

COUNTRY ANALYSIS REPORT PAKISTAN

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Accountability Lab Pakistan is examining Pakistan's social, political, and economic development indicators to analyze the impact of policy actions and highlights challenges concerning each sector. Amid current political uncertainty and a financial crisis, the Country Report gives an overview of developments in different sectors such as security, governance, and the rule of law. The report also focuses on human rights progress, including the rights of minorities, women, and children and examines the progress across various developmental indicators to promote citizen awareness of a socially connected, economically stable, and politically accountable Pakistan.



Political Situation

In November 2022, Pakistan witnessed political polarization over the appointment of Chief of the Army Staff (COAS). All the major political parties of the country had built their narrative around the appointment of the COAS. The former COAS General Qamar Javed Bajwa [retired](#) on 29th November, after having headed the institution for the last six years. President Arif Alvi had [signed the summary](#) on the appointment of General Bajwa's successor, Lt. General Asim Munir along with Lt. General Shamshad Mirza as the Chairman of the Joint Chiefs of Staff Committee (CJCSC). On the same date, the baton of command was handed over to General Asim Munir by the outgoing general. General Munir will serve as the country's 17th COAS. One of the generals among the six named as the potential successor of General Bajwa, Lt. General Faiz Hameed has taken early retirement ahead of General Munir taking charge of the Pakistan Army.

Earlier, on 3rd November, former Premier Imran Khan survived [an assassination attempt](#), while he was leading the Haqeeqi Azadi March in the city of Wazirabad. 14 PTI leaders and political workers were injured including Imran Khan who [sustained multiple bullet injuries](#). The suspected assailant was caught on the spot who claimed the responsibility for the attack in a video released by the Punjab Police. Although the assailant claimed his personal motivations behind the attack, Imran Khan said he knew about the attack prior and [held](#) three senior officials from the government and military including Prime Minister Shehbaz Sharif responsible for the attack and demanded their removal from office.

The attack on Khan resulted in [mass protests](#) across the country, condemning the attack on one of the most popular leaders in the country. As the ousted PM made his first appearance in the resumed Haqeeqi Azadi March on 26th November, he [announced](#) that the March will not proceed to Islamabad, and instead, the PTI was quitting the provincial assemblies in Khyber Pakhtunkhwa and Punjab. Amidst rumors that Punjab Chief Minister, Chaudhry Pervaiz Elahi will not dissolve the assembly, Elahi has announced that he ['won't hesitate](#) for a minute' if Imran Khan asked for dissolving the assemblies. After the announcement, the government is [mulling over](#) its next step. The Interior minister Rana Sanaullah has [claimed that his party](#) with the coalition government will table a vote of no confidence which will save the assembly from dissolution.

After a gap of three decades, local government elections were held in the Azad Jammu and Kashmir (AJK). Like in the previous elections throughout the country, the Pakistan Tehreek-i-Insaf (PTI) [continues its winning streak](#) and has won 33 district council seats in the first phase of local government elections. The Pakistan people's party (PPP) won 23 district council seats while Pakistan Muslim League- Nawaz (PML-N) was able to win 16 seats.

In the Toshakhana reference case, an alleged buyer Umer Farooq Zahoor has surfaced which is at the center of political debate. Umer has claimed that the watch was sold to him for \$2 million by Farah Shahzadi, one of the family friends of ex-premier Imran Khan. The actual worth of the watch was approximately Rs 280 million at the time of the alleged sale in 2019. The [National Accountability Bureau \(NAB\)](#) has said that it will ask the buyer to come and testify about the case. In response, Farah Shehzadi has [served a legal notice](#) to Geo News for airing fake news of her involvement in the Toshakhana watch deal.

Economic Updates & Developments



In an unexpected move, the State Bank of Pakistan has [raised the interest rate](#) benchmark and set a target rate to 16% for the year 2023. The move is part of SBP's efforts to control the stronger-than-anticipated inflation in the country. Last month, the inflation was reported to be at a record 26.6% which could rise given the expected 10% decrease in rupee value in the coming months. Earlier a report by POREG, a policy research group, stated that Pakistan's economy is in 'free fall' and that the government has failed in saving its falling GDP. Neither the creditors nor the market is impressed and that the country's economic indicators are showing a dangerous trend.



According to the governor of the SBP, Pakistan is required to [repay USD 1 billion](#) on December 1st. Although the governor [stated](#) that Pakistan's foreign exchange reserves will remain stable, they currently stand at [USD 7.8 billion](#) which is hardly enough for a month's imports.



