

Green Pakistan

PSGMEA

Workshop & Ceremony

February 4, 2026



Supported by the



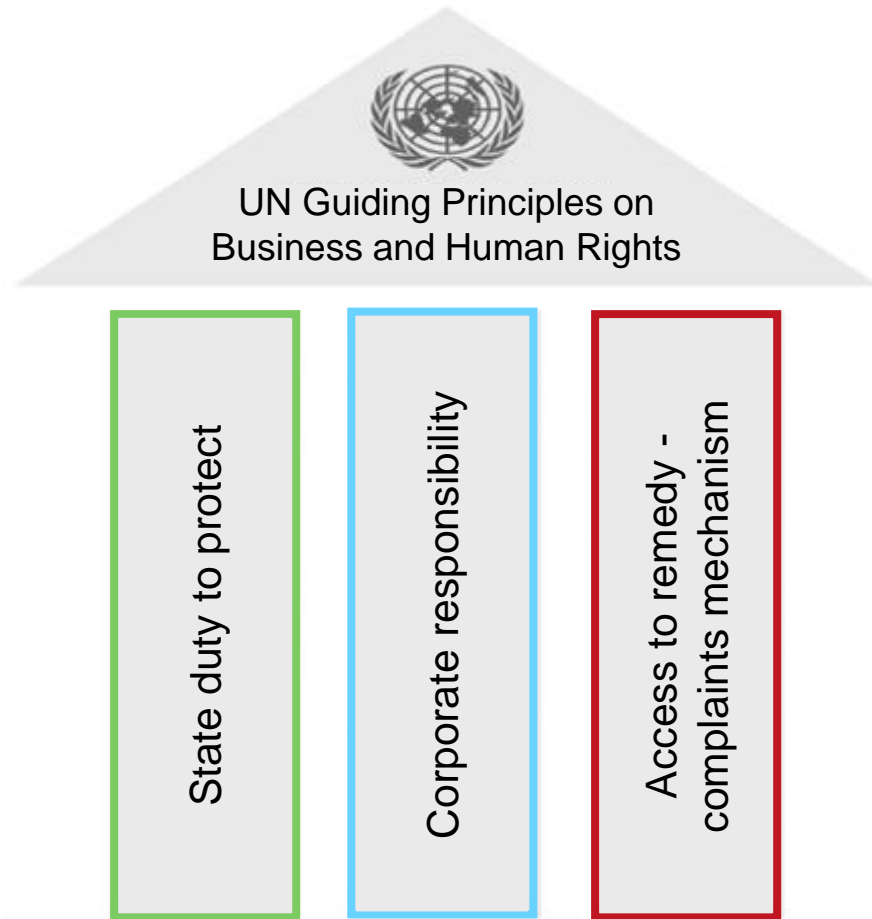
Federal Ministry
for Economic Cooperation
and Development

Sialkot 2026

Currently Pakistan producers are facing a lot of different standards...



2011: Three-Dimensional Concept of **Protection**, **Respect** and **Remedy** (based on Ruggie Principles)



Protect: the state protects people within its borders from human rights violations with appropriate structures

Respect: Companies respect human rights and establish the necessary management structures to ensure

Remedy: Establishment of complaints mechanisms to avert human rights violations

...and tomorrow more Laws will define Product Design and Production Performance

2024	EU Corporate Sustainability Due Diligence Directive (CSDDD)			
2023	German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG)	EU Corporate Sustainability Reporting Directive (CSRD)	EU Sustainability Reporting Standards (ESRS)	
2022	EU Non-Financial Reporting (NFR) Directive	Norway The Transparency Law	USA Slave-free Business Certification Act	Japan Guidelines on Respecting Human Rights in Responsible Supply Chains
2021	Netherlands Bill for Responsible and Sustainable International Business Conduct		USA Uyghur Forced Labor Prevention Act	
2020	Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act			EU Taxonomie
2019	Dutch Child Labour Due Diligence Act	Australia Modern Slavery Act	EU European Green Deal	
2017	France The Duty of Vigilance Act	USA Executive Order on the Global Magnitsky Human Rights Accountability Act		
2016	UK Modern Slavery Act	German National Action Plan for Business and Human Rights	OECD Guidelines for Multinational Enterprises	
2012	USA The California Transparency in Supply Chains Act			
2011	UN Guiding Principles on Business & Human Rights			
	ILO Conventions and Guidelines			

Currently Pakistan producers are facing a lot of different standards...



In addition there is the Pakistan ACCORD for more safety in Factories !

Current EU regulatory projects-all are important, but on some focus is necessary

1. Ecodesign for Sustainable Products Regulation	2. Textil Strategy & Transition Pathway	3. Empowering Consumers in Green Transition	4. Substantiating Green Claims	5. Waste Framework Directive Revision
6. Product Environmental Footprint (PEF)	7. Deforestation and forest degradation	8. Waste shipment Regulation	9. Textile Labelling Regulation Revision	10. EU Ecolabel
11. Green Public Procurement (GPP)	12. CSDDD	13. Corporate Sustainability Reporting Directive (CSRD)	14. EU Taxonomy	15. Forced Labour

The European Sustainability Reporting Standard (ESRS) contains 12 criteria

GE1 General Requirements

GE2 General Disclosure

E1 Climate change

E2 Environmental pollution

E3 Water and marine resources

E4 Biodiversity and ecosystems

E5 Resource use and circular economy

S1 Own employees

S2 Employees in the value chain

S3 Affected communities

S4 Consumers and end users

G1 Business conduct

E

S

G

These 12 criteria for the ESRS were adopted in November 2022 and form the basis for future sustainability reporting.

Five criteria for the environmental area, four criteria for the social area and three criteria for the governance area



ESG criteria are decisive for the CSRD

Our understanding of sustainability is the integration of all parameter from 3 pillars

Environmental

- Materials
- Resources, like wood, energy, water
- Harmful substances
- Environmental pollution, like emissions, waste heat and noises
- Biodiversity

