

# ***Regional Development in the Belt & Road (BRI) Projects***



*presented by*

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# The

**BELT & ROAD INITIATIVE**

# OBOR



6

**ECONOMIC**

**BELT & ROAD INITIATIVE**

**CORRIDORS**

**1** **CHINA-MONGOLIA-RUSSIA**  
ECONOMIC CORRIDOR (CMREC)

**2** **NEW EURASIA LAND BRIDGE**  
ECONOMIC CORRIDOR (NELB)

**3** **CHINA-CENTRAL ASIA-WEST ASIA**  
ECONOMIC CORRIDOR (CCWAEQ)

**4** **CHINA-INDOCHINA PENINSULA**  
ECONOMIC CORRIDOR (CICPEC)

**5** **CHINA-PAKISTAN**  
ECONOMIC CORRIDOR (CPEC)

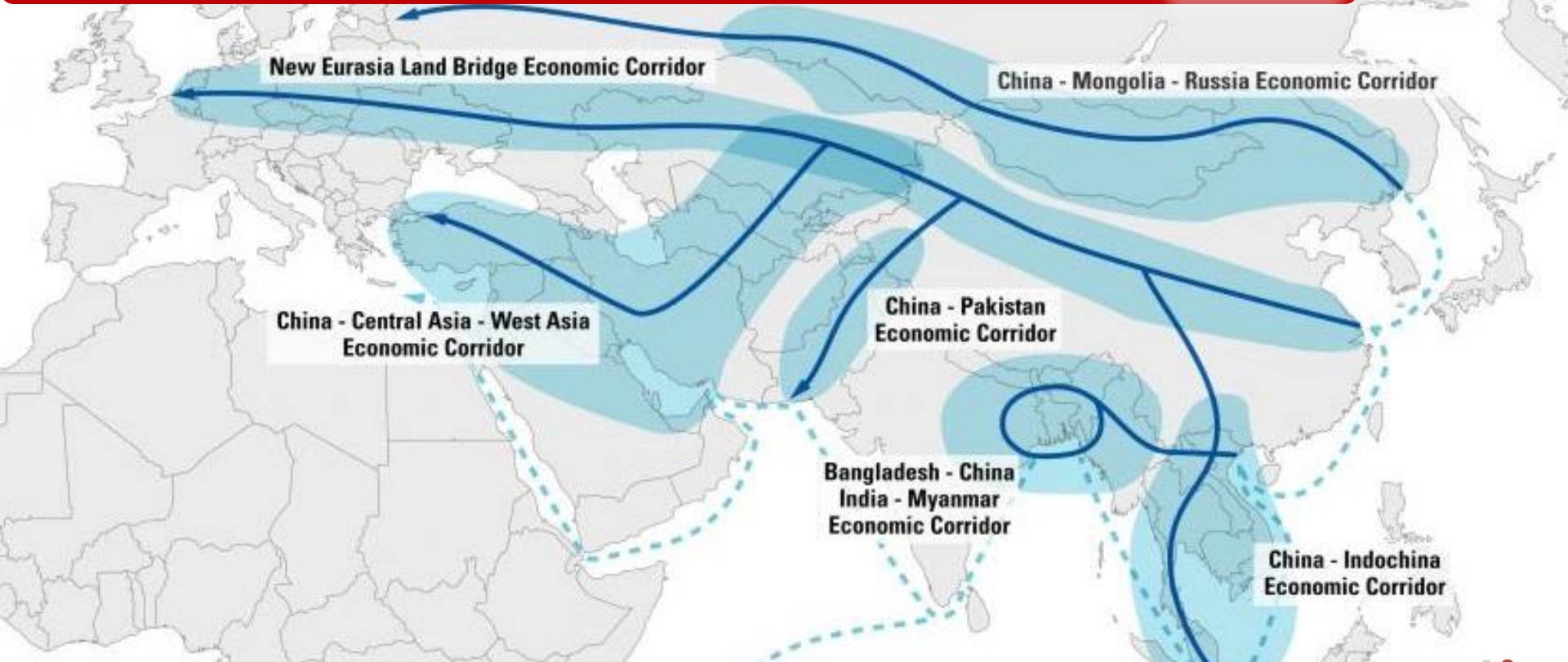
**6** **CHINA-BANGLADESH-INDIA-MYANMAR**  
ECONOMIC CORRIDOR (BCIMEQ)

