



# COUNTRY ANALYSIS REPORT

Human Rights Day Edition

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Only for Members

# Human Rights Day

As 2024 draws to a close, the global landscape remains fraught with crises — intensifying inequality, climate emergencies, and geopolitical unrest. These challenges are acutely felt in Pakistan, a nation grappling with economic instability, environmental disasters, and systemic social exclusion. Against this backdrop, International Human Rights Day offers a critical moment to reflect on the state of human rights in Pakistan and envision pathways to a more inclusive and just future.

This year marks the 76th anniversary of the Universal Declaration of Human Rights, and its principles resonate profoundly in Pakistan. In 2024, the country witnessed persistent gender-based violence, with incidents like the alleged harassment of female athletes in sports federations sparking nationwide outrage. Meanwhile, the violent suppression of peaceful demonstrations, including those advocating for the rights of missing persons in Balochistan, highlights the shrinking space for civic engagement. These events underscore the urgency of safeguarding human rights and amplifying the voices of the marginalized.

Pakistan's ranking of 164th on the [Human Development Index](#) and its near-bottom placement in global gender equality metrics reveal entrenched inequalities that demand transformative action. Women, comprising nearly half the population, continue to face systemic barriers, from limited access to education and healthcare to persistent workplace discrimination. Addressing these disparities is not merely a moral imperative but a prerequisite for sustainable development.

The devastating [floods of 2024](#) further exposed the vulnerabilities of marginalized communities. Displacement, loss of livelihoods, and inadequate access to relief efforts disproportionately impacted women, children, and the elderly. This humanitarian crisis underscores the need for climate-resilient policies that prioritize vulnerable populations.

Human rights, as development economist Dr. Mahbub-ul-Haq emphasized, are inseparable from true progress. Pakistan's development agenda must pivot from GDP-focused metrics to human-centric policies that expand freedoms, reduce inequalities, and empower its people. Governance reforms to protect civic space, uphold freedom of expression, and encourage inter-communal dialogue are vital steps toward rebuilding trust and fostering social cohesion. Inclusion, particularly for youth and women, must be the cornerstone of Pakistan's development strategy. With over two million young people entering the workforce annually, investments in education, vocational training, and entrepreneurship are essential. Bridging the digital divide, particularly for women, could unlock transformative opportunities in education, healthcare, and financial inclusion.

Pakistan's ongoing crackdown on digital freedoms and the [violence against political protesters](#) serve as stark reminders of the erosion of fundamental rights in the country. The government's increasing restrictions on digital platforms, including the [banning of VPNs](#) and curbing access to social media, have stifled free expression and the ability of citizens to access crucial information. These actions undermine the very principles of freedom and democracy that the Universal Declaration of Human Rights seeks to protect.

In addition, the violent suppression of protests led by Pakistan Tehreek-e-Insaf (PTI) supporters in 2024, marked by excessive force, arbitrary arrests, and custodial violence, highlights the government's disregard for the right to peaceful assembly and expression. As Pakistan faces economic and political challenges, these human rights violations not only perpetuate a climate of fear but also hinder the country's progress toward an inclusive and just society, where every citizen's voice can be heard and respected. On this day, the global community must reflect on the importance of safeguarding rights, not just in law, but in practice, ensuring that all Pakistanis can live free from fear and oppression.

This [Human Rights Day](#), Pakistan has the opportunity to reaffirm its commitment to the Universal Declaration of Human Rights by prioritizing the dignity and inclusion of all its citizens. By addressing the root causes of inequality and ensuring justice for marginalized communities, Pakistan can write a development story that is not just equitable but enduring. The path forward demands bold leadership, innovative solutions, and a collective resolve to ensure that no one is left behind.

Human rights are not merely aspirations; they are the foundation of a just and resilient society. For Pakistan, the time to act is now.

# Executive Summary

The report provides a comprehensive analysis of Pakistan's political, economic, security, and environmental landscapes, outlining critical challenges and pathways for progress. The political environment remains volatile amid escalating tensions, marked by protests and a shrinking civic space. Heavy-handed state responses to peaceful demonstrations, particularly those advocating for missing persons in Balochistan, highlight governance issues and human rights violations. Increasing restrictions on digital freedoms, such as VPN bans and censorship, further erode public trust and democratic principles.

Pakistan's economic outlook reveals a complex picture. Declining commodity prices have destabilized rural economies, exacerbating poverty and discouraging investment in agriculture. While macroeconomic indicators show modest improvement, long-term borrowing to restructure debt raises fiscal sustainability concerns. The Asian Development Bank projects 3% growth in FY2025, supported by industrial recovery and IMF backing, though agriculture and revenue collection remain weak. Persistent security challenges in regions like Khyber Pakhtunkhwa and Balochistan underscore gaps in counterterrorism strategies. Targeted attacks against security forces and systemic grievances in marginalized areas demand integrated solutions combining military action, socio-economic development, and political reconciliation.

