

Weekly POK News Digest

(A weekly news digest on Pakistan Occupied Kashmir)

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Gilgit-Baltistan
Diamer-Bhasha Dam
Shunthar **power generation**
tunnel **mega projects**

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Political Developments

'Boundary dispute between KP, GB tribes resolved'

Dawn, January 12, 2022

A grand Jirga constituted by the district administrations of Kohistan and Diamer settled the boundary dispute between Thor and Harban tribes of Gilgit-Baltistan (GB) and Khyber Pakhtunkhwa (KP) and also presented cheques to families who were killed during the dispute in 2014. The 26-member Jirga was constituted at the end of 2019 to resolve the thorny boundary dispute between the two tribes. The settlement will enable the Water and Power Development Authority (WAPDA) to accelerate construction work on the mega Diamer-Bhasha Dam project. The WAPDA chairman General (retd) Muzammil Hussain said that the "pre-partition issue" has finally been settled. He emphasized that the settlement has paved the way for the smooth execution of the dam project.

The WAPDA chairman also visited various sites of Diamer-Bhasha Dam project to review the progress. The project is being constructed on river Indus and scheduled to be completed in the year 2028-29. It is set to have a gross storage capacity of 8.1 Million Acre Feet (MAF) to irrigate 1.23 million acres of additional land. With an installed power generation capacity of 4,500 Mega Watts (MW), the project will provide more than 18 billion units per annum to the national grid. The construction of this dam will also have

a "positive impact on the annual energy generation" of existing hydel power stations, including Tarbela and Ghazi Barotha, which will increase by 2.5 billion units.

<https://www.dawn.com/news/1668977/boundary-dispute-between-kp-gb-tribes-resolved>

'Afridi asks overseas Pakistanis to lobby for Kashmir'

The Express Tribune, January 13, 2022

The chairman of the parliamentary committee on Kashmir, Shehryar Khan Afridi urged "overseas Pakistanis to lobby for Kashmir cause" in their host countries. He expressed these views while addressing participants of the first-ever overseas Pakistanis convention 2022. The event was held under the aegis of the parliamentary committee on Kashmir in collaboration with the Overseas Pakistanis Global Foundation (OPGF) and Graana.com.

He said that the future belongs to Pakistan as the Prime Minister (PM) Imran Khan is working hard to "revive the country's economy" but it would take some time to clear the "70 years mess." He said that all the stakeholders were united to support and facilitate the overseas Pakistanis irrespective of their political leaning. The convention was attended by officials from all the government departments and various federal ministers. During the convention, the senior Hurriyat leader Ghulam Mohammad Safi said that "Kashmiris genuine struggle for the right of self-determination" cannot be confused with "terrorism." He lauded

the chairman of the Kashmir committee Shehryar Khan Afridi for raising awareness on Kashmir among overseas Pakistanis.

<https://tribune.com.pk/story/2338500/afridi-asks-overseas-pakistanis-to-lobby-for-kashmir>

‘Pasban-e-Hurriyat laments on AJK govt regarding Kashmir freedom movement’

Daily Parliament Times, January 13, 2022

The chairman of Pasban-e-Hurriyat, Uzair Ahmad Ghazali said that the government of “Azad Jammu and Kashmir” (AJK) should fulfill its “constitutional role” for the “independence of the occupied state.” He said that in “Indian Illegally Occupied Jammu and Kashmir” (IIOJK) Muslim identity, state unity, and disputed status all are at risk. He maintained that in these circumstances, the government of the “independent part of the state”, political, religious parties, and 4.2 million people, realizing their constitutional, religious, and national responsibilities, should clarify their role for the “liberation of the occupied state.” He further noted that for the last 74 years in general and after August 5, 2019, in particular, the way “India has divided the state of Kashmir” has torn apart the “Muslim identity.”

He stated that for the last 891 days since August 5, 2019, the absence of protests is giving rise to many questions. Ghazali expressed concerns by saying that “disengagement of the base camp” rulers and politicians from the

“Kashmir independence movement” is a great tragedy. He lamented that the “people of the occupied state” are going through the most difficult period in history and the silence of the government of AJK in this deteriorating situation in ‘IIOJ&K’ is a question of the “existence and role” of the base camp government. He appealed to the incumbent government of AJK and the people of “Azad Kashmir” to play their role in the “liberation of the occupied state from Indian atrocities.”

