**Protecting Chinese Nationals and Chinese Investment**

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In the backdrop of robust Pak-China economic partnership, tried and tested through thick and thin irrespective of how regional and international landscapes evolve, the appalling buzzword is that given the formidable security challenges to Chinese nationals working on CPEC and other joint ventures, how severely may Chinese investment take a hit in Pakistan.

Frankly speaking, it is high time not to indulge in ostrich syndrome. Admission of ground realities that investment flow is prone to be impaired if Chinese workers, engineers and officials engaged in the development of Pakistan remain vulnerable to terror onslaughts. Seriously it is a wake-up call to all who are at the helm of affairs with the narrative being built up that better to shape up or ship out. Indeed Sino-Pak relationship that has always withstood to test of time despite all odds plagued by the West is an entrenched fact. This congeniality has an innate capacity to earn deep consolidation with a snowball effect at present and in future as well. However, there is another parallel truth that Chinese businessmen, traders and marketers also deserve a safe and sound environment to work and grow.

As per the global rule of business, international investors always seek a sense of protection of life. Other segments of bilateral cooperation in trade and commerce come later. Across the world, life Insecurity breeds shaky peace of mind. As a result, when there is volatility in peace of mind, investment definitely is susceptible to pour in. No doubt, in Pakistan, concerns on security infrastructure for Chinese people are rife. Big wigs know very well that there is no other way except to ensure their safeguard believing that a guarantee to life leads to a guarantee to business.

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Given the precariousness, early warning signs are getting visible implying how security for Chinese nationals is taking a center stage in upcoming new projects. According to sources in the CPEC authority, for security reasons Chinese company declined to work on Main Line 1 (ML-1), the first modern railway project in Pakistan. Around Rs36 billion was sought to provide security to the Chinese nationals. In the wake of disagreement between both parties, the $6.8 billion project of CPEC had to be hung in balance. The ML-I project is planned to rehabilitate Pakistan’s Railways network of 1,733 kilometres from Karachi to Peshawar. China had expressed concern over the deletion of security components from the approved PC-I for the up-gradation of ML-I.

Last year on July 14 when nine Chinese nationals were killed during their trip to the site in coach at an under-construction tunnel site of the 4,300-megawatt Dasu hydropower project in the Upper Kohistan area, A Chinese company “China Gezhouba” discontinued their work. Though finally, they resumed work but with heavy hearts only for sake of time-tested Pak-China relations. Later after a female suicide bomber killed Chinese teachers in Karachi, a few teachers at National Defense University (NDU) left Pakistan. These bloody tragedies upset the ambience of investment building measures among Chinese investors.

In an exclusive interview with Zhang Baozhong, chairman of China Overseas Port Holding Company (COPHC), a Chinese company operating Gwadar Port in Pakistan, said that in all respect safety is one of the first considerations. “Not only Chinese investors instead all foreign investors across the world want security.” “If it is not provided well, neither global nor Chinese investors will prefer to make an investment,” he added.

In reply to a query on security issues to Chinese people and the impact on Chinese investment in Pakistan, Mr Li Bijian, Consul General of Chinese Consulate Karachi said that it is highly likely that the flow of Chinese investment may be hindered if the sense of insecurity among Chinese enterprises continues to grow unabatedly. “Government of Pakistan should give more heed to security infrastructure for Chinese nationals devoting their lives and energies for the development of Pakistan,” he added.

Feeling the heat, some activism has been witnessed to hammer out foolproof security plan for Chinese working in CPEC and non-CPEC projects in Sindh province in Pakistan In this regard, recently the Sindh government met with the Chinese Ministry of Foreign Affairs External Security Commissioner, Cheng Gouping and his team members including Defence Attache, Yang Yang, Deputy DG CTD State Security of China, Zhou Shanwu, Counselor Ministry of Foreign Affairs, Wang Daxue, Deputy DG International Cooperation (Public Security), Li Yuhong, Director Administration Chinese Embassy, Sun Mingji, Deputy Director Asian Affairs, Wei Guo and others.

Now, the provincial home department is collecting the data of all the Chinese working in the province so that they can be brought under the security cover.

Farhan Maqsood, a businessman and member of the Federation of Pakistan Chamber of Commerce and Industry linked the gradual drop in Chinese investment to a frail security eco-system. Among other factors including political instability and bureaucratic inertia, he believed that missteps to plug up security gaps for Chinese staff were taking a heavy toll on the economic health of Pakistan. On the 71st anniversary of diplomatic relations between Pakistan and China till 2022, he said that thousands of Chinese companies in diverse fields invested billions of RMB. The last government, he explained, aimed to enhance Foreign Direct Investment (FDI) from $2.8 billion in Fiscal Year (FY) 2019-20 to $7.4 billion in FY 2022-23 under its multi-year foreign direct investment strategy. “However, a recent report by the State Bank of Pakistan states that the country’s FDI has dipped by 30 per cent,” he added.

Economist Muhammad Mehmood said that after the initiation of the China Pakistan Economic Corridor (CPEC) in 2013, China’s share in Pakistan’s FDI significantly increased, replacing the United States and the United Kingdom. However, the net FDI from China has declined to $358.9 million from $395.8 million last year. Among other dynamics like deteriorating foreign investment climate, Chinese companies’ apprehension on security issues are also inflicting harm to FDI, he revealed.

According to the official data from the General Administration of Customs of China, the total imports and export between the two countries stood at $27.82 billion in 2021. Mr Mehmood said that Sino-Pak mutual trade has enormous potential to grow manifold after the implementation of the Free Trade Agreement (Phase 1 and Phase 11), but an unsafe security paradigm is an impediment. Mr, Luo Jianxue, President of China Overseas Association (Lahore Chapter) said that in recent years, there have been several terrorist attacks on Chinese personnel that raise a concern about the prospects of Chinese investment in Pakistan. He urged upon Pakistan government to be more attentive to improving the security protection of Chinese enterprises and projects.

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