

**“SOCIO-ECONOMIC DEVELOPMENT AND REGIONAL CONNECTIVITY UNDER CPEC
WITH FOCUS ON AGRICULTURE SECTOR IN PAKISTAN”**

By

Prof. Dr. Zahid Anwar, Chairman, PEDF (Peace, Education & Development Foundation)

Bach Khan University (BKU) Charsadda has organized an International Conference on the socio-economic development in Pakistan and regional connectivity under CPEC with special focus on agriculture sector. Prof Dr Bashir Ahmad, Vice Chancellor Bacha Khan University Charsadda welcomed all the distinguished speakers from Pakistan and abroad especially China and the honorable participants and highlighted the significance of CPEC for economic development of Pakistan. Dr Zahid Hussain the chief organizer of the conference in the introduction said that the conference is organized to discuss the importance of CPEC for agriculture development of Pakistan generally and Khyber Pakhtunkhwa particularly. Prof. Dr. Zahid Anwar, Chairman, PEDF (Peace, Education and Development Foundation) delivered a keynote speech on the above topic in a hybrid International Conference on 19th-20th September 2023 at Charsadda organized by Bacha Khan University (BKU), Charsadda, Khyber Pakhtunkhwa. It was part of the celebration of a decade of CPEC (China Pakistan Economic Corridor). At the outset Prof Zahid Anwar thanked the organizers especially the Vice Chancellor, Chief Organizer and their team for the honor of invitation as keynote speaker.

Prof Anwar in his keynote presentation said that Pakistan and China relations are higher than mountains, deeper than oceans, sweeter than honey and it is all-weather friendship and iron-clad brotherhood. It is a trustworthy relationship that became stronger with every passing moment. In medieval ages Central Asia was connected to South Asia, West Asia, Europe and China through the network of routes known as the Silk Road. It was a German researcher Ferdinand Richthofen who coined the term the Great Silk Road in his work, “China”, in 1877. The silk road is a unique example from history, of intercontinental cooperation and collaboration of not only trade and commerce but also in the realm of ideas and cultures. Centuries ago, India was part of the Silk Road network. Pakistan was a gateway to South Asia on the old Silk Road. It was possible to travel from the Bay of Bengal (Calcutta) up the Grand Trunk Road and through the Khyber Pass, into Central Asia. Silk Road played an important role in the peace and prosperity of Eurasia. Silk Road strengthened economic integration, development and galvanized people to people contact.



Prof Zahid Anwar is delivering his keynote speech in the International Conference

The economic reforms of Deng Xiaoping and its continuation by his successors transformed China into the fastest growing economy of the world. China became a global economic power . This economic strength enabled China to realize its cherished dream of revival of the legendary Silk Road. Belt and Road Initiative (BRI) which is the 21st Century Silk Road and President Xi Jinping launched it in 2013. BRI is the largest coordinated infrastructure plan in human history. It reduces the travel time by 12% resultantly also reduced travel costs. Equality, consultation, cooperation and 5 principles of peaceful co-existence are the hallmarks of BRI.

The UN Secretary-General Antonio Gutierrez has said that BRI and the UN Millennium Development Goals share the same grand goals, and both are public goods offered to the world. The BRI promotes international trade and people-to-people exchanges, but also enhances understanding between countries and reduces cultural barriers, to ultimately achieve peace, harmony and prosperity. The BRI is best summarised by President Xi: “China will actively promote international co-operation through the BRI. In doing so, we hope to achieve policy, infrastructure, trade, financial, and people-to-people connectivity and thus build a new platform for international co-operation to create new drivers of shared development” .In BRI, the South Asian Region holds fundamental significance because of CPEC (China Pakistan Economic Corridor) which is the flagship project of BRI connecting the Maritime Silk Road and the Belt; network of roads, railways and air connectivity in the continental landmass of Eurasia.

CPEC is one of the six economic corridors of BRI. CPEC is a flagship project of BRI. It is a regional connectivity framework which improves road, rail and air transportation system. One bright side of CPEC is strengthening of collaboration between high ranking Universities of Pakistan and China. China Association of Higher Education (CAHE) and Higher Education Commission of Pakistan (HEC) have played a leading role in this connection.

Rashakai Special Economic Zone is advancing like three (AIIC, Dhabeji, Bostan) other special economic zones. Rashakai, with 270 acres, was inaugurated in July 2023 with 23 industrial plots already allotted. The Gwadar Port project is the centerpiece of the China–Pakistan strategic partnership and one of their most significant joint development projects in recent years and is key to the future of China–Pakistan’s long-standing economic and strategic ties. China has both financed and constructed the deep-sea port at Gwadar in Pakistan’s province of Baluchistan on the Arabian Sea. The importance of Gwadar Port cannot be underestimated given its strategic significance, energy security, and economic development. The construction of Gwadar port and related connecting routes with Afghanistan reduce the distance for Pakistan–Central Asia traffic by approximately 500 km.