<https://www.dailyparliamenttimes.com/2022/01/13/pasban-e-hurriyat-laments-on-ajk-govt-regarding-kashmir-freedom-movement/>

‘UK based medical organization to train AJK University students’

The Pakistan Daily, January 15, 2022

The international charitable organization, the Midlands Doctors Association (MDA) United Kingdom (UK) will impart training to students of the University of “Azad Jammu and Kashmir” (AJK) Muzaffarabad. While speaking during the signing of the Memorandum of Understanding (MoU), Vice-Chancellor (VC), Prof. Dr Muhammad Kaleem Abbasi lauded the social service of the MDA in the field of health and stressed that the students of the department of health and medical sciences of the university were fortunate to have an opportunity of getting training of international standards in their respective disciplines. During the meeting, Dr Syed Yousuf Iftikhar, chairman, MDA said that he has been active in

delivering social services in “Azad Kashmir” for over 18 years and now the clinical training of health sciences’ students is another big initiative of his association, which will have far-reaching effects on our society in the future.

<https://thepakistandaily.com/uk-based-medical-organization-to-train-ajk-university-students/>

Economic Developments

Pakistan announced 500 billion for AJK, historical step of government: Sardar Tanveer Ilyas

Daily Parliament Times, January 10, 2022

The Pakistan Tehreek-e-Insaf (PTI) “Azad Kashmir” president and minister Sardar Tanveer Ilyas Khan has said that PTI has come to power by breaking the status quo and people-friendly Prime Minister (PM) Imran Khan gave 1200 billion relief to the people during the Corona epidemic. He further said that “Azad Kashmir” had a lot of potential in terms of tourism and noted that the opening of more tourist destinations in “Azad Kashmir” would reduce a load of tourists in Murree. He said that one window tourism authority will be established in “Azad Kashmir” for swift facilitation of tourists. He appreciated PM Imran Khan Announcement of the construction of the Shunthar tunnel to connect “Azad Kashmir” and Gilgit-Baltistan (GB) which will reduce the journey by 12 hours for the people of Chilas and Astor.

He also stated that for the first time in the political history of Pakistan, the PTI

government has announced 370 billion for GB and 500 billion for “Azad Kashmir.” He noted that the funds for the mega-development package will be given to “Azad Kashmir” in phases.

<https://www.dailyparliamenttimes.com/2022/01/10/pakistan-announced-500-billion-for-ajk-historical-step-of-government-sardar-tanveer-ilyas/>

‘Tax exemptions: Two AJK hydropower projects concerned at proposed withdrawal’

Business Recorder, January 10, 2022

The two Hydro Power Projects (HPP) of cumulative capacity of 1824.7 Mega Watt (MW) being established in “Azad Jammu and Kashmir” (AJK) have raised “serious concerns” on the proposed withdrawal of tax exemptions including the imposition of 17 percent Good and Service Tax (GST) on import equipment and machinery. Li Xiaotao, the Chief Executive Officer (CEO) of Azad Pattan HPP and Zhang Jun CEO of Kohala HPP have written letters to special assistant to Prime Minister (PM) on China Pakistan Economic Corridor (CPEC) Khalid Mansoor and conveyed their concerns over the proposed amendments through finance supplementary bill 2021-22.

According to the CEO of the Private Power Infrastructure Board (PPIB) Company, the government of AJK has not yet adopted the Economic Coordination Committee (ECC) decision of 1% final and fixed tax on the offshore procurement contract for Kohala HPP. He maintained that the

Finance (Supplementary) Bill, 2021, was presented in the National Assembly on December 30, 2021, for approval, however, the Bill has not yet been passed. Some major changes have been proposed in the sales tax laws which will affect the Kohala HPP. The CEO, Kohala HPP maintained that the proposed withdrawal of exemptions will result in the imposition of 17% sales tax on all imports, resulting in not only cash flow impact but will also increase tax and financing costs. The 17 percent tax on imports will adversely impact Kohala HPP as the Bill is likely to be adopted as such by the government of AJK. He requests CPEC authorities to urgently resolve the issue as it will adversely impact in further processing of Kohala HPP which is under the CPEC.

The CEO, Azad Pattan HPP, in his letter has stated that the Government of Pakistan (GOP) proposing amendments to Pakistan tax laws (Finance Bill 2021) including withdrawal of sales tax exemption on import of machinery, equipment, and spares for initial installation in hydel power generation projects. The 700.7 MW Azad Pattan (CPEC) HPP located on the River Jhelum in the AJK being developed under the GOP's policy for power generation projects 2002 is due to achieve financial closing/construction start on or before December 31, 2022, and achieve commercial operations in 2027 to meet Pakistan's demand for energy as planned under Indicative Generation Capacity Expansion Plan (IGCEP) 2030.

