

# AMERICAN FOREIGN POLICY COUNCIL



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## CHINA INVESTS BIG IN PAKISTAN

China has promised to invest \$46 billion in Pakistan to create a China-Pakistan Economic Corridor (CPEC). The funds will be devoted to the development of infrastructure, ranging from desperately-needed energy projects to a system of roads, railways, and pipelines between China and Pakistan. The transportation infrastructure will run from Gwadar, Pakistan to Kashgar, China, a distance of approximately 3,000 kilometers. Upon completion, China will have direct access to the Indian Ocean. The funding is almost three times the foreign direct investment Pakistan received from all countries combined over the past seven years. The capital will come from the Chinese government and state-owned banks, which will finance Chinese companies to carry out the projects. (BBC April 20, 2015)

## PAKISTAN ARRESTS 47 INDIAN FISHERMAN

In another incident in a series of back-and-forth arrests by the two regional rivals, Pakistan has detained 47 Indian fishermen who allegedly crossed into Pakistani waters. Pakistan's Maritime Security Agency seized the men along with their eight boats. Recently, Pakistan released 172 Indian fishermen, only to detain 45 more the following month. The two countries' poorly-demarcated Arabian Sea border is the site of numerous arrests of fishermen who lack the technology to determine their exact location. (*New York Times* April 18, 2015)

# **RUSSIA TO BUILD \$2 BILLION PIPELINE IN PAKISTAN**

Russia will invest \$2 billion to build a 1,100 kilometer liquid natural gas (LNG) pipeline from Karachi to Lahore. In return for the investment, Russian companies will receive the contract to build the pipeline. Once the two sides sign the agreement, Russia will designate a preferred company to receive the contract. The investment in an LNG pipeline comes as "Russia will start its first LNG exports in 2016 and has also offered to sell gas to Pakistan." (Zee News April 18, 2015)

# MILITANTS FEEL PRESSURE IN PAKISTAN

A major Pakistani military offensive in the northwest tribal regions has pushed hundreds of foreign militants into Afghanistan, intensifying an already fierce spring fighting season there. The Afghan Taliban, backed by Pakistani fighters, recently attacked several Afghan army outposts, killing 18 soldiers. The insurgents then beheaded eight soldiers—a first for the Afghan Taliban. Elsewhere, the leader of the Islamic State in Pakistan was killed in the northwest tribal region ofKyber. Hafiz Muhammad Saeed, chief of IS Khorasan, died while he and other militants attempted to manufacture or plant an improvised explosive device. Saeed is believed to have been a figurehead, with Shahidullah Shahid acting as the true leader of IS in Pakistan. (*Washington Post* April 14, 2015; *International Business Times* April 17, 2015)

## \$45 BILLION IN AFGHANISTAN AID UNACCOUNTED FOR

The Department of Defense was only able to hand over data for \$21 billion out of \$66 billion spent in Afghan reconstruction efforts, sparking a debate over the agency's ability to monitor how funds are being allocated. Instead of blaming corruption or waste, auditors blamed the missing money on poor accounting practices. Prior to 2010, the DoD was not required to identify the source of the funds from which contracts were being paid. Additionally, certain programs, like the Commander's Emergency Response Program, did not require expenses below \$500,000 to be recorded in the same way as larger expenses. Since 2002, the U.S. has spent more than \$104 billion in Afghanistan. (The *Fiscal Times* April 1, 2015)

#### **GHANI VISITS IRAN**

Afghan president Ashraf Ghani traveled to Tehran on his first trip to his western neighbor as president. The visit comes after the Islamic State claimed responsibility for a suicide bombing in Jalalabad that killed 33 people, and security questions were expected to be at the top of Ghani's agenda. Iran is a staunch opponent of theTaliban, and provided aid to the Northern Alliance that ousted the Taliban government, with U.S. assistance, in 2001. The Afghan foreign minister and minister for oil and mines accompanied Ghani on his trip. (Zee News April 19, 2015)