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CPEC: IMPACT OF CHINA-PAKISTAN ECONOMIC CORRIDOR (CPEC) ON CHINA'S IMPORT AND EXPORT IN TERMS OF TRANSIT TIME AND SHIPPING COST

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ABSTRACT

In current era many of countries including developed or developing are making economic strategies and alliances as well to enhance their trade volume with saving cost and transit. This paper will analyze the impact of China-Pakistan Economic Corridor on China's trade with the projection of shipping cost and transit time including compare the current route and proposed route (CPEC).The methodology has been used qualitative and descriptive approach. In this study focused on three ports of Middle East for energy need basis (Jeddah, Kuwait and Oman) and European ports for mega trade volume base (Hamburg, Le Havre and Rotterdam). We have worked on this paper into three parts in first part the variables (Transit time and Shipping cost) of 40-foot Container is calculated in current route and same calculation has done for proposed (CPEC) route, (CPEC) is still in progress so it is difficult for us to get exact information that's why its average values has been taken and in third part compare both current route and proposed route as well. The Result in which we can say that the shipping cost and transit time will reduce drastically if CPEC route followed, the shipping cost and transit time for European ports45% to 60% and 11 to 13 days respectively, Approximate 50% to 70% for Middle east ports shipping cost will reduce including 11 to 18 days transit time as well, which means China Pakistan Economic Corridor will affect positively on china's import and export to enhance its business volume with Middle East & Europe.

Key Words: China-Pakistan Economic Corridor (CPEC), Supply Chain Management (SCM), Transit time, Middle East and North Africa (MENA), Cost Reduction (Shipping Cost)**,** Transit time.
JEL Classification: F15, F36, G02.

1. INTRODUCTION

In current globalization scenario every country wants to enhance their economic capacities to get special status in the world economy frame. We can say that sustainable growth and development in china during last three to four decades has assigned the country a special status in the frame of world economy which show its strength in the financial crisis of 2007-08 in which china economy emerged as a new economic power and also enhance its role in global governance. Every emerging economy also required more energy to fulfill their requirement on time with limited (short route) including cost reduction, these all requirements of this emerging economic power can be full fill by its "all-weather" friend Pakistan, through the China-Pakistan Economic Corridor (CPEC) Project.

Pakistan's geographically location is very important for the world trade, because Pakistan is the main gateway of middle east and central Asia as well, It can be helpful to china in the sense of route because through Pakistan china get shortest access to middle east and Europe as well. That's why china has interest in China-Pakistan Economic Corridor (CPEC),

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because this route will be safe for china goods and it will be work as time and cost reduction route to make china's economy more strengthened.

The basic aim of China-Pakistan economic corridor (CPEC) is to connect Gwadar Port (Baluchistan, Province of Pakistan) and Kashgar port which is major trading hub in (western China). China's mega economy has mega energy requirement in the form of oil which is approximate 70% to 80% fulfilled by using Indian Ocean route. This route passes from Strait of Malacca, which patrolled by US and Indian navies to protect the cargo ships from pirates, this energy supply of china can be cut if any conflict arises which will be create most difficult situation for china. As compare to china's current route China-Pakistan Economic Corridor (CPEC) is more safe including time and cost reduction as well.

According to the China's perspective, China Pakistan Economic Corridor (CPEC) is strategically part of its ambitious one belt, one road (OBOR) project that attempts to provide regional connectivity, it is expected to save $ 2 Billion annually on its oil supplies from the gulf countries while for non-oil trade, China-Pakistan Economic Corridor (CPEC) would be providing a cost saving trade route from China's western and central regions to its export market Middle East and North Africa (MENA).

2. REVIEW OF LITERATURE

Argue that Higher cost and longest transit duration are the main hurdle to make more efficient international trade in the frame of global logistics, all the organization want to enhancement in their profits for this they are searching alternative route to minimize their cost and transit time as well that's why many of the logistics main companies using third party logistics to move on positively[1].

Explain in his articles regarding China-Pakistan Economic Corridor (CPEC) importance for china and regional integration and argue that due to this projects china exports will increase 86 percent through sea and The CPEC would bring a shift in the modes of transportation. A substantial fraction of trade with China will be diverted to the land route following the completion of the project. While sea transport is relatively cheap, road transport is the cheapest[2].

