

Weekly POK News Digest

(A weekly news digest on Pakistan Occupied Kashmir)

Volume 5 | Issue 53

29 December 2025 - 04 January 2026

POK
Sectarianism
Refugee seats
Gilgit-Baltistan
Awami Action Committee
Caretaker Cabinet
Nadra
FBR



MANOHAR PARRIKAR INSTITUTE FOR
DEFENCE STUDIES AND ANALYSES

मनोहर पर्रिकर रक्षा अध्ययन एवं विश्लेषण संस्थान

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Political Developments

When Brotherhood Broke: Sectarianism in Gilgit-Baltistan After 1988

Pamir Times, 29 December 2025

Gilgit Baltistan, a region located in the northern region of Pakistan, has always had different religious communities living in it. Before 1988 the tensions in the region were between different religious groups rather than between the two sects of Islam, Shia and Sunni, who before the conflict were living in peace, harmony and brotherhood. However, the peace and harmony between the two sects was not everlasting and the seeds of hatred were sowed in the hearts of the people after a violent episode known as the Gilgit massacre that happened in 1988. It completely distanced the people and they began seeing each other as enemies rather than brothers.

The massacre of 1988 marked a major shift in the region's history giving rise to long-lasting and persistent religious conflict between the two sects. Since the incident, the division between the sects has been persistent leading to tensions and causing social, political and economic unrest in the region. The people of Gilgit Baltistan are still dealing with the aftermath of the incident at the price of sacrificing their peace.

Before 1988, the people of the sects lived in harmony. Historical documents and evidence show that

although there were some minor conflicts and disagreements between the two sects, there was no organised form of hostility or hatred. The two sects lived happily sharing the same neighbourhood, doing business with each other freely, and intermarriages between the two sects were quite common. The 1988 massacre was truly the main trigger for the continuous violence. Villages were burned, people were killed, and the state failed to provide protection. This created deep resentment among the communities, especially the Shia community, which believed the state was favouring and protecting the Sunni community.

The Zia ul Haq Islamization policies were an important cause. He wanted to impose Sunni-oriented Islam throughout the country and institutionalise it. During his era, the rise of anti-Shia groups also seemed a state-supported act. The Shia community feared that its sectarian identity would be threatened and started to unite and resist. The opening of the Karakoram Highway also contributed to sectarian violence. It led to the influx and settlement of non-local Sunni population in the region. The Shia community believed this act was done to disturb the Shia majority. The abolishment of the state subject rule led to the Shia community feeling politically and socially alienated.

External ideologies and influences also played a major role. After the Iranian revolution in 1979 the Shia organisations in Gilgit Baltistan became

more active. To counter the Iranian influence, Saudi Arabia started funding the Deobandi madrassas. These two forces promoted their motives and ideologies through the help of religious institutions, clerics and literature. The opening of the Karakoram Highway also led to students going to different cities where they studied in sectarian madrassas and developed strong sectarian identities.

The lack of a proper education system in the region is another cause. In Gilgit Baltistan even today Shia parents favour to send their children to Shia-managed schools and Sunni parents favour to send their children to Sunni-managed schools. The curriculum is different in Shia and Sunni schools. Teachers are not properly trained to handle religious diversity, which develops a one-sided narrative. Madrassas play a key role where strong sectarian literature is taught, leading to people developing strong sectarian identities instead of a single and collective Islamic identity.

The long-term persistence of sectarian conflict after 1988 can be seen in the assassination of Agha Ziauddin in 2005, the Gilgit skirmishes in 2009, the 2012 Chilas and Kohistan bus incidents, and the 2023 blasphemy case. These repeated incidents show that sectarian tension is ongoing, not temporary, and it still shapes the region's political and social life.

Sectarian tensions in Gilgit Baltistan have developed through a combination

of factors: state policies, external influences, differences in religious beliefs, and past grievances all working together. These factors are not separate; they affect each other. Anger related to past incidents makes people ready to fight for their sects. Government actions made one side feel marginalised and alienated. External forces continue to send ideologies and funding. Continuous tensions in the region cannot be explained by a single factor.

Solving sectarian tensions in Gilgit Baltistan requires solving immediate problems and adopting an all-embracing long approach involving all segments of society. The problem regarding political representation must be solved so that people of different sects may not feel marginalised. Every sect should be given equal representation in the local government with constitutional guarantee of protection of their rights and freedom to their sectarian practices. People should be encouraged to trust institutions like police and courts. An independent investigation body should be made to deal with sectarianism and punish those responsible.

Changes in the educational curriculum should promote an anti-sectarian approach including beliefs from both sides. Teachers must be trained not to give biased opinions. Madrassas must be kept under surveillance and their funding sources monitored to prevent foreign influence. Sectarian mixed settlements should be promoted so

people may begin living in harmony and viewing each other as neighbours rather than rivals. Discussion and dialogue should take place between the sects to put aside differences and work together for the prosperity of the region. Media and social media can play an important part in peace promotion. Women must be actively included in solutions because they can solve problems in ways men cannot.

Sectarian peace in Gilgit Baltistan is entirely achievable, but it demands political will, justice for past violence, and a return to the region's legacy of pluralism. The massacre of 1988 didn't just start a conflict or a cycle of hatred, but it broke something major, the brotherhood that had lasted for centuries. The hatred is neither natural nor inevitable; it is kept alive by many forces. The seeds of peace already exist. They need protection from external manipulation and nourishment through inclusive development and truth-based healing.

