



# United States and Pakistan

## A Strong and Enduring Relationship

2014

Pakistan is one of the largest recipients of U.S. civilian assistance, a sign of our enduring partnership and commitment to supporting Pakistan's economic and social development. The United States has disbursed more than \$4 billion in Pakistan, including more than \$1 billion in emergency flood response and recovery, since the Enhanced Partnership with Pakistan Act (better known as "KLB" after co-sponsors Senators John Kerry and Richard Lugar, and Representative Howard Berman) was enacted in October 2009.

After their meeting in October 2013, President Obama and Prime Minister Sharif expressed their conviction that an enduring U.S.-Pakistan partnership is vital to regional and international security and recognized their shared interest in Pakistan's economic growth and development, regional stability, and mutually determined measures to counter terrorism. The visit underscored the long-term relationship between the United States and Pakistan and highlighted the many areas of ongoing U.S. cooperation:



*- A stable and prosperous Pakistan is a key national security objective for the United States. President Obama affirmed that a peaceful, prosperous, and democratic Pakistan is an essential partner for the United States in the advancement of the shared goals of peace, security, and socio-economic development in South Asia. -*

**U.S.-Pakistan cooperation is founded upon mutually - agreed interests and objectives**



Mangla Dam

# Fostering Mutual Prosperity

## Energy

The United States and Pakistan are working together to help Pakistan meet growing energy demands and implement the reforms needed to improve the efficiency of the energy sector to accelerate Pakistan's economic growth.

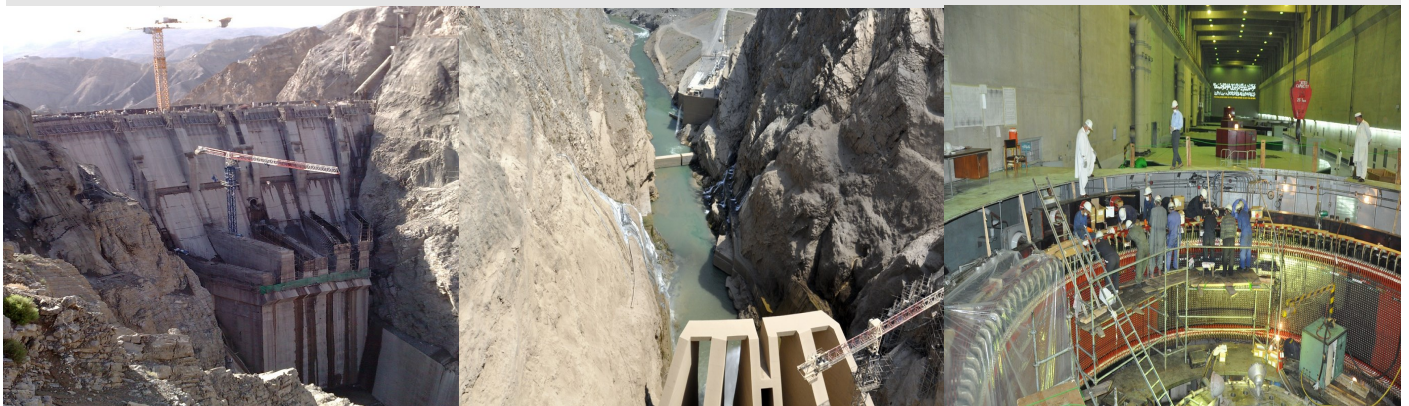
To date, the U.S. government has committed roughly \$800 million in energy sector assistance to Pakistan. U.S. funded programs have added more than 1000 megawatts to Pakistan's national grid, sufficient to supply electricity for more than 16 million Pakistanis. The United States has funded the construction and revitalization of Gomal Zam Dam, Satpara Dam, Mangla Dam, Tarbela Dam, and the modernization of Guddhu, Jamshoro, and Muzaffargarh thermal power plants. As a result of these efforts, more factories can operate to capacity, businesses remain open longer, shop owners earn more income, and students are able to study longer hours to acquire the skills that will make them more competitive.



