

## FROM OLYMPICS TO AFGHANISTAN: REVIEWING PM IMRAN KHAN VISIT TO CHINA

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Recent visit of Prime Minister Imran Khan to China signified a notable surge in a bilateral relationship that is marked by mutual trust and strategic consultations on international and regional developments. The central focus of the visit was to represent Pakistan at the Opening Ceremony of Winter Olympics. Meanwhile, talks with Chinese leadership and business community focused on reviewing China-Pakistan Economic Corridor (CPEC), concluding industrial cooperation agreement, consultations on the evolving situation in Afghanistan and exchange of views on regional and international issues.<sup>1</sup> The outcome of the visit was a 33-point joint statement released at the end of the visit.

### *Significance of the Visit*

Prime Minister Khan's visit to China to attend the Opening Ceremony of the Winter Olympics came at a time when most of the Western world participated in the United States-led diplomatic boycott of the Olympic Games. Pakistan's presence at the Opening Ceremony and this visit itself was meant to showcase support for China as tensions between China and the West increase.<sup>2</sup>

1 "PM Imran Khan returns to Pakistan after successful China visit," *The News*, February 02, 2022, <https://www.thenews.com.pk/latest/931331-pm-imran-khan-returns-to-pakistan-after-successful-china-visit>

2 Ibid.

Besides, the importance of the visit can be gauged from the fact that it was the first opportunity for high-level exchange of views between Chinese and Pakistani leadership after a gap of more than two years due to pandemic. In Pakistan-China relationship it was unusual, as both sides regularly meet to consult on regional and global environment. The previous meetings of Prime Minister Imran Khan with Chinese leaders, both President Xi Jinping and Premier Li Keqiang were held in October, 2019, when PM Khan visited Beijing for an official visit.

Realizing the significance of the visit, pre-visit PM Khan chaired several preparatory meetings of various ministries. These meetings undertook comprehensive review of the bilateral relationship, progress on CPEC, security framework, industrial cooperation, and regional security issues. Military leadership was also consulted by the Prime Minister and Foreign Minister prior to departure. Meanwhile, CPEC-Authority prepared a pitch book laying out investment potential/opportunities and comparative advantages of the Pakistani market for Chinese investors in key sectors.

Before leaving for China, Pakistan at the highest level made efforts to address Chinese concerns related to delayed payment of Chinese power producers in Pakistan. In the last week of January, the federal government paid PKR 50 billion to 9 Chinese power companies. Another PKR 50 billion will be cleared by the end of February. And, the Prime Minister gave instructions for setting up a revolving account for Chinese IPPs for smooth payments to them in future. Moreover, Pakistan also made compensation payments to those Chinese workers who lost their lives during the Dasu attack.

Besides, PM Khan and his team focused on strategic communications/signaling through extensive interactions with Chinese media outlets. PM Khan gave four long interviews to Chinese media, both pre-visit and during stay in Beijing. These interviews conveyed Pakistan's perspective on bilateral relations and regional issues to the Chinese audience.

### ***Joint Statement: Key Highlights***

At the conclusion of the visit, a 33-point joint statement was issued by two sides. This statement reviewed bilateral relationship, progress on CPEC, reiterated both sides' positions on core interests of each side, and regional issues particularly Afghanistan.<sup>3</sup>

At the outset, both sides reiterated their support to each other's core interests. China emphasized that it "opposes any unilateral actions that complicate the situation" in Kashmir. Beijing also underscored support for Pakistan's efforts to "safeguard its sovereignty, independence and security,

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<sup>3</sup> "Joint Statement between the People's Republic of China and the Islamic Republic of Pakistan," *Chinese Embassy in the US*, February 06, 2022, [http://www.china-embassy.org/eng/zgyw/202202/t20220206\\_10639501.html](http://www.china-embassy.org/eng/zgyw/202202/t20220206_10639501.html)

as well as promoting its socio-economic development and prosperity. Meanwhile, Pakistan reaffirmed “commitment to One-China Policy and support for China on Taiwan, South China Sea, Hong Kong, Xinjiang and Tibet”.<sup>4</sup>

Besides, China acknowledged Pakistan’s “efforts in the fight against terrorism” and both sides underscored “commitment to fighting terrorism in all its forms and manifestations.” Furthermore, Islamabad and Beijing expressed determination to secure CPEC from all threats and negative propaganda.<sup>5</sup>

### ***CPEC: Moves to Next Stage***

During the visit both sides held consultations on the way forward for the CPEC and its next stage. The joint statement emphasized “CPEC’s high-quality development” to ensure “smooth operation of completed projects and the timely completion of projects under construction.” In a notable mention, the importance of Gwadar was underscored as a “central pillar” of CPEC as a vital node in regional connectivity.

