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July 16th - July 31st, 2025

Executive Summary

Pakistan continues to navigate an increasingly complex domestic landscape defined by insecurity, political tension, economic stagnation, and climate volatility. This reporting period captures a series of developments that, while varied in nature, reflect a deeper pattern of systemic stress and institutional fragility.

The security situation remains volatile, particularly in Balochistan and Khyber Pakhtunkhwa, where insurgent attacks continue to claim civilian lives. The attack on a passenger bus in Kalat and the abduction of civilians in Zhob underline the persistent threat posed by separatist and extremist actors. The growing use of digital platforms for militant propaganda has further blurred the lines between physical and cyber warfare, challenging Pakistan's traditional counterterrorism frameworks.

Politically, Punjab has emerged as a focal point for institutional power struggles. The standoff over suspended opposition members in the provincial assembly highlights efforts to redefine parliamentary norms and limit dissent. This tension reflects a broader erosion of democratic practices, where procedural mechanisms are increasingly used to consolidate power.

On the economic front, rising taxes and administrative gridlock have paralyzed key sectors such as real estate, while austerity policies linked to IMF agreements have achieved short-term macroeconomic stability at the cost of industrial slowdown, job losses, and growing inequality. Efforts to attract foreign investment, such as BYD's entry into the electric vehicle market, offer some optimism but remain limited by structural constraints.

Pakistan's climate crisis is no longer future-oriented; it is present and intensifying. Urban flooding, heatwaves, and erratic monsoon patterns have overwhelmed infrastructure and exposed governance failures. At the same time, grassroots adoption of rooftop solar energy reflects both resilience and desperation, as the state struggles to adapt its energy and economic models.

Socially, the rise in child rights violations in Khyber Pakhtunkhwa, the weakening of protective labour laws in Punjab, and the recurring cases of forced conversions in Sindh all point to systemic neglect of vulnerable populations. These trends underscore the need not only for legal reform but also for political will and sustained investment in social protection systems.

This period illustrates the convergence of old challenges and emerging risks. Addressing them will require an integrated strategy that blends security, governance, economic reform, and climate resilience—anchored in equity, inclusion, and institutional accountability.

Understanding Terrorism in Pakistan

During July 2025, Pakistan continued to grapple with a volatile security landscape marked by sporadic yet impactful terrorist incidents, mainly concentrated in its western provinces of Balochistan and Khyber Pakhtunkhwa (KP).

The most deadly event during this timeframe was the 16 July attack in Kalat District, Balochistan, where gunmen ambushed a passenger bus traveling from Quetta to Karachi, killing three civilians and injuring seven. Although no group claimed responsibility, security officials attributed the attack to the Baloch Liberation Army (BLA), a separatist insurgency group seeking autonomy for Balochistan. Such targeted attacks on civilian transportation not only cause loss of life but also create a climate of fear that disrupts economic activity and daily life.

Meanwhile, the government's announcement on 25 July to clamp down on militant propaganda by flagging and seeking to remove 481 social media accounts linked to groups like the Tehrik-e-Taliban Pakistan (TTP) and BLA reflects a crucial recognition: terrorism is no longer just kinetic but digital. Militants have increasingly leveraged online platforms for recruitment, ideological indoctrination, and coordination. This cyber-front adds complexity to counterterrorism efforts, demanding sophisticated technological and policy responses.

Looking beyond this period, incidents in early July provide important context. The abduction and execution of nine passengers in Zhob and Loralai (10 July) point to a strategy of ethnic and sectarian intimidation by separatists, aiming to sow division and instability in Balochistan. Similarly, the 2 July roadside IED bombing in Bajaur, KP, which killed five senior civil officials, was claimed by ISIS-Khorasan (ISIS-K), highlighting the persistent threat from Islamist militants who operate with distinct motives and methods compared to separatist groups.

The causes driving terrorism in Pakistan are multifaceted, combining historical grievances, cross-border sponsored terrorism, geopolitical dynamics, economic underdevelopment, and ideological extremism. In Balochistan, decades-old demands for greater political autonomy, equitable resource distribution, and cultural recognition have fueled separatist insurgencies, which are now being utilized by the regional powers to promote instability and chaos in Pakistan. These groups target state institutions and civilian infrastructure to undermine government authority and pressure Islamabad for concessions.

The insurgency in KP and adjoining tribal areas, meanwhile, is dominated by Islamist militants such as TTP and ISIS-K, who exploit local grievances, weak governance, and porous borders with Afghanistan to promote extremist ideologies. Their attacks on government officials and security forces aim to destabilize the state and impose their radical vision, often through asymmetric warfare, including bombings and targeted assassinations.

An important shift observed during this period is the hybridization of terrorism tactics. Alongside conventional attacks such as ambushes and bombings, militants have increasingly used digital propaganda to radicalize youth and coordinate activities. The Pakistani government's efforts to curtail this through social media monitoring signal awareness of this emerging threat vector.

Moreover, Security officials have expressed concerns over potential drone weaponization by militant groups, representing a dangerous technological escalation. Drones enable remote strikes and reconnaissance, complicating counterinsurgency operations and posing new risks to military and civilian targets alike.

The persistence of terrorism amid Pakistan's internal challenges, ranging from economic instability to political transitions, poses significant risks. Attacks targeting civilians, government officials, and critical infrastructure disrupt social cohesion and economic development. Balochistan, rich in natural resources and strategically important due to the China-Pakistan Economic Corridor (CPEC), remains especially vulnerable to insurgent sabotage, potentially undermining one of Pakistan's major economic initiatives.

Furthermore, the interplay between separatist violence and Islamist militancy complicates security responses. While the former seeks political autonomy, the latter pursues ideological dominance, necessitating nuanced strategies that address root causes alongside security measures.

The digital dimension adds further complexity, requiring Pakistan to balance counterterrorism efforts with the protection of digital rights and avoiding overreach that could alienate populations. Pakistan's fight against terrorism demands an approach blending military, political, economic, and social strategies. Strengthening governance and inclusive political dialogue in Balochistan, improving border security with Afghanistan, and investing in counter-radicalization programs are essential. On the technological front, enhancing cyber capabilities to detect and disrupt online extremist networks will be increasingly critical.

Equally important is addressing the socioeconomic grievances that fuel recruitment and radicalization, including poverty, lack of education, and marginalization. Sustainable peace requires more than security operations; it demands rebuilding trust between the state and diverse communities.