On the environmental front, Lahore's severe smog crisis exposes governance failures in addressing pollution, exacerbated by unchecked urbanization and vehicle emissions. While the launch of the National Climate Finance Strategy signals commitment to climate resilience, implementation remains a challenge. The digital economy faces significant disruptions due to poor internet connectivity and restrictive policies. Freelancers report a 70% decline in projects, jeopardizing Pakistan's IT sector and economic competitiveness.

Pakistan stands at a decisive crossroads. Addressing interlinked governance, economic, and environmental challenges requires political reconciliation, inclusive reforms, and international collaboration. Robust implementation of policies, investment in human capital, and climate resilience remain pivotal for sustainable growth and stability.



# Economic Outlook

## The Price of Stability: How Low Commodity Prices Are Crippling Pakistan's Rural Economy

The decline in commodity prices, while celebrated for stabilizing macroeconomic conditions and reducing inflation, is wreaking havoc on Pakistan's agricultural sector. Farmers are grappling with plummeting incomes as wheat, rice, cotton, and other major crops struggle against falling prices and weakened global demand.

The [government's recent decision](#) to not to procure wheat at a support price has further exacerbated the crisis, leading to a surplus in urea stocks, diminished demand for agricultural inputs, and widespread economic stagnation in rural areas. The repercussions are being felt across industries reliant on the [rural economy](#), from textiles to real estate, and organized retail is struggling to survive amidst shrinking consumer spending.

This development underscores a concerning oversight in policymaking—an underestimation of the interconnectedness of rural and national economies.

While macroeconomic indicators like inflation and fiscal deficits are crucial, they cannot be pursued at the expense of the agricultural sector, which employs a significant portion of the labor force.



Source: Tribune

The absence of predictable support mechanisms for farmers has created an environment of uncertainty, discouraging investment and pushing rural economies into a spiral of diminished income and demand. Policymakers need to adopt a more balanced approach, addressing structural inefficiencies in agriculture through investments in technology, infrastructure, and market access rather than relying on short-term fixes.

Ultimately, a robust agricultural economy is critical to national prosperity. The government must recognize that [sustained macroeconomic stability](#) depends on inclusive growth that uplifts rural communities. This entails proactive measures to protect farmers from volatile market forces while promoting self-reliance and resilience in agriculture. The stakes are high, and without urgent action, the cascading effects of rural economic stagnation will continue to erode Pakistan's economic and social fabric.

## A Dangerous Trend of Long-Term Borrowing:

In 2024, the Pakistani government raised a significant amount of funds through Islamic sukuk and Pakistan Investment Bonds (PIBs), borrowing [Rs2 trillion](#) through sukuk auctions and Rs1.4 trillion from PIBs. This long-term borrowing strategy, aimed at restructuring the country's debt profile, has been successful largely due to the high yields offered by the government, making these bonds attractive to banks. The government's cumulative borrowing via sukuk and PIBs is set to reach Rs3.7 trillion by the end of the year. With inflation declining and interest rates falling, the government is increasingly relying on these instruments to meet its liquidity needs.

The last sukuk auction raised a large sum, with a significant portion coming from 10-year sukuk bonds, signaling a clear shift towards longer-term borrowing.

While the government's borrowing strategy might seem pragmatic in the short term, it raises critical concerns about Pakistan's long-term fiscal health. The reliance on debt instruments like sukuk and PIBs, particularly long-term borrowing, signals a deepening dependence on external financial support, especially in the face of ongoing shortfalls in revenue collection.

The fact that the government has been forced to borrow despite large inflows from the State Bank underscores the fundamental weaknesses in Pakistan's fiscal system. This borrowing trend, coupled with the fiscal deficit and slow revenue growth, could lead to higher debt servicing costs in the future, putting additional pressure on an already strained economy.

Moreover, the focus on long-term debt may limit the government's flexibility in responding to future economic shocks, leaving Pakistan vulnerable to potential fiscal crises if revenue generation does not improve significantly in the coming years.

### **ADB's Revised Growth Projections Offer Hope for Pakistan Amid Challenges:**

The Asian Development Bank (ADB) has [adjusted its economic growth forecast](#) for Pakistan for fiscal year 2025 (FY25), projecting a slight increase to 3% from the previously estimated 2.8%.

This revision comes in light of improved macroeconomic stability following the approval of the \$7 billion IMF Extended Fund Facility. The ADB anticipates an acceleration in industrial growth due to eased import restrictions and better access to foreign exchange, alongside a more accommodating monetary policy driven by declining inflationary pressures.

However, agricultural performance is expected to decline, with heavy monsoon rains adversely affecting key crops like wheat and cotton.

While the ADB's revised forecast provides a glimmer of optimism, it also underscores the precarious state of Pakistan's economy. The reliance on external financial assistance highlights the structural vulnerabilities that require attention.

Economic recovery remains contingent on consistent policy implementation, improved governance, and investment in infrastructure and human capital. The anticipated weakness in the agricultural sector poses a significant risk, as it could exacerbate food insecurity and inflationary pressures in a country where agriculture is a cornerstone of the economy. A balanced focus on industrial growth and sustainable agricultural development is crucial to achieving long-term stability.

