

Documentation of Project Results

2008 - 2016 PAKISTAN

















With support of















BERUFLICHE FORTBILDUNGSZENTREN DER BAYERISCHEN WIRTSCHAFT (BFZ) GGMBH

International Division
Schleizer Strasse 5-7
D – 95028 Hof, Germany

Phone 0049 (0) 9281 - 7177 - 0 Fax 0049 (0) 9281 - 7177 - 25 ib-hof@zentrale.bfz.de
www.bfz.de
www.international.bfz.de







COORDINATION OF PROJECT

bfz gGmbH (Training and Development Centers of the Bavarian Employers' Associations) was founded in 1983 by the private sector. With more than 2,000 employees, it is today one of Germany's leading service providers in the areas of education, consultancy and integration and provides in its 150 training locations high quality vocational educational training. The International Division of bfz conducts development cooperation projects on behalf of the World Bank, the European Union and the German Government in all parts of the world.

FINANCIAL SUPPORT AND PUBLICATION

The project is supported by the German Ministry for Economic Cooperation and Development (BMZ) via Sequa gGmbH under the program for cooperation between private sector entities (KVP). All content of this publication was developed exclusively under the responsibility of bfz.

CONTENT

1 INTRODUCTION

ESPIRE PROJECT

Project Objective & Project Partners
Project Timeline of ESPIRE
ESPIRE Components for Industry
Operation of ESPIRE
The ESPIRE team
Monitoring system
Marketing and Dissemination

3 SUPPORT TO PROJECT PARTNERS

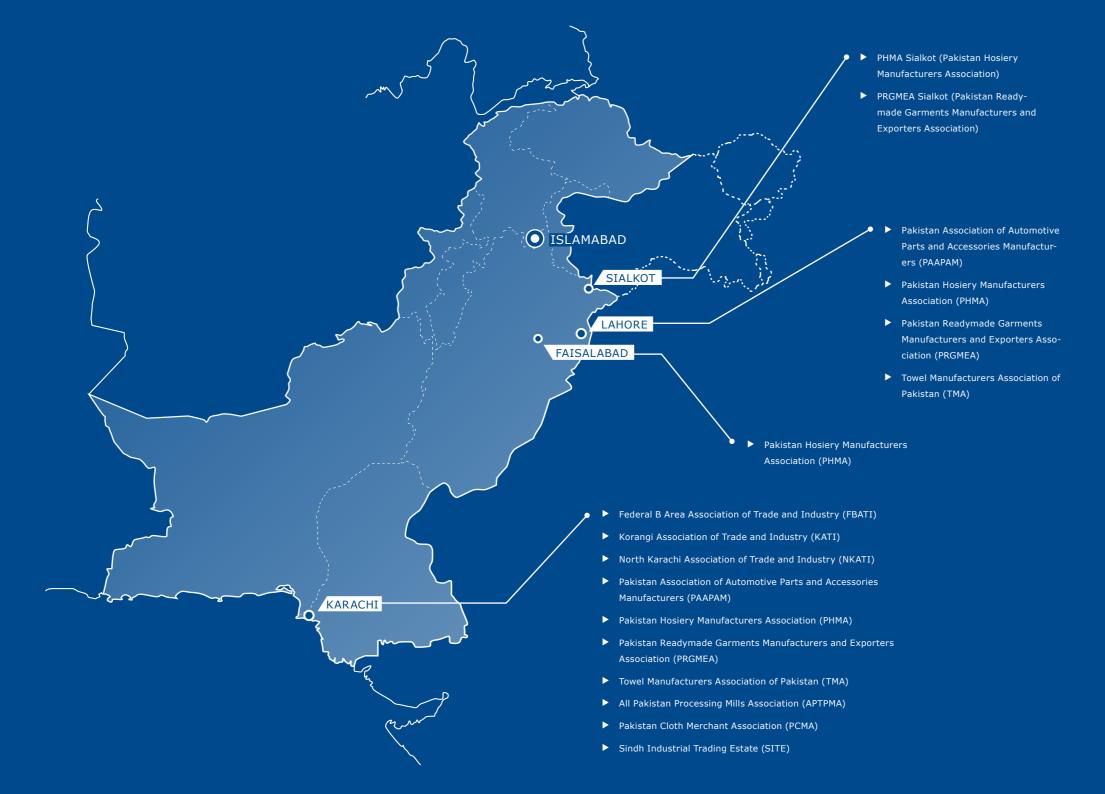
3.1 Business Associations - the basis of project ESPIRE

Focus Groups
Forum of Sustainable Production
Capacity Building of Business Associations 25
Trainings for Associations
Establishment of an accredited laboratory 26
A success story:
Establishment of Technical Support Cell at PHMA Karachi $$ 26
Upgradation of Association websites
Study tours

3.2 Consultants - the key element to achieve expected results							
The consultants Pool							
Trainings of Consultants							
Standard operation procedur							
3.3 Support to Industry: Companies - the real beneficiaries of project ESPIRE							
Incentive Scheme REEE:							
Customizing solution for Micro factories:							
Trainings for factory staff							
Results ESPIREenergy							
Results ESPIREgreen							
Launch of Advance course on environment 40							
Small Tools for self assessment							
Success Stories							

4 SUSTAINABILIT

List of abbreviations									. 4
The Stakeholders of ESPI	RE								. 4



1. Introduction

Industry in Pakistan is experiencing adverse effect of energy shortage. This calls for change in attitude towards energy consumption. From the supply side, there is little industry can do, except strategically move towards the right energy mix of gas, grid and renewable sources. More critical is how efficiently these sources of energy are being utilized. Prior to ascertaining the optimal efficiency of energy consumption, a thorough analysis of energy balance of an enterprise is required. Based on the analysis of current energy use the saving potential can be detected and most beneficial solutions identified. To achieve permanent cost savings managers and workers must be trained and a system implemented to maintain the efficiency of equipment and to continuously improve the energy efficiency of the production processes.

Developing competitiveness as the core competency creates strategic advantage for any business. In today's world, given the limited resources, industry must efficiently use input resources, skim its processes which are not creating value, increase reuse and apply sour-

ce reduction of waste by changes of input raw materials, technology changes, good operating practices and product changes, enhance recyclability and maximize use of renewable resources. Eliminating waste within the process rather than at the end-of-pipe will enable industry to curtail pollution and adverse environmental impact. Simultaneously, industry must strive to attain strategic advantage through promotion of a safe and healthy working environment by providing a framework that helps organizations to: consistently identify and control health and safety risks; reduce the potential for accidents; aid legislative compliance; and improve overall performance.

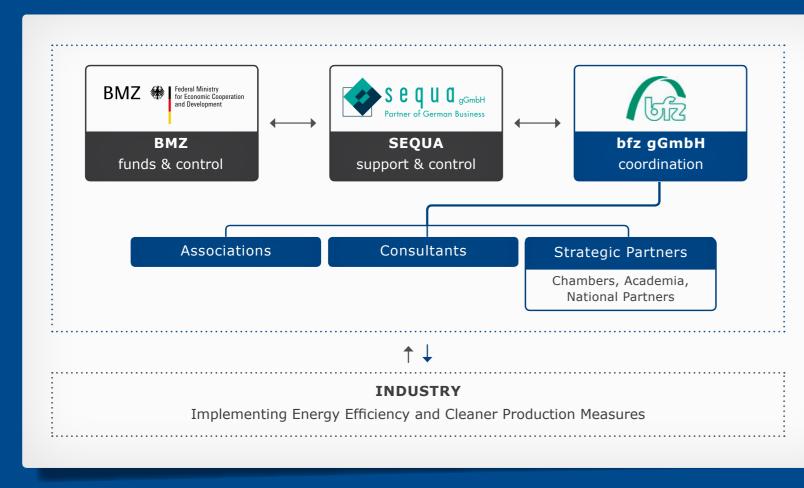
This publication is a summary of the "Project ESPIRE", implemented between 2008-2016 in Pakistan. It shows how the project objective "Businesses in the textile and other selected industries are operating in an economically more efficient and ecologically more sustainable way by using adapted practices and technologies" was implemented.

Therefore, best practices were selected and documented. The reader is invited to learn from these experiences and replicate them. For more information, you can find all contact details of the involved institutions at the end of the documentation.

"ESPIRE PROJECT CONTRIBUTED TO IMPROVE OUR PROFESSIONAL COMPETENCES, TO PROVIDE
BEST QUALITY SERVICES IN ENERGY EFFICIENCY. THERE ARE REMARKABLE CHANGES INSIDE
PARTNER ASSOCIATIONS AFTER THIS PROJECT. NOW THEY HAVE BETTER UNDERSTANDING OF
THE IMPORTANCE OF ENERGY EFFICIENCY FOR THEIR OWN AS WELL AS NATIONAL INTEREST.
THIS PROJECT PROVED TO BE A VERY GOOD CHANNEL AS A CONFIDENCE BUILDING MEASURE
BETWEEN THE CONSULTANTS AND ASSOCIATIONS, AND CONSEQUENTLY WITH THE COMPANIES."

Mr. M. Farooq, Energy Consultant

Graphic representation of the lines if communication and responsibilities of Project ESPIRE and its partners.



2. ESPIRE Project

The project ESPIRE started in July 2008 in Karachi, Sindh, it was then extended to Lahore, Punjab, in 2011 and ends in May 2016.

PROJECT OBJECTIVE

ESPIRE's principal project objective is to support industries in Pakistan to work economically more efficiently and ecologically more sustainable, by directly supporting Business Associations in that field.