<https://pamirtimes.net/2025/12/29/when-brotherhood-broke-sectarianism-in-gilgit-baltistan-after-1988/>

Kashmir EC, Nadra discuss computerised electoral rolls

Dawn, 30 December 2025

The 'Azad Jammu and Kashmir' (AJK) Election Commission on Monday held a meeting with officials of the National Database and Registration Authority (Nadra) to modernise the electoral system and ensure transparency,

accuracy and efficiency ahead of the forthcoming general elections in the region. The meeting, chaired by Election Commission member Syed Nazirul Hassan Gilani, focused on the installation of a computerised electoral rolls system, its technical framework, data security and inter-agency coordination.

According to a press release, Mr Gilani urged Nadra and the 'AJK' Information Technology (IT) Board to expedite all required steps for the installation of the system to ensure the conduct of free, fair and impartial elections. Nadra officials briefed participants on various modules of the computerised system, including the preparation, verification and timely updating of voter data. They said the software development was 99 percent complete and, after undergoing quality assurance, would enter the installation phase within two weeks.

Participants were told that the new system would significantly reduce errors in voter lists and help prevent duplicate registrations. The meeting also discussed linking the system with Nadra's database, biometric verification and automated updates. Officials of the 'AJK' IT Board presented proposals relating to data security, cyber protection and system hosting, while a cyber security specialist underlined the importance of safeguarding sensitive electoral data, preventing unauthorised access and maintaining backup systems.

The participants expressed confidence that the timely installation of the computerised electoral rolls system would play a vital role in holding transparent, fair and credible elections in 'Azad Jammu and Kashmir'. It was agreed to further strengthen coordination and a joint working mechanism among the Election Commission, Nadra and information technology institutions. Those who attended the meeting included Secretary Election Commission Raja Shakeel Khan, Assistant Election Commissioner Muhammad Umar Sheikh and Secrecy Officer Raja Waseem, Secretary IT Rashid Hanif, IT Board's Deputy Director Nadeem Taj, Focal Person Mohsin Mustafa, Cyber Security Specialist Ahsan Sardar and Assistant Director Information Khawaja Imranul Haq. Nadra was represented by Alamdar Hussain, Head of E-Governance, Junaid Ahmad, Director Technology, Rehman Gul, Director Network, Zahid Abbas, Project Manager, Zeeshan Mughal, Software Specialist, and a representative of its IS Department.

The 'AJK' Election Commission comprises Chief Election Commissioner (CEC) and two members – one of them designated as senior member. While the CEC is appointed by the 'AJK' President on the advice of the 'AJK' Council Chairman - the Prime Minister of Pakistan - from among a panel proposed by the 'AJK' Prime Minister in consultation with the

Leader of the Opposition, the appointment of both members is made by the President solely on the advice of the 'AJK' Premier.

Even though next general elections are due in July 2026, the Commission has been without a CEC since January 14, a day after the completion of the five-year term of retired Justice Abdul Rashid Sulehria. The post of senior member also remains vacant, while Mr Gilani was appointed as a member by former prime minister Chaudhry Anwarul Haq on January 11.

<https://www.dawn.com/news/1964013/kashmir-ec-nadra-discuss-computerised-electoral-rolls>

PM opens nuclear medicine centre in 'AJK'

Dawn, 29 December 2025

Prime Minister Shehbaz Sharif on Sunday praised the Pakistan Atomic Energy Commission's (PAEC) role in the health sector, calling modern cancer treatment the greatest service to humanity.

Addressing the inaugural ceremony of the Kashmir Institute of Nuclear Medicine, Oncology and Radiotherapy (KINOR), the prime minister said there could be no nobler profession than serving patients at their doorsteps, particularly those who previously had to travel from Muzaffarabad and other remote areas of 'Azad Jammu and Kashmir' (AJK) to Islamabad for treatment of the life-threatening disease. In his remarks, broadcast live

on national television channels, he commended the efforts of PAEC and other related authorities and urged them to remain mindful of the pain and suffering of patients who lacked the financial resources to bear the high costs of cancer treatment.

Referring to his personal experience, the prime minister said he himself was a cancer survivor and that treatment for the disease was expensive. He stressed the need to consider the hardships faced by patients who travel from remote parts of the country to major cities for treatment and are unable to afford the associated expenses.

Lauding PAEC's services, he emphasised the need to take further steps to contain the disease by providing hope and relief to cancer patients. Earlier, the prime minister visited various departments of the hospital and was briefed on the facilities available. Speaking on the occasion, PAEC Chairman Dr Raja Ali Raza Anwar highlighted the commission's contributions to the health sector, stating that 20 cancer treatment centres established with PAEC support were currently bearing around 80 per cent of the country's cancer patient load.

He said PAEC was providing the latest facilities and care through awareness, screening, and early diagnosis. He added that KINOR would be the 21st such facility in the country and would offer quality healthcare services to 'AJK' residents close to their homes,

equipped with modern technology under the supervision of PAEC oncology experts.

