



For Better Understanding on

China-Pakistan and CPEC

Gleanings from the National Press

January 16-31, 2020

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January 16, 2020

Business Recorder

KP all set to launch flagship prioritized SEZ under CPEC

PESHAWAR: Khyber Pakhtunkhwa is all set to launch its flagship prioritized Rashakai Special Economic Zone (SEZ) under CPEC.

The Development Agreement of Rashakai pSEZ was recommended by the board of Khyber Pakhtunkhwa SEZ Authority (SEZA) to the Federal Board of Investment (BOI), in its meeting held on Wednesday, said in a press release issued here. In the first phase, a land of 1000 acres in Rashakai was chosen by the Provincial Government to be considered as a prioritized SEZ in Central Khyber Pakhtunkhwa.

Rashakai pSEZ is among the three prioritized SEZs that are being focused on in the second phase of CPEC, the other two being Dhabeji (Sindh) and M3 (Punjab).

Rashakai has already been given the SEZ status by the Federal BOI through a notification issued on 19th September 2019. The PC-1's for provision of electricity and gas have already been approved by Power and Petroleum Division's respectively. KPEZDMC has commenced work on the construction of access road to the doorstep of the zone, well ahead of its committed schedule. The development and subsequently the colonization of Rashakai pSEZ is expected to yield multiple economic benefits including 50,000 direct and 150,000 indirect job creation and opportunities for trade and export to central Asian markets through the expected Torkham corridor. https://epaper.brecorder.com/2020/01/16/15-page/820270-news.html

Daily Times

China to continue supporting Pakistan on Kashmir: envoy

China to continue supporting Pakistan on Kashmir: envoy Chinese Ambassador Yao Jing on Wednesday declared that his country will continue to support Pakistan on the Kashmir issue. "This is the issue of international justice and we will stand by Pakistan for the just cause of the Kashmiri people," the ambassador said while addressing a reception hosted on the occasion of Chinese Lunar New Year. He hoped that the world community will fulfill its responsibility in this connection and ensure justice to the people of Kashmir. "We are very much concerned about the situation in the occupied valley," he added.

In his keynote speech, the ambassador highlighted the growing relations between the two brotherly countries in the recent years, particularly in the context of CPEC that has now entered into the second phase of its implementation. With the implementation of the phase of the free trade agreement, the two countries have now moved forward raising the level of their bilateral trade, he said.

According to Yao Jing, the year 2020 will also be a historical year which will usher in a new chapter of win-win cooperation between China and Pakistan. "As an iron brother, Pakistan will always be a priority partner in China's external relations," he said. "China and Pakistan will further

strengthen mutual support and strategic cooperation. As good neighbors, good friends, good partners and good brothers, who share weal and woe, we will continue to build upon our mutual trust and firmly safeguard our sovereignty, territorial integrity and national dignity," he said.

The ambassador said China and Pakistan will enhance cooperation to achieve the goal of common development. "We will continue to promote high-quality development of CPEC. We will deepen cooperation in trade and investment, support the development of manufacturing industry in Pakistan, increase employment and expand exports, and help Pakistan accelerate integration into the international industrial chain," he said, and reiterated that China wants people to people relations between the two countries to grow.

Ambassador Yao Jing said the two countries will consolidate international cooperation to work for regional peace. "We will strengthen coordination and cooperation on major international and regional issues, jointly safeguard the purposes and principles of the UN Charter, support multilateralism and win-win cooperation, and highlight the representation and voice of developing countries on international affairs," he said.

About his country's socio-economic rise, the ambassador said the year 2020 will also be a landmark year of great rejuvenation of the Chinese nation. "China will complete its thirteenth five year plan, eliminate poverty completely and build a moderately prosperous society in all respects," he said, and pointed out that the year 2019 is of great historic significance for China's development. Ambassador Yao Jing thanked the Pakistani media for its objective reporting on crucial issues, particular those relating to Xinjiang. He categorically stated that smooth implementation of CPEC related projects is going on and the governments of both the countries are very much sincere to this mega development plan as it relates to the well being of the people of both the countries. https://dailytimes.com.pk/540251/china-to-continue-supporting-pakistan-on-kashmir-envoy/

Pakistan to meet FATF's Working Group in Beijing on Jan 20

Pakistan has accelerated 'diplomatic efforts' as part of preparation ahead of meeting with the global financial watchdog Financial Action Task Force's (FATF) Working Group in Beijing on January 20-21.

Pakistan will be judged by an FATF plenary next month on the basis of the Joint Group's report for possible exit from the grey list or at least avoiding the entry into the black list.

Federal Minister for Economic Affairs Hammad Azhar has been himself monitoring the contacts with FATF member states.

An 18 member delegation will present Pakistan's performance report from Oct. 2019 till Jan. 2020 in compliance with the FATF Action Plan's 27 recommendations concerning Anti-Money Laundering (AML) and countering the financing of terrorism (CFT) system.

Pakistan has already sent a 650-page report to the global financial watchdog, and it will be considered by the body's meeting starting from Feb. 16 in Paris.

Sources familiar with the matter expressed a possibility that voting might be done to consider Pakistan's exit from the grey list.

The FATF had demanded Pakistan to sentence those who had been associated with the banned outfits and summoned copies of cases lodged against those organizations.

Details were also sought about legal steps taken concerning religious seminaries, action against money laundering, and transfer of funds, assets and jewelry in the name of terrorists.

Pakistan has forwarded all required particulars to the FATF while noting that investigations into 700 cases concerning transfer of funds to militants were ongoing.

Officially, the FATF had noted that since June 2018, when Pakistan made a high-level political commitment to work with the FATF and APG to strengthen its AML/CFT regime and to address its strategic counter-terrorist financing-related deficiencies, "Pakistan has made progress towards improving its AML/CFT regime, including the recent development of its ML/TF risk assessment." "At the October 2019 plenary, Pakistan reiterated its political commitment to completing its action plan and implementing AML/CFT reforms. Pakistan should continue to work on implementing its action plan to address its strategic deficiencies, including by:

- 1. Adequately demonstrating its proper understanding of the TF risks posed by the terrorist groups, and conducting supervision on a risk-sensitive basis;
- 2. Demonstrating that remedial actions and sanctions are applied in cases of AML/CFT violations, and that these actions have an effect on AML/CFT compliance by financial institutions;
- 3. Demonstrating that competent authorities are cooperating and taking action to identify and take enforcement action against illegal money or value transfer services (MVTS);
- 4. Demonstrating that authorities are identifying cash couriers and enforcing controls on illicit movement of currency;
- 5. Improving inter-agency coordination including between provincial and federal authorities on combating TF risks;
- 6. Demonstrating that law enforcement agencies (LEAs) are identifying and investigating the widest range of TF activity and that TF investigations and prosecutions target designated persons and entities, and those acting on behalf or at the direction of the designated persons or entities;
- 7. Demonstrating that TF prosecutions result in effective, proportionate and dissuasive sanctions and enhancing the capacity and support for prosecutors and the judiciary;
- 8. And demonstrating effective implementation of targeted financial sanctions (supported by a comprehensive legal obligation) against all 1267 and 1373 designated terrorists and those acting for or on their behalf, including preventing the raising and moving of funds, identifying and freezing assets (movable and immovable), and prohibiting access to funds and financial services;
- 9. Demonstrating enforcement against TFS violations including administrative and criminal penalties and provincial and federal authorities cooperating on enforcement cases;
- 10. Demonstrating that facilities and services owned or controlled by designated person are deprived of their resources and the usage of the resources.

Importantly, the body noted that all deadlines in the action plan were expired.

While noting recent improvements, the FATF again expressed serious concerns with the overall lack of progress by Pakistan to address its TF risks, including remaining deficiencies in demonstrating a sufficient understanding of Pakistan's transnational TF risks, and more broadly, "Pakistan's failure to complete its action plan in line with the agreed timelines and in light of the TF risks emanating from the jurisdiction."

It had pointed out that, "To date, Pakistan has only largely addressed five of 27 action items, with varying levels of progress made on the rest of the action plan. The FATF strongly urges Pakistan to swiftly complete its full action plan by February 2020."

"Otherwise, should significant and sustainable progress not be made across the full range of its action plan by the next Plenary, the FATF will take action, which could include the FATF calling on its members and urging all jurisdictions to advise their FIs to give special attention to business relations and transactions with Pakistan."

On the other hand, Pakistan hopes to win a "largely-compliant" rating from the FATF on the implementation of its 27 action points, which might help the government get more time from the watchdog for full compliance.

https://dailytimes.com.pk/540194/pakistan-to-meet-fatfs-working-group-in-beijing-on-jan-20/

China and green finance: lessons for Pakistan

Muhammad Zubair Mumtaz

In today's world, China is experiencing severe environmental issues on account of significant industrial development. With a view of achieving the transition to environmentally sustainable economic growth, China spent enormous efforts in promoting "green finance" initiatives and pursued a comprehensive but coordinated approach to accelerate its integration of these initiatives into its financial system for the last decade and a half.

Green finance refers to the economic activities that support the improvement of the environment, which can help countries cope with climate change and optimally use the resources. In other words, it is the investment, financing and risk management of projects focused on environmental protection, energy savings, clean energy, green transportation and green building financial services.

The concept of green finance in China was introduced in 2007 when the China Banking Regulatory Commission launched its "guidelines on credit protection for energy conservation and emission reduction "to formulate a credit policy for high energy consuming, high pollution industries, and to support energy saving and emission reducing industrial projects.

In the preliminary development stage of green finance in China, green credit policies were formulated during the period from 2009 to 2014. In pursuit of these initiatives, green finance entered into a large-scale development. As a result, China announced a plan in 2016 to establish a national green finance mechanism, representing as the first country to step in a movement to help push green finance in the country and on the G20's agenda.

According to the annual report of the Climate Bond Initiative, the green bond market grew from \$36.2 billion in 2016 to \$42.8 billion in 2018

The implementation process of green finance policies in China are categorized into three phases and summarized below:

As part of its strategy, China introduced various initiatives and reforms aimed at greening its financial system to increase investments in this space. Some of the important reforms that China made were to promote green credit, green development funds and a green bond market to speed

up the country's investment in sustainable infrastructure for energy, land use and urban development.

Among the various initiatives, green bonds have shown the most rapid progress since the release of the reforms. According to the annual report of the Climate Bond Initiative, the green bond market grew from \$36.2 billion in 2016 to \$42.8 billion in 2018. In line with the objectives, Chinese firms also raised funds through the issuance of green IPOs, which is still an underdeveloped area wherein the Chinese firms have the potential to generate funds.

(Source: China Financial News Green Bonds Database)

The experience of Chinese success in green finance can be used by other Asian countries. Pakistan introduced its green banking policy in late 2017 and currently, banks are at the infancy stage of implementation. It is important for regulator(s) to arrange training sessions for both banking professionals and borrowers to increase awareness of the terms and conditions associated with this mode of financing. Also, the State Bank of Pakistan should closely monitor the green financing industry and help devise more incentives for financial institutions to promote this type of financing. Pakistan should formulate a strategy whereby companies can issue green bonds to financial institutions to raise funds. To achieve the desired objectives of green finance, the Securities and Exchange Commission of Pakistan (SECP) should also formulate a mechanism for the issuance of green IPOs for onward trading through the Pakistan Stock Exchange (PSX).

These initiatives will not only overcome the environmental issues in the country but also help provide an opportunity to raise funds under the green finance scheme. To formulate these strategies, Pakistan may collaborate with the Chinese government and experts to help build a framework for initiating green bonds and IPOs, respectively. Regulators should consider the risk management practices that may reduce the probability of default in new ventures. Under the financial literacy programme, SECP and PSX are also required to organize workshops for a better understanding of green finance.

Pakistan should look to incorporate many of the significant features of Chinese green policies to devise its own green finance mechanism with regard to its issuance of green bonds and IPOs, which will, in turn, help green companies raise funds and complete projects that are cognizant of the environmental impact of their actions.

https://dailytimes.com.pk/writer/muhammad-zubair-mumtaz/

Zong 4G to offer unlimited calls to China under CPEC initiatives

The Zong 4G has become the only network to offer unlimited calls to China. To make international direct dialing to China more convenient, Zong 4G has launched two dynamic call bundles. The China bundles have been developed to suit both pre-paid and post-paid customers and will provide ease to both private and business customers by enabling calls to China at the lowest rates in the industry.

The China bundles offer unlimited calls to China for both prepaid and postpaid customers with a weekly bundle worth PKR 250+tax for prepaid customers and a monthly bundle worth PKR 750+tax for both prepaid and postpaid customers.

Zong 4G's spokesperson said, "Zong 4G has always strived to provide its customers with unmatched and innovative products and services. As the connectivity partner for CPEC, Zong 4G has undertaken many initiatives and the launch of this bundle is in line with our strategy of connecting both private and corporate customers."

https://dailytimes.com.pk/540271/zong-4g-to-offer-unlimited-calls-to-china-under-cpec-initiatives/

Dunya News

Completion of projects under PSDP top priority: Asad Umar

ISLAMABAD— Minister for Planning and Development Asad Umar Thursday said that the government's top priority was to complete the projects under the Public Sector Development Projects (PSDP) at the earliest.

According to a statement issued on Thursday, talking to the delegation of the Rawalpindi Chamber of Commerce (RCCI) led by its President Saboor Malik, the minister said that the business community was a key player in development of the country.

Asad informed that infrastructure and energy projects under the China Pakistan Economic Corridor (CPEC), were either completed or near completion.

"Under the CPEC, the ML-1 project, costing around \$ 9 billion, will begin in the current financial year," he said adding private sector could participate in CPEC projects under a public-private partnership.

He said that the present government had spent a huge amount of 75 billion rupee on development schemes in the month of December 2019 alone under the PSDP. In the previous six months, this expenditure was around 97 billion rupee, he added.

"We have come out of the bad phase, and now working on a strategy to reduce cost of doing business and accelerate development plans," he said.

Speaking on the occasion, President Saboor Malik said that under the CPEC, the Chamber of Commerce should be consulted in the Special Economic Zones (SEZ).

"The business community understand the economic challenges and we believed that worst phase has gone and best is far away and an active response from government side is required to bridge the gap," he added.

 $\frac{https://dunyanews.tv/en/Business/528274-Completion-of-projects-under-PSDP-top-priority-Asad-Umar}{Asad-Umar}$

Pakistan Observer

China keen to import meat, potato, onion, mango, cherry from Pakistan

Chinese Ambassador to Pakistan, Yao Jing said China is eager to import meat, potato, onion, mango and cherry from Pakistan and Chinese experts will visit quarantine facilities here in February this year. Ambassador to Pakistan, Yao Jing expressed these views during his meeting with Federal Minister for National Food Security and Research Makhdoom Khusro Bakhtiar here

on Wednesday. Chinese Ambassador expressed his confidence upon Khusro Bakhtiar as former Minister for Planning & Development, viz a viz his contribution towards the expansion of phase-II of CPEC and his considerable contributions therein. He also acknowledged his dedicated efforts for giving new impetus to agricultural cooperation under CPEC. Federal Secretary, Chairman PARC and other officials of the Ministry were also present. The Ambassador further said that China wants to build stronger socio-economic ties with Pakistan; and also wants to buy more from Pakistan. Yao Jing said that China has a great demand for meat and poultry and it could be lucrative international market for Pakistan and both countries must work together for removal of technical barriers like SPS and quarantine requirements. Federal Minister Khusro Bakhtiar said that we are focusing on strategically structuring agriculture under CPEC. He added that we want enhanced productivity of cotton which has considerably plummeted, both countries could work on exchange of pest resistant, high yielding germplasm(s) of cotton and it is heartening to note that a Pak-China Centre of Excellence is going to be established in Multan with close coordination of Pakistan Central Cotton Committee (PCCC) to formulate a holistic strategy for the said purpose. Bakhtiar also apprised the Chinese Ambassador regarding the ongoing threat posed by locust and efforts to contain the menace.

https://pakobserver.net/china-keen-to-import-meat-potato-onion-mango-cherry-from-pakistan/

The News

China grants tariff concession to Pakistan under CPFTA 2nd phase

ISLAMABAD: Adviser to Prime Minister on Commerce Abdul Razak Dawood said on Wednesday that China has granted Asean countries like tariff concession to Pakistan under second phase of China Pakistan Free Trade Agreement (CPFTA).

If this CPFTA failed to deliver, the responsibility would be lying on Pakistan because China had granted concession on 313 tariff lines and now exporters would have to avail this opportunity to best of their abilities.

"It will help Pakistan increase its exports and slash down the trade deficit," Abdul Razak Dawood said in a seminar on CPFTA organized by Ministry of Commerce and TDAP here.

The Ministry of Commerce and Trade Development Authority of Pakistan (TDAP) organized in Islamabad the second of the series of countrywide seminars for apprising the business community of the business and export opportunities arising out of the second phase of CPFTA, which has become operational from 1st January, 2020.

A large number of businessmen from RCCI, ICCI, Islamabad Women Chambers, major trade associations and export sectors of Pakistan including agro-food, gemstones, jewellery, marble and stone, chemicals etc. attended the seminar. The chief guest of the event was Abdul Razak Dawood. Additional Secretary Commerce, President RCCI and President ICCI also graced the occasion.

Abdul Razak Dawood said the CPFTA Phase II can be weighed as better negotiated than the previous phase due to enhanced protection given to businessmen. Under CPFTA-II China has eliminated tariffs on 313 tariff lines, giving Pakistan benefits at par with those of Asean countries. These 313 items include textiles, engineering, chemicals, leather, food items, meat, and fisheries

besides other which comprise the major chunk of exportable items of Pakistan. Additional secretary commerce welcomed the audience. Speaking on the occasion, he briefed the audience about the second phase of CPFTA, which offers an enhanced and deeper market access to Pakistan. https://www.thenews.com.pk/print/599346-china-grants-tariff-concession-to-pakistan-under-cpfta-2nd-phase

January 17, 2020

Dawn News

Chinese cultural heritage celebrated with exhibition, performances

ISLAMABAD: The upcoming Chinese New Year was celebrated with a number of exhibitions and performances highlighting China's cultural heritage on Thursday.

Organized by the China Cultural Centre, two different activities were held to mark the upcoming Chinese Spring Festival. The exhibition, titled Chinese Intangible Cultural Heritage, went up in the main lobby of the Pakistan National Council of Art (PNCA).

The display showcased the latest developments in Chinese handicrafts and the charm of traditional Chinese culture. It also featured egg carving, dishili kites, Yu County paper cutting, Wuqiang New Year painting, Chinese Hengshui inside-painting, Chinese calligraphy and Chinese tea art.

Popular Chinese artists also performed at the event. Around 35 artists came to Islamabad from Hebei province to participate in a number of musical and dance performances.

According to the organizers, the Chinese New Year and Spring Festival is a grand festival with a seven-day holiday. As one of the most colorful annual events, the traditional celebration lasts longer – up to two weeks.

"Iconic red lanterns, loud fireworks, massive banquets and parades are key attractions not just in China but in other parts of the world too," said an organizer.

The Chinese New Year does not fall on a fixed date. In 2020, it will be marked on Jan 25.

On the occasion of the New Year, every house is decorated with bright red paper lanterns, Chinese knots, Spring Festival couplets, 'Fu' character pictures and window paper cuts.

Embassy of the People's Republic of China Cultural Counselor Zhang Heqing and Special Assistant to the Prime Minister for Information and Broadcasting Dr. Fridous Ashiq Awan were invited as the chief guests. The performances included folk dances, instrumental music, acrobatics and singing.

 $\underline{https://www.dawn.com/news/1528773/chinese-cultural-heritage-celebrated-with-exhibition-performances}$

Dunya News

Joint committee formed to explore financial package for ML-1: Yao Jing

ISLAMABAD (APP) – Chinese ambassador to Pakistan Yao Jing has said that China and Pakistan had constituted a joint committee to explore financing modalities and find appropriate financial package for the mega Main Line (ML-1) railway project.

Addressing media persons here on Wednesday night, the envoy said that due to huge financial implication, the project was facing little delays however it would not further slow down as the committee would soon finalize appropriate financial package to fund the project.

The ML-1 project is part of China Pakistan Economic Corridor (CPEC) under which, the 1,872 kilometers railway track from Peshawar to Karachi would be upgraded at an estimated cost of around US \$9 billion.

The Chinese embassy arranged a reception for media persons here in connection with Chinese Lunar Year.

Yao Jing rejected the rumors of slowing down of CPEC project saying that work on CPEC projects was being executed according to the plan.

"In fact there is no mega project being executed presently, therefore it seems that the project has been slowed down," he said adding there are lot of small projects under implementation under CPEC across the country, which are not tangible though but are very important.

He said in Gwadar city, five main projects were being executed under CPEC including a vocational training center, a 200 beds hospital, water desalination plant, and new airport.

In social, health and education sectors, he informed the media persons that there were 27 projects were being implemented under CPEC across the country.

The envoy pointed out that the CPEC had entered in its second stage where social, industrial and agriculture sectors would remain areas of special focus.

The envoy said that a number of Chinese agriculture companies were coming to Pakistan to purchase more value added agriculture products.

Further he said that as per vision of Prime Minister Imran Khan to alleviate poverty, several villages of backward areas of the country were being made model of poverty alleviation.

He further said that a new area was being included in CPEC that was science and technology to produce more high value added products in the country.

He said the Western media was up against Pak-China relations especially against the CPEC and this propaganda must be negated via disseminating the positive and true picture by media of both China and Pakistan.

The Chinese ambassador said that last year China had completed 70 years of its creation, during that time it witnessed many ups and downs with the world, however Pakistan remained the strongest, firmest and the best friend of China.

"We also celebrated 70 years of friendship with Pakistan," he said adding that after launch of CPEC, the bilateral relationship entered a new era of mutual cooperation.

 $\underline{https://dunyanews.tv/en/Business/528324\text{-}Joint\text{-}committee\text{-}formed\text{-}explore\text{-}financial\text{-}package\text{-}}\underline{ML-1-Yao\text{-}Jing}$

Pakistan Observer

China pleased over arrival of first Afghan-bound transit cargo at Gwadar port

China Thursday said it was pleased over the arrival of the first Afghan-bound transit cargo at Gwadar port as it was proven by the fact that China-Pakistan not only beneficial for both China and Pakistan but also regional connectivity and economic cooperation.

"We have noted the report. And we are pleased over new progress achieved by Gwadar port," Chinese Foreign Ministry's Spokesperson Geng Shuang said while responding to a question asked by APP during his regular briefing held here. Gwadar Port, a key component of the China-Pakistan Economic Corridor (CPEC) has started handling transit cargo to and from Afghanistan as the first ship carrying an Afghan shipment arrived at the airport this week. "We support the Gwadar port in playing a big role in promoting regional goods and trade cooperation," he remarked. Geng Shuang said that it was proven by fact that the CPEC not only beneficial for both China and Pakistan but also promoted regional connectivity and economic cooperation. According to reports, the shipment will be loaded on trucks and sent to Afghanistan through the Pak-Afghan border at Chaman.

Afghanistan has relied on Pakistani land routes as well as its ports for international trade after a bilateral agreement, known as the Afghan Transit Trade Agreement (ATTA), was signed with Islamabad.

The strategically-located Gwadar port became operational in 2016 after the Chinese investment. The deep seaport offers a shorter overland link to Afghanistan, particularly to southern regions of the country.

https://pakobserver.net/china-pleased-over-arrival-of-first-afghan-bound-transit-cargo-atgwadar-port/

Pakistan needs new technology to enhance cotton production: Chinese expert

Pakistan needs to apply new technology and benefit from the Chinese experience to enhance its cotton production, says a Chinese expert Cheng Xizhong. Quoting President of Pakistan Kissan Committee Malik Iqbal, he said cotton growers had to switch to alternative crops for survival because they can hardly afford the present production cost. He noted growing cotton was profitable a few years back, but now Pakistan is experiencing continuous rise in production cost due to massive spread of spurious pesticides and frustrated financial incentives. Currently, Pakistan has a shortfall of 5 million cotton bales, which is lower than the target fixed by Prime Minister Imran Khan for cotton crop in the fiscal year 2018-2019. According to Cheng, planting cotton is a very hard job. From sprouting to harvest season, farmers worked in the field almost every day from morning till night. Second, there were terrible diseases and insect pests in cotton. After every few days, farmers need to spray the pesticides. Insects will develop strong resistance

to pesticides. The pesticides were highly toxic and very harmful to human and livestock. He suggested that we should not plant the same crop in the same piece of land every year. The scientific way should be crop rotation. With reform and opening-up since 1978, market economy replaced command economy and the farmers of my hometown got liberated. In the early years of reform and opening up, then Chinese Premier inspected my hometown. When he learned about the extreme serious diseases and insect pests caused by decades of cotton planting and that the farmers were losing money by planting cotton, he asked "why do you continue to grow cotton?" He clearly instructed that the farmers should have the final say about what crops to plant. Later, the farmers abandoned cotton production and planted mulberry trees to raise silkworms, later they became rich. According to Cheng, there are three main natural conditions that determine the cost and yield of cotton. First, cotton is a light loving crop and needs enough sunlight; second, cotton growth needs to absorb water from the soil, if there is a drought, it will seriously affect the production and yield of cotton; third, cotton growth needs to absorb nutrients from the fertile soil. Among the world's top four cotton producing countries, China, India, the United States and Pakistan, Pakistan once had relatively advanced cotton planting technology. However, now Pakistan lags behind in the development and application of new cotton planting technologies, and the government's investment for development of new technologies in this area is also obviously insufficient, which leads to a decline of cotton yield. In the present fiscal year, Pakistan's cotton production is estimated to be 10.2 million bales, while the expected target is 15 million bales. Pakistan is both a big cotton production country and a big textile production country. Now that there is a gap of about 5 million bales, in order to maintain the operation of textile industry, it is understandable and necessary to take measures to import some cotton. But in the long run, it is necessary to solve the problems in cotton production, develop new technologies, and take measures to fully mobilize the enthusiasm of farmers to grow cotton. Cheng emphasize that research and development of new technologies is the key to solve the current cotton production problems in Pakistan, reports Gwadar Pro App.

https://pakobserver.net/pakistan-needs-new-technology-to-enhance-cotton-production-chinese-expert/

January 18, 2020

Business Recorder

Hunarmand Pakistan' programmes

Farhat Ali

Prime Minister Imran Khan, flanked by Federal Education Minister Shafqat Mehmood, launched on January 9, 2020 the Hunarmand Pakistan programme - the country's largest-ever skilled development programme aimed at enhancing the skills of youth through quality professional training.

Sponsored by the Federal Ministry of Education, the programme is part of an ambitious Kamyab

Jawan project which will facilitate youth through easy loans, professional capacity-building, startups and internships.

In the first phase, around 170,000 youth will be given professional skill-based training, of which 50,000 will be trained in areas of artificial intelligence, robotics, cloud computing and other advanced areas of technology.

Over 50,000 youth will be given training at the Technical Education and Vocational Training Authority in conventional areas including auto-mechanics, plumbing, whereas 20,000 youth will be offered apprenticeship.

The introduction of the programme is a remarkable feat, both in terms of its roll-out and the recognition by the government of the importance of vocational training for the industrial growth of the country.

It was way back in the late 1950s and 1960s that the then leadership recognized the importance of skilled manpower for the economic growth of the budding nation. It was at that time when state of art vocational training centers such as Swedish, Swiss and German training centers were established which churned out skilled talent to manage and fuel country's economic growth. In addition, the then governments motivated the corporate sector to make vocational training arrangements at their facilities as part of corporate social responsibility.

Siemens Pakistan used to regularly run an extensive and quality three-year apprentice programme where part of the pass-outs was absorbed by the company itself.

