5th South Asia Economic Summit – Some after thoughts
Dr Vaqar Ahmed

On many occasions in the South Asian history, the governments of South Asian Association for Regional Cooperation (Saarc) countries reached a political deadlock, but a significant development in the region has been the rise of civil society organizations, many of which have become think tanks of global repute. These organizations have been keeping the national governments on track to deal with certain issues that are multifarious in nature. Many of such issues go well beyond politics and economics and include concerns like food security and livelihoods, climate change induced natural disasters, migration, connectivity of people and places, energy and water cooperation etc.

To go ahead with the same spirit, South Asia Economic Summit (SAES) was organized in 2008 with the objective of bringing together the leading academics, practitioners of public policy, members of business community and other stakeholders to share the regional approach towards issues of mutual concern and also to learn from home grown solutions to common predicaments that can be replicated elsewhere in South Asia. Over the past four years, it will not be an exaggeration to say, this event has become the ‘South Asian Davos’ following the example of World Economic Forum at Davos. A brief summary of previous summits is given below:

Think tanks from South Asia that participate every year in the event include Sustainable Development Policy Institute (Pakistan), Institute of Policy Studies (Sri Lanka), Research and Information System for Developing Countries (India), South Asia Watch on Trade, Economics and Environment (Nepal), and Center for Policy Dialogue (Dhaka).

This year’s summit provided an opportunity for participants to take a stock of the situation keeping the following new and upcoming development priorities

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under consideration. We discuss briefly some of these priorities below.

**Beyond Millennium Development Goals (MDGs):** The Human Development Report 2011 explains at length how the business-as-usual approach towards pressing issues related to production, trade and environment is increasingly making the world an unsustainable place. The report also recognized that power structures and gender inequalities in developing countries dictate the access to most basic services. In this context, Rio+20 and its follow up will shape up a new beyond-MDGs agenda. The new discourse would focus on the increased value of accountability and democratic processes and community-led approach to development. There is a need to see how institutional processes can be made more inclusive so that due attention can be given to women, minorities and marginalized groups.

**Post-Global Financial Crisis:** The global financial crisis has shaken the intellectual foundations of capitalism. However, it is still not clear what shape will a ‘well-behaved capitalist’ paradigm take. Leading economists have advised that regulatory environments in sectors such as banking and finance should be evolved in commensuration with the markets needs. This will require a global effort towards understanding the nature of speculative bubbles and the actors that leverage these bubbles. This is not only restricted to banking and finance but also to sectoral markets such as oil and gas. An additional challenge will now be to reform the global commodities market operations. The bitter experiences of 2007-08 have shown how global food shortages can lead to serious implications for food security, health and nutrition. Now, there is a need to ponder over ‘sustainable capitalism’.

**Non-traditional Security Threats:** Though, the spread of free market, deregulation of trade and investment, and people to people cross-border interaction has increased mobility and allowed people to exercise their basic socio-economic rights, this has given rise to several forms of non-traditional security threats. These include (but are not limited to), a) governance, security and justice, b) food security and livelihoods, c) conflict-led and disaster-led migrations, d) health epidemics, e) cross-border and in-country terrorism, and f) environmental security. One of the key pre-requisites of inclusive growth is regular efforts to ensure peace and enforcing legal contracts in a manner that provides security of assets and profits. Sense of belonging, faith in community and collective security lessen brain drain and bring more harmony among economic players at all tiers. While the medium-term development plans (sometimes referred to five year development plans) in South Asian countries have
mostly focused on accumulation of physical capital, the mention of human capital has only appeared a decade back. However, the more concerning aspect is that plan and policy formulators still have not given due importance to social capital.

**Basic Infrastructure and Social Services:** A resource constraint in the public sector and rising costs of building and maintaining infrastructure (partly due to rising commodities prices) have led to competing demands on otherwise public goods. While the rich and influential people manage to gain access to such needs through their privileged channels, there are many who get left behind in the process of economic growth or when growth falls apart. It is these challenges that provide a case for regional cooperation for poverty reduction. A matter of great interest for all South Asian countries is cooperation in energy and water sectors. Such cooperation can create internal economies of scale in the region and also lead to benefits that originate from country-specific specialization in these sectors. In case of social sectors, there is a growing body of literature that points towards how inequality in education continues to keep societies poor. It is important to question as to who are the students manage to reach university level education in South Asia and how current structure of higher education continues to strengthen ‘elite capture’ of all forms of national resources.

**Connectivity:** South Asia’s dream of a seamless border still remains to be materialized. The key areas that require further work revolve around easing of procedures that could facilitate movement of goods and people. In case of the former customs and quality standard procedures need greater harmony. In case of latter, simple procedural difficulties such as visa issues are holding back aspirations of the people of South Asia. The lack of connectivity is no more limited to road, railways, aviation and port networks in South Asia (which have greatly improved over the past few years) but calls for a deeper understanding between governments to have conducive procedures in place.

**Engaging Youth and Diaspora:** Given the youth bulge it is an ideal opportunity for this region to ride on the energetic and creative productivity of youth in South Asia. This region needs to look towards countries such as Israel, Malaysia, China and Australia which have put in place formal plans and strategies to leverage youth-led innovations. The other players now playing an increasingly important role in economic development of this region are the expatriates. SAES contemplated on out of the box solutions where by the Diaspora of this region can be steered to take a mentoring role (similar to China).

The Summit ended with host of overall and sectoral recommendations which will now be forwarded to the Ministries of Foreign Affairs in all South Asian countries. It is expected that the Prime Ministers will take up these recommendations once they meet for the upcoming SAARC Summit. While detailed recommendations have been fully documented at the summit website (http://summit.sdpi.org) I will take this opportunity to discuss the observations of political representatives from Pakistan who evinced keen interest in the proceedings of this Summit. The representatives of almost all leading political parties graced the occasion, including Syed Naveed Qamar, the defence minister of Pakistan, Hina Rabbani Khar, the foreign minister of Pakistan, Khurram Dastgir Khan, the chairman of National Assembly’s standing committee on commerce, and Haji Muhammed Adeel, the senior vice-president of Awami National Party of Pakistan.

The political community had a consensus on the challenges currently facing the region. They elaborated that South Asia despite seeing the rising growth rates in recent past has failed to make substantial improvements in the adverse social sector, poverty and inequality indicators. This disconnection between macro and microeconomic performance requires a careful inquiry. Most of these economies have put in place social safety nets at the national and sub-national levels which have support from multilateral and bilateral partners as well. The experience of such initiatives has been
mixed. Unless South Asian governments fight poverty, illiteracy and poor health standards in South Asia and complement this struggle with enabling environment for businesses and markets to function, so that employment can be generated – it will remain a challenge to compete with other regions of the world – that are by far more integrated and connected than South Asia.

In the coming days, SDPI will strongly follow up with the SAARC secretariat and South Asian governments the following timely recommendations by the Summit participants:

- Setting up of South Asian Commission on Environment
- Establishing a Social Accountability framework for SAARC Organization and agreements under Saarc Summits
- Convergence of regional trade agreements towards norms agreed in SAFTA
- Increase in capacity of institutions that can operationalize SAFTA expediently
- Saarc countries should come up with conventions on migration so that rights of migrants across South Asia can be protected
- Setting up of national commissions that can expediently address in-country constraints to connectivity which includes not only provision of infrastructure but also its management and supervision
- All national governments should strongly follow up several agreements which were signed during 17th Saarc Summit held in Maldives. These include Saarc agreement on Rapid Response to Natural Disasters, the Saarc agreement on Multilateral Arrangement on Recognition of Conformity Assessment, the Saarc Seed Bank Agreement and the Saarc Agreement on Implementation of Regional Standards.
- India-Pakistan Trade normalization process is a window of opportunity for the entire region in terms of trade and connectivity between people and places. In order for political upheavals to NOT impact business to business relationships in future, both the countries should put in place a bilateral framework of sovereign guarantees which in due course of time can be extended to the entire region.