Dr Anwar noted that nearly 60pc of patients present at advanced stages of the disease, underscoring the urgent need for early screening, awareness, and timely diagnosis. He added that approximately 1,000 new cancer patients from 'AJK' travel annually to PAEC hospitals in other provinces, facing long distances and significant financial burdens.

<https://www.dawn.com/news/1963854/pm-opens-nuclear-medicine-centre-in-ajk>

Justice Khalid sworn in as 'Azad Kashmir' SC judge

Dawn, 30 December 2025

Justice Khalid Yousaf Chaudhary was sworn in as a permanent judge of the 'Azad Jammu and Kashmir' (AJK) Supreme Court on Monday, three days after his appointment was made by the 'AJK' President on the advice of the Chairman of the 'AJK' Council - the Prime Minister of Pakistan. The oath was administered by Chief Justice Raja Saeed Akram at a ceremony held in the apex court building. The event was attended by serving and former judges of 'AJK's superior judiciary, office-bearers and members of lawyers' bodies, and senior civil servants.

Among those present were Justice Raza Ali Khan, senior judge of the 'AJK' Supreme Court, and Justice Sardar Liaqat Hussain and Justice Chaudhry Khalid Rasheed, the Chief Justice and a

judge of the 'AJK' High Court, respectively. Born in June 1969 in Mirpur, Justice Yousaf earned his law degree from the University of the Punjab, Lahore, in 1995, followed by a certificate in Quranic studies from the International Islamic University, Islamabad, in 1996.

During his career as a practising lawyer, he had held various offices in lawyers' bodies, including the 'AJK' Bar Council. In May 2018, he was appointed as a judge of the 'AJK' High Court along with three other members from the bar and one from the bench. However, in July 2020, those appointments were declared ultra vires the Constitution and without lawful authority by the Supreme Court owing to certain technical grounds.

In March 2022, Justice Yousaf was appointed by the government as Custodian Evacuee Property, a position he held until his elevation to the apex court.

<https://www.dawn.com/news/1964023/justice-khalid-sworn-in-as-azad-kashmir-sc-judge>

Govt payments in 'AJK' to remain suspended for two weeks

Dawn, 2 January 2026

All government payments in 'Azad Jammu and Kashmir' (AJK) will remain suspended for two weeks from next Tuesday owing to an upgrade of the SAP (Simple Application Product) financial management system, according to a circular from the accountant general's office.

"As informed by the 'AJK' Controller General of Accounts, the Directorate of Federal Accounts (FABs), Islamabad, will carry out the system upgrade, during which the SAP system will remain non-functional, and, consequently, no payments will be processed through the system from January 6 to January 20," read the circular issued by Additional Accountant General Mir Muhammad Asghar. In order to avoid disruption, the circular urged all divisional and district accounts officers to clear all receipted bills before the shutdown. They were also instructed to ensure daily clearance of claims and bills and to maintain a zero balance in the Bill Tracking Report (BTR) up to Jan 5.

In an unusual move, the weekly holidays on Jan 3 and 4 were cancelled, and all accounts offices across 'AJK' would remain operational on these dates to facilitate timely processing and clearance of government payments. The circular described the matter as "most important" and stressed strict compliance with the instructions to minimise inconvenience during the system upgrade period.

<https://www.dawn.com/news/1964594/govt-payments-in-ajk-to-remain-suspended-for-two-weeks>

Centre notifies body to review 'AJK' refugee seats clause

Dawn, 31 December 2025

The federal government has notified a nine-member committee to deliberate

on a contentious clause of an agreement signed nearly three months ago among the Centre, the 'Azad Jammu and Kashmir' (AJK) government and the Jammu Kashmir Joint Awami Action Committee (JKJAAC).

A notification to this effect, issued by the Ministry of Kashmir Affairs and Gilgit-Baltistan and dated Dec 29, surfaced on social media on Tuesday. According to it, the committee comprises Mian Abdul Waheed, the senior-most 'AJK' minister, and advocates Sardar Tahir Anwar and Raja Ejaz Ahmad Khan as nominees of the 'AJK' government, while advocates Raja Amjad Ali Khan, Sardar Arbab and Saad Ansari represent the JKJAAC.

The federal government is represented by Muhammad Khashihur Rehman, draftsman/additional secretary; Hassan Mahmood, legislative adviser; and Taim-oor Zareen Khan, consultant research — all from the Ministry of Law and Justice. Under its terms of reference, the committee will deliberate on the issue of "members of the 'AJK' Legislative Assembly other than the 'AJK' constituencies (sic)," a reference to the 12 legislators elected from constituencies reserved for Pakistan-based refugees from India-held Jammu and Kashmir.

The committee has been authorised to meet as frequently as required and submit its recommendations to the Monitoring and Implementation (M&I) Committee constituted under the

Muzaffarabad Agreement. The agreement was signed in the small hours of Oct 4 following prolonged negotiations between an eight-member federal team and the JKJAAC leadership, after a week-long shutdown across 'AJK' which left at least 10 people, including activists and policemen, dead and dozens injured.

At the time of the agreement, an M&I Committee was also constituted, comprising federal ministers Amir Muqam and Dr Tariq Fazal Chaudhry, along with two nominees each from the 'AJK' government and the JKJAAC, "to oversee and implement the accord". The committee was also mandated to review and rationalise the perks and privileges of the judiciary, ministers and government officials in view of financial constraints. While the main agreement addressed several political, economic and administrative demands, it separately provided for the formation of a high-powered legal committee to deliberate on the controversial issue of the 12 refugee seats.