PROJECT PARTNERS

www.espire.com.pk

ESPIRE is a partnership project between the Training and Development Centers of the Bavarian Employers' Associations (bfz) gGmbH and the following business associations in Lahore and Karachi in Pakistan:

- ► Federal B Area Association of Trade and Industry (FBATI)
- Korangi Association of Trade and Industry (KATI)
- North Karachi Association of Trade and Industry (NKATI)

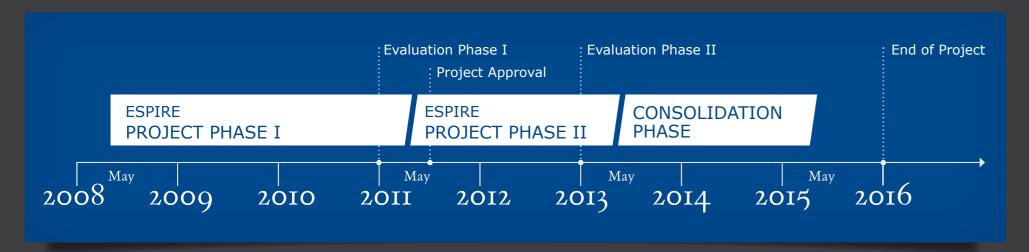
- Pakistan Association of Automotive Parts and Accessories Manufacturers (PAAPAM)
- Pakistan Hosiery Manufacturers Association (PHMA)
- Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA)
- ▶ Towel Manufacturers Association of Pakistan (TMA)
- All Pakistan Processing Mills Association (APTPMA)
- Pakistan Cloth Merchant Association (PCMA)
- ► Sindh Industrial Trading Estate (SITE)

ESPIRE's institutional and national strategic partner in Pakistan was Small and Medium Enterprises Development Authority (SMEDA) that supported the project with their technical team, organizational expertise and by providing local know-how. Textile and Automobile Business associations in Lahore and Karachi were the principal partners of bfz and guaranteed outreach and sustainability of the project activities to start making energy conservation and cleaner production part of Pakistani companies work routine.

Besides the mentioned Business Associations, the project worked with several other partners during the project period, such as training institutes like Pakistan Readymade Garments Technical Training Institute (PRGTTI), Institute of Knitwear Technology Karachi (IKTK), SMA Rizvi Textile Institute (SMARTI), Cleaner Production Institute (CPI), as well as the Academia, like the University of Karachi (KU), National Textile University (NTU), Ghulam Ishaq Khan Institute of Engineering Sciences and Technology (GIKI) and the National University of Sciences and Technology (NUST).

Project Timeline of ESPIRE

The project was executed in three phases:



PHASE I

During the first phase, the focus was on capacity building of associations in order to provide services to their members:

- ► A Steering Committee was established, comprising a representative from each partnering stakeholder.
- ► A pool of Group Consultants were hired and trained.
- ➤ To increase outreach of the project and to include entrepreneurs in establishing de-

- mand, a focus group (nucleus) approach was introduced.
- ► More than 100 representatives from industries participated in different trainings.
- ► A course was established and implemented on Environmental Management in collaboration with the University of Karachi.
- ► A testing laboratory was supported with equipment at SMA Rizvi Textile Institute.
- ► Seven companies were supported in establishing their Environmental Management Plan (EMP) and producing Environmental Monitoring Reports (EMR) as required by local Environment Authority.

PHASE II

During the 2nd phase, the focus was on developing environmental services and strengthening network partners technically to provide services to their members:

DEVELOPMENT OF SERVICE PORTFOLIO

- ➤ A complete Training and Consulting Service
 Portfolio on expert-level in Energy Efficiency was developed, tested and applied (e.g.
 Energy Auditing, Energy Management System, Energy Information System, Energy
 Manager Training).
- ► A Training and Consulting Service in Green Productivity was developed.

NETWORKING & COOPERATION

- ► Consultants from Lahore and Karachi were linked together for cooperation.
- SMEDA and PHMA with Consultants provided consultancy and trainings from the ES-PIRE Service Portfolio.
- ► NUST and SMEDA together with Consultants established a cooperation for training of students in energy efficiency and green productivity.

► Technical support cell (PHMA South Zone) established relations with Karachi Electric Supply Corporation (KESC) to give trainings for industry on Energy Efficiency.

STRENGTHENING CAPACITIES OF STAKEHOLDERS

- ► PHMA Karachi (Technical Support Cell) independently provided services from ESPI-RE portfolio and beyond.
- ► SMEDA Karachi, PRGMEA and PAAPAM started marketing ESPIRE services and providing training and consultancy to the industry.

IMPLEMENTATION OF SERVICES

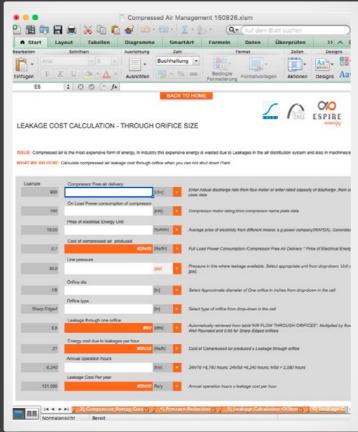
► PHMA Karachi implemented the entire ES-PIRE portfolio through its Technical Support Cell, also to PRGMEA members.

- PRGMEA and FBATI marketed the ESPIRE Energy Services and nominated companies for receiving consulting services.
- ► PAAPAM marketed and organized awareness campaign for ESPIRE Energy Portfolio.
- ► SMEDA Karachi and SMEDA Lahore promoted and organized ESPIRE services and conducted technical supervision.
- Consultants provided technical and training services in the scope of the ESPIRE project and beyond.
- ► More than a dozen success stories about implementation of Energy Efficiency and Cleaner Production measures were documented and shared with Network partners and industry.

CONSOLIDATION PHASE

- Nine Self-Assessment tools were developed to help industry measure and improve their energy and OHS performance.
- ➤ Consultants improved their skills and portfolio by receiving international trainings and certifications.
- ► A national study on "Return on Prevention" was conducted jointly by ESPIRE and GIZ (Support Programme to the Textile and Garment Industry in Punjab), in collaboration with local partners.
- ➤ Infinity Engineering Pvt. Ltd. becomes first Pakistani company to get ISO 50001 Energy Management System Certificate





ESPIRE Components for Industry

The support provided by project ESPIRE for the industry consists of two major components: ESPIREenergy and ESPIREgreen.

All services are provided through the partnering associations by ESPIRE consultants.



ESPIREenergy is a portfolio of services that helps industries to reduce their energy consumption, increase energy security and implement an energy management.

ENERGY AUDIT

- ► Analyze data & measure energy related data.
- Assess energy wastages.
- Identify solutions.
- Monitor and evaluate.

TRAINING OF ENERGY TEAM

► Training of Energy Team of the Companies on Energy Efficiency, Energy Auditing and Energy Management System.



ENERGY MANAGEMENT SYSTEM

- ► Form energy team.
- ► Formulate energy policy with KPIs.
- ▶ Set energy saving targets & make activity plan.
- ► Energy Information System.
- ► Evaluate and reassess targets.

- ► Check-Lists for Energy Efficiency.
- ► Energy Management Maturity Assessment.
- ► Simple Calculators for Energy Savings.
- Best Practices.

SELF ASSESMENT TOOLS

ESPIREgreen contains services that support industries to increase their productivity with less consumption of resources, reduced negative environmental impact and with better protection for workers.

CHEMICAL MANAGEMENT

- ► Identify and locate chemicals used
- ▶ Identify hazards and assess risks of chemicals
- ► Identify options to control risks
- Monitor and evaluate results

RESOURCE EFFICIENCY

- ► Identify Non-Product Outputs (NPOs)
- ► Map Resource Flows and Waste Streams
- ► Identify options to reduce losses
- Monitor and evaluate results



TRAININGS

► Trainings of factory staff on Fire Safety, Chemical Management, Lean Tools and Resource Efficiency

PRODUCTIVITY ENHANCEMENT

- ► Analyze Process Flows
- ► Improve Line and Material Efficiency
- ► Reduce Production Wastages
- Monitor and evaluate results

SELF-ASSESSMENT TOOLS

- ► Occupational Health and Safety Matrix
- Best Practices

Operation of ESPIRE

BFZ TEAM GERMANY







BFZ TEAM PAKISTAN







SEQUA TEAM





THE ESPIRE TEAM

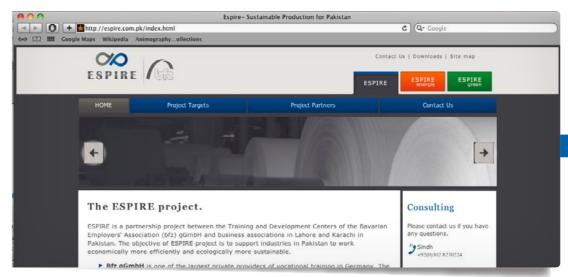
The project organization structure was established as follow: From 2009 -2011, the bfz team in Pakistan comprised of a national project coordinator, Mr. Salahuddin Farrukh, and a project manager, Mr. Ahmer Butt in Karachi, for the Sindh Region. In 2011, Mr. Salman Butt took the role of project manager for Lahore, Punjab Region. The International Project Coordinator from bfz, Mr. Martin Strähle, and during consolidation phase Ms. Susanne Ditter, frequently visited Pakistan. Backstopping from the German office in Hof was provided by Ms. Anne Oertel.