Argue that China-Pakistan Economic Corridor has turned a new leaf in Sino-Pak Relations and gives easier and cheaper access China to Middle East and Regional Countries by connecting Pakistan's Seaport, Gwadar to western China. With

[1]Wisner, Leong G and Tan . K. "www.books.google.com." *books.google.* April Tuesday, 2017.
[2]Ali, Salamat. "CPEC: trade prospects." *www.DAWNNEWS.com.* April Tuesday, 2017.

this development Pakistan's crippling economy will also be boost up. In this study it is also investigated that the Indian media shape its public opinion through dominant media frames by presenting an organized stereotyping project of CPEC[3]. China – Pakistan Economic Corridor (CPEC) is not only the connectivity of China and Pakistan but also has the potential of integrating other sub- regions of Asia and could play a key role in improving economic and strategically environment[4]. Argue Economic and Trade bilateral relations of china-Pakistan boosting and growing a constant level. The economic policies should be further reviewed to reduce the existing unbalancing between two countries, as china is the largest trade partner of Pakistan while the Pakistan is the second largest trade partner of china in the south Asian Region, Their relations are also moving from government sectors to private sector such as energy and telecom sector . Pakistan's law and order situation also a reluctant for Chinese and foreign investor's as well, hopefully this situation will be control soon and Pakistan's economy will move on fast track[5].

Islamabad and Beijing have bilateral economic cooperation in the form of Joint Economic Commission, Economic cooperation Group, Joint Investment Company and joint working group, in addition to other mechanism. Pakistan is the only country in south Asia with the free trade agreement and a currency swap agreement (CSA) with china; in this study it has also argue that the trade imbalance also the concerns of Islamabad's and measures to lessen the gap are frequently discussed and calculated efforts are being made to raise the exports to china[6].

Focus on time delivery, he explain its paper that logistic provider have the core responsibility to move and deliver goods on time to its customer because to move further in logistic business need higher delivery must be on time[7].

2.1 Statement of Problem

This paper will analyze the multi-dimensional relationship between transit time duration and shipping cost via current route and proposed route of China-Pakistan Economic Corridor (CPEC).

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[3] Khan, Ijaz. "China-Pakistan Economic Corridor : News Discourse Analysis of Indian Print Media." Journal of Political Studies, 2016: 233;252.
[4] Butt, Khalid Mahmood. "Impact of CPEC on Regional Actors." Journal of political Science, 2015: XXXIII,22.
[5] Jiang, Wang Song. "The Growing Economic Ties Between Pakistan And China And Its Impact On Economy Of Pakistan." Impact Journal, 2014: 49-54.
[6] Siddique. Deeper Than the Indian Ocean ? An Analysis of Pakistan- China Relations. Karachi: Centre For International And Strategic Analysis (SISA), 2014.
[7] Philipp Goebel, Sabine Moeller, Richard Pibernik. ""Paying for convenience: At-tractiveness and revenue potential of time- based delivery services"." International Jour-nal of Physical Distribution & Logistics Management, 2012: 584-606.

2.2 Significance of the Study

China want to become a super power in economic globalization with the increasing of trade that's why, China's main vision is focusing on the one belt One Road (OBOR) for making shortest route to access the Middle East and European countries, China-Pakistan Economic Corridor (CPEC) is just part of this broad vision. This study will elaborate the china's decision that China-Pakistan Economic Corridor (CPEC) has the capacity to fulfill China's mega energy requirement with shortest and save route including saving trade/shipping costing (Import & Export) with the comparison of current route as well.

2.3 Theoretical Framework

Due to the importance of this project its design/frame work has been modified with the detailed information of data and its sources as well. To get sound result Qualitative and descriptive approach has been a part of it to answer the research questions in the broad and calculated way.

2.4 Hypothesis

Is China-Pakistan Economic Corridor (CPEC) will impact positively or negatively on supply chain network of China especially in terms of Import and export (International Trade) including cost reduction and transit duration?

2.5 Material

As per requirement of this paper the data has been collected from both of the main sources like primary and secondary source as well.

2.6 Primary Data

Primary data has been gathered from different shipping companies directly to cross check the relationship between transit time and cost reduction between current and proposed routes.