Additionally, the approval of \$330 million in additional ADB financing for Pakistan's social protection programmes signals an effort to cushion the most vulnerable segments of society. Strengthening initiatives like the Benazir Income Support Programme (BISP) is critical, especially for women and families in disaster-prone areas. However, ensuring the effective implementation and oversight of such programmes is equally important to prevent misuse of funds and maximize impact. While these measures show promise, a comprehensive approach that integrates economic reforms, social protection, and climate resilience is essential to drive equitable growth and mitigate future risks.



Source: Getty Images

## Pakistan's Internet Woes Threaten Freelance Economy and IT Sector:

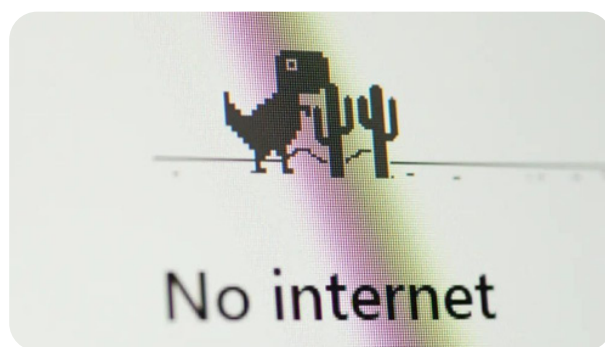
Freelancers in Pakistan are experiencing a significant blow as persistent internet issues disrupt work opportunities, with many reporting a [70% decline in projects](#). The slow internet has caused missed deadlines and even account closures for some, while digital marketing campaigns are also suffering.

Experts warn that continued connectivity problems could push international clients to migrate to more reliable markets like Bangladesh and India, jeopardizing Pakistan's burgeoning freelance sector. The internet connectivity crisis highlights deeper structural challenges in Pakistan's digital economy. The freelance industry, which contributed \$400 million in exports in 2022, is a vital source of income for the youth and small businesses.

However, without stable infrastructure, Pakistan risks losing its competitive edge. The recent move by the Pakistan Telecommunication Authority (PTA) to ban VPNs, with an option for registration, adds another layer of complexity. While this initiative could alleviate some challenges, it also raises concerns about privacy and the bureaucratic hurdles freelancers might face in registering VPNs.

The broader IT sector is also reeling, with estimated losses exceeding \$1 million per hour during internet shutdowns. Companies report near-universal service interruptions and significant financial penalties, such as the \$2 million penalty incurred by a call center during an outage.

These disruptions not only affect revenue but also tarnish Pakistan's reputation as an IT outsourcing hub. To safeguard the sector, immediate investments in reliable internet infrastructure and policy reforms that prioritize digital connectivity are imperative.



Source: ProPakistani

## FBR's New Baggage Regulations: Tightening Control or Stifling Trade?

The Federal Board of Revenue (FBR) has introduced new [amendments](#) to the Baggage Rules 2006, seeking to impose stricter regulations on goods brought into Pakistan by travelers. Under the proposed changes, any goods exceeding \$1,200 in value will be classified as commercial trade items, making them subject to rigorous duties, taxes, and penalties.

One of the most significant updates is that travelers will only be allowed to bring one mobile phone for personal use; any additional phones will be confiscated. These regulations aim to curb the smuggling of commercial goods under the guise of personal luggage, ensuring greater transparency and control over goods entering the country.

Stakeholders have been given a seven-day window to provide feedback on the proposed rules, which will be finalized through a gazette notification if no major revisions are suggested.

While the FBR's objective of discouraging smuggling and ensuring compliance with trade regulations is understandable, the new rules may inadvertently penalize regular travelers, particularly those who rely on bringing in personal items or small quantities of goods for resale in a legitimate manner.

Pakistan's large informal economy, including small-scale traders and remittances from the diaspora, heavily depends on such practices. By enforcing such restrictive limits, the government may be alienating many who rely on these goods to make a living or to support family businesses. Instead of outright confiscations, a more balanced approach could involve allowing travelers to declare their commercial goods and pay taxes or duties accordingly, ensuring legal compliance without punishing informal traders who contribute to the economy.

Moreover, the restriction on bringing more than one mobile phone also raises concerns. In an increasingly digital world, where multiple devices are often necessary for work or communication, this regulation could prove burdensome for frequent travelers, tech professionals, and businesspeople. Many individuals travel for professional reasons, often needing more than one phone for their personal and professional use.

The blanket restriction on mobile phones could inadvertently disrupt commerce and communication, particularly for those in the tech industry or small businesses that rely on affordable international devices.

A more flexible and nuanced regulation that accounts for legitimate usage might be a more reasonable alternative to a broad-brush approach that risks harming the very people it intends to regulate.

### **Pakistan's Energy Strategy: The Fallacy of Full Cost Recovery**

Pakistan's energy sector continues to face [significant challenges](#) as consumption on the grid declines. The government's approach of full cost recovery from consumers, especially through packages like the recent 'winter package,' is proving to be flawed and ineffective.

Despite efforts to boost demand by offering discounts for additional winter electricity consumption, the reality is that industries, which have already shifted to solar energy to meet a portion of their needs, are unmotivated by the offered savings.

