

DATE: ___/___/___

CURRENT AFFAIRS

LMS: 31810

QUESTION NO.1

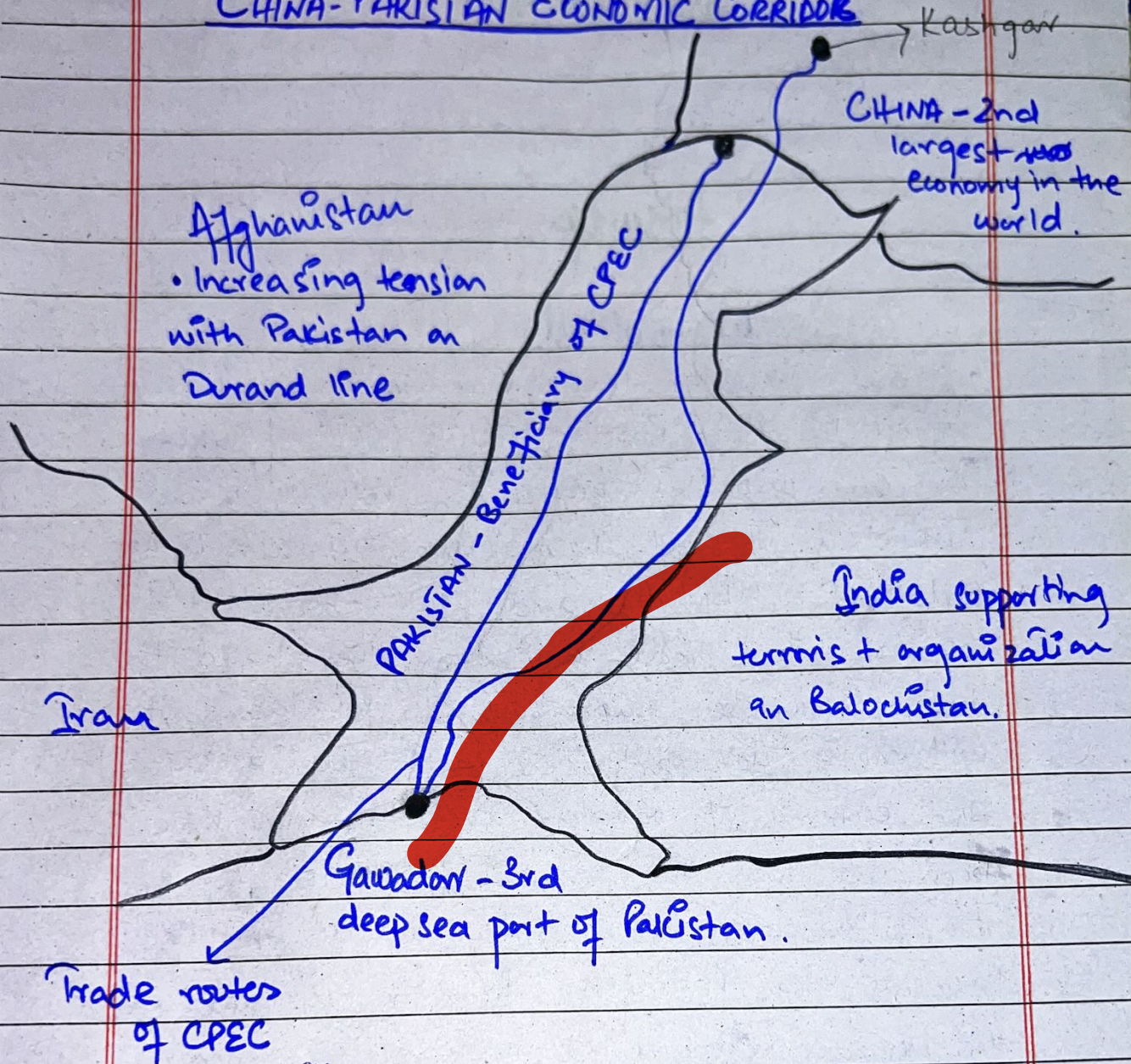
Critically evaluate the reasons for slowing down of CPEC - - - - - tangible reality?
12/20

