Amina Khan August 2025

# Afghanistan Monitor

Volume 11



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## Introduction

This edition of the Afghanistan Monitor covers developments from May to July 2025, ranging from Afghanistan's political and humanitarian situation, to economic, security, foreign situation, infrastructure projects, and the state of human rights and women's rights. The monitor provides in-depth facts and figures for the aforementioned time period.

Although the Taliban government has been in place for 4 years now, not much has changed for the better. On the contrary, the worsening humanitarian crisis, draconian laws affecting women, and poor security situation due to internal militant outfits continue to exacerbate the country's problems.

Despite consolidating their rule, there continue to be dissenting voices from political, media, and civil society groups. Politically, there are disagreements between the de facto authorities on the issue of women rights.

Economically, the Afghan currency, the Afghani, has appreciated by 3.1% year-on-year. Moreover, the country's trade deficit surged has increased because of higher imports and lower exports, a direct consequence of currency appreciation. At the same time, the decline in humanitarian aid, particularly from the US, is also worsening livelihood circumstances for millions of Afghans, leading to a spiral of diminishing economic and social outcomes.

The most controversial issue is that of women's rights. The Taliban denied women their right to education upon coming into power. More recently, they have been banned from travelling without a male guardian, and from speaking in

public or visiting parks. Women who violate the dress code laws have also been mistreated by the de facto authorities. Their right to freedom of movement, expression, education, and employment have all been violated by the Taliban.

Internally, there is little recognition or representation of minority groups such as Hazaras and Tajiks, limiting internal unity. In a major development, the Taliban government has been recognized by Russia, as well as having high-level diplomacy with Pakistan through Chinese mediation. It remains to be seen whether, or how much, these developments improve Afghanistan's internal situation or external standing.

## **Political Situation**

The Taliban government has made the decision to implement Shariah law as the basis of Afghanistan's new Constitution, replacing that of 2004. Moreover, the interim administration has adapted the bureaucratic structure of the 1990s, as it continues to feature a supreme leader, a prime minister, and several distinct ministries. As of yet, the government continues to operate in an ad-hoc manner, addressing socioeconomic and legal challenges as they arise. These challenges form the key concerns of any future constitution. Under the current regime, the legitimacy of the upcoming constitution stems from the decrees of Supreme Leader Mullah Akhundzada. These decrees are expected to be enforced at all levels so as to ensure societal reform according to Islamic principles as interpreted by the Taliban government.1

While the Taliban does not face much internal military resistance, Ahmad Massoud of the National Resistance Front claims the regime will collapse under the weight of its own incompetence and disunity. Meanwhile, NRF fighters have been actively operating against the Taliban in more than 20 out of 34 provinces. The Taliban regime is also facing external pressure from the international community and progressive Afghans, both of whom believe in the need for greater inclusion of minority and ethnic groups such as Tajiks, Uzbeks, and Hazaras. As per the UN Security Council Report 2023, the Taliban's governance composition is "highly exclusionary, Pashtun-centred and repressive towards all forms of opposition".2 As for institutional continuity, the Taliban have retained over half a million officials from the prior administration, who now serve in mid- and lower-level capacities.3

The greatest concern with Afghanistan's political situation may well be the fact that there has been a lack of political inclusion since the Taliban takeover in August 2021. This can be seen from their extrajudicial punishments, such as summary executions, enforced disappearances and detentions of former security personnel.4 In August 2023, the Taliban also placed a ban on political parties and independent political activity. This policy culminated in the April 2025 closure of the offices of Hezb-e-Islami, a political party led by Gulbuddin Hekmatyar. In response, some proceeded to criticize the Taliban for being ignorant of justice, Islamic rights, and unwilling to tolerate criticism or dissent<sup>5</sup>. Moreover, there is an internal divide between the Kandahari and Haggani groups, led by Taliban Supreme Leader Hibatullah Akhundzada and Interior Minister Sirajuddin Haggani, respectively. The issue of women's rights, in particular girls' education, became politicized in the form of the latter's criticism of the Taliban government.6 More recently, Sirajuddin Haqqani changed his position and declared his allegiance towards Mullah Haibatullah, citing the latter's legitimacy as a teacher of Islamic principles, as well as his relentless work ethic. However, it is not clear whether this will bring an end to politicking at various levels of their respective factions7.

