



# INSTITUTE OF STRATEGIC STUDIES

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## *Report - In-House Meeting*

### **UAE Media Delegation**

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## Pictures of the Event



The Institute of Strategic Studies Islamabad (ISSI) hosted an In-House meeting with a 3-member Media Delegation from UAE on September 4, 2018. Members of the delegation included: Ms. Jumana Al Tamimi, Associate Editor, Daily *Gulf News*; Mr. Mostafa Ahmed Khalifa Abu Zaid, Editor, Daily *Al Bayan* and Mr. David Light, Senior Reporter, *Khaleej Times*.

Welcoming the delegation, the Director General ISSI, Ambassador (Retd) Aizaz Ahmad Chaudhry gave a brief overview of the global and regional development and how Pakistan viewed these dynamics. He said that the world has changed in fundamental ways from what was conceived 70-80 years ago. There are new realities on ground, and from a bipolar world to the phase of globalization in the 90s, we are now moving towards a multipolar world where China and Russia are emerging as major players - something which is defining the US approach to the world order. US has also pivoted its policy towards South Asia, recognizing the new centres of powers in Asia, therefore, we can see bulk of attention is on this aspect. Within Asia, there are changes happening as well, where China has emerged as a strong power house.

Consequently, we now see growing competition, but there are different ways of looking at this competition. The buzzword in Asia has been connectivity and opening up doors for greater regional cooperation. Apart from strategic landscapes, there are changes happening in other areas as well. Narrow nationalism is raising its head, and the way the immigrants are looked at is changing in certain parts of the world. Since 9/11, forces of terrorism in many parts of the world have been eliminated, but there is a long way yet to go, Middle East is a prime example. In the economic sphere, there is growing tendency of protectionism which is raising its head and one can see early signs of growing trade wars.

In South Asia, the situation is also fluid. Pakistan-India relations have not settled down, while Pakistan-China relations are growing for the better. Regarding Pakistan-Afghan relations, attempts are being made to improve cooperation, but the situation remains destabilized. We have cordial relations with Iran and with the Gulf countries, but a lot still needs to be done, particularly our relations with India. India is not willing to talk to Pakistan which is alarming. Indians have this view that there are terrorists hiding in Pakistan who come and attack India, while Pakistan is committed to eliminating all terrorists and it has succeeded in doing so after launch of kinetic operations against them since 2014. Law and order has improved a great deal

following these operations. Pakistan has also conveyed to India, that when it suspends dialogue, it is in fact playing into the hands of the terrorists. We should be isolating the terrorists and not ourselves. A peaceful co-existence is very important.

Meanwhile, Afghanistan remains destabilized. Peace has not returned to that country. The Trump administration in the US announced its new Afghanistan and South Asia policy in August 2017 and changed its approach to a condition-based assessment for withdrawal from Afghanistan. Pakistan's view is that peace in Afghanistan requires a comprehensive political approach which should include several elements. Pakistan will extend full support, but of course not take responsibility for this because it has to be an Afghan-led and Afghan-owned process. With greater militancy in Afghanistan, there will be a greater tendency for people to come back to Pakistan, and hence it is keen on comprehensive border management. We are putting out check posts and other custom facilities. But in this regard, Pakistan needs cooperation from Afghanistan. Pakistan is hosting nearly 3 million Afghan refugees. While it is proud that it hosted them, but since some militants try to exploit this relationship, Pakistan feels that they should now go back with dignity and grace. There should be a regional consensus in Afghanistan. Pakistan believes that essentially all countries agree that the Afghans have suffered a lot. Afghanistan should be treated as a sovereign country and that the Afghan soil should not be used against any one.

China has been a steady partner, and does not interfere in Pakistan's internal affairs. China is investing in Pakistan, but this does not mean that Pakistan does not want good relations with the US. Both Iran and Saudi Arabia are very dear to us. Saudi Arabia has been a steady friend of Pakistan for a long time, while Iran is a neighbor, and we have tried to always have good relations with both countries. Pakistan hopes that the crisis in Yemen is settled soon. It believes that countries should be respectful of each other's sensitivities. Pakistan has given a solemn commitment to Saudi Arabia that it will stand with the latter if its sovereignty is threatened. Pakistan, at the moment, is passing through a political transformation, and the new government is particularly embarked on a forward looking agenda.

