









Pak-Afghan Bilateral Relations (April, 2016 Monitor)



Bilateral Relations	Background	Current Situation April, 25, 2016	Deadlock/Point of Difference	Symbols
Political Front				
Terrorism/ Security	<p>Traditionally, Relations between the two countries have been subject to various complexities over the past few decades, by issues related to the Durand Line, the 1978–present war (i.e. Mujahideen, Afghan refugees, Taliban insurgency and border skirmishes), including water and the growing relations of India and Afghanistan. Since the formation of national unity government in Afghanistan in September 2014 a paradigm shift was noted in the approach of Afghan government in engaging Pakistan. This includes Terrorism, Border Security, possible defence cooperation and intelligence sharing as well as further enhancing the two-way trade and abolishment of visas for diplomats from the two nations.</p>	<p>At Beijing Conference President Ghani defined five circles manifesting Afghanistan’s future foreign policy. He placed Pakistan in first circle and stated that partnership with Pakistan was an important pillar of Afghan foreign policy. He placed India in fourth circle implying a shift in Afghan thinking. These announcements have been followed by visits of civil and military leadership of both states. Hiccups are bound to happen in the recently renewed peace process but what’s needed is a firm resolve to take the process forward toward a meaningful solution. The formation of QCG had reignited the hopes of bringing the stalled Afghan Peace Process back on track and has brightened the prospects of a political settlement in the war-torn country. It is imperative that the crazy bloodshed in Afghanistan be brought to an end and both parties realize the fierce urgency of the matter so that the citizens can exercise their fundamental right to live a safe and healthy life. A concern by Afghanistan includes allegations, that Pakistan is protecting Haqqani network and Quetta Shura, resulting in political and security chaos in Afghanistan. Not realizing the rapidly changing environment, Afghan Govt is chasing ghosts of the past.</p>	<p>Pakistan’s relations with its landlocked neighbour have seen many ups and downs. These two countries have been bound together because of their geographical compulsions and complex security paradigm, for decades. Divided by an imaginary 2250 Km long border (Durand Line) which is ‘undoubtedly the most porous and practically impossible boundary to guard and surreal, marks the history between these two countries. Presently, the Afghan security situation has global attention because of its high stakes and actors involved. The Peace talks between Afghan government and Taliban has other angles besides the US anxiety, Chinese, Indian and Iranian interest, the advent of Russian involvement and focus of all these actors on Pakistan for its expected influence on the Taliban. Pakistan without a doubt played a major role in effectively curtailing the wave of terror in the region and also sacrificing immensely but was unsuccessful in projecting the image it should have after doing so much. A stable Afghanistan is in Pakistan’s favour and a consensus over this idea must be developed in the country.</p>	




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Peace Talks	<p>The group agreed to hold its next meeting in Kabul on 23 February 2016. Building on the progress made in the last two meetings of QCG, the Group on third meeting explored ways for holding early direct peace talks between the authorized representatives of the Afghan Government and Taliban groups. In this regard, the Group also adopted a roadmap stipulating the stages and steps in the process. The meeting highlighted “the need for immediate resumption of direct talks between the Afghan government and Taliban.” All four countries “agreed to pursue efforts as part of an intensive schedule of meetings and discussions. Stopping blame game - Key meetings b/w Pak-Afghan premiers & COAS - To discuss issues related to mutual benefit. Leadership agreed to sought all issues through dialogue (esp terrorism). U.S&Chinese officials also attended the discussions at Murree on July 7th. The participants agreed to continue talks to create an environment conducive for peace and reconciliation process</p>	<p>On Saturday, Taliban’s dominant faction “Islamic Emirate of Afghanistan” released a statement stating that Taliban will not take part in any peace talks with the Afghan government. Taliban’s refusal jeopardized the fate of peace