

# **PAKISTAN'S REQUEST FOR CAREC MEMBERSHIP**

**9<sup>th</sup> Ministerial Conference on CAREC  
October 31, 2010-November 2, 2010  
Cebu, Philippines**



# INTRODUCTION

- Historical, cultural & trade linkages with CAREC countries
- Bilateral and multilateral cooperation in multiple areas
- Common platforms such as OIC and ECO



# PAKISTAN & CAREC



# PAKISTAN'S INTEREST IN CAREC

- Diversifying trade partners
- Pakistan can serve as mutually beneficial trade and energy corridor for CAREC
- Gain from resource complementarities existing between CAREC and Pakistan
- Support for projects in CAREC priority areas



# WHAT PAKISTAN BRINGS TO CAREC

- Access to Arabian Sea for Central Asian states
- Potential for transcontinental corridors linking Central Asia, South Asia, Middle East & East Asia
- Growing market for fossil fuels, electricity & gas
- Enhanced growth of bilateral and regional trade in goods and services
- Technical cooperation
- Can share WTO accession experience and advice in fulfilling procedural/regulatory requirements

# SEAMLESS INTEGRATION WITH CAREC

- Recognition of existing sector strategies and action plans
- Gradual integration with priority sectors
  1. Focus on extensions in roads, rail & energy links
  2. Agency cooperation in the areas of trade policy, trade facilitation (customs), power regulation & distribution

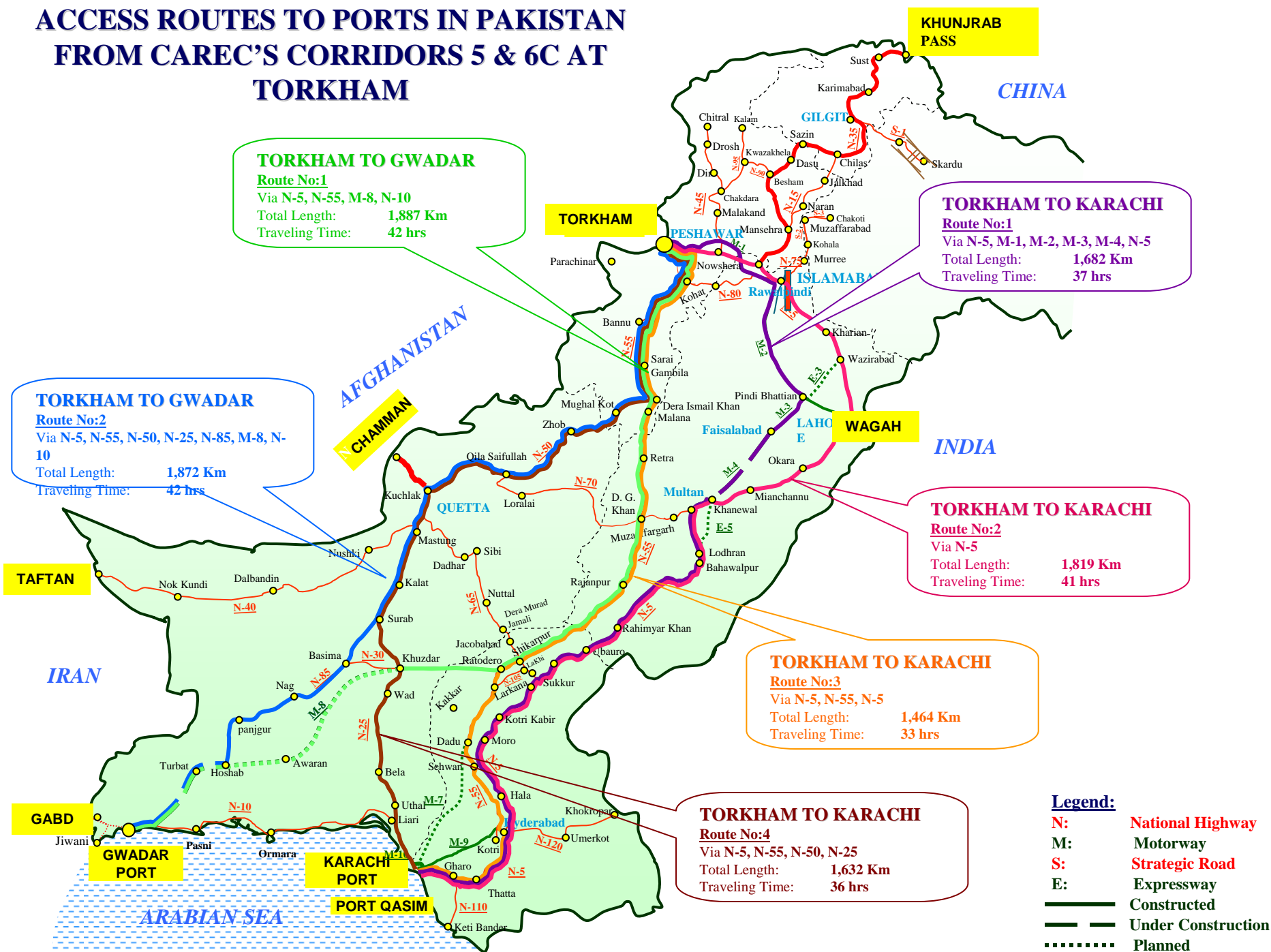
# TRANSPORT

Connecting Corridors 5 & 6C  
to Arabian Sea

by

Road & Rail

# ACCESS ROUTES TO PORTS IN PAKISTAN FROM CAREC'S CORRIDORS 5 & 6C AT TORKHAM



**TORKHAM TO GWADAR**  
**Route No:1**  
 Via N-5, N-55, M-8, N-10  
 Total Length: **1,887 Km**  
 Traveling Time: **42 hrs**