The Azad Pattan HPP is being developed under the power policies which allow exemption from sales tax for the importation of machinery, equipment, and spares for power generation projects. The company has already executed all the concession documents, including the GOP Implementation Agreement (IA), which extends the power policy exemption from sales tax on import of machinery and equipment for the production of electricity. According to Li Xiaotao, the financial closing of the project is well advanced and, other than Sinasure coverage which has been impacted by the state of Pakistan's power sector, project financing of \$ 1.540 billion is already locked-in with the finance facility agreement executed with the consortium lenders on December 31, 2021.

The proposed change to levy sales tax on imported machinery, equipment, and spares will cause a default under the GOP implementation agreement and will lead to an immediate funding shortfall, aborting and disrupting the financial closing process. Thus, the whole financing structure and risk profile of the sponsors will be disturbed and could lead to the failure of the project, he noted. He has requested relevant authorities to continue such concession for power generation projects that have issued Letter of Support (LoS) on or before June 30, 2021.

<https://www.brecorder.com/news/40145915/tax-exemptions-two-ajk-hydropower-projects-concerned-at-proposed-withdrawal>

‘Telecom ministry’s subsidiary refuses to launch projects in GB, AJK’

Dawn, January 12, 2022

The Universal Service Fund (USF), a subsidiary of the federal information technology ministry, has declined to launch telecom projects in Gilgit-Baltistan (GB) and “Azad Jammu and Kashmir” (AJK) insisting that the two regions are “constitutionally not part of the country” and the cellular mobile companies could object to the utilization of the amount generated in Pakistan there. The USF was asked by GB Chief Minister (CM) Khalid Khurshid in a recent meeting that the domain of the USF should be extended to GB to improve internet connectivity in the region and make the facility available in remote areas.

The Pakistan President Dr Arif Alvi chaired the meeting, which discussed ways and means to improve internet service in GB and AJK. The GB CM said that the recent 3G and 4G spectrum auctions would help improve telecom and internet services in GB but as the region had no internet service provider, there were problems regarding the internet facility. However, the senior management of the USF declined to extend the sought-after services to GB saying the region is ‘constitutionally out of the country’. The Information Technology (IT) and telecom minister Syed Aminul Haq suggested that the matter be forwarded to the law ministry to know if the USF Pakistan can spend its funds in GB and AJK regions. He also said the contributions

to USF Pakistan were made by the companies operating in Pakistan and therefore, any of the four mobile operators could object to the spending of the amount in GB and AJK.

The meeting was informed that the USF was a subsidiary of the IT and telecom ministry to expand the internet and telecom services to remote areas of the country, where the telecom companies and internet service providers didn’t enter in such areas, which are not commercially viable. The telecom minister also said the other option was to amend the relevant rules to allow the USF to work as an agent for GB and AJK councils and execute their projects from the fund contributed by four telecom operators from their revenues.

<https://www.dawn.com/news/1668905/telecom-ministrys-subsiadiary-refuses-to-launch-projects-in-gb-ajk>

‘Human lives matter’

Editorial, Dawn, January 13, 2022

The tragedy in Murree has shaken the people of Pakistan and appalled many. The government’s approach towards the tragedy remains largely reactive rather than proactive. Tourism has become a buzzword in Pakistan. In December 2021, while inaugurating the Jaglot-Skardu Road and Skardu’s International Airport, Prime Minister (PM) Imran Khan made the tall claim that Pakistan can earn revenues of \$30-40 billion from tourism in Gilgit-Baltistan (GB) alone. This astonishing claim needs to be substantiated by some data. The only variable behind

the PM's statement seems to be the 'exceptional beauty of GB'. Data for 2009-2019 shows Pakistan's average annual earnings from tourism at \$1.03 billion. Claiming that the tourism potential of GB alone is \$30 billion "sounds ludicrous." The reality is different and bleak. The region is in "constitutional limbo" since its independence in 1947 and "deprived of its political rights." GB has no representation in the national legislature due to its "linkage with the Kashmir issue." Although a GB assembly is in place, its legislative subjects and powers are limited. Most administrative matters are dealt with either by powerful civil servants appointed by the federal government or by the federal ministry of Kashmir affairs and GB. The region is also dependent on the center for its budget. The budget has two components: non-developmental expenditure and development. According to Basharat Ghazi, a lawyer and civil rights activist from Skardu, more than half of the budget given to GB by the federal government is now consumed in non-developmental expenditure, i.e. salaries of civil servants, secretaries, assembly members, advisors to the GB chief minister, their office expenditure, protocol, etc. The remaining budget is given to members of the GB assembly for development in their respective constituencies. However, mega projects in GB such as road networks, hospitals, etc are approved and executed through the Public Sector Development Programme (PSDP) of the planning commission of Pakistan. In this,

according to Ghazi, GB's legislators have no say.

