



MEMORANDUM OF UNDERSTANDING (MOU)
between
PAKISTAN SOLAR ASSOCIATION
&
BUNDESVERBAND SOLARWIRTSCHAFT e.V

This Memorandum of Understanding (hereinafter refer to as MoU) regarding jointly promoting the use of renewable technologies made on 17th of December, 2015

Between

Pakistan Solar Association (PSA)

And

Bundesverband Solarwirtschaft e.V (BSW-Solar),

(Each party referred individually to as a "**Party**" and collectively as "**Parties**")

Recital:

- a. The German Solar Association and the Pakistan Solar Association is agreed upon under the framework agreement of the Pakistan Germany Renewable Energy Forum (PGREF). A declaration of intent to establish the PGREF was assigned between the Govt. of Federal Republic of Germany and the Govt. of Islamic Republic of Pakistan on the occasion of the visit of H.E. Mr. Nawaz Sharif the Prime Minister of Pakistan to Berlin in November 2014.
- b. Since August 2015, the PGREF secretariat is already hosted at the premises of the Punjab Energy Department. The department is providing staff and necessary equipment for its smooth operation. The PGREF is intended to be officially launched in early 2016.
- c. The transition from a conventional energy supply towards a renewable energy system is the common objective of both parties, driven by the need to protect the climate, replace fossil energy and secure energy supply. To formulate the Policy, guidelines and to-make-market-viability must be changed, with this purposed mechanism new renewable technologies shall be developed, introduced and deployed in both countries. The transition is empowered and driven by companies, supplying technology and services.

PSA:

1. PSA is the sole representative and only Trade Body for Solar Energy ESCO companies in Pakistan which is registered with Director General Trade Organizations (DGTO), Ministry of Commerce and Duly Licensed with Government of Pakistan. PSA has today more than 200 Members since its inception in mid year 2014 and the number is growing on a steady pace.
2. It is covering all Major Solar Energy Engineering Companies, Solar EPC Contractors, Solar Equipment Importers and Distributors; both small and large under One Roof.
Since its formation it is focusing on advocating, protecting, promoting, developing Solar Business and working for streamlining and standardization of Solar products in Pakistan..
3. PSA also involves in organizing Training Sessions, Dialogues, Publications, Meetings, Seminars and Conferences on regular basis to create awareness amongst masses and bridging the gap between government bodies, donor agencies, local and international investors, market players and end users.

Examples of PSA's reference projects can be found in Annex III

BSW Solar:

1. Representing around 1000 member companies, Bundesverband Solarwirtschaft e.V. is the interest group of the German solar energy business. Forming a strong community of companies, BSW-Solar acts as an informant and intermediary between business and the political and public sectors. It represents the common commercial interests of businesses within the entire solar energy value chain.
2. BSW-Solar exerts a decisive influence on creating and securing a suitable policy framework for stable growth, and thus on ensuring investment security throughout the solar industry. BSW's objective is to establish solar energy as a permanent pillar of a global energy industry.

BSW-Solar's services include the following:

- Analyses and policy consultancy for decision-makers and other stakeholders on market conditions, policy instruments, incentive mechanisms, the challenges surrounding the transformation of the energy system, the removal of administrative, technical and economic barriers to the expansion of solar power and grid integration, as well as the development of standards and norms

- Consultancy on market development, business models and on strategies for boosting the demand for solar energy products with a German share of value creation
- Leadership and support in shaping policy dialogues on the challenges of the Energiewende, Germany's energy transition
- Support of local solar industry associations worldwide and other institutions and organizations on strategies, technical issues, as well as in organizational and structural questions.

Examples of BSW's reference projects can be found in Annex IV.

1. Agreement on operation

PSA and BSW agree together to work on promoting the use of renewable energy technologies. The two parties will cooperate in the areas of:

- Quality assurance of circulated solar products
- Local capacity building through Training Sessions both in Pakistan as well as Germany (as need be) from Master Trainers for "Train the Trainer" as well as General Training Programs
- Joint ventures of Pakistani and German companies (business matchmaking)
- Awareness building for solar energy in the Pakistani public
- Advocacy for Pakistan's renewable energy enabling policy, rules & regulations, and incentives.
- In addition PSA and BSW-Solar provide special services to their respective member companies who become new members of the partner organization as described in Annex I and II.

The specific projects will be developed as two parties agree. This MoU does not imply any financial/legal obligation or liability for any of the two parties.

2. 3.0 Termination

Both parties shall have the right to terminate this agreement by giving written notice, three months before the date of termination to the other party in the event of:


- Irreconcilable ideological differences between the parties
- Lack of cooperation from either party
- Inability to carry out the activities as per the agreed activity agreements

The termination of this agreement shall not affect any accrued rights or liabilities of either party.

Both parties commit themselves to officially communicate to the other if they want to terminate the MoU or do not want to continue the relationship at the end of this MoU.

