



Islamabad's Informal



CHINA STUDY CIRCLE



Twelfth Session

CPEC Updates by Shahzad Qasim



Seven Reason of Indian Fear by CPEC

- **CPEC passes through Pakistani regions disputed by India.**
- **India fears that CPEC would result in internationalization of the Kashmir dispute in favor of Pakistan, guaranteeing the CPEC.**
- **India is concerned over China's military presence in the Indian Ocean. The CPEC will enable China to access the Arabian Sea and have military presence there, something that India views as an existential threat.**
- **India is worried that China is planning to use the Gwadar port to monitor India's naval activity.**
- **India is worried that CPEC would allow China to expand its influence in the region and shrink India's role in Asia.**
- **India is worried that CPEC will bring economic prosperity for Pakistan and reshape the balance of power to decrease India's role in the region.**
- **India fear of military partnership of Islamabad and Beijing.**

5 Ways India's Going to Be Affected When CPEC Changes World Trade

- **India's Sovereignty**
- **Chinese Control Over Trade Via Sea**
- **Chinese String of Pearls**
- **Pakistan's emergence as outsourcing destination**
- **Stronger OBOR and Chinese Leadership in Trade**

Source Link : <https://www.thequint.com/blogs/2017/03/23/ways-india-going-to-be-affected-when-china-pakistan-cpec-changes-world-trade-gwadar>

CPEC – Russian Entry: CPEC a ‘scenario-changer’ in Region



Chinese experts suggested that emerging relations between Pakistan, China and Russia could be a defining development for the region’s bright future as they termed CPEC a ‘scenario-changer’ for the South Asia, rather than just a ‘game-changer’.

Source: <https://tribune.com.pk/story/1346962/advent-russia-cpec-scenario-changer-south-asia-say-speakers/>

CPEC - 'CPEC to help achieve objectives of ECO'

- The CPEC is anticipated as a game-changer not only in Pakistan-China context, but it would also complement the neighbouring economies and the ECO region.



CPEC as digital Silk Road

- **4th World Internet Conference held in China envisioning Digital Silk Road along BRI routes, CPEC will emerge as high tech digital corridor**
- **CPEC gears up to go digital with the projects of fibre optic cable, a new submarine landing station for internet traffic flow, and digital TV for all**
- **With fiber optic cabal, CPEC will become the part of digital information society, collaborating for telecommunication, internet technology, smart cities infrastructure, e-commerce, pool resources, e-services, e-businesses and e-markets**



China to get 91pc Gwadar income, minister tells Senate

- **Federal Minister for Ports and Shipping Mir Hasil Bizenjo told the Senate that 91 per cent of the revenues to be generated from the Gwadar port as part of the China-Pakistan Economic Corridor (CPEC) would go to China, while the Gwadar Port Authority would get 9pc share in the income for the next 40 years**
- **This was disclosed after senators expressed concern over the secrecy surrounding the CPEC long-term agreement plan, with many observing that the agreement tilted heavily in China's favour**
- **China, Pakistan and the United States, talks in Oman aimed at getting the Taliban to the peace talks tables**

CPEC - A First: Chinese Honor Guard Marches in Pakistan Republic Day Parade

- **Chinese contingent marches at Pakistan Day Parade in Islamabad, showing China's support to the country. Pakistan has previously featured their military contingent at the September 2015 parade in Beijing, that commemorated the 70th anniversary of the end of World War II**

Source Link : <http://www.cpecinfo.com/cpec-news-detail?id=MTc2Nw==>



51 countries to join CPEC

- Federal Minister for Defence Production and Science and Technology Rana Tanveer discloses that 51 countries have so far communicated their interest in joining the China-Pakistan Economic Corridor (CPEC).

