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## Government Detains Traders Over Tax Protest Blocking Karakoram Highway at Pak-China Border

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On July 21, 2025, Pakistani authorities detained traders protesting tax policies at the Pakistan-China border, where the Karakoram Highway (KKH) was blocked, halting trade and stranding travelers. The protest, led by the Pak-China Traders Action Committee (PCTAC), targeted the Federal Board of Revenue's (FBR) tax collection at Sost Dry Port. This article examines the unrest, its economic impact, and the government's heavy-handed response.

The blockade, centered in Hunza and Nagar districts of Gilgit-Baltistan (GB), disrupted the China-Pakistan Economic Corridor (CPEC), a vital trade artery. Traders shut down the

Sost Dry Port, protesting income and sales taxes they deem exploitative. “The FBR’s policies are strangling our livelihoods,” said Javed Hussain, former GB Chamber of Commerce president, addressing a sit-in in Nagar, as reported by *Dawn*. The protest left hundreds of tourists and vehicles stranded, with tensions escalating after police raided traders’ homes, detaining Ali Nazar, Abbas Mir, and Farman Tajik, per *The Express Tribune*. Hunza Deputy Commissioner (DC) Huzaifa Anwar claimed one detainee was released, but two remain in custody, insisting they are in “protective custody,” not arrested.

The traders’ grievances stem from the FBR’s refusal to honor a GB Chief Court order barring tax collection on imports via Khunjerab Pass. Since December 2024, 257 consignments have been stuck at Sost, causing losses worth billions due to expired goods and port charges, per *The News Mill*. Imran Ali, GB Chamber of Commerce president, told *Dawn*, “Customs officials are defying the court, robbing us of our rights.” The protest, backed by local political parties, reflects deep frustration with Islamabad’s neglect of GB’s economic needs, where trade with China is a lifeline.

The government’s crackdown risks further alienating GB residents, who already face power outages and limited representation. While DC Anwar claimed negotiations are ongoing, the administration’s tactics—raiding homes and detaining leaders—suggest an attempt to suppress dissent rather than address legitimate concerns. As the KKH remains blocked, Pakistan must prioritize dialogue and fair policies to restore trade and trust, lest it undermine the CPEC’s promise and fuel regional unrest.