3. Endorsement

For PSA

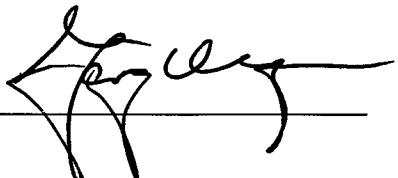
Name: KHURRAM JAN CHAUDHARY Signature: 

Designation: CHAIRMAN

Date: 17-12-2015 Place: BMZ - BERLIN GERMANY

Official Stamp:

For Bundesverband Solarwirtschaft e.V (BSW)


Name: JÖRG MAYER Signature: 

Designation: Managing Director

Date: Dec. 17th, 2015 Place: Berlin

Official Stamp:

For BMZ – Witness 2

Name: J. Pfiffner Signature: 

Designation: Desk Office Partner

Date: 17.12.2015 Place: Berlin

For Energy Department, Government of the Punjab - Witness 1

Name: _____ Signature: _____



Designation: _____

Date: _____

Place: _____

Official Stamp:

Annex I

Welcome Package by BSW-Solar to PSA members becoming member of BSW-Solar

On becoming members of BSW-Solar the association will provide the following services to those companies that are member of PSA-Solar already

- Free trial membership for 4 months
- Free information starter package for the German PV market
- In case of prolonged ordinary membership after 4 months: PDF-copy of the PV Investor Guidebook (non-printable / password protected)
- Access to BSW's Business-Matchmaking Platform

Annex II

Welcome Package by PSA to BSW-Solar member companies

On becoming members of PSA the association will provide the following services to those companies that are member of BSW-Solar already:

- Company Information will be published in Monthly Magazine
- References will be given for B2B Meetings
- Awareness and Publicity campaign of offered products
- Special discount on Stalls during Expo's to be held in 2016

Annex III

Reference projects of PSA

1. Made Active Appeal to Govt. in September 2014 against Taxes and Duties which were implemented on Solar Products in Budget June 2014. After this struggle it was later announced by the Govt. in Dec 2014 that Solar Products will be duties exempted.
2. Suggested Govt. the Concept of Net Metering in July 2014 which was then approved and announced in September 2015.
3. Actively Working for Standardization of Solar Products in Pakistan which will help Solar Installers to work in line with International Standards.
4. Solar Training Institute has been established by one of the PSA members
5. Introduced Lighting Pakistan Project by IFC in Pakistan
6. Gave Advice to Govt. of Pakistan for "Solar Mission Plan" of 20000 MW Solar Power Production till Year 2026
7. Organized "Pre-Budget Seminar On Solar Energy" in collaboration with Lahore Chamber of Commerce & Industry (LCCI) in April 2015 for smoothening Tax matters on Solar Products in June 2015 Budget
8. Introduced & Devised Loan Plan for Farmers for Solar Tube well Projects in collaboration with AEDB.
9. Introduced & Devised Plan for Shifting Minimum 30% Load of All New Constructed Building on Solar Power in collaboration with AEDB
10. Raised Solar Quality and Performance Issues in Pakistan in 4th International Energize Conference Pakistan in May 2015.
11. Has Active Collaboration with other International Associations like Middle East Solar Industry Association (MESIA) for development of medium to large Solar IPP projects in Pakistan

Annex IV

Reference projects of BSW-Solar

PV-Legal: EU project (Intelligent Energy Europe) to identify, assess and remove administrative and legal barriers for photovoltaic in 12 countries of the European Union. Development of country-specific policy papers with clear recommendatory character 2009 – 2012: www.pvlegal.eu/

PV Grid: EU project to identify, assess and alleviate technical and financial barriers for large scale grid integration of PV electricity in 14 EU countries. 2012 – 2014 www.pvgrid.eu

ESTTP/DSTTP: Development of a platform from industry and research stakeholders to define research policy strategies for solar thermal in Europe / Germany 2006 – 2010 (BMU funding): www.bsw.li/1fmnarw

Enabling PV in the MENA region / Enabling PV Brazil (2013-2015): The projects analysed the economic and administrative framework for the use of solar PV in Jordan, Tunisia and Brazil. They describe applicable business models in the context and develop a tool for simulation of PV investments under the different conditions. <http://www.solarwirtschaft.de/en/international-activities/enabling-pv.html>

Enabling Solar Thermal in Tunisia (2014-2015): The project analysed the economic framework for large solar thermal plants in the tertiary and industrial sector in Tunisia, developing calculation software for economic evaluation of investments under the conditions of Tunisia

Solar Industry Association India (2011-2012): Implementation of a feasibility study for the creation of an industry organization for solar power in India based on BSW-Solar's wide-ranging experiences in lobbying, campaigning, and standardization and service activities.