The first meeting of the M&I Committee was held in Islamabad on Oct 21, after which it was decided to convene the next session in Muzaffarabad on Nov 15. However, the meeting eventually took place on Nov 21, a day after the JKJAAC addressed an open letter to 'AJK' Prime Minister Raja Faisal Mumtaz Rathore, alleging that the agreement had remained largely unimplemented beyond agreed timelines.

When contacted on Tuesday, the JKJAAC expressed regret over what it termed an inordinate delay in the formation of the committee, particularly at a time when public warnings of renewed protest had begun to surface. "This step should have been taken within 15 days of the signing of the Muzaffarabad agreement, but it took almost 90 days," said Raja Amjad Ali Khan, one of the notified committee members.

<https://www.dawn.com/news/1964231/centre-notifies-body-to-review-ajk-refugee-seats-clause>

‘AJK’ govt claims ‘over 90pc progress’ on pact with Awami Action Committee

Dawn, 3 January 2026

The ‘Azad Jammu and Kashmir’ (AJK) government on Friday claimed it had resolved or was moving towards resolution of more than 90 per cent of the issues agreed upon with the Jammu and Kashmir Joint Awami Action Committee (JKJAAC), less than two months after assuming office.

Prime Minister Raja Faisal Mumtaz Rathore made the claim during a multimedia briefing for journalists on the clause-by-clause implementation of the 39-point agreement with the rights movement. The briefing was held at the PM office soon after the fifth cabinet meeting. The premier was accompanied by Finance and Inland Revenue Minister Chaudhry Qasim Majeed, Information and Religious Affairs Minister Rafique Nair,

Elementary and Secondary Education Minister Deevan Ali Khan Chughtai, Chief Secretary Khushal Khan and other senior officials.

"The issues that had pushed people onto the streets were made our top priority from day one, and we did not waste a moment in taking steps in the public interest," the prime minister said, adding that his government took office on Nov 17 and had since worked to restore public confidence in the political system.

He said a widening gap between the government and the public during the previous regime had been bridged through dialogue and engagement, and stressed that his government would not allow any atmosphere of chaos in the state. "This state can no longer afford the loss of lives," he said. "Even the most serious problems can be resolved through dialogue, provided it is practical and based on facts," he added.

Describing members of the JKJAAC as "our own people," Mr Rathore said his government had no ego and remained committed to addressing public grievances, including issues beyond the agreement. He said the doors of the Prime Minister's Office, ministers and the bureaucracy were open to the public, and announced that an investment conference before the upcoming free and fair general elections would be held in the state.

Taking the floor after his remarks, Mr Majeed, a member of the government's negotiating team, said that under the

agreement, the government had withdrawn 177 of 192 FIRs registered against protesters, paid compensation to families of those killed or injured in the October 2025 incidents, and provided jobs to next of kin of the deceased. He added that all government employees suspended for participating in the movement had also been reinstated.

He said judicial commissions were being formed to review FIRs related to fatalities and incidents in several districts, while a monitoring and implementation committee had been constituted and had already held its first meeting to regularly assess progress on the agreement. The minister said the cabinet had approved the issuance of health cards, the establishment of two additional boards of intermediate and secondary education for Muzaffarabad and Poonch divisions, and amendments to the local government law, though the latter matter was pending before the high court. He added that a committee comprising ministers and student representatives had been formed to work on the restoration of student unions and to propose a code of conduct.

Mr Majeed said the federal government had assured Rs10 billion for upgrading the electricity system, while PC-Is worth Rs5.5bn had been approved for installing MRI and CT scan machines in district hospitals. He said a chief executive officer had been appointed for the Universal Service Fund to

improve cellular and internet connectivity in 'AJK', adding that feasibility studies had been completed or were under way for major water supply schemes across the state. Continuing, he said the government had retained a 20-member cabinet in line with the agreement and rationalised departments accordingly.

Referring to financial reforms, he said the government had provided Rs2.9bn to the Bank of 'AJK' to help it meet the requirements for scheduling, and that the bank's digital application would be launched soon. Some demands, including the abolition of advance tax, required further review due to their fiscal impact, he said, adding that consultations with the JKJAAC were continuing.

Both the premier and the finance minister expressed gratitude to the president, the prime minister and the government of Pakistan, as well as the PPP chairman and national institutions for their cooperation in implementing the agreement.

<https://www.dawn.com/news/1964832/ajk-govt-claims-over-90pc-progress-on-pact-with-awami-action-committee>

14-Member Caretaker Cabinet for Gilgit-Baltistan Notified After Over a Month's Delay; One Woman Included as Advisor

Pamir Times, 2 January 2025

More than five weeks after the caretaker Chief Minister of Gilgit-Baltistan took oath on 25 November,

the Federal Government has finally notified a 14-member Caretaker Cabinet for the region, which includes one woman appointed as an advisor.

According to an official notification issued by the Gilgit-Baltistan Council, the appointments were made by the Prime Minister in his capacity as Chairman of the Gilgit-Baltistan Council, on the advice of the caretaker Chief minister, under Article 48-A(2) of the Government of Gilgit-Baltistan Order, 2018. The caretaker cabinet comprises 12 ministers and two advisors, including Syeda Fatima, who has been appointed as the sole woman advisor.

