



External Relations Department

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Governor's remarks on CPEC not quoted in its entirety: SBP

China Pakistan Economic Corridor (CPEC) is one of the most important initiatives of the government in recent times and is expected to play a significant role in accelerating economic growth of the country, going forward. The State Bank is fully aware of broader contours of this initiative, unfolded to date and has full confidence on its potential to play the role of a game changer for the country.

On Friday last an interview given to a foreign news agency has been reported in a way that portrays Governor SBP apprehensive of the CPEC project. The same story has also been published in various local newspapers later on as well. The views expressed in the interview have not been referred in its entirety. The transcript of expression on the subject has been the following:

“...we have CPEC in the lime light now which is a large investment program...well with debt some equity would also come...I think CPEC needs to be made more transparent...day before yesterday I was talking to the Planning Minister that we need to share the blue print of the project with all and sundry so that people could find their roles in that greater plan...right now... it is a bit of difficulty for analysts...if you ask me I don't know out of 46 billion dollars how much is debt how much is equity and how much is in kind...where the investor would only sell his machine... and that will convert into a kind of debt with no inflows and in the longer run we have to make sure that we...have more capability to export which most likely CPEC will itself be generating some export. There is a plan to have industrial estates alongside this major route they are going to have with Chinese and Pakistani collaboration and these JVs are going to be export oriented but we need to see this plan with more clarity”.

It would be pertinent to mention that regarding CPEC, Governor has expressed his optimism on several occasions/interviews in the past and is in complete agreement with the government over its potential.

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