

# Islamabad's Informal



# CHINA STUDY CIRCLE



12<sup>th</sup> session  
Global Diplomacy  
Annual Review  
Tatheer Zahra Sherazi



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# Global OBOR Diplomacy

Done	Not Done
Bao Forum	<ul style="list-style-type: none"><li>• Bangkok</li><li>• and Hong Kong</li><li>• Boao Forum for Asia Paris Meeting Paris, 15 September 2017.</li><li>• the Boao Forum for Asia Development Summit 2017 (Macau) On November 5 and 6, 2017</li></ul>
OBOR Summit(BARF was held on May 14-15, 2017 )	



# **Boao Forum for Asia Annual Conference**

## **2017 March 23-26, 2017**

### **Introduction**

- Working since last 16 years , in 2017, 1,727 delegates attended from 50 countries .
- Pressures on global growth and the increase in de-globalization and protectionism were discussed as the main theme.

### **Purpose**

- ‘China Globalization & Free Trade: The Asian Perspectives’
- Issues like globalization, economic growth, reforms, regional cooperation, macro economy, political security, social welfare, and the “One Belt, One Road” initiative were discussed

### **Analysis**

- The root cause lies not in globalization itself but in an anachronistic global governance system.
- Emphasis was made to reforms the system
- China was introduced as a promoter of globalization like a river.



# OBOR Summit BARF

## Introduction

- It was held on May 14–15, 2017 in Beijing,
- 29 foreign heads of state and government ,
- representatives from more than 130 countries
- and 70 international organizations attended it

## Purpose

- a more open and efficient international cooperation platform
- a closer, stronger partnership network
- and to push for a more just, reasonable and balanced international governance system.

- Analysis

- "China's new world order“
- How China's two-day summit aims to shape a new world order"



# Global Economic Institutions

Done	Not done
AIIB	IMF
World Bank	ADB

# AIIB

## Introduction

- A multilateral financial institution with 57 member and initial capital of \$100 billion.

## Purpose

- with a purpose to foster sustainable economic development and regional cooperation .
- main tenet of this institution is not the competition instead cooperation with the existing institutions like World Bank and Asian development bank
- It will deliver five I's

## Analysis

Total projects :12 projects

Independent : 4 projects (1 Myanmar,1 Bangladesh, 2 in Oman)

Co-financed: 8 projects

Projects in pipeline: 11, India: 6 Georgia : 2, Tajikistan :1 , Philippine: 1, Kazakhstan : 1

# World Bank

## Word Bank and AIIB comparison

**The largest and most famous development bank since July 1944 ,it based in Washington, D.C**

**A multilateral financial institution since April 2014 , located in Beijing.**

It provides financial and technical assistance to developing countries for development

It address the daunting infrastructure needs across Asia

### **The Purpose is**

- a) Economic development
- b) poverty elimination

### **The purpose is**

- a) to foster sustainable economic development by fostering infrastructure
- b) and to promote regional cooperation

**Members  
189**

**Members  
57**



# Comparison

## Word Bank and AIIB

<b><u>Total capital</u></b> \$223 billion	<b><u>Total Capital</u></b> Initial total capital of \$100 billion
<b><u>Top Share Holders</u></b> the United States (17.07% ) Japan (7.89%), China (5.09%),	<b><u>Top Share Holders</u></b> China(30.34 %) India(8.52 %) and Russia (6.66 %)

