



# Special Guest Articles

## **The Expanding Role of SCO: Strengthening Pakistan's Regional Integration**

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## Introduction

The Shanghai Cooperation Organization (SCO) was established on 15 June 2001 by its six founding members: the Republic of Kazakhstan, the People's Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan. The SCO succeeded the 'Shanghai Five' a demi-formal grouping that had been formed in Shanghai on 26 April 1996. After the admittance of Uzbekistan, as a sixth member, the 'Shanghai Five' was changed to SCO.

Unlike the 'Shanghai Five', which was restricted in its scope to "Deepening of Military Trust in Border Regions", the Charter of SCO provided a much broader scope of multifaceted cooperation among the members.

The SCO received its first membership expansion when Pakistan and India were admitted as Members at the Astana meeting of SCO Council of Heads of State (CHS) on 9 June 2017. Earlier, Pakistan, India and Iran acquired Observer status at the CHS meeting in Astana on 5 July 2005.

## Significance of SCO

SCO emerged as an important actor at the regional and international level since its inception and its expansion has further enhanced its vitality. The SCO aspires to ensure a secure and stable regional environment that is conducive for the development and prosperity of its member states through joint efforts.

Promoting trade and economic cooperation is an important priority of the Organization. SCO's key importance stems from the fact that it is a resource rich region. One-quarter of the world's oil reserves, and one-third of gas reserves as well as almost half of the known reserves of uranium are located in the current SCO countries. The region also has abundant food production capability, technological prowess and quality human resources.

SCO's current membership represents 41 percent of the global population and 23 percent of its GDP. Future expansions in membership would further improve these statistics. It, however, is rightly following a cautious, step-by-step approach as rapid expansion could also disturb the organization's harmonious decision-making process.

In the realm of global political and security strength SCO includes two permanent Security Council members and four nuclear weapon possessing states. Significantly SCO does not define security cooperation as a traditional military pact to defend members from an external attack but rather a regionally coordinated approach to address non-traditional security threats.

The founding principles of SCO inter-alia include mutual respect of sovereignty, independence, territorial integrity of States and inviolability of State borders, non-aggression, non-interference in internal affairs, non-use of force or threat of its use in

international relations, seeking no unilateral military supremacy in neighbouring region and the SCO not being directed against other States and international organizations.

SCO is guided by its core values and aspirations popularly known as the 'Shanghai Spirit' emphasizing mutual trust, mutual benefit, equality, consultation, respect for diverse civilizations, and a commitment to the peaceful resolution of disputes.

### **SCO Political Institutions**

**Council of Heads of State (CHS):** The highest organ of the SCO is comprised of the Presidents of the respective countries. Due to the parliamentary system of government in Pakistan and India, the participation for these countries is preferred at the Prime Ministerial level, although at times President may represent instead. The CHS identifies priority areas and basic directions of SCO activities; determines policies for internal set-up and operations and decides on principles of SCO cooperation with other countries and international organizations. The CHS meets once a year in member states alternating according to the Russian alphabetical order.

**Council of Heads of Government (Prime Ministers):** The Council of Heads of Government adopts the SCO budget and is mainly responsible for cooperation in the economic fields. Its regular sessions are held once a year. Pakistan and India at times send their Foreign / External Affairs or other Ministers to represent at the CHG as the Prime Minister would participate in the CHS.

**Council of Ministers of Foreign Affairs:** Council of Foreign Ministers deals with major issues of current SCO activities, including preparing for the meeting of the Council of Heads of State, implementing SCO decisions, and holding consultations on international issues. Its annual session takes place one month before the regular meeting of the Council of Heads of State.

**Council of National Coordinators (CNC):** It is the pivotal body of the SCO that coordinates all activities of SCO and is the first negotiating Council for most of the initiatives, agreements, or conventions and other activities etc. The CNC negotiates agenda, calendar of events, texts of joint statements, communiques, declarations etc. to be adopted at the CHS, CHG and CFM meetings. Its Chairman is the National Coordinator of the host country of the CHS in a particular period.

