness.
- Promote strong public-private-academic partnerships to build national capacity and informed policymaking: The digital currency landscape is evolving faster than institutional readiness. Structured collaboration across government, financial institutions, fintech companies, and research bodies will help Pakistan navigate technological change, design fit-for-purpose regulations, and build long-term resilience in the digital economy.

Thematic Session C-7
Tobacco Control and Sustainable Development: Strengthening Laws and Enforcement

In collaboration with Vital Strategies

Moderator: Syed Ali Wasif Naqvi, SDPI

Distinguished Speakers:

- Dr Nadia Tahir, Senior Researcher, PM Office, Islamabad, Pakistan
- Dr Minhaj-us-Siraj, ED, Syndicate Health, Islamabad, Pakistan
- Mr Aftab Anwer Balouch, Former Chairperson SEZs, Sindh
- Dr Syed Kaleem Imam, Former Federal Secretary, Ministry of Narcotics Control, GoP, Islamabad, Pakistan
- Dr Tabassum Naz, Director National Curriculum Council, MoFEPT, Islamabad, Pakistan
- Mr Muhammad Sabir, Principal Economist, SPDC, Karachi, Pakistan
- Dr Kanza Batool, MRCGP, Pakistan
- Dr Waseem Janjua, SDPI, Islamabad, Pakistan

Panel Organisers: Dr Waseem Janjua & Mr Wasif Naqvi, SDPI

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteur: Mr Aftab Hameed Mirani

Video Link: https://www.youtube.com/live/eSWpJmarVuI?si=eRXm3WykhFAfo8_o

NARRATIVE REPORT

Syed Ali Wasif Naqvi from SDPI began by stating that tobacco use was the leading cause of death and disease, yet tobacco control remained stuck in a complex environment in Pakistan. He highlighted that overlapping crises, economic instability, governance challenges, and shifting health priorities created fertile ground for the expansion of the tobacco industry in the country. He went on to discuss tax loopholes and regulatory gaps that hindered progress towards the Sustainable Development Goals (SDGs).

Dr Syed Kaleem Imam, former Federal Secretary, Ministry of Narcotics Control, called for a more balanced and compassionate approach towards tobacco control in Pakistan, emphasizing that enforcement alone could not address the issue of addiction. He was speaking at a session titled Tobacco Control and Sustainable Development: Strengthening Laws and Enforcement.

Dr Imam noted that efforts often focused too much on punishment rather than prevention and rehabilitation. He said the country's institutions tended to be strict with the weak but lenient toward the powerful, calling for reforms that strengthened enforcement capacity and accountability. He warned that narcotics inflows from Afghanistan continued to pose challenges. "Tobacco, though not a narcotic, remains among the top five causes of death in Pakistan." He said sustainable control required combined fiscal, legal, and behavioural reforms, including higher taxation, public awareness, and stronger enforcement.

Dr Kanza Batool, a health care professional, highlighted that while European countries had well-developed smoking cessation services, such facilities were largely missing in Pakistan. She emphasized that it was not only challenging to convince the government about the severity of tobacco-related diseases but also equally difficult to persuade the public to quit smoking. She recommended that the government should strengthen healthcare systems to establish more smoking cessation centres and implement the WHO FCTC Article 6, ensuring standard taxation on tobacco products with rates adjusted for inflation.

Dr Tabassum Naz, Director at National Curriculum Council, Ministry of Federal Education, said the Ministry had emphasized the urgent need to curb the easy accessibility of tobacco products to schoolchildren. She noted that despite schools being declared tobacco-free zones, cigarettes remained easily available outside educational institutions. She said National Curriculum Council had incorporated themes on tobacco control, drug awareness, and life skills into the national curriculum from grade one to twelve.

Dr Nadia Tahir, Senior Researcher, Prime Minister's office, emphasized the need for a comprehensive and multi-sectoral approach to tobacco control. She noted that tobacco was not just a health concern but also linked to agriculture, industry, taxation, and livelihoods, making policy action complex. She urged researchers to develop holistic, evidence-based recommendations that addressed all these dimensions to help the government design realistic and sustainable policies.

Mr Aftab Anwer Balouch, former chairperson of SEZs, Sindh, called for stronger political will and institutional capacity to ensure effective tobacco taxation in Pakistan. He emphasized that higher tobacco taxes alone were not enough — political ownership and institutional capability were essential to achieve real progress in reducing tobacco consumption.

