



China's Global Rebalancing and the New Silk Road pp 69–83

[Home](#) > [China's Global Rebalancing and the New Silk Road](#) > Chapter

The China–Pakistan Economic Corridor (CPEC): A Game Changer for Pakistan's Economy

[Ahmad Rashid Malik](#) 

Chapter | [First Online: 11 January 2018](#)

2279 Accesses | **19** Citations

Abstract

The China–Pakistan Economic Corridor (CPEC) is yet another important corridor along the BRI where China has promised to invest US\$57 billion dollars, of which 14 billion has been already invested in 30 early-harvest projects. Moving away from the geopolitics of the corridor, the chapter focuses on the economic fundamentals of the CPEC. It argues that, being the pilot and flagship of the BRI, the corridor would be a model for bilateral and multilateral cooperation. It is projected that the CPEC will bring about a miracle on the Indus similar to the miracles in post-war Japan, Korea, and ASEAN in the 1980s.

This is a preview of subscription content, [log in via an institution](#).

Notes

1. “Pakistan, China ink 51 MoUs in diverse sectors”, *The News International* (Rawalpindi), 20 April 2015.
2. “CPEC made part of China’s 13th 5-year development plan”; *Pakistan Today* (Islamabad), 23 November 2016.
3. Roundtable Talk given by Zhao Lijian, Deputy Head of Mission, Embassy of the People’s Republic of China, Islamabad, at the Institute of Strategic Studies Islamabad (ISSI), on 14 July 2016.
4. “Sino-Pak bilateral trade reaches dollar 18.9 billion: Chinese ambassador”, *Pakistan Today* (Islamabad), 28 September 2016.
5. Speech by H.E. Xi Jinping, President of the People’s Republic of China, At the Parliament of Pakistan, Islamabad, 21 April 2015, Ministry of Foreign affairs, Beijing.
http://www.fmprc.gov.cn/mfa_eng/wjdt_665385

October 2016.

6. See the statement of the Iranian Ambassador to Pakistan, Mehdi Honardoust, "Iran desires a role in CPEC", *Dawn* (Islamabad), 10 September 2016.
7. See the statement of Ambassador of Afghanistan to Pakistan, Dr Omer Zakhilwal, "Afghanistan desires role in CPEC: Zakhilwal", *Pakistan Observer* (Islamabad), 15 October 2016.
8. See the statement of Dr Natalia Zamaraeva, Senior Researcher, Institute of Oriental Studies at Russian Science Academy, Moscow, "Russian Researcher Describes CPEC Game-Changer for Region", *Radio Pakistan*, 28 September 2016. <http://www.radio.gov.pk/28-Sep-2016/russian-researcher-describes-cpec-game-changer-for-region>. Accessed 27 October 2016.
9. "Govt proposes 29 industrial parks, 21 mineral zones under CPEC", *The News International* (Rawalpindi), 26 July 2015.
10. "Message from Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization", *Business Recorder* (Islamabad), 27 September 2016.
11. "Pakistan upgraded to emerging markets status", *The Express Tribune* (Islamabad), 15

July 2016.

12. World Bank, *World Development Indicators Database*, 22 July 2016.
<http://databank.worldbank.org/data/download/GDP.pdf>.
13. “China has so far invested \$14 billion in 30 CPEC projects”, see the statement of Zhao Lijian, Deputy Chief of Mission, Embassy of the People’s Republic of China at Islamabad, *Pakistan Today* (Islamabad), 28 September 2016.
14. *The News International* (Rawalpindi), 5 July 2016.
15. *Pakistan Today* (Islamabad), 22 September 2016.
16. Board of Investment, “Country-wise FDI Flow”.
<http://boi.gov.pk/ForeignInvestmentinPakistan.aspx>. Accessed 29 September 2016.
17. The ASEAN Secretariat and United Nations Conference on Trade and Development, *ASEAN Investment Report 2015: Infrastructure Investment and Connectivity*. Jakarta: ASEAN Secretariat, November 2015, pp. 85–89.
18. The World Trade Organization (WTO), *World Trade Statistical Review*, 2016.

References

Abduhu, Salman. 2015. Pakistan Suffers Trade Gap of \$4.39b with China. *The Nation* (Islamabad), April 4, 2015.

Haider, Irfan. 2015. Details of Agreements Signed During Xi's Visit to Pakistan. *Dawn* (Islamabad), April 20, 2015.

