

## CHINA PAKISTAN ECONOMIC CORRIDOR: OPPORTUNITIES AND CHALLENGES FOR CHITRAL

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### Abstract

Pakistan and China have shared one of the most trusted, committed, and longstanding friendship since the establishment of their formal diplomatic ties. The relations between these two neighboring countries have remained solid, higher than the towering mountains of Himalayas and deeper than the deepest sea of Gwadar even during the most challenging times. The China-Pakistan Economic Corridor (CPEC), considered to be a flagship project under China's Belt and Road Initiative (BRI), is a major development project aimed at enhancing regional connectivity, infrastructure, economic development, and trade facilitation. Pakistan, having a unique geo-strategic location at the intersection of Central Asia, South Asia, West Asia, and Western China, plays a pivotal role in this initiative. Under the CPEC, the development of Gwadar Port and related infrastructure provides China more secure and a shorter trade route to the Europe and Middle East. As CPEC offers significant benefits at national level, but its regional implications mainly for underdeveloped and remote areas like Chitral, remain hidden and unexplored. This research aims to explore and analyze the socio-economic, political, and religious impacts of CPEC on Pakistan in general, with a special focus on Chitral district. This research seeks to analyze the opportunities that CPEC presents for Chitral, such as development in tourism, expansion in infrastructure, generation of employment, and market integration, alongside the challenges including governance issues, cultural disruptions, inadequate local preparedness, and environmental concerns. The research also provides strategic recommendations to maximize the benefits of China Pakistan Economic Corridor for Chitral while addressing its potential drawbacks.

### 1. INTRODUCTION

Pakistan has a very significant place on the world map. Its geostrategic location makes it significant for world trade as it provides the shortest route towards European and Middle Eastern Countries to China through Gwadar. The China-Pakistan Economic

Corridor (CPEC), as a part of the Belt and Road Initiative, has the capacity and capability to bring all regional states on a single page of regional integration that is the key to economic development and prosperity (Hamid Hussain, 2023). The Belt and Road

Initiative (BRI) is an ambitious massive trade, infrastructure and strategic plan (Haider, 2025), with some 1,700 projects, valued at about \$1 trillion, targeted at improving economic connectivity and creating an enhanced trade network across the world. It is affecting over 140 countries and representing about 40% of the world economy (Matsushita, 2018). It improves markets for Chinese products and lowers trade costs, and also serves as a return-oriented investment and an important aspect of China's international image. A critical strand of BRI, CPEC, estimated at \$62 billion, is a network of roads, railways and pipelines which connects China's Xinjiang province to Pakistan's Gwadar Port that leads to the Arabian Sea that in turn paves the way to the rest of the world. This corridor reduces China's transportation costs considerably and enlarges its external protrusion toward West Asia, Central Asia and Africa, as well as its geostrategic role, such as the counterbalance of India. From a geopolitical and geo-economic perspective, it can be seen as an extension of China's expanding economic network (Iqra Fazal, 2023). Furthermore, the project also secures energy supplies to China by allowing it to tap new global oil sources (Ahmad I. , 2023). But there is resistance to the CPEC from an unstable political regime in Pakistan, security threats, corruption and harsh terrain. The lack of a political culture committed to cooperative federalism impeded steady progress (Jahangir Alam N. M., 2025). The CPEC might have strategic consequences on India by blurring territorial claims and bringing the Chinese militarily closer to its borders (Saini, 2021).

In 2014, China and Pakistan struck an economic deal valued at \$46 billion, later bumped up to \$62 billion, called the China-Pakistan Economic Corridor (CPEC). The project comprises huge infrastructure, energy, transportation and technological projects to give fresh impetus to a flagging Pakistan economy. Pakistan's energy crisis had led to the industrial implosion and capital exodus; with CPEC, over \$19 billion were invested in energy, which added 11,000 MW to the national grid and created tens of thousands of jobs. CPEC has strategic importance for China which provides it an alternate secure and shortened trade passage via Gwadar port instead of vulnerable South China Sea and "Malacca Dilemma". The project is also designed to enhance China's

influence in the region and offset India's strategy posture. Amid political turmoil and security threats in Pakistan, CPEC is viewed as a game changer which could overhaul Pakistan's economy. India also opposes CPEC over concerns that it will improve Pakistan's economy and strategic stance, thereby undermining India's regional predominance (Abid M. a., 2015).

The Khyber Pakhtunkhwa-Chitral district is traversed by the China-Pakistan Economic Corridor (CPEC). There is no denying its influence on nearby areas (Akhtar, 2021). Chitral will face both the opportunities and challenges due to China Pakistan Economic Corridor. It may influence Chitral's culture and open the door for infrastructure upgrades. When the project is finished, the district of Chitral will profit economically. This neighborhood has long been renowned for its tranquil surroundings, but the influx of people from other nations and regions of the world may jeopardize the district's peace and quiet (Akhtar, 2021).

The geostrategic location of Chitral has immense importance due to its location bordering Afghanistan, China, Gilgit-Baltistan and Tajikistan-which serve as a potential gateway to Central Asia through Wakhan Corridor. CPEC provides a great opportunity to integrate Chitral into national and trans-regional trade route. Boosting its economic development, promotes tourism and develop infrastructure. However, poor infrastructure, geographic isolation, environmental risks, and security concerns threaten the sustainable realization of these opportunities. The Wakhan Corridor is the shortest and most feasible route to access Central Asian Republics (CARs), particularly Tajikistan and a short distance of 35-45 km road from Chitral to Tajikistan through the Wakhan can unlock trade and energy cooperation, which includes a 700 km electricity transmission line under consideration. This corridor is considered to be mostly peaceful, so offers Pakistan a strategic gateway to CARs, promoting trade, connectivity and addressing its energy needs while offering seaport access to landlocked Central Asian states (Ahmad, Ahmad, & Malik, BUFFERED BORDER CORRIDOR THE GEOPOLITICAL AND STRATEGIC SIGNIFICANCE OF THE WAKHAN CORRIDOR, 2021). Furthermore, the Chitral also provides much shorter and secure path to China

through Lawari to access Gwadar Port as compared to the Strait of Malacca route.