This package, which applies to all consumers except for those with low domestic consumption, fails to generate the desired increase in grid consumption, particularly among industrial players who find the incentives negligible. The government's strategy needs a serious overhaul, especially in collaboration with the IMF and the World Bank, to address systemic inefficiencies and avoid further decline in grid consumption.

The core problem lies in the government's pursuit of sunk cost recovery, which has led to an overextension of energy infrastructure through excessive plant additions under unfavorable terms.

The result is a growing burden on the grid, as the government tries to recover investments that should instead be absorbed into the national debt.

This financial strain, compounded by a flawed pricing model, is not only impacting industries but also hurting consumers. For many industrial entities, the savings offered by the winter package are minimal, with many having already installed solar panels that reduce their reliance on the grid.

Additionally, the package fails to target the real issue: a shift in social behavior towards more electricity consumption, particularly in domestic settings where gas appliances dominate.

A shift to electric alternatives would require substantial investment in both infrastructure and consumer behavior, but the current policies fail to offer these incentives.



The failure to understand the structural issues in Pakistan's energy sector is further evident in the uniform pricing model and inadequate investments in transmission infrastructure.

With the south experiencing growing capacity and the north facing higher demand but limited supply, transmission constraints are preventing low-cost power from reaching areas that need it most.

A more regionally tailored pricing model, with investments in transmission systems, could help alleviate some of the pressure on consumers and industries. The focus must shift to ensuring the efficient use of primary energy and addressing the distortions created by inefficient systems like fertilizer production and captive power plants.

Only through comprehensive reforms, including revisiting the full cost recovery model and improving energy efficiency, can Pakistan's energy sector move towards sustainability. Without these changes, the current policies, including the winter package, will do little to address the deep-rooted issues plaguing the country's energy consumption.

### **Pakistan's Debt Relief in October: Short-Term Gains, Long-Term Challenge**

The federal government's debt stock experienced a noteworthy [reduction of Rs456 billion](#) in October 2024, primarily driven by a substantial profit transfer from the State Bank of Pakistan (SBP) and continued debt servicing efforts.

This reduction, particularly in domestic debt, signals a positive step toward managing fiscal liabilities, with the total debt standing at Rs69.114 trillion by the end of October. However, despite this short-term decrease, the year-to-date debt stock has still increased by Rs200 billion, highlighting that Pakistan's debt burden continues to rise overall.



Source: Unsplash

While the SBP's record profit transfer has provided temporary relief, the persistent increase in federal debt over the year underscores the ongoing fiscal challenges the country faces.

The reduction in domestic debt, alongside a slight drop in external debt, reflects a combination of favorable exchange rates and the government's effective management of interest costs.

However, these gains are tempered by the fact that the overall debt stock remains on an upward trajectory. The government's ability to lower domestic debt servicing costs, thanks to lower interest rates, is a positive development, allowing for some fiscal breathing room. Nevertheless, the need for sustained fiscal discipline and structural reforms is paramount to ensure that Pakistan doesn't rely too heavily on short-term fixes like profit transfers or exchange rate fluctuations.

Moving forward, the focus should shift toward long-term strategies that promote revenue generation, reduce reliance on borrowing, and address structural inefficiencies in the economy to achieve sustainable debt management.

### **Debt, Duty, and Dilemma:**

Pakistan's total external debt stock has increased to \$130.85 billion by the end of 2023, up from [\\$127.71 billion in 2022](#), as per the World Bank's latest report.

The country's external debt is heavily concentrated in long-term debt, with multilateral lenders like the World Bank and the Asian Development Bank, alongside bilateral creditors such as China and Saudi Arabia, contributing to a significant share of Pakistan's debt obligations. Of this, China holds the largest stake, accounting for 22% of the total debt, which reflects Pakistan's deepening financial reliance on external borrowing to manage its fiscal deficit. In addition to this, Pakistan's debt servicing cost has also risen, with interest payments consuming an increasing share of its export earnings and gross national income.

The World Bank report highlights a troubling trend across South Asia, where interest payments on public debt have surged by 62% to \$12.5 billion in 2023, with Pakistan making the second-largest interest payments in the region. For countries eligible for International Development Association (IDA) assistance, such as Pakistan, the report reveals a sharp rise in debt servicing costs.

Interest payments have tripled since 2013, reaching an all-time high of \$34.6 billion in 2023. The increase in Pakistan's interest payments as a share of export earnings—now standing at 13.6%—points to a weakening fiscal position, significantly straining the country's ability to finance critical sectors such as health, education, and infrastructure.

Pakistan's rising external debt is compounded by a growing reliance on IMF credit and repurchases, which more than doubled in 2023, reaching \$12.2 billion. This reflects Pakistan's ongoing struggle to meet its financial obligations amidst shrinking fiscal space.

Additionally, the country's external debt stock as a percentage of export earnings surged to 352.4% in 2023, up from 322.1% in 2022, indicating a rising debt burden that is outpacing the country's ability to generate export revenues.

