

**RESEARCH PAPER****CEPC and Gwadar Port: Viabilities and Challenges****<sup>1</sup>Wang Lin\* and <sup>2</sup>Professor Dr. Rukhsana Iftikhar**

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**Corresponding Author** [jalil7575.jps@gmail.com](mailto:jalil7575.jps@gmail.com)**ABSTRACT**

The objective of this study is review of Gwadar port , its importance in geostatic and geo economic dynamics and its undeniable challenges for Pakistan. There are many geo-political theories prevailing about the functional operation of this port due to the interest of various players Gwadar was inaugurated by Pervaiz Musharaff in 2007 after releasing from Omani Control. There are big plans for this southern coastal city of Balochistan and China is investing 700 million US dollars to transform this city from a shady town to the hub of international trade for central Asia, China, Afghanistan and western countries. But the peaceful development is very slow, and the idea of business is much slower. It is very difficult to attract private investors . The oil and energy will be directly import from Middle though Pakistan ,s oil pipeline, which ultimately linked with China. This port could increase the size of Pakistan's maritime trade. There are many geo-political theories prevailing about the functional operation of this port due to the interest of various players. Secondary data has consulted to analyze the local and international factor in the smooth function of Gwadar port to international trade. Qualitative research method has followed by using Pakistan Statistical Yearbook, Pakistan economic survey reports , newspapers, District development Statistics of Baluchistan a to suggest for the eliminating of internal factors to strengthen the idea of using this port as international hub of trade. The idea of economic development can be achieved if Pakistan would be able to provide a peaceful environment for Chinese and other countries. Gwadar port will ease Pakistan's economy and it is recommended to make this area peaceful for investors.

**Keywords:** Democratic, Head Teacher, Leadership Style, Leadership, Teacher, Performance**Introduction**

Pakistan is the most vibrant country in term of geo-strategic importance. In this century Pakistan will play a vital role in the economic outlook of this region. Pakistan and China are cemented their friendship by constructing the corridor from Gwadar to Kashgar. Gwadar has a prime location on Arabian sea, and it is under the control of Maritime Secretary of Pakistan. It will be operated under the CPEC under China port holding company. Gwadar has a strategic location through which Pakistan maintain a close eye on Hormuz. This port will also be beneficial for Uzbekistan, it will reduce the distance for Tajikistan as well. This port is like a funnel, it will become narrow at the opening of the Persian Gulf, Afghanistan, Central Asia and the western part of China. Its construction plan was formally opened in 2007 but it the project was delayed due to internal and external factors. The aim of the construction of this port is to develop a site for floating liquefied natural gas facility that will be link with Gwadar Nawabshah project of Pakistan -Iran gas pipeline. In 2016 , the construction of special Gwadar economic Zone has started and 2,292-acre land was given on lease to Chinese company for the next 43 years to develop this Zone. Gwadar port has partially started it work in 2016. Next phase was the opening of Afghan transit trade which was started in 2020. The commercial online booking of the goods for this port was started on 2021. Pakistan has faced a lot of difficulties to make this port operational including security

threat and killing of Chinese workers in Pakistan. As this port is a game changer in South Asian region so still a lot more work, we have to do for it. One belt , one road vision is the integration of Chinese economy in international market especially in the markets of Europe, Africa and Asia. The seventh pillars of 2025 project is the geographical location of Pakistan that will connect South Asia, central Asia, China and East Asia. Pakistan has a dire need of energy and this hope cannot be fulfilled through CEPC development in energy sector. Connectivity and communication are the top priority of this project, rail and roads development are going on under CPEC. China and Pakistan proclaim to improve the access to the markets of the world which is relate with Kashgar and Gwadar port. China set up Asian Development bank to give loan to build infrastructure in Pakistan. Government of Pakistan has established Gwadar port Authority and port development authority in order to finish two phases of Gwadar port operations. Gwadar port is being built on necessary basis because of the growing need of energy and sea trade. Gwadar has a close link with Afghanistan, Iran, Oman, Saudi Arabia. Bin Qasim and Karachi ports are over-populated and facing the burden heavy sea traffic. Strategically and militarily the development of Gwadar port is the need of the time. (Malik, 2012).