# ONE BELT

**LAND LOCKED**  
REGIONAL CONNECTIVITY

**SHORT JOURNEY**  
LEAD TIME EFFICIENCY

**ENROUTE MARKETS**  
RAIL & ROAD

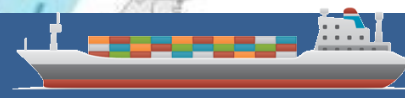


# ONE ROAD

**CHEAP TRANSPORT**  
SHIPPING

**MORE CARGO IN ONE GO**  
TEUs

**TIME FLEXIBLE**  
CARGO





## Major Developments

### Route

China (Tianjin, Zhangjiakou, Erenhot)  
Mongolia (Choyr, Ulan Bator, Darkhan, Kyakhta)  
Russia (Ulan-Ude)

### Number of Trains

169 (2016)  
552 (2017)

### Cargo Volume

10,000 TEUs (2016)  
60,000 TEUs (2017)  
Volume Increased 6xTimes

### Transit Time

14 Days  
Decrease by 7%

### Cost Saving

30%-50%



SOURCE: Ministry of Transport



## Major Developments

### Route

**Trans-Siberian Railway (13,000 km)**

- China (Manzhouli)
- Russia (Moscow)
- Belarus (Brest)
- Poland (Malaszewicze)
- Germany (Hamburg)

**China-Europe Block Train (10,900 km)**

- China (Yiwu, Urumqi)
- Kazakhstan (Astana)
- Russia (Moscow)
- Belarus (Brest)
- Poland (Malaszewicze)
- Germany (Hamburg)

### Transit Time

20-22 Days (Previous)

17-18 Days (Current)

### Cargo Volume (2018)

223,348 TEUs (China-Europe)

152,846 TEUs (Europe-China)



### Number of Trains

6363 (2018)

4558 (China-Europe)

1805 (Europe-China)

**Approx 17 Trains per Day**

### Train Size

55 FEUs (China-CIS)

75 FEUs (Russia)

44 FEUs (Europe)

### Freight Rate

US\$ 4000

per FEU

### Subsidy

US\$ 1000~5000 avg.

per FEU

### Cargo Value

US\$ 33 Billion

(2018)

## Success Story: Khorgos-Almaty Road

The project upgraded the 305 kilometers of road between Khorgos (China) and Almaty (Kazakhstan) from a two-lane to a four-lane highway. This road development reduced transport costs between Khorgos and Almaty from US\$0.26 to US\$0.24 per vehicle-kilometer, and travel times had fallen by 40 percent, from 5hrs to 3hrs.