The United States government is committed to enhancing U.S.-Pakistan private sector cooperation in the energy sector. In November 2013, the United States sponsored a Pakistani energy trade delegation visit to Houston, Texas to meet with major U.S. energy companies.

Pakistani Minister of Petroleum and Natural Resources Shahid Abbasi and U.S. Ambassador to Pakistan Richard Olson addressed a gathering of over 100 energy sector representatives and highlighted opportunities for American companies in Pakistan, including offshore gas exploration, equipment provision, and natural gas supply.

The United States is also investing in renewable energy, supporting the creation of hydro and thermal facilities. For example, the U.S. Overseas Private Investment Corporation (OPIC) is finalizing initial private sector wind projects in Pakistan and considering additional financing that together would provide 200-250 megawatts of grid-connected power.







## **Bilateral Trade and Investment**

The United States is Pakistan's largest export market and source of foreign direct investment. Two-way trade between the United States and Pakistan surpassed the \$5 billion mark in 2012. The United States hosts industry expositions to promote Pakistani products and organizes seminars in Pakistan on how Pakistani companies can increase their exports to the United States. Through the U.S.-Pakistan Trade and Investment Framework Agreement (TIFA), both countries agreed to focus on promoting business-to-business ties. That decision led to two successful U.S.-Pakistan Business Opportunities Conferences: one in London in October 2012 and one in Dubai in June 2013. The United States agreed to host the next TIFA Council meeting in spring 2014, where further business exchanges will be discussed.

To promote private investment, OPIC has committed \$476 million in financing and risk insurance in Pakistan which will include U.S. investors.



## **Regional Trade**

The United States strongly supports Pakistan's focus on expanding regional trade. The United States has funded the construction and rehabilitation of nearly 900 kilometers of roads, including the four major trade routes between Pakistan and Afghanistan. The United States also supports the implementation and potential extension of the Afghanistan-Pakistan Transit Trade Agreement, organizing regional business matchmaking events as well as promoting regional energy linkages through the Turkmenistan-Afghanistan-Pakistan-India (TAPI) natural gas pipeline and the Central Asia-South Asia (CASA-1000) regional power transmission project.

## **Private Sector Financing for Business Creation**

Recognizing small-and-medium sized businesses as critical catalysts of Pakistan's growth, the United States launched the Pakistan Private Investment Initiative (PPII) in June 2013, matching U.S. funding one-to-one with private equity capital to make over \$150 million available for Pakistani small businesses.





## Agriculture

Pakistan's agriculture sector employs more than 40 percent of the workforce, and is a key driver of the country's economic growth. Through USAID, the United States is helping to boost Pakistan's agricultural productivity by building additional irrigation infrastructure and introducing improved technologies and water management practices. The United States has financed irrigation systems for more than 370,000 acres of farmland in Pakistan, which has increased the incomes of more than 800,000 farmers, with the goal of irrigating a total of one million acres by 2016. The United States also helps Pakistan's agribusinesses access financing, form partnerships, and tap into more lucrative markets.

The U.S. Department of Agriculture (USDA) works with the Government of Pakistan, U.S. land grant universities, and international partners to increase agricultural productivity in Pakistan; build institutional capacities to better regulate animal and plant health and food safety issues; and strengthen institutional research capabilities and U.S.-Pakistani scientific collaboration.

Programs promote the adoption of new agricultural practices and technologies, and foster collaboration in the areas of animal disease control, aquaculture, cotton diseases, crop estimation forecasting, watershed management and irrigation technology, improvement of soil fertility, and wheat diseases, among others. Through USDA, the United States is also working with Pakistan to vaccinate more than 500,000 cattle, buffalo, and yaks; implement livestock disease surveillance systems; and develop a strain of cotton resistant to the curl leaf virus, which could devastate crops in Pakistan and globally if not addressed.