5th South Asian Economic Summit

Experts propose joint strategy to cope with food security, water & energy crises, regional migration and climate change

By Muhammad Adnan

Economists and development experts at the fifth South Asian Economic Summit held in Islamabad from September 13-15 elaborated upon the challenges South Asia is faced with and came up with joint strategies and recommendations to deal with them. In 23 sessions, about 115 international delegates and 56 national panelists gave policy recommendations on the issues including food security, water and energy security, migration across South Asia, climate change and costs of economic non-cooperation to consumers in South Asia etc. Their recommendations according to the respective sessions are as follows:

Regional Trade Agreements in South Asia: Current Outlook and Way Forward

Trade liberalization is a tool that can help garner knowledge and resources needed to confront poverty and income inequality across South Asia. The panelists at the session recommended:

- Identification of regional markets to promote regional trade.
- Building capacities of business and raising their awareness on the benefits of trade liberalization.
- Political will is necessary to make trade agreements successful.
- Non-tariff barriers, impediments to Rule of Origin (ROO), trade facilitation, and dispute settlement issues need to be explored further and addressed appropriately.
- Existing RTAs need to be consolidated instead of expanding RTAs. While SAFTA should be broadened, with SATIS included, positive list preferences under APTA also need to be expanded.
- It is high time that RTAs in SA are taken not just as signed agreements but as binding commitments and treated as time bound for effective implementation.
- Beyond trade in services and goods, integration in investment should be actively pursued.
• Many SAFTA provisions are still complicated and would need further simplifications, which should be subsequently advocated.

**Food Security: Challenges and Way Forward in South Asia**

The panelists at the session stressed the need to devise a comprehensive framework to deal with the regional food insecurity and to apply the same in the region. They further emphasized to augment the SAARC food bank and make SAARC seed bank functional as this may allow regional seed exchange, technology sharing, seed information sharing to flow easily. Furthermore, they recommended focusing on inter-regional investments, which they said, can be helpful to reduce poverty in the region.

**Regional Cooperation for Energy Security**

The demand of energy is increasing in the region which should be addressed on priority basis. Approximately 1.3 billion people have no access to electricity in South Asia of which 289 million are in India, 96 million in Bangladesh and 64 million in Pakistan.

The panelists at the session recommended that South Asia should develop a framework which may allow surplus pockets across borders to trade their surpluses. Moving towards greater cooperation in energy in future, this can be a good starting point. Power and energy trade in the region can be a key solution for the energy deficit. Each South Asian country also needs to pay attention to the currently disadvantageous energy mix in the region.

**Climate Change and South Asia – Examining Empirical Evidence**

Lack of a realistic and local understanding of climate change impact on agriculture, health and overall productivity, make it difficult to find a path for collective regional action. The panelists recommended that all neighbors in South Asia must realize that their production processes have impact on climatic conditions in other countries. With recurrent floods and droughts in the region, there is a greater need to devise collective framework for adaptation.

**Regional Cooperation on Water: Opportunities for South Asia**

Water has been becoming a strategic commodity and the best way to manage water is by assuming that no boundary exists within South Asia. In order to sustain the livelihood of millions of people, the panelists at the session called for an urgent need of appropriate investment in information, technology, infrastructure and knowledge to initiate the joint management of water.

They further suggested that the better water management and water security within the region is not only helpful to reduce the conflict but also can contribute towards sustainable development and peace within the region. The sharing of benefits equally from water resources also play vital role in regional cooperation.

**Transport & Logistics Corridors: South Asian Outlook**

All panelists strongly emphasized the need for having regional corridors in South Asia. They said transport and logistics corridors in the region can help establish economic corridors, which in turn, would open a variety of economic opportunities that can accelerate the growth process in the region by creating interconnected production networks and enhancing intra-industry trade. The panelists also said that the competition commissions in member
countries can exert pressure on opening up of these avenues for private sector participation. Trading in such areas like energy may face restrictions in the face of political upheavals unless private sector is involved in it. They further stressed the need for air services liberalization across South Asian countries for regional connectivity. Finally they emphasized to improve transport and logistics, so that SAARC member countries could connect themselves with each other easily and to connect with Central Asia and ASEAN countries.

**Liberalization of Services Trade in South Asia**

In global economy, the services sector is a diverse sector but unfortunately it is not given priority in South Asian economies. Thus giving priority to the trade in services would be an inclusive and pro-poor approach to growth, since the dynamic gains to be reaped from such an initiative would be hefty. The panelists identified that tourism, health, insurance and financial sectors of SAARC countries have a huge potential to increase trade in services. Liberalization in these sectors, could lead to fulfillment of the region’s socioeconomic goals. They further recommended that in order to make correct assessment of the gains of private sector issues such as data on services sector, trade and facilitation costs need better documentation. Furthermore, sectors within the services industry in which trade can be increased within the SAARC region easily include education, health, tourism and financial services.

**Migration across South Asia: Emerging Trends & Opportunities**

South Asia is the driver of global migration and it is a major source of origin of migrant workers and destination of remittances. But there is no disaggregated data according to skills, gender and age group of migrant workers, so there is a need to develop standard data system. Irregular migration has increased because of restrictive immigration policies and very high cost of legal migration. The panelists stressed that South Asia needs a regional discourse of migration and also stressed upon the need for strengthening ideas such as adaptation fund, disaster management fund and development funds.

**Cost of Economic non-cooperation to Consumers in South Asia**

The panelists said that trade liberalization is necessary for consumers’ welfare. It may accrue less benefits to a few businesses sometimes, or less revenue to the governments, but keeping the consumers at the centre of the debate, trade liberalization in the region will always have beneficial outcomes. Trade liberalization in the region is unlikely to happen unless governments resolve their political differences.

They stressed the need for economic cooperation amongst South Asian countries, particularly in the context of disputes between India and Pakistan, and India and Bangladesh. They recommended the inclusion of labor rights in the agenda on regional economic integration in South Asia. They said more robust models for research in this area should be undertaken to provide a better understanding of the dynamics and benefits of trade liberalization.

**Moving towards Inclusive and Sustainable South Asia**

The panelists proposed following suggestions at the session:-

- Setting up of South Asian Commission on Environment
- Establishing a Social Accountability framework
for SAARC Organization and agreements under SAARC Summits

- Convergence of regional trade agreements towards norms agreed in SAFTA
- Capacity building of institutions that can run SAFTA expediently
- SAARC countries should come up with SAARC conventions on migration so that rights of migrants across South Asia can be protected

At the end of the conference, it was also recommended that all the national governments should strongly follow up several agreements which were signed during 17th SAARC Summit held in Maldives. These include SAARC agreement on Rapid Response to Natural Disasters, the SAARC agreement on Multilateral Arrangement on Recognition of Conformity Assessment, the SAARC Seed Bank Agreement and the SAARC Agreement on Implementation of Regional Standards.

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South Asia Economic Summit: more is better for survival!
By Ejaz Haider

The three-day 5th South Asia Economic Summit, convened by the Sustainable Development Policy Institute (SDPI) which opened in Islamabad yesterday (September 11), could not have come at a more appropriate time. Note that the operative word is ‘appropriate’, not ‘propitious’, because the times are unpropitious and projections suggest that economic growth in the region will be on the “decline at least for the next two quarters”.

This is just one factor and linked to other developments that go beyond the region but which have already begun impacting South Asia and its economies negatively.

The SDPI-convened summit identifies at least three other broad trends:

First, the effects of the global financial crisis are likely to linger on longer than was originally projected. “This,” as the SDPI concept note for the conference argues, “has been validated by the eurozone crisis that has already started to impact South Asia.” The second factor relates to the 17th Conference of the Parties of the United Nations Framework Conven-
tion on Climate Change held at Durban. This is being viewed as an important step towards combating global climate change. Third, there is growing awareness that regional development is crucial to combating the negative global trends and the region’s future depends on economic cooperation. This realisation has already set in and the 17th Saarc Summit, which was held in the Maldives in November last year, witnessed the signing of some important agreements between member states.