Lai, Hongyi Harry. 2002. China's Western Development Program: Its Rationale, Implementation, and Prospects. *Modern China* 28(4) (October 2002) Beijing.

Liang, Tong. 2015. CPEC Industrial Zones and China-Pakistan Capacity Cooperation. *Strategic Studies* 34 & 35(4 & 1) (Winter 2014-Spring 2015).

Lu, Shulin. 2015. China-Pakistan Economic Corridor: A Flagship and Exemplary Project of One Belt One Road. *Strategic Studies* 34 & 35 (4 & 1) (Winter 2014-Spring 2015) (Islamabad).

Malik, Ahmad Rashid. 2013. The Sino-Pakistani Trade and Investment Relations. *Margalla Papers* XVII (1): 201-221.

Malik, Ahmad Rashid. 2016. The Growing Defence Ties Between Pakistan and China. *Issue Brief* (Islamabad: Institute of strategic studies

Islamabad, October 7, 2016).

http://issi.org.pk/wp-content/uploads/2016/10/Final-Issue-brief-Ahmad_R_Malik_dated_07-10-2016.pdf. Accessed 17 Oct 2016.

NDRC, MoFA and MoC [National Development and Reform Commission, Ministry of Foreign Affairs & Ministry of Commerce]. 2015. *Vision and Actions on Jointly Building Silk Road Economic and 21st Century Maritime Silk Road*. Beijing: Foreign Languages Press.

Saeedi, Tariq Ahmed. 2016. World Bank Forecasts Growth at 5 pc for FY17, 5.4 pc for FY18. *The News International* (Rawalpindi), October 5, 2016.

SCMP [South China Morning Post]. 2013. Li Keqiang Urges Development of China-Pakistan Economic Corridor. *South China Morning Post* (Hong Kong), May 23, 2013.
<http://www.scmp.com/news/china/article/1244267/li-keqiang-urges-development-china-pakistan-economic-corridor>.

Sering, Senge H. 2016. China's Rise is a Source of Optimism for Many in Pakistan. *The American Bazaar* (Germantown), November 3, 2013.
<https://www.americanbazaaronline.com/2013/11/03/pakistan-chinas-soft-power-gilgit-baltistan/>. Accessed 28 Sept 2016.

Sheikh, Ali Tauqeer. 2016. How CPEC Can Help the SDGs. *Dawn* (Islamabad), October 22, 2016.

Yousafzai, Fawad. 2016. China to Build Mega Oil Pipeline from Gwadar to Kashgar. *The Nation* (Islamabad), June 13, 2016.

Author information

Authors and Affiliations

**Institute of Strategic Studies, Islamabad,
Pakistan**

Ahmad Rashid Malik

Corresponding author

Correspondence to [Ahmad Rashid Malik](#).

Editor information

Editors and Affiliations

**Jawaharlal Nehru University, New Delhi,
India**

B. R. Deepak

Appendices

Appendix 1 The On-Going CPEC Projects

1	KKH II (Thakot-Havilian)
2	Multan-Sukkar
3	Railway Projects

4	Quaid-e-Azam Solar Plant
5	Haier Ruba Industrial Park Phase I:
6	Port Qasim Coal-Fired Power Project
7	Gwadar East Bay expressway,
8	Gwadar Port Capacity Recovery of Phase
9	Maintenance Dredging
10	Expansion of Stock Yard and New Bulk Cargo Handling Equipment
11	Restoration of Structures, Facilities and Site
12	Purchase of a 5000-HP Tugboat and Certain Transportation Vehicles
13	Production and Living Facilities Improvement and Security
14	Multipurpose wharf Zone
15	Breakwater
16	Gwadar International Airport
17	Gwadar East Bay expressway
18	Gwadar Smart Port City Master Plan
19	Gwadar Power Plan

20	Desalination Plant
21	Sewage Plant
22	Gwadar Faqueer Primary School
23	Gwadar Hospital Up Gradation
24	Gwadar Vocational Technical Institute
25	Scholarship Programs for Gwadar
26	Expansion of Existing Multipurpose Terminal of Gwadar Port
27	Phase-II of East Bay Expressway from Makran Coastal Highway to New Gwadar International Airport
28	Fresh Water Supply, distribution
29	Wastewater Treatment Project for Gwadar City
30	Khuzdar-Besima Highway
31	KKH Up Gradation Phase III (Raikotto Thakot)
32	D.I Khan-Quetta, Up Grading to Four Lanes
33	Haveliandry Port
34	Lahore-Multan Motorway
35	Multan-Hyderabad Motorway

