The Truth International

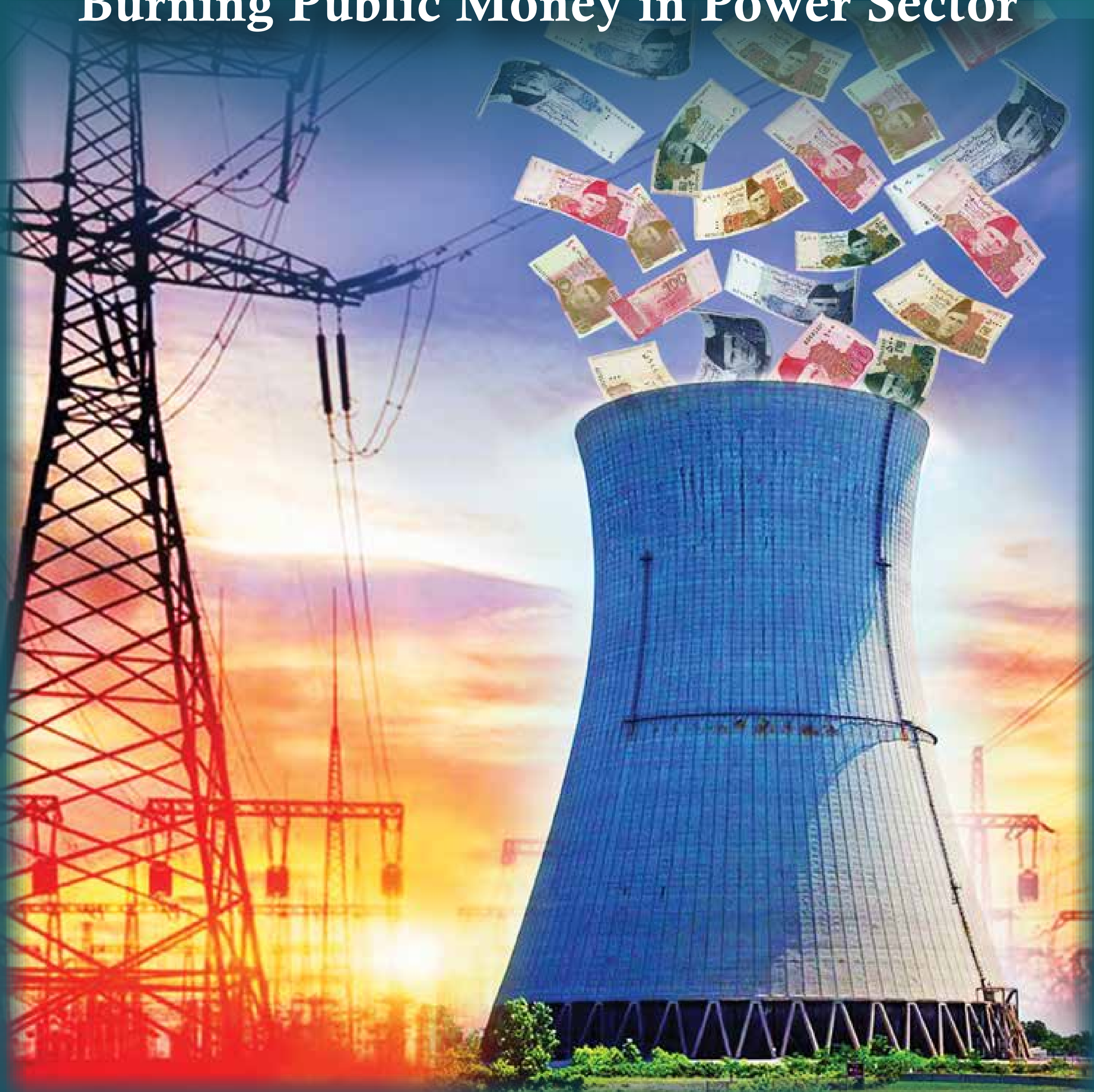
15th - 30th April 2021

Power Sector Special Report
Wastage of resources by regimes equally & forcefully

Opposition vs Opposition, Govt. vs Govt.
Opposition alliance parties seems unbridgeable

Killings of COVID-19 in Pakistan & Economy
Very High Positivity Rate beating previous records

Building Castles in Sky Not Dams
Burning Public Money in Power Sector



Rs. 435

205 D, 2nd Floor, Evacuee Trust Complex, Aga Khan Road, F-5/1, Islamabad, Pakistan.
www.thetruthinternational.com +92 51 2820180-1

Build a Fully Connected, Intelligent World

Huawei IdeaHub

New Style Smart Office

Huawei IdeaHub Series S | Pro | Enterprise

Leading Smart Office Era

Incorporating intelligent handwriting, HD Wireless projection and video conferencing, Huawei IdeaHub series is your new option for smart office in meeting room, open office, executive boardroom, home office and many other scenarios.

Elegant Simplicity

Modern user-centric design, Gentle jade white frame, and Slender artistic stand.

4K UHD Projection for Better User Experience

Smoother projection	Higher-definition images	More accurate mouse-pointing
60 fps	4K H.265	Ultra-low cursor latency

Ultra-low Writing Latency

Graphic recognition and flowchart drawing enable convenient electronic document transcription and smooth writing experience.

35ms Ultra-low Writing Latency	Graphic Recognition

Intelligent Speaker Tracking

The flexible layout automatically switches between site views depending on who's speaking. Enjoy a smooth, natural experience every time.

Block Noise via Acoustic Baffle

Customizable distance of sound pickup to block noises.

Bulletin Board

Publishes internal information in real time, and promotes enterprise culture and products. Hierarchical management and customization of the content to be released according to the application scenarios.

Culture promotion | Administration notice | News announcement | Team Display

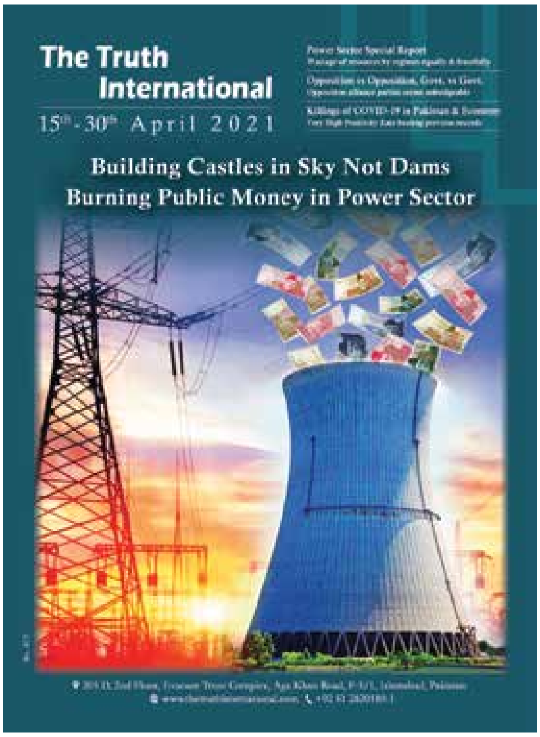
HiBoard

Offers various templates of welcome page and customization of the content and font.

For Queries & Contact:
Muhammad Faisal
Pre Sales Consultant
+92-300-3805530
muhammad.faisal@awandistribution.com

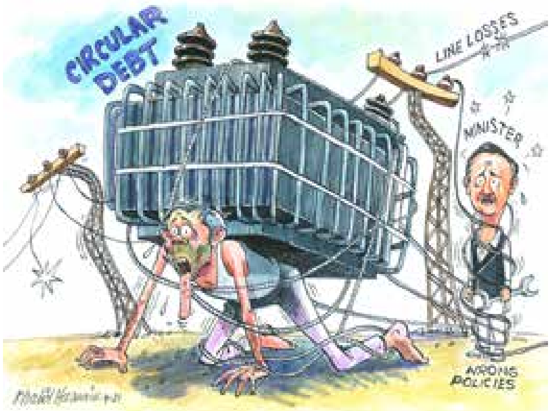
* All subject to actual parameter

CONTENTS



Cover Story

The snowballing of circular debt in the energy sector is Pakistan's topmost macroeconomic issue, given its spill-over into myriad areas of the economy. It is without exaggeration that the long run viability of the country's energy supply chain is at stake.



Editorial

Power Sector

Politics

CONTENTS

Publisher: Muhammad Fahad Thaheem
Editor: Zaheer ud Din Babar Thaheem
Advisor to Editor: Ashraf Malkham

Printer: Masha ALLAH Printers
Basement # 9, Ratta Mansion,
Fazal e Haq Road, Blue Area,
Islamabad

The Crippling Power Crisis

By M. Ziauddin

It is becoming increasingly expensive to run the wheels of the national economy because of the ever increasing power tariffs which need to be kept increasing for accommodating the ever mounting circular debt which has already reached Rs. 2.3 trillion and is expected to hit the Rs. 3 trillion mark by the end of the current fiscal year.

Pakistan has been gripped by a crippling power crisis since the 1990s. It has intensified since 2007, imposing punishing costs on the country. The nature of the crisis has evolved over the years from one of chronic power supply deficits to one where there is excess installed capacity but not enough cash flow in the system to run it. Circular debt refers to the cash flow shortfall incurred in the power sector from the non-payment of obligations by consumers, distribution companies, and the government. It has continued to grow in size over the years.

The accumulation of circular debt can rightly be termed as one of Pakistan's foremost macroeconomic challenges. Its build up has undermined the viability of the country's energy sector, hurt industry and exports, and impacted new investment and job creation. It has also destabilized Pakistan's fiscal management and imposed prohibitive opportunity costs in terms of pre-empting government spending on infrastructure and social expenditure, as well as credit in the banking system.

The underlying structural causes for the circular debt include the high cost of electricity generation; tariff anomalies, including a significant difference between cost-recovery and notified tariffs and; stubbornly high transmission and distribution losses coupled with low recoveries. The drive to seek private investment in the power sector as well as introduce reforms, was spearheaded by the World Bank in the 1990s. The ironclad sovereign guarantees and take-or-pay contracts was the handiwork of the Bank. While the intention was good, the means used were unjustified.

The crisis has caused the PTI government to commit to the IMF to jack up electricity rates by almost Rs4.97 per unit in the remaining three months of the current fiscal year. The government has also given an undertaking to continue making tariff adjustments next year on monthly, quarterly and annual basis through "automaticity" of regulator NEPRA's amended powers. The IMF has confirmed that Pakistan had increased power tariff by Rs. 3.57 per unit by way of prior action.

As a first step towards liquidation of the circular debt the government plans to settle a part of outstanding dues amounting to Rs450bn in three tranches. Under the plan, one-third of the arrears will be paid to the power producers in cash and the remainder in the form of Pakistan Investment Bonds at the floating rate. The payment of the first tranche will immediately lead to materialization of the MoUs signed between the government and power producers in August last year into formal agreements. The MoUs provide for changes in the terms of the existing power purchase agreements that will reduce the size of the guaranteed capacity payments or fixed costs paid to the Independent Power Producers (IPPs).

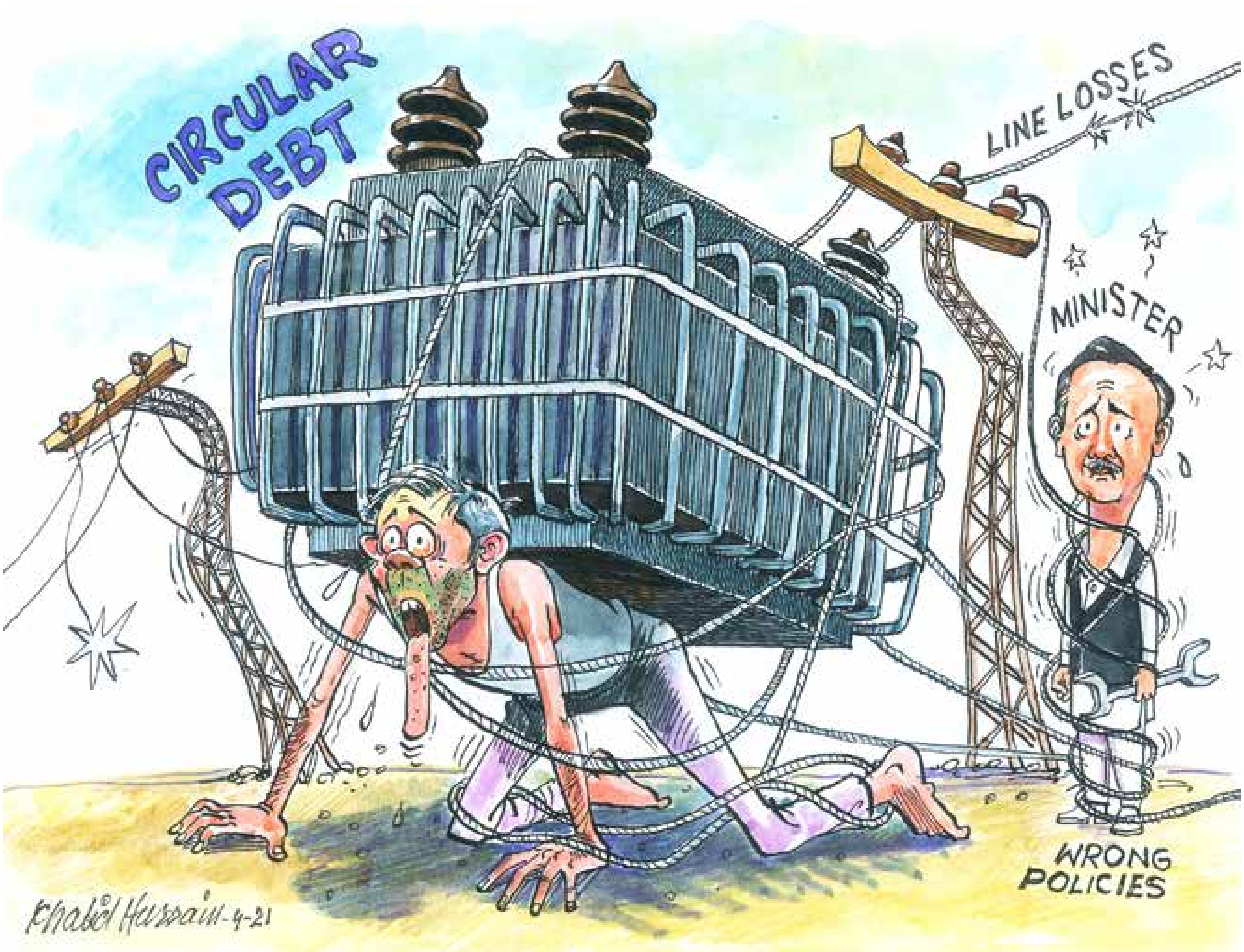
The government is expecting savings of Rs850bn over a period of 10 years, following the modifications in Power Purchase Agreements (PPA). The settlement scheme covers the 50-odd IPPs which were set up in the 1990s and 2000s. In recent years, the major build-up in the circular debt has been caused by capacity payments to large power projects set up since 2015, primarily as part of the CPEC initiative. So far, no progress has been made to get the terms of the PPAs with these companies renegotiated. Until these contacts pay off, the resolution of the mounting power-sector debt will have to wait.

The Economic Coordination Committee (ECC) of the cabinet on Wednesday put off a decision on payment of the first installment out of Rs403 billion outstanding to IPPs. Missing its first payment of about Rs85 billion to 19 IPPs reflects poorly on the government. IPPs quite rightly see this as an effective default because according to the agreement signed end February, the government was supposed to pay the first instalment to 19 pre-NEPRA IPPs set up under the 1994 power policy and HUBCO by March 29. And this first payment, which is 40 percent of total dues of about Rs403 billion to 47 IPPs, was supposed to be the most important condition of the revised agreement, implying that the new contracts were now operational and the remaining amount would be paid in the next six months.

The contract allows the government 70 days to make things right otherwise the IPPs will be within their rights to suspend tariff discounts from the date of the default.

Debt Burden of Circular, a Reminder of East India Company

The grim spectre that cost Pakistan USD 82 billion in lost GDP over the past 14 years shows no signs of going away.



By Sakib Sherani

The snowballing of circular debt in the energy sector is Pakistan's topmost macroeconomic issue, given its spill-over into myriad areas of the economy. It is without exaggeration that the long run viability of the country's energy supply chain is at stake.

Pakistan has been mired in a crippling power crisis since the 1990s, which intensified since 2007, imposing punishing costs on the country's economy. According to a report released last week by economics research firm Macro Economic Insights, the power crisis cost Pakistan USD 82 billion in lost GDP between 2007 and 2020.

The nature of the crisis has evolved over the years from one of chronic power supply deficits to one where there is excess installed capacity but not enough cash flow in the system to run it. The latter gives rise to the circular debt issue.

Specifically, the term 'circular debt' in the context of Pakistan's energy supply chain refers to the cash flow shortfall incurred in the power sector from the non-payment of obligations by consumers, distribution companies, and the government.

Given its complex nature, and within the institutional context and political economy realities, a resolution of the issue is unlikely in the medium term despite efforts by the current government.

Unless more robust and concerted measures are taken across the entire power sector, the circular debt stock is projected to continue to rise significantly over the foreseeable future.

A crippling burden

The circular debt stock in the power sector has increased 3.5 times (by 250 percent) since 2016, from PKR 689 billion to an estimated PKR 2,400 billion as of end-December 2020. At the end of FY2020, it stood at 5.2 percent of GDP.

Pakistan's power crisis cost USD 82 billion in lost GDP between 2007 and 2020. In per capita terms, the power crisis cost each Pakistani PKR 43,504 during this period, with rupee per capita GDP lower by 23 percent as a result.

The lower GDP growth cost approximately 0.9 to 1.6 million jobs a year on average between 2007 and 2018. At the lower-bound, this amounts to a cumulative 10.9 million jobs that could have been saved or created during the 12-year period.

Fiscal costs to the budget amounted to a further 1.2 percent of GDP each year on average between FY2007 to FY2019. Total budgetary support to the power sector has amounted to PKR3,202 billion (USD 31.4 billion at the average exchange rate). The combined welfare costs of the power crisis are likely to be significantly higher.

The worst part is that a resolution to the problem is nowhere in sight. The circular debt stock is conservatively projected to increase to over PKR 4,900 billion by FY2025 (an increase of 2.04 times from current level) under the base scenario.

The makings of the crisis

There are several reasons for this sharp accumulation of power sector circular debt – almost all of them rooted in policy options exercised by successive governments.

The steep rupee devaluation of 2018-19, coupled with an increase of nearly 13,300 MW (52 percent) in new generation capacity since 2016, led to a sharp increase in total payments to IPPs from PKR 724 billion to PKR 1,496 billion in FY2020. This represents a 106 percent increase.

An increase of about 76 percent in cost of generation versus an increase of about 39 percent in average tariff during this period also caused the circular debt to balloon.

A decrease in recoveries from 94 percent to 89 percent over this period further pushed the circular debt upwards. Recoveries deteriorated due partly to waivers and forbearance in bill collection during April-May 2020 in the wake of the outbreak of the Covid-19 global pandemic. However, the trend does not appear to have been favourable even prior to the Covid-19 situation.

Another key factor contributing to the accumulation of circular debt has been the inability of the government to pay off the circular debt stock due to lack of fiscal space.

Finally, the higher financing costs incurred due to a larger base of outstanding circular debt combined with the sharply higher interest rates prevalent in 2018 and 2019 drove the debt stock even higher.

Shockwaves from the crisis

Between 2007 and 2020, the power shortfall caused a national output loss of about 2.5 percent annually. Cumulatively, the lost GDP amounts to USD 82 billion for this 14-year period at the average exchange rate. In per capita terms, the power crisis has cost every Pakistani PKR 43,504 during 2007-2020, with rupee per capita GDP lower by 23 percent.

The impact on employment has been severe as well. For a range of employment elasticities of growth used by the Planning Commission and Pakistan Institute of Development Economics (PIDE), it is estimated that the lower GDP growth cost approximately 0.9 to 1.6 million jobs a year, on average, between 2007 and 2018.

Note, however, that this is not necessarily an estimate of actual jobs lost, but the counter-factual number of additional jobs that could have been created if there was no power crisis in the country.

The build-up of circular debt has undermined the viability of the country's energy sector, hurt industry and exports, and impacted new investment and job creation. It has also destabilised Pakistan's fiscal management and imposed prohibitive opportunity costs in terms of pre-empting government spending on infrastructure and social expenditure, as well as credit in the banking system.

Given the magnitude and trend of the problem, its linkages with the rest of the economy, and large negative externalities, the accumulation of power sector circular debt will continue to be one of Pakistan's foremost macroeconomic challenges in the years to come.

The writer is a senior economist and analyst.

Khan's PKR 7,000 Billion Power Play

In a deft move, the authorities in Pakistan have been able to convince the power producers to sweeten their terms to allow lower both electricity cost and circular debt.

By Ashraf Malkham

Prime Minister Imran Khan government has successfully concluded renegotiation of the terms of Pakistan's agreements with private power producers, exacting cumulative monetary concessions to the tune of PKR 7 trillion over the next four decades, The Truth International (TTI) reports on good authority.

The new deal, signed between government representatives on the one hand and Independent Power Producers (IPPs) and Wind Power Projects (WPPs) on the other, would help lower electricity cost and reduce the crippling circular debt.

With the negotiation for revision of contracts with 53 IPPs the Government signed agreement with 47 IPPs and agreed on a mechanism for recovery of access payments of the past too, will be saving at least PKR 836 billion over next fifteen years. The agreement led towards executing similar terms to the government owned projects which will enhance these projected savings around PKR 7,000 billion over the next 40 years.

The savings secured through the renegotiation amount to PKR175 billion a year.

This is worth mentioning that PML-N second government in 1997-1999 also tried to re-negotiate agreement with IPPs and used NAB but badly failed. Why this negotiation with arm twisting was started and why it was aborted remains a mystery to date.

This time, Led by Chairman Federal Land Commission Babar Yaqoob Fateh Muhammed, the government negotiators secured the key policy change in the power projects agreement -- a shift from earlier policy of "take or pay" to "take and pay".

To achieve all this is not less than miracle, said a senior executive serving in Power sector for years.

Interestingly there was no official correspondence in between IPPs and negotiation team, no arm twisting, and no agency (FIA, NAB etc.) was used during negotiation. They were invited on telephonic messages and they came, said a team member. The only commitment given to the IPPs was that everything will be done in the national interest – and both parties sitting on either side of the table followed this commitment, said a member of the government's negotiating team on condition of anonymity.

He paid special tribute to Babar Yaqoob Fateh Muhammed whose was able to motivate the team to work 15 hours a day on average – sometimes without the weekly day off.

Private Sector strongly believe negotiation team comprises of highly professional members and establisher also provided full support to make negotiations with IPPs a success story. This was unprecedented coordination.

The two sides agreed to reduction in the rate of return on equity, reduction of interest rate on late payment for two months, heat testing to judge capacity of projects and take profit in Pakistani rupee instead of US dollars at a rate of 15 percent. The rate of dollar has been fixed at PKR 148 for the life of these projects.

A look at the agreement showed that the government would save a minimum of PKR 675 billion in the next seven to ten years. A Power Ministry official who attended the briefing of the negotiation committee said IPP experts hold firm view that approximately PKR 5,000 billion would be saved in the next 25 years if this agreement is applied to the government-owned RLNG and coal fired projects.

Sharing details of a saving of at least PKR 675 billion, the official told this correspondent that the government would save PKR 225 billion under the Power Policy 1994, another PKR 200 billion under the Power Policy 2002, and PKR 250 billion would be saved on the payments to be made under the Power Policy 2006 over the lifetime of these projects.

