

DAILY PAKISTAN WATCH

23-25 May 2026

Security

- ◆ **Government to Establish Wapda Security Force for Water Projects**— The government has moved to create a dedicated **Wapda Security Force** under the **Wapda Security Force Act, 2026**, to protect critical water infrastructure and workers, especially Chinese nationals. The initiative follows terrorist attacks on the **Dasu Hydropower Project**, which caused fatalities and project suspension. An official noted Wapda projects lacked CPEC-level security, prompting this standalone force. To be led by a director general, it will safeguard dams, power plants, and personnel nationwide, with legal indemnity for actions taken in good faith. (*Dawn*, [25 May 2026](#))
- ◆ **Anti-Terror Offensive Intensifies** — **Pakistan’s security forces killed 11 alleged militants during intelligence-based operations in North Waziristan’s Datta Khel area over 48 hours, according to the ISPR.** The military said the slain men belonged to the banned Tehreek-i-Taliban Pakistan, labelled “Fitna al Khawarij”, and that weapons were recovered. President Asif Ali Zardari stated that operations against militants backed by India were vital for national security, while Prime Minister Shehbaz Sharif praised the forces’ professionalism. **“The war against the monster of terrorism will continue until it is completely eradicated.”** (*Dawn*, [25 May 2026](#))
- ◆ **Turkish Air Chief Praises PAF Training Role**— During an official visit to Türkiye, **Air Chief Marshal Zaheer Ahmed Babar Sidhu** met **General Ziya Cemal Kadioğlu**, Commander Turkish Air Force, who **appreciated Pakistan Air Force’s support in training Turkish pilots.** Meetings with Defence Minister **Yasar Guler** reaffirmed strong bilateral ties and explored deeper cooperation in aerospace and training. ACM Sidhu also engaged with **Selcuk Bayraktar**, CTO of Baykar Technologies, focusing on unmanned aerial systems and next-generation defence technologies, reflecting shared commitment to innovation and strategic convergence. (*The News*, [23 May 2026](#))
- ◆ **Dangerous Brinkmanship in South Asia** — Aizaz Ahmad Chaudhry, chairman of the Sanober Institute and former foreign secretary of Pakistan, notes India’s **mixed signals on normalisation** but stresses that the Modi government exploits anti-Pakistan rhetoric for votes. He warns that the **Modi doctrine of expanding space for kinetic confrontation is very dangerous**, as future wars will be fought through missiles, drones and cyberattacks. While Pakistan has shown resilience, Chaudhry urges both neighbours to **find a way of coexisting peacefully** for the sake of 1.5 billion people. (*Dawn*, [24 May 2026](#))
- ◆ **Marka-e-Haq: One Year On** — Retired Lieutenant General Majid Ehsan, President of IPRI, reflects that Pakistan’s military credibility has risen since *Marka-e-Haq*, but warns that **economic fragility remains the nation’s greatest vulnerability.** He notes Pakistan’s calibrated military response exposed Indian weaknesses “PAF displayed multidomain, network centric excellence with hundred percent success and no losses”. Diplomatic gains included rejection of India’s unilateral suspension of the Indus Water Treaty. Yet, India has intensified asymmetric campaigns

through proxies. Ehsan stresses that **durable strength lies in economic resilience, governance, and harnessing youth potential**. (*The Express Tribune*, [24 May 2026](#))

- ◆ **Gwadar Port Marks Operational Breakthrough**— Minister for Maritime Affairs Junaid Anwar Chaudhry announced that **Gwadar Port successfully berthed and handled MV BI JIA SHAN**, a deep-draft cargo vessel from Hong Kong/China commanded by Captain Li Han, carrying **53,277.42 metric tons of steel billets**. The vessel's 12.8-metre draft highlighted the port's deep-sea navigation channel and modern infrastructure. Chaudhry emphasised that the achievement underscored Gwadar's **emerging role as a regional transshipment hub**, reinforcing its growing operational capacity. (*The Express Tribune*, [25 May 2026](#))

