

A Seminar Report

Pak Afghan Bilateral Trade Relations

A joint program of the Institute of Regional Studies Peshawar and the Pakistan Business forum

Date: July 26, 2023

Location: Qazi Hussain Ahmed Auditorium, IRS Peshawar

The Institute of Regional Studies (IRS) Peshawar held a seminar on Pakistan-Afghan Bilateral Trade, which witnessed prominent figures from both countries and experts discussing the prospects of enhanced economic cooperation. The Consul General of the Islamic Emirate of Afghanistan in Peshawar, Hafiz Mohib ullah, highlighted the historic bond of brotherhood between Pakistan and Afghanistan and praised the support provided by Pakistanis to their Afghan refugee brethren. The Consul General of the Islamic Emirate of Afghanistan in Peshawar, Hafiz Mohib ullah, has said that no other country in the world can provide an example of the help that Pakistanis have given to their Afghan refugee brothers by becoming Ansar. It was not possible to defeat the two superpowers of the time, the Soviet Union and the United States without the generous support of Pakistani brothers. If Pakistan and Afghanistan can achieve such a great feat together, it is not difficult for both brotherly neighboring countries to make progress in trade and development together. He expressed these views while addressing a seminar organized by the Institute of Regional Studies (IRS) Peshawar on the topic of Pakistan-Afghan Bilateral Trade at the Qazi Hussain Ahmed Auditorium, while on this occasion the Pak-Afghan Chamber Director and President of Abbasin Column Writers Association Zia ul Haq Sarhadi, Executive Member of Sarhad Chamber of Commerce and Industry Shahid Hussain and IRS Chairman Dr. Muhammad Iqbal Khalil also expressed their views.

Hafiz Muhib ullah said that today's effort is an effective step towards the improvement of friendly and especially bilateral trade relations for which the IRS should be congratulated. Russia and America did not do any development work in Afghanistan but our infrastructure was damaged. No attention was paid to our agriculture, construction of dams, business and improvement of economy because of their own interests. If America had paid attention to

education and health during its 20-year stay, today we would not have to stumble for education and health. Ashraf Ghani had control over one-third of Afghanistan but the whole world had recognized his government, while today there is a stable government of the Islamic Emirate in Afghanistan, but the world is not ready to recognize it because of its duplicitous character.

Hafiz Muhib ullah has said that if Pakistan and Afghanistan are determined, then they do not need anything from the world, but both brotherly countries can fulfill each other's needs. He said that Allah has given Afghanistan immense natural resources, Pakistan can use them while Pakistan can meet the food and some other needs of Afghanistan. Enemies of both the neighboring countries want to create a breach between us, we must defeat this conspiracy together. If we can defeat both powers together, we can also benefit from each other's facilities in trade and business. He said that minor problems in bilateral trade can be resolved through dialogue in consultation with the business community on both sides. He hoped that the IRS would continue such constructive and positive activities in the future. The two neighboring countries will be helped in achieving common interests.

Zia-ul-Haq Sarhadi while addressing the seminar said that at the time of Pak-Afghan Transit Agreements of 1965 and 2010, there were two or three departments on the border, now there are dozens of departments but the problems are increasing instead of decreasing. During the last few years, 70% of Afghan cargo has been shifted to the Iranian ports of Bandar Abbas and Chabahar, the loss of which is being borne by Pakistan. After establishment of a stable government in Afghanistan, the two countries should pay attention to joint trade. In this regard, the tripartite railway track project agreed between Uzbekistan, Afghanistan and Pakistan can be a milestone. Shahid Hussain said that Pak-Afghan trade is not only in the interest of both governments. Rather, it is in the wider interest of both sides, especially the people of the border provinces. The economy of a country is improved by trade activities, which have an impact on the entire society. Transit trade and bilateral trade links between Pakistan and Afghanistan have been going on for decades. Mutual goals can be achieved through the establishment of common markets. The problems in Pak-Afghan relations are temporary and superficial, the enemy powers want to create misunderstandings between the two brotherly countries by fueling them. With the free movement of both sides, bilateral trade can increase manifold.

Dr. Muhammad Iqbal Khalil in his opening address said that the two brotherly neighboring countries are bound by common ties of religion, history, culture and language. The future of friendly trade relations between the two countries is bright. External elements do not miss any opportunity to spoil these bilateral relations. These elements are common enemies of both brotherly countries. This is the world of trade. The European Union is a practical example for mutual trade amongst European countries. Pakistan and Afghanistan are located at the most important geo-strategic location in the world. The proximity of these two countries can change the fate of the entire region. There is immense potential for development. There are great opportunities to become an economic engine in this region. Pak-Afghan trade was at its peak in 2012, now it has decreased to 20 percent. Through the construction of roads and railway networks, these bilateral relations can be taken to the heights. The main objective of organizing such like today's seminar is to end the misunderstandings on both sides and to bring the people of the two brotherly countries closer to each other and to help pave the way for the utilization of each other's resources.

Recommendation

Based on the insights and discussions presented during the seminar on Pakistan-Afghan Bilateral Trade, the Institute of Regional Studies (IRS) Peshawar recommends a series of measures to strengthen economic cooperation between the two brotherly neighboring countries, Pakistan and Afghanistan.

Promote Dialogue and Cooperation: The seminar highlighted the importance of open communication and dialogue between Pakistan and Afghanistan to address minor problems in bilateral trade. Both countries should establish regular channels of communication, involving the business communities on both sides, to foster a better understanding of each other's needs and concerns.

Explore Joint Development Projects: Given the immense potential for economic development, both countries should explore joint development projects. The tripartite railway track project agreed between Uzbekistan, Afghanistan, and Pakistan can serve as a model for further collaborative initiatives that would facilitate trade and economic growth.

Focus on Infrastructure Development: Addressing the challenges in trade and enhancing bilateral relations requires an investment in infrastructure development. Improving road and railway networks can significantly enhance trade efficiency and create new opportunities for economic cooperation.

Leverage Natural Resources and Complementarity: Recognizing Afghanistan's vast natural resources and Pakistan's agricultural strength, both countries should explore avenues for leveraging these resources to complement each other's needs. This can lead to mutually beneficial economic partnerships and greater self-sufficiency.

Counter External Interference: Both nations need to remain vigilant against external elements seeking to disrupt their bilateral relations. By focusing on their common interests and shared cultural ties, Pakistan and Afghanistan can strengthen their bond and resist attempts to create misunderstandings.

Joint Efforts to Combat Cross-Border Challenges: The two countries should collaborate closely to address cross-border challenges, including smuggling and security concerns, which can have a significant impact on trade and economic activities.

Facilitate People-to-People Interaction: Enhancing people-to-people interactions, cultural exchanges, and academic collaborations can further strengthen the historic bond of brotherhood between Pakistan and Afghanistan. Such initiatives can contribute to a deeper understanding and trust between the two nations.

Harness Geo-Strategic Advantage: The geo-strategic location of Pakistan and Afghanistan presents significant opportunities for regional development. Both countries should collaborate in leveraging this advantage to attract foreign investment and boost economic growth.

In conclusion, the seminar provided valuable insights into the potential for enhanced trade and economic cooperation between Pakistan and Afghanistan. By implementing the aforementioned recommendations, both countries can unlock their economic potential, create a prosperous future for their people, and foster a lasting and beneficial partnership in the region.