

Q. China and Pakistan are celebrating the Decade of CPEC. Critically evaluate success and failure of the Project?

1. Introduction:

The China-Pakistan Economic Corridor (CPEC) is a significant infrastructure and economic development project that aims to connect Gwadar port in Southwestern Pakistan to China's northwestern region of Xinjiang, through a network of highways, railways, and pipelines. This project launched in 2013, CPEC has been hailed as a "Game-changer" for both China and Pakistan, fostering economic growth, enhancing connectivity and promoting regional cooperation. The nature of the relationship between "China and Pakistan" with the Chinese saying: "Strong wind reveals the strength of grass, and genuine gold stands the test of fire."

2. Decade of CPEC:

CPEC has been played/ place for a decade now, and it has made significant in the promised sectors; however, it has also posed certain internal and external challenges. On 1st August 2023, China and Pakistan celebrated the completion of decade of CPEC.

Chinese Vice Premier, He Lifeng paid a three-day (3) visit to Pakistan. He relayed an official letter from President Xi Jinping, congratulating Pakistan on the achievement of this milestone and encouraging it to enhance cooperation with China across multiple fronts.

⇒ Both sides concluded a series of six new documents, including on the formulating / formulation of joint cooperation committee on CPEC, the document on the export of dry chiles from Pakistan to China, the document on the final report on the feasibility study of KKH-II (Thakot-Railkot), as well as MOU (Memorandum of Understanding) on industrial workers exchange programs, export exchange mechanism under CPEC, and finding of the 21st conference of ML-1 Commission were also acknowledged.

3. What CPEC is and What is not :-

The evaluation of the success of CPEC first requires the fact to be uncoiled to determine what CPEC and what is not. CPEC is the pioneer project of China's grand project, the "Belt and Road Initiative" (BRI). BRI aims at paving the way for economic cooperation and inter-regional connectivity that will lead towards

inter-regional connectivity that will lead toward collective prosperity. CPEC, thus, focuses on developing a trade corridor from Kashgar to Gwadar.

4. Three Important Phases of CPEC:

Blueprints for the initial plan of CPEC constitute three important phases:

- a. The short-term phase
- b. The medium-term phase
- c. The long-term phase

The 1st phase of CPEC was supposed to focus on energy and infrastructural projects to nature the ground of the development of the Special Economic Zones (SEZs) and industrial build-up in the 2nd and 3rd phase.

Overall, the project holds equal significances for both states. For Pakistan, investment coming from China is crucial to survive the ongoing economic crises. On the other hand, it holds significance for China because the success of CPEC will determine the success of BRI at large. The complimentary nature of the commitment is one significant factor that has ensured the process of CPEC despite numerous challenges.

5. Bilateral Benefits of CPEC :-

The bilateral benefits of CPEC promises to China and Pakistan, it holds good fortune for other regional actors as well. In July 2020, the Iranian ambassador to visit Islamabad and proposed the idea of the "Golden Ring" of connectivity between China, Russia, Iran, Pakistan, CPEC can prove to be an useful linchpin for this proposal.

However, CPEC has also stirred discontent in some of the states which have considered it as a "Security threat". In the Russia-dialogue 2020, the Indian Naval Chief claimed that CPEC is an intrusion into India's sovereignty. This all of security dilemma surrounding the China-Pak relations in general and CPEC in particular, added to the number of the challenges that it is facing already.

6. SUCCESS OF THE CPEC PROJECT :-

There are major success of this project but of the following given below;

i) Infrastructure Development :-

CPEC has led to the substantial infrastructure development in Pakistan, including the construction of highways, railways and energy projects. These development are crucial for addressing Pakistan infrastructure deficit and promoting economic activities.

(ii) Energy Project is

One of the key success of CPEC is the completion and operationalization of several energy projects, contributing to Pakistan's energy security.

These projects have helped alleviate power shortages and improved the overall energy situation in the country.

(iii) Job Creation is

CPEC has generated employment opportunities in Pakistan, both directly through the construction and operations of infrastructure projects and indirectly through the associated economic activities. This has contributed to poverty alleviation and socio-economic development.

(iv) Geo-political Significance:

CPEC enhances China's strategic access to the Arabian Sea, reducing dependence on the "South China Sea" for trade routes. For Pakistan, it strengthens its geopolitical position and fosters economic ties with the major global players.

(v) Gwadar Port Development is

Gwadar Port, a key component of CPEC, has undergone significant development, enhancing its role as a strategic maritime hub in the region.

(vi) Diversification of Trade Routes is

The project diversifies Pakistan's trade routes, reducing dependencies on traditional routes and providing alternative pathways for economic activities.

7. FAILURE AND CHALLENGES OF CPEC

a. Security Concerns is

Persistent security challenges in regions like "Balochistan" have led to delays, increased project cost and pose a threat to the successful implementation of CPEC.

b. Debt Sustainability is

Pakistan has raised concerns over the debt sustainability of CPEC projects. The large-scale infrastructure investments have increased the country's debt burden, raising questions about the long-term economic viability and the ability to repay loans to China.

c. Local Opposition is

Some local communities and provinces in Pakistan have expressed concerns over the perceived lack of transparency and consultation in the implementation of CPEC projects. This has led to protests and demands for a more inclusive decision-making