Economy

- ◆ **Strategic Partnership Strengthened with \$7bn MoUs**—Pakistani and Chinese companies signed agreements and memorandums of understanding worth over **\$7 billion** at the Pakistan-China B2B Investment Conference in Hangzhou, focusing on IT, telecom, agriculture, and battery energy storage. Prime Minister **Shehbaz Sharif** urged Chinese firms to relocate industries to Pakistan, calling it a “win-win model” and emphasising investment over aid. **A \$1.12bn deal with Fauji Fertilizer** and long-term cooperation with Alibaba were highlights. The PM projected agri-trade growth of \$10bn within seven years. (*The News*, [25 May 2026](#))
- ◆ **Wheat Market Turmoil Exposes Policy Contradictions**— Pakistan's wheat sector faces a severe crisis as **lower yields, rising input costs, and weak procurement policies** destabilise markets. Punjab Chief Minister Maryam Nawaz ordered strict action against undeclared stocks amid fears of shortages. Farmers, discouraged by poor returns last year, reduced acreage and fertiliser use, worsening yields. Khalid Khokhar, President of Pakistan Kissan Ittehad, stressed that **the support price mechanism was meant to protect farmers, not suppress recovery** “The government intervened when wheat prices rose to Rs3,700...” Analysts urge reforms, freer trade, and targeted subsidies. (*Dawn*, [24 May 2026](#))
- ◆ **Pakistan's Tax Regime: Burdened and Broken**— Pakistan's tax system continues to falter, with **revenue targets repeatedly missed** as documented businesses bear the brunt while the informal economy thrives. The debate over expanding the **Third Schedule** under the **Sales Tax Act** highlights systemic flaws: policymakers keep **“squeezing documented businesses harder while the black economy continues operating largely beyond reach.”** Collecting GST earlier in the supply chain may improve enforcement and transparency, but without structural reform, compliance remains punitive and informality rewarded. The imbalance leaves the formal sector subsidising widespread non-compliance. (*Business Recorder*, [25 May 2026](#))
- ◆ **PM Shehbaz Sharif Engages Chinese Corporate Leaders**— During his official visit to China, Prime Minister Muhammad Shehbaz Sharif met senior executives in Hangzhou, including **Agnes Siu (CEO Sheng Huo Neng Yuan Ke Ji Company)**, **Oscar Luo (Executive President CATL)**, **Danwei Shao (Chairwoman StarCharge Group)** and **Xin Yuan (President Xiuzheng Pharmaceuticals)**. Discussions spanned renewable energy, advanced batteries, EV charging infrastructure and pharmaceutical cooperation. The PM emphasised Pakistan's **ease of doing**

business policies and stressed **Business-to-Business cooperation to strengthen Pakistan–China ties** through investment and manufacturing expansion. (*Business Recorder*, [25 May 2026](#))

- ◆ **IMF’s Harsh Conditions and Pakistan’s Strain** —The IMF’s Staff Level Agreement controversially termed the Middle East war’s impact “**contained**”, despite severe supply disruptions. As Anjum Ibrahim notes, this justified “**harsh upfront conditions quite unlike the Fund’s approach during COVID-19.**” Growth is projected at 3.5pc, though independent economists warn it may fall to 2.7pc. Aligning domestic fuel prices with global levels has hit consumers hardest, while reliance on indirect taxes and declining GST efficiency deepen distortions. The programme’s design flaws **reward informality while punishing compliance**, worsening poverty and fiscal imbalance. (*Business Recorder*, [25 May 2026](#))

Foreign Policy

- ◆ **PM Expresses Optimism for Islamabad Talks 2.0** —Prime Minister **Shehbaz Sharif** voiced hope for another round of **US–Iran peace talks in Islamabad “very soon”**, following his China visit where he reportedly received “serious indications” of possible dialogue. However, officials cautioned that no immediate preparations were underway. Earlier, Islamabad hosted indirect talks between US Vice President **JD Vance** and Iran’s **Mohammad Bagher Ghalibaf** and **Abbas Araghchi**. Deputy PM **Ishaq Dar** praised US President **Donald Trump’s** “commitment to dialogue and diplomacy,” stressing that “Dialogue and diplomacy must prevail over conflict and confrontation.” (*Dawn*, [25 May 2026](#))
- ◆ **Pakistan Between Giants** — Muhammad Amir Rana, security analyst, reflects on 75 years of Sino-Pak ties, noting that **China’s rise from partner to superpower has transformed the relationship**. Unlike the US, Beijing rarely pressures Pakistan publicly, shifting from “all-weather friend” to “trusted strategic partner.” While **CPEC symbolises both achievements and limitations**, the partnership is now more security-driven, with deep defence integration. Yet Pakistan’s dependence on China complicates balancing ties with Washington. Internal security and protection of Chinese nationals remain the most sensitive dimension. (*Dawn*, [24 May 2026](#))
- ◆ **Pakistan-Russia: Friendship or Strategic Relevance** — Muhammad Ali Ehsan, non-resident research fellow at IPRI and Assistant Professor at DHA Suffa University Karachi, argues that **Russia views South Asia through an Indian lens**, limiting Pakistan’s engagement to tactical rather than strategic levels. He stresses that Pakistan must offer **relevance, not just friendship**, by leveraging its **BASE cards** (Bridge, Afghanistan, Sea access, Energy market). “Russia will only engage...if it sees enduring material value”. He urges civil-nuclear dialogue, academic focus, and language training to elevate ties beyond oil and wheat purchases. (*The Express Tribune*, [24 May 2026](#))
- ◆ **Islamabad’s Role in Peace Diplomacy**— Prime Minister Shehbaz Sharif expressed hope that **Islamabad will host another round of US–Iran peace talks “very soon”**, following indications during his China visit. Syed Irfan Raza reports insiders claim the premier received “serious indications” of delegation-level talks, though a PMO source insisted “**no such arrangements are being made here... It seems that next round of dialogue will not take place very soon.**” Islamabad previously hosted indirect talks in April. Deputy PM Ishaq Dar lauded US leadership,