An additional factor relates to the normalisation process between India and Pakistan, the two big players within Saarc. For long, adversarial relations between the two — manifested by hot wars, low-intensity conflicts and, at best of times, a cold peace — have held regional cooperation and development hostage. Two positive developments have the potential to change that: after the post-Mumbai freeze, India has come round to accepting the fact that disengagement does not make a sound policy and it needs to resume the composite dialogue with Pakistan; two, Pakistan has come round to the view that it needs to fast-track economic ties with India — trade and investment — without compromising its position on disputes such as Kashmir, Siachen and Sir Creek etcetera but not making them a precondition for economic cooperation.

This change is begotten of a shift in Pakistan’s foreign policy, which assigns top value to improving relations with all the neighbours within the region and beyond. Internally, this change is related to another significant development: the country’s foreign policy, which had taken a backseat to its security policy, is emerging as the arbiter of the security policy rather than the other way round. Externally, it is linked to deteriorating relations with the United States which have necessitated diversifying and gaining more state adherents for Pakistan’s position on the Afghan conflict and its resolution.

The recent visit to Pakistan of India’s External Affairs Minister SM Krishna and the signing of agreements on a new visa regime and cultural and other exchanges manifests this new trend. To be precise, nothing substantial has happened as far as the disputes are concerned; the progress made by the two sides on Kashmir, as also on Sir Creek, between 2004 and 2007 hasn’t reached fruition. On Siachen, India has hardened its position, calling for extending and delineating the line of control from NJ9842. The assumption is that Siachen is not a disputed area and once the line has been demarcated and delineated, both sides will be free to do what they please.
on their side of the line. The problem with this approach is that the conflict relates to which direction the line may be extended to — and that persists. That said, Pakistan, in keeping with its policy shift, is striving to normalise with India. Its focus on trade and investment is an indication of that engagement despite other problems, including India’s actions in Afghanistan.

The SDPI summit, which brings together the largest gathering of experts from the region, is therefore an excellent effort to give policy input in multiple areas: sustainable development; climate change; regional energy corridors; food security; trade; water crisis; agriculture; regional transport corridors, communications, etc.

The summit offers an extensive agenda with an eye on the fact that the eurozone crisis has already hit the economies of South Asia, multiplying problems and throwing up a myriad of challenges for governments in the region: “India and Bangladesh have officially reported the status on cancelled export orders. Pakistan fears that migrant workers in the EU may be laid off in big numbers, which in turn, may result in a decline in future remittance inflows. Afghanistan has indicated that aid flows from EU may be slashed on account of already high budget deficits being faced by leading member states, including France, Italy, and Spain.”

The situation offers challenges that cannot be tackled by individual states and governments. Equally, the situation offers the prospect of formulating cooperative policies and strategies, which can bring the South Asian states together and detoxify them by creating interdependencies. Some developments already indicate a positive trend. The 17th Saarc Summit saw the signing of several agreements like the Saarc agreement on Rapid Response to Natural Disasters, agreement on Multilateral Arrangement on Recognition of Conformity Assessment, the Saarc Seed Bank Agreement and the agreement on Implementation of Regional Standards.

Much work still needs to be done. It is a good time for think-tanks and policy communities in the various states to give their inputs to the governments to ensure that there is substantive movement in the areas of concern. The challenges also offer opportunities and this is what the 5th South Asia Economic Summit aims to highlight. However, policy input needs to become both relevant and tenable. And that, ultimately, is a function of political will. Pakistan’s commitment to this cooperation is indicated by the fact that the summit’s final plenary will be addressed by the foreign minister, Hina Rabbani Khar, on September 13.

Best suited she is to close the summit because she brings her understanding of economic affairs to bear on her remit as the foreign minister.

—Courtesy The News (Wednesday 12th sep 2012)

Get ready, it's monsoon time!

By Dr Abid Qaiyum Suleri

According to the National Disaster Management Authority (NDMA), the coming monsoon, starting from July, would bring more rain than the country had experienced during the last two consecutive catastrophic years, i.e. 2010 and 2011. It suggests that monsoon 2012 may trigger floods and affect some 29 million people across the country.

The NDMA also issued specific flood warning to Sindh provincial authorities. The risk of floods would increase manifold, especially due to the fact that despite spending Rs17 billion on the repair of dykes and canal banks in Sindh after the floods of 2010 and 2011 the irrigation infrastructure is still in bad shape. Moreover, many of the displaced persons in Sindh are still shelter less or settled in flood prone riverine beds.

High intensity rains over a short period of time would not only affect Sindh, but other parts of the country, including Khyber Pakhtunkhwa. There would be a greater risk of seasonal watercourses getting flooded, threatening parts of Peshawar, Swat, Nowshera, and Mardan districts.

Delayed monsoon is not a good omen for the agriculture sector of KP. It will have a negative effect on winter crops in several parts of the province. Besides the above mentioned four districts, the NDMA has identified Charsadda and Dera Ismail Khan as prone to natural calamity in next monsoon.

After the tragic earthquake and devastating floods of 2010, one was expecting that our institutions and authorities would be prepared for any other uncertainty. However, the way Sindh suffered during 2011 monsoon reflects that we as a nation are determined not to learn any lesson from our mistakes.

After 2010 floods, a team of Chinese experts suggested that the narrow span of Khairpur-Larkana bridge was the main cause in unduly holding water between Gudu and Sukkur barrage which inundated...
half of Sindh and almost the entire rice growing area.

It is pity that despite the passage of two years the authorities have failed to redesign and widen this bridge. No one is able to answer where the excess water, which will again be trapped between Gudu and Sukkur barrage this year, would be discharged.

Old natural drains are still non-functional and faulty outfall drain networks might again cause widespread damages after the rains. Despite the promulgation of “Sindh Irrigation (Amendment) Act 2011” to declare encroachments on waterways a crime, heavy encroachment on drains in Sindh is yet another reason to get worried about the miseries of people who would be trapped in water after the massive rains. On top of it, the politically motivated decisions to save the lands of influential people by breaching the dykes of river Indus at wrong places may create havoc.

It is predicted that if heavy rains struck, Umerkot, Jhuddo, Naukot, Digi, Pangrio, Mirpurkhas and Sanghar would suffer a great deal and Badin and catchment area of LBOD would be devastated.

As far as the KP is concerned, after the 2010 floods, a contingency plan was approved and it was recommended that the Met Department should enhance capacity of weather forecasting station in Peshawar, install radar system at Cherat in Nowshera district, improve all observatories, establish flash flood forecasting centre for Kalpani in Mardan district and other vulnerable areas and increase capacity of line departments.

Instead of installation of latest forecasting system all future plans have been dumped in files. Due to unavailability of latest forecasting system in the province the Peshawar centre would depend on Lahore and Islamabad centres or some friendly countries for obtaining weather data.

The situation in Punjab, especially in Southern Punjab is not ideal either. Irrigation infrastructure is extremely vulnerable, canals and barrages are silted reducing their maximum water carrying capacity, and elites who pressurised the authorities to breach the canal banks to save their lands are as powerful as they were in 2010.

Let us admit that natural calamities are unavoidable. Rising temperature, seasonal extremes, global warming, and abundance or scarcity of water is a global phenomenon and we are not an exception to it. What matters the most is how we respond to different natural phenomenon. In the absence of right set of policies and practices, the natural calamities turn into human disasters and this is what we have been observing in Pakistan.

Besides the above mentioned challenges, the issues that still remain to be addressed is institutionalisation of disaster preparedness. After the 18th Amendment, disaster preparedness is the responsibility of provincial governments.

We have provincial disaster management authorities which are inadequately equipped. We have NDMA which is not clear about its mandate. We have Federal Flood Commission which is non-functional. We have provincial irrigation departments which are marred by corruption charges and we don’t have local government institutions to facilitate the decision making at grassroots level.

Disaster prevention includes plans ready beforehand; bringing all the involved stakeholders on board; ensuring the proper operation and maintenance of irrigation structures, creating but also operating and maintaining organisations for disaster preparedness — all these are facets of governance.

While government refers to planning and decision-making by the state and its institutions, the notion of “governance” takes a different look. How are decisions made within a certain society or nation? Who is involved in these decision-making processes? And who has which powers to decide; on which evidence is planning based and which planning are taken as basis for decision-making.