The initial push was sustained for a few years as vocational training was never a priority of any of successive governments. The vacuum to some extent was filled by private philanthropists. Pakistan missed out on a number of local and overseas opportunities for the effective employment of its youth. The China Pakistan Economic Corridor (CPEC) is one of such opportunities. In many mega projects executed by China, in the energy and infrastructure sector under CPEC, Pakistan's skilled workforce could not be much accommodated as they lack the required skills and certification as per international standards.

'Hunarmand Pakistan' is expected to deliver to the nation a trained workforce which could come up to skill levels as per international norms and practices to secure a due share of employment opportunities in the CPEC projects and other industrial and service sector. Special Economic Zones (SEZs), being established countrywide, constitute another great opportunity for our skilled workforce.

Also, for overseas opportunities, our well qualified and trained skilled workforce has a better opportunity to secure rewarding and skilled jobs as against largely menial jobs. The biggest challenge programmes however faces are its sustainability. Often the programmes rolled out by one government are ignored by successive governments more out of political short-mindedness than in the national interest.

Some of the excellent work carried out to position Pakistan's Higher Education Programme at global acceptance levels by Dr Atta-ur-Rehman was washed away by successive governments. The best guarantee for the sustainability of the programme is its fast and effective implementation

so that it is well established in the system and a bit immune to unwarranted changes. The nation looks forward to an early implementation of 'Hunarmand Pakistan' programme on ground. https://epaper.brecorder.com/2020/01/18/16-page/820681-news.html

Pakistan Observer

Faisalabad SEZ to create 70,000 new jobs in a year

The recently launched Special Economic Zone (SEZ) under China Pakistan Economic Corridor (CPEC) in Faisalabad would create around 70,000 new jobs within a year while it will also absorb as many as 400,000 skilled workers in four years. According to the estimates of Faisalabad Industrial Development and Management Company (FIEDMC), more than 400,000 trained employees would be required for different departments in the special economic zones.

After successful venture of M-3 Industrial City and Value Addition City under FIEDMC, Allama Iqbal Industrial City, a prioritized Special Economic Zone of CPEC has turned a center of attraction for investors across the globe, FIEDMC Chairman Mian Kashif Ashfaq told APP here on Friday. Approximately, more than Rs.357 billion has been invested in the Zones and the government has announced that all investors would enjoy a 10 years tax holiday and duty free import of plants, machinery, raw material and other equipment. The FIEDMC Chairman informed that for the provision of the skilled man power, an agreement was in final stage with a German institution GIZ, Fouji Foundation and Punjab Vocational Training Council.

FIEDMC will provide them land where these institutions will set up their training centers. In this regard, FIEDMC is also consulting the industry so that training to be imparted to students in accordance to their future need. Besides this, technical institutions which are already functioning would be made part of this training project for imparting training to man power, he added. Special centers would also be established to train man power on speedy track. The labor will be trained according to the need of different industrial sectors and advance job contracts would be awarded to them with this assurance that they would be employed without any delay as soon as they accomplish their training.

Meanwhile as many as 20,000 local people who have skill of spoken Chinese language would also be absorbed in the industries during the first year. Mian Kashif said that mega projects and Special Economic Zones set up in FIEDMC would be harbinger of industrial revolution in Pakistan. He said in first category, the exports oriented industry would be preferred in the Special Economic Zones followed by import substitution industry while local industry was being placed in third category of preference.

https://pakobserver.net/faisalabad-sez-to-create-70000-new-jobs-in-a-year/

KU to start degree program on Chinese language and culture

Sichuan Normal University (SNU) Vice President Professor Dr. Cai Guangjie on Thursday said SNU has established two Confucius Institutes and a Confucius Classroom in collaboration with the University of Karachi (KU), Yonsei University and Cadet College Petaro to promote Chinese language and cultural activities. Addressing on the occasion of Chinese Spring Festival Gala 2020, which was held to celebrate the upcoming Chinese Lunar New Year organized by the Confucius Institute at University of Karachi. (CIUK), she said it was encouraging to see CIUK had grown into the largest Confucius Institute in Pakistan and achieved remarkable progress with the joint support of KU and SNU and continuous contribution of its co-directors and teachers, according to a statement. The SNU was located in Chengdu, in southwest China. Since its inception in 1946, SNU had developed into a comprehensive university with over 40,000 students and 400 international students. SNU Vice President said that it was among the first nationally authorized units offering master degree programs and PhD programs in different disciplines. SNU had established exchange programs with more than 100 colleges, universities and research institutions in 25 countries. The audience appreciated the Loin Dance and a musical performance One Night in Beijing. She informed the audience that the Chinese Lunar New Year will come soon and on behalf of the SNU, she shared that Sichuan Normal University will continue to provide full support to the development of Confucius Institute. Meanwhile, the KU Vice Chancellor (VC) Professor Dr. Khalid Mahmood Iraqi, informed the audience about the development between Karachi University and the SNU. He shared that the University of Karachi and the SNU have agreed to start a four years split degree program on "Chinese Language and Culture" at the KU. He mentioned that students would complete studies of first two years at the CIUK, while they would be able to study for remaining two years in the SNU, China. "This decision was made during the sixth board's meeting of CIUK which was held at the SNU recently. KU VC Professor Dr. Khalid Iraqi said that both KU and SNU would support academic cooperation and faculty-student exchange programs. He mentioned that the KU along with Sichuan Normal University, China and Yonsei University in South Korea has formed SKY Alliance.

https://pakobserver.net/ku-to-start-degree-program-on-chinese-language-and-culture/

Yasmin assures full support to CPEC Authority

Punjab Health Minister Dr. Yasmin Rashid has assured full support for health facilities and services for the Pak-China Economic Corridor (CPEC). She met China-Pakistan Economic Corridor Authority Chairman Lt-Gen (Retd) Asim Saleem Bajwa at her office, People's Block Civil Secretariat, here on Friday. Asim Bajwa proposed that a mother & child hospital as well as one nursing college may be developed alongside the CPEC in Punjab. The minister said the department will work closely with the CPEC Authority especially the projects in cities around CPEC routes in Punjab.

She further said that location reviews may be made in future meetings. The minister nominated Primary and Secondary Healthcare Department Special Secretary Ajmal Bhatti as focal person for coordination with the CPEC Authority. "Punjab is laying special emphasis on mother and child health facilities. We have aligned our projects with the UN Sustainable Development Goals and

we are developing state of the art mother and child hospitals in Attock, Layyah, Mianwali, Bahawalnagar and Rajanpur. We plan to develop Nursing Colleges with these hospitals. South Punjab is under special focus as development indicators require serious work in these districts," Dr. Yasmin Rashid said. The minister gave a brief roundup of the health initiatives taken in Punjab in the last one year. She added that Punjab has brought over 26,000 human resources into the system and is also increasing the strength of beds in the burn centers in the province.

https://pakobserver.net/yasmin-assures-full-support-to-cpec-authority/

The Nation

CPEC an 'outstanding example' of South-South cooperation: Munir Akram

Pakistan's Ambassador to the U.N., Munir Akram, has said the flagship, multibillion dollar China-Pakistan Economic Corridor (CPEC) project is an 'outstanding example' of South-South cooperation, which is aimed at achievement of shared economic and development goals.

The Pakistani envoy was speaking at the at the annual ceremony for handover of the rotating Chairmanship of the G-77, the biggest UN bloc of developing countries along with China, at which Guyana assumed the leadership of the 134-member coalition. The State of Palestine was its previous chairman.

The developing countries, he said, must strengthen south-south cooperation so as to open new avenues and present the world an alternate development model based on inclusivity, self-respect, common endeavor, and economic independence.

"The China-Pakistan Economic Corridor is an outstanding example of south-south cooperation whose benefits are not restricted to participating countries alone, but will include the region and beyond," Ambassador Akram said at the solemn ceremony.

Referring to the unprecedented challenges facing the world, he spoke of the alarming erosion of multilateralism and international cooperation; withdrawals from international agreements and disregard for international legal norms.

"The unilateral use of force and foreign intervention have become more frequent," the Pakistani envoy said, adding, "The right of self-determination of peoples under foreign occupation is brutally denied."

In addition, there was slowdown in global economic growth under the weight of trade and technology disputes that damages efforts to realize the Sustainable Development Goals (SDGs), eradicate poverty, and combat climate change.

"While we witness a rise in per capita income; disparities and inequalities are increasing among and within countries," Ambassador Akram said.

The present model of development, he said, had delivered prosperity to many but it has not yet eliminated poverty and deprivation. Moreover, it had created unprecedented levels of inequality, and brought the world's eco-systems close to tipping points that pose an existential threat to the planet.

Over the years, the G-77 and China, which represents over 70 percent of the world's people, has shaped the discourse and outcomes of several multilateral processes on a range of issues, but now it needs to take on the challenges head on, the Pakistani envoy said.

The G-77 should demand that developed countries change their production and consumption patterns and encourage public and private investments that are aligned with the SDGs, while addressing anomalies in the global financial system to make it people-centered and provide opportunities to developing countries by honoring their right to development.

"In the wake of receding global flows in foreign direct investment, a significant acceleration is required to meet the investment needs associated with the sustainable development goals," he said. Also important was the fight against illicit financing flows and return of stolen assets, international tax and customs cooperation, sharing of data, financing for development, and reducing debt burden of developing countries through a more democratic and equal system.

"While we underline the importance of Official Development Assistance (ODA), we also need to build a business case to generate investment in sustainable development," Ambassador Akram said.

While Information and communications technologies could help in surmounting development challenges, he called for securing due share of the developing countries in taxes generated through monetization of data belonging to them.

No single type of investment was more essential for the achievement of the SDGs than infrastructure including energy, transport, communications and social infrastructure, the Pakistani envoy said.

"As a group, our unity remains paramount. We need to safeguard our basic principles, such as the 'right to development' and 'common but differentiated responsibilities' (CBDR), Ambassador Akram said.

"We must ensure that the global development discourse remains people-centered, committed to leave no one behind and reach the farthest behind first."

https://nation.com.pk/18-Jan-2020/cpec-an-outstanding-example-of-south-south-cooperation

Pakistan considers China's achievements in poverty alleviation as model: President Alvi

China has successfully lifted more than 800 million people out of poverty, which is a great achievement without parallel in history, and Pakistan is learning from China's experience, Pakistani President Arif Alvi said.

"Pakistan has learnt three things (from China): better health for its people, better education for its people and then equal opportunities to be provided to the people," the president said here Friday in an interview with the Chinese media.

That whoever is sick should be taken care of is the basis of poverty alleviation while good education and equal opportunities of participation will accelerate social development toward prosperity, and Pakistan is learning from China in terms of meeting the basic life needs of people and providing vocational training for the youth, Alvi said.

Talking about the Pakistan-China friendship, Alvi said there is no limit to the development of the good relations, and besides the smooth cooperation between the Pakistani and Chinese governments, there is a friendship between the two peoples which is itself unique. "If you go out and talk to people in Pakistan on the streets, you will find China as the top ranking friend of Pakistan."

Both Pakistan and China attach great importance to "morality and justice" in their exchanges and the China-Pakistan friendship is such an example, he noted.

The China proposed Belt and Road Initiative has given a roadmap for economic cooperation globally, said the president, adding that China invests in Pakistan with no strings attached, and relevant projects which have benefited Pakistan regarding infrastructure and energy, will bring a bigger change to the country in terms of socio-economic development.

The Belt and Road Initiative, proposed by China in 2013, refers to the Silk Road Economic Belt and the 21st Century Maritime Silk Road, aims at building trade and infrastructure networks connecting Asia with Europe, Africa and beyond.

The implementation of the protocol of the second phase of the free trade agreement between Pakistan and China will increase the trade volume between the two countries, which means "there is more cooperation at every level" and Pakistan is also learning from China in the field of special economic zones, the president said.

The cooperation between Pakistan and China is without strings and is solely for the purpose of peace, economic growth and prosperity of the people, which the world can learn from, he added. https://nation.com.pk/18-Jan-2020/pakistan-views-china-s-achievements-in-poverty-alleviation-as-model-president-alvi?show=preview

China leads as top foreign investor in Pakistan

China continued to be the leading country in terms of Foreign Direct Investment (FDI) in Pakistan during the first half of the current fiscal year from July to December 2019, said the State Bank of Pakistan on Thursday.

According to a report released by the country's central bank, China retained its top position with a total investment of 501 million U.S. dollars during the said period.

Inflows of the FDI into Pakistan from China dropped over the last few quarters, but the Chinese investment jumped to 336.4 million U.S. dollars in December 2019.

Pakistan's Minister of Planning, Development and Reform Asad Umar said last month that the second phase of the China-Pakistan Economic Corridor (CPEC) would bring billions of dollars as foreign investment, especially from China, for industrialization, agriculture and socio-economic development in Pakistan.

Norway appeared as the second leading investor in Pakistan with an investment of 318.5 million U.S. dollars during July-December 2019 followed by Malta that invested 111.1 million U.S. dollars during the said period.

The data revealed that the overall net FDI into Pakistan increased by 68.3 percent to 1.341 billion U.S. dollars during the first half of the current fiscal year as compared to 796.8 million U.S. dollars in the same period of the last fiscal year, said the central bank.

https://nation.com.pk/18-Jan-2020/china-leads-as-top-foreign-investor-in-pakistan

January 19, 2020

Pakistan Observer

Speaker NA Asad Qaiser welcomes China's decision of backing Pakistan over Kashmir

PESHAWAR The Speaker of the National Assembly Asad Qaiser Saturday welcoming the decision of China by backing the Pakistan's request not to change the status of Jammu and Kashmir and asked India to response to the members of the United Nations Security Council. It is pertaining to mention here that recently, China backed Pakistan's request for the United Nations Security Council to discuss India's decision to revoke the special status of Jammu and Kashmir, asking for the body to meet behind closed doors Beijing charters its grave reservation over India's Kashmir policy and is justifiably opposed to New Delhi's move on Kashmir, especially its decision to carve the Ladakh region out of Jammu and Kashmir State and administer it federally. The Chinese government spokesperson called the move "unacceptable" and said that it would help Pakistan in defending "its legitimate rights and interests" in the Kashmir region. Speaking at the media men during the inauguration ceremony of the free medical camp in Marguz, Swabi and Speaker National Assembly Asad Qaiser said that China has always supported Pakistan and extended it support for Kashmir issue. He thanked China and underlines the commitment that Pakistan-China friendship is an unbreakable He said that India has planned to set up Nazi-style detention centers in occupied Kashmir. Speaker of the National Assembly Asad Qaiser said that the task force has been handed over the flour price reduction task and this year 300,000 tons of wheat would also be imported. He said that a total of Rs.96 million fines were imposed during the proceedings against 376 flour mills, licenses of 15 flour mills and wheat quota of 180 flour mills were suspended. https://pakobserver.net/speaker-na-asad-qaiser-welcomes-chinas-decision-of-backing-pakistan-

over-kashmir/

The Nation

Digital economy to accelerate development of Pakistan: Chinese expert

BEIJING - There is a great growth potential for Pakistan's e-commerce and e-commerce policy makers will focus on small and medium sized enterprises (SMEs), improving e-commerce experience, developing online stores, offering job opportunities for youth, promoting exports, and vigorously developing digital economy.

At the same time, the State Bank of Pakistan will accelerate the construction, application and promotion of domestic and international online payment systems, Cheng Xizhong, Prof. at Southwest University of Political Science and Law wrote in his article published in China Economic Net.

Recently, at an e-commerce policy forum hosted by Federation of Pakistan Chambers of Commerce and Industry (FPCCI), a senior official from the Ministry of Commerce stated that Pakistan's e-commerce sales in 2018 stood at Rs 40 billion, which almost doubled the sales of 20.7 billion in 2017.

Among top e-commerce platforms in Pakistan, Daraz is the most famous. It was founded in 2012 and wholly acquired by Alibaba in 2018. The second is Hamariweb, which mainly provides clothing and electronic products for users. Third, Goto Online Shopping, headquartered in Karachi, is an all category e-commerce platform, and its electronic products are most popular with consumers.

It is a good thing that State Bank of Pakistan will accelerate the development of online payment systems, so definitely it will adopt corresponding policies.

Domestically, online payment system should be developed first in big cities such as Islamabad, Karachi and Lahore, then medium sized cities and small towns, and finally in vast rural areas, to gradually extend the online payment system in the whole country.

Globally, priority should be given to the development of online payment system to China, United States, Europe, Middle East and other countries and regions according to the closeness of trade relations.

Another development is that a Chinese Customs delegation has visited Federal Board of Revenue (FBR) and held detailed discussions with Pakistani Customs officials in Islamabad.

The two sides agreed that they would make an all out effort to expedite clearances of agricultural products, under the proposed Green Corridor, at Sust Dry Port, Pakistan and Khunjerab Dry Port at Tashkurgan on the Chinese side, in a bid to promote the China-Pakistan agricultural trade.

The two sides agreed to establish a customs cooperation mechanism, enhance border management cooperation, and nominate focal persons to have liaison and regular meetings and will strengthen customs electronic data exchange and actively resolve the problem of statistical differences in trade data.

In addition, the two parties will strengthen cooperation in customs management experience exchange and human resources training.

In 2013, China and Kazakhstan established a "green channel" for the rapid clearance of agricultural products, which was the first fast clearance channel for the import and export of agricultural products established by China and neighboring countries.

Since then, China has successively established "green channels" with Mongolia, Russia and other Central Asian countries.

China and Pakistan are also expecting to establish a `green channel' from many years. With the "green channel", the clearance time of agricultural products will be greatly shortened, especially perishable agricultural products can get preferential customs clearance treatment after meeting the customs clearance conditions.

At present, China's e-commerce platform is highly developed, but some neighboring countries are still unable to do sharing with China due to their backward status. If Pakistan would like to realize data sharing with China, it must accelerate the development of e-commerce platforms.

In recent days, there are lots of good news in the development of the China-Pakistan trade and economic relations: first, the free trade agreement has been upgraded, and the proportion of zero tariff products will gradually increase from 35% to 75%; second, the agreement on a "green channel" will be signed soon to achieve the rapid clearance of border agricultural products. https://nation.com.pk/19-Jan-2020/digital-economy-to-accelerate-development-of-pakistan-chinese-expert

CPEC and economic revival

Ahsan Munir

Pakistan is a populous country with a youth bulge, is in need of jobs. At present, our economy needs stimulus: some big economic projects which could provide jobs to the youth, consume local industries capacities and help improve local industries' quality, productivity, and technology. China sponsored China-Pakistan Economic Corridor (CPEC) is one such project with an investment portfolio of \$60 billion, which could jump start our economy and has been heralded as 'game changer' for our economy. The CPEC project could be broken into two clear phases: first phase involves establishment of rail and road linkages from Gawadar to China, and establishment of SEZs along the CPEC. Second phase would involve generation of long term economic activity through transit of goods between Gawadar and China, and export of goods by companies established in SEZs through Gawadar port. Most of the committed investment through CPEC is targeted at improving generation capacity and transmission capability in the energy sector of Pakistan. Recently, a Chinese company has shipped power equipment to Pakistan for the country's first USD \$ 1.7 billion worth of transmission project under the CPEC framework.

However, it is not clear how Pakistan will benefit from rail and road linkages and SEZs established under CPEC framework? Will Pakistan end up as a transit route for goods, or will actively integrate its local industries with economic activities related to CPEC. For instance, in energy projects have our heavy industrial sector (such as Heavy Mechanical Complex (HMC), Heavy Industries Taxila (HIT), Pakistan steel mills been engaged to consume their capacities? and whether help has been provided to them to upgrade their HR, technological and production capabilities? And what is their share of the total value of project? Recently, it has been pointed out that Pakistan's industry lacks productive capacity and skilled manpower, and does not have requisite technology to integrate with Chinese companies. Thus, it is not clear what level of economic activities would be generated in Pakistan through CPEC e.g. what level of local skilled manpower would be employed, and what would be value addition to our local industry through CPEC.

Therefore, the Government of Pakistan (GoP) needs to initiate few steps. First, engage local industries to attune them to the requirements of CPEC project requirements. Second, make amendments, if necessary, in CPEC project framework to train and employ local skilled workforce, and consume local industries production and help upgrade their technologies, if the GoP wants to lessen rampant unemployment in the country.

https://nation.com.pk/19-Jan-2020/cpec-and-economic-revival

January 20, 2020

Daily Times

CPEC Phase-II opportunities unveiled (Part-I)

Syed Ali Imran

International Relations are now more based on mutual economic benefits. However, China -Pakistan relationship has no such limitations but have a proven track record of brotherhood between the two neighbouring countries. On all international fronts both countries support each other whereas Pakistan, often seeks China's help in United Nations (UN) and at other International Organizations like Financial Action Task Force (FATF) for getting decisions in its favour by using China's voting rights. Now when China has started working on revival of ancient Silk Route known as One Belt One Road (OBOR) or Belt and Road Initiative (BRI)it considered Pakistan for its pilot but the most important project which is named as China Pakistan Economic Corridor (CPEC). This corridor will connect China to Indian Ocean through Pakistan's Gwadar Port situated in its province Baluchistan and consists of two major routes known as Western and Eastern Route. CPEC is a 15 years plan, to be completed in three phases, with initial cost estimated to \$46 Billion Dollar which is believed to increase with addition of new sub projects mostly related to infrastructure. Each phase of this project is a 5 year plan with a dead line of completion till 2030. Lately last year Prime Minister Imran Khan has started second phase of this game changer project which includes development of Special Economic Zones (SEZs), revision of Free Trade Agreement (FTA II), agricultural cooperation, relocation of Chinese industries into Pakistan, Public Private Partnerships for business prospects and employment opportunities. Development of Vocational Training Institutes, water supply, providing Health and education in remote areas of Pakistan are also included in this phase.

After the implementation of the second phase, the number of export goods from Pakistan has been raised to 1047 products to China on zero duty

Allama Iqbal Industrial Zone, Faisalabad, is the first special economic zone under CPEC, ground breaking of which has recently been executed by Prime Minister (PM) Imran khan. It is expected that that the establishment of first zone will create more than 300,000 jobs whereas it will attract investment around Rs.400 Billion in sectors like automobiles, value added textiles, engineering, pharmaceutical, food processing, chemicals, construction material and packaging.7 other Economic Zones are on CPEC priority list which will be located in Sindh, Balochistan, FATA and Islamabad. During the 9th meeting of Joint Cooperation Committee (JCC), it has been decided to start ML-1 railway project within 6 months from the date of JCC. This project is one of the most important projects under CPEC phase-II. It entails a complete infrastructure overhaul of the 1,680 KM railway tracks from Karachi to Peshawar. After the upgrade, the speed of trains is expected to increase from 65 to 105 KM/H, which will reduce the travel time between the two cities considerably. China and Pakistan has established the Joint Working Group (JWG) on Social Economic Development to focus more on agriculture, education, health, poverty alleviation, water

supply and vocational training for betterment of general public of Pakistan. Both side signed MoU on CPEC Socio Economic development and sorted out 27 priority projects regarding the same. 17 out of these projects will be commencing soon this year. Gwadar, the focal point of CPEC will host three social economic development projects which include Pak China Friendship Hospital, Pak China Technical and Vocational Institute at Gwadar and New Gwadar International Airport. China Pakistan Free Trade Agreement II (CPFTA-II) is the major part of second phase of CPEC which is better negotiated by present regime as compared to FTA-I that resulted in trade imbalances between the countries. The second phase of CPFTA-II has been initiated on 1st January 2020 which will allow Pakistani manufacturers and traders to export around 313 new products on zero duty to Chinese markets, the status enjoyed by ASEAN countries. China is exempted from import duties for 6,786 items. Apparently, it seems that China is on better position if we may compare the numbers however it is pertinent to mention here that 41 percent of Pakistan's global exports was liberalized in FTA-I which has now been increased up to 83 percent with new agreement. Similarly, Pakistan's exports to China were liberalized by around 35 percent in Phase-I, while 91.3 percent in Phase-II that covers 88 percent of Chinese global imports. Both sides agreed 67 percent liberalization in terms of trade volume for Pakistan and around 90 percent for China. After the implementation of the second phase, the number of export goods from Pakistan has been raised to 1047 products to China on zero duty.

https://dailytimes.com.pk/542559/cpec-phase-ii-opportunities-unveiled-part-i/

Dawn News

GIKI Institute, Chinese varsity discuss collaboration

SWABI: The Ghulam Ishaq Khan Institute of Engineering Sciences and Technology and Harbin Engineering University (HEU) of China on Sunday agreed to collaborate in the field of science and technology.

The agreement came at a meeting between a visiting delegation of HEU led by Prof Qiao Gang (Vice Dean, College of Underwater Acoustic Engineering), and a GIK team led by Rector Jehangir Bashar.

The delegates considered different avenues for collaboration between the two universities that included studies on glaciers, climate change, artificial intelligence (AI) and robotics, sonar imaging technology, underwater applications and use of smart technology in hydel power-related projects. Student and faculty exchange programmes and joint research in various areas were also agreed upon.

The Chinese delegation gave details of their experience in water-related research, including underwater acoustics that could be shared for the benefit of Pakistan that has immense water potential.

Management and solution of sedimentation in the dams also came under discussion.

Shakil Durrani, executive director Society for Promotion of Engineering Sciences and Technology in Pakistan, briefed the Chinese delegation about the continuous sedimentation in Tarbela Dam

causing erosion of storage capacity, and identified it as one of the possible research areas for both the universities.

Earlier, Jehangir Bashar, Rector GIK Institute, expressed the gratitude to the Chinese delegates for visiting Pakistan and selecting GIK as a partnering university.

The delegation paid the return visit after a high-powered delegation of Pakistan to China. https://www.dawn.com/news/1529394/gik-institute-chinese-varsity-discuss-collaboration

Pakistan Observer

Special shuttle train service to be launched for workers of CPEC SEZ

The workers of the recently launched special economic zone (SEZ)-Allama Iqbal Industrial City in Faisalabad will have a special shuttle train service which would run between various nearby areas and the industrial city. The service is part of providing maximum facilities to the people working in industries of the SEZ, an official of FIEDMC told APP. He said the FIEDMC had completed the initial negotiation with the Pakistan Railway to start a shuttle train for laborers and employees who travel from different parts of the city to reach special economic zones. Allama Iqbal Industrial City is a prioritized SEZ project of Faisalabad Industrial Development and Management Company (FIEDMC) which is also first SEZ of China Pakistan Economic Corridor (CPEC).

It has been decided that the FIEDMC will bear the expenditures of buying train for this service whereas Pakistan Railways will lay the railway track at its own expenses, the official added. He informed that under this project four or five new railway stations would also be constructed for the laborers and employees of Allama Iqbal Industrial City, M-3 Industrial City and Value Addition City. Meanwhile, he added that FIEDMC had also planned to construct a state of the art hospital having capacity of 500 beds for the medical treatment of laborers and employees of economic zones and besides this, a labor colony with all civic facilities would also be constructed to fulfill the need of labor class. In this regard, around 10,000 residential units would be constructed at the initial stage. This project would be completed in four phases with the collaboration of Naya Pakistan Housing Scheme. Later on, a Jamia mosque will also be built which will be master piece of Islamic architecture, he added. After successful venture of M-3 Industrial City and Value Addition City under FIEDMC, Allama Igbal Industrial City, a prioritized Special Economic Zone has turned a center of attraction for investors across the globe. Approximately, more than Rs.357 billion has been invested here and all investors will enjoy a 10 years tax holiday and plants, machinery, raw material and other equipment will be imported dutyfree.

https://pakobserver.net/special-shuttle-train-service-to-be-launched-for-workers-of-cpec-sez/

The Nation

Pak-China friendship to reach greater heights in 2020: Ambassador Hashmi

Pakistan's Ambassador to China, Naghmana Hashmi has hoped that the friendship between China and Pakistan could reach even greater heights in 2020.