Although a significant body research has been done on the dynasty, geography, politics and the social and cultural issues of Chitral, but no research of its type on 'China Pakistan Economic Corridor: Opportunities and Challenges for Chitral' has been done so far.

This research aims to explore, examine and identify the opportunities and challenges of China Pakistan Economic Corridor for Chitral. Furthermore, the study focuses on the question covering different aspects of China Pakistan Economic Corridor and its significance. The research also discusses the suggestions and recommendations to make CPEC a successful project.

Likewise, the study employs Modernization Theory to understand how transport corridors influence social and economic transformation in the region. Modernization Theory provides a framework to analyze the potential of CPEC in promoting development and modernizing the lives of people in Chitral. By examining CPEC through this lens, the research aims to assess its role in infrastructure development and evaluate both the opportunities it creates and the challenges it poses for the area.

This research is significant because it provides well-focused analysis of how the China-Pakistan Economic Corridor can explore the untapped potential of Chitral's geostrategic location. By examining both the opportunities and challenges, this study offers valuable and meaningful insights for policymakers, development planners, and local stakeholders to make effective strategies that can promote social and economic development in Chitral and national and regional connectivity. Moreover, focusing on the geostrategic importance of Chitral within the China-Pakistan Economic Corridor (CPEC) will help to increase Pakistan's regional connectivity with China, Afghanistan, and Central Asia. It will further address the challenges to achieve and ensure the sustainable and inclusive progress.

## 2. RESEARCH METHODOLOGY

The study has used the qualitative research method for the in-depth understanding of the Challenges and Opportunities of China Pakistan Economic Corridor for Chitral. Furthermore, the primary data were

collected by conducting the semi-structured interviews from the Local Government Officials, Academic Scholars, Anchor Persons, Representatives from Tourism Sector, and Local NGO's. Likewise, the secondary data were collected from the books, journal articles, government Policy Documents, Seminars, authentic documentaries, Reports, and lectures of renowned Diplomats, Spokespersons, and Representatives of Pakistan, China, and other related countries.

## 3. CHINA-PAKISTAN ECONOMIC CORRIDOR (CPEC) AND CHITRAL

The increased energy needs of China are likely to ensure that the China Pakistan Economic Corridor becomes even more important in future whereby the Middle East as well as Central Asian energy pipelines will supply oil and gas to Western China directly. Pakistan, a country located right in the natural trade course with both India and Afghanistan, has a lot of economic growth potential in the case that its political relationship obtains an upgrade. The corridor has the potential of reinforcing contacts amongst China, India, Iran, Afghanistan, the Central Asian Republics (CARs), as well as Central Asia. This will enable Pakistan to become a regional trading center and an important international transit, whereby connecting its markets in the South Asian region, the Middle East, and Central Asia.

The first big area of interest in the CPEC is the improvement and modernization of the transportation infrastructure in Pakistan. Karakoram Highway (KKH) has had a massive reconstruction and renovation. It could also integrate smoothly with the road system of fellow countries like China and Tajikistan, leading to more integration of the region. Since the CARs are landlocked countries, of concern to them is the access to seaports of Pakistan.

Chitral may also connect the Central Asian Republics. That underlines the strategic significance of Chitral to the larger purposes of CPEC, particularly those relating to connectivity and regional collaboration. The Special Committee of Senate on CPEC has suggested the rewriting of the Tajikistan-Afghanistan-Pakistan-India (TAPI) natural gas pipeline project, which can possibly lead to a pipeline of gas supply to GB by Tajikistan. This would go a long way in offsetting cases of chronic energy shortages

experienced in GB, wherein citizens depend on LPG cylinders supplied through KKH. Other suggestions as to how to enhance overland connectivity in Chitral would be: Establishing an alternative northern route; working on the Ghizer Expressway in Gahkuch-Chitral to bridge Pakistan to the CARs via the Wakhan Corridor (Beg, Baig, & Khan, 2018).

The access of China to warm water ports completely depends on entry through Pakistan and thus the route connecting Gwadar to the Khunjerab Pass is of great strategic importance. This collaboration of corridors is not only a transport corridor, but also a corridor of the growth of economic units, business centers, and all sorts of development plans which could revive Pakistan at a high level. The proposed road through the Chitral is one among the possible alternatives regarding interests and is a great opportunity to avail. The route holds many local communities to be benefited. The region was greatly transformed, and the economy gained greatly through adventure tourism and expansion of businesses within the region. The same prospect can be provided in Chitral and this has significantly many possibilities of growth. The inclusive development can be ensured by prioritizing the local communities as the main beneficiaries (Ali & Butt, Sustainable Development of Chitral: A CPEC Perspective, 2021).