The government also faces resistance from various internal factions, such as militant groups and IS-K. As of July, the Taliban government has been rampantly centralizing power and pursuing ideological homogenization across all levels of Afghan society. Mullah Haibatullah Akhundzada - the supreme leader - openly stated his rejection of Western-based legal models so as to achieve

Islamic legitimacy.<sup>8</sup> Serious consultations on political reform have yet to occur, and space for overt political dissent has shrunk. The polarization of Afghan society has made it difficult for international organizations such as the UN to transform mere dialogue into action.<sup>9</sup> Despite these major issues, intra-Afghan talks still have an opening to bring like-minded factions under a single umbrella, such as anti-Taliban figures from the republic era and diaspora representatives.<sup>10</sup>

## **Ongoing Infrastructure Projects**

Afghanistan's ongoing infrastructure projects range from roads and dams to copper mines and solar and wind farms. Pre-existing dams such as Kajaki and Sultan Dam are undergoing upgrades that will increase power generation. The national road network is being expanded to connect Kandahar to not only regional capitals, more specifically: Locker, Ghazni, Zabel, and Kandahar, but also with Central and South Asian trade partners. According to the Ministry of Public Works, over 80 such projects have been pursued recently, ranging from highways and bridges, linking rural villages to urban centers. The goal of these road projects is to build a national network that meets international standards. Railway plans for connecting Balkh to Herat and Herat to Kandahar have also entered their project design and investment phase. This will add over 1000 kilometers of railway to a mere 240 kilometers that are currently operational.11 Afghanistan also plans to demarcate and develop industrial and agricultural development zones which will attract investment from internal and external sources. According to Afghanistan's Economic Deputy, Afghanistan has already achieved selfsufficiency in 130 sectors due to the operationalization of over 6000 factories across the country. These factories produce everything from consumables such as oil and salt, to steel and chemical products. By imposing tariffs on imported goods, the private sector is incentivized to up-scale domestic production, exports, and achieve self-reliance.12 Similarly, foreign support from different countries or global agencies are also helping Afghanistan in building various projects.

With regards to the capital, Kabul, there are a number of ongoing projects worth mentioning. The Kabul City Ring Road improves intra-city transportation by reducing congestion. Moreover, the City Master Plan aims to provide affordable housing, especially to the least-welloff sections of society. A Metro and Bus plan is also underway which will lower the cost of travel within Kabul. Last but not least, Water Supply Management and Waste Management are also being upgraded according to the latest standards so as to cater to a growing urban population. As for Herat, the municipality has indicated the commencement of 70 new major infrastructure projects. These include everything from roads and drainage systems to lighting and green areas. The respective contractors for these projects claim that only the highest standards of ISO 9001 - internationally recognized standard for quality management - are being followed with regards to materials and processes.13 The United Nations Office for Project Services (UNOPS) is also supporting 3 infrastructure projects worth 25 mln Afghanis in Ghazni city, namely two roads and a retaining wall. These projects are supporting local employment and rehabilitating urban transportation for an urban population of over 270,000.14

More broadly, Afghanistan is developing regional transit corridors in the form of TAPI Gas Pipeline and CASA-1000 Electricity Transmission Project. These projects are still ongoing as of 2025. In Northern Afghanistan, the Qosh Tepa Canal project aims to convert over 500,000 hectares of desert into arable farmland. There has also been progress on the UAP Railway linking Tashkent to Peshawar, proposed in June 2025. Finally, there

are dozens of local development projects in lessdeveloped provinces, such as Paktika and Khost.

Tourism has been gradualling increasing in Afghanistan in proportion to the Taliban government's consolidation of power and security for individuals visiting the country. There are plenty of fascinating and historic destinations for visitors to see, ranging from major cities such as Kabul, Ghazni, and Kandahar, to individual fortresses, citadels, mausoleums, gardens, museums, bazaars, mosques, national parks, and heritage sites.15 Historic caravanserais such as those of Herat boast a history of over 160 years and were once part of the ancient Silk Road. Its stature as a centuries-old hub for cultural, commercial, and intellectual activity has attracted tourists from all the way in Europe and North America.<sup>16</sup> Herat also boasts more than 450 drinking-water pools, of which many have fallen into disuse and ruin due to a lack of maintenance. These pools now serve as tourist sites due to their significance as symbols of Herat's history and civilization.<sup>17</sup>

The Deputy minister of Tourism, Qudratullah Jamal stated that Afghan people are "warm and welcoming" and eager to engage with foreigners visiting the country. Tourism serves as an important source of revenue for Afghanistan, which continues to face international isolation. While the Afghan government has made it easy for foreigners to secure visas and travel freely, there have been detrimental incidents such as the 2024 killing of Spanish tourists visiting Bamiyan. Western countries have therefore issued statements discouraging citizens from travelling to Afghanistan because of such security issues. Jamal has stated that the sole condition for permission to visit Afghanistan is "respect for our laws and traditions". He is also cognizant of, and clear about, the promotion of cultural exchanges through tourist-local interactions.18

Many tourists have cited local hospitality as strong reasons to visit and recount many welcoming experiences. Afghanistan is now being visited by tourists-groups from Italy to Indonesia, from Thailand to Greece. These group visits are organized by domestic travel agencies, whose letters of invitation are mandatory for issuing a visa to prospective tourists. Examples of such agencies include: Destination Afghanistan, and Uncharted Afghanistan. Considering the fact that Afghanistan has consulates and embassies across Europe and the Middle East, foreigners have an ease-of-access towards obtaining visas. Afghanistan's era of peak tourism was in the 1970s, where it hovered at around 90,000 visitors annually. Recently, the figure has attained around 20,000 instead.

