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GOVERNANCE
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GENDER & WOMEN EMPOWERMENT

Women's Empowerment & Gender Equality

'KP Women Need Education'

Women should make education their priority in order to play their role in the development of the society. Development is not possible if women do not contribute to the society and education is the only way in which their capabilities could be enhanced and used. Women are faced with multiple problems because of lack of education. Education would result in better environment at home and would also reduce the economic burden on the husband. Efforts are underway to educate women about their political right to increase their vote casting ratio in the upcoming poll. The female members of the KP assembly are "puppets" and had no real role in the proceedings since they were dominated by the male majority, even though it was discouraging, the women parliamentarians would continue to fight for their due share in the parliament. The existing representation of women in the Assembly is not enough and if the numbers of seats are increased, women would feel more confident. The Pukhtun society is a great society when it came to women rights but the only problem was education and if that is imparted, the situation would improve greatly. The time is ripe to work on the mindsets of people and to remove the idea from their mind that educating women was against Islam. A mother is the child's first source of knowledge. How can we leave her uneducated? The gender rights in the country would have to cater to the limitations imposed by Islam because development did not mean that a society's traditional and cultural values be trampled upon. Islam is the best religion and both male and female rights have been stipulated in the best way and there can be no parallel.

[Pakistan Today – October 05, 2011]

NA Partially Adopts Bill on Women Rights

Lower House of parliament partially adopted Prevention of Anti-Women Practices (Criminal Law Amendment) Bill, 2008 by passing some amendments in it but referring others to the Law Ministry for a legal opinion following discrepancies pointed out by few lawmakers. The heavy legislative business on its agenda, went smoothly all along until the Prevention of Anti-Women Practices (Criminal Law Amendment) Bill, 2008, moved by PML-Q MNA Dr Donya Aziz, which was close to be passed, witnessed amendments introduced by MQM MNA SA Iqbal Qadri that triggered some objections from others ultimately leading to Speaker Dr Fahmeeda Mirza to refer some clauses to the Law Ministry for its legal opinion. However, she declared that the amendments proposed by Qadri with no objection from the mover stood passed. The bill is aimed at prohibition of depriving women of inheriting property, forced marriages and marriage with the holy Quran. Interestingly, the bill that received some objections on its language was earlier passed by the Standing Committee on Women Development and vetted by the Law Ministry. Dr Donya Aziz sounded harsh to criticize Adviser to Law Ministry Farooq Awan, who she believed was not well versed with the bill and should be ashamed for not being properly informed on it. She said there were several practices and customs against human dignity and contrary to the Islamic injunctions. Significance of the said piece of legislation was pointed out as the protection of all individuals who disclosed information as they will not be subjected to any legal, administrative and employment related sanction as long as they acted in good faith and in the reasonable belief that the information was substantially true. MNA Khurram Jahangir Wattoo introduced the Constitution Amendment Bill 2011 (amendment of article 245) seeking that no foreign intervention or violation of international boundaries shall be allowed except with the approval of parliament. It envisages that all treaties, agreements or MoUs or any other

instruments related to the defense of Pakistan or cooperation in the field of defense shall be presented before parliament within 30 days of its signing or execution and duly ratified or subject to changes as made by parliament. MNA Kishan Chand Parwani introduced the Hindu Marriage Bill 2011 to provide a special form of marriage and divorce among Hindus.

[Daily Times - October 12, 2011]

Empower Women for Better Kids' Education

If Pakistani women have more decision-making powers at home, they would spend more on their preferred goods such as clothing and education. If the family consumes more grain food items, the children particularly the girls are more likely to be enrolled in the schools, says the study titled: 'Women's Decision-Making Powers and Human Development.' Using data from Pakistan, the study finds that Pakistani households like other countries behave as a collective model. In the families with decision-making powers resting with the women, household investments shift from food and transportation to education, medical care, footwear and clothing, and fuel and lighting. The relationship between women's decision-making powers and education expenditures appears particularly strong. The relationship between changes in women's powers and changes in household expenditures differs slightly in rural and urban areas. Citing example, the study says when rural women have more powers, they tend to spend more on fuel and lighting, but women in urban households spend more on education and transportation. According to the study, when women's decision making powers increase, there is no significant difference in per capita calorie availability even if they have better control on household expenditures. However, families eat more calories from fruits and vegetables and less from grains. Stating that women's decision-making powers on children's education is quite robust, the study says that in households where women have greater decision-making powers, the share of household income spending on education and children's school enrolment is significantly higher, particularly on the girls.

[Dawn - October 17, 2011]

Conference on Rural Women Day: Food Security and Women's Livelihood Discussed

Food security, prices and women's livelihood came under discussion during the second day of the fourth annual conference on International Rural Women's Day. The sessions had different agendas from the place of women in district and provincial budgets to factoring in women's participation in disaster mitigation. Aftab Alam, from Action Aid International highlighted the issues of food security, prices and women's livelihood during a related session. Potohar Organization for Development Advocacy (PODA) Founder and Chairperson Sameena Nazir gave the conference overview and resolution. Recognizing the role of rural women has become increasingly important; 77.4% of rural women are engaged in brown collar jobs (service workers, shop and market sales workers, skilled agricultural and fishery workers, craft and related trade workers) as compared to 61% of male population engaged in similar work. Unfortunately, their work goes unnoticed and unappreciated. Events like these develop a sense of awareness among the general public to promote equal opportunities for rural women.

[The Express Tribune - October 17, 2011]

UNIDO for Improvement of Women Living Standard

The United Nations Industrial Development Organization (UNIDO) said it has started a programme aimed at improving standard of living of Pakistani women by unleashing creativity among them. This will help them to get better returns for their efforts and bring them a good

name in the local as well as international markets. Textile, home décor, and granite designing are some sectors having potential to pay rich dividends. Shadia Yousif Bakhait called upon women entrepreneurs to design products keeping latest trends in the mind. Women should undertake serious efforts to diversify which will guarantee success. Shahina Waheed, National Programme Coordinator, UNIDO, said that they were striving for capacity building and orientation among businesswomen. She said that they also aimed at encouraging potential businesswomen so that they stepped into businesses after knowing that how to promote their interests. Women entrepreneurs will never excel unless they get feedback from consumers, give them a reason to come back, stay relevant, provide value and show appreciation. The impact of the global economic crisis together with the rising cost of energy and food is straining the capacity of majority that is a challenge for women entrepreneurs. She demanded of the government to formulate proper women empowerment initiatives so that overall productivity can get a boost of around 25-35 per cent. Pakistani businesswomen are suffering due to lack of innovation skills and they should improve these skills.

[Daily Times – October 27, 2011]

HR WATCH

Child Rights

SPARC Holds National Conference to Protect Children Rights

Child domestic labor should be immediately banned under the Employment of Children Act 1991. Civil society organizations demanded this in a national conference on 'Contemporary Forms of Slavery: Child Domestic Labor in Pakistan' organized by Society for the Protection of the Rights of the Child (SPARC). Inaugurating the conference, SPARC Executive Director Arshad Mahmood said that child domestic labor was depriving a large number of children of their right of education. He mentioned some cases where child workers lost their lives due to torture and inhuman treatment by their employers. SPARC also launched a 30-minutes documentary 'I Have a Dream' produced by Ms Samar Minallah, human rights activist on the lives of child workers. The documentary also highlighted the case of Shazia Masih, 12, a child worker who was tortured to death by her employer in January 2010 in addition to many other reported cases of torture. Minallah while sharing experiences of making the documentary said that the documentary was aimed at generating a dialogue and awareness on the issue to break the cycle of suppression. She regretted that child labor was considered a norm and not a violation of children's rights. She urged the media to come forward and dig out more facts of the lives of child workers so that our government may wake up.

International Labor Organization (ILO) Mr. Saif Ullah Chaudhry highlighted the international laws and obligations regarding child labor including cultural context, root causes, hazards and ILO conventions. He said that ILO convention 138 on minimum age of child labor and convention 182 on worst forms of child labor, convention 29 and 105 on forced labor have been ratified by Pakistan but the issue remains unsolved at the ground-level. He insisted to promote education and skills to eliminate child labor. Idara-e-Taleem-o-Agahi Director Ms Baela Raza Jamil emphasized the need for legislation and resistance to eliminate child labor. She highlighted the myths and realities associated with child labor and some case studies of child workers. Member National Assembly (MNA) Ms Farah Naz Isfahani in her keynote address said that terrorism had affected the economy as well as increased the number of orphan children forcing them into child labor. She lamented the adverse working conditions for the girl child workers and insisted the government as well as the civil society for concerted efforts to change the mindsets especially for the welfare of female child workers. The UN Special Rapporteur on Contemporary Forms of Slavery Ms Gulnara Shahinian in her message for the conference said that child domestic labor was an aspect of modern slavery because children work long hours for nothing, were sexually and physically abused.

