



# Is Pakistan a Good Choice for Renewal of GSP+ Status?

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Despite being a signatory to various international conventions related to climate change, interfaith harmony, labour rights, human rights and anti-corruption, Pakistan has been notorious for violating these conventions on day-to-day basis. Despite such a dubious track-record, Pakistan currently enjoys the European Union's GSP+ status and has launched its bid for renewal for the post-2023 period. While making a decision about the renewal of GSP+ status, the EU must not ignore Pakistan's abysmal track record on issues of corruption and human rights.

Based on the recommendations of United Nations Conference on Trade and Development (UNCTAD) in 1971, the European Union (EU) launched the Generalized System of Preferences (GSP) scheme to provide developing countries easy access to EU's large market. Developing countries that met the GSP criteria were given opportunity to export their products to EU on reduced tariffs for a period of 10 years. In 2006, a special incentive arrangement called GSP+ was worked out which focused on *inter alia* sustainable development and good governance. Unlike the GSP, GSP+ provided "more favourable tariff treatment for a range of products originating in those countries that meet certain conditions."<sup>1</sup>

A major reform was later introduced in the system of GSP that came into force in January 2014. The reformed scheme, which preserved the general architecture of GSP, now composed of three arrangements, namely, General Arrangements, GSP+ Arrangements, and European Banking Authority (EBA) Arrangements. It provides more incentives and enhances its monitoring to ensure compliance with the core international conventions. At present, the GSP+ beneficiaries include Armenia, the Plurinational State of Bolivia, Cabo Verde, Kyrgyzstan, Mongolia, Pakistan, Paraguay, the Philippines, and Sri Lanka.<sup>2</sup> The GSP+ term for these countries is ending in December 2023, which warrants a critical review before EU takes a call on inclusions/exclusions in the upcoming list of beneficiaries for 2024-2034.

## **Pakistan and GSP+ Status**

Pakistan, which was given the GSP+ status in 2013, has utilized the opportunities offered under the scheme to strengthen its trade relations with the EU resulting in major economic gains to its industries. Pakistani goods enjoy Duty Free access on 66 per cent of EU tariff lines. As per the official data of Pakistan's Commerce ministry, the bilateral trade doubled from 6.9 billion Euros in 2013 to 12.2 billion Euros in 2021, an increase of 78 per cent.<sup>3</sup> Pakistan's exports to EU increased from 3.56 billion Euros to 6.64 billion Euros during the same period.<sup>4</sup>

Apparel and Clothing and Home Textile have been the two biggest beneficiaries of the increased exports, as they accounted for 4 per cent and 23 per cent respectively of the total exports to EU. There has been 141 per cent increase in Home Textiles, as

<sup>&</sup>lt;sup>1</sup> United Nations, Generalized System of Preferences: Handbook on the Scheme of The European Union, (Geneva: United Nations), 2022.

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> TIC, *GSP Insights*, Islamabad: Treaty Implementation Cell, Ministry of Commerce, Government of Pakistan, 2022, p. 2.

<sup>&</sup>lt;sup>4</sup> Ibid, p. 3.

the exports grew from 696 million Euros in 2013 to 1.6 billion Euros in 2021.<sup>5</sup> Similarly, Textiles, Apparel & Hosiery witnessed an increase of 150 per cent during the same period, as the exports grew from 1.05 billion Euros in 2013 to 2.62 billion Euros in 2021.<sup>6</sup>

# Pakistan's Compliance to Conditions of GSP +

A careful analysis of the developments and facts suggest that despite enjoying all the benefits of GSP+ scheme to the optimum level, Pakistan has not been able to ensure the implementation of all 27 UN Conventions pertaining to five key areas including Climate Change, Interfaith Harmony, Labour Rights, Human Rights, and Anti-Corruption. Out of these, 15 conventions are directly related to core human and labour rights. As regards the Convention on the Prevention and Punishment of the Crime of Genocide (1948), Convention concerning Freedom of Association and Protection of the Right to Organize, No. 87 (1948), Convention concerning the Application of the Principles of the Right to Organize and to Bargain Collectively, No. 98 (1949), and International Covenant on Civil and Political Rights (1966), Pakistan has miserably failed to prevent genocidal violence against Shia in general and Hazara Shias in particular, Ahmadiyas and other minorities.

