

Q3) China and Pakistan are celebrating the decade of CPEC. Critically evaluate the success and failures of the project.

Ans) ① Introduction :-

CPEC, the flagship project of the Chinese greater Belt and Road Initiative (BRI) has finally completed a decade<sup>now</sup> as it was formally launched in 2013. Since it has been a decade to this masterpiece project, it is prime time to analyze what CPEC has achieved so far and what challenges or shortcomings it has endured since then. The prime objective of CPEC was to enhance regional connectivity and economic interests of both the countries. It is an effective strategy to make the world multipolar through regional configuration via this road infrastructure. Throughout these 10 years, it has remained successful in several aspects while also facing its challenges alongside.

② Ten years of CPEC : A decade of success, challenges and opportunities

In these 10 years, CPEC has provided a lot of benefits to both China and Pakistan. It has

brought tremendous amount of changes in the region as well, immensely affecting the economic, strategic and political significance of Pakistan. At the same time, it has provided China with multiple advantages, shortening the trade routes for China and providing it direct access to Indian Ocean through Gwadar port.

### ③ CPEC benefits and success to Pakistan

① Loan at lowest markup :- Pakistan got loan from China at lowest markup i.e. 6% billion dollars loan at rate of 2% markup, which benefitted Pakistan.

② Increasing growth rate level :- CPEC project helped Pakistan increase its growth rate level by providing multiple investments and business opportunities.

Strengthening economy :- It became a great opportunity to enhance our economy as well, by improving the value of PKR, which helped strengthened the economy.

Job opportunities :- It paved a way for labour and multiple job opportunities.

from engineers to labourers etc. It has created more than 192,000 direct jobs, with indirect too.

2.5) Developed infrastructure - CPEC helped us to develop an infrastructure, especially the most deprived western region, which was not much developed, increasing the livelihood for people. It can further help in future as well to secure our coastal line and explore many resources.

Example -

Best example can be taken of Balochistan region, where the urban life has been much developed than earlier.

3.6) CPEC - a ray of hope for terror-ridden Pakistan

CPEC has undoubtedly benefitted Pakistan multifold. It came to us when Pakistan was battling through hard phase of terrorism, where CPEC became a ray of hope for the country. Under CPEC, China has invested more than 25 billion dollars to date.

3.7) Overcoming Energy crisis - It also helped Pakistan combat energy crisis and other losses in energy sector. More than 100 SMEs benefited directly from CPEC. Over 6000 MW of electricity was added to the national grid. Over 800 kms of transmission lines and 510 kms of road and light networks were created which in turn created rural and urban synergy & regional connectivity.

### 3.8) Renewable Energy Projects

Furthermore, renewable energy projects have also been completed that are contributing to clean energy production.

### 3.9) Guadalupe port development

The development of Guadalupe port and its connectivity with the World Island, along with construction of a \$1 billion dollar Chinese funded Guadalupe Airport are among major milestones achieved under the project.

### 4) CPEC and its success for China

4.1) Smartest connectivity in the region Through CPEC, China got its smartest and cheapest connectivity in the region, paving its way for China to become the trade master of the region.

4.2) Alternate to South-China sea route - CPEC acts as the alternate to South-China sea route. Earlier <sup>it was</sup> a route while comprised of 16000 km for China to ensure their deliverance of goods in months, whereas now, it has only reduced to 2500 km route, making fastest deliverance of goods in around two weeks to anywhere in the world. It reduces the travel (fuel) cost as well greatly.

4.3) Boost to economy -  
The present economy of China being  
approx 40 trillion can easily skyrocket to  
140 trillion under CPEC project. Provided  
that their trade will become more easy  
and fluent along the years. So CPEC  
has been a super kick for China's economic  
benefits.

4.4) Importance of Indo pacific oil and  
easy access to Indo pacific energy  
deficiency has always been a matter of concern  
for China. Due to this reason Gulf  
region, especially the state of Hormuz  
which is known as the "choke of energy's neck",  
holds great significance for China. China got  
this access to this sensitive region of  
Indo - pacific oil by the help of Pakistan  
ie under the project of CPEC.

\*5) Failures of CPEC throughout the  
decade - Along with the success stories, there  
are many failures and disappointments  
as well of the project.

5.1) Pakistan is still facing economic  
downturn - When CPEC was envisaged  
in 2013, it was assumed to be a  
game changer for Pakistan's crippling  
economy. Unfortunately, despite

providing 25 billion dollars into Pakistan's economy, the country is still facing an extreme economic downturn. It is hard to attract international investory and skip the economic default, which raises a question on success of CPEC along the decade.

5.2 Power crisis and slow pace of the projects — a great concern for Beijing. Pakistan was facing extreme load-shedding upon CPEC launch. The government devised too many plans for the power crisis under the CPEC umbrella. However, these projects managed to resolve the crisis at the cost of creating circular debt for the country.

Furthermore the development of (SEZs), Special Economic Zones also proved to be a complete flop. Under CPEC, 9 were approved and only four are under construction. Some other project delays include:

- five SEZs still to be launched.
- Pak-china Friendship Hospital in Gwadar which was projected to be completed by October 2023.
- 884 MW Sulci Kenari hydropower plant is being continuous delay.

- energy related projects under construction,
- Only 6 infrastructure transport projects are complete, 5 are under construction and 13 yet to start.

This slow progress of CPEC has also annoyed Beijing, who has made several complaints regarding slow pace of CPEC projects. Many projects including "Main Line 1" railway have stalled, but misunderstandings between both sides ~~are~~, also contributed to delays.

### 5.3 Controversies have also engulfed CPEC

Guwadar and Balochistan, despite being the center of project lacks necessities like water, education, electricity etc. A 300 MW coal <sup>power</sup> plant has still not <sup>been</sup> translated into reality. This is causing unrest in people, for instance "Hay Do Tehreek". They believe that this project would snatch their freedom and livelihood. Besides political figures of Pakistan have also used CPEC for their own political gains, which caused many failures to the projects.

⑤ Future of CPEC for both China and Pakistan In order to fully benefit from CPEC, Pakistan has to chalk out a new plan. It has to revamp its outdated policies and work on the institutional framework to help CPEC reach its success. It has to work upon

its economy and stability as well, to reduce the 22 billion dollar trade gap with China.

Further, Balochistan and Gwadar also needs social attention as being the core interest of the project.

Whereas, for China, the success of CPEC holds great importance, as it can easily make the country, the trademark of the world and super power as well. China needs to pay more attention to the development of the project for the better future of both the countries.

### ⑦ Conclusion

Thus, the above mentioned discussion elucidates that CPEC, in its journey of 10 years has been through thick and thick. It has brought glory and opportunities for both sides but has also been in hot water lately, causing it to become slow paced. Effective measures and strong policies, in a serious manner can skyrocket the project to immense heights and can make it among the most successful projects of the world.