"As Chinese President Xi Jinping has himself said that Pakistan and China have a very unique all weather strategic cooperative partnership which is like no other relationship between two states in the world," she told China Global Television Network (CGTN).

She said the relationship between the two countries was gaining strength day by day and added, "But this relationship and its strength is also good for the entire region in particular and world in general."

Ambassador Hashmi said, "We would like to see this friendship reach in even greater heights in 2020.

https://nation.com.pk/20-Jan-2020/pak-china-friendship-to-reach-greater-heights-in-2020-ambassador-hashmi

The News

FATF Working Group meeting: Pakistani delegation reaches Beijing

ISLAMABAD: A Pakistani delegation has arrived in Beijing for highly important three-day face-to-face talks with the global money laundering watchdog Financial Action Task Force (FATF) Working Group that would start on January 21.

There is a possibility that voting might be done to consider Pakistan's exit from the 'grey list', sources told The News on Sunday. If Pakistan does not come out of the 'grey list', it is expected to win a 'largely-compliant' rating from the FATF regarding implementation of 27 recommendations given in its Action Plan that can help it acquire more time from the watchdog for full compliance. "India is trying hard to move Pakistan to the 'black list' but expected support from China, Turkey and Malaysia would pour cold water on its efforts," the sources said. The Pakistani delegation is headed by Minister for Economic Affairs Division Hamad Azhar and comprises representatives of National Counter Terrorism Authority (Nacta), Foreign Ministry, State Bank of Pakistan (SBP), Customs, Interior Ministry and Financial Monitoring Unit (FMU). Pakistan already sent a 650-page review report to the FATF on January 8 in reply to 150 questions raised by the FATF and now the Pakistani delegation would present details about the steps taken from October 2019 to January 2020 keeping in view the recommendations of the FATF Action Plan.

The FATF announced on October 18 last year that it would retain Pakistan on its 'grey list' for four months after which Pakistan might face action if it failed to make any significant progress on the inter-governmental body's 27-point Action Plan.

 $\underline{https://www.thenews.com.pk/print/601409-fatf-working-group-meeting-pakistani-delegation-reaches-beijing}$

January 21, 2020

Business Recorder

Murad spells out Sindh govt's priority projects under CPEC

KARACHI: Sindh Chief Minister Syed Murad Ali Shah has said that his government was keen to start a number of projects under CPEC but his top priority projects include Karachi Circular Railway, Dhabeji Special Economic Zone and Keti Bandr, and hoped that the federal government would support him to launch these projects.

This he said while talking to a 22-member federal parliamentary delegation led by MNA Sher Ali Arbab who called on Sindh Chief Minister Syed Murad Ali Shah here on Monday at CM House to evolve consensus for the CPEC-related projects to be launched in Sindh.

The other delegation members were Ghous Bux Maher, Noor Alam Khan, Sadaqat Ali Khan Abbasi, Senator Ahmed Khan, senator Hilal-ur-Rehman, Senator Chaudhry Tanveer, MNA Zile Huma, Murtaza Javed Abbasi MNA Mehnaz Akbar Aziz and others. The Chief Minister was assisted by Chief Secretary Mumtaz Shah, PSCM Sajid Jamal Abro, Secretary Finance Hassan Naqvi, Secretary Investment Najam Shah and others.

Chairman CPEC Parliamentary Party Ali Arbab said that Socio-economic development Projects under CPEC has reached to US\$ 1 billion. He added that he wanted an overall development of projects under CPEC in Sindh, he also discussed other Initiatives under CPEC and challenges and hurdles in executing the projects under CPEC in his meeting with the Chief Minister. It was pointed out that MoU was signed between Ministry of Planning Development & Special Initiatives and China Development and Cooperation Agency (CIDCA) on 3rd November, 2018. In response to the MoU, all provinces shared their projects in six identified areas.

Sindh Chief Minister Syed Murad Ali Shah said that his government shared 29 projects in areas of Education, TVET, Health, Poverty Alleviation, Clean Drinking Water, Agriculture Livestock & Fisheries.

Chairman CPEC parliamentary body said that from the shared projects of all provinces, 27 projects were identified as priority projects and of these, 17 projects were identified as fast track projects. From 17 fast track projects, seven projects have share for Sindh, two of these projects were in agriculture, two in education, one in health, and two in TVET.

The two Fast Track Agriculture projects include China-Pakistan Joint Agriculture Technology Laboratory and China-Pakistan Joint Agriculture Demonstration Stations.

The Chief Minister said that for the Sindh's projects in agriculture, Chinese experts visited Sindh on December 15th, 2019 to discuss agriculture projects and to do field visits. The Sindh government was asked to give concurrence for agriculture projects, which was given on 10th January, 2020, Murad Ali Shah said and added progress on remaining five Fast Track projects of Sindh was waiting for Chinese visit.

Murad Shah said that project preparation would commence after their visit. They include Smart Classrooms for education, overseas Student Scholarship Programme, provision of Medical

Equipment and Supply for Hospital(s), Vocational & Technical Schools up-gradation and Vocational & Technical Teachers' capacity building.

The Chief Minister said that overall there were three projects included in CPEC for Sindh Province. They were Karachi Circular Railway (KCR), Dhabeji Special Economic Zone and Keti Bandar. Talking about KCR, Murad Ali Shah said that on the request of Sindh government, KCR was included in CPEC on 3rd December, 2016; alongside Sindh government's requested for provision of sovereign guarantee to KCR, like it was accorded to Orange Line Lahore project handing over Karachi Urban Transport Company (KUTC) to Sindh government, transferring of land along with KCR route alignment to KUTC. He added that it was included in CPEC and Prime Minister had accepted the requests except the transfer of land.

Shah said that the project was approved and included in 6th JCC with instruction to get it approved on Pakistan's level. Project was approved by ECNEC for US\$1.97 billion on 6th October, 2017. The KCR has been part of all JCCs and TWG meetings and in all meetings, it was stated a feasible and viable project but there were major obstacles need to be removed, he said and added these include sharing of Framework Agreement by PD&SI with NDRC; sovereign Guarantee by Finance Division, Concession Finance request to Chinese Government by Federal Government and Right of Way for KCR at common corridor between ML-1 and KCR. The Chief Minister said that he has been writing to Ministry of PD&SI, EAD, Finance, Communication, Pakistan Railway and the Prime Minister since 2017 but the issues were still not addressed.

The Chief Minister said that in 9th JCC meeting conducted on 5th November, 2019, KCR was again discussed and the Sindh government was asked to submit the request of financing again; which he did through a letter written on 13th November, 2019.

Dhabeji Economic Zone: Talking about Dhabeji Special Economic Zone, the Chief Minister said that this government has earmarked 1530 acres of land to be developed as Dhabeji Special Economic Zone (DSEZ) in Thatta, a Priority Project under China-Pakistan Economic Corridor (CPEC).

He said that the location at Dhabeji has advantages such as easy access of Port Qasim enabling raw material import and finished goods export without incurring major inland transportation costs and saving time. Easy access to Karachi Airport (35 Km) via National Highway enabling safe travel of foreign workers and management personnel and direct access to the National Highway enabling the transportation of goods to upcountry and Central Asian nations utilizing the National Trade Corridor.

https://epaper.brecorder.com/2020/01/21/6-page/820997-news.html

Daily Times

CPEC Phase-II opportunities unveiled (Part-II)

Syed Ali Imran

According to adviser to the Prime Minister on Commerce and Textile Abdul Razak Dawood free market access of 313 Pakistani items would bring US\$ 6 billion exports growth. Major beneficiary

of CPFTA-II will be textile sector of Pakistan. According to a report in Deccan Herald, FTA between Pakistan and China has already dented India's cotton yarn exports after Indian cotton exports declined by a massive 38.8 percent during the first six months of the current fiscal year that ended in September 2019 feeling the heat of conclusion of second phase. There is an import duty ranging from 3.5pc to 5pc on cotton yarns imported from India into major markets like China. Concessions to Chinese exports to Pakistan under CPFTA-II would be applicable on the import of crude oil, palm stearin, RBD Palm oil, palm olein, pure breeding animals, meat of goats, fish, yogurt, whey powder, butter, dairy spreads, cheese, honey, vegetables, mushrooms, green tea, black tea, rice, beverages, gold, silver, varnishes, artificial staple fibers, vehicles parts, satellite communication equipment, radio navigation apparatus, parts/accessories for cable TV/satellite receivers, energy saving lamps, cameras, energy saving tubes, components for the assembly/manufacture of vehicles in any kit form and other items specified in FBR's SRO 1640(I)/2019. While going through the list, it is very much apparent that the list includes those items which Pakistan is already producing however more in volume and less in value. On the contrary items which Pakistan is not producing may be less in volume but more in value to resulting a Trade Deficit yet the impact will be much lower than that of previously executed FTA. In addition to Tariff realignment CPFTA-II protects domestic industry of Pakistan and includes enforcement mechanism of electronic data exchange to avoid under invoicing of imports from China which will curb trade based money laundering between the two countries. Moreover, Pakistan and Chinese customs administrations have principally agreed to implement 'Green Corridor' a fast track customs clearance system exclusively for speedy clearances of the perishable agricultural products, under the proposed Green Corridor at Sust-Khunjerab border.

Though, Pakistan is moving swiftly towards imports from China on RMB basis to avoid Dollar fluctuations, yet it should learn from the outcome of such technological developments so that it may be equipped enough to pace up with its neighbors.

Revival of Chinese ancient silk route is endangering the supremacy of sole super power United States of Amercia (USA). It will increase outreach of China into other continents connecting through this route via land and sea. Asia, Middle East, Africa, Central Asian Republics, Europe and Russia will become connected to China which will lead to more trade activities between the countries. Recently a major development in this region has unveiled. Russia and China launched a giant gas pipeline linking the countries for the first time. The 3,000-kilometre (1,850-mile) pipeline will supply China with 38 billion cubic meters of gas annually when fully operational in 2025. Now when China's influence in International Trade is increasing by each passing day, it will be required that the hegemony of Dollar for transaction purpose may be checked so that unnecessary control from Dollar based watchdogs may be avoided. China may become the first country in the world to roll out its own digital currency which will be called "DCEP" (digital currency electronic payment) based on decentralized blockchain technology however with certain controls unlike other crypto currencies. Though, Pakistan is moving swiftly towards imports from China on RMB basis to avoid Dollar fluctuations, yet it should learn from the outcome of such technological developments so that it may be equipped enough to pace up with its neighbors. If

implemented successfully, It will ease out transactions with such countries which otherwise are not possible due to intermediary role of US Dollar.

https://dailytimes.com.pk/543031/cpec-phase-ii-opportunities-unveiled-part-ii/

Dunya News

Significant progress on minerals sector in current year: Asad Umar

ISLAMABAD- Minister for Planning and Development on Tuesday said the government was fully focused on exploiting the enormous mineral resources in the country and a substantial clear progress on this issue would be seen in year 2020.

"Prime Minister Imran Khan has also assigned me a portfolio of special initiative under which three major sectors including mineral sector have been included," he said, adding Pakistan's mineral sector had a massive potential and the nation would see a significant progress in this sector during the current year.

Addressing the All Pakistan Chambers Presidents' Conclave 2020, the planning minister said Public Private Partnership (PPP) would be promoted to successfully exploit the mineral resources in the country.

The Conclave organized by Islamabad Chamber of Commerce and Industry (ICC) gathered traders with an objective to highlight the business related issues.

During an interactive session between the businessmen coming from across the country and the government, a businessman from Gwadar Chamber of Commerce and Industry asked the minister to initiate efforts to exploit the precious metals buried under Reko Diq.

The minister said mineral sector was very near to his heart which was one of the most prioritized sector.

Asad Umar said Pakistan's fiscal space was very limited and in near future there was no chance of creating enhanced fiscal space.

He said there was a time when share of federal government development fund was over 7 percent in the country's Gross Domestic Production (GDP), at present it was even below 2 percent.

He said in order to accelerate economic activities, the government was emphasizing on promoting PPP.

The Public Private Partnership in Pakistan is not new but apart from energy sector in which a large scale implementation have been seen recently, no other sector has witnessed a major share through the PPP.

He, however, expressed the government's resolve to promote this sector by including a range of sectors.

He said the PPP Authority was announced years ago but could not become functional due to non appointment of Chief Executive Officer (CEO) and non approval of rules for the authority.

"Due to efforts by the incumbent government, new CEO of the authority has been appointed while its rules would also be approved by next week," the minister informed the participants.

Responding to a businessman's request for building gas and electricity infrastructure in the newly launched Special Economic Zone (SEZ) in Faisalabad under China Pakistan Economic Corridor

(CPEC), the minister informed that while chairing a meeting today, he had approved additional funds of Rs 6.8 billion for this purpose.

Meanwhile, responding to question of the participants, Chairman Federal Board of Revenue (FBR) Shabbar Zaidi said the matter of tax filer and non filer was being abolished gradually.

The ICCI president called upon the government to simplify the taxation system saying that there should be only three taxes that is income tax, sales tax and custom duty.

Shabbar Zaidi added that FBR had four taxes in total and federal excise duty was being phased out gradually to merge it in sales tax.

He admitted that filing a tax return was a complicated issue which can never be too easy to be filed by a raw person.

However, he said the FBR was automating the system which would allow the filers to file their income or sales tax return online without physically interacting with the FBR officials. "This practice will help reducing corruption, tax evasion, and harassment of the businessmen by anyone."

With respect to trade with Afghanistan, the chairman FBR said the matter was under discussion with ministry of commerce.

Advisor to the Prime Minister on Institutional Reforms and Austerity Dr Ishrat Hussain said the issue of trade with Afghanistan had become political in nature as Afghanistan was not happy with Pakistan due to rejecting its request to open Wagah border for Afgahn goods through Torkham border.

As a result, Afghanistan had increased tariffs on Pakistani goods which resulted in reducing Pakistan's exports to the neighboring, he added.

https://dunyanews.tv/en/Business/529023-Significant-progress-on-minerals-sector-in-current-year-Asad-Umar

Pakistan Observer

Learning from China

Prof. Atta-Ur-Rahman

On 10th January 2020, President Xi Jinping addressed thousands of scientists in the great Peoples Hall and honored 9 foreign scientists with the highest scientific award of China, "the International Science and Technology Collaboration Award" of China. It was a truly humbling experience to receive the highest honor from President Xi himself in recognition of my services to build strong network of collaborations between China and Pakistan in many key scientific fields such as Artificial Intelligence, Virology, Hybrid Seed Production, Traditional Chinese Medicine, Genomics and many others. In 2014 I had received the Friendship Award from President Xi, and I had been elected as Academician (Foreign Member) of the Chinese Academy of Sciences, the highest Academic Honor of China. On 24th of October 2019, a very special function was held at the Hunan University of Chinese Medicine in the city of Changsha, in Hunan province of China when a large 6 story research institute was named after me on the occasion of a major international

conference. I was told that it was the first building to be named after a Muslim scientist in China, It was named as the "Academician Professor Atta-Ur-Rahman One Belt and One Road Traditional Chinese Medicine (TCM) Research Center". The function was attended by our Federal Minister of Science and Technology, Mr. Fawad Hussain Choudhary. In a recent report, published in the world's leading science journal Nature, it was highlighted that "From 2000 to 2017, R&D spending in the United States grew at an average of 4.3% per year But spending in China grew by more than 17% per year during the same period. Several other countries, including Germany and South Korea, also increased their spending at rates that outstripped that of the United States, but they remain solidly behind the two global leaders in terms of total funding. The United States accounted for 25% of the US\$2.2 trillion spent on R&D worldwide in 2017, and China made up 23%. Preliminary data from 2019 suggest that China has already surpassed the United States in R&D spending", Unquote. My first visit to China was in 1974 when I delivered a lecture at the Shanghai Institute of Organic Chemistry. Even then China had begun to acquire leadership positions in some fields. The first synthesis of insulin was accomplished at that institute by Prof. Wang Yu. Massive investments in training of human resources since 1978 has propelled China as among the leading countries in the world in many fields of science, including nanotechnology, quantum computing and artificial intelligence. The amazing developments in the field of science and technology in China during the last 3 decades, has demonstrated that nations like Pakistan must give the highest priority to education, science engineering and to innovation in order to emerge from the shackles of poverty and deprivation. China focused on Foreign Direct Investment for the joint production and export of high technology products. The stunning average GDP growth rate of 8-11% since became possible through acquiring advanced technologies from abroad and training manpower in top foreign universities to a level that has grown to 600,000 per year. About 500,000 trained students are now returning to China each year. As a result China has become a world leader in many cutting edge technologies and it has set up many highly ranked universities. A key factor of Chinese success has been the encouragement by the Chinese government to start their own companies. The Torch Program started in 1988, provided massive funds to such enterprises and encouraged scientists working in government institutes to start businesses with government funding. A historic "Decision" taken by the State Council of China in 1999 was to take a number of measures to boost scientific enterprises. These included: (a) tax breaks to private Enterprises investing in R & D, (b) tax exemption for all income derived from the transfer or development of new technologies, (c) a reduced 6% value-added tax rate for software products developed and produced in China (d) complete VAT exemption and subsidized credit for hightech exports, and (e) the listing of new high-technology companies on the Shanghai and Shenzhen stock exchanges. Pakistan must do the same. We must also establish a major national Innovation Fund. The Innovation Funds and Science and Technology Promotion Funds were created in China for the promotion of R&D activities. Starting from 6.3 billion Yuan in 1978, the allocation was systematically increased to 124.4 billion Yuan in 2004 and to over 200 billion Yuan in 2018. In the subsequent Five Year Plans, the government has continued to emphasize the improvement of R&D capabilities and the development of its indigenous technology. This has successfully

contributed to upgrading its industrial structure. The Chinese government's R&D policy has nurtured indigenous innovation capability; developed an enterprise-center technology innovation system and promoted the innovation capabilities of Chinese rms. This has contributed to huge development of technology-intensive industries in China and resulted in increased exports of hightech products. These include computers and telecommunications products which constitute the major share of the total high-tech exports of Special Economic Zones. In my recent meeting with the Chinese Minister of Science and Technology, H.E. Mr. Wang Zhigang, it was agreed that a joint China-Pakistan Committee should be set up for manufacture and export of high technology products involving Chinese and Pakistani industries. This could be a game changer for Pakistan if we can persuade leading Chinese industries to establish manufacturing operations in Pakistan under the CPEC initiative. Pakistan needs to embark on the same road as that taken by China. We must start a programme to send at least 10,000 students annually to top universities of the world and attract them back through excellent salaries, research funding and infra-structure. This will allow us to develop top Centers of Excellence in emerging technologies that are predicted to have an impact of US \$ 100 trillion over the next decade. This requires complete commitment from our visionary Prime Minister so that Pakistan can embark on a road to developing a strong knowledge economy, as achieved by China. The author is the Former Federal Minister of Science & Technology, former Founding Chairman of HEC and Co-Chairman of UN ESCAP Committee on Science Technology & Innovation.

https://pakobserver.net/learning-from-china/

Sea-Guardian 2020: Joint naval exercise demonstrated to world unshakable friendship between Pakistan-China

The recently concluded Pak-China joint naval exercise 'Sea Guardian' demonstrated to the world the unshakable traditional friendship between two all-weather friends and strategic cooperative partners, according to an article published by 'China Military' the PLA's only official Englishlanguage news website. The nine day bilateral naval exercise code-named Sea Guardians-2020 held near Karachi was the 6th bilateral naval exercise between China and Pakistan. Based on multiple practical exchanges, the two navies have developed a set of methods of organizing and carrying out joint exercises on the sea, and their capability of organizing and commanding joint maritime operations has been greatly improved, with a high level of coordination in commanding, communication, tactical moves and fire attacks. The exercise included both traditional and nontraditional subjects. In addition to discussions, exchanges and demonstration during port training, there are up to 16 subjects in the maritime drill phase, featuring the largest number, widest coverage and fastest pace of all bilateral joint exercises over the years. Aiming to enhance the Chinese and Pakistani militaries' capability of jointly coping with maritime terrorism and crimes, the joint exercise designed realistic subjects commensurate with the weapon and equipment performance and technical and tactical level of the two navies. Participating troops of both sides credited the exercise for improving their training effects and methods. Ten vessels of various types

with the total tonnage of over 55,000 tons were mobilized in the joint exercise, but they differed widely in technical performance.

Meanwhile, the Chinese and Pakistani participating officers and soldiers faced other difficulties such as language barriers, unsmooth communication and poor meteorological and sea conditions. However, they made rigorous preparations and coped with the obstacles flexibly, not only accomplishing several highly demanding subjects, but also ensuring the security and success of the exercise in general. Both the Chinese and Pakistani sides demonstrated complete trust during the exercise, and all services, contingents, disciplines and departments of the participating troops held discussions and exchanges in a confident and candid way.

They also boarded their counterpart vessels to observe their tactics and presentation, assigned observers to participate in each other's vessel exercises, and exchanged weapons for shooting experience. During the exercise, Chinese and Pakistani soldiers had friendly basketball, football and tug of war competitions, organized deck receptions, and presented souvenirs to each other. The Chinese participating troops received warm welcome from the Pakistani host, and were invited to visit the Mazar-e-Quaid, otherwise known as the National Mausoleum, the tomb of the founder of Pakistan, Muhammad Ali Jinnah, military museum, naval museum, and so on. Before the exercise, the Chinese Ministry of National Defense held a press conference to announce the dates and contents; and both sides proactively released exercise information and progress while it was in process. When the participating vessels berthed at the port for rest and replenishment, the Chinese side invited military officers, government officials, overseas Chinese and representatives of Chinese organizations in Pakistan to visit their vessels and take photos while onboard.

https://pakobserver.net/sea-guardian-2020-joint-naval-exercise-demonstrated-to-world-unshakable-friendship-between-pakistan-china/

Sino-Pak agri cooperation: A way forward China to build green corridor in second phase of CPEC

China will build green corridor to further galvanize mutual opportunities of cooperation and development through joint cooperation in the second phase of China Pakistan Economic Corridor (CPEC).

Dr. Gu Wenliang, Agricultural Commissioner from Embassy of People's Republic of China said this while speaking on the occasion of a Roundtable on "Sino-Pak Agriculture Cooperation-Way Forward" organized by Centre for Belt and Road Initiative and China Studies-Institute of Peace and Diplomatic Studies in collaboration with the Commission on Science and Technology for Sustainable Development in the South (COMSATS). The roundtable was to highlight and promote the ongoing Sino-Pak Cooperation in the Second Phase of CPEC engaging the stakeholders in the discussion about how to benefit from ongoing cooperation in the agriculture sector and also helping the decision-makers in collaboration. Dr. Gu highlighted cooperation in agriculture research, crops, variety technologies, improvement in agriculture products and building a green corridor.

Chairman of Board of Investment KPK Hassan Daud also addressed on the occasion and highlighted the framework of cooperation under CPEC in agriculture and socio-economic development.

He emphasized co-branding and co-marketing of agri-based products and livestock. Dr. Muhammad Azeem, Chairman, Pakistan Agriculture Research Council (PARC) Ministry of Food Security and Research presented the overall Agriculture potential and avenues of cooperation with China. He has also emphasized the need to enhance a variety of corps and development of labs and training centers necessary for building the capacity of the researchers and farmers alike. Waqas Burki, Capability Manager, Fatima Group, spoke about the global ranking of Pakistan in Corps production. He has also highlighted the fact that there is a strong need for revitalizing the overall agriculture corps and production mechanisms through digitization and technology use. The audience included the Ambassadors, Diplomats from different countries, various companies, academics, research scholars, media persons and members of the civil society.

 $\underline{https://pakobserver.net/sino-pak-agri-cooperation-a-way-forward-china-to-build-green-corridor-in-second-phase-of-cpec/}$

The Express Tribune

Exchange of trade teams key to boosting commerce

LAHORE: Trade boost is linked to the exchange of trade delegations, therefore, private sectors of Pakistan and Vietnam should focus on this particular area, suggested Vietnam Ambassador Pham Hoang Kim.

Speaking at the Lahore Chamber of Commerce and Industry (LCCI), he termed the exchange of business delegations a must to explore each other's market.

"There should be regular interaction between chambers of commerce of both countries," he stressed. "Pakistan and Vietnam have strong diplomatic relations and entrepreneurs of both sides should have business-to-business meetings to strengthen mutual trade relations."

Regarding business visas for Vietnam, the ambassador pointed out that there must be an invitation or immigration proposal given by a business partner from Vietnam.

He asked the LCCI and Vietnam Chamber of Commerce and Industry to join hands in order to arrange visits of trade delegations and promote business activities between the two countries.

Speaking on the occasion, LCCI Vice President Mian Zahid Jawaid Ahmad highlighted the investment opportunities in the Special Economic Zones being set up under the China-Pakistan Economic Corridor (CPEC).

"It is encouraging to note that in a span of 10 years, Vietnam has become an important trading partner of Pakistan," he pointed out. "Among major importing and exporting countries of Pakistan, Vietnam stands at 27th and 18th positions respectively."

The balance of trade is in favour of Vietnam. In 2018, the trade deficit of Pakistan stood at \$69 million.

"From 2017 to 2018, the bilateral trade fell from \$717 million to \$633 million," he said. "This was due to 24% decrease in imports from Vietnam while Pakistan's exports to Hanoi remained unchanged at \$282 million."

Pakistan's exports to Vietnam mainly comprise frozen fish, woven fabrics of cotton, oilcake, leather, oilseeds and frozen meat whereas its imports include electrical equipment, dried vegetables, tea, manmade filaments and frozen seafood.

The LCCI vice president was of the view that regular exchange of trade related information between the two countries could prove vital in enhancing the bilateral trade volume to \$1 billion.

"Commercial sections of our missions have to play a key role in this connection," he remarked.

"By exchanging trade delegations and organizing single country exhibitions in each other's country, we can explore the hidden trade potential."

He was of the view that the economic development achieved by Vietnam over the last 10 years was a perfect case study for Pakistan. In 2009, he elaborated, the total trade volume of Vietnam was \$127 billion, which expanded to \$480 billion in 2018.

"We are keen to know about the economic policies implemented by Vietnam that have produced such wonderful results," the chamber official said.

https://tribune.com.pk/story/2141084/2-exchange-trade-teams-key-boosting-commerce/.

Pakistan's free trade deal with China unlikely to yield much

KARACHI: Although Pakistan has got a mammoth opportunity to increase its exports by billions of dollars under phase-II of the China-Pakistan Free Trade Agreement (CPFTA-II), experts fear that the dream may not materialize due to shrinking economy and de-industrialization in the country.

"Pakistan may not be able to take advantage of opportunities under CPFTA-II," said Federation of Pakistan Chambers of Commerce and Industry (FPCCI) President Mian Anjum Nisar and Vice President Sheikh Sultan Rehman in a statement.

"We may not be able to reap benefits under CPFTA-II despite elimination of duties on 313 tariff lines covering most of Pakistan's exports," said the FPCCI chief.

He pointed out that during phase-I of the China-Pakistan FTA, the balance of trade remained greatly in favor of China, which managed to export 57% of its product lines while Pakistan could take advantage of only 5% of its product lines.

Pakistan exported approximately \$2.1 billion worth of goods every year in the first phase while imports from China stood above \$17 billion that created a trade gap of roughly \$15 billion in favor of China.

The FPCCI vice president questioned as to how the country could benefit from the agreement when it did not have surplus products to export due to the shrinking economy.

