

# China Pakistan Economic Corridor (CPEC)

23<sup>rd</sup> November 2021



# MoU on CPEC – 5<sup>TH</sup> July 2013



- Salient features of the MoU
  - CPEC will promote **bilateral connectivity** and **regional economic integration**, **explore potential bilateral investment, economic and trade, logistic and people-to-people connectivity**
  - The cooperation plan includes but not limited to:
    - a. **Formulating LTP-for CPEC (2015-30)**, defining overall direction, ideas and goals of cooperation.
    - b. **Communication networks** including **roads, railways, fiber optic cables, and oil & gas pipelines** linking Western China with Gwadar, Pakistan.
    - c. **Explore sectoral cooperation and exchanges** in **agriculture, industrial park construction, manufacturing, and energy.**
    - d. **Cooperation** in **education, culture, tourism and media** through cultural and local government to government **exchanges.**
    - e. **Conduct dialogues and research** on **economic cooperation and fields of mutual interest.**

# CPEC-Long-Term Plan (2015-30)



Early Harvest  
and Short  
Term  
Projects

- **1st Target (2020) : Period of market cultivation**, major bottlenecks to Pakistan's economic and social development shall be addressed to boost the economic growth.

Medium  
Term  
Projects

- **2nd Target (2025) : Period of expansion and development**. Processing and manufacturing industries will be developed, significant improvement in the people's livelihood, balanced regional economic development, and all the goals of Vision 2025 achieved.

Long Term  
Projects

- **3rd Target (2030) : Period of Maturity**. The endogenous mechanism for sustainable economic growth will be in place, the CPEC ready to play leadership role in the region.



# Project Status - \$ 53 Billion

	No. of Projects	Cost \$ Bn
<b><u>Completed</u></b>	<b>21</b>	<b>15.7</b>
Power Projects <b>(5,320 MW)</b> & HVDC Transmission Line	10	9.6
Infrastructure (Roads, Mass Transit & Optical Fiber)	5	5.8
Gwadar Port/Free Zone and City Master Plan	2	0.3
Socio-economic Development	4	0.014
<b><u>Under Implementation</u></b>	<b>31</b>	<b>9.3</b>
Power Projects <b>(3584 MW)</b>	5	6.5
Infrastructure (Roads – <b>1103 KM</b> and Gwadar Airport)	8	2.3
Socio Economic Projects in Gwadar	3	0.2
Socio-economic Development	11	0.027
Industrial Cooperation (SEZs)	4	0.232
<b><u>Under-Consideration</u></b>	<b>36</b>	<b>28.4</b>
Power Projects <b>(4144 MW)</b>	7	7.3
Infrastructure (Roads – <b>847 KM</b> ) & (Rail – <b>1733 KM</b> )	12	10.5
Gwadar Port Projects (Dredging & Breakwater)	2	0.15
Socio-economic Development	10	0.95
Industrial Cooperation (SEZs)	5	