Political Updates

Written Commitments and Parliamentary Power Struggles: What the Standoff Reveals About Punjab's Political Fault Lines:

The standoff between the Punjab Assembly government and the Opposition over the fate of 26 suspended PTI MPAs offers a revealing lens into the deeper political and institutional tensions brewing in Pakistan's largest province. On the surface, the government's demand for a written commitment to abide by assembly rules appears procedural, but the insistence, particularly on behavior during Chief Minister Maryam Nawaz's speeches, betrays a broader strategy: to assert unchallenged authority in the House while framing dissent as disorder.

This is not merely about upholding Rule 223 or preventing hooliganism; it's about reshaping the norms of parliamentary opposition under the current PML-N-led government. The Opposition's pushback stems not just from a desire to avoid signing a document, but from a fundamental belief that protest is being systematically delegitimized within the Assembly and outside of it, where PTI leaders and supporters have faced widespread clampdowns.



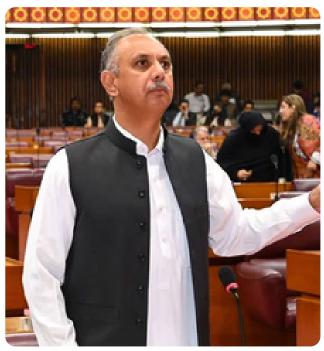
Source: Tribune

At its core, this conflict reflects the broader institutional imbalance in Pakistan's political culture, especially where legislative decorum is often weaponized to sideline dissenting voices. Speaker Malik Muhammad Ahmad Khan's remarks about past leniency and his new zero-tolerance approach suggest a shift toward stricter control, but also raise about selective auestions enforcement. The refusal to grant access to CCTV footage of the June 27 brawl, despite claims of crossparty involvement, further fuels perceptions of bias.

Within PTI, the debate is now not just over tactics but survival. Some members see a temporary written commitment as a shield against disqualification threats from the Election Commission, while others view it as capitulation in the face of creeping authoritarianism. As these negotiations drag on, the Assembly itself becomes a microcosm of the country's democratic regression, where rules are no longer frameworks for fair debate but tools to contain political opposition. Whether the standoff ends in compromise or collapse, the precedent it sets could have lasting consequences for parliamentary politics in Punjab and beyond.

Omar Ayub Urges Supreme Court Review of May 9 Trials Amid Allegations of Bias and Coercion:

Opposition Leader Omar Ayub Khan has urged Chief Justice Yahya Afridi to review the ongoing May 9 trials, expressing deep concern over what he described as systematic violations of due process and constitutional rights targeting PTI leaders. In his letter dated July 27, Ayub criticized the anti-terrorism courts for holding rushed proceedings at odd hours, often continuing until 3:00 am, and for accused denying the proper representation and public scrutiny. He alleged that FIRs were fabricated, interrogations conducted under coercion, and PTI leaders deliberately singled out in an orchestrated effort to weaken the party's political standing.



Source: Tribune

Ayub's appeal resonates with growing concerns that the trials are less about justice and more about political retribution. He called for a judicial inquiry into prosecutorial misconduct and urged a return to open, transparent proceedings. These concerns come at a time when the Supreme Court has adjourned the hearing of PTI founder Imran Khan's bail pleas to August 12, further delaying relief in politically sensitive cases. Many in PTI see these moves as part of a broader pattern to marginalize the party through legal overreach. As the judiciary faces mounting pressure, its response in the coming weeks will be closely watched as a test of its independence and commitment to democratic principles.

Economic Outlook

IMF Lowers Pakistan's FY26 GDP Forecast to 3.6%, Below Government's 4.2% Target:

The International Monetary Fund (IMF) has projected Pakistan's GDP growth for the fiscal year 2025–26 at 3.6%, falling short of the government's ambitious target of 4.2%. In its July 2025 World Economic Outlook Update, the IMF also revised the country's FY25 growth estimate slightly upward from 2.6% to 2.7%, aligning closely with the Finance Division's figure of 2.68% for the previous fiscal year



Source: Brecorder

While the IMF outlook reflects a modest uptick in short-term growth, it underlines the persistent structural constraints in Pakistan's economy that limit stronger expansion. Other institutions are similarly cautious: the World Bank projects a 3.1% GDP growth for FY26, while the Asian Development Bank forecasts 3%. The IMF also highlighted that global growth is expected to stabilize around 3–3.1% in the next two years, but warned of persistent inflation risks and uneven economic resilience across countries. For Pakistan, the updated numbers suggest cautious optimism but also signal the need for sustained macroeconomic reforms, investment in productivity, and prudent fiscal management to meet or exceed national growth targets.

Stuck in the Debt Loop: Why Pakistan's External Repayments Demand Structural Reform, Not Stopgaps:

Pakistan's external debt servicing burden, now exceeding \$23 billion for FY2025–26, reveals a deeper crisis than just short-term liquidity issues. With \$12 billion of that figure resting on the hope of rollovers from "friendly countries" and \$11 billion owed to multilateral and commercial lenders, Islamabad is walking a fiscal tightrope. This reliance on goodwill rather than strategy reflects a decades-old pattern of deferring repayment through diplomatic juggling while avoiding the hard questions of economic restructuring. Adding pressure, a \$500 million Eurobond matures this September, and another \$1 billion is due next April. As inflation slows and nominal GDP growth decelerates, Pakistan's debt-to-GDP ratio will likely worsen, undermining previous gains made on the back of inflated figures rather than real productivity or growth.



Source: The News

This growing debt trap is not just a reflection of poor fiscal management but of a structural dependence on external borrowing without a sustainable exit plan. With SAFE deposits from China, Saudi Arabia, and the UAE totaling billions, and repayments to institutions like the World Bank and ADB piling up, there is little room left for independent monetary maneuvering. Efforts to issue Panda bonds or re-enter global capital markets face steep hurdles, from high interest rates to a volatile domestic political climate. Pakistan's debt strategy, long reliant on temporary fixes and ad hoc bailouts, now demands a reset that centers domestic revenue generation, targeted investment in productivity, and a reduction in import-driven vulnerabilities. Without this pivot, the country will remain trapped, repaying old loans by taking new ones at the cost of long-term sovereignty and economic stability.