He highlighted the fact that industrial output was declining because of de-industrialization over the past few years.

Serious issues like high interest rate, frequent increase in power and gas tariffs, shortage of gas for industries, abrupt changes in government policies, rampant smuggling, delay in refunds to exporters and an overall hostile environment are making it difficult for the industries to sustain their existence.

"I agree to a great extent [with the FPCCI president] as in 2019 China gave us additional access for \$1 billion but we could not benefit from it," said Prime Minister's Economic Advisory Council member Dr Abid Qaiyum Suleri while talking to The Express Tribune.

"We can only increase exports by \$300 million just because we do not have anything to sell."

An official of the Commerce Division said "there are two ways of working in an international market; first is that you have a product and you try to get access to the market of a country while the other is you first take market access and then get investment in production."

Once the country got the access, the financiers would come and invest in the product as they could see the market ahead of them.

"There are only around 75 out of 313 products under the FTA which Pakistan doesn't have the capability to produce while the rest it can produce; it is just a matter of time," he added.

Explaining, the official said if China imported those 313 products from anywhere else, they would be expensive and Pakistan could make them cheaper, therefore, Pakistan had the capacity and business sense, which would result in increased trade soon.

"This FTA may produce results in future as investors possibly will come and make investment in those goods which can be exported to China," said Suleri.

The FPCCI president urged the government to urgently develop a robust industrial policy that would lead to massive industrialization in the country, encourage research and development, innovation, diversification and development of new products, improve quality standards and enhance technical skills of the labor force.

He also urged Chinese companies to enter into joint ventures with Pakistani manufacturers and relocate their industries to the Special Economic Zones. "These efforts will significantly raise industrial output, enabling Pakistan to take advantage of CPFTA-II," he said.

https://tribune.com.pk/story/2141116/2-pakistans-free-trade-deal-china-unlikely-yield-much/

Demystifying China-Pakistan FTA

Hasaan Khawar

Under the second phase of the China-Pakistan Free Trade Agreement (CPFTA-II), China has immediately eliminated tariffs for Pakistan on 313 high-priority tariff lines. The government is celebrating its success, whereas the critics are questioning the relevance of these concessions for Pakistan. It is therefore important to take an objective look at these concessions and answer some pertinent questions.

What was the applicable duty on these 313 tariff lines before signing the CPFTA-II? Does China import these products and does Pakistan have any capability to export them? What are the most promising export opportunities for Pakistan and how can we capitalize on them?

The applicable duty on these 313 products ranged from 3.5 to 35 per cent, which has now been brought down to zero, and these products do form an essential part of China's import bucket. In fact, China imported 311 out of these 313 tariff lines, within the last three years. In 2018 alone, China imported about \$67 billion worth of goods across 301 tariff lines from within this group.

Pakistan, on the other hand, exported 167 of these tariff lines to the world in 2018, accounting for more than a quarter of its exports, and 86 tariff lines to China, claiming 47 per cent of its China-export bucket. Our exports to the world signify that we do have manufacturing capacity for these products, and we are competitive enough to export, whereas our exports to China further imply that we already have an established Chinese market in these categories.

There are two types of trajectories that can be taken from here: expand the volume of exports in the existing product lines or expand and diversify our product offering to China to include products not previously exported.

It is interesting to note that 95 per cent of our exports within these 86 lines concentrated only on 10 products, belonging to four categories: cotton yarn; apparel and clothing accessories; sheep and goat leather; and frozen flat fish. Therefore, while all these 86 lines would immediately benefit from zero duty, the most benefit will be enjoyed by these ten products. However, without reversing the declining cotton crop or reviving the struggling textile industry, even cotton yarn or apparel exports are not going to be a win.

The real opportunity therefore would be to use the concessions to expand and diversify our export offering. Looking within these 313 tariff lines, the top Chinese imports with about \$35 billion import market do include promising opportunities such as the \$5.5 billion gear shifts of motor vehicles with previously 10 per cent duty; \$4.2 billion frozen meat with 6 per cent duty; \$2.6 billion food preparations with 18.4 per cent duty; billion dollar markets for cherries and footwear with previously 5 per cent duty, etc. It is now for the private sector to explore these areas and focus on new product markets that have opened up.

The government also needs to put its act together. It needs to spread awareness and provide diagnostics especially around these massive new promising segments. Pakistan, for instance, does export frozen meat, food preparations and milk and cream (in solid forms) to the world, but not to China. There is a need to explore why not. If there are any non-tariff barriers, those need to be addressed. Similarly, for products like gear shifts and auto parts, where we have the manufacturing footprint but not exports, there is a need to use the newly developed special economic zones (SEZs) to bring in investment and technology to plug into global value chains in the automotive industry. If we do it right, there is no reason why Pakistan cannot break into the big Chinese market and become an important trading partner with China.

https://tribune.com.pk/story/2140998/6-demystifying-china-pakistan-fta/

January 22, 2020

Business Recorder

Pakistan, China and the wild, Wild West

Pakistan and China have just broken ground on a brand new free trade deal, allows competitive market access for both countries across thousands of product lines. Pakistan's potential exports-as quoted by the Advisor to the PM, Razzak Dawood-are somewhere between \$4 and \$6 billion. These are certainly precious dollars Pakistan needs, but it would seem our existing strategy is

rather restricted. In fact, if we were to spread our wings a little, a trade deal with China could have multiplicative effects on Pakistan's exports, not only in dollar value but in terms of markets. There is certainly a lot of attention of researchers and policymakers in understanding and gaining access to the mammoth market that China represents, and that cannot be discounted. This work is certainly important because even though exports grew substantially in the previous FTA, the deal left much to be desired in terms of Pakistani industries reaching their export potential. But a 10year deal with China should stand for slightly more. For starters, policymakers have to start viewing imports (and researchers have to start studying imports) as a strategic tool to not only bring down costs of production for domestic producers but to also consider a whole new range of value-added products Pakistani industries could be manufacturing-using Chinese inputs or intermediary goods (read more: "Examining Pakistan-China FTA's vital signs", Jan 17, 2020). On a similar trajectory, Pakistan needs to think about gaining access to more markets, and leveraging existing linkages with other economies while using the China FTA. A classic example is Pakistan's access to the European Union markets through the concessional GSP plus status. Though Pakistani textile and garments have found a promising market in Europe, where Pakistan enjoys 10-14 percent duty advantage over other competitors (Vietnam, China, India etc.), there is a wide range of products including leather, footwear, sportswear, surgical instruments, plastics, agri products, processed food etc. which Pakistan could be gaining exports share in.

Even within textile, it is evident that Pakistan needs to penetrate the global synthetics products market which have overtaken cotton. In fact, synthetic or man-made fibers (MMF), particularly polyester staple fiber (PSF) has substantially replaced cotton-based fiber production. But Pakistan has not climbed the bandwagon and as a result is limiting itself to only some products. There is heavy protection in Pakistan against PSF and synthetic fibers for the local polyester industry-that remains underdeveloped. In fact, there are anti-dumping duties in place on synthetic textiles inputs by major suppliers including China.

A special report published by the SBP argued: "Just a rough comparison of tariff structure on synthetic raw-material with other countries indicates that while major players in value-added exports are encouraging cheap influx of the raw material, Pakistan is still protecting its domestic value chain. Pakistan is only importing fibers and that too at a very high tariff rates compared to other countries". Quoting Navid Hamid and Ijaz Nabi, the report says: "[this] prevent firms from diversifying their product range or reaching out to new high-end clients".

That is one product space that requires discourse and attention. There are definitely several others which may not be as controversial, which require an in-depth analysis. Researchers can be mapping product lines and spaces by comparing import concessions to China against export concessions Pakistan enjoys in the EU and other important markets. This opens the door to new investment, more diversification, potential value-addition, and even entry in to global and regional value chains. It also makes a case for Chinese industries moving to Pakistan under the Special Economic Zone (SEZ) structure or otherwise, and the targeted investment that is required there. https://epaper.brecorder.com/2020/01/22/1-page/821139-news.html

30 firms evince interest to develop Dhabeji SEZ

KARACHI: As many as 30 national and internationally reputed companies have showed their keen interest to develop Dhabeji Special Economic Zone, which is a project of CPEC near Karachi at Dhabeji.

It is to mention here that Sindh Special Economic Zones Management Company (SEZMC), a company working under the umbrella of Investment Department Government of Sindh has invited bids through national and international newspapers for selection as the developer of Dhabeji Special Economic Zone.

In response of the said advertisement of Government of Sindh, as many as 30 renowned companies having national and international repute have shown their deep interest to work as the developer of the said zone.

In this connection, the Sindh Investment Department has arranged a pre bid meeting with all the interested companies, here at a local hotel

Secretary Investment Sindh Najam Ahmed Shah, Chief Executive Officer of (SEZMC) Abdul Azeem Uqaili, members of the Board of directors of SEZMC and their consultants attended the meeting besides representatives of interested companies were participated in this meeting.

On this occasion and in response to the queries of the interested companies, the Secretary Investment along with his team of SEZMC provided detailed information to them. It was decided after repeated requests and demand of the companies that the date of submission of bids has been extended till April 20 this year.

https://epaper.brecorder.com/2020/01/22/3-page/821156-news.html

Dawn News

Blacklisted firms got CPEC project contracts, says Wells

ISLAMABAD: Senior US diplomat Alice Wells on Tuesday renewed criticism of China-Pakistan Economic Corridor (CPEC), impliedly urging Islamabad to rethink its involvement with it.

Amb Wells' speech at a think tank event, which was attended by members of academia and representatives of civil society, criticized the flagship project of China's One Belt One Road Initiative.

She alleged that there was no transparency in CPEC projects, claiming Pakistan's debt burden was growing due to the Chinese financing.

While her arguments looked like a repeat of the remarks she had earlier delivered at the Wilson Centre in Washington on Nov 21, 2019, the claims were renewed during her Islamabad trip a few days after Foreign Minister Shah Mehmood Qureshi sought closer engagement and a robust trade and investment relationship between Pakistan and the US.

FM Qureshi had also sought help from the US to get the country off the Financial Action Task Force (FATF) grey list.

While reiterating the allegations against CPEC, Amb Wells said companies blacklisted by the World Bank had got contracts in the CPEC.

The US diplomat also questioned the immunity from prosecution for the newly formed CPEC Authority that served as the focal body working to identify new areas of cooperation and projects, besides facilitation, coordination and monitoring of ongoing projects.

About the debt problem, Amb Wells insisted that Chinese money was not assistance. By getting Chinese financing for the projects, Pakistan was buying expensive loans and as a buyer it needed to be aware of what it was doing as this would take a heavy toll on its already struggling economy, she contended.

The diplomat also touched on the cost escalation in railways ML-1 upgrade project. The link connects Karachi with Peshawar. She urged the government to be transparent about the mega project.

A Foreign Office statement, meanwhile, said US Acting Assistant Secretary of State for the Bureau of South and Central Asian Affairs Alice Wells met Foreign Secretary Sohail Mahmood.

The agenda of the meeting largely comprised bilateral issues including the prospects of intensifying political engagement and expanding economic partnership. "It was emphasized that a strong trade and investment relationship was key to advancing the shared vision of the leadership of both countries for a long term, broad-based and enduring partnership," the statement said.

While talking about human rights abuses by Indian troops in the occupied Kashmir and Delhi's aggressive actions against Pakistan, including intensified LOC ceasefire violations, Mr. Mahmood emphasized the need for international community to play its role for ending the rights violations and peaceful resolution of the dispute.

About peace and stability in Afghanistan, the foreign secretary reaffirmed Pakistan's resolve to continue to support the peace process and pursue positive development in Pak-Afghan relations. Pakistan also remained committed to supporting the efforts for de-escalation of tensions and promoting the prospects of a diplomatic way forward on the differences and disputes in the Middle East, he said.

In a meeting with Special Assistant to the Prime Minister Nadeem Babar at the energy ministry office, Amb Wells said the US was ready to enhance cooperation with Pakistan in the energy sector especially in the renewable energy. Mr. Babar proposed cooperation in tapping Pakistan's Shale reserves, specialized training, investments in LNG infrastructure development, renewable energy and other avenues.

https://www.dawn.com/news/1529774/blacklisted-firms-got-cpec-project-contracts-says-wells

Pakistan Observer

CPEC, its implications on sustainable development of Pakistan

CPEC would remain an important driver for economic policies environment for the future years. The project is set to make major contributions to Pakistan's economy by connecting the distant production hubs to the country's ports. Mr. Bruno Macaesis, Senior Advisor at Flint Global and a former Europe Minister of Portugal, explored various dynamics of BRI relating to the economic, commerce and geo-political aspects of this grand project, during his lecture at COMSATS Secretariat Islamabad. The author of 'The Dawn of Eurasia: On the Trail of the New World Order',

Mr. Macaesis the author of several books on international affairs. The lecture was jointly organized by the Commission on Science and Technology for Sustainable Development in the South (COMSATS) and Global Think Tank Network (GTTN) under a Distinguished Guest Lecture Series. The lecture was attended by a number of officials from academia, COMSATS Secretariat and GTTN, including Dr. S. M. Junaid Zaidi, Executive Director COMSATS; Mr. Owais Ahmad Ghani, Former Governor for Baluchistan & KPK; Dr. Shoaib Suddle, Pakistan's Former Federal Tax Ombudsman; and Dr. Akram Sheikh, Chairman of the Board GTTN and former Federal Minister/Deputy Chairman Planning Commission of Pakistan.

https://pakobserver.net/cpec-its-implications-on-sustainable-dev-of-pakistan/

CPEC needs to invest for high-end maritime tourism

Naureen Fatima

With an immense maritime tourism potential on a serene coast line of more than 1000 km with sandy & sunny beaches, it is the right time for Pakistan to take an initiative for the development of high-end tourism which is possible on different sites alongside the Sindh and Baluchistan coast, under the umbrella of China-Pakistan Economic Corridor (CPEC). The high-end tourism means to ensure the presence of superior services of the best quality with a variety of products for tourists in a convenient, comfortable, peaceful and engaging manner. Foreign tourists demand a few set of services which include: personalized service, good quality beds with good quality linen for comfortable sleep, a reliable transport system to commute, comfortable vehicles, a number of good quality local traditional as well as foreign cuisines along with a relaxing environment, exclusivity, professional staff, and safe and secure environment.

There might be difference of opinions about the fate and initiation timeframe of high-end maritime tourism in Pakistan due to various reasons such as the prevailing security environment in Baluchistan and provision of basic necessities. It may be an early step in Pakistan, where maritime tourism is apparently not visible. However, it is critically important to realize that the time has now come for the Government to take visionary steps with proper strategies and action oriented plans in the tourism sector, for which the maritime segment is highly important in order to get results in a shorter time period of time.

The sustainable coastal livelihood and poverty alleviation is an important agenda and the Government of Pakistan also has an obligation under the Sustainable Development Goals (SDGs) 1 & 11. The government's slogan and actions for initiation of high-end tourism on 2-3 sites can bring impulsive development by stimulating and encouraging Small and Medium Enterprises (SMEs) development in designated areas for which stakes of local investors would then be high. The trust of local entrepreneurs would also be enhanced in Government policies with the inclusion of private investment in hospitality services; development of such model sites would ultimately attract a large number of foreign and domestic tourists in a shorter time span. Additionally, the Government's initiative under CPEC for the high-end tourism will create some amazing job opportunities for the uplift of livelihood of coastal communities and will definitely boost the economy of the country.

For the initial projects, it would be wise to develop high-end tourism resorts, water sports and other related activities under CPEC on 2-3 identified locations based on a cluster approach for different nearby sites and types of tourism products. The best potential cluster sites may be the Kund Malir in Baluchistan and Keti Bunder in Sindh. Development of these potential sites will create a quantum impact on Pakistan's economy. It is the right time to strategize and initiate parallel interventions so that Pakistan's maritime tourism can be a big success in shorter time span of 5 to 7 years unlike Maldives success over 3 decades.

Nani Mandir, a Hindu temple at Hingham is one of the largest Hindu pilgrimage places in Pakistan with more than 250,000 visitations for Hinglaj Yatra in spring season every year. Different highend tourism products including good hospitality services, hot air balloon joy rides for the scenic beauty of geological formations in the area, wildlife including bird and crocodile watching, water sports activities, historical museums and other related activities can be introduced in the area by establishing it as part of Kund Malir Cluster Site, which is a sunny, sandy beach in Baluchistan located on Makran Coastal Highway and in Hingol National Park.

The geological formations have wonderful weathered structures including the one artistic master piece named as Princess of Hope by eminent Hollywood actress Angelina Jolie during her visit to this naturally beautiful area near Buzi Pass. Apart from hot-air balloon ride, tourist can do a lot of other activities such as photography with movie shoot, paragliding, hiking and camping to enjoy wilderness. At Kund Malir, different leisure activities including water sports activities, scuba diving, parasailing, hotels, motels, restaurants, model tourist village, camping sites, hiking trails and wildlife watching spots can be developed. With the development of this site, not only Hindu communities but also domestic & foreign tourists will equally enjoy the area with a religious, joyful and relaxing environment. This will also create better livelihood opportunities for the coastal communities.

Now, the question arises about how the aspirations for a high-end maritime tourism along Pakistan's coast can be materialized? To me, it would be wise for the National Tourism Coordination Board (NTCB) to play its vibrant role in mobilizing and linking CPEC investment with this intervention. The Baluchistan Coastal Development Authority (BCDA) and Government of Sindh should be taken on-board with effective coordination. Pakistan Navy and other security agencies can play their significant role towards the security environment in the region. The Pakistan Navy can also complement and strengthen BCDA for the development of maritime tourism products.

As part of its National Strategy Paper, NTCB should explore policy avenues and waivers/incentives in coordination with provincial governments so that public or private sector investors can also enter into these amazing and in the long run good rewarding interventions through many possible ways. BCDA or the Government of Sindh both can also initiate Public Private Partnership (PPP) projects on BOT basis for which arrangements with CPEC or any other investment windows may also be explored and process be initiated in accordance with the guidance under PPP Authority Act 2017. An early response under CPEC can produce significant results. Fiscal incentives in the form of tax holidays can be provided to the investors through lease agreements with the mutual

consent of Baluchistan Coastal Development Authority and Sindh Provincial Government, and where required, the inclusion of the Federal Government. In case if required, Pakistan needs to develop better lease instrument by comparing Maldives.

—The writer is a Maritime Researcher at National Institute of Maritime Affairs (NIMA), Islamabad.

https://pakobserver.net/cpec-needs-to-invest-for-high-end-maritime-tourism/

BRI: Catalyst for global peace & economic prosperity

Brig (Retd) M.Khan

Ever-since China announced the 'Belt and Road Initiative' (BRI) in 2013, two dominant opinions are being debated at international level on this massive global project. The optimists believe that BRI is a unique, incomparable and colossal global project which connects Asia through Eurasian region with Europe and Africa with a lot of promises. This class of international relations' scholars considers BRI as a mega-project, aiming at improving regional and global connectivity and cooperation through development of communication infrastructure among countries lying on the ancient Silk Road and beyond.

The pessimists on the other hand, visualize BRI from the perspective of growing Chinese influence. This class of political scientists believes in the zero-sum game; the Chinese gain is directly proportional to their losses in the wider arena of international politics. At the global level, the Chinese rise is being viewed with a lot of skepticism by sole superpower and its allies. They see the Chinese rise as a threat to the existing world order, where the superpower has the flexibility of imposing its will, as and when it desires. Nevertheless, so far the Chinese rise has been more pronounced in the economic sphere where the US is its biggest trading partner at the international level while Japan is its major regional trading partner in East Asian region. Even India enjoys the status of a major trading partner of China with over \$100 billion bilateral trade annually. This reflects that Chinese rise is peaceful, all-encompassing and beneficial for all. Chinese economic development has been beneficial for the neighbors like 'a rising tide lifts all boats'.

In the post-cold war era, US/EU have been the leading beneficiaries of Chinese economic development and trade between East and West. As per Office of United States Trade Representative, China is the largest trading partner of US in goods. Besides the US, the EU and China are two of the world's prime traders. Despite economic cold war between top two economic giants, in November 2019, the US and China agreed to finalize a trade deal which includes rolling back of a portion of the tariffs, which they have been placing on each other's products. Such a deal would bring an end to the trade war between two global powers, providing opportunities for other states to benefit from the tension-free global economic environment. In the East Asian region, China and Japan are rapidly coming out of the past strategic rivalry through a renewed economic cooperation. After 2012 military build-up both sides have realized that regional rivalry and antagonism is not in favor of any state. Indeed, such an approach has benefitted external power centers while damaging the regional integration.

According to Chinese officials, trade between China and Japan has risen in the last few years, entering into double digit (8.1%) in year 2018. In the same way, bilateral trade between South

Korea and China raised by 11.8% in the same period. In a bid to redefining the ASEAN's economic and security environment through BRI, China has invested over \$500 billion in the region in five years from 2014 to 2018. The opportunities through BRI have drastically changed the regional economic outlook and ASEAN's perception about China. Upon completion of BRI initiated projects, ASEAN's diverse economies will be reoriented with a new and more vibrant outlook in the broader Asia-Pacific region; the emerging hub of international politics and global economic centers.

In South and Central Asian regions, there are major stakes with regard to BRI. Through BRI the Eurasian Heartland could come out from its global isolation to international mainstreaming. In South Asia, CPEC, the first flagship project of BRI has opened new vistas for the economic development and greater regional cooperation. Upon its completion in 2030, the impact of CPEC will be felt not only in Pakistan and China but, all regional states including those creating hurdles through undesired motives and unfounded bases.

Away from the power politics, under the changing global and regional geopolitical environment, BRI acts as a ladder to attain much needed global peace and much desired economic prosperity by building the long-awaited and essentially vital communication infrastructure. Infrastructural development, as envisaged in BRI is equally needed by developed and developing world. However, BRI is taking extra care of developing world, especially the poor countries.

In today's world, poverty, underdevelopment and inequality are ostensibly intractable problems, eagerly awaiting sustained and durable resolutions. Indeed, economic development must proceed for addressing the concerns of all those affected. As a mega-project, BRI is aiming to enable grounds for all countries to revamp, modernize and kick start their economies and provide jobs to their unemployed masses for shrinking the angst in order to create an all-inclusive international society. This unexplored dimension of BRI would act as a potential source for reducing the growing trends of militancy and radicalization in the broader Eurasian region, ME and Africa, otherwise considered to be the militancy hit areas. In this way, BRI will be instrumental in bringing peace and cooperation among the communities from different regions of the world for achieving 'shared growth through collaboration', the essence of President Xi Jinping's vision.

Although, we are looking at the brighter promising dimensions of BRI, there are substantial international challenges, confronting this gigantic global project as well. All these challenges can be tackled gradually and through a comprehensive approach of an all-encompassing model. In this socio-economic developmental model, the underdeveloped states must be taken on board while addressing their cultural, religious and nationalistic sentiments. In a nutshell, from the perspective of social constructivism, BRI offers greater prospects for global peace and economic prosperity, therefore, let's join hands for a peaceful and stable economic order which provides the opportunities for a win-win situation for all.

https://pakobserver.net/bri-catalyst-for-global-peace-economic-prosperity/

The Nation

Industrial upgrading and SEZs along CPEC

Ahsan Munir

CPEC has been termed as 'Game Changer' by incumbent and previous governments. It has been claimed that numerous special economic zones (SEZs) proposed along the CPEC route will have a positive effect on the economy of the country.

A vital role of SEZs is to contribute to industrial upgrading and increased economic activity in host country. SEZs have played an important role in the industrial upgrading and technology transfer in newly industrialized East Asian economies, especially in South Korea, Taiwan, Malaysia and the Philippines. These governments promoted tools which help in technological upgrading of various local industrial sectors, and being part of value chains of higher end technological firms in SEZs is one such tool.

These East Asian economies ensured that foreign firms in SEZs only import high end technology not existing in the country, transfer the knowledge associated with the imported technology and train local manpower on imported technologies. Also, these economies ensured that local firms were engaged in value chain of high end firms established in these SEZs. This had spillover effects over whole of economy as new technologies and skills acquired in SEZs helped to increase overall quality, productivity of various industrial sectors of these economies.

Thus, it needs to be ensured that in SEZs being established along CPEC, our technical workforce including engineers, are trained and employed, and our local firms are made part of value chain of foreign firms in SEZs. If the local firms and workforce are not involved and trained, then knowledge related to technologies will not be transferred and we will continue to assemble things at the best, as has happened in auto sector which was liberalized in nineties but is still assembling autos.

Further, it needs to be ensured that technologies introduced by foreign firms in SEZs are neither low tech, nor near obsolescence, or harmful to environment, as these factors inhibit industrial upgrading of host country. Foreign firms might bring low tech industry with better production and management techniques, but these factors are not a source of sustained competitiveness in the international market. Also, near obsolete technology will leave the host country with SEZs which would fail in few years, and the host will be left with financial liabilities and the problem of disposing off the obsolete technology, which may also have adverse environmental effects.

Thus, technological upgrading is the need of hour for our industrial sector, which is, at present, more obsessed with grabbing incentives, waivers and special trading status at international level. The government should associate incentives and waivers with successful technological upgrading for better value added products, both at sector and firm level; and accordingly form policies, at national and regional level, to ensure that CPEC SEZs help in technological upgrading and diversification of our local industry. Accordingly, key performance indicators (KPIs) need to be introduced to monitor the efficacy of SEZs in promoting industrialization and employment in Pakistan, and exit mechanisms need to be in place to stop ill designed programs at early stages.

https://nation.com.pk/22-Jan-2020/industrial-upgrading-and-sezs-along-cpec

The News

Coal-based power generation jumps 95pc in 2019

KARACHI: Coal-based electricity generation jumped 94.5 percent to 2,030 GWh in the year to November 2019, taking its share in country's energy mix to 27 percent, data issued by National Electric Power Regulatory Authority (NEPRA) showed on Tuesday.

Analysts said induction of China Power Hub Generation and Engro Powergen Thar in the system was the key reason behind a massive surge in coal-based power generation.

China Power Hub Generation Company (CPHGC) set up a 1,320-megawatt plant at a cost of \$2 billion at Hub, Balochistan, under the China-Pakistan Economic Corridor (CPEC).

The imported coal-fired plant started commercial operations by supplying power to the national grid station in August 2019. The Engro Powergen Thar project of 660MW, set up at an estimated cost of \$1.1 billion, came on line in July 2019.

Authorities opted to utilize a massive amount of coal for power production after having replaced the expensive oil-fired power generation.

Pakistan has suffered crippling energy shortages in the past and the government has sought to fill this capacity gap with coal-fired power generation, financed by China.

China is investing in 21 energy projects under the CPEC, a flagship project under the larger Belt and Road Initiative. The majority of this investment has gone into coal power generation.

Overall electricity generation clocked in at 7,434GWh (10,325 MW) during November 2019, compared to 7,546GWh (10,480 MW) in same month of 2018.

Major contributors during the month were hydel, coal, nuclear, gas and RLNG (regasified liquefied natural gas). On yearly basis, coal-based power generation went up by 95 percent followed by 13 percent rise in hydel-based generation. However, gas and RLNG based generation went down by 54 percent and 47 percent, respectively.

During 11MCY19 (January-November 2019), power generation went up by 0.1 percent to settle at 116,460GWh. "Given higher generation on hydel and coal, fuel costs have shrunk by 5.4 percent to average at Rs5.18/KWh during 11MCY19," Analyst Rao Aamir Ali at Arif Habib Limited said. Fuel cost for power generation went down by 15.2 percent to Rs3.34/KWh in November. The decline in fuel cost was led by 12 percent fall in coal-based generation cost, attributable to 23.3 percent decrease in coal prices, the he said.