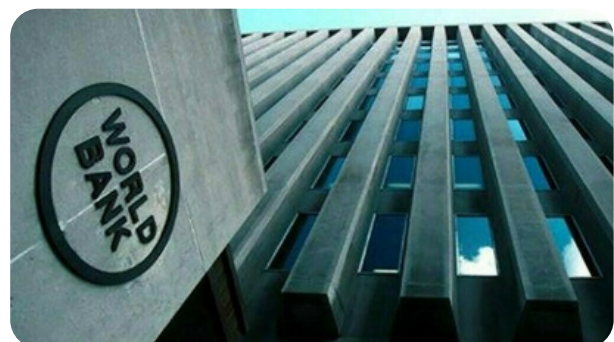
This increasing debt-to-export ratio, coupled with mounting debt servicing costs, underlines the urgent need for comprehensive reforms to address Pakistan's fiscal vulnerabilities and reduce its dependence on external borrowing.

### **The Challenge of Formalization and Fair Taxation:**

In a recent report by the World Bank, Pakistan's total external debt stocks were estimated to reach **\$130.847 billion by the end of 2023**, marking a modest increase from \$127.708 billion the previous year.

This increase, however, is only a part of a larger economic issue facing the country — its vast undocumented economy, which stands at \$457 billion, more than 60% larger than the formal economy. The report highlights how informality persists across sectors, and despite efforts to expand the tax base and create a more robust economic framework, formalization remains an uphill task.

Analysts like Umair Javed emphasize the complexity of this situation, noting that informal economies often support marginalized communities that would otherwise be excluded from the formal sector. Meanwhile, Finance Minister Muhammad Aurangzeb identifies the undocumented economy as Pakistan's "biggest challenge," with the state struggling to balance tax collection with its duties to the people. A critical issue in this context is the government's approach to formalizing the economy through tax measures, which, while necessary, fail to address the deeper systemic problems of inequality and exclusion.



Source: DAWN

Taxation, especially when improperly implemented, can exacerbate the divide between the formal and informal sectors, further alienating those already operating in precarious conditions.

The financial burden of increased taxes on banks with low advances-to-deposit ratios (ADR) is one example of this, where policies meant to stimulate lending to the private sector have, in fact, led to adverse outcomes like higher fees for depositors.

Without a fair and equitable taxation system—one that ensures tax revenues are used to expand prosperity and improve the domestic market—such efforts risk further alienating both businesses and ordinary citizens from participating in the formal economy.

Moreover, the lack of reliable data to assess borrowers' creditworthiness, due to the size and nature of the undocumented economy, adds another layer of complexity. While some suggest that local banks could offer support to undocumented businesses in preparing their financial statements and gaining access to credit, this remains a distant goal. For any meaningful shift in the economy, businesses must be incentivized to formalize themselves, which in turn requires a strong partnership between the government, banks, and informal enterprises. As Pakistan navigates this intricate landscape, its success in balancing rights and responsibilities will determine whether it can forge a path toward a more inclusive and stable economy, where both taxation and formalization serve the interests of all citizens, not just the elite.

## Political Updates

### **PTI Rejects National Government, Accuses Authorities of Disrespecting Mandate:**

The Pakistan Tehreek-e-Insaf (PTI) has categorically [rejected](#) the idea of a multi-party national government, labeling it a blatant disregard for the people's mandate. PTI's Central Information Secretary, Sheikh Waqas Akram, emphasized that the February 8 landslide victory granted to PTI was robbed through what he termed a "midnight polls heist." He criticized the government for its failure to respect democratic principles, insisting that restoring PTI's mandate is crucial for genuine representation. The party also condemned the government's persecution of its workers, with over 5,000 arrests, 200 reported missing, and allegations of NATO weapons being used against peaceful protesters. PTI leaders have demanded an inquiry commission into these violations, highlighting the government's role in escalating political unrest.



Source: DAWN

The government's actions reflect a dangerous disregard for democratic norms and human rights, creating a climate of fear and repression. Instead of engaging in meaningful dialogue, the ruling coalition has chosen a path of coercion, undermining the foundations of democratic governance. The refusal to issue production orders for Senator Ejaz Chaudhary, despite his prolonged detention, further exemplifies the government's vindictive approach.

Such tactics not only suppress political dissent but also erode public trust in state institutions. The absence of good-faith negotiations, despite PTI's willingness to engage, reveals a deliberate strategy to marginalize the opposition and silence dissenting voices. This authoritarian posture threatens the democratic fabric of Pakistan. The government's failure to create an environment conducive to dialogue and its heavy-handed response to protests indicate a lack of political maturity and accountability.

By prioritizing suppression over reconciliation, the ruling coalition risks deepening divisions and destabilizing the country further. To restore public confidence and ensure democratic stability, the government must respect opposition voices, uphold human rights, and allow the democratic process to proceed unhindered. Failure to do so would be a disservice to the people of Pakistan and a betrayal of democratic ideals.

# Social and Humanitarian Focus

## A Double-Edged Sword of Speed and Surveillance:

Pakistan is grappling with some of the slowest internet speeds globally, ranking [100th out of 111](#) countries in mobile internet speeds and 141st out of 158 countries in broadband speeds, according to data from Ookla's Speedtest Global Index.