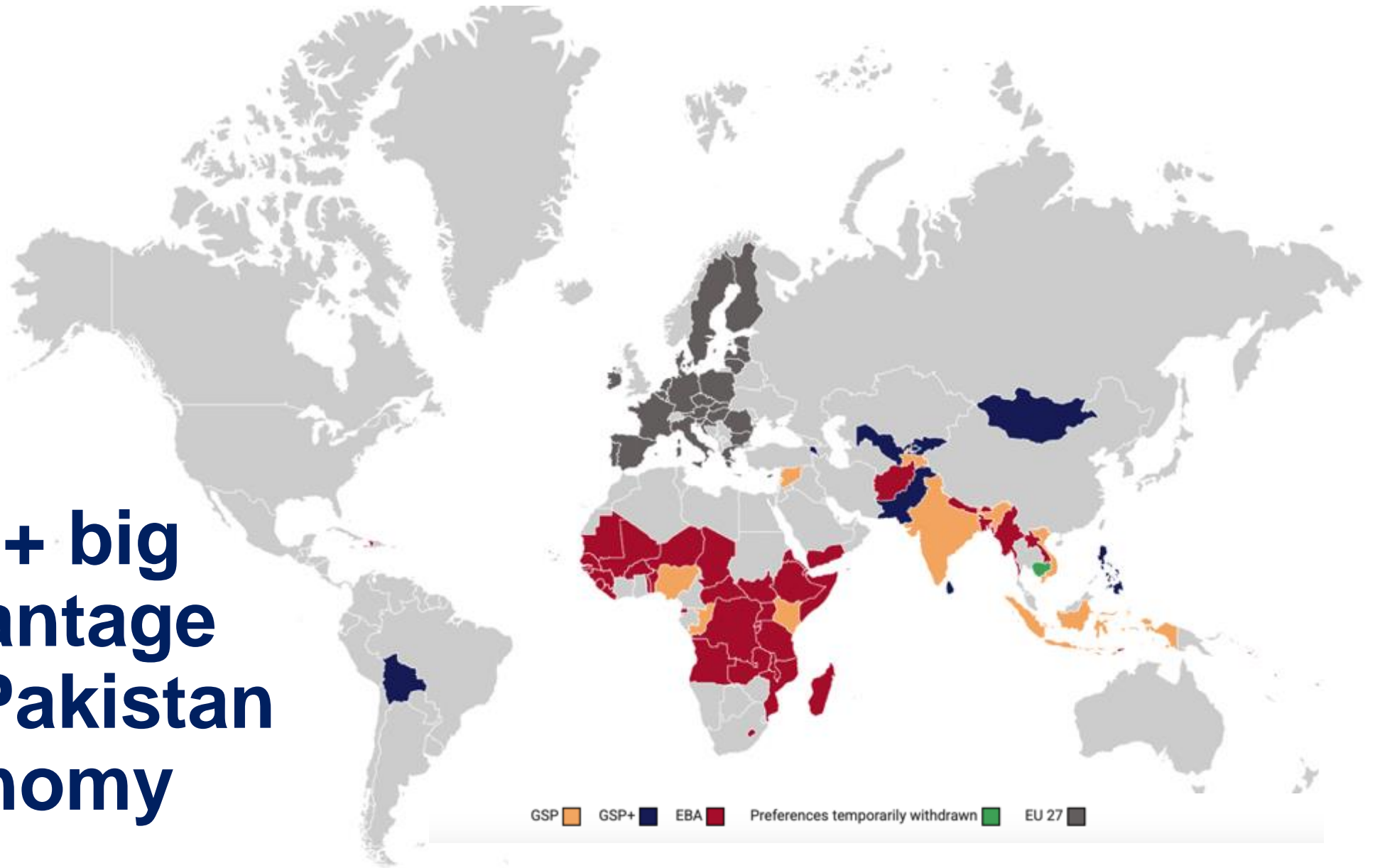
Social

- Health and safety
- Fair payment
- Working hours
- No child
- No forced labour,
- No discrimination
- Grievance mechanismen

Governance

- Turnover & Profit
- Report & Quality
- Financial Resources
- Code of Conduct
- Consumers
- Longevity
- Circularity

GSP+ big advantage for Pakistan economy



[Home](#)

Conventions

All GSP beneficiary countries must be deemed to respect the basic human and labour rights principles outlined in the 15 core conventions.

GSP beneficiaries are able to apply for duty elimination on 66% of tariff lines under the GSP+ arrangement, provided that they demonstrate the effective implementation of 27 core international conventions. Core conventions under the GSP+ arrangement address human and labour rights, environmental regulations, and governance principles.

