

DAILY PAKISTAN WATCH

28 August 2026

Security

- ◆ **Pakistan and Kuwait Deepen Defence Partnership** — Pakistan and Kuwait signed the **Protocol Agreement-2026** in Rawalpindi, strengthening the framework of the **Defence Cooperation Agreement-2023**. The pact covers **training, capacity building, border management and defence collaboration**, reflecting mutual trust and shared strategic interests. A high-level Kuwaiti delegation led by **Sheikh Abdullah Ali Abdullah Al-Saleem Al-Sabah**, Minister of Defence, and **Lt Gen Khalid Darj Saad Al-Shriaan**, Chief of General Staff, met Defence Minister **Khawaja Muhammad Asif** and later **COAS Field Marshal Asim Munir** at GHQ. Both sides reaffirmed their commitment to enhancing institutional ties and expanding cooperation. The Kuwaiti delegation praised the **professionalism and contributions of Pakistan's armed forces** towards regional peace and stability. (*The News*, [28 August 2026](#))
- ◆ **Security Forces Intensify Counterterrorism Drive** — Security forces killed **11 terrorists** in separate intelligence-based operations in **Khyber-Pakhtunkhwa and Balochistan**, targeting members of **Fitna al-Khawarij (TTP)** and **Fitna al-Hindustan**. The operations, part of **Rad-ul-Fitna-3**, took place in **South Waziristan, Bannu and Khuzdar**, resulting in the recovery of weapons and the destruction of hideouts. In Khuzdar, quadcopters were used to eliminate four militants. The government has designated Balochistan-based outfits as **Fitna al-Hindustan**, accusing India of backing them. President **Asif Ali Zardari** praised the forces, stating “*Eradicating terrorist elements operating with foreign backing... is essential for national security and sustainable peace.*” PM **Shehbaz Sharif** also lauded the operations, vowing to eliminate terrorism. (*Express Tribune*, [28 August 2026](#))
- ◆ **Balochistan Announces Rewards for Information on Wanted Women** — The **Balochistan government** has offered **cash rewards ranging from Rs1 million to Rs1.5 million** for credible information leading to the arrest of highly wanted female terrorists. Authorities have released photographs and details of the suspects, reportedly from **Gwadar, Panjgur and Turbat**. Citizens have been urged to share information with law-enforcement agencies, with officials assuring that the **identity of informants will remain strictly confidential**. The move reflects intensified provincial efforts to counter militancy and broaden intelligence networks by involving the public in security operations. (*The News*, [28 August 2026](#))
- ◆ **Pakistan Must Sustain Pressure on IWT Violations** — Pakistan cannot afford to treat India's abeyance of the **Indus Waters Treaty (IWT)** as just another bilateral dispute. Water is described as the country's “**jugular**”, and any attempt to threaten access to rivers vital for millions of lives and the economy must be met with **sustained diplomatic, legal and strategic pressure**. Military preparedness is one part of the response, but diplomacy must be the other. Deputy Prime Minister **Ishaq Dar's** decision to raise the IWT with **UK Foreign Secretary Ed Miliband** is significant, given Britain's historical and political influence in South Asia. The editorial cautions that “**treaties**

cannot be discarded unilaterally whenever political relations deteriorate”, stressing that Pakistan must keep the issue on every diplomatic table until obligations are restored. (*The Nation*, [28 August 2026](#))

- ◆ **Breaking the Cycle of Radicalisation** — In his column, **Zaigham Sana Warraich** argues that Pakistan must move beyond surveillance and arrests to establish **dedicated rehabilitation and de-radicalisation centres**. He notes that traditional monitoring often fails to detect shifts in behaviour, while repeated police contact can deepen resentment. Instead, centres should provide **assessment, counselling, education, behavioural intervention and ideological engagement**, offering structured pathways for reintegration where possible. Warraich stresses that **“investment in rehabilitation is not a soft approach to terrorism. It is an investment in security”**, saving lives and reducing costly reactive operations. He concludes that Pakistan must break the cycle of radicalisation through proactive rehabilitation. (*The Nation*, [28 August 2026](#))