Source: <http://www.cpecinfo.com/cpec-news-detail?id=MTc4Nw==>



CPEC - UN support for China project passing through PoK puts India's claim in jeopardy

- **A UN Security Council resolution has for the first time incorporated China's Belt and Road Initiative (BRI), a multi-billion inter-continental connectivity mission that has a flagship project passing through Pakistan occupied Kashmir (PoK).**

Source: <http://www.hindustantimes.com/world-news/un-security-council-resolution-includes-china-s-bri-india-s-pok-claims-in-jeopardy/story-k6isroFAMdnIA6NtX4nPKN.html>



Spirit of CPEC: Pak-China education bodies form alliance

- **First Pakistan-China Forum on Higher Education, held at Air University, jointly organised by the Higher Education Commission (HEC) and China Association of Higher Education.**
- **Agenda was Challenges of Equitable Access and Quality in Higher Education.**
- **Ahsan Iqbal appreciated the efforts of HEC for building CPEC University Alliance and CPEC Consortium of Business Schools.**
- **He added, “These efforts will help build collaborative linkages and intellectual connectivity which symbolise the spirit of CPEC”**

Source Link: <https://tribune.com.pk/story/1460300/spirit-cpec-pak-china-education-bodies-form-alliance/>

CPEC – China's latest 'gift' to Pakistan - combat aircraft; ballistic, cruise, anti-ship, anti-aircraft missiles

- **Global Times, the mouthpiece of China's ruling party, has reported that the two nations plan to build ballistic, cruise, anti-ship, and anti-aircraft missiles.**
- **The development is significant given Beijing's anger when India launched its long-range Agni-V – capable of hitting most parts of China.**

Source Link: http://zeenews.india.com/asia/chinas-latest-gift-to-pakistan-combat-aircraft-ballistic-cruise-anti-ship-anti-aircraft-missiles_1987442.html





Chinese owners of PSX promise exchange-traded funds

- **China Financial Futures Exchange Director You Hang said on Tuesday investors will soon have the opportunity to invest in a Pakistan exchange-traded fund (ETF) in China**
- **An ETF is a derivative product that represents a basket of underlying assets, such as stocks. It is traded on a stock exchange just like an ordinary share**
- **Speaking at the second Mergers and Acquisitions Conference organised by TerraBiz, Mr You said Chinese shareholders in the PSX want to introduce derivative products in the national equity market**
- **“We want to bring ETFs here in Pakistan, we also want to introduce Pakistan ETF into the Chinese market,”**



Pakistan, China sign long-term planning on CPEC

- The 7th ministerial-level meeting of Joint Cooperation Committee (JCC) on China-Pakistan Economic Corridor (CPEC) finally approved the Long Term Plan (LTP) 2014-2030 and concerned authorities of both countries signed the LTP agreement
- The important meeting held at a local hotel in Islamabad was jointly chaired by Pakistan's Planning and Development Minister Ahsan Iqbal and National Development and Reform Commission (NDRC) of China Vice-Chairman Wang Xiatao. At least 150 high-level officials from both the countries attended the meeting
- Both countries agreed to form joint committees on agriculture and IT to enhance cooperation

Japan wants CPEC open for other countries

- **Japan, Pakistan's decades' old business partner, believes that Pakistan should open China-Pakistan Economic Corridor (CPEC) for countries willing to be the part of the mega plan.**
- **consul general of Japan in Karachi said CPEC is opened for old business partners, many private businesses in Japan may be interested in investing,". He said 82 Japanese companies were already operating in Pakistan.**



Pakistan pulls plug on dam deal over China's 'too strict' conditions

- Pakistan has decided to cancel a US\$14 billion infrastructure agreement with China because it could not accept the hyper strict conditions
- In a recent news item, a Chinese official deny being “too strict” in financing conditions
- China and Pakistan have prioritised about 15 thermo energy projects valued at US\$2.2 billion.
- He added that there is a common misinterpretation internationally that the Belt and Road is something China would want to push forwards at all cost. But in fact, all projects are commercial so they have to be justifiable economically, and agreed mutually

Iran seeks Quetta-Taftan train section in CPEC

- Iran has said that being an important section in Islamabad-Tehran-Istanbul (ITI) Container Train Corridor, Quetta-Taftan railway line must be given extra attention by Pakistan.
- “It should also be given priority in China-Pakistan Economic Corridor (CPEC) project,” Majid Arjooni, DG South East Railway Company of Iran.
- The Islamabad-Tehran-Istanbul journey is 6,566 km with 1,900 km in Pakistan, 2,570 km in Iran, and 2,036 km in Turkey.