Dr Minhaj-us-Siraj, Executive Director, Syndicate Health, highlighted how tobacco use and industry influence continued to undermine Pakistan's progress toward the Sustainable Development Goals. He said even well-intentioned anti-tobacco

initiatives often lose momentum when leadership changes, especially when decision-makers themselves are smokers. He called for stronger institutional commitment and continuity in anti-tobacco policies to protect public health and ensure sustainable development in Pakistan.

Mr Muhammad Sabir, Principal Economist, Social Policy and Development Centre (SPDC), Karachi, emphasized that taxation remained the most effective tool to reduce tobacco consumption. He noted that despite strong evidence linking higher prices to lower use, Pakistan's tobacco tax structure still faced serious flaws.

He explained that the country operated a two-tier system, where the tax gap between low- and premium-priced cigarettes exceeded threefold — PKR 100 on one and PKR 330 on another — undermining public health goals.

Dr Waseem Janjua from SDPI, while presenting a report on tobacco control measures, reaffirmed commitment to supporting tobacco control and protecting public health in Pakistan.

POLICY RECOMMENDATIONS

The Government of Pakistan needs to:

- Establish permanent, coordinated tobacco-control units to ensure consistent enforcement.
- Adopt a holistic national tobacco-control strategy integrating health, agriculture, and economic considerations.
- Increase tobacco taxes through a predictable, multi-year roadmap developed before the budget cycle.
- Strengthen controls on accessibility by restricting sales near educational institutions and regulating youth-focused digital content.
- Introduce plain packaging, stronger health warnings, and strict regulation of emerging products such as e-cigarettes.
- Expand community-level awareness and harm-reduction campaigns through coordinated government-civil society-media communication.
- Build the capacity of Law Enforcement Agencies (LEAs) to ensure fair and equitable implementation across socioeconomic groups.
- Conduct a national level survey to generate updated data for evidence-based regulation and targeted interventions.

Thematic Session C-8
Investing in Adaptation: Private-Sector-Led Water Stewardship Model Community — Misal-e-Basti

Policy Dissemination in collaboration with PepsiCo, Pakistan

Moderator: Ms Zainab Naeem, SDPI

Chair: Mr Hammad Shamimi, Secretary, Privatisation Division, GoP

Guest of Honour: Ms Van Nguyen, UNDP Pakistan

Policy Paper Launch: 'Misal-e-Basti – A Water Stewardship Model Community' by Ms Mahnoor Pasha, PepsiCo, Lahore

Distinguished Speakers:

- Dr Altaf Abro, Head of Mission, SIF, Islamabad, Pakistan
- Mr Haseeb Malik, Director, PepsiCo, Lahore, Pakistan

Closing Remarks: Dr Abid Qaiyum Suleri, ED, SDPI

Panel Organisers: Ms Zainab Naeem & Mr Ihtesham Ul Haq, SDPI | Mr Basit Pirzada, PepsiCo Pakistan

Hall In-charge: Mr Rahat Ullah, SDPI

Rapporteurs: Ms Mursal Qaisari & Ms Shogofa Shokori

Video Link: https://www.youtube.com/live/Nv_YDJyW7P0?si=D2a3BEFak8rSIDIj

NARRATIVE REPORT

Experts at a session on Investing in Adaptation: Private-Sector-Led Water Stewardship Model Community – Misal-e-Basti highlighted an innovative water stewardship project, which had been successfully executed in Multan with the help of local community. The initiative, a replicable model for water conservation, had brought tangible benefits and served as a blueprint for

future projects across the country, speakers said.

Misal-e-Basti water stewardship project was officially launched on World Water Day 2023 at Chak RS, near Shujabad, Multan. Prior to the launch of the initiative, the area faced widespread waterborne diseases, resulting in a high mortality rate. To address the issue, PepsiCo collaborated with the local community to gather data and identify solutions.

A key intervention was the installation of a solar-powered Reverse Osmosis (RO) water filtration plant. The solar energy powering the plant alleviated the local community's financial burden by covering operational costs, which would otherwise have been a significant expense. The plant was strategically located near a local mosque, facilitating the integration of rainwater and ablution water capture systems to irrigate crops.

