

DAILY PAKISTAN WATCH

18 June 2026

Security

- ◆ **Pentagon Restores Pacific Command Identity** — The US Department of Defence announced the reversion of the US Indo-Pacific Command to its historic title, **US Pacific Command (USPACOM)**, reflecting its long-standing military heritage since 1947. The move, according to the Pentagon, “**honours the command’s deep historical roots**” and its role in shaping post-WWII security across the Pacific, including the Korean and Vietnam wars. The command’s mission and geographic scope remain unchanged, with continued emphasis on a “**free and open theatre**” alongside allies. (*The Express Tribune*, [18 June 2026](#))
- ◆ **Pakistan, UK Deepen Security Cooperation** — Interior Minister Mohsin Naqvi and British Minister of State Hamish Falconer agreed to enhance collaboration in **counterterrorism, illegal migration control, institutional capacity-building and police training**. Falconer praised Pakistan’s “**positive and constructive role**” in facilitating the US–Iran peace deal, calling Prime Minister Shehbaz Sharif and Field Marshal Asim Munir’s efforts “historic” and projecting Pakistan as “**a champion of global peace**”. Naqvi highlighted the success of the *Upscale Project* and reaffirmed Pakistan’s commitment to tackling terrorism and illegal migration. (*The Nation*, [18 June 2026](#))
- ◆ **Elderly Sikh Couple Killed in Mardan Gurdwara Attack** — Police reported that **70-year-old Jagannath and his wife**, caretakers of a Sikh Gurdwara in Babu Mohalla, Mardan, were fatally shot by unknown assailants who fled the scene. Rescue 1122 shifted the bodies to DHQ Hospital. Sources noted that although a police guard was assigned, he was absent, and CCTV equipment was non-functional. District Police Officer Masood Ahmed vowed swift justice, with CTD registering a case under sections 302, 449, 7ATA and 295. Investigations are ongoing. (*The Nation*, [18 June 2026](#))
- ◆ **UNSC Blacklisting of BLA Crucial for Security** — Pakistan’s push, alongside China, to globally blacklist the **Balochistan Liberation Army (BLA)** as vital for sustained counterterrorism cooperation. Pakistan’s UN envoy Asim Iftikhar linked the BLA to jihadist networks in Afghanistan, citing “**over 60 terrorist camps facilitating cross-border infiltration**”. The US, UK and France blocked the move on technical grounds, despite Washington’s prior designation of the BLA as a terrorist group. Experts argue that **a global listing would freeze assets, impose travel bans, and choke off funding, thereby** strengthening regional security. (*The Nation*, [18 June 2026](#))
- ◆ **India’s Aqua War and Pakistan’s Vulnerabilities** — Writer Mir Adnan Aziz traces the history of water conflicts, noting that India’s expanding dam projects, including Baglihar and Ratle, have altered the hydrological balance of the Indus basin. He highlights Indian leaders’ threats that “**not a single drop of water would reach Pakistan**”, stressing Pakistan’s failure to treat water as a core national security issue. The analysis argues that domestic neglect—low storage, poor conservation,

and wasted surpluses—has deepened vulnerability. Aziz concludes that **preparedness, not reliance on arbitration, is Pakistan’s only path forward.** (*The Nation*, [18 June 2026](#))

- ◆ **Pakistan Extends Airspace Ban on Indian Aircraft** — The Pakistan Airports Authority (PAA) has prolonged its ban on **Indian civilian and military aircraft** until **July 24, 2026**, according to a Notice to Airmen (Notam). The restriction, covering both Karachi (OPKR) and Lahore (OPLR) flight information regions, was initially imposed in April 2025 after tensions escalated following a deadly attack in Indian-occupied Kashmir’s Pahalgam. Since then, Pakistan has repeatedly extended the ban, which remains in effect from **June 16, 5:50pm to July 24, 4:59am.** (*Dawn*, [17 June 2026](#))