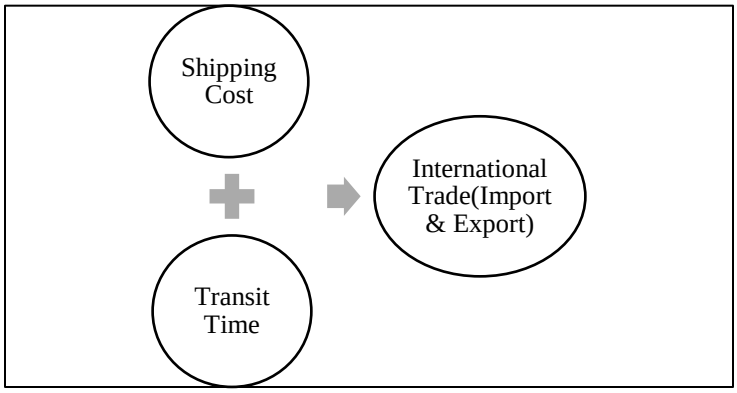
2.6 Secondary Data

Secondary data has been also collected from the research articles, internet, business magazines and newspapers to analyze the importance of logistics in the network of supply chain.

2.7 Variables

In below given figure its paper variables are mention which are relate to independent (Shipping Cost and Transit Time) and dependent variable as International trade in terms of Import and export as well.

Figure 2.1: Relationship between Dependent and independent variables.



3. THE CHINA – PAKISTAN ECONOMIC CORRIDOR (CPEC)

China – Pakistan Economic Corridor (CPEC) is one of the milestone between these "truly iron brothers "which has a potential to bring regional economic integration and cooperation, it's a win – win situation between both China and Pakistan as they are the primary beneficiaries of the project. The movement was created by Chinese Premier Li Keqiang in 2013, when he visited Pakistan and proposed China – Pakistan Economic Corridor (CPEC) and in 2015, when President Xi Jinping made a historic visit to Pakistan and signed 51 Memoranda of understanding (MoUs) of $46 billion dollars.

Table 3.2: CPEC investment Tree to elaborate distribution of Investment as per project importance[8].

S.No	Project	Cost in US$ Million
1	Energy	33,793.00
2	Roads	6,100.00
3	Rail Network	3,690.00
4	Mass Transit in Lahore	1,600.00
5	Gwadar port	786.00
6	Others	44.00
Total		46,013.00

China-Pakistan economic corridor (CPEC) is a long term plan having a time frame of 2014-2030. There are five main segments relate to this project.

1. Investment in terms of Industrial cooperation like Gwadar as a free zone.
2. Mega projects of infrastructure in terms of Rail Transport, Road and Aviation.
3. Major part relate to Energy sector in which Coal, Wind, solar, Hydel, L.N.G and Transmissions.

[8] Board of Investment, April Thursday, 2017. www.boi.gov.pk.

4. Gwadar port in which its region socio-economics development on the way.
5. Mutually interest relate to other projects.

3.1 Pakistan's Energy sectors

In China-Pakistan Economic Corridor core focus has been done on energy sector, maximum investment approximate of $33 billion – or approximate 70% to 72% of total proposed $46 billion investment relate to it to electricity generation through natural resources such a coal. Further $2.5 billion is also dedicated towards the construction of pipelines for transporting liquefied natural (LNGs) from Iran to the cities of Nawab shah (Sindh, Province) and Gwadar (Baluchistan, Province).