## **Humanitarian Situation**

As of 2025, nearly half of Afghanistan's population of 46 million are in need of humanitarian assistance. The US pulled out of the Humanitarian Needs and Response programme directed at Afghanistan earlier this year, creating a massive gap between supply and demand for aid. In response to this dire situation, humanitarian actors have adapted by following a policy of "focused intervention", targeting the worst-off first. The current projects require over \$2 billion in aid, of which only a small fraction is actually being provided. These projects range from water, sanitation, and hygiene interventions to food assistance, emergency shelter, education, and cash assistance. Without proper funding, millions more can be expected to plunge into severe economic and psychosocial distress. The issue of flash floods due to climate change represents an additional major issue requiring the implementation of early-warning systems and disaster-preparedness training, as well as climate resilient agriculture.21

According to UN OCHA, Afghanistan's de-facto authorities, the Taliban government, are increasingly posing hindrances to the distribution of, and access to, humanitarian aid. As of June, most such incidents involved interference and restrictions on movement of personnel, goods, and services. Environmental issues such as severe rainfall have also limited the scope of distribution to the worst-affected provinces. The authorities are also placing restrictions on both female access to aid, and participation in humanitarian activities. The quantity of such incidents represents a 35% increase from the same period last year. In the Southern provinces of Afghanistan, officials

belonging to the Department for the Promotion of Virtue and Prevention of Vice even prevented humanitarian organizations from using smartphones, hindering productivity severely.<sup>22</sup>

Afghanistan's already precarious humanitarian situation is further compounded by the influx of former emigrants to Iran and Pakistan, exceeding 1.9 million in 2025 thus far. Many of these returnees are themselves vulnerable and in need of aid, putting pressure on host communities. While the UNHCR has urged both Iran and Pakistan to make these refugee movements voluntary and dignified, this has not been the case in actuality.<sup>23</sup> Besides returnee inflows, pressures are also exacerbated by rapid population growth and urbanization.

Afghanistan's high disaster risk and vulnerability to economic shocks have meant that its humanitarian crisis is one of the worst anywhere. Widespread unemployment, underemployment, and poverty afflict more than half of all Afghans. There has also been a gender-dimension to the humanitarian situation. Women are being treated worse than men, both with regards to aid provision - they are prohibited from working alongside the UN Humanitarian mission - and aid reception. This grave issue led to the ICC issuing arrest warrants for Mullah Akhundzada and Chief Justice Abdul Hakim Haggani, on the grounds of "crime against humanity of persecution on gender grounds"24. It may also be noted that aid efforts may be hampered by intra-state terrorism, such as by IS-K. The Taliban's crackdown on opium has also had a detrimental side-effect by reducing cultivators' income.25 Moreover, the government has publicly executed at least 6

people since 2021, which may be interpreted as infringing on their right to life (according to Western legal traditions).<sup>26</sup> The severity of Afghanistan's crisis can also be gauged from the perspective of conditions of the capital, Kabul, where aquifers and water bores are rapidly depleting. Current data suggest Kabul will run completely dry as soon as 2030, possibly forcing mass displacement in its wake.<sup>27</sup>

According to the WHO, a lack of funding has led to mass closures of their facilities across the country, which spells failure in the face of disease outbreaks, maternal health during pregnancy, and a lack of life-saving vaccinations.<sup>28</sup> The same-self lack of external funding has meant that food assistance declined by 40%, with the distribution target going from 14% to 1% of the population.<sup>29</sup>

## **Human Rights and Women's Rights**

As of now, Afghanistan remains the only country in the world where women and girls continue to be barred from secondary and tertiary education. Their right to freedom of movement, expression, and even employment have also faced violation. Women and girls are disproportionately affected by the aforementioned humanitarian crisis. This is due to the fact that they are unable to receive assistance on an equal basis to men. Moreover, the restrictions on employment has led to a shortage of female healthcare workers, worsening health complications. The strictest enforcement of Shariah law has meant that women are barred from travelling without mahram (male guardian) and hijab. The Taliban have even dismantled their protections from gender-based violence. There have also been sudden detentions of women who violate the dress code law, involving physical intimidation and violence. The international community reacted to these developments by initiating legal proceedings with the ICJ under the Convention on the Elimination of All Forms of Discrimination against Women, which Afghanistan ratified in 2003. People with disabilities have also suffered from the economic and humanitarian polycrisis in the country, as reductions in aid inflows have led to unavoidable cancellation of rehabilitation and mental health programmes.