### ***Pakistani delegation, on its part, engaged in dual-track strategy for expansion of CPEC:***

- a) In-depth consultation with leadership of National Development and Reform Commission (NDRC) were held on charting the second phase of CPEC. The outcome of this meeting was the signing of ‘Framework Agreement for Industrial Cooperation’ between both sides. The draft of the agreement was finalized two-days prior to the departure of PM Khan to China. This agreement has put in place a framework for attracting foreign investment.<sup>6</sup>
- b) Chinese state-owned enterprises and leading private businesses were engaged and invited to invest in Pakistan. PM Khan held meetings with 20 such companies. These companies were from the following seven sectors: i) Textile; ii) Pharmaceutical; iii) Automotive; iv) Information Technology; v) Footwear; vi) Furniture; and vii) Agriculture.

In order to facilitate the Chinese investors, the government has exempted Chinese firms from 37 prior federal and provincial approvals which will incentivize more investors and relocation of industries to Pakistan in comparison with other potential destinations. However, the audit regimes will keep a check on the companies to ensure the compliance with law of the land.

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<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Prof Lin Minwang, “IK’s visit to China proves ‘uniqueness’ of Pak-China ties,” *The Express Tribune*, February 03, 2022, <https://tribune.com.pk/story/2341650/iks-visit-to-china-proves-uniqueness-of-pak-china-ties>

During the visit, two sectors, Agriculture and IT, have shown a real potential of expansion which was earlier largely untapped. In this regard. The Chinese Premier Li while meeting PM Khan has said, "China will actively consider expanding the import of agricultural products from Pakistan".<sup>7</sup> Since the agriculture sector is a substantial chunk of Pakistan's economy and the country has a real potential to exploit it if the farming techniques are revolutionized, an area in which China has mastered. PM Khan's subsequent meetings with Royal Group (China's largest buffalo milk producer), Zhengbang Group (Jiangxi Province's largest agricultural enterprise) and China Machinery Engineering Corporation, an agro-industrial machinery company focused on exploring prospective collaboration.

Importance of Pakistan's agriculture sector for China, was also highlighted when Premier Li indicated that China could expand its import of Pakistan's agricultural produce to support the local agriculture sector. This entails that if Pakistan is able to modernize its agriculture sector, and produce products that meet Chinese demands then it can secure a greater share in the Chinese market with active support from Chinese leadership. This has the potential to become a permanent source of steady foreign exchange earnings for Pakistan.

### ***Afghanistan: A Coordinated Strategy***

Aside from bilateral relations, Afghanistan dominated regional discussions between both sides. The joint statement showcases that China acknowledges Pakistan's position on Afghanistan, as two countries underlined that a "peaceful, stable, united, safe, and secure Afghanistan" was crucial for regional peace and security.<sup>8</sup> During talks both sides agreed to make joint efforts for peace and security in Afghanistan. For this, the next step would be the organization of a meeting of six neighbours of Afghanistan in China by the end March. The Interim Foreign Minister of Afghanistan will also be invited to attend the meeting. On the sidelines, Pakistan and China will also hold a meeting with the Afghan side in a trilateral format, a first such meeting after Taliban takeover of Afghanistan.

Besides, the humanitarian situation in Afghanistan was also discussed. Pakistan and China called for expediting humanitarian aid to people of Afghanistan to "avert the looming crisis" and called for unfreezing Afghan financial assets.<sup>9</sup> Furthermore, to support the Afghan economy, the joint statement underlined that "two sides are ready to discuss with Afghanistan the extension of CPEC to

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<sup>7</sup> "Chinese Premier Stresses Practical cooperation with Pakistan", *Xinhua News Agency*, February 5, 2022, <http://www.news.cn/english/20220205/30b94d00bfc544fdb1f84437c99133a3/c.html>

<sup>8</sup> Aamir Latif, "China, Pakistan urge world to help avert 'humanitarian catastrophe' in Afghanistan," *AA*, February 06, 2022, <https://www.aa.com.tr/en/asia-pacific/china-pakistan-urge-world-to-help-avert-humanitarian-catastrophe-in-afghanistan/2495410>

<sup>9</sup> *Ibid.*

Afghanistan.”<sup>10</sup> This, if realized even at a small scale, would set a template for other countries to engage in substantive economic cooperation with Afghanistan.

### ***Conclusion***

Visit of PM Khan to China was important as it signified priority accorded to Pakistan in China’s ‘neighbourhood diplomacy’. It was an opportunity, after two years, to exchange views and consult on bilateral relations and regional issues with Chinese leadership. The visit, thus, has given a fresh impetus to the CPEC as it moves into the phase of industrial cooperation. In this, Pakistan would need to double down on commitments made to facilitate investments so as to realize pledges of investments made by Chinese companies. Meanwhile, on Afghanistan, coming months could see Beijing and Islamabad taking joint initiatives for supporting peace and security in that country. From here onwards, the hard work begins of implementation on consensus reached between two sides to reap maximum dividends.

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<sup>10</sup> “Joint Statement between the People’s Republic of China and the Islamic Republic of Pakistan,” Chinese Embassy in the US, February 06, 2022, [http://www.china-embassy.org/eng/zgyw/202202/t20220206\\_10639501.html](http://www.china-embassy.org/eng/zgyw/202202/t20220206_10639501.html)