



# Al-Azhār

Volume 7, Issue 1 (Jan-June, 2021)

ISSN (Print): 2519-6707



Issue: <http://www.al-azhaar.org/index.php/alazhar/issue/view/16>

URL: [al-azhaar.org/index.php/alazhar/article/view/214](http://www.al-azhaar.org/index.php/alazhar/article/view/214)

Article DOI: <https://doi.org/10.46896/alazhr.v7i01.214>

**Title** Pak-Iran Land Trade at Taftan:  
Impediments and Prospects

**Author (s):** *Noor Ul Amin , Sarfraz Khan*

**Received on:** 29 June, 2020

**Accepted on:** 29 May, 2021

**Published on:** 25 June, 2021

**Citation:** Noor Ul Amin ,Sarfraz Khan”  
Pak-Iran Land Trade at Taftan:  
Impediments and Prospects “”  
Al-Azhār: 7 no, 1(2021):131-148

**Publisher:** The University of Agriculture  
Peshawar



[Click here for more](#)

## **Pak-Iran Land Trade at Taftan: Impediments and Prospects**

\* Noor Ul Amin

\* \*Sarfraz Khan

### **Abstract**

*In 1958, Pakistan and Iran signed an agreement allowing limited tax free trade at the Taftan/ Mirjaveh land trade route in order to meet the requirements of people residing along Pak-Iran border. The Trade Gate known as Zero Point Gate, used to open thrice a week to import Iranian edible commodities and hydrocarbon products. Trade via this Gate had largely been undocumented since inception. Documenting and taxing trade, of course, with special concessions, has been under consideration of the government, desiring to boost revenue, trade activities and also establishment of a proper mechanism. Taftan, Customs' Station has been the largest bilateral land trade route, in terms of revenue generation, collecting at least Rs1.20bn tax and duties, each month. For instance, imports from Iran by Zero Point Gate at Taftan stood at Rs41.14bn, during October, 2020 - March, 2021. Exports from Pakistan were far lower, worth Rs12.58bn, than imports from Iran, indicating a huge potential of exports from Pakistan. Need not to mention that current recorded Pak-Iran bilateral trade is worth \$359 million per annum including exports to Iran amounting \$36 million against its imports at \$ 323 million.*

**Keywords:** *Land Trade Route, Taftan, Exports/Imports, Pak-Iran Agreement 1958, food items, LPG Cylinders, Iran-Saudi nexus, US influence, Regional connectivity, Barter Trade, local traders*

.....  
\* Assistant Professor, Islamia College University, Peshawar

\* \* Prof. Dr. Sarfraz Khan, Former Director Area Study Center University of Peshawar

## **Introduction**

The Pak-Iran border stretches around 904 kilometers (562 miles), extending between the Kaij-e-Gavater on the Arabian Sea to the tripoint with Afghanistan at Kuh-e Malek Siah.<sup>1</sup> Till 1595-1638 AD, the Persian Empire exercised significant influence over territories both to the east and to the west of the present-day boundary between Iran and Balochistan, Pakistan. Subsequently, Balochistan fell to the rule of the Mughal, though Persian administration regained control over eastern Balochistan. In 1747, Kalat, one of the major divisions of Balochistan, became subject to the Sovereign of Afghanistan.<sup>2</sup>

In 1619, the first trading station (factory), a British outpost, was established at Surat<sup>3</sup> on the northwestern coast of the Indian subcontinent by British India Company. The Company opened many more trading stations including: Madras, Bombay and Calcutta in due course. During the First Anglo-Afghan War (1838-42) the British Indian forces invaded Afghanistan and captured the town of Kalat too. The Khan of Kalat, in 1854, signed a Treaty with the United Kingdom accepting subordination, however, tribal unrest and raids into British controlled territory continued, leading to British frequently intervening militarily into Kalat.<sup>4</sup> On September 1, 1871, notes and an attached map, constituting Agreement on the Delimitation of the Iran (Persia) - Kalat (Balochistan) Boundary were exchanged between Mr. Alison, Minister Plenipotentiary of the United Kingdom, acting on behalf of the Khan of Kalat, and Mirza Saeed Khan, the Minister of Foreign Affairs of Iran.<sup>5</sup>

In 1872, Joint Anglo-Iranian Commission examined the boundary between Kuhak and the Kalij-e Gavater.<sup>6</sup> Later the British conceded Iranian claim over the small district of Kuhak resulting into delimitation of the line to the east of Kuhak and Iran occupied Kuhak in May 1874.<sup>7</sup> The British influence in Balochistan spread rapidly, following the Mission to Kalat of the British Administrator Sir Robert Sandeman (1835-92),<sup>8</sup> in 1875. The Treaty of 1854 provided for the stationing of British troops in the territory of Kalat State and the construction of railway and telegraph lines. Following, the Second Anglo-Afghan War (1878-79), the Treaty of Gandmak<sup>9</sup> and additional treaties with the Khan of Kalat, the acquired territories were incorporated by 1896 into the Province of British Balochistan and Tribal Areas, while Kalat became a protected princely state.<sup>10</sup> On December 27, 1895, an Anglo-Iranian Agreement was signed to demarcate the Iran - Kalat boundary from Kuhak to the tripoint with Afghanistan on Kuh-e Malek Siah.<sup>11</sup> In 1896, Joint Anglo-Iranian Commission demarcated the boundary.<sup>12</sup> On May 13, 1905, an Anglo-Iranian agreement was signed, under which the United Kingdom withdrew its claim to Mirjaveh while Iran undertook to permit the British post at Padaha to procure water from the Mirjaveh side. Provision for continuation of supplies to the neighboring British posts, were included too.<sup>13</sup>

On February 6, 1958, Iran-Pakistan signed an agreement in Tehran to clarify the boundary on the basis of the agreements and notes concluded and exchanged in the past between Iran and the United Kingdom. The Boundary line between Pakistan and Iran from Gavater Bay to Koh-i-Malik Siah was agreed by the two Parties, and specified in this Agreement. The Iran- Pakistan Commissions demarcated common boundary in three sectors<sup>14</sup>:

1. Southward from the tripoint, the boundary follows a number of straight-line segments along the Kacha Kuh, the middle line of the Rud-e Mazavad (Mazawad Rud) for a short distance, the main drainage divide of various ranges including the Mazavad and the Mirjaveh, and a second series of straight-line segments to the Rud-e Mirjaveh. The boundary then continues downstream for about 130 kilometers (81 miles) along the middle line of the Rud-e Mirjaveh and the Rud-e Talab.
2. The central sector of the boundary extends, 216 kilometers (134 miles) from the Rud-e Talab on the Rud-i-Mashkel (Rud-e Mashkid) south of Kuhak. From the Rud-e Talab, the boundary passes eastward by a series of straight-line segments for about 19 kilometers (11.8 miles) to the vicinity of Hamun-i-Mashkel. It continues southward along various drainage divides, including those of the Siah Kuh (Kuh-i-Siah), and then traverses straight-line segments to the Rud-i-Mashkel. The boundary follows the middle line of the Rud-i-Mashkel upstream for about 11 kilometers (6.8 miles).
3. The southern sector of the boundary extends 419 kilometers (261 miles) between the Rud-i-Mashkel and the Kalij-e-Gavater. Southward from the Rud-i-Mashkel for a total of about 63 kilometers (39 miles), the boundary first passes along a series of straight-line segments and then continues along drainage divides between the Central Makran Range of Pakistan and the Kuh-e-Bam Posht of Iran to the Niking (Rud-e Nahang). It follows the middle line of the Niking for about 150 kilometers (93 miles). The remainder of the boundary consists of alternate series of straight-line segments and drainage divides reaching the Kalij-e-Gavater at a point between the Dasht Kaur and Rud-e Bahur.

### **Taftan Mirjaveh Land Trade Route**

Currently Pak-Iran border has three declared land trade routes between Pakistan and Iran: i) Taftan- Mirjaveh ii) Rimdan –Gabd iii) Pisshin-Mand. Taftan, lies 295km away from Dalbandin, the headquarters of Chaghai district, North West Balochistan on Pak-Iran border. It connects Pakistan with Iran, Turkey, Turkmenistan and rest of Europe via road and rail and serves as a famous land trade route with the Mirjaveh town of Iran’s Sistan-Balochistan province.<sup>15</sup> The Taftan –Mirjaveh is the largest in terms of revenue generation, hence, focus of this research. On Pakistani turn to export goods to Iran the Zero Point Gate remains shut traders or porters are absent, reason being Iranian refusal, though unofficially to import fruits, vegetables and rice from Pakistan.

“Our commodities, which are supposed to be exported to Iran, are rotting away on Pakistan’s side of the border,”<sup>16</sup> laments Obaid Zehri, a local trader.

The Zero Point Gate operates whole week except Friday to export/import goods. As agreed Pakistan has to buy 3 days and sell products to Iran three days too. The practice has changed significantly, the Gate operates three days on Iranian turn to sell goods to Pakistani traders. One fails to understand why Iranians do not allow Pakistani products, far better than theirs?<sup>17</sup> remark Gul Mohammad, a local trader. Zero Point, on Iran’s turn to export is filled with traders and porters. Mohammad Iqbal, a porter, earns Rs55 per shift for carrying 12 crates of apples on his back from across the Iranian border. Earning such meager amount in return for a hard work is satisfying since it is sole source of income in Taftan.<sup>18</sup> Trade at border constitutes primary source of income for porters

mostly of tender age. Dozens of school age children work as underage porters, to earn lively hood. “Although we have disallowed them, they insist on working here to earn a livelihood,”<sup>19</sup> informed Jameel Mengal, heading Levies at Zero Point. “Due to this reason, we allow them. We have issued 1,200 porter cards”.<sup>20</sup> Pak/Iran trade via rail also thrives, Koh-i-Taftan Railway Station reported to Daily Dawn: “Our purpose is not only to trade rather we want to show that the international route of Taftan is still open. *Hamarey train ko chalaney wala Allah hai*” (Allah runs our train), that supplies goods to Iran, the “tracks have not been upgraded since 1888 ... the government doesn’t pay us money or foot the bill for fuel.”<sup>21</sup> Though balance of the trade occurring at Zero Point has been in favour of Iran the Pakistani official despite knowledge cannot change it. Assistant Commissioner, Taftan Zafar Kubdani, wanted to shut Zero Point on Iranian turn to export goods to Pakistan. However, desisted, on request of local traders of Taftan, fearing hardships for locals of Taftan since most depend upon Iranian goods. “I will again write to the Iranian authorities and ask them to import our goods too,”<sup>22</sup> “Otherwise, we will have to close the gate,”<sup>23</sup> he claimed. At Taftan there exist 3 trading points including Zero Point, the remaining two conduct government-level trade. Those two trading points, unlike Zero Point, do not shut at all since Pakistan Customs collects colossal revenue there. Balance of government-to-government trade at the Taftan Customs Station has been favouring Iran.<sup>24</sup> “On the part of Iran, there is officially a trust deficit ... [They believe] that goods coming from Pakistan are not of good quality. They do not accept our commodities so, as a tit for tat, we stopped buying Iranian apples ... We have to import oil products and by-products, among others, from Iran,”<sup>25</sup> reported an official.s

Taftan trading route serves as a major trading point, not only for goods entering from Iran, Central Asian Republics and Turkey but also from Europe into Pakistan. Customs official working at provincial Collectorate of Customs, Quetta, termed Taftan Station, the biggest revenue collector. “A year ago, in a month, we would collect between Rs350 to Rs450 million, and this has now increased to Rs800 plus million. We have managed to achieve 50 per cent above our target,”<sup>26</sup> the official claimed. Some claim that the revenue generated at the Taftan border outstrip earnings at the Chaman border. “Even though the government collects a huge sum of taxes at the Taftan border, the people here, to this day, lack educational, health, and other basic facilities,”<sup>27</sup> laments Jalil Mohammadani, former mayor of Taftan. “Schools and hospitals are massively understaffed ... People have to travel 700 kilometers from here to Quetta for medical treatment. Furthermore, there is not a single female doctor in Taftan,”<sup>28</sup> he rejoined. Answering a query, whether any fraction of this revenue was spent on the people of Taftan? “No.” replied the Customs’ official “We are merely a collecting agency. It is up to the federal, provincial, and local governments to use funds and money on the people,”<sup>29</sup> he retorted. Chairman Union Council, Taftan, Nawab Khan Musazai pointed towards disempowerment of local government remarked: “In Taftan, we can only order [people] to do two things: kill stray dogs and pick up the garbage. Funds for the people of Taftan hardly ever reach their intended destination.”<sup>30</sup>