This innovation also transformed the mosque into Pakistan's first net-zero mosque. In partnership with WWF, several WASH (Water, Sanitation, and Hygiene) training programmes were conducted for the community. Additionally, a floating treatment wetland was established to process wastewater.

Ms Mahnoor Pasha, PepsiCo's representative, said as a result of the project, over 20 million litres of water were replenished, while incidences of waterborne diseases in the region dropped by 45%.

Following this, **Ms Zainab Naeem from SDPI** said that the results of the project revealed that the community had taken ownership of the initiative and was highly satisfied with its impact. The WWF remained an important partner, particularly in building local capacity. She also presented a framework to encourage the replication of such projects at national and provincial levels, stressing that the current water policy was insufficient. She called for the identification of opportunities to scale such models, highlighting the importance of

public-private partnerships, regulatory support, and innovative financing. She further advocated for the formalization of sustainable water practices through legal frameworks and emphasized the need for gender-inclusive water conservation strategies.

Mr Hammad Shamimi, Secretary of the Privatization Division, accentuated the gravity of water crisis of the country' and termed it a "national water security crisis". He emphasized the need for more efficient agricultural and water management practices. Mr Shamimi cautioned against planting water-intensive crops in water-scarce regions and called for the development of green finance initiatives to address these challenges.

Ms Van Nguyen from UNDP Pakistan spoke about the intrinsic role of water in sustaining life and societal stability. She stressed that

sustainable water solutions must be rooted in local communities. "Isolated projects and financing cannot resolve Pakistan's water crisis," she asserted and pointed out that water scarcity exacerbates issues of equity, opportunity, and peace, with scarcity undermining all three.

Dr Altaf Abro, Head of Mission at Secours Islamique France (SIF), provided an international perspective, noting that Pakistan's ambitious targets in its Nationally Determined Contributions (NDCs) on climate action often remained unfulfilled due to low international funding. He mentioned the "loss and damage fund" established at COP28 but questioned its effectiveness in addressing economic and non-economic losses caused by climate-related disasters, such as floods that prevented children from attending school.

PepsiCo's Director, Mr Haseeb Malik, shared that the company, with its significant presence in the agricultural sector, deeply understood the challenges being faced by communities. Highlighting that Misal-e-Basti project served a small community of 15,000 people in Southern Punjab, he stressed that the model had significant potential for national replication. However, he pointed out that the necessary support was crucial for expanding the project's reach.

Concluding the session, **Dr Abid Qaiyum Suleri, Executive Director of SDPI,** reiterated the

importance of water stewardship, emphasizing the long journey from ensuring water availability to provide clean and safe drinking water. He stressed that this process was vital for achieving food security in Pakistan. "Going green and making a profit are not contradictory," Dr Suleri said, concluding, "In fact, they go hand in hand."

POLICY RECOMMENDATIONS

Pakistan's escalating water scarcity and climate-driven vulnerabilities require solutions that are locally grounded, financially sustainable, and backed by strong institutional coordination. Community-led water stewardship, supported by the private sector and in sync with national policies, can ensure long-term system maintenance, equitable access, and resilience against future climate shocks:

- Integrate private sector water stewardship initiatives into national climate, water, and adaptation plans to institutionalise community-based solutions.
- Develop Public-Private Partnership (PPP) models with clear templates and regulatory incentives to support long-term, scalable water stewardship projects.
- Strengthen and formalise local and district level water committees for monitoring, management, and maintenance of water systems.
- Promote innovative financing tools, such as climate funds, Environmental, Social, and Governance (ESG) bonds, and green investment packages, to support sustainable water infrastructure.
- Build research-policy partnerships among think tanks, non-governmental organisations (NGOs), international non-governmental organisations (INGOs), such as the Sustainable Development Policy Institute (SDPI), the World Wide Fund for Nature (WWF), PepsiCo, and other stakeholders to generate evidence and

guide policy decisions.