# ***CPEC- PHASE II- VISION STATEMENT***

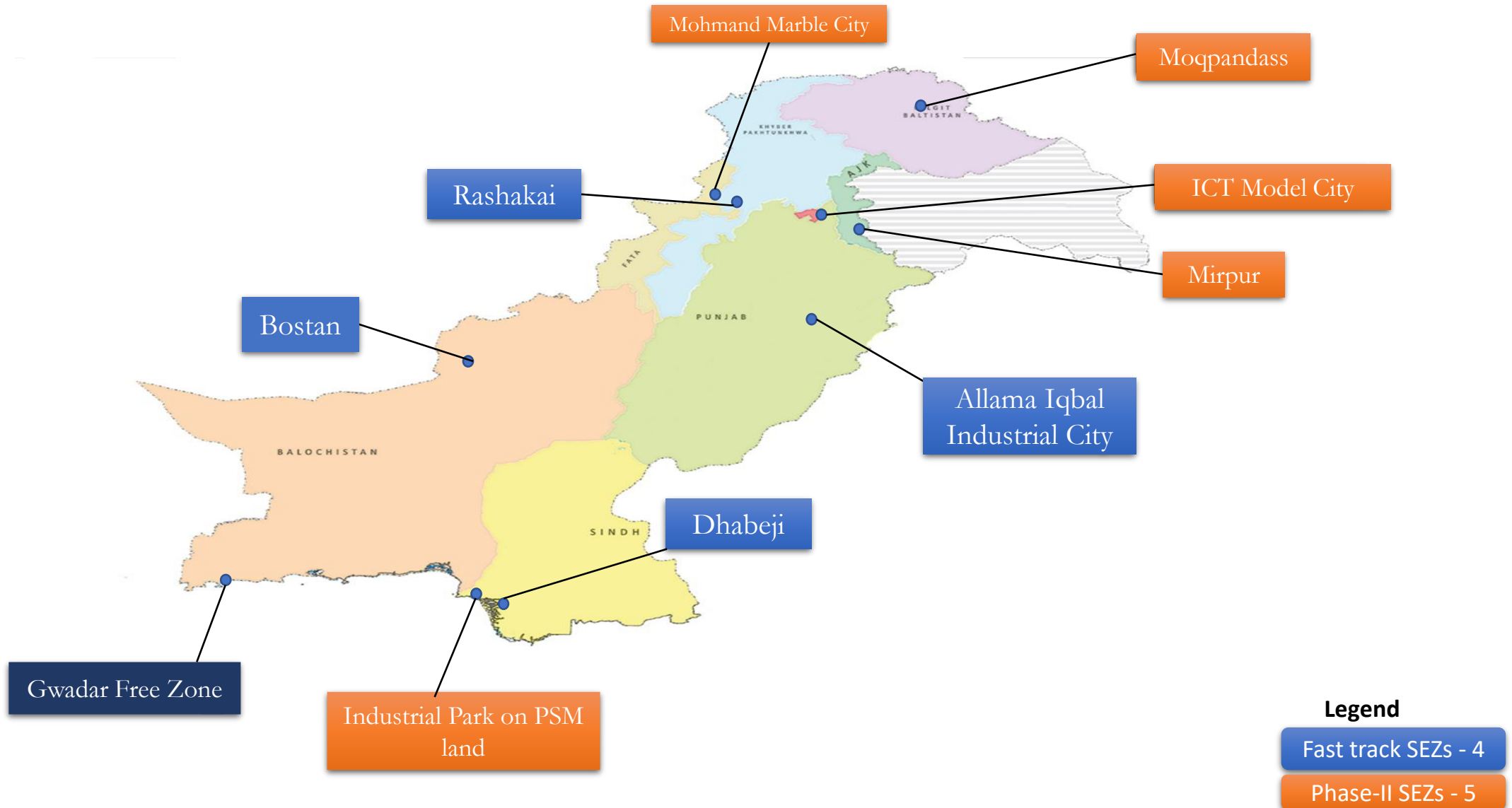
***Accelerate economic, industrial, technological and agricultural development of Pakistan through Chinese investment and transfer of technology***

- Focus on Export Growth (Textiles, IT, Pharma etc.) and Import Substitution (electronics, automobiles, agriculture etc.) - promoting foreign investment, creating local employment opportunities and making Pakistan a "**Manufacturing Hub**"
- Create strong linkages with key Governmental entities, SOEs, Private Companies, Financial Institutions and Provinces in China





# Special Economic Zones under CPEC



# ***Creation of Enabling Environment***

- **Immediate resolution of issues of existing investors**
- Create an empowered platform to serve as “**One Window Operation**” for Investors
- Ensure readiness of SEZs for Plug & Play execution

# ***Facilitation for Chinese Investors***

- CPEC Authority to set up “**Investment Facilitation Centre**” to offer “**One Window Operation**” to all Chinese investors
- SEZs Management companies should be fully empowered having capacity and capability to facilitate investors
- Cabinet Committee on CPEC (CCoCPEC) and Pak China Relationship Steering Committee would be leveraged to address unresolved issues





