China Pakistan Economic Corridor (CPEC)

23rd November 2021
MoU on CPEC – 5TH 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.
• **1st Target (2020)**: *Period of market cultivation*, major bottlenecks to Pakistan’s economic and social development shall be addressed to boost the economic growth.

• **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.

• **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

<table>
<thead>
<tr>
<th>Category</th>
<th>No. of Projects</th>
<th>Cost $ Bn</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Completed</strong></td>
<td>21</td>
<td>15.7</td>
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<tr>
<td>Power Projects (<strong>5,320 MW</strong>) &amp; HVDC Transmission Line</td>
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<tr>
<td>Infrastructure (Roads, Mass Transit &amp; Optical Fiber)</td>
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<tr>
<td>Gwadar Port/Free Zone and City Master Plan</td>
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<tr>
<td>Socio-economic Development</td>
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<td>0.014</td>
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<tr>
<td><strong>Under Implementation</strong></td>
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<td>9.3</td>
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<tr>
<td>Power Projects (<strong>3584 MW</strong>)</td>
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<td>6.5</td>
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<tr>
<td>Infrastructure (Roads – <strong>1103 KM</strong> and Gwadar Airport)</td>
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<tr>
<td>Socio Economic Projects in Gwadar</td>
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<td>Socio-economic Development</td>
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<td>Industrial Cooperation (SEZs)</td>
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<td><strong>Under-Consideration</strong></td>
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<tr>
<td>Power Projects (<strong>4144 MW</strong>)</td>
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<tr>
<td>Infrastructure (Roads – <strong>847 KM</strong> &amp; (Rail – <strong>1733 KM</strong>)</td>
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<td>10.5</td>
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<tr>
<td>Gwadar Port Projects (Dredging &amp; Breakwater)</td>
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<td>Socio-economic Development</td>
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<tr>
<td>Industrial Cooperation (SEZs)</td>
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</tbody>
</table>
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

- Gwadar Free Zone
- Fast track SEZs: 4
- Phase II SEZs: 5
- Rashakai
- Bostan
- Dhabeji
- Moqpondass
- ICT Model City
- Mirpur
- Allama Iqbal Industrial City
- Mohmand Marble City
- Industrial Park on PSM land

Legend

- Fast track SEZs - 4
- Phase II SEZs - 5
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)
  - Dhabiji SEZ (Finalization of developer is delayed)
  - Bostan SEZ (Phase-I, 200 acres, launched for industrial plots)

• **Broadening of Areas of Cooperation**
  - New JWGs established for
    a) Agriculture
    b) Socio Economic Development
    c) Science and Technology
    d) Information Technology (formal signing during upcoming JCC)
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
CPEC Authority

India

Turkmenistan

China

Tajikistan

Kyrgyzstan

Afghanistan

Iran

Pakistan

India Pipeline

Central Asia South Asia Electricity Transmission and Trade Project

Regional Connectivity - Energy

Turkmenistan-Afghanistan-Pakistan-India Pipeline

Iran-Pakistan-India Gas Pipeline

CASA

TAPI

IPI

TAPI

IPI

CASA

L Illegally Occupied Jammu & Kashmir

Mary

Dushanbe

Irnashahr
Thanks!