

Pakistan seeks to review CPEC accords: FT

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ISLAMABAD: Newly-elected government of Prime Minister Imran Khan will review its role in China's Belt and Road Initiative (BRI) and renegotiate a trade agreement signed more than a decade ago, Financial Times reported on Sunday, citing Pakistani officials.

According to the report, the ministers and the advisers of Pakistan Tehreek-e-Insaf government said the agreement "unfairly benefits Chinese companies."

"The previous government did a bad job negotiating with China on CPEC — they didn't do their homework correctly and didn't negotiate correctly so they gave away a lot," the paper reported quoting Abdul Razak Dawood, Prime Minister Imran Khan's Adviser on Commerce, Textile, Industry & Production and Investment.

Dawood was reported to have said; "Chinese companies received tax breaks, many breaks and have an undue advantage in Pakistan; this is one of the things we're looking at because it's not fair that Pakistan companies should be disadvantaged." The adviser was quoted as saying: "I think we should put everything on hold for a year so we can get our act together," he added. "Perhaps we can stretch CPEC out over another five years or so."

As per the report, Chinese foreign minister Wang Yi, who visited Islamabad at the weekend, indicated that Beijing could be open to renegotiating its 2006 trade deal with Pakistan. However, Foreign Minister Shah Mehmood Qureshi assured his Chinese counterpart that the new government considered CPEC project as 'immensely strategic and of national importance for Pakistan'.

"We are highly grateful for the personal attention Chinese leadership has accorded to the implementation of CPEC. CPEC will remain a priority for the government. We will ensure that ongoing projects are implemented at the earliest and at the same time, we will explore new avenues of cooperation under CPEC," he said during a joint press conference with Wang Yi after the two sides held detailed talks.

Moreover, Finance Minister Asad Umar and Advisor Dawood said Pakistan would be careful not to offend Beijing. "We don't intend to handle this process like Mahathir", Umar told FT.

It is pertinent to note that Malaysia has cancelled three China-backed pipeline projects and put a showpiece BRI rail link under review. Meanwhile, the Ministry of Commerce & Textile issued a rebuttal to the Financial Times report saying it is based on statements taken out of context.

Pakistan rejects the article especially its title. During the recent visit of Chinese Foreign Minister Wang Yi, the two sides reiterated the "all-weather strategic cooperative partnership" between Pakistan and China and also reaffirmed their commitment to the CPEC. Pakistan reassured the Chinese side that CPEC is a national priority for the government. The Chinese side also highlighted the significance of CPEC for both sides. There is complete unanimity between the two sides on the future direction of CPEC.

The statements attributed to Adviser to Prime Minister on Commerce and Textile have been taken out of context and distorted. Pakistan-China relations are impregnable and the government's commitment to CPEC is unwavering.