The UN Assistance Mission in Afghanistan (UMAMA) has noticed a worrying trend of enforced disappearances and extrajudicial punishments imposed on the former government's security personnel, as well as members of the media, opposition parties, clergy, and civil society groups. The crackdown on media outlets and officials has resulted in

Reporters Without Borders (RWB) concluding that Afghanistan is among the worst three countries in the world for media freedom. The Taliban government also engages in corporal punishment in the form of public floggings. These aspects, or shortcomings, of Taliban rule highlight their tendency to ignore Western legal traditions in favour of indigenous interpretations of Shariah law.30 UNAMA's human rights-related efforts in Afghanistan span from (i) protection of civilians, (ii) right to life, liberty and physical integrity, (iii) women's rights, (iv) detainees' rights, (v) fundamental freedoms (expression, opinion, peaceful assembly and association), and (vi) children and armed conflict.31 Despite UNAMA's ambitious scope, deliverables have not been forthcoming due to both lack of sufficient aid, and hindrances posed by the Taliban themselves.

It may be noted that the Shia-Hazara community members have been directly targeted by IS-K, representing a government failure to ensure minorities' safety and curb terrorism. Moreover, the international community has worsened the crisis in Afghanistan through mass relocation of refugees back to Afghanistan, mainly from Pakistan and Iran, putting strain on livelihoods. The legitimacy of the Taliban's ongoing use of the death penalty has also been called into question by groups such as Amnesty International.32 Afghanistan's precarious polycrisis has resulted in an urgent need for food, healthcare, education, water, sanitation, and hygiene - needs that are not likely to be fulfilled anytime soon. In the absence of these, households have devolved into poverty and hunger. This shortage of means has been compounded by the

country's disaster risk profile, one of vulnerability to flooding, earthquakes, avalanches, landslides and droughts.<sup>33</sup>

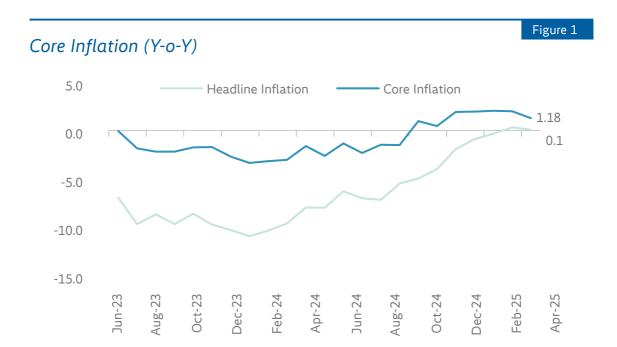
The human rights situation in Afghanistan also bodes ill for many men, who have been detained or otherwise punished based on their avoidance of prayers, or even their hairstyles. This modality of treatment has been arbitrary and devoid of due legal process.34 The same can be said of the Taliban's closure of beauty salons, as well as forced conversions of Shi'ites and Ismailis. The international community has been vocal about these and other concerns revolving around the worsening human and women's rights situation, but the Taliban remain ardently immovable. For example, Taliban spokesperson Zabihullah Mujahid claimed women are being treated with "dignity" and "honor" in "strict accordance with Islamic Sharia law, as well as the cultural and traditional frameworks of Afghan society".35 Afghanistan's gender apartheid, as it has been termed by some, has implied a mental health crisis for women who have been deprived of their dreams of obtaining education and reasonable livelihoods in society. It remains to be seen whether the Taliban will adapt progressively in response to international pressure and ease conditions within the country.36

## **Economic Situation**

Since coming into power, Afghan Taliban have been making efforts to bring economic stability in the country by focusing on revenue collection, stabilizing the Afghani (AFN), and increasing trade with regional countries and beyond. As per the World Bank, even though the Afghan economy grew by 2.5 percent in the fiscal year 2024, the growth is limited and does not improve living standards due to rampant poverty and unemployment.<sup>37</sup>

In April 2025, on a month-on-month (MoM) basis, domestic prices in the country increased

by 0.17 percent mainly due to a 0.4 percent surge in food and housing prices. Similarly, year-on-year (YoY) inflation increased from -7.5 percent in April 2024 to 0.1 percent in April this year. This surge is mainly attributed to 0.9 percent increase in the non-food prices, return of Afghan refugees from neighboring countries and a relative improvement in the economic activities. Excluding food and energy,, the core inflation reached 1.18 percent, showcasing a mild rebound in price momentum.<sup>38</sup>