[Daily Times – October 30, 2011]

Conflict Watch

Attacks on Hazaras: As Pressure Mounts, Government Stumbles Into 'Action'

Police rounded up over 100 suspects during raids carried out in different parts of Quetta. The government has come in for scathing criticism for its inability to stop attacks on the Hazara community in Balochistan – the latest of which claimed 14 lives in a bus ambush near Quetta. The criticism has come not only from the opposition but from within its own ranks. First it was Pakistan People's Party (PPP) parliamentarian from Quetta Syed Nasir Ali Shah, who was then joined by the opposition Pakistan Muslim League-Nawaz (PML-N). The PML-N walked out of the house to express solidarity with Shah, who was protesting against the government's failure to

curb sectarian killings. In addition to the PML-N, members from the ruling PPP – former federal minister Ayatullah Durrani and Zafar Ali Shah – also joined Nasir Ali Shah in his protest against the government. Shah called the parliament a “rubber stamp” and a day earlier had called for governor rule in Sindh and Balochistan. Members of the treasury benches should be ashamed of the fact that their party member was protesting against them. Shia organizations including Shia Ulema Council, Azadara Council, Majlis Wahadatul Muslimeen and Hazara Democratic Party have called for a period of mourning. A partial strike was also carried out in Marriabad, Hazara Town and other areas. Provincial Ombudsman Akbar Baloch took suo motu action in the aftermath of the attack, asking the Inspector General Police Balochistan and Commissioner Quetta to provide a report of the incident within a week. The Human Rights Commission of Pakistan (HRCP) has asked President Asif Zardari and Prime Minister Yousaf Raza Gillani to take personal action against sectarian violence in Quetta. Over in Balochistan, the authorities seemed to have woken up from their slumber following the mounting criticism. Aside from the arrest of over 100 suspects, Minister for Interior Rehman Malik chaired a high-level meeting attended by senior politicians and police. The meeting called for regulation of Shia pilgrimages to Iran to ensure their protection. The Inspector General of Balochistan said that protection to pilgrims traveling from Quetta to Iran is already being provided. The Hazara community has also been asked to inform police before making long journeys. There are 400,000 Hazara people living in Quetta. It is difficult to provide foolproof security for such a large number of people.

[The Express Tribune - October 06, 2011]

Target Killings in Karachi

All Parties Share Blame for Karachi Violence: HRCP

HRCP’s fact-finding team has blamed all main political parties in Karachi for bearing responsibility for the Karachi target killings. HRCP released its fact finding report. The HRCP fact-finding team said even parties which did not have assigned armed wings had a lot to answer for. It also called for political parties to disband private militias and disarm criminal gangs to end bloodshed in the country’s commercial capital, Karachi. Police in the port city have been politicized, have failed to take action and are ill-equipped to deal with the gangs. More than 1,000 people were killed in violence in Karachi this year. In a report compiled by its fact finding team HRCP said that all of the main political parties in Karachi shoulder considerable blame for their consistent and prolonged failure to prevent the loss of human life and of property. The commission also accused the government that the state has miserably and utterly failed in its responsibility to safeguard the people’s right to life. The commission said the police department must be “depoliticized” and the law of the land must be invoked without exception “for any instigation to violence”. Karachi must be purged of all weapons, both licensed or otherwise, the commission said, calling for “total de-weaponisation”. The HRCP report follows Supreme Court’s ruling which also blamed “unimaginable brutalities” in Karachi on criminal gangs which have received financial support from political parties. A 12-point explanation:

1. Karachi’s main fault line lies in blame game, no addressing question of militant wings
2. May 12, 2007 was a turning point when Pakhtuns asserted themselves, began turf war
3. Political parties patronizing criminals, citizens being viewed through ethnic lens, state machinery being used to grab land
4. Crucial issues such as de-weaponisation not addressed
5. Karachi is a deeply fractured city
6. Law enforcement agencies are ill-prepared, without support to be effective
7. Emergency and paramedical staff is intimidated during treatment of victims of violence

8. Karachi's urban growth has not been tackled producing turf wars
9. Journalists fear reporting from areas affected by violence
10. All businesses are subject to extortion, extortionists are believed to be linked to political groups
11. Lawyers are being murdered in targeted killings
12. Some people are disappointed with democratic governance and looking to extra-constitutional forces.

[Pakistan Today – October 09, 2011]

Target Killings & Other Terrorist Incidents in Karachi during October

6 October: Four people, including an activist of MQM, were killed in separate acts of violence in different parts of Karachi. An activist of MQM, identified as Kamran, was shot dead at the main bazaar of PIB Colony. A dumper-truck driver, identified as Noor Ali Khan, was shot dead in Sultanabad. Separately, Police found an unidentified dead body of a man from Old Golimar within the jurisdiction of Pak Colony Police Station. An activist of ST, identified as Zubair Zaheer Qureshi, was killed in Samanabad area.

12 October: Three people, including son of a Police constable, were killed in target killing incidents in Karachi. Two people, including son of a Police constable, were shot dead and another person was injured in Mewashah Road area within the limits of Chakiwara Police Station. A man, identified as Javed, was shot dead near the Telephone Exchange within the limits of Quaidabad Police Station.

18 October: Four people were killed in an incident of targeted killing in North Karachi. The victims belonged to the Deobandi School, but they were not very active.

(Compiled From Different Dailies)

Terrorist Incidents in October

DATE	PLACES	KILLED	INJURED
2 October	Torghar District of Khyber Pakhtunkhwa	4	15
3 October	Orakzai Agency in FATA	8	3
4 October	Akhtarabad area of Quetta in Balochistan	12	7
6 October	Khyber Agency of FATA	4	-
8 October	Charbagh, Swat District, Khyber Pakhtunkhwa	4	-
9 October	Barawal, Upper Dir District, Khyber Pakhtunkhwa	15	-
	Bhagbana Tehsil, Pasni District in Balochistan	4	-
11 October	Pak-Afghan, Upper Dir District of KP	11	-
13 October	South Waziristan Agency of FATA	6	-
14 October	North Waziristan Agency of FATA	4	-

15 October	South Waziristan Agency of FATA	6	-
	Orakzai Agency in FATA	10	4
17 October	Bara Tehsil, Khyber Agency in FATA	23	3
18 October	Bara Tehsil, Khyber Agency in FATA	5	-
	Topai Union Council of Buner District	3	2
19 October	Spearkot area of Kurram Agency in FATA	6	-
20 October	Bara Tehsil, Khyber Agency in FATA	20	-
	Shalobar area of Bara Tehsil	3	-
21 October	Mohmand Agency of FATA	3	-
25 October	Lower Dir District of Khyber Pakhtunkhwa	4	-
26 October	Bara Subdivision, Khyber Agency in FATA	3	-
27 October	Waziristan Agencies of FATA	11	-
28 October	South Waziristan Agency in FATA	13	-
	Nowshera District of Khyber Pakhtunkhwa	4	-
29 October	North Waziristan Agency in FATA	6	-
	Sui area of Dera Bugti District	4	5
31 October	Bannu District of Khyber Pakhtunkhwa	1	-
	North Waziristan Agency of FATA	3	-

(Accessed From: <http://www.satp.org>)

Minority Rights

Ahmadis Expelled From School

At least 10 students, including seven girls, and a female teacher were expelled from Chenab Public School and Muslim Public School, Dharanwali area of Hafizabad, for being Ahmadis. Khalil Ahmad, whose three daughters were expelled, said that it is extremely unfortunate that his daughters are being deprived of the most basic and fundamental human right such as education all because of religious intolerance. He said that he have no alternative to ensure that their education continues. What about the constitutional provisions which ensure equal rights for all? What about the rule of law that says no discrimination can be made on the basis of faith, race, cast and creed? A public meeting held in Dharanwali recently was spreading hatred against Ahmadis, Jamaat Ahmadiyya Pakistan spokesperson Saleemuddin says, adding that expulsion came in the aftermath of the intolerance that some religious preachers were bent on evoking amongst locals in the area. They went so far as to say that they would never allow for an Ahmadi to be buried in their graveyard, let alone allow an Ahmadi to study in a school with their children. Soon after the hate speech, ten Ahmadi students and a teacher were expelled from local schools. The Punjab government's initiative allowing people to register for schools online makes it mandatory for one to disclose their religion – whether they are Muslim or Non-Muslim. This was never the case previously. It's very simply a calculated move to subject the Ahmadiyya community to discrimination and deprive them of their right to education. Ahmadis never refer to themselves as "Non-Muslim", but that doesn't keep them from being kept away from educational institutions.

