

# Country Analysis Report



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Special Edition | Labour Day in Pakistan

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# Executive Summary

This report provides a comprehensive overview of Pakistan's socio-political, economic, and environmental landscape as of April 2025, highlighting critical challenges and opportunities shaping the country's future. On Labour Day 2025, Pakistan continues to grapple with systemic labour issues, including widespread informal employment (71.4%), child labour, gender wage gaps, and weak enforcement of labour protections.

Although minimum wages were raised to Rs. 37,000 in 2024, many workers, especially in the informal sector, remain underpaid. The political climate is increasingly volatile, fueled by grassroots movements opposing land dispossession and corporate agricultural expansion.

The backlash against the six-canal project in Sindh exemplifies a broader class-based resistance gaining traction nationwide. Economically, Pakistan faces mounting distress. Policy missteps have triggered a wheat crisis, while ongoing protests are crippling agricultural exports. Foreign financing targets remain unmet, with growing dependence on loan rollovers, and remittance peaks offer only temporary relief. Meanwhile, large-scale projects like Reko Diq offer hope but also raise concerns about resource governance.

Diplomatically, tensions with India have escalated, culminating in the suspension of the Indus Water Treaty without formal investigations into recent attacks, heightening risks for regional stability. Simultaneously, strained relations with Afghanistan and rising regional security threats add complexity to Pakistan's external outlook.

Finally, climate change continues to threaten Pakistan's socio-economic stability, with recent heatwave warnings underscoring the urgent need for proactive environmental planning. In sum, Pakistan's pathway to resilience hinges on structural reforms in labour rights, economic governance, environmental management, and diplomatic engagement.



# Labour Day in Pakistan

## Struggles, Progress, and the Road Ahead

Labour Day, observed globally on May 1st, holds profound significance for Pakistan, a country where workers have historically fueled economic development but continue to grapple with systemic challenges. Labour in Pakistan spans a wide spectrum – from agriculture and manufacturing to the burgeoning informal economy – with labourers forming the backbone of society, often without sufficient recognition or protection.

According to the [Pakistan Bureau of Statistics' Labour Force Survey 2020-21](#), approximately 62.91 million people constitute the country's labour force. Agriculture remains the largest employer, absorbing 37.4% of the workforce, followed by the services sector at 37.1% and industry at 25.5%. Despite agriculture's dominance, many rural workers face chronic issues such as seasonal employment, low wages, and lack of social security.

A significant challenge is the informal economy, which accounts for around 71.4% of total non-agricultural employment (PBS, 2020-21). Informal workers often work without contracts, minimum wage protections, or access to pensions and healthcare, leaving them vulnerable to exploitation. Domestic workers, street vendors, home-based workers, and construction labourers are among those most affected.

Labour laws in Pakistan, such as the Factories Act of 1934, Minimum Wages Ordinance of 1961, and the Industrial Relations Act of 2012, theoretically provide protection. However, enforcement remains weak. Trade union density is low, with only about 2-3% of the labour force unionized ([ITUC Global Rights Index, 2023](#)), partly due to legal barriers, political suppression, and fear of employer retaliation.

Minimum wage laws offer a glimpse of progress. In 2024, the federal and provincial governments set the minimum monthly wage for unskilled workers at Rs. 37,000 (approximately USD 130). However, implementation varies across provinces, and many workers, especially in the informal sector, still earn below this threshold. Moreover, inflation and rising living costs have outpaced wage increases, eroding real incomes.

Child labour remains another grim reality. According to UNICEF, an estimated [3.3 million](#) children are engaged in child labour in Pakistan, predominantly in hazardous industries such as brick kilns, carpet weaving, and domestic work. Despite legal frameworks like the [Employment of Children Act 1991](#), weak enforcement and economic hardship perpetuate the practice.

Women workers face compounded challenges. Although women's participation in the labour force is around 20.4% (PBS, 2020-21), many are concentrated in low-paid, informal work.

Gender wage gaps, workplace harassment, and lack of maternity protections are persistent barriers. The passage of the [Protection against Harassment of Women at the Workplace Act \(2010\)](#) marked a milestone, but awareness and compliance remain limited, particularly in rural and informal sectors.

On the positive side, there is a growing push for reform and workers' rights activism. International frameworks like [ILO's Decent Work Country Programme for Pakistan \(2023-2027\)](#) also aim to align Pakistan's labour practices with international standards.

