

10-23-2022

G3 CPEC SUMMIT '21 - CPEC: Emerging Geo-Political and Geo-Economic Landscape Opportunities and Challenges

China Study Centre, Institute of Business Administration

Nasir A. Afghan
Director, China Study Centre

Huma Naz Baqai

Ans Dahr

Follow this and additional works at: <https://ir.iba.edu.pk/csc-research-reports>



Part of the [Political Economy Commons](#), [Regional Economics Commons](#), and the [Strategic Management Policy Commons](#)

iRepository Citation

China Study Centre, Institute of Business Administration., Afghan, N., Baqai, H., & Dahr, A. (2022). *G3 CPEC SUMMIT '21 - CPEC: Emerging Geo-Political and Geo-Economic Landscape Opportunities and Challenges*. Institute of Business Administration. Retrieved from <https://ir.iba.edu.pk/csc-research-reports/2>

This document is brought to you by *iRepository*. For more information, please contact irepository@iba.edu.pk.

CPEEC

EMERGING GEO-POLITICAL AND GEO-ECONOMIC LANDSCAPE OPPORTUNITIES AND CHALLENGES



DR. NASIR A. AFGHAN

DR. HUMA NAZ BAQAI

ANS DAHAR

G3 CPEC SUMMIT '21
**CPEC: EMERGING GEO-POLITICAL AND GEO-ECONOMIC
LANDSCAPE OPPORTUNITIES AND CHALLENGES**
CHINA STUDY CENTRE IBA KARACHI

OCTOBER **23rd** 2021

Venue: JS auditorium, City Campus, IBA Karachi

All rights are reserved by China Study Centre IBA Karachi. This content could not be reproduced without the written approval of the China Study Centre.



<https://www.iba.edu.pk>



021-38104700 - 2878



infocsc@iba.edu.pk

Table of Content

ACKNOWLEDGEMENTS	01
INTRODUCTION	02
Part 1: China-Pakistan Perspective on CPEC	
1st Keynote Speech – Khalid Mansoor	04
2nd Keynote Speech – Professor Qian Feng	10
3rd Keynote Speech – Mr Guo Chunchi	14
Part 2: CPEC: The Emerging Geo-political & Economic Landscape	
Moderators: Dr. Huma Naz Baqai and Dr. Nasir Afghan	
Panelists/Speakers:	16
Masood Khalid	
Prof. Dr. Fazal ul Hadi	
Dr. Shabana Fayyaz	
Group Captain (R) Sultan M. Hali	
Part 3: CPEC: The Challenges and Opportunities for Information and Media	
Collaboration between Pakistan, China and Afghanistan. Do we need information corridor?	
Moderators: Dr. Nasir Afghan and Dr. Aneel Salman	
Panelists/Speakers:	21
Dr. Ghairat Baheer	
Naghmana Hashmi	
Lt. Gen (R) Asif Yaseen	
WAY FORWARD	26

Acknowledgments

This book is based on the keynote speeches and panel discussions at one day G3 CPEC Summit on 'CPEC: Emerging Geo-political and Geo-economic Landscape Opportunities and Challenges' organized by China Study Centre (CSC) IBA Karachi on October 23, 2021 at JS Auditorium City Campus IBA Karachi.

Considering the importance of the subject, CSC IBA Karachi is grateful to Higher Education Commission (HEC), Islamabad for financial support. Also, Lt. Gen (r) Muhammad Asghar and Dr. Safdar Ali Shah for professional Support.

CSC IBA Karachi is thankful to the keynote speakers, Mr. Khalid Mansoor, Special Assistant to Prime Minister on CPEC, Mr. Professor Qian Feng, Director of Research Department & Senior Research Fellow, National Strategy Institute, Tsinghua University, China, and Mr. Guo Chunchi, Commercial Counselor Consulate General of the People's Republic of China.

We are grateful to all the panelists and moderators for their intellectual contributions on the subject. Last but not the least the we are thankful to IBA MBA batch of 2023 for their efforts to kae this event a success story.



Institute of
Business Administration
Karachi

Leadership and Ideas for Tomorrow



China Study Center

Institute of Business Administration

CPEC: Emerging Geo-political and Geo-economic Landscape Opportunities and Challenges' organized by China Study Centre (CSC) IBA Karachi on October 23, 2021 at JS Auditorium City Campus IBA Karachi.



Introduction

China and Pakistan enjoy a time-tested, long-standing, resilient relationship. The Belt and Road Initiative, reminiscent of the Silk Road, is a massive infrastructure project that would stretch from East Asia to Europe. The China-Pakistan Economic Corridor (CPEC) is the linchpin of the Belt and Road Initiative (BRI). The idea of building China-Pakistan Economic Corridor (CPEC) was first announced by Chinese Prime Minister during his visit to Pakistan in May 2013. The changing geo-economic and geo-strategic matrix has also had an impact on the progress and trajectory of the corridor. However, both Pakistan and China remain committed to take it forward despite challenges. In South Asia, Pakistan, Bangladesh, Sri Lanka, Maldives, Nepal, and Afghanistan have extended support to the BRI, whereas India and Bhutan have held back. Indian opposition is due to its confrontational relationship with China, which has been marked by competition rather than cooperation.

The China-Pakistan Economic Corridor primarily (CPEC) has a geo-economic thrust. It provides a framework for regional connectivity, industrial cooperation, diverse investment opportunities, financial cooperation, agriculture cooperation, and socio-economic development. The project is expected to bring growth and prosperity to not only China and Pakistan but to other South Asian nations as well, with Pakistan at the epicenter. CPEC with the successful completion of its first phase which achieved energy sufficiency for Pakistan. The project has entered into the second phase with a focus on industrial cooperation, trade, agriculture and socio-economic development.

CPEC is of prime importance for both China and Pakistan; the bilateral economic cooperation agreement has been termed by many analysts as 'A Game Changer'. CPEC holds great geo-strategic and geo-economic importance as this project allows China to open to East and West Europe through Eurasia by using the Land Silk Road via Pakistan. The broad geographic vision leads Beijing to pursue an integrated set of trade, commercial, diplomatic, and infrastructure development initiatives from Asia to the South China Sea to the African littoral.

Moreover, China Pakistan Economic Corridor's geo-strategic location gives it a significant place in global politics. It is situated at the juncture of energy proficient and energy-deficient countries. Its geo-strategic importance is further enhanced by the fact that it is bordered by emerging economic giants of the world i.e., India and China, and is looking towards connecting the countries rich in abundant natural resources i.e., Afghanistan, Iran, Russia, and the Central Asian States. There are excellent growth and investment opportunities in Afghanistan and Central Asia, provided there is political stability in Afghanistan. China and Turkey, in collaboration with other countries, could play a major role in bringing the trillion dollars mineral reserves in Afghanistan to utility level.

The regional geopolitical and geo-economics dynamics have changed due to American withdrawal from Afghanistan. Stability, peace, and order in Afghanistan are critical to unlocking the potential of the land-locked Central Asian countries and Afghanistan. It will provide short and easy access to the

Indian Ocean through Gwadar port under CPEC.

After the new Government in Afghanistan, all the land-locked Central Asian countries and Afghanistan will get short and easy access to the Indian Ocean through Gwadar port under CPEC. Therefore, it would not be entirely wrong to call CPEC a "Corridor of regional economic integration and growth". The new emerging geo-politics and economic opportunities also see multiple local and international stakeholders with conflicting or competing or divergent objectives and interests. The dynamic crisscross of geo-economics and geo-politics and the resultant animosity and interdependence lends complexities and unpredictability to the equation.

In the wake of recent developments in the region, specifically US withdrawal from Afghanistan and the role of new Afghan government in regional connectivity and economic integration, IBA China Study Centre commenced one-day hybrid summit on "CPEC: Emerging Geo-political & Geo-economic Landscape Opportunities and Challenges"

The aim of this one day summit was to explore and identify the future opportunities and challenges for China Pakistan, and Afghanistan's economic, information, and trade corridor. Our objective was first to understand the challenges faced by the Afghan government in Afghanistan. Also, to brainstorm and find the common and shared areas for future investments, economic, social and information cooperation between the three countries, Pakistan Afghanistan and China.

