



JUST ENERGY TRANSITION FROM FOSSIL FUELS TO RENEWABLES

IN THIS ISSUE

Page 1 - Govt Launches Rs. 2 bn Scheme to Replace 88 Million Inefficient Fans
Page 1 - China has Begun Construction on The World's Largest Hydropower Dam
Page 1 - ECC Approved Pakistan's Green Taxonomy
Page 2 - Rainwater Systems Made Mandatory for New Structures
Page 2 - Pakistan Successfully Launches Remote Sensing Satellite
Page 2 - The Climate Finance Boom and Why Pakistan is Missing Out
Page 2 - Rs. 795 Bn Earmarked for Climate Resilient Punjab

Page 2 - Khyber Pakhtunkhwa Forest Carbon can Earn \$4 Billion in Revenue
Page 3 - Govt Rules Out Power Surcharge
Page 3 - Cost of Power Production from Gas Plants Increases by Rs1
Page 3 - Pakistan to Lift Gas Connection Ban, Shift New Supply to LNG
Page 4 - US Makes Deal to Tap Pakistan's Oil Reserves
Page 4 - Govt Pushes Ahead with NEV Policy, Unveils Rs.100 Billion EV Subsidy
Page 4 - Sindh Govt Moves Ahead with Plan to Roll Out 1,000 Electric Buses in Karachi

RENEWABLE ENERGY

Govt Launches Rs. 2 bn Scheme to Replace 88 Million Inefficient Fans

The federal government is set to roll out a landmark 10-year initiative to replace 88 million old and inefficient electric fans across Pakistan, aiming to significantly reduce energy consumption and promote energy-efficient appliances.

Read more here: <https://www.energyupdate.com.pk/2025/07/08/govt-launches-rs2bn-scheme-to-replace-88-million-inefficient-fans-targeting-7000mw-energy-savings/>



Push to Slash Solar Net Metering

The Power Division is making another attempt to convince the federal cabinet to curtail returns on solar net metering and remove electricity duty on consumer bills being resisted by the provinces.

Read more here: <https://www.dawn.com/news/1923412/power-minister-renews-push-to-slash-solar-net-metering>

ECC Approved Pakistan's Green Taxonomy

In a major step towards environmental sustainability, the ECC approved Pakistan's Green Taxonomy, as proposed by the Ministry of Climate Change and Environmental Coordination. The minister appreciated the initiative, noting that it was long overdue and would play a vital role in facilitating access to financing for green projects in the country.

Read more here: <https://dailytimes.com.pk/1342797/ecc-okays-pakistans-green-taxonomy-initiative/>

Federal Policies Hinder Development of Energy Sector, Says Sindh CM

Sindh Chief Minister Murad Ali Shah has emphasized the province's potential as Pakistan's 'energy basket' due to its vast resources, including coal, gas, wind, and solar energy, however, he also asserted that federal policies have created challenges that hinder the development of the energy sector in Sindh.

Read more here: <https://www.brecorder.com/news/40372238/federal-policies-hinder-development-of-energy-sector-says-sindh-cm>

Old Power Plants' Scrap Sold for Rs. 46.7 billion

The Power Division has completed the sale of scrap from 61 old and non-functional government-owned thermal power plants, generating Rs. 46.73 billion, which was higher than the original reserve price.

Read more here: <https://tribune.com.pk/story/2557933/old-power-plants-scrap-sold-for-rs467b>

Pakistan 'Targeting 60% Renewable Energy by 2030' in Line with SDGs

Deputy Prime Minister and Foreign Minister Ishaq Dar stated that Pakistan is targeting using 60 per cent renewable energy by 2030, during his address to the General Debate of the Ministerial Segment of the UN High-Level Political Forum (HLPF) in New York.

Read more here: <https://www.dawn.com/news/1925622/dar-says-pakistan-targeting-60pc-renewable-energy-by-2030-in-line-with-sdgs>

Around The World

Global Renewable Energy Capacity Surges to 4,442 GW in 2024 and is Led by Asia

The International Renewable Energy Agency (IRENA) has released its Renewable Energy Statistics 2025 report, revealing a record-breaking 15% global increase in renewable energy capacity in 2024, totaling 582 GW—the highest annual addition to date. Asia's renewable capacity alone stood at 2,374,465 MW in 2024. However, the slow progress toward global climate goals still persists.