He termed the negotiation a success that would plug the black hole that was eating hundreds of billions of rupees and affecting businesses and industrial activities.

As far as the recovery of overpayments to some units is concerned, the National Electric Power Regulatory Authority (NEPRA) has been asked to negotiate with the IPPs and ensure a decision is taken on merit and without any arm-twisting.

The agreement further reads that local investors' USD based returns have been converted to Pakistani currency at 15 percent and foreign investors' returns have been reduced from 15 percent to 12 percent but in US dollar. It has also been agreed that heat rate test (to be conducted by June 2021) to ensure accurate reporting of efficiency.

Up to 70 percent sharing in fuel efficiencies and 50 percent sharing in Operations & Maintenance Efficiency also form part of the MoU. On delayed payments from government side rate of interest has been reduced from 4.5 to 2 percent. The government would also devise the mechanism for payment of IPPs receivables.

Any receivable left unpaid for longer than two months will be subject to interest at the rate of 4.5 percent.

In order to assess if a company has made any 'excess profits', the reconciled financials between the committee and the IPPs would be submitted to Nepra to take a decision and provide for a mechanism for recoveries where applicable.

Further details reveal that the parties have agreed that nothing contained in the agreement shall be deemed or construed as an admission of liability, wrongdoing or improper action on the part of ITPs. Furthermore, agreement or any of the terms of this agreement shall not be considered as an alteration or amendment to the power change agreement or implementation agreement.

• USD indexation removed from 50% of reduced capacity payment and these will be based in PKR (instead of USD).

• Interest on interest to be waived against payment of present and future invoices in the order of due date.

• All arbitration and out standing claims between IPPs and GoP amicably settled

• 15 legal disputes got settled Out of court court/arbitration cases in lieu of non-availability of fuel supply due to payment delays also settled with benefit or these settlements to consumers.

• 2 court/arbitration of KAPCO against government are being withdraw which will likely to save of RS. 60 billion.

• Heat rates tests agreed to be conducted through international consultant to determines fuel efficiency for finding actual fuel use. After this heat test, efficiency can be reset from 45 % to say 46 % which will result reduction of fuel cost component and ultimately tariff for consumers. Bidding advertisement has been published in leading newspaper(attached). So far 10 consultant have showing interest (USA-2, south Korean 1, UAE -1, Canada 1 and 5 x Pakistani). Process likely to take 2/3 months.

• Local investors: rupee based return instead of USD based: maximum 17% p.a. in PKR fixed at RS. 148/USD without any future USD linkage.

Salient Features of Revised Agreement Terms – 1994 policy ipps, HUBCO and KAPCO (8 ipps = approx.. 4,046 mw)

• 11 % reduction in capacity payment and variable operation & maintenance costs (O&M).

• Foreign investors; return reduced to 12 % USD instead of 15% USD.

o GoP Share in all future savings of Fuel and O&M costs

• Interest rate on Payments reduced from KIBOR + 4.5% to KIBOR + 2% for first 60 days.

Salient Features of Revised Agreement Terms – 2006 Policy Wind and Solar IPPs (18 IPPs = Approx. 815 MW)

• Return reduced to 13% USD instead of 17% USD.

• O&M Costs reduced BY 20-25% FOR Wind and 15% for Solar.

• Insurance costs reduced to Actual.

• Long outstanding curtailment issue of Wind IPPs resolved: 50% reduction in.

• Generation costs above benchmark and curtailment up to 1.25% per month (15% p.a.).

• Waiver of interest on interest & Interest rate on payments reduced from KIBOR + 4.5% to KIBOR + 2% for first 60 days.

Salient Features of Revised Agreement Terms _ Bagasse based IPPs (8 IPPs = Approx. 204 MW)

• Return reduced to 12% USD instead of 17% USD for next 5 years. Thereafter fixed in PKR at 17% @ Rs. 168/USD without any linkage for the next 20 remaining years.

• O&M costs reduced by 10%.

• Insurance costs reduced to 0.7% of EPC.

• Waiver of interest on interest & Interest rate on payments reduced from KIBOR + 4.5 to KIBOR + 2% for first 60 days.

Resolution of Past Excess Payment (Rs 56 Billion) to 2002 Policy IPPs

• Issue to be decided through 3 member Arbitration Panel. Two members will be retired Supreme Court judges who will jointly decide the third member.

• Decision of Arbitration Panel will be final and cannot be challenged and therefore, avoids the risk of GoP event of default.

Power Policy 1994 and the 'take or pay' clause

By Meer Daiam

First introduced by a Power Policy announced almost three decades ago, the 'take or pay' clause has plagued Pakistan's power sector ever since. While this clause has caused heavy loss to the country in the form of high power tariff and mounting circular debt, it has remained part of successive power policies – up until now that is.

Apparently, those entrusted with the nation's affairs over this time failed to see the injustice of paying power plants not contributing power generation. For the first time, the incumbent government has signed settlement pacts with Independent Power Producers (IPPs) established under Power Generation Policy 1994, paving the way for substantial reduction in power tariff and circular debt.

After the government clears 40 percent of the IPPs' dues in the first instalment, tariff of these power producing companies will be reduced and this will benefit the country with approximately PKR 60 billion per annum.

As per parity wise payables to IPPs on 30 November 2020, total outstanding payables of 46 IPPs including HUBCO & KAPCO were PKR 403,098 million. The total payables of IPPs established under Power Policy 1994 were PKR 57,210 million, and payables of IPPs of 2002 Power Policy were PKR 145,702 million while total payables of renewable plants were PKR43,203 million.

The total payables of remaining IPPs including under MoU and non-MoU were PKR 94,676 million as on 30 November 2020.

Power sector sources say some IPPs have been found indulging in malpractices like over-invoicing and use of fake documents to maximize benefits under Power Policy 1994. The National Electric Power Regulatory Authority (Nepra) was unable to conduct forensic audit of the documents and data presented by IPPs owing to poor capacity. The IPPs' claims regarding heat rate and efficiency rate of power plants have likewise remained unverified.

The sources said that the Nepra has so far merely calculated the figures and approved tariff of the IPPs which resulted in additional burden on the public as well as the national exchequer. The IPPs have raked in lucrative returns due to the 'take or pay' clause of Power Policy, 1994.

In the past, the Securities Exchange Commission of Pakistan (SECP) had taken up the matter as the Nepra desired forensic audit of the IPPs. But the IPPs approached the courts and were able to evade audit of the heat and efficiency rates of their plants.

"The National Accountability Bureau (NAB) Lahore has also taken up the matter of abnormal profits of IPPs to find facts in this regard", said the sources. "However, the IPPs were able to thwart this move because of the 'take or pay' clause".

The government had initially agreed up to 17 percent return to IPPs. The IPPs, however, took home profits as high as 60 to 70 percent.

The sources said the IPPS were well aware how to get maximum benefits with this clause of 'take or pay' while instead of introducing take and pay policy the government has continued with 'take or pay' policy.

"Absence of fuel audit, no check on heat rate and efficiency rate of the power plants by the Nepra and power division has added miseries to common public and additional burden on the national exchequer."

It is also learnt from sources that Shaukat Tarin, an important member of Economic Advisory Council (EAC), has alleged vested interests in IPPs as he as finance minister during Pakistan People's Party (PPP) tenure protected the interests of Rental Power Plants (RPPs).

Similarly, he used his influence in PML-N tenure to ensure benefits for IPPs. He is also said to have a very close association with Abraaj Group and is currently spearheading efforts to find a new buyer for KE, one probable being the Chinese firm Shanghai Electric Power (SEP).

After receiving a clean chit from the NAB, the Ministry of Energy has sent a summary to the federal cabinet's Economic Coordination Committee (ECC) regarding PKR 85 billions payment to IPPs as first instalment ostensibly to clear the pending dues. The ECC is likely to grant its approval to the initiative in its next meeting.

The deadline for the payment under the new agreement with IPPs was 29 March as the federal government had promised to clear payments within 30 business days from 11 February. Similarly, it is estimated that if the pending dues are not cleared, the IPPs which were established under the power generation policy of 1994, will not be able to ensure fuel storage for their plants.

Salient features of the 1994 Policy

The federal government issued the Policy Framework and Package of Incentives for Private Sector Power Generation Projects in March 1994, in the face of an acute power shortage in the country. The government estimated a conservative 8 percent demand growth over the next 25 years.

The 1994 policy offered an internationally competitive package of incentives in order to attract overseas and domestic entrepreneurs to invest in power generation projects in Pakistan.

The federal government offered a bulk power tariff of US cents 6.5/kWh (PKR 1.952/kWh) on average for the first 10 years while the levelized tariff worked out to US cents 5.9/kWh (PKR. 1.776/KWh) over the life of the projects (25-30 years).

A review of the profits and dividends from the available financial statements for the 1994 Policy thermal IPPs showed that almost all IPPs reported enormous profits, large chunks of which were withdrawn in the form of dividends. In fact, cumulative withdrawals in the form of dividends for some IPPs amount to as high as 22 times the initial equity contribution.

Power Failure-Fueling Further Failure

The heart-breaking tale of how Pakistan's power sector became a millstone around the national economy's neck instead of fueling growth.

By Khalique Ahmad

The story of Pakistan's power sector is one of collective failure of the policy makers, civil and military governments, operational managers, and international lenders. It would perhaps be no exaggeration to say power sector is an unmitigated disaster that has been a major drag on the country's economic growth.

The national power grid is as large as the country itself. While in the care of the erstwhile Water and Power Development Authority (WAPDA), the sector suffered from unsustainable line losses, rampant mismanagement, and insufficient investment in system improvement.

During this period, when executives of lending agencies led by IMF, World Bank, and ADB pitched their loans along with policy prescriptions that bureaucrats and the governments found irresistible, the operational managers and engineers found their formulations incomprehensible.

Between 1985 and 1988, the energy sector emerged as one of the top priorities for the then governments and lending institutions as electricity tariffs started to increase through political decision making. By 1990, it was clear that the Wapda in its then shape had become unmanageable. Thus came the decision to separate the power sector from the Wapda's water sector responsibilities as the share of imported fossil fuels in our energy mix began to rise.

But then the power sector has become more unmanageable 30 years later as reform initiatives were undertaken by successive civil and military governments. But the funding from lenders was used for budgetary support instead of going into system improvement and fostering performance and inculcating corporate good governance.

Many things changed over the decades but the one thing that remained constant was the missing good governance and professionalism. The situation would slightly improve when the Wapda was lucky enough to get a good administrator as its head, but slide back again after he was replaced. Also, even the good heads were administrators only – lacking the professional and technical chops required to lead a mammoth engineering establishment that needed to be profitable.

In 1991-92, a decision was finally made to unbundle the colossus called Wapda. Its power wing operations were further compartmentalised into thirteen corporate entities and put under the administration of the umbrella Pakistan Electric Power Company (PEPCO).

The Pepco was required to transform area electricity boards of the erstwhile Wapda into nine distribution companies, three generation companies (Gencos) running thermal power plants, and a transmission and dispatch company (NTDC) to procure power from Gencos and sell to Discos along commercial lines. A sunset clause required the Pepco to dissolve itself in two years' time after completing the process and establishing thirteen corporate entities able to stand on their own feet.

The bifurcation of staff between Wapda and Pepco and the corporate entities took time. Simultaneously, the privatization of portions of generation companies was started by the government culminating in sale of up to 36 percent stake of Kot AdduThermal in the first stage (1995-96) followed by majority shares of a separate entity Karachi Electric Power Corporation in 2005.

Alongside, the regulator NEPRA was created to balance commercial interests among the private investors, the government and the consumers to minimize bureaucratic interference in commercial and business issues. The unbundling and corporatization process was completed within a few years but power division continues to control about 20 corporate entities through a dysfunctional Pepco that should have died about 25 years ago.

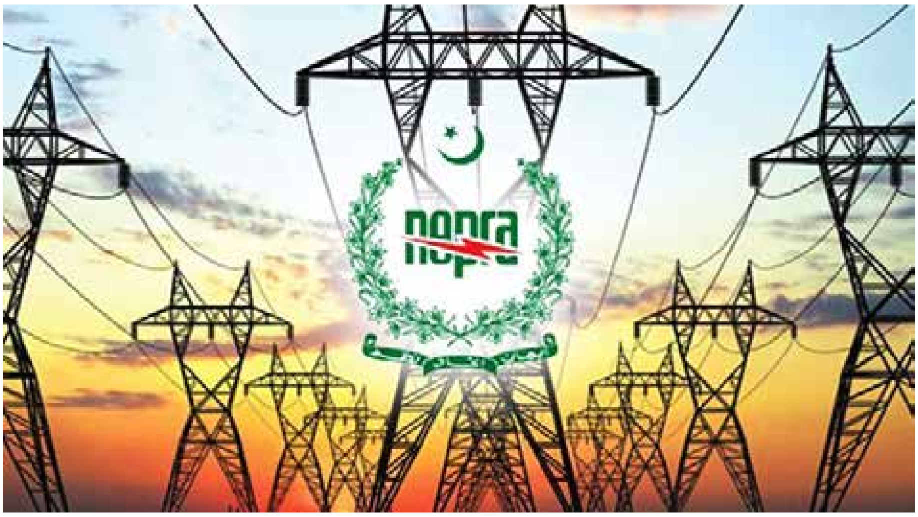
About this time, private sector investments were sought for power generation as public finances faced shortages and load shedding started to hit the consumers. Independent power producers were allowed in to the generation sector but their counterpart Discos were kept operating in their old cultures.

in technology and projects of transmission and distribution at the level they deserved.

The upshot was that projects faced delays and investments remained limited mostly to the generation sector. The failure to match the expensive private sector energy production with an efficient transmission and distribution system continued to takea heavy toll on public finances and consumers.

Political instability leading to also played a key role in shaping this failure of epic proportions. It would, however, be unfair not to forget the ramifications of the nuclear tests and events like 9/11 terror attacks and war in Afghanistan that affected Pakistan's internal and external priorities besides the fluctuating power demand in the country.

The witch hunt against local and foreign investors following surplus capacity contracts and resultant capacity payments



without consumption increase commensurate with availability resulted in higher costs of investment, leading to more expensive contracts in the coming shortage cycle. The attempts to finance circular debts through privatization also faced political and regime change setbacks and no major entity could be handed over to the private sector.

As one of the lenders itself conceded later, it was clear that the commitment to reform and performance improvement of those working in the power sector had been neither complete nor consistent. Creating Pepco as a subsidiary of Wapda was bound to cause delays because some senior Wapda staff had a personal career interest in delaying restructuring.

This was in spite of a variety of experiments. More than 40,000 army personnel led by a lieutenant general and assisted by a major general in uniform controlled the Wapda, Pepco, and Power companies for five years, before control was transferred to a private sector business leader and all-weather bureaucrats.

Notwithstanding all these measures, no meaningful improvement was seen and technical and distribution losses fluctuated in a close band of 1-2 percent. Finance results also moved up and down and poor recoveries and high losses remained persistent, leaving large gaps becoming part of the circular debt. Even the foreign funds were either misused or left unutilised in the absence of counterpart funds for investment

Transferring responsibilities out of government and to the power regulator meant ministers and civil servants giving up powers they had exercised for many years, and this was also an inevitable source of delay. Having multiple agencies involved in the sector was also a certain recipe for delays as it became necessary to secure overall commitment to required changes, the ADB conceded years later.

The companies were registered as independent commercial companies with the Securities and Exchange Commission of Pakistan to ensure their financial and administrative independence through independent boards of directors. In practice, however, the companies are directly controlled from the power division and the prime minister office even today.

The Discos created in 1998 are still financially integrated and have uniform tariffs irrespective of the performance, inefficiencies, and technical losses (that vary between 40 percent and 10 percent) of individual companies. Their managers have no incentive to be efficient and no disincentive to poor performance. Small wonder the Discos continue to post losses.

On top of everything, the burden on honest consumers continues to grow as thieves pilfer power and others continue to refuse to pay their bills. Even after thirty-odd years, there are no key performance indicators for staff and managers of power companies against which to judge their performance, nor is there any proper mechanism for reward and punishment.

The power sector reform programme initiated more than three decades ago is a story of broken promises, unfinished plans, and half-cocked strategies. Unless the work culture is changed, governance structures are strengthened, and reward and punishment systems are put in place across the chain of stakeholders, managers, workers, consumers, policymakers and regulators, it would remain impossible to run the sector on sound footing.

That, however, needs political will and unwavering commitment from all stakeholders – tough asks both for our circumstances.

Build Castle in Air than Dams on Waterways

More dams mean more water for irrigation and more hydroelectricity, but Pakistan needs to build technical capacity at key institutions before we can build more dams.

By Amer Mahmood

Pakistan lies in the temperate zone. The climate is generally arid, there is little rainfall, except the monsoon season. But that is one side of the picture as the country has abundant surface water of 140 million acre feet (maf) and on the average wastes 35 maf floodwater to the sea.

As is obvious from the statistics, an arid country like Pakistan requires huge reservoirs to meet the burgeoning requirements of its 220 million plus population. But it had managed to build only two reservoirs, Tarbela and Mangla during the last 77 years. The completion of these two dams brought not only food security in the country but also prosperity in the shape of electricity.

As part of the Indus Basin Replacement Works under the 1960 Treaty with India, Pakistan was required to build at least one major reservoir every decade after the completion of Mangla and Tarbela. None could be built for more than five decades mainly because of political disagreement over Kalabagh Dam. By failing to build more reservoirs, Pakistan has imposed poverty on itself.

Pakistan has built dams on the Indus River, under the Indus Waters Treaty at Tarbela, Mangla and Chashma. The World Bank failed to honour the Indus Waters Treaty by declining financing for a multipurpose dam on the Indus as Replacement to Tarbela. Pakistan lacks mega dam sites on the Indus except Diamer Basha Dam and Katzarah Dam.

The World Bank refused financing for the Diamer Bhasha dam and instead financed the run of the river project 432 mw Dasu Hydropower Project. The Asian Development Bank also refused financing for Diamer Bhasha Dam claiming it alone could not provide a financing of USD 12 to 14 billion for the mega project.

Their refusal was termed a political ploy in government circles. Official sources say big reservoirs have brought more prosperity to the developing countries leading to improvement in the agriculture productivity. It's a fact that building only two reservoirs in Pakistan has granted food security, enabling domestic production to replace wheat, pulses, sugar, and cotton imports.

However, criminal dereliction of duty on the part of the Water and Power Development Authority (WAPDA) also played a vital role in the delay in building new reservoirs, causing billions of dollars of loss in floods, power shortage, and food insecurity. The Planning Commission and the former Ministry of Water and Power are equally responsible as they never undertook any serious effort to force WAPDA to come up with major water reservoir projects.

Both WAPDA and Planning Commission have promoted construction of run of the river projects and irrigation projects, without considering that the expansion in canal infrastructure will further increase the political discord among the provinces over water distribution. No new reservoirs means no water for the proposed flood canals.

After the construction of Tarbela and Mangla dams, WAPDA has maintained a focus on building Kalabagh Dam, without ever thinking about building any other dam. The only major projects completed during this time were the run-of-the river hydelprojects, Ghazi Barotha, Neelam-Jhelum, and Tarbela third and fourth. After the advent of Imran Khan, government work started on the Diamer Bhasha dam and Mohmand Dam. Even after the refusal of international financial institutions the government made allocations for the two reservoirs.

It is unfortunate that there are no major dam sites on Kabul River, Jhelum River, and Chenab River in Pakistan. Therefore no flood control is possible on these rivers and Pakistan can only harness the Indus River. But sadly there is no integrated plan to harness the water and hydropower resources. Building Diamer Bhasha and Mohmand Dams is a great leap forward but they have low storage capacity.

Pakistan requires big reservoirs to cater to its emerging needs. Bunji, Dasu, and Mohmand projects will mostly cater to the power requirements. According to eminent water expert Engineer Fateh Ullah Khan Gandapur, the most promising dam sites in Pakistan are Katzarah Dam, Guroh Dop Dam, Mirkhani Dam, and the raised barrage-cum-dam at the end of the Indus River valley are their supporting dams. The raised barrage-cum-dam is a substitute to Kalabagh Dam. The unique aspect of this project is that it requires no land acquisition, no land compensation and no displacement of population.

The other major water management issue is the mismanagement of the canal irrigation system that is 150 years old and in urgent need of modernization. Systemic inefficiencies lead to wasting about 50 percent of the water out of about 100 maf that enters the network of canals. This requires a major plan, an integrated water management plan, to modernize the Indus Basin.

The problem, however, is that the WAPDA and Planning Commission seriously lack expertise to come up with a master plan to build mega reservoirs, modernize canals, and effective drainage of the Indus Basin. The authorities will do well to pay attention to these systemic deficiencies and take corrective action to help optimize the nation's resources.


MPCL
Mari Petroleum
Company Limited
Energy
with energy
WE EXPLORE
THE FUTURE IN FUEL
Being one the major E&P players of Pakistan, we at MARI Petroleum, are poised to our mission of uplifting national economy, thus contributing to progressive and growth of the country.
051 111-410-410
info@mpcl.com.pk
mpcl.com.pk

Excessive Returns, Excessive Set-up Cost, Excessive Corruption: Chinese IPPs

An elite official panel has unearths irregularities worth billions in the much-touted energy projects set up as part of the China Pakistan Economic Corridor.

By Azeem Waqas

Even before it come to power, Prime Minister Imran Khan's Pakistan Tehreek-e-Insaf (PTI) had cried herself claiming the energy projects set up under the umbrella of China Pakistan Economic Corridor (CPEC) were costly and that these long-term agreements would strap the economy with debt. Now, an official investigation seems to have confirmed those fears, well-placed sources tell The Truth International (TTI).

Soon after assuming power, Prime Minister Khan had ordered an enquiry into the affairs of the IPPs. Inquiry Committee has also reviewed CPEC energy projects including coal, wind and solar. Headed by former SECP Chairman Muhammad Ali, the committee has unearthed irregularities worth billions of rupees in the power projects.

Committee has found three basic faults in agreements including Excess Set-up cost; excess return due to excess set-up cost and excess return due to miscalculation of Internal Rate of Return (IRR) which may lead to overpayments of more than 500 billion over the 30 years' life period of these projects.

Pakistan and China signed Energy Cooperation Agreement in 2014. Under the agreement total installed capacity of the projects was listed as 17,045 MW. It was also agreed to ensure the projects to be completed as per agreed timeline.

CPEC energy projects received special treatment. They were given tax concessions and ensured timely release of payments. Almost 70 percent projects were coal based, 25 percent Hydro, and solar and wind were 5 to 6 percent.

Mostly, Chinese investors came up and invested USD 16 billion in CPEC energy projects, major investments were done in coal projects.

Eight Coal power projects were financed through 75 percent Debt and 25 percent Equity. Tariffs of coal power projects hovered around 7.74 USC/kwh. Hydro-power projects were financed through 80 percent debt and 20 percent equity and their tariff ranged from 7.24 USC/kwh to 8.81 USC/Kwh. Alternative Energy projects of Solar and wind were also financed by 75 debt and 25 percent equity and their tariff ranged from 10.45 USC/kwh to 14.86 USC/kwh.

ECC has approved induction of 1 percent Security Cost for the CPEC projects in the power tariff. CPEC projects which have achieved financial close and for the CPEC early harvest projects were financial close is still pending as well as new addition to the CPEC projects under implementation agreement have been allowed 1 percent of the capital cost net of US USD 150,000 on account of security for the period starting from the construction period till the term of the power purchase agreement.

The IPPs inquiry report reviewed two CPEC projects Sahiwal Coal Power Project and Port Qasim Coal Power project during the course of investigation.