Austerity at a Cost: Stabilisation Without Growth:



Source: Tribune

Pakistan's recent economic stabilisation efforts, largely driven by prescriptions, have delivered short-term wins: the current account is in surplus, reserves are rebuilding. and macroeconomic indicators appear more "disciplined" on paper. But beneath these surface-level improvements lies a deeper and more troubling reality, one of contraction, not recovery. Economic activity has slowed to a crawl. Demand has collapsed under the weight of high interest rates, import restrictions, and excessive taxation. Instead of reviving industry, firms have redirected capital into low-risk government securities, sidelining investment in productivity.

Large-Scale Manufacturing has shrunk, public development spending has been slashed, and consumer confidence is at a low. Stabilisation, it seems, is being achieved not by fixing structural weaknesses but by freezing the economy. The cost of this approach is growing more visible by the day. Joblessness is rising, particularly among educated youth entering a market that is simply not hiring. Inflation, though modestly down, continues to squeeze households already burdened by regressive taxes and energy price hikes.

The middle class is hollowing out, and inequality is widening. What's unfolding is a trade-off between fiscal balance and social stability. The current policy toolkit, narrowly focused on numbers that please creditors, risks undermining the very foundations of long-term resilience: employment, innovation, and human capital. Pakistan needs stabilisation, but not one that sidelines growth. Without a shift toward inclusive, investment-led recovery, the country may find itself economically quieter, but not meaningfully stronger.

Pakistan's Dollar Dilemma Reflects Deeper Economic Imbalance:

Despite a current account surplus and record-high remittances, Pakistan's persistent dollar shortage points to underlying structural problems in the financial system. While official data shows improved foreign exchange reserves and reduced external pressure, the inability of importers, students, and patients to access dollars exposes a growing disconnect between economic indicators and market accessibility. The rising gap between the official and market exchange rates shows that banks and exchange companies are operating under uncertainty, and the central bank's monetary signals are not translating into actual liquidity on the ground.

The shortage appears to be partly driven by the State Bank's quiet accumulation of dollars, which is tightening supply in the interbank While this may market. be aimed strengthening reserves, it is also disrupting normal trade and financial flows. Restricting access to foreign currency may help meet short-term fiscal targets, but it risks damaging long-term economic stability by eroding trust in the formal banking system. Without clearer communication from the central bank and better coordination between monetary and trade policy, this artificial scarcity could stall the very growth the surplus is meant to support



Source: Dawn

Pakistan's Agriculture in Crisis: Farmers Reel from Rs1.26 Trillion Blow:

Pakistan's agriculture sector is on the brink of collapse, suffering losses of over Rs1.26 trillion in just six months due to climate shocks, soaring input costs, and decades of policy neglect. Once a thriving industry, cotton – the backbone of Pakistan's textile economy – has seen a production drop of over 30%, forcing the country to import over \$1.6 billion worth of ginned cotton. Meanwhile, small-scale farmers across Punjab and Sindh face ruin, as heavy rains, fertilizer unaffordability, and crashing market prices devastate livelihoods.

Experts warn this is not a one-off crisis but the result of years of systemic failure. Agricultural exports have plummeted, with maize and banana exports falling by over 65%, and essential inputs like fertiliser and diesel now priced out of farmers' reach. Stakeholders urge immediate reforms: regulated input pricing, investment in research and seed technology, and the creation of an independent pricing commission. Without urgent intervention, Pakistan's agricultural collapse threatens food security, rural employment, and economic stability

Private Sector Credit Squeezed as Government Debt Surges:



Source: Dawn

Pakistan's banking sector is witnessing a sharp imbalance as government borrowing climbs to unprecedented levels, leaving little room for private sector growth. With over Rs44 trillion lent to the government and just 21 percent of total bank advances reaching the private sector, credit is being steered away from productive enterprise. The trend is further compounded by corporations increasingly investing their surplus liquidity in government securities rather than business expansion.

This shift away from real-sector investment reflects deep-rooted uncertainty in the economic environment and has contributed to sluggish GDP growth, averaging only 1.7 percent over the past three years. The cost of this lopsided credit allocation is mounting. The central government's total debt has reached Rs. 76 trillion, driven by both domestic and external borrowing. This expanding debt burden absorbs bank capital that could otherwise support innovation, job creation, and industrial development. At the same time, key sectors like agriculture continue to suffer, with wheat farmers facing sharp price declines that have weakened rural incomes. Without strategic reforms to redirect credit toward private investment and support struggling industries, Pakistan may find itself trapped in a cycle of slow growth, high debt, and rising socio-economic pressure.

ADB Flags Urgent Reforms as Pakistan's Digital Sector Lags Behind:

Pakistan's digital sector is facing serious structural challenges, with limited progress in telecom modernisation and widening access gaps, according to a new report by the Asian Development Bank (ADB). Despite projections that the telecom sector could grow from \$4.52 billion to \$5.32 billion by 2029, the report warns that this growth is at risk due to policy inertia, lack of fibre-optic expansion, and underinvestment in digital infrastructure.

The country has yet to launch 5G services, even as 101 countries have moved forward with commercial deployment. High taxes on telecom services have also deterred both investors and consumers, compounding Pakistan's stagnation in the digital realm.

The ADB finds that Pakistan's digital economy contributes just 1.5% to GDP, with fixed broadband penetration at a regional low of 1.3%. Stark digital inequalities persist, especially along gender and income lines. While mobile phone ownership is 86% for men, it drops to 53% for women, and internet access shows a similar gap, 53% for men versus just 33% for women.



Source:Tribune

Though mobile internet network coverage extends to 80% of the population, affordability remains a major barrier to actual use, particularly in rural and low-income communities. The report calls for immediate policy reforms, investment in high-speed networks, and inclusive strategies to prevent millions from being excluded from Pakistan's digital future.

Pakistan's Solar Surge is a Relief for Citizens but a Challenge for the Grid:



Source: DAWN

Pakistan is undergoing an unexpected but significant energy transformation as rooftop solar installations spread rapidly across the country. Driven by soaring electricity costs, prolonged power outages, and IMF-mandated subsidy cuts, households from Karachi's slums to Sialkot's factories are turning to solar to meet their energy needs.

Between 2020 and mid-2025, solar energy's share in the national mix jumped from under 2 percent to an unprecedented 24 percent, making it the largest single source of electricity in the country.

While this grassroots solar adoption has been hailed by energy analysts as a people-led transition, it is creating serious pressure on Pakistan's fragile national grid and energy economy. Electricity sales from the grid are in decline for a second year, undermining a power sector already burdened with \$8 billion in debt. The grid, locked into long-term contracts with independent power producers and reliant on costly gas imports, is facing revenue shortfalls as more consumers leave or reduce their dependence.