Sequa gGmbH managed the control of the project and also reported to the Federal Ministry for Economic Cooperation and Development of Germany. Bettina Müller and Matthias Schöneberger were the responsible project coordinators for Pakistan.

MONITORING SYSTEM

The annual planning events were realized both in Karachi and Lahore once a year. bfz team hosted, moderated and led the thematic and logistical organization of the events. The participants consisted of representatives of the ESPIRE stakeholders. The agenda of the one-day workshops were interactive and collaborative. Project results and indicators were presented, and together the project activities were defined. The project team was then responsible for implementing and monitoring the indicators and reporting to sequa.

Marketing and Dissemination





DEVELOPMENT OF WEB PORTAL

A website www.espire.com.pk was developed to inform the public about ESPIRE and to provide up-to-date information and knowhow on the project, trainings, courses and services being offered.

www.espire.com.pk

SOCIAL MEDIA

A public facebook group was established to inform about the latest events and to function as a sharing platform for people interested in the topics of Energy Efficiency and Cleaner Production.

www.facebook.com/groups/project.espire/

MOVIE

An HD video was prepared that highlights the activities in the field of energy efficiency by project ESPIRE, the methodology and success stories spoken by the entrepreneurs and consultants themselves.



BEST PRACTICES

A lot of effort was put on documenting best practices in each area of intervention. It helps companies to easily understand the benefits of implementing measures related to Energy Efficiency as well as Cleaner Production and to replicate them in their own sphere of work. Some of the practices documented were:

- ► Energy Audit Success Stories
- ► Energy Management Systems Success Stories
- ► Energy Audit for Micro Industries Success Stories
- Cleaner Production Success Stories
- ► Technical Support Cell PHMA and PAAPAM Success Stories

MEDIA EVENTS

Several Media Events were organized in coordination with SMEDA and PHMA starting from 2012. The main purpose of the Press Conferences was to increase outreach of the project and to present the benefits of the project for Pakistani industry. During the Events, success stories of energy efficiency at various factories were presented and it was shown how Pakistani industry benefits by implementing energy saving measures. The results were various articles in local, national and even in the international press.



The News International, Saturday, April 27, 2013

SMEs save Rs61m through energy conservation steps

of 2012, said a statement.

under the project titled ESPIRE, identify energy wastages.
a cooperation project of bfzgPakistan Hosiery ManufacIn Pakistan, the trainer is co-

help companies to identify Bilwani. where energy is wasted and He said that the association KARACHI: Small and medium support them to reduce the planned to widen the scope of sized enterprises (SMEs) mostly wastages," explained Salahud-their services in the near future from textile sector saved an av- din Farrukh, national project and asked their entire member erage nine percent of their en- coordinator of bfzgGmbH, a textile units to get in contact ergy costs, equaling more than largest private provider of voca- with PHMA office to take advan-Rs61 million, due to energy sav- tional training in Germany. tage of the services provided.

ing measures implemented in 22 Farrukh added that the Project ESPIRE was started companies since the beginning achieved savings were moni- by the vocational training and tored for six months and that development centers of the These measures were taken the factory staff was trained to Bavarian Employers' Associa-

GmbH (Germany) with Pak- turers and Exporters Associa- operating with PHMA, Pakistan istani business associations and tion (PHMA) - one of the pro- Readymade Garments Manufacsmall and medium enterprises ject partners - is working hard turers and Exporters Associaauthority to support their members even tion, Towel Manufacturers Assomore and beyond the time of ciation of Pakistan, Federal-B



تواناني كابهتراستعال، فيكسنائل ميكركو 6.1 كروژى بيت

جر من اوارے کے تعاون ے 22 ہو مش میں توانائی کا ضیاع روکا، مجر نوراستعال بھتی بنایا گیا اسُاف کو ضیاح رو کئے کی تربیت دی، کو آر ڈینیز ، خدمات کادائر و سیج کریگئے ، لیا چھائم اے

کراچی (بزنس ر بورش) آوانائی کے بجر بوراستعال، زیادہ ہے زیادہ استفادہ اور ضباع میں کی کے ذریعے گزشتہ سال کے دوران الیں الم این کے شعبے نے 6.1 کروڑرویے کی بیت کی الیں الم این کے شعبے سے داہمة فیکسٹائل کے صرف22 ٹیکنائل فیکٹر ہوں میں کلی کے ضیاع کوروک کراوراس سے زیاوہ سے زیادہ استفادہ کے ور سے قانائی اخراجات ش 9 فیصد کی آئی، Espireنای منصوب کے تحت کرائی، الا ہور، فیصل آباد، سالکوٹ کی صنعتوں نے استفادہ کیا جنہوں نے 3 میگاداٹ کے برابر توانائی کی بیت کی، ملک میں توانائی کے تجربوراستعال کو لینی با نے کے لیے جر من اوارے BfzgGmbH کی معاونت سے منصوبہ شروع کیا گیا جس میں قوانائی کے شعیے کے جین الا توای ماہرین نے ملک تجر کے متحب فیکٹائل اواروں کو معاونت فراہم کی جس سے اواروں کی كاركر دكى شي اضاف اوران ك اخراجات من قمايان كى جو كى ير من اوار ع BfzgGmbH من ميكتل يراجيك كو آرة ينيز صاح الدين فرخ في بتاياك قراناتي بجت منصوب من سرمايه كارى كار يكورى صرف 3ما یں ہی ہوگئی تھی۔انبول نے ہتایا کہ توانائی بجت بروگرام سے اس منصوبے کے تحت اہر بن نے کمپنوں کو توانائی كانهاع روك ك ليد فرايم كي جس ك لي منعتول بي قاتائي يحت كو 6 او تك انظر كالراجك وانائي ك ضياع كى نشائدى كے ليے فيكنريوں كے اشاف كو مطلوب تربيت بھى فراہم كى گئى۔اس موقع يرباكتان بوزری مینوفینچررزالیوی ایشن کے چیز من جادید بلوانی نے کہا کہ اگی سطیم اپنی رکن صنعت کارول کواس منعوب ك حوال س مجر يور مدد فراجم كررى ب اور في التي ايم ال جر من اوار الحالي الم ك اشراك المراك يكنيكل سيورث يل بحي قائم كرديا كياب جوماحل تواناكي اور بهتر بيداوار ك لي جديد ترین آلات کے بارے می تربیت یافتہ افراد کے ماتھ خدمات فراہم کردہاہے۔انہوں نے کہاکہ ایسوی ایش نے نہ کور د منصوب کی قومی سطیم اجمیت کو یہ نظر رکھتے ہوئے اس کے دائرہ کار کو توسیعی ہے کا فیصلہ کیاہے تاک

Frontier Post

tome National World Afghanistan Business Sports Technology Election Todays Paper E-Paper E-

SMEs fight energy crisis with support of business associations

KARACHI (NNI): Small and medium sized enterprises (SMEs) mostly from the textile sector saved in average 9% of their energy costs with investments that pay back in less than 3 months. These results were achievedthrough energy saving measures implemented in 2 companies since beginning of 2012 under project ESPIRE- a cooperation project of bfzoGmb (Germany) with Pakistani business associations and Small and Medium Enterprise Development Authority (SMEDA). The participating factories from Karachi, Lahore, Faisalabar and Sialkot together realized energy savings that equal a production capacity of around 3 MV and are worth more than61 Million PKR per year.

The consultants we assign help the companies to identify where energy is wasted and support them to reduce the wastages" explains Salahuddin Farrukh, National Project Coordinator of bfzgGmbH the approach. Mr. Farrukh adds that the achieved savings are monitored for six months and that the factory staff is trained to identify energy wastages themselves in the future.

Pakistan Hosiery Manufacturers and Exporters Association (PHMA) - one of the project partners -is working hard to support their members even more and beyond the time of the partnership project. "PHMA has established a Technical Support Cell with help of bfzoGmbHts provide services related to Environment, Energy and Production Efficiency with latest measurement equipment and trained staff" informs PHMA Chairman Jawed Bilwani. The PHM Chairman further explains that the association plans to widen the scope of their services in the near future and asks their entire member textile units to get in contact with PHNA office

Project ESPIRE was started by the Vocational Training& Development Centers of the Bayarian Employers' Association (bfz) gGmbH - one of the largest private providers of vocational training in Germany. The International Division of bfz conducts development cooperation projects on behalf of World Bank, European Union, and the German government in Asia

In Pakistan bfz gGmbH is cooperating with Pakistan Hosiery Manufacturers Association (PHMA), Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA), Towel Manufacturers Association of Pakistan (TMA), Federal B Area Association of Trade and Industry (FBATI), North Karachi Association of Trade and Industry (NKATI), Korangi Association of Trade and Industry (KATI) and Small and Medium Enterprises Developmen

Authority (SMEDA).