One of the member of the IPPs inquiry committee shared that Inquiry report says that Excess set-up cost of PKR 32.46 billion was allowed to the two coal-based plants due to misrepresentation by sponsors regarding Interest during Construction ("IDC") as well as non-consideration of earlier completion of plants by NEPRA. These plants were completed within 27-29 months, however IDC was allowed for 48 months. As a result, one of the plants, Huaneng Shandong Ruyi (Pak) Energy ("HSR"), commonly known as Sahiwal Coal Power Plant, was entitled to an excess Return on Equity (RoE) of USD 27.30 million in annual payment of return, which is indexed to USD and will be made every year over the entire project life of 30 years. Assuming a 6 percent annual rupee depreciation the excess payment over the project life works out to a total of PKR 291.04 billon.

In case of China Power Hub Generation Company and Engro Powergen Thar (Pvt.) Ltd., the Commercial Operation Date (CoD) adjusted determination of tariffs have not been issued by NEPRA till the time of preparation of this report.

A comparison of the total project cost of the two IPPs as determined by NEPRA versus the amounts reported in their financial statements showed that excess project cost was allowed to the two IPPs to the tune of PKR 32.46 billion. The main component of this excess cost was the financing cost including IDC. In the case of HSR, at the time of CoD, the IPP had requested an IDC of USD 197.34 million. However, NEPRA allowed IDC of PKR 17.56 billion (USD 167.91 million), whereas as per the financial statements of HSR, the IPP actually incurred an IDC of PKR 6.71 billion, leading to an excess allowance of PKR 10.85 billion in set-up costs (USD 103.77 million at CoD exchange rate).

Similarly, PQEPCL was allowed PKR 24.84 billion (USD 234.91 million) in finance cost (including IDC, Sinosure fee, lenders fee, etc.) whereas it actually incurred PKR 12.53 billion (USD 112.79 million) on this account giving rise to an excess allowance of PKR 12.31 billion (USD 122.13 million) in set-up cost. The aforementioned excess allowances were due to the actual construction period of 27-29 months being less than the 48 months' time assumed by NEPRA in its determinations.

Inquiry committee has also uncovered misrepresentation by the sponsors of both IPPs as interest payments against these borrowings were lower than those reported to NEPRA. The committee has revealed that Excess Return Payment of USD 27.40 million per annum was made to Sahiwal Coal Power Project.

NEPRA allowed total project cost of USD 1,782.31 million and equity of USD 361.6 million to HSR at the time of CoD tariff determination. However, after adjusting for excess allowance in setup cost (mainly IDC), the adjusted project cost and equity work out to USD 1,678.54 million and USD 340.57 million respectively.

Based on this adjusted equity amount, HSR was entitled to USD 70.90 million per year as RoE. However, HSR has been allowed USD 98.30 million by NEPRA. This means an excess of USD 27.40 million in annual return payments will be made to HSR over the project life of 30 years.

Since the project has recently started and the RoE is indexed with USD, assuming that USD appreciates against PKR at an average rate of 6 percent per annum, the excess payment on this account aggregates to a total of PKR 291.04 billion over the next 30 years.

In the case of PQEPCL, the NEPRA corrected the error of construction period and assumed actual construction period to compute return during the construction period.

Report also says that IRR miscalculation lead to excess payment of PKR 160 billion to two plants. NEPRA has allowed HSR and PQEPCL a 17 percent USD based equity IRR, assuming payment of return on an annual basis as against actual payment by CPPA-G of CPP, including RoE, on monthly basis.

Because of this mismatch, the IRR earned by these two IPPs works out to be higher than the IRR allowed by NEPRA, i.e.,18.39 percent return instead of 17 percent return. This excess 1.39 percent IRR translates to around PKR 1 billion per year extra payment to each IPP at the current USD/PKR Exchange rate.

Assuming that USD appreciates against PKR at an average rate of 6 percent per annum, the excess payment on account of IRR would amount to PKR 72.5 billion in case of HSR and PKR 87.6 billion in case of PQEPCL, aggregating to PKR 160.14 billion over the entire project life of these two IPPs.

The federal government has renegotiated the agreements on the basis of the recommendations of the IPPs inquiry Committee.

The committee laid out two options for the government to address these issues. The preferred option is a negotiated settlement, which will require engagement of all stakeholders with a view to arrive at an agreement which ensures that Pakistan's power sector is financially and operationally sustainable in the future.

The other option is a forensic audit of all companies with a view to establishing further wrongdoings not identifiable under the scope of this report. This will include forensic audit of IPPs to verify any over-invoicing in the project cost, fuel usage, misreporting in financial statements, etc.; and heat rate audit of the fuel based IPPs.

The Truth International (TTI) tried to contact Federal Minister Asad Umar and the former Special Assistant to Prime Minister Nadeem Umar for their view as to how and when the PTI government would implement IPPs inquiry committee recommendations, but neither responded.

POLITICS

Opposition vs Opposition, Government vs Government

By Hammad Ghaznavi

Though its burial may take a while, PDM is dead. ANP has formally left the PDM while the gulf between the remaining opposition alliance parties seems unbridgeable. It is basically PPP vs the rest of the PDM parties.

The unpardonable sin of PPP, according to PML-N and JUI-F, is the election of Yusuf Raza Gillani as the Leader of the Opposition in Senate, with the votes of the senators of BAP, a party considered a bunch of The Establishment boys. It actually was the last straw, to use a cliche, that broke the camel's back.

As a result, the political romance between Bilawal Bhutto and Mariam Nawaz ended rather abruptly. Those who thought the new generation of political leadership of PPP and PML-N, without the baggage of the past, stood a better chance of cordial working relationship against their common non-political rivals, were proven wrong, at least for the time being. Bilawal has been quoted as saying "now, the PML-N contact points will be {not Mariam but} Shehbaz Sharif and Hamza Shehbaz ." Interestingly, in other words, Bilawal said that he would be talking to that PML-N group that the Establishment trusted and talked to.

So, it is opposition vs opposition. Ironically, on the other hand, it is government vs government. The government's lackluster performance, particularly in the economic sphere, is not even funny, frightening friends and foes alike. The governance is a nightmare. The PTI government, having completed half of its term, is still looking for a 'suitable boy' as a finance minister. After Asad Umar and Hafeez Shiekh, it is Hammad Azhar. Next in line, it is rumoured, is Shaukat Tareen. He has been appointed the convener of an economic advisory council to assist the finance minister. Confusion, there is. It will not surprise many if a Battle Royale ensues between Hammad Azhar and Shaukat Tareen to decide 'who is the boss'.

Confusion worse confounded: the government announced its decision to allow the import of cotton bales and sugar from India but the next day the decision was reversed. The funny part was that Imran Khan as Commerce Minister proposed the import and as Prime Minister rejected the proposal. The U-turn kept the government spokespersons busy for the next few days defending the indefensible. These are the lacunae of a hybrid system. What decisions can the PM take on his own? What areas are off-limit? There certainly are boundaries, and the players know that, but sometimes the dividing line of domains blur. After all, hybrid system does not have the constitutional clarity, well defined realms and roles.

The U-turn, in fact, became the butt of a few jokes in the international press as well, because of the environment wherein the decision was taken and reversed. There was a momentum building after a recent COAS statement which indicated that Pakistan was getting ready for a new beginning in Indo-Pak relations. The entire effort, initiated by the COAS with the support of key international players, has to go in limbo for a few months after the government's faux pas. Obviously, the Establishment is not pleased.

Last week, it was reported that the COAS summoned six PTI federal ministers and without mincing his words shared his concerns. The gist of his talk was that the government's bad governance is causing anger on the street and hurting the reputation of its perceived guardians; and that the government needed a more efficient team to put the governance on track, at least the economy. Insiders, insist the message was simple -- time is running out. All agree, the unprecedented price-hike in the country is a killer that has left all associated with the present set-up jittery.

To bolster the dwindling image of the government, the Prime Minister has started a new initiative -- direct tele-contact with the people. The PM already has many fora available to him and his bulky brigade of spokespersons, to improve the perception of his government. Will another platform help his cause? Or is it a wrong diagnosis of the ills plaguing the present set-up? The perception primarily stems from the performance. Period!

Seasonable Hibernation or Stupor of Death?

After keeping the nation on tenterhooks for months about a Long March to overthrow the government, the PDM has been put out of action by God knows what.

By Khalid Wasim

For all intents and purposes, the opposition Pakistan Democratic Movement (PDM) has ceased to exist.

The government side asserts and some political observers agree the six-month-old alliance is on a ventilator and preparations for its last rites are underway as there is no hope for its revival. However, there are others who believe the coalition has gone into hibernation on purpose and it will return when the conditions are right.

Angry over the show-cause notices served on them by Vice-President of the Pakistan Muslim League-Nawaz (PML-N) Shahid Khaqan Abbasi in his capacity as the PDM secretary general, the Awami National Party (ANP) has already announced its decision to part ways with the alliance and its leaders have surrendered the PDM offices, including that of information secretary.

The ANP had been issued the notice for supporting nomination of Syed Yusuf Raza Gilani of the Pakistan Peoples Party (PPP) for the Senate opposition leader's office in violation of what PML-N maintained was a PDM decision agreed to by all member parties. The PPP and ANP say no such agreement was reached.

The PPP also received the show-cause notice, but instead of showing a knee-jerk reaction, the party took a more cautious approach, referring the matter to its Central Executive Committee. Analysts say the PPP does not want to be blamed for the possible disintegration of the alliance. The PPP claims to be the founder of the PDM since it came into existence during a Multi-Party Conference (MPC) hosted by party chairman Bilawal Bhutto Zardari in Islamabad last September.

But ultimately, the PPP's deliberate response turned out to be much harsher than the ANP's when, in a highly symbolic move, Chairman Bilawal Bhutto tore up the PDM show cause notice while presiding over the CEC session attended by fifty party stalwarts from across Pakistan.

The PPP has questioned the authority and the procedure adopted for the issuance of the notice, alleging that "the move is not only aimed at damaging the party, but finding an excuse to formally abolish the opposition's alliance which was a big success against the government during the recent by-polls and the Senate election".

The PPP says the PDM is not an electoral alliance and it has not come into existence under any specific rules and regulations and it is only a grouping of some parties for a limited and specific objective. It alleges that the PML-N and the Jamiat e Ulama e Islam - Fazal-ur-Rehman (JUI-F) were looking to back out of an earlier decision to stage a Long March. They had linked the Long March with the resignations from elected houses because they knew the PPP would never agree to any such measure at this stage.

Shahid Khaqan Abbasi, however, claims that he has issued the notices after receiving a go-ahead from PDM president Maulana Fazlur Rehman. According to Mr Abbasi, the Maulana gave him a go-ahead for issuance of the notices when he informed him about the recommendations made by five parliamentary parties of the PDM in the Senate in meeting two days back.

The leaders of these five parties, according to him, were of the opinion that the Maulana should seek an explanation from these two parties as to why they created a division in the Senate and by violating agreed PDM's principles.

Asked under which rules he has issued the notices to the two parties, Mr Abbasi reportedly said he had done so in

accordance with the country's constitution which bars political parties from collaborating and establishing contact with the establishment.

The PPP has in turn come out with a charge-sheet of its own against the PML-N. It alleges that the PML-N got its senators elected unopposed from Punjab after having an understanding with Prime Minister Imran Khan's Pakistan Tehreek-e-Insaf (PTI) and its allied Pakistan Muslim League-Quaid-e-Azam (PML-Q) party.

PPP Secretary Information Shazia Marri asked when a show-cause notice would be issued to the JUI-F over its alliance with the PTI in Sindh. She also accused the PML-N of conniving with the establishment for postponing the Long March to get some relief.

The mysterious and sudden disappearance of Maulana Fazlur Rehman and Maryam Nawaz from the political scene at this crucial juncture is conspicuous. It is said that both of them are facing some health issues and have been advised by the doctors to take complete rest. However, there are widespread suspicions the two leaders' sudden illness is a ruse for their inactivity on account of one or the other political expediency.

Maryam's silence only days after opposition leader in the Punjab Assembly Hamza Shahbaz was released on bail has strengthened claims that there are differences within the Sharifs over the party's direction. It seems that after an aggressive six-month inning, pinch hitter Maryam Nawaz has now been recalled to the pavilion as the team management has decided to field someone with a cooler head.

The buzz over the release of PML-N president and opposition leader in the National Assembly Shahbaz Sharif and the party's parliamentary leader Khwaja Asif is also in the air. The PPP is also hopeful about the release of its stalwart Khursheed Shah.

The opposition parties have already linked their participation in consultations with the government on proposed electoral, judicial, and constitutional reforms with the release of their detained leaders. The demand was formally presented by the opposition on the floor of the National Assembly on 1 April when it blocked the government's move to table a resolution authorising the speaker to constitute a parliamentary committee on electoral reforms.

As soon as the minister read out the resolution for the formation of the parliamentary committee, the opposition members protested over it for presenting the resolution unilaterally. "You cannot constitute a committee without the consent of the opposition even if you are doing it after receiving an order from someone," said PPP's Shazia Marri in an apparent reference to last month's letter written by Prime Minister Imran Khan to Speaker Asad Qaiser asking him to form the committee.

Though, the top leaders of both parties are showing restraint, their second and third tier leaders and office-bearers continue to attack one another through statements to the media as well as social media posts.

Some political observers believe the two parties are doing all this under a well thought-out scheme. The members of this group are of view that the two parties are preparing themselves to face each other in the political battlefield after sensing some imminent change political change.

Leading English Daily Dawn in one of its

editorial said the PDM was "collapsing under the weight of its own contradictions" and the escalating war of words between its two largest parties is rupturing the alliance beyond repair.

Perhaps the alliance could have been saved had the leaders of the two parties confined their disagreements to closed-door meetings, and attempted to resolve these differences with a flexible approach.

"The PTI now finds itself in a better position to take advantage of the split in the opposition. For this no one is to blame other than the leadership of the two opposition parties. They cut the branch they were sitting on and now they are paying the price for it," says the newspaper.

On the other hand, it remains to be seen if the PTI can capitalize on the disarray in the ranks of the opposition coalition. The ruling party is facing an internal crisis of its own triggered by a corruption probe against party stalwart Jahangir Tareen.

PML-N MNA from Gujranwala Khurram Dastagir Khan was more categorical as while opposing the formation of the committee, he asked the government to hold consultations with the opposition and then asked as to how could there be consultations when the Leader of Opposition in the National Assembly Shehbaz Sharif, PML-N's parliamentary leader Khawaja Asif and PPP's Syed Khursheed Shah were behind bars on trumped up charges.

Hot-headed Communications Minister from Swat Murad Saeed as usual took the floor but Deputy Speaker Qasim Suri made a rare intervention and prevented him from attacking the opposition parties. Suri directed the parliamentary affairs minister to bring the resolution to the house again after reaching a consensus with the opposition parties.

The root cause of squabbling within the ranks of the PDM is the deep mistrust the PPP and the PML-N have for one another. Each of the arch-rivals of the yesteryears suspects the other of having reached some kind of an understanding with the powers that be.

Rift and shifts in PML-N

By Ahmad Waleed

Like every political party the Pakistan Muslim League (Nawaz) has divisions, frictions and groupings since its inception. The party's birth was also the outcome of political differences when Nawaz Sharif parted ways with Pakistan Muslim League to form his own faction PML-N in 1988. Nawaz Sharif emerged as a big leader from Punjab to challenge the Pakistan People's Party and became prime minister for three non-consecutive terms.

In 1997, the decision to make Shahbaz Sharif, younger brother of Nawaz Sharif, as the chief minister created a stir in the party as Chaudhry Pervez Elahi was also vying for the most coveted slot of the Punjab province. His hopes were dashed. However, he was made Speaker of Punjab Assembly. The senior party leaders had objections to the nomination of Shahbaz Sharif. Many believe the very decision was made within the Sharif family without consulting the senior leadership of the party while some claim Nawaz Sharif was opposed to the idea. But he had to submit to the will of their father Mian Sharif.

Soon after Shahbaz Sharif was made the chief minister rumours of rifts started to circulate that the two brothers were not getting along on key issues of governance in the province. After the Musharraf takeover the party was divided into two major groups. The estranged leaders gathered under the umbrella of Chaudhrys and formed Pakistan Muslim League – Q. However, despite reservations the Sharif family remained intact.

By now the party is divided into hawks and doves. After the disqualification of Nawaz Sharif, the appeasement group led by Shahbaz Sharif drew clear lines. Shahbaz did not want direct confrontation with the establishment while the hawks wanted to go head to head with the judiciary and the establishment.

The second test was the bye-election of late Kalsoom Nawaz on the seat got vacated after Nawaz Sharif was disqualified. Hamza Shahbaz was sent on a 'forced leave' to spend some time out of country. The bye-election witnessed a visible divide. The Hamza-backed local leaders and workers tried to stay away from the corner meetings during the campaign while Maryam Nawaz was launched to muster support for her mother to win the election of his political start. She remained successful despite the most of the active party workers did not show traditional enthusiasm for the new leader. That very election victory helped Maryam to become the promising politician to fill the vacuum in his father's absence. The gap is widening ever since.

Although the family and the groups claim they are united under the leadership of Nawaz Sharif, they have two different clear stances to move on. The hawks have refused to budge on confronting the military establishment for their interference in the politics whereas the appeasement group wants the party to get along with institutions.

And then it was Gujranwala jalsa and the speech of Nawaz Sharif. The Gujranwala public gathering was being arranged as just another political jalsa of the 11-party alliance Pakistan Democratic Movement. All the speeches went well hitting out at the ruling Pakistan Tehrik Insaaf (PTI) for its worst governance and institutions on the back of it. It was like a bolt out of the blue when Nawaz Sharif took to naming the powers-that-be responsible for his ouster from power. Nobody had an iota of thought that it is going to be a political bombshell. For many, it was the biggest shock of their political life in a state of Pakistan where military has been in control for over six decades directly or indirectly.

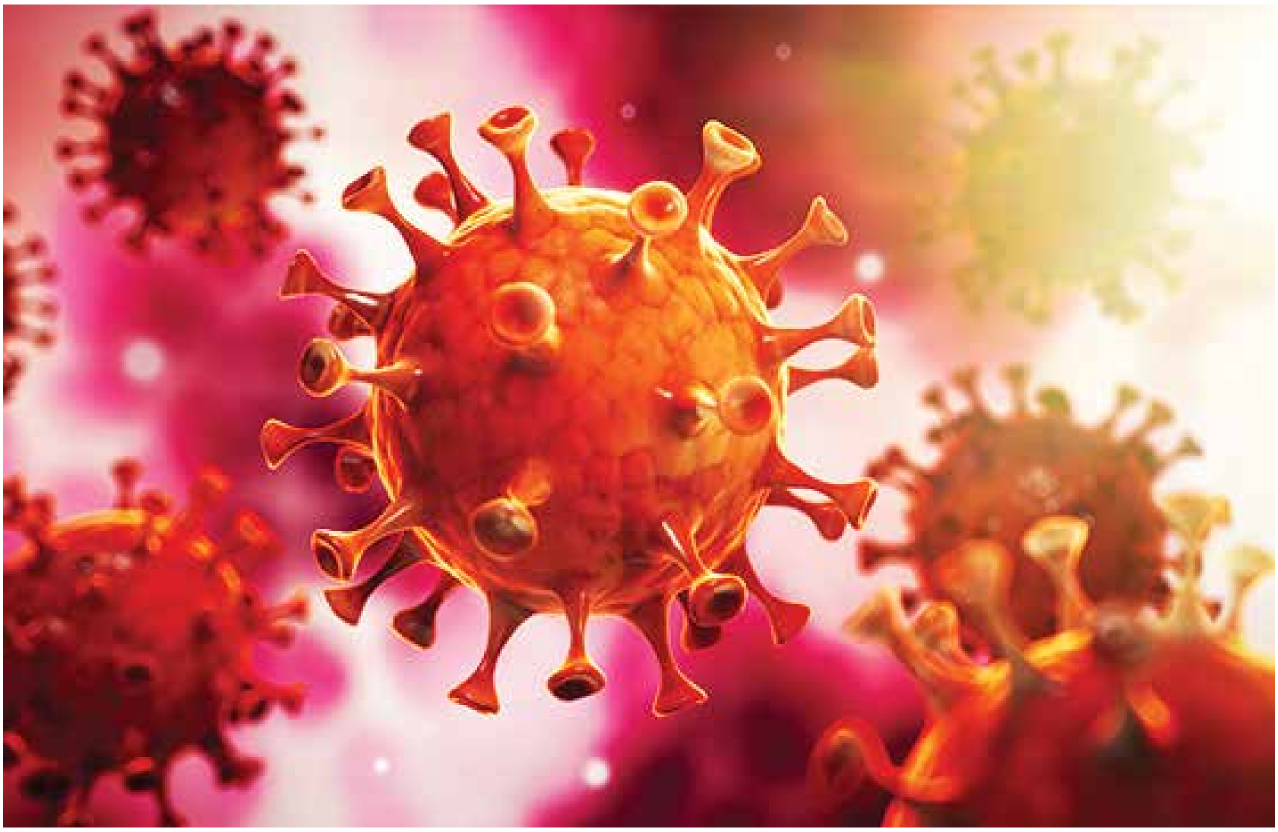
"We have been pushed into an extremely uncomfortable situation," remarked a local leader of the party.

During the countrywide anti-government political rallies of the PDM, Maryam remained on the forefront and had vowed to pull huge crowds in the Lahore's public meeting at Minar-e-Pakistan. But, she failed. And she blames the appeasement group for all the mismanagement. This gave rise to the speculations of infighting in the party a bit further.

After launching scathing attacks on the PPP leadership for their 'clever' political moves in the middle of anti-government campaign Maryam Nawaz is silent again while the 11-party alliance PDM is crumbling. Now Hamza Shahbaz is out of jail while the party hopes Shahbaz Sharif will be freed sooner or later to lead. Rumours are ripe that behind the door contacts with the appeasement group have worked. New lines are being drawn within the party keeping in view the designs of rival political groups who are out to grab the opportunity.

The Mantra is 'Vaccinate, Vaccinate, Vaccinate!'

As the third wave of Covid-19 turns nasty, it is time for the authorities in Pakistan to realise there is simply no other way to beat back the virulent bug.



By Noor Aftab

More than one year after the first novel coronavirus outbreak was detected in China, the world is still struggling to come to terms with the virulent bug that has wreaked havoc across the globe.

One thing, however, is amply clear by now: The best way to flatten the curve of Covid-19 is undertaking mass vaccination at speed and scale – as many nations around the world are doing.

Worsening situation

For the first time in nine months that Pakistan reported more than 5,000 cases in a single day on 2 April. Earlier, the country had detected 6,604 infections on 20 June last year. Unfortunately, the children are also no exception as at least 40 children aged between 1 and 10 have died of coronavirus in the recent past.

The National Command and Operation Centre (NCOC) few days back identified 26 cities with over eight percent positivity ratio. These included Islamabad, Lahore, Rawalpindi, Sialkot, Sargodha, Sheikhupura, Gujrat, Bahawalpur, Toba Tek Singh, Faisalabad, Gujranwala, Mandi Bahauddin, Multan, Okara, Rahimyar Khan, Peshawar, Swat, Nowshera, Dir Lower, Malakand, Swabi, Charsadda, Haripur, Muzaffarabad, Mirpur and Kotli.

The age and gender distribution chart prepared by NCOC showed that people in the age group of 20 to 40 years were the most affected by Covid-19, but the highest rate of casualty was among patients in the age bracket of 60 to 70 years.