Part I: China-Pakistan Perspective on CPEC

1st Keynote Speech

KHALID MANSOOR

Special Assistant to PM on CPEC

Ladies and Gentlemen, I would like to first of all, give the participants in the audience, the context that what the CPEC was, and luckily, I was, one of the participants, when the dream of CPEC was evolved or envisioned, because at that time, I had just joined HUBCO but I was asked to really participate, and that was the time Pakistan was going through huge power crisis, and all of you do remember that there have been, you know 12-18 hours of load shedding, the industry was totally derailed, the GDP of Pakistan has affected quite significantly. So, that was the time, we went to China, and this issue was discussed with them, and also the issue of the power sector of Pakistan was, that we had a significant shortage of power, but at the same time whatever electricity was available, it was extremely expensive, and the main reason was that the choice of fuel was one of the most expensive one, and when we looked at the entire world, we figured out, that Pakistan's major power generation, had been done with the most expensive choice of fuel which was furnace oil, and there was no participation of coal into it. At the same time, there was an understanding that the Pakistan is blessed with one of the 7th largest reserves of coal, which is Thar, but again, you know, there was no conviction. But, to cut the story short, when we decided that we really wanted to start exploiting Thar, and based our long-term energy dependence, on the indigenous resource, because as we said that, majority of the power generation was based on furnace oil and that was also imported one, and that was causing a huge burden on the economy, the balance of payment, etc. But at that particular juncture, no foreign funding was available, World bank had refused, IFC had refused, and also the European-led consortium, they also said that they did not want to really provide funding for the coal-based initiative. So, when the first meeting took place, it was only China, which agreed to help us, and as a result of that, you know when the discussion really further progressed, there was a kind of quid pro quo, because China wanted to have this old, you know their old unfulfilled dream which is the Silk Road, and this you see in China Pakistan Economic Corridor.

So, thereafter, when I looked at some of the important fundamental documents, the main salient features of the understanding was, that if the CPEC is to be developed, there is a two-way understanding and two-way objectivity between China and Pakistan. The foremost was that China wanted more bilateral and regional connectivity, which was also equally important for Pakistan. Then regional economic integration because that's the way globalization has been taking place, and last but not the least, create investment trade and logistical cooperation. It's a long-term plan, and it is not that whatever we have achieved in 2020, and very briefly if I tell you the three milestones of the roadmap, the long-term plan as we have agreed in 2015, it will last all the way until 2030. The first period, which was the most important for Pakistan, it was identified that it is early harvest and short-term projects, and the foremost was only three. We wanted to alleviate the huge power crisis so lots of investment needed to be made, and then the infrastructure development which is the

central place for China, in order to have the regional connectivity, and also part of the One Belt One road Initiative, and the third one was the development of Gwadar, and whatever we have achieved, to date in these three objectives. Then the second period is the medium-term projects which will, get completed in 2025, and we have just embarked onto which is called phase 2 of CPEC, and it was identified as period of expansion and development, and the main objective was to achieve balanced regional economic development, processing and manufacturing industries and have the paradigm shift in people's livelihood, and that is what you see is a very important objective for Pakistan also. And from 2025 until 2030, this is what is called long-term projects, and this is identified as period of maturity, and it will ensure that proper mechanism is in place for sustainable economic growth, and CPEC is supposed to play the leadership role in this region to really transform that. Then, Pakistan was also suffering, one of the youngest nation, in the world, and we needed significant employment in order to also have GDP per capita improvement and low and sustainable GDP growth, in order to alleviate that; we needed to enhance the economic growth by 2%, contribute each component of GDP, which is agriculture manufacturing science and technology, mines and mineral, industrialization, etc. That is all, a dream, which we were envisioning with the Chinese, and also to promote exports and substitute imports through special economic zones, because that is the way China has really achieved, industrialization, and they have taken, created 85 billion jobs in the country, and the entire country was transformed. And last but not the least, the unbalanced regional development which will include the social economic development, poverty alleviation and enhancing rural-urban connectivity.

So, these are the major bottleneck; it is a huge agenda, and as we are now embarking on to the phase 2, so that is what we are going to be working on and I will shed sunlight as to how it will be happening. Now, as far as first phase is concerned that we have achieved so far, and out of this envisioned 53 billion, more than 16 billion, to be exact, \$15.7 billion investment has been made in Pakistan through CPEC platform, and at the moment, there are over 5,300 megawatt powerplant which are already up and running, that includes, development of Thar mine, which used to be just a myth, and in 70 years, we have not been able to really create our own indigenous resource, and there are two powerplants which are already up and running, two are under construction over there and the mine capacity is also going to be doubled. Then we never had the HVDC transmission line, which is state of the as one of the major issue is extremely high transmission and distribution losses. Then, in terms of infrastructure, the roads, the mass transit and optical fibre has already been laid, which is almost \$5.8 billion investment and then Gwadar Port, and also the free zone, and a detailed feasibility study for transformation of Gwadar, in terms of the master plan, has already been done and it is all because of very close cooperation between Pakistan and China, and last but not the least, China agreed to provide us close to \$10 billion grant for the socio-economic development, and there are a number of projects, including fuel in Gwadar, which has already taken place. So, \$15.7 billion FDI, which has already been made, and these are the things which have already happened as part of the phase one. When we look at the under implementation project over 3,500 megawatt are in the pipeline and 1,103km roads and motorways are under construction. Socio-economic projects in Gwadar, that include the vocational and training institutes, Pak-China Friendship Hospital, a world-class international airport at Gwadar. So, these are the projects which are under construction and the timeline is around end of 2022 or beginning of 2023, by then they will be up and running.

Again, there are a number of socio-economic development which we are doing in close coordination with the provinces, and a very important thing is the industrial cooperation which will have, at least, 9% special economic zones, which have been agreed upon and there are five which are currently under focus. So this is \$9.3 billion which will materialize in a timeline from, let us say, six to nine months. And last but not the least, there are certain projects which are under consideration and they will fall in the phase two as we are embarking onto and they will have additional power projects over 4,000 megawatt, infrastructure will have additional 850km road, very important project of ML-1, this is the railway line all the way from Peshawar to Karachi, and then Karachi Comprehensive Coast Development Zone, and that has just been agreed in the last JCC and the work has already started to develop that. As far as Gwadar Port projects are concerned, Gwadar has extremely powerful unique selling proposition. It is going to be one of the best, you know, port from the logistic standpoint and there is a competitive analysis which has been done in comparison with the regional ports, and it will require some kind of dredging and construction of breakwater, so that we should have the transshipment business, etc., also started from there. And, the readiness of the special economic zone has already been started, and we have chosen one special economic zone each, in each province, Rashakai in KPK, Allama Iqbal Industrial City in Punjab, and then Dhabeji in Sindh, and Bostan in Quetta, and in the fifth one is the free zone in Gwadar. So, we started with 60 acres, and two months ago, you know, Prime Minister Imran Khan has inaugurated the second phase, which is 37 times bigger than first one, over 2,100 acres of land, and, you know, huge interest has already been registered, various investor from the globe they are really getting in touch with us.

Now, phase two, what is phase two? Phase two is going to be order of magnitude more than the phase one. It is going to have, you know, a significant investment in variety of sectors and the way it works, there are ten joint working roads between China and Pakistan, and a detailed bilateral discussion takes place that what is important for Pakistan economy to really turn around in agriculture, in industrial cooperation, whether it is of refineries or gas storages, gas and oil pipelines, information technology, pharmaceutical, and these are the kind of main sectors. So, what really needs to be done, that in addition to satisfying the issues of the existing investor in Pakistan, and they are already 135 companies operating in Pakistan and we are working day-in and day-out to ensure that whatever issues they have, that is resolved, but the main thing is now we need to, you know, persuade big Chinese companies to invest more in these specific sectors and all the areas of cooperation have already been agreed upon, which was subsequently ratified in the recently held Joint Cooperation Committee meeting, and, the work has already begun in that one. In science and technology, there are, again, a number of areas which are needed for Pakistan, just to name a few, Establishment of China-Pakistan Research Center, and then oceanic research vessel which is needed to explore maritime resource and coastline of Pakistan, Institute of Smart Semiconductor Technology, Establishment of Silicon Solar Cells, The PV Panel Fabrication Facility, etc. I mean, you know, I can go on and on, but the thing is that, the methodology is that the relevant ministries and their responsible and experienced people, they get in touch with Chinese counterpart, and after a lot of debate, they agree upon what needs to be done. As far as information technology is concerned, again, all the areas which are needed to really exploit this industry in Pakistan, in terms of industry, in terms of manufacturing and in terms of service factor, those have been agreed upon

and this is the latest joint working group, which was agreed upon in the recently held JCC. One of the very important factor in Pakistan has been agriculture, and this is the sector that despite we are a resourceful country, but the way things are deteriorating, there are number of targeted areas, where we can benefit from Chinese, in terms of research, in terms of improving our yield, in terms of improving our seed, in terms of developing the corporate farming, the cattle farming, and so on and so forth.