Caretaker Cabinet Members

1. Sajid Ali Baig (Minister)
2. Engr. Altaf Hussain (Minister)
3. Ghulam Abbas (Minister)
4. Col (Rtd) Akbar Ismail (Minister)
5. Mehter Dad (Minister)
6. Sharafat Din (Minister)
7. Maulana Sarwar Shah (Minister)
8. Raja Shehbaz Khan (Minister)
9. Mumtaz Hussain (Minister)
10. Dr Nisar Ali (Minister)
11. Syed Adil Shah (Minister)
12. Bahadur Ali (Minister)
13. Syeda Fatima (Advisor)
14. Abdul Hakeem (Advisor)

The delayed announcement of the caretaker cabinet had drawn attention in political and administrative circles, as the caretaker Chief minister had assumed office on 25 November, while the cabinet notification was issued more than a month later.

<https://pamirtimes.net/2026/01/02/82625/>

Protests erupt in GB over caretaker cabinet appointments

Dawn, 4 January 2026

A protest organised by the GB Youth Movement was held outside the Gilgit-Baltistan Chief Minister Secretariat in Chinarbagh on Saturday against the appointment of alleged controversial personalities in the GB caretaker government. Political and civil society members also announced protests in Ghanche, Nagar and Shigar districts over the lack of representation in the caretaker cabinet.

Protesters alleged that several controversial individuals, who had been part of previous governments and were affiliated with political parties, had been appointed to the GB caretaker cabinet. They said the inclusion of such figures in the caretaker cabinet was part of an attempt at poll rigging in the upcoming GB general elections and was unacceptable. The protesters demanded representation of educated youth and neutral individuals in the caretaker cabinet.

They announced a sit-in protest until the decision to appoint the cabinet members was revoked. During the

protest, demonstrators blocked River Road in the Chinarbagh area. Later, Gilgit police arrested eight protesters, including the chairman of the GB Youth Movement.

GB Youth Movement Chairman Azfar Jamshed said that unless the youth were taken into confidence in the formation of the caretaker provincial cabinet, protests would continue not only in Gilgit but also by GB youth living in other provinces of the country. Political leaders from the PPP, PML-N and civil society members in Ghanche, Nagar and Shigar districts strongly rejected the appointments made without representation from their districts. Former GB Assembly member Sultan Ali Khan, Awami Action Committee Ghanche leader Zakir Hussain Kazim and Mohammad Iqbal rejected the caretaker cabinet.

Mr Kazim termed the non-representation of Ghanche district in the caretaker government as fuelling anxiety and frustration among the people of the district. "This fuels a sense of deprivation among the people of the border area, which may have far-reaching negative effects in the future," he added. He said appointing three people from a single district while ignoring three other districts raised serious questions about discrimination and the prospects of free and fair elections. He announced protests if the decision was not reviewed.

Similarly, political leaders from Nagar, including PPP's Muhammad Ali

Akhtar, PML-N's Javed Hussain and Sajjad Hussain, strongly reacted to the non-representation of Nagar in the caretaker cabinet. They said that despite Nagar's importance, ignoring its representation was discriminatory and announced resistance until equal representation was ensured. Political party representatives said that only favoured individuals from certain areas had been appointed to the caretaker cabinet, making the election process suspicious.

Meanwhile, the PML-N, PPP, GB Awami Action Committee and other political parties condemned the arrest of protesters and demanded their immediate release. Earlier, the appointment of the caretaker set-up had been mired in controversy, as PML-N GB president and former chief minister Hafeezur Rehman had raised concerns over the inclusion of certain individuals in the cabinet. He said the caretaker cabinet should include representation from all districts and ethnicities of the region, but alleged that some appointees were affiliated with political parties and belonged to specific areas.

Mr Rehman expressed concern that the inclusion of controversial figures could raise questions about the fairness and transparency of the upcoming elections. He said it was previously agreed that the 14-member caretaker cabinet would include representatives from all 10 districts and that no individual who had previously been part of a government or affiliated with

a political party would be appointed. He said recommending members from certain constituencies and districts and appointing controversial individuals violated the agreed criteria for a caretaker government.

<https://www.dawn.com/news/1964999/protests-erupt-in-gb-over-caretaker-cabinet-appointments>

‘AJK’ PM, PPP regional chief discuss CEC appointment, accord with rights group

Dawn, 4 January 2026

‘Azad Jammu and Kashmir’ (AJK) Prime Minister Faisal Mumtaz Rathore and Pakistan Peoples Party’s (PPP) regional president Chaudhry Muhammad Yasin on Saturday discussed the overall political situation in the territory, with particular focus on progress in implementing the agreement reached with a rights movement and the long-pending appointment of the Chief Election Commissioner (CEC).

The discussion took place during a breakfast meeting at the prime minister’s camp office at Kashmir House in Islamabad, according to an official press release. The meeting marked the first formal interaction between the two leaders after the installation of the PPP government on November 17 last year. Mr Yasin, a senior PPP parliamentarian who had been among the contenders for the office of prime minister ahead of the transition, subsequently reconciled with the party’s decision to nominate

Mr Rathore and extended his support to the new leadership.