[The Express Tribune - October 08, 2011]

WCC Demands Repulsion of Blasphemy Law

The World Council of Churches (WCC) demanded the repulsion of blasphemy law, with the WCC general secretary asking the government to repeal Section 295C of the penal code. Addressing a press conference, Rev Dr Olav Fykes Tveit said WCC expressed its serious concern on several occasions and urged the Pakistani government to repeal Section 295C of the Pakistan penal code, which carries a mandatory death penalty for anyone found guilty of blasphemy. On behalf of the member churches of WCC in different parts of the world, the WCC urged the government of Pakistan on several occasions to guarantee the rights of all-religious minorities in the country. It is a matter of encouragement that there was a voice of dissent against acts of discrimination and violence against minorities coming from the Pakistani public. Ordinary citizens and key religious scholars of this country do speak of reform and maintaining their view that the Islam was a religion of peace that prohibited compulsion and persecution. Encouraging the liberal forces in Pakistan, it was also encouraging that there had also been a positive civil response to engage various stakeholders in conversations about the blasphemy law and other discriminatory laws that are targeted against the minorities. Demanding of the government of Pakistan to provide security to minorities' rights, the WCC had been receiving reports of discriminatory practices and persecution of religious minorities in Pakistan, including Christians, Ahmadis, and Hindus. During the past several years, the WCC had been following the situation of the human rights violation of minority religious communities in the country, he said, adding that there had been many incidents of violence, killings and other forms of persecutions against Christians in the country and at a number of times, the WCC responded to such situations and wrote to authorities in Pakistan. The international community as well as civil society organizations in Pakistan had deplored such actions from time to time through various means.

[Pakistan Today – October 11, 2011]

HR Related Issues

Human Trafficking Cases Witness Sharp Increase In 2011

Like other social crimes penetrating in Pakistani society, human-trafficking cases have considerably increased during 2011, whereas the authorities concerned seemed unable to keep check on this nefarious act. In Islamabad district courts 26 cases were registered against different people allegedly involved in human trafficking incidents.

- FIR vide No 216/ 10 was registered against Muhammad Sabir, under sections 6PA/ 420/ 468/ 471 PPC, FIA/ AHT. Muhammad Sabir whose name is mentioned in the FIA Red Book has been operating from Dubai since 2003. The accused arrived by Private Air line at Benazir Bhutto International Airport few days ago and residence for his own home and some time Blue Area Islamabad, where he rented the flat in commercial Plaza. During the period, he managed to send more than 150 people to Greece, Turkey, European and Middle Eastern countries and charged them Rs. 0.7 million to Rs. 1 million each. FIA arrested the accused on March 27, 2011.
- An FIR vide 293/ 11 dated 26-04-11 was registered against Asad Ullha, a resident of District Sargodha under sections 6PA/ 420/ 468/ 471 PPC, FIA/ Anti Human Trafficking (AHT). The Investigative Agency arrested accused on April 26, 2011 at Blue Area Islamabad. Asad was settled down in Middle East since last five years and involve in human trafficking since 20 years. Asad Ullha whose name is mentioned in the FIA Red Book has been operating from Middle East. During the period, he managed to send more than 200 people to Greece, Turkey, European and Middle Eastern countries

- An FIR vide 25/7 was registered against Abdul Shahid under sections 6PA/ 420/ 468 PPC. The accused was settled down in UAE since last seven years and involved in human trafficking since 8 years. FIA arrested the accused on March 17, 2011. During interrogation 14 Pakistani Passports and five different countries of Europe and Middle East has been recovered from accused.

According to FIA official these kinds of group revealed that the three main frequent routes used by traffickers in Pakistan include Makran coast, Thar and porous border with Afghanistan, the sea routes of Karachi, Ormara, Pasni Gawadar and Jiwani are easy routes to get to the Gulf. The favorite destinations of traffickers remain South East Asian countries such as Malaysia, Hong Kong and South Korea that are popular with semi-educated, laborer class. The common destination countries include Gulf and Saudi Arabia and amongst Western Europe and the UK are the most favorite destinations followed by Italy, Spain, Greece, Cyprus and Scandinavian countries. According to FIA official, the people involved in human trafficking are charging huge money from the people. He said that the human traffickers charge half money as an advance and remaining amount will charge after person reaches as respective country. FIA has started rigorous campaign against those persons, who involved in human trafficking.

[Daily Times – October 24, 2011]

GOVERNANCE WATCH

Political Governance

Marvi to Launch Political Party

Former MNA Marvi Memon has said she plans to launch a new political party. Addressing women health workers demonstrating in Thull, she criticized the government for not regularizing their service although they had been working for 16 years. She said the health workers had been demonstrating peacefully in Lahore for the payment of their four-month salary when the Punjab police used force and killed a protester. Referring to the kidnapping of a minor girl, who has remained untraced for the past five years, Ms Memon said police had failed to recover Fazila Sarki because of inefficiency and negligence. She said she would meet Chief Justice Iftikhar Mohammad Chaudhry and appeal to him to take suo motto action for immediate recovery of Fazila. Ms Marvi said she and members of Fazila Sarki's family would stage a sit-in in front of the parliament house in Islamabad to put pressure on the government and other authorities concerned for the recovery of Fazila. President of the Pakistan Lady Health Workers Association Bushra Arain demanded registration of a case against the chief minister of Punjab for the killing of the health worker. Earlier, a large number of women health workers, including relatives of Fazila Sarki, took out a procession against non-recovery of Fazila.

[Dawn – October 17, 2011]

Federal & Provincial Governments

No Compromise on National Sovereignty and Integrity'

The Parliamentary Committee on National Security reiterated that there would be no compromise on country's sovereignty and warned US that its intervention will not be tolerated. The committee, preside over by Senator Mian Raza Rabbani, asked the US and Pakistani governments to resolve the issue through dialogues. The parliamentarians warned that no US boots on ground will be tolerated and they termed the US allegations 'speech having no proof'. After the meeting, Rabbani, the committee chairman, said the panel after getting briefing from the Foreign Office, examined in detail the US allegations and came to the conclusion that these were mere allegations having no backup. Rabbani said the US should understand the 'redline' and it was better that it should adopt the path of dialogue instead of blaming the country's institutions. Rabbani said the committee vowed that there would be no compromise on Pakistan's territorial and political sovereignty. However, he said Pakistan was passing through a critical situation and stressed the need for unanimous approach to deal with these challenges. He said Pakistan could not afford internal differences. All the political forces and other institutions should come on a single page to overcome the threats to Pakistan's national security. Rabbani said the Defence Ministry and Foreign Office would brief the committee on all the particular issues pertaining to national security in the backdrop of the US and Kabul allegations. He hoped that the parliament and the incumbent government would overcome the current challenges with the help of the people. Rabbani said there was no clash on the mandate of the committee and the recent resolution passed by the All Parties Conference. He said the panel was representing all the political parties in the parliament.

[Daily Times - October 04, 2011]

Balochistan's Musa Khel — the Capital of Economic Discontent in Pakistan

For those looking to move within Pakistan, don't head to the districts of Musa Khel in Balochistan or Muzaffargarh in Punjab. Residents of the two districts believe that their economic situation has worsened considerably in the past year. In Musa Khel alone, 90% of households felt they were worse off. The Pakistan Social and Living Standards Measurement survey for 2010 – 2011 conducted by the Federal Bureau of Statistics (FBS) includes data on perceptions from households in four provinces. Forty-three percent of households in Pakistan believe they are worse off than last year, 40% said conditions had been consistent, while 16.5% felt their economic situation had improved. The data reveals that the districts where people felt their economic conditions had improved for the better were Islamabad, Umerkot, Mansehra and Washuk. However, Umerkot and Mansehra were only marginally improved when compared to other districts, while Washuk was the only district in Balochistan where over 60% of households said their economic situation had taken a turn for the better. Washuk is followed by Quetta, with almost 40% people saying their economic conditions had improved. Fifty percent of households surveyed in Balochistan believe they are faring worse compared to the past year. Conditions in districts like Thatta, where 73% households said their economic situation had worsened, are likely to be exacerbated further by this year's flooding in Sindh. It is a feeling shared in the provincial capital of Karachi as well, which is ranked third in districts where households reported declining economic conditions. It is also understandable why residents of Muzaffargarh and Kohistan believe their conditions deteriorated over the past year, as the two were heavily impacted by the floods last year. Natural disasters also caused sources of income to change. In its report on income and consumption expenditure data, the FBS speculates that the decrease in agricultural income and from owner-occupied dwellings is due to the damage caused by the floods in 2010. However, the percentage share of income gained from foreign remittances has increased since 2007-2008, from 4.31% to 4.67%. The report also notes that there has been an increase in paid employees, from 50.66% in 2007-2008 to 53.4% in 2010-2011. The average number of earners per household has decreased in all provinces. There are also a higher average number of earners per household in rural areas than in urban – 1.89 as compared to 1.75. There is also a deficit between income and expenditure in Sindh, as well as in certain income brackets in Khyber-Pakhtunkhwa and Balochistan the average monthly net income and expenditure is Rs. 21,291 and Rs. 19, 336 respectively.