One of the most important thing is that, as part of the CPEC, there has been a shift in focus, and that shift you will see in phase 2. The most important one was the western alignment, so, as far as infrastructure is concerned, we needed to have the connectivity in less privileged areas of Pakistan, and in this initiative, the Western Alignment, you will see the Haqline D I Khan motorway, Basima and Khuzdar road; which is going to connect Gwadar with the up country, Eastway Expressway which is going to be completed in April 2022, so from the free zone, it will connect to the national highway. And then, there are a number of other roads which are going to be really creating the economic turnaround in the western alignment of Pakistan. The next focus, as far as energy is concerned, it is going to be environmentally-friendly renewable projects and there are some, very significantly important and big projects, which are currently under construction, 720 megawatts hydro-power projects at Karot, 884 megawatts Suki Kinari, 1,124 megawatt Kohala, and then there is one more project at Azad Patl. Some other, 100 to 1,600 megawatts wind and solar projects as well. Industrialization, as we said that 9 special economic zones have already been agreed upon, and we are focusing on the 5 ones and the idea is to make the special economic zones ready, and when we say ready, we mean all the infrastructure needed for the investors to come in and invest. They should be able to have plug and play type of environment. The gas, electricity, water should be available at the 4 step. But, most importantly, the management companies should be legally empowered, so that, when the investors come they would not have to run around for obtaining NOCs or approvals from one ministry to the other. So, this is a very important initiative, as far as CPEC authority is concerned, very soon we will be establishing a facilitation center over there, and the idea is that it is going to be met with subject specialist people, so that when the investors come, and they want to invest for example in textiles, so we have an extremely knowledgeable person, who has the domain knowledge, and we should be able to guide those investors, etc. Operationalization of Gwadar port and development of free zone, as they say that Gwadar is the jewel in the crown, and again lots of focus has been done over there. The Vboc connectivity is about to happen. The custom directorate office is also established. Afghan transact trade has already started to take place, and now we are working to have the transact trade between Pakistan, Uzbekistan, and Tajikistan, the land-locked Central Asian Republics. The city master plan has been finalized and by 2025, Gwadar will be a totally different city. And lastly, the development of free zone, as I said, that is where the industrialization will take place, and just to mention that, at the moment, the industry of China, which is labor-intensive, is becoming incompetent, and the main idea is that how the industrialization has taken place in China, so that in European and North American countries, where some of their industries have become very expensive or incompetent, they created investment environment in China and lot of relocation took place, and we have to do the same thing because China has not transited into a high tech kind of technology, and the idea is that we develop everything with a

proper marketing plan, and incentivize all those industries to get relocated in Gwadar and other special economic zones. Just to sum up, One apprehension that I was trying to relay is that these special economic zones are not China-centric. They are available for any investor from any country, and so far, many ambassadors in Islamabad have approached me and we have welcomed them and said that if they want to invest in either of the zones available, outstanding fiscal benefits would be provided, some tax holidays, zero import duty on plant and machinery, 100% profit repatriation, etc.

Now before concluding, I would like to share my views on the major themes that what is the significance of emerging geo-political and geo-economics factors from the CPEC standpoint. China is building its leading role in Asia and beyond for economic and political cooperation through a huge network of transportation corridors, oil and gas pipelines, ports, and fiber optic cables spreading across the entire Eurasian landmark linking East Asia, Central Asia, South Asia, the Middle East and parts of Europe under the Belt and Road Initiative. These economic and energy corridors are explicitly designed to stimulate economic growth, and CPEC is a flagship project of the BRI. The multi-faceted project has opened new vistas of Pakistan's rebalancing options from geo-politics to geo-economics. As far as the geo-strategic, geo-political and geo-economic impact of CPEC is concerned, one thing is clear, that US supported by India, is inimical to CPEC, and will not let it succeed, and that is where we take our position what we need to do to alleviate that, and they continue to attempt to maneuver Pakistan out of it or at least dilute its strategic influence in the region. CPEC is more than just connectivity and business, in fact, it is a strategic defense business advantage and there is no way that Pakistan will forego any of its advantages or any of its benefits which are so critical to Pakistan. It has more than once bit its fingers in the past, and it is required to dispel the apprehensions of the US and Europe in an effective and meaningful manner, and we are also in a process of developing some kind of media strategy and I continue to appear in various talk shows, various interviews whereby, I keep on alleviating this misconception that either CPEC has stopped, or that there has been no progress made. The geo-strategic importance of Pakistan is evident from the fact that it is bordered by the emerging economic giants of the world like India and China, and the countries rich and abundant in natural resources like Afghanistan and Iran. What I would like to mention, that the regional geopolitics and geo-economics have changed, you know as soon as America has moved or withdrawn from Afghanistan. What we need is stability and peace and order in Afghanistan, which is critical to unlock the potential of the landlocked Central Asian countries and Afghanistan. It will not only provide short and easy access to the Indian ocean through the Gwadar port under CPEC, but, the Afghan transit has already started to take place, and we are working, InshaAllah, transit trade taking place through Uzbekistan and other Central Asian States as well. Pakistan seeks expansion of CPEC to Afghanistan and other countries, and has discussed the possibility of Taliban-led Afghanistan, joining the multi-billion-dollar CPEC project. CPEC provides good opportunities, good potential for providing infrastructure and energy connectivity between Afghanistan and Pakistan, and also connecting South Asia to the Central Asian region, etc., and CPEC holds great geo-strategic and geo-economic importance.

I would like to mention that one of the important issues is that the Taliban regime is a reality, and

Prime Minister Imran Khan has urged the international community to not isolate the Taliban administration. He had stated a number of times that aid should be provided to prevent the economic collapse, and also mentioned that strengthening, and stabilizing the current Afghan government is the only way forward. So, I think through this opportunity, we should also be able to help build Afghanistan. There are going to be lots of other opportunities, mine and mineral are one of the world's best over there, and this specific initiative has been incorporated into the recently concluded JCC meeting. So, there has been a deep interest in terms of developing economic connectivity of Afghanistan with Pakistan through CPEC, and with other neighboring countries including Iran, China, and Central Asia. West sees CPEC, which is the flagship project of BRI, more as a move by China to expand its political, strategic, and business influence around the globe.

Lastly, I feel that, to a great extent, China has been able to manage that very well, particularly in Eastern Europe and Italy. The US is not beginning to take stock of its economic and political consequences, especially leaving or withdrawing from Afghanistan. I have had a very detailed discussion with the American embassy people, their Economic counselor, and again I said that look CPEC is available for you as well, and they have also expressed that they would like to develop some kind of involvement, to see that how it will be beneficial for both the countries. CPEC-related projects are being carried out as per agreed plans, and there is no issue, and I would like to use this opportunity to re-emphasize, that despite various challenges and negative propaganda, the corridor is not only moving forward at a good pace, but also maintaining its right direction, and now phase 2 is going to be in terms of scope and order of magnitude more than phase 1. It is a journey towards economic regionalization in a globalized world, those who want to thwart CPEC, are constantly spreading negative news and misinformation through their network, according to their plan, and they are worried that CPEC continues its goal. the project. But now, we have to play our part as a nation and as a country, we need to stay focused and I will only conclude by narrating, a very beautiful portion of a point written by Ahmed Nadeem Qazmi, and it goes like that

خدا کرے کہ مری ارض پاک پر اترے
وہ فصل گل جسے اندیشہ زوال نہ ہو
یہاں جو پھول کھلے وہ کھلا رہے برسوں
یہاں خزاں کو گزرنے کی بھی مجال نہ ہو
یہاں جو سبزہ آگے وہ ہمیشہ سبز رہے
اور ایسا سبز جس کی کوئی مجال نہ ہو
گھنی گھٹائیں یہاں ایسی بارشیں برسائیں
کہ پتھروں سے بھی روئندی محال نہ ہو
خدا کرے کہ نہ ہم ہو سرے وقار وطن
اور اس کے حسن کو تشویش ماہ و سال نہ ہو
ہر ایک فرد ہو تہذیب و فن کا اوج کمال
کوئی ملول نہ ہو، کوئی خستہ حال نہ ہو
خدا کرے کہ، میرے ایک بھی ہم وطن کے لیے، حیات جو نہ ہو، زندگی و بار نہ ہو
پاک چین دوستی زندہ باد، پاکستان پائندہ باد

2nd Keynote Speech

PROFESSOR QIAN FENG

Director of Research Department & Senior
Research Fellow, National Strategy Institute, Tsinghua University, China.

China, Pakistan, and Afghanistan are good neighbors. In the current complex international and regional environment, the tripartite meeting on CPEC, led by China Study Centre IBA Karachi, including eminent people from Pakistan, Afghanistan, and China, is very important. It is also my wish, this will become another academic platform for promoting trilateral exchanges, consolidating friendships, enhancing understanding, and deepening trust. This kind of meeting will make our joint contributions for the further development of CPEC, which is in line with the common interests of China, Pakistan, and Afghanistan.

