

Report

Series of Awareness Raising Sessions on Just Transition and Climate Change



The Employers Federation of Pakistan (EFP), in collaboration with the International Labour Organization (ILO) under the Project “Just Transition and Climate Change,” conducted a series of awareness-raising sessions for SMEs on formalization & Just Transition. The purpose of the awareness-raising sessions was to promote the just transition principles and highlight the need to adopt the corporate sustainability due diligence directives (CSDDD) while focusing on business sustainability, green compliance, and SME competitiveness in global supply chains.

Four awareness-raising sessions were successfully organized as part of this series on the following dates and locations:

- Karachi – 13th August 2025
- Lahore – 12th November 2025
- Karachi – 21st January 2026
- Lahore – 11th February 2026

In total, 137 participants from SMEs representing diverse sectors, including textile, energy, and automobile manufacturing, attended these sessions, reflecting strong stakeholder interest in sustainability, compliance, and responsible enterprise development.

These sessions were implemented under an ILO-supported initiative designed to strengthen SME capacity for formalization, responsible business conduct, and environmentally sustainable production. The programme aligned with international labour standards and the ILO Just Transition Guidelines, emphasizing the integration of environmental sustainability, decent work, and enterprise competitiveness as mutually reinforcing objectives. The aim of these sessions was to equip enterprises with practical knowledge, tools, and strategic guidance to respond effectively to evolving global market requirements.

Each session followed a structured implementation format consisting of introductory remarks by EFP, contextual input from the ILO representative Mr. Naeem Ansari, technical awareness sessions by the consultant Mr. Ehtesham Ali, and hands-on training on practical assessment tools. The programme structure was implemented in accordance with the official agenda and ensured a balance between conceptual understanding and applied learning.

The sessions on Resource Efficient & Cleaner Production Practices delivered by Mr. Ehtesham demonstrated cost-saving opportunities through improved efficiency in energy, water, and material use. Participants were introduced to Cleaner Production methodologies and the importance of reducing waste and pollution while improving operational performance. The sessions also emphasized the alignment with green compliance requirements in domestic and export markets, highlighting how resource efficiency contributes directly to both environmental sustainability and business competitiveness.

Building on these foundations, the sessions were moved towards Green Compliance & Action Planning for SME Competitiveness in Global Supply Chains, where the companies were informed about the emerging global supply chain standards such as the EU Green Deal, EU Due Diligence Directive, and buyer sustainability codes. SMES were also highlighted about the certifications and standards, including ISO 14001, OEKO-TEX, and GOTS, and outlined practical steps for SMEs to meet compliance requirements while avoiding high costs. The sessions further demonstrated how compliance increases market access and strengthens relationships with buyers. Participants were guided to develop enterprise-specific sustainability action plans and to set short-term and long-term goals for improving green compliance and competitiveness. Emphasis was

also placed on integrating Just Transition principles into business strategy to ensure that sustainability improvements are aligned with inclusive growth and decent work outcomes.

As part of the four-session series, the final two sessions held in Karachi and Lahore included the introduction of the Just Transition Assessment Tool, jointly developed by EFP and the ILO. During these sessions, participants were guided on how the tool can be used to help businesses understand their readiness for climate-related changes and identify practical steps towards a fair and sustainable transition.. The tool enables SMEs to evaluate their readiness across environmental management and decent work dimensions. It assesses enterprise performance in areas such as policy frameworks, monitoring indicators, risk assessments, compliance systems, and environmental action measures, including renewable energy adoption, waste reduction, chemical management, and pollution control. The tool also integrates social indicators aligned with ILO principles to ensure that environmental transition pathways remain inclusive, equitable, and supportive of decent work.

Participants also received practical training on the Greenhouse Gas Calculation Tool, designed to help enterprises quantify emissions and track environmental performance using internationally recognized methodologies such as the calculation of scope 1 and scope 2 emissions. The tool supports enterprises in:

- Calculating direct emissions from fuel consumption.
- Measuring indirect emissions from electricity use.
- Monitoring energy performance indicators.
- Normalizing emissions against production output.
- Tracking emission trends over time.
- Establishing reduction targets and performance benchmarks.

The sessions generated significant positive outcomes for participating enterprises. These included enhanced awareness of global sustainability standards, improved understanding of formalization benefits, strengthened technical knowledge on emissions measurement, and increased readiness to participate in responsible supply chains. Participants actively engaged in discussions, case examples, and tool-based exercises, demonstrating strong interest in practical solutions that link sustainability with competitiveness.

Overall, the awareness-raising series successfully advanced the objectives of the ILO-supported initiative by combining policy orientation, technical knowledge transfer, and applied assessment tools within a comprehensive capacity-

building framework. The initiative demonstrated that sustainable enterprise development requires simultaneous progress in environmental responsibility, economic resilience, and decent work. By equipping SMEs with actionable knowledge and practical instruments, the programme positioned participating enterprises to respond proactively to evolving sustainability expectations in regional and global markets.