Read more here: <https://solarquarter.com/2025/07/14/irena-2025-report-record-582-gw-renewable-growth-in-2024-but-global-gaps-and-2030-target-shortfall-persist/>

China Embarks on the World's Largest New Hydroelectric Project

China has begun construction on the world's largest hydropower dam, on the eastern rim of the Tibetan Plateau, which is expected to come online sometime in the 2030s. The project is expected to cost \$170 billion and generate 300 billion kilowatt-hours of electricity annually.

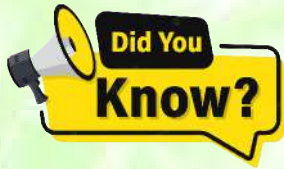
Read more here:

<https://www.instituteforenergyresearch.org/international-issues/china-embarks-on-a-new-hydroelectric-project-the-worlds-largest/>

White Hydrogen Could be Tapped as a Cheap and Carbon-Free Fuel

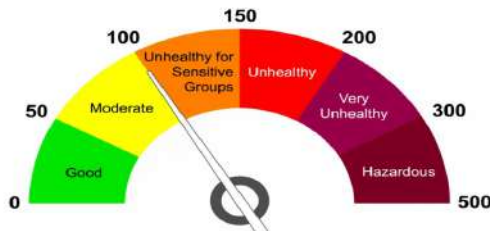
In recent years scientists have found that naturally occurring hydrogen is actually much more widespread than previously thought, leading some to believe it could be tapped as a cheap and carbon-free fuel. This white hydrogen, is produced naturally when underground water encounters iron-rich rocks.

Read more here: <https://www.bbc.com/future/article/20250723-the-worlds-race-to-drill-for-natural-white-hydrogen>



- The energy sector is the largest source of greenhouse gas emissions in Pakistan, accounting for over 46% of the total emissions.
- Pakistan spends over \$17 billion a year importing fossil fuels, money that could be invested in local clean energy instead.

AIR QUALITY WATCH The Air We Breathe! (For the month of July)



CITIES	Best Air Quality	Worst Air Quality	Average Air Quality
ISLAMABAD	37 22-July	148 5-July	82
LAHORE	72 3-June	164 18-Jul	122
KARACHI	61 13-July	96 1-Jul	73
QUETTA	72 31-July	97 1-Jul	69
PESHAWAR	66 22-July	151 4-Jul	103



CLIMATE CHANGE



Rainwater Systems Made Mandatory for Residential, Commercial & Industrial Structures

The federal cabinet took several key decisions, including the Green Building Code of Pakistan. New building codes for all new structures with more than 4 floors; rainwater systems mandatory for residential, commercial & industrial structures.

Read more here: <https://www.dawn.com/news/1927724/cabinet-takes-major-decisions-on-haj-ai-building-codes>

Pakistan Successfully Launches Remote Sensing Satellite

Pakistan successfully launched its Remote Sensing Satellite from China. The launch marks a significant milestone in Pakistan's space program, boosting its Earth observation and monitoring capabilities.

Read more here: <https://www.thenews.com.pk/print/1332325-pakistan-successfully-launches-remote-sensing-satellite>

The Climate Finance Boom and Why Pakistan is Missing Out

As the world surpasses the \$2 trillion mark in climate finance in 2024, a historic milestone that should inspire hope, countries like ours find little reason to celebrate. While capital races toward clean energy and industrial decarbonization, Pakistan, a nation acutely vulnerable to climate shocks, is once again left clutching pledges, not projects. The gap is no longer just financial; it is institutional, structural, and strategic.

Read more here: <https://www.dawn.com/news/1927097/the-climate-finance-boom-and-why-pakistan-is-missing-out>

Khyber Pakhtunkhwa Forest Carbon can Earn \$4 Billion in Revenue

Khyber Pakhtunkhwa has launched its first-ever Forest Carbon Credit Mapping Report, marking a leap toward integrating the province into international carbon credit markets. Ten potential forest-based carbon credit projects are identified. These projects are expected to sequester over 400 million tons of carbon, generating an estimated four billion dollars in revenue and creating 50,000 green jobs.

