

#### Interactive Discussion on APAPPS Trade Working Group Mechanism and Role of PAJCCI

#### By: Faiza



# PAJCCI's Manifesto



- Segregate Economic Aspirations from Political and Security Imperatives.
- Progressive, Productive, Pragmatic and Peaceful Pakistan and Afghanistan is the only answer to both regional and international prosperity and harmony. This is in the larger interest of the WORLD at large!
- Interact with all relevant stakeholders across the border to help attain PAJCCI's manifesto.



## Transit Trade



## Transit Trade of Afghanistan through Pakistan

#### (Values in US million \$)

|             |            | -                |          |
|-------------|------------|------------------|----------|
| Fiscal Year | Commercial | Non Commercial * | Total    |
| FY 2010-11  |            |                  | 3,128.01 |
| FY 2011-12  |            |                  | 1,702.27 |
| FY 2012-13  | 1,327.4    | 139.06           | 1,466.46 |
| FY 2013-14  | 2,022.42   | 161.73           | 2,184.15 |
| FY 2014-15  | 2,918.1    | 134.86           | 3,052.96 |
| FY 2015-16  | 3,224.73   | 235.31           | 3,460.04 |
| FY 2016-17  | 2,752.89   | 127.08           | 2,879.97 |
| FY 2017-18  |            |                  | 2,685    |

#### Source: Ministry of Commerce



## **Bilateral Trade**



| Bilateral Trade of Pakistan with Afghanistan |                 |                   |         |               |
|--|-----------------|-------------------|---------|---------------|
|  |                 | (US Million \$)   | Source: | MoC, Pakistan |
| Fiscal Year                                  | Exports to Afg. | Imports from Afg. | Total   | Balance (+)   |
| 2009-10                                      | 1571.5          | 139.3             | 1710.8  | 1433          |
| 2010-11                                      | 2336.7          | 172.0             | 2508.7  | 2164.7        |
| 2011-12                                      | 2249.6          | 199.4             | 2449.0  | 2050.2        |
| 2012-13                                      | 2066.0          | 287.8             | 2353.8  | 1778.2        |
| 2013-14                                      | 1870.5          | 359.6             | 2030.1  | 1510.4        |
| 2014-15                                      | 1961.4          | 322.6             | 2284.0  | 1638.8        |
| 2015-16                                      | 1437.3          | 409.9             | 1847.2  | 1027.4        |
| 2016-17                                      | 1299.93         | 337.2             | 1637.14 | 962.73        |
| 2017-18                                      | 1301.54         | 450.05            | 1751.59 | 851.49        |



# Afghanistan-Pakistan Action Plan for Peace and Solidarity (APAPPS)



- The inaugural session of APAPPS was held in Kabul in last week of July 2018, led by Foreign Secretary, Tehmina Janjua and Deputy Foreign Minister, Hekmat Khalil Karzai.
- It is a bilateral framework aimed at improving cooperation and coordination between the two neighbors and reducing hostility by employing working groups on both sides.



# Afghanistan-Pakistan Action Plan for Peace and Solidarity (**APAPPS**)



- APAPPS is comprised of five Working Groups on Politico-diplomatic, Military, Intelligence, Economic & Trade and Refugees issues.
- PAJCCI being part of Economic segment presented its position and manifesto with reference to bi-lateral economic affairs at hand.



#### ToRs of the Economic Working Group



- To work out ways and means to ensure full and un hindered implementation of bilateral agreements on trade, transit and economic cooperation including JEC and APTTA in accordance with the bilateral and international commitments of the two brotherly countries
- To explore joint/ bilateral investment opportunities in connectivity through communication , railways and road, hydropower development, minerals and energy resources, natural resources and water reservation



## ToRs of the Economic Working Group



- To facilitate bilateral trade and investment in the private sector
- To enhance cooperation on capacity building in mutual areas of interest
- To initiate discussions on the development of automated processes and e- connectivity between the two countries in mutual areas of interest
- To serve as a platform of communication between the relevant entities of both countries in the areas of mutual cooperation
- To formulate expected action plan on the above mentioned areas





| No | Subject /Activity              | Relevant<br>Department | Proposed Action            | Timeline     |
|----|--------------------------------|------------------------|----------------------------|--------------|
| 1  | Holding 7 <sup>th</sup> APTTCA | Ministry of            | Afghan Government should   | One Month    |
|    | Meeting                        | Commerce Pakistan      | finalize a date for APTTCA |              |
|    |                                | and Ministry of        | Meeting                    |              |
|    |                                | industry and           |                            |              |
|    |                                | commerce of            |                            |              |
|    |                                | Afghanistan            |                            |              |
| 2  | Construction of                | Pakistan               | • Commencement the         | October 2018 |
|    | Chaman- Kandahar               | Government             | construction of Chaman     |              |
|    | railway                        | (Ministry of Railway)  | – Spin Boldak (11.5 km)    |              |
|    |                                | and Railway            | • Funding the detailed     |              |
|    |                                | authority of           | design and construction    |              |
|    |                                | Afghanistan            | of the project (95 Km)     |              |