**Meetings of Heads of the Ministries and/or Agencies:** These meetings are held to tackle cooperation in specialized areas. These mechanisms may involve meetings of the Attorneys' General, Ministers of defense, economy, commerce, transportation and culture as well as heads of law-enforcement, security, emergency and disaster-relief agencies etc.

### **Permanent Organs**

The SCO has two permanent bodies: the SCO Secretariat based in Beijing and the Executive Committee of the Regional Anti-Terrorist Structure (RATS) based in Tashkent.

The SCO Secretary-General and the Director of the Executive Committee of the SCO RATS are appointed by the CHS for a term of three years. The official languages of the SCO are Russian and Chinese.

**SCO Secretariat:** The Secretariat is the main permanent executive body of the SCO. It provides services to the member states in coordination, information analysis, legal and translation services, organizational facilitation and technical support, implementation of the decisions of SCO bodies and develops proposals on enhancing cooperation within the SCO and with other organizations and entities.

**Executive Committee of RATS:** The Executive Committee provides the secretarial services for the RATS. The SCO Agreement on the establishment of Regional Anti-Terrorist Structure designating RATS as a permanent body of the SCO was signed during a meeting of the CHS on June 7, 2002, in St. Petersburg and entered into force in 2004. The Executive Committee coordinates specific work on building the counter-terrorism capacity of the member states. It helps the member states in designing and carrying out joint practical activities such as the annual Joint Anti-Terrorist Exercises aimed at building response mechanisms, counter-terrorism training, and interaction between their designated 'Competent Authorities' to combat and prevent terrorist attacks.

### **SCO Members, Observers and Dialogue Partners**

In its first sixteen years (June 2001-June 2017) the SCO primarily focused on consolidation and development of the basic structures and legal regime of the organization in consonance with the principles, aims and objectives of the founding members. Pakistan and India had simultaneously become SCO Observers in 2005 but had to wait until June 2017 to be admitted as Members. Mongolia on the other hand got Observer status in 2004 but hasn't applied for membership so far.

There has, however, been a flurry of requests for Membership, Observer and Dialogue Partner status from countries belonging to various regions in the last few years.

Iran, which had become an Observer alongside Pakistan and India in 2005, is all set for membership status at the virtual meeting of the CHS being hosted by India on 4 July 2023. Belarus is also expected to become SCO member at the subsequent CHS meeting in 2024, as the country is currently fulfilling its mandatory requirements such as in the Memorandum of Obligations, and accession to the Charter, and all the treaties, agreements and other legal instruments of SCO. The SCO status table of various countries is as below:

Member	Observer	Dialogue Partner	Pending Observer Requests	Pending Dialogue Partner Requests
China	Iran (would be member on 4 July 2023)	Azerbaijan	Azerbaijan	Ukraine
Russia	Belarus (likely member at CHS in 2024)	Armenia	Armenia	Syria
Kazakhstan	Mongolia	Cambodia	Cambodia	Israel
Kyrgyzstan	Afghanistan (pending membership request)	Nepal	Nepal	Palestine
Tajikistan		Sri Lanka	Sri Lanka	Bahrain (Approved by CHS but pending signing of MOU by Bahrain)
Uzbekistan		Türkiye	Bangladesh	Morocco
Pakistan		Qatar		
India		Egypt		
		Saudi Arabia		
		Kuwait		
		Maldives		
		Myanmar		
		UAE		

## Pakistan and SCO

Pakistan has been actively participating in the SCO since becoming a Member. Even as an Observer, Pakistan attended majority of CHG and CHS meetings at the top leadership level demonstrating its commitment to the organization. After the membership invitation, Pakistan had to complete the accession process to 37 SCO documents including the charter, existing treaties, agreements, conventions, protocols, memorandums etc. that had already entered into force among the SCO member-states.

Pakistan is a natural member of SCO for being situated at the confluence of Central Asia, China and South Asia. It has always enjoyed a close friendly relationship with China that had graduated to the level of all-weather comprehensive strategic cooperative partnership. Historically, Central Asia had close political, cultural and religious ties with the areas now part of Pakistan. After the independence of the Central Asian Republics (CARs), Pakistan has been working to strengthen its relations with them by rejuvenating the deep-rooted historical links and simultaneously vitalizing mutually beneficial economic and strategic complementarities.