During the meeting, the two leaders also reviewed preparations for the second phase of the prime minister’s public outreach campaign, during which he is scheduled to visit Mirpur Division. The visit is expected to begin in the second week of January from Charhoi and Khuiratta, the former being the hometown of Mr Yasin. According to the press release, Mr Yasin said the PPP government was committed to serving the people in line with the vision and philosophy of Shaheed Zulfikar Ali Bhutto and Shaheed Mohtarma Benazir Bhutto. He said the party’s decision to entrust leadership to Prime Minister Rathore reflected its priority for the Kashmiri youth.

“This is a heavy responsibility, and fulfilling it will require hard work and sincerity of purpose,” the PPP regional president was quoted as saying. Mr Yasin said the party had assumed power at a time when public confidence in the political system was waning, but added that within a short span of about 45 days, the PPP government had restored public trust through concrete and practical steps to address people’s problems. Prime Minister Rathore, while thanking Mr Yasin, said the guidance and confidence of the party leadership were a source of honour for him. He reiterated that the PPP government believed in public service, transparent

governance and the promotion of merit.

The prime minister said that full implementation had already been ensured on several points of the agreement reached with the Joint Awami Action Committee, while progress was under way on other matters as well. He pledged that all available resources would be utilised to resolve the issues faced by the people of the liberated territory.

<https://www.dawn.com/news/1964923/ajk-pm-ppp-regional-chief-discuss-cec-appointment-accord-with-rights-group>

Economic Developments

Tax-exempt goods meant for G-B: FBR introduces safeguards to prevent misuse

Business Recorder, 31 December 2025

The Federal Board of Revenue (FBR) has placed new safeguards to ensure that tax-exempted goods, meant for Gilgit-Baltistan (GB), are not misused and do not adversely affect the interests of traders and the business community in tariff areas of Pakistan.

According to the details released by the FBR on Tuesday, the FBR has taken note of concerns expressed by traders, stakeholders, and trade bodies about the proposed procedure regarding non-levy of federal taxes on goods imported for exclusive consumption in Gilgit-Baltistan (GB). FBR hereby clarifies that a comprehensive and robust mechanism has been put in place to

ensure that these tax-exempted goods are not misused and do not adversely affect the interests of traders and the business community in the rest of Pakistan.

Gilgit-Baltistan enjoys a special status, and certain federal tax laws including the Sales Tax Act, 1990, Income Tax Ordinance, 2001 and Federal Excise Act, 2005 have not been extended to the territory. In view of this status and following representations from the GB Government and traders, the Federal Government agreed that imports made through the Sost Dry Port for consumption exclusively within GB shall not be charged under the Sales Tax Act, 1990, Income Tax Ordinance, 2001 and Federal Excise Act, 2005 at the import stage. However, to ensure fiscal discipline and prevent misuse, a strict annual ceiling of Rs. 4 billion has been imposed on the goods imported for GB under this arrangement.

To operationalize this policy transparently and effectively, the following safeguards have been instituted:

- (i); **Trader-Wise Quota Allocation:** The Government of GB will determine trader-wise quotas for tax free goods meant for use in GB. These quotas, collectively, shall not exceed the annual cap of Rs. 4 billion.
- (ii); **Automated Control through Customs Systems:** Pakistan Customs, under FBR, has developed a dedicated module

in the WeBOC (Web-Based One Customs) system to automatically register, debit, and monitor these quotas in real time. Once a trader's allocated quota is exhausted, the system will automatically block further tax-free imports, and applicable taxes will be collected in accordance with law.

Restriction on Movement of Goods: The Government of GB has formally committed to ensure that such goods are utilized strictly within the territory of GB. In addition, Pakistan Customs has devised an enforcement mechanism to prevent the movement of exempted goods from GB to other parts of the country.

Strict Penal Measures for Violations: As per the agreement with GB government and traders, any violation such as diversion of tax-free goods outside the territory will attract strict action. This includes cancellation of trader quotas, confiscation of goods, and reduction of the overall exemption limit, where necessary.

Customs Duties to be collected: Since Customs Act 6 stands extended to GB, all the duties under said act (Customs Duties, Regulatory Duties, Additional Customs Duties etc.) will be collected on all imports through Customs Stations Sost, regardless of intended use.

<https://www.brecorder.com/news/40399937/tax-exempt-goods-meant-for-g-b-fbr-introduces-safeguards-to-prevent-misuse>

Tax-free Chinese imports to GB to harm industry, fuel smuggling: BMP

The Nation, 4 January 2026

The Federation of Pakistan Chambers of Commerce & Industry's Businessmen Panel (BMP) has strongly condemned the Federal Board of Revenue's decision to allow duty- and tax-free imports of Chinese goods through the Sost Dry Port for Gilgit-Baltistan, warning that the move would open floodgates of smuggling, under-invoicing, and institutional corruption, while further squeezing already struggling domestic industries. Former FPCCI president and chairman of the Businessmen Panel (BMP), Mian Anjum Nisar, while referring to the SRO 2488(I)/2025, clarified that the notification does not provide an unconditional or blanket tax exemption. Under the SRO, non-levy of sales tax, income tax and federal excise duty is linked to quota limits, online authorization through the Customs Computerized Clearance System, and certification that the imported goods are consumed within the territorial limits of Gilgit-Baltistan. However, he cautioned that conditions on paper do not automatically translate into effective control on ground.