The Project is funded by the German Federal Ministry for Economic Cooperation and

جرمن کمپنی کے اشتراک سے توانائی بچت پروگرام میں 22 کمپنیوں کی شرکت

کراچی (کامرس رپورٹر) مدوسے پاکستان کے چھوٹے اور درمیانے درج کی کیکٹائل صنعتوں نے اپنی توانائی کی لاگت کو 9 فی صد تک کم کرایا۔ جرمنی کی تھی کپٹن کے اشتراک ہے

توانائی بجت پروگرام میں پاکتان کی 22 کمپنیوں نے حصہ لیا۔ای منصوبے کے تحت جرمن ماہرین نے کمپنیوں کا جائزہ لے کربجلی کے ضیاع کی وجوہ معلوم کیں اور کم توانائی استعال کر کے منصوبے کو بہتر انداز میں چلانے کے حوالے سے تربیت فراہم کی۔ کراچی، لاہور، فیمل آباداور سیالکوٹ کی ان فیکٹریوں نے

Close Window

Saturday, April 27, 2013

SMEs save Rs61m through energy conservation steps our correspondent

KARACHI: Small and medium sized enterprises (SMEs) mostly from textile sector saved an average nine percent of their energy costs, equaling more than Rs61 million, due to energy saving measures

implemented in 22 companies since the beginning of 2012, said a statement These measures were taken under the project titled ESPIRE, a cooperation project of bfzqGmbH (Germany) with Pakistani business associations and small and medium enterprises development authority

The participating factories from Karachi, Lahore, Faisalabad and Sialkot together realised energy savings

that equal a production capacity of around three megawatts and are worth more than Rs61 million per "The consultants we assign help companies to identify where energy is wasted and support them to

reduce the wastages," explained Salahuddin Farrukh, national project coordinator of bfzgGmbH, a largest private provider of vocational training in Germany. Farrukh added that the achieved savings were monitored for six months and that the factory staff was

trained to identify energy wastages.

MARKETING TOOL KIT

To give the project a formal and professional look, a carefully designed Marketing Tool Kit was developed by a German Designer. Banners, Flyers, website, as well as other marketing and promotional material all had the same corporate design. The marketing material was distributed to all the network partners and can be used by them.











CONFERENCES

During the project several Conferences were organized. They mainly had the objective to raise awareness of current developments regarding "Energy Efficiency" and "Cleaner Production".

▶ Workshop on Energy Efficiency and Energy Management for the students of UMT on 8th of July 2013 at UMT.

Participants: 26

- ► Together with NUST and SMEDA, ESPIRE arranged a Workshop on "Green Productivity, Renewable Energies and Energy Efficiency in the Industry". The event was held on 21st of September 2013 in Lahore.
- ▶ Between November and December 2013, the students of UMT were given a series of lectures on Energy Efficiency and Green Productivity by consultants on pool of the project.

Participants: 20

Participants: 123

► Conference on Resource Efficiency with the international guest speaker Dr. Jürgen Hannak on 6th of November 2014, in Karachi.

Participants: 150

➤ Seminar on Profitable Chemical Management in Textile Industry on 07th of May 2015 in Faisalabad.

Participants: 30

► Launching Ceremonies of Self-Assessment Tools in September 2015 at the following Associations: PAAPAM and TMA in Karachi, as well as PHMA and PAAPAM in Lahore.

Total Participants: 60

► Conference on Occupational Health and Safety with the German guest speaker Olaf Petermann on Return on Prevention on On 16th of December 2015 in Karachi.

Participants: 200

18 ______ www.espire.com.pk ______ www.espire.com.pk

3. Support to Project Partners

3.1 BUSINESS ASSOCIATIONS THE BASIS OF PROJECT ESPIRE

A strong emphasis was put on the organizational development of Associations, in order to improve the environment for small and medium enterprises in the area of Energy Efficiency and Cleaner Production. Trade associations in Karachi along with their northern chapters, as well as town associations in Karachi were included to achieve maximum coverage towards SMEs. The activities highlighted below were important steps towards lobbying/advocacy of the Associations and improving their services in the area of EE and CP for SMEs.

FOCUS GROUPS

As a first step, around 50 Group Consultants were included in the pre-hiring training and screening. 10 were selected after the screening for being interviewed by the Associations. In the end each of the five partnering associations hired one group consultant each and formed the following Focus Groups:

GROUP	PARTICIPANTS	BENEFITS	ASSOCIATION
Focus Group on Energy Efficiency	8	Energy saving	APTPMA
		Cost saving	
		Trained pool of people	
		Access to new market	
Focus Group on OEKOTEX	10 (2-3 for	Value addition to product at reduced cost	PCMA
(Training & Certification)	Certification)	Access to new Markets	
Focus Group on Middle Management	13	Improved managerial skills	PRGMEA
Training		Improved communication flow	
		Better resource planning	
Focus Group on Modular	7	Value stream mapping in the factories	PHMA
Production		Elimination of non-value adding processes from production line	
		Cost saving through waste reduction	
Focus Group on EMS	13	Personnel trained on ISO 14001 documentation	PHMA
Documentation		Can apply for ISO 14001	
		Access to new market	
Focus Group on Energy	9	Trained pool of personnel on energy audit	PRGMEA
Conservation & Self Energy Audit		Cost saving through	
		Energy saving	
Focus Groups on EMP and EMR	32	Preparation of Environment Management Plan	TMA
(2 Groups)		Monitoring of waste and reporting to EPA	
		Compliance to EPA law	

During the first three years, group consultants were financed through the project, but later gradually reduced. The objective was that through the developed services, revenue was created and the group consultant became self-sustaining.

Benefits for companies: Increased capacity of the employers to manage business, process improvement production and product quality, attracting new markets, collaboration between participants of Focus Groups, cost savings from joint activities, business growth with employment generation.

"A FOCUS GROUP ("NUCLEUS") IS A WORKING GROUP CONSISTING OF COMPANIES OF THE SAME SECTOR, WHICH IS MODERATED BY MANAGEMENT CONSULTANT EMPLOYED BY OR UNDER CONTRACT AT A CHAMBER OR ASSOCIATION."

Source: Sequa gGmbH

Focus Group Meetings and Trainings





FORUM OF SUSTAINABLE PRODUCTION

In order to provide a more effective information exchange and a networking vehicle for promoting sustainable production and a concerted representation of the members' interests in public, the Business Associations established the Forum on Sustainable Production. For establishment of this forum, governmental organizations like SMEDA, Trade Development

Authority of Pakistan (TDAP), Textile Commissioner and EPA, as well as business entities (Karachi Chamber, Apparel Forum), and NGOs (LEAD, Sheri), and various consultants were approached.

The forum took place in April 2009 in Karachi.

22 ______ www.espire.com.pk _____ www.espire.com.pk

COMMITTEE APPROACH

In 2010 a new model was started using a bottom-up approach: Under the Steering Committees, the following Sub-Committees were established that together with external advisors did technical ground work and elaborated position papers as basis for a joint lobbying work.

Sub-committee for University Exchange

During a German study trip in January 2010, a Pakistani delegation visited the University of Applied Science (FH Hof) - Department of textiles and design. A joint degree program with one of the leading universities in Pakistan was discussed and therefore a "Sub-Committee for University exchange" was formed to manage this activity. After several activities, unfortunately, the cooperation was put on hold due to security concerns by the University of Applied Science of Hof.

Sub-committee for Renewable Energy

The sub-committee for renewable energy successfully completed feasibility on putting up a demonstration photovoltaic system at PHMA office. PHMA started to install a Solar PV System of 2550 Watts for self-generation of electricity. As it was only producing 50% of their electrical load requirement (excluding Air conditioners and water pumps) with 2 hours backup, it was decided to support PHMA with the upgradation of the System from 2550 Watts to 4590 Watts, to be able to shift on 100% self-generation (excluding Air conditioners and water pumps) with 4 hours backup at full load. The upgradation was successfully completed in December 2015. PHMA is now able to produce 100% Electricity through the

Solar PV system to execute their day to day work. At the same time, it serves as a demonstration system for all member companies and other Associations. The system was installed by the ESPIRE consultants company Energy Saving Solutions (ESS).

Sub-committee for waste water treatment

The sub-committee for waste water treatment completed a position paper on problems of industry to meet National Environmental Quality Standards (NEQS).





CAPACITY BUILDING OF BUSINESS ASSOCIATIONS

To strengthen the capacities of the stuff of associations and to improve their skills to manage their operation as a professionally run commercial entity, through ESPIRE project it was shown to them how to develop demand driven services for their member companies and in return earn revenue and ensure sustainability. A lot of emphasis was put on this subject and below are only some of the interventions in this regard.

TRAININGS FOR ASSOCIATIONS

The partner Associations expressed the desire and need for skill development of their board members, as well as for their management. Being in certain routines for years, they wished to gain knowledge on innovative methods and techniques to manage their associations, on new Strategic Planning and on improving their services.

Bfz organized various trainings for capacity building of Associations during the three phases of the project. The topics were mainly on Energy Efficiency, Green Productivity and also management (moderation, Service Provision and Marketing). Most trainings were conducted by international experts, sharing best practices in managing an association as a service provider business organization.

"I PARTICIPATED IN ACTIVITY PLANNING, ATTENDED VARIOUS TRAININGS, SEMINARS & WORKSHOPS ON TOPICS RELEVANT TO TEXTILE INDUSTRY. THE TRAININGS I UNDERWENT POLISHED MY SKILLS. I ENJOYED EACH OF THESE MEMORABLE MOMENTS WHICH WILL NEVER BE FORGOTTEN."

Mr. Arif Ismail, General Secretary at PCMA

EXAMPLES OF TRAININGS FOR ASSOCIATIONS MANAGEMENT Trainings of Group Consultants on Moderation and Facilitation Trainings on Service Development and Provision Management Training for Chairmen of Associations **Development Course for Managers** Modular Production Trainings Project Acquisition for Associations GREEN PRODUCTIVITY Seminar on CSR and Sustainability Reporting ENVIRONMENT Workshop on REACH Training on OEKOTEX 100 Certification Training Course on Environmental Management Training on Energy Conservation

ESTABLISHMENT OF AN ACCREDITED LABORATORY

TMA, as one of the partnering Association of ESPIRE, established an accredited laboratory at S.M.A Rizvi Textile Institute, Karachi with the financial support of bfz. While the project purchased testing equipment, including FTIR-Spectrophotometer and Gas Chromatograph – Mass Spectrometer, TMA, in return, procured support auxiliaries for SMARTI. Once completed, the laboratory will start providing chemical and physical testing for textile industry as a service and will be a major source of revenue for the association.