The infection rate in Pakistan is still nearly 10 percent that is considered too high and must be a matter of grave concerns for all the stakeholders. The total number of confirmed coronavirus cases has increased up to 687,908. Out of which active cases are 60,072 while 613,058 patients have recovered from this disease. In all, 14,778 people have so far lost their lives since the emergence of this pandemic in Pakistan.

A fragile healthcare system

The statistics provided by NCOC are alarming as there are 139 quarantine facilities having capacity of only 23,557 beds in the country. There are 350 beds at two quarantine facilities in Islamabad; 10,948 beds at 6 facilities in Punjab; 2,100 beds at two facilities in Sindh; 2,760 beds at 52 facilities in Khyber-Pakhtunkhwa; 5,897 beds at 10 facilities in Balochistan; 520 beds at four facilities in Azad Jammu and Kashmir (AJK); and 972 beds at 63 quarantine in Gilgit-Baltistan.

Similarly, there are 215 medical facilities in Pakistan that have a total capacity of only 2,942 beds for isolation of the coronavirus patients. In Islamabad, there is only one isolation facility at

Pakistan Institute of Medical Sciences (PIMs) having ten beds. Punjab 50 medical facilities 955 beds; Sindh 4 medical facilities 151 beds; KP 110 medical facilities 856 beds; Balochistan 14 medical facilities 534 beds; AJK 15 medical facilities 310 beds; and GB have 21 medical facilities with a total capacity of 126 beds.

There are 35 tertiary designated hospitals in Pakistan to combat coronavirus pandemic that include Islamabad one; Punjab 6; Sindh 4; KP 7; Balochistan 10; AJK 3; and GB has four hospitals.

Lockdown or no lockdown?

The federal and Singh governments hold different viewpoint on the issue of lockdown with one considering it a disaster for the people especially labor class and other declaring it a solution to reduce infection rate in the country. Lack of consensus over the issue of lockdown in these trying times will certainly not go down well because the time is the key factor in ongoing war against the global pandemic.

Prime Minister Imran Khan has categorically stated that a complete lockdown did not suit the public as it would create a massive food crisis and deprive labor class of its livelihood.

The policy of introducing 'smart lockdown' and 'micro-smart lockdown' is now being pursued all over the country. The NCOC has provided maps of 'hotspots' to the federal and provincial governments and recommended them to take strict measures in areas with over 8 percent positivity rate.

No enforcement of SOPs

The federal and provincial governments have so far not found out the way to convince the general public to follow the Standard Operating Procedures (SOPs). The repeated warnings seem to be falling on deaf ears as a large majority of visitors in markets, bazaars, shopping malls and other public places continue to ignore the SOPs.

The local administration in Islamabad and some major cities in other provinces conducted raids and arrested people who were involved in violation of SOPs.

The presence of Prime Minister Imran Khan in a meeting while he was still recovering from coronavirus disease sent the wrong message at a time when the government was urging the masses to follow the SOPs. The statement of a high government official added fuel to fire when he stated that Prime Minister Imran Khan chaired the meeting and he needed no test to ascertain whether he had got rid of coronavirus disease.

Punjab Governor Chaudhry Muhammad Sarwar and Punjab Minister Firdous Ashiq Awan not only attended wedding ceremonies but their pictures were also largely shared on social media.

Though the government officials and the politicians stress the need to follow SOPs but their actions usually never accord with their words due to which the people do not take their advice seriously.

Whatever be the situation, the message is still very clear that precautionary measures such as use of facemask, hand washing, social distancing and avoiding crowded places can help prevent spread of coronavirus disease.

The vaccines have arrived

Latest data shows more than a million Pakistanis have already received the first dose of coronavirus vaccine. The NCOC has announced that senior citizens above 65 years can now walk in to any designated vaccination center across the country with their Computerized National Identity Card (CNIC) to get on-the-spot registration and vaccination.

... and so have vaccine scandals

As many as 600 doses of coronavirus vaccine stored at Jinnah Hospital Lahore have reportedly gone missing. The provincial health department summoned the records following the reported disappearance of the vaccines. Punjab Health Minister Yasmin Rashid said a complete record of the vaccination would be compiled and strict action would be taken against those found involved in any kind of irregularity.

The NCOC also decided to hold an inquiry over a video clip in which family members of Federal Minister for Housing Tariq Bashir Cheema were shown being vaccinated.

As far as the purchase of vaccine doses is concerned the Association of Pakistani-American Physicians has written a letter to Prime Minister Imran Khan expressing concerns over the high prices set for Covid-19 vaccines in Pakistan in line with the pricing formula approved by Drug Regulatory Authority of Pakistan (DRAP). It underlined that DRAP has approved a pricing formula that allowed 40 percent profit margin to importers plus an additional 15 percent up for retailers.

Pakistan received 560,000 more doses of Covid-19 vaccine on 1 April after which the number of doses received from China surpassed the figure of 2.5 million.

The Transparency International Pakistan (TIP) has also urged the government to negotiate better coronavirus vaccine prices with manufacturers for the benefit of the people.

According to the NCOC, the doses of coronavirus vaccine have been distributed among all the provincial governments to meet their requirements.

The people are often seen asking which one is more effective--Sinopharm, CanSino or Sputnik—but the medical practitioners say the priority should be to get vaccinated.

The end is not nigh!

The ongoing fight against coronavirus disease is likely to continue in months to come. The World Health Organization (WHO) has not given any timeframe about when the world would get rid of this global pandemic. The way to move ahead is to ensure large-scale vaccination of the people, bring changes in lifestyle, introduce new laws in workplaces and follow SOPs in every type of situation.

Developing countries like Pakistan will face some extra challenges because they will find it hard to get their entire population vaccinated in short order. Lack of financial resources, mismanagement and poor governance will continue to haunt our country in its fight against coronavirus disease.

Legal Fraternity: You Cannot be Carefree Unless you are Covid Free

Mind-boggling as it may sound, it looks as if the members of Pakistan's legal profession did not get the memo on Covid-19 SOPs.

By Asif Malik

Pakistan is now in the throes of the third wave of the Covid-19 global pandemic with infections, positivity rate and deaths all on the rise. Yet Pakistan's judicial system in general and legal fraternity in particular seem undeterred by the havoc wreaked by the deadly disease and unburdened by any compulsion to follow the standard operating procedures (SOPs) to reduce the risk of spreading the virulent infection.

Not that the disease has not taken its toll on the judiciary. Chief Justice of Peshawar High Court (PHC) Justice Waqar Seth died after contracting with Covid-19 last November. The Chief Justice of Pakistan Gulzar Ahmed has been said to self-quarantine for Covid-19. Several lawyers across Pakistan have lost their lives after contracting Covid-19.

And yet there are no SOPs in place, no organized or systemic effort to take precautionary measures against the possibility of infection, in particular when one visits the overcrowded sessions courts of the country.

Protection from harm from disease is a fundamental right of the judges, lawyers, and litigants alike. Several countries of the world have taken certain steps to safeguard this right. In Germany, for instance, it is up to the individual court to decide whether to hold hearings and take precautionary or safety measures. In contrast, the majority of judicial proceedings have been postponed in Greece. In Spain, procedures were suspended after the state of alarm was established, but the arrangement provides for a number of exceptions, given the importance and essential nature of certain processes and actions.

In spite of all these variations of approach, there is one point of near-universal agreement: all states are working towards reduction of taxes and allowing court proceedings by means of video conferences.

Soon after coronavirus was declared a global pandemic by the World Health Organization last year, the Islamabad High Court (IHC) and Sindh High Court (SHC) ordered release on bail by the police of under-trial prisoners (who meet a certain criteria, subject to certain conditions). However, both the decisions were overturned in appeal when the Supreme Court of Pakistan ruled the suspects were more of a threat to the society than Covid-19 was top them.

In November last year, a lawyer infected with coronavirus presented himself in the

court of the Chief Justice of Pakistan after his application for adjournment of the case was turned down. "I am appearing in your court despite having corona, "Barrister Dr Adnan Khan told the Chief Justice of Pakistan Gulzar Ahmed, who was hearing the case in a packed Courtroom No.1 in Islamabad.

"Why have you shown up in court (while you are suffering from Covid-19)?" His Lordship made no secret of his displeasure. "You are playing with others' lives." Barrister Khan said he had submitted an application to adjourn a case in a different court after testing positive for the virus, but that request was rejected. If the venerable counsel hoped to help create a precedent that would disambiguate the matter, he succeeded: His Lordship ordered him to immediately leave the courtroom and submit his arguments in writing.

In a similar incident last month, a witness flew all the way from Karachi to reach Islamabad's accountability court because the summonses warned him of serious consequences for absenting. He waited for hours in the crowded courtroom before rising to the rostrum to request the judge to record his statement since he was unwell, suffering from Covid-19. The sudden revelation caused alarm in the courtroom. The judge, his staff, and lawyers left in hurry while the witness was quickly sent on his way immediately.

More recently, Judges and officials at three Islamabad courts tested Covid-19 positive, prompting to seal the courts on 1 April.

On the upside, many courts have now started conducting hearings through video link. However, recording of witness testimony is still being done in person. The authorities would do well to amend the Qanoon-e-Shahadat (Evidence Act) enabling the courts to rely more on electronic evidence and proceeding the entire trial through video link.

The criminal justice system has been and certainly will continue to be impacted by coronavirus concerns. So, the way criminal defence attorneys communicate with clients is also changing in some respects. Most jails, prisons, and other detention centres have adjusted operating procedures in response to the coronavirus. Many of these institutions have suspended all contact visits.

Inexplicably, however, one of the learned professions continues to flout the SOPs everybody from the president to the local shopkeeper are expected to follow.

Inexplicably, our learned counsels are failing to realise fail to realise they are putting other lives in danger by holding meetings and elections and celebrate victories in their barrooms while ignoring the Covid-19 SOPs. The lives they put in jeopardy include the lives of their fellow counsels and associates, court staff, their clients, and even their families. And among them are influential lawyer leaders who should know better considering they are the role models for the younger crop.

Lawyers have provided leadership at critical junctures in our history. Quad-e-Azam Muhammad Ali Jinnah and Zulfikaar Ali Bhutto were both lawyers. In recent memory the lawyers' movement provided indispensable leadership that helped the nation see off the Musharraf's military rule. One would expect this learned profession to rise to the occasion one more time and show leadership in fighting Covid-19. For that, however, they must first embrace the SOPs in their spaces.

In situations where face-to-face communication between a client and attorney is necessary, experts recommend taking certain precautions to reduce the risk of spreading the infection. Practicing social distancing (staying at least six feet away from other people) is a way of slowing the spread of COVID-19. Skipping the handshake and staying a safe distance from each other have been widely advised, as have been sanitisation of hands and disinfection of frequently used surfaces. Perhaps most important, when an in-person is necessary, choose a location that's outdoors or in an open, well-ventilated area.

The urgency of the legal profession starting strict implementation of Covid-19 SOPs cannot be overemphasized not only to protect the lives of the members of the professions and those who interact with them but also to set a good example for other callings to follow. Acumen and courage are the two defining qualities of great lawyers, many of whom we are fortunate to have in our midst. It is time they took it upon themselves to lead the profession in cleaning up its act.


CandyLand
HAR PAKISTANI
KI JAAN MAIN MILI!
Chili Mili
CandylandPk

Withholding Kashmiris' Freedom Costs India $1.22 Billion in Trade with Pakistan in FY-20 after Abrogation of Article 370

By Javed Mahmood

ISLAMABAD: India abrogated the Article 370 of the constitution in August 2019 which changed the status of Occupied Kashmir setting aside the resolution of the United Nations about the Held Valley and a long-standing territorial dispute with Pakistan and China. This unexpected development has triggered tension between two arch-rival nuclear powers. In the backdrop of this situation, India has emerged as a major loser in bilateral trade with Pakistan in financial year 2019-20, a year after Modi's government repealed Article 370 of the constitution.

On 5th of August 2019, Indian government, led by Prime Minister Narendra Modi, repealed the Article 370 of the constitution, changing Occupied Kashmir's independent status to an integral part of India. Soon after this development, Pakistan also retaliated by suspending two-way trade with India and downgrading diplomatic ties. Nevertheless, in the first week of Sept 2019 (a month later), both the countries decided to resume trade of medicines only to meet emergency needs of their people. Consequently, as a result of this very limited two-way trade between the two neighboring countries soon after abrogation of Article 370 pertaining to Occupied Kashmir, Pak-India mutual trade started experiencing a serious setback.

For example, in FY-19 (July 2018 to June 2019), Pakistan's imports from India amounted to $1.60 billion while exports of Pakistan to the neighboring country remained at $374 million. However, in Financial Year-2020 (July 2019 to June 2020), Pakistan's imports from India fell to the history's lowest level ($374 million), showing a massive decline of $1.22 billion in comparison with this trade volume in FY-19. During this period, exports of Pakistan to India also dropped to the bottom, $28 million in FY-20, from $312 million in FY-19.

Importantly, when India abrogated Article 370 in the Occupied Kashmir in August 2019, Pakistani top leadership – Prime Minister Imran Khan, Army Chief General Qamar Javed Bajwa and other senior officials held an urgent meeting in Islamabad and announced immediate closure of two-way trade and also downgraded diplomatic ties by asking Indian envoy to leave Pakistan. Since then the Indian government is keen to resume a full-fledged trade with Pakistan, but Pakistani leaders are linking it with revival of original status of the Held Valley.

Economists believe that Pakistan and India mostly trade seasonal items such as vegetables and fruits which comprise 75-80 percent of their total trade each year. Major tilt of two countries' mutual trade is largely in favour of India which is evident from Pakistan's $1.6 billion imports from the neighboring country in FY19, whereas, Pakistan generated only $374 million through exports, showing a deficit of $1.22 billion in 20018-19. In Pakistani currency, imports from India have declined by more or less 200 billion rupees in just 2019-20, when compared with the size of two-nation's mutual trade in 2018-19. Pakistan and India exchange goods through Wahga Border in bulk quantity.

A few years ago, the World Bank conducted a study which revealed that Pakistan and India can boost their bilateral trade to $10 billion per annum. However, whenever India takes any aggressive decision against Pakistan, the latter suspends mutual trade. For example, soon after Mumbai attacks in 2002, India blamed Pakistan for the attacks, deployed army on border with Pakistan, and created tension by indulging in gory border skirmishes. However, Pakistan not only denied its involvement in Mumbai attacks, but faced this aggressive situation on border boldly. In 2002, General Pervez Musharraf was the President and Army Chief of Pakistan. His government immediately suspended two-way trade with India in the wake of aggressive Indian gestures and also deployed troops on border.

Nonetheless, a year after suspension of trade, India withdrew its troops from border when a large number of Indian farmers and businessmen put pressure on their government because they were suffering massive losses after suspension of trade with Pakistan. Meanwhile, with the intervention of the United States and some other countries, India and Pakistan gradually normalized their diplomatic and bilateral trade ties and also implemented some new initiatives that boosted constantly their mutual trade around $2.6 billion in 2013-14. At that time, imports from India mounted to $1.75 billion while Pakistan's exports to bordering country surged close to half a billion dollars.

Before suspension of trade with India, Pakistan's main traditional imports were onion, garlic, potato, tomato, ginger, multiple spices, pulses, and different fruit items especially bananas and coconut and medicines. Similarly, Pakistan's exports to India included vegetables, fruits, medicines, textile products, pink salt, and naphtha, etc.

For example, in 2011-12, imports from India were estimated at US$1.253 billion which increased to 1.677 billion US dollars in 2012-13 and further surged to 1.757 billion US dollars in 2013-14. However, soon after the formation of Modi-led BJP government in India, the exports of India to Pakistan begun the downward journey and fell to US$1.423 billion in 2014-15.

Interestingly, the foreign trade data of State Bank of Pakistan (SBP) has revealed that Pakistan has suffered a huge deficit of Rs 364 billion in bilateral trade with India in three years, 2011-12 to 2013-14. In these three years Pakistan had imported goods worth 4.687 billion US dollars, while exports to India remained around 1.084 billion US dollars. Thus, Pakistan had sustained 3.603 billion US dollars deficit in trade with arch-rival India in three years.

Another issue was that Pakistan's exports to India have fluctuated in narrow range in three years (during 2011-12 to 2013-14) and remained between 333 million dollars to 423 million dollars a year. In sharp contrast to this, Pakistan's annual imports from India have surged close to almost 2 billion US dollars. Another notable aspect is that Pakistan is feeding Indian farmers by importing vegetables and fruits worth about one billion dollars a year.

According to analysts, instead of relying on India in important vegetables and fruit, Pakistan should facilitate its own farmers to grow more edible items to reduce import bill and to enhance their income.

Interesting to note is that when military dictator is ruling in Pakistan, India remains quite, calm, and talks of bilateral friendship, cooperation. Nonetheless, when a democratic government is established in Pakistan, Indians start hurling threats, use derogatory language, and their military increases border skirmishes and shelling. Abrogation of Article 370, Pulwama attack drama, fake Indian surgical strikes in Pakistani territory, and frequent violations on the Line of Control (LoC) from the Indian side are some of the recent examples that occurred after the formation of elected government, led by Pakistan Tehrik-e-Insaf (PTI). PTI chairman Imran Khan has been elected Prime Minister of Pakistan since August 2018.

Instead of promoting a friendly environment, mutual cooperation and promoting business with elected government in Pakistan, India starts pursuing a hegemonic designs and uses various tactics to put political and diplomatic pressure on Pakistan. Consequently, this aggressive approach of India sabotages peaceful diplomatic and trade ties with Pakistan.

Writer is ex-Resident Editor daily The Nation, Karachi.

The Grim Plight of the Global Travel & Tourism Sector

A World Travel & Tourism Council (WTTC) report paints a grim picture of the global Travel & Tourism sector in the wake of the devastating impact of COVID-19 last year.

By Azka Gouher

The Travel & Tourism sector was one of the first to suffer the devastating repercussions of the Covid-19 global pandemic as border closures and travel restrictions cascaded around the globe as the world struggled to contain the deadly virus.

In the first two quarters of 2020, at least 93 percent of the global population lived in countries with coronavirus-related travel restrictions, with approximately 3 billion people residing in countries enforcing complete border closures to foreigners. In monetary terms, the border closures and related measures cost the global economy some USD 400 billion a month.

The annual Economic Impact Report (EIR) by World Travel & Tourism Council (WTTC) puts the loss to the sector over 2020 at about USD 4.5 trillion. Some 121 million jobs vanished in 2020 while the loss in terms of GDP has been estimated at USD 3,435 billion. Some 96 percent of destinations in the world introduced travel restrictions.

International flights, hotel bookings came to a standstill. The global Travel & Tourism sector's contribution to GDP plunged a staggering 49.1 percent in 2020, while the global GDP dropped by 3.7 percent.

Indubitably, all sectors of the global economy have has suffered unprecedented challenges due to the pandemic. However, the travel and tourism has been one of the worst hit industries due to worldwide border closures.

The crippling travel restrictions continue to threaten the urgent recovery of the world economy and vast losses continue to threaten the travel & tourism sector's survival. The report says the travel & tourism sector's contribution to global GDP plummeted to USD 4.7 trillion in 2020 (5.5 percent of the global economy), from nearly USD 9.2 trillion the previous year (10.4 percent).

In 2019, global Travel & Tourism was thriving and generating one in four of all new jobs around the world. The sector contributed 10.6 percent (334 million) jobs globally that year.

However last year, as the pandemic ripped through the heart of Travel & Tourism, nearly 62 million jobs were lost, representing a drop of 18.5 percent, leaving just 272 million employed across the industry globally. The job losses were heavily felt across the entire ecosystem of Travel & Tourism. The SMEs which make up 80 percent of all businesses in the sector were particularly affected.

The EIR also uncovers the loss in the international travel spending which was 69.4 percent in 2020. Domestic travel, however, saw a 45 percent decline which is lower owing to ease in internal travel in a number of countries.

WTTC President & CEO Gloria Guevara said, "With the sector's contribution to GDP plunging by almost half, it's more important than ever that Travel & Tourism is given the support needed so it can help power the economic recovery, which will be instrumental in enabling the world to revive from the effects of the pandemic."

According to the research, the sector's contribution to global GDP could rise sharply this year, up 48.5 percent year-on-year. The research also shows that its contribution could almost reach the same levels of 2019 in 2022, with a further year-on-year rise of 25.3 percent.

WTTC also forecasts that if the global vaccine rollout continues at pace, and travel restrictions are relaxed just before the busy summer season, the 62 million jobs lost in 2020 could return by 2022.

In addition to the economic collapse, the pandemic reshaped travel trends globally. The overall travel trends declined significantly in all areas of the world right after the outbreak. The region affected worst was Asia and Pacific with 51 percent decline in tourist arrivals.

Europe and the Middle East, both of which hosted millions of tourists annually, suffered 44 percent and 40 percent decline, respectively. The world saw 44 percent less tourists in just 4 months (January to April) following the worldwide lockdowns as the global pandemic arrived.

Likewise, the United Arab Emirates which is known to be one of the largest recipient of tourists and visitors, has also faced a sharp downturn. Emirati airlines, hotels, and other tourism-related businesses have experienced significant material losses. In particular, the drop in scheduled departure flights comprised 82 percent in 2020.

As far as the airline activity of the European countries is concerned, Covid-19 resulted in sharp fall in passenger revenues. The figure 2 shows the reduction in the percentages from January to June 2020 compared with 2019. It highlights a 100 percent decline in the first week of June for all European countries. China, Japan, and United States witnessed 40 percent to 80 percent decrease in their flight capacity in the same week. Globally, the flight capacity dropped 70 percent in June 2020.

Travelling is not the same experience anymore after the coronavirus pandemic. It decimated businesses and jobs in every country of the world, in every sector of the economy including travel & tourism, disrupting people's lives. International immigration programs also seem to have come to a halt. Even countries like Canada and Australia reportedly gave permanent residence to people onshore only, disallowing people across borders to enter their countries.

Small wonder masses around the world are waiting for the pandemic to be over before they can get back on track of their travel plans as well as their future plans.

Reception hosted by South Korean Embassy

Like many other developed countries, tourism plays an important role in South Korea's tourism as well. According to a report published on Statista, around 17.5 million tourists were recorded in 2019 in the country, which was an all-time high. One of the major reasons for this rapid attraction towards South Korea is credited to "Hallyu" which means Korean Wave. Korean Wave can be defined as the rising popularity and demand for cultural Korean products in the global arena. Due to Hallyu, Seoul has become the chief tourist destination. Another major reason why people are choosing South Korea as a tourist spot is because of shopping. In 2019, an average tourist spent around 600 USD on shopping per trip, with Chinese tourists spending the most on Korean products. In total, each visitor spends around 1498 USD per vacation in South Korea. Other than Seoul, Busan, Seorak-san national park, Jeju Islan and Gyeongju are amongst the top choices for tourists.

In 2019 it was recorded that most of the tourists who visited South Korea were in their 20's and belonged to Mainland China. In fact, in 2016, 46.8% of Korean tourists were Chinese. 75% of the international tourists in Korea are from Asian countries, namely Japan, Taiwan, China and Hong Kong. These numbers are phenomenal if get compared to the tourism in the 1990's. For instance, according to World Data, tourism revenue in 1995 was around $6.67 billion and 24 years later, the amount changed to $26.22 billion. In 2019, the Prime Minister of Korea chaired a meeting to discuss ways to boost national as well as international tourism. As a result, the Ministry of Culture, Sports and Tourism works with the Korea Tourism Organization in close proximity. The organization is funded publically, and was recently restructured in a way to strengthen its departments and got aligned with the government's policies for tourism.

