

# Subjective - Part

~~Q #3~~

----- Decade of CPSC -----

Ans

## Introduction

China Pakistan Economic Corridor, a flagship project of Belt and Road initiatives has just completed a decade. This flagship project have initiated 3,000 small and large projects with almost \$62 billion investment. The Pojets has realised many of its projects. These projects include Energy, Transport infrastructure, Specialized Economic zones, Agriculture related projects, capacity building and development of Gwadar port. However, Pakistan is yet to realise the full potential of projects under CPSC.

# Success of the projects initiated under CPEC - Failures and

## Energy projects (Phase I)

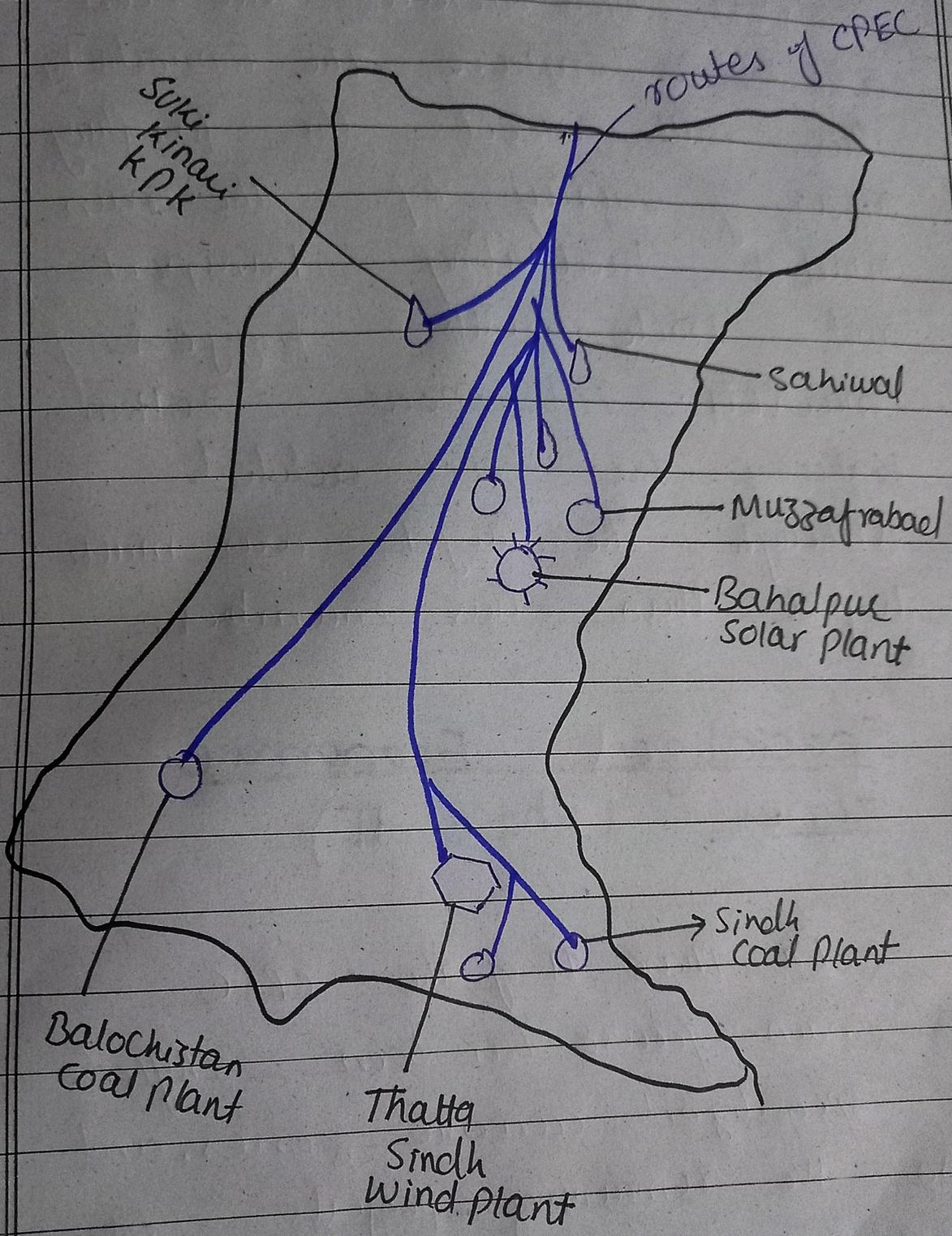
Under CPEC Pakistan and

China collaboratively initiated various projects to meet energy demands of Pakistan by both conventional and unconventional means. The projects aimed to add upto 16000 MW energy into energy grid of Pakistan. Following projects have been started to meet this goal.