As Pakistan navigates economic and political uncertainty, prioritizing labour rights is not just a moral imperative but an economic necessity. Empowering workers with fair wages, social protections, and the right to organize can unleash greater productivity, economic resilience, and social equity. On this Labour Day, honoring the contributions of Pakistan's labour force means pushing for systemic change – from legislative reforms and robust enforcement to cultural shifts that recognize the dignity of work.



# Political Updates

## The Politics of Dispossession: A Rising Tide of Resistance Across Pakistan

The ongoing opposition to the six-canal project in Sindh has ignited one of the most significant mass movements in the country since the 1980s, bringing attention to the growing divide between the ruling elite and the rural and urban poor. What is often portrayed as a regional conflict between Sindh and Punjab is more accurately understood as a class struggle, with landless farmers and small growers in both provinces uniting against corporate farming practices that threaten their livelihoods.

The six-canal project is seen not only as a threat to Sindh's water resources but also as part of a broader agenda that disregards the needs of the agrarian population in favor of corporate interests. This coalition of marginalized farmers, though regionally diverse, represents a growing recognition that economic exploitation, rather than ethnic division, is at the heart of their struggles. However, the state's response to this movement—specifically its attempt to suppress protests and limit public gatherings—highlights the regime's insecurity in the face of mounting popular unrest. The government's fear is not just about the ethnic tensions between Sindh and Punjab but about the potential for a wider, class-based political shift that could challenge the status quo.

The prohibition of public gatherings, as seen in the case of the jalsa in Dipalpur, echoes past efforts to stifle dissent during the Okara military farms struggle, where the establishment's grip on land and resources was openly contested. The growing movement against the six-canal project is, therefore, not merely a regional or ethnic dispute, but a reflection of a deeper crisis of governance and inequality that has persisted across successive hybrid regimes. The emergence of a '99 percent' politics is not limited to Sindh; it is a phenomenon gaining traction across Pakistan, from Balochistan to Gilgit-Baltistan, where people are increasingly mobilizing against resource grabs and state repression.

The rise of populist movements, such as the PTM and Ulasi Pasyon, which challenge the establishment's economic and security policies, signals a shift towards collective resistance based on class, rather than ethnicity.

This growing awareness of shared struggles could potentially unify disparate regional movements into a powerful force that questions the existing political and economic structures. With the ruling elite's disregard for the basic needs of the majority, the politics of dispossession is gaining momentum, and the regime's efforts to suppress it may only fuel its growth further.



Source: The News



## Punjab's Wheat Crisis: A Policy Failure in the Making

Punjab's wheat market is teetering on the edge of collapse—not due to natural market forces, but because of deliberate and poorly thought-out policy decisions. Last year, the government engineered a price crash by abruptly withdrawing from the wheat procurement system without providing an alternative framework. Historically, government procurement acted as a critical price anchor, signaling demand and providing liquidity to absorb the massive wheat harvest. With the government's sudden exit, an additional **30 percent of the crop** flooded a market unprepared for it. Unlike rice or maize, where partial deregulation enabled some organic price adjustment, wheat, Pakistan's most critical staple, was left to a distorted and shallow market, resulting in catastrophic price destruction rather than healthy competition.

The consequences of these decisions are already visible. Despite a forecasted 10–12 percent drop in wheat production and nationwide inflation exceeding 20 percent, wheat prices today are inexplicably lower than even last year's depressed levels. To make matters worse, government agencies have been offloading old wheat stocks at **below-market prices** just as the new harvest hit the markets, further suppressing farmer earnings. With input costs soaring and returns plummeting, farmers are rapidly moving away from wheat cultivation—an 11 percent decline in acreage has already been recorded. If this trend continues, Pakistan could face serious food security challenges by late 2025, as domestic production fails to meet demand and import reliance grows.

This unfolding crisis is not a natural market correction, it is a policy-induced disaster. Market liberalization must be gradual and accompanied by transitional safeguards like strategic procurement, price bands, and support for private warehousing. Instead, the government's hasty withdrawal and active price suppression are setting the stage for rural economic distress, higher food inflation, and potential shortages. Without urgent course correction, the very stability the government claims to protect will be undermined by its own hand.