[The Express Tribune - October 04, 2011]

Government Has Failed On Karachi: SC

A five-member special bench of the Supreme Court noted that the government had failed to protect life and property of the citizens in Karachi. A five-member special bench of the Supreme Court, headed by Chief Justice of Pakistan (CJP) Iftikhar Muhammad Chaudhry directed that a committee be constituted under the Sindh High Court (LHC) chief justice (CJ), comprising the chief secretary and heads of the law enforcement agencies to supervise and ensure a stern and ordered across the board action against the elements involved in causing disturbance in Karachi. The bench declared that recent violence in Karachi represents unimaginable brutalities, bloodshed, kidnapping and throwing away dead bodies and torsos in bags. The court noted that the federal government had also not protected the Sindh province against internal disturbance, thus the provincial government on this account, too, failed to carry out functions in accordance with Article 148(3) of the constitution. Justice Chaudhry read out the detailed judgment, which comprised 156 pages in the open court. The CJP apprehended that any further failure of the government to protect the life and property of the citizens would cause unprecedented disaster.

The court observed that there were criminals who had made their way into politics and were getting political and financial support allegedly from political parties. Therefore, the political parties should denounce their affiliation with the criminals in the interest of the country and democratic set up and they should not allow them to use their names as militant outfits of the

political parties. Failure to do so may entail consequences of a penal nature against the party or person responsible, whether in the office or not. He also observed that in respect of banning any political party, including the Muttahida Qaumi Movement (MQM), is not within the domain of the court at this stage and it is the responsibility of the federal government to act under Article 17 for action against any party violating this article. The court also ordered elimination of any existing 'no-go areas' in Karachi. The court held that Karachi has to be cleansed from all kinds of weapons and police be depoliticized and strengthened while there is a need for a fresh comprehensive law to eliminate and punish land grabbers and encroachers. The court observed that the government could revive people's confidence by not using the administration and the police for political or private end. Justice Anwar Zaheer Jamali, Justice Sarmad Jalal Osmany, Justice Amir Hani Muslim and Justice Ghulam Rabbani comprised of the bench.

[Daily Times - October 07, 2011]

PML-N Threatens To Dissolve Punjab Assembly

In the game of political brinkmanship being played against the current administration, the Pakistan Muslim League-Nawaz has decided to pull out its trump card: threatening to dissolve the Punjab Assembly. A proposal to dissolve the provincial legislature was issued by Tahir Ali Javed, a member of the Punjab Assembly from Narowal, and the leader of the 'unification bloc' of the Pakistan Muslim League Quaid, the 47-member group of dissidents within the 81-member PML-Q caucus that is loyal to the rival PML-N. Javed admitted that his bloc had decided to forward the request to Punjab Chief Minister Shahbaz Sharif after it became evident that the PML-N's efforts to dissolve the National Assembly had failed. The move sparked a fiery reaction from the ruling Pakistan People's Party. Senator Babar Awan of the PPP accused the PML-N of trying to sabotage the PPP's expected victory in the Senate elections, due to be held in March 2012. Sources close to the party told that the PML-N had tried a few days ago to convince the PML-Q's 50 members of the National Assembly to switch sides, but were thwarted in their effort by President Asif Ali Zardari, who moved quickly to allay the party's fears by contacting PML-Q chief Chaudhry Shujaat Hussain. The sources confirmed that the move to dissolve the Punjab Assembly was part of the PML-N's strategy to avoid the Senate elections, in which the PPP is expected to win anywhere between 46 and 53 seats, effectively becoming the majority party in the upper house of parliament until the next Senate elections in 2015. The swiftness with which President Zardari was able to beat back the challenge from the PML-N has put the party on the back foot, forcing them to exercise their 'last resort' option far earlier than they had initially wanted and making the PML-N more cautious about its political strategy. Initial reaction within the Punjab Assembly is mixed at best, with only Pakistan Muslim League Zia coming out in support.

[The Express Tribune - October 10, 2011]

Fasih Bokhari Takes Over As NAB Chief

Former chief of Pakistan Navy, Admiral (Rtd) Fasih Bokhari, was formally notified as chairman of National Accountability Bureau (NAB) despite objections raised by the opposition PML-N that the legal process required by the Constitution had not been followed in his nomination for the post. With the appointment of Admiral Bokhari to the post which had been lying vacant since the removal of Justice (Rtd) Deedar Hussain Shah, the premier accountability organization of the country became functional again after three months of inaction. A notification of the law ministry signed by the president said that the president of Islamic Republic of Pakistan has been pleased to appoint Admiral (Rtd) Fasih Bokhari as Chairman National Accountability Bureau in terms of section 6(b) of National Accountability Ordinance 1999, with immediate effect. But the PML-N rejected the decision and indicated that it might challenge the appointment in the Supreme Court. The notification was issued after former law minister Babar Awan had met

President Asif Zardari. Mr. Bokhari is the fifth NAB chairman belonging to the armed forces. Earlier, NAB chiefs from the military were Lt-Gen Amjad Hussain, Lt-Gen Khalid Maqbool, Lt-Gen Munir Hafiez and Lt-Gen (Rtd) Shahid Aziz. The two civilian heads of the bureau are Navaid Ahsan and Justice (Rtd) Deedar Hussain Shah. Under the NAB Ordinance, the government is required to hold consultation with the Leader of Opposition in the National Assembly for the appointment. When contacted, President's spokesman Farhatullah Babar said the president had appointed Admiral (Rtd) Bokhari as NAB chairman on the advice of Prime Minister Yousuf Raza Gilani. Admiral Bokhari is a retired four-star naval officer who served as Chief of Naval Staff from 1997 to 1999. Admiral Bokhari is a graduate from the French Naval War College and served on several high posts during his tenure at the Pakistan Navy.

[Dawn – October 17, 2011]

Accommodating Idling Members: Federal Government Creates Four New Ministries

In a bid to accommodate ministers who had been left without any portfolio after the devolution of their ministries to the provinces, the government announced creation of four new ministries in the centre. The new portfolios include Ministry of National Heritage and Integration, Ministry of Disaster Management, Ministry of National Regulations and Services and Ministry of Food Security and Research. According to Prime Minister's office, two ministries have been allocated while the other two ministries would be filled later. Samina Khalid Gurki has been allotted the national heritage and integration ministry while Mir Israrullah Zehri has been given charge of the food security and research ministry. Gurki earlier held the ministry of social welfare and special education while Zehri was the minister for postal services before their ministries were devolved. The government has also appointed Mir Hazar Khan Bijarani as the minister of interprovincial coordination, left vacant after the resignation of Senator Raza Rabbani. Bijarani had been in charge of the education ministry which was among more than a dozen ministries that were devolved and handed over to the provinces under the 18th Amendment. Since the devolution, former ministers have been accommodated in existing or newly-created ministries. The 18th Amendment also put a bar on the number of cabinet members – it should not be more than 11 percent of the 442 members, the total strength of parliament. This implies that there can be no more than 44 cabinet members but this clause would be applicable after the next general elections. The premier has changed the rules of business, 1973 to give legal cover to the creation of new ministries. An official notification issued after the decision said the “restructuring has been made in line with the principles of good governance as this arrangement would bring cohesion, enhance efficiency and improve service delivery in administering the federal subjects.”

[The Express Tribune - October 27, 2011]

Demand for New Province

PPP Not Sincere In Creation of Seraiki Province: SQM Chief

Seraikistan Qaumi Movement (SQM) chief Hameed Asghar Shaheen said that the Pakistan People's Party-led government was not sincere in the creation of the Seraiki province. He said that so-called resolutions adopted by Jamiat Ulema-e-Islam-Fazl chief Maulana Fazlur Rehman and Deputy Speaker Faisal Karim Kundi regarding their efforts for the cause of Seraiki province were nothing but a drama. Hameed Asghar Shaheen deplored that the government was using the slogan of Seraiki province as a tool to gain political mileage. He said the PPP leadership was using non-governmental forces to achieve its objectives. To a query, the Seraiki leader suggested that to overcome the energy crisis, the government should launch the multi-purpose Kala-Bagh

dam project instead of launching small irrigation projects. Saifullah Beqarar and other local leaders of the SQM were also present on the occasion.