As the global pandemic brought the world down to its knees, the tourism industry of Korea also faced a crisis. Nonetheless, the Korean Tourism Organization is now shifting online for the promotion of their country. They have collaborated with Netflix, and are launching South Korean content, giving viewers a chance to explore their country from behind the screen. Consequently, South Korea is becoming one of the most visited places in recent years, and was ranked amongst top 30 countries in the world.

Suh Sangpyo, Ambassador of the Republic of Korea with media man

Remarriage or Autonomy – State Bank Should Not be Playing 2nd Wife of Finance Ministry

Cutting through the fire and fury over the government's proposed move to bolster central bank autonomy to find out the actual reform agenda and all its pros and cons.

By Ahmed Mukhtar Naqshbandi

Both the mainstream and social media in Pakistan are both abuzz with negative commentary on the government's purported move to strengthen the autonomy of the State Bank of Pakistan (SBP).

The critics of the proposal are taking two different if somewhat related lines of attack. The first maintains the amendments are being allegedly pushed through at the behest of the International Monetary Fund (IMF), which, the argument goes, should be a sufficient reason for setting them aside. The second line of attack is that the proposed changes, if carried through, will spell disaster for Pakistan's economy by, among other things, giving untrammeled powers to the central bank.

To take a dispassionate look at the initiative, we must first take stock of the purport and context of the reform.

In the past, SBP has remained beholden to the Ministry of Finance, in turn subject to the exegesis of electoral politics. A review of past policy lays bare how monetary and exchange rate policies were tailored to create a perception of better economic conditions before successive general elections. Both the 2008 and 2018 financial crises saw the outgoing governments put their electoral interests above the policy compulsions of a central bank.

A related matter is the SBP's traditional readiness to finance the government's fiscal deficit by printing currency notes, which is highly inflationary in its effects. On the other hand, you cannot really hold the SBP responsible for measures of this kind when it is acting by and large at the behest of the Ministry of Finance.

Advocates of the proposed reform say missteps and distortions like these can be avoided by taking the central bank out of the control of the Ministry of Finance. They also maintain that if the proposed reform is pushed through, there is a fair chance for Pakistan to break free of the rut of frequent boom and bust cycles.

The proposed reforms are intended to locate the responsibility for these central bank functions squarely with the SBP – safely outside the control of the Ministry of Finance and thus free of political meddling. The International Monetary Fund (IMF) argues, and the incumbent government agrees, this is both in line with the international best practice and serves the best interests of Pakistan.

However, dissenting voices argue the autonomy of the central bank as envisaged in the reform package can cause difficulties if the teething problems are not addressed timely and properly. They point out that the negative impact of policy rate changes in recent times came from the harsh policy actions meant for growth without regard to maintaining monetary stability including inflation, exchange rate, and balance of payments.

They further maintain that if the falling value of rupee and the rising debt burden were to persist, this autonomy will shift more power to SBP and its governor, leaving the government deal with the fallout of such policies.

In other words, if the amendments are pushed through as envisaged, the SBP's powers to impact the lives of the public will increase but its sensitivity to or accountability by public representatives will decrease. This looks very much like an erosion of both democracy and sovereignty.

Background & context

International experience and economic literature have demonstrated that countries with an independent and accountable central bank have lower inflation and greater financial stability over long periods of time.

This is because independent central banks have their objectives clearly specified and are held accountable for their actions to achieve their objectives. Typically, in modern central banks these objectives prioritize maintaining price and financial stability, which is a key requirement for improving people's livelihood and sustained economic growth.

In Pakistan, the role of the State Bank of Pakistan (SBP) was first defined in the State Bank of Pakistan Act 1956. Since then, the SBP Act has been amended several times to reflect changes in economic thought globally, including advocating for an independent role of central banks. Major revisions in the SBP Act came in 1994, 1997, 2012 and 2015. The introduction in parliament of SBP Amendment Act 2021 is a continuation of that process to modernize the central bank.

The proposed amendment of the Act seeks to clearly define the objectives of the SBP, improve its functional and institutional autonomy to achieve its objectives, and strengthen its accountability in achieving its objectives.

It is important to note that the proposed amendments are not only based on international best practices in central bank legislations but also take into account the ground realities in Pakistan.

The case for the amendment

In light of international best practices and domestic experiences, legal framework of SBP is proposed to be amended to clearly define the objectives of SBP to improve its accountability; outline its functions in line with its objectives; provide necessary financial resources to help achieve objectives; increase functional and administrative autonomy of SBP; improve transparency in operations of SBP; and strengthen accountability by bolstering oversight functions stronger and enhancing reporting requirements.

At the moment, SBP objective as defined in the preamble of the Act, is to secure monetary stability and fuller utilization of the country's productive resources.

The amendment proposal seeks to define for the SBP a primary objective (domestic price stability), a secondary objective(financial stability), and a tertiary objective (support the government's economic policies to foster development and fuller utilization of resources).

In order to achieve these objectives, SBP functions are proposed to be collated under a new section after refinement and discontinuation of certain functions (i.e. quasi-fiscal operations).

Another objective of the reform is to provide the SBP with sufficient financial resources. To this end, the central bank's share capital is proposed to be enhanced. At the moment, the SBP authorised and paid-up capital is PKR 100 million. The amendment proposal seeks to increase its paid up capital to PKR 100 billion and authorised capital to PKR 500 billion.

The proposal also to provisions for the SBP's paid up capital and general reserves to increase to 8 percent of its monetary liabilities through retention of 20 percent of distributable profits each year. The general reserve will be used only to increase capital or cover losses.

The proposal to provide for recapitalization says if at any time the SBP's capital and general reserve fall below zero, the board will prepare a report on causes and extent of shortfall and the federal government will transfer to the Bank the amount required to restore paid-up capital in cash or negotiable instruments.

The SBP has no specific formula for distribution of profits as of now except a requirement for prior government approval. The proposal looks to set up a mechanism based on a formula to be incorporated in the SBP law, without resort to government approval.

The elements of autonomy

As part of its push to augment the SBP's functional and institutional autonomy, the reform proposal looks to do away with the limited government borrowing allowed at the moment.

The proposal looks to do away with the SBP's quasi-fiscal operations or monetary actions taken on behalf of the government – rural credit, industrial credit, export credit, loans guarantees, and housing credit. However, refinancing facilities, which the SBP has used to support access to credit in underserved sectors, will still be allowed.

Another area targeted for reform under the head of strengthening functional and institutional autonomy of the SBP is the mechanism for coordination between the SBP and the government. The proposal is to discontinue the existing arrangement of Monetary and Fiscal Policies Coordination Board, and require the SBP Governor and Minister of Finance to establish liaison.

The Governor and the Finance Minister are envisaged to establish a close liaison with each other, keeping each other fully informed on all matters which jointly concern the Bank and the Finance Division.

Another aspect of SBP's functional institutional autonomy is indemnification of action in good faith.

As of now, every person in the service of the SBP is deemed to be a public servant within the meaning of section 21 of the Pakistan Penal Code. The proposal is to expressly bar any suit, prosecution, or other legal proceeding including for damages to be brought against the SBP or any of its functionaries.

The indemnity will extend to all SBP functionaries including incumbent and former governors, deputy governors, members of any board committee and monetary policy committee. It will cover any act of commission or omission in exercise or performance of any lawful functions, power or duty – unless such act is done in bad faith and with mala fide intent.

In case of any such proceedings being brought against an indemnified functionary, they shall be indemnified by the Bank which shall bear all the expenses thereof, till final decision of the case.

Finally, the reform package purports to insert language to the effect that no action, inquiry, investigation or proceedings shall be brought against the SBP functionaries by any federal or provincial agency including the NAB and FIA without prior consent of the SBP Board of Directors. This protection will equally extend to former directors, Governors, Deputy Governors of the Bank.

Concluding remarks

It is important to understand that the current reform proposal is in the tradition of a long series reforms undertaken from time to time through amendment of the State Bank of Pakistan Act,1956.

The SBP was first granted autonomy in February 1994 under a financial sector reform program. This autonomy was further bolstered in 1997. The two most recent rounds of reform came in 2012 and 2015.

The public perception of the reform being dictated by the IMF is misplaced because the SBP has been working on the amendments since 2014-15. The work involved review of central bank legislation from ninety-five countries so the draft the SBP came up with was based on local context and international best practices.

At the start of 2020, SBP shared the first draft of its reform proposal to the IMF for comments. After incorporating some of the changes proposed by the IMF, the SBP submitted the draft to the Ministry of Finance in April 2020.

Back and forth continued going through over a dozen drafts and finally a draft was approved by the federal cabinet this month. The next step is for the draft reform bill to be tabled in the parliament to ensure parliamentary purview and political ownership. That is likely to happen when the National Assembly is next in session.

Overall, it is fair to say the reform initiative is both Pakistani-owned and Pakistani-owned, although the authorities did take the IMF on board to vet the draft. The impression of the process being unduly hasty is likewise misplaced because the SBP has been working on the draft proposal for years.

Iron Brothers Mining Copper and Gold Together

This Chinese mining company directly injected PKR 64.6 billion into the Pakistani economy over the last two decades.

By Ayesha Javaid

MCC Resource Development Limited (MRDL), a wholly owned subsidiary of China's MCC Tongsin, has operated the Saindak Copper-Gold Project (SCGP) for two decades now.

Over this period, the company has directly forked out to Pakistan a total of PKR 64.6 billion in royalty payments, presumptive taxes, profit share, service charges, machinery rentals, etc., besides affording precious employment opportunities to Pakistani workers, most of them from the Balochistan province.

The Truth International (TTI) had a one-on-one with Mr. Wang Jincheng, Chairman MCC Tongsin to mark the occasion. Given below is an abridged transcript of the conversation, lightly edited for reasons of clarity and readability.

TTI: Metallurgical Corporation of China has been involved with Saindak Copper-Gold Project for last two decades. Can you brief us on how MCC got involved in this project?

WJ: The exploration of Saindak deposit was done by Resource Development Corporation (RDC) of Government of Pakistan for four years from 1974-78. The economics of mining Saindak deposit was however very poor due to low metal prices and absence of any infrastructure around Saindak.

For ten long years (1978-87), RDC tried in vain to get an international investor or joint venture partner for Saindak project. The GoP however approved the construction of this project at its own cost so as to provide employment in a far flung area of Balochistan.

On the invitation of RDC, the Metallurgical Construction Corporation of China (MCC), a Chinese state-owned company, signed a turnkey EPC Contract on 23 September 1990 to construct Saindak Copper-Gold Project at a cost of USD 196.810 million (FEC USD 151.28 million; LC PKR equivalent to US USD 44.982 million) with a supplier's credit of USD 84 million.

The capacity of the Project designed by MCC and the machinery and equipment included in the offer had the capacity to produce 15,000 tons/year of blister copper. The provision of infrastructure (power, water, residences, school, hospital etc.)were responsibility of GoP/SML.

MCC constructed the Saindak Project as per given schedule, put it on trial production from August 1995 for four months as per contractual term and handed over the Project to RDC (renamed Saindak Metals Limited or SML). During trial production period, 1,541 tons of blister copper and 9,000 tons of copper concentrate were produced.

However, SML could not continue project operation due to a lack of working capital and refusal of banks to lend due to absence of necessary experienced personnel to run the project and very low metal prices hence the project remained closed for many years.

In April 2000, SML advertised in the national and international mining magazines an "Invitation for Expression of Interest (EOI) for Leasing of Complete Copper Gold Project in Pakistan". The advertisement also appeared in the Mining Journal published from London on 14 April 2000. MCC responded to the EOI and was prequalified along with five other foreign companies.

MCC was declared as successful bidder and a lease contract initially for 10 years, subject to extension was signed between SML and MCC on 30 November 2001, which became effective from October 2002, after its terms were approved, both by the Government of Pakistan and Government of China. The lease contract required MCC to rehabilitate the Saindak project at its own cost and risk and bring it on production.

In case profit accrued from the production operations, MCC had to pay half of that to SML but in case of loss, it had to be borne by MCC alone. MCC was also required to discharge liability of taxes on export revenue of Saindak as an Export Processing Zone (EPZ) and pay royalty to GoB as a percentage of value of exported goods. MCC is operating the Project successfully for the last eighteen years, benefitting the government and the local population.

TTI: How good is the Saindak Deposit?

WJ: Nothing fantastic compared with porphyry deposits elsewhere in the World or even with Rekodiq. South Ore body having on the average 0.44 percent copper could not have been mined economically if it did not contain 0.476 gm gold /ton of ore. Similarly some part of the north ore body could be economically mined as it contained on the average 0.382 percent copper and 0.247g of gold/ton of ore. The east ore body has only 0.364 percent copper and nominal 0.13 gm/ton gold.

At Rekodiq, Tanjeel deposit has 0.6 percent copper and in western porphyries there is 0.5 percent copper with 0.3 gm/ton gold. At Saindak 960 tons of rock has to be mined to get only 315 tons ore which after processing produces just one ton of blister copper, having about 98.5 percent copper and about 100 grams of gold. Another matter about ores is their mineral contents. An ore may have many mineral contents but that does not mean that all are economically recoverable.

TTI: How much blister copper you have produced during last 18 years?

WJ: By the end of 2020, the cumulative processing of raw ore by MRDL was 79.84 million tons, and the cumulative production of blister copper was 267,575.71 tons, including 24,444.49 kg of gold and 41,958.33 kg of silver. Accumulated sales revenue is about USD 2.36 billion, including USD 764.95 million for gold and USD 16.07 million for silver contents.

TTI: How much have your 18 years of operation at Saindak benefited Pakistan?

WJ: Besides providing employment since 2002 to over 1,700 Pakistanis, most of them from Balochistan, the MRDL has paid out USD 314 million in profit share and USD 8.5 million in machinery rentals to Saindak Metals Ltd; USD 11 million as service charge to the Export Processing Zones Authority; USD 22 million in presumptive tax payment to the federal government; and USD 3.6 million as profit share to the government of Balochistan for CSR activities; in addition to PKR 9.8 billion in royalty payments, also to the provincial government.

TTI: What benefits local community gets from Saindak Project?

WJ: MRDL is a subsidiary of MCC, a State owned Company of the Chinese Government which has a generous policy on Corporate Social Responsibilities (CSR). MRDL has therefore always been proactively providing facilities for people's well-being.

Specifically, the Project has laid water and power supply lines and supplied free purified water and electricity to the surrounding villages which has helped Saindak region step out from its "oil lamp era" towards electrification era and tap water, which however is solely dependent on Saindak Project.

The Saindak Model High School, managed by MRDL, enrols children from surrounding villages and provides free of charge uniforms, workbooks, school buses for students, and salaries to the teachers. The Saindak Hospital provides convenient, affordable and sophisticated medical services for local people, under expert Chinese and Pakistani doctors.

By the end of 2020, the Project had provided utilities and services worth USD 20 million including water and power supply, education support, and medical care. MRDL also has undertaken road maintenance worth USD 3 million for people's wellbeing.

It may be of interest to note that the Saindak's expenditure on CSR activities is almost forty times its obligation under the Petroleum Concession Agreement on an oil or gas company having a similar level of yearly income as that of Saindak.

TTI: How is the security situation at Saindak?

WJ: The Saindak Project is located in a very politically sensitive area bordering with Afghanistan and Iran and there are always security threats. The movement of Chinese personnel from Saindak Project to Karachi (for onward travel to China) involves a high risk road travel of 350 KM to Dalbandin, which is served by a PIA flight once a week from Karachi.

There have been many incidents of terrorist attacks on personnel vehicles and on goods carrying convoys. To cover this security aspect of the Project MRDL has entered in to contracts with FC of Balochistan to provide security cordons to the Project and security escorts to the moving convoys of personnel and of incoming and outgoing goods.

For this service of FC Balochistan, MRDL pays to FC yearly over PKR 60 million. In order to avoid road travel of Chinese and ensure their safety, an airstrip is being constructed by MRDL at its own cost at Juzzak, 20 km from the project site, so our Chinese staff can travel to and from Karachi via chartered ATR flights.

TTI: Why is MCC not constructing a copper refinery in Balochistan?

WJ: The production of Saindak is too small for a refinery to be feasible. GoB can plan to invest in a large smelter and refinery provided there is enough local mining activity and production of copper concentrate to enable smelter and refinery to operate on full capacity.

The Mishmash Called the Karachi Package

Everybody wants credit for the Karachi Transformation Package and no one quite believes in it as departmental turf wars rage and political bickering continues in this seaside megacity of Pakistan.

By Ishtiaq Ali Mehkri

This seaside megacity has a population of more than 25 million and no urban mass transit. Access to potable water is a privilege, sanitation and drainage are in a mess, and the civic infrastructure is rotten to the core. This is Karachi.

Salute to the resilience of Karachiites – they still believe that something good is in store for them. They somehow continue to buy the tall claims and generous promises of their political leaders. Ironically, it is a common observation that all other metropolitan cities of Pakistan, except Karachi, had seen a level of progress and development in the last three decades. Lahore, Rawalpindi - Islamabad, Faisalabad, Sialkot, and Peshawar are cases in point.

But no one knows for sure what has kept Karachi, the home city of the Father of the Nation and 70 percent revenue generator for the country, in tatters. The slow and infructuous implementation of PKR 1.1-trillion Karachi Transformation Package is an obvious footnote.

Perhaps it is because no one owns Karachi. A host of political parties, who cash political capital on Karachiites votes, have taken them for a ride. The obliviousness of the Peoples' Party, the erstwhile draconian rule of the MQM and now the time-buying modus operandi of PTI paints a horrifying picture.

The only exceptional development that Karachi saw was under the regime of President Ayub Khan – though he had no political or personal stakes in it. The initiation of Karachi Development Authority, a host of other autonomous civic bodies of water and sewerage; as well as the massive industrialization that Karachi witnessed was its glorious episode.

The next to grace it with colours in the municipality domain was the era of Jamaat-e-Islami's Mayor, Abdus Sattar Afghani. Then onwards Karachi saw an unending era of scammers and extortionists. To count the only development minds in the MQM were its first Mayor Dr Farooq Sattar and Dr Mustafa Kamal. They tried their best. But they couldn't deliver to the best of their ability and sincerity – for obvious inherent political reasons!

So what and where is the future of Karachi, and its dwellers? Does anyone care for them? The simple and candid answer is: No. The Supreme Court of Pakistan is on record having observed: "There is no ownership of Karachi – and no one cares for it".

No political stakeholder knows for sure as to when the gigantic PKR 1,100 billion developmental project shall stand realised. Irrespective of the fact that a very high-powered six member committee comprising senior federal and provincial nominees, under Sindh Chief Minister's supervision, is working to see the light of the day; there are a host of inherent loopholes and lacunas.

One of the prime obstacles is the turf wars between various departments such as the Railways and Public Works; the Municipality and the Revenue department; and last but not least the tug-of-war between the elected representatives and the bureaucracy.

The PKR 1.1-trilion developmental project, dubbed as the 'Marshal Plan' for the Karachiites, often reverberates in the apex court. The Supreme Court of Pakistan's Karachi Registry is seized with the issue under a suo moto notice, and minutely monitors its implementation.

At many of the proceedings, it was a common observation of the Honourable Chief Justice of Pakistan, Justice Gulzar Ahmed that the "so-called representatives and officials had failed Karachi." Many a times, the top judge lamented the lack of coordination and falsification of notes shared by the stakeholders, including senior government officers and the Commissioner Karachi.

They stood reprimanded with their heads hanging in shame. Likewise, at times, the apex court was magnanimous enough to spare contempt proceedings against the chief minister and his cabinet members, as well as the all-powerful bureaucracy, over their defiance in complying with the court orders on removing encroachments; and subsequently implementing the Karachi Plan. So much so for good governance!

For all practical reasons, the package unfortunately seems to have hit snags. Announced in September 2020, it took more than five months to get a nod from the Economic Coordination Committee of the Cabinet, apparently owing to monetary constraints.

Out of the PKR 1.1 trillion, the federal government has promised to contribute PKR 739 billion and the remaining PKR 372 billion will be generated by the Sindh government. The span of the programme is three years. But Sindh's Adviser to CM on Law Murtaza Wahab claims the provincial government is the "biggest feeder" for the package, and shall be generating around PKR 800 billion.

Likewise, Sindh Provincial Minister for Information Syed Nasir Hussain Shah, who closely monitors Karachi Package as well as other developmental issues of the province, is at loggerheads in realising a working equation with the federal government. Recently, he was in full swing reprimanding the Water Board officials, as well as by making few heads roll in the municipality, as public grievances took an upbeat turn. "The Sindh government is doing everything to make life easy for Karachiites, as we are an equal stakeholder," he remarked, and castigated the federal government for penalizing the province by withholding funds.

Inside queries made off the record revealed that no one knows how this money will be generated, as there is hardly any developmental purse with the exchequer.

The bottom line is that millions of office-goers, students and commoners have to hang on to either the Qingchi (rickshaws) or depend on the scary private-rides. Taxis are off the road; and one is justified in asking where the 40,000-plus Yellow and Black Cabs disappeared?

The funny Circular Railway is tantamount to the poem of the kids: "Merry, merry go round and round – all through the town"– a classic example of wasting money with no proper route and passengers.

The Muttahida Qaumi Movement, which literally ruled the city for more than three decades, is busy pointing fingers at the so-called powers-that-be, or the invisible coterie, that it says is responsible for the plight of the city.

In one single statement, former Mayor Waseem Akhtar says, "The MQM never had power to exercise its writ." This closes the argument, and there is hardly any rationale in further asking what the MQM did at the zenith of its power.

Likewise, Faisal Sabzwari, MPA, says that Karachi's biggest enigma is that it never had a powerful local government, as enshrined in the Constitution. "Our coalition partners never shared power with us." He was obviously referring to the Sindh government, which controls the purse and developmental allocations through a provincial ministry.

Karachiites, likewise, spend millions on purchasing water from the hydrants. It is common knowledge that wheelers-and-dealers in the provincial bureaucracy, as well as the erstwhile Karachi Water and Sewerage Board officials, are hand-in-glove in putting monkey-wrenches and delaying the Greater Karachi Water Supply Scheme, also called K-IV, to this day. The project is an indispensable lifeline for 30 million people in Karachi and its adjoining peripheries.

A stock-taking of vibes from the political mosaic revealed that all have a tale to tell. All differ in their synopsis of development for the dilapidated city! And all uphold their political brief at the behest of Karachiites 'common' future!

The MQM similarly has been constantly complaining that it was "not taken on board", while chalking out the Karachi Package by the PTI government. MQM's federal Minister for Information & Technology, Syed Aminul Haq had placed similar reservations before the cabinet, too.

The MQM stalwarts confided that they are "surprised that the federal government chose to implement the PKR 1,100 billion plan" through the "corrupt provincial government", rather than putting the local government at the vanguard. This notion has put the MQM in a gridlock with the Sindh government, as well as in deep reservations with the federal government – of which it is an ally.

"The federation should have invested through us, as we know the city," MQM-P Convener Khalid Maqbool Siddiqui, who is part of the federal cabinet, pointed out.

Not different is the narrative of Jamaat-e-Islami. Though the party is politically rated as a "spent force" by many in Karachi, it is still one of the most proactive grassroots forces in Karachi. It keeps reminding the citizens how badly Karachi has been failed by their elected representatives.

Jamaat, nonetheless, has a 360 degree angle to boast. Jamaat Karachi chief Hafiz Naeem-ur-Rehman quipped, "It is not Balochistan but Karachi, which is the most neglected part of Pakistan." He was slandering the MQM, of course, for allegedly failing to deliver despite ruling the city.

He said, "People who cannot count numbers – a reference to the controversial Census – are unfortunately the stakeholders of Karachi". Jamaat these days is in a crusade to pressurize the federal government to hold Census afresh in Karachi, as it believes Karachi's population has been cut down to size 'under a conspiracy'.