Pakistan-Russia relations have significantly improved since the end of the 'cold war' era. India is no longer in a position to exercise 'veto' or cap the development of beneficial

partnership between Pakistan and Russia, due to her drifting towards the Western side by joining Quad and other US-sponsored initiatives. Pakistan remains a viable conduit for Russia to access Arabian Sea for commerce and trade. The China-Pakistan Economic Corridor (CPEC) complements SCO's agenda of regional economic integration and connectivity. Through its ports and highways, Pakistan provides to Central Asia and Eurasia the shortest overland access to the sea.

SCO offers huge opportunities to Pakistan to tap into the vast economic, trade, investment, energy, agricultural, industrial, services, tourism, and connectivity potential within the organization.

### **Pakistan-Central Asia**

Central Asia has rich energy resources especially gas, hydropower capacity, coal and uranium reservoirs. Kazakhstan has vast coal, uranium and gas reserves, Uzbekistan has abundant uranium whereas Turkmenistan (though not an SCO member) is a major natural gas exporter. Kyrgyzstan and Tajikistan on the other hand hold significant hydropower resources.

Central Asia thus can play a valuable role to mitigate Pakistan's impending energy crisis and even earn transit revenue by providing Southwards passage. Optimum utilization of the region's resources could ensure self-sufficiency and make it an important market for trading, transport, and sales of energy.

The main challenge has been building infrastructure to transport Central Asia's resources, especially gas and electricity Southwards. The transmission of electricity requires lines networks and pipelines are needed for supply of gas and oil. Lack of financing facilities, uncertain political and economic situation, transit security issues, intra-regional and external rivalries as well as systemic inefficiencies have hampered the realization of true potential of Pakistan-Central Asian cooperation. The slow pace of progress on Turkmenistan, Afghanistan, Pakistan, and India (TAPI) and Iran, Pakistan (IP) gas pipelines as well as Central Asia and South Asia (CASA)1000 electricity transmission project manifest the above impediments.

### **Russia-Pakistan**

The CHS, CHG, CFM as well as several other Ministerial and senior officials' meetings under the SCO aegis every year provide use useful opportunity to have leadership and function exchanges between Pakistan and Russia, which was not possible before the SCO membership. The two countries have found some convergences on geo-political and geo-economic plains.

India's coziness with US-led strategic and economic groupings in Asia and to some extent in Europe to contain China and corner Russia have created new synergies between Russia, China and Pakistan. Russia, which, once considered Pakistan as staunch member of its rival alliances, is now amenable to explore mutually beneficial cooperation with Pakistan.

The recent import of oil by Pakistan from Russia at less than open market price is expected to become a precursor for enhanced trade in energy, agriculture, engineering, manufacturing, and services sectors between the two countries. Common SCO membership would complement the trade and economic relations, enhancing confidence and reducing apprehensions in doing business.

Pakistan and Russia signed 1,100 kilometers 'Pakistan Stream gas project' also known as 'North – South gas pipeline' in 2015. The project has been delayed due to the US sanctions on the Russian executor, 'RT Global' and other factors. In 2021 the project was revised with Pakistan to hold majority share of 74% whereas, Russia's holding was reduced to 26% from the earlier agreed share of 85%. In February 2023, Pakistan mulled the possibility of shifting the starting point of the pipeline from Karachi to Gwadar. Despite the delays and revisions in the contract, both sides have reiterated their commitment to the project. The completion of the pipeline project would be a path-breaking development in the relations between the two countries.

Pakistan and Russian delegations coordinate closely at the CNC meetings where most decisions are taken before they are raised at the leadership level. The rapport and understanding at the leadership level has also received a significant boost owing to the mutual accommodation at the functional level in SCO.

### **Pakistan-China**

While Pakistan and China enjoy a long-standing, all-round comprehensive friendship and partnership, the common membership of SCO has brought new dimensions and opened new vistas for cooperation. The two countries have kept a close consultation process and mutually supported each other's initiatives. Pakistan and China are well aware of each other's core issues of interest and enjoy high level of trust. This has been an important factor in the strong Chinese support to Pakistan's bid for SCO's membership. Pakistan enjoyed a great advantage of benefiting from the well-informed guidance of its trusted friend especially in the initial phase of joining the SCO.