# Economic Outlook

## Sit-ins Paralyze Agricultural Exports, Urgent Action Required:

Ongoing sit-ins in Sindh, driven by opposition to proposed canal projects on the Indus River, have severely disrupted Pakistan's agricultural exports. Protests along major trade routes, such as the National Highway, have caused significant delays, with over **250 containers** of perishable goods, including potatoes, stranded in the region. These blockages are threatening Pakistan's export commitments, risking millions of dollars in losses and tarnishing the country's credibility in global markets. Business leaders, including the Karachi Chamber of Commerce and Industry (KCCI) President, have urgently called for government intervention to resolve the crisis. They warn that prolonged disruptions to transportation, especially for time-sensitive consignments, are jeopardizing jobs and economic activity. The Pakistan Fruits and Vegetables Exporters Association has suggested creating an emergency corridor policy to facilitate the swift transport of agricultural exports, particularly perishable goods, to ports.

At the same time, experts at the First International Soil Science Conference have underscored the worsening agricultural challenges in Pakistan. Issues such as water scarcity, rising soil salinity, and climate change are further exacerbating the situation.

They have called for a shift to sustainable farming practices, modern irrigation methods, and improved soil management to safeguard Pakistan's agricultural future and ensure the continued success of exports.



Source: Tribune

### **World Bank Criticizes Pakistan's Tax System as Unfair and Inefficient:**

The World Bank has criticized Pakistan's tax system as "highly unfair and absurd," highlighting its inequities and inefficiencies. The bank called for the expansion of the tax base, particularly by including the property sector and ensuring accurate documentation. It pointed out that only 5 million people file tax returns in a country of [240 million](#), and a significant portion of revenue comes from the regressive General Sales Tax (GST), making the system unsustainable. The World Bank also recommended rationalizing the tariff structure, noting that while short-term gains may appear attractive, they ultimately harm long-term revenue streams.

At a PIDE conference, experts discussed the need for comprehensive tax reform, including full digitization and simplifying complex processes like withholding taxes, of which 45 out of 88 generate less than Rs1 billion annually. The panelists agreed that political resistance, outdated legal frameworks, and a lack of administrative motivation have hindered meaningful progress in tax digitization. They emphasized the importance of simplifying tax codes, integrating digital infrastructure, and improving transparency to rebuild public trust and ensure a more equitable system.

### **Reko Diq's Economic Promise: A Golden Opportunity or Another Mirage?**

The approval of first-phase development funding for the Reko Diq project marks a significant milestone for Pakistan's struggling economy, with an eye-catching projection of [\\$74 billion](#) in free cash flow. The massive influx of investment and job creation, particularly in Balochistan, a historically marginalized province, presents an opportunity for meaningful economic inclusion. However, the history of resource extraction in Pakistan, and particularly in Balochistan, offers reasons for caution.

Promises of prosperity have often failed to materialize equitably, with local communities left to bear the environmental costs while benefits are siphoned elsewhere. Without stringent safeguards, transparent governance, and a genuine commitment to local empowerment, there is a risk that Reko Diq could repeat a familiar pattern of disenfranchisement masked as development.

Moreover, while international investor interest signals renewed confidence in Pakistan's mining sector, it also raises critical questions about sovereignty over strategic natural resources. The heavy reliance on foreign financing and multinational companies like Barrick Gold necessitates a careful balancing act to protect national interests. With production not expected to begin until 2028, and phase-wise funding still contingent on securing term sheets, much remains uncertain.

Pakistan must prioritize robust environmental assessments, equitable revenue-sharing mechanisms, and meaningful local participation to ensure that Reko Diq becomes a genuine catalyst for inclusive growth, rather than another cautionary tale of missed opportunities.

### **Pakistan Struggles to Meet Foreign Loan Targets Amid Delays and Dependence on Rollovers:**

Pakistan has fallen short of its foreign loan targets for the fiscal year 2024-25, securing only **\$12.5 billion** of the anticipated \$19.2 billion in the first nine months. A significant portion of this funding, roughly half, consisted of legacy rollovers from key bilateral partners such as China, Saudi Arabia, and the UAE, with new loans and grants amounting to only \$5.51 billion. This marks a nearly 20% decline compared to the same period last year, reflecting the country's deepening fiscal challenges and reliance on short-term financial solutions rather than long-term investments.

Despite the rollovers, which provided some immediate relief, the situation remains precarious as Pakistan faces a growing external financing gap. The government's budget for the year projected \$9 billion in inflows from China and Saudi Arabia, a critical lifeline to cover the shortfall.



Source: Dawn

However, with the delayed disbursement of funds from the International Monetary Fund (IMF), and underperformance in securing international bonds and commercial loans, Pakistan's external economic stability is at risk. Furthermore, the country's net international reserves remain in deficit, raising concerns about its ability to meet future financial obligations.