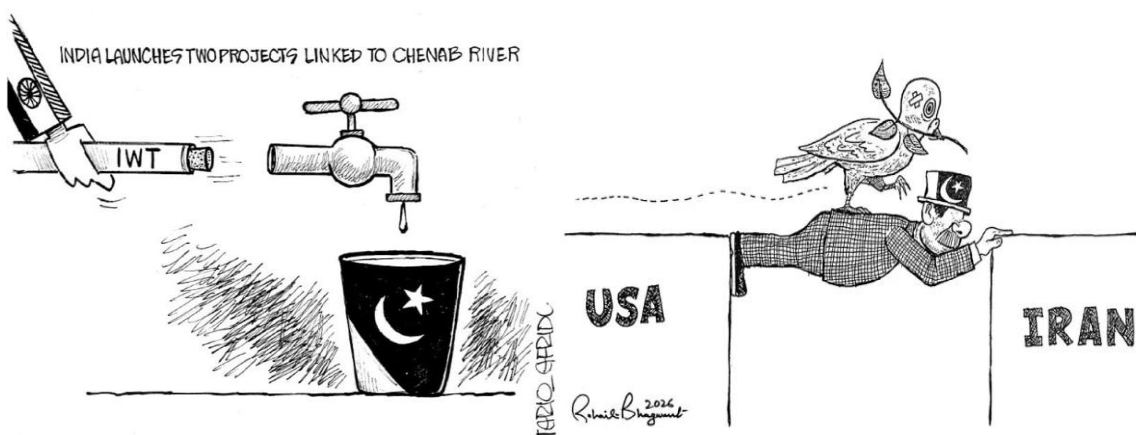
stressing “dialogue and diplomacy must prevail over conflict and confrontation.” (*Dawn*, [25 May 2026](#))

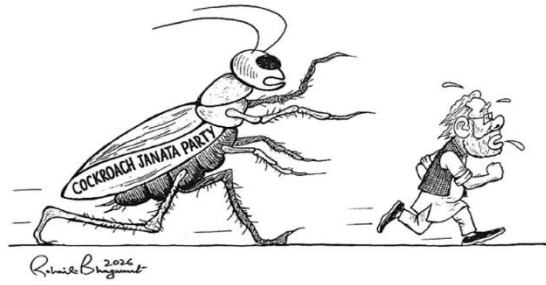
- ◆ **India–Pakistan Dialogue: Strategic Shifts at Play**— Recent remarks by RSS General Secretary Dattatreya Hosabale that “the doors of dialogue with Pakistan should not be closed” and Pakistan’s Foreign Office response welcoming such voices signal a possible recalibration. Ambassador G. R. Baluch argues that Pakistan’s counter-operation **Marka-i-Haq** exposed limits of India’s coercive strategy, while **Islamabad’s growing diplomatic visibility and role in recent Gulf crisis mediation enhanced its profile as a middle power**. Changing US–China dynamics and India’s domestic pressures may also be pushing New Delhi to reconsider perpetual hostility. (*The Nation*, [23 May 2026](#))

Politics, Culture, Etc.

