

'The Environmental Impact of GSP+ in Pakistan'

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A. Introduction

One of the three objectives of the European Union's Generalised Scheme of Preferences (GSP+) is to *"promote sustainable development and good governance"* in beneficiary countries. The GSP+ status was given to Pakistan in 2014. The EU is currently reviewing the application of its GSP regulations. The evaluation of the economic, social, human rights and environmental impacts of the GSP+ entrusted to Development Solutions (DS) is aimed at *"an in depth quantitative and qualitative assessment of the ... environmental impacts of GSP+ in Pakistan"*.

The GSP qualification criteria in respect of sustainable development include the ratification and implementation of 8 international environmental conventions and agreements (MEAs) noted below:

1. **The Convention on International Trade in Endangered Species of Wild Species of Fauna and Flora (CITES)** adopted in 1973. CITES aims to ensure that international trade in species of Wild animals and plants does not threaten their survival.
2. **The Montreal Protocol to the Vienna Convention for the Protection of the Ozone Layer**, adopted in 1987, is designed to protect the Ozone Layer by ensuring the phasing out the production, export/import and use of numerous chemical substances responsible for the depletion of the Ozone Layer.
3. **The UN Convention on Biological Diversity (UN CBD)**, adopted in 1992, aims at ensuring the conservation of biological diversity, the sustainable use of biological diversity, and the fair and equitable utilization of the benefits of utilization of genetic resources.
4. **The Cartagena Protocol on Bio-Safety**, adopted in 2000, is meant to ensure the safe handling, transport and use of living modified organisms (LMOs) resulting from

modern biotechnology that may have adverse effects on biological diversity, taking also into account risks to human health.

5. **The UN Framework Convention on Climate Change (UNFCCC)** was adopted in 1992 with the objective to *“stabilize green house gas (GHG) concentration in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system”*.
6. **The Kyoto Protocol** to the UNFCCC, adopted in 1997, was aimed at implementing the Convention through mandated cuts in the GHG emissions of 37 developed countries up to 2012 (later extended in 2012 up to 2020) and other measures.
7. **The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal**, known as the Basel Convention, adopted in 1989, is aimed at curbing the movement of hazardous waste between countries, and specifically prevent transfer of hazardous waste from developed to less developed countries. It is also intended to minimize the amount of toxicity of wastes generated to ensure their environmentally sound management.
8. **The Stockholm Convention on Persistent Organic Pollutants (POPS Convention)**, adopted in 2001, with the view to eliminating, or at least restricting, the production, export/import, and use of a number of persistent organic pollutants *“chemical substances that persist in the environment, bio-accumulate through the food web, and pose a risk of causing adverse effects to human health and the environment”*.

The EU's GSP+ scheme binds the beneficiary countries to not only ratify the aforementioned conventions and undertake to maintain their ratification but also accept *“regular monitoring and reviewing of their implementation”*.

Therefore, the evaluation currently underway will probe the success of Pakistan's efforts to ensure air and water quality; environmentally sound management of waste; protection of the country's natural resources, including forests, wild life, fisheries; protect biodiversity, combat air pollution; address the drivers and effects of climate change, and curtailing GHG emissions per unit of output.

B. Pakistan's Ratification and Implementation of the 8 MEA's

Several documents including the EC's report issued on 28 January 2016 (pages 189-2012); the preliminary findings of DS's draft Mid- Term Evaluation; and the report submitted by the M/O Climate Change, Government of Pakistan (the focal Ministry for all MEA's) in 2016 state that:

- Pakistan has ratified the 8 MEA's covered by the GSP+ regime, maintained its ratification of the Conventions and subsequent amendments, including the Paris Agreement on Climate Change adopted in December 2015.
- Pakistan has been participating in the Conference of Parties (COPs) of the 8 MEA's and their subsidiary bodies.
- Pakistan has enacted legislation and formulated policies, strategies and plans of action for implementing the MEA's as per the obligations of Parties stipulated in the MEA's and decisions of the COPs,
- Pakistan has submitted, albeit with varying regularity, reports on its compliance with, and implementation of the MEA's to their secretariats, indicating in some instances the capacity and resource constraints impeding effective follow up on their obligations as Parties.