A SUCCESS STORY

ESTABLISHMENT OF TECHNICAL SUPPORT CELL AT PHMA KARACHI

In November 2011, a Technical Support Cell was established within the Business Association PHMA in Karachi to provide sustainable, reliable and affordable services related to energy, environment, productivity and compliance of social and labor standards to their member companies. By providing services such as Trainings, Technical Testing Services & Consultancy Services PHMA increases its financial sustainability.

To accommodate these services, bfz financially supported PHMA to renovate its existing infrastructure. A Flue Gas Analyzer, Power Analyzer, Lux Meter, Humidity Meter were purchased, as well as a Video Conferencing system. The usage of these systems enables the Association to add services like B2B online trainings and video conferencing on rental basis.

PHMA is now offering the following trainings for its member companies:

- Energy Manager Training Programs
- Certification program on Lean Sigma Green Belt
- ▶ Lead Auditor Course on BS OHSAS 18001
- ▶ Lead Auditor Course on QMS, ISO 9001
- ▶ Lead Auditor Course on EMS, ISO 14001
- ► Certification Program on IOSH

The Technical Support Cell is marketing its services through a well defined Marketing Strategy, that includes Email (Database), Telephone calls, SMS Service, Social Media (Facebook, LinkedIn) and through its Partner Organizations.

563 Professionals from more than 100 companies have already availed the Training Services offered by PHMA.

Not only companies benefit from these services, but also PHMA themselves: the financial performance of technical Support Cell TSC has increased constantly during the last years, as the table shows

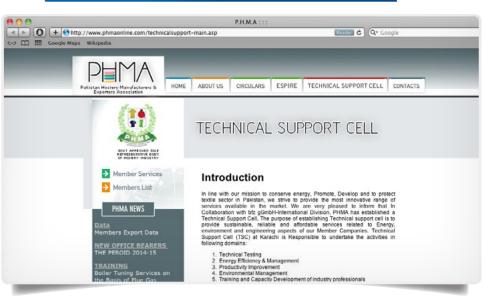


UPGRADATION OF ASSOCIATION WEBSITES

With the support of ESPIRE project, websites of PRGMEA, PHMA and FBATI were upgraded. Information on ESPIRE project and its services were uploaded, as well as success stories. The improvement of the websites increase outreach of ESPIRE services and guarantees its dissemination to Associations' member companies.

www.prgmea.org

www.phmaonline.com/technicalsupport-main.asp



www.espire.com.pk

STUDY TOURS

Study tour to Brazil for Board Members

In October 2008, a delegation comprising of the 10 board members from five partner associations, were given the opportunity to individually witness the best practices being applied at "Empreender program" in Brazil. "Empreender program" is another partnership project coordinated by bfz and supported by the Federal Ministry for Economic Cooperation and Development of Germany to support the development of SME companies through capacity building of Business Associations. The Pakistani delegation visited chambers and various Brazilian business associations to exchange views on how to develop a service oriented culture within their own associations.

Delegation group at Brazilian Annual Conference

Another delegation of General Secretaries from partnering associations visited the Annual Conference of "Empreender program" in October 2010 in São Paulo, Brazil. During the visit, topics like attention to services, administration and finance and modernization of internal structures of Business Associations were interchanged and discussed.

Study tour to Germany

In 2010, a delegation comprising of chairmen as well as focus group directors of the partnering associations took a study tour to Germany. The trip schedule was specially designed to enable the delegation to maximize their knowledge of the technologies available in the field of textiles, in renewable energies and waste water treatment, as well as to gain better understanding of how associations are managed in Germany.

The technical visits were combined with a visit to Heimtextil, Europe's largest trade fair for home textiles.

Regarding the Cleaner Production part, companies specialized in renewable energy, as well as wastewater and sludge treatment were visited. At bfz gGmbH, the delegation group attended a seminar on how associations are managed in Germany.







3.2 CONSULTANTS THE KEY ELEMENT TO ACHIEVE EXPECTED RESULTS

One of the key stakeholders for the successful implementation of the project results of ESPIRE are its technical Consultants. They contribute with their knowledge, skills, experiences and talents to the success of the project.

"I DID MORE THAN 40 ENERGY AUDITS FOR ESPIRE PROJECT. IT
WAS A GREAT EXPERIENCE IN FINDING ENERGY SAVING POTENTIALS,
IMPLEMENTATION AND FOLLOW-UP WITH MONITORING."

Mr. Sajid Mahmood Lakhan, Energy Consultant

THE CONSULTANTS POOL

The project not only sought to introduce procedures, manuals and tools. Rather tried it to develop people through trainings, challenging them and enable them to learn from practical examples. ESPIRE can proudly count dozens of cases of young people who began as freelance consultants during the project. Today they are recognized experts in their area, occupying leading positions in their institutions. Others, carrying time with the consultancy, grew in their professionalism and now lead the young.

The ESPIRE databank offers a repository of reliable and reputed names of consultants, which have undergone a careful screening process and were put through rigorous trainings and assessments to improve both their technical skills, and their soft skills.

SELECTION & APPROVAL PROCESS OF ESPIRE CONSULTANTS

SELECTION OF CONSULTANS

- ► Team Composition
- ► Exiting Practical Knowledge
- ▶ Proven Work Experience

CAPACITY BUILDING

- ▶ Skill Baseline Assessment
- Skil Upgradation through Theoretical & Practical Trainings (See the list of Trainings)

APPROVAL OF CONSULTANS

- ► Trial Audits by Consultans
- Assessment by Bfz and Participating Factories
- ► Continuous Supervision & Guidance by Bfz team (See the list of Approved Consultans)

The tables reflect the expertise of ESPIRE consultants, as well as their contact details. Please note, that it only reflects those services that form part of ESPIRE service portfolio. Consultants also offer other services with different focus that are not included here.

APPROVED CONSULTANTS - PUNJAB ZONE

COMPANY	CONTACT PERSON	SPECIALTY	CONTACT INFORMATION
Energy Saving Solution	Muhammad Farooq	Energy Audits Energy Management System Resource Efficiency Chemical Management	farooq.ess@gmail.com 0333 99 25 598
NEC Consultants	Shafqat Ullah	Energy Audits Energy Management System Resource Efficiency Chemical Management	shafqat@pisd.com.pk 0300 94 82 098
Challenge Engineering	Ghulam Qadir	Energy Audits	gqadir@challenge-engg.com 0301 84 33 525
Engicon	Sajid Mahmood	6-Sigma Productivity Improvement Resource Efficiency	sajidme@hotmail.co.uk 0300 45 27 535
Simple Sustainable Solutions	Sajid Mahmood	Productivity Improvement Supply Chain Management Resource Efficiency Chemical Management	sajid@ss-sol.com 0300 84 07 110
SBS Pak	Saif Ullah Farooqi	Occupational Health & Safety	saif.farooqi@sbs.org.pk

APPROVED CONSULTANTS - SINDH ZONE

Company	Contact Person	Specialty	Contact Information
Green Energy Associate	Sajid Mahmood Lakhan	Energy Audits Energy Management System Cleaner Production Productivity Improvement Occupational Health & Safety	sajid@gea.com.pk 0321 21 17 115
Barqtron Engineering Solutions	Danish Zahoor	Energy Audits Energy Management System	danish@barqtron.com 0322 20 01 199
NEC Consultants	Shafqat Ullah	Energy Audits Energy Management System Resource Efficiency Chemical Management	shafqat@pisd.com.pk 0300 94 82 098
Operational Excellence Consulting	Bilquis Yasmeen	6-Sigma Productivity Improvement	BilquisYasmeen@VarianceReduction.com 0300 45 54 149
Future Tech Consulting	Kashif Iqbal Butt	Productivity Improvement Occupational Health & Safety	kashifbutty2k@yahoo.com 0334 30 76 339
Quality International Consultants	Hammad Shamsi	Productivity Improvement Occupational Health & Safety	hammad.shamsi@gmail.com 0331 28 66 263



Saifullah Farouqi GP Consultant

www.espire.com.pk



Sajid Lakhan Energy Consultant



Sajid Mahmood GP Consultant



Sajid Mahmood GP Consultant



Muhammad Farooq Energy Consultant



Dr. Bilquis

CP Consultant

30 ______www.espire.com.pk

TRAININGS FOR CONSULTANTS

A number of trainings were conducted for consultants since the year 2011. The trainings covered not only technical aspects of Energy Efficiency and Cleaner Production, but also soft skills to improve their skills as a consultant. Most of the trainings were organized by bfz and conducted by an international consultant. Others were organized by Pakistani consultants.

A special approach of the trainings was the combination of theory and practical implementation. In some trainings, the consultants learnt "on the job" during assessments and trainings in the companies. They were, for instance, requested to submit reports of the successful implementation of Energy Management Systems in companies or had to conduct and report the results of Assessments and Chemical Management measures in companies.