- Coal plants
- Hydro power plants
- Solar power plants
- Wind plants

These projects have only been able to add almost 8000 MW till now into the energy system of Pakistan.

⬡ = wind      ⚡ = hydro  
○ = coal      ☀ = solar



Energy projects in Pakistan under CPEC

## Transport Infrastructure

Transport infrastructure have been added to improve the connectivity this will connect the farflung areas of country to the main market facilitating transport and trade with bigger markets. Till now 209km highway has been added.

Although the target was much higher than this number.

## Specialized Economic Zones (Phase II)

In Phase II of the CPEC the main focus has been shifted to specialized economic zones and also the remaining projects of Phase I are set forth for completion. Specialized Economic zones are tools to generate revenue by increasing trade interationally.

Few economic zones namely Rashakai, Dabeji, Boston, Azhama Tqbal industrial zone and others have been initiated. But according to former minister of Pakistan "only one of them has been operationalised".

However, the pragmatic approach to operationalised all these economic zones can bring huge potential in trade market of Pakistan. Also, Pakistan is already a dollar deficit state if it realise full potential of these specialized economic zones it can bring difference in present state of Pakistan trade.

## Agriculture project

Another important project of CPEC is agriculture. It aims to bring necessary reforms in agriculture of Pakistan which can act as precursor to revive its

industrial sector. Through cooperation of China projects like improving quality of seeds, awareness and education of farmers and yielding of high value crops have been initiated. The complete results of these projects are yet to be seen. However, Pakistan have recently cultivated 50 tons of season seed out of which half almost has been exported. Thus agriculture projects under CPEC can transform fate of Pakistan but complete fruits are yet to reach.

## Development of Gwadar Sea port

CPEC is directed to establish infrastructure for the development of Gwadar port. Project aimed at linking port with Makran highway. Another step that has been initiated is

the establishing international Craxadar airport. If the under construction airport becomes functional it can add billions of dollar in economy of Pakistan.

## Capacity building and Skill development

Under the flagship project of BRI working for capacity building and skill development is progressing at fast pace various projects like vocational training to generate skilled <sup>work</sup> force, construction of universities, training of fishermen and other projects of health related infrastructure are playing considerable role in development of Pakistan.

## Conclusion

CPEC is playing an indispensable role in fast pace development of Pakistan. However the true potential of the projects initiated under this flagship project

is yet to be realised.

Q#2

India-Middle East Europe  
Corridor

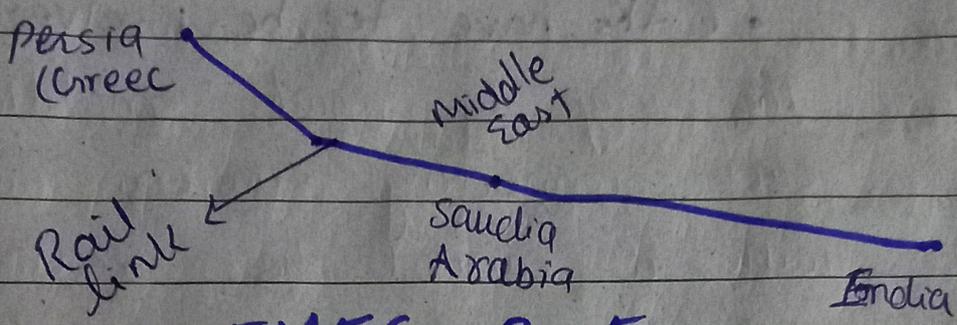
Ans

Introduction

In 2023, G20 Summit was held in India where the member countries announced a corridor, to counter Belt and Road initiative by China, named India Middle East Europe Economic corridor. The project aimed to connect Middle East to Europe via CARs (Central Asian Republics). The project does not seem to have potential to counter the huge project BRI by China. There are many loopholes in its idea where as BRI has tremendous potential to transform region and globe.