# Focus of CPEC since 2018 (Phase-II)

- **Western Alignment**
  - Hakla D.I. Khan Motorway (Completion by Oct 2021)
  - Basima – Khuzdar road (Completion by April 2022)
  - Eastbay Express way (Completion by April 2022)
  - Yarik (D.I. Khan) – Zhob road (Loan application processed to Chinese side)
  - Awaran – Hoshab (Contractor mobilized)
  - Zhob – Quetta road (Contractor mobilized)
- **Environment Friendly Renewable Energy Projects**
  - 720 MW Karot HPP, 884 MW Suki Kinari HPP, 1124 MW Kohala and 700 MW Azad Pattan HPP
  - 50 MW Western Energy and 50 MW Chacho wind Powers
  - 600 MW Quaid-e-Azam Solar Plant
- **Operationalization of Gwadar Port & Development of Free Zone and Gwadar City**
  - WeBoC Connectivity
  - Establishment of Custom Directorate
  - Afghan Transit Trade
  - City Master Plan
  - Development of Free Zone phase -I (60 acres) and groundbreaking of phase-II (2221)



# Focus of CPEC since 2018 (Phase-II)

- **Industrialization**

- Rashakai SEZ (Launching in May 2021 – One Chinese company has started construction)
- Allama Iqbal Industrial City (40 percent land has been allotted – few companies have started construction)
- Dhabeji SEZ (Finalization of developer is delayed)
- Bostan SEZ (Phase-I, 200 acres, launched for industrial plots)

- **Broadening of Areas of Cooperation**

- New JWG established for
  - a) Agriculture
  - b) Socio Economic Development
  - c) Science and Technology
  - d) Information Technology (formal signing during upcoming JCC)







# CPEC

## Northern Alignment

From	To	No. of Lanes	Distance (km)
Khunjerab	Raikot	2	335
Raikot	Thakot	2	280
Thakot	Havelian	2/4	119
Havelian	Burhan	6	57

## Eastern Alignment

From	To	No. of Lanes	Distance (km)
Khunjerab	Burhan	2/4/6	791
Burhan	Pindi Bhatian	6	271
Pindi Bhatian	Multan	4	293
Multan	Sukkur	6	392
Sukkur	Hyderabad	6	306
Hyderabad	Karachi	6	136

## Western Alignment

From	To	No. of Lanes	Distance (km)
Khunjerab	Burhan	2/4/6	791
Burhan	Hakla (M-1)	6	32
Hakla (M-1)	Yarik (DI Khan)	4	285
Yarik (DI Khan)	Zhob	2	235
Zhob	Quetta	2	331
Quetta	Surab	2	236
Surab	Hoshab	2	449
Hoshab	Gwadar	2	193
Khuzdar	Basima	2	110
Khuzdar	Hoshab	2	193





## REGIONAL CONNECTIVITY

CAREC Corridor = 5a 5b 5c

### CAREC Corridor = 5a

Location	Km	Total
Karachi-Ratodero	560	560
Ratodero-DG Khan	383	943
DG Khan-Pindi Bhatian	386	1329
Pindi Bhatain-Islamabad	239	1568
Islamabad-Kabul	449	2017
Kabul-Dushanbe	577	2594
Dushanbe-Karamyk	340	2934
Karamyk-Kashghar	975	3909

### CAREC Corridor = 5b

Location	Km	Total
Karachi-Ratodero	560	560
Ratodero-DG Khan	383	943
DG Khan-Pindi Bhatian	386	1329
Pindi Bhatain-Islamabad	239	1568
Islamabad-Mansehra	118	1686
Mansehra-Kashghar	1,026	2712

### CAREC Corridor = 5c

Location	Km	Total
Gwadar-Quetta	858	858
Quetta-Kandahar	239	1097
Kandahar-Kabul	494	1591
Kabul-Kunduz	341	1932
Kunduz - Dushanbe	242	2174
Dushanbe-Kashghar	1,231	3405