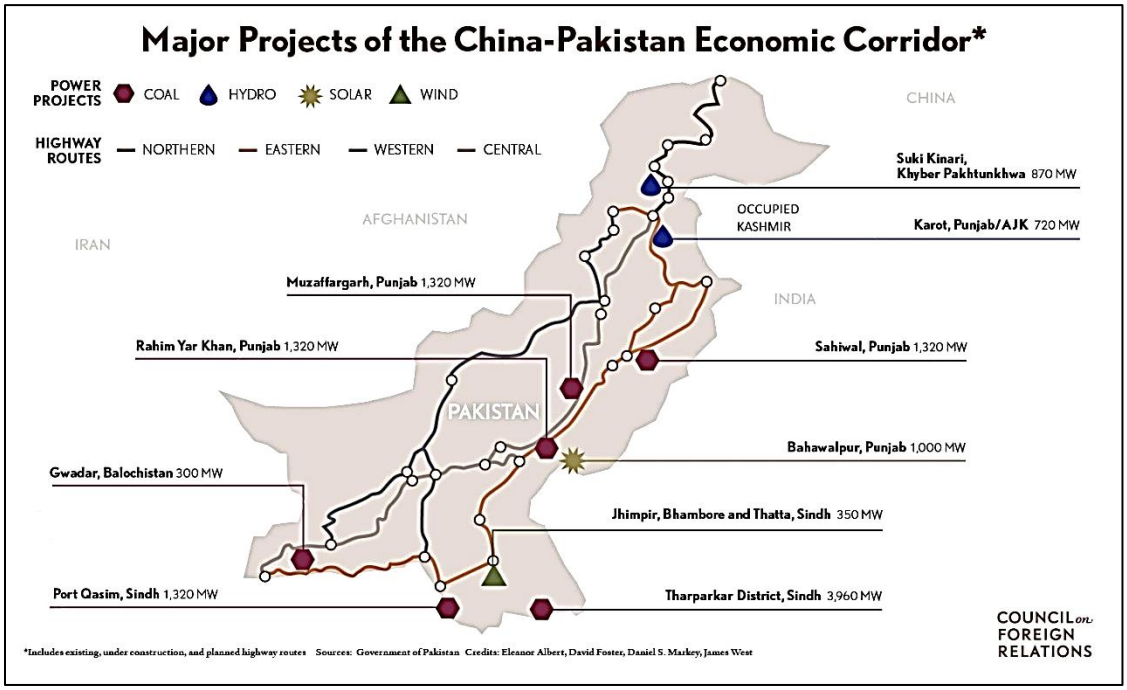
3.2 Infrastructure of Transport

It is the second largest component for the whole project in Pakistan's transportation Network. Approximate $12 billion is invested in it which is 24% of the whole investment of this mega project to enhance Pakistan's transportation infrastructure including, highways and Railway networks, In which 1,100 KM motorway connecting the coastal city of Karachi (Sindh, Province) with Lahore (Punjab, Province) which will move Pakistan's economy in the positive way including internal connectivity as well.

3.3 Economic Zones and Development Projects in Gwadar

China-Pakistan Economic Corridor is based on One Belt One Road (OBOR), it has an importance due to the connectivity of Eurasian continent. Due to its importance Special Economic Zones SEZs has been played a key role to make financial centers. A primary example of such facilitation investment based on Gwadar Port in Baluchistan, which approximate 380Km from the sultanate of Oman it is a conduit for china to access Middle East. The establishment of free trade zones at the port of Gwadar similar to the FTZs in Hong Kong and Shanghai which is projection of Market Oriented scenario in presence, China's top economic planner want to make the Gwadar Hub of Market – Oriented Growth in the economic aspects.

Figure 3.1: Major Projects of CPEC [9]



Project is still in beginning stages and many of its deliverable result are underworking. Its implementation depends on various factors that required further deliberation and discussion. There are many of challenges still on the way including security threats and political challenges it could face, other factor including china's strategic policies, USA and India examined this process in the broad way that what it could be effective for both Pakistan and its neighboring countries.