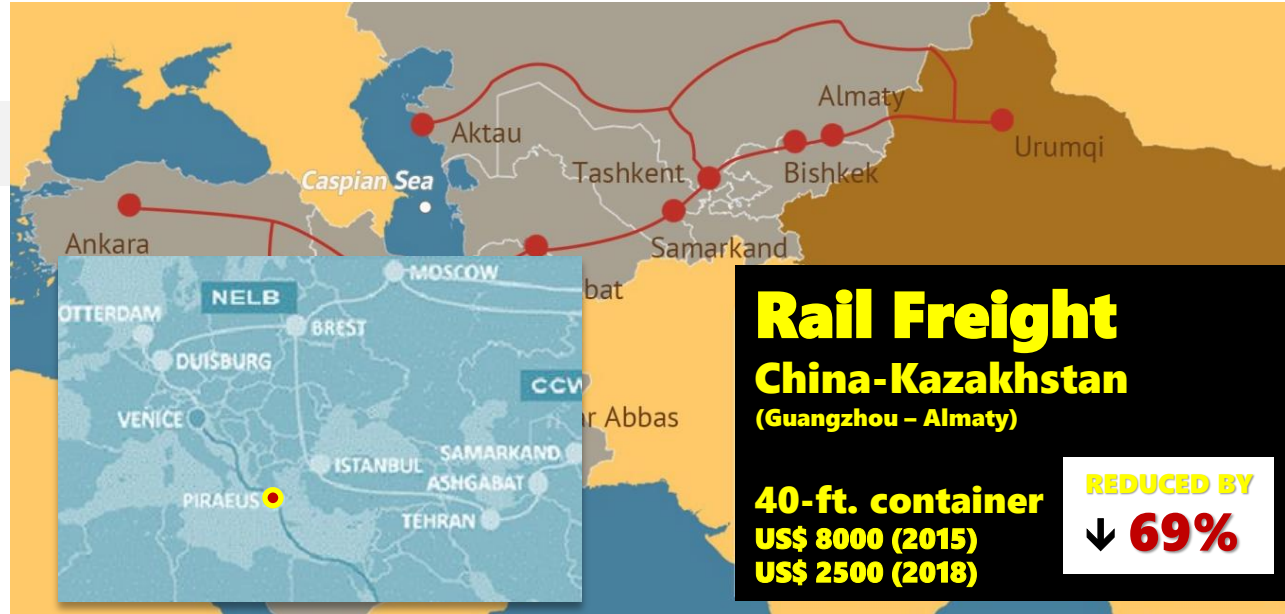
## Major Developments

### Route

- China (Urumqi)
- Kazakhstan (Almaty)
- Kyrgyzstan (Bishkek)
- Tajikistan (Tashkent)
- Uzbekistan (Samarkand)
- Turkmenistan (Ashgabat)
- Iran (Tehran)
- Turkey (Ankara)

### Transit Time

- 15 Days (Previous)
- 13 Days (Current)



**US\$3.2 Billion**

Kazakhstan Invested in Railways  
and moved 500,000 tons of Rail Freight in 2016

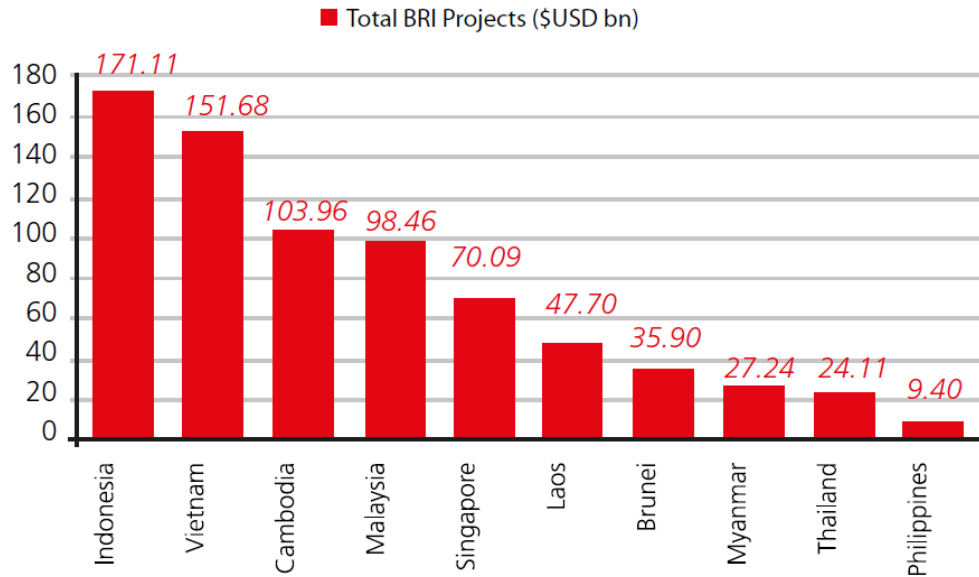
**US\$120 Billion**

Chinese investment to upgrade Iran's transport  
and manufacturing infrastructure

## Success Story: Piraeus Port (Greece)

Piraeus annual container throughput reached 3.7 million TEU, which represents a 168% increase in 2007-16.