process however the officials’ form both Pakistan and Afghanistan are positive that the talks will be held soon. The third meeting of the QCG of Afghanistan, Pakistan, the United States and China on the Afghan Peace and Reconciliation process was held in Islamabad on 6 February 2016. The Group stressed that the outcome of the reconciliation process should be a political settlement that results in the cessation of violence, and durable peace in Afghanistan. The second meeting of the Quadrilateral Contact Group was held in Kabul on January 18, 2016. In an attempt to revive the peace process between the Afghan government and the Taliban, the first meeting of the Afghanistan-Pakistan-United States-China Quadrilateral Coordination Group (QCG) was held in Islamabad on January 11, 2016. The meeting was a result of a previous quadrilateral (2+2) meeting held on the sidelines of the Fifth Heart of Asia Ministerial Conference which took place in Islamabad on December 9, 2015. Revival of peace talks with Taliban with afghan govt. led held in China and Murree (May/July 2015). Stalled peace process between Kabul and Afghan Taliban may resume soon owing to behind-the-scene efforts by Pakistan and other stakeholders.</p>	<p>Taliban announced they will not take part in any peace talks with the Afghan government. Last summer, Pakistan had managed to bring the two dissenting parties on the negotiating Table. The first round of direct talks between afghan govt. and representatives of Taliban began last July in Pakistan, but quickly fell apart after the news of Mullah’s Omar’s death surfaced on the media. The peace process never resumed again. Meetings were cancelled after Afghan Parliament was attacked On June 22. Afghan President blames Pakistan's intelligence agency "ISI" behind this attack. This was a huge blow to successful Afghan-Taliban Peace Talks as Previous contacts between Afghan government and Taliban representatives, notably in the Middle Eastern nation of Qatar, have failed to bear fruit. Ties between Islamabad and Washington could sour once again after US intelligence officials tried to implicate Pakistan in the recent takeover of Afghanistan’s strategically important city of Kunduz by the Taliban. The Pakistan Army had already rebutted claims by Afghan defence officials that Pakistani security officials played any role in the seizure of Kunduz. Afghan hospital, which came under US attack earlier this month, was being used by a Pakistani intelligence operative to coordinate Taliban activity (Associated Press (AP) ran a story quoting unnamed US officials)</p>	
Intelligence Sharing	<p>Both neighbours have realised that close ‘coordination and cooperation’ between the security establishments of the two countries was essential to defeating terrorism. ISI-NDS agreement to further enhance intelligence sharing to curb terrorism activities beyond borders. After APS Peshawar and Bacha Khan University Mardan attack fruitful meetings held b/w Pak military/intelligence heads with NDS officials and Afghan President.</p>	<p>According to official and diplomatic sources, the issue came up for discussion during a recent meeting between Lt-Gen Rizwan Akhtar, the director general of the Inter-Services Intelligence (ISI), and Masud Andrabi, the director of Afghanistan’s National Directorate of Security (NDS) on 4th february, 2016. Pakistan and Afghanistan are likely to discuss the revival of an agreement between their top spy agencies in a latest move by the two neighbours to reset their relationship bedeviled by trust deficit and sporadic blame games. “That is why there is a renewed push for striking a deal between the two intelligence agencies,” one source maintained. However, it is not clear whether the deal is in the offing in the near future given the trust deficit between the two intelligence agencies. Anti-terrorism cooperation has touched its “lowest ebb” after the recent attacks on the Afghan parliament. Afghans have resorted to maligning Pakistan’s intelligence apparatus through media. Such acts would only undermine Ghani’s own credibility. Deadlock widened after Kunduz attack and US airforce strike on MSF hospital in Afg.</p>	<p>In May 2015, ISI and NDS had signed a memorandum of understanding on intelligence sharing and coordinated operations against militants. However, the agreement could not take effect as certain Afghan politicians, including former president Hamid Karzai, vehemently opposed the move. Then NDS chief Rahmatullah Nabil, who had also served under Karzai, was strongly opposed to the proposed agreement with the ISI. Nabil, who was reappointed as NDS director in January 2015, resigned a few months later over differences with President Ashraf Ghani vis-à-vis his Pakistan policy. After the attack on the Afghan Parliament a blame game started where Afghan government accused Pakistan of supporting elements which wanted weak & Unstable Afghanistan. India was in the forefront and put diplomatic pressure on Afghan President Dr Ashraf Ghani to review the agreement on intelligence sharing. After taliban attack on Kunduz and airstrike by US airforce on MSF hospital.</p>	