3.4 China-Pakistan Economic Corridor (CPEC) Route with the projection of Supply Chain Management

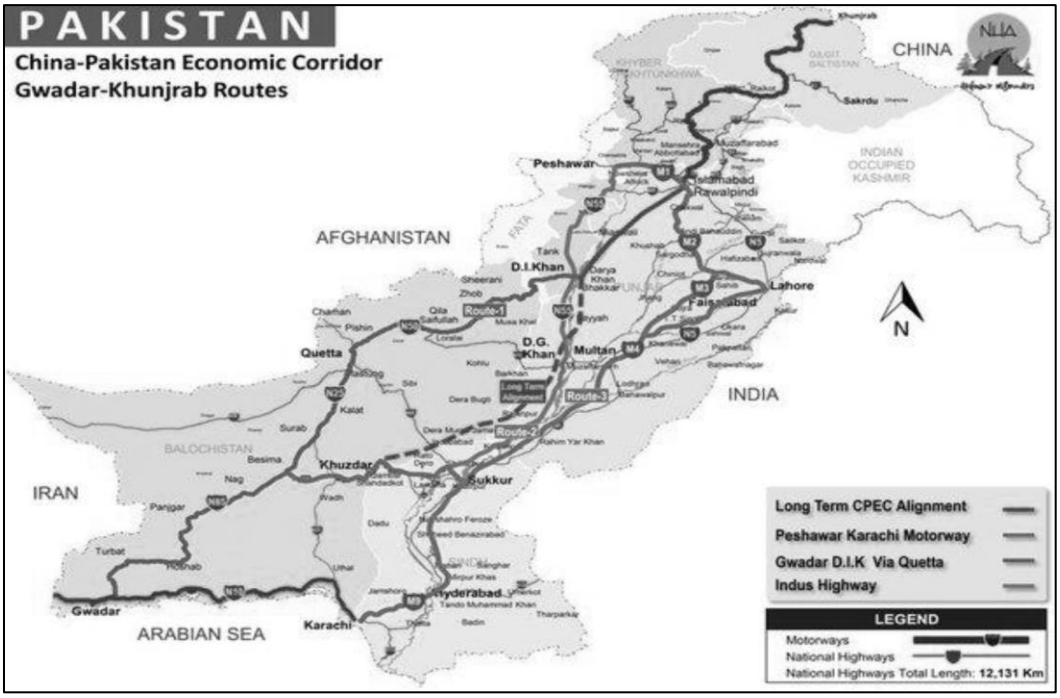
Pakistan's geological importance is much important due to the gate way for central Asia and offer central Asia states (Afghanistan, Uzbekistan, Kazakhstan, Kyrgyzstan and Turkmenistan) a shortest route of 2500 to 2600 Kilometers as compare to Iran 4500KM and Turkey 5000 KM.

Actually China-Pakistan Economic Corridor (CPEC) is a part of silk route belt that was proposed by Chinese President Xi Jinping in 2013, aimed relate to economic integration of Asia, Africa and Europe. China-Pakistan Economic Corridor (CPEC) emerged as a game changer in Asia because its importance can be evaluate like; it has mega Projects of infrastructure, railway, Highways and pipeline linking Kashgar dry port of China to Pakistan Gwadar Port with shortest route as well.

[9] Daniel S Markey and James West, Behind China's Gambit in Pakistan (2017)

The current distance between Kashgar (Dry Port) china to Shanghai Sea Port China is approximate 5153 Kilometer and proposed distance between Kashgar to Gwadar is about 2800 to 3000 Kilometers which is almost half of the current route distance.

Figure 3.2: CPEC proposed three routes Gwadar to Khunjerab National [10]



4. RESEARCH METHODOLOGY

According to this paper we are focusing on the transit time duration with shipping cost, because if we focus those organization who are dependent maximum of their import and export they were try to select the route in which they can save their time including transit cost savings.

To make more clarity we have to make this papers calculations most relevant that's why in this paper we analyze the cost and transit time period of 40-foot containers, In this study we also focused on three ports of Middle East for energy need basis (Jeddah, Kuwait and Oman) and European ports for mega trade volume base (Hamburg, Le Havre and Rotterdam). We have used research methodology into three different parts as below to make more reliable result:

1. Calculations for shipping cost and time duration of current route.

[10] National Highway Authority, 2017

2. Calculations for shipping cost and time duration of Future Route (CPEC).

3. Analyzing of the both calculations; Current Route and Proposed Route (CPEC) as well.

4.1 Calculations for shipping cost and time duration of current route.

To move further in this regard we have selected three different destination countries from Europe and Middle East in which china's mega volume of import and export business is going on after this, we have divide this portion into two parts one is relate to evaluate the import and export route with trade volume of destination countries on second portion we have calculated shipping cost and transit time as well, for 40-foot container based.

4.2 Evaluation of Export and Import Route with Trade Volume

4.2.1 Current Export Route

China currently doing business in mega level which evidence is that only china export was $2.37 Trillion in 2015, and the route which china follows currently to export their goods to destination countries can be elaborated in below sketch easily.

Figure 4.1: Representation of current route for export

The above mention sketch has shown that if china want to export their goods western china (Kashgar) it must be first dispatched from Kashgar by china road to shanghai (sea port) after it will be loaded to shipped destination port.