Source: World Bank<sup>39</sup>

#### Afghani and Trade Deficit

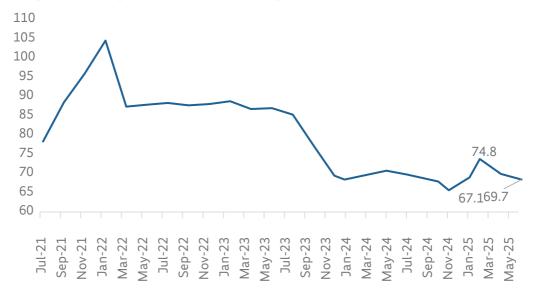
In May 2025, on a month-on-month (MoM) basis, Afghanistan's currency, - the Afghani (AFN), strengthened by 2.7 percent from AFN 71.6 in April to AFN 69.7 against the US dollar. The appreciation is partially attributed to remittances received during Eid that usually increased the demand for local Afghani (AFN). Moreover, other factors included a rise in domestic transactions and inflow of US dollars.

However, on a year-on-year (YoY) basis, the Afghan currency appreciated by 3.1 percent, increasing from AFN 71.9 in May 2024 to

reaching AFN 69.7 in May this year. Even though there was a nominal depreciation in April 2025, the Afghani (AFN) increased in real terms as compared to major trading partner currencies. Likewise, even if the Nominal Effective Exchange Rate (NEER) depreciated by 0.7 percent on a month-on-month (MoM) basis, showcasing stricter foreign exchange conditions, the Real Effective Exchange Rate (REER) increased by 2.4 percent, manifesting a loss in external competitiveness. Thus, this shows the difficulties Afghanistan is facing while maintaining trade balance vis-a-vis continuous trade deficit and limited external financing.<sup>40</sup>

Figure 2

#### Average monthly AFN/USD Exchange Rate

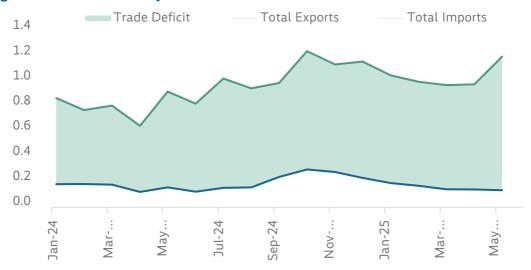


Source: World Bank<sup>41</sup>

Consequently, in May 2025, Afghanistan trade deficit increased by 27 percent on a month-onmonth (MoM) basis, reaching 1.1 billion USD. On a year-on-year (YoY) basis, the country's trade deficit has surged by 40 percent because of higher imports and lower exports. Overall, during the first two months of FY-2025, Afghanistan's trade deficit increased by 47.6 percent as it reached 1.9 billion USD (9 percent of annual GDP) from 1.3 billion USD (7 percent of annual GDP) in FY-2024. This sharp deficit is

mainly attributed to various factors, such as the appreciation of the Afghani made imports cheaper that eroded the trade competitiveness of Afghanistan's exports, higher import volumes, and a lower price competitiveness of Afghan exports among regional markets. In addition to these factors, the return of Afghan refugees in economic activities increased the domestic demand for imported goods.<sup>42</sup>

#### Afghanistan Trade Deficit (billion USD)



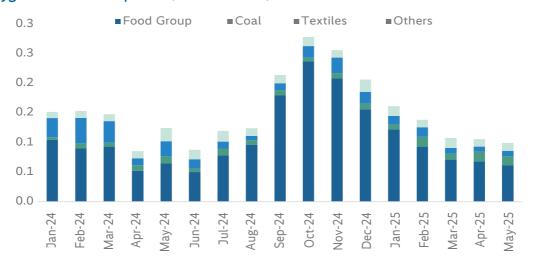
Source: World Bank<sup>43</sup>

#### **Trade**

In May this year, Afghanistan witnessed a 6 percent decrease in its exports on a month-onmonth (MoM) basis and a 20 percent decline on a year-on-year (YoY) basis, reaching 92 million USD. This was mainly due to a 64 percent decline in the country's textile exports, which reached 8.7 million USD, showing weaker global demand and higher tariffs imposed on Afghan products. In addition to these, food exports also decreased by 4 percent on a year-on-year (YoY) basis, reaching 57 million USD, mainly due to lower shipments to India during the Pakistan-India stand-off. On the contrary, the coal exports increased by 23 percent on a year-on-year (YoY) basis - from 11 million USD in May 2024 to 13.7 million USD in May this year - which somehow supported the overall declining export sector. For FY-2025, during its first two months, Afghanistan's total exports reached 190 million USD, showing a 2 percent decline from 194 million USD in the first two months of FY-2024. During this time, Pakistan remained Afghanistan's largest export destination, even though its share fell from 49 percent to 42 percent due to reduced textile imports. Likewise, India's share also decreased from 26 percent to 24 percent, while exports to the UAE, Kazakhstan, and Uzbekistan increased, comprising 7 percent, 6 percent, and 4 percent of total exports, respectively.<sup>44</sup>