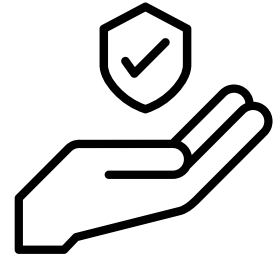
Pakistan Muslim League – Nawaz (PML-N) leader and former Finance Minister Miftah Ismail has stated that Pakistan is on the [verge of default](#) as the risk has reach a dangerous level. He [rejected Ishaq Dar's assessment](#) and stated that "now the government has no room for error." Previously on November 24, Dar [claimed](#) that Pakistan does not face any risk of default. According to a research house report, Pakistan's credit-default-swap (CDS) after a jump of 30% has reached to a [dangerous level of 93%](#) ahead of the repayment.

The Business Panel (BMP) of the Federation of Pakistan Chamber of Commerce & Industry has [urged the government](#) to rescue the economy as the currency crisis deepens and discouraging the investors. The BMP Chairman Mian Anjum Nisar said that the [limited fiscal space](#) suggests that government has failed in helping flood victims with hunger and disease, let alone reconstruction and rehabilitation.



The ongoing political uncertainty is among the major impediments to Pakistan's economic slowdown. According to the [EFG Hermes](#), an Egyptian financial services company, Pakistan's GDP growth rate is projected at a significant [low of 2.1%](#). The report stated that "The growth outlook beyond the current fiscal year is primarily hinged on future political developments, which will dictate the macro path." This shows that Pakistan's macroeconomic outlook remains hostage to the political uncertainty in Islamabad.

Security and Rule of Law Situation



Tehreek-i-Taliban Pakistan (TTP) [called off the "ceasefire"](#) with the Pakistani government and has [ordered](#) militants to carry out terrorist attacks across the country. The insurgent group in its statement has [blamed](#) Pakistan Army and the intelligence agencies for "sabotaging" the peace process by carrying out "[attacks](#)" against the group. The non-state actor group [demands](#) the imposition of Shariah law, release of its key members and repealing of the erstwhile tribal districts in the Khyber Pakhtunkhwa province.

According to the Inter-Services Public Relations (ISPR), two army soldiers have been [killed in Bajaur district](#) as a result of the intense fire exchange between the Army and terrorists. The insurgent group also [claimed the lives of six policemen](#) by ambushing their vehicle in the Lakki Marwat district of Khyber Pakhtunkhwa. According to a [report](#) issued by the Central Police Office (CPO), 2022 has been a bloody year for the north-western province of Khyber Pakhtunkhwa.

Despite the ongoing peace talks, police in KP remained at the forefront of terrorist attacks and have claimed lives of [105 police officers in 151 attacks](#) since last year. The report also suggests that these attacks were carried out by the militants who had been released from prison after the fall of Kabul.

On November 13, some unidentified men came from across the Afghan border at the Chaman crossing and [killed](#) a soldier of the Frontier Corps (FC) while two soldiers were injured in the armed attack. Following the attack, all trade activities had been halted at the Friendship Gate. However, the gate was later [reopened](#) by the Pakistani officials on a conditional basis. Pakistan People's Party (PPP) Senator Raza Rabbani has called for a [joint parliament session](#) to seek briefing of the Chaman border armed attack and status of peace talks with the TTP.

According to the Afghan Islamic Press, a TTP commander, Saifullah Babuji was [found dead](#) in a water canal in Nangarhar province in eastern Afghanistan. Another TTP commander, Zakirain was also mysteriously [found dead](#) in the Paktia Province in Eastern Afghanistan. No [formal response](#) has been obtained from the Pakistani government or the TTP faction. These mysterious killings continue as the peace talks between the Pakistani government and the TTP are lingering without any sustainable agreement.

As attacks by the terrorist groups are on the rise, the Foreign Minister Bilawal Bhutto has suggested a [recalibration of the strategy](#) to deal with the non-state actors like the TTP. Highlighting the rise in attacks by the TTP, Mr. Bhutto [argued](#) that "there is nothing wrong to admit that we were wrong about a few things and right about some other things and have to re-examine our approach." The statement suggests that the current strategy of peace talks with the TTP is not bringing satisfactory results.

The Pakistani military continues its targeted operations against terrorists in different parts of the country. According to [reports](#) by the ISPR, the Pakistani Army has killed two terrorists during an intelligence-based operation (IBO) in Hoshab, Baluchistan. The IBO was launched against the terrorists who had been involved in [firing incident](#) and in the planting of improvised explosive devices (IEDs) on the M-8 motorway on security forces and civilians.