4.2.2 Export Volume

China always try to enhance their business volume with different countries main destination countries or ports with export volume will more clearly with below table.

Table 4.1: Export volume to selected destination countries [11]

Destination Countries	Total % of China Export	Export in $ Billions
Germany	4.10%	92.50
France	2.10%	48.90
Netherland	1.70%	41.20
Saudi Arabia	0.99%	23.40
Kuwait	0.17%	3.85
Oman	0.12%	1.21
Total	9.18%	211.06

[11]OEC. OEC. April Monday, 2017. http://atlas.media.mit.edu/en/profile/country/chn/.

The above mention chart clearly shows that Germany with $92.50 billion is in top importers of china products and with $1.21 billion Oman on the less importer of china's products as well.

4.2.3 Current Import Route:

Every country currently making bilateral trading relation to each other or other regional powers to enhance their export and volume as well. If china want to import goods from destination port than china currently using below chart

Figure 4.2: Representation of current route for Imports.

The above charts clearly shows that's for importing china used two ways one from destination ports and secondly from china roads as well. The relevant shipping cost gathered from freight forwarder and shipping time duration is available on shipping lines live.

4.2.4 Import Volume

China's economy growing day by day that why it has also need to import some necessary goods to fulfill their industry requirements due to largest economy in the world china is stand on 2nd position, in 2015 china imports $1.27 Trillion

Table 4.2: Import volume from selected destination countries [12]

Destination Countries	Total % of China Imports	Imports in $ Billions
Germany	6.20%	78.60
France	1.60%	20.70
Netherland	0.72%	9.20
Saudi Arabia	2.10%	26.70
Kuwait	0.55%	6.94
Oman	1.20%	14.70
Total	12.37%	156.84

The above mention chart shows that china maximum importing from Germany $78.60Billions and less importing from Kuwait $6.94 Billion.

[12] OEC. April Monday, 2017. http://atlas.media.mit.edu/en/profile/country/chn/.

4.3 Shipping Cost and Transit Time Calculation

In this portion we will first calculate the shipment cost from Kashgar (Western china) to seaport of shanghai and from shanghai to destination port as well, after this I have calculated the transit time as per same for exporting point of view. On the other hand for importing point of view same calculations have done to import from destination ports to shanghai port.

4.4 China Road Cost (Kashgar to Shanghai)

To make calculations of inland haulage charges from Kashgar to shanghai, we have multiply the total distance by the average per kilometer truck or rail cost as well. The total distance has taken from the Google map in which total distance has mention 5153 KM, The average per kilometer that is retrieved from AW Logistics, (LOGISTICS 2017) cost is $0.40 per kilometer. The reason is to taken average cost is that there is different local transport varies so average cost has been utilized. In below mention relevant calculation has been given.

Table 3.3: China Road Cost (Kashgar to Shanghai)

China Road Cost (Kashgar to Shanghai) Inland haulage charges			
Description	Distance in KM (Kashgar to Shanghai)	*	Per Kilometer
Inland haulage charges	5153	*	$0.40
Inland haulage charges	$2,061.20		

The above mention calculation shows that the cost will be approximate $2100 from kashgar dry port to shanghai sea port.

4.5 Current Route Shipping Cost including (Shanghai Port to Destination port)

The below mention chart has been calculated as below in which China Sea route (Shanghai Port to destination port has been taken from live vessel schedule of CMA lines[13]:

Current Route Shipping cost = China Road Cost (Kashgar to Shanghai port) + Shanghai sea Port to Destination port Cost

Table 4.4: Current Route shipping cost from Kashgar to destination ports

Origin Port	Destination Port	Freight (Kashgar to Shanghai) in $	Sea Port (Shanghai to Destination Port)In $	Total Freight in $
Kashgar China	Hamburg	2100 - 2200	1900 - 2000	4000 - 4200
	Le Havre	2100 - 2200	1900 - 2000	4000 - 4200
	Rotterdam	2100 - 2200	1900 - 2000	4000 - 4200
	Jeddah	2100 - 2200	1300 - 1400	3400 - 3600
	Kuwait	2100 - 2200	1300 - 1400	3400 - 3600
	Oman	2100 - 2200	1200 - 1300	3300 - 3500

[13]CMA, Lines. *cma lines for schedule.* April Sunday, 2017.