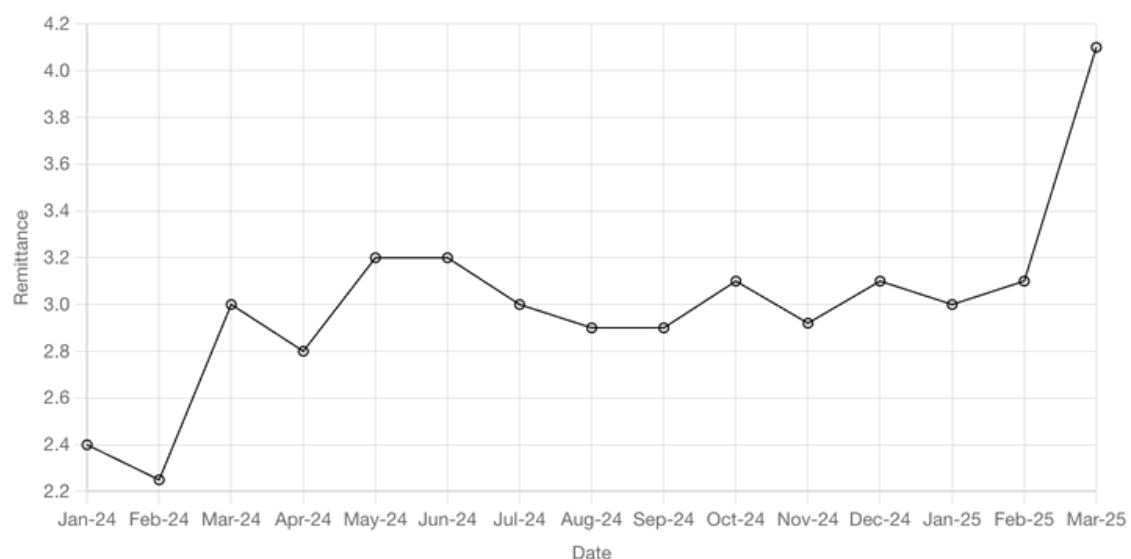
While the country has secured some positive developments, such as an increase in remittances through Naya Pakistan Certificates and improved disbursements from multilateral lenders like the Asian Development Bank and the World Bank, these sources fall short of compensating for the delayed and inconsistent inflows. The continued dependence on short-term rollovers and limited access to new credit pose significant risks to Pakistan's long-term economic recovery.



## Are Record-Breaking Remittances a Temporary Relief for Pakistan's Economy?

Pakistan's record-breaking **\$4.1 billion** in remittance inflows for March 2025 offers a much-needed boost to its external account and economic sentiment. The 37% year-on-year surge is credited to tighter forex regulations, improved exchange rate stability, and increased immigration to Gulf countries. While Prime Minister Shehbaz Sharif hailed the achievement as a reflection of trust in government policies, analysts caution against over-celebrating what may prove to be a short-lived peak. Underlying factors like recent immigration spikes and one-off regulatory changes suggest that the momentum is unlikely to be sustainable, with remittance levels expected to normalize in the coming months.

Moreover, an overreliance on remittances underscores deeper vulnerabilities within Pakistan's economic framework. Rather than signaling structural improvement, the surge reveals the country's continued dependence on external inflows to prop up its balance of payments. Without parallel efforts to diversify exports, attract long-term investment, and create domestic employment opportunities, Pakistan risks remaining trapped in a cycle where short-term gains mask persistent economic fragilities. Moving forward, policymakers must avoid complacency and instead use this temporary cushion to implement reforms that ensure real, sustainable economic resilience.



Source: Brecorder

# Social and Humanitarian Focus

## AI and Digital Equity

As Artificial Intelligence (AI) rapidly reshapes global economies, Pakistan finds itself at a critical crossroads. Despite promising achievements like pioneering AI-based healthcare solutions at The National University of Sciences and Technology (NUST) and young innovators creating localised digital tools, Pakistan's digital landscape remains deeply unequal. Half the population still lacks access to basic internet services, smartphones, or computers, severely limiting inclusive growth. The [UNDP's 2024 National Human Development Report \(NHDR\)](#) highlighted how entrenched wealth inequalities exacerbate the digital divide, making clear that

without widespread digital development, Pakistan's human development goals will remain out of reach.