## Major Investments







### Routes

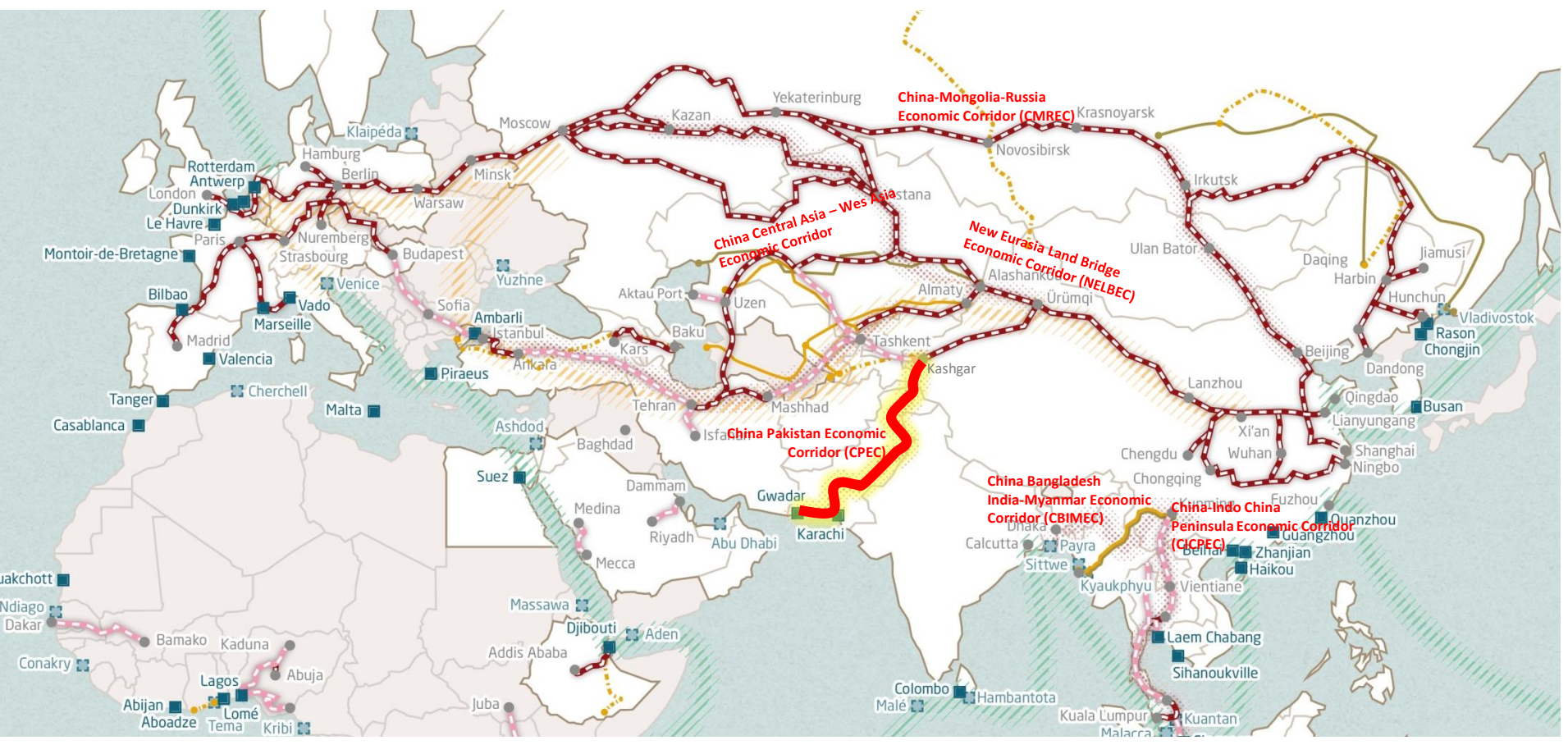
China (Kunming)  
Myanmar (Mandalay)  
Bangladesh (Dhaka)  
India (Kolkata)

### Projects

- Under Construction (2 Rail)
- In-Planning (1 Rail, 1 Road, 1 Sea Port)
- Proposed (2 Rail)



# Silk Road Economic Belt ("Belt")



## Major Developments

### Routes

Western (Gwadar, Quetta, D.I. Khan, Islamabad, Havelian)