Asked about the Karachi Package, Rehman pointed out that the "Green Line project and the Orange Line project are in tatters because the province and centre do not have a priority for Karachi." He lamented that the provision of water and power, damaged infrastructure and sewerage haunts the biggest revenue-generation city.

There is, however, some plain talking from the federal government's point man on Karachi's ambitious package. Federal Minister for Planning and Development Asad Umar assures that "at least two mega transport projects— the PKR 300 billion Karachi Circular Railway and the PKR 25 billion Green Line Bus Rapid Transport — shall be completed by year-end."

But MQM, despite being a coalition partner, is not convinced. It says the gigantic developmental plan is "financially handicapped," as allocations are in a dried up pipeline.

Sindh Governor Imran Ismail, who acts as the eyes and ears for realising the Karachi Transformation Package, is often seen meddling between various governmental bodies, in order to make sure that PTI's tall claims on Karachi are dispensed in all sincerity. He, at times, is under severe pressure from the PTI comrades who rightly believe that there isn't any "walk the talk", as far as ushering in a new sense of development and prosperity in the City of Lights, from where it has 14 out of 21 MNAs.

Last but not least, there is another horrendous side on the path of Karachi's development. There isn't any developmental fund released for Karachi through its representatives for the last two fiscal years (apart from the PKR 1.1 trillion promised package). This has given rise to voices of dissent from the PTI too. PTI MNA Aslam Khan from NA-254 says, "Stoppage of development funds to elected legislators is unbecoming. What will we do, and how will we perform before our electorate?"

MQM's Aminul Haque joins the bandwagon as he says, "the federal government's promise to release PKR 150 million per constituency still hangs in balance." Under the policy directive, no funds will go directly to the elected representatives but to the Pakistan Public Works Department (Pak-PWD). But that too is in limbo.

Karachi is in need of not merely a bailout, but also a sail-out from the quagmire in which it is in. Prime Minister Imran Khan shoulders a personal responsibility to bless Karachi a facelift of modernity -- in its infrastructure and civic amenities. Karachiites still believe in his vision and honesty. It's time to win the hearts.

Ishtiaq Ali Mehkri is senior journalist and research fellow.

Pakistan's Vanishing Freshwater Reserves

With glaciers melting, groundwater contaminated, rivers soiled, and the deltas shrinking, Pakistan must brace itself for its next existential challenge: a water crisis.

By Eric Shahzar

With political and economic instability looming large in the county, little attention is being given to Pakistan's intensifying water crisis, which has the potential to disrupt lives and livelihoods of millions. The United Nations Development Programme (UNDP) has categorically stated that Pakistan will dry up by 2025 if no urgent action is taken. Today, accelerated climate change is only adding fuel to the fire.

Accelerated climate change is intensifying Pakistan's water woes. According to the Hindu Kush Assessment report, around one-third or 33 percent of Pakistan's glaciers will be depleted by year 2100 even if global warming is held at 1.5 degrees Celsius. That is about 14,000 glaciers. It is important to understand the glaciers give life to rivers – an important source for freshwater availability in the country. With glaciers melting at an alarming rate, droughts are likely to intensify in many parts of the country. The worst hit will be areas where the poor and vulnerable reside.

Many rural areas of the country heavily rely on groundwater sources but Pakistan's groundwater have been found to contain alarmingly high levels of arsenic. Up to 60 million people in Pakistan, especially Sindh and Punjab, are at risk from the deadly chemical arsenic.

Pakistan's population boom is putting more stress on Pakistan's shrinking per capita water availability. In Karachi, the country's biggest financial hub – more than 90 percent of the water supplied is contaminated in some way. With extreme droughts predicted in the coming decades and our population expected to become the 4th largest in the world by 2030, do we have a comprehensive plan to counter this looming threat?

Women in rural areas are the most affected by unavailability of clean drinking water which automatically disempowers them socially and economically. Women take the primary burden of collecting water for their families. In water scarce areas, young girls and women spend the

entire day fetching water for their families. In rural Pakistan, they walk for a good 2-4 km and wait in line for hours for their turn to collect water, an effort requiring six to eight hours each day. These young girls should be in school, not collecting water the whole day.

Pakistan's per capita water availability has dropped from 5060 cubic meters per annum in 1951 to 908 cubic meters now. We have the world's fourth highest rate of water use. Pakistan's water intensity rate – the amount of water used per unit of GDP – is the world's highest. This suggests that no country's economy is more water-intensive than Pakistan's.

Pakistan must revamp its agriculture sector which still remains outdated with the latest technology. We spend 80 percent of our fresh water resources on crops like cotton, rice and sugarcane that contribute only 4 percent to our GDP. We must urgently shift towards drip irrigation and eco-friendly agriculture solutions.

In the past, there have been debates of introducing desalination plants to fulfil our rising water demands. However, debate on this crucial alternative seems to have disappeared in thin air.

Another piece of the puzzle could be desalination, the process of purifying saline water into fresh water. Desalination plants can reduce salt levels from seawater to make if safe for human consumption. Considering that Pakistan is on course to face severe water scarcity by 2025, it is crucial to develop desalination technologies to meet water needs. The Middle East has been a leader in desalination so far. Saudi Arabia, United Arab Emirates, Kuwait, and Israel rely heavily on desalination as a source for clean water.

Given that Pakistan is blessed with more than 700 km of coastline and our population expected to balloon another 50 percent by 2050, there is no reason why we should not invest in desalination.

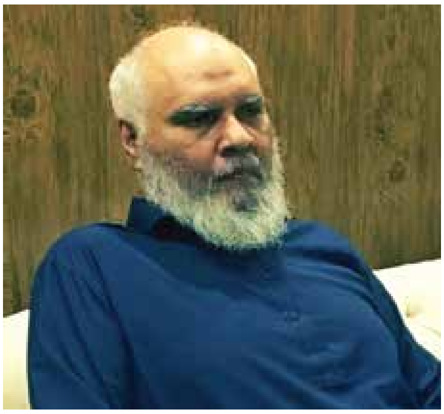
Pakistan must also move towards building small, uncontroversial dams. Small dams are extremely important to store and conserve water for increasing irrigation and drinking water sources and improving socio-economic conditions. According to the World Bank, Pakistan has the potential to build another 750 small dams to meet water requirements of growing local and regional population. If we look in the region Sri Lanka has constructed some 12,000 small dams while India has built 19,000 small dams. What is Pakistan waiting for? In the past, the World Bank and Asian Development Bank have already shown interest in financing small dams in Pakistan.

What is most crucial is that Pakistan must start a country-wide social awareness programme on water security. Water conservation should be the starting point for Pakistan's quest to manage our resources more efficiently. Every citizen must realise that conserving water is our moral and ethical responsibility, and that when we waste water, we deprive many others of their right to use that water for fulfilling their basic necessities.

Access to clean water is a basic human right. Our collective future depends on ensuring its sustainability today. Water, in essence, represents life. Only by saving water can we save lives and keep our part of the world hospitable to life.

CITY NOTES-Sweets Something

By M.A. Niazi



Now that Prime Minister Imran Khan has had the time, he is getting used to the idea of Hammad Azhar as finance minister. Hammad has not yet been awarded the title of Waseem Akram Soyem, but it is only a matter of time. Speaking of Waseem, how goes Waseem Akram Sani?

Yes, Usman Buzdar. Now one can only imagine the 'feast of reason and flow of soul', as Alexander Pope once put it, when that trio gets together.

Of course, to complete the atmosphere, it would only need that distinguished geo-economist, who lectured the country's business community some months back, General Qamar Javed Bajwa. Or do they still need Shaukat Tarin?

He is not related to Jahangir Tareen, the sugar baron, and the face of the sugar lobby, which is supposed to be all powerful. Something has gone wrong somewhere. Imran has said that last year's sugar crisis was the result of mafias conspiring against his government. The mafias managed, it seems, to get him to decide on exporting sugar, which is why there was the shortage which led to the price hike.

Wait. Did Dr Hafeez Shaikh not carry the can for inflation? So, why are the cases against Tareen being ramped up? Is the public supposed to forgive PM Imran the price of medicine, electricity and fuel (which have all gone up, none of which saw Tareen have anything to do with them) because of any action that is being taken against Tareen?

Tareen should realise that the problem is not that he made money, but that he made PM Imran look bad. Even if you think that he likes grinding the faces of the poor, you cannot help feeling some sympathy for him, considering the violence with which he has been thrown under the bus.

Somebody noted that Imran has been used to throwing people under the bus. Like when he abandoned his cousin Majid Khan and ended his career, even though he had played a key role in making him the captain.

Well, it seems that Tareen is doing all sorts of things, like getting MNAs and MPAs to go along with him to the appearances he is having to make in various courts because of the various charges being slapped on him. Are these MNAs and MPAs he has given rides in his airplane?

The airplane is supposed to have been key in his position in the party, and the influence he had over Imran. Though apparently it was not just the airplane, but his willingness to act as Imran's ATM. He had made his entry as Shehbaz Sharif's adviser on agriculture, but he is not supposed to have given him any plane rides, or acted as his ATM.

He is supposed to have been approached by the Pakistan People's Party (PPP). Why? Does Asif Ali Zardari feel he needs a plane ride? Or does Bilawal Bhutto-Zardari need an ATM? But at the same time, it must be frustrating to be one of those determining who Tareen will give a plane ride to, and never getting a ride yourself. And Tareen has always been on the right side of you-know-who.

You-know-who will be one circumlocution after the new Section 500A of the PPC is passed, in which you cannot criticise a certain institution (note how careful I am being even before passage). One thing I saw on the internet said that the new law meant you could not let Askari Cement bags lie on the ground but would have to pick them up and put them in a high place. But of course, you cannot believe everything you see on the internet.

One thing that is not on the internet is that Prince Philip has died. He missed turning 100, and he also missed his 74th wedding anniversary. He had a peculiar connection to Pakistan, with the engagement announced in July 1947, before he got married in November, his father-in-law was no longer Emperor of India, but Philip went ahead.

He has been outed as the royal who wanted to know the colour of his great-grandson Archie, born to Prince Harry and his mixed-race wife, Meghan Merkel. Well, I do not really blame him. After all, Harry is the grandson resembling him the most, so he would obviously be concerned whether his genes were being passed on.

Footnote to these notes: The Pakistan Muslim League-Nawaz (PML-N) won the Daska by-election. Buzdar might refuse to do the honorable thing, but he should before he is thrown under the bus.

Warming Up to a New Cold War

A new Cold War is coming to test Pakistan – a country that cut its teeth on a Cold War, mastering the dance of survival in the treacherous environment of superpower rivalry.

By Umer Farooq

Many experts believed the hot exchanges between China and the United States will cease once the Trump administration signs off. That turn of events, however, didn't come to pass even after the Biden administration eased into office, and the tensions between the two great powers continue to mount.

The United States has castigated China for the forced sterilization of Uyghur women; lobbied Europe to ban Chinese security screening firm Nuctech; imposed visa restrictions on Chinese officials held responsible for Hong Kong's new national security law; and placed 90-day limits on work visas for Chinese journalists.

In response, China's Foreign Ministry has branded US criticism of its Uyghur policy as "baseless" while bluntly telling Washington to butt out of Hong Kong affairs. Beijing had earlier withdrawn press credentials for journalists from three leading US newspapers and threatened to put American companies on a list of proscribed foreign entities.

This rapid escalation of Sino-US conflict has taken many by surprise. For most of this century, the competition between the two powers was moderated by a need to work together on a range of global economic, financial, and geopolitical issues that necessitated cooperation.

But these cooperative impulses have almost entirely disappeared, with tensions exacerbated by recriminations over responsibility for the Covid-19 global pandemic, which has exposed the depth of their mutual mistrust.

Beijing thinks Washington is bent on containing China to prolong the waning power of the United States by denying China its rightful place in the sun. Americans increasingly see Beijing as a threat to US security interests, undermining its prosperity, interfering in its democracy, and challenging its values.

Anti-China sentiment unites an otherwise divided and partisan Washington. A common misperception is that mounting differences over trade and technology are primarily responsible for the spike in hostilities. But while important in themselves, the Sino-US trade and tech wars are symptomatic of a deeper and more dangerous geopolitical divide rooted in their clashing strategic ambitions and contrasting political systems.

Amid this environment of heightening tensions, Pakistani military and civilian officials started discussing geopolitical and geostrategic changes in the world with their Chinese counterparts. On 7 September 2020 General Nadeem Raza, Chairman Joint Chiefs of Staff Committee held a meeting with General Wei Fenghe, China's Minister of National Defence.

The meeting took place on the side-lines of Defence and Security Cooperation Conference, bringing together defence officials from across the Shanghai Cooperation Organization (SCO). An official press release in Islamabad said matters "related to changing the geostrategic environment" came under discussion at the meeting.

What could possibly prompt Pakistani and Chinese military officials to discuss "changing geostrategic environment" in their meeting at Moscow on the side-lines of this high-profile conference? Changes in the India-Pakistan military equation? But no discernible changes had taken place in the South Asian region in the military balance or the geopolitical and geostrategic environment between these two nuclear rivals in those days.

Most international experts agree that a conflict between the existing and rising powers is inevitable. China is not simply a rising power, it is a country which will soon surpass America as the biggest economy in the world. Some even say Washington is in relative decline.

Consider this: the United States and its treaty allies accounted for 70 percent of the global GDP and military spending in 1994,

political structures that could rival American power at the international stage.

Pakistan has been given a place of pride in the two such structure. Firstly, we have China Pakistan Economic Corridor (CPEC), which is a showcase project of the BRI, the Chinese plan to establish a communication network encompassing more than 50 countries on three continents.

Could it be that some other geostrategic changes were taking place those days and are taking place around us now that warranted a discussion between top officials from the two countries? Not only did the bilateral exchange bring a top general from each nation together, it also involved delegation level talks between the military delegations of China and Pakistan in Moscow, where they were attending the conference of military officials of member countries of the SCO.

The answer to the question raised above is simple: The world is fast moving into a strategic environment where great powers, the United States and China, or two competing blocks of countries, would beconfronting each other at the world stage. The United States is the dominant power or the status quo power, whereas China is a rising power or challenger – a country that will soon acquire enough military and economic capacity to challenge the international status quo.

but in 2015 this figure declined to 60 percent. Also, China accounted for 3.3 of global GDP in 1994, and 2.2 percent of global military spending; its share has since risen to 11.8 percent of the global GDP and 12.3 percent of the world's military spending.

The gap is still wide but Chinese political ambitions seem to have outgrown its relative economic and military strength. In 2013, Chinese leadership initiated the Belt and Road Initiative (BRI), which has been described by many international experts as part of an ambitious Chinese plan to replace American-led and American-designed international system that was painstakingly constructed at the conclusion of the World War II.

The Forum of Shanghai Cooperation Organization (SCO) itself is part of Chinese plans to build a Sinocentric regional system of states that would rival international institutions built and led by Western world. China is on the path to build economic and

Secondly, China ensured Pakistan's membership of the SCO and a crucial role for it as country which possessed vast experience in counterterrorism and counterinsurgency. Both these capabilities are greatly valued in the member countries of SCO, where insurgencies and terrorism are rampant.

But the question is how this changing geostrategic environment is relevant to Pakistan – what created the necessity for senior military officials of China and Pakistan to discuss it in a third country?

Firstly, it is relevant to us because soon Pakistan would be confronted with the strategic shift of living without its decades' old strategic alliance with Washington and the Western world. This may assume urgency as the competition between existing and rising power heats up.

Secondly, this changing geostrategic environment has forced Pakistan's arch-rival

India into a deep embrace with Islamabad's erstwhile ally, Washington. There are very strong lobbies in Washington who see India as a counter to the rise of China on the world stage and they are hell bent on using New Delhi against Beijing.

As Pakistani political and military elite have a habit of viewing the outside world through the prism of their anti-India feelings, it is obvious what Pakistan's reaction to this right embrace would be.

How will the Pakistani state and its political and military elites adjust to this changing geostrategic environment? Firstly, this changing environment will afford Pakistan the opportunity to carry forward the luxury of anti-India feelings and policies into a whole new era.

And secondly, the Pakistani state will suddenly be under no compulsion by its great power patron to curb its authoritarian tendencies. Surely, in no scenario can Beijing be seen wielding a tool like the deeply unsettling Kerry-Lugar Bill dangled by Washington not too long ago.

This new environment will also allow Pakistani state to advertise and leverage its counterterrorism and counterinsurgency expertise and to market it among the friendly countries in the region.

There are six clear parallels with the Cold War. First, the US-China rivalry is between the world's two most powerful states, one a liberal democracy and the other an avowedly communist power. Second, it is a system-wide contest for global supremacy. Third, it is about values as well as power. Fourth, it will be a multi-decade struggle for global ascendancy. Fifth, a second geopolitical bifurcation of the world is likely. And sixth, neither side wants a full-scale military confrontation. In short, it is not your run-of-the-mill great power conflict.

There are, of course, significant differences between the two Cold Wars. China has supplanted Russia as the main threat. Strategic competition between the United States and the Soviet Union largely played out in the political and military domains with little trade between the two competing blocs. But the main contest between the US and China is economic, which means that trade, investment, technology, and strategic industries are central to today's rivalry.

At its high point, the GDP of the Soviet Union was only 40 percent of that of the United States. But China's GDP is already 65 percent that of the US and growing rapidly. Between them, the US and China account for around 40 percent of global GDP today. If either of these two titans sneezes, the rest of the world catches a cold. The dynamic has been demonstrated literally, as the impact of the Covid-19 global pandemic continues to lay waste the health and prosperity of millions around the globe.

While the new Cold War is playing out across the world, its geographic centre of gravity is the Indo-Pacific, not Europe, because the epicentre of global commerce and trade has moved from the Atlantic to the Pacific, reflecting Asia's rise and Europe's relative decline.

The United States and China are both Pacific powers, so their rivalry will be felt most keenly in the Indo-Pacific, particularly at sea, where their interests collide and there are several potential triggers for military confrontation.

How exactly does Pakistan navigate the new Cold War environment and to what extent does it succeed in keeping its own interests foremost remains to be seen. If history is anything to go by, however, the Pakistani state will continue to chart its own course in defiance of all inducements, make its own mistakes in spite of all counsel, and shape its own fate regardless of all influences.zz

---

Who is Afraid of China's Tighter Embrace of Iran?

Strategic benefits of the recent China-Iran deal are uncertain at best – but its disruptive potential for the regional diplomatic calculus is huge.

By Ibrahim Moiz

The recent Tehran deal signed between China and Iran has generated considerable hype about both its intended scope and its particular timing. Promising a quarter-century of strategic cooperation and long-term Chinese investment in Iran, the deal has been viewed with some alarm by a United States that views the slow-burning political and economic influence of China with misgivings.

More significant, however, is the deal's timing, coming in a spring of diplomatic fluctuation for other Chinese allies such as Saudi Arabia and Pakistan. Given the particularly vague nature of the deal, it is likelier to be significant for the fact that it comes in a period of diplomatic uncertainty than it is as a strategic deal.

It is important not to overstate the significance of the Chinese-Iranian deal. China has made major investments in many countries across Asia and Africa, usually without much problem. Although it is fashionable in the West to speak of a Chinese economic colonialism, evidence for this is hard to come by.

Rarely, too, do such long-term agreements ever match their hype. Twenty-five years is simply too long and uncertain a period to promise a strategic bilateral accord. In this case, the terms of the agreement are so vague and generalised that it is quite likely that the strategic cooperation will fade long before its official expiry.

The potential that the accord has for Iran's economy, on the other hand, is significant. Iran was long able to bypass the United States' sanctions because its relations with Russia, China, and even Europe were far friendlier. Indeed, to some extent these sanctions can be said to have unintentionally solidified the Iranian regime against internal opposition, which has historically come from a merchant class left much weakened after bearing the brunt of the sanctions.

The strategic opportunity that the United States unwittingly provided Iran after 2001 by toppling its adversaries in Baghdad and Kabul enhanced Iranian influence outside its borders. By the mid-2010s, Tehran, emboldened by its heady military adventures in Syria and later its role in the campaign against Daaish in Iraq, was able to approach talks over its nuclear programme with reasonable confidence, culminating in the 2015 Vienna Accord that sent alarm bells ringing for its rivals in Riyadh and Tel Aviv.

Yet Donald Trump's maverick regime, egged on by Israel and Saudi Arabia, declined to honour treaty commitments made by his predecessor President Barak Obama. The Vienna Accord was scrapped, and Iranian militias in the region were confronted with increasing ferocity.

The cushion earlier afforded Tehran by the European Union, which had welcomed Iranian-American talks, was largely ineffective in shielding Tehran from Trump's belligerence. The policy squeezed the Iranian economy hard enough to fill the streets with protesters in the late 2010s.

This provided an opportunity for China, already on friendly terms with Iran, to expand its influence much as the decline of American-Pakistani ties in the 2010s had played to Beijing's advantage. Chinese investment is likely to make at least a short-term improvement in Iran's economic fortunes.

The deal's particular moment is also important, especially for Saudi Arabia, a regime traditionally viewed with suspicion by the liberal Democrats in the United States (though rarely to the extent of impairing important business) but heavily indulged by Trump.

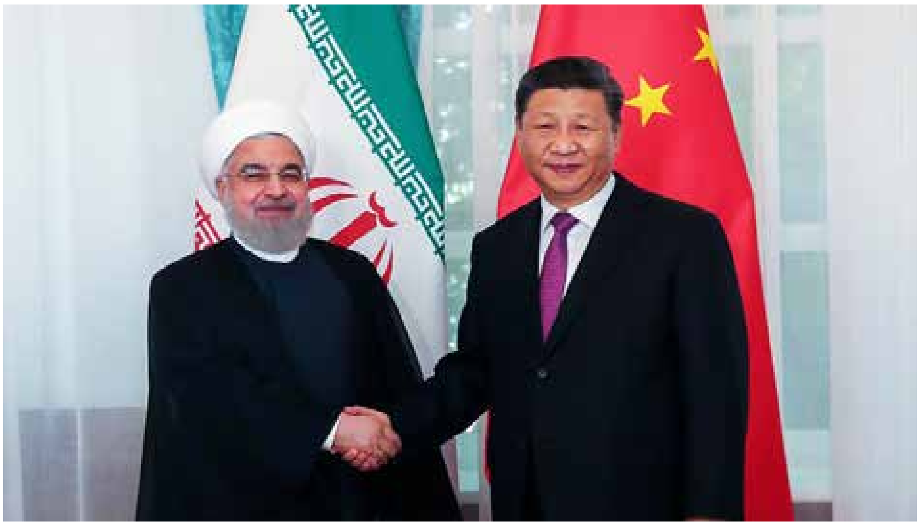
This stemmed from traditional Saudi-American cooperation, traditional Saudi-Republican bonhomie, and also the very untraditional promise by Saudi crown prince Mohammad bin Salman to dispel, by hook or crook, the influence of the "radical Islam" that Washington saw as a threat.

As much because of Riyadh's ties with Trump as anything, however, the then-opposition Democrats were obliged to condemn Saudi excesses. Joseph Biden, largely for public consumption, made a point of giving the Saudi crown prince a public reprimand both before and after he took over. This, again, did not impede the essential business between Washington and Riyadh, but when coupled with Biden's relative openness toward compromise with Iran, deepened Saudi fears of diplomatic isolation.

Thus Saudi Arabia entered 2021 on far shakier ground than the past four years. Riyadh's heavy entanglement with the United States meant that they simply could not risk a potentially hostile or unreliable incumbent in the White House. This was reflected in their dealings with Pakistan.