"Being a relatively cheaper source of power generation, the higher generation has also contributed to lower fuel cost of overall system."

There was zero generation on furnace oil, which is the most expensive source for power generation. Similarly bagasse-based cost of generation also went down by 11.4 percent to Rs5.5/KWh.

On the other hand, hydel-based power generation went up 13.1 percent year-on-year to 2,900GWh, nuclear-based increased 4.6 percent year-on-year to 858GWh, wind-based power was up 19.7 percent to 152GWh, while solar-based power generation inched up 2.4 percent to 49GWh.

https://www.thenews.com.pk/print/602122-coal-based-power-generation-jumps-95pc-in-2019

Nawaiwaqat

چین میں کوروناوائر س کے پیش نظر پاکستان میں الرث جاری

https://www.nawaiwaqt.com.pk/22-Jan-2020/1109454

January 23, 2020

Business Recorder

Pakistan-China relationship, CPEC

ISLAMABAD: The Chinese Embassy in Islamabad on Wednesday dismissed the 'negative propaganda' of the United States about China-Pakistan Economic Corridor (CPEC) and posed questions to the top US diplomat Alice Wells if she has brought any 'aid, investment or trade for Pakistan' during her visit.

The embassy also clarified about the Chinese loans for CPEC project, saying that the loans for the project are about US \$ 5.8 billion, accounting for 5.3 percent of Pakistan's total foreign debt, with a repayment period of 20-25 years and an interest rate of approximately 2 percent. The statement of the Chinese Embassy comes in response to comments attributed to Alice Wells,

Acting Assistant Secretary of State for South and Central Asian Affairs, who visited Pakistan from January 19-22 and made comments on the alleged lack of transparency in the CPEC projects and the growing Pakistan's debt burden due to the Chinese financing. She also allegedly touched upon the cost escalation in railways ML-1 upgrade project, and said the Chinese companies joining CPEC are on World Bank's blacklist.

"We noted that during her recent visit to Pakistan, Alice Wells, Acting Assistant Secretary for South and Central Asian Affairs of the US State Department, made negative comments on the China-Pakistan Economic Corridor again," said a spokesperson for the Chinese Embassy. He stated: "The comments hold nothing new, but the same cliché in her speech in November 2019, which has been repeatedly rejected by China and Pakistan." However the US side still ignores the facts and is obsessed with the story it made for the CPEC, he added.

"We would be more than glad to see the US develop its relationship with Pakistan, but we strongly oppose the US interference into China-Pakistan relations and the CPEC. Although you can never wake up a person who is pretending to be asleep, we have to make our position clear and reject the negative propaganda by the US. We must not let the truth be distorted and the lies run wild," the spokesperson added.

"We also want to advise the US when you accuse China-Pakistan relations; you should first look back what have you done to Pakistan, and think about how much contribution has you made for Pakistan. Did Wales bring any aid, investment or trade for Pakistan during her visit? If the US truly cares about the development and prosperity of Pakistan and this region, it should bring cash and funds, promote win-win cooperation on the basis of mutual respect, fairness, and justice, rather than acting as a world policeman, spreading rumors and provoking China-Pakistan relations," the spokesperson added.

"China-Pakistan ties are rock solid and unbreakable. China will continue to work with the Pakistani government and people to steadily advance the BRI and CPEC to promote regional peace and development," he added.

In the CPEC projects, he insisted that China and Pakistan have been firmly committed to the principles of mutual consultation and cooperation for shared benefits. "We put Pakistani people's interests first," he said, adding that major progress has been achieved in the past five years, with 32 projects achieving early harvests.

"This has significantly improved local transportation infrastructure and power supply, created over 75,000 jobs directly and contributed one to two percent of the GDP growth in Pakistan. It shows that the CPEC is playing an important role in boosting Pakistan's socioeconomic development and improving people's livelihood. Whether the CPEC works, the answer should be given by the Pakistani people rather than the US," the spokesperson added.

Under the CPEC, during its planning or implementation, he said that every project is equally discussed, carefully studied and jointly implemented by both China and Pakistan. He said that the Chinese government always requests the Chinese companies to operate according to local laws and regulations. "All Chinese companies joining the CPEC enjoy international reputation. All projects strictly follow the market-oriented and internationally accepted business

model, adopt state-of-the-art technology and strict environmental protection standards," he maintained.

The spokesperson further stated that the entire process is open and transparent and is in line with international norm. "We keep in touch with the relative accountability agencies of Pakistan and it is agreed that the CPEC is clean. The US holds a stick of sanction all over the world to blacklist this and that country, but it is not for global economy, just ways to serve its own political purpose," he insisted.

Regarding the so-called debt issue, the spokesperson added that according to statistics from the State Bank of Pakistan, the total foreign debt of Pakistan is US \$110 billion. In fact, international financial institutions including the Paris Club and IMF are the largest creditors of Pakistan, he said.

"Loan for the CPEC is about US \$5.8 billion, accounting for 5.3 percent of Pakistan's total foreign debt, with a repayment period of 20-25 years and an interest rate of approximately 2 percent," he said, adding that its repayments will start in 2021, with annual repayments of about US \$300 million.

"It will never be a burden to Pakistan. Moreover, China has never forced other countries to pay debts, and will not make unreasonable demands on Pakistan. The US keeps fabricating the so-called debt story, their mathematics is bad, and their intention is worse," he further stated. As to the cost of the ML-1 project, he added that it has been clarified many times and the initial design of the project was jointly accomplished by the China Railway No 2 Bureau, National Engineering Services Pakistan Limited (NESPAK), and Pakistan Railway Advisory & Consultancy Services Ltd (PRACS).

He said that the project was launched in 2016, and the initial design was submitted in May 2017. In April 2019, it has successfully passed the initial design review, organized by Pakistan Railways (PR), of the complex including Mott McDonald Pakistan (MMP), Canarail and the Crimson, he said. As the project has not yet been approved, he added, the amounts of the project will be adjusted according to the actual condition and the needs of Pakistan. "After finalizing the design of the project, we would initiate bidding in accordance with international practice," he said, adding that this is a completely normal business practice.

 $\underline{https://epaper.brecorder.com/2020/01/23/19-page/821480-news.html}$

Daily Times

Pakistan and China to develop textile cooperation framework under CPEC

Pakistani and Chinese experts have agreed to developing a textile cooperation framework under China-Pakistan Economic Corridor by focusing on readymade garments, man-made fiber and textile skill training.

It was expressed at a one day workshop organized by the Board of Investment (BOI) to deliberate on a diagnostic study on Pakistan's textile sector, conducted by the National Development & Reform Commission (NDRC) of China and China International Engineering Consulting Corporation (CIECC).

The textile diagnostic report provided the Chinese viewpoints on the potentials and barriers of large scale textile mills in Pakistan. The report was also one of the deliverables of the 9th JCC held in 2019 and is a precursor to a more detailed work on the textile sector of Pakistan.

The workshop was attended by Executive Director General (EDG) of BOI Qasim Raza Khan, Project Director of Project Management Unit (PMU) BoI Asim Ayub, Director SEZs BOI Abdul Samie, Executive Director APTMA Sattar Shahid, Director Textile Industry Division Kanwar Usman, Chairman PRAGMEA Shaikh Mohammad Shafiq, Head of Pak-China Investment Company Ltd Tariq Masood and representatives from line ministries, private sector and academia Qasim Raza Khan informed the participants that CPEC has now entered into the pragmatic phase of Industrial cooperation, and it is the right time to take Pakistan forward on the path of industrialization.

It has been agreed that the Chinese side will continue to provide intellectual and technical support to accelerate Pakistan's priority sectors especially through the 9 SEZs of Pakistan under CPEC wherein 03 SEZs have been prioritized and are now at an advanced stage of development, he added.

He was confident that through this cooperation, many Chinese companies will reap benefits of Pakistan's competitive advantages. Project Director Asim Ayub gave a brief presentation on the Textile diagnostic report, emphasizing that the trade potential has to be transformed in to investment potential.

He specified three main areas of cooperation where Chinese could provide support to Pakistan with the objective of developing a textile cooperation framework.

These areas include readymade garments, man-made fiber and textile skill training. Executive Director APTMA Sattar Shahidwas of the view that for any meaningful investment to be made, there is a need to fix the business climate i.e. effective contract enforcements. Mr. Shahid proposed the need for an efficient and workable bankruptcy law, besides the tariff sector of Pakistan needs to be revisited.

Director Textile Industry Division Kanwar Usman shared his views on the CPFTA-II with respect to its impact on the Textile Sector of Pakistan and emphasized on the issue of labor productivity in Pakistan.

He shared that the new Textile Policy of Pakistan is in the pipeline with special emphasis on infrastructure development and appreciated the aspect of Man-made fibers production that was included in the diagnostic report which ought to be taken in consideration by the country.

 $\underline{https://dailytimes.com.pk/544439/pakistan-and-china-to-develop-textile-cooperation-framework-under-cpec/}$

Dawn News

Gwadar port to make Pakistan region's economic hub: Buzdar

GWADAR: Punjab Chief Minister Sardar Usman Buzdar has said that Gwadar port will play a vital role in making Pakistan an economic hub of the region.

He expressed these views during a visit, along with Baluchistan Chief Minister Jam Kamal Khan Alyani, to Gwadar port on Wednesday.

Earlier, Mr. Buzdar arrived in Turbat on a daylong visit to Makran. The Baluchistan chief minister, provincial ministers, Chief Secretary Fazeel Asghar and other senior officials welcomed him at Turbat airport.

Additional Chief Secretary Planning and Development Abdul Rehman Buzdar and Chairman of the Gwadar Port Authority Naseer Ahmed Kashani briefed the Punjab chief minister about Gwadar port and other projects launched in the port city under the China-Pakistan Economic Corridor (CPEC).

Mr. Buzdar, who visited Makran for the first time after being elected as chief minister of Punjab, said that Gwadar port would emerge as a key port in the region and would play an import role in the economic development of Pakistan.

"A functional Gwadar Port would end sense of deprivation of the people of Baluchistan," he said.

"A bright economic future of Pakistan as well as Baluchistan lies in Gwadar port as the deep port is being considered the heart of the CPEC," Mr. Buzdar said.

He expressed optimism that the development of Gwadar would start in the near future. He lauded efforts of the Baluchistan government in turning Gwadar into a modern city of Asia.

 $\underline{https://www.dawn.com/news/1529987/gwadar-port-to-make-pakistan-regions-economic-hub-buzdar}$

The Express Tribune

Pakistan has to look at its own interest regarding CPEC: FM Qureshi

ISLAMABAD: Foreign Minister Shah Mehmood Qureshi said that Pakistan has to look at its own interest regarding China-Pakistan Economic Corridor (CPEC).

The remarks came after China lashed out at the US for interfering in its ties with Pakistan following US chief diplomat for South Asia Ambassador Alice Wells expressed her concerns on the lack of transparency in CPEC projects.

In a strongly worded rebuke issued by the Chinese embassy in Pakistan, Wells' claims were described as a repeat of "negative propaganda" by the US.

"All Chinese companies joining the CPEC enjoy an international reputation," the statement read in response to Wells' allegation that companies blacklisted by the World Bank had been awarded CPEC contracts.

Emphasizing on the on going suppression in Indian Occupied Kashmir, FM Qureshi stressed that the deteriorating situation will have an adverse effect on the Central Asian economy.

The foreign minister stressed that Pakistan will implement its policies regarding CPEC which is favorable for the country.

On the sidelines of the ongoing World Economic Forum in Davos, President Donald Trump assured Prime Minister Imran Khan that he would visit Pakistan soon.

"President Trump wants to enhance US-Pakistan bilateral relations," FM added.

https://tribune.com.pk/story/2142711/1-pakistan-look-interest-regarding-cpec-fm-qureshi/

Nawaiwaqat

6 ماہ کے دوران چین کوبر آمدات میں 47 ملین ڈالراضافہ, در آمدات میں 20 ملین ڈالر کی ہوئی: سٹیٹ بینک

رواں مالی سال کی پہلی ششاہ ہی کے دوران چین کو کی جانے والی بر آمدات میں 47 ملین ڈالر اضافہ جبکہ چین ہے کی جانے والی در آمدات میں 20 ملین ڈالر تک بینک آف پاکستان (ایس بی پی) کے اعداد و شار کے مطابق جاری مالی سال کے پہلے 6ماہ جو لائی تاد سمبر 2019ء کے دوران چین کو کی جانے والی بر آمدات کا تجم 336 ملین ڈالر تک پہلے گاہ جو لائی تاد سمبر 2019ء کے دوران چین کو کی جانے والی برآمدات کا گئی تھی۔ اس طرح گزشتہ مالی سال کے مقابلہ میں جاری مالی سال کے مقابلہ میں جاری مالی سال کے مقابلہ میں جاری مالی سال کے مقابلہ میں جو لائی تاد سمبر 40 کو برائے والی برآمدات میں 47 ملین ڈالر کا اضافہ کے دوران چین کو کی جانے والی در آمدات میں 47 ملین ڈالر کا اضافہ کے دوران در آمدات کا تجم 5 ارب ڈالر رہا تھا۔ اس طرح گزشتہ مالی سال کے مقابلہ میں دوران مالی سال کی پہلی ششاہ میں جبہہ گزشتہ مالی سال کے ایک عرصہ کے دوران در آمدات کا تجم 5 ارب ڈالر رہا تھا۔ اس طرح گزشتہ مالی سال کے مقابلہ میں رواں مالی سال کی پہلی ششاہ میں کے جانے والی در آمدات میں 20 مبلین ڈالر کی گیار ڈل گئی ہے۔ رپورٹ کے مطابق متحدہ عرب امارات کو کی جانے والی میں 10 مدان کی پہلی ششاہ کی بہلی ششاہ کی پہلی ششاہ کی پہلی ششاہ کی کہلی ششاہ کی بہلی ششاہ کی بہلی ششاہ کی کہلی ششاہ کی بہلی ششاہ کی کہلی ششاہ کی بہلی ششاہ کی کہلی ششاہ کو میں ہوئی ہوئی کو میں ہوئی کے مطابق رواں مالی سال کے پہلے 6 مہینوں کے دوران مجموعی تو می در آمدات کا تجم 20 کھیلین ڈالر کی اس کے مقابلہ میں 529 ملین ڈالر کی اس کی پہلی ششاہ کی کہلی ششاہ کے دوران برآمدات کا تجم 20 کھیلیں ڈالر کیا گیا تھا۔ در آمدات کا تجم 20 کھیلیں ڈلر کیا گیا تھا۔

https://www.nawaiwaqt.com.pk/23-Jan-2020/1109782

January 24, 2020

Dawn News

Imran rejects CPEC's criticism as 'nonsense'

WASHINGTON: Prime Minister Imran Khan has rejected the criticism of the China-Pakistan Economic Corridor (CPEC) as 'nonsense," insisting that the project "is really helping" the country. In an interview to a US news channel *CNBC*, shown on Wednesday night, Mr. Khan also urged US President Donald Trump and the United Nations to mediate between Pakistan and India over Kashmir.

"When the Chinese came to help us with this Belt and Road Initiative (BRI) and CPEC, we were really at the rock bottom," said the prime minister when the interviewer, Hadley Gamble, asked if the project was a debt-trap for Pakistan.

"So, we are really grateful to the Chinese that they came and rescued us," he added.

"They came and pumped in, not just they gave us loans – and the loans, by the way are barely five or six percent of the total portfolio," said Mr. Khan, rejecting the suggestion that the CPEC was a debt-trap. "This is nonsense."

Terms Kashmir far more serious a problem than people realize

The Chinese, he said, actually helped Pakistan with investment and because of them the country now "has an opportunity to attract foreign investment".

The prime minister explained that his government was now creating special economic zones to attract investment. "We just opened two and we are opening more where we are giving special concessions to industries," he said.

Mr. Khan said the CPEC was "beyond BRI as China was also helping Pakistan in technology transfer. They are especially helping us in agriculture because Chinese technology (can boost) development (in this sector) much better than Pakistan's as "our productivity is very low".

The CPEC, he said, was also teaching Pakistanis the skills they needed to benefit from the CPEC projects. "They are building skill centers in Pakistan. So, they are helping us and we are grateful," the prime minister said.

Earlier this week, senior US diplomat Alice Wells once again urged Pakistan to rethink it wholeheartedly embrace of China's economic initiative. Speaking at a think-tank in Islamabad, she alleged that there was no transparency in the CPEC projects, and warned that the country's debt burden was growing due to the Chinese financing.

Both Chinese and Pakistani officials have rejected the US criticism as misleading but the prime minister's remarks further cemented the impression that Islamabad remains committed to the CPEC.

The prime minister spoke with *CNBC* in Davos, Switzerland, where he was attending the annual summit conference of the World Economic Forum.

When the interviewer asked how useful could the US president be in settling the Kashmir dispute, Mr. Khan said: "I can't say what would be the outcome but for me it is important to try my best because Kashmir is a far more serious problem than people realize."

"This is serious because there are two nuclear-armed countries," the prime minister said. "That's why I want President Trump, head of the most powerful country in the world he should intervene right now. United Nations, or President Trump through the UN at least."

Mr. Khan explained that the possibility of an India-Pakistan conflict had increased because "India has been taken over by an extremist ideology, which is called Hindutva or the RSS."

The prime minister said that the founding fathers of RSS were "inspired by the Nazis" and the Nazi concept of "racial purity" and "believed in ethnic cleansing, of Muslims."

Mr. Khan said that the ideology which was responsible for the assassination of Mahatma Gandhi and the group that was declared a terrorist organization three times by previous Indian governments had now taken over India.

Responding to another question, he said the people of Kashmir, through a referendum could decide whichever country they wanted to join.

"Now, that disputed territory has been annexed by India, and, they are trying to change the demography of (the) people of Kashmir, which according to the fourth Geneva Convention is a war crime," he added.

The prime minister also expressed concern about ongoing protests in India over a controversial citizenship bill passed last December that many say is set to disproportionately affect Muslims. https://www.dawn.com/news/1530199/imran-rejects-cpecs-criticism-as-nonsense

China urges world to recognize Pakistan's counterterrorism financing efforts

BEIJING: Expressing satisfaction over visible progress made by Pakistan to strengthen its domestic counterterrorism financing system, China on Thursday said that Islamabad's political will and active efforts ought to be recognized and encouraged by the international community.

Chinese Foreign Ministry spokesperson Geng Shuang was commenting on Pakistan's National Action Plan report, which was discussed during the joint group Financial Action Task Force (FATF) meeting held in Beijing.

A high-level Pakistani delegation, led by Minister for Economic Affairs Hammad Azhar, presented the country's compliance report during the three-day talks with the global money-laundering watchdog, which commenced on Jan 21.

The spokesperson said Pakistan had made great efforts to strengthen its domestic counter-terrorism financing system with visible progress. He hoped that FATF would continue to offer constructive support and assistance to Pakistan in its continued efforts to improve the counter-terrorism financing system and effectively fighting terrorist financing.

National Action Plan's report discussed at FATF's joint group meeting in Beijing

As FATF president and co-chair for Asia Pacific Joint Group, China would continue to uphold an objective, just and constructive attitude and participate in relevant discussions, he added.

Mr. Geng said that the FATF was an important international cooperation platform and to fight money laundering and terrorist financing. He said its aim and goal was to help countries better fight money laundering and terrorist financing and prevent the international financial system from being abused.

The Pakistani delegation comprised representatives of the National Counter Terrorism Authority (Nacta), Foreign Ministry, State Bank of Pakistan (SBP), Customs, Interior Ministry and Financial Monitoring Unit (FMU).

https://www.dawn.com/news/1530191/china-urges-world-to-recognise-pakistans-counterterrorism-financing-efforts

Pakistan Observer

CPEC projects yielding tangible socio-economic benefits

Ministry of Planning and Development on Thursday said that the completed projects under China Pakistan Economic Corridor (CPEC) phase-I had already brought relief and started yielding dividends and tangible socio-economic benefits. Responding to the statement of US Acting Assistant Secretary of State, Alice Wells on China Pakistan Economic Corridor (CPEC) and spokesperson of Ministry of Planning, Development and Special Initiatives said CPEC project under the overarching umbrella of Belt and Road Initiative (BRI) was a well thought out initiative involving mega development projects for the economic and social development of Pakistan. In a statement, the spokesperson said CPEC projects would accelerate the pace of development in the country boosting economic growth and ensuring ultimate prosperity for the people of Pakistan. "Pakistan being a sovereign state exercises the right to choose economic partners from around the globe on mutually beneficial basis."

https://pakobserver.net/cpec-projects-yielding-tangible-socio-economic-benefits/

Raja Zafar Ul Haq hails Chinese Govt.'s generosity towards Pakistan

Leader of Opposition Senator Raja Zafar Ul Haq has appreciated the generosity shown by the Chinese government towards Pakistan's long term economic development. This, he said was extremely important for the people of Pakistan. The Opposition Leader was talking to Chinese Ambassador to Pakistan Mr. Yao Jing who made a courtesy call on in his Chamber at Parliament House, Islamabad, on Thursday and exchanged views over issues of mutual interest. Senator Raja Muhammad Zafar Ul Haq thanked the Chinese Ambassador for China's continuing support on the Kashmir issue, raising it thrice, as a permanent member of the Security Council and discussing it with other countries that possess international clout. China respects Pakistan as a trust worthy friend and all agencies and organization are on one page over this stance, he added. Senator Raja Muhammad Zafar Ul Haq said that Pakistan looked forward to a long term arrangement with the People's Republic of China on sustained development especially economically backward areas, that are politically sensitive.

https://pakobserver.net/raja-zafar-ul-haq-hails-chinese-govts-generosity-towards-pakistan/

Pakistani students in China safe from novel coronavirus

"Everything is normal for me and my other Pakistani colleagues," said Khan Baz, a student studying in China University of Geosciences (Wuhan), amid the outbreak of novel coronavirus pneumonia cases in Wuhan city, capital of China's Hubei Province. Now, Baz is still busy with his study on energy at the campus in Wuhan. He told China Economic Net that the university workers advised students to avoid crowds. They have provided free surgical masks and New Year gifts for international students. The staff also spray disinfection in teaching buildings and dormitory building to prevent and control the virus. The canteen and library both are closed now as the students have left for the upcoming Spring Festival, or the Chinese Lunar New Year. "I cooked Pakistani cuisine by myself and sometimes, I ate outside," said Baz. He said all his Pakistani friends studying in Wuhan are fine and their lives haven't affected by the novel coronavirus so far. "My life in Wuhan is as usual," he added.

https://pakobserver.net/pakistani-students-in-china-safe-from-novel-coronavirus/

The Nation

'Youth must be trained, assisted to take benefit of CPEC'

SARGODHA-Pakistan having one of the largest youth bulge can take benefit from China-Pakistan Economic Corridor (CPEC) by organizing training and assisting youth in materializing their business ideas on financial management, growth strategies, marketing and sales funnels and strategic partnerships.

These views were expressed by Obortunity Chief Executive Officer (CEO) Hamza Saeed Orakzai at Sargodha University on Thursday. A special lecture on 'CPEC-Driven Entrepreneurship' was

organized by Pakistan Institute of China Studies (PICS) Sargodha University as part of distinguished scholar lecture series.

In his opening remarks, Director PICS Dr Fazal-ur-Rahman said that distinguished guest lectures series was aimed at enriching knowledge and fostering understanding of the students and young faculty members of the university about political, economic and social scenario of the region while its main focus is to acquaint the concerned with various aspects of CPEC, industry specific training and skill building, and CPEC driven entrepreneurship.

Dr Fazal-ur-Rahman stated that CPEC would help Pakistan to attract investors to invest along the corridor, opening opportunities to become entrepreneurs and would create jobs and business opportunities for the locals.

Briefing about the CPEC driven entrepreneurship opportunities, Hamza Orakzai said that the One Belt, One Road Initiative, the mother project of CPEC is set to change the economic and political dynamics not only in our region, but across the globe and opportunity for everyone. Brain drain is a big issue here in Pakistan, he said adding that regarding entrepreneurship the educational institutes could play vital role in grooming young minds.

Orakzai emphasized on focusing research and development, generating ideas and engaging opportunities in order to get benefit from CPEC as the markets will become more competitive in future. He also talked about how people as nation can be benefited from demographic dividends and come up with a sustainable growth model for a better future.

He said that entrepreneurship delineates the ability of a nation to generate wealth, produce goods and services, create jobs and transform ideas and knowledge into commercial activities. Pakistan is facing a challenge of unemployed youth rapidly entering the labor market that poses several risks to prosperity and stability, he added.

Orakzai further added that Pakistan's thriving and talented youth offer tremendous hope. What is required is to engage youth in entrepreneurial activities; realignment of education system, reshaping policy ambiance, crafting entrepreneurial ecosystems and reorienting societal values, he said.

It is worth mentioning that Obortunity is leading firm which trained 1000 plus professionals on CPEC-driven education and opportunities; hosted 5 business expeditions in Gwadar and Gilgit-Baltistan serving more than 100 businesses in real estate and project development.

https://nation.com.pk/24-Jan-2020/youth-must-be-trained-assisted-to-take-benefit-of-cpec

'CPEC to bring prosperity to country': minister

KARACHI - Federal Minister for Privatization Muhammad Mian Soomro has said that the China-Pakistan Economic Corridor (CPEC) project would bring prosperity to Balochistan.

Talking to a delegation of Jamait-ul Salheen at Osta Muhammad on Thursday, the minister said the federal and provincial governments were paying special attention to the CPEC project in order to make it successful which would bring development and prosperity to the entire country, including Balochistan.

Soomro said although the project would take time to complete, but its results were crucial for sustainable development in the country.

The projects, including Gwadar Port, Central Railway Line, Karachi to Lahore Motorway, Gwadar-Rattu-Dero Motorway, Gwadar-Nawab Shah, LNG Terminal, Pipeline Project, Pak-China Friendship Hospital Gwadar and borders Fiber Optic Data Communication had been included in the CPEC, he said.

The minister further said the establishment of a Chinese Study. Centre in Balochistan University was a positive sign, thus the youth will get new opportunities for education and employment. He said that equipping youth with skills was the government's top priority, and for that purpose technical institutions were being built in the province.

The minister expressed the hope that potential of the provinces will be tapped under the CPEC, which will lead to the uplift of not only the province, but also the whole country.

https://nation.com.pk/24-Jan-2020/cpec-to-bring-prosperity-to-country-minister

The News

China asks Pakistan to convene 10th JCC meeting

ISLAMABAD: China asks Pakistan to convene 10th Joint Cooperation Committee (JCC) meeting under CPEC framework ahead of its schedule in order to finalize different mega projects including railways Mainline (ML-1) of \$9.2 billion before arrival of President Xi Jinping to Islamabad.

China's National Development Reform Commission (NDRC) has sent out official communication for asking Pakistani side to convene 10th JCC meeting in April 2020 instead of its scheduled time to be held in June/July in the wake of upcoming visit of President Xi Jinping. The President of China is scheduled to visit Pakistan soon after upcoming Ramadan and Eid ul Fitr.

Now the PTI-led government has notified ministerial committee under chairmanship of Minister for Planning, Development and Special Initiatives Asad Umar for making arrangements for upcoming scheduled visit of Chinese President Xi Jinping to Islamabad tin end May or early June 2020.

The 9th JCC meeting held in November 2019 in Islamabad and it was expected that the next 10th JCC will be held in China probably in coming June/July this year. It was unexpected for Pakistani side when they received official communication from Chinese side about holding of proposed JCC ahead of its scheduled timeframe. Now the governments will kick-start preparation for finalizing feasibilities and reports of different projects for inclusion in second phase of China Pakistan Economic Corridor (CPEC).