The Wakhan Corridor, which is near to Mackinder's Heartland and is located where Afghanistan, Tajikistan, China, and Pakistan join, was once a crucial point on the old Silk Road. The Karakoram Highway and the China-Pakistan Economic Corridor (CPEC) may provide Pakistan and Central Asia with reasonably priced trade access (Yawar, 2024). The Wakhan Corridor is the core of Central Asian region, which consists of three major areas including the main Wakhan strip, the Great Pamir (also called Pamir-e-kalan), as well as the Little Pamir. The strip is in the middle between Pamir Knot, the towns of Qala Panja, and Ishkeshem. The highest mountains of the Pamir Knot are located in the Great Pamir that is situated in the Pamir River deep valley and divided by this river valley with the Tajik Pamirs. The Little Pamir, south and east, is in the low mountains blocks to the region. It is notoriously the junction of the Hindu Kush, Pamir and Karakoram mountains known as the Pamir knot and its valleys are commonly known as the Roof of the World (Bam-e-Dunya). The Corridor as a

strategically-placed passage in the Pamir range plays a major role in connecting different regions.

A number of major roadways go through it. The main highway runs along the right bank of the Oxus River linking Afghanistan and Wakhan over a distance of around 160 kilometers, which starts in Sarhad and goes up to Zebak. It is a pathway by its heavy vehicles which was modernized in the Soviet era. There is still another line of about 5 kilometers between Shi Kharif and Shighnan which is used mostly by the mules. Sarhad-e-Wakhan is connected to Kyzy Rabat by routes in the Pamir and Murghab areas as well. The fourth path is between Sarhad-e-Wakhan to Tashkurgan and Taghdumbash Pamir in China Xinjiang. This is the road between Kashgar and Yarkand that passes through the Wakhjir passes and Mintaka passes and it has various branches and other tracks. The Karakoram Highway is a trade route between Pakistan and China that links the Afghan Tongue with the rest of the world running South-East through Sarhad-e-Wakhan into Hunza and Gilgit. There is a line running out of Sarhad-e-Wakhan to Gilgit and Chitral in the South, and there are other roads between Wakhan and Chitral itself (Ismail & Fitriani, Future Impact on Pakistan Economy in the 21st Century Shifting of Global Power, 2022).

The Chitral is not explicitly mentioned in the central line of the China-Pakistan Economic Corridor (CPEC); however, other infrastructure-related projects are connecting the area to the CPEC scheme. Most notable of such developments are the Lawari Tunnel and proposed Dir-Chitral Motorway, which are meant to enhance regional connectivity and economic integration.

The Lawari Tunnel, located on the N-45 highway, is considered as a lifeline to Chitral which has made transport possible throughout the year to Chitral. This infrastructure boosts movement and constitutes a crucial part of the back-up route linking Chitral to the rest of the nation. Furthermore, lying on the N-45 and founded in the year 2021, the Chitral economic zone will also gain accessibility offered by the tunnel. The area is bound to arouse economic activity in terms of more investment and industrialization. Likewise, the Dir-Chitral Motorway formed with the aim to work out the more effective connection between Dir and Chitral, as it will also make the access toward the trade corridors much smoother. This

project can have the impact of serving as a strategic connecting point to the larger infrastructure of CPEC to enable Chitral to become candidate for trade and commerce.

The daunting geography, collection of scattered valleys and pinched entryways of Chitral have contributed to its own special culture and style of government. Although difficult to reach, particularly in floods and landslides, the Chitral is renowned for self-help and inter-community harmony. It remains relatively stable due to its distinct social and cultural values. Likewise, the district also remains insulated from the wider regional tumult by sound local governance, cultural resilience and geographical remoteness. Its citizens are among the proudest-proud of their history and resilience (Cutherell, Governance and Militancy in Pakistan's Chitral District, 2011).

The Chitral district is extremely underprivileged due to an inconvenient mountainous environment and poor developed facilities. The area was only accessible through the Lawari Pass, 12000 feet, which remained blocked in the winter months due to heavy snowfall, cutting off Chitral from rest of the country. The situation changed with the opening of the Lawari Tunnel in 2017, which is an 8.5 km long tunnel on the N-45 highway, and has allowed access to an all-weather route which cuts down the time required to travel to Peshawar by road by almost 7 hours and has opened up a year-round movement passage for the population; men and goods. Other upcoming developmental projects include the proposed Dir-Chitral Motorway, a 29.4 km four-lane motorway to boost tourism and trade by connecting Chakdara to Rabat town in Dir Lower, with future extensions intended to proceed to Chitral and Gilgit. The 157 km long Chitral-Shandoor road (to be linked with Gilgit-Baltistan) is being upgraded, but the quality of the road is proactively being criticized over poor standard construction and safety measures. Chitral, due to its strategic position, has been excluded from the integration in the past, but few recent developments point towards integration with regional trade and accessibility. It possibly reactivating old trade routes and building economic development (Kreutzmann, 2020).

To cap it all, despite not being at the center of the CPEC route, Chitral is finding consistent space in the

broader CPEC universe through its current and future infrastructure development. This change is an exciting prospect and a challenge, which needs careful consideration and communal participation.

#### 4. THEMATIC ANALYSIS AND KEY FINDINGS

This study reports the findings of fieldwork for this research which were analyzed using thematic analysis of semi-structured interviews carried out with the local government officials, business owners and traders, member of the NGOs, academics scholars, anchor persons, students, representatives of the tourism department and the residents of Chitral. The objectives of these interviews were to explore and analyze the perceived challenges and opportunities of China-Pakistan Economic Corridor (CPEC) for Chitral and its implications for socio-economic development of the district.

This section extracts qualitative promptings to provide a snapshot of major themes stimulated from the data. The themes emanating from this section reflect the potential benefits and barriers in relation to CPEC articulated by the participants as well as the wider structural and contextual factors which could have an impact on the enactment of the project in the study area.