Moreover, Pakistan's predatory security establishment regularly harasses and tortures rights activists, especially from Baloch and Pashtun communities. In January 2020, *Pashtun Tahafuz Movement* (PTM)—Movement for the Protection of Pashtuns—leader Manzoor Pashteen was arrested by the security forces and charged with *inter alia* sedition, criminal conspiracy, attacking Pakistan's sovereignty, and promoting ethnic hatred.<sup>7</sup> When other activists of the movement came out in protest against the arrest of Pashteen at the Press Club in Islamabad, they too were arrested on charges of sedition.<sup>8</sup> The arrest of the civil rights activists belonging to PTM was seen as a crackdown on the critics of the Pakistan Army.<sup>9</sup>

#### Shia Genocide

Sunni extremist groups like Sipah-e-Sahba Pakistan (SSP), its offshoot Lashkar-e-Jhangvi, having direct linkages with Pakistan's security establishment, and the Islamic State (IS) of Khorasan have been primarily responsible for the attacks on the

<sup>&</sup>lt;sup>5</sup> Ibid.

<sup>&</sup>lt;sup>6</sup> Ibid.

<sup>&</sup>lt;sup>7</sup> Madiha Afzal, "<u>Why is Pakistan's Military Repressing A Huge, Nonviolent Pashtun</u> <u>Protest Movement?</u>" The Brookings Institution, 7 February 2020.

<sup>&</sup>lt;sup>8</sup> Ibid.

<sup>&</sup>lt;sup>9</sup> Hannah Ellis-Petersen and Shah Meer Baloch, "<u>Civil rights Activists Arrested in Pakistan</u> <u>on Sedition Charges</u>," *The Guardian*, 27 January 2020.

Hazara Shias. The Pakistani state does not act decisively against the perpetrators of such violence. Ten Hazara miners were butchered on 3 January 2022 in a coal mine area of Mach town.<sup>10</sup> A Shia mosque in Peshawar's Koocha Risaldar area was targeted on 4 March 2022 in which 57 people lost their lives.<sup>11</sup>

#### Ethnic and Racial Discrimination

The Pakistani State has not paid serious attention to the implementation of the International Convention on the Elimination of All Forms of Racial Discrimination (1965) and International Covenant on Economic Social and Cultural Rights (1966). Racial discrimination has been prevalent in Pakistan since its emergence as a state in August 1947, even if such discrimination is legally sanctioned. The Ahmadiyya community, for example, were declared Non-Muslim in Pakistan in 1974 and ever since laws related to Blasphemy have been largely used to target members of minority community in the country.

Within a decade of declaring them as non-Muslims, a legal ordinance was brought in to make it a criminal offence for Ahmadiyas to refer themselves as Muslims. They are required to sign a declaration of being Non-Muslim for the want of essential services or joining national institutions or getting national identification cards. They can neither declare their faith publicly nor call their place of worship, mosques. Doing that could be blasphemous and invite severe punishments such as imprisonment or death. Such laws "contribute to the systemic and societal discrimination of Ahmadis in Pakistan—discrimination that government officials often publicly support and enflame."<sup>12</sup>

Besides Ahmadiyyas, other religious minorities including Hindus, Christians, Sikhs, Sheedis (of East African descent brought into the Indian subcontinent as slaves by Arab merchants between the eighth and nineteenth centuries) face racial discrimination on a day-to-day basis. Their places of worship often come under attack from the majority Sunni radical outfits as well as common people.

The blasphemy laws are used to settle personal scores against members of the religious minorities. Till date, not a single trail for blasphemy has been completed by any court of law in the country, as the accused are often lynched in broad day light. Ironically, international reporting on such controversial issues often echoes

<sup>&</sup>lt;sup>10</sup> Muhammad Akbar Notezai, "<u>Revisiting Massacre of Hazara Minors</u>," *The Dawn*, 18 January 2022.