The country's poor rankings reflect the persistent internet disruptions that have plagued users across Pakistan, with many facing difficulties in accessing online services, downloading media, and maintaining stable connectivity.

These issues are further compounded by the government's increased efforts to control online spaces, such as limiting access to Virtual Private Networks (VPNs), which many Pakistanis use to circumvent government-imposed restrictions on websites like X (formerly Twitter) and others. The government's response to these disruptions and slow speeds has focused on cybersecurity and the installation of a nationwide firewall, which has raised concerns about transparency and its impact on internet freedom.

Minister of State for Information Technology Shaza Fatima Khawaja clarified that the government is upgrading its "web management system" to address cyber threats, particularly those stemming from terrorism.

However, rights groups like Amnesty International have expressed alarm about the lack of transparency regarding the government's monitoring and surveillance practices.

The opacity surrounding these cybersecurity measures, especially the potential throttling of internet speeds to limit access to certain content, has fueled concerns about the erosion of digital rights and freedoms in Pakistan.

The government's assurance that these measures are necessary for national security seems to overlook the broader implications for free expression and access to information in an increasingly digital world. The proposed ban on unregulated VPNs further highlights the tension between national security and citizens' rights to access information freely.



While the government argues that VPNs are used for malicious activities, including terrorism and accessing illegal content, this stance fails to acknowledge the legitimate use of VPNs by everyday citizens to bypass censorship and maintain privacy online.

The PTA's move to block unregistered VPN connections after November 30, followed by the interior ministry's withdrawal of its request for the ban due to legal ambiguities, underscores the ongoing legal and technical confusion surrounding internet governance in the country.

Ultimately, the issue of internet freedom in Pakistan is not just about speed or access, but about ensuring that cybersecurity measures do not infringe on the fundamental rights of citizens to communicate, organize, and express themselves online.

As Pakistan continues to grapple with these issues, it must strike a balance between security and the preservation of digital rights, ensuring that the internet remains a tool for empowerment rather than control.



Source: Pexels

### **Khyber Pakhtunkhwa's University Governance Overhaul:**

In a significant shift for the higher education sector, the Khyber Pakhtunkhwa (KP) Provincial Assembly recently passed the Khyber Pakhtunkhwa Universities [Amendment Bill 2024](#).



Source: Daily Pakistan

The new bill introduces substantial changes to the governance structure of public universities in the province, centralizing authority under the Chief Minister. The Chief Minister will now serve as the Chancellor for all public universities in KP, replacing the Governor's previous role.

Additionally, the bill empowers the Chief Minister to appoint Vice-Chancellors (VCs) for these institutions, following recommendations from an Academic Search Committee. The amendments also introduce a new tenure system for VCs, set at four years, with performance reviews conducted by a Monitoring Committee, which can remove a VC if their performance falls below 65%.

One of the bill's most significant provisions is the mandate that only women can serve as Vice-Chancellors at women's universities in the province, a move designed to promote female leadership in higher education.

While this initiative supports gender equality, it also places a spotlight on the importance of performance-based accountability, which is built into the new system. While the bill offers much-needed empowerment to women and a more structured governance system, there are concerns about the increased political influence over university leadership.

The new regulations could potentially undermine academic independence, raising questions about the balance between political control and academic autonomy.

Moreover, the bill's focus on centralized control could lead to challenges in maintaining the diverse academic cultures that vary across the province's universities. The long-term effects of this reform will depend on how well the balance between governance, accountability, and autonomy is maintained.

### **National Commission for Minorities Bill 2024:**

In a recent [meeting](#) chaired by Prime Minister's Adviser on Political Affairs, Rana Sanaulah, a ministerial committee reviewed the National Commission for Minorities Bill 2024, emphasizing the need for financial and administrative autonomy for the proposed commission.

The meeting, held at the Ministry of Religious Affairs and Interfaith Harmony, included key ministers such as Chaudhry Salik Hussain (Minister for Religious Affairs), Azam Nazir Tarar (Law Minister), and Ahsan Iqbal (Planning Minister). The committee members urged the swift finalization of the bill, highlighting the importance of ensuring the commission's independence from political and ministerial pressures to effectively safeguard the rights of religious minorities.

The National Commission for Minorities (NCM) Bill, initially submitted to the National Assembly in April 2024, has faced delays due to various concerns, leading to the formation of a review committee.

The bill proposes a commission comprising 13 members, with nine from minority communities and four ex-officio members, including the chairman of the Council of Islamic Ideology. The committee instructed the Ministry of Law and Justice to incorporate necessary amendments and finalize the bill within three days. Furthermore, the committee reviewed the interfaith harmony policy, aimed at promoting religious tolerance and reducing extremism, and directed the Ministry of Religious Affairs to present the finalized policy within a week.

While progress on the bill is crucial, its passage is delayed due to past setbacks in forming a new commission, despite the efforts of previous bodies. The finalized bill will be submitted to the federal cabinet for approval once completed.



Source: DAWN

### **A Clash of Connectivity, Privacy, and State Control:**

On November 28, 2024, Punjab Chief Minister Maryam Nawaz shared a video announcing Pakistan's first IT city on X, a platform banned by the government. This announcement, made via VPN to circumvent the ban, underscores a paradox in the country's approach to digital infrastructure.