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	<p>Security official says Afghans resorting to maligning Pak's intelligence apparatus through media after attacks.</p> <p>Analysts say anti-Pak lobbies working for decades in Afghanistan to deepen doubts about Pak's role. Pakistan saw this blame without any concrete evidence as a damaging factor in the bilateral ties.</p>	<p>Anti-terrorism intelligence cooperation b/w Pakistan's (ISI) and Afghanistan's (NDS) hangs in the balance after successive terrorist attacks inside Afghanistan. Anti-Pakistan lobbyists build a potential argument to put blame on Pakistan for failure of the Afghan regime. Qs were raised if Afghan intelligence agencies had any forensic evidence to the support its claim, the NDS failed to come up with any reply.</p>	<p>Many Afghan groups have reservations as well and continue to distrust the ISI regarding its covert support for the Taliban. India was in the forefront and put diplomatic pressure on Afghan President Dr Ashraf Ghani to review the agreement on intelligence sharing. After Terrorist attack on APS Peshawar. The army chief along with ISI DG traveled to Afghanistan along with forensic evidence, shared it with Afghan authorities and got action against terrorists.</p>	
<p>Refugee Crisis</p>	<p>Until last year, Afghans were the largest global refugee population. In 2013, Pak/Afghanistan agreed that all Afghan refugees would return back to Afghanistan by 31st Dec 2015. Economic stagnation and worsening security conditions are major contributors to Refugee Crisis. Pakistan hosts almost 1.5 million registered Afghan refugees still the largest protracted refugee population globally. Since 2002, UNHCR has facilitated the return of 3.8 million registered Afghans from Pakistan. 6,270 asylum seekers afghan's.</p>	<p>On January 12, 2016, Pakistan government extended registered Afghan refugees' Proof of Residency (PoR) cards until June 30, 2016. Afghan gov. has requested to extend this deadline for two more year i.e. till 2017. A survey conducted in Afghanistan reports that 63 percent of the respondents say their economic situation has deteriorated in the past year. Migration has increased manifold; domestic and foreign investments have dramatically dropped. \$1B Wasted in Afghan Refugee Crisis (SIGAR report) To complement UNHCR and partners' international support, the Government of Pakistan has extended Afghan refugees' Proof of Registration (PoR) cards until Jun3 30, 2016, issued birth certificates for 800,000 Afghan refugee children, provided land for several refugee villages in FATA, KPK & Balochistan, and given refugees access to public schools and health clinics.</p>	<p>Pakistan is resistant to this because it feels that many unregistered Afghan refugees are directly involved in terrorism & criminal activities especially in KPK and Baluchistan. UNHCR report showing huge corruption in Afghanistan's Refugee ministry (SIGAR report) where money allocated for distributing lands to refugees was utilized in Bonuses and Reimbursements to employees instead. Afghan refugees, of whom approximately one-third live in refugee villages, and two-thirds in urban and rural host communities; some 7,000 asylum-seekers and individually-recognized refugees from various countries (mostly Afghans), living mainly in urban areas. In Afghanistan, economic insecurity and the Government's limited capacity to provide basic services will remain the main challenges to repatriation and sustainable reintegration.</p>	