ANSWER

INTRODUCTION

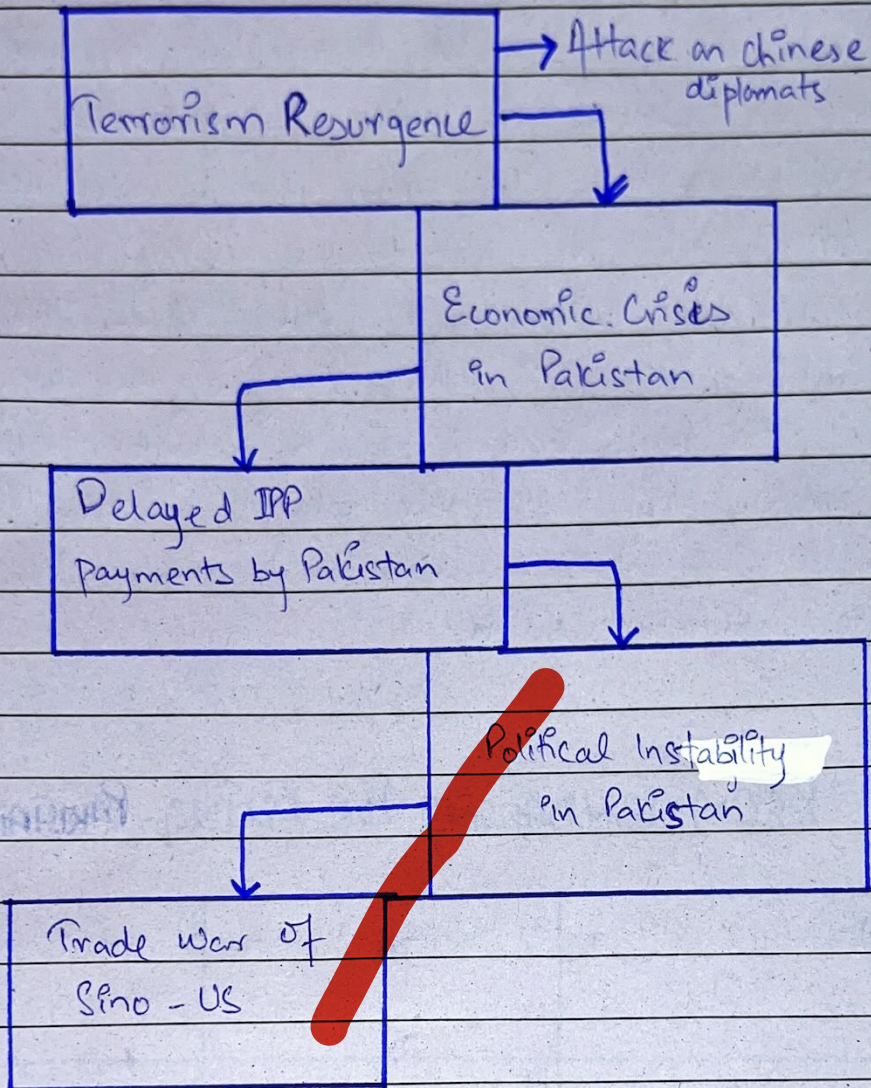
China - Pakistan economic corridor, a flagship project of Belt Road Initiative (BRI) of China is an important project for both China and Pakistan. It will help China get access to the ports of Pakistan and get the shortest routes for trade on the other hand it holds immense importance for Pakistan as it will create job opportunities and help stabilize the economy of Pakistan. Recently, delays have been seen in the completion of CPEC projects due to various reasons such as delayed IPP's payments by Pakistan, terrorism resurgence and the unstable economy of Pakistan. The barriers resulting in the delay must be removed to reinvigorate the project and make phase-II of CPEC a tangible reality. Pakistan must look into this and gain benefit from the largest and growing economy of China.

CHINA-PAKISTAN ECONOMIC CORRIDOR



CPEC ~~was~~ ^{will} ~~become~~ a spoon of gold for Pakistan only if it gets to come to an end. However, both China and Pakistan are tangled into different issues which are ~~are~~ acting like barriers in the success of CPEC and ~~are~~ giving rise to different issues.

REASONS OF SLOGGISH CPEC PROJECTS



CRITICAL ANALYSIS:

These several reasons have highly contributed in the sluggish CPEC projects. Political instability in Pakistan has led to frequent changes in leadership and policies which creates a sense of confusion in the investors' mindset, resulting in slow investments which further delays the projects. China is facing losses due

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To the ongoing trade war with US and the outbreak of new HMPV virus which caused many deaths in a few weeks, just like covid. Pakistan has been facing economic crisis for few years due to which the IPP payments are also delayed which have concerned China and the Chinese Foreign minister Wang Yi also highlighted the issue of IPP payments and security situation in his speech now it is the duty of Pakistan to look into these matters and come up with a sustainable solution.

RECOMMENDATIONS FOR BEIJING - ISLAMABAD

1) Enhance political stability	2) Strengthen financial Commitment	3) Improve security measures.
4) Regular Communication	5) Softer loan terms	6) Monitor and Evaluate process.
7) Technological Advancement	8) Stream line Bureaucratic Processes.	

1) Enhance Political Stability:

Pakistan should work on the political instability and focus on political consensus on CPEC projects so that every new leader must not discontinue the project and come up with new policies.

2) Strengthen Financial Commitment:

Pakistan must focus on repayment of IPPs on time or come up with a policy helpful for both. Both nations should also explore flexible options of payments.

3) Improve Security Measures:

Pakistan must look into the security of the Chinese officials working on CPEC projects in Pakistan. Every now and then Chinese diplomats are being targeted by militant organizations in Pakistan.

4) Regular Communication:

Regular dialogue between Pakistani and Chinese stakeholders can address concerns promptly and maintain alignment on project objectives.

5) Softer loan terms:

Pakistan, being a developing country cannot provide lumpsum repayments of higher loans. Therefore concessional loans must be provided to alleviate financial constraints.

6) Monitor and Evaluate Process:

Monitoring systems must be implemented which can help track project developments and facilitate timely interventions. Proper monitoring and evaluation will also help mitigate the chances of corruption and enhance efficient working.

7) Technological Advancement:

China being the second largest economy and going to be first must invest in modern technology which can improve project efficiency, reduce costs and mitigate risks associated with complex infrastructure developments.

8) Streamline Bureaucratic Processes:

Red tapism is the major issue in any developmental projects especially in developing countries which result in sluggish regulatory procedures. Hence, reducing the bureaucratic red tape can expedite project approvals and implementation.

By looking into the matter and implementing such policies, Islamabad and Beijing can address the issues of CPEC which are hindering its progress and it will help work towards realizing the full potential of CPEC 2.0.

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CONCLUSION

CPEC is a golden opportunity for Pakistan, only if utilized with right brain in the right direction. It can help Pakistan ellude from the economic crisis which is being faced from quite a long time. CPEC is facing many issues from both the nations and their negligence causing harm to both and all the stakeholders. The developed and second largest economy of China is bringing numerous opportunities for Pakistan - a developing country. The policies recommended, if followed by both the nations will help to re-invigorate the project and make Phase II a tangible reality - beneficial for both.

