CENTRE OF EXCELLENCE

China-Pakistan Economic Corridor









SEQUENCE









INTRODUCTION

The Centre of Excellence for CPEC is a joint initiative of Pakistan Institute of Development Economics (PIDE) and Ministry of Planning Development and Reform (Mo PD&R), Islamabad.

It is a first official think tank for carrying out policy research on different aspects of CPEC.

VISION

Centre of Excellence for CPEC aims to become an evidence based research and policy guiding think tank on CPEC for;.

- Policy makers
- Project Implementers
- Business community and
- Society at large



MANDATE

Following is mandate of the Centre of Excellence for CPEC;

- To conduct research on six thematic areas of CPEC in light of CPEC long term plan (LTP)
- To promote true narrative about CPEC
- To guide implementers of CPEC on policy matters
- To train business community on CPEC related business opportunities

RESEARCH THEMES

Following are the six research themes of the Centre of Excellence for CPEC;

- Socio Economic impact of CPEC
- Job growth and human resource development under CPEC
- Regional Connectivity under CPEC
- Trade and Industry Cooperation under CPEC
- Urban Development in Pakistan under CPEC
- Financing and Financial sector integration under CPEC



SOCIO ECONOMIC IMPACTS OF CPEC

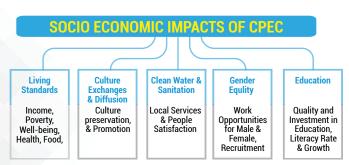
Socio Economic development is essential for the improvement of the quality of life and wellbeing of the people and the environment in which we all live. Its status is a combined economic and sociological measures of a person/a household/family in relation to other people.

In order to improve the quality of life there is a need to improve the socio-economic conditions of the general masses through education, capacity building, skill development and through providing them employment opportunities so the living standards can be improved and contribution to the national development can be enhanced. By improving these indicators, eradication of poverty will be possible and by the end of 2030, Pakistan will stand amongst the countries which have better Sustainable Development Goals (SDGs).

According to recent economic survey 2016-17 the un-employed labour force in Pakistan is 3.62 million whereas the un-employment rate is 5.9%. Overall, the literacy rate of the country including both sexes is 58% but for female it is 48%. The GDP per capita income in 2017 is US \$ 1629 which is very low as compared to other regional countries. With the inception of CPEC, more than US\$ 59 billion investment is made in infrastructure, energy, industrial cooperation through special economic zones (SEZs) and building of Gwader port will provide better opportunities for the enhancement of the socio-economic status of the people of Pakistan.

Framework

Socio-Economic Division under CoE-CPEC highlights the key areas which positivley or otherwise would effected with the inception of CPEC in short term to medium and in long term.



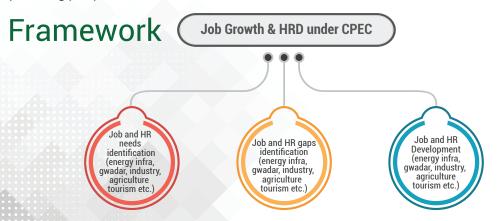
JOB GROWTH & HRD UNDER CPEC

Job Growth & Human Resource Development (JG&HRD) under CPEC is vital to economic recovery and growth of Pakistan. Economic progress in Pakistan is strong, but significant challenges remains like unemployment, less competitive human resource, inequalities and women faced economic, social, and cultural challenges that limit their access to markets, quality jobs, and entrepreneurship. This in turn holds back whole economies.

At Centre of Excellence for China Pakistan Economic Corridor, we report on a very specific aspect of job creation & human resource development through China Pakistan Economic Corridor (CPEC) projects.

The CPEC projects enhance the employment and economic opportunities of vulnerable groups, particularly women and youth in Pakistan. CPEC will also help to promote inclusive development across the provinces and regions specially deprived areas from Gilgit to Gwadar by enhancing the employment and human resource.

The CoE-CPEC will support applied research on job creation and human resource development, particularly through CPEC projects, to address the complex set of barriers holding back youth and women's economic empowerment. CPEC will foster new job horizons for providing youth with more promising prospects other than informal.





REGIONAL CONNECTIVITY UNDER CPEC

Pakistan has nature's unique advantage due to it's geo-strategically coordinates among top emerging eastern economies including China, India and other South Asian countries. World has experienced multiple regional integration models like EU, ASEAN, SAARC and BRICS. But these are all facing a lot of challenge. Major root-cause being exclusive growth of regional countries. Based on such experiences, President Xi initiated a new model of regional integration "Belt and Road Initiative (BRI)" and made connectivity agreements with 65 regional countries for infrastructural development worth more than 900 billion USDs.

Under BRI model China is going to connect South Asia, South East Asia, Africa, Europe, Central Asia, Russia and Middle East Asia with six major economic corridors and "China Pakistan Economic Corridor (CPEC)" has been the pilot corridor and considered as a flagship corridor of BRI due to its geo-strategic positioning and swift pace of development. Regional Integration became a necessary seed in the field of economic prosperity by boosting connectivity through internal and external linkages. Under this model eastern emerging economies will be interlinked with each other through diverse modes; roads, rails, energy lines, communication networks, dry ports, sea ports, aerial and people to people linkages.