Before we focus and discuss the CPEC's significance, I feel the imperative to address four issues concerning the current security, stability, and development in South Asia.

First, Will Afghanistan win for lasting stability or not?

The current situation in Afghanistan is challenging but also breeds new opportunities. The challenges are: how can the Taliban stabilize and govern the country, how to improve people's livelihood and economy, how to fulfill its anti-terrorism commitments, and how to obtain diplomatic recognition and integrate into the mainstream of the international community?

The opportunities lie in: the US total withdrawal and 20 years of failed policy on Afghanistan, which made the Afghan people, where they can finally get rid of hegemony and truly control their destiny, facing a rare opportunity for development.

Whether it can turn challenges into opportunity and establish a country with internal political stability, obvious economic improvement, friendly relations with neighbors, and effectively cutting of ties from terrorism, that not only depends on the wise decision-making and choices of the Afghan Taliban and other ethnic groups and parties, but also the joint efforts of the international community, especially its neighboring countries.

Second, when will India-Pakistan relations be significantly improved?

India-Pakistan relations have always been a barometer of the situation in South Asia. Among them, the Kashmir issue is the key point. Since 2019, driven by political, religious, and national reasons, India has abolished Article 370 of Its Constitution, unilaterally breaking the fragile balance of Kashmir. This irresponsible practice and move, which puts one party's interests above international resolutions, doing what it wants to do, is naturally opposed by most international countries. There is a common saying in China, whoever hung the bell on the tiger's neck must untie it. If the Modi government does not take the initiative to correct its mistakes on this issue and regain the trust of its neighbors and the

international community, it is difficult for India-Pakistan relations to truly ease down. On this merit, China will always stand on the side of justice.

Third, where are China-India relations going?

At present, the interaction between China and India in South Asia has become more and more important factor for the regional situation. The border standoff since 2020, put China-India relations in a very difficult situation. From the current trend, although the border regions remain relatively stable and both sides agreed to continue the dialogue, it will take a longer time and patience to push China-India relations back to the normal track. At the same time, in the context of strategic competition between China and the US, the warming of US-India defense relations, also strengthened India's psychological endorsement to some extent, adding more variables to the improvement of China-India relations.

Fourth, will the US further disrupt the regional situation and CEPC?

At present, China-US strategic competition is a prominent event in international politics. The most fundamental contradiction between China and the United States is that China wants to continuously develop, and the United States needs to contain China. It is a natural right for the Chinese people to seek a better life and development, which objectively and directly challenges the hegemony of the United States. The United States is the offensive party in intensifying contradictions and provoking trouble. And China is a defender of its right to development.

Now, the United States has attracted India, interfered with the BRI, and slandered the CPEC, trying to use all available means to contain China's rise. China firmly opposed the "Quad" and the newly established "AUKUS" Group. Washington's approach is bound to make the future situation in South Asia more complex, and its negative impact on CEPC will also increase.

Those issues I mentioned comprise the big context for the next move to develop CPEC with high quality. There is no doubt that the United States, and some other countries, will constantly interfere with CPEC with their political, security, and economic means. Chairman Mao said, "What the enemy is against is what we should support." Their worries exactly show that the significance of CPEC is so great and beyond the scope of the two countries.

In terms of bilateral relations, this year marks the 70th anniversary of the establishment of diplomatic ties between China and Pakistan. Over the years, I have been stating on various occasions: China has established strategic partnerships with more than 50 countries, but China-Pakistan relations are always at the top of the pyramid. China-Pakistan relations are Four Good, that is good neighbors, good friends, good partners, and good brothers.

The BRI initiative brings new opportunities for the development of China-Pakistan relations. Over the past eight years, the CPEC is the most outstanding achievement marked in China-Pakistan relations. Under the new circumstances, this is of great significance for further expanding China-Pakistan

economic relations, strengthening the China-Pakistan all-weather strategic cooperative partnership, and benefiting the people along the Belt and Road.

The CPEC has achieved rich phased results, boosted Pakistan's economic growth, helped Pakistan get out of the slowing economic growth caused by the 2008 financial crisis, providing a strong impetus for Pakistan's economic development, and facilitated daily life of the Pakistani people. Just this week, the National Development and Reform Commission (NDRC) publicly announced that the CPEC has entered a new phase of high-quality development after making significant achievements in a wide range of areas.

According to the NDRC Statistics, the output of power plants in Sahiwal and Qasim accounts for 33 percent of the national power supply in Pakistan, which has relieved power shortages. Meanwhile, the first urban rail transit system in Lahore and the expressway from the Karakorum to Peshawar-Karachi have been completed and opened to traffic. The La Shaqa'i Special Economic Zone will further boost new bilateral industrial cooperation.

There is no doubt that the CPEC is a win-win project. From a regional and international perspective, First, the CPEC serves as an early harvest project of the BRI. This cooperation model has an effective and reference significance for other regional and sub-regional cooperation, and will also win more trust and development space for the further promotion of the BRI. Second, It can further optimize Pakistan's regional advantages in South Asia and promote connectivity in the whole of South Asia. Third, South Asia, Central Asia, North Africa, and the Gulf countries can be closely combined through economic and energy cooperation, to form economic resonance and drive regional and sub-regional cooperation, which will eventually benefit nearly 3 billion people.

As for Afghanistan, it is the heart of Asia in its geographical position, connecting Central Asia, South Asia, West Asia, and East Asia, and has promising prospects to promote regional connectivity and become a future connection hub in Eurasia. But experiences also tell us, business activity has a different logic from politics. Companies are considering costs, profits, and risks. No large-scale construction and investment are inseparable from a stable political environment and a reassuring safe environment. Afghanistan needs to do more in this regard. Such conditions are not fully available.

Afghanistan is at the critical stage, the pressing demand now is to advance the political settlement of the Afghan issue, help Afghanistan to tackle the humanitarian crisis, work for all multilateral mechanisms on the issue to form synergy, and create an enabling external environment for Afghanistan, to achieve peace, reconstruction and sustained development.

The chaos in Afghanistan began in the 1970s, and the economic issue is an important reason for the violence and conflict, poor people's livelihood. China has repeatedly expressed its willingness to leverage its advantages in infrastructure, communications, and medical care, to participate in post-war reconstruction in Afghanistan.

Recently, the Taliban leaders have publicly pledged to cut off ties with terrorists and live in harmony with the international community and neighboring countries. For the Taliban, which is deeply associated with extremist groups in the past, these statements are warmly welcomed by us, showing the Taliban's determination to integrate into the international community. China has its national interests. Beijing's goal has never changed and is also very clear. That is to seek real guarantees from the Kabul's side, not to provide any support for terrorist activities against China. I hope the Taliban can realize its promises by action.

If the Afghanistan future political and security situation continues to develop in a good direction, I think when this day comes, China, Pakistan, and Afghanistan can consult how to tap cooperation potential, improve regional connectivity, expand our cooperation, even we can consider including such as the highway, railway, and other big infrastructure projects into long-term plans. By that time, the CPEC expansion and extension will become a real reality. There is an old saying when water flows, a channel is formed. Dreams lie in hard work, everything is possible.

3rd Keynote Speech

MR GUO CHUNCHI

Commercial Counselor, Consulate General of China, Karachi

It is my pleasure to attend today's seminar themed "CPEC: Emerging Geo-political & Geo-economic Landscape Opportunities and Challenges". Today's guests from Pakistan, Afghanistan, and China gather together to share ideas and suggestions for "the Belt and Road Initiative", the CPEC and discuss opportunities as well as challenges faced by the three countries. I would like to share my views on the above subjects with the attending guests.

Firstly, I would like to share some of my views on CPEC. As we all know, China and Pakistan have a unique iron-clad friendship and established an all-weather strategic cooperative partnership. CPEC is a landmark and pilot project of the the Belt and Road Initiative. Over the past eight years, CPEC has achieved fruitful and remarkable results. With the implementation of CPEC, China has been Pakistan's largest trading partner for six consecutive years and the largest source of investment for seven consecutive years. In the first phase of CPEC, China and Pakistan successfully established a "1+4" cooperation layout which focused on Gwadar Port, transportation infrastructure, energy, and industry. 70 projects have been identified, and 46 of them have been initiated or completed with a total investment of US\$25.4 billion creating 75,000 jobs for Pakistan.

With the completion of the first phase of CPEC projects, the CPEC has entered into a new stage of enrichment and expansion. Agriculture, industry and social livelihood projects will be the focus of CPEC Phase II. CPEC is now a shining business card for the Belt and Road Initiative and has been playing a demonstrative role in China's cooperation with other countries.