Areas of agricultural collaboration include animal disease control, aquaculture, cotton diseases, crop estimation forecasting, watershed management and irrigation technology, improvement of soil fertility, and wheat diseases, among others.

## Entrepreneurship

The United States' "*Khushali Ka Safar*" (Journey to Prosperity) programs focus primarily on facilitating access to capital, mentorship, education, and diaspora engagement and investment.

In-country training programs have supported 70,000 women micro-enterprises, enabling them to increase their household incomes considerably.

Additionally, the United States has provided mentoring and education for approximately 5,000 entrepreneurs through digital and in-person workshops and conferences since 2012.







## Women's Empowerment

The U.S. government is committed to ensuring gender equality in all of our programs. Women and girls comprise about half the participants in our exchange programs and English Access Microscholarship Program. Together with women leaders, the United States has provided nationwide support during the 16 Days of Activism Against Gender-Based Violence.

In the area of women's entrepreneurship, the U.S. Department of State sponsored Pakistani participation in the South Asia Women's Entrepreneurship Symposium (SAWES) and provided grants to women's entrepreneurship centers. U.S. experts visiting from the United States engaged more than 1,000 young women on women's rights, women's empowerment, and using the arts to promote women's inclusion in society, among other topics.

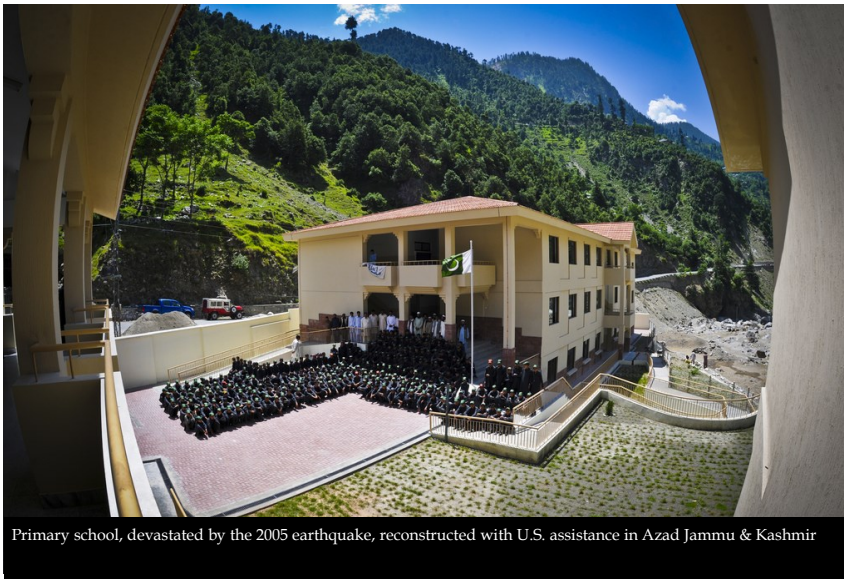
Alumni of U.S. exchange programs are very active in women-led and women-focused activities. Through an Alumni Engagement Innovation Fund project that benefitted 100 female legislators, 10,000 female undergraduates and 1000 stay-at-home women since 2011, alumni of U.S. exchange programs trained women on their voter rights in advance of the May 2013 election. The U.S. government also works to help raise the profile of girls and women in sports. The U.S. Embassy has lent its support for the Pakistani Women's National Football champions and Samina Baig's quest to climb the seven tallest of the world summits (Seven Summits), including Mt. Denali, and helped a Pakistani journalist participate in the espnW Global Sports Mentorship Program.

In addition, the US-Pakistan Women's Council, a partnership between the U.S. Department of State and American University, provides a platform for the private sector to leverage resources to promote economic opportunities for Pakistani women. In its first year, the Council partnered with the Karachi-based National Entrepreneurship Working Group and the Islamabad Chamber of Commerce and Industry to provide training for female entrepreneurs, promote internships and best practices to increase female employment, and provide summer scholarships for high school students to study at U.S. universities.