### **Impediments and Prospects**

On August 17<sup>th</sup>, 2021 Pak-Iran Permanent Border Committee met in the Iranian border town, Mirjaveh, officials from both sides also discussed trade related issues. Deputy

---

Commissioner Chagai, Agha Sher Zaman, led the eight-member Pakistani delegation. Prolonged closures of tax-free trade gate, Zero Point and Rahdari (toll, passage) gate caused immense hardships to the locals, he stressed. The delegation also urged the Iranian authorities to use legal means and ways to hand over illegal Pakistani migrants. Permanent Border Committee agreed to form a joint team to assess feasibility of a joint border market at Taftan. The Pakistani officials proposed to open another entry point at Talab to facilitate local population.<sup>31</sup> The Iranian delegation, led by Abu Al-Afzal, assured that suggestions of Pakistani delegation shall be forwarded to the higher Iranian authorities and use of legal means ensured while deporting illegal migrants.<sup>32</sup> The Iranian side pointed towards slower clearance of vehicles of Iranian goods and non-availability of adequate weighing machines at the NLC Terminal, Taftan. The Iranian side urged Pakistani delegation to allow speedy clearance of cargo dumped at the Bazarcha point,<sup>33</sup> closed by the NLC officials in Taftan. They also raised the issue of higher tariff charged of Iranian truck drivers. The Pakistani officials assured the Iranian delegation to forward matters raised by Iranian side to the higher authorities of Pakistan.<sup>34</sup>

Iran has not allowed any Pakistani financial institution to function inside Iran. An Iranian bank functions at Karachi. In this regard much progress cannot occur as Iranian side desire reduction in minimum requirement of paid-up capital. Companies of both countries cannot open letters of credit in banks of the two, rather need a third country. Such issues do not occur in trading with other nations. The central banks of Pakistan and Iran shall act in tandem to resolve such issues.<sup>35</sup>

Iran produces 1.2 million cars annually, Pakistan does not allow import of automobiles from Iran and suffices to import carpets, dry fruits and LPG cylinders. Iran produces superior quality grapes, apples and banana, however, lacks quality citrus fruits. Quality kenos (citrus) produced by Pakistan are in high demand. Despite having long common land trade routes, most of the Pakistani exports to Iran reach via Dubai, increasing not only cost of the commodities but also travel time resulting into adversely affecting quality and demand.<sup>36</sup> Iran has increased tariff on Pakistani exports: Keno (citrus) 45%; sports equipment 65%; garments 50-150% and rice 150%.<sup>37</sup> Import of Indian rice to Iran has been charged considerably less tariff than Pakistan.<sup>38</sup> Concessions and priority Iran exercise for India not Pakistan, it seems. Iran provides 30MW of electricity to Makran division of Pakistan since 2002.<sup>39</sup> An agreement to supply electricity to Gwadar exists too. In June 2011, Iran offered to supply 1000MW of electricity to Pakistan. In September 2011, Pakistani Premier Syed Yousaf Reza Gillani agreed to enhance bilateral trade between the two states from existing \$1.2 billion to \$10 billion annually.<sup>40</sup> The plans included gas and electricity supplies to Pakistan, investment in building rail and road links and opening of banks. These plans are yet to materialize. Serious political will, especially from Pakistani side, is essential to implement such plans.

Pakistan's perceptions and strategies to enhance trade and commerce with Iran are immensely restricted by the US and Saudi Arabia.<sup>41</sup> Apprehensions in Iran-Pakistan relations do exist especially if development of Gwadar port in Balochistan is perceived as rival/competitor to the Iranian port of Chahbahar.<sup>42</sup> Pakistan's tense relations with the ethnic Bloch population, lack of political resolution of grievances resulting into armed insurgency in the area are not at all supportive of the cause of enhanced trade via port too.<sup>43</sup> Lack of formal banking channels, phyto-sanitary facilities and poor cellular and data connectivity have greatly marred the trade potential of Taftan, business community of the famous border town laments. Local trader, Haji Shoukat Essazai reported, the

business community had been facing hurdles in money transfer due to non-availability of banking channels with Iran. Despite being a Trade Centre, Taftan lacked enough banking facilities, only a small branch of the National Bank with limited staff and facilities operates.<sup>44</sup> “Unlike other border towns, there is no Chamber of Commerce for Taftan neither are we being facilitated by the government in terms of tax exemption,”<sup>45</sup> Mr Essazai lamented, local mobile companies and PTCL offer slow internet, compelling traders to rely on Iranian network to access uninterrupted internet needed to execute business deals. Moreover, to obtain Phytosanitary Certificate, Traders have to send commodities to Quetta, almost 700km away at the Ministry of National Food Security and Research Department of Plant Protection. The sub-office of relevant departments shall be established in Taftan.<sup>46</sup>

Mr. Badr Uddin, a senior member of the Quetta Chamber of Commerce & Industry (QCCI) pointed out that the annual trade potential with Iran has been more than \$5bn, currently worth \$1bn, due to non-existent banking channels with Iran.<sup>47</sup> We have to engage in barter trade, i.e., exchange commodities with Iranian traders since there exists no joint bank in Taftan, lamented QCCI senior member. Hence trade with Iran at this border point continues to shrink. The security forces and customs officials in Sindh and Punjab suspect goods declarations and exact heavy bribes from transporters on top of taxes and duties. This forces traders to turn to smuggling and use of illegal means in order to carry on business, Mr Badr Uddin argued.<sup>48</sup>