**TORKHAM TO KARACHI**  
**Route No:1**  
 Via N-5, M-1, M-2, M-3, M-4, N-5  
 Total Length: **1,682 Km**  
 Traveling Time: **37 hrs**

**TORKHAM TO GWADAR**  
**Route No:2**  
 Via N-5, N-55, N-50, N-25, N-85, M-8, N-10  
 Total Length: **1,872 Km**  
 Traveling Time: **42 hrs**

**TORKHAM TO KARACHI**  
**Route No:2**  
 Via N-5  
 Total Length: **1,819 Km**  
 Traveling Time: **41 hrs**

**TORKHAM TO KARACHI**  
**Route No:3**  
 Via N-5, N-55, N-5  
 Total Length: **1,464 Km**  
 Traveling Time: **33 hrs**

**TORKHAM TO KARACHI**  
**Route No:4**  
 Via N-5, N-55, N-50, N-25  
 Total Length: **1,632 Km**  
 Traveling Time: **36 hrs**

**Legend:**  
**N:** National Highway  
**M:** Motorway  
**S:** Strategic Road  
**E:** Expressway  
**—** Constructed  
**- - -** Under Construction  
**.....** Planned



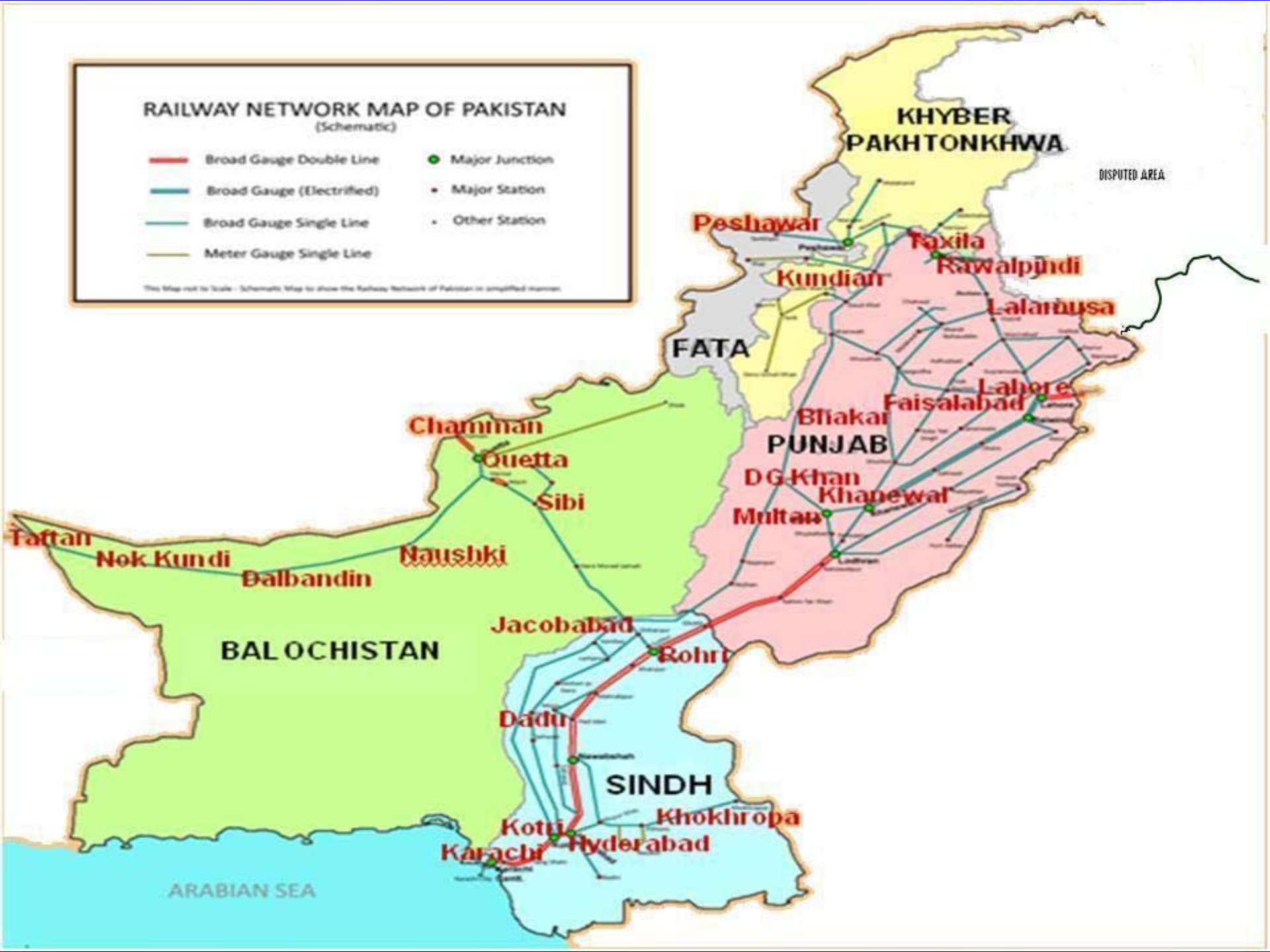
# ROUTE COMPARISION FOR CARGO TRANSPORTATION