<p>IDP's (From FATA and KPK) and Afghan Refugees in Pakistan</p>	<p>Aug 2014, there were 714,548 registered (IDPs) in need of humanitarian assistance due to the ongoing security operations in (FATA) & KPK. The North Waziristan emergency has further displaced approximately 500,000 people.</p>	<p>UNHCR's activities in Pakistan take place within a complex context, facing serious challenges as a result of the frequency of conflict and emergencies. In Pakistan, besides the volatility of the overall operating environment for humanitarian actors, the main challenge will be maintaining asylum space for Afghan refugees beyond December 2015, when their Proof of Registration cards expire.</p>	<p>The operating environment for humanitarian actors in Pakistan remains volatile, with fragile security, as well as access, social and economic challenges likely to affect humanitarian operations. In order to improve outreach to populations of concern and to build local capacity, UNHCR works closely with local partners and government counterparts.</p>	

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Border Management (DGMO Meetings)	DGMOs from both sides had set up a hotline to discuss matters of mutual interest on December 30. The hotline between the DGMOs of the two countries was part of a series of moves, seeking a thaw in relations strained by mistrust and blame game.	Feb 4, 2016: An Afghan delegation led by director general military operations (DGMO) on Thursday visited the General Headquarters Rawalpindi and met the Pakistani DGMO to discuss bilateral security and border management. According to ISPR, both sides agreed during a meeting that none of the countries would allow terrorists use their soil for their activities. They expressed resolve to continue interaction for better bilateral military to military coordination. Jan 13, 2016: The DGMOs of Pakistan and Afghanistan met in Kabul on Wednesday to deliberate on bilateral military-to-military cooperation and border coordination. The meeting was in pursuance of the decision taken during Army Chief General Raheel Sharif's visit to Afghanistan late last month, said ISPR. "Both DGMOs discussed bilateral military to military cooperation including border coordination, and modalities for meetings of Corps Commanders and Sector Commanders from either side.	Both neighbours have realised that close 'coordination and cooperation' between the security establishments of the two countries was essential to defeating terrorism. Recent high-level exchanges, including visits by senior military and intelligence officials, were part of efforts by the two sides to work closely with each other. Sources said these measures were part of efforts seeking better border management to deal with the 'common security challenges'. However, sources added that intelligence sharing and coordination between the two spy agencies was paramount to tackle the militant groups creating trouble on both sides of the border.	
Border Issues and VISA Regulations	Pakistan again took up VISA matter with the Afghan side during the visit by the Afghan finance minister to Islamabad in November 2014 as well as at the 10th Pak-Afghan JEC held in Islamabad in November 2015. Both states agreed to increase border checkpoints - To stop smuggling and influx of illegal immigrants. Pak Embassy in Kabul processes multiple visas of 2-2.5K people on daily basis for Afghans visiting Pakistan.	Pakistan and Afghanistan have decided to constitute a committee for discussing issues of visa, road permits and guarantees in order to apply the International Road Transport (TIR) convention to trade via land between the two countries. Both sides agreed to form the committee in a meeting of the Afghanistan-Pakistan Transit Trade Coordination Authority. Pakistan-Afghanistan Joint Chamber of Commerce and Industry (PAJCCI) has welcomed Kabul's decision to grant one-year multiple-entry visas to Pakistani business people, which it says will deepen trade and bilateral relationship. Embassy as well as three Consulates General of Afghanistan have started issuing one-year multiple entry business visas to Pakistani businessmen. Finance Minister Ishaq Dar has welcomed the initiative of Afghan government and hoped the step will help increasing the bilateral trade between the two countries to \$5 billion by 2018. Visa Policy to be reviewed : Pakistanis getting visa for Afghanistan has to get clearance from National Directorate of Security (NDS) before getting approval from Foreign Ministry of Afghanistan. Every month 60K Afghans enter Pak without legal doc's.	It was also agreed that the two countries would revise the transit trade coordination authority agreement in an effort to further facilitate transit trade and would adopt provisions of the TIR convention, which had been signed by both Pakistan and Afghanistan, to the extent possible. According to the official, Pakistan is waiting for a draft of the amended transit trade agreement, which will be sent by the Afghan ministry of commerce. The two countries have faced some issues and complaints pertaining to visa, transport and transit trade and they have agreed on constituting the joint committee of the ministries concerned to address the challenges. "These ministries have worked on recommendations for the terms of reference of the committee and these will be sent to the focal persons for consideration . "Islamabad and Kabul have finalised terms of reference for the committee and will soon share these with focal persons of the transit trade authority,"	