While the government has taken steps, such as drafting a [National AI Policy 2024](#) and participating in the Global Digital Compact, significant gaps persist. True progress demands more than policies on paper, it requires urgent investments in affordable internet, rural digital infrastructure, and education reform focused on Science, Technology, Engineering, and Mathematics (STEM). As AI threatens to automate routine jobs, [42 percent](#) of Pakistan's workforce could face redundancy without immediate reskilling programs. Equipping citizens with digital literacy and preparing youth for emerging AI-driven opportunities are crucial steps to avoid deepening economic inequalities.

To fully leverage AI for development, Pakistan must prioritize AI as a core governance challenge, not just a technological one. Building on the [UNDP's "4As" framework—Access, Adopt, Anticipate, and Accelerate](#)—AI should be integrated into annual planning, real-time monitoring, and policy-making. With only five years left for Agenda 2030, Pakistan's future depends on an ambitious, inclusive, and strategic approach to digital governance, making 2025 the year to turn potential into progress.

### **Ending Double-Dipping and Pakistan's Pension System:**

The Pakistani government has announced a major change in its [pension policy](#), requiring retired public servants who rejoin the government service to choose between either receiving a pension or a salary.

This reform is part of the government's broader efforts to curb the rising pension liabilities, which are a growing financial burden, particularly in light of the country's fiscal pressures and the International Monetary Fund's (IMF) austerity measures.

Previously, retired employees could simultaneously collect both their pension and salary upon reemployment, a practice that not only put a strain on the national budget but also led to inequities within the public service system. With pension costs set to exceed Rs1 trillion this year, the government's decision is seen as a necessary step to address these financial concerns and ensure fiscal sustainability.

The reform has raised significant concerns about its impact on public servants, particularly those who rely on both their pension and salary to maintain their standard of living. Many retirees, particularly those with long tenures in public service, rely on pensions as a vital source of income, especially in the absence of alternative retirement savings.

By forcing retirees to choose between these two sources of income, the government risks alienating experienced professionals and further straining the already under-resourced public service. This move could also have implications for employee morale and trust in the system, as many might feel that their years of service are being undervalued.

While the reform is a step toward addressing the growing fiscal strain caused by pension liabilities, it is also important to recognize that a more comprehensive approach is needed. The government's contributory pension scheme for new civil servants and military personnel, set to begin in 2024 and 2025, offers a long-term solution to the pension problem by ensuring future retirees contribute to their pension fund.

However, the exclusion of existing retirees from this scheme means that the immediate financial concerns of many public servants remain unresolved. As such, the government must balance the need for fiscal prudence with fairness to retirees, ensuring that pension reforms protect the welfare of those who have served the state for decades.

### **Out-of-Field Teaching Sparks Learning Crisis in Islamabad's Colleges:**

A growing practice of out-of-field teaching in Islamabad's public colleges is causing a serious learning crisis, as teachers are increasingly assigned subjects outside their academic specialisation. Driven by poor administrative planning and staff shortages, this trend is compromising education quality and deeply affecting teacher morale. Experienced instructors like Tariq Iqbal, trained in Political Science, are now tasked with unrelated subjects such as Pakistan Studies, while Economics and Persian specialists are teaching Banking and Urdu, respectively, areas in which they hold no formal expertise.

Educators and experts warn that out-of-field teaching not only demoralises teachers but also hampers students' academic development. Without subject-specific knowledge, students receive weaker instruction, leading to confusion, declining interest, and poor performance in exams and higher education pursuits. Teachers expressed that this practice reduces them to "filler staff," disregarding their years of academic preparation and making them feel disrespected and undervalued. The core of the issue lies in a misguided focus on simply filling classrooms rather than ensuring that qualified educators teach their specialised subjects. Experts urge authorities to prioritise better staff planning and place respect for teachers' qualifications at the heart of educational reforms. Without corrective action, Islamabad's public colleges risk further undermining student outcomes and worsening an already fragile education system.



Source: The News



# Diplomatic Landscape

## Slain Pakistani Labourers in Iran and Regional Security Fragilities

The brutal killing of eight Pakistani labourers in Iran's Sistan-Baluchestan province has cast a fresh spotlight on the growing regional insecurity and the vulnerabilities of migrant workers. As Islamabad demands full cooperation from Tehran and a swift investigation into the killings, the tragic deaths have sparked grief in small towns of south Punjab, where families now face economic devastation after losing their primary breadwinners.