Audience in the inaugural session of the International Conference

The agriculture sector is playing a major role in the economic development of Pakistan and this sector has greatly sustained rural livelihood. Scores of problems such as water deficiency, climate changes, load shedding, traditional farming practices, poor extension services, high prices of fertilizers, land insecurity, have greatly affected the agriculture sector in Pakistan. With the successful completion of the mega projects such as energy and infrastructure development under CPEC will enhance the agricultural production and trade, provides more job opportunities. CPEC is the network of highways, railways, pipelines, transport, oil, gas and energy. Agriculture sector would be a direct as well as indirect beneficiary of CPEC via development in backward and forward linkages. Agriculture has been backbone of low-income economies. It is generally the primary source of income and employment in rural areas. China Pakistan Economic Corridor (CPEC) is one of the best examples of such partnerships.

The overall launching time span of CPEC spreads from 2014 to 2030. There are three phases for implementation of the projects under CPEC. The short-term, midterm-term and long-term projects are estimated to be completed by 2017, 2025 and 2030 respectively. The estimated construction cost for these projects is \$46 billion. In November 2018 China and Pakistan signed an MOU and the Chinese government agreed to cooperate in agriculture sector under CPEC. Building on that MoU the two countries signed a comprehensive framework agreement for agricultural cooperation in May 2019. The goals set in the agricultural framework agreement would be achieved over the next five years.

These cover extension services, remote sensing and geographical information system and food processing and pre- and post-harvest handling.



The Chief Organizer is giving souvenir to the keynote speaker

The agreement also covers storage of agricultural produce, genetic resources of crops, livestock and poultry, selection and breeding of new breeds of animals and new varieties of plants, feed for fisheries and aquaculture, research and development of new high-yield varieties, precision agriculture and pest and disease control. The major development of the agriculture sector falls under the long-term plan (LTP). The plan focuses on increasing the use of modern machinery and synthetic fertilizers to enhance yields, while food storage and processing zones would be built to significantly reduce the post-harvest losses. Similarly, the

construction of cold storage stations and meat processing plants is planned to enhance the productivity of livestock and fisheries sectors besides making their output more competitive in the international market.

Being one of the countries included in the BRI initiative, Pakistan can benefit from China's increased food import dependence and gradual transition towards high-value addition in the agriculture sector. The Corridor promises to bring a turnaround in the agriculture sector by providing new avenues for further progress of this vital industry that contributes 22.7% to the nation's GDP, and provides jobs to 37.5% of the working force. It'll help farmers reach bigger markets where they can export their produce at cost-effective prices through roads, rails, and the sea. Additionally, the expansion of agricultural land under the CPEC, which includes enlarging farms to increase productivity with the newest equipment and techniques, will be crucial in boosting the economy and GDP as a whole.

China also plans to outsource its agricultural supplies in the form of joint ventures by investing in and developing processing zones, warehouses, dairy farming and cold storage stations in Pakistan. During last year, Pakistan's agriculture sector has gained manifold traction under the agricultural cooperation, promising a phenomenal agricultural growth. Given the comprehensive spectrum of cooperation under the "Green Corridor" throughout the year 2022, the agriculture sector has recorded a remarkable growth of 4.4% and surpassed the target of 3.5% as well as last year's (FY2022) growth of 3.48%. Recently Chinese Ambassador to Pakistan said,



A group photo with Prof Dr. Bashir Ahmad, the Vice Chancellor BKU on the conference day

"New concepts like health corridor, industrial corridor, digital corridor and green corridor will become important part of the high-quality development under CPEC. Moreover,

Pakistan's exports to China are expected to exceed \$4 billion this year. Among them, agriculture serves as an emerging growth area. Pakistan's agricultural trade surplus with China reached US \$640 million last year, an increase of 13 times year-on-year, and maintains good momentum of growth this year too. Moreover, recently facilitation arrangements for cherry exports to China were made. China welcomes Pakistan to explore China's mega-market and welcomes more high-quality Pakistani food and agricultural products for entry."

Pakistan is member of the BRI. CPEC is a flagship project of BRI and considered as a game changer project.

Without an iota of doubt such constructive collaboration with China in socio-economic development and regional connectivity in different fields specially in agriculture sector will considerably help in addressing the chronic issues which that sector is facing in Pakistan. It is hoped that the timely and successful completion of CPEC projects will pave the way for agriculture development and poverty alleviation. When Pakistan was fighting against terrorism, investors from allied countries were reluctant to invest in Pakistan. In the critical time China took the initiative and sent its investors to invest in Pakistan. Pakistan and China have a trustworthy relationship and their trust, commitment and resilience will lead to successful completion of these CPEC projects. It is neither debt trap nor East India Company, it is a win-win model.

CPEC projects are considerably helping Pakistan in addressing its problems related to blue economy, physical infrastructure, telecommunication, energy, higher education and agriculture. There are many opportunities of collaboration in these fields. Without an iota of doubt Pakistan is passing through a difficult period in its march towards peace and prosperity nevertheless people here should not succumb to negative propaganda, nor it should lose hope. Instead of criticizing others for not playing their proper role, the nation should play its constructive role in strengthening cooperation with China under the CPEC.

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