Mian Anjum Nisar stated that Pakistan's industrial sector is already under immense pressure due to historically high energy tariffs, rising input costs, heavy taxation, tight financing conditions, and weak domestic demand. In such an

environment, even conditional tax relief on imported finished and intermediate goods creates market distortions that place documented local manufacturers at a serious disadvantage. He said that while the stated objective of the SRO is to facilitate economic activity in Gilgit-Baltistan, past experience clearly demonstrates that similar region-specific tax concession regimes have been repeatedly misused. Referring to earlier exemptions granted to erstwhile FATA and PATA regions, he noted that those concessions were also subject to conditions and monitoring requirements, yet duty- and tax-free goods found their way into settled areas across the country, damaging local industries and causing significant revenue losses. According to the BMP chairman, the risk of diversion remains high in the case of Gilgit-Baltistan due to geographical challenges, limited enforcement capacity, and the overstretched nature of Customs and enforcement agencies. He warned that expecting authorities to fully ensure that conditionally exempted goods remain confined within GB is unrealistic, particularly when profit incentives for diversion are substantial. Mian Anjum Nisar emphasized that Pakistan currently has surplus capacity in key industrial sectors, especially steel and construction materials, and there is no supply-side justification for allowing even conditionally tax-relieved imports of finished goods. He stated that the construction and

infrastructure needs of Gilgit-Baltistan can be adequately met through locally manufactured products supplied via documented channels, which would support employment, sustain industrial operations, and contribute to the national exchequer. He cautioned that allowing conditional tax relief on Chinese imports, even within quota limits, would encourage unfair competition.

Domestic manufacturers are required to pay full customs duties, sales tax, income tax, federal excise duty, and exceptionally high electricity and gas tariffs. Competing with partially tax-relieved imports under such circumstances is neither fair nor sustainable, he added. The BMP chairman also raised concerns about under-invoicing and misdeclaration risks associated with the Sost Dry Port route, noting that any form of tax concession increases incentives for such practices. He warned that once a parallel supply chain develops under the guise of regional consumption, it becomes extremely difficult to dismantle, leading to long-term damage to the formal economy.

While acknowledging that the S.R.O. empowers Customs authorities to withdraw the benefit in cases of misdeclaration or movement of goods outside Gilgit-Baltistan, Mian Anjum Nisar stressed that enforcement after the fact does not undo market damage already caused by the leakage of tax-relieved goods into mainland markets.

He reiterated that the Businessmen Panel fully supports the socio-economic development of Gilgit-Baltistan and recognizes the region's unique challenges. However, he maintained that sustainable development should be achieved through infrastructure investment, improved connectivity, facilitation of local enterprises, and freight or transport support rather than import-based tax concessions that distort national markets.

Mian Anjum Nisar urged the federal government to revisit the implementation framework of SRO 2488(I)/2025 in close consultation with the business community and chambers, and to consider restricting any conditional tax relief strictly to raw materials where necessary, while excluding finished and intermediate goods that directly compete with local industry. He further stressed the need for stronger safeguards, including advance guarantees against duties and taxes, independent verification of consumption certificates, and transparent monitoring mechanisms jointly overseen by federal and provincial authorities.

The BMP chairman warned that Pakistan's economic recovery depends on protecting documented industry, ensuring fair competition, and learning from past policy failures. He said that conditional concessions must be enforceable in reality, not just well-drafted on paper, otherwise they risk

becoming another channel for smuggling, under-invoicing, and erosion of the tax base.

<https://www.nation.com.pk/04-Jan-2026/tax-free-chinese-imports-gb-harm-industry-fuel-smuggling-bmp>

'AJK' PM directs launch of Health Card services for public

The Nation, 2 January 2026

Prime Minister of 'Azad Jammu & Kashmir' (AJK) Faisal Mumtaz Rathore has directed authorities to launch Health Card facilities for the people of the region. Presiding over a meeting in Muzaffarabad regarding the initiative, the 'AJK' premier said the public welfare project will directly benefit the poor and middle-class families by improving access to healthcare services. He instructed officials to expedite all administrative and technical procedures to ensure the Health Card services are launched without delay.

<https://www.nation.com.pk/02-Jan-2026/ajk-pm-directs-launch-health-card-services-public>

From Vernacular Urdu Media

Full implementation of the terms of the agreement between the 'Azad Kashmir' Government and the Joint Awami Action Committee is inevitable: Raja Aftab Khan

Urdu Point, 3 January 2026

President of the Supreme Court Bar 'Azad Jammu and Kashmir', Raja Muhammad Aftab Khan Advocate, has

stated that 100% implementation of the agreement reached between the 'Azad Kashmir' Government and the Joint Awami Action Committee (JAAC), along with its related terms, is inevitable, because the current situation in 'Azad Kashmir' cannot afford any kind of anarchy or instability.

Addressing a press conference at the Central Press Club in Muzaffarabad, he said that we live in a region whose history is linked to the Kashmir freedom movement. Therefore, God forbid, if chaos or unrest occurs in 'Azad Kashmir' at any stage, enemy forces could directly benefit from it, as they have profited from such conspiracies in the past. Raja Muhammad Aftab Khan said that Shoukat Nawaz Mir's recent statement is welcome, in which he emphasized that issues can only be resolved through the negotiation process. He said that all parties must demonstrate patience, tolerance, and wisdom, and avoid any actions that could harm the peaceful environment of 'Azad Kashmir'.