The themes are clustered around the role of local government policy frameworks (or, policies for development), economic and infrastructural opportunities, environmental and cultural themes, the role of community engagement, and discussions on respondents' recommendations. Every theme presents key findings supported by verbatim excerpts from the interviews.

##### 4.1 Geo-Strategic Importance and Regional Connectivity of Chitral

This section explains the geo-strategic importance and regional connectivity potential of Chitral, a region uniquely located at the crossroads of Pakistan, China, Afghanistan, and CARS. Chitral's strategic location is not only important to make it a key point for regional trade and an important player in promoting cross-border cooperation, especially in the context of the China-Pakistan Economic Corridor (CPEC). By keeping in view all these dynamics requires perceptions from those directly impacted and

involved. The research participants represented a diverse but inter related responses to the question of geo-strategic importance and regional connectivity of Chitral.

The participants were of the view that Chitral has a unique location that connects Pakistan with China and Afghanistan through safe and less congested routes. Its geographical location makes it a natural transit hub. It can also provide a safe trade route to CARS. The trade can increase by the improving the conditions of roads and infrastructure. Its location has also the advantage to reduce the risks of unrest that are common in other bordered areas. It also has the potential to have a security cooperation with China and Afghanistan and can balance trade and security needs. Furthermore, the district can open new markets in CARS for our local products. Contrary to other region, it can provide a peaceful trade gateway and can help the businesses grow beyond borders through better trade relations to improve the economy. Likewise, Chitral has the strategic potential for Pakistan's northern diplomacy. Being a peaceful border district, it offers safe and secure trade access to Tajikistan through Afghanistan's Wakhan Corridor. This tie can expand Pakistan's trade relations beyond China. Its development would make Pakistan's ties with Central Asia strong. Its connection with Wakhan corridor is of paramount importance for Chitral and Pakistan as well. The youth of Chitral can play the role to make this possible and get benefits from it. It can positively contribute to both trade and peace and the NGOs can make it happen for community participation in security discussions. The secure and sustainable tourism and trade routes can reduce crimes. Through border dialogues involving citizens, NGOs, and other officials can promote regional trust. Local benefit-sharing can stabilize and make the area prosperous. Lastly, the cultural tourism can create understanding between nation and it can have both trade and security advantages.

#### 4.2 CPEC and Economic Potential of Chitral

This section explains the economic potential of Chitral in relation to the China-Pakistan Economic Corridor (CPEC), pointing out how this mega project can change the region's economic landscape. Chitral, with its rich natural resources, vibrant tourism spots, and strategic border location, has a potential to get

benefits from enhanced trade, improved infrastructure, and diversified economic activities linked to CPEC. To deeply understand the opportunities and challenges, interviews were conducted with various persons, including local business owners, government officials, academic scholars, and civil society members. Their perspectives on how CPEC can improve Chitral's economic potential, make inclusive growth, and connect the region into broader national and regional economic frameworks.

The participant opined that the CPEC can influence the investors to invest in the tourism, mining, and trade sectors of Chitral and the business growth can be stimulated by the new transport and energy projects. Furthermore, the youth can get benefit from the vocational training and jobs. The district will be the business hub because of the trade routes through it and the economic potential of Chitral will rise. The economic potential of CPEC is in sectors like, trade, tourism, and small industries. The employment opportunities can be generated from the construction of new roads and border posts and the skill development for the youth can be provided through the educational institutions. The new national and international markets can be available for local artisans and producers. The CPEC can also modernize the economic landscape of Chitral. Likewise, Chitral can have an emerging business in transport, warehousing, and hotels.

The construction and trade sector can have benefits from it and the farmers can also have broader markets. The vocational training and small industries can also grow. All these can result in the reduction of unemployment in the region. The district can be a regional trade hub by connecting Tajikistan with Pakistan through a shortest route. With proper facilities, it can have a significant trade. Furthermore, the cross-border cooperation can also be encouraged by its peaceful environment and the infrastructure must be modernized. Trade and business zones can be helpful to further promote its hub potential. Last but not the least, the geographical location of Chitral makes it a natural trade crossroads between Pakistan, Afghanistan, and China. If the government provides facilities, then it can export local made handicrafts, fruits and minerals. It has the potential to attract the investors from other regions and can be a trade

gateway to Central Asia as well. Chitral being at the fringe of Wakhan Corridor and Central Asia has the prospect of transit trade, which can be realized through effective integration with the larger CPEC project. The improved access would stimulate tourism, trade with adjacent areas (and with Central Asia) and generate jobs. With the timely policies and investment, Chitral can develop to be a hub of tourism, agriculture, minerals, and cross-border trade.

#### 4.3 Infrastructure Development: Benefits and Obstacles

This section is devoted to one of the most important topics of this research. The development of infrastructure in the region of Chitral has been discussed with reference to its benefits and obstacle. Chitral is at the verge of infrastructure developments of paradigm shifts, with the key infrastructure development occurring within the framework of China Pakistan Economic Corridor (CPEC) development programs and other national development projects moving ahead, including roads, energy and communications and trade facilities. Although these advancements will lead to enhanced connectivity, economic development and better quality of life, they also pose such challenges as adverse topography, environmental hazards, and social implications. In order to develop a clear understanding of such complexities, interviews of the local government officials, business people, scholars and civil society actors were carried out.

The participants mentioned that the CPEC will develop the Chitral-Gilgit and Chitral-Shandur roads, making them accessible throughout the year for all seasons. That can connect Chitral with the national markets and can open the cross-border trade with the neighboring countries to end the long-lasting isolation. Furthermore, the well-designed roads and bridges can connect Chitral's remote areas to rest of the country, and reduce the travel time to major cities. The communication can be improved through the fiber optics. The developments can decrease the economic marginalization of Chitral. Furthermore, the advanced and improved highways and tunnels will connect remote areas and open new trade routes by making the transportation easy. The quality of agricultural product will preserve because of the rapid movement.