Assistant Commissioner Customs, Asmatullah Achakzai, informed that trade via Zero Point Gate had been undocumented since the opening of the gate decades ago, documentation of trade via Zero Point and turning it taxable with special concessions was under consideration.<sup>49</sup> In response to query about the proposed joint border markets, Mr Achakzai said, “The government is working on this project and soon joint markets would be established in the proposed points along the border with Iran. The authorities of both countries have discussed trade affairs in different meetings but some officials believe that the US sanctions are major hurdles in boosting trade between Pakistan and Iran.”<sup>50</sup>

Taftan-based local journalist, Mehmood Badini, argued, Pakistan and Iran signed an agreement in 1958 for limited tax free trade between the Taftan and Mirjaveh borders via Zero Point Gate to meet the requirements of people living along the Pakistan-Iran border. “This trade was severely affected since terrorist incidents started taking place in the Iranian province Sistan-Balochistan.”<sup>51</sup> Immediate reaction after every untoward incident results into longer closures of the Zero Point causing loss in trade leading to unemployment of hundred labourers,<sup>52</sup> Mehmood Badini added.

Anonymous Pakistan Custom’s official remarked, Taftan has been the biggest land trade route, customs station in the country, in terms of revenue generation, with minimum worth of Rs1.20 bn tax and duties collection each month. He said they usually achieve their annual duty and tax collection target during the middle of the fiscal year. Since Pakistan has been facing gas shortage, the Taftan Customs Station has been instrumental, a gateway to import Liquefied Petroleum Gas (LPG). Long queues of LPG tankers and trucks can be seen every day waiting for their turn to proceed along the entry and exit points of the Taftan Gates and outside of the Customs House. The transporters suffer heavily due to lack of facilities and limited parking place for long vehicles.<sup>53</sup>

Since October, 2020 till March, 2021, LPG, different kinds of iron scrap, bitumen, cement, polyethylene, ceramic tiles, prime quality high carbon steel wire rod, old and used reefer container, white cement, dates, fresh potato, fresh tomato, fresh grapes, sheep skin pickled and coriander seeds worth around Rs 41.14bn were imported from Iran via Taftan Station.<sup>54</sup> However, the export value for Pakistani goods has been far lower, a meager Rs.12.58 bn. The Pakistani traders exported fresh/frozen boneless beef, fresh banana, fresh kinno, dry dates, fresh jujube, fresh potato, safety matches and hessian jute bags to Iran and other countries via Taftan during the last six months.<sup>55</sup> The Customs officer told Dawn that Iran helped Pakistan by exporting 100,000 tons of tomatoes during October 2020 till January, 2021 to overcome the tomato crisis in the country. According to him, imports from China, United States of America and Turkey also pass through the Taftan.<sup>56</sup>

### **Prospects of Pakistan’s Exports to Iran**

Pakistan’s **exports to** Iran were US\$330.24 million during 2018, according to the United Nations COMTRADE database on international trade.<sup>57</sup>

Pakistan Exports to Iran	Value	Year
Cereals	\$228.76M	2018
Oil seed, oleagic fruits, grain, seed, fruits	\$41.09M	2018
Paper and paperboard, articles of pulp, paper and board	\$16.10M	2018
Live animals	\$15.39M	2018
Edible fruits, nuts, peel of citrus fruit, melons	\$12.63M	2018
Meat and edible meat offal	\$10.39M	2018
Optical, photo, technical, medical apparatus	\$2.56M	2018
Machinery, nuclear reactors, boilers	\$1.13M	2018
Vegetable textile fibers not specified elsewhere, paper yarn, woven fabric	\$596.51K	2018
Plastics	\$449.44K	20

### **Prospects of Pak-Iran Barter Trade**

Iran has been desirous to barter her petrochemical, steel and liquefied petroleum products with Pakistani rice, meat and other agriculture products in a trade arrangement, top official said.<sup>58</sup> Iran wants to begin barter trade with Pakistan in energy and agriculture sectors that will result in enhancing exports and imports, viewed Reza Nazeri, Iranian



Consul General.<sup>59</sup> Iran is willing to facilitate Pakistan's private sector to promote bilateral trade and investment, expressing dismay over meager mutual bilateral trade despite colossal potential and reiterated Iranian resolve to facilitate private sector in barter trade. "The volume of two-way trade between Pakistan and Iran is negligible. The mutual trade of two countries does not match their respective potentials,"<sup>60</sup> he stressed. The bilateral trade stood at \$359 million including exports to Iran amounting to \$36 million and imports at \$323 million.<sup>61</sup> "Pakistan and Iran have the potential to cater to each other's needs provided the businessmen have the exposure to the available opportunities,"<sup>62</sup> he argued. He advocated increased interaction of business communities of both countries, to share experiences, and holding of single-country exhibitions by the two chambers of commerce. Focus shall remain on expanding trade and increased visits of trade delegations.<sup>63</sup> "Dissemination of sector-specific and trade-related information would go a long way in achieving the goal."<sup>64</sup> Pakistani business community can invest in agriculture, tourism and metal industries of Iran. President FPCCI Anjum Nisar opined, in ability to use territorial connectivity and ignorance of each other's' potential constitute primary reasons small volume of trade. "Tariff and non-tariff barriers are major obstacles in the way of trade enhancement."<sup>65</sup> Nisar argued, "All the four traditional transportation modes are available for bilateral trade between Pakistan and Iran including air, sea, road and rail but unfortunately none of these modes of transportation are efficiently and economically utilized."<sup>66</sup> Nisar asserted, issuance of transport licenses to allow free movement of vehicles across the border. "Through this step the exporters of both the countries would be able to get direct access to the consumers."<sup>67</sup> Single country exhibitions, can be instrumental in providing adequate information about the products, FPCCI president stressed.<sup>68</sup> The regional instability, unpredictable international political processes adversely affect expansion of Pak-Iran trade and economic relations, viewed Nisar.<sup>69</sup> Iran and Pakistan, both members of emerging regional trading blocks due to geographical location may "affect their neighboring countries,"<sup>70</sup> he asserted. He recommended study and review of bilateral preferential trade agreement and incorporating various avenues of investment in wake of emerging regional dynamics. President FPCCI reassured the Iranian consul general to continue playing role for enhancing trade and economic relations.<sup>71</sup>