We live in an era of evolving changes with both opportunities and challenges abound. Peace, development, and mutually beneficial cooperation remain an aspiration widely shared by the international community. On China-Pakistan-Afghanistan trilateral relations, I think we should focus on the following aspects:

First, enhancing unity and cooperation. With geographical proximity, cultural affinity, and interconnected interests, the three countries are in a natural position for cooperation. Our developments are closely linked with each other. We need to strengthen policy dialogue and communication from the perspective of regional development under the premise of fully respecting the legitimate security concerns of each other. China supports other countries to explore development and governance models which suit their national conditions, and we also support other countries to control their development in their own hands.

Second, strengthening safety and security. It is necessary to uphold the philosophy of a people-centered, comprehensive, cooperative, shared and sustainable security concept, which

could help three countries to strengthen capacity for maintaining stability and promote a smooth transition towards true peace, stability, and development in Afghanistan. China firmly stands for a peaceful environment in the region and believes that safety is the most important precondition for economic development and can only be achieved by joint endeavors.

Third, promoting openness and integration. China remains committed to pursuing common development, sharing market opportunities, and building the Belt and Road with Pakistan, Afghanistan and related countries. China will also pay special attention to supporting modern connectivity and infrastructure, low-carbon and sustainable projects. We suggest three countries to promote liberalization and facilitation of trade and investment, and we need to ensure the safe and orderly flow of people, goods, capital, and data. What's more, the digital economy, green energy, and modern agriculture that will provide great potential for future trilateral cooperation.

I highly appreciate Pakistan's efforts in providing humanitarian assistance to Afghanistan and maintaining regional peace. I would like to make it clear that CPEC not only provides infrastructure and interconnection for Pakistan and China, it also aims to boost development, prosperity, stability, and peace in South Asia as well as Central Asia. Now, as CPEC enters the second stage of high-quality development, the economic ties among the three countries will become even closer. I do believe that with three countries holding an inclusive attitude and strengthening trilateral cooperation in various fields, CPEC will promote the interest of all three countries, the whole region, and ultimately benefit the whole world.

Part 2: CPEC: The Emerging Geo-political and Economic Landscape

Dr Huma Baqai and Nasir Afghan moderated the session and the panelists were Ambassador Masood Khalid (Former Ambassador to China), Group Captain Sultan Mehmood Hali (Managing Director, Sohni Dharti TV), Shabana Fayyaz (Head of Defence and Strategic Department, Quad-e-Azam University) and Dr Fazlul Hadi (Professor at Al Salam University, Kabul).

Dr Huma Baqai started the session by saying that in Pakistan serious questions and reservations are being raised about the trajectory and directions the CPEC, or worse still, others say that it has come to a halt and nothing is coming out of it. There are questions raised that is this East India Company? Is Pakistan being colonized? And at a time when it came to Pakistan, Pakistan was facing both, diplomatic and economic isolation. It was something that really bailed out Pakistan both, from economic isolation and diplomatic isolation. She said that despite all challenges, impediments, and difficulties that this region, in general, and Pakistan, in particular, faces. Pakistan-Afghanistan relations, the region, China Pakistan Economic Corridor (CPEC) is at crossroads. It was always a connectivity paradigm, but now, perhaps, it is also a peace corridor.

Firstly, Ambassador Masood Khalid presented the perspective of a practitioner of diplomacy, not an academic distinguished academic mentioning that the world situation is very complex. There is a growing China-US competition, since China has been declared as a strategic competitor, dangerous rival and I would say that even it seems that the new cons in the United States have unleashed an ideological battle with China, if not a total ideological battle, at least, a quasi ideological battle. Containment of China is now embedded in US strategic and military doctrine. China-US rivalry has precipitated a crisis, in his view, in international issues, and new polarization has disturbed the global order, and a balance of power tussle between China and the US, and amongst regional powers in the Asia Pacific, has started, and the militarization and neutralization of the Indian Ocean region has been witnessed. US-China tensions have unnerved, even the close US allies in Europe and East Asian allies, because they are not prepared to choose size between China and the US.. China threat is being exaggerated to form a new security coalition by the United States and to serve the interests of the military-industrial complex in the United States. In this region, US has concluded a strategic partnership with India to counter China and by consequence, Pakistan, due to its close ties with China. Pakistan does not wish to be caught in this Crossfire, and it wants friendly relations with both big powers. However CPEC, its friendship with China, is non-negotiable. CPEC has delivered tangible benefits to Pakistan, and it is meant to help Pakistan overcome its serious development deficit. New paradigm of geo-economics and Pakistan's Foreign policy requires a smooth implementation of CPEC and that it is used as a vehicle for Regional Cooperation. Lastly he made the point that stability in Afghanistan is key to regional peace and development. CPEC's extension to Afghanistan, will depend on the stability there, and of course, it will bring great benefits to Afghanistan. As regards foreign countries' participation in CPEC, essentially, when it was conceived, it is a bilateral project between China and Pakistan, and then through mutual

consultations and agreement, it has been decided to extend it to Afghanistan, therefore leading to a trilateral cooperation.

Dr Baqai posed another question to Captain Sultan Hali, one of the panelists of the session that will Pakistan really be able to shed the baggage of just being a geo-political state, a geostrategic state, a tactical partner of the United States and move on to become a geo-economic state, choosing progress, growth, and development for its people? To which Sultan Mehmood Hali responded from an ethnocentric point of view about Pakistan. Pakistan's strategic location is its strength, according to him. Its strategic assets is its strength. Contact with Afghan Taliban is a strength along with relationship with China. Unfortunately, some of Pakistan's strengths are also its weaknesses. Pakistan's strategic location, strategic assets, contact with the Taliban, because it is expected that Pakistan can lean upon them and can twist their arm, is not true. Pakistan has a certain amount of influence, but the Taliban and the Afghans are very independent people. Pakistan's relationship with China, unfortunately also becomes a weakness because Pakistan's arm is being twisted, to drive a wedge between China and Pakistan. Then, of course, is our dependence on the West which we inherit, which many of Pakistan's regimes inherited. He in the end stated that Pakistan has a very clear picture of what CPEC is about. So, it is, definitely, an opportunity. Then exterior maneuver, because, fate has placed Pakistan at a location, where its diplomats can be useful despite fake news and hindrance posed by the detractors.

Dr Shabana Fayyaz presented her take on the geo-political landscape, challenges for CPEC and can the challenges be turned into opportunities as asked by Dr Baqai. To take an academic point of view one needs to see CPEC through the integrated security framework. What is an integrated security framework? According to her it basically involves the economic, political, social, and hardcore security aspects into one. She added that the hardcore security does not mean that you only have build the borders or the firewalls, or the transit control trade. It means that you built in the human aspects of security within the ambit of the whole project of CPEC, and that is primarily that coincides with the Chinese vision of economic prosperity and shared stability across the region. That is, infact, a blueprint of OBOR. Although, CPEC remains a most debated subject within Pakistan. Most of the points that are being constructed are such special economic zones, SEZs, and there, the factories and the infrastructure has to be set up. There is a whole debate upon the Chinese setting up the factories or the units, and the Pakistanis not getting the best dividend out of it. This is because of Pakistan's own taxation issues, lack of development issues, and because of the business, with issues with the government, regarding the taxes or the levies, on their working here. These are the challenges on the economic front for her.

She said if one looks at Gwadar Port Authority, there are islands of poverty.. They feel victimised, sidelined; the Chinese, with the help of the Pakistan Government and the provincial governments, have set up some vocational and technical schools there as well. But according to her, more to be taken care for. But unfortunately, the part is where the economic development takes place in countries like Pakistan or around the world, it does not filter down to the grassroots. On paper, the project is visualized, is implemented, but on the ground, it is implemented half and half.

Another internal issue is that of the disgruntled elements, like BLA, like TTP, parts of ISK, and the others, by the outsiders to attack the Chinese interest inside Pakistan, and the Pakistan interest, and those who are working in alliance for CPEC. Another important is the political differences. But the differences, everybody is on board in Pakistan to be a vibrant part of CPEC, and to get a maximum out of that. India is upset, not only because Pakistan is on board with China, India feels that it has territorial claims vis a vis the CPEC routes that go into China.

Later panelist Dr. Fazal Ul Hadi was called upon to share his point of view from the Afghanistan's side. He started by saying that if there is peace and stability in Afghanistan then this will give provide an opportunity for Pakistan, for China, for the whole region and countries, to take this opportunity for the development of the relationships and also changes in benefits and interests between each other and also use the natural resources, and other opportunities in this region for the prosperity of the people in the nations in the region. After the withdrawal of NATO and the US forces from Afghanistan, there is no one in Afghanistan and Afghanistan has a central government that is administrating the entire Afghanistan side. He said that from one side it is an opportunity if the Afghan new government and the neighboring countries, Pakistan, China, other countries, are considering this great opportunity to use it for the benefit of the region, creating other opportunities economically and also politically, socially, for Afghani people, for generations. China, Pakistan, and also Iran, other neighboring countries of Afghanistan, should help and support Afghanistan to afford a sustainable peace or durable stability in Afghanistan, and provide a chance for and also the Afghan one for the good governance in Afghanistan. All the relationships between Afghanistan and other countries should be based on the realization that Afghanistan is an independent and sovereign country and nation. Nobody should think that Afghanistan is or can be colonized.