### **Defence, Counter terrorism, and Narcotics control Cooperation**

The SCO Defence Ministers meetings has helped in the development of interpersonal relations between the relevant interlocutors. Before the SCO membership Pakistan and SCO countries' Defence Ministers and officials had much lesser interaction. A better appreciation of each other's perspectives has been achieved through these interactions. SCO has certainly melted the ice and raised the comfort level of the relevant sides that would lead to greater bilateral defence cooperation.

Counter Terrorism Military Exercises (CTMEs) are an integral part of SCO collaboration under the RATS. Pakistan has participated in the CTMEs hosted by SCO members except the one hosted by India in 2022. Pakistan also hosted a CMTE in 2021, in which India did not participate. The exercises were useful in the development of inter-military operability

and learning diverse training regimes. In addition, Pakistan has an opportunity to share its own successful counter-terrorism experiences, involving planning and execution of intelligence-based operations, as well as large scale kinetic action against the terrorists. Pakistan also gets to benefit from the advanced electronic surveillance and technology-based intelligence deployed by China and Russia. These experiences would enable Pakistan to develop its own defence industry as well as collaborate with the SCO members.

SCO RATS has vast experience in coordinating mutual counter-terrorism operations, and intelligence-sharing among SCO members. SCO RATS successfully facilitated; prevention of many terrorist attacks, neutralizing terrorists, destruction of training sites, and arrest of armed miscreants.

Under the cooperation in combating narcotics, drugs and psychotropic substances, huge catches of drugs, heroin, precursors and other proscribed substances were seized from traffickers in the SCO territories.

### **Connectivity**

Development of connectivity is among the top priorities of Pakistan in the SCO's context. Pakistan has actively participated in all the meetings to finalize the SCO Road Development Program. Pakistan's proposal to connect Karachi and Gwadar to the six main routes of SCO, was accepted at the experts' level meeting held in Beijing on 28-29 May 2018. India had not participated but conveyed its 'no objection' on the agenda before the meeting. India, however, later raised objection on the new routes proposed by Pakistan through a letter to the Secretariat stalling progress on Road Development Programme because of the consensus rule. India is now raising similar objections during the negotiations on the Russian proposed draft MOU on Road Development.

Pakistan, nonetheless, has extensive alternate connectivity linkages with the SCO region such as under the Quadrilateral Agreement for Traffic in Transit among Pakistan, China, Kyrgyzstan and Kazakhstan, while accession of Tajikistan is under process. Pakistan is also a member of the connectivity initiatives as a member of Central Asian Regional Economic Cooperation (CAREC) and Economic Cooperation Organization (ECO) besides being a member of International TIR. These routes have overlapping legs with each other as well as the SCO's existing routes.

Pakistan is a source for major linkages to create connectivity among South Asia, Arabian Sea, Middle East and the Eurasian region. The landlocked Central Asian states have expressed keen interest in utilizing Pakistani Ports of Gwadar, and Karachi under CPEC for trade and connectivity.

### **India's Chairmanship of the Council of Heads of State (2022-23)**

India is hosting the 22nd Council of Heads of State of SCO on 4 July in virtual format, changing it from the earlier planned in-person meeting on 3-4 July 2023. The changing



of dates and format more than once has been a source of adverse media speculations. Some of the SCO member countries have also expressed their annoyance over the non-serious attitude of India during its maiden Chairmanship year that would culminate in the CHS Summit on 4 July. Earlier, the dates of 24-25 June were abruptly shifted to 3-4 July following an invitation by US President Joe Biden to Prime Minister Narendra Modi for a bilateral visit from 21-24 June 2023.

The Indian Ministry of External Affairs while announcing that “Prime Minister Narendra Modi will chair the 22nd SCO CHS meeting on 4 July,” in “a virtual format” did not give any reason for the change from a two-day in-person to a virtual Summit. Several Indian media outlets, however, quoting ‘well placed official sources’ reported that since “the leaders of China and Russia were anyway expected to visit India for the G20 Summit in New Delhi in September,” back-to-back visits could have been hectic for them.