# Overview of IMEC

IMEC is aimed at connecting Middle East to Europe via rail links. The projects is announced to counter the rising influence of China in the Middle East. India is emerging



## IMEC Route

economy and United States is its strong ally. India has territorial disputes with China and now its influence is also growing in the region of Middle East. On the other hand, influence of United States is gradually decreasing in Middle East. Recently, China's role as mediator (also actor) in Saudi - Iran rapprochement also alarming US and India. The announcement of IMEC

is an attempt to curtail BRT. However both projects have huge difference in their potential.

## Road map to reach link Europe and Middle East is full of challenges

• CARs have to be involved

The way to reach middle East is to connect European countries with it cannot be realised with involving central Asian Republics. India has announced that the project of IMEC is going to connect the above two mentioned regions ~~the~~ but it has not mentioned how will they access to it with involving CARs.

• Iran route

The other option that India has to link two region via railway is through Iran.

But the problems prevented in this route is that

Iran have some relations with United States which is strong ally of India these days so, it is less likely the IMEC reach the level of BRI

## Road map fo BRI

While structure of realising IMEC is full of flaws BRI has been going speedly progress and popularity in the region successfully connecting China Central Asia and <sup>west</sup> European Economic corridor. China has been successfully implimenting its ideas to get desired results Under vision of Great economic wall. BRI has initiated 7 other projects connecting China to western Arabian penninsula via CARs. and Bangladesh - China - Myanmar Economic Corridor. IMEC does not have such comprehensive plan to connect regions successfully

Complex nature of BR20  
relations between members  
of BR20 is hurdle

Another hurdle that  
paves in the way of successful  
execution of project IMEC is  
the complex nature of member  
countries' relations. India and  
other countries of BR20 have  
different attitudes towards west.  
Russia is facing sanctions by  
United States and is not ready  
to sit with US on any forum.  
For the successful execution of  
corridors cohesive nature of  
relations is necessary which  
is absent in case of IMEC.

Investment Potential  
of BRI and IMEC

BRI brings huge volume of  
potential investment upto trillions  
but IMEC does not have

potential yet to announce such huge volume of investment.

## Trade of India and Middle East is in loss

Another obstacle that will not let IMEC to realise its true potential is the loss in trade between Saudi Arabia and India. Currently, Saudi Arabia is facing loss of \$2 billion with India. So, it may not be interested in further collaboration with India.

## Conclusion

BRI by China and IMEC by India are two important projects announced by respective countries' to ~~reverse~~ counter the impact of each other. However, the potential of BRI is far more higher than that of IMEC.

Q#7

## Socio-economic future of Pakistan -----

Ans

### Introduction

Pakistan's energy policy is full of flaws. Recently Pakistan is face with multiple challenges in energy sector. The wrong policy, inefficient transmission system and reliance on expensive resources of energy collectively worsening its power crisis. Reforms in energy sector of Pakistan is paraded for its multifaceted issues. These reforms can directly contribute to the uplifting of Agriculture sector, Industrial sector and can reduce the burden of heavy electricity bills on public and can effectively addressing their grievances. Hence, reforms in energy sector ~~are~~ is the need of the hour.

# Reforms in Energy Policy 1994.

Pakistan signed energy policy in 1994 which is not only full of loopholes for rent-seekers but playing central role in current energy crisis of Pakistan. Following points in energy policy need to be reformed

- Pakistan is paying for capacity charges.

Pakistan has total capacity of transmission of up to 25000 MW of electricity but it has to pay for the capacity of generation of independent power producers (IPPs).

- Government cannot perform heat test

While signing the agreement with IPPs Pakistan's state was bound to not check capacity tests which is called heat test.

## Reforms can bring improvement in socio-economic status of Pakistan. How?

Energy policy has led to trap in circular debt

Pakistan is, 2<sup>nd</sup> time, going to IMF begging for aid once again. There is significant contribution of power sector towards piling up of this circular debt trap. Reforming policy can bring betterment in status quo.