[The News - October 10, 2011]

New Province: PML-Q Submits Resolution on South Punjab in PA

Pakistan Muslim League's Quaid-i-Azam faction (PML-Q) has submitted a resolution in the Punjab Assembly supporting South Punjab's demand that it be made into a separate province. MPA Sardar Mohsin Khan Leghari submitted the resolution in assembly secretariat. The move follows a statement by PML-Nawaz's (PML-N) president Nawaz Sharif during his public address in DG Khan that would support new provinces, including South Punjab and Bahawalpur. The text of the resolution reads that the House unanimously suggests that federal government amend the constitution to give South Punjab the status of a separate province. Leghari said that the assembly secretariat had earlier termed a similar resolution a matter for the National Assembly and Senate since it requires an amendment to the constitution. He said that according to Sub Article 4 of Article 239 of the constitution, both the National Assembly and Senate needed to pass a bill, with a two-thirds majority, in favor of formation of a new province. "Before the president signs the bill the relevant provincial assembly must also pass and endorse the bill passed by the National Assembly and Senate with a two-thirds majority as well. The PML-Q MPA added that the law is silent on the stage at which a provincial assembly could endorse the bill. He was confident that if the Punjab Assembly passes the resolution, the bill would find an easy passage in the Centre. Leghari said that the resolution is a litmus test for the PML-N government. If it genuinely supports the demand for a separate province, the resolution will be on agenda at the next session. He said that the present situation was exceptional, since all parties in the Punjab Assembly appeared ready to recognize South Punjab as a new province.

[The Express Tribune - October 21, 2011]

ECONOMIC GOVERNANCE

Facts & Figures

Inflation Drops to 22-Month Low on New Formula

Owing to a change in the calculation methodology, inflation remained at 10.5 percent in September, which is a 22-month low, making a case for the State Bank of Pakistan to reduce its policy rate. Inflation, according to the benchmark consumer price index (CPI), the nation's most-watched cost-of-living monitor, slipped to 10.46 percent in September, the Federal Bureau of Statistics (FBS) reported. September's inflation was in line with financial market forecasts. The primary factor behind the reduction in inflation is the change in the base year. If calculated on the basis of the old methodology, it would be around 12 percent. He said that instead of yearly inflation, monitoring the monthly changes in the rate would be more relevant after the change in the base year. On a month-on-month basis, inflation rose by 1.1 percent in September over August. Onion prices increased by 40 percent, fresh vegetable prices 21.7 percent and tomato prices 15.7 percent price increased in September. The government has changed the inflation calculation methodology to depict changes in spending practices and culture. The new methodology was adopted on the basis of a statistical survey conducted in 2007-08. The government has increased the coverage of cities and essential items for the computation of inflation under the new methodology. The number of cities has been increased from 35 to 40 and the number of essential items has been increased from 374 to 487. The central bank will review the monetary policy. The market is expecting a cut in the discount rate, which is the rate at which it lends money to commercial banks. According to FBS data, prices of food and non-alcoholic beverages increased by 9.7 percent in September in comparison with last year's corresponding period. Prices of non-perishable food items increased by 14.3 percent, costs of clothing and footwear rose by 14.9 percent. Housing, water, electricity, gas and fuel charges increased by almost 8 percent. The cost of health services increased by 11.5 per cent, transport 15 percent and restaurant and hotels 18.3 percent in September. Average inflation in the first quarter (July-September) remained 11.5 percent despite the change in the base year. International lenders have decided to block Pakistan's budgetary support loans after it opted to sour its relations with the International Monetary Fund (IMF). Experts believe the government may require over Rs. 1,380 billion to finance its budget deficit. The international budgetary loans blockade can shift the entire financing onto the domestic market.

[The Express Tribune - October 04, 2011]

Financial Constraints: Government to Take Away another Piece from PSDP Budget

The government has once again decided to take away a piece of the budget set aside for development schemes due to financial constraints, making it the second time in less than four months that the public sector development programme will be sacrificed. The Planning Commission will further slash the size of the public sector development programme at the end of October or early November. The first cut in July allowed ministers for the first time to re-appropriate funding from slow moving projects to fast moving projects immediately after commencement of the new financial year. Sources said that the government has considered holding back 10 percent of the entire development budget in case financial crunch persists. The Planning Commission will push the executing ministries to first finish those projects where 90 percent work has been completed. The government is expected to complete over 40 projects this year. Second priority will be given to projects where 60 percent or more work has been completed. All projects except strategically important ones that have received less than 30 percent funding will be delayed unless the fiscal position improves. Total amount of the public

sector development programme is Rs. 2,830 billion with a portfolio of 1,252 projects. The number has come down from over 1,900 projects worth Rs. 4.1 trillion. Seven hundred projects were taken out of the development programme last year alone. The government transferred 171 projects to the provinces after implementation of the 18th Amendment while most projects approved under political pressure have been stopped.

The Planning Commission released Rs. 44.7 billion in the first quarter (July to September 2011) of the current financial year against total development budget of Rs. 220.5 billion, excluding foreign funding and prime minister's schemes. The release is slightly lower than the quarterly ceiling of 21 per cent. However, it is not yet clear whether the executing agencies have spent the entire amount of Rs. 44.7 billion. Total allocation for the federal public sector development programme is Rs. 290 billion in the current financial year including foreign funding and prime minister's programmes. PC does not keep trail of the money spent under prime minister's special programmes and foreign aid committed for projects. For prime minister's programmes, Rs. 33 billion has been earmarked while international lenders have committed Rs. 36.5 billion. Of Rs. 44.7 billion released in the first quarter, an amount of Rs. 26.1 billion or 58 percent was released for 328 infrastructure projects. Total cost of these projects is Rs. 2,300 billion and the government could allocate only Rs. 126 billion in this fiscal year due to lack of funds. Against Rs. 124.4 billion allocation for social sector projects, the government released Rs. 18.2 billion, only 14.6 percent of the annual share. Currently, 842 projects costing Rs. 566.2 billion are under way in the social sector.

[The Express Tribune - October 07, 2011]

FBR Sets Tax Collection Target of Rs. 477.1b for 2QFY2011

The Federal Board of Revenue (FBR) has set a revenue collection target of Rs. 477.1 billion for the second quarter to meet the tax target of Rs. 1952 billion for the current fiscal year. An official source said that the tax collection target for the October-December period has been set on the basis of the recoveries made during the July-September period of the current fiscal year. The revenue collection estimates for October 2011 has been set at Rs. 133.1 billion. FBR has collected Rs. 373.8 billion during the July-September period of the current fiscal year showing an overall increase of 27.4 percent as compared to tax collection of Rs. 293.4 billion during the same period last fiscal year. FBR has to take major administrative and enforcement measures to improve compliance with expansion of the tax base to reach the figure of Rs. 477.1 billion during the second quarter of the current fiscal year.

Tax authorities are focusing on areas to enforce filing of sales tax and income tax returns by non-filers, recovery of tax arrears and audit of corporate sector. FBR is also trying to recover illegal input tax adjustments from the claimants and monitoring the withholding tax regime. To meet the tax collection target, FBR is verifying cases where source of investment has been shown as foreign remittances or agricultural income to check authenticity of declarations made by rich people in their income tax returns. The field formations are ordered to report all such cases where source of investment has been declared as foreign remittances or agricultural income through verification from the concerned provincial departments or banks. Under the Income Tax Ordinance 2001, the tax department is not empowered to ask source of investment where property has been purchased from foreign remittances.

The tax exemption has been granted to foreign remittances under section 111 of the Income Tax Ordinance 2001. The investment made through foreign remittances cannot be probed into by the tax department. During the first quarter direct taxes collection increased by 27.7 percent to Rs. 122.1 billion, sales tax collection increased by 34.9 percent to Rs. 180.4 billion and FED increased by 6.7 percent to Rs. 28.7 billion as compared to Rs. 95.7 billion, 133.7 billion and Rs. 26.9 billion of 1Q2010 respectively. Although the sales tax rate was reduced from 17 percent to 16 per cent, still the growth rate in sales tax collection has been recorded. The custom duty collection also witnessed an increase of 14.4 percent as Rs. 42.5 billion were collected as

compared to Rs. 37.1 billion collected during 1Q2010. The tax collection increased by 24.6 percent to Rs. 145.07 billion during September 2011 as compared to Rs. 116.4 billion collected during the same month last fiscal year. FBR has a target to collect Rs. 1952 billion during the FY2011 and this tax target has been divided into Inland Revenue of Rs. 1737 billion and customs duty of Rs. 215 billion. With strict compliance and enforcement, the tax authorities are hopeful that they would manage collection of the target. FBR has also changed its strategy and has started fixing monthly and quarterly tax collection for its field formations that have increased pressure on them to deliver.