In response, the government has imposed a 10 percent tax on imported solar equipment and proposed lowering the rate at which excess solar energy is bought from consumers, moves widely seen as regressive and poorly timed.

Experts argue that the solar boom is not the root of the crisis, but rather a reaction to years of government mismanagement and rising costs. The lack of planning to accommodate decentralized solar energy is now causing imbalances in demand, particularly during evening hours when off-grid users return to the national supply. Instead of penalizing solar adopters, analysts suggest the government must modernize the grid, invest in storage infrastructure, and develop policies that balance public demand for affordable energy with the financial health of the power sector. Without this shift, Pakistan risks turning a rare clean energy success story into another point of instability.

Pakistan Pushes for Fiscal Space to Meet Renewable Energy Goals:

At the UN High-level Political Forum, Pakistan called for increased international funding and fiscal flexibility for developing countries facing mounting debt burdens. Addressing the panel on Sustainable Development Goal 7; access to clean and affordable energy, Ambassador Asim Iftikhar Ahmad emphasized the urgency of energy transition in countries like Pakistan, where around 40 million people still lacked electricity in 2024. He highlighted Pakistan's target of achieving 60% renewable electricity by 2030, aligning national ambitions with global climate and development goals.

The country's energy roadmap includes adding 13 gigawatts of new hydropower while continuing to rely on nuclear energy for low-carbon baseload power. Solar energy is also gaining ground, with estimates showing it provided 25% of Pakistan's utility-scale electricity in early 2025, enabled by low tariffs, accessible technology, and net-metering policies.

However, Pakistan's progress depends heavily on access to international finance. Without debt relief and targeted investments, countries like Pakistan may struggle to implement clean energy strategies that are essential for both climate goals and economic development.



Source: Tribune

Diplomatic Landscape

Chidambaram Challenges Modi's Pahalgam Narrative Amid Allegations of Fake Encounters:

In a significant political development, senior Congress leader P. Chidambaram has cast serious doubt on the Modi government's narrative surrounding the April 22 Pahalgam attack that left 26 tourists dead. In an interview with The Quint, Chidambaram questioned the lack of publicly available evidence linking the assailants to Pakistan, challenging the Indian government's swift accusations. He also criticized the silence surrounding the National Investigation Agency's (NIA) report, which has not been made public, raising concerns that the attackers may have been locals rather than foreign infiltrators. His remarks come as Indian security forces claimed to have killed three "foreign terrorists" near the Amarnath shrine, an assertion yet to be independently verified.



Source: Tribune

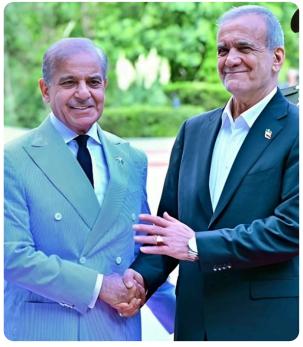
Meanwhile, Pakistani state media has accused India of launching a covert campaign dubbed "Operation Mahadev," allegedly involving staged encounters to mask failures of the earlier military operation "Sindoor." Reports from Radio Pakistan claim that detained Pakistani citizens are being extrajudicially killed and falsely branded as terrorists to mislead global audiences. Islamabad maintains that India's actions are attempts to suppress the Kashmiri freedom movement and restore domestic political credibility.

With escalating allegations and a history of mistrust, Chidambaram's remarks have reignited debate over the transparency and accountability of India's security operations in the region, calling for international oversight amid renewed Indo-Pak tensions.

Pezeshkian's Pakistan Visit Signals New Chapter in Regional Diplomacy:

Iranian President Dr. Massoud Pezeshkian will arrive in Pakistan on Saturday for a high-stakes visit aimed at deepening bilateral ties and addressing urgent regional developments. His trip, taking place at the invitation of Prime Minister Shehbaz Sharif, comes on the heels of recent conflicts involving Iran and Israel, escalating tensions in Gaza, and renewed unrest in South Asia. The visit is expected to include meetings with Pakistan's top leadership, including the President, Prime Minister, and Chief of Army Staff, with discussions spanning political, economic, and security cooperation.

Beyond ceremonial stops in Lahore and Islamabad, including a visit to the mausoleum of Allama Igbal, Pezeshkian's agenda signals a diplomatic recalibration. With bilateral trade currently at \$3 billion, both countries aim to expand cross-border and provincial collaboration. Yet, the visit holds broader geopolitical significance. Iran played a mediating role during the May Pakistan-India crisis, while Pakistan backed Tehran during Israel's recent offensive, even leveraging its position as a UN Security Council member to advocate for Iran. Against this backdrop, Pezeshkian's visit may not only boost economic and cultural ties, but also reassert a regional alliance forged through shared crises and mutual diplomatic support.



Source: Tribune

Pakistan and Afghanistan Sign Trade Deal Amid Tensions:



Source: Tribune

In a rare moment of economic cooperation despite political tensions, Pakistan and Afghanistan have signed a preferential trade agreement (PTA) aimed at reducing tariffs on key agricultural products. The agreement, set to take effect from August 1, 2025, marks a significant step toward strengthening bilateral trade relations.

Tariffs, which previously hovered around 60% for many food items, will now be cut to as low as 22% under an Early Harvest Programme. This one-year agreement, extendable by mutual consent, allows both countries to offer preferential access to selected goods. Pakistan will ship mangoes, kinnows, bananas, and potatoes, while Afghanistan will export apples, tomatoes, grapes, and pomegranates.

Though the two nations remain at odds over the issue of Tehreek-e-Taliban Pakistan (TTP), with Islamabad accusing Kabul of harboring militants, the PTA signals a pragmatic shift towards economic diplomacy. The agreement is expected to not only ease the cost burden on consumers and traders but also stimulate rural economies and border markets on both sides. An oversight committee comprising customs and agriculture officials from both governments will monitor progress monthly, offering a structured mechanism for resolving trade bottlenecks. While political mistrust remains high, this trade deal may open a path for broader cooperation, rooted in mutual economic benefit and regional interdependence.