Arhama Siddiqa, Research Fellow at the ISSI, spoke about Pakistan-UAE relations in the political, economic and strategic spheres. In the political arena, she mentioned how the UAE has

always helped Pakistan during catastrophic times - the 2005 earthquake being a case in point. In 2011, UAE launched a Pakistan Assistance Program focusing on construction of schools, roads, bridges and improvement in the health sector. To upgrade the execution process of Phase III of this program, UAE and Pakistan signed an agreement of \$200 million for further investment in Baluchistan and Khyber Pakhtunkhwa in May 2018. The Pakistan-UAE Joint Ministerial Commission (JMC), set up in 1974, has so far held 11 sessions, and the last one was held in Islamabad in November 2013. It was agreed to hold the next session in Abu Dhabi after two years on mutually agreed dates, however, response from the UAE side is still awaited, whilst Pakistan has proposed dates for the JMC meeting in September 2018.

Recently, UAE has proposed an MoU with Pakistan on environment and a UAE based MBF Group, founded and owned by Shaikh Mohammad Bin Faisal Al Qasimi, has announced an agreement with Ibchez Housing and Nixon to establish an integrated medical city within the Gulberg Greens in Islamabad. On August 1, 2018, UAE launched an amnesty scheme, and 1,100 Pakistani expats have already availed this. This service provides free out passes to Pakistani nationals and is also providing a seven-month extension on the passports of amnesty seekers who are wishing to stay back in the UAE in search of jobs. On August 14, 2018, Emirates Islamic Bank announced that its 60 second online fund transfer service 'Quick Remit' was now available for remittances to Pakistan.

In the economic realm, UAE hosts nearly 1.5 million migrants from Pakistan. According to State Bank of Pakistan figures for July 2018, Pakistan has received remittances amounting to \$433.42 million. With regards to the balance of trade figures, they are \$8 billion in favor of UAE. Pakistan exports to UAE amounted to \$869 million in 2017-18, while imports from UAE during this period were worth \$7.5 billion. Main exports from Pakistan include rice, textiles and leather. However, this does not signify the true potential between the two countries. In terms of Foreign Direct Investment, UAE is one of the largest contributors to Pakistan mainly concentrated in business and banking, telecom and energy sectors. However, this too is declining. While in 2016-2017 it was \$109.7 million, in 2017-2018 it had dropped down to \$59.8 million. The Pakistan Business Professional Council (PBPC) was established in December 2004 and was inaugurated by President of Pakistan on June 6, 2005. It was agreed during the 10th session of Pak-UAE JMC that a Joint Business Council (JBC) would be formed comprising ten businessmen from

each side. A list of ten Pakistani businessmen was shared with the UAE side, however, their response is still awaited.

Pakistan-UAE defense partnership is also immensely important. In June 1994, Pakistan and UAE institutionalized their defense relations by establishing a Defense Consultative Group aiming to enhance defense cooperation by increasing intelligence sharing, holding joint military exercises, training, and production. High level military meetings also take place from time to time. Pakistan has the singular distinction of establishing the UAE Air Force after its independence in 1971. There is a frequent exchange of visits and joint exercises between the armed forces of the two countries. The two navies have also conducted exercises focusing on anti-piracy operations, search and rescue, and maritime operations. In 2018, during the 78th Pakistan Day Parade, UAE soldiers stood along with Pakistani military and showcased the trust and growing cooperation between UAE and Pakistan.

But, as with every relationship, there are problem areas that need to be addressed. First is the migrant issue and the inadequacy to protect worker rights in the UAE. The background channels of issuing migrant work permits must be stopped and it should be insured that the *kafala* system does not become a means of bonded labor in the GCC countries. Secondly, adequate training should also be provided to workers and awareness needs to be raised. Third, trade between Pakistan and UAE is dwindling and should be addressed. To cover the huge trade deficit between the two countries, maybe the import of rice and sugar from Pakistan can be allowed for cooperative stores in UAE. The latter was also very vocal in admonishing Pakistan when it refused to send troops for the Yemen war in 2015. UAE needs to respect Pakistan's neutrality and stop pressuring Pakistan in this regard.

The briefing was followed by an interactive question and answer session.