Route	Length (Km)	Traveling time (Hrs)	Traveling cost (US\$)	Traveling cost (PKR)	
<b>KARACHI PORT</b>					
1	Torkham-Peshawar-Burhan-Lahore-Faisalabad-Multan-Moro-Hyderabad-Thatta-Karachi	1,682	37	465	37,500
2	Torkham-Peshawar-Rawalpindi-Jehlum-Lahore-Sahiwal-Multan-Moro-Hyderabad-Thatta-Karachi	1,819	41	471	40,500
3	Torkham-Peshawar-Kohat-D.I.Khan-D.G.Khan-Shikarpur-Kotri-Hyderabad-Thatta-Karachi	<b><u>1,464</u></b>	<b><u>33</u></b>	<b><u>378</u></b>	<b><u>32,500</u></b>
4	Torkham-Peshawar-Kohat-D.I.Khan-Zhob-Khuchlak-Quetta-Kalat-Khuzdar-Bela-Karachi	1,632	36	424	36,500
<b>GWADAR PORT</b>					
1	Torkham-Peshawar-Kohat-D.I.Khan-D.G.Khan-Ratodero-Khuzdar-Hoshab-Turbat-Gwadar	1,887	42	488	42,000
2	Torkham-Peshawar-Kohat-D.I.Khan-Zhob-Khuchlak-Mastung-Sohrab-Panjgur-Hoshab-Turbat-Gwadar	<b><u>1,872</u></b>	<b><u>42</u></b>	<b><u>482</u></b>	<b><u>41,500</u></b>

# RAILWAY NETWORK MAP OF PAKISTAN (Schematic)

- Broad Gauge Double Line
- Broad Gauge (Electrified)
- Broad Gauge Single Line
- Meter Gauge Single Line
- Major Junction
- Major Station
- Other Station

This Map not to scale - Schematic Map to show the Railway Network of Pakistan in simplified manner



# RAIL & ROAD SECTOR INITIATIVES

- MOU signed with Afghanistan in July 2010 for establishing the Torkham-Jalalabad and Chaman-Spin Boldak-Kandahar link
- Peshawar-Jalalabad Rail link
- Pakistan Railways considering a modern inland container terminal/ dry port at Aza Khel near Nowshera
- US \$5 billion NTC Highway Improvement Program

# TRADE

Trade Policy

&

Trade Facilitation

# PAKISTAN'S TRADE WITH CAREC COUNTRIES

COUNTRY	2008-2009 (in \$US million)	2009-2010 (in \$US million)	GROWTH %
AFGHANISTAN	976	1,207	24%
AZERBAIJAN	12	12	4%
PRC	3,369	4,494	33%
KAZAKHSTAN	5	8	51%
KYRGYZSTAN	1	0.4	-70%
MONGOLIA	0.08	0.1	25%
TAJIKSTAN	2	4	107%
TURKEMANISTAN	3	3	-20%
UZBEKISTAN	17	29	78%
TOTAL	4,385	5,758	31%

# PAKISTAN TRADE POLICY

- Liberalized trade & tariff regime
- Member of WTO since 1995
- Assist in capacity building on Technical Barriers to Trade (TBT) & Sanitary-Phyto-Sanitary (SPS) measures through Pakistan Institute of Trade & Development



# CUSTOMS COLLABORATION & TRADE FACILITATION

- Transit agreements with most countries of the region
- Member of WCO
- Agreements with regional countries on cooperation and mutual assistance in customs matters
- Pakistan Customs Computerized System (PaCCS)

# ENERGY

Exploiting Resource  
Complementarities for Mutual Gain

# ENERGY SCENARIO OF PAKISTAN

- Pakistan's peak power shortage in summer 2010: 5000 MW
- Facing gas shortages- demand for gas expected to increase by 8.5% per annum
- Weak generation, transmission and distribution infrastructure

# ENERGY SECTOR COLLABORATION

- Energy security through:
  1. Collaboration in development of national resources
  2. Regional energy cooperation
    - Regional energy projects
    - Development of a regional electricity market

# MEMBERSHIP REQUEST

Pakistan is a natural extension to CAREC. The Government of Pakistan would like to request full membership of CAREC and extend our sincere appreciation to CAREC countries for their consideration.

We look forward to a mutually beneficial economic relationship.

**Thank You**