



## Environment and Natural Resources

### For a Greener Pakistan

Environment has assumed great importance for the national agenda of the People's Government in view of the changing climate, global warming, higher emission of toxic gases and mounting awareness about pollution.

The Ministry of Environment played an important role in the United Nations-sponsored World Climate Summit Conference held in Denmark's capital Copenhagen in December 2009 by seeking higher financial contribution and technical cooperation from developed countries for the U.N. efforts to make the world a safe living for around five billion people. Although Pakistan has had the least impact on the degradation of earth, its delegation, because of its active role in the Copenhagen moot -- particularly its effort for the U.N. fund for the purpose to swell -- became a pivot for the global campaign.

The Government has approved 60 PSDP projects for the Ministry for which an amount of Rs.652 was earmarked in 2008-2009.

The Ministry of Environment is also playing a major role in developing national policies in the reduction of pollution, improving ecology, physical planning and human settlements, including urban water supply sewerage and drainage. The National Council for Conservation of Wildlife, Pakistan Environmental Protection Agency, Pakistan Forest Institute, and the Zoological Survey Department are some agencies that the Ministry has created in the center to execute its policies and schemes. This arrangement has also been made in the provinces and a coordination committee takes care of provincial input to firm up policy implementation at the national level.

The Federal Cabinet has recently approved the Energy Conservation Bill that will

primarily take care of matters relating to efficiency and conservation of energy.

The National Energy Conservation Centre (ENERCON), as an instrument to build the sector for energy conservation, has, in coordination with UNDP, completed the work of standardization and labeling home appliances like air conditioners, fans, motors, refrigerators, compact fluorescent lamps and other facilities. This will help prevent Pakistan from becoming a dumping ground for millions of inefficient appliances, and unnecessary overload on power and energy sector will be reduced to a greater extent. The Ministry also aims at reduction of Green House Gases emission.

The forestry sector has committed upon itself to increase forest cover from 5% at present to 5.7% by 2011, and 6% by 2015. This means an addition of more than one million hectares of land under forests. The Forestry Wing has been given the task to execute 28 PSDP projects, which include a major program plan of mega forestry projects amounting to Rs.12 billion. These projects are being implemented by all the Provincial Governments, including AJK, Gilgit-Baltistan, and FATA.

### Tapping Natural Resources

The People's Government is also according high priority to investment in the oil and gas sectors, and has assured foreign investors effective security conditions and an enabling environment. It is also attaching high priority to the development and exploration of indigenous minerals to reduce import, and enhance the contribution of mineral sector to the national kitty.

The Geological Survey of Pakistan had launched a project to explore and confirm more coal deposits in Kohlu-Chamalang

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areas of Balochistan. A joint venture of two foreign companies is preparing a feasibility study on mining and processing of Reko Diq deposits in Balochistan to produce 72,000 tons of copper concentrate in the initial stage by investing \$1 billion.

Pakistan has iron resources of more than 600 million tons. However, owing to its low grade it could not be utilized in Pakistan Steel, which was importing iron ore by spending huge foreign exchange. The Government has attached high priority to utilize indigenous iron resources. The Ministry of Petroleum and Natural Resources has conducted a feasibility study on up-gradation of Chichali iron ore through a Chinese consultant.

Efforts are also afoot to exploit Thar coal reserves, which are estimated to meet the country's 100-year energy-related needs. The Oil and Gas Development Corporation (OGDCL) is busy in exploring new reserves. The company is all set to ride the wave of E&P activity, equipped with its vision and mission, business and strategic plan, a debt-free and robust balance sheet, and healthy cash reserves. The OGDCL is ready to take on the challenges of a volatile E&P industry.

As Pakistan's largest oil and gas producer, OGDCL's share in Pakistan's total oil and gas production stands at 43,437 bpd of crude oil (net averaged), 976 mmcfd of gas (net averaged) and 339 M. T/d of LPG (net averaged). Having 40 operated oil and gas fields, geographically distributed all across the country, OGDCL has embarked upon development works on 32 fields, to bring these on production. It has 35 oil and gas processing plants. These include dehydration, LPG, sulphur recovery, H<sub>2</sub>S removal, gas sweetening, condensate stabilization, refining, and compression plants.

Various measures have been taken to augment production levels to reach new heights. These includes setting up of

aggressive targets, enduring commitment by its professionals, and induction of latest technologies, pursuing industry best practices, strengthening surveillance techniques, enhancing in-house engineering design and simulation capabilities, utilization of state-of-art automation systems and fostering use of information technology.

The Government has secured 30% increase in production of oil and gas. It has completed 11,000 kilometers of gas transmission line to provide gas to 240 new towns and villages.

A new Petroleum Policy has been announced reflecting the Government's desire to encourage foreign investors in the energy sector. Realizing the importance of making this sector attractive for foreign companies, competitiveness of terms of investment in the upstream sector is being increased by the Government.

The Ministry of Petroleum and Natural Gas has adopted an integrated approach for promoting exploration and fast track development of oil, gas, and mineral resources. It has deregulated, liberalized and privatized oil, gas, and mineral sectors through structured reforms. It has attracted mineral sectors and developed technical professional human resources. Imported fuel oil consumption has been reduced with indigenous gas by optimally balancing the gas availability and supplies from local and imported resources.

A major success of the People's Government has been the signing of Inter-Governmental Framework Declaration, Gas Sales and Purchase Agreement (GSPA) and subsidiary agreements on the Iran-Pakistan Gas Pipeline between the two countries. The GSPA was signed between Inter-State Gas System of Pakistan and National Iranian Oil Company in June 2009. Construction of the project will start this year, provided all the documents are implemented as scheduled.