### **Literature Review**

Zahid argued ( Zahid,2019) Gwadar port would facilitate the movement of natural gas as it was the part of this plan it will be the termination spot for the TAPI. This research finds out the supply of gas for this route. It also determine the benefits of trade through Gwadar for Pakistan. (Anwar, 2011) Haider has given the analysis of the new stakeholders from the other world who are interested in the game plan of doing trade through Gwadar port. His work highlights the value of this port and its trade which will increase the importance of Pakistan in South Asian region. (Haider, 2009) The port of Gwadar is rich in fishing and it could be easily export through this port as this area of 600 kilometers will become the food industry in future. Nadir argued in his book about the development of this area with different schemes and Projects. Private sector will also get benefits from these 18,600 hectares of land. Gwadar port also attract more businessman and investors in Baluchistan. (Nadir, 2010)

Zhao and Khan discussed that Gwadar is very important part of CPEC project. The most impressive part of this is the tax exemption for the next twenty year which can be utilized by the investors. (Khan, 2022). Memon commented that Gwadar port will be a route for the tanker from gulf which will provide a good route for landlocked Caspian. Due to the vast capacity of this port large Cargo ships could be loaded and reloaded easily. (Memon, 2023)

Gwadar has a close proximity with Afghanistan, Iran, Oman and Saudi Arabia. Port Qasim and Karachi port are overloaded and faced many problems. General Pervaiz Mushraff linked their port to CPEC. Gwadar is very much important for China. China is investing 64\$ billion and it is increasing with the investment on Gwadar Economic Corridor because this port is the quick access to Persian Gulf. The need of Gwadar port increases after the collapse of Soviet Union and CAR,s need energy resources. Gwadar port will provide them energy. China has chosen Gwadar port as 90% of the world trade passes through sea. This port will provide the shortest route to China. It will also increase the connectivity and regional trade. Gwadar could be used a security watch on our long-term enemy India. The purpose of the Gwadar port to construct new roads and increase the wages. New industries and factories will also be set -up along this route. (Hikmat Shah Afridi, 2016)



Figure.1 Gwadar Port

The establishment of Naval base at Gwadar can check the dominance of American naval fleet. Gwadar will provide the easy access to Landlocked countries especially for their energy supply . It has been forecasted that the oil reserves of Arab countries including Saudi Arabia would be ended up in few decades. Saudi Arabia is interested to invest in Ricko Dick,s copper and gold. They are also interested to build a bridge from Gwadar to Oman. It will also create an opportunity of road hajj (Pilgrimage). China is also interested to watch the American in Indian Ocean. China has approved 8 submarines for Pakistan. The allies are defined in Indian Ocean like Us- India and China Pakistan. Gwadar will also serve as China Naval base. The revival of old silk route will also increase Chinese influence in Europe. By the end of 2050 approximately 80% of energy would be supplied through this port. China , Pakistan and Central Asian countries are now planning to launch a widespread communication network from Caspian Sea to Xinjiang province linked with the Gwadar port. Pakistan and China have a shared enemy India. China and Pakistan are good friends since 1947. Both countries have to maintain the balance of the power against India. (Kausar Takrim, 2018)

Through CPEC China will develop its remote province Xingjian and Pakistan will develop Baluchistan. Both countries are facing security issues in these less developed provinces Gwadar is operational since 2007 but there are only few companies bringing its cargo through this port. There are many challenges to make this port fully operational like

- The port is not yet fully operational through the land route with China, Afghanistan and other Central Asian States.
- China had developed the road infrastructure of the roads in Pakistan but still a lot more have to do like KKH is still not ready for heavy traffic. All the port in the world have the back-up of railways for the smooth functioning of ports. In Pakistan this system is not yet developed.
- Gwadar is a remote area in which the repair and maintenance is a big problem. That's why the cargo ships are not ready to take risks. Other ports like Bandar Abbas, Jabel Ali and Salalah have this facility to repair the cargo ships. Duqum port is one of the best port providing the facility of even the maintenance of air craft carriers.
- Other ports are also providing the availability of the deeper waters in the operational berths and alongside the channels. Duqum has 19 approach channels and 18 guaranteed depths with berth and it create space for the arrival of the big ships. Chahbahar , Jabel Ali and Salalah are also providing the same facilities for cargo ships. (Dahan, 2019)
- China, Pakistan and Singapore did not add a single berth in Gwadar port since 2007.