German LkSG

**8 Social +
6 Environmental
Parameters**

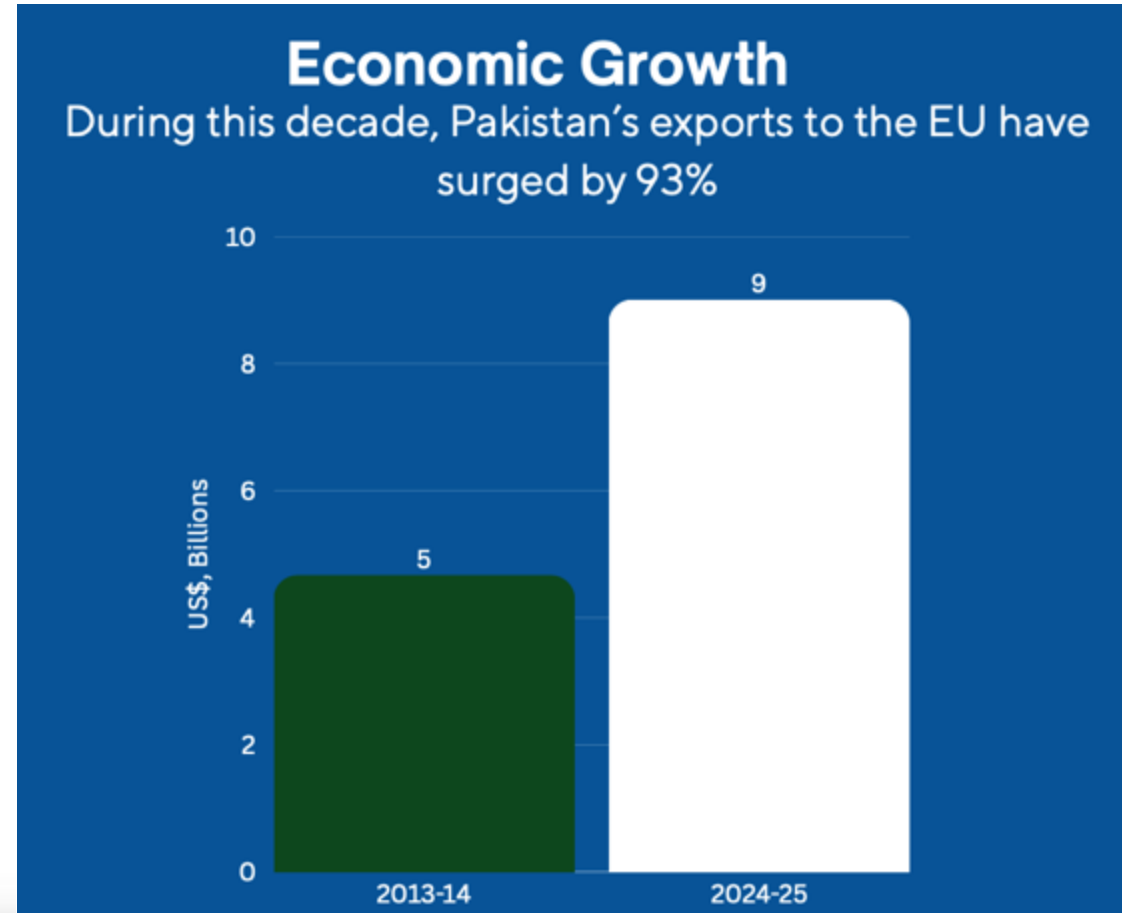
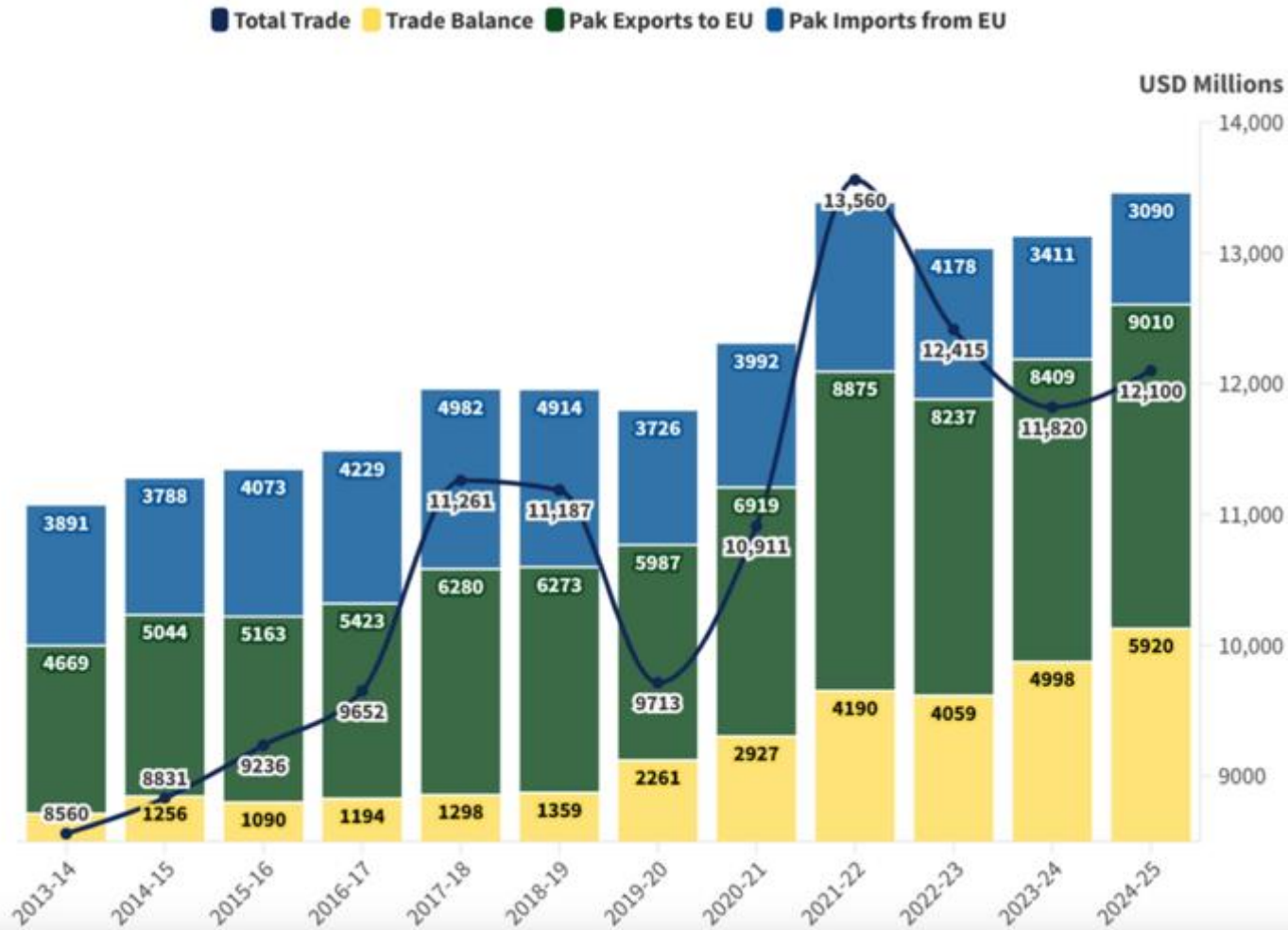
EU CSRD and ESRS

**5 Environmental Areas
4 Social Areas
3 Governance Areas**

EU GSP+ Regime

**Social Parameter 8
Envir. Parameter 8
Governance - 4**

Exports to EU reaching 9,01 billion €



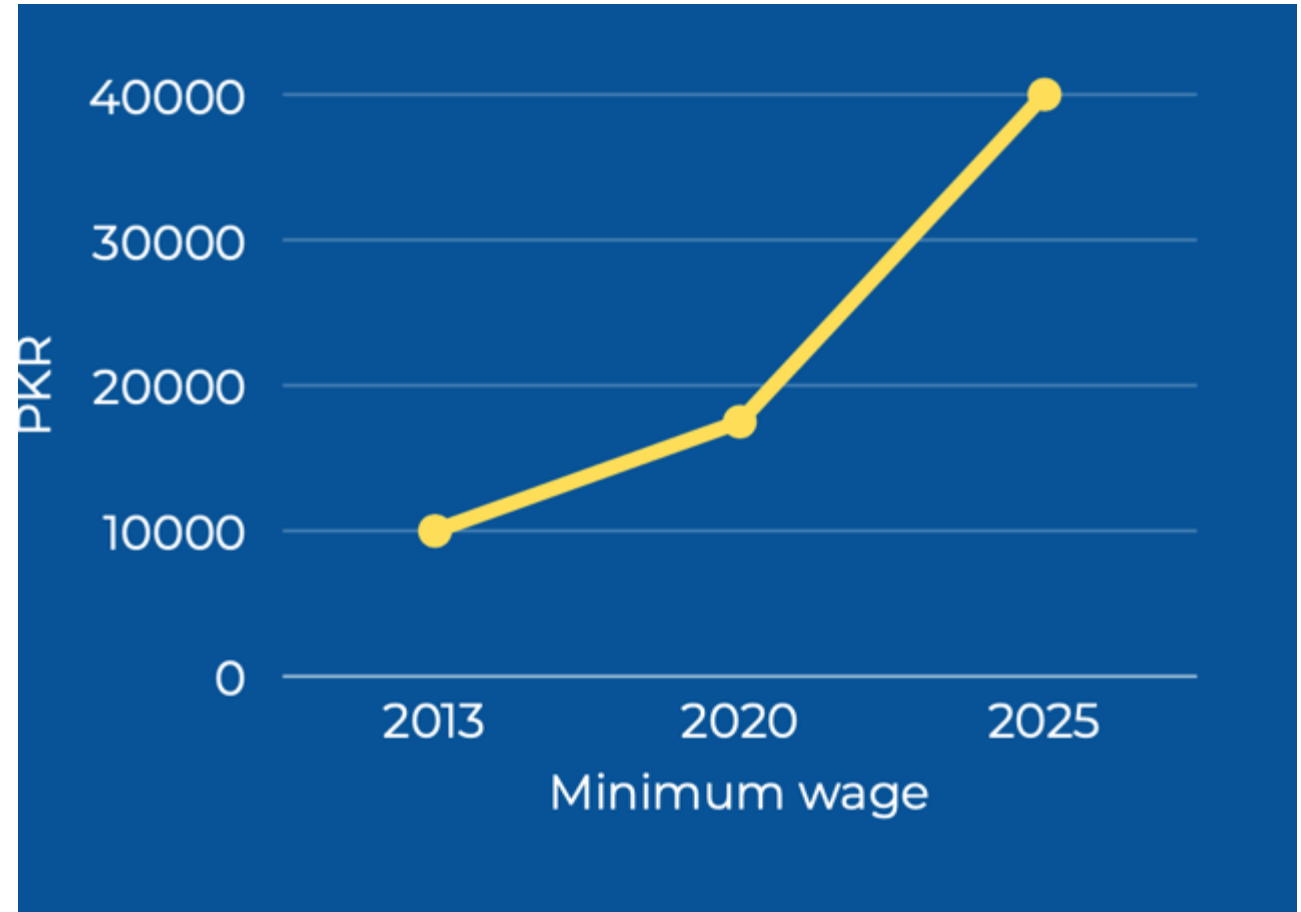
Strengthening Awareness for Human Rights increase of Minimum wage