Economy

- ◆ **IMF Warns Against Gas Price Cuts** — The **International Monetary Fund (IMF)** has opposed any downward revision in gas tariffs, warning that such moves would worsen Pakistan’s already massive **circular debt**, which stood at **Rs3,288 billion by June 2025**. The lender has sought amendments to the **OGRA Ordinance 2002** to limit government powers in reducing tariffs, insisting on timely adjustments in line with OGRA’s determinations. The IMF argues that tariff differentials, especially from diverting RLNG to households, have inflated debt. It has pressed Pakistan to adopt a **Circular Debt Management Plan (CDMP)**, including regular price adjustments and measures to cut **unaccounted-for-gas losses**. The government has also engaged the **World Bank** to help define and monitor gas-sector debt. (*Express Tribune*, [28 August 2026](#))
- ◆ **Saudi Group Eyes Pakistan’s Airport Privatisation** — Saudi Arabia’s **Asyad Group** has expressed strong interest in participating in Pakistan’s upcoming **airport privatisation process**, while also exploring investment opportunities in the **financial sector** and other key areas. During a meeting with Finance Minister **Muhammad Aurangzeb**, Asyad CEO **Ghassan Ahmed Amodi** reaffirmed the group’s long-term commitment to Pakistan, highlighting its strategic importance in the company’s global portfolio. The minister welcomed Saudi investment, stressing the need for **credible, long-term investors** to support structural reforms and private-sector-led growth. Discussions also covered **Wafi Energy Pakistan’s expansion**, including retail, storage and digitalisation initiatives. Amodi praised Pakistan’s enabling environment and pledged to deepen economic ties. (*Express Tribune*, [28 August 2026](#))
- ◆ **Pakistan’s Reserves Inch Up Amid Global Gold Retreat** — The **State Bank of Pakistan (SBP)** reported that its reserves rose by **\$17 million to \$17.1 billion**, bringing total liquid foreign exchange holdings to **\$22.59 billion** for the week ending 21 August 2026. Commercial banks’ net reserves also increased to **\$5.49 billion**. The rupee remained stable at **277.51 per US dollar**, supported by remittance inflows, while global dollar strength kept local currency movement muted. Meanwhile, **gold prices fell Rs3,500 per tola** as international markets retreated from a three-month high, though silver gained Rs50. Analysts noted that upcoming **US employment data** and the **Jackson**

Hole conference could shape global monetary policy and influence commodity trends. (*Express Tribune*, [28 August 2026](#))

- ◆ **Google's Arrival and Pakistan's Readiness** — On **18 August 2026**, Google opened its first office in Pakistan, a milestone that raises the question of whether the country is prepared to fully embrace the digital future. As **Mehak Anwar**, a mass communication graduate and human rights activist, observes, Google has already invested in Pakistan for over a decade, helping more than **one million Pakistanis develop digital skills** and contributing **Rs3.9 trillion to economic activity**. Yet, she warns that *"the real success of this moment will not be measured by the size of Google's office, but by whether a girl in a small town... can look at the digital future and believe there is a place for them in it."* Despite record IT exports of **\$4.6 billion**, only **16.4% of Pakistanis** report proficiency in computer programmes, and household ownership of devices has declined. Anwar argues that Google's arrival is not just an investment story but an **education story**, urging Pakistan to bridge the digital divide and prepare its youth for roles beyond freelancing — as **researchers, programmers, entrepreneurs and AI developers**. (*Express Tribune*, [28 August 2026](#))

Foreign Policy

- ◆ **Pakistan Rejects Misleading Reports on Iran Visit** — The Foreign Office has categorically denied claims that **COAS & CDF Field Marshal Asim Munir** visited Iran on 24 August as a "US envoy." Spokesperson **Tahir Andrabi** clarified the trip was purely part of Pakistan's **mediatory role**, particularly regarding efforts to reopen the **Strait of Hormuz**, vital for global energy supply chains. He stressed: *"Reports alluding to the visit as at the US behest are not factually correct."* Andrabi also addressed issues including the **Makkah Joint Defence Agreement**, Indian claims about **Kirana Hills**, and the demolition of consular facilities in New Delhi, while reaffirming Pakistan's positions on **Afghan border security**, **Israeli settlements**, and upcoming **SCO chairmanship**. (*The News*, [28 August 2026](#))
- ◆ **PM Shehbaz Praises Saudi Support** — Prime Minister **Shehbaz Sharif** has reaffirmed Pakistan's deep appreciation for the **Kingdom of Saudi Arabia's steadfast support and generous assistance**, noting Riyadh's pivotal role in promoting **regional peace and stability**. Speaking at the farewell meeting with outgoing Saudi Ambassador **Nawaf Bin Said Al Malki**, the PM lauded his contributions in strengthening the **fraternal and strategic ties** between the two nations. Shehbaz also conveyed warm wishes to **King Salman bin Abdulaziz Al Saud** and **Crown Prince Mohammed bin Salman**, underscoring Pakistan's commitment to furthering bilateral relations. Ambassador Al-Malki expressed gratitude for Pakistan's hospitality and reaffirmed his personal commitment to continued cooperation. (*The News*, [28 August 2026](#))
- ◆ **Reviving Pakistan–Nepal Economic Connectivity** — Nepal's Ambassador **Rita Dhital** has urged the restoration of **direct flights between Pakistan and Nepal**, stressing that improved connectivity is vital to unlock trade, investment and tourism potential. She recalled that **Nepal Airlines once flew to Karachi and PIA to Kathmandu until 2011**, arguing that resuming such routes would facilitate business travel and people-to-people contacts. Bilateral trade remains stagnant at just **\$4 million**, with Pakistan exporting surgical instruments, pharmaceuticals and spices, while importing cardamom, perfumery plants and orthopaedic appliances. Dhital emphasised operationalising