The biggest challenge is the weather condition which make the infrastructure difficult and the landslides can cause the blockage of the roads. Likewise, the inconsistent electricity supply and weak communication network are also the challenges. The lack of skilled labor is also an obstacle in the way of the development of infrastructure.

The future of Chitral being a part of the CPEC system should focus on sustainable development that does not affect the people and the environment in a negative way by pursuing the economic aspect at their expense. The Chitral located at the juncture of Pakistan, Afghanistan and Central Asia may experience road developments such as the Chitral-Shandur-Gilgit road, Chitral Economic Zone and enhanced connections with the Wakhan corridor. It can potentially open trade, tourism, and energy facilities.

#### 4.4 Sectorial Growth and Distributional Equity

The section addresses the topic of sectorial growth and distributional equity as seen in the light of Chitral's economic growth especially under the China-Pakistan Economic Corridor (CPEC) influence. Since the CPEC related investments focus on tourism, agriculture, trade and small industries sectors, a large scope of economic diversification and employment opportunities will arise in the region. These advantages however pose of vital concerns regarding the fair share to various communities, valleys and social groups of the Chitral region. In order to explore how sectorial growth can be harmonized with social justice and inclusive development, the present section relies on the insights obtained during the interviews.

To the participants expressed their views on, the tourism aspect will be the greatest beneficiary because of the natural beauty of Chitral. The farming shall also be successful since farmers will have access to bigger markets. Cross-border trade will rise and trade centers will be formed. These industries will go in line with the traditional strength of Chitral. This will be enhanced by sustainable developments. The farmers will have a possibility to send the fruits and vegetables to other cities. This will equate to an easement of access to the beautiful valleys of Chitral by the tourists. Small trades and service industries will increase with time. More opportunities to enhance

will be created. Furthermore, this will help tourism, agriculture and trade in the short term. The region of Chitral is going to be more appealing to tourists because of its natural environment. There will be improved roads and trade relationships. The regional markets will also be obtained by the small traders. The adequate infrastructure will translate to rapid benefits by tourism, agriculture and local trade. All kinds of hospitality, retail, and logistics services will spread. Local products and crafts will at last be nationally recognized. In the long term, there could be little industrial agglomerations in food processing and textile.

Furthermore, the unfair distribution of benefits can lead to social tensions, especially the ones involving valleys and towns. To solve these issues, the NGOs will focus on community discussions. A difference in the disparity should be monitored and addressed at the local governance level. There should also be inclusive budgeting and the CPEC project rewards to curb the dissatisfactions. If the CPEC be beneficial to some towns only, then the rural areas will be left out. The gaps in incomes might increase leading to frustration of the poorer societies. So, there must be fair revenue-sharing income through tourism and open planning. Likewise equal opportunities should be provided to the young generation and the women in the country. The balanced growth is the guarantee of the social harmony. The social tensions may increase if certain regions or families will prosper more with the CPEC. There should be equitable allocation of employment and projects. The government should not only target towns, but should also target remote areas. The inequality should be reported by young people. The inclusive developments will eliminate the social disturbances. The economy of Chitral is based on agriculture (apples, walnuts, apricots), livestock and forestry but bad transport infrastructure restricts growth. The construction of roads such as the Chitral-Gilgit and Chitral-Dir routes, will enable the farmers and the artisans access national and export markets. This would create growth within the sector of agriculture, tourism, and trade, and also cause economic participation by small producers and rural households.

#### 4.5 Local Preparedness and Human Development

This section discusses the essential aspect of local preparedness and human development in the changing socio-economic scenario of Chitral especially in the wake of the new opportunities that seem to open up like the China-Pakistan Economic Corridor (CPEC).

The participants were of the views that the infrastructural and economic developments hold great prospects in terms of lifting the region, the willingness of the local populaces to approach the changes and take advantage of the new opportunities is an issue of critical concern. The major points contributing to make the population of Chitral able to contribute to the development of this region by engaging in substantial activities and contributing to the process of development are human development factors, including the education, skills training, health, and social awareness.

The locals are ready to develop but are not skilled. The tourism, trade and construction training workshops are required. They will be ready to change through public consultations. Particular attention should be paid to youth engagement. The owners of business can provide education in tourism, trade, and logistics. The locals are optimistic yet they require a number of skills and adequate consciousness to participate in the process. Hospitality, logistics and trade related vocational training should be intensified. Residents can be equipped with new roles through outreach programs in the community. This can be justified with the help of partnerships with NGOs and academic institutions. To have an inclusive growth, an informed citizen is imperative. Investments in CPEC will have the effect of increasing roads, electricity and internet access to rural Chitral. This will assist individuals to have healthcare, education and employment opportunities. Poverty will be minimized with improved revenues of trade and tourism. Market access to farm products by rural families in the rural areas will be gained. The living standards will be much upgraded. The tourism will generate revenue to the rural homes offering home stay, guides and craftsmen. Better roads will increase access to healthcare and education by the villagers. The poverty gaps will be narrowed by inclusive planning. The area of infrastructural investments should be improved.

#### 4.6 Cultural and Environmental Development

This section addresses the relevant issue of cultural and environmental evolution in Chitral-the region with numerous heritage sites and the preserved natural beauty. As the economy of Chitral is being connected to the China-Pakistan Economic corridor (CPEC) and the region in general, this area suffers and benefits due to a combination of possibilities and threats to its culture and nature. A sustainable development should follow a balanced path as well, protecting the local traditions, allowing eco-tourism, and safeguarding the biodiversity. These concerns and possible opportunities were to be comprehended through interviewing.