Human Rights

- Empowering institutions such as NCHR, NCSW, and NCRC
- Introducing new protections under the Torture and Custodial Death Act 2022
- Advancing work on enforced disappearances and child protection

Labor Rights

- Made new forced- and bonded-labor units,
- Introduced stronger occupational safety and health frameworks,
- Renewed commitment to International Labour Standards across provinces.



Climate and Environment is addressed as well in the GSP+ regime

CLIMATE AND ENVIRONMENT

- Ratified the Kigali Amendment, reaffirming Pakistan's commitment to phasing down HFCs and aligning with global climate obligations.
- Operationalised the Pakistan Climate Change Authority to coordinate national climate policy and implementation.
- Launched a National Action Plan for Hazardous Waste to strengthen monitoring, regulation, and environmentally sound waste management.
- Established a dedicated Climate Change Fund to support climate mitigation and adaptation initiatives.
- Initiated the National Adaptation Plan (NAP) to enhance national resilience and strengthen preparedness against extreme climate vulnerability.



Green Pakistan Project

KPIs for the GPP have been agreed and signed.



GREEN PAKISTAN PROJECT



KPI Description	Agreed Target	Timeline
Number of member companies confirmed that they received advice from association regarding requirements of LkSG/EU Green Deal	350-400 members companies	End of 2025
Number of association staff certified & passed a knowledge test on sustainability and its content.	5 full time advisors	2 months after training
Number of member companies prepared sustainability reports.	15 members companies	9 months (Till November)
Number of events organized by association to share knowledge on LkSG/EU Green Deal compliance.	3 events per association (100-150 members per event)	End of 2025
Number of member companies fulfilled/implemented the framework of LkSG/EU Green Deal (Strategy, Risk Analysis, Complaints System, Implementation & Monitoring)	35 members companies	End of Project (end of 2026)
Number of member companies implemented gender-sensitive measures.	50 companies	End of Project
Association publishing results of innovative measures of its members.	15 members companies	End of Year 2

Approved by
Signature


Chairman

KPI's for PSGMEA in 2025

KPI Timeline & Progress

+ Add KPI

1

Number of association staff certified & passed a knowledge test on sustainability and its content.

5 Full Time advisors

TARGET

5 Full Time advisors

100%

2

Number of member companies confirmed that they received advice from association regarding requirements of LkSG/EU Green Deal

30 Member Factories

TARGET

350 Member Factories

9%

3

Number of member companies prepared sustainability reports.

10 Member Factories

TARGET

15 Member Factories

67%

4

Number of events organized by associations to share knowledge on LkSG/EU Green Deal compliance.

2 Events per association at the End of 2025

TARGET

3 Events per association at the End of 2025

KPI's for PSGMEA in 2025

5 Number of member companies fulfilled/implemented the framework of LkSG/EU Green Deal (Strategy, Risk Analysis, Complaints System, Implementation & Monitoring)

3 Member Factories

TARGET

15 Member Factories

20%

6 Number of member companies implemented gender-sensitive measures.

0

TARGET

At least 1 measure per company

0%

7 Association publishing results of innovative measures of its members.

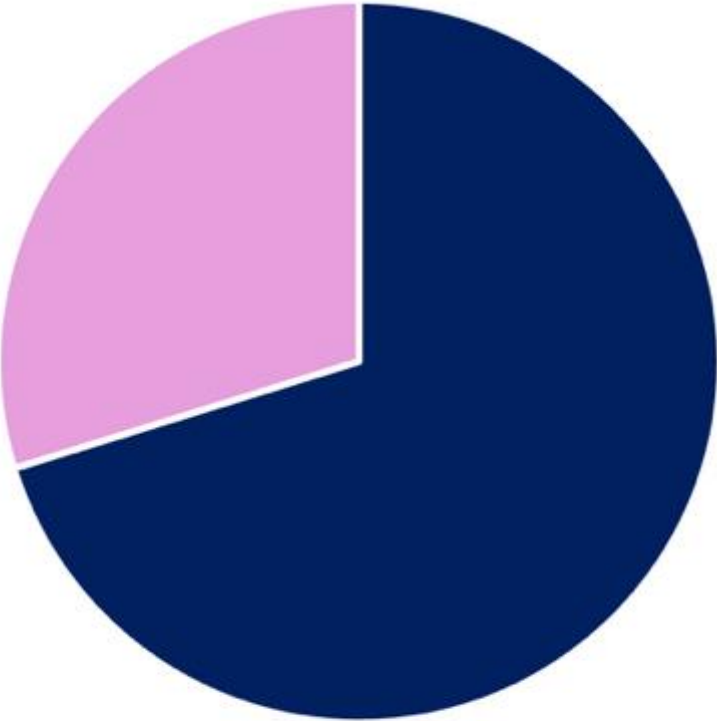
0 Member Factories

TARGET

5 Member Factories

0%

70% of all participants finished sustainability reports,



■ Final report ■ In Progress

67%
PSGMEA

For the sake of the people, the environment and the business....

The sustainability reports are the License to operate...