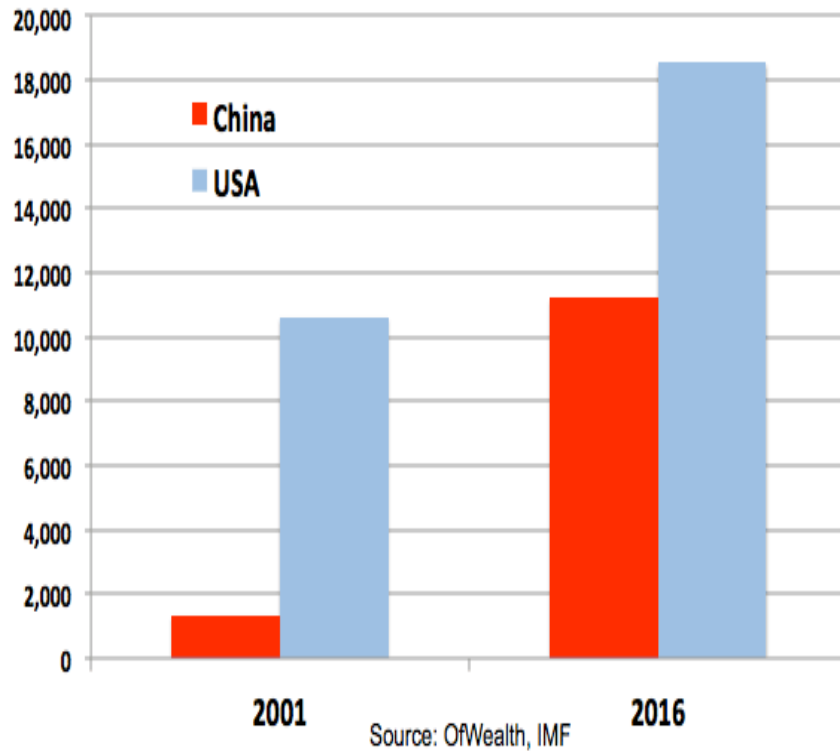


# Global Economic Comparison

Done	Not Done
US	Japan
China	Germany.
	France

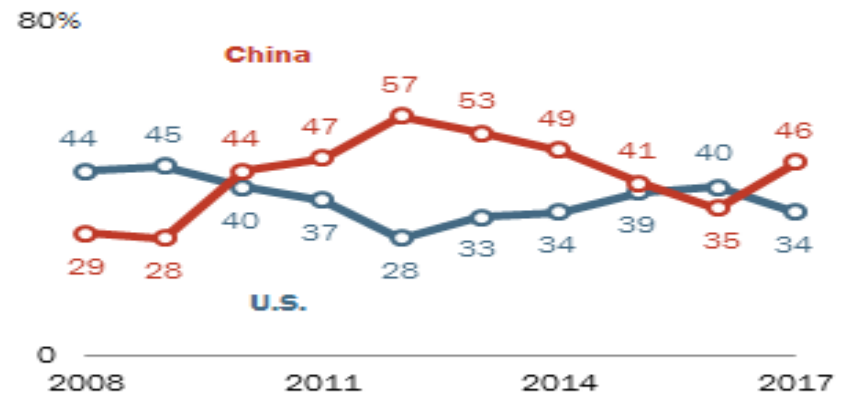
# US and China

Two snapshots: GDP for China and USA in 2001 and 2016  
(US\$ billions at market exchange rates)



## According to Europeans, China again surpasses U.S. as leading economy

*Medians across five European nations saying \_\_\_ is the world's leading economic power*



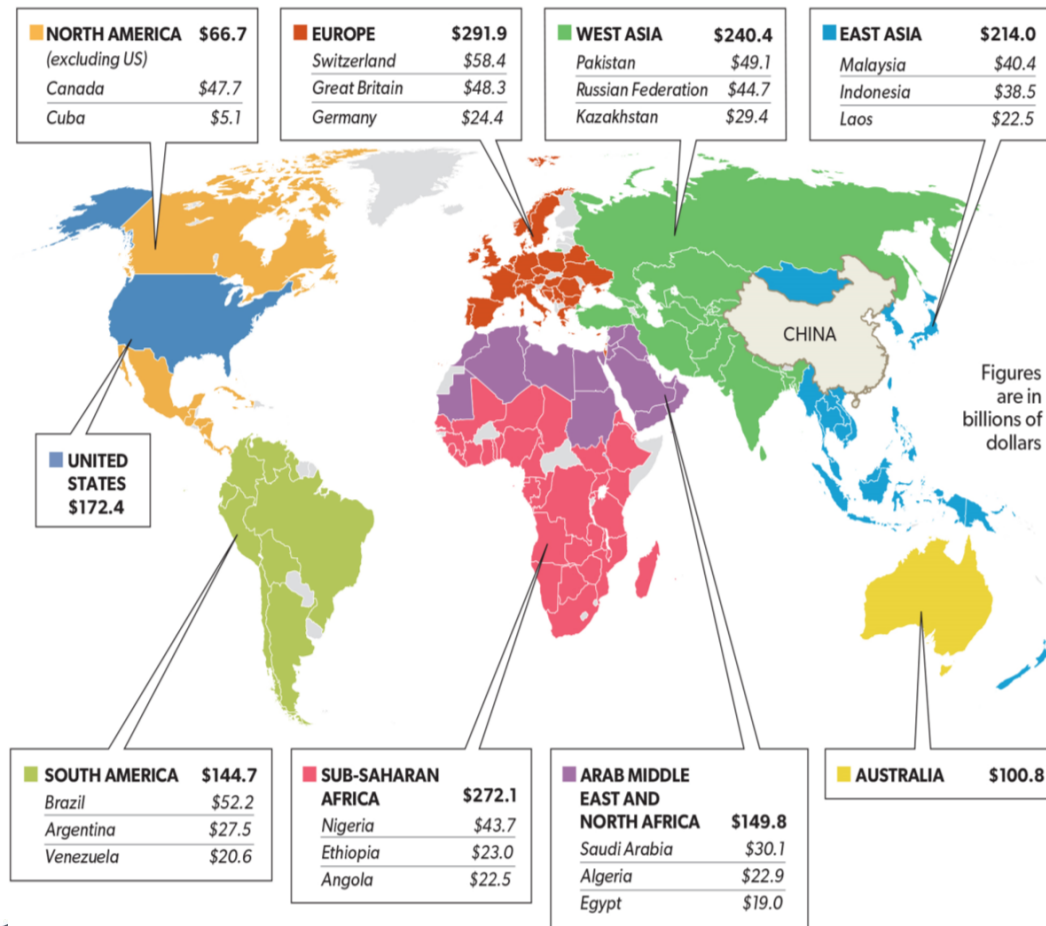
Note: Percentages are five-country medians based on France, Germany, Poland, Spain and the UK.

