

EUROPE INDIA CHAMBER OF COMMERCE

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Mr. Josep Borrell
EU High Representative for Foreign Affairs and Security Policy and Vice-President of the European Commission
242, rue de la Loi
B-1049 Brussels

Dear High Representative, Vice-President Mr. Borrell,

Re: EU's Afghan Crisis and Pakistan

For more than seven years Pakistan has benefitted from the European Union's special trade privilege under the GSP plus scheme. The trade privilege granted to Pakistan was an incentive to inculcate good governance and sustainable development practices in the country, help Pakistan achieving best practices and moving up the ladder of development. Access to the GSP+ was a significant milestone in EU-Pakistan relations and had come at a time when the Pakistani economy was teetering under the mounting weight of debts especially those incurred due to its folly of joining the controversial Belt and Road Initiative of Chinese President Xi Jinping, that has seen its government debt rise from 60 pc of GDP in 2010 to 87 pc in 2020.

Despite the critical lifeline extended by the EU at a time when Pakistan had few options, Pakistan has not lived up to EU's expectations and the commitments that were part of the GSP+ deal. It has consistently failed to deliver on good governance as well as sustainable development. Unfortunately, and very crucially, the EU's own monitoring mechanisms to oversee the progress made by the country have also failed to detect what the government in Islamabad has really been up to in the course of the past seven years.

It is not just the handling of its domestic economic and political situation by the Pakistan government that should worry the EU. The role and responsibility of Islamabad in the events leading up to the fall of Afghanistan to the Taliban as well as the future developments in the war-torn country. The dramatic collapse of the civilian government in Afghanistan and the reemergence of the Taliban as the rulers have left the entire democratic world worried. Today, if there is one country that wields any degree of control, or even influence over the Taliban regime, it is without doubt Pakistan. Not surprisingly, the selection of the interim Afghan government has the unmistakable stamp of Pakistan's security establishment.

It is no secret that Pakistan's Afghan policy in the aftermath of the events of September 11, 2001, that of supporting the United States and the West, was only a short-term tactical adjustment rather than a long-term strategic policy shift. The world today sees Taliban takeover as a product of Pakistan's long-alleged double game. Although US and allies won the war on

terror in Afghanistan, we fear that a new, even more deadly form of terrorism propagated by ISIS and such other jihadi groups, will soon be unfurled on the world, with Pakistan as the principal facilitator.

For nearly two decades, though on the surface, Pakistan feigned to act against the Taliban and other extreme elements on its soil, it was all the while playing a double game. The fact of Pakistan's deep and continued involvement with the Taliban over the past two decades is indeed a major failure of the EU's own monitoring mechanism and a major judgmental error as the bloc expected Pakistan to follow the letter and spirit of its GSP+ agreement with the EU. Unfortunately, despite our chamber several times raising concern on this issue, Brussels missed the numerous warning signals that Pakistan was disregarding its commitment under the GSP plus trade benefit.

Pakistan's double game became completely visible recently that while the United States and its allies were shocked, surprised and angry over the sudden victory of the Taliban in Kabul, none other than the Pakistan Prime Minister Imran Khan was celebrating the rout of Afghanistan's elected government, saying the Taliban had "broken the shackles of slavery."

In the light of these developments, I would like to ask whether EU believes that it has been right in continuing its trade privilege to Pakistan? Should EU still remain silent about Pakistan's betrayal? With every oversimplification, that Taliban is Pakistani creation; an asset or parasite, there is stark truth to this -- over the past two decades there have been elements in the Pakistani military, government and society that offered logistical and material support to the Afghan Taliban. Without Pakistan's shelter and support the Taliban might not be marching through the streets of Kabul today.

As the Taliban Islamic fundamentalists move to reimpose harsh Sharia rule on the multiethnic population, civil war looms large, increasing further the push of refugees toward Europe's borders, Afghanistan has again become a human volcano, waiting to erupt. It is not just the migrants coming from Afghanistan that should worry the EU and the rest of the world. The renewed migratory flood poses to the security and safety of the EU, notably because the Taliban or the ISIS-K or any of the other numerous terror groups operating in Pakistan-Afghanistan might be able to slip into the EU and other western nations under the guise of refugees or asylum seekers. Thus, what is at stake today is far greater - the fear of size and shade of terrorism which is likely to take shape. This could indeed expose the EU to severe terror incidents that has claimed hundreds of lives across all major EU nations.

Another major trouble that could become a major export from Af-Pak to the EU is the drug trade. It has long been known that Taliban's major source of revenue has been the thriving drug industry in Afghanistan, even while they were fighting an uphill battle against the US and its NATO allies. Now, with the entire field open to them, it is certain that drug production as well as smuggling from Afghanistan will reach new highs within a short time as Taliban will look to shore up its finances and to be able to counter any financial sanctions that the West or the UN may decide to impose upon it. Pretty much like the war effort of the Taliban, Pakistan will have a major hand in its drug production and 'export' and hence it will control, to a large extent, how and where the drugs flow to.

Over the decades, especially since 9/11, Pakistan has mastered the art of playing victim at international platforms. In fact, arms, trade, and terror was never off the list of Pakistani government long term strategy on Afghanistan. The nexus between Pakistan establishment and the Taliban was always indisputable and they remain indispensable to each other. Given Pakistan's long-time support for the Taliban and its harbouring of the group's leaders over the years, it is time NATO member States in the EU countries reassess Islamabad's status as a major non-NATO ally.

It is no surprise that Pakistan used EU's support not to build its democracy but to fuel extremism. You will also agree that EU's current strategy on Pakistan has not worked when it comes to the core objectives of the EU's assistance and trade privilege. European Parliament has already expressed its utter frustration through its GSP-Plus resolution adopted at the EU Parliament asking the European Commission to review Pakistan's status. It is time that EU steps in and take decisive steps on how to deal with the country. Furthermore, it is important for the decision-makers in the EU to demonstrate a strong political will and determination by withdrawing GSP Plus to the country and show to other countries that withdrawal of the benefits in case of noncompliance with the prerequisites remains an option that the EU would not pull back from exercising, should the countries repeatedly fail to deliver on their promises.

Given Pakistan's track record of responding to genocide, invasion and proxy war, EU will be justified to sanction Pakistan for duping the EU all this while and supporting the Taliban. In addition to sanctioning Pakistan, it is important to list Pakistan as a state sponsor of terrorism and add it to the Financial Action Task Force (FATF) Blacklist. If the EU continues to favour Pakistan with trade and other economic benefits, you can be sure that you are witnessing a shallow and fading state gradually being reduced to a level of stagnant and treacherous swamp which will suck in the EU sooner than later.

We hope you will consider the issues we have raised above in the right perspective and take urgent and appropriate steps.

With kind regards,

Yours sincerely,

Secretary General

Cc: Mr. Valdis Dombrovskis, Executive Vice President and EU Commissioner for Trade, European Commission