An Indian official was also quoted as saying that “China seemed reluctant to visit India for the SCO Summit as President Xi’s physical presence in New Delhi for the Summit had not yet been confirmed. India-China “military standoff on the Line of Actual Control” now for the fourth year, was cited for “taking relations to an all-time low”.

Similarly, physical attendance of Prime Minister Shehbaz Sharif had also not been confirmed, though some in Indian media believed that “there was a high likelihood that he would have participated, despite bilateral tensions.”

According to the Indian media sources “the enthusiasm for hosting the summit (physically) had sagged in New Delhi, with hardly any preparation having taken place in the last couple of weeks” (before the announcement of holding the CHS virtually).

India took an enthusiastic start as SCO Chairman in September last year. It had presented an ambitious agenda, under Prime Minister Narendra Modi’s coined term ‘**SECURE**’ an acronym for **S**ecurity, **E**conomy and trade, **C**onnectivity, **U**nity, **R**espect for sovereignty and territorial integrity, and **E**nvironment. According to a recent MEA release, “India hosted a total of 134 meetings and events, including 14 ministerial-level meetings,” under the SCO banner during its Chairmanship. The success of many of the Indian initiatives, however, remained less than its expectations. Indian euphoria started to diminish owing to its own lack of accommodation to some of the other members’ proposals, especially the founding members, which, received reciprocal response.

India, for example, objected to the Russian proposal on the creation of a new permanent Mechanism of the Meeting of Heads of Statistical Departments of SCO Member States, calling it premature. India insisted that the Consortium of Economic Analytic Centers of SCO Member States should suffice to meet the organization’s needs.

Similarly, India conveyed its inability to participate in the negotiations on Uzbekistan’s proposed draft SCO Agreement on Cooperation in Combating Crimes in the Field of Information Technology. India maintained that a similar agreement was currently being discussed in the UN for developing a comprehensive international convention to counter

the use of ICTs for criminal purposes and therefore the proposal of Uzbekistan would be a duplication.

India has also objected to the Chinese proposal on Global Development Initiative (GDI) and Global Security Initiative (GSI). This is surprising as the GDI and GSI are straight away in line with India's Chair theme of 'SECURE' given by Prime Minister Narendra Modi. These initiatives call for balanced, coordinated, inclusive and sustainable growth with a common and comprehensive security paradigm, while respecting the sovereignty and territorial integrity of all the countries. Indian opposition to these initiatives is apparently aimed at appeasing its Western partners.

Further, although 'C' represents connectivity in the Chairman's theme of 'SECURE', no initiative on connectivity has been introduced by India during its Chairmanship.

Many SCO members are wary of India's attempts to bring its own agenda and at times fending the interests of its Western partners at the organization's platform. Indian External Affairs Minister S. Jaishankar's diatribe against Pakistani Foreign Minister Bilawal Bhutto Zardari in a Press Conference, when the guests were still in Goa, and his thinly-veiled attacks against Pakistan while Chairing the CFM, in contravention to the SCO norms did not go unnoticed. Even the Indian media couldn't help mentioning that the "SCO Foreign Ministers' meeting in Goa was largely overshadowed by the verbal volleys between the External Affairs Minister S. Jaishankar and Foreign Minister Bilawal Bhutto Zardari". The fact of Jaishankar being overshadowed by Bilawal's calm and composed handling of the CFM plenary and the media, as opposed to the angry, short-tempered and visibly irritated Jaishankar, could be one of the reasons for India opting for a virtual CHS meeting.

### **Conclusion:**

As the SCO continues to expand its influence, Pakistan stands to gain substantial benefits in terms of economic integration, security cooperation, cultural and people-to-people exchanges. By actively participating and contributing to SCO's initiatives, Pakistan can solidify its regional integration efforts and strengthen ties with key regional players. It is through proactive engagement within the SCO framework that Pakistan can realize its vision of a prosperous and peaceful region, benefiting not only its own citizens but also the broader SCO community.

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