Sustainability Report 2025



...to integrate sustainability into the fact-based dialogue with buyers and other Stakeholder



**For the sake of sustainable business!
Founded on cooperation and partnership**

Five Pillars are relevant for the risk approach

- i. Safety and Workers Rights (including Grievance mechanism),**
- ii. Climate and Energy,**
- iii. Environmental Pollution and Resource Consumption (Water),**
- iv. Biodiversity and Eco Systems,**
- v. Circularity and Product Design.**

DAWN Friday, Jan. 23 2026



THE use of heavy machinery for debris removal has sparked fears of desecration of the remains of Gul Plaza fire victims.—Shakil Adil / White Star

Gul Plaza fire death toll rises to 67 as search continues for sixth day

- Officials say 15 victims identified so far; remains of as many deemed 'unidentifiable'
- Families protest slow pace of search operation
- Flower shop owner's negligence blamed for devastating fire
- Only 200 of 1,200 shops had fire extinguishers, meeting told

By Imtiaz Ali

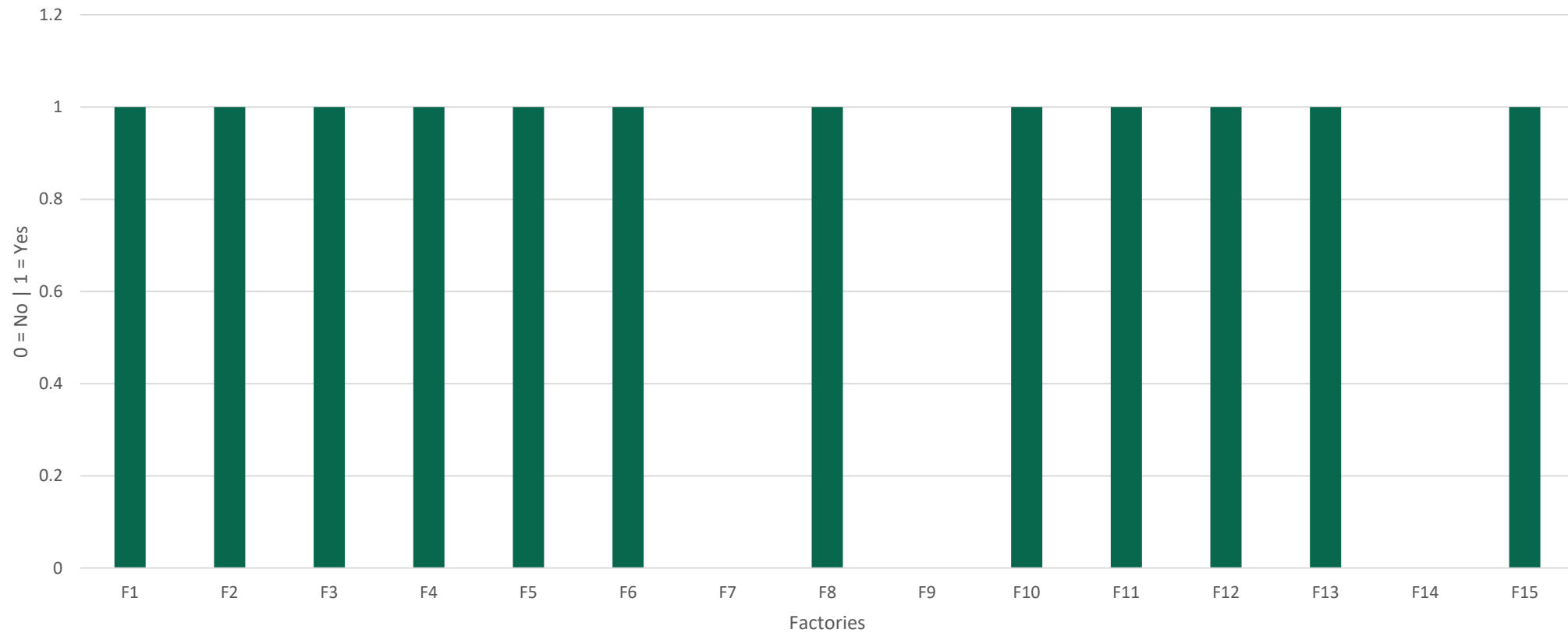
"Urban search and rescue teams are working... his two minor sons were playing in the shop while he was away. While playing, they lit a

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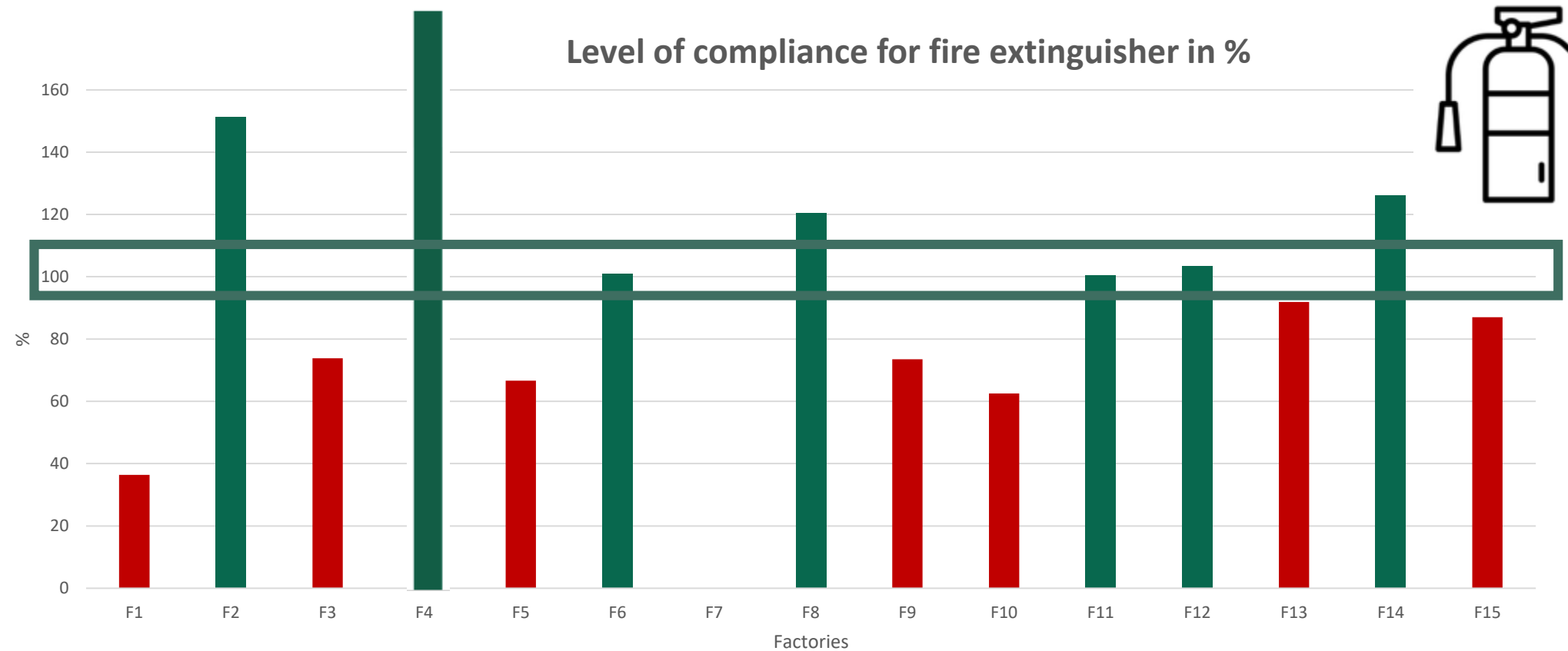
THE use of heavy machinery for debris removal has sparked fears of desecration of the remains of Gul Plaza fire victims.—Shakil Adil / White Star

Of the 15 PSGMEA factories, 12 have at least one social audit or certificate.