### **Smuggled Iranian Food Items**

Smuggled Irani lassi, considered the best, refreshing, has reached as far Karachi by bus from Balochistan and is sold in a market set up near the bus terminal at Baldia, situated off the Hub River Road.<sup>72</sup> Shops in Lyari sell beside Iranian Lassi (doogh in Persian, Balochi lingo), cheese, cream, salad dressings, sweets, chocolates, cakes, biscuits, cooking oils, all made in Iran and at very reasonable prices,<sup>73</sup> since no custom duty involved. Tall blue tin cans of orange juice labeled 'Rani', fat jars of tomato paste, boxes of flavored chewing gum, and more boxes of sponge cake are hot sellers alongside saffron, shampoo, chocolates, cooking oil, etc., online. Iran regularly imports cotton yarn as well as cloth from Pakistan.<sup>74</sup>

### **Conclusion**

Initiatives to: Reduce tariffs; Open banking channels; Improve infrastructure connectivity; have to be taken to fully attain trade potential. Workable payment

mechanisms including trade in local currencies have to be encouraged. The US policy towards Iran especially, sanctions or threats of sanctions, constitute a pertinent obstacle in Pakistan-Iran commercial engagements. Growing importance of China in the region and the implementation of CPEC, may reduce US influence on trade between the two countries. Moreover, balancing relations between arch rivals Iran and Saudi Arabia has been and still constitute a formidable challenge for Pakistan. Forming a Joint Team comprising higher authorities to assess feasibility of a joint border market at Taftan is mandatory. To expedite clearance of vehicles of Iranian goods use of advanced technology and increased number of adequate weighing machines shall be ensured. Measures to record undocumented trade via Zero Point has to be gradually introduced with exempting bartered trade by local population.

Effective measures against terrorists either side of the border has to be taken to prevent incidents taking place in the Iranian province of Sistan-Balochistan adversely affecting trade. Moreover, negotiated political solution shall be sought with insurgents operating in Balochistan. Construction/Upgradation of Road & Railways in line with international standards will facilitate movement of both goods and travelers, hence, strongly recommended. Last but not least investment in health, education and training of local population is stressed to empower them to participate in economic activities and boost trade.

Appendix-I



Taftan: Trucks and Gas Tankers wait at Pakistan Gate to enter Iran

Source: The daily Dawn, Islamabad, Dated 18<sup>th</sup> April, 2021

Appendix-II



Minty fresh doogh is Iranian lassi which is enjoyed best chilled and shaken, not stirred  
Source: Shahzia Hasan, From Iran, With Love, The Daily Dawn, Islamabad, Dated, 01-08-2021

Appendix-III



Both sides agree to enhance joint border patrolling

Source: Mohammad Zafar, Iran assures of reopening Zero Point Gate, Daily, The Express Tribune, January 31, 2018

### Appendix-IV



The stores selling Irani-made goods have an abundance of dairy products and confectionery

**Source:** Retrieved from: <https://www.dawn.com/news/1638014/society-from-iran-with-love>, accessed on 01-08-2021

### Appendix-V



Porters at Zero Point in Taftan carrying Iranian apples on their backs

**Source:** *Daily Dawn, Islamabad, January 5th, 2018*

## Appendix-VI



Mirjaveh: Officials of Pakistan and Iran discussing border-related issues during a meeting on 17-08-2021

**Source:** Retrieved from: <https://www.dawn.com/news/1641298>, Accessed on 21-08-2021

## Bibliography

Thomas Henry Thornton, [2007], *Colonel Sir. Rabort Sandeman, His life and work on Boluchistan and Indian Fortier A Memoir, with Selections From his Correspondence and Official Writings, Baluchistan an Important Documents*, Gosha-e-Adab, Quetta  
Dr. Hameed Baloch, *Makran History (Urdu)*,

## Research Journals / Periodicals

Akhilesh Pillalamarri, A Brief History of Balochistan, How did the Baloch nation come to be?, *The Diplomat, The Asian Pacific*, February 12, 2016

Ali Raza Rind, Lack of Banking Channels, Documentation Hampering Trade Through Taftan, *the daily Dawn, Islamabad*, April 18, 2021, p.10

Ally launches court challenge over Balochistan Levies-police merger, *The Daily Dawn, Islamabad*, May 21, 2019

Amber Intiaz, Pakistan-Iran Relations: Economic and Political Dimensions, *Center for Iranian Studies in Ankara*, March, 2019

C.V. Aitchison, *Treaties, Engagements, and Sanads; Aden, Persian Gulf, Muscat (Oman), Balochistan and North-West Frontier Province*. Vol. XI (1933), May 13, 1905, p. 281.