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Drugs Trafficking	Afghanistan produces 90% of the world's opium supply, a third of which is transited through Pakistan. Opium is not the only illicit trade in the Pakistan and Afghanistan border regions, however. Afghanistan is now the second-largest cannabis resin producer in the world. According to the former finance minister, an estimated 60% of the country's economy is based on illicit trade. Because the opium trade remains a major source of financing for the jihad led by the Taliban and al Qaeda in the Afghanistan-Pakistan (AfPak) area-(First against USSR and now in case against US and allied forces).	Experts hope this kind of cooperation will lead to more effective efforts against the drug trade. The instability and insurgency funded by the drug trade compound and perpetuate the political instability of Afghanistan, which now dates back 35 years to the time of the Soviet invasion. The opium narco-trade in Afghanistan and Pakistan strengthens the chances of the prolongation of insurgency, as such trade funds a growing narco-jihad in the region. Given the regional dynamics of the drug trade, a comprehensive strategy that treats Afghanistan and Pakistan as a single theater of war holds the most promise for defeating the narco-jihad. But the United Nations recently reported another increase in the amount of Afghan land used to grow opium poppy plants. Pakistani officials are concerned about both the increase in Afghan drugs and plans to withdraw most NATO forces from Afghanistan. The officials say the two developments make it difficult for them to fight the drug trade.	The drug trade across the Afghanistan-Pakistan border and ultimately through Central Asian corridor to Russia is not only weakening state control but also cementing linkages among drug traffickers throughout the larger region, Taliban, insurgents, and criminal groups. In turn, this nexus of drugs, crime, and insurgents threatens NATO supply routes and offers resistance to ongoing military operations in Afghanistan and Pakistan's tribal areas. This nexus also poses a significant challenge because the networks of the drug trade that support the conflict are not contained within the Afghanistan-Pakistan region. Head of Pakistan's Anti-Narcotics Force says the international community must continue working together to fight the Afghan drug problem. Approx 45-50% of the opiates produced in Afghanistan that use Pakistan as a preferred stepping-stone on, onwards (to) international market. About 30% goes via Iran and the balance -- 20% via the central Asian republics onwards to Russia and Europe."	
Smuggling	Business community has demanded of the government to take stringent measures and review Afghan Transit Trade agreement to curb the menace of smuggling which was causing loss of billions of dollars to the national economy. Smuggling had become a big threat for economic growth in Pakistan and any sector hardly left untouched by this menace.	The Pakistan-Afghan border, also known as the Durand Line, is 1,640 miles of difficult terrain. Pakistan and Afghanistan are working together to fight terrorism and increase security along their common border. Smuggling is being done in a number of shapes like under invoicing, undervaluation of goods, misclassifications, falsification of documents and short landing transit or re-export of goods. The LCCI and Pakistan Afghanistan Joint Chamber of Commerce and Industry (PAJCCI) urged the government to curb illegal trade in the guise of Afghan Transit Trade.	ATT agreement's annual volume had been estimated at about \$5-6 billion and under the cover of the agreement; the Afghan imports were back smuggled into Pakistan with the help of Afghan traders. He said that it had been estimated by World Bank that in the time period 2001-2009, total revenue loss due to smuggling between Pakistan and Afghan was \$35 billion. There is also significant illicit trade in timber, antiquities, and cigarettes in the border areas.	
