



## NATIONAL INSTITUTE OF PUBLIC POLICY

### OVERVIEW

During the past week Pakistan faced a complex mix of security, economic, and diplomatic challenges, each requiring a strategic and coordinated response. The persisting security threats, exemplified by the Duki mines carnage, the ongoing concerns for the safety of Chinese nationals, and the need for heightened security around the upcoming Shanghai Cooperation Organization (SCO) meeting, underscore the urgent need for a holistic and effective counter-terrorism strategy. It is encouraging to see that the government is actively working to create a secure environment for foreign investors, particularly those from Saudi Arabia and China, as part of its efforts to ensure long-term economic growth and foster stronger diplomatic ties.

In addition to the security measures, the government's handling of the Pashtun Tahaffuz Movement (PTM) issue has demonstrated a commendable level of flexibility and political acumen. By resolving this delicate situation through dialogue and magnanimity, the government has set a positive precedent for future negotiations. This same level of pragmatism will be crucial in addressing the economic challenges posed by the International Monetary Fund's (IMF) demand to end long-standing tax breaks for the agriculture and textile sectors. The heinous cases of child abuse and neglect need to be curbed with an iron hand.

Public sentiment remained largely positive, buoyed by diplomatic and economic progress. As the frontline Muslim country, Pakistan's political parties' emphatic demand for immediate ceasefire in Palestine, sent positive message across the Muslim world. On a different tangent, the laudable achievement of mountaineer Shehroze, who joined the elite club of mountaineers having conquered 8,000-meter peaks, has been a source of national pride.

With continued focus and concerted efforts, Pakistan stands on the brink of stability and prosperity, with potential breakthroughs in multiple domains appearing within reach.

### Inside This Issue

✚ Political Leaders demand Ceasefire in Gaza	2
✚ Pakistan signs \$2B with Riyadh	2
✚ God Fathers of AI win Nobel Prize	3
✚ SCO Summit to boost Economic Cultural ties	3
✚ Govt. ends Contract with five IPPs	4
✚ Child Abuse on Rise	5
✚ Policy Nuggets	6

### Political Leaders Demand Immediate Ceasefire in Gaza

A multi-party conference — jointly called by President Asif Ali Zardari and Prime Minister Shehbaz Sharif — sought an immediate ceasefire in Palestine, as well as an emergency summit of the Organisation of Islamic Cooperation (OIC) to prevent Israel from undermining regional peace.

The conference was organised to exhibit solidarity with the people of Palestine on the completion of one year of atrocities committed by Israel in Palestine. All the political leaders demanded an immediate and unconditional ceasefire, an end to brutalities against Palestinians, lifting of the Gaza siege, provision of unimpeded humanitarian, and medical aid, and to hold Israel accountable for its violations of international law, war crimes, and acts of genocide.



The conference was organised to exhibit solidarity with the people of Palestine on the completion of one year of atrocities committed by Israel in Palestine. All the political leaders demanded an immediate and unconditional ceasefire, an end to brutalities against Palestinians, lifting of the Gaza siege, provision of unimpeded humanitarian, and medical aid, and to hold Israel accountable for its violations of international law, war crimes, and acts of genocide.

### Analysis

Pakistan has adopted a stern and straightforward stance on Israeli brutalities. Earlier in July, at the SCO and SCO Plus summits in Astana, PM Shehbaz Sharif had urged the international community to hold Israel accountable for the genocide of Palestinians. This stance is in line with the policies of Quaid-e-Azam Muhammad Ali Jinnah, who consistently supported the Palestinian cause. Other Muslim countries have been asked to follow the suit.

### Way Forward

- Pakistan should continue to stand on its stance regarding demand for ceasefire in Gaza.
- The issue should be raised at international forums, i.e. United Nations for intervention of other nations to stop Israel from genocide.
- Political leaders should pursue with call on OIC to raise the agenda of Palestine across all Muslim countries to forbid Israel from further brutality on Muslims.

## Foreign Direct Investment

### Pakistan to sign \$2 billion Agreements with Riyadh



A high-level delegation from Saudi Arabia arrived in Pakistan led by Saudi Arabia's Minister of Investment Khalid Al-Falih. Agreements of \$2 billion are likely to be signed between the two countries during this visit. Pakistan's Federal Minister of Energy, Minister Commerce, and Minister Privatization received the delegation at Noor Khan Airbase. The Saudi delegation will hold business-to-business meetings with Pakistani counterparts which include several important investment agreements, reportedly.

## Analysis

Prior to Shanghai Cooperation Organisation (SCO) Summit 2024, scheduled to be held on October 15-16, Pakistan hosted distinguished delegation from Saudi Arabia. The events reflect enhanced diplomatic ties of Pakistan with Saudi Arabia and regional partners for mutual economic benefits; also, it highlights improved diplomatic position of Pakistan. China and Saudi Arabia also supported Pakistan in securing financial deal with International Monetary Fund (IMF), this year.