When sent out questions to Minister for Planning Asad Umar, he replied back and told this scribe that the next JCC would be held earlier in April 2020 so that both sides could finalize second phase projects of CPEC ahead of scheduled visit of Chinese president.

He said that the modernization of rail line from Peshawar to Karachi with approximate cost of \$9.2 billion would be among other projects that would be executed under the second phase of CPEC. He said that the government would convene meeting next week to firm up list of projects that would be executed through CPEC.

Pakistan and China so far executed \$29 billion projects under CPEC for energy and infrastructure projects and most of the projects were either completed or nearing completion.

Meanwhile, responding to the statement of US Acting Assistant Secretary of State, Ms Alice Wells on CPEC, spokesperson for Ministry of Planning, Development and special Initiatives said that CPEC projects under the overarching umbrella of BRI is a well-thought-out initiative involving mega development projects for the economic and social development of Pakistan.

The projects completed so far in Phase-1 have already brought relief and started yielding dividends and tangible socio-economic benefits. CPEC projects will accelerate the pace of development in the country boosting economic growth and ensuring ultimate prosperity for the people of Pakistan. Pakistan being a sovereign state exercises the right to choose economic partners from around the globe on mutually beneficial basis. All related projects are being pursued as per laws and regulations of Pakistan and through an institutional mechanism wherein transparency is a priority consideration. Necessary due diligence with all financial implications is being undertaken before finalization of any projects. Pakistan's debt sustainability strategy has an endorsement of international financial institutions, it concluded.

https://www.thenews.com.pk/print/603407-china-asks-pakistan-to-convene-10th-jcc-meeting

China praises Pakistan's progress to strengthen counter-terror financing

ISLAMABAD: China said Thursday that Pakistan has made "visible progress" to strengthen its counter terrorism financing system, which should be encouraged by the world community.

Beijing hosted a key meeting of Paris-based international terror financing watchdog; Financial Action Task Force (FATF) Asia Pacific Joint Group this week to scrutinise Pakistan's progress report to adopt stricter laws against terror financing and money laundering. China is the President of the FATF and co-chair for Asia Pacific Joint Group.

Asked how China viewed Pakistan's progress, Chinese Foreign Ministry spokesman Geng Shuang praised Islamabad's efforts.

"Pakistan has made great efforts to strengthen its domestic counter terrorism financing system with visible progress. Its political will and active efforts should be recognized and encouraged by the international community," he said while talking to media in Beijing.

"We hope the FATF will continue to offer constructive support and assistance to Pakistan in its continued efforts to improve the counter terrorism financing system and effectively fighting the terrorist financing," he said.

"As FATF president and co-chair for Asia Pacific Joint Group, China will continue to uphold an objective, just and constructive attitude and participate in relevant discussions," he said.

The FATF in October last decided to keep Pakistan on its 'Grey' list. If not removed off the list by April, Pakistan may move to a blacklist of countries that face severe economic sanctions, such as Iran. Pakistan has submitted a 650-page review report to the FATF on January 8. The report was submitted in response to 150 questions raised by the FATF regarding new Pakistani policies on money laundering. The report outlined the steps taken by Pakistan between October 2019 to January 2020 to implement the group's recommendations. The FATF meeting scrutinizes whether Pakistan has complied with an earlier agenda presented to it. "I want to stress that the FATF is an important international cooperation platform and to fight money laundering and terrorist financing its aim and goal is to help countries better fight money laundering and terrorist financing and

prevent the international financial system from being abused," Geng said. The FATF is backed by the UN Security Council passed resolutions which made its recommendations binding and in case of deficiencies, sanctions could be imposed.

 $\underline{https://www.thenews.com.pk/print/603408-china-praises-pakistan-s-progress-to-strengthen-counter-terror-financing}$

January 25, 2020

Business Recorder

China appreciates PM Imran Khan's remarks about CPEC flagship project

BEIJING: China on Saturday appreciated Prime Minister Imran Khan's remarks about China-Pakistan Economic Corridor (CPEC) and said it was ready to work with Pakistan to continue to promote high-quality development of the Corridor and bring more benefits to the two people.

"The Chinese side has taken note of Prime Minister Khan's remarks and appreciates that," said a Chinese foreign ministry's statement referring to Prime Minister Imran Khan's recent interview in which he said, "Pakistan is grateful to China as they helped us in difficult time by making investments."

The spokesperson said that over the past six years or so since the launch of the China-Pakistan Economic Corridor (CPEC), significant positive progress has been made.

"At least 32 projects have yielded early harvests, playing an important role in promoting Pakistan's economic and social development and improving people's well-being, "it added.

It said, in advancing the construction of the China-Pakistan Economic Corridor, China had always followed the principle of joint consultation, joint contribution and shared benefits, and had always given priority to the interests of the Pakistani people.

China was ready to work with Pakistan to continue to promote high-quality development of the Corridor and bring more benefits to the two peoples, it said and added, "We have full confidence in the future of the corridor," It may be mentioned here that in the interview, during his recent visit to Davos, Switzerland, the prime minister had rejected the impression that CPEC had made Pakistan 'indebted' to China and pointed out that Chinese loans accounted for only 5-6 per cent of Pakistan's total loan portfolio.

"The CPEC envisages cooperation in different sectors, including technology transfer in the agriculture sector, and because of Chinese investment, we have been able to attract more foreign investment in the country," he said.

 $\underline{https://www.brecorder.com/2020/01/25/564885/china-appreciates-pm-imran-khans-remarks-about-cpec-flagship-project/}$

Dawn News

CPEC and US

Faisal Zaman

THIS is not for the first time that the US State Department officials have criticized the CPEC project for one reason or another. The most recent swipe at CPEC is by Assistant Secretary of State for South and Central Asian Affairs Alice Wells in which she claimed that a firm blacklisted by the World Bank, was given a CPEC contract.

The Chinese response was laudable with Beijing telling the US that it should focus on its relations with Pakistan instead of spreading negative propaganda about CPEC.

The US is acting like a friend and foe at the same time. On the one hand Washington expects Pakistan to play a positive role in peace making in Afghanistan, and on the other, the US is creating hurdles for CPEC.

One fails to understand why the government keeps harping about the friendly ties between Prime Minister Imran Khan and US President Donald Trump while Washington has paid only lip service to the Kashmir issue.

To add insult to injury the US has blacklisted Pakistan on the grounds of religious intolerance but surprisingly India is missing in the list issued by the State Department.

It is time Islamabad said enough was enough, and told Washington it does not appreciate the US double role in relations with Pakistan.

https://www.dawn.com/news/1530386/cpec-and-us

Pakistan Observer

China's spring festival organized in Mansehra

MANSEHRA Traditional colors of China along with dance, music and Chinese food marked "Spring Festival Gala for Suki Kinari Hydropower Project" in Paras, Mansehra. The event was jointly organized by S K Hydro Pvt. Ltd and China Gezhouba Group Corporation (CGGC). More than 100 Pakistani guests from the Khyber Pakhtunkhwa (KP) government departments, military, local communities attended and participated in the festival. Chinese employees of the project along with their Pakistani counterparts offered a spectacular banquet of singing, dancing, magician, poem recitation and other forms of arts. During the event, about 20 Pakistani guests were awarded the "Star of the Project Medal" by Mr. Deng Siwen, the CEO of S K Hydro Pvt. Ltd on their contribution to the project in political, security, engineering and other areas. Ahmad Shah, Member of the Provincial Assembly of the KP on the occasion delivered a speech highlighting the deep friendly ties and strong bond of friendship between Pakistan and China.

https://pakobserver.net/chinas-spring-festival-organized-in-mansehra/

Pakistan Observer

Chinese firm offers help to complete K-IV project

A Chinese company has shown interest in completing K-IV, Karachi's fourth bulk water supply canal a project started eighteen years ago that has cost up to Rs14 billion so far and is nowhere near done. China Gezhouba Group's Pakistan executive general manager Shi Yu has written to the Sindh government offering help with the K-IV. "[We] noticed that things are not going smoothly because the design is not feasible," he wrote. They expressed interest in "participating" by providing design and construction support. The Chinese company is referring to a development in K-IV that has put considerable pressure on the Sindh government as it tries to complete the project, a 121km canal from Kinjhar Lake. When this government took over it had the design of K-IV checked by an independent engineering company. That company produced a damning report that there were serious design flaws. The Chinese letter was sent to the CM's secretariat on Dec 25, 2018. It was sent by January 17 to the secretary of the local government department for "necessary action". This company said it has worked on hydro power, renewable energy, road and petrochemical projects such as the \$1.9 billion Suki Kinari Hydropower Project, \$3.3 billion hydropower project and \$1.9 billion Mohmand dam. Local Government Secretary Roshan Ali Shah has convened a meeting on January 27 to discuss K-IV and it is likely that the Chinese offer may be taken up. Work on the Greater Karachi Water Supply Scheme has been stopped for long. The provincial government had missed several deadlines it had given for completion of the project and still no one knew that when the work on the much-needed project resume again. Last year, Sindh Chief Minister Syed Murad Ali Shah told reporters accompanying him in an hours-long visit to the city that a commission had been constituted to make necessary amendments in the route of the K-IV project so that its stopped work could be resumed. He was asked to comment over objections raised by Nespak reportedly declaring the project in its present form unfeasible. Without naming the Muttahida Qaumi Movement, the CM said that the route of K-IV project was approved by the Karachi Water and Sewerage Board when it was being governed by those who were now running the Karachi Metropolitan Corporation. It is also to note that last year the fate of the project was in jeopardy after Sindh Chief Minister Murad Ali Shah confirmed that the state-owned engineering corporation Nespak had raised objections over the design, and Pak Sarzameen Party chairman Syed Mustafa Kamal apprehended that the provincial government is going to abandon the project half way.

https://pakobserver.net/chinese-firm-offers-help-to-complete-k-iv-project/

The Nation

Chinese New Year celebrated at Marriot

In Chinese culture and tradition, the New Year celebrations feature dragon and lion dances. Also known as Lunar New Year, it is now considered as one of the top five most celebrated festivals in the world. To make full use of the festivity, Chinese government announces longest public holidays in China keeping into consideration that citizens of the biggest populated country in the

world make efforts to travel home to celebrate the New Year with their families and friends resulting in formulation of world's largest annual migration in a given period. Chinese New Year falls on the first day of the first month in the lunar calendar and each year is represented by an animal out of 12 in total from the Chinese zodiac calendar. 2020 is the year of "rat" which incidentally happens to rank first on the Chinese zodiac signs.

To provide home away from home, Yao Jing, the ambassador of China to Pakistan and Maurizio Romani, General Manager Islamabad Marriott Hotel invited the denizens of Islamabad and Chinese expats and diplomats to Dynasty Restaurant, Marriott Islamabad to celebrate Lunar Year. The vestibule adorned Chinese imprints and the lobby leading to the Dynasty Restaurant was giving a majestic look. Chinese lanterns, zodiac paper cuts, motifs, LED decorations not only managed to impress the guests invited to the event but also one could see visitors taking photos and selfies while appreciating the decor.

The eatery was packed to capacity even though the Islamabad chill had kept many at home. The ambassador of Norway who had just returned from Oslo after a month's vacation informed that the temperature in Oslo and Islamabad is exactly the same. Polish ambassador though surprised by saying that Islamabad is colder than Warsaw as of today, thanks to the climate change.

So what does the year of "Rat" has in store for the Chinese, I asked one of the diplomats working for Chinese embassy in Islamabad. "If one digs into Chinese ancient history, it is interesting to point that according to the myth, the Jade Emperor said that the order would be decided by the order in which the animals will arrive at his party. The rat tricked the ox into giving him a ride which the ox happily agreed to. Just as the two arrived at the finish line, the rat jumped down and landed ahead of ox, becoming first and till today we go by this order. In Chinese tradition and culture, Rat is seen as a sign of wealth and surplus," explained the diplomat smilingly.

To a lay man, Chinese New Year is all about humanity, love, affection and sharing. "In China, President Xi Jinping, kicked off the New Year celebrations by visiting the poorest areas in remote China region and spending time with the residents living below poverty line," informed a Chinese guest while explaining the concept of Chinese New Year also called Chinese Spring Festival.

Maurizio Romani, General Manager Islamabad Marriott Hotel also followed the same Chinese tradition as one could see a sumptuous and festive Chinese food display in the restaurant prepared by the newly arrived Chinese Oriental Chef Zhao Xiaoping with more than 15 years of culinary experience under his belt. Appetizers were set on big round tables and also servers were making frequent rounds to make sure no one misses out on the Chinese delicacies.

Food forms as one of the basis in the Chinese society, which is seen through the significance placed on the New Year's Eve dinner so Chef Xiaoping, keeping the Chinese culinary traditions alive, put on with great care and thought a menu for the guests. Spring rolls, dumplings, Kabayaki sea bass fillet with sweet sauce, cold aspic lamb, exotic cod fish dumplings in fish broth, grouper with black rice seeds, fortune dumplings, black truffle friend rice, yellow curry prawn with handmade noodles made most of the menu for the evening. In Chinese culture, the food signifies string ancient Chinese traditions as explained by Chef Xiaoping.

Spring rolls are traditionally eaten in the southern part of China to celebrate coming of the spring and more specifically eaten on the first day of the spring. Dumplings are the northern equivalent of spring rolls. They are eaten during very special occasions but especially during New Year. In Chinese language, dumplings mean "exchange," so it is considered an exchange between old and new year. By eating dumpling you are sending away the old and welcoming the new as per the myth. Dumpling can be made with fillings as per ones choice or liking. As I savoured the chef's creation, I could taste Chinese cabbage, green onions, shrimps and corn stuffing. Noodles are a staple diet during New Year and it is believed that during the celebrations, Chinese do not eat long noodles, cut nor to be chewed, the longer the noodle, the longer the life. Steamed fish and chicken too are part of the feast and carry a myth. Half of the fish is eaten at dinner and other half on the next day signifying prolonged life and surplus wealth thus making the future prosperous as well. All the guests exchanged their feedback on the Chinese feast, enjoyed the company, thanked the Ambassador and the General Manager and said Guo Nian Hao, Happy New Year to the Chinese friends.

https://nation.com.pk/25-Jan-2020/chinese-new-year-celebrated-at-marriot

January 26, 2020

Daily Times

Textile industry, CPFTA- II and new trends

Sved Ali Imran

Textile industry contributes 57% percent of total export volumes and around 9% of the GDP of Pakistan. It employs almost 40% of industrial labor force both skilled and un-skilled workers. Pakistan Bureau of Statistics (PBS) recently reported a growth of merely 3.94% in First Half of Fiscal Year 2020 (1HFY20) despite of devaluation and incentive packages to textile industry. However, after implementation of second China Pakistan Free Trade Agreement (CPFTA-II) hopes are high for additional exports as out of 313 products added into revised FTA nearly 120 representing this industry. Now when rise in demand side is expected, cotton production for latest season remained devastatingly very low. With high interest rate scenario, increased energy cost and devaluation impact, industries are bound to procure expensive cotton through import which is affecting country's trade balance as well. To get benefit from CPFTA – II it is important that input cost should be controlled at all levels which is not limited to production of cotton only but borrowing and energy cost as well. As far as cotton production is concerned Prime Minister Imran Khan has taken notice of it however Government and Textile industry should join hands to fund research projects for increased and high yield cotton production. To avoid high cost borrowing other than subsidized Export Re-Finance facility, Textile owners need to inject owner's equity. It is however a notable fact that energy cost immediately cannot be decreased due to circular debt and expensive electricity available at national grid unless Pakistan may increase mix of renewable energy.

In first six months of fiscal year 2020 (i.e. July to December) Textile exports recorded growth of 3.94% mainly due to orders received from the impact of currency depreciation coming from last fiscal year. According to PBS, the country has exported textile goods of worth \$6.91 Billion in 1HFY20 as compared to \$6.64 Billion in same period last year. In value added segment, export of knitwear increased by 7.6% followed by 3.2% in bed wear. Export of readymade garments rose by 12.1% however towel segment showed a very little increase i.e. 0.22%. Export of Cotton cloth recorded a decline of 3.7% whereas tents, canvas and tarpaulin witnessed a decrease of 19.7%. As calendar year 2020 is started with implementation of CPFTA- II Pakistan will witness a considerable growth in exports of textile goods to China. In this regard a recent meeting between experts of two countries held in Pakistan where it is agreed to develop a textile cooperation framework under China Pakistan Economic Corridor (CPEC). The Sino-Pak textile cooperation will focus to enhance trade related to value added segment of textile industry i.e. readymade garments. Moreover the framework is established to provide trainings on value added segment, man-made fiber and labor skills. It is further decided that Chinese side will provide technical support along with trainings to accelerate textile sector at large especially through 9 Special Economic Zones (SEZs) under CPEC. Please note that according to a report in Deccan Herald, FTA between Pakistan and China has already dented India's cotton yarn exports after Indian cotton exports declined by a massive 38.8 percent during the first six months of the current fiscal year that ended in September 2019 feeling the heat of conclusion of second phase. There is an import duty ranging from 3.5pc to 5pc on cotton yarns imported from India into major markets like China. Not only that the yield from Pakistani cotton is not up to the mark. Pakistan needs 15 million bales of cotton to satisfy demand side however it produces 10 million bales on average whereas due to climate change recent outcome further deteriorated to around 8 million bales

Cotton is a basic raw material for textile industry. Pakistan, whose 57% exports are dependent on textiles, does not produce enough cotton to meet the requirement of existing demand. Not only that the yield from Pakistani cotton is not up to the mark. Pakistan needs 15 Million bales of cotton to satisfy demand side however it produces 10 Million Bales on average whereas due to climate change recent outcome further deteriorated to around 8 Million Bales. To meet such huge gap from local supply side Textile industry was compelled to import cotton from other countries on weak Pak Rupee. Here again Pakistan India tensions remained obstacle to import comparatively less expensive cotton from across the border. Therefore government have decided to waive all duties and taxes in import of cotton via the Torkham land border from Afghanistan and Central Asia to meet the demand of the value-added textile sector. The government has in 2014-15 imposed 1% customs duty and 5% sales tax on cotton import. PM Imran Khan showed his concern over low production of cotton despite of his direction to Ministries to increase export no matter what it takes. Therefore he directed an amendment in the Seed Act and urgently re-establishing a cotton committee to boost production in Pakistan. He also asked relevant ministries to give proposals on fixing cotton support price. PM should also look into the matter that previous two textile policies were never implemented in true letter and spirit. It was decided in last textile policy that cotton

production will be managed to increase to double whereas Textile industry will create more than 3 Million jobs. It seems that the target was never meant to be met.

World is witnessing new trends in Textile related products. Use of Organic Cotton is increasing by each passing day. Europe, that has given us GSP plus status, is giving huge export orders to countries efficient in Textile for the goods produced from Organic Cotton. Organic cotton promotes healthy soils, healthy ecosystems, healthy people and thriving farming communities and is consequently becoming a key point for fashion brands worldwide. It offers a lower ecological impact, reducing exposure to insecticides, pesticides and other chemicals, than conventional cotton production which involves some of the highest use of pesticides and incurs a heavy water footprint. There is another international platform getting stronger and that is called Better Cotton Initiate (BCI) where more than 1600 countries are registered members including Pakistan. BCI works with members across the cotton supply chain. It works to ensure there is continuous demand and supply of Better Cotton produced by licensed BCI farmers in line with the Better Cotton Principles and Criteria. Present government is very much committed to control trade deficit and to achieve this target it needs to increase exports which mainly comes from Textile sector. If the government wishes to increase textile export it should at least take care of supply side by not only increasing production of cotton but should account for changing trends globally.

https://dailytimes.com.pk/546424/textile-industry-cpfta-ii-and-new-trends/

The Nation

Pak-China ties gaining strength speedily: Firdous

ISLAMABAD - Special Assistant to the Prime Minister on Information and Broadcasting Dr. Firdous Ashiq Awan has said the bilateral relations between Pakistan and China are gaining strength with each passing year.

Felicitating the people of China on the occasion of Chinese New Year, she tweeted that the friendship with China is our great asset.

Firdous Ashiq Awan pointed out that China-Pakistan Economic Corridor (CPEC) was another bright manifestation of everlasting friendship between the two countries. She said these zones would give impetus to exports, promote local industries and help achieve sustainable economic growth. She said China has always stood by Pakistan in the hour of trial. On Kashmir dispute, she said China emphatically supported Pakistan's principled position. On the other hand, the SAPM added the protection of media workers' due rights was a priority of the government. "After resuming the charge of my office, I have taken several concert steps for the betterment of media workers. Protection of media workers is government's responsibility," she continued.

Talking to media in Islamabad, she said the salary related issues of media workers would soon be resolved in consultation with all stakeholders. The PM's aide expressed deep grief and sorrow over the death of a private media channel's cameraman Fiaz Ali.

She announced a support package of one million rupees for his family and assured to provide job to Fiaz Ali's brother in information ministry and a home for his family under Prime Minister's Housing Scheme for the needy persons.

She also announced to support Fiaz Ali's parents under Benzair Income Support Programme. https://nation.com.pk/26-Jan-2020/pak-china-ties-gaining-strength-speedily-firdous

The News

ML-I railway track to be extended to Jalalabad: Sh Rashid

LAHORE: Railways Minister Sheikh Rashid Ahmad has said the Main-Line-I (ML-I) railway track will be extend by 154 kilometres, from Peshawar to Jalalabad in Afghanistan.

Addressing the inaugural ceremony of a freight train at newly restored dry port on Saturday, he said that completion of the ML-I project was the main objective of his life and he would resign soon after its completion. He said the project was being completed in collaboration with China under the China-Pakistan Economic Corridor (CPEC) initiative to improve railway connectivity between Peshawar, Lahore and Karachi. He said the track between Peshawar and Jalalabad would also be included in CPEC. He warned that no one would be allowed to create hurdles in implementation of the CPEC project.

The minister said that five dry ports at Chishtian, Kundian, Sheikhupura, Jiabagga and Mughalpura would be made operational by March 1, which would increase economic activities in the country. He asked importers and exporters to help run dry ports and promised that railway officers would cooperate with them in their businesses. He said that railways development was important for any country's economic progress.

Sh Rashid said the project would help create 100,000 jobs for the youth, adding that the project was crucial for progress of the railway sector.

He thanked the country chief executive officer (CEO) of DP World, a terminal operator, over his promise to provide 5,000 trackers for freight coaches, which would be helpful in tracking freight wagons after their installation.

He expressed his hope that Federal Minister Asad Umar would ensure early tenders for the ML-1 project.

He said that Prime Minister Imran Khan would soon visit the PR headquarters to inaugurate modernised Command and Control system of the railways.

Pakistan Railways Chairman Habibur Rehman Gilani, newly appointed PR Chief Executive Officer\Senior General Manager Dost Ali Leghari and PR Police IG Mushtaq Mehar were also present. The minister said that flour and sugar crises were real ones and he would raise them in the cabinet meeting.

Sh Rashid hoped that the country would pay off its loans in next 10 years. He said the country had to sign a \$6 billion International Monetary Fund (IMF) deal under compulsion, due to which the entire nation is facing hardships.

APP ads: Railways Minister Sheikh Rashid Ahmad said that 2020 would be the year of prosperity and development for the country.

He claimed that corruption rate had been reduced during the current regime and termed the Transparency International report fake.

To a question, he said corruption or commission in wheat management was out of question, adding that mismanagement and miscalculations in data could be the reason for shortage of flour in the country. He said price control committees should be formed to monitor the prices of commodities, adding that prices of sugar would be discussed in the cabinet meeting.

The minister said Prime Minister Imran Khan was an honest politician and he did not tolerate corruption at any cost. He said the prime minister was voice of the poor and wanted to give more employment, adding he (Imran) was working to uplift the country's economy as a strong economy would provide more employment.

To a question about any deal with PML-N leader Maryam Nawaz, Sh Rashid said no deal was under way, adding that why the government would make any deal when the opposition was already inactive and there was no threat to the government from the opposition.

About Kashmir, he said Feb 5 would be observed as not only the Kashmir solidarity day but the Pakistani nation would also express solidarity with the people of India who were protesting against the controversial citizenship law.

To a question about International Monetary Fund (IMF), the minister said the IMF was Pakistan's need, adding there would be no need to go to the IMF if someone else had given \$6 billion to Pakistan. He cleared that China was always standing with Pakistan in every problem. About the instability in the provincial setups, he said there was no need to listen to rumors as nothing was going to change in provinces, adding that the prime minister was happy with Punjab Chief Minister Usman Buzdar. "So rumors about 2020 as election year are wrong," he said. He hoped that premier Imran Khan would overcome every challenge in the country.

https://www.thenews.com.pk/print/604433-ml-i-railway-track-to-be-extended-to-jalalabad-sh-rashid

January 27, 2020

Pakistan Observer

All Pakistanis are safe in China: FO

Quashing rumors that Pakistani nationals were in any imminent threat of contracting coronavirus, the Foreign Office on Sunday said that over 500 students and other community members in Wuhan, and in other parts of China, are all safe. China has expanded drastic travel restrictions to contain the viral contagion that has killed 56 people and infected nearly 2,000, as the United States and France prepared to evacuate their citizens from a quarantined city at the outbreak's epicenter. China has locked down the hard-hit province of Hubei in the country's center in an unprecedented operation affecting tens of millions of people to slow the spread of a respiratory illness that President Xi Jinping said posed a "grave" threat. "This ministry and the Pakistan Embassy in China are actively monitoring the situation of Corona virus outbreak in Wuhan, China. The Embassy in Beijing and other sub-Missions in China are also in touch with the Pakistani community as well as Chinese authorities," FO spokesperson Aisha Farooqui said in a statement. "Over 500 students and other community members in Wuhan, and in other parts of China, are safe. There is no report

of infection in any Pakistani community member thus far." The statement said that the Pakistani diaspora has been reassured of full support and requested to follow health protocols issued by the Chinese authorities and stay indoors. "The current situation calls for greater patience and perseverance," it added. Noting the increase in the number of cases and its human-to-human transmission, the Ministry of Health of China has put additional measures to reduce the risks associated with the viral infection.

https://pakobserver.net/all-pakistanis-are-safe-in-china-fo/

Pakistan's stance over CPEC lauded

The Pakistan Economy Watch (PEW) on Sunday lauded the stance of the government over China-Pakistan Economic Corridor (CPEC) after the US criticism terming it encouraging and according to the national interests. The US should understand that Pakistan cannot abandon this most important regional project which has potential to turnaround our troubled economy, it said. The American opposition to the CPEC will not remain confined to statements and she would do everything to reverse it for which Pakistan and China must be prepared, said Dr. Murtaza Mughal, President PEW. He said that the latest US statement against CPEC has come at a time when President Trump was claiming that his country and Pakistan had never been as close as now that exposes duplicity in policies. Dr. Murtaza Mughal said that Pakistan can never ditch China to please the US as both countries have a long history of helping each other in difficult times while handing over Gwadar Port to the US is out of question. He added that CPEC will benefit Pakistani economy while China's international trade will be facilitated which will add to the global influence of Beijing which is not acceptable to the US.

https://pakobserver.net/pakistans-stance-over-cpec-lauded/

PCMEA urges govt. to follow China on free trade pacts

Pakistan Carpet Manufacturers and Exporters Association (PCMEA) reiterating its earlier demand of taking exigent measures for increasing volume of exports said there is dire need of signing free trade agreements on the patron of China with other countries for maintaining equilibrium in trade. These views were expressed by PCMEA Chairman Muhammad Aslam Tahir while presiding over a meeting here today. Carpet Training Institute chairperson Pervez Hanif, Vice Chairman Sheikh Aamer Khalid, senior central leader Abdul Latif Malik, senior members Riaz Ahmed, Saeed Khan and others were also present on this occasion. Aslam Tahir stressed the need of envisaging a policy for international market and country comprehensive single He also said an all-inclusive strategy would be chalked out in a North Circle meeting on coming Tuesday in regard of future planning and evaluating the trends of foreign customers in Domotex exhibition going to be held in Germany. Muhammad Aslam Tahir further suggested that the government should call for a joint meeting of those who usually participate in international exhibitions and chalk out a detailed strategy for the future planning after consulting the stakeholders.