4.6 China Road (Kashgar to Shanghai) Transit Time

Regarding this portion transit time calculated by dividing total distance of kashgar to shanghai port by average truck or rail portion speed in this region. Truck or rail average speed 40 Kph has been taken from local transporters such as AW logistics.[14]

Table 4.5: Transit time from Kashgar to Shanghai Port

Transit Time (Kashgar to Shanghai port)				Average delayed
Description	Distance in KM (Kashgar to Shanghai)	/	Average Truck or Rail speed	24 Hours
China Road Transit Time	5135	/	40 KPH	
China Road Transit Time	128.37 Hours			
Total Time in Transit	152.37 Hours (OR) 6.3 Approximate 7 Days			

In above mention chart average time duration of 40-foot container has calculated including delayed time period of some issues like; strikes, weathers, Law and order situations, Traffic jams etc. That's why assumption of 24 hours' time delayed add in this time period.

4.6 Current Route Shipping Transit Period including (Shanghai Port to Destination port)

The below mention chart also is calculated as below:

Current Route Shipping Duration = China Road Period (Kashgar to Shanghai port) + Shanghai sea Port to Destination port Transit Period

Table 4.6: Transit time from Kashgar to Destination Ports

Origion Port	Destination Port	(Kashgar to Shanghai) Transit Time	Sea Port (Shanghai to Destination Port) Transit Time	Total Time
Kashgar China	Hamburg	7 - 8 Days	30 - 35 Days	37 - 43 Days
	Le Havre	7 - 8 Days	30 - 35 Days	37 - 43 Days
	Rotterdam	7 - 8 Days	30 - 35 Days	37 - 43 Days
	Jeddah	7 - 8 Days	15 - 18 Days	22 - 26 Days
	Kuwait	7 - 8 Days	15 - 18 Days	22 - 26 Days
	Oman	7 - 8 Days	12 - 14 days	19 - 22 Days

[14] Logistics, AW. www.awlogistics.com. April Tuesday, 2017. http://awlpak.com.

4.7 Calculations for shipping cost and time duration of Future Route (CPEC)

Table 4.7: Shipping Cost Kashgar to Gwadar (CPEC) Route

Through Pakistan Route (CPEC) (Kashgar to Gwadar)			
Description	Distance in KM (Kashgar to Gwadar)	*	Per Kilo Meter Cost
Pakistan Road Transit Time	2800	*	$0.25
Pakistan Road Inland haulage charges	$700.00		

Table 4.8: CPEC Route through Kashgar to Gwadar Transit Time

Through Pakistan Route (Kashgar to Gwadar) Transit Time				Average delayed
Description	Distance in KM (Kashgar to Gwadar)	/	Average Truck or Rail speed	24 Hours
Pakistan Road Transit Time	2800	/	40 KPH	
Pakistan Road Transit Time	70 Hours			
Total Time in Transit	94 Hours (OR) Approximate 4 Days			

Table 4.9: Total Transit time duration of CPEC route to destination ports

Origin Port	Destination Port	(Kashgar to Gwadar) Transit Time	Sea Port (Gwadar to Destination Port) Transit Time	Total Time
Kashgar China	Hamburg	3 - 4 Days	22 - 26 Days	26 - 30 Days
	Le Havre	3 - 4 Days	22 - 26 Days	26 - 30 Days
	Rotterdam	3 - 4 Days	22 - 26 Days	26 - 30 Days
	Jeddah	3 - 4 Days	07 - 09 Days	10 - 13 Days
	Kuwait	3 - 4 Days	02 - 04 Days	05 - 08 Days
	Oman	3 - 4 Days	04 - 07 days	07 - 12 Days

Table 4.10: Total Shipping Cost of CPEC route to destination ports

Origin Port	Destination Port	Freight (Kashgar to Gwadar) in $	Sea Port (Gwadar to Destination Port)In $	Total Freight in $
Kashgar China	Hamburg	700 - 800	1800 - 1900	2500 - 2700
	Le Havre	700 - 800	1800 - 1900	2500 - 2700
	Rotterdam	700 - 800	1800 - 1900	2500 - 2700
	Jeddah	700 - 800	900 - 1000	1600 - 1800
	Kuwait	700 - 800	900 - 1000	1600 - 1800
	Oman	700 - 800	300 - 400	1000 - 1200