The federal government's "ad hoc treatment has deprived the region" of basic facilities. Electricity shortages throughout the year, poor communication facilities; and lack of other social services have made people's lives miserable. The situation in the health sector is abysmal. It took several days of protests and later sit-in by people of district Ghanche to get a lady doctor in Khaplu's district headquarter hospital last year. The road infrastructure is also feeble, with the Karakoram highway often getting blocked due to landslides. GB cannot accommodate the constantly rising numbers of tourists. In 2021, Skardu, known as GB's tourism capital, had so many tourists that its accommodation facilities were exhausted. According to GB's Tourism Minister Raja Nasir Ali Khan, 0.7 million tourists visited the area from May to July 2021. According to the Tourism and Hospitality Management Department of the Karakoram International University in Hunza, there were 2 million visitors to GB last year.

The large influx of people has put enormous pressure on the resource-deprived region. What is mostly neglected in promoting GB is its ecological fragility. The region is home to the world's largest non-polar glaciers, many of which are depleting. An increase in traffic and human presence has already aggravated the situation. Frequent Glacial Lake Outburst Floods are threatening the

indigenous population. Many lives have already been lost due to this phenomenon and several hectares of cultivable land destroyed. Furthermore, in many areas, unplanned concrete structures without sewerage and garbage disposal systems are mushrooming on agricultural lands, to accommodate tourists. How can a region with such challenges and scarcity of basic facilities, be promoted as a tourist destination? By all means look towards Switzerland, not to compete with it in a 'natural beauty' contest but to learn from its experience in sustainable and eco-friendly tourism.

<https://www.dawn.com/news/1669138/human-lives-matter>

NTDC completes 2nd Phase of 500 KV Neelum-Jhelum Transmission Line

Daily Parliament Times, January 14, 2022

The “Azad Jammu and Kashmir” AJK National Transmission and Dispatch Company Limited (NTDC) has completed the 133-kilometer long 2nd phase of 500 Kilovolts (KV) Neelum-Jhelum double circuit transmission line. The NTDC spokesman said that the transmission line has been completed in two phases. The spokesman further updated that in addition to power evacuation from Neelum-Jhelum Hydro Power Project (HPP), NTDC has also connected 720 Mega Watt (MW) Karot HPP through looping with the Neelum-Jhelum to Nokhar transmission line. Presently, the testing of 720 MW Karot HPP is underway and after its successful

commissioning, 720 MW cheap energy will soon be added to the national grid.

<https://www.dailyparliamenttimes.com/2022/01/14/ntdc-completes-133-km-2nd-phase-of-500-kv-neelum-jhelum-transmission-line-from-ajkbased-969-mw-njhpp/>

From Vernacular Urdu Media

PM and President of AJK meet at Aiwan e Sadr Kashmir House

Jammu and Kashmir Times, January 13, 2022

The Prime Minister (PM) of “Azad Jammu and Kashmir” (AJK) Sardar Abdul Qayyum Niazi meet with the president of ‘AJK’ Barrister Sultan Mehmood Chaudhry at Aiwan-e-Sadr Kashmir house. During the meeting, they agreed to take up the “Kashmir issue aggressively” at the international level. Both the leaders “condemned the ongoing atrocities in Occupied Kashmir” and agreed that the “independent government” would continue to show solidarity with the people of “occupied Kashmir.” The two leaders also agreed to hold early local body elections in ‘AJK’ in light of the decision of the Supreme Court. The president and PM of ‘AJK’ also stressed that merit will not be allowed to be trampled on in “Azad Kashmir” as per Imran Khan’s vision. The president of ‘AJK’ further stressed that along with construction and development in “Azad Kashmir,” good governance will also be made possible so that together we can make “Azad Kashmir” a model state in all respects.

<http://jammukashmirtimes.com/wp-content/uploads/2022/01/FRONT-PAGE-13.jpg>

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Disclaimer

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