While both Iran and Pakistan have pledged to combat terrorism through collective regional efforts, the reality remains grim. Militant groups like the Balochistan [Nationalist Army and Jaish al-Adl](#), both reportedly claiming responsibility, continue to exploit the fragile security dynamics along the border. The attack also follows a pattern of targeted violence against Punjabis in Balochistan and adjoining regions, pointing toward rising ethnic and sectarian fault lines.

This tragedy, sadly not the first of its kind, highlights the urgent need for a serious, coordinated regional counterterrorism framework beyond mere statements of condemnation. Meanwhile, swift repatriation of the victims' bodies, timely compensation to their families, and a comprehensive protection strategy for migrant workers must be immediate priorities for both governments. Without tangible action, the cycle of violence and human loss risks deepening further.



Source: Dawn

## Pakistan and Afghanistan Take Key Steps Toward Strengthening Bilateral Cooperation and Combating Terrorism:

In a significant move toward enhancing bilateral relations, Pakistan and Afghanistan have committed to preventing the use of their territories for terrorism and illicit activities. This development came after Deputy Prime Minister and Foreign Minister, Ishaq Dar, met with Afghan leadership in Kabul on [April 19, 2025](#). The meetings focused on security, border management, and economic cooperation, with both sides agreeing to uphold regional stability by ensuring their soil would not be used for attacks against one another. The commitment marks a crucial step toward regional peace and underscores the importance of high-level engagement to tackle mutual concerns, particularly in the context of cross-border terrorism.

Additionally, both countries have made strides in improving economic relations. A major decision was to operationalize a track and trace system for trade facilitation by June 30, 2025. This initiative is expected to boost cross-border trade and reduce transit costs.

The two nations also agreed on the introduction of an Integrated Transit Trade Management System (ITTMS) at the Torkham border and the provision of a cross-stuffing facility for containers, enhancing logistics and commercial transportation. These measures reflect a growing focus on regional economic development and the potential benefits of expanded connectivity and trade cooperation.

Despite these positive developments, the issue of Afghan refugees in Pakistan remains a point of contention. Afghan Foreign Minister Amir Khan Muttaqi expressed concern over the forced deportation of refugees, urging Pakistan to ensure their rights and dignity are upheld. In response, Ishaq Dar reassured that Pakistan would take steps to prevent the mistreatment of refugees, ensuring their property and assets would be protected. The discussions also included plans to continue joint projects such as the Afghan Trans rail line, CASA-1000, and TAPI, aimed at further strengthening ties between the two countries.

### **Pakistan-US Security Dialogue:**

The recent meeting between Pakistan's Chief of Army Staff General Asim Munir and a [U.S. Congressional delegation](#) signals a cautious continuation of the Islamabad-Washington relationship, with both sides reaffirming the familiar rhetoric of "mutual respect" and "shared strategic interests." While the visit highlights a symbolic U.S. acknowledgment of Pakistan's role in regional counterterrorism, critics argue that such engagements often lack tangible outcomes beyond photo-ops and broad diplomatic statements.

With the geopolitical landscape shifting, particularly after the U.S. withdrawal from Afghanistan, Pakistan's security calculus now requires more concrete assurances, not just recycled praise for its "resilience" and "strategic potential."

Moreover, the signing of MoUs for IT training collaboration, while welcome, seems modest against the backdrop of much larger economic, security, and humanitarian challenges facing Pakistan today. Without deeper investment in Pakistan's civilian institutions, economic recovery, and regional conflict resolution, security-centric engagements risk reinforcing an outdated model of bilateral ties where military relations are prioritized over comprehensive, people-centered development. Real progress will demand moving beyond ceremonial diplomacy to addressing systemic issues, with an honest reassessment of strategic expectations on both sides.

### **India Suspends Visa Issuance and Indus Water Treaty Amid J&K Attack Aftermath:**

In response to the recent deadly terror attack in Jammu and Kashmir, India has taken drastic measures against Pakistan, including [halting the issuance of visas](#) to Pakistani nationals. This decision also extends to the suspension of the Indus Water Treaty, a significant agreement governing water-sharing between the two countries. As tensions escalate, India has declared a number of Pakistani diplomats stationed in the country persona non grata, ordering them to leave immediately, further exacerbating diplomatic strains.

India's move is part of a broader strategy to increase pressure on Pakistan in the aftermath of the attack in Pahalgam. However, these measures have been taken without the conclusion of a formal investigation into the incident or the public presentation of evidence linking Pakistan to the attack. This escalation is expected to heighten tensions between the two nations, potentially affecting diplomatic ties as well as regional cooperation on water and security issues, which are discussed in depth in the next article.