Source: Spring 2017 Global Attitudes Survey. Q23.

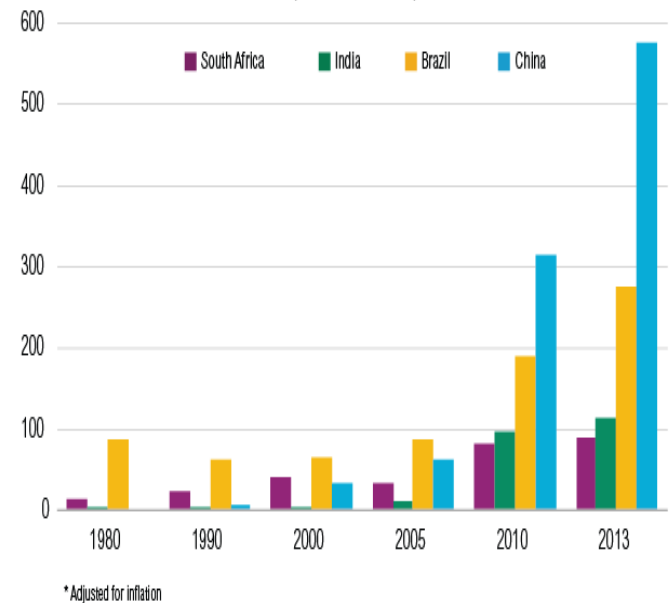
PEW RESEARCH CENTER

# From recipient to investor

From 2005 through 2017, the combined value of China's investment and construction exceeded \$1.6 trillion globally. More developed economies, topped by the US and Australia, attract the most investment. (Switzerland's place is due to one mega-dec Developing economies, such as Pakistan and Nigeria, see the most construction.



Global Outward Foreign Direct Investment (OFDI) Stock from Emerging Economies (in US\$ billion)\*



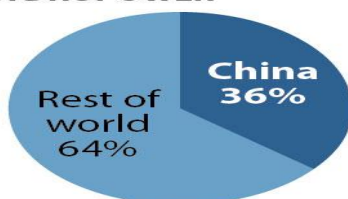
Source: <https://bit.ly/1Jvef5J>

WORLD RESOURCES INSTITUTE

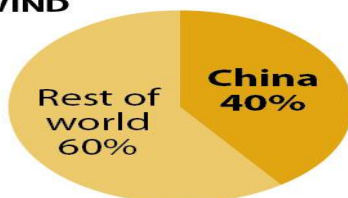
# China's leading investment

## China's Share of Global Renewable Capacity Growth, 2015-2021

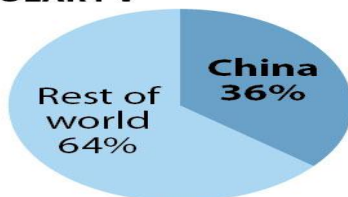
### HYDROPOWER



### WIND



### SOLAR PV



Source: IEA Medium-Term Renewable Energy Market Report 2016



# Global OBOR Ventures

Done	Not Done
Train to London	A lot of ventures at global level have not been discussed
Hunbantota project	

# Train from Yiwu to London

## Introduction

- The first freight train from China to the U.K. rolled into London. The China Railway Express train left Yiwu on Jan. 1
- And it covered nearly 8,000 plus miles.

## Purpose

- The train was packed with 34 containers carrying clothes, shoes, suitcases and other goods made in China transported to Europe.

## Analysis

It took 18-days which already were from 35 to 40 days

# **CPEC in context of OBOR**

## **Review of CPEC Projects**

### **A MATTER OF VANTAGE POINT**

IN SEARCH OF KNOWLEDGE : TO APPRECIATE AND  
SUPPORT CPEC BUSINESS PROJECTS IN PAKISTAN

IN SEARCH OF TRANSPERANCY: TO CRITIQUE\* CPEC  
BUSINESS PROJECTS IN PAKISTAN

- (Fairly, Positively or Negatively)



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- FINANCES

1. HOW MUCH FINANCING IS INVOLVED?
2. WHO IS FINANCING?
3. WHAT ARE TERMS OF FINANCING? (Cost of financing and any other related details)

- OPERATIONS

1. WHO IS EXECUTING THE PROJECT?
2. WHAT IS THE NATURE OF THE OPERATION? (Plant erection, other aspects)
3. WHAT ARE THE RESPECTIVE ROLES OF VARIOUS NATIONALITIES INVOLVED?



# REVIEW OF CPEC Projects

Done	Not done
Sahiwal Coal Project	Port Qasim coal-fired power project



# **The Sahiwal Coal Power Project**

**ENERGY Sector**

**Total : 31**

**Total Value: \$29,470,000,000**

**Capacity : 1,320 MW**

**Coal required: 4.48 million tons annually**

**Started : on July 31, 2015**

**Completed : June 2017**



**THANK YOU!**