existing agreements and invited Pakistani investors to explore Nepal's **tourism, hydropower and IT sectors**, noting “governments can sign accords, but businesses must convert them into economic outcomes.” (*Express Tribune*, [28 August 2026](#))

◆ **Pakistan Seeks Verifiable Assurances from Kabul** — Pakistan has reiterated its openness to dialogue with Afghanistan but stressed that any mechanism must be backed by “**tangible and verifiable**” **action against militants operating from Afghan soil**, according to Foreign Office spokesperson **Tahir Andrabi**. He noted Afghan Interior Minister **Sirajuddin Haqqani's** proposal for joint committees but insisted Kabul must honour commitments under the **Doha framework** and prevent the **TTP and BLA** from using Afghan territory. Andrabi rejected Afghan allegations of Pakistani involvement in Badakhshan unrest and pointed to evidence of **Indian-backed proxies**. He also clarified that **Field Marshal Asim Munir's Tehran visit** was part of Pakistan's mediatory role in the **US–Iran standoff**, focusing on reopening the **Strait of Hormuz**. Pakistan is set to assume the **SCO chairmanship** at the Bishkek summit, with Prime Minister **Shehbaz Sharif** attending. (*Express Tribune*, [28 August 2026](#))

◆ **Pakistan and UK Discuss IWT** — During a meeting in London, **Deputy Prime Minister and Foreign Minister Ishaq Dar** and **British Foreign Secretary Ed Miliband** agreed to establish a **structured mechanism for formal talks** between their foreign ministries to deepen cooperation and regularly review progress. The discussions covered the **Indus Waters Treaty (IWT)**, regional security and Pakistan-UK relations. Dar highlighted India's “**persistent violations of its international obligations**”, while Miliband praised Pakistan's “**constructive role and facilitation efforts in promoting dialogue and stability in the Middle East.**” Both sides emphasised sustained engagement for peace and the importance of the **Pakistani diaspora** in strengthening bilateral ties. (*The Express Tribune*, [28 August 2026](#))

◆ **Pakistan's Pipeline Dilemma** — The stalled **Iran-Pakistan gas pipeline** has resurfaced in the Senate, with lawmakers questioning its fate as Iran pursues arbitration in France. Pakistan risks **billions in penalties** for failing to build its section, while proceeding could trigger **US secondary sanctions**. Iran completed its part in 2011, and Pakistan's grace period expired in 2024, yet no solution has emerged. The editorial stresses that this is not merely a logistical or financial issue but a **geopolitical challenge**. It urges Islamabad to adopt a **comprehensive legal approach**, balancing ties with Iran and the US, and warns that abandoning the pipeline would send the wrong signal. (*Dawn*, [28 August 2026](#))

Politics, Culture, Etc.

◆ **Imran Khan's Silence and Political Atmosphere** — Journalist **Ansar Abbasi** notes that the **five-month silence** of PTI founder **Imran Khan's personal X account (@ImranKhanPTI)** is being seen within the party as potentially easing tensions with the establishment. His last direct message was posted on **21 March 2026**, after a phone call with his sons. Previously, Khan's account had been used to sharply criticise the military leadership, intensifying confrontation. In **December 2025**, the military accused him of using prison visitors and social media to attack the armed forces, leading to restrictions on jail meetings. PTI insiders now believe the absence of confrontational messaging

could create space for **political normalisation**, though they stress this does not indicate any deal. (*The News*, [28 August 2026](#))