- Expand the Chak RS "Misal-e-Basti" community model to other water-stressed districts for replication and scale.
- Shift toward modern, scientific agricultural practices to reduce water overuse and improve resource efficiency.
- Expand national green initiatives such as the Green Bank, Green Taxonomy, and carbon market, to strengthen sustainability across sectors.
- Ensure that sustainable development and water-related projects are locally owned, institutionalised, and implemented with strong community participation.
- Improve coordination among government, private sector, international partners, and communities to jointly manage water challenges and climate risks.
- Strengthen the link between policy design and implementation, ensuring water projects follow a "Build, Operate, and Transform" model with community involvement.
- Enhance policy consistency in water management to ensure long-term progress and reliable access to clean water.
- Increase investment in climate adaptation and resilience-building initiatives across vulnerable communities.
- Encourage community level awareness on water conservation, hygiene, and sustainable water practices, especially in flood-prone areas.
- Recognise the interconnection between food security and water security and address them through integrated policymaking.

Plenary 4.1: Financing Sustainable Development in the Emerging World Dis|order

High-Level Plenary in collaboration with Nestlé Pakistan

Master of Ceremony: Dr Kashif Majeed Salik, Research Fellow, Sustainable Development Policy Institute (SDPI), Pakistan

Moderator: Dr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan

Distinguished Speakers:

- Mr Jason Avanceña, Chief Executive Officer & Managing Director, Nestlé Pakistan
- Ms Bolormaa Amgaabazar, Country Director, The World Bank, Pakistan
- Dr Mahir Binici, Country Head Pakistan, International Monetary Fund (IMF), Pakistan
- Dr Samuel Rizk, Resident Representative, United Nations Development Programme (UNDP), Pakistan

Plenary Organisers: Dr Kashif Majeed Salik & Mr Yahya Gulraiz, SDPI | Ms Aatekah Mir Khan & Ms Namwar Yusuf Rahman, Nestlé Pakistan

Hall In-charge: Mr Faizan Basharat, SDPI

Rapporteurs: Mr Tahir Zaman & Ms Amal Shahid

Video Link: https://www.youtube.com/watch?v=M_ToSkwmUPw

International experts suggested that Pakistan's future of innovative finance to address its depleting climate resilience must be financed through co-designed and pre-arranged financing supplemented by risk insurance and management through stakeholder collaboration. The suggestion was made at the high-level evening plenary titled Financing Sustainable Development in the Emerging World Dis/Order.

Dr Abid Qaiyum Suleri, SDPI Executive Director, said the conference had blended multiple themes from regional connectivity to global tariffs, living wage to climate resilience, disaster risk reduction to subregional cooperation that convened regional and international experts from around 23 countries, including South Asian countries and beyond.

Dr Samuel Rizk, UNDP Resident Representative, said the world was witnessing transformative phase where financing had become more appropriate and critical for ensuring sustainable development. He noted that the government was the biggest source of financing for sustainable development chipped in by multilateral development entities and private sector together. "The innovative finance for development will be co-designed financing, risk insurance along with risk management that should be blended at the optimum level with government, development partners and private sector in collaboration," Dr Samuel Rizk said.

Ms Bolormaa Amgabazar, the World Bank Country Director, said that Pakistan's climate and disaster vulnerability was flagrantly high along with rising air and water pollution. She added that the country's population growth was the highest among many nations of the world that could incur severe repercussions for the country in the future amid rising population and thinning natural resources.

The Climate and Country Development Report by the World Bank predicted 20-30% decline in GDP by 2050 amid business as usual and no action to address climate vulnerability. "Pre-arranged and predictable multiyear financing is the key for Pakistan in terms of emergency that should be multisectoral financing basically for development," she added. She mentioned the World Bank's Country Partnership Framework that was a $20 billion financing for next 20 years to be available for Pakistan and the government could decide its future interventions and projects around it.

Dr Mahir Binici, Country Representative, International Monetary Fund (IMF), said that Pakistan's newly approved $1.4 billion arrangement under the Resilience and Sustainability Facility (RSF) would play a vital role in strengthening the country's economic resilience and capacity to withstand environmental shocks.

"The initiative is aimed at integrating climate

considerations into Pakistan's public financial management and fostering long-term sustainable growth," he said adding that the RSF was operating in parallel with Pakistan's ongoing Extended Fund Facility (EFF), a three-year structural reform programme running until 2027. "Both programmes are Pakistan's own reform efforts, supported by the Fund," Dr Binici said. He emphasized that the synergy between the two frameworks was "instrumental in placing Pakistan on a path towards stronger, more inclusive, and climate-resilient growth."