Economic Front				

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Trade & Commerce	<p>2010:Afghanistan Pakistan Transit Trade Agreement (APTTA) signed b/w Pak-Afghan. Agreement when President Ghani came to office that bilateral trade would rise to \$5bn by 2017. At present, official trade between Pakistan and Afghanistan stands at \$2.5 billion with parallel undocumented trade is also estimated to be at the same level. However, there is a potential for more than \$10 billion worth of trade if policies are framed according to the needs of both countries.</p>	<p>Afghan authorities appear to have lost interest in pushing forward any trade related agreements with pakistan with the alternative route via Iran close to being finalised. Import of fresh fruits from Afghanistan to Pakistan via Torkham and Kurram Agency has increased to 245,000 metric tonnes during the first eight months of the current fiscal year. Press release issued by the Customs Department showed in the previous fiscal year 2014-15, around 168,000 metric tonnes of fresh fruit was import to Pakistan from Afghanistan, showing an increase of 46%. As a result of this result, the value of import of fresh fruit from Afghanistan has increased to Rs 11 billion as against Rs 5 billion in the last fiscal year. 10th Joint Economic Commission meeting in Nov 2015 this year: Pakistan and Afghanistan have agreed to increase the trade volume up to five billion dollars till 2017. Pakistan-Afghanistan Joint Chamber of Commerce and Industry (PAJCCI) has welcomed Kabul's decision to grant one-year multiple-entry visas to Pakistani business people, which it says will deepen trade and bilateral relationship. Trade Development Authority to facilitate exhibitions, conferences and delegations as part of confidence-building measures through which illegal trade could be brought into the mainstream commerce. Pakistan is the largest export destination accounting for some 32.2 percent of all Afghan exports.</p>	<p>Last week, on april 11, Iran, Afghanistan and India finished negotiating the details of trilateral transport and transit pact, meant to provide legal framework to operate trade corridors via Iran's chabahar port. All this happened because Pakistan refused to include India in the Pak-Afghan transit trade agreement. Gradually trade b/w Pak-Afghan is on the rise which clearly shows that future prospects for trade are bright (Linked with Afghan internal peace) but recently APTTA meetings were suspended by Kabul as overall relations between the 2 countries soured. All chambers should support such initiatives as Afghanistan was still an untapped market for Pakistani products. All business representatives to visit Afghanistan and also help bridge the trust deficit, especially in youth of the war-stricken country. PAJCCI will hold its annual conference and business-to-business meetings in Kabul in the first half of January 2016. This will be followed by an investment conference in Dubai in the first quarter of next year.</p>	
	<p>Pakistan keen to enhance computerization of customs flow due to illegal smuggling of containers. Web Based One Customs (WeBOC) online system for trade clearance had been amended by the Directorate of Automation and Reform for verification of goods entering in Afghanistan.</p>	<p>FBR Pakistan upgrades online System empowering Afghan Customs to verify containers at border. This will help Afghan authorities to keep check on Border check posts. Torkham and Chaman borders were the main routes for trade between the two countries that refers to the bilateral relations between them.</p>	<p>Historically thousands of containers used to go missing in Afghanistan after leaving Karachi. Border Controls in Afghanistan were very lax and no containers were entered into records. One report showed that over a 4 year period records showed that 0 containers had entered Afghanistan from Pakistan.</p>	

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	2012-APTTCA 5th Meeting (Afghanistan Pakistan Transit Trade Coordination Authority) Aims to boost trade . Afghanistan-Pakistan Transit Trade Agreement (APTTA) facilitates all Afghan exports via Pakistan to the Wagah border with India and to the world through the Karachi and Gwadar seaports. In return, Afghanistan allows Pakistani trucks to move products to all regions of Afghanistan.	In a major development , Pakistan and Afghanistan have decided to organise a pilot run of Afghan trucks from Torkham and Chaman up to Wagah. The trucks will be carrying Afghan exports to India and Pakistani trucks from Torkham and Chaman will carry Pakistani exports to Sher Khan Bandar (Tajikistan's border). "The Afghan trucks will be allowed to carry Pakistani exports to Afghanistan on their return journey. Similarly, Pakistani trucks will be allowed to carry Tajik and Central Asian export cargo on their return journey to Pakistan. In the 6th meeting of Afghanistan Pakistan Transit Trade Coordination Authority (APTTCA), Pakistan and Afghanistan agreed to revise the provisions of the present agreement, and amendments will be made appropriately with a view to further facilitating the transit trade. In this connection Afghanistan will share a draft text of amended APTTA with Pakistan by March 15, which would be deliberated in the 7th APTTCA Meeting to be hosted by Afghanistan in the last week of March.	Pakistan has asked Afghan Gov. to resume "Trade Talks" after Kabul called of 3 Key Trade meetings over past few months. Afghanistan's proposal to include India in talks led to the suspension of bilateral trade talks. Pak objects to Indian goods crossing its territory. Afghanistan side is already charging higher duty rates on Pakistani imports without providing any facility to Pakistani traders but is providing special tax rates to India, China, Turkey and Iran. Kabul suspended talks on APTTCA, and proposed to include India in trade talks. Pakistani business community has strongly opposed any move to allow transit trade between Afghanistan and India through land route of Pakistan. Chairman APCA, CFCAG and PAJCCI expressed that jobs would be lost amongst Pakistan importers/exporters and transporters if the government allows transit trade between the two countries through land route.	