China Praises Pakistan Army's Role in Regional Peace During COAS Munir's Visit:

China has commended Pakistan's military leadership for its role in advancing regional stability, calling the Pakistan Army a "cornerstone of resilience and a vital contributor to peace in South Asia." The recognition came during Chief of Army Staff Field Marshal Asim Munir's official visit to Beijing, where he held high-level meetings with Chinese Vice President Han Zheng, Foreign Minister Wang Yi, and senior military officials. According to the ISPR, the visit underscored the strategic depth of Pakistan-China ties, particularly in defence cooperation and regional connectivity under the China-Pakistan Economic Corridor (CPEC).

Discussions during the meetings focused on the changing global and regional political landscape, shared security challenges, and efforts to improve strategic coordination and operational interoperability between the two militaries. Both sides emphasized counterterrorism cooperation, joint training, and defence modernisation as key pillars of their defence partnership. The visit also coincided with enhanced bilateral activity, including a recent agreement between Pakistan's National Shipping Corporation and a major Chinese shipping firm, reflecting growing economic and strategic alignment.

Pakistan and China Reaffirm Strategic Ties in Security, Agriculture on SCO Sidelines:

On the sidelines of the Shanghai Cooperation Organisation (SCO) Council of Foreign Ministers meeting in Tianjin, Foreign Minister Ishaq Dar and his Chinese counterpart Wang Yi reaffirmed their commitment to deepening bilateral cooperation across key sectors including agriculture, industry, mining, and security. The high-level meeting, held during Dar's three-day visit to China, underscored mutual strategic alignment as both countries navigate complex regional dynamics and seek to enhance the China-Pakistan Economic Corridor (CPEC) with a renewed focus on quality implementation and expansion into non-traditional sectors.

China emphasized its ongoing concerns regarding the safety of Chinese nationals working on various CPEC-related projects in Pakistan, reiterating the importance of robust counter-terrorism measures. Wang Yi voiced support for Pakistan's efforts, expressing confidence in its ability to secure Chinese personnel and infrastructure.



Source: Dawn

The two sides also discussed preparations for the 75th anniversary of diplomatic ties next year and vowed to enhance multilateral coordination under the SCO framework. Pakistan, in return, reaffirmed its adherence to the one-China principle and support for China's core interests, while expressing eagerness to deepen regional cooperation and consolidate the China-Pakistan strategic partnership into a "shared future."

Environment and Climate Change-related Updates

Civil Society Decries Lahore Yellow Line as 'Anti-Environment', Calls for Sustainable **Alternatives:**



A coalition of civil society activists has strongly opposed the Lahore Yellow Line Mass Transit Project, terming it an "anti-environment" initiative that threatens the city's fragile ecological and cultural balance. Led by Dr Ajaz Anwar of the Lahore Conservation Society, demonstrators gathered outside the Lahore Press Club, voicing objections to the planned cutting of trees along the historic Canal Road to make way for the 24km Source: DAWN route from Thokar Niaz Beg to Harbanspura.

The protesters argued the project violates the Lahore Canal Urban Heritage Park Act 2013 and bypasses environmental assessments and public input. In a collective statement, the activists called the Rs80 billion initiative a threat to Lahore's identity, ecological health, and public access to green spaces, especially in a city already facing an environmental emergency marked by toxic air quality, depleting groundwater, and rapid deforestation. They proposed expanding the existing metrobus system, investing in electric and CNG buses, and prioritizing inclusive transport reforms over disruptive infrastructure. Civil society members demanded that the Punjab government disclose the full Environmental Impact Assessment, halt the current plan, and engage in participatory planning aligned with Lahore's long-term climate resilience and urban sustainability goals.

Is FBR's Green Levy Incentivising EVs or Burdening Consumers:

The Federal Board of Revenue's newly introduced Green Levy aims to curb Pakistan's reliance on fossil fuel vehicles by imposing a tax on internal combustion engine (ICE) cars. The tiered levy ranges from 1% on vehicles under 1300cc to 3% on those exceeding 1800cc, applied to both locally manufactured and imported units. The goal is to create a financial disincentive for traditional fuel-powered cars while encouraging a shift to electric vehicles (EVs) and low-emission alternatives. While the policy reflects an effort to align taxation with environmental goals, it places the burden on consumers without ensuring that clean alternatives are accessible.

The effectiveness of this measure will depend on the government's ability to address structural gaps in the EV ecosystem. With limited charging infrastructure, high EV costs, and minimal local production, the market is not yet positioned for a large-scale transition. The levy could raise costs for consumers without offering a viable green option in return. If the government is serious about promoting EV adoption, it must pair the tax with clear incentives, public investment in infrastructure, and support for local EV manufacturing. Without these complementary steps, the Green Levy risks functioning as another revenue tool rather than a meaningful driver of environmental change.

Pakistan's Water Crisis and the Case for Rainwater Harvesting:

Pakistan is facing a growing water crisis, marked by the simultaneous occurrence of urban flooding and prolonged droughts. Despite receiving substantial annual rainfall, much of it is lost due to poor planning and ineffective infrastructure. Urban flooding in cities like Karachi and Lahore results from clogged drainage systems and unplanned construction, while rural areas such as Tharparkar and Balochistan continue to suffer from acute water scarcity. Rainwater harvesting presents a viable intervention.

The broader issue lies not in the availability of water, but in its mismanagement. More than 90 percent of the country's water is consumed by agriculture, much of it lost through inefficient irrigation systems. Meanwhile, millions remain without access to safe drinking water. Despite its low cost and demonstrated impact, rainwater harvesting remains absent from mainstream policy and planning.

Experts such as Dr. Aasia Akbar Panhwar and Dr. Tanveer Ahmed Gadhi have called for integrating harvesting systems into urban building codes and expanding community infrastructure in arid zones. Without such measures, Pakistan's water insecurity will deepen. Addressing the crisis requires political commitment, cross-sector coordination, and a shift from reactive to preventive strategies.

Why Pakistan Remains So Vulnerable to Deadly Floods:

Pakistan's repeated loss of life and infrastructure due to flooding is the result of both intensifying climate change and persistent governance failures. In the past few weeks alone, more than 120 people, including 63 children, have died due to flood-related incidents. Although Pakistan contributes less than 0.5 percent to global greenhouse gas emissions, it remains among the most climate-vulnerable countries. The 2022 floods, which killed nearly 1,700 people and displaced over 30 million, were among the worst in the country's history. Two years later, the patterns of destruction continue, with little evidence of structural reforms or preventive planning.

