

Opening statement of H.E. Finance Minister Eklil Hakimi at the 10th Afghanistan-Pakistan Joint Economic Commission meeting

23 November 2015  
Islamabad

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ.  
نَحْمَدُهُ وَنُصَلِّي عَلَى رَسُولِهِ الْكَرِيمِ.

My Brother Excellency Finance Minister Senator Muhammad Ishaq Dar,  
Dear Colleagues,  
Ladies and Gentlemen,

السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ.

First of all, let me just say how honoured and pleased I feel to be here with all of you in Islamabad for the 10th meeting of our Joint Economic Commission, especially after we both had to postpone it twice earlier this year. I want to express special thanks and appreciation to you, Excellency Finance Minister Dar, and your entire team for the warm welcome and the excellent hospitality that you have extended to me and the rest of the Afghan delegation.

Excellency, ladies and gentlemen,

We in Afghanistan attach utmost importance to our relationship with Pakistan. Indeed, as His Excellency President Ghani has underlined repeatedly and consistently, we consider Pakistan as a vital partner in security, economic development, political cooperation and people-to-people relations. This clear, principled policy from our side is underpinned by the unique and very close ties of common history, faith, culture, traditions, language, geography and more. As such, the destinies of our two countries are inseparably linked to each another.

At one level, what this means is that whatever happens in one country will have a direct, immediate, lasting impact in the other. Therefore, as history, especially the past decade, has proven beyond any doubt, any insecurity, instability or violence in one country will have an immediate adverse impact on security, stability and peace in the other. Likewise, security and peace in one country will have a significant salutary effect on the situation in the other.

Similarly, our two countries are vital to each other's economic growth and development, as well as to the larger goal of win-win regional economic integration centred around Afghanistan and Pakistan. As President Ghani pointed out during his historic visit to Pakistan exactly a year ago, Afghanistan and Pakistan can easily become the lynchpin of an Asian continental economy, linking Central Asia with South Asia and China with West Asia and beyond, thus realising the noble goal of meaningful, deep economic integration and lifting millions of our citizens out of poverty and underdevelopment.

It was based on this clear vision and with a firm commitment to changing the dynamics of our bilateral as well as regional economic cooperation that President Ghani endorsed, together with His Excellency Prime Minister Sharif, the ambitious 48-point minutes of economic cooperation during his visit exactly a year ago. At the time, the President rightly said that we managed to do more work in terms of getting agreement and decisions on key elements of economic cooperation between us — both at the bilateral as well as regional levels — in three days than in the

previous ten years. To us, what the 48-point agreement shows is that when Afghans and Pakistanis sit down in the same room, they can find solutions and they can reach specific decisions and action points.

Nevertheless, if we are to be completely candid, I think it would be fair to say that when it comes to practical follow up and implementation, we have neither matched the shared strategic vision of our leaders nor have we delivered satisfactorily on the scope of the decisions we have made. In my humble view, the work that we have done in the past one year since the historic visit of President Ghani to Islamabad, we could have actually done in three months.

So, Excellency Brother Ishaq Dar sahib, in addition to reaffirming our mutual and shared commitment to deepening, strengthening and broadening the economic partnership between Afghanistan, I would like to explore with you the possibility of finding ways and means that would enable us to go from words into actions and agreements into concrete outcomes and results for our people. At the moment, we are performing significantly below the potential that exists between the two countries. In our view, we are also not utilising the element of time to its maximum potential, either.

Excellency,

More specifically, I believe we have not achieved the targets that we set for ourselves last year. We have not delivered on our agreements and decisions and commitments, including on Afghan transit trade through Pakistan. What we hear from our traders is that the same problems that plagued Afghan transit trade through Karachi last year are the same problems and challenges that they have faced this year.

We have not pursued strategic connectivity and energy projects with the vigour and enthusiasm that we could and, I believe, still can. If we can make concrete progress on even one or two major road, railway or energy projects that our people can see, we will manage to change perceptions and misapprehensions about the trajectory of this relationship easily and almost immediately.

The same goes for investment promotion. We are keen to encourage and support closer linkages between and among Afghan and Pakistani investors to promote investments in both countries, including through joint ventures.

We are of course grateful to the people and government of Pakistan for the generous development projects that you have been pursuing in various sectors in Afghanistan, including in education, healthcare and connectivity. Completion of these projects will benefit a large number of people and also have a positive impact on public perceptions towards this relationship. I am very happy to hear about the progress in these projects that you just mentioned.

I must underline that the challenges I have pointed out are not only the case here in Pakistan; we in Afghanistan also have significant shortcomings, too. What all of this requires, therefore, in my view, is a renewed focus and commitment from both sides to try to change the dynamics of this essential economic partnership.

Excellency Ishaq Dar sahib,

One idea that I could propose as part of thinking about the road ahead would be a decision by both our governments to elevate economic cooperation between us to a strategic level. In large

part, to me this means leaders and officials at the highest levels of both governments spending more time and focus, on a daily and weekly basis, on implementing the letter and spirit of the agreements and decisions that we reach in an effective, timely manner. In other words, if we want to truly reshape the trade and economic partnership between Afghanistan and Pakistan, and reach the much higher potential that exists in it, business as usual will not take us there. We must also make sure that all relevant state and government institutions act in unison in the implementation of decisions and agreements.

We can agree to establish a high-level joint team to meet and speak at least once a week in person or via video conference to follow up on implementation of decisions. We are also very much open to other suggestions and ideas in this regard.

Areas where we believe we can make significant progress in the immediate and medium-term through a concerted, consistent, high-level strategic focus include the following:

1. Afghan transit trade: Despite the historic decisions reached during President Ghani's visit last November thanks in large part to your leadership and advocacy, for which I want to once again express our sincere appreciation, the pattern of challenges, delays and hurdles facing Afghan transit trade through Pakistan hasn't changed in the past years.
2. Connectivity, especially in the areas of road, railway and energy projects, including the Chaman-Spink Boldak railway, Peshawar-Jalalabad railway and Peshawar-Kabul motorway.
3. Regional economic integration: We are keen to expand transit trade arrangements in the region with Afghanistan and Pakistan at the centre, as this is integral to President Ghani's vision for Afghanistan as the land bridge and connector in our region, especially between South Asia and Central Asia. In this connection, we are keen to finalise the Tajikistan-Afghanistan-Pakistan trilateral transit trade agreement simultaneous with the inclusion of Wahga-Attari access and facility for Afghanistan.
4. Economic cooperation with Pakistani provinces: In addition to working with you and your colleagues in the federal government, we in Afghanistan are keen to work with your provincial governments to strengthen and expand bilateral economic ties and take maximum benefit of the truly vast potential that exists. In this connection, I would like to reiterate our desire for the establishment of a Consulate General in Lahore, which we have requested already. As you're aware, we have already held constructive and useful discussions with the Khyber Pakhtunkhwa government, and we look forward to working more closely with the other three provinces. We hope the Chief Minister of Punjab will be able to reschedule his planned visit to Kabul soon.

Excellency, Ladies and Gentlemen,

With this, I would like to repeat my gratitude and appreciation to you and your entire team for hosting us here in Islamabad, and to reiterate Afghanistan's full commitment and determination to work with the government of Pakistan to further enhance and deepen economic cooperation and integration between our two countries both at the bilateral as well as regional level.

Thank you very much.