C. Highlights of Pakistan's Implementation of the MEA's

The Convention on International Trade in Endangered Species of Wild Species of Fauna and Flora (CITES)

- Annual reports on Pakistan's CITES relevant international trade up to 2015 have been submitted. Biennial reports on legislative, regulatory and administrative measures to enforce the Convention up to 2013-14 have also been submitted. The 2015-16 report is being finalized.
- The Pakistan Trade Control of Wild Fauna and Flora Act 2012 is the main instrument for the Implementation of CITES. Rules and regulations for implementing the Convention are expected to be notified shortly.
- Provincial Governments have also adopted legal and administrative measures to Implement the Convention.

The Montreal Protocol to the Vienna Convention for the Protection of the Ozone Layer

- Pakistan has implemented the Montreal Protocol in active collaboration with UNEP, UNDP, and UNIDO. A dedicated office – the Ozone Cell- established in 1996 serves as the institutional mechanism for implementing the Protocol.

The Basel Convention

- Pakistan is developing a national hazardous waste management policy. The Basel Convention Import Policy Order 2016 for a ban on the import of hazardous waste was issued in 2016. The policy also contains procedure for the import of scrap/waste tires.

- A project on the Environmentally Sound Management of Waste from Ship Dismantling at Gaddani, funded by the EU, is being implemented.
- Pakistan's M/O Climate Change is actively considering acceptance of the Ban Amendment.
- Pakistan has not yet issued hazardous substances rules.

Convention on Biological Diversity (UN CBD)

- Pakistan's National Biodiversity Strategy and Action Plan launched in November 2015 based on a comprehensive revision of the 2010 Strategy and Action Policy, including the Protected Areas System; botanical gardens; projects for combating soil erosion in catchment areas of large dams; awareness campaigns; and Centre for Biodiversity Conservation are among significant steps for the implementation of the CBD.

The Cartagena Protocol on Biosafety

- The Protocol Secretariat has acknowledged the efforts made by Pakistan to implement the Protocol but warned that it *"has not reached the threshold necessary for making significant progress"* in implementing the Protocol.
- A National Biosafety Centre has been established on a project basis.
- Pakistan's Instrument of Accession to the 2010 Nagoya Protocol on Access and Benefit Sharing was deposited with the UN Secretariat on 23 November 2015.
- Pakistan adopted a National Forest Policy in July 2015 aimed at strengthening the capacities of the provinces and regions to protect and conserve their forest resources and increase forest and tree cover through wide ranging measures including awareness enhancement campaigns, measures for curbing deforestation, establishment of cross- border ecological corridors etc. The Forest Policy aims at increasing the country's forest cover from 5% to 9% in the next 15 years.
- The Ministry of Climate Change has also established a Steering Committee on REDD+ for promoting the objectives of the global initiative in the country. A REDD+ Strategy is also under preparation.

UNFCCC

Significant developments relating to Pakistan's implementation of the UNFCCC include:

- Establishment of the Federal M/O Climate Change. The Climate Change Ministry is also the focal Ministry in respect of all environmental MEA's ratified by Pakistan and oversees the work of the Pakistan Environmental Protection Agency set up under Pakistan's Environmental Protection Act of 1997.
 - Adoption of National Climate Change Policy (NCCP) 2012, containing mitigation and adaptation goals and policy interventions.
 - Development of the Framework for the implementation of the NCCP 2013 focusing on adaptation measures such as integrated water resource management to reduce the adverse impacts of climate change.
 - Measures to revitalize the Global Change Impact Study Centre (GCISC) to serve as research arm of the M/O Climate Change.
 - Parliament's approval of the Climate Change Act providing for the establishment of a Climate Change Council as the apex policy forum on climate change; establishment of a Climate Change Authority for overseeing and coordinating climate change mitigation and adaptation activities, including the implementation and periodic updating of Pakistan's Intended Nationally Determined Contribution to Climate Change (INDCs) submitted during 2016; and a National Climate Change Fund to address funding of climate change-related activities.
 - Second National Communication on Climate Change is the process of being finalized. (The first National Communication was submitted in 2003)
 - Finalization of Pakistan's Green House Gas Emissions Inventory.
 - Climate Change – related Technology Needs Assessment being finalized.
 - Situational Report on Environment and Health Assessment submitted.
 - A Climate Public Sector Expenditure and Institutional Review study is also being undertaken.
 - Khyber Pakhtunkhwa Green Growth Strategy and Billion Tree Campaign is making good progress. KP's ambition is to make the province carbon neutral by 2018. The KP Government has also carried out scores of micro hydropower projects.