*Daily Dawn, Islamabad*, August 18th, 2021

1. Dr. Jahangir Khan and Dr. Muhammad Shafiq, *An Analysis of Pakistan's Trade Potential in Afghanistan, with Special Reference to ECO Bloc*: , Bilingual / Bi-annual "PAKISTAN STUDIES", English / Urdu Research Journal, Vol. 08, ISSUE No. 02, July-December 2018, Pakistan Study Center, University of Balochistan, Quetta (Pakistan)
2. Dr. Mumtaz Baloch, Abdul Saeed, Muhammad Javed Sarparah & Chaker Hyder, *The Treaty of 1876: A Case Study of British Occupation of Balochistan*, Bi-Annual Research Journal "BALOCHISTAN REVIEW" ISSN 1810-2174 Balochistan Study Centre, University of Balochistan, Quetta (Pakistan) VOL. XL NO. 1, 2019
3. Dr. Jahangir Achakzai, *Pak-Iran Trade expansion: The irritants & Policy challenges*, Biannual Research Journal, "Central Asia", Issue No. 67, Area Study Center University of Peshawar
4. *Economic And Social Survey of Asia and the Pacific 2014*, Regional connectivity for shared prosperity, United Nations 2014, Printed in Bangkok ISBN: 978-92-1-120675-3 e-ISBN: 978-92-1-056695-7 ISSN: 0252-5704 ST/ESCAP/2693
5. *Examining the dimensions, scale and dynamics of the illegal economy: A study of Pakistan in the region*, SDPI, UNODC, December 2011
6. *First English factory in India in ruins*, The Time of India, June 17, 2013
7. *FPCCI President Seeks Transport Licenses to Freely Work across Pak-Iran Border*, Facilitate Exporters, September 19, 2020
8. International Boundary Study, No. 167 – March 28, 1979, Iran – Pakistan, Boundary, (Country Codes: IR-PK), The Geographer, Office of the Geographer, Bureau of Intelligence and Research
9. Iran imports from Pakistan- data, historical chart and statistics - was last updated on July of 2021.
10. *Iran points at goods for barter trade with Pakistan*, Daily The News, Islamabad, September 20, 202,
11. Iran ready for barter trade with Pakistan, Council General, September 19, 2020
12. *Iran, Pakistan to Open 3rd Border Crossing for Boosting Trade*, Finical Turbine First Iranian English Economic Daily, December 23, 2020
13. Khalid Hasnainm, *ECO freight train to resume operations after nine years*, The Daily Dawn, Islamabad, March 1, 2021
14. Mehtab Haider, *Pakistan-Iran banking link hinges on Tehran's response*: Daily International The News Islamabad, October 14, 2017
15. *Ministry of National food, Security & Research, Department of Plant Protection, Islamabad*
16. Mission Events, Ministry of foreign Affairs ,Government of Pakistan



17. Muhammad Akbar Notezai, *Footprints: Trade Imbalance at Taftan*, The Daily Dawn, Islamabad, January 5, 2018
18. Navabi, Hesamedin, *Iranian politics and the origins of the Anglo-Iranian oil dispute of 1950-1951*, Durham E-Theses, Durham University
19. Nazir Hussain, *Iran-Pakistan Relations: Perceptions and Strategies*, March, 2012, Quaid-i-Azam University, Islamabad, Research Gate
20. Omair Kamran Dehlavi, Ambala Wala, *Pakistan Exports Increase To \$2.3 Billion In March, A Monthly Highest In The Last Decade Compared To February 2021, Meanwhile, the imports surpassed the exports and grew to \$5.3 billion in March 2021- Apr 3, 2021*
21. *Pakistan, Iran committed to promote bilateral trade*, Daily The News, Islamabad, March 13, 2021
22. *Pakistani, Iranian entrepreneurs urged for joint ventures*, National The News, December 15, 2015
23. Qaem Maqam Farahani, *Pakistan Plans to Open two New Border Crossings with Iran*, Financial Tribune, St. Tehran, Iran, April 28, 2021
24. Saleem Shahid, *Trade remains suspended at Taftan border for fourth day*, The Daily "Dawn", dated October 12, 2019.
25. Sandeep Singh, Bawa Singh, *Geopolitics of ports: Factoring Iran in India's counterbalancing strategy for "Sino-Pak Axis"*, *Journal of Eurasian Studies*, June 13, 2019
26. Shazia Hasan, *From Iran, With Love*, The Daily Dawn, Islamabad, August 1, 2021

### **E-Sources:**

Retrieved from: [https://ndu.edu.pk/issra/issra\\_pub/articles/margalla-paper/Margalla-Papers-2016/6\\_Dr\\_Mansoor\\_Akbar\\_Kundi.pdf](https://ndu.edu.pk/issra/issra_pub/articles/margalla-paper/Margalla-Papers-2016/6_Dr_Mansoor_Akbar_Kundi.pdf), accessed on, 29-07-2021.

Retrieved from: <https://fall.fsulawrc.com/collection/LimitsinSeas/IBS167.pdf>, accessed on 17-06-2021

Retrieved from: <https://iranicaonline.org/articles/indo-european-telegraph-department>, accessed on 25-09-2021

Retrieved from: <https://ryderarchives.weebly.com/turco-persian-boundary.html>, accessed on 17-06-2021

Retrieved from: <https://iranicaonline.org/articles/boundaries-iii>, accessed on 25-09-2021

Retrieved from: <https://www.dawn.com/news/1380872>, accessed on 21-08-2021

Retrieved from: <https://www.dawn.com/news/1643043>, accessed on 17-09-2021

Retrieved from: <https://www.dawn.com/news/1221255>, accessed on 9/09/2021

Retrieved from: <https://fas.org/sgp/crs/mideast/RS20871.pdf>, accessed on, 29-07-2021

Retrieved from:

[https://www.wto.org/english/res\\_e/booksp\\_e/casestudies\\_e/case35\\_e.htm](https://www.wto.org/english/res_e/booksp_e/casestudies_e/case35_e.htm), accessed on, 29-07-

Retrieved from: <https://in.news.yahoo.com/news/pakistan-ahead-iran-gas-pipeline-project-against-us-042249970.html>, accessed on, 29-07-2021

Retrieved from, <https://www.dawn.com/news/1618876>, accessed on 07-07-2021

Retrieved from: <https://www.oecd.org/site/tadicite/50286917.pdf>, accessed on 07-07-2021

Retrieved from: <https://www.dawn.com/news/1618876>, accessed on 26-09-2021

Retrieved from: <https://www.thenews.com.pk/print/717309-iran-points-at-goods-for-barter-trade-with-pakistan>, accessed on 26-09-2021

Retrieved from: [https://iramcenter.org/d\\_hbanaliz/pakistan-iran-relations-economic-and-political-dimensions.pdf](https://iramcenter.org/d_hbanaliz/pakistan-iran-relations-economic-and-political-dimensions.pdf), accessed on 26-09-2021

Retrieved from: <https://www.thenews.com.pk/print/717309-iran-points-at-goods-for-barter-trade-with-pakistan>, accessed on 28-07-2021

---

<sup>1</sup> Retrieved from: [https://ndu.edu.pk/issra/issra\\_pub/articles/margalla-paper/Margalla-Papers-2016/6\\_Dr\\_Mansoor\\_Akbar\\_Kundi.pdf](https://ndu.edu.pk/issra/issra_pub/articles/margalla-paper/Margalla-Papers-2016/6_Dr_Mansoor_Akbar_Kundi.pdf), accessed on, 29-07-2021.