Read more here: <https://profit.pakistantoday.com.pk/2025/07/21/khyber-pakhtunkhwa-unveils-first-forest-carbon-credit-mapping-eyeing-4-billion-in-revenue/>

Rs. 795 bn Earmarked for Climate Resilient Punjab

A sum of whopping Rs795bn has been allocated for 'Climate Resilient Punjab' in the 2025-26 provincial budget but projects where this fund will be spent have not been specified and clarity is missing.

Read more here: <https://www.dawn.com/news/1922454/where-will-rs795bn-allocation-for-climate-resilient-punjab-go>

200 Dead as Monsoon Batters Pakistan

The utter devastation witnessed across Pakistan this monsoon season is, tragically, neither new nor unexpected. According to the NDMA, over 200 lives have already been lost since late June, and the country has experienced 80pc more rainfall than average.

Read more here: <https://www.dawn.com/news/1925595/resilience-or-ruin>



Ban on New Construction Near Hunza Lake,

The Gilgit-Baltistan government has imposed a moratorium on new construction and expansion of hotels near the renowned lakes in Hunza, as well as in ecologically-sensitive areas across the Baltistan division.

Read more here: <https://www.pakistantoday.com.pk/2025/07/14/gb-imposes-ban-on-new-construction-near-hunza-lakes-ecologically-sensitive-sites/>

Around The World

World will Have to Learn to Live with Heatwaves: UN

The world will have to learn to live with heatwaves, the United Nations' weather and climate agency said, as much of Europe roasted in high summer temperatures. The World Meteorological Organization said that in future, people could expect heatwaves to occur more often and be more intense because of human-induced climate change.

Read more here: <https://www.nation.com.pk/02-Jul-2025/world-will-have-to-learn-to-live-with-heatwaves-un>

Eco-Bricks that 'Absorb Carbon'

A start-up company in Sheffield has launched environmentally-friendly bricks which absorb and permanently store greenhouse gases. Materials developer said the bricks capture carbon dioxide from the air around them but are also manufactured using methods which do not produce it.

Read more here: <https://www.bbc.com/news/articles/c8739gvn7gzo>

SIMPLIFIED EXPLAINER

What is Green Taxonomy?

Green taxonomy is a standardized framework that defines which economic activities can be considered environmentally sustainable. It helps governments, financial institutions, and investors ensure that climate-related investments are directed toward genuinely green projects; such as renewable energy, sustainable agriculture and clean transport; while minimizing the risk of greenwashing. Pakistan has begun developing its own green taxonomy to align with international standards and attract credible climate finance.



POWER SECTOR

PRICE WATCH International Trends

<https://tradingeconomics.com/>

COMMODITY	31 JULY 2025	31 JULY 2024
Brent Crude Oil	71.972 (USD/Bbl)	80.840 (USD/Bbl)
Natural Gas	3.0366 (USD/MMBtu)	2.0366 (USD/MMBtu)
Coal	115.05 (USD/T)	140.10 (USD/T)
Gasoline	2.1863 (USD/Gal)	2.4589 (USD/Gal)



Surplus Power, Flawed Pricing: Pakistan's Energy Sector at a Crossroad

Pakistan's electricity sector stands at a critical inflection point. While the country has amassed more than enough generation capacity to meet its needs, our tariff structure, following an archaic International Monetary Fund (IMF) driven cost-plus regime, continues to punish demand rather than enable it. **Read more here:** <https://www.dawn.com/news/1927016>

Power Division Grilled Over IPP Costs, Circular Debt

The Senate Standing Committee on Power on Wednesday grilled the Power Division over its failure to provide clear answers on the cost and efficiency of the IPPs, the unchecked rise in circular debt and persistent electricity load-shedding during peak summer months.

Read more here: <https://tribune.com.pk/story/2553903/power-division-grilled-over-ipp-costs-circular-debt>

Industrial Transition to On-Grid Power Picks Up

As part of its drive to encourage the industrial sector to transition from captive power plants to the national electricity grid, K-Electric has energised 23 industrial units since July 2024, while several others have increased their reliance on on-grid power, the utility said in a statement.

Read more here: <https://www.dawn.com/news/1923869/industrial-conversions-to-on-grid-power>

Govt Rules Out Power Surcharge

The Power Division said that there was no plan to impose a surcharge on electricity bills to bear the cost of commercial loans taken from banks to retire circular debt. **Read more here:**

<https://tribune.com.pk/story/2553730/govt-rules-out-power-surcharge>

Water Contaminant Levels Can Remain High for Eight Years After a Wildfire

It's no secret that smoke and other contaminants from wildfires can pollute the air, soil and water during and after a blaze burnt out. But now, scientists are warning that wildfire pollutants can continue to contaminate local waterways for up to eight years after a wildfire event.