Project development programme East Africa / Southeast Asia (PEP): Implementation of training activities aimed at building marketing structures for solar energy products in East Africa, as well as organizational consulting / cooperation in the Philippines and Indonesia to strengthen credibility / lobbying capacity of local institutions (BMW project within the framework of the Renewable Energies Export Initiative), 2008 - 2013

Memorandum of Understanding

Between

**The Federal Ministry for Economic Cooperation and Development (BMZ) of
the Federal Republic of Germany**

and

The Ministry of Water and Power (MoWP) of the Islamic Republic of Pakistan

On the occasion of the visit of H.E. Nawaz Sharif, the Prime Minister of Pakistan, to Germany, on 10 November 2014, the BMZ and MoWP signed a declaration of intent proposing to establish a Pakistan-German Renewable Energy Forum (PGREF). Under the umbrella of this present arrangement, the BMZ and MoWP concur to create the PGREF.

The PGREF will function as the coordinative hub between private and public sector institutions for sustainable energy issues and related activities in Pakistan and Germany. It will furthermore offer advisory capacities in Pakistan in all fields significant to renewable energy and energy efficiency (RE&EE).

The PGREF will have the following objectives:

1. To promote the dissemination of RE&EE technologies in Pakistan such as solar, hydro, biomass/biogas and wind.
2. To offer a forum for interested stakeholders from Pakistan and Germany for the exchange of knowledge between the public and private sectors on RE&EE policies, projects and activities.
3. To promote cooperation between Pakistan and Germany in the form of advisory capacity and services relating to RE&EE technologies, including business and human resource development.
4. To promote public-private partnerships on RE&EE between the Pakistani and German private sectors.
5. To promote education, training, consultation and documentation on RE&EE.
6. To provide an entry point for German companies and industry associations interested in investing in renewable energies in Pakistan. This will be done in cooperation with the German-Pakistan Trade and Investment (GPTI).

The functions of the Forum will be:

- a. Advancing advisory and consultancy services for the implementation of RE&EE projects in Pakistan as well as facilitating access to high-end proven RE&EE technologies
- b. Human Resource development
- c. Business development in sustainable energy

Structural set-up and management structures:

- a. Representatives of the BMZ and MoWP will constitute the steering committee of the PGREF. The steering committee will be responsible for the political guidance of the Forum. Meetings of the steering committee will be hosted alternately by the BMZ and MoWP. The yearly meetings will be attached to the bilateral government negotiations and the government consultations on development cooperation.
- b. Prior to the yearly meetings, the steering committee will hold consultations with interested stakeholders from the private sector, industry associations and civil society both in Pakistan and Germany.
- c. The "PGREF Secretariat" (hereinafter referred to as the Secretariat) will be hosted by the Government of the Punjab, Energy Department (DoE) and will initially comprise two staff members.
- d. Flexible working groups will be established by the Secretariat based on demand from interested stakeholders. The working groups will be open for interested stakeholders from the private and public sectors and civil society, based on a positive decision by the steering committee.
- e. The relevant working groups will be made up of representatives from industrial associations, trade bodies, the private sector, and representatives from government sectors, academia, civil society and NGOs from both countries.
- f. The PGREF will establish its liaison offices at the federal level and also in other provinces when and if required.

Business model of the PGREF:

- a) In order for the PGREF to become self-sustaining by the time of the government consultations in 2020, the Secretariat will develop a comprehensive business plan within one year after the signing of this MoU.
- b) This business plan will include intermediate targets, milestones, staffing, budget, membership and services.

The BMZ will:

- a. Support the PGREF under German development cooperation through:
 - o One international expert through the GIZ Renewable Energy & Energy Efficiency Program (REEE) as of 2016. The expert will work 60% of the time for the PGREF and will be located in the Secretariat.
 - o An international expert through the Centrum für internationale Migration und Entwicklung (CIM), who will work 100% at the PGREF Secretariat.
- b. Provide support to the PGREF at the political and the decision-making level in Germany.

- c. Support the involvement of relevant German stakeholders from the private sector, research institutions and associations engaged in renewable energy and energy efficiency.

The MoWP will:

- a. Support the Government of Punjab, Energy Department in hosting the Secretariat.
- b. Provide the following support through the Energy Department of Punjab for the establishment and operation of the PGREF, namely:
 - o One expert/coordinator financed by DoE working full-time at the Secretariat.
 - o Offices for the Secretariat within the premises of the DoE.
- c. Coordinate with the Alternative Energy Development Board (AEDB) at both the political and the operational level.
- d. Support the involvement of relevant Pakistan stakeholders from the private sector, research institutions and associations engaged in renewable energy and energy efficiency.

Under the framework of this arrangement the partners will meet on a regular basis to coordinate their work, strengthen coherence and conduct a mutual exchange of information.

Both sides concur that this arrangement is not in any way legally binding and will not create any obligations for financial liability on either part.

Any modification to the present text will be agreed upon by both sides. This arrangement will remain effective from the date of signing and may be renewed by mutual understanding for a period to be mutually decided by the two sides. Either side may withdraw from this arrangement after giving written notice of six months to the other side.

Signed in Lahore on xxxxx 2016 in the English language.

For MoWP

For the BMZ

Secretary/Minister MoWP

Dr. Stefan Oswald
Head of Division Afghanistan/ Pakistan
BMZ

Date

Date