| No | Subject /Activity   | Relevant<br>Department   | Proposed Action   | Timeline     |
|----|---|--|---|--------------|
| 3  | Construction of Jalal<br>Abad- Peshawar<br>railway to connect<br>Afghanistan to other<br>ports including Waga | Ministry of Railway<br>Pakistan and<br>Railway authority<br>of Afghanistan | <ul> <li>Finalizing the feasibility<br/>study of Peshawar- Jalal<br/>Abad</li> <li>Funding the detailed design<br/>and construction of the<br/>project (75Km)</li> <li>Afghan Government expect<br/>feedback from Pakistan</li> </ul> | January 2019 |
| 4  | Feasibility Study of<br>Lashkargah-<br>Baramcha- Dalbandi-<br>Gowadar   | Ministry of Railway<br>Pakistan and<br>Railway authority<br>of Afghanistan | Both side agrees to start the feasibility study of the project  | January 2019 |















| No | Subject /Activity   | Relevant<br>Department   | Proposed Action  | Timeline         |
|----|---|--|--|------------------|
| 5  | Energy coordination<br>agreement (Energy<br>transit and capacity<br>building) | Ministry of Energy<br>and Water and<br>DABS – Afghanistan<br>And Ministry of<br>Water and power<br>of Pakistan | MoU to be drafted and signed   | December<br>2018 |
| 6  | TAP- 500 Energy<br>project  | Ministry of Energy<br>and Water and<br>DABS – Afghanistan<br>And Ministry of<br>Water and power<br>of Pakistan | <ul> <li>Trilateral agreement to be<br/>signed between Pakistan-<br/>Afghanistan and Turkmenistan</li> <li>The amount of electricity to be<br/>agreed</li> <li>Tariff for energy transit to be<br/>agreed</li> </ul> | December<br>2018 |















| No | Subject /Activity   | Relevant Department  | Proposed Action  | Timeline      |
|----|---|--|--|---------------|
| 7  | Selling Power to<br>Pakistan (Torkham,<br>Khost and Kandahar) | DABS- Afghanistan<br>and Ministry of water<br>and Power of Pakistan                                | <ul> <li>Bilateral agreement to be signed between Pakistan-Afghanistan and Turkmenistan</li> <li>The amount of electricity to be agreed</li> <li>Tariff for energy transit to be agreed</li> </ul> | February 2019 |
| 8  | Joint agreement on<br>Kunar Hydropower<br>Dam                 | Ministry of Energy<br>and Water –<br>Afghanistan and<br>Ministry of water and<br>Power of Pakistan | Joint investment plan to be<br>developed   | February 2019 |





| No | Subject /Activity  | Relevant<br>Department                              | Proposed Action   | Timeline         |
|----|--|---|---|------------------|
| 9  | <ul> <li>Discuss the<br/>Establishment of<br/>Afghanistan railway<br/>institute</li> <li>Capacity building for<br/>the Afghan railway<br/>officials in Pakistan</li> </ul> | Ministry of<br>Railway Pakistan                     | Facilitate the process of<br>capacity building by Lahore<br>training center | November<br>2018 |
| 10 | Smooth issuance of business visa on both sides   | Ministry of<br>Foreign Affairs of<br>Both countries | Facilitation of visa issuance processes                                     | January 2019     |





| No | Subject /Activity    | Relevant<br>Department | Proposed Action          | Timeline     |
|----|----------------------|------------------------|--------------------------|--------------|
| 11 | Joint cooperation in | Private and            | Drafting an MoU between  | January 2019 |
|    | health services      | public health          | the health Ministries of |              |
|    |                      | sector of both         | both countries           |              |
|    |                      | countries              |                          |              |
|    |                      |                        |                          |              |
| 12 | Ensuring business E- | Ministry of            | Exchange of Information  | January 2019 |
|    | connectivity         | Commerce and           | and discussing scope of  |              |
|    |                      | Joint chamber          | cooperation              |              |
|    |                      | of both                |                          |              |
|    |                      | countries              |                          |              |





## Update – Afghanistan-Pakistan Action Plan for Peace and Solidarity (**APAPPS**)