To the participants, the social fabric of Chitral is going to be modernized by influx of people and ideas. Certain conventional values may not be acceptable and the cultural heritage can be preserved after community awareness. The new lifestyles and cultures will be brought along by increased tourism and trade. Modernity can put strains on the local customs. Culture tourism can be encouraged to save the heritage by the business owners. Modernity and tradition can be balanced through education. The transformation in culture may happen and that should be well handled to preserve the unique peaceful culture of Chitral. The modern living conditions and foreign cultures will reach out to Chitral due to the development initiatives. Although developments in economics are necessary but those can water down the traditions and ways of life. Local arts, languages, and festivals have to be preserved. There is a need to have a balanced growth. Due to the encounter with external influences, the cultural and social values may change in Chitral. Rich cultural heritage may be watered down unless efforts in their active preservation are made. Modernization should be accompanied with cultural education and promotion. Tourism has the capability of shining light on the local heritage and not displacing it. A balanced social evolution can be achieved with a proper planning. The developmental activities like construction and tourism would be a threat to the environment of Chitral which is vulnerable. Threats include deforestation, pollution, and destruction of the wildlife habitat. Solid waste management in most places remains primitive. Ecological consciousness needs to be initiated in educational facilities.

Sustainable tourism and green energy ought to be encouraged. The fragile environment of Chitral may also be damaged by unrestrained building purposes. Wildlife and scenery are under threat by deforestation, littering and pollution. Strict environmental regulations should also be applied in case of the construction of infrastructure. To reduce destruction of the environment, eco-tourism ought to be encouraged. Clean up activities and the creation of sensitization programs by the youth should be provided. Environmental protection measures need to be observed by the local communities and the government. By preserving the forests, rivers and wildlife, and restoring the native cultures, Chitral can easily create a tourism-based economy that would not compromise its natural landscape and cultural heritage.

#### 4.7 Governance Measures and Security Implications

This part deals with the important topic of the aspects of governance and security concerns based on the background of the development of Chitral is getting more integrated due to the project of the China-Pakistan Economic Corridor. The economic activities and infrastructural developments are growing, so, the system of good governance is required to guarantee transparency, equal distribution of resources and inclusive developments. The geo-strategic position of Chitral has increased the security concerns and there must be a well-laid strategies to ensure the peace and stability in the area. The federal government has to establish a special development fund on projects associated with CPEC in Chitral. In all construction and trade projects the local employment quotas should be given importance. Vocational training institutes must be created to equip the locals with marketable skills. The transparent selection of the projects can guarantee equitable distribution of benefits. There should be a good coordination at both the federal and provincial levels to deal with the special needs of Chitral.

The government ought to encourage the local businesses in terms of funding. There should also be local hiring quotas in the CPEC projects. There should be consultation with the business owners on a regular basis to deal with the needs. Investment in the market, electricity, and roads ought to be in the rural areas. The most important factor to the trust of the

people is the transparency and accountability. Furthermore, the federal and provincial governments should ensure the equitable investment in CPEC. The local entrepreneurs should also be targeted to have special economic incentives. To enhance the trust of the people, the accountability and transparency should be ensured.

The local and the federal government must divert the funds to the development of the Chitral. Local employment, buying preferences, and capacity schemes will have to be enforced. Rural needs must be directly met by infrastructure projects. Community monitoring and transparent project tracking will bring about trust. The policies ought to be aimed at the inclination growth at first. The big projects can attract groups that want to exploit resources or create instability. The local security forces must be strengthened and well equipped to ensure security of the area. There should be community awareness programs to prevent extremism. Young people should be taught the importance of cooperation, peace and tolerance. The increased movement of people and goods can attract smuggling or extremist threats. The security should be strengthened for safety of the tourists. The border areas should have secure checkpoints without disrupting tourism. The local youth should be trained as tourism security volunteers. The security measures should not restrict civil liberties and the border managements must be inclusive. There should be collaboration between the locals and security forces to ensure peace in Chitral. Chitral should have proper planning and defense mechanisms due to CPEC projects and that should be executed efficiently without worrying the people and making them feel that they are part of the processes. Similar to Khyber, the Chitral has to be ready to face the opportunities as well as risk facing cross-border trade. To avoid trans-boundary crime and secure the CPEC routes and preserve stability as the Chitral opens up to regional trade corridors, it will be important to establish effective administrative control, enhance the police presence, and ensure incorporation of the community in sharing the security responsibilities.

#### 4.8 Local Participation and Participatory Planning

This section discusses the views of the participants expressed during the interviews. To them, the involvement of the locals and participatory planning

are crucial for the inclusive and sustainable development in Chitral. With increased expansion of major infrastructural and economic projects such as China-Pakistan Economic Corridor (CPEC) in the region, there is need to have local communities in decision-making process. The true participation makes it possible to integrate the local knowledge, serves the needs of the community, and creates a feeling among the people that they are in fact partners in the development outcomes. Furthermore, the skill development programs should be initiated and reforms should be introduced in education for new generation. The young entrepreneurs should be mentored. The skill development workshops should be carried out by the government and NGOs to boost the acceptability with the involvement of the local communities in planning. The locals should not be spectators in the change but partners of the change by empowering them. The stakeholders in Chitral need to develop a common platform to communicate with the federal authorities in CPEC. The projects should be designed with the local expertise, youth, and business people.