Dr Binici said Pakistan was taking concrete steps to embed climate priorities into its budgetary process, starting from the next fiscal year. "Project selection under the Public Sector Development Programme (PSDP) will undergo climate screening, especially for major infrastructure investments," he added, stressing that such transparency would enhance accountability and resource efficiency. "These programmes are not just financial instruments, they represent a comprehensive reform vision that Pakistan has crafted for its future," Dr Binici concluded.

Mr Jason Avanceña, Chief Executive Officer & Managing Director, Nestlé Pakistan said the country needed to invest in technologies ensuring clean energy access, efficiency and resource management in production lines. Pakistan, he said, needed enhanced collaboration between private sector for shared learning and growth with a core emphasis on reforms in the existing systems and frameworks.

POLICY RECOMMENDATIONS

Plenary 4.1

Pakistan faces a widening development gap driven by macroeconomic instability, weak governance, and severe human-capital deficits that limit its ability to attract sustainable financing. Strengthening coordination, improving fiscal discipline, and expanding investment in human development are, therefore, essential to tackle the emerging global disorder and secure long-term, equitable growth:

- Strengthen multilevel coordination by creating a national Financing for Development Framework that links federal, provincial, and private sector financing.
- Prioritise stunting reduction through increased financing for nutrition, school feeding, sanitation, and maternal healthcare using blended finance instruments.
- Expand financing for basic service delivery by enabling provincial governments to partner with private operators to deliver water, sanitation, health, and education services.
- Ensure macroeconomic stability by lowering fiscal deficits, curbing inflation, and stabilising the exchange rate to attract long-term sustainable financing.
- Adopt transparent and responsible fiscal policies by broadening the tax base, reforming subsidies, reducing leakages, and reallocating spending towards the Sustainable Development Goals (SDGs).
- Make financing sustainable development a national priority through diversified mechanisms such as SDG bonds, climate finance, private investment, and global partnerships.
- Strengthen governance, accountability, and transparency through digital tax systems, improved procurement processes, and anti-corruption reforms.
- Reform the civil service with merit-based promotions, skills training, and performance monitoring to ensure efficient project execution.
- Target improvements in the Human Development Index (HDI) through investments in health, education, skills development, and social protection especially for the youth population.
- Direct financing towards low-Human Development Index (low-HDI) districts, including Balochistan, South Punjab, and rural Sindh, to address deep regional poverty, stunting, and service gaps.
- Expand Public-Private Partnerships (PPPs) for nutrition, clean water access, agricultural sustainability, and climate resilience by incentivising corporate participation in SDG-linked projects.

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Cultures of Pakistan

Closing Plenary 4.2: Sustainable Development in the Emerging World Dis|Order

Master of Ceremony: Dr Fareeha Armughan, Research Fellow & Lead, Center of Evidence Action, Sustainable Development Policy Institute (SDPI), Pakistan

Concluding Remarks from Co-host: Dr Irshad Ahmad Arshad, Director Board of Advanced Studies & Research, Allama Iqbal Open University, Allama Iqbal Open University (AIOU), Pakistan

Summary of Conference: Dr Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan

Special Remarks: Mr Abrar Ahmad, Senior Sector Specialist (Energy & Climate), KfW

Awards Ceremony:

- Rising Researcher Award
- Outstanding Research Publication Award
- Outstanding Policy Engagement Award
- Outstanding Innovation Award
- Best Pavilion Award
- Acknowledgment Shield to AIOU

Vote of Thanks: Ambassador Shafqat Kakakhel, Chairperson, Board of Governors, Sustainable Development Policy Institute (SDPI), Pakistan

Vote of Thanks to Partners: Dr Sajid Amin Javed, Deputy Executive Director, Sustainable Development Policy Institute (SDPI), Pakistan

SDPI Team Group Photograph

Plenary Organisers: Ms Sahar Basharat & Dr Rafia Batool Khan, SDPI

Hall In-charge: Mr Khurram Shahzad, SDPI

Rapporteurs: Mr Sarfaraz Ahmed & Ms Muqaddas Hafeez

Video Link: https://www.youtube.com/watch?v=M_ToSkwmUPw

Mr Abrar Ahmed, Sector Specialist (Energy and Climate) at KfW, initiated the discussion by welcoming the participants on behalf of German Development Cooperation Pakistan. He thanked SDPI for facilitating the Conference and Expo and provided a summary of the discussions held over the previous four days. He emphasised that German Development Cooperation had been a steadfast partner to Pakistan, supporting progress in renewable energy, climate adaptation and resilience, vocational training, and social services.