[Pakistan Today – October 07, 2011]

Government Policies

SBP Cuts Policy Rate by 150bps To 12%

The State Bank of Pakistan (SBP) has decided to reduce its policy rate by 150 basis points to 12 percent, the largest decrease since July 2003. This decision was taken at a meeting of the Central Board of Directors of SBP held under the chairmanship of central bank's Acting Governor Yaseen Anwar. The SBP will continue to monitor developments in the fiscal sector and those pertaining to foreign financial inflows to gauge risks for macroeconomic stability. The year-on-year inflation in September 2011 has come down to 10.5 percent from 13.3 percent in June 2011 though month-on-month inflation is still more than 1 percent on average. Taking some comfort from declining inflation and high probability of meeting the 2011-12 inflation target together with a need to support private sector credit and investment growth, the Central Board of Directors of SBP, after due deliberations, decided to reduce its policy rate by 150 bps to 12 percent. It further said that the main factors contributing in SBP's decision to reduce its policy rate by 50 basis points in July 2011 continue to show positive progress. There is a decline in CPI inflation and government borrowing from SBP is lower than its end-June level. Led by consistent inflow of workers' remittances the external current account position is comfortable though there has been some decline in SBP's foreign exchange reserves. Importantly, concerns regarding weak private sector credit growth and falling real private investment expenditures remain along with a likelihood of rise in real interest rates.

The Monetary Policy Decision noted that at the same time, risks to macroeconomic stability emanating from fiscal weaknesses and falling foreign financial inflows have not receded. Moreover, severe energy crisis and precarious law and order conditions continue to render domestic economic environment least conducive for productive activities. It goes on to say that the rapidly deteriorating global economic conditions, especially in Pakistan's export-destination countries, do not provide much confidence either. In these circumstances, the policy decision notes, balancing inflation and growth considerations through monetary policy alone is difficult. The year-on-year inflation in September 2011 has come down to 10.5 percent from 13.3 percent in June 2011 though month-on-month inflation is still more than 1 percent on average. An expected seasonal rise in inflation in the first month of a new fiscal year, the Ramazan seasonality of food prices, and the unexpected effect of flood on inflation have all coincided in the months of Q1-FY12. Thus, isolating temporary changes from underlying inflationary pressures is more demanding at this point in time though the probability of meeting the 12 percent average CPI inflation target for FY12 remains high. It said that there were upside risks, however, in meeting the medium-term inflation targets of 9.5 percent in FY13 and 8 percent in FY14. These risks largely stem from persistence of government borrowing from scheduled banks, exchange rate depreciation, and likely upward adjustments in the administered prices of energy.

[Daily Times - October 09, 2011]

SC Forms Commission to Probe Corruption in RPPs

The Supreme Court (SC) constituted a commission headed by Justice (R) Rehmat Hussain Jafferi to probe alleged corruption as well as to determine reasons behind delay in the installation of Rental Power Projects (RPPs), which have caused great loss to the national exchequer. The court said that the commission could acquire the services of any expert in probing the matter, and Finance Ministry and all relevant departments would extend support to it and also bear the expenses. The commission would submit its report within four weeks. The court also observed that there was a need to hold the officials responsible for delay in the functioning of RPPs. A two-member bench, headed by Chief Justice (CJ) Iftikhar Muhammad Chaudhry, and comprising Justice Khilji Arif Hussain, was hearing the application filed by Pakistan Muslim League- Nawaz (PML-N) leader Khawaja Muhammad Asif. During the hearing, the CJ said the court could not shut its eyes to corruption, adding cases of the officials, who were involved in the RPPs' corruption, would be sent to the National Accountability Bureau (NAB). The petitioner, Faisal Saleh Hayat, who became Minister for Housing and Works after PML-Q joined the PPP-led government about five months ago, informed the court that Ministry of Water and Power was responsible for the non-completion of the rental projects and due to that the country faced severe load shedding. He added that Asian Development Bank had mentioned this aspect in its report. He said that works on RPPs were intentionally delayed for the sake of kickback and the ministry's officials presented wrong data to the government and the cabinet.

Khawaja Tariq Rahim, counsel for Ministry of Water and Power, objected to the appearance of Faisal Saleh Hayat before the court. He said Faisal should have taken permission from the prime minister before appearing in the court. However, the court dismissed his objection. The PML-Q leader said that he had appeared before the bench on the court's notice in his personal capacity. He said that as he was not fully prepared therefore the court adjourned the cases. Earlier, during the course of hearing, Deputy Attorney General Shoaib Shaheen presented the Pepco report on rental power projects. The court, after examining the report, said that circumstances had come to a pass where a file from the minister's table reached secretary's table in five months. The CJ said nobody was taking the matter seriously, while the officials' negligence had caused huge loss to the national exchequer. He added the nation was suffering due to the bickering among officers. The court observed that if the government had taken timely steps then RPPs might have been completed and people would not have been suffering from load shedding. Khawaja Asif informed the court that due to government's negligence, RPPs could not be completed so far. If the RPPs have been completed then its electricity would be cheap than independent power producers (IPPs).

[Daily Times – October 27, 2011]

Diamer-Bhasha: Five Decades Later, Pakistan Breaks Ground On Major Dam

The last time a new, major dam project was inaugurated in Pakistan was at Tarbela, almost five decades ago, under the Ayub Khan administration. That dry spell broke when Prime Minister Yousaf Raza Gilani became the first democratically-elected head of government to lay the foundation stone for the 4,500 MW Diamer-Bhasha Dam. The [Diamer-Bhasha] dam will be the lifeline for the country's economy. Approximately 22,000 people in 30 villages are likely to be displaced due to the dam. With a storage capacity of about 8 million acre feet (MAF) and projected electricity generation of 4,500 MWs, Diamer-Bhasha will top both Tarbela and Mangla dams, whose storage capacities have fallen drastically due to silting over the years. The project will take eight years to complete and will cost over \$12 billion. In addition to the Rs. 11.5 billion already allocated for the project, an additional Rs. 1 billion for repair and expansion of Karakoram Highway and other roads in the region.

[The Express Tribune - October 19, 2011]

ELECTION WATCH

ECP & Election Related Updates

ECP Members May Have Term Reduced To 2 Years

The Ministry of Law and Justice is taking into serious consideration a proposal to limit the tenure of members of the Election Commission of Pakistan to two years only. Currently, the tenure for all members of the Election Commission of Pakistan (ECP) is a total of five years. The ambiguity surrounding privileges granted to members, however, has led to this tenure being challenged. The main concern is that for the first time, retired judges of high courts, as opposed to sitting judges, have been made ECP members. The problem seems to have arisen with the passing of the 18th amendment. Prior to its passage, a sitting judge of each high court was also tasked with performing duty as a member of the ECP. In light of the amendment however, the government is able to, and has, appointed retired judges. Earlier everything was settled sitting judges of high courts were also members of the commission, so they were enjoying the perks and privileges of a serving judge. This time, retired judges have been made members so there are questions as to whether they should be offered privileges equal to a sitting judge or not? The problem was exacerbated because the constitution was also silent on this issue. The only specified detail says that the Chief Election Commissioner shall hold office for five years. The law ministry has now decided to bring the matter before the cabinet in order to ascertain which perks can be considered legitimate for ECP members. Sources within the ECP, on the other hand, believe that the tenure of the commission's members should be at par with the Chief Election Commissioner.

[The Express Tribune - October 06, 2011]

PPP, PML-Q to Contest Next Elections Together: Shujaat

Threats by the Pakistan Muslim League-Q to quit the ruling coalition turned out to be just a storm in a teacup when two main leaders of the party met President Asif Ali Zardari and assured him of their support for the PPP-led coalition. PML-Q president Chaudhry Shujaat Hussain and its Punjab chief Pervaiz Elahi told Mr. Zardari that their party would remain in the government and contest the next general elections as an ally of the Pakistan People's Party. The meeting took place a day after ministers and advisers belonging to the PML-Q had handed over their resignations to Chaudhry Shujaat in protest against prolonged electricity load shedding in the country, particularly in Punjab. They criticized the performance of the government and its failure to resolve the energy crisis. They complained that the PML-Q had been in government for five months, but the PPP had not fulfilled any of its promises. Chaudhry Shujaat said the coalition with the PPP would remain intact and the two parties would work together in future. The Chaudhry brothers apprised the president of the concern of members of their party over the status of their alliance with the PPP. The Chaudhrys asked the president to address their reservations over different issues, including the NICL (National Insurance Corporation Limited) scam which also involves Monis Elahi, son of Pervaiz Elahi. Chaudhry Pervaiz said the PML-Q ministers and advisers had handed over their resignations to the party chief because the PPP had failed to resolve a number of issues concerning their constituencies. Chaudhry Pervaiz said they had asked the president that a strategy to solve problems should be prepared in consultation with all political parties. He said the problem of bad governance could be solved if the chief executive (prime minister) foresaw issues and formulated a plan.