While the government promotes the creation of an IT hub, the country is grappling with connectivity issues, such as slow internet speeds, the banning of platforms like X, disruptions in WhatsApp services, and the imposition of a national firewall.

These actions have led many users to rely on VPNs—initially used for privacy but now essential for accessing blocked content and services.

Meanwhile, the Pakistan Telecommunication Authority (PTA) has introduced a VPN registration process, raising questions about the balance between privacy, security, and state control. The [ban on VPNs](#) and the associated registration process present significant challenges, particularly for freelancers, small businesses, and individuals who rely on flexible, secure internet access.

The registration requirements, including the provision of detailed personal and business information, create barriers for those without the resources or institutional backing to meet these demands. The lack of access to static IPs—essential for VPN registration—further complicates matters for individuals who cannot afford or qualify for corporate-level VPN use. This situation reveals a broader issue in Pakistan's approach to digital policy: the prioritization of surveillance and control over the needs of its citizens, particularly those engaged in the informal economy, education, journalism, and research. The registration process not only impedes access to essential digital tools but also undermines the autonomy of individuals and businesses in a rapidly digitizing world.

Furthermore, the situation highlights the ongoing tension between state authority and the rights of citizens in Pakistan's digital sphere.

In a country without robust data protection laws and with a history of arbitrary bans and surveillance, the push for VPN registration raises serious privacy concerns. As VPNs become integral to everyday life in Pakistan, they provide a crucial layer of protection against government overreach.

Yet, the government's insistence on tracking VPN usage for security reasons opens the door to increased state surveillance, potentially compromising personal freedoms. The use of VPNs by government officials to access banned platforms, while citizens face restrictions, only deepens this irony.

As digital tools become essential for personal and professional life, the government's approach to regulating VPNs could have far-reaching implications for Pakistan's digital future—one where connectivity, privacy, and freedom are at constant odds.

## Diplomatic Landscape

### **World Bank Cancels \$500 Million Loan to Pakistan Amid Energy Sector Reform Delays:**

The World Bank has canceled over [\\$500 million in budget support loans](#) to Pakistan after the country failed to meet key conditions, including revising power purchase agreements with China-Pakistan Economic Corridor (CPEC) power plants.

As a result, Pakistan will not receive any new budget support loans during the current fiscal year, impacting the government's forecast of securing \$2 billion in fresh loans. The canceled loan was part of the Affordable and Clean Energy program (PACE-II), with the World Bank initially approving \$500 million but later increasing the amount to \$600 million to address Pakistan's external financing gap.



Source: Pexels

Despite the approval of the PACE program in June 2021, Pakistan has struggled to meet the conditions attached to the second tranche of the loan, including renegotiating deals with Independent Power Producers (IPPs), particularly Chinese power plants under CPEC.

Pakistan's efforts to negotiate better terms with these plants, particularly regarding a \$16 billion energy debt, have faced repeated rejections from China. While Pakistan has renegotiated around 22 energy contracts, it has not been able to significantly lower electricity prices, which remain high at around Rs65 to Rs70 per unit.

A World Bank spokesperson confirmed that the slower-than-expected progress on energy sector reforms led to a shift in the bank's strategy, withdrawing support for the loan. However, the bank has continued its support through direct financing for low-cost hydropower projects, including additional funding for the Dasu Hydropower project, and efforts to improve electricity distribution efficiency.

The World Bank also confirmed that no new budget support loans are planned for Pakistan during the current fiscal year, which ends in June 2025. Despite this, the Pakistani government is still aiming for a total of \$2 billion in loans from the World Bank this fiscal year, having already received \$349 million by October.

The government also faces significant challenges, including power distribution inefficiencies that led to Rs660 billion in losses last year and an increase in circular debt to Rs2.393 trillion, far exceeding IMF and World Bank targets. This has made it more difficult to fill the \$2.5 billion external financing gap identified by the IMF.

To overcome these challenges, Pakistan is looking for alternative financing options, including a planned \$1 billion Eurobond loan. However, with a low CCC-Plus credit rating, Pakistan has not yet entered global markets for this loan. Finance Minister Muhammad Aurangzeb remains optimistic, stating that Pakistan will secure financing on more favorable terms.

Activists warn that the firewall could erode Pakistan's fragile digital freedoms and exacerbate the suppression of dissenting voices. "While cybersecurity is critical, the lack of oversight mechanisms and independent accountability raises serious red flags," a spokesperson for a prominent rights organization said.

The move comes as Pakistan grapples with balancing security priorities with individual rights, sparking a broader debate on the implications of enhanced online surveillance in the digital age.

### **Escalating Debt Crisis and Growing Dependence on China:**

Pakistan's external debt has ballooned to a staggering \$130.85 billion in 2023, with China emerging as the country's largest creditor, holding nearly 22% of the total debt, which amounts to \$28.78 billion. The World Bank's latest report highlights the alarming trend of rising debt-to-export and debt-to-revenue ratios, signaling a deteriorating fiscal position for the country.