Development of Minerals and Natural Resources	Untapped natural resources : Iron-ore worth \$11 million. CPEC would help not only Pak but whole region including AFGHANISTAN.	Establishing new regional trade cooperation routes, developing Afghanistan's natural resources, and expanding her agro-economy. (Discussed in RECCA)	Afghan gov. lacks technical capacity to research, award or manage new mining contracts without external support. On the other hand huge corruption on governmental level are creating	
Infrastructure Connectivity and development	Work on Railways Connectivity Project: Peshawar-Jalalabad Chaman-Spinboldak.	International donors continue to play "Wait and See" game. They want to see systemic and institutional reforms before releasing funds and resuming project implementation. Joint Economic Commission meeting in Islamabad in Bo, 2015 discussed projects relating to trade, energy, railways and roads. The Commission considered to link Chaman with Kandahar and Peshawar with Jalalabad through rail.	As many International donors have freezed their aid untill institutional reforms.The Afghan government did its best to convince the world that the dividend of its scheme goes beyond economic prosperity to restore stability to Central and South Asia. Now, the ball is in their court. Rather than looking at alternatives, the best course of action for those with a vested interest in Afghanistan's stability is to boost its economic activity and strengthen the current administration.	
	Social development and basic Health necessities for Afghan Citizens. More than 30,000 Afghan nationals have so far graduated from Pakistani institutions. They are now playing an active role in the reconstruction and socio-economic development of the war-ravaged country.	200 beds Jinnah Hospital in Kabul, Rs 118.854 million were released to NLC to ensure early completion of the project, similarly, the hostel building for 1,000 students at Rehman Baba School is nearing completion and will hopefully be operationalised during the first half of next year. Ministry of National Health Services is coordinating with PIMS and Institute of Kidney Diseases Centre, Peshawar to train 117 trainees for Nishtar Kidney Centre	Pakistan's minister urged the Afghan government for deputing doctors, staff and also provide electricity at the hospital so that it could be made functional at the earliest. He informed under the Scholarship Scheme for Afghan Students, so far a total of 2,255 students, against the target of 3,000 have been admitted in MBBS, engineering and other disciplines.	

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	Peshawar-Kabul Motorway & Tourkham-Jalalabad Highway	Feasibility study on Peshawar-Kabul Motorway & Tourkham-Jalalabad Highway with the help of Frontiers Work Organisation (FWO) and NESPAK at Torkham-Jalalabad additional carriageway site. The tentative completion date of the project is December 2016.	Afghan gov. Lacks technical capacity to research, award or manage new contracts without External support. That's why infrastructure projects are dead	
Central Asia - Afghanistan - Pakistan (Future Economic Corridor)	Pakistan committed to to have a joint South Asia-Central Asia corridor - enhance mutual trade between Central Asian Republics via Gawadar and Bin Qasim Port.	Pakistan keen to improve ties with Afghanistan and Central Asian Republics to further enhance bilateral trade and economic conditions of the region. Central Asian Republics are committed to sell their huge resources for economic uplift and regional prosperity.	Main constraint is Afghanistan's internal situation which makes things difficult in terms of Transit Trade and flow of goods from one country to another but future prospects of regional trade are bright as Central Asian Republics are keen to sell their huge resources for economic uplift.	