Social Sector Indicators & Developments



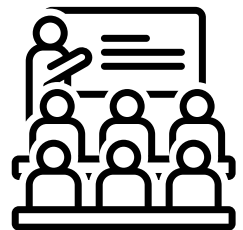
Pakistan, as chair of the group of 77, and China has also successfully [gained support](#) for the establishment of the Fund in Conference of Parties (COP27) in Sharm el Sheikh, Egypt. Pakistan's proposal was set on the agenda of the conference, and was pressed successfully for consensus. The fund will [address the loss and damages](#) that have been caused by the climate induced disasters. Pakistan was also chosen among the seven "path finder" countries that are eligible to receive Global Shield against Climate Risks funding. The fund is aimed at providing pre-arranged and ready to deploy emergency relief to the effected.

According to the United Nations International Children's Emergency Fund (UNICEF), after the severe flooding in the country, for more than [2 million students, education was inaccessible](#) and the flooding has destroyed around 27,000 schools in the country.



According to the Global Education Monitoring Report 2022, the trend of unregistered private schools in Pakistan is growing. The report reveals that 18% of the primary and 14% of the lower secondary schools are functioning without registration. The report was prepared by Idara-e-Taleem-o-Agahi (ITA) in collaboration with UNESCO. The report also highlighted the academic disparity between private and public schools.

In a major feat, the Taleem Finance Company Limited (TFCL) has [received \\$ 2.6 million](#) investment from the Insitor Impact Asia Fund II, a regional investment firm, to provide financial products to the [low and middle-income schools](#), teachers, and students. The investment will help TFCL expand its services to the underserved areas of education system in the country.



On November 8, the World Health Organization (WHO) published a [report](#) on health conditions in flood affected areas. According to the report, some [8 million flood-affected people](#) need health assistance including essential medical supplies.

Deaths from the Dengue are increasing in the country. According to the health department, at least [20 people were killed](#) from Dengue fever in Pakistan only in the last three weeks. Amidst the rise of HIV spread across the country, the federal government has raised concerns. According to an estimate by the health officials, only in the last month, around [9773 cases](#) have been reported with the majority of them in Punjab.



HUMAN RIGHTS

For the first time in Pakistan, transgender community came out together in the country's first march for their rights. The [march was](#) held in Frere Hall, Karachi and is considered to be the first of its kind. The Sindh Moorat March, 2022, was a part of the [global march](#) observed by trans persons on November 20, to remember all the trans people who have been brutally targeted. Over the last decade, [hate crimes](#) against the transgender community in Pakistan have staggeringly risen.

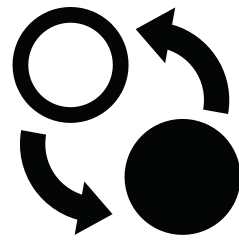
Earlier in November, Senator Azam Swati broke down in front of the media while claiming that his wife had received an ["objectionable"](#) video that featured the couple. He had previously been arrested in October in a case registered against him over a controversial tweet against the then Army Chief. After Swati was set free, he accused the authorities for abuse in custody and demanded removal of some military officials. Chairman PTI Imran Khan also [questioned the bearing](#) of Article 14 of the Constitution which refers to the "Inviolability of dignity of man" in the case of Senator, as he was tortured. In a tweet, Khan asked the Supreme Court if the Article 14 is only applicable on selective functionaries. However, despite all the allegations and uproar over the mistreatment, Azam Swati has been arrested for the second time and remanded to the investigation agencies for 'highly obnoxious' tweets against the military. In a tweet, Khan asked the Supreme Court if the Article 14 is only applicable on selective functionaries. However, despite all the allegations and uproar over the mistreatment, Azam Swati has been arrested for the [second time](#) and remanded to the investigation agencies for 'highly obnoxious' tweets against the military.

According to the United Nations Population Fund (UNFPA), [32% of women](#) have faced violence with a staggering [16% of these women](#) who have never reported the violence. Ahsan Iqbal, Minister for Planning and Development has [initiated a 16-day campaign](#) against gender-based violence as it marks the international day for the Elimination of Violence against Women. The ministry has launched a gender unit that aims at the socio-economic empowerment of women. The campaign will last till Human Rights Day on 10th December. The National Commission for Justice and Peace (NCJP) has urged the federal and provincial government to make it mandatory for a Nikkah Khawan to acquire proof of 18 years of age, before conducting the Nikkah. This step aims at discouraging child marriages across the country.

Upon the recommendation of the Islamabad High Court (IHC), Pakistan's Ministry of Law & Justice has [delegated](#) two district and session courts in Islamabad as Human Rights Courts for the speedy trial of offences which are the result of [human rights violation](#).