To provide appropriate and relevant trainings and constantly improving the consultant's skills, it was important to understand the individual needs of the consultants. With the support of the international expert, Mr. Jürgen Hannak, a detailed workshop on the development of training needs for the consultants was carried out. On the basis of individual consultants' need assessment, Consultants received individual trainings according to their needs and field of work. ESPIRE supported trainings not only in Pakistan, but also certified courses related to Cleaner Production and Energy Efficiency in the neighboring countries such as United Arab Emirates and Thailand.

Tables below highlight only some of the trainings imparted under Energy Efficiency and Green Productivity.

ENERGY EFFICIENCY

TRAININGS FOR CONSULTANS	TRAINER
ESCOs Development Training	Local Consultant
Energy Manager Training in collaboration with GIZ REEE	Local Consultant
Dynamic Investment Calculation for ESCOs	GIZ
Energy Management System	Mr. Thomas Frank, Envidatec Germany
Energy Information System	Mr. Thomas Frank, Envidatec Germany
Certified Energy Auditor, incl. Exam in Dubai	Association of Energy Engineers USA
Lead Auditor Course on EMS ISO 14001: 2015	SGS Academy

"THE OPPORTUNITIES FOR DEVELOPMENT THROUGH ADVANCED
TRAININGS AND ON-SITE CONSULTANCY WERE EXCEPTIONAL. THE
CONSULTANTS ARE NOW WELL EQUIPPED TO IMPLEMENT ESPIRE'S
PROJECT VISION IN FUTURE ENGAGEMENTS."

Mr. Sajid Mahmood, GP Consultant

GREEN PRODUCTIVITY

TRAININGS FOR CONSULTANS	TRAINER
Cleaner Production Assessment	NCPC Sri Lanka
Green Productivity Assessment	CITEVE Portugal
Cleaner Production through Good House- keeping (GHK)	Mr. Jürgen Hannak, PREMAnet, Austria
Resource Efficient Management of Chemicals (REMC)	•••••
Certified Supply Chain Professional	LEORON in Dubai
Certification training on Change Manage- ment	Mawj Training & Con- sulting in Dubai
Certified Safety Professional	Safety First – Training and Consultancy
PREMA Good Housekeeping	Salman Butt National PREMA Trainer
Lead Auditor OHSAS Training	Bureau Veritas

SOFT SKILLS

TRAININGS FOR CONSULTANS	TRAINER
Training of Trainers and Consultants	Andreas Dohle, I.D.O.
	Brazil
Training on Strategy Planning and Project	Andreas Dohle, I.D.O.
Designing	Brazil





32 ______ www.espire.com.pk _____ www.espire.com.pk

STANDARD OPERATION PROCEDURE

The service portfolio developed by ESIPRE is offered through its consultants. All of them have been trained and approved through the project partners. The implementation of the Portfolio follows a standard operation that all approved consultants follow.

For Energy Audit (EA) / Energy Management Systems (EnMS) and Energy Information System (EIS)

- Check eligibility: Interested companies are checked for energy saving potential, management commitment, qualification of technical staff for implementation of identified solution and eagerness to pay fee and to implement identified energy saving solutions.
- Assign Consultant: Only Consultants, who are qualified, experienced, trained and approved are appointed to companies to execute projects.

- Audit & Training: Consultant visits factories to review and measure data, assess wastages and calculate energy saving solutions. A report with overview of the energy consumption of the factory and recommended solutions is presented to the management of the company. Staff of the company receives training for implementation of identified solutions.
- ▶ Energy Management & Information System: Consultant supports the company in preparation of an energy management system: Formulation of an energy policy, Energy Performance Indicators, Formation of Energy Team, Setting of energy saving targets etc. and sets up an energy monitoring system.
- ▶ **Follow-up:** Consultants supervise implementation of energy saving solutions and monitor realized energy savings for 4 months after conducting Energy Audit and Implementation of Energy Management System.

For chemical management / Productivity enhancement / Resource Efficiency

- Check eligibility: Interested companies are checked for potential to improve their production in the areas of material, water and energy usage, productivity, resource efficiency and chemical management. The commitment of the management is verified, as well as the required qualification of technical staff and the willingness to pay the consultant fee and to implement identified saving solutions.
- Assign Consultant: Only Consultants, who are qualified, experienced, trained and approved, are appointed to companies to execute projects based on the mentioned products.

- ▶ **Assessment:** Based on the interest of the client and the results of the eligibility check an assessment is conducted in which the consultant visits the factory to identify potential for improvements in the respective field. The Consultant presents a report with recommended solutions to the management of the company and guides and monitors the implementation of the identified solutions.
- Follow-Up: Consultants supervise implementation of solutions and monitor realized savings for 4 months after conducting implementation of improvement measures.

CHECK ELIGIBILITY

- ► Management Commitment
- ► Team Qualification
- ► Potential for Improvement
- Willingness to Share Free
- Willingness to implement energy saving solution

ASSIGN ESCO

- Qualified, Trained & Approved
- ► Relevance of Expertise
- ► Team Composition
- ► Performance Guarantee

ENERGY SAVING

- ► Energy Audit
- Energy ManagementSystem
- Energy InformationSystem
- ► Energy Programme

SUSTAINABILITY

- ► Training of Energy Team
- ▶ 6 month Follow up
- ► Internal Audits by Energy Team
- ► Energy Policy
- System Procedures
- ► Short & Long Term Targets

CHECK ELIGIBILITY

- ► Management Commitment
- ▶ Team Qualification
- ► Potential for Improvement
- ► Willingness to Share Free
- Willingness to implement saving solution

ASSIGN CONSULTANT

- Qualified, Trained & Approved
- ► Relevance of Expertise
- ► Team Composition
- ► Performance Guarantee

SAVING

- ► Chemical Management
- Productivity Enhancement
- ► Resource Effciency
- Action Plans

SUSTAINABILITY

- ► Training of Team
- Implementation and Monitoring
- ► Internal Audits by Team
- ► System Procedures
- ► Short & Long Term
 Targets

34 ______ www.espire.com.pk _____ www.espire.com.pk

3.3 SUPPORT TO INDUSTRY: COMPANIES - THE REAL BENEFICIARIES OF PROJECT ESPIRE

Monitoring of energy consumption is the basis for improving energy efficiency and thus reducing energy consumption and energy costs. However, most companies hesitate to invest in energy monitoring as they fear high investment costs. ESPIRE's objective was to show companies how they save money and improve their performance by implementing energy efficiency and cleaner production measures.

INCENTIVE SCHEME REEE

ESPIRE developed an incentive scheme that showcased the reduction of the threshold for investments in energy monitoring. Support for industries was offered that planned to improve their energy monitoring system by installing Energy Monitoring Equipment with co-financing 70% of the total equipment cost, i.e. max. 10.000 € per company (non-refundable grant) and max. 50% of total investment. All industries that planned innovative changes in their factory to improve energy efficiency or to use renewable energies were applicable for funds from project ESPIRE.

The pre-selected equipment for this scheme was:

- ▶ Equipment
- Power Analyzer
- ► Flue Gas Analyzer
- ► Compressed Air, Gas Thermal Mass Flow Meter
- ▶ Steam Flow Meter



To ensure transparency and accountability, a third party auditing and evaluation firm's services were utilized to carry out technical and financial feasibility of each proposal within stipulated time period.

All applicant factories were requested to ensure to document all changes and realized savings (kWh, CO2, and Rupees). The collected data and documents related to the implemented measures were shared with ESPIRE for marketing and distribution of REEE.

CUSTOMIZING SOLUTION FOR MICRO FACTORIES

To support micro factories, an energy audit with customized scope and competitive fee for smaller factories with no or very low thermal energy use was developed.

Approach through Clustering

Target group: micro factories, mainly stitching units (and power looms) with electric energy consumption of less than 250 kW and no or very small boiler.

- ▶ Clustering of 3-5 micro companies that were located in one industrial area and assign cluster to one Energy Service Company (ESCO) to make it economically feasible for ESCO to provide this service.
- ► Each factory signed a separate contract with bfz/association, who then assigned the ESCO.

Role of Associations

The partnering associations in this programme, PRGMEA and PHMA, coordinated and administrated the provided service by fulfilling the following tasks:

- Marketing, getting application forms filled
- Clustering of factories according to size and location
- Preparing contracts and getting them signed
- Managing schedule of field visits of ESCOs

TRAININGS FOR FACTORY STAFF

Capacity building was not only provided to Associations and consultants, but also to the industry professionals. For this purpose numerous trainings were conducted by ESPIRE consultants. Two trainings are listed below as examples:

Training on Energy Audit, Karachi (June 2013) Achievements:

- Orientation on Green Energy Management Information System for technical stuff in factories
- ► Introduction to Energy Management System, Energy Policy and Energy Audit
- ► Implementation: Trainees were required to submit an Energy Audit Report of their respective factory as instructed by the Trainer after two weeks of Consultants visit.

Energy Manager Training, offered by PAAPAM, (January 2014) Achievements:

- Quality staff is capable to identify energy savings potentials in their companies
- Participants were enabled to reduce energy costs by properly maintaining their energy generation, distribution and consumption facilities
- ► Factory Stuff learned to measure and document the energy consumption and realized savings

Number of Industry Professionals trained under project ESPIRE

PERIOD	TRAINING	TRAINING CATEGORY		
	Energy	Green Productivity		
Phase 2 (2011-2014)	539	183	722	
Consolidation Phase	45	175	220	
(2014-2016)				

"THE ENERGY MANAGER TRAINING PROGRAM WAS A UNIQUE PROGRAM IN WHICH COMPLETE PRACTICAL APPROACH WAS ADOPTED WHICH HAS HELPED US TO REDUCE EXTERNAL RELIANCE FOR ENERGY AUDITS."