Framework

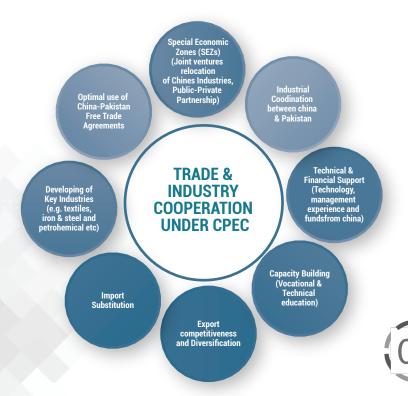
REGIONAL CONNECTIVITY UNDER CPEC Electricity Road, Rail, People to **Digital** Oil & Gas Inland Transmission Sea, Aerial People **Networks Pipelines Waterways** Integration linkages Lines



TRADE & INDUSTRY COOPERATION UNDER CPEC

Trade and Industrialization play a significant role in economic growth of an economy. The inclusive growth can effectively and efficiently be achieved through promoting trade and industrial development. The target is to achieve the competitiveness, establish viable industry clusters and create market niche for Pakistan through CPEC. Fulfilment of these goals will help Pakistan's economy to expand its trade worldwide and to uplift local industry.

Framework



URBAN DEVELOPMENT IN PAKISTAN UNDER CPEC

Pakistan is one of the fastest urbanizing countries in South Asia with a population of 207,774,520 of which 63.6% is rural and 36.4% is urban (GOP, 2017). The United Nations Population Division estimates that, by 2025, nearly half of the country's population will live in urban areas with major chunk of population living in the mega cities. Rapid urbanization creates opportunities and challenges. Cities around the world are home to the creation of employment, environment friendly technological and infrastructural advancements, and a high economic productivity. However, mismanagement and poor planning of the cities & urbanization process may result in low economic activity, environmental vulnerability, poor service delivery, and socially exclusive societies.

The current and future CPEC projects, aiming at creating sustainability and economic stability, will alter the urban dynamics and the spatial pattern of our cities. Consequently the CPEC portfolio is expected to create opportunities and challenges for urban areas in Pakistan.

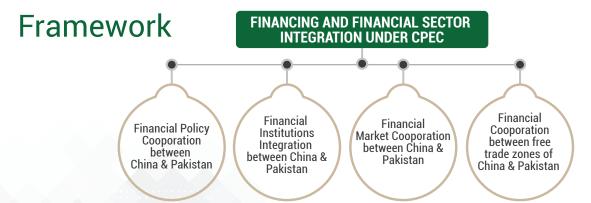
Urban Development (UD) Division at Centre of Excellence for CPEC envisions to combat the challenges and harness the opportunities that will be created by the urbanization under CPEC. UD Division is committed to serve as a benchmark of excellence in research and provide policy guidelines to the relevant stakeholders thus enabling socially cohesive, environment friendly, economically sustainable and vibrant urban communities.





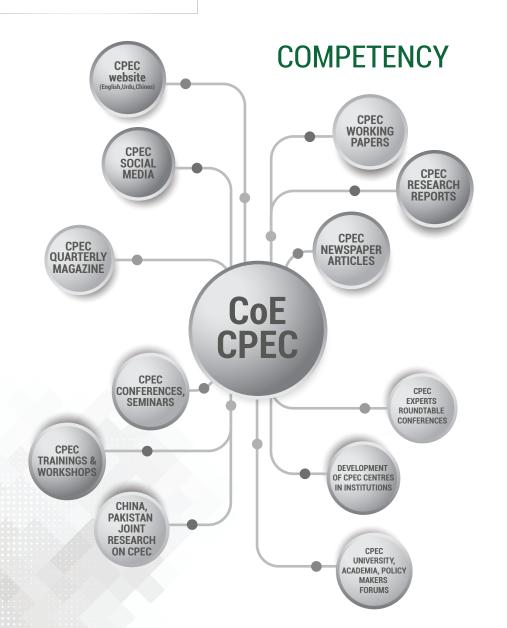
FINANCING AND FINANCIAL SECTOR INTEGRATION UNDER CPEC

Financing and Financial Sector Integration has its own importance in shaping the future of Pakistan. Financing and Financial Sector Integration involves the working of Chinese and Pakistani financial institutions in such a way that they work in maximum synchronization. The Centre of Excellence for CPEC has been given the mandate to explore the opportunities and challenges involved in this regard. Other aligned objectives of this theme include; to conduct policy based research and present to the implementers.





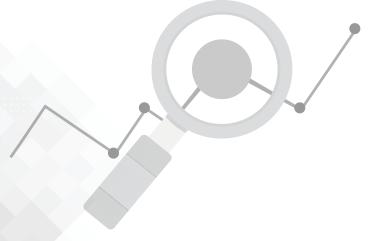
COMPETENCY



RESEARCH DISSEMINATION MODES

The research would be disseminated through;

- Centre's Website: www.cpec-centre.pk
- CPEC Quarterly Magazine 4 per years
- Round Table Conferences (RTCs): 12 per year
- Training Sessions and Workshops: Regularly as per requirement
- Summer Camps: 1 -2 per year
- Seminars: 5 per year
- International Conferences: 2 per year









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Ministry of Planning, Development & Reform Government of Pakistan



Pakistan Institute of Development Economics Islamabad

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