We ought to remember that nature is not against the people of Pakistan. We are facing the consequences of flawed policies and weak actions and we would keep on getting hurt until at a societal level we are mature enough to discuss the real reasons behind our state of affairs openly and candidly.

_Vagaries of weather
By Dr Giovanna Gioli and Talimand Khan

South Asia has been recognized as one of the hotspots of climate change, and mountain ecosystems and communities in the region are considered to be the most vulnerable to climate change. They heavily depend on natural resources for their livelihoods, are more prone to extreme events and natu-
Natural disasters, and suffer from widespread poverty, marginalization, and, often, from socio-political unrest.

Evidences of global warming induced changes in mountainous areas (such as change in temperatures and precipitation patterns, increased frequency and intensity of extreme events, and glacier recession) have been collected and studied by the scientific community.

The village of Hundur has almost totally depleted its forest to meet its energy needs.

Such variations have major impacts both locally, in the mountain community in Gilgit-Baltistan, as well as on the larger scale on the entire country. The high mountains of Pakistan supply water to the Indus river basin through local precipitation and glacier melting. Water availability for the communities depends critically on how the climate changes locally in the mountain regions.

How do communities in Northern Pakistan cope with climate change and environmental pressure? What is their perception of change and which adaptation mechanism have they developed? A new joint project between the University of Hamburg (Germany), and the Islamabad-based think-thank Sustainable Development Policy Institute (SDPI), has explored the socio-economic impact of environmental pressure and climate change and variability in the Yasin valley in Ghizer District (Hundur and Darkut villages), and in lower Hunza (Hussainabad), central Hunza (Altit), and Upper Hunza (Gulmit and Shiskat).

The fragile environment of Northern Pakistan has been deeply affected and the local communities have been noticing climate change impacts. Natural disasters, such as floods, landslides and lake formation, have deeply transformed their environment and their primary sources of livelihood, agriculture and livestock.

After the Attabad lake submerged the Karakoram Highway - the only road in the area - there have been cases of women delivering their babies on the boat on their way to hospital.

In the Yasin valley of Ghizer district (Hundur and Darkut village) a substantial chunk of agricultural land and many houses were washed away by the flash flood of August 2010. Agricultural production was significantly reduced by the lack of land, which was further increased by the necessity of using the remaining land for the construction of new houses.

Growing population and its increasing demands for housing and livelihood resources, and particularly energy requirements, have further degraded the fragile environment. The village of Hundur has almost totally depleted its forest to meet its energy requirements for cooking and heating, which still rely entirely on firewood.

The degradation of forests, which were functioning as slope stabilizers and preventing soil erosion, made the village more vulnerable to potential disasters such as flash floods, as well as to financial stress. Currently, the community spends more on firewood for heating and cooking than on any other household requirements.

Economic shocks induced by environmental degradation and climate change are particularly affecting the agricultural sector, and are visible in both the Ghizer and the Hunza-Nagar District. But there is a difference between these areas. Upper Hunza has been severely impacted by the formation of the Attabad lake, as a result of the massive landslide occurred in 2010. The lake submerged agricultural land and houses, and pasture areas were also affected by the slide. The community reported significant changes in the weather and precipitation patterns after the formation of the lake. All these factors are affecting the productivity of agriculture and orchards substantially. According to the local community, the scale of production and the quality of fruits have decreased, and new crop and plant diseases have emerged.

A change in temperature has been perceived in both the research areas. The month of June has been colder in the last two to five years, causing the failure of wheat, a crucial mono-crop in these regions.

In Upper Hunza, the availability and the cost of transportation is causing additional economic shocks to the community. The only way of communication, the Karakoram Highway, has been submerged by the Attabad lake. The only way to cross it is through a precarious boat service. The villages of Gulmit and Shiskat were famous for potatoes and fruits, but the high cost of transportation made the production unprofitable. The community, which benefited incredibly in terms of development by the introduction of potato as a cash crop over the last 20 years, has virtually lost its most important source of income. On top of that, the disaster also affected other major local businesses, tourism, and blocked the trade route with China.
Besides the economic shocks, the disaster also triggered psycho-social problems in the affected communities. The submergence of their agricultural lands and housing forced the victims to move to other areas, which has led to the disruption of their social fabric. The lack of access to social services, and particularly to health facilities (there are neither hospitals nor doctors in the villages, but only two dispensaries) further jeopardizes the lives of the population, especially women, who have been the principal victims of this situation. Cases have been reported of women delivering their babies on the boat on their way to hospital, and related fatalities have been registered. After these accidents, pregnant women are shifted to Karimabad about a month before expected delivery.

In the face of climate change and environmental pressure, labour migration, sided by relief by the government, the Chinese government, and (I)NGOs, is the major coping mechanism adopted by the communities. Virtually every household in these villages has resorted to labour migration in order to cope with the decreased agricultural productivity and a lack of jobs. Environmental pressure is certainly one of the factors triggering migration, which is mostly internal or seasonal, and rarely international. Remittances are now one of the major sources of income for mountain communities.

Migration is not a gender-neutral phenomenon. Only adult males are opting for this livelihood strategy. Traditionally in these areas, as well as in most of South Asia, women carry out the lion's share of agricultural work. Migration and environmental pressure are increasing the drudgery for mountain women. Most of the local women have experienced increased workload during the migration of male members of their households, and some of them have also denounced decreased mobility, difficult access to health facilities, as well as decreased economic security. If other male members are not present in the household, women are also taking care of the financial management of the household, and they are entitled to directly manage the remittances. In such cases, male outmigration could lead to women's empowerment. Male outmigration is also leading to a decrease of livestock, as fewer men are available to go to high altitude pastures. This factor, coupled with the loss of pastures due to environmental degradation, is tremendously reducing what was before one of the most important livelihood source in both Ghizer and Hunza-Nagar.

Impacts of climate changes are range from individual to the community, national, regional and international levels. Individuals and communities have lost their livelihood sources and also face threats to their physical security in case of extreme climatic events and natural disasters. The impact is also very alarming on the national and international levels. The fragile environment of these areas can affect the environmental services, particularly provision of water to canal systems of Pakistan and India, that can jeopardize the food security of the whole South Asia.

Therefore, strong policy actions need to be taken to address this situation. The 2005 formation of a National Disaster Management Authority (NDMA) is a welcome move, but Pakistan is still lagging behind. We need a National Adaptation Programme of Action (NAPA) and a comprehensive national climate policy.

The article is based on the preliminary findings and observations of the Gender and Environmental Migration project. Dr Giovanna Gioli is a research fellow at the Climate Change and Security Research Group at the University of Hamburg in Germany. Talimand Khan is a survey specialist at the Sustainable Development Policy Institute in Islamabad.

courtesy The News (Friday 10th August 2012)

Indo-Pak Trade
Historical Context and Recent Developments

By Saad Rajput

During the years from partition to the 1965 war, the volume of trade between India and Pakistan remained reasonably high. There were two important factors behind; one was an agreement on Customs’ duty exemption from traded goods and another was the existence of a number of land routes that facilitated the free movement of goods and people.

Though the wounds of blood spilled during partition were still fresh along both sides of the border, a common heritage shared during the years of united India could not be erased from the social memory. Major trade land routes included Munabao-Khokhrapar, Attari-Wagah and Ferozepur-Kasur. The balance of trade during these early years was in favor of Pakistan.

As tensions grew between the two countries leading to the showdown of 1965 war, the trade agreement
was lapsed. Land routes were gradually closed. Trade remained halted for almost a decade till its resumption in 1975 on a positive-list approach. There was no clear roadmap for the revival of trade ties between the two countries and consequently trade became dependent on political oscillations. In 1996, a major breakthrough occurred when India granted Pakistan the MFN status, a move which was reciprocated by Pakistan after 16 years in 2012. Another major development was signing of the South Asian Free Trade Agreement (SAFTA) between the SAARC member countries in 2004 with the commitment to bolster intra-regional trade by bringing tariffs down to the 0 -5% range by 2013, and to reduce the negative lists to a minimum.

Trade negotiations between the two countries have picked up pace after Pakistan granted the MFN status to India. There seems to be a realization on both sides of the border that while setting aside the political differences, much can be gained through increasing trade between the two countries. September 2012 saw the signing of a new visa relaxation policy by India and Pakistan. The agreement, among other relaxations, grants businessmen exemption from city-specific visas and from reporting to the police during their travels.

