

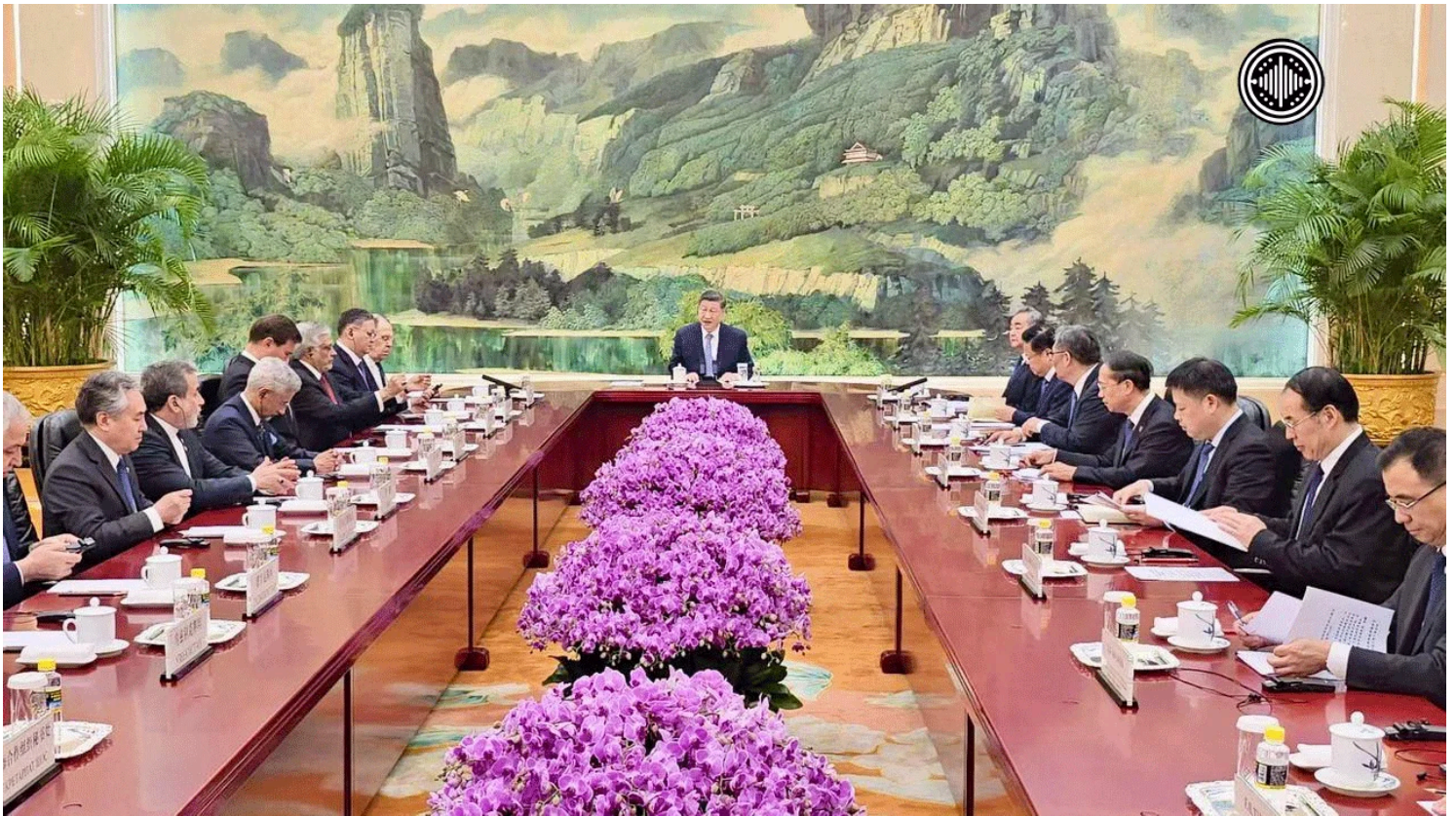
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Pakistan and China Strengthen Regional Cooperation Resolve

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Pakistan and China have reaffirmed their commitment to strengthening bilateral relations and expanding the China-Pakistan Economic Corridor (CPEC). The renewed pledge came during a meeting on July 16, 2025, on the sidelines of the Shanghai Cooperation Organisation (SCO) Foreign Ministers' meeting in Tianjin. While the partnership promises regional

development and economic growth, it also raises concerns about Pakistan's growing dependence on Chinese financing.

Deputy Prime Minister and Foreign Minister Mohammad Ishaq Dar met with Chinese Foreign Minister Wang Yi to review progress on CPEC and outline the next phase of cooperation. Both leaders expressed satisfaction with the development of the multi-billion-dollar initiative, which is a central part of China's Belt and Road Initiative (BRI). Dar referred to China and Pakistan as "ironclad friends," and Wang reaffirmed China's support for Pakistan's sovereignty, economic recovery, and infrastructure development.

The discussion focused on the second phase of CPEC, including the establishment of industrial zones, expansion of clean energy projects, and promotion of agricultural innovation. Major projects such as the 300-megawatt Gwadar coal power plant and the Matiari–Lahore high-voltage transmission line were highlighted as key milestones. Dar also emphasized Pakistan's role in promoting regional peace and stability, including calls for a peaceful resolution of disputes like Kashmir.

However, concerns persist about Pakistan's increasing financial dependence on China. According to the World Bank and other estimates, Pakistan owes China between \$26 and \$30 billion, representing a significant portion of its external debt. Critics argue that while CPEC offers economic potential, it may come at the cost of financial sovereignty. There are growing fears that Pakistan could become overly reliant on Beijing, especially as repayment obligations mount.

Security remains a major challenge. CPEC projects and Chinese nationals working in Pakistan have been targeted in attacks, particularly in

Balochistan. In response, Pakistan increased its defense budget in 2024 to improve the security of strategic infrastructure. Joint military drills in sensitive regions like Gilgit-Baltistan have also raised questions about the extent of Chinese involvement in Pakistan's internal affairs.

The Pakistani government presents CPEC as a vital component of its economic recovery strategy. Recent relief measures, such as a one-year extension granted by China for debt repayments, have helped ease short-term fiscal pressure. However, public dissatisfaction is growing in regions like Gilgit-Baltistan, where unresolved power shortages and infrastructure gaps have led to protests. Critics argue that the benefits of CPEC must extend beyond foreign contractors and elite interests to address real domestic challenges.

As Pakistan navigates a fragile economic landscape and complex regional dynamics, the partnership with China remains both an opportunity and a test. To secure long-term gains, the country must balance external cooperation with internal accountability and ensure that strategic investments serve the broader national interest.