The threat is not only environmental. Rapid glacial melt in Gilgit-Baltistan, where temperatures have crossed 48 degrees Celsius, and seasonal monsoons have increased the risk of floods. But it is the failure to regulate construction in high-risk zones, weak enforcement of laws, and the lack of urban planning that continue to make such events deadly.

In many cities, over half the urban population lives in informal settlements without adequate infrastructure. In provinces like Punjab and Khyber Pakhtunkhwa, people have died in house collapses and flash floods. often local because authorities failed to evacuate reinforce vulnerable areas in time.



Source: Al-Jazeera

Pakistan's rapid urbanization has outpaced its capacity to manage risk, leaving cities highly vulnerable to urban flooding. With the fastest-growing urban population in South Asia, and nearly half of some communities residing directly on floodplains, the threat is no longer seasonal but structural. Poorly enforced building codes, weak municipal oversight, and the unchecked spread of informal settlements have turned cities like Lahore, Rawalpindi, and Karachi into hotspots of climate-related disasters. A recent policy brief highlights that 82 percent of urban households own no assets outside flood-prone zones, underscoring how deeply exposure is embedded in everyday life.

Experts warn that Pakistan's crisis is not only one of climate, but of inaction. Despite receiving only a fraction of the funds pledged after the 2022 floods, the absence of internal reforms has made communities more exposed to climate shocks. There have been few efforts to improve risk mapping, early warning systems, or climate-resilient infrastructure. The cost of doing nothing is becoming increasingly clear. Without sustained investment in both climate adaptation and local governance, these tragedies will continue to repeat with greater frequency and intensity.

Lahore's Climate Crisis Deepens:

As Lahore reels under a stifling heatwave, the contrast between rising temperatures and looming monsoon rains reveals the unsettling volatility of Pakistan's climate future. With the Pakistan Meteorological Department forecasting highs of 34°C amidst dry spells, the city finds itself suspended between two extremes: unbearable heat and the risk of flash floods. This tension is no longer episodic; it is structural.

The fourth monsoon spell this season, expected to hit Rawalpindi, Murree, Faisalabad, and parts of southern Punjab, may bypass Lahore for now, but the capital is already bearing the human costs of a changing climate. A single downpour earlier this month left parts of the city flooded, submerging livelihoods and underscoring the inadequacy of existing infrastructure to handle erratic weather events.



Source: Tribune

The climate seesaw affecting Punjab is part of a larger pattern of disruption. Medium-level flooding in the Indus, warnings from the Provincial Disaster Management Authority, and enforced Section 144 restrictions speak to a cycle that alternates between water scarcity and unmanageable surplus. This is not just poor planning, it is a governance failure to recognize that climate adaptation must go beyond emergency alerts. As cities like Lahore become urban heat islands and rural areas drown under inconsistent rainfall, the need for comprehensive, climate-resilient infrastructure and equitable resource planning becomes urgent. Pakistan's climate crisis is not in the future; it's here, lurching between drought and deluge, demanding policy that responds to both extremes, not just the one currently in the headlines.

Pakistan Signs UN Marine Biodiversity Pact, Reaffirms Global Commitments at UN Headquarters:

Pakistan has officially signed the United Nations Agreement on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction (BBNJ Agreement), reinforcing its commitment to environmental protection and multilateral cooperation. The signing took place at the UN Headquarters in New York, where Deputy Prime Minister and Foreign Minister Senator Ishaq Dar represented Pakistan. The agreement, under the UN Convention on the Law of the Sea, aims to safeguard marine ecosystems in international waters and promote sustainable use of ocean resources. Pakistan's move signals its alignment with global environmental goals and the broader UN agenda on biodiversity.

On the sidelines of the signing, Dar met with UN Secretary-General António Guterres, where he raised several pressing regional concerns, including the Jammu and Kashmir dispute, alleged violations of the Indus Waters Treaty, and external security threats. He reiterated Pakistan's support for a two-state solution in Palestine and called for an immediate ceasefire in Gaza. The discussion also touched on the upcoming High-Level International Conference on Palestine and the UN80 initiative. Guterres lauded Pakistan's leadership at the UN Security Council and its dedication to peace, sustainable development, and human rights, reaffirming Islamabad's active role in shaping global diplomatic and environmental discourse.

Social and Humanitarian Focus

Khyber Pakhtunkhwa's Child Protection Crisis:

In just six months of 2025, Khyber Pakhtunkhwa (KP) has reported 402 incidents of child rights violations, already exceeding the 392 cases recorded in the entirety of 2024. This rapid surge, detailed in a report by the KP Child Protection and Welfare Commission (KPCPWC), reveals a crisis that extends beyond numbers. Children were subjected to 33 different types of abuse and neglect, including 40 cases each of missing children and sexual abuse, 17 cases of child labour, 16 of forced begging, 14 of corporal punishment, 13 of physical torture, 7 cases of child murder, and 2 of child pornography. Boys were disproportionately affected, with 286 of the reported cases involving male children compared to 116 involving girls.

Despite the alarming rise in violations, KP's institutional capacity to respond remains severely limited. Only 19 out of the province's 36 districts currently have functional child protection units. The rest remain without any formal mechanisms to address abuse, despite the region housing over 4 million children. The 2010 KP Child Protection and Welfare Act mandated the establishment of child protection courts in each district, yet only eight have been formed in the past 15 years. Moreover, the legally required appointment of a Chief for the Child Protection Commission has been left vacant since 2014. These delays reflect not a gap in policy or legislation, but a failure of political will, funding prioritization, and implementation. With cultural taboos, social stigma, and public silence further hampering justice, child safety in KP now depends on urgent institutional reform, budgetary allocation, and sustained community engagement.

Shangla's Coal Miners Trapped Between Poverty and Peril:

Another wave of tragedy has struck coal miners from Shangla, as five more workers lost their lives and three were seriously injured in a series of accidents across Balochistan's hazardous coal mines within just six days. The latest explosion in Duki's Harnai district, caused by a buildup of toxic gas, claimed the lives of a father and son, underscoring the generational toll of unsafe mining practices. These deaths follow closely on the heels of similar fatal accidents in Orakzai and other regions, where Shangla's impoverished men continue to take on the region's deadliest work with little protection and no social safety net.