Eastern (Karachi, Sukkur, Lahore, Islamabad)

Central (D.I. Khan, Islamabad, Havelian)

Northern (Havelian, Khunjerab, Kashgar)

### Investment

US\$ 60 Billion

### Special Economic Zones

9 Industrial Zones (approved)

### Motorways

3526 km (13 motorways)

### Gwadar Port

Opened for Transit Trade for China & Afghanistan



## ML-1 Upgrade

US\$ 8.2 Billion

### Spatial Coverage

75% Populations

65% Industrial Areas

### Speed

65 to 105 km/h

120 to 160 km/h

### Capacity

34 to 171 train  
each way per day

### Freight Volume

6 to 35 million tons  
per annum by 2025

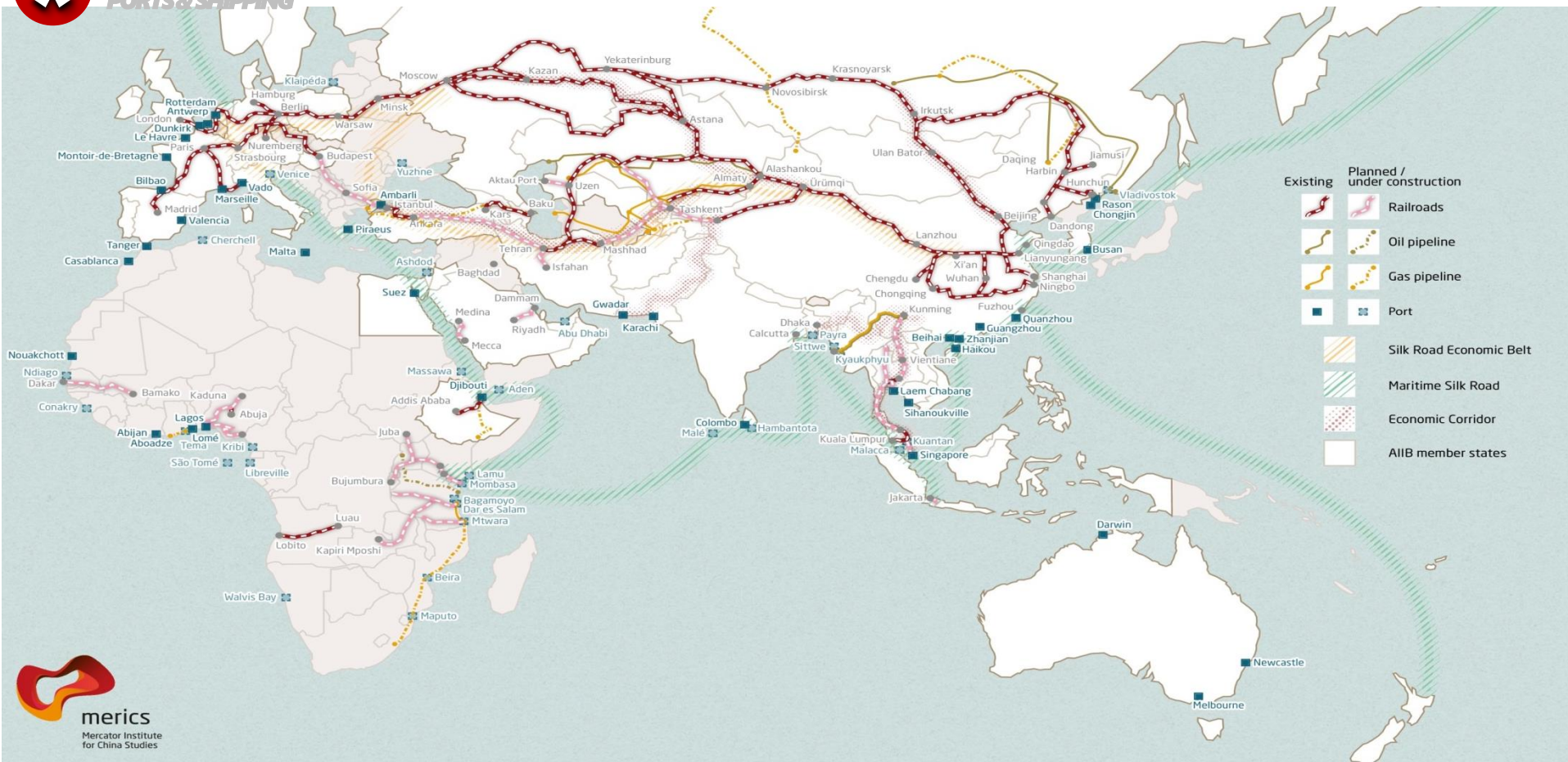
### Freight Share

4% to 20%

# Maritime Silk Road ("Road")



## MARITIME PROJECTS PORTS & SHIPPING





AREA	PROJECT	COUNTRIES	TYPE	STATUS
Indian Ocean (Africa)	Bagamoyo Port	Tanzania	New seaport	Planned
	Dar es Salam Port	Tanzania	Seaport Expansion	Under Construction
	Lamu Port	Kenya	New seaport	Under Construction
	Techobanine Port	Mozambique	New seaport	Proposed
	Beira Port	Mozambique	Seaport Expansion	Operational
	Gwadar Port	Pakistan	New seaport	Operational
Indian Ocean (Asia)	Duqm Port	Oman	New seaport	Planning
	Hambantota Port	SriLanka	New seaport	Operational
	Colombo City Port	SriLanka	New seaport	Under Construction
	Kyaukpyu Port	Myanmar	New seaport	Planning
	Melaka Gateway	Malaysia	New seaport	Under Construction (Stalled)
	Kuala Linggi Port	Malaysia	New seaport	Planned
	Penang Port	Malaysia	New seaport	Operational
	Sihnaoukville Port	Cambodia	New seaport	Operational
Mediterranean Sea	Suez Economic and Trade Cooperation Zone	Egypt	New seaport	Under Construction
	Yuzhny Port	Ukraine	New seaport	Operational
	Piraeus	Greece	New seaport	Operational
Atlantic Ocean	Cabinda Port	Angola	New seaport	Under Construction
	N'Diago Port	Mauritania	New seaport	Under Construction