## Way Forward

- Continue efforts to improve diplomatic relations of Pakistan with region by hosting important forums and organizing inter-continental / multilateral conferences.
- Enhance trade agreements and economic partnerships with neighboring countries, focusing on areas like energy, agriculture, and technology to create mutual benefits.
- Promote cultural exchanges and people-to-people connections through scholarships, arts, and sports to build goodwill and mutual understanding.
- Foster positive narratives about Pakistan in regional media and engage with foreign media to improve public perception and understanding.

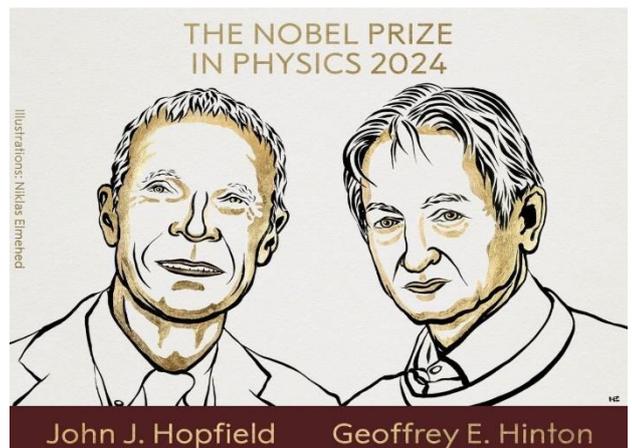
## International Awards

### ‘Godfather of AI’ among duo awarded Nobel Prize in Physics

The Nobel Prize in Physics was awarded to two scientists, for discoveries that laid the groundwork for artificial intelligence (AI) used by most popular tools such as ChatGPT. Geoffrey Hinton, known as a “godfather of AI,” and US physicist John Hopfield were given the prize for “discoveries and inventions that enable machine learning with artificial neural networks”.

## Analysis

Nobel Prize winner Hinton rightly pointed out that the AI-tools were like industrial revolution. AI-tools are helping wonderfully in the field of health sciences and the tools will be kept improving. A real challenge is to keep this technology ‘safe’. They warned that the systems created with the help of AI will be more intelligent than humans and can take over control. Policy makers should be mindful of this scary fact. Pakistan must take these aspects seriously.



## Way Forward

- Increase public investment in AI research and development through grants, subsidies, and tax incentives for startups and research institutions.
- Create a regulatory framework that encourages innovation while ensuring ethical standards and data privacy in AI applications.
- Invest in necessary infrastructure, such as high-speed internet and cloud computing resources, to support AI research and application development.
- Establish partnerships with global tech companies and research institutions to exchange knowledge, expertise, and best practices in AI development.

### SCO Summit to boost Economic, Cultural ties

Leaders from the Shanghai Cooperation Organisation (SCO) member states will convene the 23<sup>rd</sup> meeting of the Council of the Heads of Government (CHG), with the goal of advancing regional economic cooperation and strengthening socio-cultural ties. The summit, scheduled for Oct 15-16, will also address pressing issues such as environmental collaboration and organisational performance.



Nine of the 10 member states are being represented at the prime-ministerial level, wherein Prime Minister Shehbaz Sharif, as the current Chair of the CHG, will preside over the leaders' meetings.

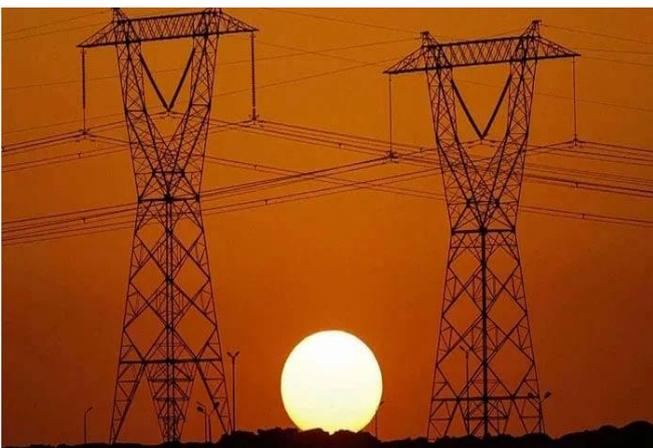
### Analysis

CHG is the second highest decision-making body in the SCO that plays a pivotal role in shaping the organisation's economic initiatives and deciding institutional matters. PM is seeking to enhance economic partnership with SCO members through this forum.

### Way Forward:

- Capture the opportunity to enhance bilateral economic and trade partnership.
- Talks may be extended with participant leaders concerning regional cooperation, peace and stability.
- Keeping in view current security situation in Pakistan, collaboration may be sought to combat terrorism in the country.

