

China-Pakistan Economic Corridor (CPEC)

Mains: Current events of national and international importance | International Relations

Why in News?

As India prepared to host the Foreign Ministers of the US, Japan, and Australia — the members of the Quad grouping — Pakistan and China simultaneously issued a joint statement of their own.

What is China-Pakistan Economic Corridor (CPEC)?

- It is a flagship project under [China's Belt and Road Initiative \(BRI\)](#), designed to enhance connectivity and economic integration between China and Pakistan.
- **Launched in** - 2015.
- **Strategic Route** - The corridor stretches from Kashgar in China's Xinjiang province to Gwadar Port in Pakistan, forming a 3,000-kilometer network of highways, railways, and pipelines.
- **Investment Scale** - Estimated at over \$60 billion, covering energy, transport, and industrial zones.
- **Core Objective** - To boost trade and logistics efficiency, reduce transit time, and open western China to global markets.
- **Key Components** -



What are the recent talks between China and Pakistan on CPEC?

- **Expansion of Strategic Infrastructure** - The recent joint statement reaffirmed plans to upgrade the **Gwadar Port** and modernize the Karakoram Highway.
- These developments aim to strengthen regional trade connectivity, improve logistics efficiency, and enhance Pakistan's role as a gateway for commerce between South Asia, Central Asia, and the Middle East.
- **Strategic Maritime Diversification** - One of China's underlying strategic objectives is to reduce dependence on the ***Strait of Malacca***, a critical maritime chokepoint in Southeast Asia.
- By leveraging the CPEC route, China can receive energy imports from West Asia through Gwadar, offering a shorter and more secure alternative to traditional sea routes.
- **Contingency Against Maritime Disruptions** - The corridor also provides a strategic fallback option in the event of a blockade or disruption in the ***Strait of Hormuz***, ensuring continuity of energy supplies and trade flows.
- This diversification enhances China's energy security and geoeconomic resilience.
- **Opening to International Participation** - For the first time, the joint statement invited third-party nations and investors to participate in CPEC's development.
- This move signals a shift toward multilateral engagement, potentially attracting global investment and expanding the corridor's economic

footprint beyond bilateral cooperation.

Why CPEC matters to India?

- **Sovereignty Concerns and India's Opposition** - India's foremost objection to the China-Pakistan Economic Corridor (CPEC) lies in its passage through Pakistan-occupied Kashmir (PoK), which India considers an illegal occupation.
- From the outset, India has officially opposed CPEC on sovereignty grounds, emphasizing that projects such as the Karakoram Highway directly violate its territorial integrity.
- **Diplomatic Pushback** - The recent diplomatic exchanges between India, China, and Pakistan serve as a signal of India's willingness to assert its position more strongly.
- India's stance highlights its determination to counter Chinese and Pakistani narratives and prevent legitimization of Pakistan's control over PoK.
- **Risks of International Involvement** - The inclusion of third-party investors or international entities in CPEC projects could strengthen Pakistan's grip over PoK, further complicating the sovereignty dispute.
- India views this as a direct challenge to its territorial claims, raising the stakes in regional geopolitics.
- **Gwadar Port and the String of Pearls** - The revamp of Gwadar Port is seen as part of China's broader "String of Pearls" strategy — a network of ports and military facilities across the Indian Ocean.
- This chain stretches from Djibouti on the Horn of Africa, through Gwadar (Pakistan), Hambantota and Colombo (Sri Lanka), Chittagong (Bangladesh), Sittwe (Myanmar), and up to the Ream Naval Base (Cambodia).
- The objective is to establish a dominant Chinese presence in the Indian Ocean and surrounding waters.



- **Strategic and Naval Implications** - Gwadar Port poses a potential naval threat to India.
- While currently servicing Chinese merchant vessels, it could easily be adapted for naval operations in the future.
- Its proximity just 400 km from the Strait of Hormuz, a critical artery for India's energy imports makes it strategically significant.
- Any militarization of Gwadar would directly impact India's energy security and maritime dominance.

What is the response of India?

- **Chabahar Port: India's Strategic Anchor** - India's most direct counter to CPEC has been its investment in the ***Chabahar Port in Iran***, located just 72 km from Gwadar.
- This port provides India with a strategic foothold in the Arabian Sea and direct access to Afghanistan and Central Asia, bypassing Pakistan entirely.
- India's involvement began in 2002, but gained momentum with the BRI's expansion.
- In 2015, India signed an MoU to develop the ***Shahid Beheshti Port at Chabahar***.
- It acts as a reliable access route into Afghanistan and Central Asia leveraging India's earlier investment in the ***Zaranj-Delaram Road***.
- **Expanding Presence in Oman: Duqm Port** - Further north in the Arabian Sea, India secured military and logistical access to Duqm Port in Oman in 2018, renewing it in 2021.
- This places Indian naval assets directly opposite Gwadar, strengthening

India's maritime posture.

- Analysts note this as part of India's broader effort to deepen its presence in the Indian Ocean and counter China's influence.
- **Countering China in Sri Lanka** - China's presence in Sri Lanka through the **Hambantota Port**, leased to a Chinese company for 99 years in 2017, raised concerns for India.
- In 2025, India and Sri Lanka signed a 5-year defence cooperation MoU, ensuring Sri Lanka's territory would not be used against India's security interests.
- India also acquired a **51% stake in Colombo Dockyard** via Mazagon Dock Shipbuilders, reinforcing its maritime industry footprint.
- **Great Nicobar Island Project** - India has advanced plans for the Great Nicobar Island project, aimed at boosting strategic infrastructure in the eastern Indian Ocean.
- **Quad and Indo-Pacific Maritime Strategy** - At the recent Quad meeting in New Delhi, the Indo-Pacific Maritime Surveillance Collaboration (IPMSC) was launched to enhance monitoring in the Indian Ocean region.
- While China has criticized the Quad and the grouping has faced challenges due to divergent member aims, the initiative reflects a collective effort to counter aggressive Chinese posturing.

Is the China-Pakistan Economic Corridor (CPEC) ethically sustainable?

From an ethical lens, CPEC highlights the tension between economic development and sovereignty, investment and exploitation, and cooperation and domination.

- *For India, the ethical issue is sovereignty.*
- *For Pakistan, it is debt sustainability and equitable growth.*
- *For China, it is the responsibility to ensure that its Belt and Road projects do not replicate patterns of colonial-style dependency.*

Reference

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