- Gwadar is not a natural port and it has been built on reclaim land. Usually, it takes 20 years to utilize reclaimed land but China made a technique to use the reclaimed in the period of 3-5 years.
- Gwadar needs workable master plan in the earliest time for the ship maintenance, repair and navigation.
- The execution is still a big question. The estimated shows that it takes 20-30 years massive construction for the addition of the desired numbers of berths.
- The clean drinking water is not available on the Gwadar port. Gas and electric supply are not sufficient for the demand of this port. The area is not developed in terms of hotels, treatment plants, civic facilities.
- Pakistan is always considered an area of sea-blindness. All the leadership focused on land facilities till its creation in 1947. Maritime infrastructure is not developed in Pakistan. (Baloch, 2008)

This port is connected with China's western province Xinjiang to Arabian sea. It will be a hub where logistics of incoming and outgoing will be handled and flow to the international markets. Peace in Afghanistan is very much necessary for Pakistan and central Asia. This security is directly attached with Gwadar port. There is a misconception in Baloch nationalists that Pakistan army has a strong control over the natural resources of Baluchistan especially Gwadar port. The security of Chinese nationals is very crucial in Pakistan. Although special security division consisted of six armed forces wings and nine infantry battalions are deputed for the security of CPEC. (Khetran, 2015)

Baloch are waiting for 15000 jobs and these jobs are already filled with the appointments of non-Baloch. There is no other port built in Pakistan in the competition of Gwadar port. Central Asian countries get access through Afghanistan to Gwadar port. The people in Gwadar are peaceful nor report has been occurred against Chinese officials and government of Pakistan. Target killing are reported in some other areas of Pakistan. The issues regarding the benefits should be resolved through the participation of local people. Good security conditions attract the foreign and investors. Baloch reservation on Gadani power plant and Saindick project should be addressed properly. Anakara dam will provide water to Gwadar district. But the situation is adverse. People in Gwadar are purchasing one tank of water in 7000-9000. The price of other living things in Gwadar is on higher side. (X, 2023)

Uighur people who are living in Chinese province Xinjiang and they have deep connection with Turkmenistan and other central Asian states. The people are normally based on Agricultural economy and some people are traders. China want to minimize their population in Xinjiang province, and they allowed Han Chinese to migrate to this province. The militant group of this Uighur are also creating trouble in the border areas. CPEC can also resolve the conflict of the Uighur. This group is very much dominant Afghanistan, Indian held Kashmir, if they remain in same position than it would have been difficult to operate a peaceful silk route. CPEC related security threats are not the problem of Baluchistan only. However, Pakistan's army is continuously fighting in North Waziristan and in the past operation Zarb-a- Azb was successfully concluded. (Longbao Wei, 2018)

Geo politically, Pakistan is most suitable corridor for transit and trade to central Asia, South Asia, East and West Asia. Above all there are five countries get benefit from this connectivity like Uzbekistan, Tajikistan, Kyrgyzstan, Turkmenistan. On the other side China will connect to Afghanistan, Bangladesh, Bhutan, Myanmar, Nepal and Vietnam. Through this project Pakistan is hoping to regain its economy. The importance of CPEC can be measured through two theories- one is economic opportunity cost hypothesis. It says that economically depends on states increase cooperation and decrease conflict. Economic advantages prevent countries from war and conflicts. CPEC project will ensure, connectivity,

cultural exchange, integration, transportation and so on. Secondly, neo-functional theory. The cooperation in one field invites cooperation in another field. CEPC is not only one project – rest of the projects like roads, railways and energy are attached with it. (Rabia Bashir, 2018)

Security in Afghanistan is improving with the help of China. Even China is providing the financial assistance for the said purposes. CPEC is a hope for the war-torn country Afghanistan. Russia is equally interested in this project. China, Pakistan and Russia are bringing multi-polar world order. It will also change the existence of present world order with hegemony of America. Russia is increasing its control in Eurasian states. CPEC will provide the better investment to Russia. Indian hostility against China moved towards a new competition and influence. That, why India is investing in Chahbahar. India's threats could be treated through this project. As China is closing India in Indian ocean, Pakistan can block Indian entry in Hormuz and gulf. So the port of Gwadar can be used for military purposes to curtail the sea movement of America in Indian Ocean who is helping India to make some vulnerable incidents. The role of India in Baluchistan is not hidden from international community. The case of Gul Bhusan Yadav has been seen in the world who was arrested from Baluchistan. India is continuously supporting BLA. India is one of the biggest donors of Afghanistan. On the other side she is supporting the success of Chahbahar port. The presence of Indian army in Kashmir is also a biggest threat. Pakistan offered no war pact twice to India. But she turned down this offer. (Yusaf, 2013)

Pakistan has a very cordial relations with Iran and Iran is supplying 69 Megawatt to the port. In 2016 Pakistan and Iran agreed upon the construction of railway line which will connect two ports- Gwadar and Chahbahar and also increased the electricity in Makran District. US is not happy with Iran. In the period of Donald Trump, six Muslim countries were barred from US including Iran. Iran wants to get involved in CEPC. Trade of Iran will increase 30% through this project. Gwadar is the rival port of this region. (Ahmad, 2006)