Gas Pipeline (TAPI)	1814Km-TAPI Gas pipeline (Turkmenistan-Afg-Pak-India) proposed natural gas pipeline. Estimated cost around \$10 billion (Supported by the US & ADB). It will benefit around 1.5 billion people in the region. Tariff: Pakistan will pay \$500m out of which \$200m will be paid by the government, while investment of \$300m will be arranged through banks.	Turkmenistan to Start Work on TAPI Pipeline in December 2015. To be constructed within three years. The pipeline is designed to last for 30 years. Turkmenistan, Afghanistan, Pakistan and India Gas Pipeline: \$7.6-billion TAPI pipeline project inaugurated (Ground breaking ceremony), project gets operational by December 2019. Capacity to carry 90 million standard cubic metres a day (mmscmd) gas for a 30-year period. India and Pakistan will get 38 mmscmd each, while the remaining 14 mmscmd will be supplied to Afghanistan. Annual capacity of 33 billion cubic metres.	Work was delayed on the pipeline because of the problem of crossing Afghanistan (Security Issues) -The four countries have long planned the ambitious project to meet growing energy needs, but administrative issues and unrest in the region have so far delayed its realisation. All stakeholders agreed to work together to ensure that "negative forces inimical to the success of the project" were addressed in an appropriate manner. " However uncertainty hangs over the project, whose cost is estimated at \$10 billion. Aside from the risks associated with a link traversing war-torn Afghanistan, the four-country consortium has yet to confirm the participation of a major foreign commercial partner willing to help finance TAPI.	
Other economic Issues	MOU's Signed between Pakistan and Afghanistan to boost economic activities to further strengthen national economies. Peaceful Afghanistan is must for regional peace.	Important meetings were called off more than 4 times by Afghanistan, in which key issues were to be discussed ranging from Transit Trade, Border Posts and to curbing Smuggling. Long-term economic vision consists of establishing new regional trade cooperation routes, developing Afghanistan's natural resources, and expanding her agro-economy. The regional trade cooperation was discussed this week in Kabul at the Regional Economic Cooperation Conference on Afghanistan (RECCA). The government's overall economic plans and commitments were examined at the Senior Officials Meeting (SOM) with the country's international donors.	According to Afghan media officials have announced ban on the imports of Pak Medicines (\$4m Annual Imports) - endorsed by Chambers of Commerce. APTTA meetings were also suspended by Kabul (No new Dates Proposed).	

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<p>Domestic issues and worsening economic conditions of Afghanistan</p>	<p>Foreign aid, which pays for all of Afghanistan's development budget and almost half of its regular budget, has significantly decreased since early 2014. This is partly correlated with US and NATO's military withdrawal. It may also be a result of poor reports on aid effectiveness in the past decade. Reports issued by the US Special Inspector General for Afghanistan Reconstruction (SIGAR) are a vivid example of corruption and mismanagement of aid by donors.</p>	<p>Domestic Politics and Afghanistan's economic Situation: Economic stalemate since the presidential elections has exacerbated the already bleak figures reported in 2014. The continued trade deficit of 96 percent , a decline of economic growth rate from 9.2 percent in 2010 down to 1.9 percent in 2014, and a rise in unemployment to over 50 percent and poverty to 36 percent (38 percent in rural areas) are certain to appear worse when the 2015 statistics come out.</p>	<p>Current Overall Bilateral Relationship between the two countries. Developments in the peace talks have been much debated. Ghani's rapprochement towards Pakistan was first met with criticism by Abdullah's campaign allies. However, renewed and intensified terror attacks in Kabul and other provinces compelled the Afghan government to put a screeching halt to the peace process. When Ghani's tough and furious posturing supplanted his earlier conciliatory overtures to Pakistan, the president and CEO immediately found common ground.</p>	