Masood Abbas Khan, Director, Al-Hadeed Industries

Trainings conducted as a result of collaboration between Network Partners

TRAININGS	PARTICIPANTS	ORGANIZED BY
Energy Conservation	25	SMEDA & bfz
Energy Manager Training	30	SMEDA
REACH Training	29	PCMA & bfz
Energy Manager Training with Implementation I	27	PHMA Karachi, SMEDA & bfz
Energy Manager Training with Implementation II	13	PHMA Karachi, SMEDA & bfz
Energy Manager Training with Implementation III	21	PHMA Karachi & NEC Consultants
Boiler Efficiency	7	PHMA Lahore
Fire Prevention and Safe handling of Chemicals	48	PHMA SZ & SMEDA
HSE Legal Requirements	12	PHMA Lahore
Productivity Improvement through 5S and Visual Workplace for SMEs	15	SMEDA & bfz
Resource Efficient Management of Chemicals	7	PHMA Lahore
Energy Efficiency Opportunities in Steam Systems	32	SMEDA & bfz
PREMA Good Housekeeping	16	PAAPAM & bfz

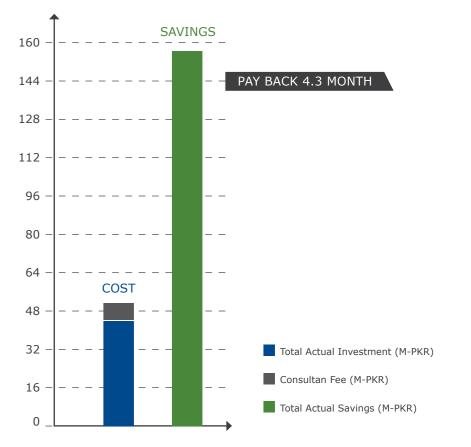
RESULTS ESPIREENERGY

The 105 companies that availed services under ESPIREenergy since 2012 reduced their overall energy consumption in average by 6.7% through measures implemented within first 6 months after the intervention.

There is a high potential for further savings as only 29.2% of identified energy savings solutions where implemented in this timespan.

The total energy savings of all companies are 7152 MWhe per Year and 36849 MWhTh per Year. These sum up to 44 Million kWh per year corresponding to a saving of 154 Million PKR.

DESCRIPTION	RESULTS
No. of Companies (EE)	50 (NZ) + 55 (SZ)
Saving %	6.7%
Implemented Vs Identified Measures	
Cost Saving	154.0 Million PKR per Year
Investment + Consultants' Fee	
Pay Back	4.3 Months Micro: 17.34 Small: 9.5 Medium: 4.0 Large: 5.0 X-Large: 12
kWh Saved	7152 + 36849 MWhTh/Year 44.0 Million kWh per Year Equivalent to 6MW Generation Capacity
CO2 Emissions Reduced	30360 Metric Ton CO2



38 ______ www.espire.com.pk _____ www.espire.com.pk

RESULTS ESPIREGREEN

A total of 92 companies availed services from ESPIREgreen portfolio. A total of 117 interventions took place, as 25 factories availed support in all three service areas: Cleaner Production, OHS and Productivity Enhancement.

ESPIRE GREEN SERVICES	NUMBER OF SERVICES AVAILED*
Cleaner Production	20
Occupational Health & Safety (OHS)	62
Productivity Enhancement (PE)	35

ESPIREgreen services lead to a variety of benefits for industries that are not all directly measurable in monetary terms. Beside direct financial benefits, companies improve occupational safety (e.g. fire safety), reduce environmental impacts (e.g. reduced consumption of chemicals and water) and increase their production efficiency (e.g. improvement of work flow and storage capacities).

"THIS WAS A VERY GOOD EXPERIENCE FOR OUR COMPANY. REDUCED WATER CONSUMPTION AND INCREASED PRODUCTIVITY HAVE BROUGHT US ENORMOUS SAVINGS. WE ARE COMMITTED TO INVEST MORE ON GREEN PRODUCTIVITY IN NEAR FUTURE."

Mr. Zaka Ullah Dogar Director, Rustam Towels Pvt. Ltd.

LAUNCH OF ADVANCE COURSE

To support the industry to gain more knowledge on Energy Efficiency an Advanced Environmental Management Course was developed in cooperation with Karachi University and launched at partnering institute, S.M.A.R.T.I. Two batches of 15 participants were co-financed through the project.



SMALL TOOLS FOR SELF ASSESSMENT

During the last phase, Small Self- Assessment Tools were developed by ESPIRE Consultants. In total, nine Self-Assessment tools on Energy Efficiency and OHS were designed to help industry measure and improve their energy and OHS performance.

The Energy Efficiency tools calculate the energy efficiency of a company and estimate potential energy and cost savings. The results generated by these tools are estimated based on models and help to determine which equipment or practices are worth pursuing to reduce energy consumption.



TOOL FOR PUMPING SYSTEMS

Conduct a Self-Assessment of your Pumping System to calculate Energy Performance of Pumps and Energy Saving Potentials.



TOOL FOR BOILERS AND STEAM SYSTEMS

Conduct a Self-Assessment of your Boilers and Steam System, and calculate Energy Performance of your Boilers and Energy Saving Potentials in your System.



TOOL FOR MOTORS

Conduct a Self-Assessment of your Motors and calculate Saving Potentials through Replacement of Motors and/or installing Variable Speed Drives.



TOOL FOR COMPRESSED AIR SYSTEMS

Conduct a Self-Assessment of your Compressed Air System to calculate Energy Performance of Compressors and Energy Saving Potentials.

All Self Assessment Tools are free of cost and can be downloaded from following websites:

www.espire.pk.com

www.towelassociation.com/tools-for-energy-efficiency.php

www.smeda.org



TOOL FOR CALCULATING COST OF ELECTRICAL ENERGY MIX

Calculate the total costs of your individual electrical energy mix, based on the different energy sources that your company uses: grid power, diesel generator and gas generator.





The Energy Management Maturity Matrix is based on Performance Levels defined in accordance with the Energy Management System ISO 50001. The Matrix helps you to assess the level of implementation of the energy management system in the company and identify areas where further development and consideration is required.

CHECKLISTS FOR SELF ASSESSMENT

This tool unites several Checklists that help you to conduct a Self-Assessment of your existing systems and performances.

MAXIMUM DEMAND INDICATOR (MDI) MANAGEMENT TOOL



Investigate opportunity of reducing the MDI of your company by improving Load Management of utilities and processes at shift start-ups and/ or while connecting to grid power supply.

SUCCESS STORIES

To replicate the knowhow that was developed during the project, several success stories were documented. In total 13 companies, representing each sub-sector of Textile SME's, volunteered to document their success story in order to share their experiences.

SUCCESSES STORIES ESPIRE ENERGY.

- ▶ Energy Manager Training for Capacity Building of Industry Professionals.
- ▶ M/s Combined Fabrics Save more by re-investing the savings.
- ▶ M/s Delta Garments Reducing Energy Share in Manufacturing Cost.
- ▶ M/s Infinity Engineering Pvt. Ltd. Pioneering ISO50001 in Pakistan.
- ▶ M/s Asli Pari Business Leader in Sewing Threads And Energy Saving.
- ▶ M/s Metrotex Industries Decades of knitted & Woven Export business.
- ▶ M/s Rajby Industries Continuous Improvement Assures Success.
- ▶ M/s Soorty Enterprises Energy Efficiency is Way Of Life. Successes





STORIES ESPIRE GREEN

- ▶ M/s Rustam Towel Saving Environment and Reducing Cost.
- ▶ M/s AB Mauri Pakistan High Gains through Variance Reduction
- ▶ M/s "PFI" reduces material spillage through Lean Six Sigma
- ► M/s Al-Hadeed Industries Increasing Productivity, Reducing Costs
- M/s Multinational Export Bureau Reducing Rework, Increasing Profits

By summarizing all the beneficiaries experiences, the companies realized the importance of efficiently managing the energy inputs and resources. This opened new avenues for them to innovatively solve operational issues and helped them upgrading the skills of their manpower. All of them agreed that sustained effort toward increased energy and resource efficiency is required to remain competitive and cost effective.

Here, we present only one example of Success Story. All other success stories can be downloaded from **www.espire.com.pk**

4Z www.espire.com.pk

A SUCCESS STORY

M/S INFINITY ENGINEERING PVT. LTD. - PIONEERING ISO50001 IN PAKISTAN

Background

M/s Infinity Engineering Pvt. Ltd. is an ISO50001, TS16949, ISO9001 and ISO14001 certified company mainly oriented in subcontracting activities for Grey Casting, Hot Forging, Precision Machining and Heat Treatment of automotive and engineering components. The company produces international standard engineering and automobile components for major vehicle assemblers in domestic and international markets.

ESPIRE Intervention

In April 2013, Mr. Abdur Razzaq Gohar, CEO, requested bfz for support with the implementation of ISO50001 Energy Management System Standard at Infinity Engineering through services offered by ESPIREenergy.

The services of Mr. Thomas Frank, who is an expert on Energy Management and Monitoring, were hired for the purpose by bfz. Mr. Frank along with a group of local consultant of ESPIREenergy conducted two sessions in April and June 2013 and started the implementation of ISO50001 with Training of Energy Team. An action plan for implementation of standard with targets was developed in first session. Training on energy monitoring was provided in second session and metering and measurement plans were deliberated.