Furthermore, the local leaders ought to establish a Tourism Development Council that would represent Chitral in the federal forums. The owners of the businesses, young people and women groups need a seat in the table. Infrastructure projects must be informed by what the community says. Likewise, the Chitral has to be marketed in local branding as a beautiful peaceful place. It can be successful due to partnership with the private sector. The local governments ought to constitute the CPEC Monitoring Committee with the NGOs, businesses, and community leaders. Frequent consultations will make sure that projects are informed by local needs. The leaders have to promote sustainable tourism and inclusive trade. The transparency should be encouraged through public opinion sessions and the planning should be exclusiv.

#### 5. CONCLUSION AND RECOMMENDATIONS

By addressing the research questions and objectives of this study, the analysis comprehensively explored the geo-strategic importance of Chitral by pointing out its unique location connecting Pakistan, Afghanistan, China, and Central Asian Republics. It has further discussed that how this location has made it a

potential security and trade hub. Likewise, the study explored the dual aspects of challenges and opportunities offered by CPEC for Chitral, such as economic opportunities with improved infrastructure, regional connectivity, and tourism, along with challenges including governance issues, geographical constraints, and threat of social exclusion. The alignment between the findings and objectives remained consistent throughout, with thematic concern, stakeholder perspectives, and local objectives deeply included into the assessment. By providing detailed qualitative insights and research-based recommendation on infrastructure development, human capital investment, transparent governance, and environmental governance, the study stayed closely aligned with its main objectives to explore, examine and identify the opportunities and challenges of China Pakistan Economic Corridor for Chitral. The study has also focused on different aspects of China Pakistan Economic Corridor, its significance and consequences for Chitral in a practical and comprehensive manner.

Due to the geo-strategic importance- being situated at the center of Pakistan, China, Afghanistan and Central Asian Republics (CARS) in the region, Chitral having a vast regional connectivity. Its strategic position presents it as one of the ideal destinations to support the trades across the borders which is building cooperation, peace and security in the area. To the local stakeholders, the ideal location of Chitral may create a safe trade corridor of CARS thereby shedding off much of the risks that are typical in other border regions. This potential of peace building is also a source of the security cooperation of Pakistan, China and Afghanistan. This will also expose new markets due to the better infrastructure such as good roads and customs buildings. Furthermore, It will allow the local business to venture beyond their home country and create a safer and interconnected region.

The economic prospects that come with China-Pakistan Economic Corridor (CPEC), is yet another crucial theme with most of the local actors appreciating the fact that Chitral is an essential economic belt. The Chitral has been blessed with abundant natural resources as well as an access road to the region coupled with the presence of a tourism industry. It means that the region stands in an ideal

position to capitalize on infrastructural activities that would come under CPEC. They will consist of opening up of new avenues to trade, better roads and more energy which in turn would create buzz to the local business, agricultural exports and the tourism and mining industries. These changes would probably minimize unemployment by linking Chitral to regional and international markets, enhancing economic opportunities and promoting the development of various industrial sectors such as transport, warehouses, and small industries.

Nonetheless, development of the infrastructure of the region is challenging especially by the rugged topography and the weather condition of the region. The participants were concerned about the threats of landslides and alternative electricity supply that may hinder the growth unless effectively addressed. In spite of this, there is a tendency of opinion as to the expectations with better roads and communication systems like fiber optics, which would bring about connectivity opening up the remote areas and develop better economic marginalization of the region. The building of various infrastructures is also very imperative not only as a way of increasing trade but also in enhancing the isolation of the people and enhancing the living conditions of the people that live there.

With the diversification of its economy in the region, equal considerations need to be made on how the developments can be balanced to derive equal benefits. The stakeholders have indicated that it is advisable to prevent social disparities due to unequal developments especially between town and countryside. Whereas agriculture, tourism and trade are likely to be the direct beneficiaries, there is fear that some valleys or social groups may end up being marginalized. In order to prevent these inequities, the participants emphasized on transparency in the governance, inclusion of the development policies and local involvement to the decision-making process. Also, equal opportunities to jobless youth and women should be created, particularly in vocational training and employment to make sure that the whole sections of the society should receive benefits of CPEC.

The human capital side is of great importance in the sense that the population of Chitral will be ready to maximize the potential that will be created by CPEC and other infrastructural projects. The locals are

optimistic even as they recognize that they require skills development in sectors such as tourism, trade and logistics. The speakers underlined the need to educate the locals, develop vocational training and community engagement so that the locals will be ready to meet the new socio-economic challenges. Officials of the local government, as well as the entrepreneurs urged the need to enhance collaboration with the NGOs and the educational establishments to develop the capacity of the young generation and co-develop the area.

The other major factors which should be considered in the development of Chitral are its cultural and environmental heritage. There are quite a number of heritage sites within the region and the region possesses some distinct natural beauties that may pose a challenge and an opportunity with opening up the region to diversity through more tourism and trade. Though with modernization and external forces, new ideas might be added. There is a necessity to safeguard and conserve the natural and wealth of solid cultural backgrounds of Chitral. There is need to balance economic development and environmental conservation by proper planning, creating awareness in the community and being environmentally friendly in tourism activities. This type of ecosystem, difficult to have without the threat of deforestation, pollution and destruction of habitats, that demands strict laws on the environment and encouragement of green energy undertakings and sustainable tourism.

Finally, the security and governance systems in the region will be important to ensure the development of the region and the success of CPEC. With Chitral getting to be more a part of the national and regional economies, the primary concern will be to maintain peace and continuity. The participants have demanded the presence of stronger local security agencies, community policing activities, and improved management of the borders to avoid extremism and smuggling, which may be heightened due to increase in trade and tourism. Additionally, the aspects of governance such as transparency in the process of project selection, local quota of employment rates, as well as the emphasis on development of the rural infrastructure are critical in developing trust of the people and the distribution of resources.