- Prime Minister's Green Pakistan Programme including planting 15 million trees over the next 5 years was launched and funds have been provided to provincial and regional authorities during the current year.
- Work has started on several large hydropower, wind, and solar power projects. The Quaid-i-Azam National Solar Park, with a capacity to produce up to 1500MW electricity, has been inaugurated.

D. Review of Pakistan's Implementation of Environmental Conventions and Protocols: An Overview

The environmental conditionality of GSP+ has perhaps helped strengthen the resolve of the Government of Pakistan to pay greater attention to environmental protection by ensuring, within the constraints of its governance, institutional and capacity constraints, the fulfillment of its obligations as a Party to the 8 MEA's. This is underlined by, inter alia, the setting up of a GSP Implementation Cell although the role of the Cell in speeding up decision making is not clear.

As noted in the narrative of efforts made by the Government of Pakistan, during the past three decades or so, Pakistan has developed a large number of policies, strategies and action plans for the implementation of the 8 MEA's covered by the GSP+ Scheme as well as other MEA's such as the Convention on Combating Desertification (UNCCD).

These policies and action plans can be considered a significant step as they highlight national consensus on recognition of the importance and urgency of the subjects addressed by the Conventions. They highlight the relevance of the objectives of the MEA's for Pakistan's socio-economic development and the well being of its people; establish quantitative and qualitative targets and benchmarks; and define the roles and responsibilities of implementing agencies and stakeholders.

The policies and action plans serve as basis for planning and budgeting processes at the domestic level as well as offer options for interventions, including projects and programmes for providing financial and technical assistance, for consideration by Pakistan's external partners such as friendly countries, UN agencies and other multilateral organizations able to assist developing countries in their implementation of environmental MEA's. This is corroborated by the fact that all the environmental policies and action plans have been developed with the financial and technical assistance provided by the relevant UN agencies and other multilateral agencies.

A large number of studies undertaken by Pakistani and foreign institutions and non-governmental organizations on the environmental problems facing Pakistan present a rather grim picture indicating unabated deterioration of the environment and natural resources. Due to time and space limitations, it is not possible to provide a detailed description of the state of Pakistan's environment. I will only present a broad-brushed

review of the state of affairs in respect of areas addressed by the 8 MEA's covered by the GSP+ Scheme.

- **Air and Water Quality**

According to a 2014 report of the World Bank titled 'Cleaning Pakistan's Air', Pakistan's air pollution is "among the most severe in the world" which "engenders significant damage to human health and the economy". The report called for "targeted interventions in the short, medium and long term" as well as strengthening of the institutional and technical capacity of organizations responsible for air quality management ". The report noted that Pakistan ranked 80 in a list of 122 countries in terms of air quality. Half dozen Pakistani cities appear in the list of cities with heavily polluted air.

Air pollution in Pakistan's rapidly growing urban areas is largely due to vehicular emissions, inadequate management of waste, and emissions by small and medium size industrial plants located in or around urban and peri-urban areas. In rural areas the continued use of agricultural residue for cooking and heating is a major source of indoor and outdoor air contamination.

Most Pakistani cities lack or have dysfunctional air quality monitoring facilities.

- **Water Quality**

Pakistan developed a comprehensive National Drinking Water in 2009. Pakistan's Vision 2015 and documents comprising annual Economic Surveys recognize the importance of safe drinking water and promise measures for addressing water contamination. Pakistan has implemented dozens of programmes and projects funded by the US, Japan, the World Bank and the Asian Development Bank for providing clean drinking water in urban areas.

The Federal Minister for Science and Technology informed the Senate in March 2017 that according to a report titled 'Provision of Safe Drinking Water' produced by the Pakistan Council for Research in Water Resources (PCRWR) 72% of the safe drinking water schemes in the country were found to be functional; 84% of the those supplied water that was unfit for human consumption. (The newspaper reporting this also quoted an official of the PCRWR saying he and his colleagues had not received salaries for several months!) Another study published by the PCRWR in April 2016 had revealed that 100 brands of bottled water out of 111 brands examined by its water quality laboratories were found un-safe for consumption.