### **India's Suspension of the Indus Waters Treaty: A Watershed Moment for Pakistan**

On April 24, 2025, India suspended its obligations under the Indus Waters Treaty (IWT), a landmark [1960 agreement](#) that has long governed the shared use of the Indus River and its tributaries. This move, while not immediately affecting water flow, signals a new level of uncertainty in a relationship already fraught with tension. The IWT had provided a stable framework for cooperation despite geopolitical crises, but India's suspension risks undermining this predictability, particularly for Pakistan, which heavily relies on the Indus and its tributaries for agriculture, energy, and daily life. The IWT divides the six rivers of the Indus Basin: India controls the three eastern rivers (Ravi, Beas, and Sutlej), while Pakistan is allocated the three western rivers (Indus, Jhelum, and Chenab). The treaty allows India limited use of the western rivers for hydropower and non-consumptive purposes, but prevents India from diverting or storing water in a way that harms Pakistan's access.

Historically, the treaty has been managed through the Permanent Indus Commission, which helped resolve disputes. However, India's suspension undermines this cooperative framework, introducing new risks for Pakistan, whose agricultural sector and water management depend on the regular flow of water from the western rivers. Pakistan's agriculture, particularly its vast irrigation network, is especially vulnerable to any disruption in water flow. The country's reliance on the Indus River system means that even slight shifts in the timing or volume of water could lead to crop failures, economic loss, and provincial tensions, particularly between Punjab and Sindh.

With the country's energy sector also heavily dependent on hydropower, any reduction in water available for reservoirs like Tarbela and Mangla could exacerbate Pakistan's chronic electricity shortages. Additionally, the Indus Delta, already suffering from reduced freshwater outflows, could face further environmental degradation, affecting coastal communities and fisheries. India's suspension of the treaty could also set a dangerous precedent for other transboundary water agreements, particularly with countries like China, where India has been involved in complex negotiations over shared rivers.

This action could damage India's diplomatic standing, as it undermines its commitment to existing water-sharing frameworks. While India might view its decision as a strategic maneuver, the long-term effects on regional stability could be profound. Water, a vital shared resource, could become a tool of geopolitical leverage, further complicating an already volatile relationship between the two countries.



The Indus Waters Treaty has long been a critical tool for managing the shared water resources between India and Pakistan, but the suspension of its provisions threatens the delicate balance it has maintained for decades. In the face of climate change, water scarcity, and environmental challenges, the need for cooperative management of transboundary waters is more pressing than ever. Both countries must prioritize dialogue and collaboration to avoid exacerbating tensions and to ensure the long-term sustainability of the Indus River system. The future of the treaty and the stability of the region depend on their ability to restore the predictability and cooperation that once defined their relationship over shared waters.



Source: Dawn

### **US Pushes for Strategic Control Over Pakistan's Mineral Resources:**

A senior US official, Eric Meyer, underscored Washington's strategic interest in Pakistan's mineral sector, signaling a push for long-term control over critical mineral resources vital for American technology. Leading the [US delegation](#) at the Pakistan Minerals Investment Forum, Meyer emphasized the sector's potential but raised concerns about its responsible development. While highlighting the importance of these resources, Meyer's remarks reflected a broader intention to secure reliable sources of critical minerals, positioning Pakistan as a key player in this pursuit.

Meyer's meetings with top Pakistani leaders, including Prime Minister Shehbaz Sharif and Army Chief Gen Asim Munir, focused on expanding economic and security cooperation, particularly in the mineral sector. While both sides expressed optimism about future trade and investment, the US's interest in Pakistan's minerals raises questions about the long-term implications for the country's sovereignty and resource management. As the US intensifies its involvement, the challenge lies in ensuring that Pakistan's mineral wealth benefits its people, rather than merely serving external strategic interests.

### **Pakistan and Bangladesh to Strengthen Trade Relations:**

Pakistan and Bangladesh are moving forward with plans to deepen their bilateral relations, particularly focusing on tourism, commerce, and cultural exchange. In the [last week of April 2025](#), Pakistan's Deputy Prime Minister, Ishaq Dar, is scheduled to visit Bangladesh to explore

new opportunities in these sectors. This visit aims to capitalize on Bangladesh's growing market, with both countries looking to boost trade and investment. The Bangladesh Mission in Pakistan recently celebrated the 54th anniversary of Bangladesh's Independence Day, where key officials discussed the ongoing efforts to expand bilateral relations. Pakistan's Foreign Secretary Amna Baloch and Bangladesh's Foreign Secretary Jashim Uddin led discussions on the 6th Round of Foreign Secretary-Level Consultations, which covered economic cooperation and trade, as well as the successful launch of a direct container ship link between the two countries.