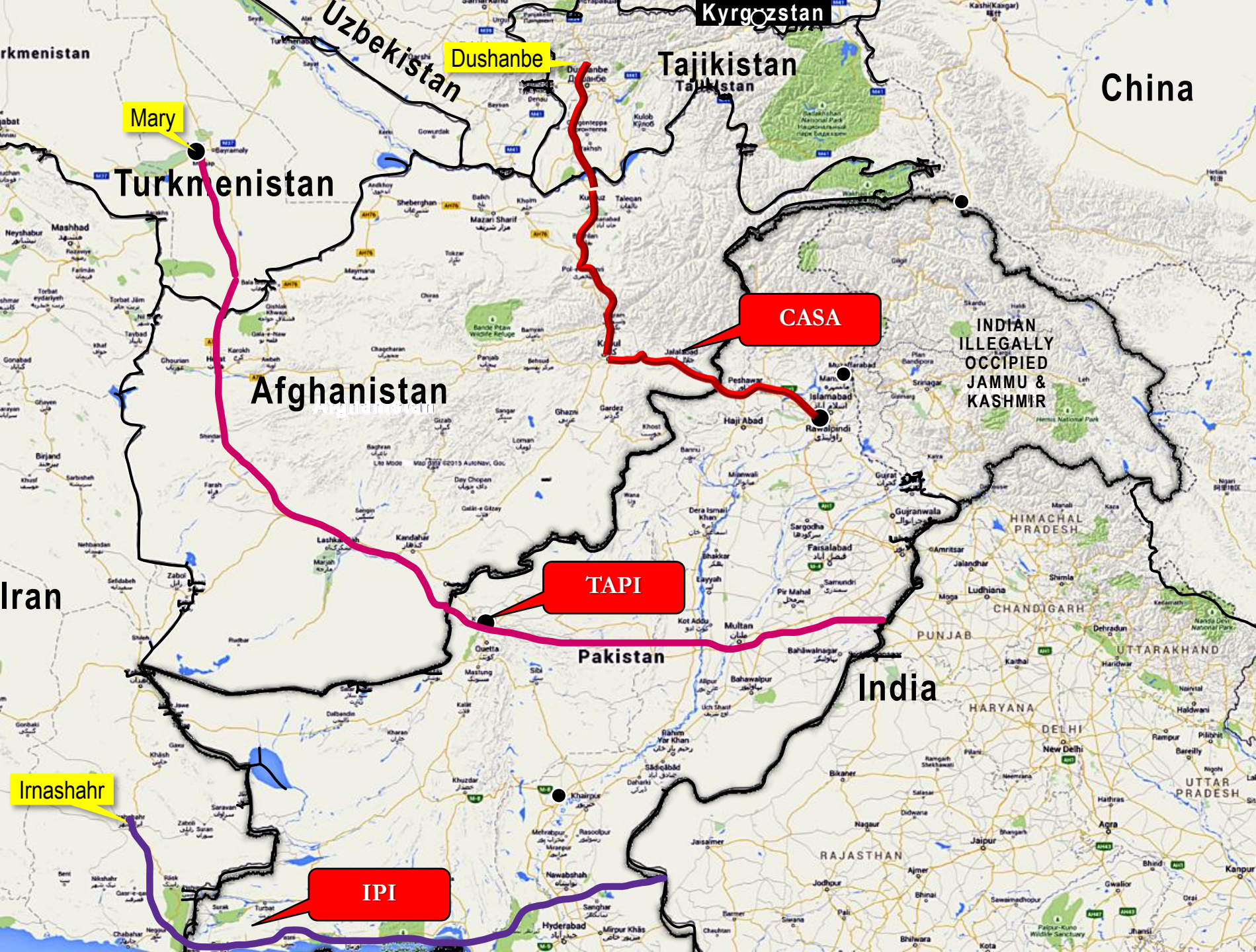
## Regional Connectivity- Rail link

**ML-1: Karachi-Rohri -Khanewal-  
Lahore-Rawalpindi-Peshawar (1733  
Kms)**

**ML-3 - Rohri-Sukkur-Sibi-Quetta-  
Dalbandin-Taftan (996 Kms)**

**Peshawar to Jalalabad Rail Link**





## Regional Connectivity- Energy

Turkmenistan-Afghanistan-Pakistan-  
India Pipeline

Iran-Pakistan-India Gas Pipeline

Central Asia South Asia Electricity  
Transmission and Trade Project



*Thanks!*