

CPEC concerns

Editorial

The News International (Rawalpindi)

January 8, 2016

The China-Pakistan Economic Corridor (CPEC) is back again in the national debate. This time the strongest objection has come from Khyber Pakhtunkhwa Chief Minister Pervaiz Khattak. Khattak has accused ‘big brother’ Punjab of not sharing benefits from such projects. Khattak’s criticism of the CPEC came at the Corridor Convention held by the Pakhtunkhwa Ulasi Tehreek. Warning that KP will not let the road pass through if the province does not get its share, the KP CM has also warned that they won’t beg for their rights. The CPEC contains both energy and infrastructure projects but it seems that it is only Punjab that will get the lot of the energy projects while the other provinces will just end up with roads. Out of 24 energy projects under the CPEC, apparently KP is set to get a grand total of zero. The province will get dry ports if the western route of the corridor is built. What KP wants is an equal share – with railways, gas and oil pipelines, LNG access, energy projects and economic zones. Mystery also persists on how the Lahore Orange Line and a Murree TV project became part of the CPEC. Now, the PTI and JUI-F have also come to a consensus on articulating a joint stance on the CPEC, which has been plagued with vagueness and secrecy from the word go. To add gravity to these issues even China, through its diplomats in Islamabad, has raised concerns and reportedly informed the Planning Commission that controversy and differences are not likely to help the CPEC.

The CPEC is turning out to be as controversial a project as the Kalabagh dam. The Ministry of Planning has responded by issuing a report stating that the entire country will benefit from the project, and has named Khunjrab, Peshawar, Lahore, Sukkur, Quetta, Karachi and Gwadar as cities that will benefit. The only problem is: it has failed to come up with an adequate response to explain exactly how these cities will benefit. During a meeting on Wednesday, Planning Minister Ahsan Iqbal failed to placate parliamentary leaders from KP on the CPEC issue. At its end, the government has created a four-member committee to address KP’s grievances. With Baloch leader Akhtar Mengal to host an APC on this issue in the federal capital on January 10, the issues over the CPEC are likely to get more serious before any solutions are found. Former Balochistan chief minister Dr Malik used his last days in office to talk about the lack of transparency in the process of giving the Gwadar Port to China. Pakistan’s smaller provinces have always said they are made to feel like less important parts of the federation. Looking at the history of inequality between the provinces, the CPEC could easily become a project that divides Pakistan more than uniting it, especially given the silencing of all dissent around the project. There are questions over the transparency of the actual CPEC agreement, as well as over the timeline of the project. Even the country’s monetary authority, the State Bank of Pakistan, has admitted that it has no idea about the mechanism of funding of the CPEC. The SBP governor has admitted he has no idea how to plan for an apparent \$60 billion cash injection into the economy. This should also make it clear that the concerns over the CPEC are not just about bickering provinces, but serious questions about macroeconomic planning. It seems unlikely the controversy will die down any time soon.

Source: <http://www.thenews.com.pk/print/88761-CPEC-concerns>