To sum up, the development perspectives of Chitral, under the auspices of the China-Pakistan Economic

Corridor (CPEC) are very progressive and bring along an intricate complex of issues. It is well positioned to grow due to geo-strategic position of the region, its economic potential and cultural diversity. Nonetheless, the development must be controlled and planned to make sure that the development payoffs are distributed among communities, sectors, and social groups evenly. Focusing on human development, on the need to preserve the culture and to maintain an environment that supports wealth creation, as well as on participatory planning, will ensure that the full potential of the location is being tapped and that Chitral will become an example of inclusive and sustainable development in the area.

In light of the findings, the recommendations of paramount importance are proposed in this research which are as under:

#### **1. Lifted Infrastructure and Connections:**

Chitral has highly rugged topography and the weather patterns are extreme and to deal with such issues, strong infrastructure has to be the priority. This amounts to renovating the current roads, constructing new transportation routes, and strengthening the roads between rural regions and city areas. Connection and reliable source of power should also be prioritized in terms of investment such as in fiber-optic networks and better energy infrastructure. Further, the endeavors to decrease the hazards of landslides and other natural devastations should be addressed through tightening the disaster resilience structure of the area.

#### **2. Developing Inclusive Economic Growth:**

To guarantee economic growth to all regions and communities in Chitral, it is worth having inclusive development policies. The major idea behind these policies should be to minimize the gap between urban and rural masses and the areas that are marginalized should not be left short of the benefits that are reaped through China Pakistan Economic Corridor. These objectives could be attained through local entrepreneurship promotion, and microfinance provision as well as investment in undeveloped areas. Also, there will be specific assistance programs to women and young people such as vocational training and jobs to enhance a more equal sharing of the resources that the region will derive.

**3. Capability Formation and Skill Growth:**

Considering the changes in the socio-economic context, it would be best to devote attention to the building up of human capital. The local communities and more specifically the young people should also be given the tools that are required in industry such as tourism, trade, and logistic. To accomplish this, the government together with NGOs and schools must produce money for the vocational training centers and technical skills workshops, and courses that are in line with the economic change of the region. The skills taught ought to be fully integrated into the industry by having them taught in partnership with local businesses as well as educational institutions.

**4. Environmental and Cultural Conservation:**

With the development of the Chitral state, it is vital to find a compromise between the boost in economic development and maintaining its distinctive cultural and environmental culture. The local authorities ought to put in place policies that will encourage sustainable tourism activities including eco-tourism and green energy initiatives but on conditions that make environmental/protection regulations very stringent in order to safeguard the delicate environment. Furthermore, the need to support local or community-based efforts to preserve the heritage of Chitral should be encouraged so that the cultural identity of the people would not be harmed by modernization and influence of other cultures.

**5. Enhancing Security and Governance Systems:**

Development of Chitral will be successful only when the region is peaceful and secure. It will be instrumental to prevent extremism and create a secure environment in which trade and tourism can occur through strengthening local security forces, carrying out community policing programs, and enhancing the management of the borders. Furthermore, the governance mechanisms must emphasize their openness visions, accountability, and the involvement of the citizens in the decision making. The assurance of quota of local employment in developmental activities and ensuring attention to rural infrastructure will facilitate building the trust between local people and the government.

**6. Public-Private Partnerships:**

To maximize the advantages of CPEC, more effort should be taken in stimulating PPPs (Public- Private Partnerships) in infrastructure works, trade and tourism. PPPs have the ability to promote an effective utilization of sources, encourage investment and provide favorable environment in which businesses can operate. The geo-strategic location of Chitral should be used to ensure access to long term growth and prosperity in synchronization with that of the interests of the private sector and the aims of the public.

**7. Ensuring Export and Transnational collaboration:**

Due to its geographic position, Chitral could make a bridgehead to more trade relations with countries of Central Asia, China, and Afghanistan. In order to utilize this potential, the creation of policies that facilitate cross border cooperation must be followed through which involves mitigation of customs procedures, enhancing the infrastructure at the borders and promotion of trade agreements between the countries that border one another. More intense economic connections across regions will create the much-needed stability and peace, which will also bring benefit to Chitral and other adjoining regions.

**8. Developing a Participatory and Transparent Development:**

The adoption of an approach to governance that focuses on being open and inclusive is important in order to eliminate or prevent any form of social inequalities and to ensure that everyone in the society shares the fruit of development. Communities living locally should actively participate in decision-making responsibilities pertaining to development projects. The priorities of all the stakeholders should be taken into account by organizing public consultations, community participation and local participation in planning and implementing development in a manner that it is inclusive and sustainable.

**9. Sustaining Resource Management:**

Since its economy is based on the rich natural resources found in Chitral, the sustainable management should be incorporated in every economic activity. This incorporates the responsible

mining, environment friendly farming methods and conservation of energy. Furthermore, the community-based management plans on the usage of resources must be promoted to avoid excessive utilization of natural resources and maintain a long-term ecological integrity of Chitral.

#### 10. China Pakistan Economic Corridor as a Way of Building Regional Connectivity:

The main suggestion is to improve regional connectivity with the help of China Pakistan Economic Corridor. This should be done through building of new transport corridors between Chitral and the large trade centers in China, Afghanistan and Central Asia. The creation of trade corridors that will avoid congestion will also give new business opportunities to business and they will find a reliable and convenient method of delivering goods and services through the borders. The regional transportation should also be improved to contribute towards peace and cooperation among countries.

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