CPEC-BCIM Linkage to Benefit Region: China

- “Both economic corridors are important projects for cooperation under the framework of Belt and Road,” Chinese Foreign Ministry.
- Beijing said it was willing to wait for New Delhi to join the Belt and Road initiative about which a section in India was unnecessarily “quivering”.
- China released a white paper Vision for Maritime Cooperation under BRI, which talks about joining the China-Pakistan Economic Corridor with the Bangladesh-China-India-Myanmar corridor.

CPEC's early harvest projects come to fruition

- Terming CPEC win-win deal, Sun Wiedong, stated there was no country other than China that wanted to see a stronger, stable and developed Pakistan.
- He said CPEC has entered the stage of giving some early harvest. Among the 11 projects of \$18.5 billion investment, projects pertaining to energy – had been at the forefront with six projects in progress and five that have been built
- Completion of all 11 energy projects would add about 11,000 megawatts of electricity to Pakistan's national grid, eventually significantly alleviating the energy shortage and adding impetus to the country's economic development

CPEC FORUM HELD TO EXPLORE “**BEAUTY BUSINESS**” OPPORTUNITIES IN PAKISTAN

- The first China-Pakistan Economic Corridor (CPEC) Forum for Beauty Business was held to explore business and trade opportunities in the cosmetics industries of Pakistan
- The forum was jointly organized by Chamber of Beauty Culture and Cosmetics of All-China Federation of Industry and Commerce, Association for China-Pakistan Economic Corridor Cooperation and Development
- It was told that Chinese companies of cosmetic / beauty industries were keen to set up cosmetics production units in Pakistan for the benefits of the people of two countries
- Pakistani people would be able to learn about the Chinese experience in the beauty industry and get good jobs

Pak-Afghan Issues Settling under China

- The Advisor Sartaj Aziz after meeting Chinese Foreign said that Pakistan, Afghanistan and China have agreed to establish following two important mechanisms:
- a. China-Afghanistan-Pakistan Foreign Ministers dialogue to discuss all aspects of Pak-Afghan relations with special focus on economic cooperation.
 - b. A bilateral crisis management mechanism between Afghanistan and Pakistan would enable the two sides to maintain timely and effective communications in case of any emergencies, including terrorist attacks, with a view to seek proper solution through dialogue and consultation.

Source Link: <https://www.thenews.com.pk/latest/212944-Pak-Afghanistan-agree-on-China-led-mechanisms-for-crisis-management>

CPEC – What's CPEC, and How Does the Future of the Multipolar World Depend on It?

- The world order is going through profound changes in transitioning from the Western-controlled unipolar system to the non-Western model of multi-polarity.
- The US and its allies are struggling to retain their erstwhile dominance over global affairs, while Russia, China, and their partners are working hard to achieve peaceful breakthroughs in undermining their rivals' control through BRICS, SCO, AIIB, OBOR and CPEC.

Source Link: <https://sputniknews.com/columnists/201704241052940823-cpec-multipolar-world-future/>



Long-term CPEC to bring \$300bn investment

- “Execution of mid-term and long-term plans will increase the cost of the CPEC above \$300 billion,” an informed source told The Nation.
- Long-term plan has seven pillars identifying the broader areas for the cooperation.
- Seven pillars are: connectivity, energy, industries & industrial parks, agricultural development and poverty alleviation, tourism, cooperation in the areas concerning people’s livelihood and financial cooperation identified for future needs.

Iranian gas can be 'indispensable' to CPEC

- With Iran having arguably one of the largest gas reserves in this part of the world – that energy resource could become an “indispensable” asset for the CPEC, this was stated by Iranian Ambassador Mehdi Honardoost while speaking at IPS, **Islamabad**
- The development of Gwadar-Nawabshah pipeline could facilitate the early progression and pave way for future headway in this regard

Source Link: <https://tribune.com.pk/story/1512890/iranian-gas-can-indispensable-cpec/>