[Dawn - October 06, 2011]

PML-N Informs EC of Concerns over New Census Blocks

The Pakistan Muslim League (Nawaz) expressed concern over the new census blocks and its effect on the upcoming delimitation of constituencies. A five-member delegation of the party conveyed its concerns to Chief Election Commissioner Justice (Rtd) Hamid Ali Mirza during a meeting with him. The delegation sought to know the methodology adopted for raising the number of census blocks from 104,000 to 140,000, pointing out that while the blocks in Sindh had increased by 79 per cent, their number had gone down in Balochistan. The party feared that it could also affect the population census. The CEC officials assured the PNL-N delegation that everything would be done in a transparent manner and representatives of the Population Census Organization along with officials from the Election Commission and National Database and Registration Authority (NADRA) would hold district-level briefings for all the stakeholders. The CEC informed the PML-N team that letters had already been sent to all the chief secretaries seeking issuance of directions for the District Coordination Officers and Deputy Commissioners concerned for making arrangements for such briefings. The sources said the PML-N delegation also sought details of the 37 million votes omitted from the electoral rolls and 36 million new votes added to it, besides asking for the copies of draft electoral rolls currently being verified through a countrywide door-to-door verification process. The PML-N delegation was told to write a formal letter to get the copies from NADRA after a formal approval by the election commission.

[Dawn - October 06, 2011]

Error-Free Elections: No More Bogus Votes, Says ECP

The Election Commission of Pakistan (ECP) is deliberating upon criminalization of the act of registration of fake votes. The step is expected to be taken to ensure an error-free election in the future. The former justice said that the EC is adopting a strategic approach to make the next election fair and transparent. He informed the participants that 3.7 million fake votes have been eliminated from the Khyber-Pakhtunkhawa's (K-P) voter's registration list, while 3.6 million new voters were registered during the ongoing process of voters' verification. Khan informed the participants that obtaining National Database and Registration Authority (NADRA) identity card has become 80% easier. He told the media that the process of verification and legal action against the parliamentarians having fake degree has been halted by the EC under a decision of the Supreme Court of Pakistan. Khan said before the apex court's decision, the election commission, after a thorough verification, had recommended the registration of over a 100 criminal cases against parliamentarians. Regarding certain allegations against the eligibility of some parliamentarians, the former judge clarified that the ECP cannot initiate action against any parliamentarian unless he or she is proven guilty under the law. He said about 70% of the work on the voters' verification has been done and was expected to be completed by October 15, this year. A lot of complaints were received from all the over the country about bogus casting of votes, and this had been an issue during the previous elections as well, said an official sources from ECP. In order to check this malpractice and plug the loophole in the system the ECP decided that the electoral roll copy with the presiding officer at each polling station will carry the photograph of the voter along with the CNIC number. The thumb impression of the voter will be available with NADRA. The voter will be asked to put his thumb impression on the electoral roll to check his identity. In case the verification fails, he will be tried in a court of order and will be awarded punishment. It is one of the many measures being taken by the body to ensure a credible forthcoming election and necessary amendments in the law will be made if so required.

[The Express Tribune - October 05, 2011]

EC Explains Reasons for Extension of Verification Deadline

Reservations expressed by some political parties about the veracity of electoral rolls after the ongoing verification drive was also taken into consideration when the Election Commission decided to extend the date for the process because of the devastation caused by heavy rains in Sindh, law and order problems in Balochistan and Khyber Pakhtunkhwa and outbreak of dengue fever in Punjab. Sindh Election Commissioner Sono Khan Baloch said that if water did not recede from the flooded areas by then and all displaced people did not return to their homes, the date could be further extended in certain areas. However, Mr. Baloch said he was optimistic that with the situation improving in Sindh the verification would be completed and draft rolls would be ready for display by the given time. He said the extension of the date for verification would not affect preparations for the general elections because 60 to 70 percent work had been completed in the provinces. If the names of some members of a family were missing, they could submit fresh forms for inclusion into the list, he said, adding that the decision had helped overcome confusion and verification of the remaining 30 to 40 percent would be completed by the extended date and the final rolls would be ready before the elections due in 2013. About complaints of a large increase in the number of census blocs, he said the census authorities had informed the meeting that the reason for increasing the number in Karachi and other towns where apartment blocks were replacing single-storey houses was a decision to count each apartment as a separate unit, while in earlier housing censuses every site had been taken as one unit despite having scores of apartments. The electoral rolls were provided by NADRA for verification after matching with its database the rolls prepared in 2007 and handed over in February by the Election Commission. In the 2007 rolls the total number of voters was 81 million but only 44 million of them matched the database of computerized national identity cards. In Sindh, the names of 9.7 million of the 19.5 million voters on the rolls did not match with the CNIC lists.

[Dawn - October 03, 2011]

Voters' Lists: ECP Unable To Verify 1.4m NADRA Records

The Election Commission of Pakistan (ECP) has been unable to verify the antecedents of over 1.41 million of the 4.26 million potential voters in Lahore district registered with the National Database and Registration Authority (NADRA). The ECP began verifying the electoral rolls two months ago and has until October 30 to do so. It has been sending people door-to-door to check if the addresses of voters provided by NADRA are correct. A few months ago, the Census Division (Population Census Organization) conducted its household census. At that time ECP gave the census workers a form and asked them to fill the form. Once the forms were received, the election commission sent them to NADRA, requesting that it verify the number of ID cards issued for each household. In return NADRA gave the commission a list of 4,260,256 people who had been issued ID cards. The ECP gave the lists to its workers who have now been tasked with manually verifying names and addresses of the people holding CNICs before entering their names in the voters' lists. Addresses on almost 1.42 million CNICs could not be verified. ECP had also come upon around 346,870 people who had valid CNICs and yet were not included in the NADRA lists. After October 30, ECP will send verified lists to NADRA. NADRA, after registering new voters and removing the unverified names on the recommendations of ECP, will hand over preliminary voters' list to the commission. ECP will then display these electoral rolls for public scrutiny and appoint revising officers, who are usually civil judges. At that stage, political parties and the public will be asked to go through the lists and submit any objections or reservations before the revising authority. ECP will then amend the draft electoral rolls on recommendations of the revising authority and send it to NADRA for updating the data. NADRA will then issue the final electoral lists.

[The Express Tribune - October 27, 2011]

REGIONAL POLITICS

Pakistan's Foreign Relations

China to Keep Pakistan Embrace at Arm's Length

Pakistan, facing a crisis with the United States, has leaned closely to longtime partner China, offering its “all-weather friendship” with Beijing as an alternative to Washington. But Pakistan will be disappointed if it hopes to replace American patronage with the same from China. While China does not welcome the US presence near its border, it wants stability on its western flank and believes an abrupt withdrawal of Washington's support for Pakistan could imperil that. It also does not want to upset warming relations with India by getting mired in subcontinent security tension. Maintaining that delicate balance, China will continue supporting economic cooperation with Pakistan but go slow on defense cooperation. While outwardly all smiles and warm pledges of friendship, China will quietly keep things at arm's length. Pakistan's brittle relationship with the United States, its major donor, has turned openly rancorous. Washington accused Pakistan's powerful ISI spy agency of directly backing the Afghan Taliban-allied Haqqani network and of providing support for a September 13 attack on the US mission in Kabul. Pakistan has angrily rejected the accusation and warned the United States that it risked losing an ally if it kept publicly criticizing them over militant groups. Meanwhile, as it often does in times of crisis, Pakistan has been trumpeting its ties with China. Pakistan's Prime Minister Yusuf Raza Gilani declared Beijing and Islamabad were “true friends and we count on each other”. President Asif Ali Zardari stressed the point last week that Pakistan had other options should its deteriorating relationship with Washington prove beyond repair, and pointedly praised China for its assistance in “stabilizing the situation.” Publicly at least, China has gone out of its way to reassure Pakistan.

A Chinese Foreign Ministry spokesman echoed that line just last week, saying “Pakistan is on the front lines in the fight against terrorism” and China hoped “the relevant countries respect every country's sovereignty and territorial integrity.” But China's assistance also has limits. China regards Pakistan as an important strategic counterweight against its longstanding rival, India, and a hedge against US influence across the region. It also wants to use Pakistan as a gateway to the Muslim world and needs Islamabad's help to combat separatists in its far-western Xinjiang region on their common border. China is a major supplier of military hardware to Pakistan and also a major investor in areas such as telecommunications, ports and infrastructure. But China's leaders have no desire to turn that limited stake in Pakistan into a heavy security footprint. China invested more than \$200 million to help build the deep-sea Gwadar port on Pakistan's Arabian Sea coast, partly with a view to opening energy and trade corridor from the Gulf, across Pakistan to western China. China also helped Pakistan build its main nuclear power generation facility at Chashma in Punjab province. Two reactors are in operation and two more are planned. Analysts say China pointedly agreed to expand the Chashma complex to counter a 2008 nuclear energy deal between India and the United States. But Beijing appears much less interested in a bilateral defense accord, despite a report by Pakistan media that Islamabad had been secretly lobbying for such an agreement. In each of Pakistan's wars with India, China has been fairly restrained, to the point of being almost neutral. Analysts say China is wary about tilting the relationship too much in favor of Pakistan, to avoid offending India, with which China wants to develop better economic ties.