36	Kemari-Hyderabad Motorway
37	Dawood 50-mW Wind Farm, Sindh
38	Uep 100-mW Wind Farm, Sindh
39	Sachal 50-mW Wind Farm, Sindh
40	Zonergy 300-mW Quaid-E-Azamsolar Park, Punjab
41	Port Qasim 2 × 660-mW Coal-Fired Power Plant
42	Sahiwal 2 × 660-mW Coal-Fired Power Plant, Sindh
43	Karot Hydropower 720-mW Plant, Punjab
44	Thar Mine Mouth Coal-Fired Power Plant, Sindh
45	Suki Kinari Hydropower Station, 873 mW, KP
46	Mine Mouth Coal Fired Power Plant at Thar Block II, 2 × 330 mW
47	Matiari (Port Qasim)-Lahore Transmission Line
48	HUBCO Coal Power Plant 660 mW
49	Matiari (Port Qasim)-Lahore Transmission Line
50	Matiari (Port Qasim)-Faisalabad Transmission Line
51	China-Sunec Wind Farm, 50 mW

52	Mine Mouth Coal Fired Power Plant at Thar Block I, Sindh, 2 × 660 mW
53	Rahimyar Khan 2 × 660-mW Coal-Fired Power Project
54	Gwadar Coal-Fired Power Plant
55	Wind Farm Phase II at China Three Gorges
56	Kohala Hydro Power Station
57	Gadani Electricity Park
58	Hubco Coal Power Plant II
59	Salt Ranges Mine Mouth Coal Power Plant
60	Thar Mine Mouth Coal Power Plant
61	Muzaffargarh Coal Power Plant
62	Gas Power Project
63	Gwadar Free Zone Development
64	Haier Industrial Park Phase II
65	Gwadar-NawabShah Gas Pipeline and Gwadar LNG Terminal
66	Orange Line Train, Lahore
67	Gwadar--NawabShah Gas Pipeline and Gwadar LNG Terminal

Source: Embassy of the People's Republic of China,
Islamabad

Appendix 2 CPEC Proposed Mineral and Industrial Zones

Mineral Zones

Thar (coal), Larkana (coal), Salt Range (antimony), Chiniot (iron ore), Dargai (chromite), North Waziristan (chromite), Kurram (antimony), Waziristan, (copper), Chitral (antimony), Besham (iron ore, lead), Nizampur (iron ore) Mohmand (marble), Khuzdar (chromite, antimony), Chaghi (chromite), Qila Saifullah (antimony, chromite), Saindak (gold, silver), RekoDiq (gold), Kalat (iron ore), Lasbela (manganese), Gwadar (oil refinery), Muslim Bagh (chromite)

Source: *The News International* (Rawalpindi), 26 July 2015.

Industrial Zones

Sukkur, Larkana, Karachi, Bin Qasim, Korangi Creek, Khairpur, Hattar, Gadoon Ghazi, D I Khan, Jalozai, Nowshera, Bannu, Chitral, Risalpur, Quetta, Dostan, Gwadar, Khuzdar, Uthal, Hub, Dera Murad Jamali

Source: *The News International* (Rawalpindi), 26 July 2015.

Rights and permissions

[Reprints and permissions](#)

About this chapter

Cite this chapter

Malik, A.R. (2018). The China–Pakistan Economic Corridor (CPEC): A Game Changer for Pakistan’s Economy. In: Deepak, B. (eds) China's Global Rebalancing and the New Silk Road . Springer, Singapore. https://doi.org/10.1007/978-981-10-5972-8_7

[.RIS↓](#) [.ENW↓](#) [.BIB↓](#)

DOI	Published	Publisher Name
https://doi.org/10.1007/978-981-10-5972-8_7	11 January 2018	Springer, Singapore

Print ISBN	Online ISBN	eBook Packages
978-981-10-5971-1	978-981-10-5972-8	Social Sciences Social Sciences (R0)

Publish with us

[Policies and ethics](#)

Search

Search by keyword or author



Navigation

Find a journal

Publish with us

Track your research