- ◆ **Imran Khan's Sister Seeks Urgent SC Hearing** — Dr Uzma Khan, sister of PTI founder **Imran Khan**, has filed a second petition in the **Supreme Court** requesting an early hearing of her contempt plea against the government for failing to comply with the apex court's **18 August 2026 order** directing Khan's transfer to **Shifa International Hospital** for medical check-up. She argued that Khan's health is deteriorating and accused authorities of violating the order by taking him to **PIMS** instead. Uzma stressed that liberty-related matters deserve priority under the Court's Fixation Policy and urged reconsideration of the scheduled **16 September hearing**. PTI lawyers also pressed for urgent fixation, though the Registrar reiterated earlier grounds for rejection. (*The News*, [28 August 2026](#))
- ◆ **Punjab's New Local Government Framework Finalised** — Punjab has completed delimitation under the **Punjab Local Government Act 2025**, introducing a **population-based system** to replace earlier metropolitan and district structures. The **Election Commission of Pakistan** has agreed in principle to hold long-delayed polls between **15 December 2026 and 15 January 2027**. Under the new framework, **town corporations** will be created in cities with populations above 700,000, including **10 for Lahore**, each led by a mayor and two deputy mayors. **Municipal corporations, committees and tehsil councils** will cover smaller urban and rural areas. Union councils will comprise **13-member houses** with reserved seats for women, youth, labourers, minorities and persons with disabilities. Elections will be held on a **non-party basis**. (*Express Tribune*, [28 August 2026](#))
- ◆ **PML-N Faces Internal Discord Over AJK Premiership** — The **Pakistan Muslim League-Nawaz (PML-N)** has nominated **Barrister Iftikhar Gilani** as its candidate for prime minister of 'Azad' Jammu and Kashmir (AJK), announced by Punjab Senior Minister **Marriyum Aurangzeb**. Gilani, elected on a technocrat seat, is expected to seek support from party lawmakers. However, the nomination has triggered **serious rifts within the party's AJK chapter**. PML-N AJK President **Shah Ghulam Qadir** has expressed reservations, vowing not to vote for Gilani or attend the assembly session, while former AJK PM **Raja Farooq Haider** has also opposed the choice. Qadir insists the party must respect the people's mandate and uphold its slogan of "*Vote Ko Izzat Do*". The divisions have added uncertainty to the government formation process, making the upcoming election session a closely watched contest. (*Express Tribune*, [28 August 2026](#))
- ◆ **Parliamentary Caucus Seeks Minority Scholarship Data** — The **Parliamentary Minority Caucus**, chaired by **Senator Danesh Kumar**, has directed the **Higher Education Commission (HEC)** to provide a **three-year record of scholarships**, including details of those awarded to minority students. The HEC informed the meeting that scholarships are granted on **merit and need-based criteria**, not through minority quotas, and that **Rs65 billion** has been allocated for scholarships across **119 universities**. Under the **Ehsaas Programme**, two batches of minority students previously received scholarships before its discontinuation. Kumar also sought data on **Balochistan's spending on places of worship** and school-level scholarships for minority children. **MNA Dr Nelson Azeem** urged universities to ensure playgrounds and co-curricular spaces for holistic student development. (*The News*, [28 August 2026](#))

- ◆ **JUI-F Voices Concern Over Media Restrictions** — Jamiat Ulema-e-Islam (Fazal) leader **Aslam Ghauri** has expressed regret over what he termed an “**unofficial ban**” on the participation of JUI-F leaders in television programmes. He argued that JUI leaders had always presented their views “**in a dignified manner, supported by arguments and within the bounds of the Constitution and law.**” Ghauri warned that curbs on opposition speeches, public gatherings and media appearances raised the question of whether a “**civilian martial law has been imposed in the country.**” He cited restrictions on **Senator Kamran Murtaza, Hafiz Hamdullah and himself**, stressing that democracy thrives on disagreement, dialogue and freedom of expression. He cautioned that “**restricting voices in the media will not resolve problems; rather, it will make them more complicated.**” (*The Nation*, [28 August 2026](#))
- ◆ **Gilgit-Baltistan Trophy Hunting Auction Announced** — The Parks and Wildlife Department of Gilgit-Baltistan will auction 117 trophy hunting permits for the 2026-27 season, including three Astore markhors, 14 blue sheep and 100 Himalayan ibexes. Base rates are set at \$200,000 for markhor, \$25,000 for blue sheep and \$11,000 for ibex. The open auction will be held on 10 September in Gilgit, with hunting permissible only in designated conservation areas under the GB Trophy Hunting Guidelines 2019. Officials noted last year’s auction raised Rs350m, but unused permits caused losses of Rs200m. Business owners warn that repeated 300% price hikes have damaged local livelihoods, stressing the programme faces serious challenges. (*Dawn*, [28 August 2026](#))



SBP MULLS ENDING RS10 NOTE ON RISING COSTS



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