In addition to China, the World Bank and the Asian Development Bank are significant contributors to Pakistan's external debt, while Saudi Arabia also remains a key bilateral lender. Pakistan's external debt servicing, including interest payments, now accounts for a concerning **43% of total exports**, further intensifying the nation's financial strain.



Source: DAWN



The report paints a grim picture for Pakistan, underscoring the heavy burden of interest payments, which consume a significant portion of export earnings. In 2023, interest payments alone stood at 43% of exports, a figure that has exacerbated the country's fiscal vulnerabilities. The rise in global interest rates and Pakistan's limited fiscal space have intensified the financial strain, with the country now facing a mounting debt service challenge. This situation is compounded by the growing reliance on external debt to finance fiscal deficits, particularly amid a shortfall in domestic revenue generation. The country's external debt stock is predominantly long-term, but the increasing debt servicing obligations will put even more pressure on Pakistan's ability to finance essential public services like health, education, and infrastructure.

Pakistan's rising external debt and interest payments mirror a broader regional trend in South Asia, where countries like Bangladesh and India are also experiencing surging debt servicing costs. The World Bank's report warns that such trends could lead to long-term economic instability, particularly for low- and middle-income countries (LMICs) like Pakistan. With debt servicing continuing to consume a disproportionate share of export earnings, the country's fiscal health is at risk, limiting its capacity to invest in critical development sectors. The growing debt reliance also underscores the need for comprehensive economic reforms, improved revenue collection, and diversification of financing sources to alleviate the mounting fiscal pressures and safeguard Pakistan's economic future.

## Security and Governance

### A Nation's Resolve and the Price of Peace:

Pakistan's security forces continue to make strides in their fight against terrorism, as evidenced by recent operations in North Waziristan. On Wednesday, an intelligence-based operation (IBO) in Miranshah led to the [elimination of four militants](#), followed by the neutralization of three more in Spinwam. Despite these victories, the operations came at a steep cost, with Lance Naik Muhammad Amin embracing martyrdom. Similar violence unfolded in Balochistan, where two security officials were killed and two others injured in separate attacks.



Source: DAWN

These developments underscore the ongoing sacrifices made by Pakistan's forces to ensure the nation's security.

While the military's resilience in combating militancy is commendable, the persistence of such incidents highlights systemic challenges. The recurring need for large-scale IBOs points to deeper issues in counterterrorism strategy, particularly in addressing the root causes of militancy.

Despite extensive efforts, areas like North Waziristan remain hotspots for terrorist activity, suggesting that a more integrated approach combining military action with socio-economic development and political reconciliation is essential.

Without addressing underlying grievances, such victories may only offer temporary respite.

Moreover, the violence in Balochistan reveals a worrying trend of targeted attacks, particularly against security personnel. These incidents underscore the region's long-standing vulnerabilities and the inadequacies of local governance. Enhanced intelligence-sharing mechanisms, robust security infrastructure, and fostering trust within local communities are imperative.

The sacrifices of brave soldiers like Lance Naik Muhammad Amin are a solemn reminder of the stakes involved, but a sustainable solution requires a shift from reactionary measures to a comprehensive, long-term strategy that prioritizes peace-building alongside security.

# Environment and Climate Perspectives

## Lahore's Smog Crisis: A Dangerous Mix of Pollution and Weather Conditions

Lahore is currently facing one of the worst air pollution crises, with the Air Quality Index reaching dangerously high levels, surpassing the World Health Organization's safe limits by several times. This severe pollution, a blend of natural factors like weather and human activities such as vehicle emissions and industrial output, has led to hazardous smog conditions, severely affecting public health.

Smog, a mixture of fog and air pollution, results from moisture in the air combining with harmful gases and particles, creating a toxic environment. In November 2024, this situation worsened, with over [1.9 million cases](#) of respiratory diseases reported in the province.

Transportation, industrial emissions, and agricultural practices like crop residue burning are major contributors to the pollution in Lahore. The number of vehicles in the city has tripled over the past decade, and the lack of green spaces due to rapid urbanization has further aggravated the situation. The transport sector alone is responsible for over 80% of the pollution, while industrial sources contribute significantly as well.

Additionally, the geographical location of Lahore, combined with low wind speeds and specific weather conditions, causes smog to linger longer, making the city's air even more dangerous than other major cities like Delhi.

The persistence of smog in Lahore is a serious public health concern, with the concentration of PM2.5 particles far exceeding safe limits. The city's rapid urbanization, industrial growth, and vehicle emissions are at the heart of this crisis, while weather conditions prevent the smog from dispersing. Urgent action is needed to curb emissions, implement stricter industrial regulations, and invest in green spaces to mitigate the harmful effects of air pollution in Lahore.



Source: IMC

# Reading Recommendations

The Fight for Transparent Access to Information in Pakistan

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Life without Autonomy: Understanding Our Culture of Dependency

[Click Here](#)

Prioritizing Citizens Beyond the Ballot

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Solving the corruption challenge: The key may lie with the citizens.

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Citizens' Inclusion and Accountability is the Key to Improved Governance and Efficient Public Sector Institutions

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Digital Community Policing

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