The second moderator, Nasir Afghan put forth a question in front of Dr Hali that history says, whenever there is an invader in Afghanistan, Afghans are fighting together against the invaders, and the moment invaders leave, they start fighting with each other. So how does Dr Hali see the Taliban holding the Kabul and governance and keeping the Afghanistan united, or working together with Tajiks, and Uzbeks, and Hazaras and will be able to counter Daesh/ISIS and the anti-Taliban movement.

Dr Fazl responded that there are no different islands of powers in Afghanistan. The whole Afghanistan side is united under the central government, and this is also what should be said that in Afghanistan, there is no ethnic problem as it is given attention in the media. In Afghanistan, there are different ethnicities such as the Pashtoon, Tajiks, Uzbeks, Hazaras. He added that they are living together, and there has never been fighting between Afghans based on ethnicities. The only problem faced in Afghanistan is Pashtoon infighting for which a we need a national reconciliation is needed since Taliban came by force. The Taliban, the new government in Afghanistan, Taliban have to approach their political opposition in Afghanistan. There is a big challenge for Afghanistan, especially economical issues. Afghanistan's new government has promised that based on the Doha Accord ,Afghanistan soil will never be used against any other country, especially neighbouring countries.

ISIS is there in in Afghanistan. But they do not have any centers in Afghanistan. They are not

controlling any district or village in Afghanistan. He said that if the internal front is strengthened in Afghanistan, ISIS won't have a future in Afghanistan since ISIS is not an important factor in Afghanistan. It did not emerge from inside Afghanistan; it is some kind of an alien force.

Dr Baqai then asked Ambassador Masood Khalid Sahab that in some ways, Afghanistan has become a global predictor, of the rivalry between China and the United States, and perhaps the world is looking now at a fourth power to rescue Afghanistan. There were Brits, there were Soviets, there were Americans who left unceremoniously, and now the world is looking at China. She asked him that does he think China's strategy in Afghanistan, would be different from the three superpowers since China was the first country to offer the Taliban, the China-Afghanistan corridor, post their capture of power and were involved in negotiations before that and would this impact the triangular relationship between Pakistan, China and Afghanistan, and is this triangle able to beat the triangle of Afghanistan, Pakistan and the United States?

Ambassador Masood Khalid said that Chinese foreign policy comprises a distinct thread of pragmatism and realism. For example, in this US-China competition one will come across the pronouncements of Chinese leaders saying that the very nature of this relationship demands that there should be cooperation and coexistence between the United States and China rather than a drift towards confrontation and conflict. As far as Chinese policy towards Afghanistan is concerned, China like others, is waiting to see how things unfold in Afghanistan. China is, like Pakistan, a neighbor of Afghanistan. China wants stability on its periphery. It has been advocating peaceful neighborhood, because China's Belt and Road Initiative, this mega initiative, can get into jeopardy without peace, especially in Afghanistan because there lies entire thrust of these initiatives towards the Eurasian region, and this territory, this area, this region; Afghanistan, Central Asia, Pakistan; are an important conduit for BRI. He added that China has assured the Taliban that they will be ready to come forward, to help Afghanistan in its reconstruction efforts, provided there is an assurance of peace and stability in Afghanistan, There will be an undertaking, that Afghan territory will not be used to promote terrorism and separatism in Afghanistan. For example, the remnants of ETIM, who are still sheltering in Afghanistan, will not gain strength to launch terrorist attacks, you know, inside China for a seamless implementation of BRI as envisaged. China's role will be very important in the reconstruction process, because economically, China has the capacity to finance projects, to do investments. If there is chaos and instability in Afghanistan, the forces, which want to weaken China-Pakistan cooperation, and encircle China, or create problems for Russia, in their backyard of Central Asia, will gain strength like the US. A new nexus is developing in the region, and that nexus is that of China, Pakistan, Iran, Russia, Central Asian republics. They are all unanimous that there should be peace and stability in Afghanistan. If some countries try to play the role of spoiler in Afghanistan than the entire region is doomed and there will be a lot of polarization acrimony and you know or even bloodshed.

Dr Baqai questioned regarding the rivalry between China and the US unfolding in Afghanistan, if the China-Pakistan-Afghanistan corridor and Afghanistan-China corridor, compliment each other and would it be acceptable to the two global powers. Panelist, Sultan Hali resorted to saying that China is interested in coming in Afghanistan for two reasons. First, which people fail to understand is the

psyche and the history of China. China has suffered 100 years of the humility of being governed by imperialist powers, and it does not want to subject other nations to that. Secondly, it does not want to create an empire in Afghanistan. It wants to come in there for reconstruction. As far as the US is concerned, on February 29, 2020, the Taliban and the US government signed an agreement. Part three of that agreement stipulates the US and the Islamic Republic of Afghanistan to be committed to continue positive relations, including economic cooperation for reconstruction. He also said that people forget that when President Xi Jinping, came to power, his gesture towards President Obama was that let us build a better future for humankind. The same was repeated to Donald Trump, and the same has been repeated to Biden, but instead of taking President Xi Jinping up on this particular offer, it is being built that the Chinese have imperialistic designs.

Dr Nasir Afghan stated that no matter what Pakistan does, US is never satisfied. One wonders what Pakistan can do to address this or if there is a possibility of US working with China and Pakistan for Afghanistan's stability or will there be an 180 degrees gap between the two and the rest of the Europe and US.

Dr. Shabana Fayyaz responded that when talking about Pakistan, China, and Afghanistan triangle, working with US, or against US there is no black and white answer to this. It is a mix of a lot of things, and each country within this triangle, that has not emerged yet, the China, Pakistan and Afghanistan has its interest at stake. The threat that connects Pakistan and China is the vision of prosperous and prosperity in this part of the world. The priority should be to invest in the economic development of the country. This is a fiber that is needed for CPEC and other countries. Moreover, they must have a interaction, with the US, with Europe, with India. She said while speaking about Afghanistan that Pakistan, has, been a partner with the United States on the subject of Afghanistan, whether it was 1979 era onwards, and later on in the war on terror, as well, despite our differences on their issues. According to her, it is known to all that the US struck a deal with the Taliban leadership in Doha, and that has resulted in the transition, and of course, it was not expected to be that quick, especially in the case of Kabul, and the US exit them. Taliban forces never attacked any US soldier when they were leaving, and the soldiers were leaving in batches from the Kabul airport. The US understands that Pakistan has an influence in Afghanistan which is true. Whether it is historical, whether it is cultural, whether it is religious, whether it is ethnic, or whether it is strategic. But the point is that US and some partners feel that Pakistan can twist the Afghan regime, or the people in control in Kabul to deliver what the US wants, what Pakistan wants, or what China wants.

Furthermore she stated that Pakistan's and the region's broader interest should be to restore peace and stability, and how you can restore peace and stability by unfreezing the assets. Maybe China can afford to be in one camp, at one time, like it in the Cold War era, but Pakistan cannot afford it, and neither should it do that. One cant break way from the US. Since Pakistan is into economic strategic and other partnerships with the United States and its allies.

Dr Nasir Afghan concluded that between Pakistan, Afghanistan, and China, it is important to develop economic and trade and information corridor. As mentioned by others, he reiterated that if there is a peace in Afghanistan, which seems possible, because of new Afghan government, showing signs of dealing with the international community, and they have engaged with Russians and China.

They are also planning to host donors conference in Europe, to raise money to sponsor a lot of projects in Afghanistan which would be good for CPEC and its development agenda in a secure environment.

Part 3: CPEC: The Challenges and Opportunities for Information and Media Collaboration between Pakistan, China and Afghanistan. Do we need information corridor?

This session was moderated by Dr Nasir Afghan and Dr Aneel Salman. The panelists included Dr Ghairat Baheer (Ex-Ambassador of Afghanistan and Senator Afghanistan 2018-2020), Naghmana Hasjmi (Former Ambassador of Pakistan to China), and Lt. Gen Retired Asif Yaseen (Former Secretary of Defence).

The second panel focused on the information corridor and that how authentic, reliable, and timely the information is reaching to the decision makers and the stakeholders, and what has been the role of this information for CPEC since there has been a negative perception and myths surrounding the economic corridor.