<sup>&</sup>lt;sup>11</sup> Manzoor Ali, **"Attack on Shia Mosque in Peshawar's Koocha Risaldar Claims 57 Lives,"** *The Dawn*, 5 March 2020.

<sup>&</sup>lt;sup>12</sup> Patrick Greenwalt, Mohammad Niala and Aadeline Vellturo, "Persecution of Ahmadiyya Muslims," United States Commission on International Religious Freedom Factsheet, October 2021.

Pakistan's official narrative. Reports claiming "non-existent" racial discrimination in the country can be challenged on several accounts.<sup>13</sup>

#### Oppression by the State of Pakistan

The Baloch ethnic minority has historically been the victim of Pakistani State. Baloch activists and their family members are regularly harassed by Pakistan's security establishment. Be it large scale killing, or enforced disappearances, the state has not taken any meaningful action whatsoever to address the issue.<sup>14</sup> Instead, a new wave of state repression is currently underway with the significant rise in abductions of Baloch activists by the Pakistan Army.<sup>15</sup> On 17 February 2023, Mahal Baloch, the wife of late Balochistan Liberation Front (BLF) activist Nadeem, her mother-in-law Mahnaz, and three children—Nugrah, Nazeenk, and Banadi along with others were picked up<sup>16</sup> by Counter Terrorism Department (CTD). While some were released on 18 February.<sup>17</sup> Mahal Baloch continued to be in detention without any formal charges. Later, she was declared a suicide bomber and charged by CTD for planning to attack important installations and security forces in Quetta.

With regard to Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (1984), one can see a large number of cases of enforced disappearances, physical inhuman tortures, and killings of Baloch activists. The Paank annual report, the human rights organization of the Baloch National Movement, underlines the fact that in 2022 alone, Pakistan Army forcibly disappeared 629, extra judicially killed 195 and tortured 187 people in Balochistan.<sup>18</sup>

However, this is not limited to Baloch alone. Minority Sindhis and Pakhtuns in the Pak-Af tribal borderland have also been subjected to such tortures. Such flagrant abuse of state power has gone largely unreported in international media. Reports by human rights outfits have often fallen into deaf ears.

#### Child Rights' Situation

The Convention on the Rights of the Child (1989) and the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child

<sup>&</sup>lt;sup>13</sup> Peter Jacob, **"<u>Is Racial Discrimination an Issue in Pakistan?</u>"** *The Express Tribune*, 20 July 2016.

<sup>&</sup>lt;sup>14</sup> Nilesh Kunwar, "<u>Balochistan Quagmire: Is Pakistan Army a Solution or Part of the</u> <u>Problem as Pak's Biggest Province Left 'High & Dry'</u>", *The Eurasian Times*, 27 December 2022.

<sup>&</sup>lt;sup>15</sup> Francesca Marino, "<u>How Pakistan Army Targets Women in Its Campaign against</u> <u>Balochistan Rebels,</u>" *The Quint*, 17 March 2023.

<sup>&</sup>lt;sup>16</sup> Ibid.

<sup>&</sup>lt;sup>17</sup> Amnesty International, "Pakistan: End Arbitrary Detention of Mahal Baloch."

<sup>&</sup>lt;sup>18</sup> "Pak Army Killed 195, Forcibly Disappeared 629 People in Balochistan, Says Paank Annual Report 2022," The Statesman, 12 January 2023.

Labour, No. 182 (1999) too have not been implemented by the State of Pakistan wholeheartedly. Pakistani children are vulnerable to various forms of violence and exploitation including physical, psychological, sexual, economic and trafficking.<sup>19</sup>

The state has failed to establish a public coordinated child protection case management and referral system at par with international standards. The National Commission on The Rights of Child on its official website claims that "In Pakistan, we are witnessing an increase in the rates of child rights violation cases across all sectors."<sup>20</sup> The International Labour Organization recognizes the fact that "child labour cuts across the sectors but is largely prevalent in the rural economy."<sup>21</sup> The United States Department of Labour also recognizes the problem of child labour in Pakistan. It categorically claims that "In 2021, Pakistan made minimal advancement because it continued to implement practices that delay advancement to eliminate the worst forms of child labor."<sup>22</sup>