Shifting focus from hydro power based projects owing to policy agreements

Due to Energy Policy and the agreements signed with power producers Pakistan's focus shifted from hydro power production to coal power production. Reforming energy sector can shift priority towards clean energy production

resources which will not only positively contribute towards environment but also Pakistan does not have to import expensive coal as its revenue is already depleting, importing coal is one of the major cause. Hence, reforms in energy sector can save foreign reserves.

### Directing Foreign direct investment towards rewarding sectors

Due to presence of IPPs most of the investors are not interested to invest in other sectors of Pakistan rather they prefer to invest in IPPs. The issue need immediate reform to attract foreign direct investment in other sectors.

## Circular debt compelling govt to increase electricity prices

Circular debt resulting by fallacious policy of energy is the main driver of rising prices of electricity which is effecting every group of the society.

Recently, protests from all parts of country have been recorded against increase in electricity prices. Thus, reforms can bring electricity prices down.

## Discouraging industrial sector due to high electricity prices

High electricity prices not only putting a burden on common man but at the same time it is straining on industrial sector of Pakistan. Currently, Industrial sector is

facing vicious challenge regarding energy prices.

**Agricultural decline is caused by energy policy.**

Higher prices of energy are impacting agriculture by causing rise in prices of fertilizers. Fertilizers are essential for production of crop yield. When fertilizer prices are higher crop yields decline. Another problem in agriculture sector caused by energy prices is its use in operating tubewell. Higher energy prices are causing decline in agriculture.

### Conclusion

To conclude, Pakistan's energy policy is cause of all its decline in almost all primary sectors of economy. Reforming energy policy can bring bright future to Pakistan.

# Q#6 Pak-Afghan relations

## Introduction.

Since Taliban has taken charge of government a sharp rise in conflict between Pakistan and Afghanistan has seen as later provoking safe heaven to the terrorists of Banned Tehreek-e-taliban Pakistan and Islamic state of Khorasan Pakistan. The terrorist attacks are threat to the national integration of Pakistan. It also has economic implications for already tattering economy of Pakistan. Issues must be resolved diplomatically for good

worsening situation of Pak-Afghan relations after Taliban take over.

Since Taliban took over the Kabul. Terrorist attacks

in land of Pakistan especially in KPK and its region Lakki Marwat has been heightened upto 34% according to reports by Studies of conflict in Pakistan. Afghanistan is providing safe heaven to militan groups ie Tehreek-e-taliban Pakistan and Islamic State Khorasem Pakistan. This time Pakistan responds to this unfair policy of Afghan taliban by returning millions of Afghan refugees who were illegally residing in Pakistan. Among them most were involved in criminal activities as said by government officials. This has far reaching implications for both of the countries.

### Implications for Pakistan

Rise in ethnic conflicts

Pakistan is faced with ethnic conflicts which are

already taking toll on authorities. Now the targeted attacks from TTP on particular ethnic groups is further escalating the conflict. Recently, TTP claim the responsibility of killing Punjabi labourer in Waziristan which is clear message that they are targeting ethnicities to fuel the already burning flames of difference among different ethnicities.

## Targeting military and paramilitary forces

Most of the attacks of these militants are targeted at security forces. A Hack on Mianwali air base and police stations are concerning for security forces.

## Escalating economic tensions of Pakistan

Pakistan is already grappling with serious economic challenge - In such scenario rise in terrorism does not bring any good amen for Pakistan. As terrorism has economic cost it won't be wrong to say it eats economy.

## fueling sectarian violence

Recently, TTP and ISKP are targeting religious scholars. 2 days ago, at 6<sup>th</sup> January, leader of Jamate-e-sunnat ~~is~~ ehlebeut is the evidence that Terrorist~~s~~ organisations are aiming to break Pakistan from within.

Diplomatic Efforts to curtail the threat of terrorism.

Pakistan and Afghanistan must sit together to resolve their issues on diplomatic level. Afghanistan have to stop giving refuge to terrorist organisations to instabilize the security situation of Pakistan other-wise the surge in terrorism will impact both countries with detrimental consequences.

## Conclusion

Recent surge in terrorist attacks has been seen in Pakistan. In response to which government decided to return refuge to Afghanistan. Militan organisations are aiming to fuel internal conflicts of Pakistan. Both countries must sit together to resolve their issues diplomatically.