Similarly, an Integrated Check Post (ICP) was also set up at the Wagah-Attari border in April 2012 in an effort to improve infrastructure to facilitate goods trading at the border. Indian exports to Pakistan via the Wagah-Attari border have grown by 39% in the first quarter following the setting up of the ICP, and Indian imports from Pakistan have grown by a whopping 106% in the same quarter. Also, as a result of the new ICP, 10 times the previous amount of trucks can pass through the border, and cargo movement can now take place for 12 hours compared to only 8 hours previously.

Recently, Reserve Bank of India also agreed to allow Foreign Direct Investment (FDI) from Pakistan into India. This FDI includes both the direct as well as portfolio investment from Pakistan in India’s economy. This would open up new avenues for Pakistani investors, who had previously set up industries in other South Asian countries like Bangladesh and Sri Lanka. This FDI agreement will also give these investors a chance to bank on the engine of growth that India has become in recent years. Most of people, however, see this development a gesture from India to greater trade ties while some believe that India has granted this agreement to Pakistan since the former is in need of FDI as its growth rate slowed down in recent months. Whatever may be the reason, however, this has opened up new opportunities for Pakistani investors. For Example, Mi- an Mansha, one of the richest people in Pakistan, has shown the willingness to invest in India’s banking sector. Tata, one of the largest conglomerates of India, has in turn showed the likeness to invest in Pakistan’s energy sector.

In September 2012, three trade agreements were signed between India and Pakistan. They were cooperation in customs matters, redressal of trade grievances and conformation to quality standards.

In September 2012, three trade agreements were signed between India and Pakistan. They were cooperation in customs matters, redressal of trade grievances and conformation to quality standards. Though, details of these agreements are not known, it is a big step forward. It would be pertinent to inquire about the length to which the two parties have agreed to cooperate in Customs procedures since these prove to be a major barrier to trade on either side of the border. It would also be of utmost importance to check the details of the agreement on quality standards and import certification since this too is a major non-tariff barrier to trade between the two countries. Since this is an absolutely recent development, its details have not yet been published. It would also be interesting to see whether these agreements are implemented in letter and spirit, and whether they prove to be fruitful for exporters from both countries.

While all such initiatives to bolster trade between the two South Asian neighbors are a positive sign, the impact of these initiatives will have to be monitored closely. Also, while relaxations for trade are made, other new barriers are often erected to neutralize their impact. An example from the new Integrated Check Post (ICP) may suffice to show this. While the new ICP has increased the number of trucks to pass through the border at any given time, India has imposed another requirement on the types of trucks that can pass through the Wagah-Attari border. This regulation does not allow trucks having more than 10 wheels to pass through the Indian side of the border. The regulation also prohibits the trucks having more than 40 tonnes of
loading capacity. Most Pakistani exporters are not happy with these regulations, therefore, feel that the infrastructure at Wagah is not conducive for trade. Such neutralizing measures cast doubts on the intention and commitment with which these agreements were signed and implemented. As far as the FDI agreement is concerned, most of the Pakistani investors are skeptical about its success. They demand from India a sovereign guarantee that in case of any political upheaval, like the one caused by the Mumbai attacks, investors would not be asked to pack up and leave the country.

Most of the policy makers recommend the signing of a bilateral treaty within the framework of the South Asian Free Trade Agreement (SAFTA) between the two countries. Since progress on multilateral treaties is slow, bilateral treaties are quicker to enforce and produce results. Some experts are of the view that more land routes between the two neighbors would act as a major catalyst to increase the volume of trade. In fact land routes exist but they were closed down following the escalation of tensions.

Stakeholders also see a huge trade potential on both sides of the Punjab as both the provinces are the hub of commercial and economic activity. A realization on both sides is needed that increased trade will not dilute the importance of political issues that exist between the two countries, but it would pave the way for dialogue on these pressing issues.

Much is to be learnt from the model of dehyphenation of political and economic realms that has worked for political rivals such as Taiwan and China. While political issues be given their due importance, trade and economic relations should not suffer as a result of political upheavals. Both the countries also need to sit down and negotiate the long-standing issues of Siachen, Kashmir and Sir Creek. To achieve this a long-lasting peace is the need of hour.

---The writer is Research Analyst at SDPI

Estimating Size & Operations of Public Sector and Its Impact on Wheat Market in Pakistan: A Post-18th Constitutional Amendment Inquiry

By Mohamad Zeeshan

Wheat, as the most imperative staple food in Pakistan, accounts for a little more than 55% of total caloric consumption. Though, its production remained flat during 2000 to 2008, its consumption was on rise in the same period. This shows that our country was a wheat deficit country during this period.

Sometimes, the government tries to intervene in the wheat market operation to make Pakistan a wheat surplus country. At federal level, the government intervention in the wheat market includes procurement targets, price fixing, restrictions on inter-province movement of wheat, sale prices to mills that equal procurement prices paid to farmers (high implicit subsidies) and ex-mill flour prices fixed based on milling costs (Jansen and Malik, 2010).

The contemporary literature clarifies that the state intervention in the wheat market operations creates distortions, incurring welfare losses. There is a need to sort out the ways which could minimize these distortions. However, after the 18th constitutional amendment, the Ministry of Food and Agriculture is dissolved and provinces are independent in devising their policies. Now there is a need for new policies rather than following the traditional approaches. After this constitutional amendment, the responsibility of the provinces has increased manifold.

Wheat farmers are facing administrative and technical problems in the wheat procurement operations in Pakistan. The drawbacks in wheat procurement system cause suboptimal resource allocation and various other distortions. The 18th constitutional amendment would empower the provinces, and policy makers are hopeful that it would be helpful in reducing these distortions. Other than the administrative weaknesses, there are also some technical problems that farmers are facing.

All the farmers do not have access to the same production technology. Some farmers employ modern machinery and new seeds whereas majority of other farmers lack these facilities. It has created a wedge in the agriculture sector; productivity gap is much higher between the small farmers and the big farmers.

Previously, the Ministry of Food and Agriculture used to assess the import requirements. The decisions were implemented by the Ministry of Industries and the Trading Corporation was responsible for these actions. The devolution of federal powers might bring difficulties in initial stages but the pro-
There is a need of research for new varieties of seeds; the provinces lack access to new seed for most of the crops. The obsolete seeds make it very difficult to acquire the specified targets.

Just take the example of rice crop. It brings $2 billion of export money in the form of foreign exchange. Its seeds are almost 12 year old and are also vulnerable to many infections. It becomes difficult for the crop to operate at its potential level. Same is the situation with the wheat seeds that are older than the rice seeds. They are also producing less yield per acre and are more vulnerable.

There is a great need for the storages of agriculture produces, so far this link is much weaker in agriculture chain. It is difficult to carry the produce to market. About 40% of the horticulture produces is wasted in the field because of the transportation problem. Just the Punjab province might save 40% of its produce if it builds the cold storage chains to conserve the produce. This would increase the income level of farmers and would help to bring them out of poverty net. Farmers are hopeful that provincial governments would realize the significance of storage and would work promptly after the 18th amendment.

The responsibilities of provincial governments have increased manifold as the federal government is reducing its role in wheat market operations. Provinces should promote agriculture and industrial value additions chains which are very little in numbers. The idea of public private partnership might provide additional funds at the disposal of provincial governments. They also need to minimize the bureaucratic checks to make the swift flow of agricultural activities.

In near future, we aim to quantify the impact of government interventions on wheat market operation and on the overall economic structure of Pakistan. It has become important after the 18th constitutional amendment because there is a need for new policy guidelines.

For this purpose, we are developing a Computable General Equilibrium (CGE) model which would be helpful in illustrating the micro level impact of these state interventions. The CGE system facilitates policy simulations in a flexible environment which would enable us to state policy recommendations more precisely.