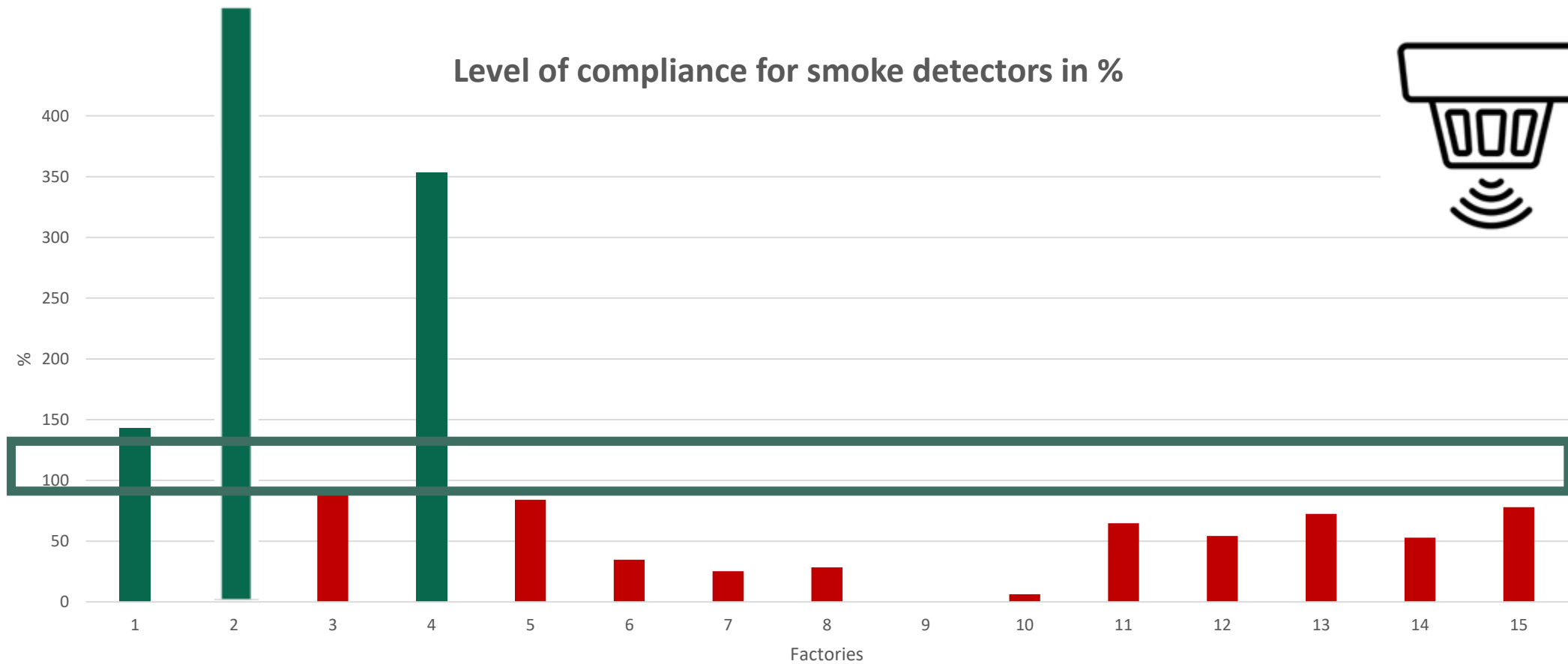
Companies with social audits or certificates



Seven companies meet the international standard for fire extinguishers



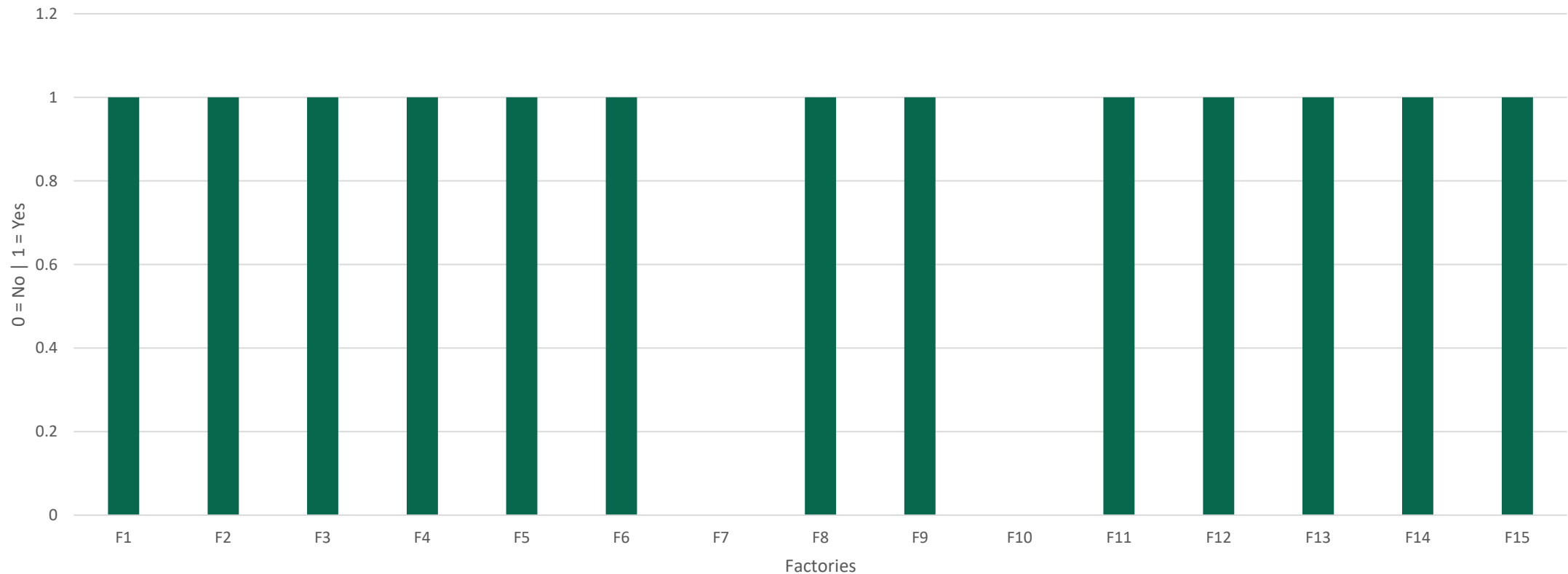
...and only three companies meet the requirements for smoke detectors



10 companies have a grievance mechanism in place*

Remedy: Establishment of complaints mechanisms to avert human rights violations

Companies with a grievance mechanism in place



* The grievance mechanism needs to be reviewed more closely at five companies, as there were no grievances in 2024.