Achievements

The company formed an Energy Team to implement Energy Management System as per ISO 50001 requirements and guidelines. Major investment was made in developing an Energy Monitorng System that included installation of energy meters for all significant energy uses.

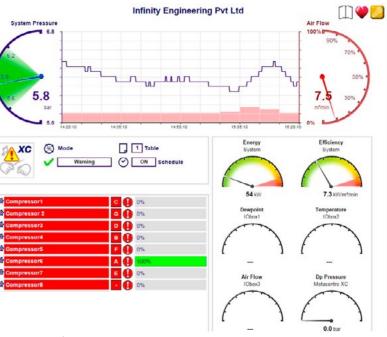
"As a responsible Pakistani industrialist we have to take systematic measures to conserve power in all our business and production processes, making our products competitive and contribute in saving the precious national resource of energy for use of our other country fellows and maintaining a cleaner environment."

Mr. Abdur Razzaq Gohar

CEO, Infinity Engineering Pvt. Ltd.

The efforts of the Energy Team finally paid off in February 2016 when Infinity Engineering became the first Pakstani company certified on ISO50001 Energy Management System.

In addition to implementation of standard, the company has taken aggressive measures to improve their energy performance.



Compressed Air Management System

4. Sustainability

The envisaged role of each Stakeholder of the project is to take on the project as their own and initiate and lead the activities by collaborating with other network partners and entities, also after completion of ESPIRE project in May 2016.

All of the here mentioned partners play a pivotal role to keep up the good work started during the last years:

The **Associations** will continue to be the major platform from where the consultants on the pool can use their delivery mechanisms and reach out to new companies. They have established Technical Support Cells and have widened their network to offer professional services related to Energy Efficiency and Cleaner Production.

Consultants are the technical stuff to implement the measures and advise the companies. It was heartening to see that Consultants started using Project ESPIRE as their banner and marketed on their own and converted this into commercial business. They have gained plenty of experience during the last years and are prepared and eager to deliver their services to companies.

Last, but not least, **Pakistani Industry** is the real change maker in the successful continuity of the project. Hopefully, more companies join the good example of the companies that have participated in project ESPIRE, remembering that implementing Energy Efficiency and Cleaner Production measures, will benefit them also economically.

We hope that the drive that we've experienced during the last years of implementation of ESPIRE continues and more associations, companies and consultants will join in and continue the success story of project ESPIRE.

"ENERGY CONSERVATION IS IMPORTANT FROM MANY DIFFERENT PERSPECTIVES AND NOT JUST BECAUSE SAVING ENERGY MEANS SAVING OUR MONEY BY LOWERING OUR MONTHLY ENERGY BILLS. BY REDUCING OUR ENERGY NEEDS WE ARE ALSO REDUCING THE GLOBAL LEVEL OF GREENHOUSE GAS EMISSIONS THAT CONTRIBUTE TO CLIMATE CHANGE AND GLOBAL WARMING. THE COMPANIES PARTICIPATED IN THE PROJECT EXPERIENCED SIZEABLE SAVINGS IN TERMS OF REDUCED CONSUMPTION OF ELECTRICITY, GAS, DIESEL, WOOD AND STEAM."

Mr. Sohail. A. Sheikh, Senior Vice Chairman, PRGMEA North Zone

Contact

TMA NORTH ZONE TMA SOUTH ZONE

388-A, Tariq Block, New Garden Town, Lahore-Pakistan

TMA House , 77-A , Block 'A', Sindhi Muslim Cooperative Housing Society, Karachi - 74400

Phone 0092 -42-35 84 62 28 Fax 0092 -42-35 84 62 29 Phone 021 -3-43 82 801-4 fax 021 -3-45 51 628

E-Mail nc@towelassociation.com

E-Mail tma@towelassociation.com

PRGMEA NORTH ZONE

343-A, New Bhabrra, Main Ferozepur Road, Lahore, Pakistan

Phone +9242 -35 85 82 21,

-35 85 29 46, -35 85 12 77 +9242 -35 85 82 31

T 9242 -33 03 02 1

info-north@prgmea.org prgmealhr@cyber.net.pk

PRGMEA SOUTH ZONE

3rd Floor, Plot No. 57-C, 24th Commercial Street, Phase II (Ext), DHA, Karachi, Pakistan

+9221 -35 89 06 53

Phone +9221 -35 89 06 512

E-Mail info@prgmea.org

PAAPAM NORTH ZONE

PAAPAM Head Office 16-B, Westwood Colony, Thokar Niaz Baig, Lahore

Phone +9242-37 49 84 74-5 Fax +9242-37 49 84 76

ail chairman@paapam.com

PAAPAM SOUTH ZONE

204, 2nd Floor, Suleman Center, SC-5, ST-17, Sector 15, Korangi Industrial Area, Karachi

Phone +9221-35 11 38 41 Fax +9221-35 11 38 42

E-Mail s.vicechairman@paapam.com

PHMA NORTH ZONE

33-D, New muslim town, Lahore-PA

Phone +9242-35 83 38 68, -35 83 06 94

Fax +9242-35 83 22 13

E-Mail phmalhr@gmail.com

phma@magic.net.pk

phma@pol.com.pk E-Mail info@phmaonline.com

phmasbz@yahoo.com /eb www.phmaonline.com

PHMA SOUTH ZONE

Karachi

PHMA HOUSE, 37-H, Block-6, P.E.C.H.S.,

+9221-45 45 683,

+9221-45 43 774

+9221-34 54 47 89, -34 52 26 85

-45 44 764 (Secretary general)

SMEDA NORTH ZONE

4th Floor, Building no.3, Aiwan-e-Iqbal

5 TH Floor, Bahria Complex II, M.T. Khan

SMEDA SOUTH ZONE

Complex Egerton Road, Lahore, Pakistan Road, Karachi

hone 042 -11 11 11 456 Phone 021 -11 11 11 456 ax 042 -36 30 49 267 Fax 021 -35 61 05 72

l helpdesk@smeda.org.pk E-Mail helpdesk.sindh@smeda.org.pk

BFZ gGmbH - INTERNATIONAL DIVISION HOF

Susanne Ditter

E-Mail ditter.susanne@zentrale.bfz.de

Web www.bfz.de

www.international.bfz.de

44 www.espire.com.pk

Fax

LIST OF ABBREVIATIONS

All Pakistan Processing Mills Association

Beruflichen Fortbildungszentren der Bayerischen Wirtschaft Bfz

gGmbH CP Cleaner Production

Cleaner Production Institute CPI

EΑ Energy Audit EE Energy Efficiency EIS Energy Information System

Environmental Management Plan EMP **Environmental Monitoring Reports** EMR EnMS Energy Management System ESCO Energy Service Company

FBATI Federal B Area Association of Trade and Industry

Ghulam Ishaq Khan Institute of Engineering Sciences and Technology GIKI

GIZ Deutsche Gesellschaft für Internationale Zusammenarbeit

IKTK Institute of Knitwear Technology Karachi KESC Karachi Electric Supply Corporation KATI Korangi Association of Trade and Industry

KU University of Karachi

LEAD Leadership for Environment and Development NGO NEQS National Environmental Quality Standards NKATI North Karachi Association of Trade and Industry

NTU National Textile University

NUST National University of Sciences and Technology

OHS Occupational Health and Safety

PAAPAM Pakistan Association of Automobile Parts & Accessories Manufacturers

PCMA Pakistan Cloth Merchant Association

PHMA Pakistan Hosiery Manufacturers' and Exporters Association

PRGMEA Pakistan Readymade Garments Manufacturers' and Exporters Association

PRGTTI Pakistan Readymade Garments Technical Training Institute

Citizens for better environment NGO SITE Sindh Industrial Trading Estate SMARTI SMA Rizvi Textile Institute

SME Small and Medium Sized Enterprises

Small and Medium Enterprises Development Authority SMEDA

TDAP Trade Development Authority of Pakistan TMA Towel Manufacturers Association of Pakistan UET University of Engineering and Technology, Lahore

ACKNOWLEDGEMENT

We thank all the institutions, experts and employees of Business Associations, that were involved in the implementation of the project, for their great cooperation and commitment. Without the valuable effort and excellent work from all our stakeholders, it wouldn't have been possible to realize ESPIRE project and to achieve the visible and sustainable results that are summarized in this brochure.

Muhammad Alamgir Chaudhry

CEO SMEDA

SMEDA



Sindh, SMEDA

Provincial Chief AM Karachi, SMEDA



Syed Babar Umer

Deputy General Manager In charge Industry Support Cell

Ashfaq Ahmad

ASSOCIATIONS



Shaikh Shafique

PRGMEA



Secretary General,

PGMEA

Central Chairman,





Sohail A. Sheikh Senior Vice

Chairman, PRGMEA

ASSOCIATIONS



Abdus Samad



Abid Chinoy Patron in Chief PCMA Secretary PCMA



Arif Ismail



Chairman PHMA

www.espire.com.pk





Secretary General



Mumshad Ali



Mehmood Alam Sherani

Paapam NZ



Mashood Ali Khan



Muzzammil Hussain



chairman TMA



PCMA Chairman







Senior Vice Chairman

PAAPAM SZ

Secretary General TMA Southern circle

Moin Razzag Southern circle

PROJECT ESPIRE

The Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany supports institutional development projects worldwide between chambers and business associations with their counterparts in Germany, in favour to support the development of SME companies.

This publication reports the outcomes and experiences of the Project undertaken in Pakistan between 2008-2016

1ST EDITION, APRIL 2016