## Trophy Hunting and Bio-Diversity

Most of the 12 conventions related to the environment, good governance and the fight against drug production and trafficking too met similar fate in Pakistan. As far as Convention on Biological Diversity (1992) is concerned, Pakistan openly violates it by officially inviting people for Trophy Hunting in illegally occupied territory in Gilgit-Baltistan. Forest, Wildlife and Environment Department, Government of Gilgit-Baltistan on its official website has listed 47 areas where Trophy Hunting is allowed. It also mentions Trophy Hunting statistics as 8 Markhors, 44 IBEX, and 8 Blue Sheep.<sup>23</sup> It is an open violation of Convention on Biological Diversity.

## Drug Trafficking

In reference to United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988), one can safely argue that Pakistan has been a gross violator of this particular convention. Pakistan is a major trafficker, processor, and to some extent, producer of illicit opium, which involve thousands of Pakistanis in the high profiting drug business.<sup>24</sup> Pakistan shares a 2,430 Km long border with its neighbour Afghanistan, the world's No.1 illicit drug producer, with three official crossing points (Torkham in Nangarhar, Ghulam Khan in Khost and Spin Boldak in

<sup>&</sup>lt;sup>19</sup> UNICEF, "<u>Child Protection: Protecting All Children in Pakistan from All Forms of</u> <u>Violence, Neglect and Exploitation.</u>"

<sup>&</sup>lt;sup>20</sup> <u>National Commission on the Rights of Child</u>.

<sup>&</sup>lt;sup>21</sup> "<u>Child Labour in Pakistan</u>," International Labour Organization.

<sup>&</sup>lt;sup>22</sup> Department of Labor, "<u>Minimal Advancement—Efforts Made but Continued Practice</u> <u>that Delayed Advancement,</u>" United States Department of Labour.

<sup>&</sup>lt;sup>23</sup> Forest, Wildlife & Environment Department of Government of Gilgit-Baltistan.

<sup>&</sup>lt;sup>24</sup> Ashish Shukla, "Drug Trafficking in Pakistan: Threat to Regional Security, *Himalayan and Central Asian Studies*, 14 (3), pp. 67-85.

Kandahar). It is well known that it is the drug money that kept the Taliban afloat and the Pakistani agencies actively promoted illicit drugs trade in the southern, central and western Asian regions to sustain the radical outfit throughout the global war on terror in Afghanistan. In Jammu and Kashmir and Indian state of Punjab, Pak agencies have tried their best to push drugs by all means (even through the use of drones) to give a fresh impetus to terrorism and violence in these two border provinces of India.

Multiple investigations done by India's Narcotics Control Bureau (NCB), the National Investigation Agency (NIA) and other agencies reveal that Pakistan-based cartel kingpins are behind smuggling of Afghanistan drugs through Pakistan.<sup>25</sup> It is believed that a significant portion of the money generated through illegal drug business goes into terror financing.

# Conclusion

There is enough documentary evidence to suggest that Pakistan has been a gross violator of most of the international conventions signed and ratified by itself. Given the growing EU commitment to implement 27 UN conventions related to Climate Change, Interfaith Harmony, Labour Rights, Human Rights, and Anti-Corruption, the EU must take Pakistan's bid for renewal of GSP+ status seriously. There is a lame argument that granting this status to Pakistan would encourage Pakistan to conform to these conventions incrementally and help it tackle its poorly managed economy in a manner that would strengthen the state's capacity to deliver the public goods to all communities in Pakistan. However, if one goes by history, Pakistan has not taken its commitment seriously and violated the conventions over and over again. Against this backdrop, any decision to extend GSP+ to Pakistan would only embolden its power elite to continue with its familiar policy of minority oppression and ethnoracial abuse.

<sup>&</sup>lt;sup>25</sup> Neeraj Chauhan, "Pakistan-based Cartel Kingpin Behind Smuggling of Afghanistan Drugs," Hindustan Times, 30 April 2023.

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