	Tema Port	Ghana	New seaport	Operational
Pacific Ocean	Thai Canal	Thailand	New Sea Links	Proposed
	Kuantan Port	Malaysia	New seaport	Operational
	Darwin Port	Australia	Seaport Expansion	Operational

**Projects**

- **Operational (11)**
- **Under Construction (8)**
- **Planned (5)**
- **Proposed (3)**

**BRI Impacts (2013-2017)**

**56**

Economic  
Zones

**24**

BRI Economies

**US\$ 18.6**

Billion Investment

**US\$ 50.7**

Billion  
Economic Value Generated

**177,000**

Jobs Created

**US\$ 1.1**

Billion Taxes  
to Host Countries

**ECONOMIC DEVELOPMENT**

- BRI projects are expected to increase GDP by;  
 World GDP (2.9%)  
 BRI Economies (3.4%)      Non-BRI Economies (2.6%)

**TRAVEL TIME EFFICIENCY**

- The expected average decline in travel times of corridor economies with  
 BRI Economies (4%)      Non-BRI Economies (3.2%)

**COST REDUCTION**

- Implementing all BRI transport infrastructure projects would reduce aggregate trade costs for the corridor economies with  
 BRI Economies (3.5%)      Non-BRI Economies (2.8%)

**FOREIGN DIRECT INVESTMENTS**

- The proposed BRI transport network is expected to lead to a 4.97% increase in total FDI flows to Belt and Road corridor
- Reductions in trading time are estimated to have especially large impacts on low and lower middle income economies—with estimated FDI increases of 7.6% and 6% respectively.

**HOUSEHOLD INCOME**

- The new infrastructure network would increase real incomes for corridor economies by 1.2 percent—and for non-Belt and Road economies by 0.3 percent.

**POVERTY ALLEVIATION**

BRI-related investments could additionally lift up to 32 million people from moderate poverty; 26.7 million from corridor economies and 5.3 million from non-Belt and Road

# *Bringing Efficiency* In Global Supply Chain

THANK YOU