There are now two important factors for the Saudi regime to consider. The first factor is the stance of the superpowers. Tensions seen in recent months with Washington are likely to be papered over, perhaps with further concessions to liberal sensibilities. China has never feigned concern about Saudi illiberalism, and so Riyadh's incentive here will instead be to show Beijing how it can be a superior partner to Iran, perhaps through favourable economic deals.

The second factor is the Pakistani attitude: Will Islamabad see the agreement as a complement to the strong Chinese-Pakistani links, so that both Pakistan and Iran can participate in the Chinese-led Belt and Road initiative? Certainly this is the likely outcome, which gives Riyadh a motivation to try and hamstring this bonhomie without jeopardizing its own links to Beijing and Islamabad.



The historically strong links, in which Pakistani military and Saudi economic clout played a major role, had cooled off in the latter 2010s. Riyadh resented Pakistani ties with Iran, and Islamabad resented Saudi ties with India. Yet not long after Biden took power, a potentially weakened Saudi Arabia hurried to patch up its links with Pakistan.

Chinese-Iranian cooperation is thus likely to be viewed with similar dismay by Riyadh. Of course there is a difference: Saudi Arabia has never been as intertwined with China as it has with the United States, nor had any illusions about China's traditionally friendly links with Iran, in contrast to American-Iranian links. Nonetheless, such is the extent of Saudi-Iranian hostility that any upgrade of relations with a major power can only provoke dismay in Riyadh.

The Saudis are likely to finger the oft-tense bilateral relations between Pakistan and the Iranian regime. Should that fail to work, the Afghan conflict – where Pakistan and Iran share China's unease over continued American dominance – might present a more fruitful avenue, whether by steering it in a less Iran-friendly direction or by militating against American withdrawal.

Thus, while the Chinese-Iranian deal may not have much of an impact in the strategic sense, the diplomatic challenge it presents for the United States, Israel, and especially Saudi Arabia is likely to have repercussions in the region.

Pakistan & Turkey: A Match Made in Heaven

The commonalities shared by Pakistan and Turkey are endless. High time the two brotherly nation's started building a deeper partnership based on these.

By Mishaal Ashraf

Pakistan is a young nation and Turkey is ancient, but the two brotherly nations have many parallels. They are both medium sized Sunni-Muslim majority nations who embrace their Islamic identity, and both are democracies with a history of military's dominance of politics. Both these countries have traditionally been allies of the United States during the Cold War and after, and still have good working relations with the Western bloc.

Perhaps most important, both Turkey and Pakistan are pivoting away from the US-led Western bloc and are trying to find alternatives. Recent events have shown that while Islamabad and Ankara move away from Washington, they are drawing closer to Beijing.

Under the circumstances, it is only natural that Islamabad and Ankara are growing closer together with each passing day. This mutual warming up is reflected in the bourgeoning military ties. In 2020, joint naval exercises were conducted in the Mediterranean and the Indian Ocean. What is more, Turkey is now the fourth largest exporter of arms to Pakistan, with China being the major source of military equipment.

At the moment, Pakistan is purchasing of MILGEM corvette ships from ASFAT, a state-owned Turkish contractor. Alongside that, Pakistan is also planning on buying 30 T-129 ATAK helicopters from Turkey.

The military hardware Pakistan is purchasing from Turkey is worth more than USD 3 billion. A major factor for this billion-dollar trade is that both the counties are seeking to reduce their dependence on the West and are hence exploring other pathways.

The cosying up is also reflected in the diplomatic arena as well. For example, Pakistan has extended wholehearted support for Turkey in its disputes with Eastern Mediterranean countries over the exploration of gas. Turkey in turn supports Pakistan's claim over Kashmir vis-à-vis India. In February 2020, President Recep Tayyip Erdogan issued a statement saying that the Kashmir issue is as important to Turkey as it is to Pakistan, as he referred to the events of the Turkish War of Independence.

Moreover, a strategic relationship is also being developed between Islamabad and Ankara and is increasing concerns in the nuclear sphere. Pakistan is an announced nuclear country. On the contrary, Turkey is not. The country, however, is rich in uranium, and is in possession of two nuclear reactors: Tr-1 and Tr-2.

As recent events in the Arab world like the Syrian War, the Egyptian revolution etc., clearly demonstrate, the landscape of the world has changed. New alliances are now developing. Looking from this perspective, the convergence between Islamabad and Ankara, both working towards the revision of balance of power in their respective regions, seems nothing but logical.

Another commonality is that both Turkey and Pakistan both are looking to strengthen their ties with China. Beijing has made some major investments in Turkey because of its proximity to Europe and Mediterranean, which makes it an important player. Turkey is also an observer in the Shanghai Cooperation Organization.

Similarly, Pakistan and China also have deep rooted relations, which is also related to their mutual rival in the region i.e., India. China has made heavy investments in Pakistan (worth USD 11 billion) and plays a major role in the Belt and Road Initiative (BRI). The China Pakistan Economic Corridor (CPEC) under the BRI aims to modernize the infrastructure, energy, and communication sector of Pakistan, and has laid a network of projects all over the country.

Moreover, Ankara, Tehran, Islamabad (ITI) Pipeline project is also being refurbished. The project, if completed, would connect China via Pakistan and Iran to Turkey via direct railway. Nikkei Asia reported the project to become operational by the year 2026.

In January 2021, a declaration was signed in Islamabad by the foreign ministers of Pakistan, Turkey, and Azerbaijan. The declaration discussed the Kashmir issue, the Cyprus issue, the Armenia-Azerbaijan conflict, and the Aegean clash.

There is no doubt that a strong partnership between Pakistan and Turkey can be significant for both countries and their respective regions.


Dayfresh®
flavored milk
DOODH
WITH AN
ATTITUDE
Dayfresh flavored milk
on the GO with Mango
Dayfresh flavored milk
dil ki maar pista zafraan
Dayfresh flavored milk
be free with coffee
Dayfresh flavored milk
very very straw berry
Dayfresh flavored milk
make no bahana just enjoy banana
Dayfresh flavored milk
Let's date choco late
UAN: 021-111-337-374 | www.dairylandltd.com
DAYFRESHFM

COLONIALISM: Human Progress or Historical Disruption

How the White Man's Burden crushed the non-European world, dealing death and destructions on a scale that laid waste whole continents.

By Azmat Mumtaz Saqib
(Part 2)

Portugal and Spain dominated colonization till seventeenth century with a slogan "if a flag isn't waving, it's right for enslaving". After the dynastic union of Kingdoms of Spain and Portugal under the Spanish Crown (1580–1640), Portuguese colonial trade and colonies were attacked by new competing colonial powers of Dutch, Britain and France. Enemies of Spain became enemies of Portugal. Several Portuguese colonies were taken over by Dutch namely Brazil, Ceylon and East Indies etc.

New wave of colonialism was dominated by France and Britain with the morality stated in nineteenth century by De Beers founder owner Cecil Rhodes "The more of the world we inhabit the better it is for human race", although Raphael Lemkin, initiator of Genocide convention (1951), termed colonization as "intrinsically genocidal". Enunciated such genocide as a two stage process; (i) first stage being the destruction of the indigenous population's way of life and (ii) in the second stage, the newcomers impose their way of life on the indigenous people. Genocidal manifestation resulted in deliberate clearing of territories of their original inhabitants in order to make them exploitable for purposes of resource extraction and colonial settlements, and through enlisting indigenous peoples as forced laborers in colonial projects of resource extraction. Viceroyalties, Missionaries, seamen, slave traders, conquistadors/-settler militias, slaves and forced workers were either governed by joint stock companies like East India Company or governing councils like in Iberian Peninsula kingdoms.

British-Spain naval war (1588), eighty years Dutch war of Independence from Spain (1568– 1648), Seven Years' War

(1756 – 1763) and Second Hundred Years' War (1689-1815) between Great Britain and France engulfed the colonies around the Globe. Intense rivalry and completion was further complicated by religious divisions and conflicts between Catholics, Protestants and Huguenots in Western Europe. European geopolitical landscape effected the colonial leadership position, shifting from Portugal to Spain and finally after the defeat of Napoleon Bonaparte in 1815 to Great Britain. From Canada to Australia and from Chinese Coast to Cape of Good Hope British Empire was Supreme on land and sea.

In the 17th century Americas, Britain occupied the Eastern part of the North America, French Eastern Canada and Central part of North America and some parts of Caribbean, and Spain the Western part of North America, Central America and Western part of South America all the way down to Argentina. Most of the Spanish colonies (35) gained independence before the first quarter of nineteenth century, although Cuba became independent in 1868 and Belize in 1981.

Portuguese Brazil gained independence in 1822, Mozambique in 1975, and Goa India annexed in 1961. Major Dutch colonies were New York, Indonesia, Ceylon, Formosa, Malacca, Cape Town, Ghana, Ivory Coast, Senegal, Angola, Mauritius, Vietnam, Japan and Brazil. After their defeat in Fourth Anglo-Dutch War (1780 – 1784), Dutch Republic lost most of its colonial possessions and trade monopolies to Britain. Its last major colony, Indonesia gained independence in 1949. Defeated France lost most of its colonial territories in North America and India to Britain after the Treaty of Paris in 1815. Their forced exit from Indo-China occurred in 1954.

Great Britain after the end of the Seven Years' War with France in 1763, unchallenged on external front faced two movements within Britain in the second half of 18th century; the anti-slavery movement and the first Industrial revolution. Both changed the nature of future colonization. In 1776, British colonial project in North America encountered a major setback when 13 colonies on Atlantic coast of North America declared independence. French wholeheartedly supported the newly independent states against their archenemy Britain.

In 1803, USA bought Central North America region from France through 'Louisiana Purchase'. Native Americans were also paid somewhat in excess of 800 million dollars, but this was nonetheless far lower than the true value of the land. An estimated 100,000 Indians were forced to vacate land after the discovery of Gold in their settlement areas.

Mexican-American war (1846 – 48) resulted in annexation of Texas and Northern half of Mexico including California. The Pacific expansion culminated in the annexation of Hawaii in 1898, and Alaska purchase from Russian Empire in 1867.

Ban on slavery in Europe resulted in two types of human trafficking, mass migration of Europeans and as indentured workers. Such workers were recruited from India, China and from the Pacific and signed a contract in their own countries to work abroad for 5 years or more. Early European settlers in colonies were religiously persecuted immigrants from Western and Northern Europe, as well as those opportune youngsters who felt upward mobility in Europe an impossibility. For better financial future, large number also migrated to Southern Africa in Nineteenth Century.

While in the preceding centuries, colonies and settlements were mainly along the coastline, well suited for slave trade. But with the decline in slave trade, spread of settlements went deep into the interior of the continents, thus providing room for settlers of Europe who then developed agriculture and industry of these lands under the social system imported from mother countries. Removal of the indigenous peoples by killing them off or forcing them into especially reserved areas were a natural consequence, as happened in North America and Southern Africa.

European Industrial products required new consumer markets, but colonial societies, with their largely self-sufficient small communities based on subsistence agriculture and home industry provided poor market for consumption; nor were the existing social systems flexible enough to introduce and rapidly expand the commercial agriculture (and later, mining) required to supply the raw material for the mother country. Hence an (1) overhaul of existing land and property arrangements, more suited for use by white settlers or for plantation agriculture, (2) creation of labor supply for commercial agriculture and mining by means of direct forced laborers, generating a body of wage-seeking laborers; (3) spread of the use of money, instead of barter, imposition of taxes and land rent and by inducing a decline of home industry; and (4) where the precolonial society already had a developed industry, curtailment of production and exports of native producers.

The classic illustration of this policy is found in India. For centuries India had been an exporter of cotton goods, to such an extent that Great Britain for a long period imposed stiff tariff duties to protect its domestic manufacturers from Indian competition. Yet, by the middle of the 19th century, from Britain's mechanized production, India was receiving one-fourth of all British exports of cotton piece goods and had lost its own export markets.

Clearly, such significant changes could only be achieved by a sufficiently cooperative local elite, with effective administrative controls that would assure social stability despite imposition of radical social changes by a foreign power. Consistent with these purposes was the installation of new, or amendments of old, legal systems that would facilitate the operation of money, business and land economy. Tying it all together was the imposition of the culture and language of the dominant power; Great Britain in case of India.

British East India Company entered India as a trading house. Mughal India produced about 25 percent of global industrial output into the early 18th century. Had its own socio-politico-economic systems in place. British through conspiracies and later military force captured the most affluent Bengal region, placed a puppet as cooperative elite and further expanded its rule in India. Eventually imposed its trade, tariff, taxation and legal systems. Raised taxation on agriculture from 15 percent to more than 80 percent pushing peasantry to poverty. Within decades, Indian economy became net importer and consumer of British production houses.

Africa witnessed depletion of gold, diamonds and other minerals for production houses of UK and local population became bonded labor in mines and plantations or at best clerks to white race masters. Alien administrative and legal systems were imposed, crushed all resistance and encouraged loyal natives and promoted them as new cooperative elite.

To be continued….

Blockchain and the Healthcare Industry

Time to explore healthcare applications of the blockchain for the common good.

By Maheen Dhanani

The word 'block chain' has been buzzing all over the news and social media. It sounds technical and complicated but also curiously interesting. So what is this and why is it important now? It's definitely puzzling but the word explains itself if you dive deeper into it.

Blockchain is a specific type of database. With blockchain technology, new data and information comes in and is entered as a fresh block'. This data block is then 'chained' with other datablocks in chronological order and multiple types of data can be stored in a block chain.

Ever heard of cryptocurrency or bitcoin? That's a great example of blockchain in finance. Blockchain is also widely used in asset management, claims processing for insurances, smart appliances, healthcare – the list is endless.

Coming to the healthcare delivery system in Pakistan, the nation has been spending less than 1 percent of its GDP on healthcare for many years now which is a huge problem on its own. To add to that, this already unfortunate fact is further shadowed by skyrocketing costs of tertiary healthcare services, inefficient and poor quality of public health facilities, and sparse yet fragmented digitization are all silently destroying the industry.

Now, although Pakistan does not have the greenest grass on the globe when it comes to healthcare, it is not alone. Even the most resilient of economies have struggled in the past few years, especially while trying to tackle the COVID 19 crisis. Blockchain brings a few solutions to the field and can help make the health delivery system a much better experience for the patient, provider, payer, and even the pharmaceutical aspect of it.

Blockchain can ensure patient privacy and protect medical records, to even manage global outbreaks similar to what we experienced with coronavirus. It's time to start noticing it now more than ever.

A great practical example of blockchain in healthcare is RoboMed based in Russia. It combines the concepts of artificial intelligence and blockchain to produce a single point of care delivery system. They enable effective chatbots, diagnostic tools and telemedicine sessions to collect patient data and share it with the patient's medical team.

Pakistan has embarked on the huge process and journey of rolling out COVID 19 vaccines. The government and healthcare professionals, public and private, could consider a blockchain supported administration system. It would ensure the right administration of the drug regardless of when, where and who.

In the ideal world this would be a universal system then interlinked with what's coming to be a blockchain COVID vaccine passport, already begun in Israel and South Korea. This will be a complete paradigm shift to honesty and patient-provider transparency at a global level.

Blockchain isn't all rainbows and butterflies, it doesn't ensure absolute data security and between 2009 and 2017, 176 million patient data records have been said to be breached. There's no doubt that blockchain isn't perfect, but technology is literally improving by the minute and this is a low hanging fruit – a great solution, a risk worth being taken.

Health data fragmentation is the biggest root problem we face now, and have been facing for a while. Rather than having various multiple routes for digital data, we should focus on a single unit. This seems like a big vision for healthcare, and a lot of groundwork will go into it, including forging alliances across sectors, industries, and national boundaries. But this is what we must strive towards and this is how we will eventually move towards efficient healthcare for all.

It is high time Pakistan started working towards healthcare technology and blockchain legislation and more importantly its implementation. For us as a nation, it only gets better from this low point in healthcare delivery.

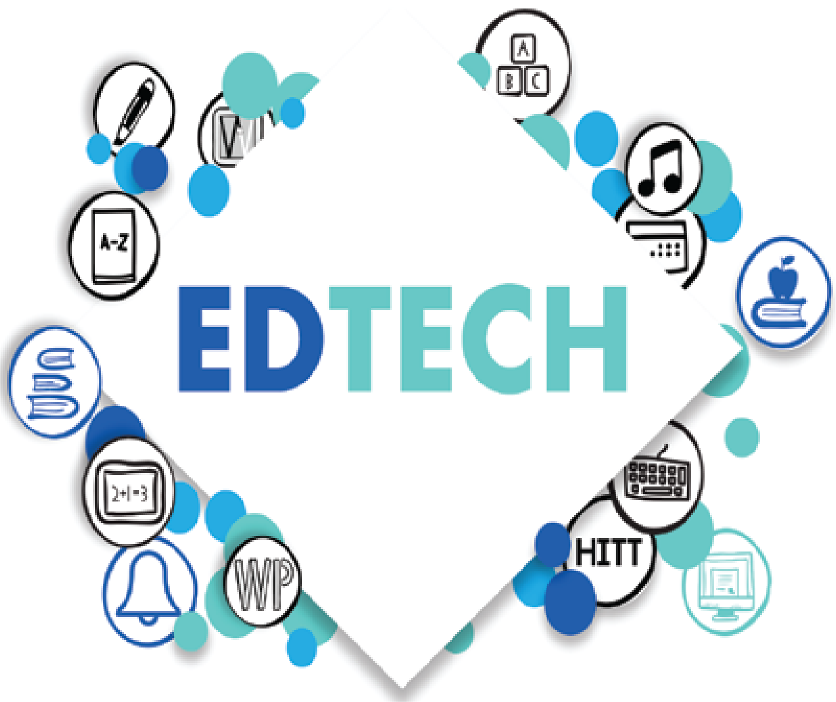
The writer is an author and a specialist in public healthcare delivery and administration.

The Rise of EdTech in Pakistan

Bricks-and-mortar education may soon go the way of bricks-and-mortar retailing – if we can find a solution to the digital divide.

By Haider Rifaat

While many sectors of the economy have suffered in the age of Covid-19, others have seen enhanced uptake and faster acceptance owing to the same restrictions that have hobbled others. EdTech – advanced technology solutions designed to enhance teacher-led learning – is one such sector.



Most education institutions and workplaces have adopted distance learning and work from home strategies. The conventional education sector in particular has suffered as temporary shutdown of schools and universities have dealt blow after blow to routine educational activity.

EdTech is not exactly a new phenomenon. However, particularly in our country, it has received fresh attention since the Covid-19 disrupted the conventional education system.

Also, while most EdTech solutions were earlier geared towards value addition to the bricks-and-mortar education system, the Covid-19 has provided the necessary impetus to orient it more towards distance learning. These organizations have assumed a pivotal responsibility to probe alternative solutions to education that can prevent learning delays for school and college students.

Knowledge Platform – headed by CEO Mahboob Mahmood – is a Singapore-based Pakistani startup founded in 2000. The firm provides creative education solutions and virtual learning opportunities to K-12 school students. As one of the leading edtech startups in Asia-Pacific, Knowledge Platform largely targets students from grades 6 through 10.

The team at Knowledge Platform tailors a fun and immersive curriculum for students that is easier to comprehend and implement as a learning model. In Pakistan, the startup is taking charge of hundreds of schools with the launch of its novel virtual campus that enables students to learn from home in times of a global crisis.

Knowledge Platform has successfully set up more than 1,000 virtual school campuses and supported more than 300,000 students, a landmark for an EdTech startup in Pakistan. The virtual learning model is cost-effective, easy to use, and fosters uninterrupted learning.

The startup has also allowed parents the opportunity to spend more time with their children and help them get the most out of their coursework for English, Mathematics, Physics, Biology, and Chemistry among other subjects.

Artificial Intelligence is employed as a tool for each course to help students meet their daily targets. New goals are introduced daily and learning gaps can be bridged in case students falter.

Although e-learning appears to be a step in the right direction for Pakistan, poorer families who cannot spend on computers and internet facilities have not access to this mode of education. Inaccessibility and lack of inclusive learning remain impending challenges for many education-technology startups.

While the global economy is struggling, EdTech firms are rising to the occasion. They continue to make a difference in Pakistan, and Knowledge Platform is just one example. The need of the hour is for the country's EdTech startups to join hands for a quest worthy of our joint exertions: Education for all.

The current environment set by the pandemic gives EdTech firms an opportunity to thrive. On the other hand, EdTech startups have set an example for others sectors of our economy to also retool their business models and bring their operating models up to scratch by leveraging the cutting-edge information communication technologies.

However, there is a huge roadblock on the path to universal adoption of EdTech: The digital divide. The digital have-nots – people without access to computers and internet – remain locked out. For Pakistan, that means the majority of our population.

Pakistan Embraces the EV

Imran Khan's ambitious new National Electric Vehicle Policy whole heartedly embraces the electrical vehicle in a bid to improve air quality and fight climate change.

By Amna Shoaib

Pakistan is looking to put half a million electric vehicles on the roads over the next five years under an ambitious new National Electric Vehicle Policy approved by the Prime Minister Imran Khan. Part of the government efforts to cut air pollution and mitigate climate change, the policy envisions 30 percent or more of the national motor fleet – including motorcycles, rickshaws, buses, trucks and cars – running on electricity by 2030.

Since 1997, the Pakistani motor fleet has seen explosive growth taking it from 0.8 million to 4 million over two decades. There has been an attendant rise in air pollution in urban areas composed of 38.8 percent of toxic motor vehicle emissions. A recent study by researchers at Harvard University says even a small increase in long-term exposure to air pollution particles can lead to an 8 percent jump in the rate of deaths caused by respiratory illness.

"Pakistan must learn and take drastic measures to limit the increase in air pollution", says Syed Muhammad Abubakar, an independent environmental researcher based in Lahore. "Otherwise, the lives of many will be at risk."

According to Abubakar, the transport sector is responsible for more than 40 percent of the air pollution in the Punjab province. There is "no time to lose" in cleaning up the air in Pakistan's cities, especially in the midst of Covid-19, he said.

Addressing concerns about the cost of electric vehicles, climate advisor Aslam said the policy includes incentives for their owners, such as removing yearly registration fees and a 50 percent discount on motorway tolls.

"In a country where large cities routinely suffer high levels of air pollution, the benefits to Pakistan's environmental health will also be significant," he added. Each electric vehicle produces 65 percent fewer pollutants than traditional petrol powered engines, he said.

According to the latest World Air Quality Report, Pakistani and Indian cities dominated the most polluted cities in 2019. Much of that pollution is due to rapid motorisation, environmental experts say.

The blue skies citizens witnessed during the coronavirus lockdown showed "the extremely strong nexus between congested vehicular traffic and air pollution, especially in urban centres", Aslam said.

A turn towards the EV can certainly help lower air pollution. "The rest of the world is adopting this technology and it is pollution-free. The sooner it comes, the better it is for everyone," said Shaukat Qureshi, general secretary of the Pakistan Electric Vehicles and Parts Manufacturers and Traders Association (PEVPMTA).

This policy will presently be implemented on the most common transportations in urban areas- motorbikes, buses, trucks and rickshaws whereas cars will be saved for a later stage, as stated by Malik Amin Aslam, climate change advisor to the prime minister.

Not satisfied with this stance, Shaukat Qureshi, says leaving out cars while initially implementing the policy is like a wedding party without a groom.

Hussain, who works as a driver for a family in Gulberg district, earning about PKR 20,000 a month is looking forward to driving an electric motorcycle on the prospect of saving PKR 4,000 every month. "It would be a substantial saving for me to switch to an electric motorbike," he said.