Dr Irshad Ahmad Arshad, Director Board of Advanced Studies & Research, Allama Iqbal Open University, Allama Iqbal Open University (AIOU), Pakistan welcomed everyone on behalf of AIOU as the co-host. He conveyed warm regards and appreciation of the Vice Chancellor to SDPI, all the partners and everyone who made the conference possible.

Dr Abid Qaiyum Suleri, Executive Director of SDPI, recapped the conference sessions by highlighting the opportunity to reimagine development models that could turn climate adversity into opportunity and lead the region towards a future where prosperity did not come at the expense of the planet. He stated that no country could progress if half of its children were left behind and called for greater investment in girls' education to build a future-ready workforce.

Awards Ceremony: On the occasion of the Closing Plenary of the 28th Sustainable Development Conference, the Sustainable Development Policy Institute (SDPI) conferred several awards to its research units and staff in recognition of their outstanding contributions. The **Outstanding Research Publication Award 2025** was awarded to the **Sustainable Development Conference Unit, web team** and **managing editors** in recognition of

its exceptional contribution to advancing scholarly research through the successful implementation of the Open Journal System (OJS), which significantly improved the research publication process of JoDPRP. The **Outstanding Policy Engagement Award 2025** was conferred upon the Systems Research Group, especially to **Mr Abdullah Khalid, Ms Khansa Zaman, and Mr Qasim Shah,** in recognition of their remarkable efforts in executing the "Raising Her Voice in Political Parties" initiative,

translating research into actionable policy impact and fostering evidence-based decision-making to strengthen inclusive political participation.

The **Outstanding Innovation Award 2025** was presented to the **Data for Development (D4D) Portal Team** in recognition of their exceptional creativity and innovation in harnessing data for sustainable solutions and transformative development practices through the D4D Portal, a collaborative initiative of UNFPA and SDPI. Additionally, the **Rising Researcher Award 2025** was awarded to **Ms Maheen Rehan** in recognition of her remarkable research productivity and scholarly contributions, reflecting excellence, dedication, and a growing impact in her field.

PepsiCo Pakistan and Nestlé were awarded the Best Pavilion Award. A shield of recognition

was presented to the AIOU for co-hosting the Conference and providing support in various aspects.

Ambassador Shafqat Kakahel, Chairman Board of Governors, SDPI announced a successful conclusion of the 28th Sustainable Development Conference on the behalf of Board of Governors. He thanked all the contributors and provided vital stats of 209 national and 92 international

speakers. He further added the total count of 23 countries from which the delegates were hosted. He thanked the faith and trust of the funders and donors in the dialogue that was conducted.

Dr Sajid Amin Javed, Deputy Executive Director of SDPI, thanked the 24 funders and partners, as well as the researchers and team leads at SDPI for their contributions. He led rounds of applause for all the teams and essential staff, and concluded with a final vote of thanks to all contributors.

Plenary 4.2:

- South Asian Governments should invest in resilience so that every cent spent strengthens communities against climate and economic shocks.
- Regional cooperation should prioritise green resilience, enabling South Asian countries to collaborate on shared challenges like water, waste, and energy management.
- Water diplomacy must be strengthened so that water becomes a source of cooperation and not conflict, supporting regional peace and development.
- Empowering girls and women in education, climate leadership, and community action is essential for long-term regional progress.
- Promote recycling and circular economy practices to reduce plastic waste and environmental degradation.
- Support innovation, technology adoption, and entrepreneurship to accelerate progress towards a net-zero future.
- Build trust through increased regional trade and technology exchange to foster a more sustainable South Asia.
- Create inclusive partnerships across governments, private sectors, and communities to convert global uncertainty into shared opportunity.
- Encourage smart cross-border collaboration to address common climate and economic risks.
- Expand circular economy models where waste becomes a resource and sustainability becomes a routine practice.
- Strengthen regional platforms for dialogue and cooperation on climate action, trade, and sustainable development.

South-West Asia Subregional Forum on Sustainable D
16th South Asia Economic Summit
th Sustainable Development Confere