**A question was raised by the UAE delegation on what was Pakistan's position on the crisis in Yemen, Syria and Iraq, and whether Iranian interference is complicating the situation?**

Responding to the question, the DG ISSI said that Middle East is an area of immense importance to Pakistan, with which we have traditionally had close relations for a long time. Anything that happens there concerns us too. When all these events happened, Pakistan decided not to interfere

because we felt that this whole concept of changing regimes in the countries is not a good idea. The question of R2P (Responsibility to Protect) was also raised in the UN. We believe that outsiders should not come in to change regimes. So Pakistan has not taken any position of interference in any of these countries, we believe in the principles of respect for sovereignty and territorial integrity and for non-interference in any country, be it Iraq, Syria or Yemen. Principles of United Nations should be respected by everyone and that includes all countries in our view. Interference means there is going to a reaction and a counter reaction. We would not want anyone interfering in Pakistan. We did not allow US troops on our soil and we objected on the same principles where drone strikes happened.

**Why does the US keep repeating that Pakistan has not done enough in the war against terror?**

US remains perhaps the most important country. At the moment, its position is now being challenged. Pakistan has had good relations with the US and wants to remain on friendly terms. However, we do not agree on all things with the US. With the violence we have faced, we have actually been able to reverse the tide of terrorism due to our efforts. US is more concerned about Afghanistan, and that they have not been able to win the 17-year old war. We would like to cooperate with the US, but we cannot take the blame for the failure in Afghanistan. That is not our failure.

**Are you willing to take any initiative with the Indians for talks? Secondly, does the new Pakistani Government have the infrastructure to uplift the economy?**

Kashmir is a matter of great dispute between Pakistan and India. India has put in 600,000 troops in Kashmir, and along the Line of Control (LOC). Recently, UNHCHR has come out with a new report citing the human rights abuses in Indian Occupied Kashmir (IOK). Pakistan is open to any new beginning with India, but the latter has blocked all attempts to open up talks. UAE is friendly to both countries. Hence, it should also play a role to nudge Indians to stop brutalities in Kashmir and to partake in a dialogue process with Pakistan. The new government is very serious about improving the economy of Pakistan. An economic task force has been established, and we hope that the situation can change because Pakistan's economy needs a turn around.

**On the cooperation with China. A few countries have come out and said that the debt with China will become un-serviceable. What are your views on that?**

CPEC brings connectivity to the people of China. These are purely commercial projects. The Government of Pakistan took only \$11 billion for infrastructure and roads. There is a lot of propaganda to deter both countries from completing this project. China has made it clear that they have no intention of dictating to Pakistan .

**Why doesn't Pakistan go to Saudi Arabia and Iran and help mediate their issues, whereas it expects UAE to do that with India?**

This conflict has not good for the Muslim world. It is hurting the Islamic World and Pakistan has been talking to both sides to solve their issues. The discussion has been ongoing. Whether India will accept UAE offer at mediation attempts is another issue because it is a bilateral matter. But when we say talk, they say no. We believe that countries friendly to both countries should play a role. UN is a neutral forum to play a role, but India has denied all attempts by the UN as well.

**Will the government of Imran Khan be more serious about fighting terrorism given that in the past he has said otherwise?**

The whole nation is united in the fight against terrorism. A series of internal dialogues have taken place where a national consensus was developed that the time had come that military action was the way to go forward to control terrorism in the country. Swat is an example. Not a single political party has ever said anything against this.

**The conflict between Qatar and the four Arab states is on the view that Qatar is supporting terrorism indirectly. Sitting outside, how does Pakistan view this conflict between Qatar and the four Arab countries?**

Pakistan is guided by principles of sovereignty and territorial integrity. Our message has been to resolve this matter. If this conflict is not resolved , outsiders will come in and then it will worsen. We hope that talks will take place and that both sides can address each other's concerns. Directly, Pakistan does not partake in making comments even.

Concluding the discussion, Chairman Board of Governors ISSI, Ambassador (Retd) Khalid Mahmood said that Pakistan happens to be on the wrong side of the current US administration. He went on to say that for any government, it is an essential requirement to have a peaceful neighborhood. Pakistan's efforts to start a dialogue are rebuffed by India. Pakistan is ready to address all outstanding issues regardless. Regarding Afghanistan, more than any other country it is in Pakistan's interest that peace is established there, and Pakistan has and will continue to make all efforts necessary for this purpose. Pakistan has enjoyed close brotherly ties with all Muslim states and will continue to do so. Pakistan's efforts are to play a role of a pacifier always. We stand by the principles of non-intervention and respect for sovereignty. With regards to the Pakistan-UAE relations, he said that although both countries have established institutions for cooperation, however, they are not working. At the popular level there is great empathy between the two countries, but all this is not being institutionalized. This needs to be addressed for a long lasting enduring relationship.