He said the government should also resolve the issues being faced by our exhibitors during exhibitions in foreign countries. On this occasion, Vice Chairman Sheikh Aamer Khalid apprised

the participants that a meeting of North Circe has been called on coming Tuesday to assess the inclinations of the foreign consumers during the upcoming Domotex exhibition. He said PCMEA will participate in this international exhibition after complete preparation and exploit the event fully for increasing volume of the carpet export.

https://pakobserver.net/pcmea-urges-govt-to-follow-china-on-free-trade-pacts/

January 28, 2020

Daily Times

Pakistan, China working closely to tackle threat of coronavirus

Since outbreak of the coronavirus in Wuhan city of China, the Pakistani and Chinese government are working closely to manage the situation, a statement issued by the Chinese Embassy in Islamabad reassured on Monday.

"More than 500 students and citizens of Pakistan in Wuhan are safe and sound. They are all well attended and being looked after by the local government of the province as well as the central government," the statement read. "Pakistani Embassy in Beijing is also following the situation and providing whatever assistance to the Pakistani students and citizens in Wuhan," it said. "Right now, the Chinese government and the Pakistani government are in close coordination to extend all necessary assistance for their life, study and stay in China," it added.

"Right now, we are following the Chinese community in Pakistan as well. We have found three suspicious cases but there is no confirmed case of virus in Pakistan," the embassy statement read. "Both the governments of China and Pakistan are exchanging and sharing information regarding possible medical assistance and medial preparations," it added.

Pakistan's Ambassador to China Naghmana Hashmi also said that no Pakistani national residing in China has so far been affected by the coronavirus. In a video message, she said Pakistan's Embassy in China is in constant touch with the Chinese authorities and monitoring the situation. She said the embassy is also trying its best to remain in touch with the Pakistani nationals.

On Monday, Prime Minister Imran Khan directed for taking necessary precautionary measures and formulating a comprehensive and coordinated strategy to tackle the threat.

According to a letter sent by the Prime Minister's Office to various ministries and divisions, the outbreak of coronavirus is being experienced in China with more than 2,000 confirmed cases worldwide. Owing to the presence of a large number of Chinese in Pakistan and frequent travel between the two countries, spread of coronavirus in Pakistan could not be ruled out, if necessary precautionary measures are not put in place. "In light of the above, the prime minister has desired for immediately convening a federal level inter-ministerial meeting under the chairmanship of Special Assistant to PM on National Health Services, Regulations and Coordination to formulate a comprehensive strategy for tackling the threat," the letter said. The proposed participants in the inter-ministerial meeting will be foreign secretary, secretary National Health Services, Regulations and Coordination, secretary Interior, secretary Aviation, provincial health secretaries, National Disaster Management Authority chairman, surgeon general Pakistan Army, director general of

Military Operations, director general of Inter-Services Intelligence (ISI), provincial disaster management authorities, Civil Aviation Authority (CAA) director general, National Institute of Health (NIH) director general, Airport Security Force (ASF) director general, director general China at Ministry of Foreign Affairs, and any other official deemed appropriate by the Ministry of National Health Services.

The outcome of the meeting along with firm recommendations would be furnished to the Prime Minister's Office within one week for perusal/orders of the prime minister, the letter concluded. Meanwhile, Pakistan-China border will be re-opened on February 2 for five days to allow over 186 containers loaded with Chinese goods stranded in Tashkurgan to enter Pakistan.

According to an official of Gilgit Baltistan Home Department, Pak-China border remained closed from December 1 to March 31 under the Border Protocol Agreement. However, in view of a large number of loaded containers stranded on the Chinese side it has been decided to open the border for five days, the official said.

https://dailytimes.com.pk/547763/pakistan-china-working-closely-to-tackle-threat-of-coronavirus/

Dawn News

Punjab plans five sister cities with China

LAHORE: The Punjab government has plans to create sister cities arrangements between five cities of Punjab and China.

The Punjab local government and community development department is presenting a Letter of Intent (LoI) for the creation of sister cities in Punjab cabinet's 24th meeting scheduled for Jan 30 (Thursday).

The Punjab government plans to develop Faisalabad and Qingdo; Rawalpindi and Wuhan; Bahawalpur and Nanjing; Taxila and Datong; and Multan and Xian as sister cities as a part of Pakistan-China Year of Friendship Sisters Cities 2019.

The local government department will also take up a memorandum of understanding (MOU) between Lahore and city of Xuzhou, Jiangsu province of China.

The cabinet will take up energy department's request of establishment of Trust under Social Responsibility Agreement (SRA), provision of utilities in Special Economic Zones (SEZs) and allowing Quaid-i-Azam Thermal Power (Pvt.) Limited to mortgage the project land.

The cabinet will discuss approval of Punjab Electronic Invoice Monitoring System (EMIS) Rules, 2019; audit report of the Auditor General of Pakistan on the accounts of Disaster Management Organizations Punjab Audit Year 2018-19; and amendment in second Schedule of the Punjab Sales Tax on Services Act, 2012.

The health department is putting forward legislation for regularization of lady health workers and other staff of Integrated Reproductive Maternal, Neonatal and Child Health and Nutrition Programme; and the Punjab Drugs and Cosmetics Amendments Act 2019.

The higher education department will be presenting amendment in the University of Wah Act, 2019.

https://www.dawn.com/news/1530932/punjab-plans-five-sister-cities-with-china

The News

Criticising CPEC

Abdul Sattar

The recent statement of senior US official Alice Wells regarding CPEC was uncalled for. She had asserted that under CPEC blacklisted Chinese companies had been awarded contracts. Miss Wells also claimed that Pakistan would face a pile of debts because of the project.

In return, Beijing issued a lengthy rebuttal arguing that the historic investment initiative greatly benefited Pakistan, creating thousands of jobs and greatly improving the infrastructure of the country which is likely to go a long way in attracting more investments. The rebuttal correctly asked the US about the type of assistance Washington had extended to prop up the debilitating economy of the Islamic Republic. The Pakistan Foreign Office and the Ministry of Planning also came up with strong support for the project. Prime Minister Imran Khan also heaped eulogies on China in the aftermath of the statement that many think is an attempt by the US to interfere with Pakistan's internal affairs.

It is difficult to understand why the US loves to be the world's policeman. Unnecessary interventions by it have already created chaos in several parts of the world. The sole superpower seems to be on a mission to lambast any country it does not like and topple any government that does not toe its line. From Ukraine to Bolivia, it has dislodged defiant leaders, and from Syria to Venezuela it has been hatching conspiracies to destabilize governments that challenge American exceptionalism.

Wells' statement is a blatant violation of the norms that advocate respect for every country's sovereignty and recognise the right of every state to choose its own political, social and economic policies. The US is very sensitive about its own internal affairs. For instance, if the Chinese ambassador to the US or any senior official had issued a statement criticizing Mexico for striking a trade deal with Washington, the corporate media would have created a storm. But when it comes to the internal affairs of any other country, the US feels free to meddle without any regard to sovereignty and international norms.

The US is widely believed to have used aid and other means of assistance as a way to influence the policies of other states. It coerced Mexico in recent years and in the past as well into signing unfair trade deals. It threatened to use the stick of tariff to extract trade concessions from its allies. Recently a number of European states had to fall in line, condemning Iran after Washington made it clear that it could slap European goods and products with tariffs and duties if they did not express open support for America's belligerent policy in the Middle East.

The meager US aid that used to be extended to Palestinians was also withdrawn after Trump became president. Even the UN has been threatened with aid cuts. The International Court of Justice and some other international bodies also faced the same arrogant behavior of mighty American state.

And it is not just in Pakistan; America and in some cases other Western states have problems with Chinese investment everywhere. In case of Pakistan, it is not the Chinese loans that have done great damage to the economy of the country; it was the financial assistance from US-led financial institutions like the IMF and the World Bank that wreaked havoc with the Pakistani economy, forcing the state to privatize state-owned concerns and raise the price of electricity and other utilities. Privatization rendered hundreds and thousands of people unemployed and also damaged the productive capacity of the country.

Pakistan's ruling elite claim that the sale of such state concerns was used to repay loans but that is not the case. When this process of auctioning public industrial and commercial entities began at a throwaway price a few decades ago, our debt was insignificant. Today, it has almost crossed the 100 billion dollar mark. Most of it is old and acquired much before CPEC.

The world did not witness large infrastructure projects for a long time. In the US, it was during the decade of the 1930s, when it launched such projects. The Marshall Plan was perhaps the last big effort to improve the infrastructure of Europe. China, the Soviet Union and the socialist states of Eastern and Central Europe launched their own mega projects in the aftermath of World War II without any substantial foreign assistance.

Some experts believe billions of dollars are required to improve infrastructure in several parts of the world. Some estimates suggest around 700 billion dollars is annually required to improve infrastructure in various continents. Given this, Beijing came up with the Belt and Road Initiative, pumping around 960 billion dollars, covering over 60 states and more than three billion of the population of the earth. Such an initiative should have been applauded.

The project is transforming lives in several parts of Africa, which was gifted nothing but slavery and ruthless exploitation by Western colonial powers. The trade volume of the neglected continent with China runs into billions of dollars. Some Chinese industries have also been shifted to the impoverished continent. The Chinese investment created a ray of hope in several parts of Asia where states do not have enough resources to carry out mega projects but are able to work on such initiatives with the help of Beijing.

So, if countries like the US have reservations over Chinese investment in Asia, Africa and other parts of the world, they can come up with their own investment projects to help cash-starved countries like Pakistan. Mere criticism of Chinese investment will not serve anyone. The US needs to let us know how many billion dollars it intends to pump into Pakistan, which not only sided with Washington during the cold war, infuriating the mighty Soviet state at that time, but also threw a helping hand to Washington by being its ally in its 'war on terror'.

This war played havoc with the people and economy of Pakistan. The Pakistani government claims that more than 30,000 people lost their lives because of this war while more than 100 billion was lost owing to the destruction of infrastructure caused by the Taliban insurgency that was partly triggered by the 'war on terror'. The US has a greater responsibility to help Pakistan rebuild this infrastructure than China.

What Washington also needs to remember is that a poor economy can create a fertile ground for religious militancy and extremism that has not only harmed Pakistan but the Western world as

well. If Beijing is trying to help Pakistan improve its economy by building infrastructure, Washington should appreciate such help instead of criticizing. It's time Washington came up with its own assistance plan for Pakistan if it really wants to prove to the people of Pakistan that it is a great friend of Islamabad.

https://www.thenews.com.pk/print/605104-criticising-cpec

January 29, 2020

Business Recorder

PM's assistant on health confirms four Pakistani students in China diagnosed with corona virus

Special Assistant to Prime Minister (SAPM) on Health Dr Zafar Mirza revealed on Wednesday that four Pakistani students studying in Wuhan, China are confirmed to have the corona virus. Addressing a presser, the SAPM said that the government does not want to reveal the details of the students. He added that the students are doing well and getting the best care possible. He further said that the families are being notified and reassured, adding that the government will take on the responsibility of these children and all Pakistanis in China.

The SAPM reiterated that no case of the corona virus has been confirmed in Pakistan. He said the individuals who were suspected of having the virus were kept under observation. He further said that as per the evidence, they could say that the individuals do not have corona virus.

The new virus, which originated from a wild animal market in the central Chinese city of Wuhan, has killed 132 people and infected more than 6,000 in mainland China and abroad so far.

https://www.brecorder.com/2020/01/29/565993/pms-assistant-on-health-confirms-four-pakistani-students-in-china-diagnosed-with-coronavirus/

Dawn News

PM Khan orders speedy completion of CPEC projects

ISLAMABAD: Prime Minister Imran Khan on Tuesday said the ongoing development projects under the China-Pakistan Economic Corridor (CPEC) should be completed on a fast-track basis and directed to give final shape to the consultation process of the future plans on priority.

Lauding the time-tested friendship with the northern neighbor, he said China had always supported Pakistan during the difficult times and CPEC was a manifestation of the multi-dimensional partnership between the two countries.

He also observed that Chinese experiences in the social sector, especially for the eradication of poverty and promotion of agriculture, must be fully explored, Prime Minister Office Media Wing in a press release said.

The prime minister was chairing a high-level review meeting to ascertain progress on different CPEC projects. Revenue Minister Hammad Azhar, Planning Minister Asad Umar, Finance Adviser Dr. Abdul Hafeez Shaikh, Maritime Minister Syed Ali Haider Zaidi, CPEC Authority

Chairman Lt Gen (Retd.) Asim Saleem Bajwa, Naya Pakistan Housing Programme Chairman Lt Gen (Retd.) Anwar Ali Haider and other senior officials also attended.

The premier directed the CPEC Authority to accelerate implementation pace on different projects under the second phase on priority.

Giving direction for early finalization and completion of the projects, Khan asked the relevant ministries to set completion period and emphasized upon making the inter-ministerial coordination more effective to achieve desired results within the appointed time frame.

He also directed to brief him in the upcoming review meeting on the projects falling under the CPEC second phase, including their completion period, implementation, removal of hurdles and the future mechanism.

The prime minister was briefed in detail over the progress on the short, medium and long-term CPEC projects.

The meeting was apprised about the first phase of CPEC projects in energy, road and rail networks and Gwadar Port, and the second phase schemes, including industrialization cooperation, promotion of agriculture, social and economic progress, tourism and others.

It was informed that majority of the projects in the energy and road networks had been completed whereas work on the Gwadar Port and airport was under progress phase-wise.

The Orange Line project was completed while consultation process over feasibility of Quetta railway was underway.

Khan had already laid the foundation stone of the Allama Iqbal Special Economic Zone while Rashakai's was expected in the next month.

The bidding process for Dhabeji Economic Zone would be completed soon, it was further informed.

The meeting also took stock of different recommendations regarding proposed projects under CPEC phase two, in the education and health sectors, housing scheme for the low income groups, poverty reduction, Ehsaas poverty programme and eradication of malnutrition and stunting issues. https://www.dawn.com/news/1531192/pm-khan-orders-speedy-completion-of-cpec-projects

Pakistan Observer

Tendering process for ML-1 project likely to start in 3-4 months, Senate told

Minister for Railways Sheikh Rashid Ahmed on Tuesday informed the Senate that PC-1 for ML-1 railway track from Peshawar to Karachi had already been submitted to the Planning Commission for its approval, while tendering process for the project would start within 3-4 months. Responding to various questions during Question Hour, the minister said around five years' time-frame would be required for the completion of the project. Sheikh Rashid said the government had a plan to extend the old Peshawar-Torkham route to Jalalabad under China Pakistan Economic Corridor (CPEC). The new route would also ensure the direct flow of Afghan international transit to Afghanistan, he added. He said 385 acres of railways land was retrieved from the encroachers besides taking back Royal Palm. He said railway track from Nowshera to Dargai had been opened after 22 years and timber was being transported through it. To another question, the minister said

Pakistan Railway had started 24 new trains and earned additional Rs.4.938 billion. PR also earned Rs.54 billion during last year, he added. Pakistan Railways had reduced its deficit to Rs.32.769 billion for financial year 2018-19 as compared to the deficit of Rs.36.622 billion for financial year 2017-18, he said. The minister said the deficit was decreased by Rs.3.853 billion, but despite that Pakistan Railways had to spend an additional amount of Rs.3.169 billion on account of increases in high speed fuel prices, pay, pension and depreciation of rupee against dollar. To a question, he said there were over 3000 unmanned railways crossing on Peshawar to Karachi track and ML-1 would help end such crossings. Meanwhile Minister for Railways Sheikh Rashid Ahmed Tuesday informed the Senate that Pakistan Railways (PR) adopted free track policy and private company could operate trains. Responding to various supplementary questions during Question Hour, the minister said the private sector could operate trains by using PR facilities. He said that 14 new trains were launched during the last one year. Mostly these trains were launched in far flung areas, he added. The minister said a new train from Darigai to Karachi would be launched during 2020. There was 120 per cent occupancy in Rehman Baba Express running between Peshawar to Karachi, he added. He said railway track had been laid in Sibi and it would be operationalized after security clearness.

https://pakobserver.net/tendering-process-for-ml-1-project-likely-to-start-in-3-4-months-senate-told/

NA Speaker terms CPEC game changer for region

Speaker National Assembly Asad Qaiser Tuesday said the China-Pakistan Economic Corridor (CPEC) was a game changer not only for Pakistan but the whole region. During meeting with Speaker Gilgit-Baltistan Assembly Fida Muhammad Nashad, he said Gilgit-Baltistan was the gateway to China and beyond thus progress and prosperity of the region was directly linked with the CPEC. Chairman Public Accounts Committee (PAC) Capt. (R) Sikander Ali also accompanied the Speaker Gilgit-Baltistan, said a press release issued here. Asad Qaiser said the CPEC had enormous potential to reshape the economic outlook of the regional states. He said the present government strongly believed that socio-economic development of all the provinces was imperative for development of the country. The speaker said the government had paid special focus on infrastructure development of Gilgit-Baltistan which was gateway to China and central Asia. He said Gilgit-Baltistan was blessed with rich tourism, mineral and human potential. He said that development of tourism potential would attract foreign tourists giving a boost to the economy of the country through job creation and business activity. Fida Muhammad said Gilgit-Baltistan was an integral part of the country and frontline of defense against any Indian aggression. He said that people of Gilgit-Baltistan considered them patriot Pakistanis and were actively contributing towards national development.

Acknowledging the substantial financial allocation made by the federal government, he said that major infrastructure, health, education and skill development projects had been carried out in Gilgit-Baltistan. He said that people of Gilgit-Baltistan were actively engaged in economic opportunities created after the advent of the CPEC projects. Fida Muhammad apprised the speaker about the ongoing socio-economic development projects in Gilgit-Baltistan.

https://pakobserver.net/na-speaker-terms-cpec-game-changer-for-region/

China-Pakistan relations and US criticism of CPEC

Nasreen Akhtar

ALICE Wells, the US Acting Secretary for the Bureau of South and Central Asia Affairs, recently completed her visit to Islamabad. During her visit, she criticized over \$60 billion Pak-China Economic Corridor (CPEC). Several firms blacklisted by the World Bank have received contracts in CPEC, Alice Wells claimed. She further criticized that "the lack of transparency in the CPEC deal and the conditions imposed by China are increasing Pakistan's debt". This criticism is not new on CPEC. Last year Wells said, "The Chinese loans are going to hand over Pakistan's economic development potential, hamstringing Imran Khan's reform agenda". Mike Pompeo, the US Secretary of State, also warned Pakistan that IMF's money for Pakistan should not be used to return CPEC debt". The fundamental question arises that why has CPEC become irritant to the US Administration? The answer is not complex; it is so simple:

In fact, CPEC has increased the US' concerns because both China and Pakistan will benefit-economically and strategically. CPEC has put the two countries, China-Pakistan, on a permanent course, and the direction would help them to surpass their economy and possible potential. However, CPEC would certainly influence the "Rising India" that is not in the interest of the US because CPEC is an extension of BRI (Belt Road Initiative) that was launched by China in 2013. BRI includes more than 152 countries and China is heavily investing in infrastructure development in these countries. CPEC, therefore, is massively achieving its objectives. The first phase of the CPEC has already been completed [infrastructure], now it has entered in its 2nd phase-economic zones are taking off- that will measure the economic development, particularly of Pakistan. Ask the people who are using Motorways (M4-M5), they will give their feedback that how this (road infrastructure) has made their extensive journey so easy and comfortable. In South Punjab M5 (Motorway) is known as CPEC, and the people appreciate China's investment in Pakistan.

CPEC is not only a project that has developed cooperation and trust between the two old friends, but also it has constructed the bridge between the people of China and Pakistan that may lead them (only) toward progress. CPEC, undoubtedly, would change the fate of people of Pakistan. The US criticism comes because China is attaining its longstanding global goals. China has responded promptly on Wells' statement. The Chinese Foreign Ministry spokesperson, Geng Shaung, categorically said that "the American diplomats' remarks were nothing new and were a mere repetition of old slanders against China, CPEC and the BRI..." The spokesperson rejected the US allegations and aptly said, "In advancing CPEC development, Beijing is committed to consulting and cooperating for shared benefits and China has put the interest of Pakistani people first. Washington was in 'total disregard of facts, the US had been talking about fabricated 'debt issue' with the true aim to disrupt CPEC development and sow discord in China-Pakistan. It is neither healthy nor honorable to prevent others from delivering what one fails too." Pakistan's Foreign Office also commented on the Wells' statement that "CPEC is a transformational project for Pakistan, and completing it is the government's highest priority".

The US' criticism and concern are understandable at the State level, whereas, people are not interested to listen any State that is not doing anything for them. The US officials claim to have the regards for Pakistan as a 'sovereign' State but they expect Pakistan to accept their demands or policies. The US must accept both China and Pakistan as sovereign and independent states and also should respect them. China-Pakistan relations are not new relations were developed during the Cold War era, since then, both are enjoying very cordial and cooperative friendship. Likewise, Pak-US relations were developed and strengthened in the 1950s Pakistan signed security alliances with the US, consequently, Pakistan would not establish its tie with the Soviet Union the US rival. Pakistan depended heavily on the US economic and military assistance for its security and survival; but the US, every time left Pakistan alone to suffer during acute crises when Pakistan needed its help. It was China that provided material and diplomatic support to Pakistan in 1965-71 India-imposed wars. The US, despite its commitment, refused to provide military and economic assistance. Now the state and society both have realized that the US always backed out from a commitment whenever Pakistan needed its help. To the people of Pakistan, China is the most reliable and 'all whether friend'. It stands by Pakistan during crisis never disappointed or threatened state or society of Pakistani think China is a more rational state and has learned how to live with international community with 'peace and harmony'. The US's policy to contain China may not work in the post-Cold War era-every state is struggling to protect its security. The policy of Development and Peace would help the US to be influenced vis-à-vis China not the policy of conflict or containment.

https://pakobserver.net/china-pakistan-relations-and-us-criticism-of-cpec/

Promising prospects for Gwadar Shipyard under CPEC

Kanwar Muhammad Javed Iqbal

CHINA-Pakistan Economic Corridor (CPEC), a windfall opportunity for maritime sector, has also resulted in the growth prospects for shipbuilding industry in the country. But, the Karachi Shipyard with limited tonnage capacity is unable to compete with regional yards particularly in the Gulf which are equipped with state-of-the-art facilities for all the four major areas of operation – shipbuilding, ship repair, oil rig construction and oil rig support. At present, bulk of the regional business is being captured by major yards in the Gulf like Dubai Dry Docks in the UAE, King Salman Global Maritime Industries Complex in Ras Al-Khair, Saudi Arabia, Abu Dhabi Shipbuilding (ADSB) in the UAE, Nakilat Damen Shipyards Qatar (NDSQ), Oman Dry-dock Company (ODC) at Duqm Port and Kakilat-Keppel Offshore & Marine Ltd in Qatar and Arab Shipbuilding & Repair Yard (ASRY) in Bahrain.

The existing facilities at Karachi Shipyard & Engineering Works (KS&EW) are not sufficient considering the PNSC's fleet requirement, growing prospects of Pakistan's economy, modern era for different category vessels, emerging requirement on the trade route and availability of more competitive services in the region. Deadweight tonnage of the biggest Aframax Tanker Quetta in current PNSC's fleet is 107,215. Whereas, KS&EW has 2 Graving Docks with limited capacity (i.e. capacity of one dock is 18000 and other's 26000 DWT) and 3 Shipbuilding Berths with

miscellaneous capacity (i.e. capacity of one berth is 6000 DWT, second is of 15000 DWT and third is of 26000 DWT).

According to KS&EW, emergency repairs were carried out on a 250,000 DWT vessel at outer anchorage of Karachi as the vessel, because of its size, could not enter Karachi Harbor. Therefore, the existing capacity of KS&EW has a big question mark particularly on any unforeseen security scenario where an emergency repair would likely be required for the indispensable national flag carrier. So, this industry has not only economic aspects but also has national security dynamics. On one hand, the expansion and up gradation of existing facilities at KS&EW is important so as to meet at least the requirement of national flag carrier. While, on the other hand, considering the prospects under CPEC with a greater likelihood of quantum jump towards demand side, the development of a new state of the art facility area for Shipbuilding, Repair and Maintenance is quite significant at Gwadar Gateway which will be the future hub of shipping-related activities indeed.

Shipbuilding is a capital intensive but generally termed as a nation building industry. This industry is dominated by China, South Korea and Japan mainly due to right approach, cheaper wages and strong government backing. Pakistan, despite having a few merchant ships in its inventory and almost total dependence on sea trade, has not taken any worthwhile measures to exploit the shipbuilding sector. Whereas, Pakistan offers cheap labor and compared to China it is about 82% less i.e. approximately 0.59-0.81\$ per hour compared to 3.32- 4.49\$ per hour. But, due to lack of opportunities in Pakistan, most of this workforce is employed in the Middle East. This work force can be attracted to join shipbuilding industry at home if favorable financial package and opportunities are offered to them. So, establishment of a new facility at Gwadar can cater things in many ways for which endeavors of CPEC framework would be instrumental for fruitful results. During March 2018, the Federal Cabinet approved the plan to setup a new Shipyard at Gwadar and it was supposed to be implemented over 3-5 years, but news for ground-breaking is still awaited. Perhaps, the Federal Government has less clarity or priority about the project financing and model approach for it. However, this initiative at Gwadar should set up a state- of-the-art facility capable of repairing and building ships up to 600,000 DWT to cater regional and global demands.

There are a few concerns of the experts regarding the market demand and the overall size of the facility that would likely cover VLCC/ULCC. But, it is quite inspiring that the Federal Government has so far shown a futuristic vision which can be materialized with a phase-wise market-driven approach. The first phase may comprise different steps with a focus on more number of units (docks and berths) for a Suezmax size i.e. between 120,000 to 200,000 DWT operational aspects of the overall facility and rationalized number of units may be planned in later phase for the size up to 500,000 to 600,000 DWT considering the potential market demand.

With rapid assessment method, market analysis reflects quite promising prospects for such an initiative at Gwadar and would help in establishing a smart and successful maritime city at Gwadar by involving a web of allied/ancillary industrial hub of activities for its different operational aspects. Gwadar has many projects under development process including the New Gwadar

International Airport which will be supporting ends for this initiative. In addition, Gwadar is a nearby place for the hub of global shipping lines which would offer better business opportunity particularly for ship repair and maintenance.

The establishment of such a facility would likely involve a capital cost around 0.6 to 1 Billion US\$ for Shipbuilding and 0.5 to 0.75 Billion US\$ for Ship repair and maintenance component. Considering the capital intensive nature and the long-term benefits for national security and technological/industrial advancement in many fields related to Shipbuilding Industry, even if it does not bring immediate returns, the active role of Federal Government is critically important towards such an important venture.

As per news sources, it was considered to set up the facility in the form of JV with foreign investors and Pakistan Navy is supporting this initiative. But, the government's roadmap is probably unclear yet. Other than JV, a Public-Private Partnership (PPP) BOT model can also be explored to have an extra edge for a new, innovative and more competitive brand under CPEC endeavors. However, prioritizing and initiating the project under CPEC framework would provide fast track solution.

