

# **THEMAL ISSUES IN PAKISTAN'S SUSTAINABLE DEVELOPMENT FRAMEWORK & THE ROLE OF BUSINESS SECTOR**

**An intervention by  
Fasihul Karim Siddiqi  
Director Hinopak Motors & MC Member of Employers' Federation of Pakistan**

In an effort to break the vicious circle of population, poverty and pollution, Pakistan has undergone an economic turnaround in recent years. Strong economic fundamentals and much improved credit ratings, consistent economic policies and transparent decision making have created a climate in which the stock exchange floatation are substantially oversubscribed and domestic investor has emerged from the slumber and sloth of the nineties. The ever improving prospects of a long lasting peace following the statesmanship demonstrated by President Pervez Musharraf have brought into focus the geographical importance of Pakistan which lies between high growing East Asia and the resource-rich Middle East and Central Asia. Investments in regional connectivity will turn it into a hub of economic activity benefiting the entire Asia and Pacific Region.

In order to sustain the development pattern Pakistan has formulated its Medium Term Development Frame Work 2005 – 10 and vision 2030 envisaging “the developed and industrialized, just and prosperous Pakistan through rapid and sustainable development in a resource constrained economy by deploying knowledge inputs”.

The Prime Minister of Pakistan, Mr. Shaukat Aziz has vowed to synergize on the collective strength of the political class, civil servants, private sector and civil society by ensuring an integrated approach to economic development with consistency and continuity in economic policies.

Seven Major thrusts in Pakistan's strategy for economic uplift includes:-

- a. a sustained application of new resources to attack the root causes of poverty implicit in social indicators such as education, health, family planning and water supply.
- b. Significant expansion in country's agricultural potential through provision of additional storage capacity, building of new large dams and canal networks.

- c. Access to alternative sources of energy for sustainable development, promoting renewable forms of energy (wind, solar, biogas), transport facilities to enhance energy efficiency and reduction in air pollution.
- d. A three pronged approach for environment conservation, management and use based on equitable sharing of benefits of environmental management, increasing community management of natural resources and integrating environmental issues into socio economic development planning through involvement of private sector.
- e. Radical improvement in physical infrastructure such as roads, railways, highways, ports, power and gas supplies with the involvement of private sector and improvement of investment climate for inspiring FDI's implementation of TRIMs & TRIPs and promotion of WTO compliant free market economy through initiatives like SAFTA.
- f. Devolution of power through restructuring of local government framework, empowerment of local community including women in decision making and institutionalization of democratic process.
- g. Improving corporate governance in both public and private sector through revamping of corporate audit and regulatory framework.

The role of private sector in the sustainable development efforts of Pakistan is demonstrated in the social dialogue taking place recently in Pakistan culminating in the finalization of the Employment Generation Strategy for PRSP II (Poverty Reduction Strategic Plan) which focuses on maximum employment generation in all sectors of the economy as its primary objective.

A joint statement was signed on 9<sup>th</sup> September, 2005 on "Pakistan Decent Work Country Program" between Government of Pakistan, ILO, Employers Federation of Pakistan and Pakistan Workers Federation which draws a long and medium term action plan for promoting the ILO's program of decent work through joint efforts of social partners.

Pakistan is now on the move for a social turnaround. To supplement the efforts of the Government in implementation of its sustainable development framework, the Employers Federation of Pakistan, the most representative organization of private and public sector employers in Pakistan has successfully launched the Global Compact in December 2005 when 50 enterprises signed the charter of Global compact showing their commitment to voluntarily adhere to the principles of Global Compact initiated by the Secretary General of UN.

The voluntary initiatives of business enterprises such as the UN Global Compact in Pakistan provide the “social eye” to business operations and help develop the social outlook of business organizations as a new dimension of competitive edge when enterprises do not merely show social concerns but play an active role in mitigating them, thereby providing a sound and secure social base to economic development.

At this point in time, the Global Compact is the largest voluntary corporate citizenship initiative in Pakistan when business enterprises through the focal points of Global Compact network are advancing the Global Compact’s principles at the national level. By so doing, the private sector in partnership with other social actors, is committed to closely work and help realize the UN Secretary General’s vision of a more sustainable and inclusive global economy.

We look forward to benefit from the useful interaction and deliberations of the High Level Segment taking place at the 14<sup>th</sup> Session of the UN Commission of Sustainable Development so that developing countries may seek valuable guidance from their counterpart in the developed world as to how they may make a more positive difference in the lives of the teeming millions who are awaiting our response to their needs of sustained socio economic goals.

The developed nations of the world are faced with the challenge to demonstrate social responsibility by maximizing the yield of human capital so abundantly available as the wealth of nations in the developing world. Let the working partnership between the developed and developing nations be institutionalized so that they become instrumental in widely dispersing the benefits of expanding trade, investment and technology to make the dream of social transformation a reality.