For decades, Shangla's economic marginalization has forced its youth into coal mines far from home, where their lives are treated as expendable. Despite repeated tragedies, little has changed. Safety regulations remain weak, enforcement is almost nonexistent, and families of victims are often left to bear the emotional and financial burden alone. The pattern of recurring fatalities calls for more than condolence statements, it demands urgent policy intervention, corporate accountability, and serious investment in alternative livelihoods for Shangla's communities. Until that happens, these preventable deaths will continue to be written off as the cost of survival in a system that has long abandoned its most vulnerable.

Punjab Labour Code: A Legal Setback for Child Rights



Source: Getty Images

The Punjab Labour Code, introduced as a reform to consolidate a century of labour laws, may inadvertently deepen the crisis of child labour in the province. While it claims to modernize the legal framework, the code introduces ambiguity by allowing "light work" for children aged 14 to 16 without defining enforcement mechanisms.

In a province where nearly 40% of children remain unregistered and the labour inspection system is severely limited to the formal sector, such provisions risk normalizing child labour under legal cover.

The omission of child domestic labour from the list of hazardous occupations and the repeal of laws like the Punjab Prohibition of Child Labour at Brick Kilns Act 2016 further erode key protections in sectors where children are most vulnerable.

The code's emphasis on labour flexibility, reduced maternity protections, and legalisation of bonded labour practices such as the peshgi system reflects a troubling shift toward commercial interests at the expense of rights. Child rights activists argue that rather than preventing exploitation, the code legitimizes it by dismantling protective safeguards and weakening legal accountability. If implemented without comprehensive consultation, robust monitoring, and alignment with international conventions, the PLC may reverse decades of progress in child protection and reinforce a cycle of poverty and exploitation for future generations.

Unsafe Schools Threaten Student Safety as Monsoon Looms in Punjab:

As monsoon rains sweep across Punjab, more than 3,000 government school buildings have been declared structurally unsafe, yet thousands of students may soon return to them with the new academic session beginning in August. In districts like Lahore, Multan, and Rawalpindi, many schools suffer from leaking roofs, crumbling walls, and exposed wiring. Despite being marked unfit years ago, these buildings remain in use, putting children and teachers at serious risk. The Punjab School Education Department has failed to carry out essential repairs, raising urgent concerns about student safety during heavy rainfall and strong winds.



Source: Pexels

The provincial government has announced a Rs5 billion allocation for repairs and reconstruction in the new fiscal year, focusing on flood-affected and compromised school structures. However, education experts and civil society organizations warn that funding alone is not enough. They are calling for immediate, transparent implementation backed by clear timelines and accountability measures. Without swift action, thousands of students could be forced back into classrooms that pose more danger than promise, revealing a persistent gap between policy and protection in Pakistan's public education system.

Alleged Forced Conversions of Hindu Girls in Sindh Raise Alarm Over Child Rights and Minority Protections:

The recent case of three Hindu girls, Khenchi Kolhi, Lata Devi Meghwadh, and Meena Meghwadh, who were allegedly abducted, forcibly converted to Islam, and married in Tando Allahyar, has once again ignited intense public outcry and fears over the safety of minority girls in Sindh. While the young women appeared before the Sindh High Court claiming they converted and married of their own volition, their parents and the Hindu community assert that the girls are underage and incapable of giving informed consent.



Source: Pexels

The gravity of the situation underscored by FIRs registered under kidnapping and conspiracy charges, and community protests that accuse authorities of failing to protect vulnerable minority populations. This case follows a troubling pattern of similar incidents in Sanghar and across Sindh, prompting widespread concern that the appearance of legal marriages and conversions is being used to mask coercion and systemic abuse.

At the heart of this controversy lies a legal and moral conundrum: how to determine free will in a context of extreme power asymmetry, especially when minors are involved. Despite the girls' statements in court, activists argue that without robust safeguards, such declarations often result from psychological pressure or threats. The Sindh Child Marriage Restraint Act (2013) categorically prohibits marriages under the age of 18, but in practice, enforcement remains inconsistent, particularly when cases intersect with religious conversion.

Chairman of the Sindh Human Rights Commission, Iqbal Detho, has rightly urged the police to verify the girls' ages, stressing that consent is invalid if the individuals are minors. PTI MNA Lal Chand Malhi's claim that Hindu girls are abducted and converted "every day" reflects growing disillusionment within the community regarding state protections. Unless this case leads to a transparent, rights-based investigation and legal accountability, it risks reinforcing a culture of impunity where the rights of minority women continue to be subordinated to political and religious expediency.

Viral Videos and Unearthed Graves: Honour Killings in Pakistan Demand Urgent Reckoning



Source: Al-Jazeera

The brutal killings of Bano Bibi and Ehsan Ullah in Balochistan, followed by the recently uncovered murder of Sidra in Rawalpindi, have once again thrust the horror of honour killings into public view. Both cases, though separated by geography, reveal an unsettling pattern: victims executed for defying patriarchal norms, evidence hidden or destroyed, and justice only pursued after public pressure or judicial intervention.

In Sidra's case, her body was exhumed nearly two weeks after a secret burial during heavy rainfall. A medical report confirmed torture, a fractured neck, and signs of strangulation, raising serious concerns about the complicity of her own family and the role of a local jirga that allegedly ordered the killing. Nine suspects have been arrested, including Sidra's father, brother, and the jirga head. Once again, a parallel system of power sanctioned violence in the name of tradition.

These two incidents are not anomalies. They are the result of a larger, deeply flawed system where the state continues to outsource moral and legal authority to patriarchal figures, especially in areas where tribal or local councils hold sway. Women who make choices about love or marriage continue to be treated as property, their autonomy a threat to both family honour and local power structures.

The reliance on jirgas and informal justice mechanisms creates a dangerous space where such killings are not only ordered but normalized. Unless Pakistan strengthens its legal framework, protects whistleblowers, and dismantles these shadow systems of control, justice will remain reactive and exceptional. The lives of Bano, Ehsan, and Sidra deserve more than momentary outrage. They call for a structural shift in how the state defines justice and whose lives it protects.

What's Plaguing Pakistan's Agriculture Sector?

Pakistan's agriculture sector, often called the backbone of its economy and a livelihood source for 40 percent of its workforce, is facing a deepening crisis. A 13.5 percent decline in major crop output during the last fiscal year has exposed the fragility of a system weighed down by rising input costs, outdated irrigation practices, shrinking landholdings, and extreme climate events. While experts project climate change alone could reduce overall productivity by 8 to 10 percent by 2040. the pressures are more immediate.