Economy

- ◆ **After the War: Pakistan’s Economic Crossroads** — Business journalist Khurram Husain reflects on the aftermath of the US–Iran conflict, asking whether Tehran will remember Pakistan’s mediatory role. He notes Iran’s resilience against the **“full might of the superpower’s bombing”**, predicting its rise as a regional power. For Pakistan, he warns that potential dollar inflows or trade openings with Iran may spark short-lived growth spurts, as seen in the 2000s. Husain cautions that **structural weaknesses—narrow tax base, power sector losses, failing enterprises—must be fixed domestically.** (*Dawn*, [18 June 2026](#))
- ◆ **Foreign Loan Inflows Surge to \$12.1bn** — Pakistan’s foreign economic assistance rose sharply in the first 11 months of FY26, reaching **\$12.1bn**, a 75.7% increase from last year, largely due to IMF programme support. Excluding IMF disbursements, loans accounted for **\$11.97bn**, while grants fell to \$136m. Inflows in May stood at \$1.03bn, down from April’s \$4.4bn due to reduced Saudi deposits. The government also raised \$1bn via Eurobonds and secured commercial loans. Despite strong inflows, Pakistan remains short of its **\$19.9bn annual target.** (*Dawn*, [18 June 2026](#))
- ◆ **ADB Approves \$700m Loan for Pakistan’s Insurance Sector** — The Asian Development Bank (ADB) has sanctioned a **\$700 million policy-based loan** under the *Insurance Transformation Program* to strengthen Pakistan’s financial resilience. The initiative aims to **expand insurance coverage, reduce protection gaps, and mobilise long-term savings** for infrastructure financing. ADB Country Director Emma Fan said the reforms will shift Pakistan’s insurance framework to a **modern, risk-based system**, supporting households, businesses, farmers, and vulnerable groups against disasters and life-cycle risks. Insurance penetration in Pakistan currently stands at just **0.7% of GDP.** (*Business Recorder*, [18 June 2026](#))

Foreign Policy

- ◆ **Pakistan’s Mediation Praised by Canada** — Canada’s Foreign Minister Anita Anand commended Pakistan’s **“constructive role”** in facilitating diplomatic engagement between the US and Iran, leading to the signing of the **Islamabad Memorandum of Understanding.** The agreement immediately reopened the Strait of Hormuz and lifted the US naval blockade. Deputy PM and Foreign Minister Ishaq Dar and Anand reaffirmed their commitment to expand bilateral cooperation. Pakistan’s leadership, notably PM Shehbaz Sharif and Field Marshal Syed Asim Munir, has been central in brokering peace, with US President Donald Trump also appreciating Islamabad’s efforts. (*The Express Tribune*, [18 June 2026](#))

