



CENTRE FOR
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AFGHANISTAN WATCH



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TALIBAN
'COMPLETELY
BANS' USE OF
PAKISTANI
CURRENCY IN
COUNTRY

INDIA DELIVERS
13TH BATCH OF
MEDICAL
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India Delivers 13th Batch Of Medical Supplies To Afghanistan

<https://www.eastmojo.com/national/2022/10/12/india-delivers-13th-batch-of-medical-assistance-to-afghanistan/>

India on Tuesday delivered another batch of aid comprising essential medicines and medical items to Afghanistan as part of its humanitarian assistance to the war-ravaged country. India has supplied 45 tonnes of medical assistance in 13 batches to Afghanistan in the last few months, according to the Ministry of External Affairs (MEA).

Comments

Till now India has supplied 45 tonnes of medical assistance in 13 batches to Afghanistan which continues to demonstrate New Delhi's commitment and India's "special relationship" with the people of Afghanistan. The 13th batch of medical assistance consists of essential medicines and medical/surgical items like Paediatric Stethoscope, Sphygmomanometer mobile type with paediatric BP cuff, infusion pump, drip chamber set, electro cautery, nylon sutures to name a few. The consignments, like previous, were handed over to authorities of the Indira Gandhi Children Hospital in Kabul, which proves to be vital in India's commitment to the local Afghans. In addition to 40,000 metric tons of wheat, India has supplied almost 45 tons of medical assistance, which included essential lifesaving medicines, anti-TB medicines, 500,000 doses of COVID vaccine, medical/surgical items to name a few.

Healthcare as a Strategic Service

Since India has a history of providing aid to Afghanistan, in the light of Taliban's frequent request for assistance, the time is ripe for new Delhi to elevate its position as a development partner. Moving on from a need-based approach, India can devise a dedicated development strategy in consultation with Taliban leadership, sending a message of confidence building. New Delhi then can prioritise areas of development while giving special emphasis to health care services, utilising limited infrastructure established with New Delhi's support.

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To this end, New Delhi must formulate an agreement in the field of health care and medical services with Taliban leadership, wherein New Delhi can provide vital resources for family planning & welfare, nutrition and public health services, inoculation against varied air/water borne diseases, training and research in medical services, training for new medical equipment and pharmaceutical research. The agreement may further involve participation of private sector entities, UN aid institutions, international humanitarian organizations, in a collaborative effort to strengthen Afghan's health care infrastructure. This will preside local Afghans the necessary access to primary and secondary health care services. This may further involve (in time) cross functional/training ecosystems by pharmaceutical companies to support Afghan owned medical/healthcare institutions, and establishment of hospitals and critical health care.

Afghanistan: Taliban 'completely bans' use of Pakistani currency in country

<https://www.freepressjournal.in/world/afghanistan-taliban-completely-bans-use-of-pakistani-currency-in-country>

In a significant escalation of ties between Afghanistan and Pakistan, the Taliban has banned the use of Pakistani Rupees in Afghanistan. The ban on the Pakistani currency came into effect on Saturday, October 1, Afghan news agency Khaama Press reported. It said the Taliban Intelligence Agency declared that the use of Pakistani Rupees in financial transactions in Afghanistan has been "completely banned." This order was conveyed by the Taliban agency's anti-money laundering branch to the money exchange association. According to this order, all financial transactions, including but not limited to transfers, trade, and currency exchange, are disallowed.



Source: Free Press Journal

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Comments

In accordance to the letter issued by the Taliban Intelligence Agency's Anti-Money Laundering Branch to the Association of Money Exchange Dealers, the use of Pakistani Rupees in financial transactions in Afghanistan is now completely banned. Also, the letter further instituted a ban on transactions totalling more than 500,000 rupees at the Sara-e-Shahzada by money exchange dealers (Sarraafs). The Sarraafs will face legal action if more than the specified amount is discovered with them.

This step is a major blow to Islamabad's trade policy which currently uses the Pakistani Rupee as the de-facto currency for its bilateral trade with Afghanistan. This is also a blow to Pakistan's ambitions of a sole partner in Afghanistan's trade and commerce, taking the benefit of Afghanistan's low currency value. This step will prevent Afghani currency from devalue, making Afghanistan an independent trading market without dependence on Pakistan.



That said, during Taliban's first takeover of Kabul the Afghani currency in terms of physical notes were printed by Russian firms overseas. This resulted in heavy devaluation, forcing the then chairman of the Taliban's Central Bank Ehsanullah Ehsan to stop the contract. After this, local warlords and mujahideen groups started minting their own currency notes across provinces that were not approved by any international agency or country. Thus, local traders heavily relied on Pakistani Rupee which resulted in dependence on Pakistan, financially. Their circulation resulted in exchange of goods, providing it financial legitimacy in the eastern and south-eastern markets of Afghanistan.

Source: The Hindustan Times

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Comments

The devaluation of Pakistani rupee resulted in significant losses for local businesses which directly affected the quality of goods, market size, and level of sales.

The move is aimed to ban the use of Pakistani currency by some locals and traders in Afghanistan for everyday spending and food purchases. This may also be interpreted as Taliban's reaction towards Pakistan permitting its airspace for use by US drones to strike targets in the landlocked country. The Taliban had accused Pakistan of receiving a whopping sum of money for allowing the US airstrikes in Afghanistan, for which, Kabul said, it had "substantial evidence" to back its claims. Pakistan also blamed the Taliban regime for the resumption of attacks by the TTP, which has aggravated the security situation in the country. They recorded the highest number of terror incidents in Pakistan in a single month this year in September.

Zawahiri's killing was the turning point which indicated Pakistan again getting closer to Washington in the context of a "non-NATO partner" in South Asia. As part of this strategy, the US also played a host to Pakistan army chief General Bajwa, who was likely seeking financial and military aid.

With Taliban putting a complete ban on Pakistani Rupee followed by the cash crunch and devaluation of afghani currency, the author fears an increase in use of narcotics as an exchange for goods and services within the region. With no alternative and limited afghani currency notes in circulation, local war lords may choose to re-initiate trade through narcotics. This could be the golden ticket for Haqqani network by taking the opportunity to seek financial control, manipulating trade exchanges in the region.

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