## Science and Technology Cooperation

The United States and Pakistan have formally extended their Science and Technology Cooperation Agreement to 2018, building on a partnership that began in 2003. The U.S.-Pakistan Science and Technology Cooperation Program offers grants to U.S. and Pakistani researchers to work together.

*The program boasts 83 different research projects worth approximately \$39 million in sectors such as health, agriculture, engineering, environment, energy and water.*



## Basic Education

The United States and Pakistan have a shared interest in ensuring that Pakistan has an educated population prepared to enter the workforce.

To achieve this, USAID launched the Pakistan Reading Project designed to improve the reading level of 3.2 million children across Pakistan.

The United States has built or reconstructed more than 600 schools serving an estimated 86,000 children. In addition, the United States has constructed 16 education facilities and teacher training centers throughout Pakistan.

The United States also supported the development of four-year and two-year university degree programs specifically for education professionals, which have benefited more than 10,000 teachers and school administrators across the country.

## Health Services

Pakistan is the sixth most populous country in the world and has one of the highest infant and maternal mortality rates in Asia. In June 2013, a five year, multi-million dollar Maternal Child Health project was launched.

In addition, the United States financed a new gynecology ward at the Jinnah Postgraduate Medical Center in Karachi and is constructing a new \$5 million maternity ward at the same facility, and a new \$10 million public hospital in Jacobabad, which will serve residents of northern Sindh, southern Punjab, and eastern Balochistan.

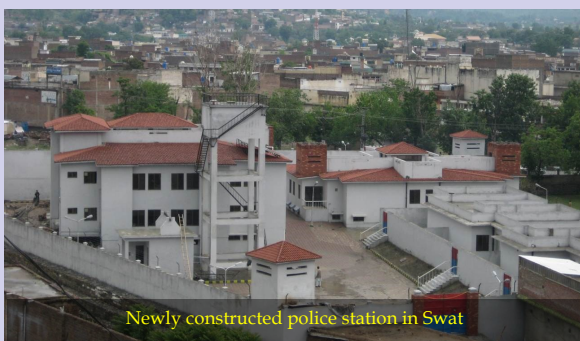
U.S. programs train community health workers and extend health services to vulnerable Pakistanis, helping to reduce newborn and maternal deaths in participating areas. The United States and Pakistan recognize the importance of partnership on global health security to prevent, detect, and respond to infectious disease threats, including cooperation in support of the World Health Organization International Health Regulations.



# Advancing Security and Counterterrorism Cooperation

## Civilian Law Enforcement and Rule of Law

Through training, equipment, and infrastructure assistance, the United States supports Pakistan's efforts to enhance civilian law enforcement and judicial response to violent crime and terrorism. This assistance funds training of law enforcement officials, prosecutors, judges, and corrections officials as well as counternarcotics efforts, including infrastructure and equipment to improve the effectiveness of Pakistan's police forces.



Newly constructed police station in Swat



Pakistani police receiving counterterrorism training



## Defense and Counterterrorism Cooperation

The United States and Pakistan enjoy a close security partnership and are working jointly to defeat core al-Qaida and other violent extremist groups that threaten the security of both nations and the region.

Through U.S. security assistance programs, the United States provides critical equipment – ranging from advanced communications gear to surveillance aircraft – to Pakistani military troops conducting counterinsurgency and counterterrorism operations in the border region and to enhance Pakistan's participation in international maritime security operations. In addition, the United States has refurbished and upgraded military helicopters and maritime surveillance aircraft.

*As a result, Pakistan has significantly increased the effectiveness of its operations against militant groups.*

## Improvised Explosive Devices

Pakistan has taken positive steps over the past year to increase its controls and interdiction of the illicit supply of the materials used to produce improvised explosive devices (IEDs). Through U.S. security assistance programs, and the Joint Improvised Explosive Device Defeat Organization, the United States provides Pakistan with technical expertise and equipment to improve its ability to detect and defuse these devices, and defeat the networks that manufacture and employ them.