Preference of prior for the class of lifetime distribution under different loss functions" published in Pakistan Journal of Statistics

SDPI’s Monitoring & Evaluation Officer Syed Mohsin Ali Kazmi’s research paper titled "Preference of prior for the class of lifetime distribution under different loss functions" has been published in Pakistan Journal of Statistics with 0.286 impact factor.

In this paper, the class of lifetime distribution is considered for Bayesian analysis. The properties of Bayes estimators of the parameter are studied under different loss functions via simulated and real life data.

For the particular case of the Maxwell distribution, a comprehensive simulation scheme is conducted using non-informative and informative priors. The loss functions are compared through posterior risk. Attractive closed form expressions are derived for the complete sample. Some other interesting comparisons like credible interval (CI) and Highest Posterior Density (HPD) intervals are made and properties of the estimates are observed and presented in a very smooth way. The paper can be downloaded from http://www.pakjs.com/journals/28%284%29/28%284%294.pdf
Center for Capacity Building (CCB)

With the aim to impart high quality skills and trainings to the public, private and NGO sectors so as to strengthen institutions and build individuals’ capacities for sustainable development, Centre for Capacity Building conducted the following workshops from July to Sep 2012.

**Communication and Presentation Skills**

*(10-12 July 2012)*

The 3-day workshop on Communication and Presentation Skills is the part of CCB’s annual training calendar. Five persons from different organizations participated and successfully completed the training. The objectives of the workshop were to:

- Understand the process and essentials of effective communication
- Become familiar with the guidelines for understanding the audience and building rapport
- Understand the techniques and methods of preparing and delivering effective presentations
- Learn tips to improve their written communication
- Formulate and practice anticipated questions and their responses
- Design and deliver a live presentation

Participants of the workshop on Communication and Presentation Skills along with the trainer on the completion training.

**Peace Building for Community Leaders**

*(16-20 July 2012)*

The 5-day workshop, which was attended by 16 community leaders from Haripur, Gilgit-Baltistan and AJK, was conducted as part of SDPI’s Such For Common Ground (SFCG) Project. Its main objective was to train community leader in order to help them understand their role in conflict resolution in their respective areas. Later, the community leaders will be engaged in generating dialogue on peace building.

Participants of workshop on “Peace Building for Community Leaders along with their trainer.

**Conflict Resolution & Negotiation Skills**

*(29 - 30 Aug 2012)*

The two-day workshop on Conflict Resolution and Negotiation Skills was also the part of CCBs annual training calendar. It was an open-enrollment workshop in which six people from different organiz-

Participants of workshop on Conflict Resolution and Negotiation Skills along with the trainer.
Effective Leadership in NGO (19-20 Sept 2012)

This two-day workshop on Effective Leadership in NGO was the part of CCB’s annual training calendar. It was an open-enrollment workshop in which 10 people from different organizations participated and successfully completed the workshop. The workshop discussed various topics including:

- Characteristics of Leadership
- Leadership vs. Management
- Spheres of Leadership Influence
- Leadership Styles
- Leadership Experience Interviews
- Folklore of Leadership

Leaders for Peace (17-21 Sep 2012)

The workshop on Leaders for Peace was conducted as a part of the SDPI’s Such For Common Ground (SFCG) Project. The workshop encompasses 22 community leaders and youth representatives from Karachi, Larkana, Hyderabad and Sukkur. Its main objective was to train community leader in order to help them take up their role in resolving conflict in their respective areas. Later, the community leaders will be engaged in generating dialogue on peace building.

Mastering PowerPoint 2010 & Prezi Basics” (26-27 Sept 2012)

This two-day workshop was also the part of CCB’s annual training calendar with an open-enrollment As many as 14 people from different organizations participated and successfully completed the training. Contents of the workshop were to:

- Negotiation skills
- Conflict and confrontation – your triggers
- Questions to address conflict
- How to apologize
- Conversational control
- Exercises in conflict resolution

Environmental and Natural Resource Economics (14-17 Sep 2012)

The Sustainable Development Policy Institute [SDPI -Pakistan] and the South Asian Network for Development and Environmental Economics [SANDEE – Nepal] jointly organized a research and writing workshop on Environmental and Natural Resource Economics. The aim of this workshop was to build researchers’ capacity in the area of Environment and Resource Economics. International and local experts in the field of Environmental and Natural Resource Economics conducted this workshop. At least 15 researchers from different institutions participated and successfully complete the workshop.
• Create slides to maximize audience learning
• Learn smart tools and features of both PowerPoint and Prezi
• Learn how to retain the audience attention throughout the presentation
• Demonstrate confidence and credibility through the use of effective presentation techniques
• Avoid common PowerPoint and Prezi pitfalls
• Practice using the tools they have learned

Young Leader for Peace
(26-30 Sep 2012)
The workshop on Young Leader for Peace was the part of series of workshop for SDPI & SFCG project. At least 20 people from 25 districts of Pakistan participated in the training sessions. Its main objective was to enhance the skills of youth as a leader so that they could serve in their areas as peace builders.

Advocacy at SDPI

Call to transform corporate sector into socially-responsible entity (3rd July 2012)
Experts, on the launching ceremony a report ‘The State of CSR in Pakistan - an Illustrative Example of Sugar Production’, said that corporate sector needs to transform itself into a socially responsible entity for pro-poor growth and overall welfare of the society. They said that philanthropy, benevolence and corporate social responsibility (CSR) must not be treated equally and should be looked upon more consciously. They said mere rhetoric and advertisement campaigns by business companies in Pakistan cannot be classified into CandSR, there is a need to have a structured approach while exploring the linkages between people, profit and prosperity.

State can play pro-active role to stop brain drain: expert (09th July 2012)
Low income countries are suffering due to emigration of highly skilled and educated people to the high income countries. To stop this brain drain, the state can play a proactive role to tap the potentials of highly educated diaspora. This was the crux of a lecture delivered on the occasion of SDPI 20 years celebrations.

Speakers were of the view that the social cost of migration is greater than the social benefits from migration.

**Ruling elite main hurdle in rule of law: speakers**

(16th July, 2012)

Speakers at a launching ceremony of a book on Pakistan Main Riyasti Ashrafiya Ka Arooj said that Pakistan’s ruling elite is the biggest obstacle in way of supremacy of the Constitution and rule of law in the country. They said Pakistani Ashrafiya, including politicians, establishment and bureaucracy, has made the Constitution subservient to their personal interests while ignoring the fundamental rights of ordinary citizens. Blaming politicians and political parties for the formation of Riaysti Ashrafiy, the speakers said only the politicians and political parties have the constitutional right responsible to rule but they have failed to deliver.

**Plan to provide disaster risk insurance to all**

(25th of July, 2012)

Experts at a consultation jointly organized by SDPI and SPO said that Pakistan is working on a plan to provide disaster risk insurance to its 180 million populations. It would be the biggest ever insurance venture anywhere in the world, they said, adding that the National Climate Change Policy 2011 will not make an impact without integrated institutional efforts and coordinated approach.

**SDPI, WFP sign MoU to conduct Food Security and Nutrition Survey 2012, (27 July 2012)**

Sustainable Development Policy Institute (SDPI) and UN World Food Program (WFP) signed a Memorandum of Understanding to produce an assessment on food security and nutrition problems in Pakistan. The study which draws upon data collected in districts and regions across Pakistan is commissioned by the Ministry of National Food Security and Research.

**Effective implementation of CSR stressed**

(6th, August, 2012)

Speakers at a seminar on Peace through Profit: Peace-building through corporate social responsibility in Pakistan said that the government, corporate sector and civil society need to work together for an effective implementation of corporate social responsibility concept. They said that corporate sector can play a vital role in conflict resolution in the society through leveraging its position, skills, resources and wider support network.

**Food Security and Nutrition Assessment Study 2012, (7 August, 2012)**

Participants at an inception meeting on Food Security and Nutrition Assessment Study 2012 said the study would provide strong evidences for better policy decisions to address hunger and malnutrition issues in the country.
During the discussion, participants suggested to analyze the demographic survey of the study, close interaction with disaster management bodies, consultation with provinces, exploring the causes of food insecurity, embedding the gender dimension and mapping the impact of rural urban migration to understand food insecurity in Pakistan.