- ◆ **Gilgit-Baltistan Elections Highlight Federal Influence** — Gilgit-Baltistan heads to the polls on **7 June** to elect its **4th Legislative Assembly**, but past results show federal government sway shaping outcomes. Since the 2009 Empowerment Order, PPP, PML-N and PTI have alternated dominance, while independents consistently secure strong vote shares. Despite a **29% rise in registered voters, no new delimitation has occurred since 1994**, with census data kept confidential. **Female representation remains minimal, with only 8 women among nearly 400 candidates**. Analysts note unresolved issues persist, as parties contest without manifestos. (*The News*, [24 May 2026](#))
- ◆ **Three Dams, One Historic Moment**— Columnist **Dr Farrukh Saleem** highlights Pakistan’s unprecedented construction of three mega-dams simultaneously: **Diamer-Basha (4,500MW)**, **Dasu (4,320MW)** and **Mohmand (800MW)**, with a combined capacity of **9,620MW** and cost of Rs2.6 trillion. He notes that “Pakistan’s last big dam was Tarbela, completed in 1976. That’s a 50-year gap.” These projects promise cheaper electricity, water security and flood resilience, though challenges include funding gaps, cost overruns, delays and resettlement. Saleem calls the diversion of the Indus “a revolution.” (*The News*, [24 May 2026](#))
- ◆ **Religious-Political Pact Shapes AJK Election Campaign**— The All Jammu & Kashmir Muslim Conference and Muttahida Ulema Council announced an alliance for elections during an Islamabad press conference. **Sardar Attique Ahmed Khan, former AJK prime minister, said the partnership sought to “protect the ideological identity of the state” and representation of the Kashmir cause**. Mufti Muhammad Waseem Raza stated that scholars and organisations would support candidates across Azad Kashmir and constituencies. **Both leaders described the alliance as ideological as well as electoral, centred on values and Khatm-e-Nabuwat**. (*The Nation*, [24 May 2026](#))
- ◆ **Contested Heritage and Identity in Pakistan** — Umair Javed argues that **toxic debates around cultural identity** in Pakistan and India often centre on the Indus Valley Civilisation (IVC) and claims of ownership. While critics insist Pakistan’s Muslim identity delinks it from ancient heritage, others stress **shared genetic inheritance** and continuity of habitation. Some even advance the **fantastical claim** of Pakistan’s distinctiveness since the IVC. Javed highlights enduring **tensions between geography and identity, and between Muslim modernism and diverse local traditions**, noting heritage is always contested and shaped by politics. (*Dawn*, [25 May 2026](#))

- ◆ **Pakistan's Fragile Energy Future** — Omais Abdur Rehman, senior associate at Energy Tech, Renewables First, stresses that **every \$10 rise in oil prices adds \$1.5bn to Pakistan's import bill**, leaving the economy exposed to external shocks. Inflation hit 11pc in April 2026, with households forced to cut food, health and education spending. He argues that **electrification of transport is a macroeconomic necessity** and urges investment in solar, wind and storage. Repurposing stranded coal plants and renegotiating costly agreements are essential for energy security. (*Dawn*, [25 May 2026](#))
- ◆ **PTI's Secret Meeting Fuels Internal Strains** — A discreet meeting between PTI Chairman Barrister Gohar Ali Khan, K-P Chief Minister Sohail Afridi and Interior Minister Mohsin Naqvi has stirred controversy, raising **questions over internal communication and coordination within PTI**. Aleema Khan denied family involvement, yet her statement confirmed the meeting's existence, spotlighting tensions between Imran Khan's family and party leadership. Sheikh Waqas stressed it was about law and order, citing the **Bannu attack of 9 May**. Afridi reiterated **"no political discussion took place"**, but secrecy has deepened mistrust. (*The Express Tribune*, [25 May 2026](#))
- ◆ **Gwadar University Officials Rescued After Abduction**— Security forces successfully recovered **Gwadar University VC Dr Abdul Razzaq Sabir, Pro-VC Dr Syed Manzoor Ahmed, PSO Dr Muhammad Irshad and driver Hatam Khan** from Mastung's Kardgap area, 12 days after their abduction near Khad Kocha. Armed men had intercepted their vehicle on 13 May, sparking an extensive search operation. The recovery highlights ongoing challenges in Balochistan, a province plagued by a **low-key insurgency for over two decades** and porous borders with Iran and Afghanistan, often accused of sheltering militant groups. (*The Express Tribune*, [25 May 2026](#))





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