Saudi Arabia and Pakistan has strongest bilateral relation since 1947. Religion is the dominant factor in this regard. Pakistan is providing military support to Saudi Arabia, and they are giving Pakistan financial support in the hardest time. Now Saudi Arabia, Iran conflicts are decreasing which is very good for Pakistan. In past Pakistan was the sufferer in this conflict. UAE has committed to invest 90 billion dollars to construct resorts, hotels and recreational areas in Gwadar. This port will shift the burden of trade. Actually, seven seaports are in GCC and Gwadar is going to compete with Dubai which is 7<sup>th</sup> largest port in the world. Gwadar will reduce distance of Gulf exportation of China to other countries. Saudi Arabia is big exporter of oil to GCC. CPEC would minimize the dependency of Saudi Arabia to USA. China investment in Gwadar may have negative impacts on UAE interest. This project also decrease the dependency of Pakistan on USA. Pakistan always did sincere efforts on US interest in this region. Even Pakistan fought war on terror on American behalf. But US always put Indian interest forward in this region. US interest is completely shifted after the withdrawal of American troops from Afghanistan. American trust is very shaky in case of Gwadar port. USA wants to control Iran through this port. It is a big question for America that Pakistan handed over this port to China. After the fall of Soviet Union, this region is very much important. US used Baluchistan as buffer state and now the situation is changing. Gwadar can serve US for the same purpose to tackle Iran and its nuclear ambitions. US opposes the policy of One Belt and One Road in the age of globalization Pakistan. In 2017, an international conference on regional connectivity was held in China in which 130 countries and 15 heads of the states participated. It shows the interest of the nations about CPEC project. Chinese President already reiterated that OBOR is open for everyone to contact with it. Pakistan is also willing for a peaceful talk on the issue of Kashmir, but this case is dumped due to Indian attitude. It is the need of the time to resolve issues through diplomacy and dialogue. CPEC is a sign of changing geo-economic landscape of South Asian region. India and America may consider

development of Gwadar as to monitor sea lanes. This check will help the counter check of China. But peaceful coexistence is necessary to complete the CEPC project. (S.Gupta, 2023)

### **Findings**

There are certain merits and demerits of this project. China and Pakistan both are not equals in the benefits of CEPC.

- Gwadar will bring the change in stratification, jobs, living standards for the countrymen.
- It will enhance the connectivity and more and more people from both sides will get the benefits.
- Although the fishermen colony is shifted 40 kilometers away from Gwadar, but analysts have commented that Gwadar port will play a vital role in the economy of Pakistan.
- In the past experiences Sindh has progressed rapidly as the Karachi port and port Qasim become the hub of sea trade.
- Gwadar will boost Pakistan's maritime trade and economy.
- Sea lanes would be easily monitor through this port and balance of power in this region could be watched.
- But the locals are suffering in the area of Gwadar. People are facing health issues. Water is not clean. The health system is suffering.
- At present China is facing 2 issues in the completion of CEPC. One is security threats and second is Uighur movement.

### **Conclusion**

Gwadar port is on the mouth of Gulf, Hurmuz and Persian region maintain the geopolitical importance in this region. There are high hopes about CPEC project which is operative through Gwadar port. It will minimize Pakistan's economic problems. The proposed projects of CEPC are East-west express way, Gwadar airport, dredging the berths and channels, water treatment plant and jobs to the local people. Pakistan want to maintain the bilateral status of CEPC and Saudi Arabia want to deeply involve in this project because they have opportunities to trade oil through Gwadar port. This project will also protect TAPI, Iran gas pipeline from Indian attack. CPEC will also give benefit to India. They can connect to Central Asia via Kashmir by crossing the line of control. This is the time to promote negotiations and diplomacy.

### **Recommendations**

- Gwadar will increase the facilities for private and international investors like in Oman and UAE.
- Political stability is required to get full benefits of Gwadar port.
- Pakistan will increase export to China as compared to import because the labor cost in Pakistan is less than China, India and Vietnam.
- Peaceful Afghanistan is key to promote security in this region.
- Pakistan and China will conclude an agreement to build, operate and transfer in real sense.
- Gwadar should be under the control of local government in guardianship of federal government.
- China should invest more in Baluchistan to address the deprivation of Baloch Nationalist.
- The office of the Gwadar port authority should be shifted from Karachi to Gwadar.
- The involvement of locals will increase the pace of completion of this port.

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