4.8 Analyzing of the both calculations; Current Route and Proposed Route (CPEC) as well.

Table 4.11: Analyzing of Current and Proposed (CPEC) Route Shipping Cost

Origion Port	Destination Port	Current Route Shipping Cost in $ (Taken from Table#05)	Proposed CPEC Route Shipping Cost in $ (Taken from Table#11)	Difference in $
Kashgar China	Hamburg	4000 - 4200	2500 - 2700	1400 - 1500
	Le Havre	4000 - 4200	2500 - 2700	1400 - 1500
	Rotterdam	4000 - 4200	2500 - 2700	1400 - 1500
	Jeddah	3400 - 3600	1600 - 1800	1800
	Kuwait	3400 - 3600	1600 - 1800	1800
	Oman	3300 - 3500	1000 - 1200	2300

Table 4.12: Analyzing of Current and Proposed (CPEC) Route Transit time duration.

Origin Port	Destination Port	Current Route Transit Time (Taken from Table#07)	CPEC Route Transit Time (Taken from Table#10)	Difference in Transit Time
Kashgar China	Hamburg	37 - 43Days	26 - 30 Days	11 - 13
	Le Havre	37 - 43 Days	26 - 30 Days	11 - 13
	Rotterdam	37 - 43Days	26 - 30 Days	11 - 13
	Jeddah	22 - 26 Days	10 - 13 Days	12 - 13
	Kuwait	22 - 26 Days	05 - 08 Days	17 - 18
	Oman	19 - 22 Days	07 - 12 Days	10

5. CONCLUSION AND RECOMMENDATION

The basic concept of this paper is relate to find the impact of China-Pakistan Economic Corridor (CPEC) on Chinese import and export inters of shipping cost and transit duration as well. The result of that we have concluded from this paper is that china has world leading economy followed by export of $2.37 Trillion and imports is $ 1.27 Trillion (OEC 2017) which means China-Pakistan Economic Corridor (CPEC) will be impact positively on Chinese import and export as well. According to the proceeding's calculation of this paper we can say that China can save about approximate $1400 to $1500 shipping cost on each 40-foot container from European destination ports, $1800 from Middle East countries ports (Jeddah, Kuwait) and approximate $2300 from Oman in terms of transit time savings, it has save from 11 to 13days from European ports 12 to 13 days from Jeddah and Kuwait will save approximate 17 to 18 days its ports and 10 days from Oman ports as well in the frame of supply chain process.

China has not only the benefits of reduction shipping cost and transit time but also china can get cheapest form of raw material from destination ports to make more enhancement of exporting because when china get raw material in cheapest cost as compare to current route than it would be an advantage to compete its product with international market with low price to make their trade volume more strengthened, that's why we can say that China-Pakistan Economic Corridor

(CPEC) will impact positively for china's import and export in terms of shipping cost and transit time as well, China-Pakistan economic corridor (CPEC) in not only for these both countries but it will be play a key role for the regional integration and Middle East access to enhance regional connectivity with volume of trade as well with other neighboring countries. Every economical connectivity with different countries will be play also a positive role to control the security issues because when all regional countries will be integrate in terms of trade than they all will move endeavor to maintain batter security conditions

- China-Pakistan Economic Corridor (CPEC) is not only for the Pakistan and China it would be game changer for this region.
- Future route (CPEC) would also be positive for those companies of the other countries which export the goods and services to china to save shipping and transit time.
- Pakistan need's to promote supply chain tools.
- Need to enhancement of human resource network.
- Encourage to regional countries to take part in this project to make it successful.
- Pakistan need to encourage investors to invest in on-going CPEC projects.
- Make law and order in the smooth way to impact magnetically on foreign direct investment.
- Make more infrastructure batter to fulfill future requirement specially to make supply chain network strengthen.
- China and Pakistan need to commercialize these projects to enhance its importance in this region and other regions as well.
- China needs to shift its maximum supply chain network from current route to proposed Route China-Pakistan economic corridor (CPEC) to save its cost and transit time as well.

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