Five Pillars are relevant for the risk approach

- i. Safety and Workers Rights (including Grevience mechanism)
- ii. Climate and Energy**
- iii. Environmental Pollution and Ressource Consumption
- iv. Biodiversity and Eco Systems
- v. Circularity and Product Design

17:20

Rang Nachrichten Infothek

ECHTZEIT 01 Feb 2026 16:00

#	WICHTIGE STÄDTE	US AQI*
1	Lahore, Pakistan	204
2	Dhaka, Bangladesch	203
3	Ulaanbaatar, Mongolei	203
4	Almaty, Kasachstan	188
5	Hanoi, Vietnam	174
6	Mumbai, Indien	168
7	Kolkata, Indien	163
8	Shanghai, China	158
9	Karatschi, Pakistan	152
10	Delhi, Indien	137
11	Kathmandu, Nepal	129
12	Kairo, Ägypten	123
13	Kabul, Afghanistan	119
14	Kuwait (Stadt), Kuwait	119

Meine Luft Karte Belastung **Nachrichten & Rang** Shop

07:18

Stadt

Hamburg

403.2K followers

84 US AQI* **Moderat**
 PM2.5 27.0 µg/m³

-7° | 24.1 km/h | 76%

Letzte Aktualisierung: 03:00 (ortszeit)

23 Stationen betrieben von **12 Beitragender**

Dienstag	Mittwoch	Donnerstag		
04:00	05:00	06:00	07:00	08:00
51-100	51-100	51-100	51-100	51-100
-7°	-7°	-7°	-7°	-8°
18.0 km/h	21.6 km/h	21.6 km/h	21.6 km/h	21.6 km/h

7 Tage-Vorhersage

07:13

Fertig

LQI (DE)