While the electric vehicles may be environment friendly and economical in terms of saving upto PKR 25,000 monthly in fuel costs coupled with oil and filter maintenance, affording them is hard for the families with low income as the price range starts from PKR250,000.

However, Mian Ali Hameed, marketing director at Sazgar Engineering Works Limited, enthusiastic to launch electric rickshaws in the Pakistani market, confirmed that the purchaser can recover the purchase cost within a year.

This March, Karachi became the first Pakistani city to run electric buses. Sindh Minister for Transport Owais Qadir Shah inaugurated the project under public-private partnership. The electric bus will run from Tower to Sohrab Goth and the fare for one stop will be as low as Rs10. The project will begin with 10 bus stops. Sapphire Group's bus has a capacity of 37 seats.

Addressing the inaugural ceremony, the provincial transport minister said that the electric bus would be run on a trial basis. By the end of this year, Shah said, the number of these environment friendly vehicles would rise to 100. He said that progress had also been made on the Sindh government's own bus projects.

Pakistan's climate changes woes are vast and the National Electric Vehicle Policy is unlikely to tackle them on its own, but it looks like a promising piece of the overall puzzle. The immediate question, however, is putting the policy into action. It is to be hoped all elements of the government will work towards that end and make a success of the initiative.

SA Tour Going Well as Shaheens Take ODI Series

Fakhar Zaman and Babar Azam star in a high-stakes series finale to boost Green Shirts' morale going into the 4-match T20I series.

By Ali Abdullah

When they downed the Proteas at Centurion Park in the one-day international series decider the other week, Pakistan had out-classed South Africa in the third consecutive series. Along with the ODI trophy, the visitors took valuable ICC Cricket World Cup Super League (CWCSL) points, rising to No. 2 in the points table.

Given that this ODI series victory comes at the heels of Shaheens downing the Proteas 2-0 in test and 2-1 in T20I on their Pakistan visit earlier this year, the Green Shirts have now imposed their dominance on the Proteas in every format of the game.

Pakistan commenced their South Africa tour in style when they won the first ODI by three wickets. The Proteas scored a comeback winning the second match by seventeen runs, setting up the third match as the series decider. In the high-stakes finale,the visitors were able to outclass the home side in all departments of the game, winning by 28 runs to clinch the series 2–1.

Opener Fakhar Zaman hit a second successive century to help Pakistan win the deciding ODI against South Africa by 28 runs and take the series 2-1 on Wednesday.

Fakhar Zaman scored a century whereas captain Babar Azam 94 from 82 balls and a cameo by Hassan Ali to propel Pakistan to 320-7 batting first at SuperSport Park. South African players managed to score fifties but none were able to convert their fifty into three figures due to which South Africa was unable to set a big target.

South Africa slumped to 128-4 in reply as Janneman Malan (70) and Temba Bavuma (20) fell in the same Mohammad Nawaz over before a sixth-wicket stand of 108 between Kyle Verreynne (62 from 53 balls) and Andile Phehlukwayo (54) revived the chase.

However, the required rate remained challenging and when the pair were dismissed in consecutive overs, the Proteas hopes quickly faded and they were bowled out for 292 in the last over of the match.

Having been asked to bat first, Pakistan got off to a bright start against a South Africa side shorn of its five IPL-bound stars as Imam-ul-Haq and Fakhar calmly compiled a 112-run opening partnership before the former perished trying to hit Keshav Maharaj over long on and picked out Verreynne in the deep.

South Africa did have to change more than half its team following a series-leveling win in the second game after five players left for the IPL and batsman Rassie van der Dussen was ruled out injured. But Pakistan was still clearly better over the course of the three games. Many seniors of the game were not happy with the decision by the South African cricket board of allowing their players to go play for a T20 league while hosting an international series.

T20 series is lined up next. Four match series will start on 10th April and last match will be played on 16th of April. In Proteas vs Pakistan head-to-head battle in T20I cricket, the Proteas have an edge of one victory with 9 wins in total of 17 matches. Their second T20 match against each other was the first semi-final of 2009 Twenty20 World Cup. Pakistan won the match by 7 runs and went on to lift the trophy. Both the teams also faced each other in 2010 and 2012 Twenty20 World Cup too, with Pakistan winning both the matches.

Looking at recent stats between the two teams, Pakistan won the last T20I series played in February 2021.

There have been changes in both teams which were initially selected before the tour. Pakistani leg-spinner Shadab Khan has been ruled off the series due to an injury. Fakhar Zaman who was not initially selected for the T20 team is now included.

The Proteas have number of changes due to injuries and players traveling to India for IPL. Having already released Kagiso Rabada, Quinton de Kock, David Miller, Lungi Ngidi and Anrich Nortje to play in the IPL ahead of this year's T20 World Cup in India, South Africa has since suffered injuries to key men.

Captain Temba Bavuma has been ruled out with a hamstring injury, while Dwaine Pretorius has not been medically cleared to take part as he continues to rehabilitate from a rib fracture. Rassie van der Dussen has remained with the squad but he is currently battling a quad injury, and Reeza Hendricks has withdrawn following the birth of his first child.

Janneman Malan and Kyle Verreynne both impressed in the final ODI, scoring 78 and 62 respectively and both will be hoping for further opportunities this month. Fast bowler Lutho Sipamla will similarly be looking to establish himself at this level.

Just like for South Africa, this series is another chance for Pakistan to ready themselves for the T20 World Cup.

Real Madrid Outclass Liverpool in Champions League Quarterfinal Fixture

Zidane's brilliant tactics were the decisive factor in helping Los Blancos pull ahead of the Reds in an exhilarating game featuring a 10/10 display by Kroos.

The result of last week's Champions League quarterfinal fixture between Real Madrid and Liverpool made fans all over the world cast their minds back to the dramatic 2018 climax when the two European juggernauts were drawn against each other. Their long-awaited clash didn't disappoint. In fact, the score line was exactly the same with Los Blancos once again running away 3-1 victors, though Liverpool aren't finished in 90 minutes as they were in the one-off clash in Kiev.

Real Madrid took the lead in stunning circumstances when a brilliant Toni Kroos' pass was finished off by Vinicius Junior, before Marco Asensio doubled their lead due to an error by the Liverpool right back Trent Alexander Arnold.

Mohammad Salah did bring hope to the Liverpool fans in the second half when he scored a goal. Shortly a shot from Viniciusensured that Real Madrid was the better team that day.

Liverpool have struggled in the past year due to which their place in the Champions League is on the line.

As such, many supporters were looking at Estadio Alfredo Di Stefano clash through the eyes of the managers, comparing how Jurgen Klopp and Zinedine Zidane handled this important fixture.

A crucial way that Zidane set up Real to get the best out of Kroos was by using Asensio and Vinicius to occupy the half-spaces and therefore pull Naby Keita, Georginio Wijnaldum and Fabinho deeper.

This, in turn, ensured that Kroos would have more space whenever he dropped into the deep-lying midfield position to either dictate the play as a 'quarterback' or kickstart shorter passing moves.

The German midfielder once again proved that he is the right choice in the mid field area. Thinking about it, Kroos is just 31 and it seems like he has been dominating European midfields forever.

Kroos' 10/10 display was set in motion from the moment that Real Madrid asserted their authority on the game, providing the mother of all assists for Vinicius Junior to open the scoring.

It was the world cup winner's day. Kroos did not stop after the first assist, in fact the second goal was also assisted by the German midfielder. Last touch of Marco Asensio and an error by Trent Alexander Arnold helped Real Madrid to enhance their lead to 2-0.

Since the start it seemed like Liverpool players are dancing puppets. The world class passes by Kroos and that too till the last whistle made the men in red go breathless.

In the end it was nothing but a show from Real Madrid. Not just the players but the coach Zidane played a big role in the victory as well. The tactical changes were just out of this world. Klopp, the Liverpool coach could not even get close to Zidane's class. Zidane is the reason Kroos made every ball that came to him look so easy. The formation and tactics favoured Kroos. He had all the space in the field to himself.

As soon as the 90 minutes were over, fans all over the social media went crazy. Real Madrid won 3-1 and told the world this is how a world class team plays.

By Ali Abdullah

ENTERTAINMENT

Danyal Zafar Unplugged

Blooded as singer, composer, and now actor, Ali Zafar's kid bro is eager to make his own mark.

By Hasan Kazami

He is busy these days shooting for the drama serial Tana Bana directed by the veteran Saife Hasan for Ramazan special transmission. But singer-actor Danyal Zafar took the time out to have a tête-à-tête with The Truth International (TTI).

This is Danyal's second acting project after he debuted as the lead in Mahira Khan's first production venture Baarwan Khiladi, a web series for OTT platform Tapmad TV.

Explaining his role in Baarwan Khiladi, Danyal said, "I am depicting the role of an aspiring cricketer who has honed his natural batting talent by playing at the streets of neighborhood. Luckily one day he gets the chance to play at the club level. How his journey goes beyond is the crux of the story."

In between there are elements of romance, friendship, rivalry, and sportsman spirit, that makes Baarwan Khiladi a complete entertaining story, he added.

Zafar says he had not played cricket before this except some very basic cricket in his childhood. So how did he step into the avatar of a cricketer? "I did the net practice of cricket for about two weeks dealing with hard balls as since our childhood we had been playing with tape ball", says Danyal. "My cousin Saad who is very keen on cricket helped me a lot in learning and improving my actions, body language, attitude, and mannerism of a professional cricketer. Besides, I also watched videos of international players."

Talking about his director Adnan Sarwar, the actor said that he wanted him to know all the rules of the game as when we got to the shoot on a pitch of real stadiums with club-level professional cricketers. "I should be ready to act on his direction like if he asked me to go for sixer, boundary and even get out".

Before his foray into acting, he started his career from singing and composing and Music is Danyal's first love. He says doing music fulfills him better than anything else.

Asked why most of his songs are in English, Danyal said he grew up listening to English music and that was actually the reason for his tilt towards doing music in that language.

"It was around 2009 when Ali [Zafar] Bhai gifted me a Zen mp3 which had English music from classics like Led Zeppelin to Pink Floyd. Moreover in those days I made a trip to the United States with my parents and that mp3 was with me throughout the time.

"To be honest, I was just immersed in my music and visiting and observing places was not my interest at all on that tour. So that was the time when I discovered my passion for music.

"It was easier for me, in the beginning, to write my songs in English as I could express myself better in that language. I have also done Urdu songs but as I had not listened too much desi music, I had to struggle a lot to write those songs."

Danyal admitted that his Urdu songs are liked better. He has also created his niche in Punjabi songs which he said he really enjoyed, as he found them closer to his heart.

Asked if he worries about his listener base doing music in English in Pakistan, Danyal said it would worry him five or six years back but these days the digital space was very vast and advanced with a multiple platforms, so the issue didn't really matter.

"We have passed out of the age of cassettes and CDs. Now everything is available digitally. So anyone from any part of the world can listen to their interest irrespective of which country it was made in. The platform is global. My music can attract an English-speaking listener anywhere from the world."

Expressing the benefits of digital space for the music, Danyal added that earlier only commercially successful musicians could carry music as their career but now anyone can put his/her music online and even a niche musician with cult following is as viable as the commercially succeeding musician.

He mentioned Spotify as the good news for budding musicians and in changing the paradigm of music in Pakistan.

Asked in which genre does he put his music in, the Blue Butterfly singer replied that he didn't want to define any specific category for it just yet but loved to do somewhere between R&B and hip-hop.

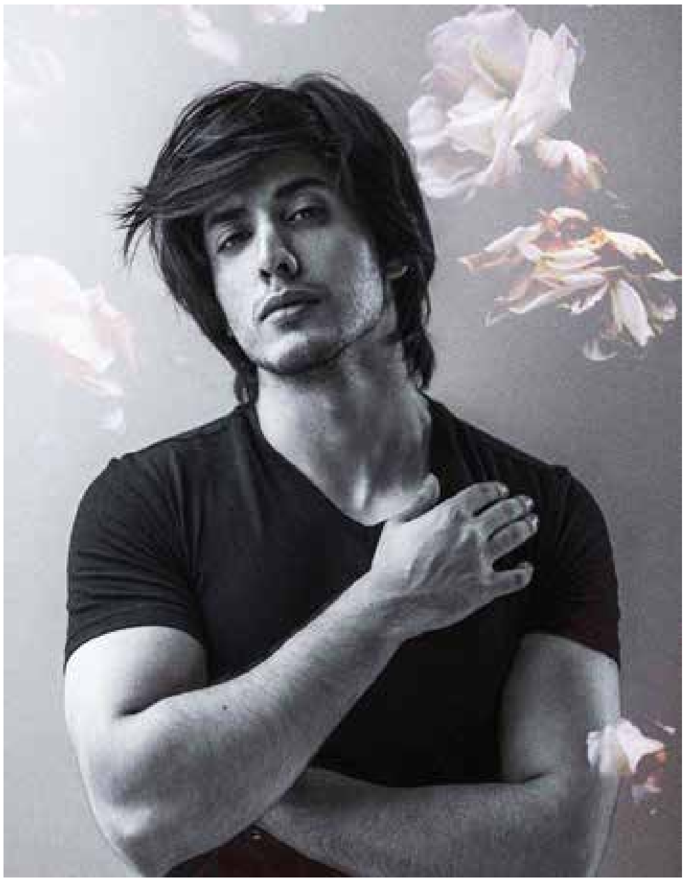
Danyal considers his elder brother Ali Zafar as the biggest motivation in his career as by watching him, he started all that.

Right now, he is trying to find his inspirations within himself. "Mostly, it's the feelings which I go through in life, like a heartbreak and other ups and downs you face. In whatever phase I am, I tap those feelings for my music."

Asked if he likes acting or music better, Danyal said it was too early to say as he had started acting only recently. He, however, admitted that what he had expressed through music could not be done with acting yet.

"It is about experience. I might get to a point where I can express myself through acting equally well. Right now, I think in music, I have reached a level where I feel exhilarated and satisfied when I make or produce something. I have not felt that kind of contentment when acting – except for a few scenes."

Spoken like a true artist – and this artistic honesty alone makes Daniyal Zafar a promising addition to our entertainment industry. What is more, although he comes from the privilege of being a brother of international star Ali Zafar, he is adamant he will carve out his own niche. This, combined with work ethic and discipline, bodes well for his future.



Haseena Moin: A Woman, An Icon, A Myth

The most famous and internationally known playwright and dramatist of Pakistan Haseena Moin went to her eternal journey last month leaving behind a legacy of numerous beautiful stories and their characters. Remembering her is actually cherishing the life and work for which she is loved by millions of people around the world.

Generally was known as Heseena Apa among fans, friends and fraternity, she became a household name in Pakistan when her plays started to come on PTV in early 70s and were hits one after another.

Haseena was born in Kanpur, India on November 20, 1941. Her family migrated to Pakistan in 1947 after the partition. She graduated from the Government College for Women in 1960 and earned Master of Arts in History from Karachi University in 1963. Her thirst for writing was noticeable from the final years of her schooling, as she got selected to write weekly column by the title BHAI JAN for a local journal.

Her fame started to bloom when she regularly wrote plays for Radio Pakistan Karachi's popular segment "Studio Number 9. It was in 1969 that Iftikhar Arif, Head of the Script Dept. at PTV-Karachi Centre, offered her the chance to write a play for the EID. Then it was Eid Ka Jorra with Neelofer Aleem and Talat Hussain in the lead.

After that there was no turning back and Haseena ruled the drama industry for next three decades.

An icon and a legend, Haseena wrote different types of drama from comedies to tragedies and from romance to social issues. Her plays and characters were though from the usual life but left lasting effects because of their special traits. She was a true feminist and always ahead of times though never propagated it making her heroines giving subliminal messages of women empowerment without emphasizing it as the object of play. They were not really powerful and ambitious figures of society but ordinary girls from middle or upper-middle class urban families yet had the courage to lead their life on their own terms and freedom to make decision within a strong and bonded family support system.

Her plays and characters in 1970s had more of comic touch in them but carried a strong message of mental freedom and liberty that was quite prevailing in the society during



that time. She wrote memorable plays like Shehzori, Uncle Urfi, Kiran Kahani (PTV's first original drama script), Zeir Zabar Pesh, Parchaieyen (first coloured television serial of Pakistan), Dhund and Bandish in that decade. Her leading ladies Tara of Shehzori, Beena of Uncle Urfi, and Najia of Parchaiyan were women responsible of their deeds whether right or wrong.

The 1980s enticed Moin towards mature plots and developing characters that were not only more relevant but also had a complete and full circle story around them. They had a captivating persona that attracted growing girls of that era to tread on their lines. Sana Murad of Ankahi, Zara and Saniya of Tanhaiyan and Zoya Ali Khan of Dhoop Kinare, were women who never compromised on their vulnerability and womanhood when it comes to go through life.

The start of 90s took Haseena to more serious real time issues and she wrote plays like Aahat which raised the concept of family planning, Kasak on the misconception that childbirth and infertility only belongs to women and Padosi, on single mother raising a child. She also wrote some romantic plays like Kohr, Jane Anjane, Pal Do Pal and a historic paly on the life of sub-continental musician Tansen.

The advent of new century derived her to work on different horizons. She penned down first three drama serials of Scotland based Elysee Productions for PTV; Des Pardes. Ansoo, and The Castle: Aik Umeed, all starring Pakistan cast including veteran Talat Hussain in every play.

In last decade, her drama serial Meri Behan Maya, on Geo TV in late 2012 was well-received and Annie Jafry was appreciated for her performance as Maya. In 2012, a sequel to one of her most popular drama serials, Tanhaiyaan was re-produced and aired on PTV and ARY Digital simultaneously.

Her comic characters other than the lead also became famous in their own way. Hasnat Bahi and Ghazi Apa of Uncle Urfi; Mamoo, Moby and Timmy of Ankahi; Qabacha, Buqrat and Aapa Begum from Tanhaiyan are still in the memories of people.

She had reduced her contribution for television from late 90s especially after the mushroom growth of private channels which were asking to write a run of the mill women abusing stories to get ratings.

Her plays were popular across the border as well. A loosely based remake of her most famous paly Dhoop Kinare (1987) by the name of Kuch Toh Log Kahenge was aired in India during 2011–2013 with special tribute to Haseena Moin. She wrote a play for Star Plus India called Tanha, starring Pakistani actors like Marina Khan and Sajid Hasan while also wrote a play for Doordarshan named Kash-m-kash, Arshad Mahmood composed and Tina Sani sang the title song of the play.

Indian writer Seema Grewal was a class XII student in Amritser when 'Dhoop Kinare' was first telecast on PTV in 1987, reminisces, "The show was so popular that during Punjabi classes, nine out of 10 students used to refer to the characters from the show as examples during sentence-making. Even our teachers would find it amusing,"

Moin loved to write films as well though they are not much in numbers. She worked Yahan Se Wahan Tak (1978), Nazdekiyan (1986), and Kahin Pyar Na Ho Jaye (1998). She also wrote dialogues for Raj Kapoor's last venture Henna (1991) on the special request of Kapoor.

The last film she wrote was released in December 2019 was Sacch produced and directed by Zulfiqar Sheikh and Tasmina Sheikh. She was very much there in its press conference and told media about how she stayed at Sheikhs' place in Scotland and completed the dialogues in the chilled weather and seclusion at the house. The film was shot too in Scotland.

Being a journalist I had that opportunity to meet her so often in literary events and theatres. The last time I talked to her was a phone call when I was writing a feature on Pakistani dramas being dubbed in Arabic for Saudia Arab audience. Three of her television plays were selected for the project and the memorable Dhoop Kinare has already been aired.

Besides showing her excitement over this initiative she was quite dejected by the attitude of new lot working in the field of arts and on authority levels, which somehow was not enough to give respect and gratitude to founders of the industry.

In late life she was a regular part of Arts Council Karachi and attended literary, educational and women welfare seminars in Pakistan and abroad.

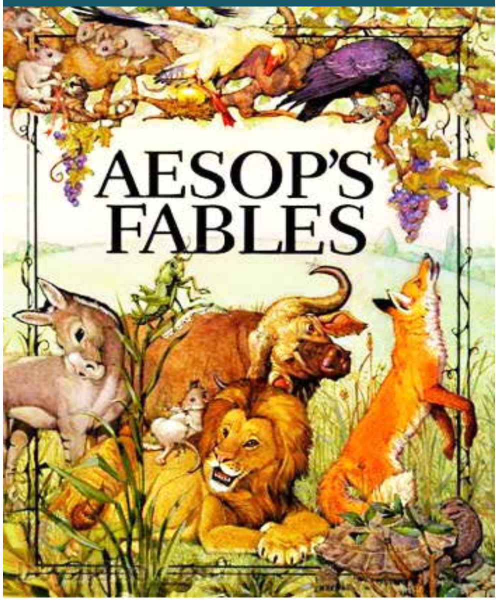
All showbiz fraternity has expressed their grief and condolence to this iconic lady of Pakistan drama industry. From older to new generation of stars left heartfelt notes on their social media though many of them have never worked with her.

Sajid Hasan, the veteran actor and a close friend of Haseena featured his memories with her in a renowned publication of country. He writes, "It had never occurred to me that she would die. She had that kind of formidable persona. She was a very strong person, and forever young. Haseena was a legend while she lived; now she is a myth – the stuff of stars."

By Hasan Kazami

Aesop's Fables

Author: Aesop
Reviewed by: Alizay Ashraf
ISBN: 0-14-062125-3
Pages: 212
Publisher: Penguin Popular Classics



Aesop's Fables is a collection of fables credited to Aesop; a slave and storyteller believed to have lived in ancient Greece between 620 and 564 BC. Of diverse origins, the stories associated with his name have descended to modern times through a number of sources and continue to be reinterpreted in different verbal registers and in popular as well as artistic media.

Aesop wrote many intelligent fables in here, most of them teaching some real life lessons. One of the most famous, and also the one I take the most from, is The Hare and the Tortoise.

I loved reading this The Hare and the Tortoise. The illustrations are gorgeous, and there are so many of the original tales. Aesop's most influential fable, very short tale, told by different creatures, ends with a wise piece of advice and a moral lesson for the readers.

The appealing point is not only that it applies to our routine and everyday life, but that it also has its roots deep in humanity and civilized society of all the times and areas. The stories are full of entertainment, wisdom and simplicity.

Some of the stories are vicious, particularly early on, as many ended in death. Others are humorous - though still involving death. Although traditionally, many of the stories do come complete with a moral, the message did not always seem to be appropriate to the story. Still the stories are wonderfully varied and hugely flexible; they can be religious, philosophical, political, or simply just jokes.

This book is an interesting read because it contains numerous stories. I would recommend this book for children above the age of 8.

The Family from One End Street

The The Family from One End Street talks about the every day life in the big, happy Ruggles family who live in the small town of Otwell. The father of the family is a dustman, and the mother works as a washerwoman. Because the family is not financially strong, their children do not have access to activities like others. This leaves them with time on their hands to carry out their adventures.

This book was a delight to read. The scenes are so evocative, and the children so perfectly drawn. It's the classic story of life in a big, happy family! And with seven children, you know there won't be a dull moment. Each chapter introduces you to a different child and narrates their adventures. From Lily Rose's plans to assist her mother with the laundering, to the twin's joining a "gang", to baby William being entered in a baby contest, it has fun, twists, and laughs ahead for every age group.

There is a beauty and timelessness about the story. The writing captures the freedom and fears of childhood in an exceptional manner and conveys the strong sense of class boundaries which existed back then. The book is very well written and is definitely one of my top favorites.

I am very pleased I read this book and would highly recommend children above the age of 12 to give it a read for leisure.

Author: Eve Garnett
Reviewed by: Alizay Ashraf
ISBN: 0-14-036735-6
Pages: 204
Publisher: Puffin