Read more here: <https://www.ecowatch.com/wildfires-water-contamination-levels.html>

Climate Change May Push 41 Million into Extreme Poverty by 2050: World Bank

According to a new World Bank report, climate change could severely hinder efforts to reduce poverty globally, with climate-induced income losses potentially pushing an additional 41 million people into extreme poverty by 2050. **Read more here:** <https://profit.pakistantoday.com.pk/2025/07/21/climate-change-may-push-41-million-into-extreme-poverty-by-2050-world-bank/>

Cost of Power Production from Gas Plants Increases by Rs1

The cost of electricity produced from gas-based power plants will go up by Rs1 per unit as a result of the government's decision to increase gas prices. The government has increased the price of gas for power plants by 17 per cent from Rs1,050 to Rs1,225 per unit from July 1.

Read more here: <https://qoshe.com/dawn-business/khaleeq-kiani/cost-of-power-production-from-gas-plants-increases-by-re1/183589869>

Power Tariff May Drop by Rs. 1.51 Per Unit for Three Months

Electricity consumers across Pakistan, including those served by K-Electric, are likely to receive relief in the form of a Rs1.51 per unit reduction in power tariffs for the next three months. This decrease stems from lower capacity charges due to falling interest and exchange rates, as well as revised contracts with public and independent power producers (IPPs).

Read more here:

<https://www.energyupdate.com.pk/2025/07/30/power-tariff-may-drop->

Pakistan's Tariff Policy Discourages Exports, Raises Production Costs

Pakistan's tariff policy suffers from a persistent anti-export bias. High and inconsistent tariffs on imported inputs raise production costs, distort incentives, and make exporting less attractive than selling into a protected domestic market.

Read more here:

<https://www.dawn.com/news/1925391/weak-tariff-policies>

OIL & GAS



Fuel Oil Price to Rise Over 80% Due to New Levies, Warns OCAC

The Oil Companies Advisory Council (OCAC) has cautioned the Special Investment Facilitation Council (SIFC) that the climate support and petroleum levies on furnace oil have become effective from July 1, 2025, which will raise its price by over 80%, making many industries, shipping services and independent power producers (IPPs) unviable. **Read more here:** <https://tribune.com.pk/story/2553923/new-levies-to-raise-fuel-oil-prices>

Pakistan to Lift Gas Connection Ban, Shift New Supply to LNG

Pakistan is set to lift its years-long ban on new gas connections nationwide but will supply imported liquefied natural gas (RLNG) to consumers priced in US dollars and linked to volatile international crude markets, without subsidies or price protection.

Read more here: <https://www.thenews.com.pk/print/1332351-pakistan-to-lift-gas-connection-ban-shift-new-supply-to-dollar-linked-lng>

US Makes Deal to Tap Pakistan's Oil Reserves

President Donald Trump announced that the US has concluded a deal with Pakistan that will allow the two allies to work together on developing Pakistan's vast oil reserves. **Read more here:** <https://www.dawn.com/news/1927725/us-makes-deal-to-tap-pakistans-oil-reserves>

WATER WATCH July, 2025

WATER LEVEL	TARBELA	MANGLA
Level	1538.00	1200.65
Dead Level	1402.00	1050.00
Mean Inflow	294800 Cs	40543 Cs
Mean Outflow	266700 Cs	7000 Cs

IRSA RELEASE	31-07-2025	31-07-2024
Punjab	124900 Cs	139900 Cs
Sindh	195000 Cs	200000 Cs
Khyber Pakhtunkhwa	2500 Cs	2600 Cs
Baluchistan	14000 Cs	12000 Cs

NEW ENERGY VEHICLES

Govt Pushes Ahead with NEV Policy, Unveils Rs. 100 Billion EV Subsidy

The government has taken a major step toward promoting clean transportation by advancing the National Electric Vehicle (NEV) Policy with a proposed subsidy package of Rs100 billion. The NEV Policy aims to combat smog and air pollution while reducing Pakistan's heavy reliance on costly oil imports.