Source: AA

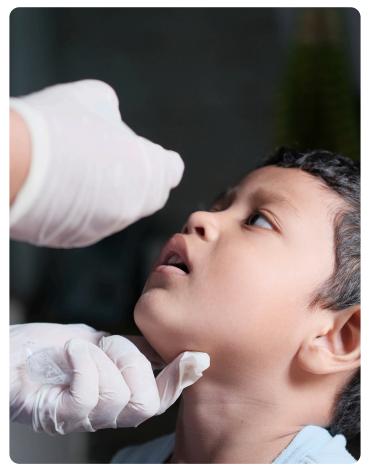
Fertilizer, fuel, and pesticide costs have soared, discouraging farmers from planting. At the same time, government-set crop prices often fall short of market realities, creating frustration among producers and leaving smallholders unable to compete. With over half the population already food insecure and agriculture's share in GDP nearing 25 percent, the gap between need and capacity continues to widen.

Beyond financial hardship, land loss is accelerating the crisis. Large swaths of fertile land, especially in Punjab and Sindh, have been converted into housing schemes and industrial zones. Meanwhile, urban migration and a lack of rural investment are driving younger generations away from farming. Climate disruptions have only magnified the risk. Erratic rainfall, melting glaciers, prolonged droughts, and severe heat waves are damaging wheat, rice, cotton, and even mango yields. Livestock and fisheries are also affected, impacting the livelihoods of millions.

Despite this bleak outlook, experts argue that with policy consistency, targeted subsidies, cooperative farming models, and a shift to climate-resilient crops and sustainable water use, Pakistan can reverse course. Recent reforms, including credit access and tax breaks for inputs, are encouraging signs but fall short of the comprehensive agricultural overhaul the country desperately needs.

Three New Polio Cases Raise 2025 Tally to 17, Highlighting Persistent Challenges:

Pakistan's fight against polio continues to face setbacks as three new cases were confirmed by the National Institute of Health (NIH), bringing the total number of cases this year to 17. The latest cases have been reported in Takhtikhel (Lakki Marwat), Mir Ali (North Waziristan), and Chajro (Umerkot), affecting children as young as six months. With ten cases in Khyber Pakhtunkhwa, five in Sindh, and one each in Punjab and Gilgit-Baltistan, the virus remains concentrated in regions with historically low vaccine acceptance and access



Source: Tribune

Despite ongoing nationwide and cross-border vaccination campaigns, including a synchronised initiative with Afghanistan and an IPV-OPV rollout in Balochistan, challenges persist. Over 17,000 refusals were recorded in Peshawar alone earlier this year, although officials report a significant decline in rejection rates due to awareness efforts.

The coordinator of K-P's Emergency Operations Centre, Shafiullah Khan, cited communication gaps and security issues in tribal areas as key barriers.

The situation underscores the urgent need for sustained political will, localized outreach, and stronger community trust to protect every child from this preventable disease.

Feudal Grip and Unkept Promises: HWA Report Highlights Deepening Rural Inequality in Sindh:

The State of Peasants' Rights in Sindh 2024 report by the Hari Welfare Association (HWA) paints a grim picture of structural injustice in rural Sindh, accusing the provincial government of reinforcing a feudal system rather than dismantling it. The focal point of concern is the Sindh government's continued legal appeal against the 2019 Sindh High Court judgment that supported peasants' rights.

Despite earlier commitments not to pursue the case, the appeal remains active, signaling a disconnect between political rhetoric and actual support for landless workers. The report also highlights that the Sindh Assembly remains dominated by landlords and feudal elites, many of whom mask their identity as agriculturalists, creating a deep conflict of interest that obstructs genuine land reforms and pro-peasant legislation

Speakers at the report launch criticized the abandonment of public land distribution schemes for landless women and the delay in implementing key labour laws like the Sindh Women Agriculture Workers Act and the Bonded Labour System (Abolition) Act. With over 1,000 bonded labourers released in 2024 alone, and nearly 700,000 children trapped in bonded labour across the province, the report underscores the systemic exploitation entrenched in Sindh's agricultural economy. It also draws attention to the growing threat of tribal conflict and rural crime, which has led to dozens of deaths and severely disrupted communal land use and livelihood systems. The report calls for urgent land reforms, rule enforcement, and dismantling of elite dominance to ensure justice for Sindh's sharecropping peasants and rural workers.



Source: DAWN

Security and Governance

Rethinking Pakistan-Afghanistan Security Ties:

In a significant diplomatic overture, Pakistan's Interior Minister Mohsin Naqvi visited Kabul for talks with Taliban officials, offering to jointly combat terrorist groups operating across the Pakistan-Afghanistan border.

The visit, which followed closely on the heels of Foreign Minister Ishaq Dar's trip, marked a renewed attempt to stabilize bilateral ties strained by cross-border militancy, particularly the presence of Tehreek-e-Taliban Pakistan (TTP) operatives in Afghan territory.

Naqvi's call for "joint efforts" against terror reflects Islamabad's growing urgency to curtail internal insecurity amid diminishing returns from unilateral pressure.



Source: Tribune

This outreach points to a strategic shift: Pakistan is now seeking cooperation rather than confrontation, while firmly signalling that tolerance for ambiguity around the TTP has worn thin. Yet, historical mistrust continues to overshadow engagement. Afghanistan resents Pakistan's past leverage in its internal affairs, while Pakistan suspects tacit support for anti-state elements.

As both sides invoke the language of "fraternal ties" and shared security, the success of this reset hinges less on diplomatic niceties and more on concrete, measurable steps. Without clear enforcement mechanisms and political will, particularly from Kabul, to dismantle militant safe havens, the cycle of promises without progress may persist, with grave implications for regional stability.

Reading Recommendations

- The Backyard Solution to Food Insecurity (Click Here)
- Selling Misinformation (Click Here)
- Data-Driven Cities: Lessons from World for Pakistan (Click Here)
- The FY 2025-26 Budget and Its Impact on Pakistan's IT & ITeS Sector (Click Here)
- Planting for Survival: Pakistan's Path Out of the Heat (Click Here)
- Transparency Through Open Data: Key to Reforming Governance in Pakistan (Click Here)
- From Reports to Reality: Why Pakistan Ranks Last in Global Gender Gap Index (Click Here)
- From Policy to People: Rethinking Governance with Design Thinking (Click Here)
- Floods, Heatwaves, and Hope: Reimagining Agriculture in a Warming Pakistan (Click Here)
- 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)