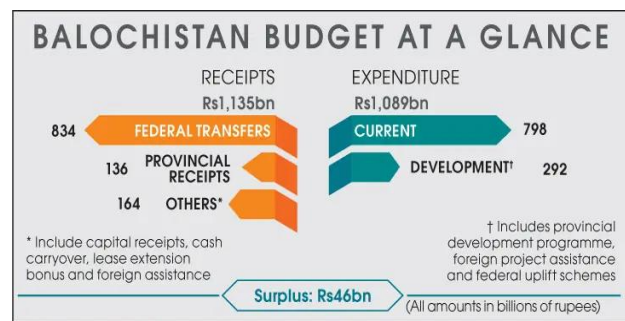
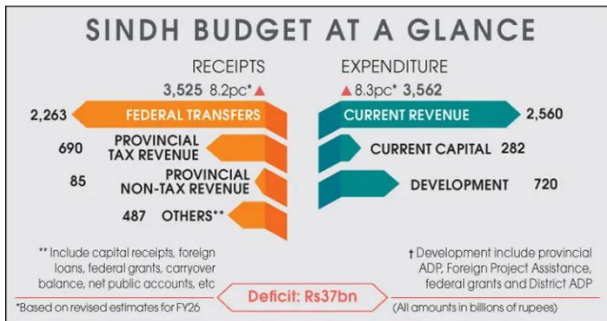
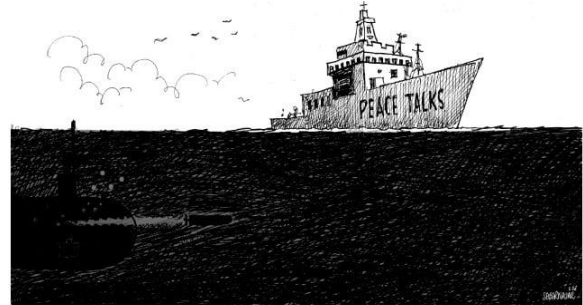
- ◆ **US Eyes Pakistan's Skilled Workforce** — Pakistan and the United States reaffirmed their resolve to expand cooperation during a meeting between Federal Minister for Overseas Pakistanis Chaudhry Salik Hussain and US Chargé d'Affaires Natalie Baker. Hussain highlighted Pakistan's export of skilled manpower, while Baker praised the **professional skills of overseas Pakistanis**, noting that the US requires a skilled workforce in multiple sectors and is keen to strengthen ties further. The dialogue underscored mutual interest in tapping Pakistan's talent pool for future collaboration. (*The Express Tribune*, [18 June 2026](#))
- ◆ **Pakistan Assists in Repatriation of Iranians** — Deputy Prime Minister and Foreign Minister Senator Ishaq Dar announced that Pakistan is facilitating the repatriation of **30 Iranian nationals**, including **eight fishermen rescued at sea** by the British vessel MMA Valour and **22 crew members interdicted by US authorities** from the vessel Lenore/Davina. Dar stated on X that both groups will transit through Karachi in the coming days, underscoring Islamabad's role in humanitarian coordination and regional diplomacy. (*The Express Tribune*, [18 June 2026](#))
- ◆ **Bangladeshi Delegation Explores Academic Collaboration at QAU** — A high-level team of Bangladeshi academicians visited **Quaid-i-Azam University (QAU)** to strengthen institutional linkages and promote cooperation in higher education. Vice Chancellor Prof. Dr. Zafar Nawaz Jaspal and Dean Prof. Dr. Tasawar Hayat welcomed the delegation, while Registrar Dr. Shafiq-ur-Rehman presented QAU's academic programmes, research strengths and global rankings. The visitors showed keen interest in QAU's rigorous PhD evaluation system, which Prof. Jaspal noted combines **internal quality assurance and external thesis review** to uphold academic standards. (*The Nation*, [18 June 2026](#))
- ◆ **Afghan Govt Staff Ordered to Abandon Smartphones** —Afghanistan's Supreme Leader Hibatullah Akhundzada has **banned the use of smartphones by all government employees**, effective June 17. A letter circulated under the Supreme Court's emblem instructed provincial department heads to enforce the ban across both military and civilian staff, with exemptions only granted by the supreme leader. In Ghazni province, workers began signing off from their phones ahead of the deadline. Despite the order, some departments continued publishing updates via WhatsApp groups. Enforcement investigations are ongoing. (*Dawn*, [18 June 2026](#))
- ◆ **Water, Power and Strategic Myopia** — Trade facilitation expert Hina Ayra warns that India's declaration to block Indus waters must be seen as a **strategic signal rather than an immediate hydrological threat**. She notes India lacks infrastructure to halt western river flows but could gradually manipulate releases, impacting Pakistan's agriculture. The real danger, she argues, lies in Pakistan's own failures: **low storage, outdated canals, poor groundwater governance, and underinvestment**. Ayra stresses defending the Indus Waters Treaty while urgently fixing domestic weaknesses through storage, irrigation modernisation, and integrated water security planning. (*Dawn*, [18 June 2026](#))
- ◆ **Beyond Symbolic Sanctions** — France, joined by Britain, Canada, Australia, New Zealand and Norway, has barred Israeli Finance Minister Bezalel Smotrich from entry, following a similar ban on National Security Minister Itamar Ben-Gvir. The editorial notes this reflects growing unease over Israel's conduct in the occupied Palestinian territories, including **settlement expansion, annexation advocacy, and settler violence**. While the sanctions send a strong signal, they remain largely symbolic. The piece argues that unless accompanied by **concrete measures to hold Israel**

accountable, such bans will not alter realities for Palestinians enduring occupation and dispossession. (*Business Recorder*, [18 June 2026](#))