<sup>2</sup> International Boundary Study, No. 167 – March 28, 1979, Iran – Pakistan, Boundary, (Country Codes: IR-PK), The Geographer, Office of the Geographer, Bureau of Intelligence and Research

<sup>3</sup> *First English factory in India in ruins*, The Time of India, June 17, 2013

<sup>4</sup> Dr. Mumtaz Baloch, Abdul Saeed, Muhammad Javed Sarparah & Chaker Hyder, *The Treaty of 1876: A Case Study of British Occupation of Balochistan*, Bi-Annual Research Journal “BALOCHISTAN REVIEW” ISSN 1810-2174 Balochistan Study Centre, University of Balochistan, Quetta (Pakistan) VOL. XL NO. 1, 2019

<sup>5</sup> Retrieved from: <https://fall.fsulawrc.com/collection/LimitsinSeas/IBS167.pdf>, accessed on 17-06-2021

<sup>6</sup> Retrieved from: <https://iranicaonline.org/articles/indo-european-telegraph-department>, accessed on 25-09-2021

<sup>7</sup> Retrieved from: <https://ryderarchives.weebly.com/turco-persian-boundary.html>, accessed on 17-06-2021

<sup>8</sup> Colonel Sir Robert Groves Sandeman, K.C.S.I; Agent to the Governor General, and Chief Commissioner in Bolochistan. More than thirty six years of arduous services in trying climates, as soldier, administrator, and political officer.

<sup>9</sup> An imposed treaty that cost Afghan annexation of districts Kurram, Pishin, Sibbi, and Khyber and Michini Passes by the British. The foreign relations of Afghan went into the hands of the British under article 3. Under this treaty the British troops could enter Afghanistan any time to quell and foreign threat to Afghanistan. The British got confirmation from the Afghan Amir about paying due honor and respect to their envoy inside Afghanistan under articles 4-5. The British overwhelmingly emphasized upon strong trade, commerce and communication links between them and Afghanistan as evident from articles 6,7 and 8 of the treaty. Article 9 of the treaty seems to be prelude to the most-talked-about Durand Line Agreement of 1893. This article allowed British to cede control of Kandahar and Jalalabad cities to Afghan. The British admitted temporary seizure of Kurram, Pishin and Sibbi districts. But under Article 9 of the treaty they allotted no special status to Khyber and Michini passes neither made any commitment for return of these areas to Afghan government



in any time in future. This fact speaks of British of Amir Yakoob Khan to the tune of Rs.6, 00,000 per month. The apparent benefit that British wanted to draw through this increase was to keep the Amir silent over the important issue of British occupation of Afghan area's this treaty also smashed the so-called impression that the British had faced another defeat in Afghanistan like First Afghan War. In fact War is not the deciding factor, but these are only the post-war treaties and agreement that define the concrete concept of victory or defeat. The contents of this treaty define the British victory in the second Afghan War.

<sup>10</sup> Akhilesh Pillalamarri, *A Brief History of Balochistan, How did the Baloch nation come to be?*, The Diplomat, The Asian Pacific, February 12, 2016

<sup>11</sup> Navabi, Hesamedin, *Iranian politics and the origins of the Anglo-Iranian oil dispute of 1950-1951*, Durham E-Theses, Durham University

<sup>12</sup> Retrieved from: <https://iranicaonline.org/articles/boundaries-iii>, accessed on 25-09-2021

<sup>13</sup> C.V. Aitchison, *Treaties, Engagements, and Sanads; Aden, Persian Gulf, Muscat (Oman), Balochistan and North-West Frontier Province*. Vol. XI (1933), May 13, 1905, p. 281.

<sup>14</sup> International Boundary Study, No. 167 – March 28, 1979, Iran – Pakistan, Boundary, (Country Codes: IR-PK), The Geographer, Office of the Geographer, Bureau of Intelligence and Research, P7

<sup>15</sup> Ali Raza Rind, *Lack of Banking Channels, Documentation Hampering Trade Through Taftan*, the daily Dawn, Islamabad, April 18, 2021, p.10

<sup>16</sup> Muhammad Akbar Notezai, *Footprints: Trade Imbalance at Taftan*, The Daily Dawn, Islamabad, January 5, 2018

<sup>17</sup> Retrieved from: <https://www.dawn.com/news/1380872>, accessed on 21-08-2021

<sup>18</sup> Muhammad Akbar Notezai, *Footprints: Trade Imbalance at Taftan*, The Daily Dawn Islamabad, January 5, 2018

<sup>19</sup> *Ibid*

<sup>20</sup> *Ally launches court challenge over Balochistan Levies-police merger*, The Daily Dawn, Islamabad, May 21, 2019

<sup>21</sup> Khalid Hasnainm, *ECO freight train to resume operations after nine years*, The Daily Dawn, Islamabad, March 1, 2021

<sup>22</sup> *Ibid*,

<sup>23</sup> Muhammad Akbar Notezai, *Footprints: Trade Imbalance at Taftan*, The Daily Dawn, Islamabad, January 5, 2018

<sup>24</sup> *Economic And Social Survey of Asia and the Pacific 2014*, Regional connectivity for shared prosperity, United Nations 2014, Printed in Bangkok ISBN: 978-92-1-120675-3 e-ISBN: 978-92-1-056695-7 ISSN: 0252-5704 ST/ESCAP/2693

<sup>25</sup> *Ibid*

<sup>26</sup> Retrieved from: <https://www.dawn.com/news/1643043>, accessed on 17-09-2021