In addition to trade, both nations are keen to enhance tourism ties. Bangladesh's popular tourist destinations like Cox's Bazar and the Sundarbans have drawn attention, with invitations extended to Pakistani business delegations and tourists. The two countries have also discussed plans for direct flights, showcasing their commitment to increasing connectivity and mutual cooperation across multiple sectors.

### **Pakistan Expels Over 100,000 Afghans Amid Heightened Tensions:**

More than 100,000 Afghan nationals have been deported from Pakistan in April 2025, part of an ongoing drive by the Pakistani government to expel undocumented foreigners, particularly Afghans. The large-scale deportation campaign, which began in 2023, aims to repatriate individuals who had overstayed their residency permits or lacked proper identification. The government insists this move is critical for national security, especially amid increasing cross-border insurgencies blamed on Afghan-based militants, including those associated with the Pakistani Taliban.

The deportation has been met with condemnation from Afghan authorities, who argue that the expulsions are unjust and unilateral. Afghanistan's Prime Minister, Hasan Akhund, urged Pakistan to ensure the "dignified return" of Afghan refugees.

However, many of those being forced out, including families born in Pakistan, face uncertain futures in Afghanistan, a country already grappling with a humanitarian crisis and Taliban-imposed restrictions on education and employment for women and girls. The UN Refugee Agency (UNHCR) has reported a sharp increase in arrests and detentions during the operation, with nearly 13,000 Afghan nationals detained in April alone.

Pakistani officials argue that the growing Afghan refugee population, especially since the 2021 Taliban takeover, has placed immense strain on the country's public services and security infrastructure.

Some Pakistanis, particularly in areas with significant Afghan populations, have expressed frustration with the continued presence of refugees, citing economic difficulties and competition for jobs. This sentiment has provided political support for the government's tough stance on repatriation, despite the humanitarian challenges faced by the returnees.

The situation at the border has been dire, with [thousands of deported families](#) facing harsh conditions as they return to Afghanistan. Many of them have never seen their homeland, and the process of resettlement is slow, with families waiting for transport in overcrowded, under-resourced camps. As Pakistan pushes ahead with its deportation campaign, it is placing significant pressure on Afghanistan's already fragile economy and infrastructure. With the crisis continuing, the future of millions of Afghan refugees remains uncertain.

# Environmental and Climate Perspectives

## Punjab's Heatwave Warning:

The [Punjab Disaster Management Authority's \(PDMA\)](#) recent heatwave alert exposes not only the rising threat of extreme weather but also the chronic lack of long-term climate resilience planning in Pakistan. While emergency measures such as public awareness campaigns, installation of water coolers, and hospital preparedness are necessary immediate steps, they reflect a reactive approach rather than a proactive strategy to deal with escalating climate realities. With temperatures expected to rise dangerously amid an ongoing drought, the situation highlights how environmental mismanagement, inadequate urban planning, and poor water governance are making communities even more vulnerable to climate shocks.

Despite repeated warnings from climate experts, Pakistan's policy response often remains short-term and crisis-driven, focused on damage control instead of sustainable adaptation. True resilience will require more than distributing heatstroke pamphlets. It demands investment in climate-resilient infrastructure, improved water management systems, green urban planning, and a serious national strategy to safeguard vulnerable populations. Without systemic reforms and a shift from reactive to preventive governance, the heatwaves and droughts of today could become the catastrophic norm of tomorrow.



Source: Minute Mirror



# Reading Recommendations

- The Fight for Transparent Access to Information in Pakistan ([Click Here](#))
- Life without Autonomy: Understanding Our Culture of Dependency ([Click Here](#))
- Prioritizing Citizens Beyond the Ballot ([Click Here](#))
- Solving the corruption challenge: The key may lie with the citizens. ([Click Here](#))
- Citizens' Inclusion and Accountability is the Key to Improved Governance and Efficient Public Sector Institutions ([Click Here](#))
- Digital Community Policing ([Click Here](#))
- Privatization of Schools in Punjab ([Click Here](#))
- Water Governance Challenges in Pakistan ([Click Here](#))
- Consumer Protection in Pakistan ([Click Here](#))