Read more here: <https://www.energyupdate.com.pk/2025/07/02/govt-pushes-ahead-with-nev-policy-unveils-rs100-billion-ev-subsidy/>

Sindh Govt Moves Ahead with Plan to Roll Out 1,000 Electric Buses in Karachi

The Sindh government is moving forward with its plan to roll out 1,000 electric buses across the city under its Peoples Green Transport Project, as Chief Minister Murad Ali Shah has given the go-ahead for engaging transaction advisers for the ambitious scheme.

Read more here: <https://www.nation.com.pk/06-Jul-2025/sindh-govt-moves-ahead-with-plan-to-roll-out-1-000-electric-buses-in-karachi>

Auto Sales Surge Despite Tractor Setback

Pakistan's auto industry posted a strong rebound in FY25, with double- and triple-digit growth across most segments, signaling a revival in demand amid improved macroeconomic conditions. The only exception was the tractor segment, which recorded a sharp 36.4pc decline due to continued stress in the agricultural economy.

Read more here: <https://www.dawn.com/news/1923376/auto-sales-surge-despite-tractor-setback>

Automobile Prices Surge After Budgetary Levies

Following the imposition of a carbon levy and an increase in sales tax under the federal budget 2025-26, several automobile assemblers have begun passing the impact on to consumers from July 1, while others are either absorbing the additional cost or delaying price revisions until after Ashura.

Read more here: <https://www.dawn.com/news/1922164/automobile-prices-surge-after-budgetary-levies>

Capital Widens Vehicle Emission Drive

The Islamabad Transport Authority (ITA) has expanded its vehicle emission testing initiative across the federal capital, urging citizens to ensure their cars meet environmental standards.

Read more here: <https://tribune.com.pk/story/2557327/capital-widens-vehicle-emission-drive>

Green Zameen Fellowship Program - EVs and Climate-Responsive Planning

The Centre for Peace and Development Initiatives (CPDI) hosted the 7th session of the Green Zameen Fellowship Program 2024-26 in Lahore. The session convened parliamentarians, energy experts, researchers, civil society and media representatives to explore electric vehicle (EV) adoption and climate-responsive planning. Dr. Naveed Arshad (Head of the LUMS Energy Institute) presented the New Energy Vehicles Policy 2025-30, highlighting goals for 30% EV penetration by 2030 and challenges including high costs, infrastructure gaps, and policy contradictions. Dr. Khalid Waleed (Advisor on Energy Economics from Sustainable Development Policy Institute (SDPI)) contextualized Pakistan's energy transition within the Punjab Budget 2025-26, global climate commitments and trade shifts like the Carbon Border Adjustment Mechanism (CBAM), stressing the importance of CTBCM, integrated planning and carbon markets. The session reinforced the role of parliamentarians in driving legislation, oversight and mainstreaming climate priorities into national planning.



Green Zameen Fellowship Program - Sustainable Infrastructure

The Centre for Peace and Development Initiatives (CPDI) held the 8th session of the Green Zameen Fellowship Program on July 23, 2025, in Lahore. The session brought together policymakers, legislators, public officials, journalists, academia and civil society to discuss policy and implementation challenges. Umer Farooq (Power System Expert, LUMS Energy Institute) highlighted the impact of inefficient building design and poor demand-side management. Hafiz Talha Saeed (Sustainable Building Architect, LUMS Energy Institute) emphasized the role of architectural design, low-cost retrofitting methods, and the need to enforce NEECA building codes while enhancing technical and market readiness for green construction. Rizwan Javed (Certified Energy Manager, LUMS Energy Institute) discussed the importance of thermal insulation, passive design, and smart controls for net-zero homes.



DISCLAIMER

This bulletin is a collection of publicly available research, news, reports, and updates related to Just Energy Transition, Renewable Energy, and Climate Action by the Center for Peace and Development Initiatives as part of its ongoing commitment to a Just Energy Transition from Fossil Fuels to Renewables. It is intended exclusively for informational and educational purposes and does not necessarily reflect the position and opinions of CPDI.

Centre for Peace and Development Initiatives (CPDI) is an independent, non-partisan and a not-for-profit civil society organization working on peace and development issues in Pakistan since 2003.
<https://cpdi-pakistan.org/>

Compiled and Edited by
Just Energy Transition
Project, CPDI