Launching ceremony of Dr Humaira Ishfaq’s books (13 August, 2012)

Speakers at the launching ceremony of three books, Taraqqi Pasand Tanqeed,” “Nasar-e-Rasheed Jahan” and “Mukhtar Saddiqi: Representative of Neo-Classical Tradition”, appreciated the literary works of Dr Humaira Ishfaq on progressive writing movement in India and Pakistan.

Briefing the audience about the books, she said: “Books give opportunity to authors to express their feelings.” These books not only provide a window to peep into the past progressive movements but also give an insight regarding the lives of progressive writers like Rasheed Jahan and Mukhtar Saddiqi.


Media launch of a study, ‘Pakistan Power Sector Outlook: Appraisal of KESC in Post Privatization Period, conducted by SDPI adviser Arshad H. Abbasi was held. The study highlighted the inefficiencies in power production, chronic line losses as well as negligence of national regulator, NEPRA, due to which prevails energy crisis in Karachi Electric Supply Company (KESC). The study reveals that thermal power plants in Pakistan are operating at an extremely low efficiency and consuming very high quantity of fuel to generate per unit electricity.

It suggests the only way to come out of this crisis is to invest and buy affordable electricity from hydro power, improve fuel efficiency of power plants and introduce ‘smart grid’ with advanced metering system.

Urdu translation of Environmental laws proposed (27th August 2012)

Speakers at the launching ceremony of a book, ‘Environment, Society and Sustainable Development’ said environmental literature in Urdu can be more effective in creating awareness and educating people about nature. They stressed the need to sensitize youth on environmental conservation and called for inclusion of environmental preservation in curriculum.

They called upon the political parties to come forward and include ecological preservation in their manifestos. They also suggested to translate environmental laws into Urdu, especially Pakistan Environment Protection Act, for their better understanding and implementation.

Media briefing on 5th South Asian Economic Summit 2012, (03 September 2012)

Media was briefed on Fifth South Asian Economic Summit 2012 held in Islamabad from Sept 11-13. Journalists from electronic and print media was informed that the summit would discuss chronic economic challenges faced by South Asia and find solutions to cope with regional sustainable development goals.

Media was told that SDPI will host 200 delegates from South Asia and around 3,000 people are likely
to participate in the event from across Pakistan. The summit marks one of the largest convergences of high level policy makers in Pakistan with the participation of honorable ministers, senior government policy makers, economists, academician, businessmen, and civil society representatives.

News briefing on IUCN World Conservation Congress 2012 (September 04, 2012)

World leaders at IUCN’s “Global Conservation Congress 2012”, must support legally binding treaty on Mercury to protect health, environment and ecosystem from hazardous and toxic Mercury.

Media was informed that SDPI would move a motion for a global treaty to the upcoming IUCN “Global Conservation Congress 2012” to be held in Jejo, Republic of Korea this month. “The resolution calls for measures to reduce and eliminate the use of mercury and ask for a mandatory National Implementation Plan (NIP) to ensure the effective implementation of treaty.

5th South Asian Economic Summit, (11-13 September, 2012)

Day first of the summit comes up with the conclusion that trade alone is not enough, but reforms in investment regime and cooperative mechanism to manage natural resources are vital for regional integration. On Day two delegates called for building greater synergies between ASEAN and SAARC in the Asia region to benefit from each other’s experiences to achieve the goal of inclusive development in South Asia. Chief Guest, Hina Rabbani Khar addressed the closing session and said, Time has come to move forward to achieve greater regional cooperation and deeper integration within South Asia.

Clustered Deprivation: District Profile of Poverty in Pakistan, (24th September 2012)

Audience at launching ceremony of a study ‘Clustered Deprivation: District Profile of Poverty in Pakistan, conducted by Arif Naveed were informed that 33 per cent households (58.7 million Pakistanis) live below the poverty line.

According to the study, Balochistan is the poorest of all provinces with 52 per cent population living below the poverty line, followed by Sindh with 33 per cent, KPK with 32 per cent and the Punjab with 19 per cent.

Referring to 46 per cent rural poverty compared to 18 percent urban poverty, the author said that there are stark inequalities over the incidence of poverty across regions, between provinces and within the provinces. Speakers said that poverty should not be taken merely a number game. They demanded of the government to take deliberate measures to control poverty with a paradigm shift by investing on human development.

Sustainability and long-term well being is an equality issue (25th September 2012)

Dr Geof Wood, the Professor of Emeritus at University of Bath, UK while delivering a special philosophical lecture on “Rediscovering our Common Wealth” said sustainability and long-term wellbeing is an equality issue. To a question that why should humans care about each other not only at present but also in future, He replied, human’s personal sense of wellbeing is reliant upon those around us. Likewise, in future, the wellbeing of our descendants will depend upon the wellbeing of their contemporaries.

Donors agenda and conditions create conflicts (25th September, 2012)

Speakers at a seminar, ‘Did Aid Cause Conflict?’, said donors’ pursuit of strategic agenda and conditions create conflicts whereas recipients have to face after effects of inappropriate strategy and wait for more aid to undertake expensive reforms.

They said that strategically tied aid brings money and relaxes revenue constraints but takes the power away to pursue indigenous policy-making. It indirectly weakens the need for reforms and shuns the government’s responsibilities of social development and public service delivery.

Call to engage youth in social, political, economic transformation (26th September 2012)

Speakers at a 3-day workshop on ‘Young Leaders for Peace, said youth can play a crucial role in positively transforming conflict situations into peace and contribute in building peaceful societies. The workshop was jointly organized by Search for Common Ground (SFCG)|Pakistan, Sustainable Development Policy Institute (SDPI) and DANIDA International.

Acknowledging youth as the agents of peace, the speakers emphasized to engage young people in political, social and economic transformation, rather
than considering them victims of conflicts.

The workshop provided an opportunity to youth leaders arrived from 25 districts of Pakistan to discuss issues of extremism, conflicts, intolerance and peace building in the country. The topics included: leadership styles and competencies, concepts of conflict & peace, conflict mapping and actor analysis, transformation strategies, connectors and dividers of peace, cooperative problem solving, and consensus building & common ground approach.

Introduction:
The Sustainable Development Policy Institute (SDPI) has organised fourteen Sustainable Development Conferences (SDCs) since the inception of the Institute in 1992. The SDC is a flagship event of the Institute that not only provides a forum for SDPI's own research but also invites other researchers and academics from the region to share their work and engage in dialogue with fellow panelists and the audience. The SDC series is also a prime conference in South Asia with a major focus on this region. In fact, it sets the tone and discourse for sustainable development in South Asia.

In the past SDCs, speakers have been invited from different regions, not just from South Asia only. Some of the countries besides those in South Asia that have been represented include Australia, Canada, Chile, China, Germany, Indonesia, Kazakhstan, Iran, Italy, Netherlands, Oman, Palestine, Russia, Sweden, Switzerland, Thailand, UAE, UK and the USA.

About the overarching theme:
As the title 'Sustainable Development in South Asia: Shaping the Future' suggests, SDPI's Fifteenth Sustainable Development Conference will be looking at the future of sustainable development in South Asia. Speakers will be asked to analyze how things will look in 20, 30 or even 50 years from now; throw light on issues that will be looming large; make concrete suggestions on how to overcome future challenges; and, give practical policy recommendations about a sustainable South Asia that we want. Researchers will have an opportunity to build on data of the past to forecast the future; to add on to already available data and see what results they can come up with; to view if the world in general and South Asia in particular will be a better place to live in or worse; and, to look at what the next generations will be facing. Through the prism of the future, speakers will be able to prophesize challenges that at this day and year are not apparent but may become the biggest challenge of the century in times to come. This will be a Conference where researchers, academicians, scientists, policy makers and experts from different fields will be able to present workable solutions for future threats and challenges.

This year, speakers will be asked to come up with specific answers to questions raised in the panel sub-themes and support their answers with data and evidence from the past and present and to build on that. The papers and presentations will therefore have original and novel ideas and ways of looking into the future.

Some of the major sub-themes that the Conference will delve into but will not be limited to include peace and security; livelihood; natural resource management; climate change; environment; gender; economy; religious discourse; governance; media; citizens’ voice and accountability; non-traditional threats; distributive justice; etc.