U.S. and Pakistani Marines conduct an amphibious assault demonstration during an exercise in Egypt in 2009

## Military Training and Exchanges

The United States provides Pakistan's military with training to promote regional stability, improve its counterterrorism and defense capabilities, and enhance civilian-military relations. Training programs support professional military and technical educational opportunities for Pakistan's future military leaders, strengthening the professional relationships between the U.S. and Pakistani militaries. Since fiscal year 2009, the United States has trained nearly 1120 members of the Pakistan Army, Air Force, and Navy. Pakistan is the largest recipient of U.S. International Military Education and Training (IMET) funding in the world, with an annual budget of approximately \$5 million for this program. In addition, the United States and Pakistan conduct military staff exchanges and joint training exercises each year to enhance coordination and interoperability between our militaries.



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U.S. and Pakistani Marines conduct joint exercise in Egypt in 2009



A U.S. soldier training his Pakistani counterpart at a shooting range

## Coalition Support Funds

Pakistan is an important partner in the fight against violent extremism. Its counterterrorism operations weaken terrorist networks, improve border stability, and advance the goals of Operation Enduring Freedom. The U.S. government supports Pakistan's efforts in these operations through Coalition Support Funds, which allow for reimbursement of jointly agreed-upon costs incurred by Pakistan in this fight. Pakistan has received over \$11 billion in CSF since 2001, making it the largest recipient of these funds.



# Furthering People-to-People Ties

## Higher Education Collaboration and the Fulbright Program

The United States and Pakistan enjoy strong people-to-people programs, particularly in higher education. U.S. exchange programs have sent more than 5,000 Pakistani university and high school students to the United States since 1949. The United States has also provided scholarships to more than 12,000 Pakistani students to study at universities within Pakistan. Many of these students are the first people from their villages to attend university. The U.S.-Pakistan Fulbright program is the largest in the world in terms of funding. Pakistan also boasts the largest number of graduates and currently enrolled students as one of the 87 participant countries in the English Access Microscholarship Program across the globe – a total of 13,500 teenagers since the program began in Pakistan in 2005. These programs enrich both the lives of Pakistanis and Americans as they foster the exchange of innovative ideas and foster life-long bonds through direct contact between citizens of both countries.



Each year the U.S. government sends more than 700 students to academic exchange programs and another 500 professionals to shorter, work-related programs in the United States.

## University Partnerships

The United States and Pakistan benefit from 16 university partnerships, linking up universities in Pakistan and the United States, which improve the professional development of faculty, advance curriculum reform and joint research, and develop peer-to-peer relationships. The United States is supporting the establishment of three Centers for Advanced Studies in agriculture and food security, water, and energy, which will partner with U.S. academic institutions to promote joint research and skilled graduates in sectors key to a strong economy. Such ties build long-term collaboration and cooperation that span every industry and every corner of Pakistan.



### U.S. Partner Universities

- University of Texas at Austin
- Ball State University
- San José State University
- University of Oklahoma
- Southern Methodist University
- University of North Texas
- University of Kentucky
- George Mason University
- Arizona State University
- George Washington University
- University of Oregon
- Boston Architectural College
- Southern Polytechnic State University

# The Future

The United States looks forward to continuing to work with Pakistan to help promote economic self-sufficiency and private sector trade and investment, the true drivers of a dynamic, growing economy. In the interim, U.S. assistance will continue to support Pakistan's efforts to meet the demand for energy, create jobs, improve education and health standards, respond to natural disasters, and accelerate reforms that will unleash Pakistan's tremendous economic growth potential.



**U.S. Embassy Islamabad, Pakistan**

<http://islamabad.usembassy.gov/>

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