Gilgit to Gwadar: Vehicles' Rally Spread Message of Peace



China rejects US objections on CPEC route

- **The Chinese Foreign Ministry said, “We have repeatedly reiterated that the CPEC is an economic cooperation initiative that is not directed against third parties and it has nothing to do with the territorial sovereignty disputes and does not affect China's stance**
- **The ministry added that over 70 countries and international organisations, including the UN General Assembly and UN Security Council, have signed cooperation agreements with Beijing on OBOR initiative and incorporated it in resolutions**

Rohingya massacre: another Afghanistan in the making, a part of Modi's war

- **Conflict between Rohingyas and Buddhists seems to have raged in 2012 when ARSA (Arakan Rohingya Salvation Army) was formed following the atrocities upon Rohingyas but the reality says otherwise. In reality, the episodes of violence date back to Afghan War era when CIA needed Jihadi to fight the war for them**
- **The USA in collaboration with India has opted to drag out war in Afghanistan to Myanmar by instigating war within, to counter the influence of China. The main motto behind these clandestine activities of Indian RAW and the CIA with Afghan Intelligence is to interrupt the emergence of CPEC corridor and to contain China in Southeast Asia**

Source Link: <https://www.thenews.com.pk/print/229806-Rohingya-massacre-another-Afghanistan-in-the-making-a-part-of-Modis-war>

Four road projects added to CPEC

- China will include four new road projects, costing over Rs350 billion, to the original plans of CPEC
- the Naukundi-Mashkel-Panjgur Road will cost Rs20 billion and span across 290km
- Zhob-Kuchlak is part of the Western Corridor CPEC Phase-II project will span across 350 KM
- Mirpur-Muzaffarabad-Mansehra road project will stretch across 200 km and cost Rs264 billion
- The Gilgit-Shindor-Chitral Road will cost Rs45 billion and will stretch across 354 km

India-Japan's Knock-Off Of CPEC would Fail

- India and Japan join hands to develop own vision of connectivity initiative – the Asia-Africa Growth Corridor (AAGC), dubbed as 'India's New Silk Road' to copy CPEC.
- AAGC is aimed at integrating South, Southeast, and East Asia with Oceania and Africa.
- AAGC is doomed to fail due to Indian and Japanese economic slowdown. If India and Japan move forward with intention to cut CPEC's head off by squeezing China out of India Ocean, it may spark a heated confrontation between them.

TRUMP'S NEW AFGHAN STRATEGY 'PART OF HYBRID WAR ON CPEC'

- What US President Donald Trump really wants to do is put multi-pronged pressure on Pakistan as part of a Hybrid War on China Pakistan Economic Corridor through the American-backed strategic interlinking of its Afghan and Indian neighbours, a Russian political analyst Andrew Korybko wrote in an opinion piece for an online forum Global Village Space
- The goal is “to influence, disrupt, and then ultimately control China’s game-changing corridor to the Indian Ocean through state and non-state proxy warfare.”

Source Link: <https://en.dailypakistan.com.pk/pakistan/trumps-new-afghan-strategy-part-of-hybrid-war-on-cpec/>



CPEC's Centre of Excellence fails

- **CPEC policy think tank, set up at a cost of Rs1.2 billion to fill policy gaps, is struggling to perform its core tasks**
- **Two years down the line, the centre's work is limited to only holding roundtable conferences and publishing articles in the media to counter propaganda against CPEC**
- **It has also moved away from the five thematic research areas, showed internal papers of the Centre of the Excellence**

CPEC progress commendable in 12 months

- **Four mega power sector projects, each of over 1,300 megawatt became operational in 2017. The project would enter its second phase in 2018 with the formal opening of Gwadar port and energising of the CPEC road link Kashgar and Gwadar**
- **China has already committed to finance different CPEC projects worth \$62 billion**
- **CPEC involves development of Gwadar, energy projects, infrastructure projects and formation of 30 special economic zones**

What it means to use yuan in trade with China

- At a weekly media briefing on Dec 21, Foreign Office spokesman Dr Muhammad Faisal said Pakistan and China “will actively use bilateral currencies for the settlement of bilateral trade and investment under the relevant arrangements”
- “The dollar may remain the most dominating medium of exchange in the foreseeable future. But if Islamabad and Beijing can materialise their dream, we can reduce our dependence on the greenback gradually over a long time,” says the head of a large local bank