<sup>27</sup> *Ibid*

<sup>28</sup> Retrieved from :<https://www.dawn.com/news/1221255> accessed on 9/09/2021

<sup>29</sup> *Examining the dimensions, scale and dynamics of the illegal economy: A study of Pakistan in the region, SDPI, UNODC, December 2011*

<sup>30</sup> Muhammad Akbar Notezai, *Trade Imbalance at Taftan*, Daily Dawn, Islamabad, January 5, 2018

<sup>31</sup> *Ibid*

<sup>32</sup> Mission Events, Ministry of foreign Affairs ,Government of Pakistan

<sup>33</sup> *Ibid*,

<sup>34</sup> Daily Dawn, Islamabad, August 18th, 2021

<sup>35</sup> Mehtab Haider, *Pakistan-Iran banking link hinges on Tehran's response*: Daily International The News Islamabad, October 14, 2017

<sup>36</sup> *Ibid*

<sup>37</sup> Retrieved from: <https://fas.org/sgp/crs/mideast/RS20871.pdf>, accessed on, 29-07-2021

<sup>38</sup> Retrieved from: [https://www.wto.org/english/res\\_e/booksp\\_e/casestudies\\_e/case35\\_e.htm](https://www.wto.org/english/res_e/booksp_e/casestudies_e/case35_e.htm), accessed on, 29-07-2021

<sup>39</sup> Amber Imtiaz, *Pakistan-Iran Relations: Economic and Political Dimensions*, Center for Iranian Studies, Ankara, March, 2019, P. 12

<sup>40</sup> Retrieved from: <https://in.news.yahoo.com/news/pakistan-ahead-iran-gas-pipeline-project-against-us-042249970.html> ,accessed on, 29-07-2021

<sup>41</sup> *Ibid*

<sup>42</sup> Sandeep Singh, Bawa Singh, *Geopolitics of ports: Factoring Iran in India's counterbalancing strategy for "Sino-Pak Axis"*, *Journal of Eurasian Studies*, June 13, 2019, P.9

<sup>43</sup> Nazir Hussain, *Iran-Pakistan Relations: Perceptions and Strategies*, March, 2012, Quaid-i-Azam University, Islamabad, Research Gate

<sup>44</sup> *Ibid*.

<sup>45</sup> *Ministry of National food, Security & Research, Department of Plant Protection, Islamabad*

<sup>47</sup> *Ibid*

<sup>48</sup> *Ibid*

<sup>49</sup> Dr. Jahangir Khan and Dr. Muhammad Shafiq, *An Analysis of Pakistan's Trade Potential in Afghanistan, with Special Reference to ECO Bloc*: , Bilingual / Bi-annual "PAKISTAN STUDIES", English / Urdu Research Journal, Vol. 08, ISSUE No. 02, July-December 2018, Pakistan Study Center, University of Balochistan, Quetta (Pakistan), P.5

<sup>50</sup> Qaem Maqam Farahani, *Pakistan Plans to Open two New Border Crossings with Iran*, Financial Tribune, St. Tehran, Iran, April 28, 2021

<sup>51</sup> Retrieved from, <https://www.dawn.com/news/1618876>, accessed on 07-07-2021

<sup>52</sup> Retrieved from: <https://www.oecd.org/site/tadicite/50286917.pdf>, accessed on 07-07-2021

<sup>53</sup> Saleem Shahid, *Trade remains suspended at Taftan border for fourth day*, The Daily "Dawn", dated October 12, 2019.

<sup>54</sup> Retrieved from: <https://www.dawn.com/news/1618876>, accessed on 26-09-2021

<sup>55</sup> Omair Kamran Dehlavi, Ambala Wala, *Pakistan Exports Increase To \$2.3 Billion In March, A Monthly Highest In The Last Decade Compared To February 2021*,

Meanwhile, the imports surpassed the exports and grew to \$5.3 billion in March 2021- Apr 3, 2021

<sup>56</sup> *ibid*

<sup>57</sup> Iran imports from Pakistan- data, historical chart and statistics - was last updated on July of 2021.

<sup>58</sup> Iran ready for barter trade with Pakistan, Council General, September 19, 2020

<sup>59</sup> *Iran points at goods for barter trade with Pakistan, Daily The News, Islamabad, September 20, 202,*

<sup>60</sup> Dr. Jahangir Achakzai, *Pak-Iran Trade expansion: The irritants & Policy challenges*, Biannual Research Journal, “Central Asia”, Issue No. 67, Area Study Center University of Peshawar.

<sup>61</sup> *Pakistan, Iran committed to promote bilateral trade, Daily The News, Islamabad, March 13, 2021*

<sup>62</sup> *ibid*

<sup>63</sup> *Ibid*

<sup>64</sup> *Pakistani, Iranian entrepreneurs urged for joint ventures, National The News, December 15, 2015*

<sup>65</sup> *Iran, Pakistan to Open 3rd Border Crossing for Boosting Trade, Finical Turbine First Iranian English Economic Daily, December 23, 2020*

<sup>66</sup> Retrieved from: <https://www.thenews.com.pk/print/717309-iran-points-at-goods-for-barter-trade-with-pakistan>, accessed on 26-09-2021

<sup>67</sup> *Ibid*

<sup>68</sup> *FPCCI President Seeks Transport Licenses to Freely Work across Pak-Iran Border, Facilitate Exporters, September 19, 2020*

<sup>69</sup> *Ibid*

<sup>70</sup> Retrieved from: [https://iramcenter.org/d\\_hbanaliz/pakistan-iran-relations-economic-and-political-dimensions.pdf](https://iramcenter.org/d_hbanaliz/pakistan-iran-relations-economic-and-political-dimensions.pdf), accessed on 26-09-2021

<sup>71</sup> Retrieved from: <https://www.thenews.com.pk/print/717309-iran-points-at-goods-for-barter-trade-with-pakistan>, accessed on 28-07-2021

<sup>72</sup> *Ibid*

<sup>73</sup> *Ibid,*

<sup>74</sup> Shazia Hasan, *From Iran, With Love*, The Daily Dawn, Islamabad, August 1, 2021