Dr Ghairat Baheer quipped that opportunities come with their own unique set of challenges as well. We have shared our concerns with the Taliban leadership. The United States suffered one of the worst military defeats in modern history at the hands of the Afghan people. Their actions of bombing a defenseless family right before departing show their anger and need for revenge.. The United States government's lack of interest in pushing The United States manufactured a sense of panic among the masses and used it to implement a large exodus of brains and skills from the country. The extraction of few hundred thousand mostly educated people from Afghanistan serves two purposes. First, cultivating a diaspora that can undermine the government's vision and reinforce the western plan for Afghanistan. Second, crippling the new Afghan government's ability to govern successfully with the scarcity of skills available in the country.

He also uttered that China has been a good neighbor to Afghanistan. Its policy of non-intervention and partnership with regional countries has always been cherished by the Afghan people. Afghans have not forgotten China's decision to not be involved in the Soviet and American invasions of of the country. China's active engagement is a delight for Afghanis like himself with the new government in Afghanistan despite US and Russian sensitivities. Though the security situation in the country could've pushed China towards alternative paths, Afghanistan in partnership with Pakistan can help realize the revival of this traditional trade route.

A stable and prosperous Afghanistan can spillover prosperity onto its neighbors and an unstable and

fragile Afghanistan will spillover instability onto the region.

Ambassador Naghmana Hashmi said that we are living in an age of information explosion. Which is both good and bad. Good, because, gone are the days when you had to really search for information. Now, the information from all parts of the world on all subjects is at your fingertips. The bad side of it is, in the context of Pakistan, China and Afghanistan and the context of the region is that one tends to follow the information, believe in the information that is emanating more from the west than other parts of the world. This is particularly so, because of psychological orientation towards the West, because of history. She said we associate information coming from America and from Europe, to be more authentic, and particularly, the general public, who is not that aware of the sensitivities of politics and strategy, and the impact of wrong information, falls prey to this negative propaganda, which is very intentionally, generated by the people who are interested in a certain region. And I think CPEC has also largely suffered, because of this negative propaganda, which has been generated, by the West because they do not want this region to be developed, particularly with links to China. The US Senate has passed an act called The China Containment Act in which they have allocated a humongous amount of \$350 million per year for fake news and propaganda against China and the projects, including BRI with special focus on CPEC. After the induction of new media, which is led by CNN, now also called the CNN impact, engagement with social media is extremely important that the government, must lead the way in this aspect where it needs to be flexible and open about where strategic orientation should be, where the strategy compass should be focusing, and also avail frameworks available. She said that one needs to be very careful about the information received, about the information that is ingested and analyzed for which she suggested platforms, in addition to the various television programs and media talks that exist, to build some kind of trilateral mechanism with China, Afghanistan, and Pakistan. She said it will help propagate, the authentic information about these countries to each other, so that the misunderstandings that are caused, at the leadership and public level are addressed in the three countries, trying to unite and move forward together for peace and development in the region. But unfortunately, all three don't understand each others languages. She further stated that at the political and strategic level our understanding is very clear. But at the people's level, the understanding is weak. There is nobody out there, getting up, and telling the people of Pakistan, or the people of Afghanistan, that China, in it's 10,000 year history has never gone beyond its borders, it is not a hegemonistic country, it has never put its troops on ground in any country, it is not a country that is in the business of regime changes. It is only interested in having peaceful relations, and particularly, with the neighbors, through economic development and cooperation. Therefore, it is very important to have a forum of the three countries together, particularly, on the information because it is important to demystify CPEC, to demystify this relationship, and to move forward.

Lieutenant General Asif Yasin Malik uttered that Pakistan as an irritant in the New World Order. It is because, at the back of their the mind, Pakistan is a rogue state which does not succumb to the Western ideas, and specially after becoming a nuclear power. The Indian perspective, which dominate the West for obvious reasons, Pak-China friendship a handicap for Pakistan, a major handicap for Pakistan.

He thought that one must analyze the global media attitude towards CPEC. There is nothing in it except negativity. If one reads about any global media in the print, social or electronic media, it is all negative, and that he thinks is the famous "hybrid war". The Western media is involved in hybrid war against CPEC, and they are not against CPEC itself. They are against C and P. So, when they abuse CPEC, or when they negate CPEC, the objective is to sought out first the C, and then the P, and in that context, China, as far as today, there is a Taiwan issue, there is the South China issue, and now they are talking of India ocean, and they have had the quad, and now, the new trilateral arrangement with Australia and the United kingdom. So, all that, this is hybrid war against CPEC, which is on launch.

According to him, the information and media challenges are, for this information corridor, very complex for which the aligned countries will have to walk an extra. The challenge for CPEC countries, including Afghanistan, is that they can't bluntly overcome the western attack on CPEC. Coming to the individual media issues of Pakistan, Afghanistan and China. The Pakistani media has structural issues. The media giants have become, because of the cross-media arrangement which has become a very bad thing for Pakistan. Then there is the capacity issue of Pakistani media. Pakistani media has been mostly controlled by big personalities. It is become status symbol to own a TV channel or it is a new sense of value of owning a TV channel. And if you have a news channel you can blackmail anybody and everybody, 24 hours a day. Moreover, there a lot of state influence on Pakistan's television system, and that influence is sometimes positive and sometimes negative. Sensationalism is at its peak. The media is exploitable. All must know that in the last to last American budgets, it was a declared budget of about \$500 million to be distributed in Pakistani media. So, therefore, the exploitability,.

On the otherhand, Chinese media is very advanced, and in the last 10 years, they have advanced by leaps and bounds. Today, Chinese media is going very fast towards a vibrant media system, within the state control, which is their overarching national system.

Coming over to Afghanistan, he said the biggest handicap the problem is poor infrastructure in Afghanistan. He does not blame the history, but at least in the last 20 years of the occupation, they could have improved the media infrastructure in Afghanistan. There is no Pakistani media ingress in Afghanistan. There is no Chinese ingress in the media in Afghanistan, and, vice versa, also. While Indian influence on Afghan media, has been very, very visible and powerful. people may not know an important personality in Pakistan, but they would certainly know Shahrukh Khan. Language barrier, apart from languages between Pakistan, Afghanistan, and China, within Afghanistan, there is a problem of multilingual society. There needs to be bilingual mechanism instituted for which the new Afghan government, has to be made aware of the new concept of the information corridor. Regional connectivity has to be improved. The important thing in the system, is the cellular telephone in Afghanistan can be used for media purposes. FM radio stations in Afghanistan can be launched. In television, he thinks Afghanistan does not have a terrestrial system. So they could look at terrestrial, satellite and digital, to be available to the TV. Cinema has to be introduced. So, therefore, the three countries should integrate their media, information access survey should be carried out in Afghanistan, that, what is the access to information, development of the concept of the CPEC

corridor.

Aneel Salman asked that information corridor is a kind of political information nexus that if one wants to have good democracies does the media should be free or shall there be a state-owned?

Lieutenant General Asif Yasin Malik answered that there is no free media in the world there is no concept of free media. The level of freedom varies and everybody takes freedom in a different sense. Freedom to you mean something else, to an Afghan it means something else, to an American it means something else. So, therefore, within the constraints of the system, or systemic issues, sufficient freedom should be there.

Dr. Nasir Afghan asked Ghairat Baheer the perception of Afghans regarding Pakistan and that how these perceptions are formed. Furthermore, what kind of information, agreements, creates those impressions and perceptions among the Afghans.

Dr. Ghairat Baheer answered by saying that first of all, Afghans and Pakistan so many commonalities, which are not available between other neighboring countries. He said that they have a long common border, common religion, common culture and even common language. People on this side of the border speak Pushto, and people on the other side of the border speak Pushto, most of them. If it is left after the people themselves, especially, Pakistan, they would have a very brotherly relationships. But unfortunately, that brotherly relationships has always been affected by the state policies, or the governing polices, or individual leaders who are on the top of the power. But when General Zia, the leader of the time, the President of Pakistan at the time, would come on TV and say that these Afghans are not fighting only the war of Afghanistan, but defending Pakistan as well. So, they are your brothers and they should be received, then they treated Afghans very warmly.

Dr. Nasir Afghan agreed with Mr Baheer's point of view because when there was the Kabul airlift, there were a lot of negative news in Afghanistan about Pakistan on Facebook, social media. So we were, actually, all this news, we were collecting information, on Facebook, about Pakistan and Afghanistan. According to hum, the power had shifted from TV and print media to social media which is primal the reason for fake news, miscommunication, conflict between two groups of people, two societies. He asked if this could be the reason for creating rift for the information corridor between Pakistan and Afghanistan.