- ◆ **Pakistan's Food System Under Strain** — Analysts Manan Aslam and Abdul Rehman Butt warn that Pakistan's agriculture is facing **structural challenges** beyond isolated shocks. Climate change, erratic rainfall, heat waves, and water scarcity are undermining productivity, especially for wheat and rice. Inefficient irrigation, groundwater depletion, soil degradation, and rising input costs are squeezing small farmers, while consumers face persistent **food inflation and volatility**. The authors call for urgent reforms: **water governance, crop diversification, climate-resilient seeds, digital advisory tools, and supply chain investments** to build resilience and secure food systems. (*Business Recorder*, [18 June 2026](#))

Politics, Culture, Etc.

- ◆ **Balochistan's Relief-Focused Budget Surplus** — Provincial Finance Minister Mir Shoaib Noshervani presented a **historic Rs1,089.26 billion surplus budget** for 2026–27, achieving a **Rs45.56 billion fiscal surplus**. Salaries and pensions rise by 7%, while **5,000 new jobs** will be created in schools and healthcare. Healthcare receives **Rs90 billion**, including expanded Health Cards and trauma centres, while education rises 15% to Rs144 billion. The budget introduces digital tax collection, AI-based hiring, and rural support via Kisan Cards and solar tube wells, signalling a shift toward transparency and self-reliance. (*The Express Tribune*, [18 June 2026](#))
- ◆ **PML-N Advances AJK Election Preparations** — PML-N President Nawaz Sharif has approved **around 90% of tickets for Azad Jammu and Kashmir (AJK)**, with 38 candidates finalised and six seats pending. A notable change is Fateeh Mehmood Kiyani replacing veteran Malik Muhammad Nawaz in LA-10 Kotli City. The ticket for LA-41 Valley-2 awaits Hamza Shehbaz's approval, expected to go to Ayesha. Party President Shah Ghulam Qadir secured tickets for both Upper and Lower Neelum. Sources said Nawaz urged an amicable solution to factional disputes, stressing refugees' representation. (*The Express Tribune*, [18 June 2026](#))
- ◆ **PPP Seeks Allies for G-B Government Formation** — The Pakistan Peoples Party (PPP), having secured **11 seats to become the largest group in Gilgit-Baltistan's 24-member assembly**, has begun outreach to the Majlis Wahdat-e-Muslimeen (MWM) to build a working majority. MWM leader Allama Raja Nasir Abbas also contacted PTI Chairman Barrister Gohar amid shifting alignments. The Istehkam-e-Pakistan Party (IPP) gained strength after four independents joined, while PML-N won six seats. PPP Chairman Bilawal Bhutto Zardari welcomed Prime Minister Shehbaz Sharif's support, pledging to address governance challenges. (*The Express Tribune*, [18 June 2026](#))
- ◆ **Punjab Shelves Six Key Projects Amid Crisis** — Severe financial strain has led Punjab to exclude **six major uplift schemes** from Rawalpindi's new fiscal programme, ending hopes of their launch before December 2027. Dropped projects include the **Leh Expressway, Ghazi Barotha Water Supply Project**, sewerage tunnel and treatment plant, five commercial parking plazas, Murree Road Signal-Free Corridor, and the nearly complete **Mother and Child Hospital**. Officials confirmed no new mega projects will be funded locally, with priority shifting to foreign-financed schemes. Costs have sharply escalated after repeated delays. (*The Express Tribune*, [18 June 2026](#))



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