—The writer is Senior Researcher at National Institute of Maritime Affairs (NIMA), Islamabad https://pakobserver.net/promising-prospects-for-gwadar-shipyard-under-cpec/

The Nation

Chinese Food Festival at PC Rawalpindi

RAWALPINDI (PR): Chinese Ambassador to Pakistan, Yao Jing, along with the General Manager of Pearl-Continental Hotel Rawalpindi Rashid Banday, inaugurated the Chinese Food Festival at Pearl-Continental Hotel Rawalpindi on 25th January. The food festival, which offers specialties from the Chinese buffet at Tai-Pan restaurant, will continue till 8th February 2020. https://nation.com.pk/29-Jan-2020/chinese-food-festival-at-pc-rawalpindi

January 30, 2020

Pakistan Observer

Govt. to prepare technical force for special economic zones

Baluchistan government has planned to impart technical training to youth to fulfill the skilled staff needs for special economic zones of the province. The government would train 6,000 people of the province this year in different fields, spokesperson of Baluchistan government Liaquat Shahwani said this here on Wednesday while talking to APP. He said the technical training programme would be expanded further and number would be increased with every coming year. He said the province had numerous resources and opportunities such as mineral resources, China Pakistan Economic Corridor (CPEC) could be leveraged to promote youth employment. The youth would be imparting professional and practical skills required by the tourism sector. The government has allocated 500 seats for the persons with disabilities, he said adding that after imparting skillful training to the special persons in different fields, they would be able to get jobs

easily," he added. He also emphasized upon the need to improve the quality of skills and strengthening academia by ensuring linkages with industry, adding that this will tackle unemployment issues in the province. The government was also establishing Technical Education and Embroidery Centers for women in five districts of the province with an estimated cost of Rs231.67 million, Shahwani said. The provincial government has been taking initiatives to impart technical skills among youth particularly women where they could get entrepreneurship skills along with financial assistance for transforming their start-up ideas into reality. Under the project, he said that the seven centers would be established at Lasbella, Panjgoor, Awaran, Zhob and Turbat districts.

https://pakobserver.net/govt-to-prepare-technical-force-for-special-economic-zones/

Accelerate CPEC projects

THE first phase of multibillion dollar China-Pakistan Economic Corridor (CPEC) proved to be very important one for Pakistan to address energy shortage and fill the gap in the road infrastructure. As a result of this, today, the country has sufficient power generation capacity to meet demand of its domestic and industrial consumers whilst a vast network of motorways and expressways has changed the entire landscape increasing the prospects of Pakistan becoming the hub of regional trade and economic activities. Despite commitment on both sides, the second phase of the CPEC which will see rapid industrialization in Pakistan and cooperation in important sectors such as agriculture is yet to take up the requisite momentum. Chairing a meeting on Tuesday, Prime Minister Imran Khan once again directed all concerned ministries to set goals for schemes and ensure inter-governmental coordination for early conclusion of phase two of the mega corridor project. Given the economic challenges faced by Pakistan, the second phase of CPEC is very important to take forward the country on the path of sustainable development and create thousands of new job opportunities for the youth. Therefore, the government must give priority to the establishment of special economic zones with provision of all the facilities there so that the Chinese friends can relocate their industries there without any further delay. In addition, other friendly countries such as Saudi Arabia, Qatar, Turkey, and Malaysia, the UAE, UK and US should also be encouraged to make their investments in them. One other project that has the potential to trigger economic activity in the country is the long delayed up gradation of ML-1 from Karachi to Peshawar. It is important that our authorities engage more closely with China in order to kick start work on all these delayed projects. We will also suggest the Prime Minister to regularly monitor the progress on the CPEC-related projects and give timelines to their cabinet members for their timely execution. Doing so will also help counter the negative propaganda unleashed by different quarters against this game changer project.

https://pakobserver.net/accelerate-cpec-projects/

Chinese companies implement CPEC' projects as per commitment

Chinese companies engaged in projects under the China-Pakistan Economic Corridor (CPEC) not only complete projects on time but also fulfill their corporate social responsibility in Pakistan. According to Gwadar Pro App, by carrying out the corporate social responsibility, Chinese

companies have supported the local labor, school, hospitals and improved their skills and standards.

China State Construction and Engineering Corporation (CSCEC), the largest construction company in the world, has completed the 392-kilometer-long Sukkur-Multan section. It is a 6-lane access controlled Intelligent Transportation System (ITS) motorway with a total cost of USD 2,889 million. It was funded by China's EXIM Bank. So far, it is the largest transport infrastructure project under the framework of CPEC. Fulfilling its social responsibility, CSCEC has paid USD165 million taxes since the commencement, offered job opportunities to over 28,900 locals living along the motorway. CSCEC has organizes medical teams to provide regular free medical services to more than 7,200 villagers. More than 13,200 boxes of medicine were distributed. A total of 33 sets of medical equipment and more than 210 sets of sports equipment have been gifted. CSCEC also has built two "Belt and Road" libraries, gifted 3,500 books and 3,300 school bags to 11 schools and sponsored 8 Pakistani students to study at Wuhan University of Technology in China.

The similar work is seen on Sahiwal Coal-fired Power Plant. This large coal-fired power project was jointly invested by Huaneng Shandong Power Generation Co. Ltd. and Shandong Ruyi Science & Technology Group. The project is located in Sahiwal, 150 km southwest of Lahore, the capital of Punjab province. In terms of fulfilling its corporate social responsibility, more than 3,000 local labor have been hired for this project. The company has also recruited more than 200 Pakistani engineers for operation after the inauguration, and they also sent them to China for a systematic training in the same type of power plants. The company is also planning to build an engineering and technical training school in Pakistan in order to cultivate more technical talents for Pakistani people.

https://pakobserver.net/chinese-companies-implement-cpec-projects-as-per-commitment/

The Express Tribune

Wells' CPEC onslaught

Dr Talat Shabbir

With American guest in town, the China-Pakistan Economic Corridor (CPEC) hits the headlines again. CPEC, since its inception draws conflicting interpretations of its various facets. Critical appraisal is sometimes home-grown and on occasion comes handy from across the world. Friends term the project a beacon of hope that has promise of prosperous Pakistan with enormous development prospects impacting lives of millions of people. Adversaries on the other hand, see it hyperbole economic initiative that could potentially turn out to be a mere trap causing substantial economic stress for Pakistan. Facts are mostly twisted to suit a certain narrative.

Visiting senior US diplomat, Alice Wells, who oversees South and Central Asia for the US administration, had renewed criticism over the multibillion-dollar CPEC project. Ambassador Wells precisely did a repeat of what she alleged at Woodrow Wilson Centre in November last year. While pointing to CPEC, she cast aspersion to Chinese investment and development model. She

said Pakistan would be at high risk of debt stress due to Chinese financing and warned that it would cause hardships for Pakistan at the time of repayment in couple of years. She also hinted at issues of cost and transparency. Like November 2019, Chinese Embassy issued a strongly-worded rebuttal dismissing allegations as an attempt to interfere in Pakistan-China ties. Addressing fears on borrowing, it was stated that CPEC loans were 5.3% of Pakistan total foreign debts with repayment period of 20-25 years. Industrial cooperation, infrastructure development and energy projects would help boost Pakistan's economy. Besides, China always assisted Pakistan without any political consideration.

Wells well thought-out outburst reflects politico-economic unease of the US and appears that it now has a considered opinion about the Belt and Road Initiative (BRI) and CPEC and recurrently reiterates that the BRI and CPEC do not seem to be an economic undertaking but is part of the bigger game plan that China has unfolded towards newer international order.

Over a period of time, a discourse on CPEC evolved focusing on global, regional, bilateral and domestic dimensions to it. The BRI is about Chinese vision of how it views 'economic geography' of the globe and how it would wish to sail through it. Chinese model flowing from Chinese vision runs contrary to the existing model spearheaded by the US. Global and regional wave of hostility to the BRI and CPEC becomes known where India too opposes this economic project on political grounds.

Bilaterally, CPEC is not considered as an economic venture but it is reflection of a special relationship that Pakistan and China have built over time. Domestically, there are elements voicing their concerns or there may be few occasions where Pakistan might have fallen short on doing what was required but there exists a consensus in the entire country that CPEC is an economic framework that carries promise of huge economic development in Pakistan.

There is struggle between global and regional players over expansion of their political and economic sphere of influence. That is how China's adversaries interpret Chinese vision of politico-economic world as flawed. On the contrary, China terms the BRI as a project that would create win-win cooperation among the partners and would advance the vision of shared destiny and shared future. Most Pakistanis think CPEC is in Pakistan's national interest that promises well-being and prosperity of people. And Pakistan must take advantage of this huge opportunity and do it in the best possible manner. It's about time that Pakistan must identify its core politico-economic interests and stand firm on them. As for Ms Wells' advice, one might consider demerits of any future Chinese trap but we know we have a history of enduring Western (IMF) trap. As a long time ally, Pakistan looks up to the US for help on FATF, India-occupied Kashmir and the economic woes it is confronted with. It's time to demonstrate that the US values Pakistan's friendship. https://tribune.com.pk/story/2146667/6-wells-cpec-onslaught/

The Nation

Pakistan monitoring situation in China amid coronavirus outbreak: FO

The Pakistani government is monitoring the situation in China and is in close contact with the relevant authorities in order ensure safety of Pakistani students in Wuhan amid coronavirus outbreak that has killed 170 people, the Foreign Office said on Thursday.

"Islamabad has taken up the issue of food shortages with concerned officials and we are assured by the Chinese government of full cooperation in this regard," Foreign Office Spokesperson Aaisha Farooqui said at a press briefing.

In response to questions about the evacuation of Pakistani citizens from Wuhan, the epicenter of deadly virus, the spokesperson said, "Islamabad is monitoring the evolving situation and will take a decision after consultations among all the stakeholders."

The World Health Organization, which initially downplayed the severity of a disease that has now killed 170 in China, planned a meeting Thursday on whether to declare the epidemic a global emergency.

Regardless of any WHO declaration, governments, companies and people around the world continued to ramp up efforts to try and contain the mysterious illness that is believed to have emerged from an animal market in the central Chinese city of Wuhan.

Some Pakistani students in Wuhan, however, are complaining that they are not being taken care of by the Chinese authorities and demanded immediate evacuation in a social media post earlier this week.

Asked to comment on whether Pakistan would be putting restrictions on flights coming in from China, and closing down the Khunjrab border crossing, the spokesperson stated that the border opening has been rescheduled for April.

"We have taken up the issue of accommodation of citizens stopped at Urumqi airport and has asked Chinese officials to make appropriate arrangements," she said.

"The government has established an emergency centre at the National Institute of Health and a technical committee is working for prevention and policy guidance," she noted. Pakistani students have been advised to get themselves registered with the embassy.

https://nation.com.pk/30-Jan-2020/pakistan-monitoring-situation-in-china-amid-coronavirus-outbreak-fo

The News

CPEC: the bigger picture

Husnain H Zaidi

Why is Washington making a song and dance about the China-Pakistan Economic Corridor (CPEC)? Are their reservations with regard to the multi-billion programme rooted in deep concerns for Pakistan's long-term wellbeing?

Do like caring parents who believe their naive child should give a wide berth to bad company they want Islamabad to keep the Chinese at an arm's length? Or do the Americans look upon the corridor as a strategic ploy by Beijing to put its stamp on the region at their expense?

From the American perspective, as outlined by a senior State Department official, Alice Wells, twice during the past three months, the substantial capital inflows under CPEC are a Greek gift for Pakistan, which is already heavily indebted to foreigners governments as well as multilateral institutions. The more the programme grows in size; the more funds will Islamabad have to borrow from the government and banks in China. As a result, the debt repayment obligations of the country will continue to inflate, forcing it to shore up its borrowing to work off the credit. That will be a classic case of debt trap from which, as a rule, the borrower finds difficult to get out. The argument seems valid. But, like any other valid argument, it may comprise questionable premises.

In order to appreciate CPEC and its implications for Pakistan, we need to look at the bigger picture from both China's and Pakistan's standpoints not to speak of the US perspective.

CPEC is part of China's flagship Belt and Road Initiative (BRI). As China sets its sights on becoming an economic superpower, it's putting high premium on four things in the main: seamless and efficient trade flows, food and energy security, moving up the value chain in manufacturing, and development of its relatively backward regions.

China's impressive economic growth over the past four decades has been export driven. The share of foreign trade in the country's total economic output is 40 percent, which is exceedingly high considering that as a rule large economies tend to depend less on foreign sales and purchases. The Asian giant has been among the biggest beneficiaries of trade liberalization and opening up of markets worldwide and is keen that the phenomenon should continue.

The trade competitiveness of a country in significant measures hinges on curtailing the cost of both domestic and overseas transactions by putting in place an efficient infrastructure. According to a 2017 Asian Development Bank study, the current infrastructure deficit is a serious obstacle to trade expansion and economic openness and that the Asian continent alone needs \$26 trillion infrastructure related investment till 2030. That is why bridging the infrastructure gap forms the key component of the BRI.

Putting in place the right infrastructure and building trade corridors also played a capital role in China's development saga. Since China is a gigantic country, both raw materials and final goods have to be shifted from one part of the country to another over an enormous distance. That necessitated huge investments in overcoming transportation bottlenecks. China wants to replicate a similar model in the BRI, which would cut back significantly on the time and cost of the country's foreign trade.

On account of the size and growth of its economy as well as the 1.4 billion population, China's energy needs are ever growing. Already, it's the globe's largest energy consumer and importer of petroleum products. Ensuring timely and uninterrupted energy supplies is thus a priority for Beijing. Another priority is food security. Due to rapid industrialization, the share of agriculture in China's GDP has been shrinking at present, it accounts for less than eight percent of the overall economic product making it increasingly dependent on food import.

Compared with Europe and North America, China is known as a manufacturer and seller of low-technology, low-quality products. The country is keen to erase this impression by graduating to a manufacturer and exporter of high technology, smart goods and services. This entails, on the one hand, import of technology related intermediate goods, such as semi-conductors, from developed countries, and, on the other, relocation of the heavy and labour intensive industries to less developed economies.

China's development has been heavily biased towards coastal regions or the eastern part of the country. The western part, including the Xinxiang administrative region bordering Pakistan and Tibet, was largely neglected, which stoked social and political discontent. As per the development philosophy of the current leadership encapsulated in 'Socialism with Chinese Characteristics for the New Era,' Beijing is according high importance to the development of the hitherto neglected regions through industrial relocation and trade. The BRI is a seen as a significant contributor to this end.

The BRI, which seeks to revive the ancient Silk Road through which Asian nations traded with Europe, involves 60-plus countries, with China as their pivot. A network of roads, bridges and ports running through the participating countries would ensure that China's international trade, which includes secure energy and food supplies, is conducted at low real cost. The immediate benefit for these by and large capital-deficient countries is infrastructure development.

The initiative is remarkably ambitious and China is supposed to inject close to one trillion dollars by 2030 into the various projects in both investment and credit modes. The BRI includes six corridors through which China will be connected to Europe and Africa through South Asia, the Middle East and Eurasia. One of these corridors is CPEC.

CPEC links China's restive south-west to energy-rich West Asia and further to Europe through the Gwadar Port. As in the case of other BRI corridors, communication and energy related infrastructure development to the tune of \$49 billion the figure is subject to cost escalation – lies at the heart of CPEC. Of this, the \$34 billion energy projects are in the IPP mode. These projects have contributed significantly to easing power outages in Pakistan. However, the mode of financing for the \$15 billion transport projects is almost entirely Chinese credit.

So far, Pakistan has borrowed close to \$5 billion for these projects, which the government claims to be on concessionary terms. Pakistan is seeking another \$9 billion Chinese loan for the mega ML-I project, which will upgrade the main Karachi-Peshawar railway track. All over the world, trains are the preferred means of cargo transport. In Pakistan, however, the share of the railways in merchandise transport is only two percent.

CPEC will, no doubt, add to the public external debt. But an economy faced with low level of domestic savings has to rely on foreign capital to shore up the level of investment. Besides, if used to raise the productive capacity of the economy, debt is not something to be frowned upon. As the economy grows, its capacity to service the debt also racks up.

In addition, China will help Pakistan overcome its supply-side constraints through development of special economic zones (SEZs) and modernization of agriculture. Despite being an agro-based economy, Pakistan is a net food importer to the tune of \$1.5 billion a year mainly because of

productivity glitches. Pakistan is also eyeing relocation of some of China's heavy or labor intensive industry to the SEZs to give a significant boost to its exports.

Due to CPEC, China has become the largest source of FDI into Pakistan. During last five years, the cumulative FDI from China crossed \$5 billion, which accounts for 46 percent of the total investment into Pakistan. In contrast, only \$530 million worth of FDI was received from the US during this period. China is also Pakistan's largest trading partner. It goes without saying that increased commercial engagement between the two countries consolidates their overall bilateral relations.

For China, the benefits of the BRI go beyond mere connectivity and trade to ratcheting up its regional and global clout. Capital, whether it takes the form of equity or credit, is a principal source of extending leverage over other nations. No other country knows this better than the US, which since the close of the Second World War has been the capital user of military and economic assistance as a tool of advancing foreign policy objectives.

Not only that, as Washington is presently in a protectionist-cum-austere mode, Beijing sees it as a good opportunity to draw upon its massive foreign exchange reserves for building alliances red on it. That's the reason the BRI provides a springboard for the Sino-US face-off.

The writer is an Islamabad-based columnist.

https://www.thenews.com.pk/print/606083-cpec-the-bigger-picture

January 31, 2020

Business Recorder

CPEC-related shipments not affected

ISLAMABAD: Chinese engineers and labor working on China-Pakistan Economic Corridor (CPEC) projects have been advised to extend their vacations till precautionary measures to limit the spread of corona virus are in place.

This was revealed by senior officials of Ministry of Planning, Development and Special Initiatives while talking to Business Recorder here on Thursday. They said the matter was raised at a diplomatic level and in response the Chinese government has provided medical kits to help forestall the spread of this deadly virus.

China has been screening passengers to limit the spread of the corona virus, however, the government of Pakistan has also developed standard operating procedures (SOPs). Thermo scanners have been provided to health staff at airports in Karachi, Lahore and Islamabad to screen all passengers. Sources said that after the outbreak of the corona virus in China, Pakistan has initiated screening at 19 entry points of those coming from China.

To a question, Foreign Office spokesperson Aisha Siddiqui, said the movement of Chinese officials working on the CPEC projects is temporarily suspended as many of them were already on holidays due to Chinese New Year celebrations, adding that the Chinese authorities are taking precautionary measures to limit the spread of the corona virus. "The suspension is temporary and it is not affecting CPEC-related shipments," she added.

Sources revealed that most of the engineers as well as laborers deployed at CPEC projects are Chinese. The movement of all those engineers and laborers who recently returned from China has been restricted as all are required to be screened till the situation improves.

Another official of the Ministry of Health said that they have advised the Chinese engineers and laborers currently in China to prolong their stay in their country.

Senior Customs officials told Business Recorder that the corona virus spreads through human contact and not through shipment of goods, plant machineries and equipment. Therefore it is not necessary to do additional scanning of goods and machinery coming from China. Sources further said that the Khunjrab Pass (Pak-China) is already closed due to heavy snowfall and is expected to reopen by April.

Sajid Shah, the spokesperson for National Health, Regulation and Services Ministry, said that Pakistan has issued SOPs to manage the inflows of international passengers and started isolating those suspected of having contracted the disease and placing them in designated healthcare facilities.

"In view of the rapid spread of the corona virus, human-to-human transmission and considering that Pakistan is China's neighbour with potential risk of cross-border transmission of the corona virus, the government of Pakistan is taking necessary measures in compliance with the International Health Regulations (IHR-2005) for prevention and preparedness for this public health event at points of entry. In this regard, advisories, guidelines, standard protocols were issued by the Ministry of Health," he added.

The government has reinforced its facilities for screening at the ports of entry. "We are on high alert and have taken measures we needed to have taken as a responsible government as there are clear instructions from the prime minister in this regard," he said, adding that an emergency operation cell at the federal health ministry is monitoring the situation round-the-clock. Replying to a question, he did not rule out the delay in passengers' arrival while saying screening is mandatory to avoid any outbreak of this virus in Pakistan.

https://epaper.brecorder.com/2020/01/31/19-page/822657-news.html

330MW Thar coal achieves financial closing

ISLAMABAD: Hub Power Company's 330MW Thar coal-fired power plant achieved financial closing on Thursday, signing of which was witnessed by the Minister for Power, Omar Ayub Khan, with other senior officials of Power Division, PPIB and the company.

The financial closing documents for the 330MW mine mouth lignite coal power project at Thar Block-II were signed by managing director PPIB Shah Jahan Mirza, and chief executive officer (CEO) of M/s Thar Energy Limited Saleemullah Memon.

Earlier, the Implementation Agreement (IA) was signed on November 10, 2017. The project is being jointly sponsored by M/s Hubco, Fauji Fertilizer Limited and China Machinery and Engineering Corporation under the China-Pakistan Economic Corridor (CPEC) framework. The total cost of the project is \$ 497 million while China Development Bank and Habib Bank Limited are the lead lenders.

The project will utilize Thar coal supplied by Sindh Engro Coal Mining Company (SECMC) from its second phase mine and after implementation of this project overall coal price (SECMC) would be reduced from \$64/ton to \$44/ton, which will significantly reduce the power tariff by cents 1.6/KWh (ie, around Rs 2/KWh).

After commercial operation of the project, around Rs 18 billion per year would be saved on account of foreign exchange while Rs 260 billion per year would be saved by year 2022 when all Thar coal based projects of 5,000MW would be operational. As a result, electricity tariff would be reduced to around cents 5/KWh.

An official statement says that the sponsors are very keen to complete this project by March 2021 and for achieving this target, they have already started construction activities ahead of financial closing and as a result so far 40 percent work has already been completed. The project will be connected with the Matiari-Lahore Transmission Line for transmission of electricity. Being developed on state of the art coal technology, the project complies with all international as well as federal and provincial environmental standards.

PPIB claims that the development of the project will also contribute towards socio-economic uplift of downtrodden Tharparkar which is emerging as energy capital of Pakistan. In addition to Thar coal based power generation projects of 5000MW, PPIB is currently handling 17 hydropower projects of 6,550MW in the private sector which are at different stages of implementation.

By 2022, PPIB is targeting to fetch more than 6,500MW through completion of eleven projects with the majority based on Thar coal and hydro. PPIB is also implementing Pakistan's first private sector +660 kV Matiari-Lahore Transmission Line Project which is also the first HVDC project aiming at transmitting electricity from coal projects in the southern zone to the load centers. This project is also under construction and targeted to be completed by March 2021. The minister welcomed signing of documents and expressed that the addition of 330MW will further contribute in achieving sustainability and reliability in the power sector.

https://epaper.brecorder.com/2020/01/31/14-page/822621-news.html

The Nation

No plan to evacuate Pakistanis from China

ISLAMABAD - Special Assistant to Prime Minister (SAPM) on Health Dr. Zafar Mirza on Thursday turned down the option of evacuating Pakistani students and families from China saying it could increase chances of virus spread.

Focusing on the point of evacuation of Pakistani students and families in China, Dr. Zafar said at his press conference that such decision is 'not in their own favour'.

He said that in fact the Chinese government which has taken appreciable measures to control the spread has also not allowed evacuation of the citizens.

"As per my information US has evacuated only its diplomats which is allowed under the Vienna Convention," said the SAPM on health.

He said that a decision of evacuation of the citizens in haste will lead to spread of the virus and it will be risky for the people themselves.

Dr. Zafar Mirza said that the Pakistani government endorses the Chinese government policies to contain and control the virus.

However, he said that looking after the students in China is the responsibility of Pakistani government and it is doing its job at best level.

He also said that when students and other Pakistani nationals in China will return to Pakistan, the government will take measures to examine the passengers and if required will take them in isolation for treatment.

Responding to a query, he said that there was no restriction on air traffic to China, however, it was reduced after the spread of virus.

Informing about the health situation of four infected students with the Coronavirus in Wuhan, he said that all infected students are improving as they were diagnosed with the disease at the very early stage.

"Students and their families have requested not to reveal their identities," he said.

January 07, 2020 and it has best facilities of treatment also.

Dr. Zafar Mirza also said that there are around 28000-30000 Pakistanis in China and the Pakistan embassy there is in contact with all registered citizens.

He said that Pakistani citizens can contact and register themselves with the embassy so all unregistered Pakistanis should also get themselves registered with the embassy as soon as possible. He said that World Health Organization (WHO) has also not recommended the evacuation option, while entire world has appreciated the Chinese government decisions in battling with the disease. He said that Chinese researchers also diagnosed the disease after the isolation of Coronavirus on

The SAPM on health said that all provinces are on the same page for tackling the disease as it can create a situation of national emergency if spread.

Dr. Zafar said that the Ministry of National Health Services (NHS) has also introduced a standard information communication system and published pamphlets in three languages including English, Urdu and Chinese for public information.

He also said that information booths have been also been established at airports while the government will also start a campaign on television for awareness of general public regarding the virus.

The SAPM on health said that the virus has so far spread in 15 countries but no case has been confirmed in Pakistan.

He said that all the confirmed and suspect cases in the world had a travel history in China as well. Dr. Mirza also said that core committee is daily conducting its meeting to review the situation of Coronavirus and measures to cope the situation.

Meanwhile, a vast number of Pakistani students and families in China stressed the government of Pakistan to start an evacuation operation following the footsteps of other countries before they get infected with the coronavirus.

Dozens of students at Urumqi airport of southern China informed The Nation that they are stuck here as the scheduled flights have allegedly been cancelled and Pakistani authorities are not addressing their concerns sufficiently.

"We are almost 150 Pakistanis including students and families stuck at the Urumqi airport since January 24 and have been left stranded," said Danish Ashfaq from Sahiwal, who is a student at the University of Xuchang, Henan province.

Danish said that their flights have been cancelled and the Chinese government has now arranged a hotel for them.

He said that what is more disappointing is that his fellow passengers from Kirghizstan were allowed to fly to their home country from Urumqi but they were not allowed.

He said "If other countries can lift their citizens then why Pakistan cannot?"

Danish said that Pakistani authorities in China are responding its citizens that 'talks are underway' to search a solution to their problems.

Letter issued by Civil Aviation Authority (CAA) regarding air travel between China and Pakistan on January 29, 2020 and available with The Nation said, "Please be informed that as per decision of the competent authority at the appropriate level all direct flight operations between Pakistan and China are to be stalled on immediate basis, initially till 2nd February, 2020, subject to subsequent review".

Dr. Zulfiqar Ali, a PhD Scholar from Tongji medical college, said that the virus is deadly than the past viruses that have caused outbreak in the Middle East in 2012 and in China 2002-2003.

"My request to government of Pakistan is to take out its citizens on time otherwise it will be late and dangerous for Pakistan because the more the Pakistanis stay here the more they will get infected," he said.

Meher-un-Nisa from Hubei and originally from Karachi said that there is a fear amongst the students now and they want to go back to Pakistan to remain save from the virus.

She said there is no movement at all and they are wearing mask round the clock while the Pakistani government is not thinking to evacuate those who are not infected.

Nadeem Bhukhari from Huazhong University of Science and Technology, Wuhan, said that situation is worse here and everyone has been isolated in their rooms.

"Four students of my university were infected with Coronavirus and daily virus patients are increasing," said Bukhari.

https://nation.com.pk/31-Jan-2020/no-plan-to-evacuate-pakistanis-from-china