He added that if a deadlock arises between the government and the JAAC at any stage, the Supreme Court Bar, lawyers' organizations, press clubs, and civil society are ready to play a mediating role to resolve matters through dialogue. The President of the Supreme Court Bar praised the committee formed by the Government of Pakistan regarding the 12 seats in the Power Committee, saying that this

committee should be allowed to work freely so that it can prepare its recommendations and necessary constitutional amendments can be implemented accordingly. He expressed the determination that no such game should be played again in 'Azad Kashmir' that goes against the region's peace, dignity, and interests. He said that when the state fulfills its constitutional and legal role, all matters will automatically move in the right direction.

<https://www.urdupoint.com/pakistan/news/muzaffarabad/kashmir/live-news-4671183.html>

Public interest should be given top priority in all government decisions and administrative actions: High-level meeting chaired by Prime Minister Faisal Mumtaz Rathore

Urdu Point, 3 January 2026

'Azad Kashmir' Prime Minister, Faisal Mumtaz Rathore has said that public interest should be given the highest priority in all government decisions and administrative actions, and all officers should keep high professional expertise, integrity, and transparency in mind while fulfilling their responsibilities. Prime Minister of 'Azad Kashmir', Faisal Mumtaz Rathore stated this during an important high-level meeting chaired by him. The meeting conducted a detailed review of matters related to further strengthening the government's administrative structure, formal delegation of powers, and clear division of responsibilities.

Principal Secretary Zafar Mahmood Khan, Principal Staff Officer Usman Mumtaz Butt, and other senior officials attended the meeting.

During the meeting, the approved Standard Operating Procedures (SOPs) were clarified, and detailed discussions were held on the division of powers and duties among various departments to ensure speed, transparency, and efficiency in government affairs. Addressing the occasion, Prime Minister Faisal Mumtaz Rathore emphasized that public interest should be the top priority in all government decisions and administrative actions. He directed that all officers must keep high professional expertise, integrity, and transparency in mind while performing their duties. The Prime Minister further said that a dignified, positive, and professional office environment not only improves performance but also plays an important role in promoting public trust. He instructed the officers to ensure timely and effective implementation of delegated responsibilities and to achieve governmental goals with mutual coordination.

<https://www.urdupoint.com/pakistan/news/muzaffarabad/kashmir/live-news-4671286.html>

Gilgit-Baltistan has immense mineral resources: Yar Muhammad

Urdu Point, 29 December 2025

The Caretaker Chief Minister of Gilgit-Baltistan, Justice (Retd.) Yar

Muhammad, has said that Gilgit-Baltistan possesses immense natural mineral resources, but due to the absence of detailed geological surveys and maps of these minerals, access to the region's true mineral reserves has not been possible. Speaking during a departmental briefing by the Minerals, Industries, and Commerce Department, the Caretaker Chief Minister stated that scientific surveys are essential to attract international investors, without which international investors refrain from investing in the mineral sector.

Making the mining license acquisition process online under the new policy is commendable, as it will bring transparency to the process. Protecting the rights of local communities in acquiring mineral resources is essential so that local communities can fully cooperate. The Caretaker Chief Minister also directed measures for strict implementation of the Child and Labor Policy to ensure that the younger generation has opportunities to obtain education.

The Caretaker Chief Minister said that practical steps are needed to establish industrial and special economic zones to attract the private sector for investment in Gilgit-Baltistan. Promoting the private sector will create new employment opportunities in Gilgit-Baltistan and open new avenues for development and progress. The Caretaker Chief Minister stated that the department should immediately take steps to benefit from the tax exemption

granted by the Prime Minister of Pakistan at the Pak-China border for the people of Gilgit-Baltistan.

<https://www.urdupoint.com/pakistan/news/gilgit/national-news/live-news-4665871.html>

From Social Media

PAMIR TIMES @pamirtimes

29 December 2025

When Brotherhood Broke: Sectarianism in Gilgit-Baltistan After 1988

Link to the tweet:

<https://x.com/pamirtimes/status/2005362614809805159>

WAJAHAT ALI @wajahatgilgiti

31 December 2025

Muslim League takes a firm stance regarding the caretaker setup

##gilgitbaltistan

Link to the video:

<https://x.com/wajahatgilgiti/status/2006339546406166925>

JAMIL NAGRI @jamilnagri

3 January 2026

The appointment of the caretaker setup had earlier been mired in controversy, as PML-N GB president and former chief minister Hafeezur Rehman had raised concerns over the inclusion of certain individuals in the cabinet.

Link to the tweet

<https://x.com/jamilnagri/status/2007430151391555972>

Weekly POK News Digest

Volume 5 | Issue 53

29 December 2025 - 04 January 2026

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Disclaimer

PoK weekly News Digest is a collection of news reports and press releases published in various newspapers and local media related to Pakistan occupied Kashmir (PoK), referred to as 'Azad Kashmir' and 'Gilgit Baltistan' by the government of Pakistan. The news reports have been edited and abridged to provide clarity. MP-IDSA is not responsible for the accuracy and authenticity of the news items.



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