

Revitalization of China-Pakistan Economic Corridor (CPEC)

written by Ezba Walayat | November 9, 2022



The Prime Minister of Pakistan, Shabaz Sharif visited China for two days 1st and 2nd November 2022, it is his first visit to China since taking office in April this year. But it is the second meeting with Chinese President Xi Jinping as both the leaders met earlier on the sidelines of the Shanghai Cooperation Organization (SCO) summit in Samarkand, Uzbekistan, last month. During the recent meeting the leadership of Pakistan and China reviewed their all-weather strategic alliance and discussed regional and global developments. Despite changes to the world politics, Beijing and Islamabad have always provided mutual understanding, trust, and support since the two nations' diplomatic relations were established more than 70 years ago. China and Pakistan have advanced together in recent years in response to changes in the global arena. They have worked together to address issues brought on by Covid-19 and significant natural disasters, promoted cooperation within the China-Pakistan Economic Corridor (CPEC), enhanced interactions and collaboration at all levels as well as improved coordination in global and regional affairs.



Shehbaz Sharif, the Prime Minister of Pakistan, and Xi Jinping, the President of China reached an understanding to advance multilateral cooperation in a number of sectors, including the China-Pakistan Economic Corridor and strategic alliance. In a joint statement, both countries agreed to broaden and speed up CPEC. It is said in the statement "Recognizing that ML-1 is a project of key significance under the CPEC framework and of importance to Pakistan's socio-economic development, the two sides agreed to build upon the leadership consensus and to advance the process of its earliest implementation. Additionally, they decided to make swift progress on the Karachi Circular Railway, which was crucial for Pakistan's largest metropolis. The ML-1 cost has increased significantly from the initial \$6.6 billion to \$10 billion as a result of several delays that have affected it for a very long time. The visit was successful because three major projects worth nearly \$12 billion were approved for inclusion in the multibillion-dollar China-Pakistan Economic Corridor (CPEC) in back-to-back meetings of various forums. The both sides also decided to look for options for enhancing bilateral trade volume. Additionally, a long-standing demand by Chinese investors for escrow accounts for the automatic payment of their dues against electricity supply was resolved. The historical alliance between China and Pakistan serves the interests of both nations. The Pakistani side emphasized that the connection between Pakistan and China is the foundation of its foreign strategy and also the Pakistani side reaffirmed its support for the One-China Policy. The Chinese side reaffirmed that its foreign policy will always place a high priority on relations with Pakistan.