#### Afghanistan's Exports (billion USD)

Figure 4



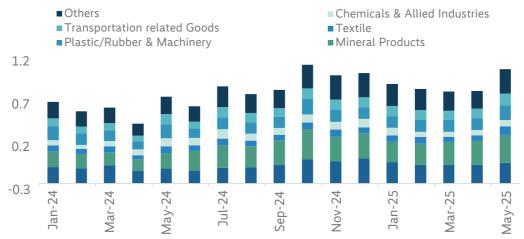
Source: World Bank<sup>45</sup>

Regarding imports, in May 2025, Afghanistan's imports increased by 23 percent on a month-on-month (MoM) basis and 32 percent on a year-on-year (YoY) basis, reaching 1.2 billion USD. This surge in imports was mainly witnessed in all major import categories - except chemicals and allied industries. The World Bank noted that the largest year-on-year (YoY) growth was experienced in mineral products (84 percent), which was followed by food (36 percent), textiles (24 percent), and transportation-related imports (14 percent).

Imports of intermediate raw materials also increased by 22 percent, showing stronger domestic demand due to continuous return of Afghan refugees from Pakistan. However, during the first two months of FY-2025, Afghanistan's total imports reached 2.1 billion USD - a 41 percent increase as compared to 1.5 billion USD in the first two months of FY-2024. During this period, Iran continued to remain Afghanistan's top import partner (31 percent), which was followed by the UAE (18 percent), Pakistan (15 percent), and China (8 percent).

Figure 5

#### Afghanistan's Imports (billion USD)



Source: World Bank<sup>47</sup>

## **Foreign Situation**

Afghanistan's foreign situation is characterized by limited international recognition, regional issues, economic challenges and humanitarian concerns. As of now, Russia is the only country to formally recognize the Taliban government, and drop its "terrorist" designation. Even now the United Nations refers to the government as "Taliban de facto authorities". Meanwhile, the US has maintained its posture of freezing billions in Afghan state bank assets and enforcing sanctions on some senior Taliban leaders.48 There are presently 15 embassies in Kabul, mostly comprising Asian countries, while Afghanistan itself has some form diplomatic presence in approximately 62 countries, which are also mostly Asian. 49 Afghanistan's relations to neighbours have been marred by border clashes involving Pakistan, Iran, Turkmenistan, and Tajikistan. Of these, relations with Pakistan are simultaneously the most precarious and the most critical. Pakistan's Foreign Minister Ishaq Dar met Afghan Foreign Minister Amir Khan Muttagi in April to see whether they could accommodate each others' concerns. Pakistan desires security on its Western border with Afghanistan, the Durand Line, whereas Afghanistan seeks to expand trade relations so as to improve its poor economic situation. The UN has sided with Pakistan in the latter's claim that cross-border terrorism by the TTP is being supported by the Taliban, who are trying to gain political leverage. Dar's visit broke the ice between the two nations, which seek to cooperate not just in matters of trade and security, but also "diplomatic" and "cultural" cooperation.50

China has also played a major role in improving Afghanistan's foreign situation as of late.

Although they still do not recognize the Taliban government, they were the very first to appoint an ambassador to Kabul, in September 2023. More recently, Chinese meditation brought Afghanistan and Pakistan to the table in May 2025. In the meeting, the two countries reached an agreement to maintain and grow ties through high-level talks, and by upgrading their respective charge d'affaires to ambassadors as soon as possible. Chinese Foreign Minister Wang Yi openly expressed his satisfaction from the talks, and reaffirmed China's willingness to be a substantial mediator. He also announced the expansion of China Pakistan Economic Corridor (CPEC) to Afghanistan, a massive boon for economic integration in the region. China's unique position as a third party in the region is touted as creating an opportunity for achieving enhanced trade and security for all three neighbours. Afghanistan is also maintaining ties with India, which has raised concerns for Pakistan and China. Kabul-based analyst Tameem claims that it is essential for Afghanistan to be clear that these relations are not part of zero-sum politicking, and act with clear messaging so that growing ties with New Delhi are not interpreted as a threat.51 To be clear, the Taliban are in fact frustrated with Pakistan over refugee deportation and border closures - which in turn puts an extra burden on Afghanistan's economy - but this has not prevented an agreement to pursue further trilateral dialogues in Kabul.52