### Govt ends Contracts with five IPPs to Save Rs. 411bn



The government announced the early termination of power purchase agreements (PPAs) with five of the oldest independent power producers (IPPs), projecting future savings of Rs411 billion and a reduction of around 71 paise per unit in the average electricity tariff, which currently stands at approximately Rs36 per unit, excluding taxes and duties. Prime Minister Shehbaz Sharif made the announcement during a federal cabinet meeting where he pledged to continue reviewing contracts with other IPPs and state-owned power plants to further reduce tariffs by Rs8-10 per unit.

### Analysis

It's a long-awaited step in the right direction. Albeit the reduction per unit is miniscule, it has generated considerable hope in the people who had been haplessly watching the unbridled spiral of exorbitant increase in electricity charges for the last three years, imagining this flight might not stop. In a bold move the government has struck at the root cause of the malaise which has been the bane of ailing business and

decaying economy. Nevertheless, it leaves a lot to be desired and more bold measures ought to be adopted as soon as possible to give much needed relief to people, industry and economy.

### Way Forward:

- Continue to renegotiate contracts with other IPPs.
- Review and reform tariff structures to reflect actual costs of generation and distribution.
- Establish clear guidelines and standardized contracts for IPPs to ensure transparency & efficiency.
- Promote local production of power equipment to reduce import dependency.

## Human Rights

### Child Abuse on the Rise

Police arrested a drug addict who allegedly raped at least three students in a seminary in Gujranwala area. The Child Protection Bureau rescued a 4-year-old girl child who was being tortured by the owners of the house where she was employed as a maid in Gujranwala. A desperate father tried to kill his five children by throwing them in the canal in Gujranwala. The Child Safety Centre rescued them.

### Analysis

Three incidents in a day in the same area are a litmus test of the enormity of the issue across the country. The situation is alarming for the safety and security of children. The good side is that in all three cases the institutions took timely and appropriate measures and mitigated the damage. But the gravity of the situation demands much more actions and efforts to curb child abuse and neglect cases. The safety and security of children should be treated as a national priority, and decisive action must be taken to prevent such tragedies from recurring. A multi-pronged approach combining legal, social, and institutional reforms is essential to tackle it.

### Way Forward

- Launch nationwide awareness campaigns on child abuse and neglect.
- Teachers and religious leaders should be trained to handle these cases and report any suspected cases of child abuse or neglect to authorities.
- Specialized units should be established in police departments to deal with child protection cases swiftly and sensitively.
- Provide more resources, including staffing and funding, to child protection bureaus and shelters.



## Policy Nuggets

Incident/ News	Impact	Recommendation	Priority
Pakistan, S Arabia ink \$2.2bn bilateral investment pacts	A laudable diplomatic and economic achievement has created an environment of trust, hope and confidence.	Maintain, diversify and enhance it for long-term economic growth and stronger diplomatic ties.	Highest
Omar to lead Held Kashmir after routs BJP.	It indicates total rejection of BJP's repressive policies.	Pakistan should build the narrative to restore Kashmir's status.	High
Pakistan vows to hunt perpetrators of Karachi attack.	PM and Pakistan are determined to ensure security of Chinese.	It's more important to have foreknowledge of perpetrators and plans to preempt and prevent such actions.	Highest
Punjab CM calls for 'climate diplomacy' with India.	A pragmatic approach to initiate détente. A good message before the SCO meeting.	Trade and diplomacy, without compromise on Kashmir, can give a chance to peace.	High
21 killed, 10 coal mines destroyed in Duki carnage.	A well-designed plan of terrorism, sabotage and subversion is being executed in Balochistan.	Besides army, political and civil forces should play their role effectively to counter these threats.	Highest
Islamabad police plan round the clock digital surveillance for SCO moot	The right step at the right time. The sensitivity of SCO moot requires nothing less than holistic foolproof security.	Coordinated efforts between all intelligence agencies and LEAs must be ensured.	Highest
Federal govt 'agrees' to rescind ban on PTM	It had the desired impact and Jirga played effective role to resolve the matter.	PTM's reasonable demands, presented in a reasonable manner, should be taken into consideration.	Highest
IMF asks govt to end tax breaks for Agri, textile sectors.	It claims that protection for these sectors have stifled the country's growth potential for decades.	Serious debates among the experts and stakeholders are required to ponder over this IMF demand.	High

Shehroze joins elite club of 8000m peak conquerors.	A great achievement that has set example for budding mountaineers.	Govt. should encourage and support mountaineering clubs and associations.	High
---	--	---	------



**Editorial Team**

**Dr. Naveed Elahi**

**Faryal Maaz**

**Naeema Naeem**

**National School of Public Policy**

Email: [polycypulse.nipp@nspp.gov.pk](mailto:polycypulse.nipp@nspp.gov.pk)

87- Shahrah e Quaid e Azam, Lahore.