

PAKISTAN-RUSSIA INTERGOVERNMENTAL COMMISSION ON TRADE, ECONOMIC, SCIENTIFIC & TECHNICAL COOPERATION

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(Views expressed in the brief are those of the author, and do not represent those of ISSI)



A Russian delegation of 80 members visited Pakistan to participate in the 8th Session of Pakistan-Russia Intergovernmental Commission (IGC) on Trade, Economic, Scientific and Technical Cooperation held in Islamabad from January 18-20, 2023. The Russian delegation was headed by Mr. Nikolay Shulginov, Minister of Energy. This 8th session took place in nearly a year's time as the previous session was held on November 24-26, 2021, in the Russian city of Yekaterinburg.¹ It is a standard practice that the IGC sessions are hosted alternatively in Pakistan and Russia.

Key Takeaways of the Commission

This year's IGC session started with building upon the discussions and decisions of the last IGC session and continued with the review of existing areas of cooperation between the two countries and finding new opportunities and vistas for further deepening and strengthening of bilateral relations. The Pakistani side was led by Minister for Economic Affairs, Sardar Ayaz Sadiq.

On the first day, the two sides carried out elaborate technical consultations in the fields of: trade and investment; agriculture; energy; industry; education; science and technology; information and communication technologies; finance; customs and transit networks; postal service; and railways. Expert groups from both sides held these technical consultations in the 'working session'

¹ "7th Pakistan-Russia IGC held in Russia", The Diplomatic Insight, November 25, 2021.

<https://thediplomaticinsight.com/7th-pakistan-russia-igc-held-in-russia/>

² Imran Ali and Fawad Yousafzai, "8th meeting of Pakistan-Russian Intergovernmental Commission starts", The Nation, published on January 19, 2023.

<https://www.nation.com.pk/19-Jan-2023/8th-meeting-of-pakistan-russian-intergovernmental-commission-starts>

format on their respective agenda items. Main protocols of these consultations were discussed and agreed, which were later signed by delegations' heads on January 20, 2023.

Three documents/protocols³ were finalised and signed on the last day of the 8th IGC session, which included:

1. Agreement on Cooperation and Mutual Assistance in Customs Matters between the Islamic Republic of Pakistan and the Government of the Russian Federation
2. Protocol on the exchange of documents and data on the customs value of goods transported between the Islamic Republic of Pakistan and the Russian Federation
3. Working agreement on the airworthiness of aeronautical products

Besides signing of protocols during the last day of this IGC session, a diverse set of agenda points was also discussed. The main emphasis was on cooperation in the energy sector. Both sides agreed to structure bilateral energy trade in a manner that is mutually beneficial for the two countries and decided to work on a "*Comprehensive Plan for Energy Cooperation*" to consolidate the structure and institutionalise energy trade. In this regard, it was also stated that discussions to finalise technical specifications of energy trade (oil and gas import to Pakistan) are underway and will be concluded in March this year,⁴ which will immediately be followed by practical gas exports to Pakistan the same month.

Pakistan and Russia also agreed to consider Pakistan Stream Gas Pipeline (PSGP) as a "Comprehensive Infrastructure" and agreed on a working mechanism for its implementation on a priority basis. In addition, investment by Russian companies in potential projects of the federal and provincial governments of Pakistan on Public-Private Partnership (PPP) basis was also part of the discussion. Furthermore, it was decided to appoint focal persons from each side to discuss issues concerning connectivity and logistics in Central and South Asia to enable smooth trade.

Conclusion

The evolving global and regional dynamics and mutual desire of both Russia and Pakistan have enabled the two countries to develop a growing relationship, based on mutual trust, mutual respect,

³ "Joint Statement of the 8th Session of Pakistan-Russia Inter-Governmental Commission", Government of Pakistan, Ministry of Economic Affairs, January 20, 2023.

<https://ead.gov.pk/NewsDetail/NzljN2Q1ZTUtZGQ3YS00NjEwLWEyMjUtMzVjZjQ3NzI4YzQ1>

⁴ Tahir Sherani, "Pakistan to pay for Russian energy purchases in 'currency of friendly countries': Russian official", DAWN, published on January 20, 2023.
<https://www.dawn.com/news/1732677>

and mutual interests. Bilateral cooperation in the security and military fields already exists and is increasing at a steady pace. Regionally, Pakistan and Russia share a common interest in a peaceful and stable Afghanistan as well as sustainable peace, security and prosperity in South Asia. The two countries also work closely in multilateral fora including the Shanghai Cooperation Organization (SCO) and the United Nations.

On the bilateral plane, persistent efforts are required to strengthen the relationship through enhanced cooperation in trade, investment, transit, energy, education and health. The 8th session of IGC has imparted a strong impetus with the conclusion of agreements and protocols as well as the understanding reached on energy cooperation during its proceedings. The recently signed Protocol of Intentions between the Islamabad Chamber of Commerce and Industry, and the Moscow Chamber of Commerce and Industry⁵ provides another useful mechanism to expand mutually beneficial trade and business ties. Close follow-up on these agreements and protocols is the key to maintaining the positive momentum and securing tangible benefits from the initiatives launched in various sectors.

Enhanced cooperation between Pakistan and Russia is important for both countries, especially in contemporary circumstances where Russia is looking eastward in search of new markets and partners, while Pakistan -- driven by its geoeconomic imperatives -- is committed to expanding its strategic, diplomatic and economic outreach, including ways to strengthen its vital food and energy security.

⁵ "ICCI signs MoU with Moscow Chamber to promote Pak-Russia trade relations", Islamabad Chamber of Commerce & Industry, published on January 23, 2023.
<https://icci.com.pk/event/icci-signs-mou-with-moscow-chamber-to-promote-pak-russia-trade-relations.html>