It may be noted that the international community, especially the West, is highly critical of the human rights and women's rights situation under the Taliban government. In July, the ICC proceeded to issue arrest warrants for

the Taliban's supreme leader, Haibatullah Akhundzada, and the chief justice, Abdul Hakim Haggani. They have been accused of crimes against humanity due to their persecution of women and girls. Ever since coming into power in 2021, the Taliban regime had quickly pursued a broad mission to exclude women from public life. Not only have they been barred from education, they cannot even visit parks or speak out loud in public. The Taliban's extreme interpretation of Shariah Law has been deemed an "institutionalised system of gender oppression, persecution and domination".53 There is a substantial international consensus on this accusation against the Taliban, limiting the latter's diplomatic leverage due to a lack of moral authority or accountability. For instance, the UN denied the Afghan government membership on three occasions since they came into power in 2021, due to their repressive policies.54 Even so, they are a member of the OIC, ECO, ILO, WTO, and many other organizations including financial institutions and regional cooperation organizations of the South Asia region.55 Regarding the OIC in particular, Afghan Foreign Minister Amir Muttaqi recently delivered a speech condemning Israeli actions in Gaza and Iran and highlighting the plight of the Muslim world.56 It may be argued that Afghanistan's foreign situation would improve if women are included into economic and political processes, resulting in both internal growth and equality, as well as international recognition.

## **Security Situation**

Afghanistan's security situation in 2025 has been characterized by an increase in violence and terrorism, as well as internal resistance and Taliban attempts to assert their monopoly over the use of force. The UN's quarterly report stated that there was a 3% increase in anti-security incidents from February to April, amounting to 2299, as compared to the same period last year. These incidents mainly consist of border clashes with Pakistani forces and terrorist attacks by IS-K in Kabul and Kunduz. For example, an IS-K attack in February killed 15 de-facto authority members as well as civilians.<sup>57</sup> There has also been a 7% rise in theft. Of the recent incidents. the National Resistance Front claimed responsibility for 56, Afghanistan Freedom Front for 16, and Afghanistan Liberation Movement for 3. Attacks by these outfits targeted key locations ranging from the Taliban's Interior Ministry in Kabul to Bagram Airfield in Parwan province.58

There were also 22 safety and security incidents affecting UN personnel.59 A UN Security Council meeting in March 2025 expressed concern over the presence of terror outfits within Afghanistan and the need to maintain counter-terrorism commitments and international community obligations. More specifically, the Taliban has been repeatedly asked to cut-off ties with outfits they are alleged to secretly support, such as the TTP (as accused by Pakistan).60 Pakistan is frustrated by the Taliban's inaction on this account. The two parties exchanged fire at the Torkham border in early March, marking a zenith of bilateral political tensions due to a security incident. Soldiers, civilians, and even journalists were killed in the shootings. 61 In late April, the Pakistani military killed 71 militants attempting to infiltrate the Khyber Pakhtunkhwa region.

According to Afghan Security Watch, the Taliban have been largely successful in establishing their writ, but certain issues remain. Anti-Taliban groups continue to engage in guerilla-style warfare and targeted killings, to which the Taliban has responded through large-scale military operations and surveillance across entire provinces.<sup>62</sup> In the midst of these developments, Russia announced its intent to support the Taliban in their counter-terrorism efforts, especially those aimed at eradicating IS-K, who killed over 100 people at a concert outside Moscow in March 2024. In this regard, Russian President Vladimir Putin went so far as to call Afghanistan as their "ally" in combating terrorism, highlighting a rapid rapprochement between the two.63

The dire security situation is to some extent the Taliban's own fault, as they continue to fragment the society through atrocities such as execution of minority members, government officials, and severe restrictions on women. The human rights crisis is directly gearing the country towards greater insecurity.<sup>64</sup> The threat posed by IS-K in particular is also noteworthy. According to a February 6, 2025 UN Report, IS-K poses the "greatest extraregional terrorist threat", with the capability to strike abroad, including in Europe, and continues to recruit disaffected individuals from across the Central Asian states. The P3 have argued that while a stable and peaceful Afghanistan is in everyone's interest, the Taliban have a responsibility to adhere to international norms if they wish to be treated equally and considered for international assistance.65

In its latest, the United Nations cites evidence that Al-Qaida has not broken its historic allegiance to the Taliban leadership, contrary to Taliban commitments made under the 2020 Doha Agreement. Al-Qaida has reportedly adapted by embedding within sympathetic Taliban factions, while keeping a low profile to avoid drawing international attention. The report also draws attention to the risk of radicalization in refugee camps and detention centers across the region, where extremist narratives are taking root among vulnerable populations, especially youth lacking education and economic opportunity.

The UN Sanctions Monitoring report noted that with about 2,000 fighters, ISIL-K continued to recruit both inside and outside Afghanistan, including among Central Asian States and the Russian North Caucasus, as well as disaffected fighters from other groups. There were concerns that some extremist fighters could move from the Syrian Arab Republic to Afghanistan and further stage operations against regional States, firstly in Central Asia. In North Afghanistan and areas close to the Pakistani borders, ISIL-K indoctrinated children in madrassas, establishing a suicide training course for minors aged approximately 14 years old.