- Sehr schlecht
- Schlecht
- Mäßig
- Gut
- Sehr gut

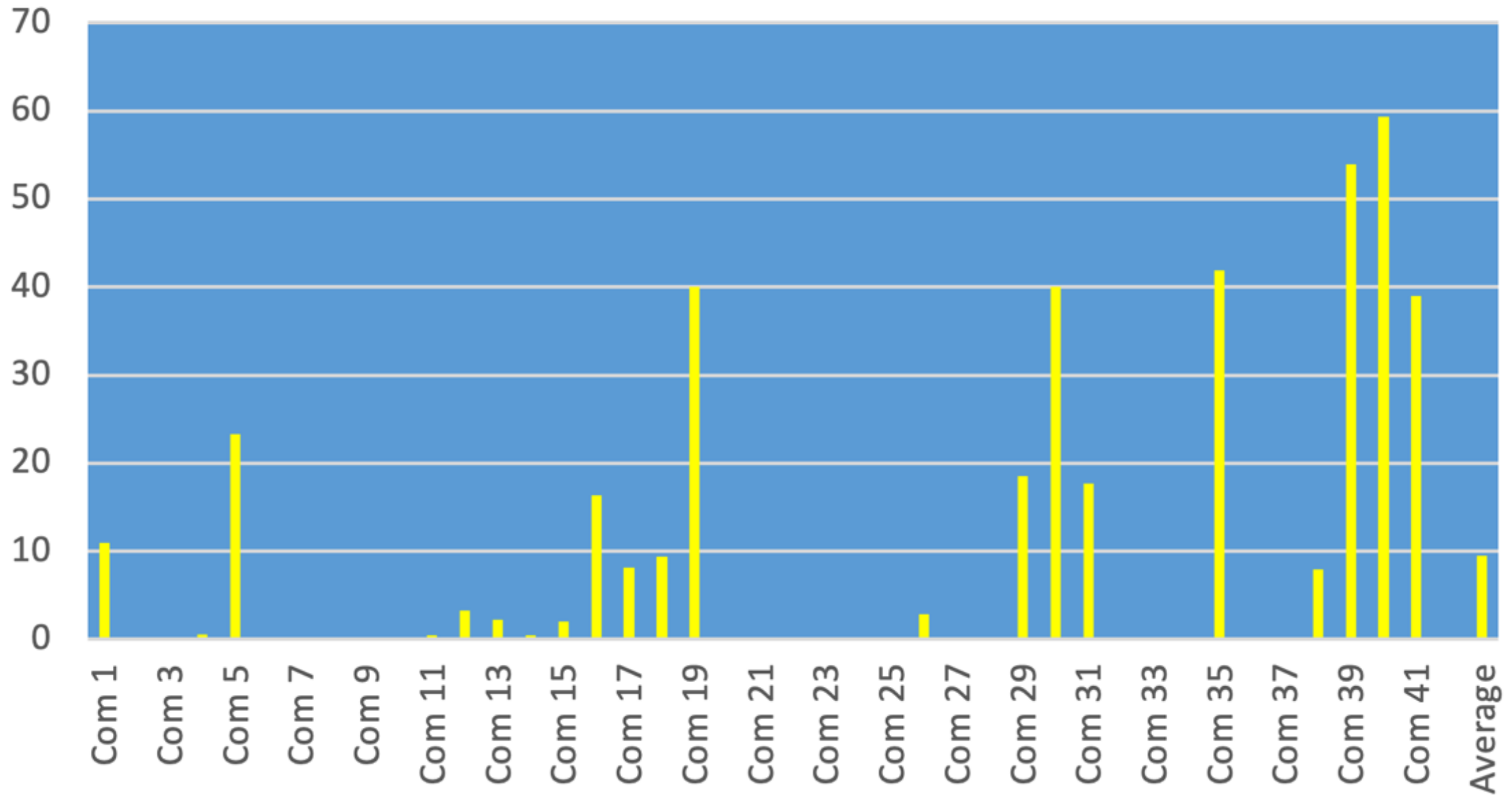
DEUTSCHLAND

Kartendaten

The perfect storm fueling Pakistan's Solar Boom



Usage of Solar Energy in %

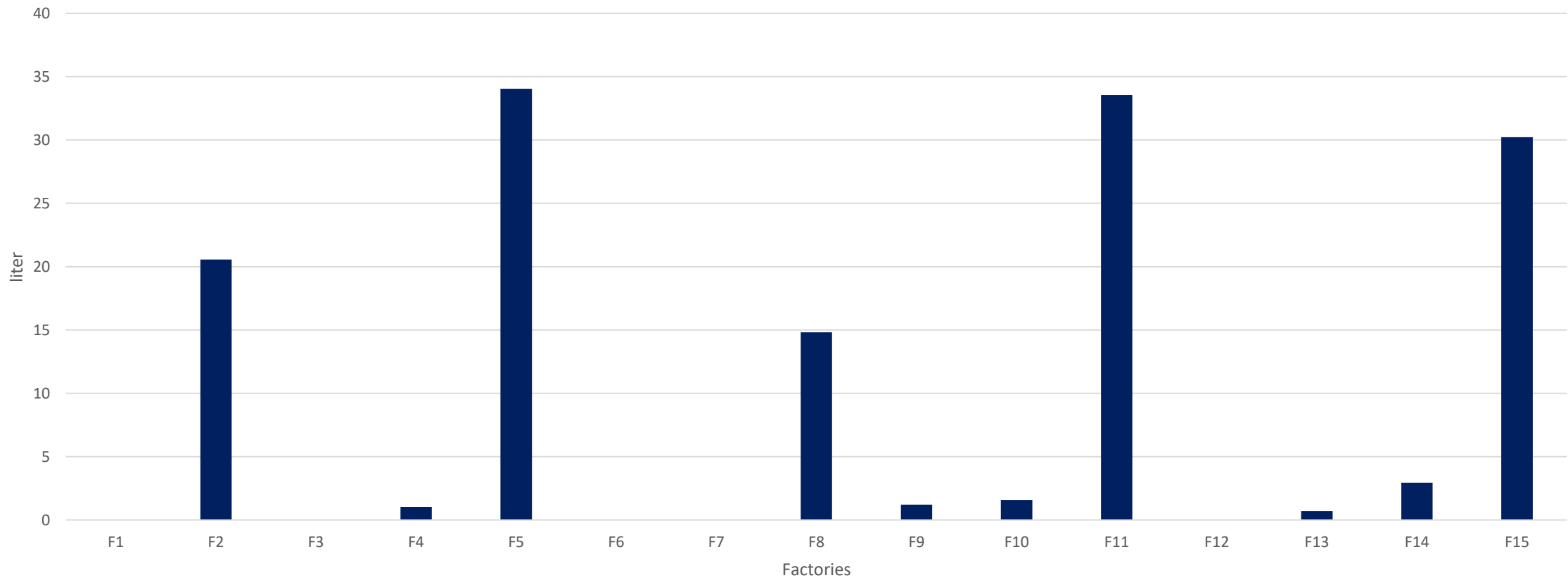


Five Pillars are relevant for the risk approach

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- iii. Environmental Pollution and Ressonource Consumption**
- iv. Biodiversity and Eco Systems
- v. Circularity and Product Design

Ø Daily Domestic water consumption of PSGMEA Members –

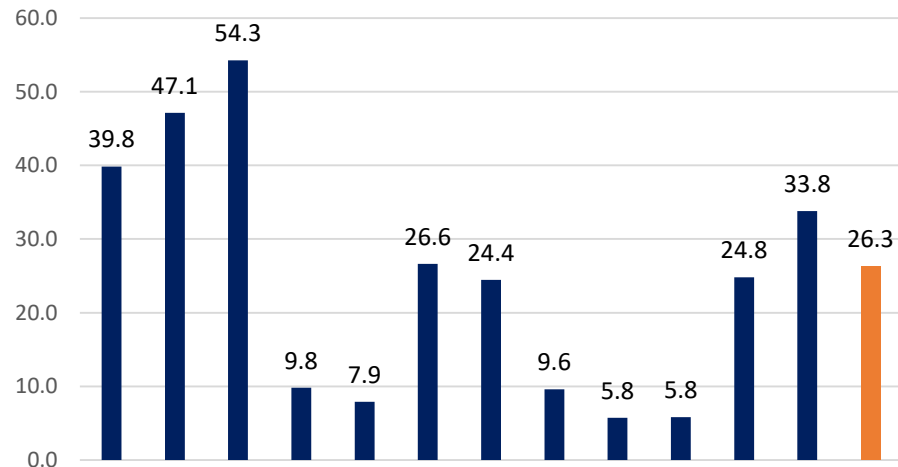
Daily Domestic Water Consumption per employee



Would be interesting to get Data from all members.

PRGMEA Member did a lot to reduce the water consumption

PRGMEA: Daily Domestic Water Footprint - liter/employee/day



Efficient Flush Systems

Further reductions have been achieved through the installation of efficient LEED-compliant flush systems across our facilities. Compared with conventional 7-liter cisterns, the new 4-liter systems deliver savings of 9 liters per employee per day, equating to 1,890 liters saved daily across the workforce. On an annualized basis, this represents 567,000 liters of water conserved per year—a 42.9% reduction in sanitary water use versus the baseline Water Consumption

ROOFTOP RAINFALL CAPTURE:

Our industrial rooftops are equipped with channeling infrastructure to ensure maximum capture efficiency during seasonal monsoon periods. This not only diverts rain from stormwater drains but also prevents surface runoff and urban flooding.

RECHARGE WELL INTEGRATION:

Captured water will be directed toward a deep recharge well system, enabling the direct percolation of filtered rainwater into subterranean aquifers. This scientific method supports the natural replenishment of local water tables, offsetting the extraction footprint of both our operations and surrounding communities.

GREEN ZONE IRRIGATION SUPPORT:

A portion of the harvested water is redirected for the irrigation of our on-site Green Zones, which include landscaped and biodiversity-supportive plantings. This creates microclimatic cooling zones, reduces dust and heat island effects, and supports local flora and fauna, further aligning with our environmental ethics.

VFI has created a presentation on the topic of saving domestic water.

1. Replace old taps and install new push 2. Use water aerators

- With a even w your ha automa immedi water fl
- Water s activati
- Saving
- A water a regulator making ti softer, ev flowing.
- Dependi consump noticing i

3. Toilet flush with manual flush stop or with two buttons for lar

1. Manual flush stop function

Individual control: Users can stop themselves at any time once enoi

Maximum savings: Particularly eff flushing as much as necessary – be reduced by up to 50%.

2. Dual flush (large and small b

Adjustable to requirements: Depen soiling, you can choose between a and a large flush volume (approx.

Automatic savings: In everyday us per flush can be reduced by 30–6l comfort.

4. Educate and raise awareness among employees

- Raise awareness : Explain to employees how much water is consumed every day and what environmental consequences this has – as shown in Umbertine Report.
- Visible information (posters, internal newsletters, short training sessions) helps to keep the topic in the spotlight.
- Point out simple measures that can be taken immediately—e.g., turning off the tap when soaping up or washing dishes, reporting defective seals immediately.



Start your programm with research of the availability of the devices and than ask for offers for procurement and installation- than you are ready for more sustainability....

Outlook 2026

1. Complete remaining reports 2025.
2. Monitoring of targets for all issues, but especially for
 - Safety,
 - Grievance Mechanism,
 - Woman Empowerment,
 - Renewable Energy,
 - Water Meter and water saving equipment,
 - Biodiversity.
3. Use the services offered by the associations, e.g., with partners for fire safety (fire extinguishers, etc.), woman empowerment, grievance mechanism, Water, Biodiversity.
4. Start working for the reports 2026.
5. Participate in events within the framework of EU Green Deal, like CSDDD, CSRD and EU-Eco Design Regulation and for the GSP+ Regime of your association.