Foreign Relations

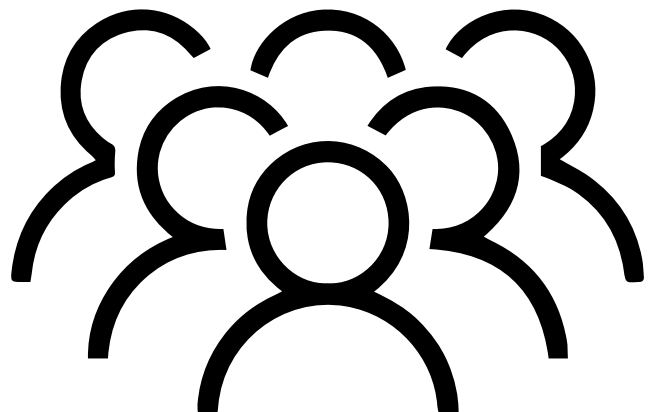


Amidst the continuing deadlock between Pakistan and India, experts believe that the bilateral relations between the two South Asian nuclear arch rivals have reached [“cold peace”](#). Despite a relative calmness on the Line of Control (LOC), there is less expectation of a ‘breakthrough’ in the relations in the coming days. On the other hand, the diplomatic spat between Pakistan and India was resounded in the month of November. In the United Nations General Assembly (UNGA), India criticized Pakistan for ‘abusing’ the sanctity of multilateral forums. This statement came after Pakistan raised the issue of Jammu and Kashmir during a plenary meeting at the UNGA. In an incident along the international border with Pakistan, the Indian Border Security Force (BSF) reported that they have shot down a Pakistani drone after it was spotted entering the Amritsar district in Punjab.

China has [pledged](#) to extend its support to Pakistan amidst the ongoing geopolitical and economic challenges. In a meeting, attended by the Foreign Ministers of the two states, Chinese FM assured his Pakistani counterpart that China supports Pakistan in its [“legitimate aspirations, rights and interests”](#). In the gamut of economic diplomacy, Pakistan and China will push to accelerate the China Pakistan Economic Corridor (CPEC). The two sides have expressed the intent to extend CPEC to Afghanistan as a pioneering effort towards regional connectivity. Through the pilot project of Belt and Road Initiative (BRI), the two countries will be expanding the bilateral [cooperation in multiple areas](#), including; energy, culture, trade and commerce. According to a Chinese official, the CPEC has [created 190,000 jobs](#) over the past 9 years.

In the United Nations, Pakistan abstained from voting on the resolution that expressed grave concerns over the human rights violation under the Afghan Taliban. The Pakistani representative described the text as “unbalanced” and “unrealistic” since it did not acknowledge the de facto government in Afghanistan. On 29th November, after TTP called off the ceasefire, Minister of State, Hina Rabbani Khar, visited Kabul on a one day visit to hold public dialogue with the interim Afghan government. This is the first time a senior Pakistani official has visited Kabul after the installation of the new government in April. The delegation being headed by a woman is also significant given Pakistan’s concerns over women rights under Taliban rule.

Since last year, not a single country has recognized the Islamic Emirate of Afghanistan’ yet, countries have maintained bilateral relations through diplomatic talks and humanitarian assistance. Muhammad Sadiq, Pakistan’s special envoy for Afghanistan, has announced that Pakistan is all set to establish medical college campuses in Afghanistan. The Pakistani government will also be providing more than 4500 scholarships to the students from Afghanistan in the year 2023.



While mass protests in Iran continue its trade relations with Pakistan are improving. The Islamic Republic of Iran Customs Administration (IRICA) reports that during the first seven months of the current Iranian calendar, Iran has [exported \\$704 million](#) worth of commodities to Pakistan. Tehran and Islamabad have also signed [3 co-op Memorandum of Understandings \(MOUs\)](#) between the Iran Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA) and Federation of Pakistan Chambers of Commerce and Industries (FPCCI). The memorandums are aimed at increasing economic cooperation between the private sectors of the two countries. Moreover, it will also establish a joint trade council of Iran and Pakistan, and will come up with strategies to resolve trade disputes.

Prime Minister Shahbaz Sharif [embarked](#) on a two day official visit to Turkey from 25th to 26th November at the invitation of President Erdogan. The PM [invited](#) the President to join Pakistan in CPEC and discussed matters pertaining to regional prosperity, reduce poverty and to increase human development through education and health services.



While describing relations with India and Pakistan, U.S. department's Principal Deputy Vedant Patel acknowledged that Pakistan remains a key [regional ally](#). He added that the domestic politics in Pakistan does not affect the bilateral relations and it ["remains unchanged"](#). In an address to the Pakistani students studying in the U.S, Pakistani ambassador to the United States stated that the bilateral relations between Pakistan and the US are on the path of ["holistic growth and expansion"](#). He thanked the U.S government for supporting Pakistan through humanitarian assistance especially after the torrential rains in Pakistan.

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