In the rural areas, increasing pollution of drinking water is due to excessive use of chemical fertilizers and pesticides in intensive cultivation and lack of hygienic management of agricultural waste and manure.

Pakistan's Economic Survey and other reports acknowledge that near a quarter million persons die each year due to preventable air and water pollution and 40-50% of all hospital beds in the country are occupied by those afflicted by water borne diseases.

According to the Punjab Province's Department of Environment all the 15 lakes of the province, including the Rawal Dam which supplies water to Islamabad, are heavily polluted and unsafe both for irrigation and human consumption.

- **Waste**

Inadequate collection and management of all kinds of waste, including solid waste, in all Pakistani cities and unregulated human settlements in and around the cities is a grave environment and health threat in Pakistan. No more than 10-15% of urban waste is collected and disposed off properly. Most of the hospital waste in all cities, including Islamabad, towns and villages remains untreated.

- **Natural Resources (including Forests, Wildlife and Fisheries)**

Deterioration and degradation of natural resources in Pakistan has been caused by the near 6- fold increase in the population during the past 7 decades; excessive exploitation of all natural resources, especially land, water, forests, and mineral resources by an economy largely dependent on natural resources. The most critical challenges are de-forestation and forest degradation; soil erosion and degradation, drastic reduction in the per capital availability of renewable water resources from 5220 CM to less than 1000CM which has placed Pakistan in the list of water scarce countries and the deterioration in the quality of water.

- **Lack of Environmental Data**

One of the daunting challenges related to the protection and conservation of natural resources and ecosystems is the lack of reliable data. Since 1990-91 when the National Conservation Strategy containing painstakingly collected data on natural resources and offering options for arresting and reversing depletion and degradation of natural resources and ecosystems was completed and served as the basis of an elaborate National Environmental Action Programme (NEAP), Pakistan does not seem to have undertaken a comprehensive assessment of its natural resources and ecosystems on which its survival and prosperity depend.

- **Climate Change**

The institutional arrangements enshrined in the Climate Change Bill (2017), the policy interventions identified in the National Climate Change Policy (2012) and the Framework for the implementation of the National Climate Change Policy (2013) and the pledges contained in Pakistan's INDC document promise to significantly augment efforts in addressing the multifaceted challenges posed by climate change and the implementation of its commitments related to climate change and the Sustainable Development Goals. The

achievement of the objectives of these historic measures would decisively depend on Pakistan's institutional, technical and financial capacity.

E. Conclusions

The gaps in the implementation of policies, strategies and plans of action for carrying out Pakistan's obligations as a Party to MEAs and the consequent constant deterioration in the country's environment are largely due to deficits in political will and governance, financial, institutional, technical and technological resource and capacity constraints. Pakistan's security challenges warranting diversion of meager resources and heavy losses from recurring natural disasters, including floods and droughts have compounded the resource limitations. A truly significant positive impact of Pakistan's multilateral treaty commitments is, therefore, predicated on overcoming the aforementioned impediments.

Pakistan's civil society strongly favors the continuation of EU's GSP + Scheme. Pakistan's Think Tanks and non- governmental organizations, including the Sustainable Development Policy Institute with which I have been closely associated, engaged in sustainable development and environmental protection-related activities also hope that the GSP+ status given to Pakistan would go beyond encouraging the Government of Pakistan to pay greater attention to the implementation of the 8 MEAs specifically mentioned in the GSP Scheme's policy. We had hoped that the Scheme would also lead to a purposeful dialogue on sustainable development between the EU Commission and the Government and non-state stakeholders of Pakistan. We had seen the "regular monitoring and review" of Pakistan's implementation of 8 landmark MEAs as an effective means of promoting a better understanding of Pakistan's capacity constraints impeding its full and effective implementation of the MEAs and seminal global compacts such as the SDGs- based UN Development Agenda 2030. Our expectations were inspired by the attention received by issues related to social and human and civil rights issues in Pakistan by a host of European institutions, including the European Parliament, which had helped in forging a partnership for tangible improvement in the human rights situation in the country.

Pakistan's civil society considers a EU-Pakistan partnership for sustainable development not only as a means of facilitating increased financial assistance (although Pakistan does need such assistance owing to its fiscal constraints) but more importantly as a vehicle for plugging the gaps in the country's scientific, technical, and technological and human resource capacities which are indispensable for achieving sustainable development .