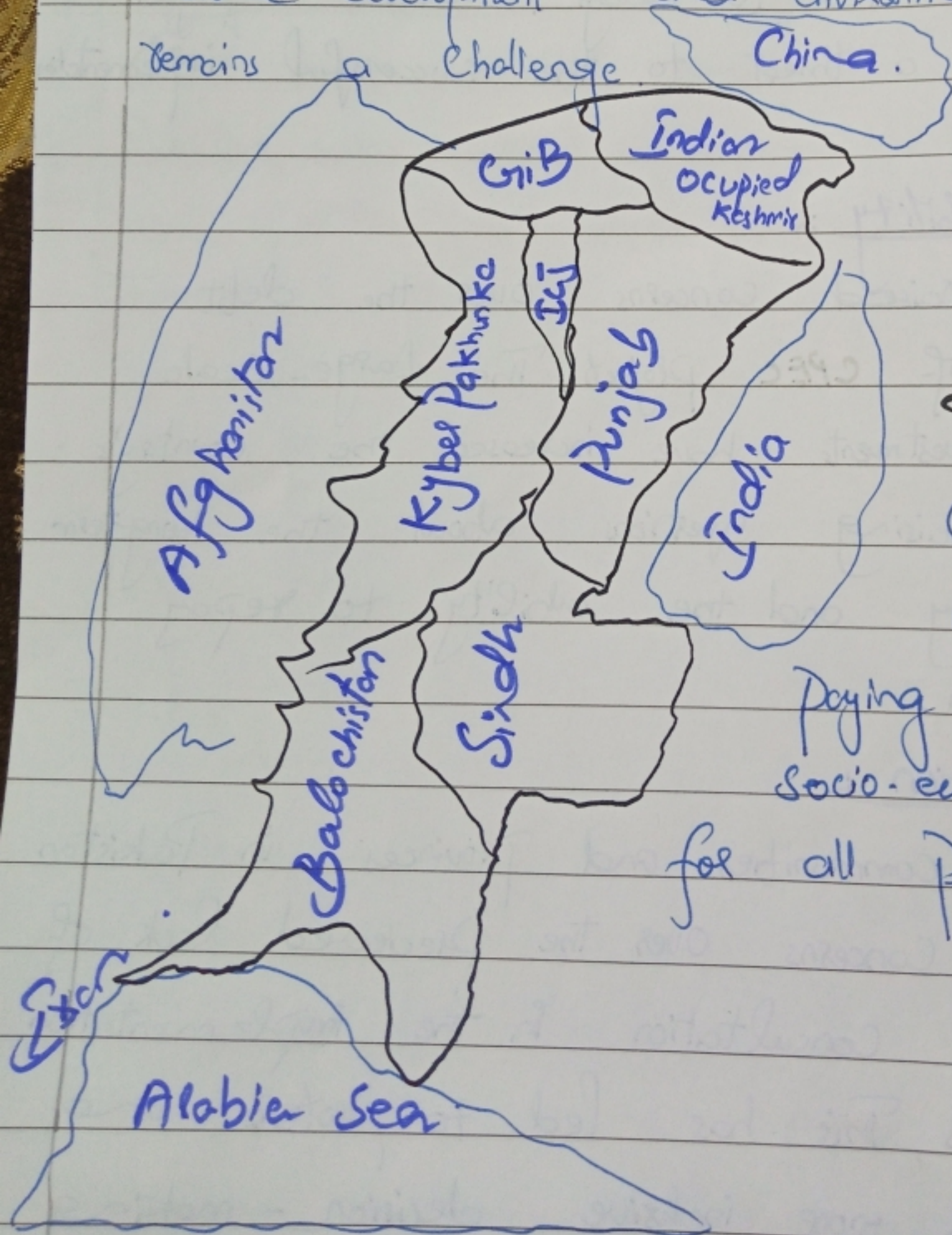
Process.

d. Environmental Impacts of CPEC :-

The construction of infrastructure projects under CPEC has raised environmental concerns, including

- (i) Deforestation,
- (ii) Habitat disruption
- (iii) Air Pollution.

In the Environmental Challenges the Balancing economic development and environmental sustainability remains a challenge.



CPEC

China-Pakistan
Economic Corridor

Paving way for
socio-economic development
for all provinces of Pakistan

8. Internal Challenges and Cross-Border Exploitations :

The delay in the actual plan of CPEC are subject to numerous challenges. Internally political and economic instability in Pakistan has hindered the smooth development of the projects, considering the fact that the upcoming visit of Chinese President Xi Jinping is delayed till after the election in Pakistan. China, however, has endorsed/ensured support to Pakistan to overcome the challenges.

Recently, China provided a relaxation of 2 years to Pakistan, to pay back the loan of 2.5 billion dollars. Nevertheless, a temporary internal state of affairs provides space for external actors to take malign actions. Penetrating terrorist elements from across the borders as well as implicit and explicit oppositions from India and the United States are key external challenges, posed to the timely completion of CPEC.

9. CPEC : Opportunity or Priority for Pakistan?

External disconnect against CPEC is manifesting itself in the form of anti-CPEC propaganda or alternative security engagement. The day after the 10th anniversary of CPEC, the federal cabinet of Pakistan approved a proposal for signing a security pact with the US. This does not imply that Pakistan is being appealed by alternative routes, rather it determines clear security and economic preference of Pakistan. Critics of CPEC, do not have any alternative proposal to promise regional connectivity and economic cooperation that the CPEC looks forward to ensuring. Therefore, despite all the challenges CPEC will be the uncontestable priority for Pakistan.

10. Conclusion :-

The China-Pakistan Economic Corridor has achieved significant milestones in the term of infrastructure development, energy security and economic growth. However challenges such as security issues, debt sustainability, local opportunities and environmental impact must be addressed for the projects to fulfillment its potential.

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Conclusion Continue.....

The success of CPEC will depend on collaborative effect between China and Pakistan to overcome these challenges, ensuring a balanced and sustainable approach to economic development in the region. The "Decade of CPEC" celebrating is an opportunity to reflect on both achievements and shortcomings and chart a course for the projects' future success.