[Pakistan Today – October 05, 2011]

Islamabad, Washington Rebuilding Ties: Clapper

Pakistan has arrested five Al-Qaeda suspects at the CIA's request and allowed US intelligence officers to question them, amid fresh signs of improvement in ties between Islamabad and Washington. The Associated Press reported that Pakistan has also stopped demanding the CIA suspend the covert drone strikes that have damaged Al-Qaeda's militant ranks in the tribal areas, though the Pakistanis say they have simply put this on the backburner for now. For a time, the Inter-Services Intelligence agency refused to carry out any joint operation with American intelligence and didn't allowed the Americans to access to question militant detainees. Visas as well were hard to come by for US officials of any stripe. The breakdown in relations took on a tit-for-tat quality, with Pakistan expelling most of the US military trainers in the country, and the US cutting off several hundred million dollars in military aid. There are still bumps, including over recent high-level US criticism of Pakistan's ties to militant groups.

Pakistan considered halting some of the increased cooperation after Chairman of the Joint Chiefs Adm. Mike Mullen accused Pakistan's spy shop of complicity with the militant Haqqani network's attack on the U.S. embassy in neighboring Afghanistan. Mullen levied that charge, the most serious U.S. allegation against Pakistan since the 9/11 attacks, within a few days of leaving his post. Yet against the backdrop of public claim and counterclaim, intelligence officials on both sides say they have labored to restore communication. Clapper and three top CIA officials have held meetings with Pakistan's intelligence chief Lt General Shuja Pasha both in the US and Islamabad since the bin Laden raid. The improved cooperation is a byproduct of mutual need, rather than shared trust at this point, officials concede. Pakistan does not want to risk losing US diplomatic and financial support, and the US needs Pakistani cooperation to continue counterterrorist operations against al Qaeda in one of its key safe havens. The US military also needs Pakistani consent to use the country's roads to resupply US forces in Afghanistan.

[The Express Tribune - October 08, 2011]

MFN Status for India under Consideration

In a dramatic break with the past, the government is inclined to granting the most favored nation (MFN) status to India in a couple of months after getting a green signal from all stakeholders. As a first step, the commerce ministry has sent a summary to all stakeholders, seeking their comments on changing the decades-old trade regime with India. The summary was sent a couple of weeks ago and the stakeholders have been asked to submit their comments within three weeks. If no objection is raised, the summary will be sent to the federal cabinet for approval. The environment turned favorable for the decision in the wake of the recent tensions in Pakistan's ties with its top trading partner, the United States. Pakistan's exports at an estimated \$4 billion in 2010-11 make the US the only country with which it enjoy surplus. Experts say granting the MFN status to India will not only reduce tensions between the two countries but also earn support from the Indian government at a time when the US has accused Pakistan of having links with the Haqqani network of Afghanistan. While the government appears to have put aside some crucial issues, including Kashmir, that have marred economic and trade relation between the two countries for decades, it has made the MFN decision conditional to the removal of non-tariff barriers by India. Prime Minister's Adviser on Textile Mirza Ikhtiar Baig said he hoped the MFN status would be granted to India next month. Mr. Baig, who recently visited India along with Commerce Minister Amin Fahim, said the formalities were likely to be completed ahead of the next meeting of the commerce secretaries of the two countries. Pakistani and Indian commerce secretaries are scheduled to meet in November in New Delhi to finalize the issue. Indian Commerce and Industry Minister Anand Sharma are scheduled to visit Pakistan in November along with a delegation of businessmen.

Pakistan's business community, according to Mr. Baig, has already recommended to the government to grant the MFN status to India. This is a key recommendation as Pakistani businessmen were not prepared in the past to compete with Indian businesses and wanted a restricted regime. Commerce Minister Amin Fahim also hinted during his five-day visit to India that the status would be granted, saying fulfillment of procedures were delaying the decision. Mr. Fahim said it was the priority of his ministry to grant MFN status to India at the earliest. Last week, the commerce ministers of Pakistan and India set a target of \$6 billion bilateral trade to be achieved in three years from the current \$2.7 billion. There are also reports of \$3 billion trade through illegal channels. Pakistan will also change its trade regime from 'positive' to 'negative list' as required under the South Asian Free Trade Agreement (SAFTA). This was the key issue due to which Pakistan had not ratified the treaty. The country has included 1,945 items in the positive list for trading with India, while the import of other items is banned. Under SAFTA, Pakistan has committed to a sensitive (negative) list of 1,169 items. Mr. Baig said the negative list was likely to be reduced to only a few items and the issue would be settled. To reciprocate this gesture, the Indian government would formally withdraw its opposition to an EU trade concessions package at the World Trade Organization, he said. The WTO is scheduled to take up the EU waiver issue and the Indian decision is likely to be announced the same day. The adviser said that Indian government had agreed to improve the infrastructure on Wagah border and set up cold storages for perishable items. Pakistani businessmen had also raised the issue of non-tariff barriers with Indian authorities concerned.

[Dawn - October 03, 2011]

Pakistan-Indonesia Business Forum Launched

Pakistan-Indonesia Business Forum (PIBF) was launched here on Sunday. Patron-in-Chief of PIBF, Ambassador of Indonesia Ishak Latuconsina, and president PIBF Abdul Majid Haji Muhammad signed a memorandum in this regard. Latuconsina while speaking on the occasion said that the PIBF would provide a platform to the business communities of the two countries for enhancing bilateral trade linkage and exploring the opportunities of close cooperation. He said the PIBF was aimed at providing opportunities of collaboration to corporate sector. Latuconsina hoped that Pakistani friends would utilize the PIBF to explore potential business prospects and to deepen their existing partnerships with Indonesia. He said the participants of various distinguished members of the business community reflected the association and affiliation with Indonesia as a brotherly country as well as the mutual desire to further strengthen bilateral friendly relations. The inauguration of PIBF highlights the rapidly growing trade ties between two countries and will certainly raise the bilateral trade volume and economic activities in future, he maintained. President PIBF said Pakistan and Indonesia had historical relations but they lacked mutual business forum that had helped them to promote their trade. He said the volume of trade was very low between Indonesia and Pakistan which needed to be boosted at sufficient level and the forum would play a pivotal role in this regard. He noted the inauguration of the PIBF was another significant development in the bilateral trade relation of the two countries in a short time after the finalization of the negotiation for Indonesia-Pakistan Preferential Trade Agreement in Jakarta last month, which will lead to Free Trade Agreement soon. The PIBF will serve as an important source of valuable information for enhanced two-way trade between the business communities of Pakistan and Indonesia besides providing new opportunities of collaboration in a coordinated way. It is worth mentioning here that Pakistan and Indonesia together make an ever growing market of more than 440 million people, which offers tremendous opportunities of businessmen and economic entities for building a sound economic partnership.

[Daily Times – October 17, 2011]

Indian Politics

Afghan-Indian Pact Could Inflamm Pakistan

The new Afghan-Indian security pact could inflame Pakistan's proxy war against India and threatens Islamabad's regional ambitions in South Asia as its ties with Kabul and Washington hit rock bottom. Pakistan has been on the defensive as Afghanistan has cosied up to India. Kabul claims the recent murder of its peace envoy Burhanuddin Rabbani was plotted in Pakistan, and has accused Islamabad of hindering the investigation. Pakistan has been terse about the burgeoning India-Afghanistan alliance. But the alliance undermines Pakistan's policy of courting Afghanistan to offset the regional superpower status of India, with which it has fought three wars since independence in 1947, including two over Kashmir. Fearful of encirclement by its wealthier neighbor, Pakistan has long focused on Afghanistan arming Islamist warlords against the Soviets in the 1980s, backing the Taliban in the 1990s and hedging its bets in the 2000s. But the new strategic partnership sealed Tuesday, which will see India take a bigger role in training Afghan security forces after already dishing out more than \$2 billion in aid, threatens to isolate Pakistan further. This pact will definitely lead to a more intense proxy war between India and Pakistan in Afghanistan, because India will be training the Afghan military and Pakistan does not consider this in its interest. When US-led forces invaded Afghanistan in October 2001 after the 9/11 attacks, Pakistan formally sided with the United States, but have been long accused of playing a double game with its old warlord and Taliban friends. The United States launched a concerted campaign last month, accusing Pakistani intelligence of involvement in the embassy attack and demanding the state cut all ties with the Haqqani network. US options for action are limited. Pakistan, which says nearly half the US war effort in Afghanistan is routed through its territory, stonewalled the Haqqani accusations and last week the pressure began to ease off. Some say Karzai's visit to India was an opportunity to take up where the United States had left off with its accusations and strike a chord in India, which blamed the horrific 2008 Mumbai attacks on Pakistani militants. Yet despite the distrust, Kabul recognizes that there can be no resolution to the 10-year Afghan conflict without at least acquiescence from Islamabad. There has to be less obvious support for insurgents in order to prevent much obvious isolation.

[Pakistan Today – October 06, 2011]

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