List of Panels:
Given below is a tentative list of panels being organised at SDPI’s Fifteenth Sustainable Development Conference. Panel write-ups have been uploaded while a few others are being uploaded. Updated information may be viewed at the Conference website:


1. Gender, environment and migration in South Asia
2. Will media be a catalyst for change?
3. Online social networks and sustainable development: Friends or foes?
4. Civil-military imbalance and its policy implications
5. Third wave of democracy: A myth or reality from South Asian perspective
6. Dynamics of non-traditional security threats in South Asia

As many as 19 organizations from 12 countries including Pakistan contested for the position of UN-REDD CSO Observer from ASIA-PACIFIC region. The other contestents included India, Eastern and Western Provinces of Solomon Islands, Thailand, Bangladesh, Sri-Lanka, Indonesia, Nepal, Malaysia, Papua New Guinea and Vietnam.

SDPI Research Associate Kanwar Muhammad Javed Iqbal would represent Asia-Pacific region as Observer for a two-year term. He would also solicit issues and concerns at UN-REDD Policy Boards on behalf of civil society organizations and their constituencies including women organizations and networks. Besides participating in Policy Board meetings, he would provide his input, disseminate information among constituencies and contribute to working groups regarding decisions of the Policy Board.

Launched in September 2008, The UN-REDD Programme aspires to develop capacities for implementing REDD+ and to support the international dialogue regarding the inclusion of a REDD+ mechanism in the post-2012 climate regime.

Reducing Emissions from Deforestation and Forest Degradation (REDD) is a mechanism designed to use market and financial incentives to reduce greenhouse gas emissions from deforestation and forest degradation. REDD+, mechanism can deliver "co-benefits" such as biodiversity conservation and poverty alleviation.

The UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD Programme) extended three positions to developing countries CSO where one position was opened from each of the Programmes three regions Africa, AsiaPacific, and Latin America-Caribbean. One position for allocated for developed country. SDPI is from Asia-Pacific while other key Observers and Ex-officio Members are: UNFCCC Secretariat, Forest Carbon Partnership Facility represented by The World Bank, GEF Secretariat, Indigenous Peoples representatives, one from each of the three regions, The Independent Advisory Group on Rights, Forests, and Climate Change (IAG) and Multi Partner Trust Fund Office (Ex-officio Member).
Baking Paper dangerous for health, environment, births

Baking paper is a global pollutant, dangerous to health and environment as well as causes endocrine/immune system disruption, birth defects, kidney diseases and cancer, shows a study to find out the concentration level of chemicals in the baking paper, a consumer product and commonly used in confectionary including cake, pastries etc.

Initiated in 22 countries from Europe, Asia, Africa and North America, the study was conducted by International POPs Elimination Network (IPEN) of which SDPI is an active member and was also the founding member of its steering committee and co-chair of the group on industrial POPs.

A total of 72 samples of baking papers in use were collected from 22 countries including Pakistan. In Pakistan, the samples were collected, with relevant information, from Rawalpindi & Islamabad and were sent to SDPI’s partner organization, Arnika, Czech Republic, for chemical analyses/testing in a leading laboratory.

The presence of per- or poly-fluorinated substances was affirmed only in six samples (8%). These samples included one each from Nigeria, Pakistan, Macedonia, Poland and two samples from Canada. Only one sample, which was from Pakistan, contained (perfluoro octane sulfonic acid or perfluoro octane sulfonates). Among four samples sent for analyses from Pakistan, this one is used for "Cake Cups." (see the picture)---

Role of CSR in Peace Building Measures

SDPI in collaboration with International Alert and Responsible Business Initiative conducted a series of initiatives on the role of businesses in resolving local conflicts prevailing in the country. Besides collecting data through surveys, SDPI also conducted consultations with stakeholders including government officials, business community, civil society representatives and academia in Islamabad and Karachi on August 6 and 29 respectively. The detail of key issues and recommendations extracted from the process is as under.

Business Community

• According to a study conducted by Pakistan Centre for Philanthropy, over Rs 3.5 billion is spent annually in philanthropic and charitable activities in Pakistan. It is important that this huge amount is invested more systematically.

• Businesses should enshrine share for the local population in their profits. This share could be spent on welfare activities for communities where businesses operate.

• A more powerful model for businesses is to create and enhance community livelihood. This could be done by creating employment opportunities for constituents. Smaller businesses from the area could also become a part of the supply-chain. This will prevent community alienation and is likely to make reward-sharing more equitable.

• Lastly, disaster planning and disaster management should be formalized, where each party (government, business, and civil society) can contribute their own strengths. A similar model can then be applied for post-conflict peace-building measures.

• Companies should also take community groups on board in any of their decisions that have community-level implications, lest business operations lead to future conflicts. Balochistan has been a victim of conflicts due to control over local resources. It will thus be important to include local groups if Thar is to be developed for industrial use.

• There can be provision in the law that sets a certain percentage of local population in the workforce of companies. In the absence/non-implementation of a well-thought out regulatory structure with regard to responsible business practices, business malpractices are likely to continue and contribute to conflicts.

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Local Community

- Businesses should be more inclusive for local markets instead of being diverted abroad.
- Labor laws should be strengthened and properly implemented. The tri-partite mechanism of the International Labor Organization can be used in that regard. Proper implementation of the tri-partite labor policy down to the district level can help prevent conflicts between labor unions and businesses, thereby resolving many local issues.
- Labor representation in board of companies.
- Business can help in post-conflict peace-building by investing locally and offering more employment opportunities to the local population.
- CSR initiatives by businesses, along with development work by NGOs, help expose government inefficiencies in many areas and set lessons for government to learn. Governments can thus use these programs as prototypes for its own interventions and projects that have a broader theme to cater and are more focused to address community issues.
- Businesses can partner the community groups and the government should make CSR activities more inclusive of all stakeholders. There is evidence of such partnerships that helped bring peace in conflict sensitive areas.

Civil Society Organizations

- Businesses having influence over the market can leverage their position to neutralize local conflicts.
- Businesses can play an active role through humanitarian access and humanitarian protection under a conflict situation.
- Conscious efforts are needed on part of the political parties and civil society to call for demilitarization and a non-violent political arena.
- When the government fails to provide basic services impartially, the private sector is assumed to fill the gap. This may not be an ideal situation if it discourages government to undertake its prime responsibilities with regard to social service delivery.
- Businesses can also help in conflict-prevention by ensuring that their CSR activities are unbiased and non-partisan.
- Corporations should hire youth and women from underprivileged areas by providing them education and training.
- Smaller businesses functioning right in the midst of communities usually enjoy more respect and influence and can partner with the government in resolving local conflicts.
- Businesses need to go beyond philanthropy and charity in their CSR initiatives. While charity fulfills a moral obligation, it often also suppresses a more pro-active role that businesses can play in addressing community issues.
- There can be provision in the law that sets a certain percentage of profits to be invested for the community’s welfare. This percentage can vary with the scale and local supply-chain footprint of each business operating in any area. This can ensure better sharing of profits generated by local resources.
- It is important that conflict-resolution is undertaken with a participatory approach, wherein all stakeholders are not only evenly represented but also have properly defined roles. Without such a participatory approach, there can be confusion over responsibilities and conflicts are likely to remain unresolved.

Academia:

- As organizations with manpower from all sections of society, businesses can help create an atmosphere of mutual respect, trust, and hope. Thus they can help ensure peace at least in an indirect way by maintaining a working atmosphere where all are evenly respected and privileged.
- Businesses can also play an active role in post-conflict redevelopment activities. This was evidenced in Lebanon in 2006 when local businesses led the reconstruction and redevelopment process and were later supported by other groups.
- Allowing businesses to operate in conflict-sensitive zones might require some balance. While certain businesses have supported oppressive regimes, there have been others that have supported the oppressed. Thus, businesses, as stakeholders in the community’s benefits and losses, have the capacity to play a mediatory role. However, assigning businesses a peace-keeping and regulatory role can be akin to encroachment upon what should be the government’s prime responsibility.

---by Safwan A. Khawja