Dr. Ghairat Baheer shared that that those who control information and knowledge are the superpower today and that same thing is happening in Afghanistan. There is no free media, whether it is social media or print media, or so on. So, the media is controlled, especially for the last 20 years by the Americans, and those who are anti-Pakistan which was due to this media influence over the people. He added that Pakistani friends must look at these anti-Pakistan information dissemination as is artificial and temporary. Definitely, media has its own influence, on the strategic and political relationship between Pakistan and Afghanistan. In Afghanistan. Moreover, he quipped that people are so bewitched by social media where you will find mobile sets with every Afghani, who cannot even afford to earn a piece of bread but, he will never miss buying a mobile, and with the latest technology.

Naghmana Hashmi to the same vagary shared that one should draw attention, for example, to the

media and the rest of the world, particularly our neighbors in India. For example, one would never see Indian media going against the Indian state policy or the larger objectives of India. They may write about their internal political disagreement but on larger strategic aims of India, nobody goes and talks against India itself, the strategic matters. She was 100% sure that there is no free media anywhere in the world. The media freedom has gone to another extent, she thought it needs to be reined in a little bit. All the media in the world, actually focuses on what is the long-term strategic objective of their country, and nobody actually goes beyond that. Within that bigger objective, they have the freedom to have their difference of opinion but they never go, where it would, actually hurt the country's strategic orientation. Because, if the world media was free, then today, Palestine and Kashmir would be the top news, in most of the newspapers. In media today, it is now the ideology of ratings and money and unfortunately, especially where CPEC is concerned. Another issue with the media is that people translate from Western media. Pakistanis are so busy fighting amongst themselves, discrediting each other, rather than actually working and crediting Pakistan for good work abroad, for the propagation that is required. In Pakistan, there is lack of professionalism, of serious thinking, and understanding, that we need to be done for the media and its capabilities, and to focus on the international audience, to project a positive impression of Pakistan.

According to Lieutenant General Asif Yasin Malik the most important thing that is being damaged, is the trust of the individual in the state which is supposed to be the fiber of the country. The fibre of the country is being harmed under the cover or under the mistake of political decree. When, for example, price hike and other issues are all being used against the trust of the individual towards the state. That is the biggest damage that the Pakistani media is bringing in the common man.

Ambassador Naghmana talking about whose responsibility it is said that the upcoming generation should rectify the mistakes that have been made in the past. Today, China is successful today for three or four reasons. First, meritocracy. Secondly accountability. Third very important factor is course correction. If they make a mistake, they do not stick to it. With Pakistan the case is that it makes mistakes but doesn't course correct.. There is no dependence on meritocracy, and there is no kind of accountability that is across the board, and accountability is not only in the financial sense. Accounting is in deliverance. It is in governance, in implementation. This is the most important factor in China's success but we are failing to follow its steps.

To this Dr Ghairat Baheer added that one aspect of media's the negative aspect is that it is blackmailing. Especially that was happening in Afghanistan. In Afghanistan, people who are in the media, sometimes they are blackmailing politicians, and other important people for their personal gain. The second thing he mentioned that one thing missing in Afghanistan's Islamic society, is the code of conduct for media. They are not observing the "Fateh Kalam". They will say whatever they like, they are not observing "Karamat Insaani", the human dignity.

Nasir Afghan concluded by saying that expand our understanding and our working relationship with the other countries, we need to really understand how they think and what they perceive of us and what are the problems, issues they are facing, and so all these countries can really work with each other by shedding light on challenges and opportunities for development and bringing about a robust information corridor.

Way Forward

Geo-Strategic and Geo-Economic Landscape

Economic corridors have emerged as an essential tool for regional cooperation and integration in a globalized world. China is building its leading role in Asia and beyond for economic and political cooperation through a huge network of transportation corridors, oil and gas pipelines, ports, and fiber optic cables spreading across the entire Eurasian landmark linking East Asia, Central Asia, South Asia, the Middle East and parts of Europe under the Belt and Road Initiative (BRI). These corridors are designed to boost economic growth, and CPEC is a flagship project of the BRI. This multi-faceted and multibillion-dollar project has given new directions to the geo-politics and geo-economics of Pakistan and has opened up new vistas.

CPEC is a vital joint venture of Pakistan and China, and one of the most strategically important countries in the region, Pakistan is a crucial bridge between China, Central Asia, South Asia, and the Middle East, and that is one of China's long term plan. Since the withdrawal of America from Afghanistan, regional geo-politics and geo-economics have changed, and there is a government in Afghanistan that is pro-China and pro-Pakistan; there are multiple convergent and divergent areas between Pakistan and Afghanistan. What we need is stability, peace, and law and order in Afghanistan, which is critical to unlocking the potential of the landlocked Central Asian countries and Afghanistan. It will not only provide short and easy access to the Indian ocean through the Gwadar port under CPEC but also access to Central Asia. Pakistan seeks expansion of CPEC to Afghanistan and other countries, and there is the possibility of Taliban-led Afghanistan, joining the multi-billion-dollar CPEC project. CPEC provides good opportunities, good potential for providing infrastructure and energy connectivity between Afghanistan and Pakistan. CPEC holds great geostrategic and geo-economic importance, as this project allows China to open to East and West Europe.

The Taliban-led regime is a reality, the international community must not isolate the Taliban, and also help them to establish a stable government in Afghanistan. Afghanistan is moving from chaos to stability, strengthening and stabilizing the current Afghan government is the only way forward not just for Afghanistan itself but for the region. In return, the Taliban must assure that they control extremism and provide uninterrupted education to Afghan girls. Mines and minerals are one of the world's best over there, so there has been a deep interest in terms of developing economic connectivity of Afghanistan with Pakistan through CPEC, and with other neighboring countries including Iran, China, Central Asia. If Afghanistan's political and security situation improves, the expansion of CPEC could become a reality, because peace and stability in Afghanistan are the pre-requisites for the expansion of CPEC through Afghanistan.

Pakistan needs to develop economic zones and mobilize them, and attract Chinese industries to relocate to Pakistan. The core purpose of developing SEZ in Pakistan is to attract foreign investments,

to increase our exports, and create local employment. To achieve these three core objectives, it is essential to create a favorable and preferential environment for FDI in the economic zone. Chinese investors see Dhabiji SEZ as a good location to start exports from Dhabiji SEZ to Middle-East and African countries. Since Sindh, is relatively near to these regions and European countries through sea route. Also, there are other advantages such as lower corporate tax rates, and suitable labor and land laws in Sindh. There is potential for mining, Agriculture, Education, IT, and other industries.

Secondly, we should not only focus on Chinese investment but also open these economic zones to everyone, especially American European businesses. However, without high-quality infrastructure, efficient and effective regulations and management systems, and utility services available and ready in the zone, no FDI will come in the zone. Well-established international and Chinese brands and MNC will only come when they see the economic zone is well developed and all infrastructure, including water, electricity, and gas is available or not. Furthermore, strong laws ensure an efficient and effective administrative committee of the zone authority. If peace and stability prevail in Afghanistan and CPEC is extended to Afghanistan, similar zones should be developed in Afghanistan as there is great potential for the mining industry in Afghanistan.

Pakistan and China must make sure that CPEC will continue in full swing irrespective of changing geo-political situations within the country as well as the region. To achieve balanced regional economic development, CPEC should be adaptive to the changing geo-political landscape. We should compartmentalize CPEC's geo-economic and geo-political objectives so that the changing political dynamics must not affect CPEC's long-term plan and it continues to prosper.

Information and Media Collaboration between China, Pakistan and Afghanistan

US and Europe see CPEC or OBOR as the political ambition of China rather than the regional economic integration and development, the reason why CPEC is seen as suspicious and questions are often raised by the Western media. West narrative supported by Indian media is inimical to CPEC, and will not let it succeed, and that is where we need an effective strategy to counter their narrative. This propaganda raises the doubts in minds of the masses, is this East India Company? Is Pakistan being colonized? Would Pakistan be another Sri Lanka?

There is no way that Pakistan would let go of any of its advantages which are so crucial to Pakistan's economic lifeline. However, to make this economic corridor a success story we need an information corridor before the economic corridor to counter these false narratives against CPEC, where we need a well-designed media strategy to promote CPEC as a leading player for the economic prosperity of not just Pakistan but for the overall region. China, Pakistan, and Afghanistan cannot have a full play of business and infrastructure development, trade, and investment growth between these three countries without reliable and trustworthy news and information flow between the three countries. The information and news create perceptions and perceptions shape opinions and influence decision-making both for common people as well as business and political leadership. Therefore, there is a need for a well-respected trustworthy reliable, and technological advance news and information internet platform between these three countries. So developing an information corridor is pivotal to the expansion of the CPEC and its overall success. This information corridor should not only counter the false narratives against CPEC but also act as an information hub for CPEC-related opportunities for businesses, policymakers, and all key stakeholders.