Al-Qaida and ISIL (Da'esh) remain adaptive in raising funds, with methods varying according to geographic location and the groups' ability to exploit resources and tax local communities through zakat, kidnapping for ransom, taxation of resources and extortion of businesses, among other means. There were also reports of some foreign terrorist fighters, including from Central Asia and aligned with Al-Qaida (e.g. Khatiba Imam Al-Bukhari and Islamic Movement of Uzbekistan), relocating from the Syrian Arab Republic to Northern Afghanistan. These were described as "scouts" who were acting as a vanguard before bringing over their families (and other fighters) to join them. Both ISIL (Da'esh) and Al-Qaida rely on smuggled or stolen small arms and light weapons. Member States observed that small arms and light weapons transfers were coordinated between

terrorist groups and organized criminal networks. Groups also seek unmanned aerial vehicle expertise by recruiting specialists, amid a recent rise in the proliferation of unmanned aerial vehicles, including armed drones

## **Opinion Corner**

# Why Islamabad? Discover How Relocating PAJCCI's Headquarters Could Redefine Pak-Afghan Trade Relations

#### By Mozammil Shinwari

The Pak-Afghan Joint Chamber of Commerce and Industries (PAJCCI) works as the main body that promotes trade development and investment activities, as well as trade-related services and economic ties between Pakistan and Afghanistan. The chamber operates its secretariat base in Karachi, but there exists a compelling reason to establish the new headquarters in Islamabad. which serves as Pakistan's administrative and political hub. The relocation provides both strategic and logical motivations, which correspond to present regional trade developments and policy creation procedures, and diplomatic relations between nations.All policies that determine Pakistan's economic ties with Afghanistan, including the Afghanistan Pakistan Transit Trade Agreement (APTTA) receive development and negotiation through Islamabad ministries. The chamber's position in Karachi creates a physical separation from the central ministries and diplomatic missions, together with regulatory bodies, which directly shape the trade and investment framework.

The PAJCCI can better advocate for policies through Islamabad relocation because it will have direct access to Pakistani relevant authorities for immediate discussions. The chamber can provide immediate responses to new issues and enhance meaningful bilateral trade reforms through its proximity to the central policymaking area.

The historical Pakistan-Afghan trade relationship centered on transit operations, which involved Afghan product movement through Pakistani ports. However, this narrow focus is evolving. The current priority is given to bilateral trade relationships while attracting investments and developing industrial partnerships. The city of Islamabad is more capable than Karachi of leading this transformation.

The capital city establishes a policy-driven environment which enables both countries to transform their trade relationship from logisticsfocused to develop the potential of agriculture, mining, manufacturing, and service sectors. The Afghan chapter of PAJCCI functions from Kabul instead of Kandahar or Jalalabad in Afghanistan. The Pakistani chapter location in Islamabad follows a balanced structure that mirrors the reciprocal relationship between capital cities. The movement of the chamber to Islamabad will be a good step towards having the main office in the capital of the country where the policy is made. It is also good in terms of proximity to other important chambers that serve trade flow between Afghanistan and Pakistan. The relocation will also enhance the national secretariat's relationships with regional bodies to create a unified and responsive trade system.

Moving the PAJCCI to Islamabad brings both real advantages and symbolic significance. The relocation of PAJCCI signals that Afghanistan-Pakistan relations have outgrown their historical role as port logistics and transit routes to develop a sustainable economic partnership. The Pakistani capital offers superior logistics benefits because of its better infrastructure

network, along with enhanced connectivity to embassies and donors, and international financial institutions that back bilateral economic projects.

The current regional economic changes require both structural and priority adjustments from the PAJCCI. Moving the secretariat to Islamabad represents a strategic realignment that maximizes the mutual interests of Pakistan and Afghanistan. The chamber will achieve better connections with national policymakers and regional trading stakeholders and the Afghan counterpart in Kabul through relocation, while expanding its focus on investment development and sustainable economic relations. The Future of Pak-Afghan commerce belongs in Islamabad.

Mozammil Shinwari is Former Minister -Afghanistan, with a keen interest in politics, economics, connectivity, and transit trade.

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#### **Afghanistan Monitor**

#### Volume 11

This edition of the Afghanistan Monitor covers developments from May to July 2025, ranging from Afghanistan's political and humanitarian situation, to economic, security, foreign situation, infrastructure projects, and the state of human rights and women's rights. The monitor provides in-depth facts and figures for the aforementioned time period. Although the Taliban government has been in place for 4 years now, not much has changed for the better. On the contrary, the worsening humanitarian crisis, draconian laws affecting women, and poor security situation due to internal militant outfits continue to exacerbate the country's problems.

Further information on this topic can be found here:

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