

DISTRICT ECONOMIC PROFILE GWADAR



Turn Potential into Profit

Small & Medium Enterprise Development Authority

Government of Pakistan

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1. Introduction to SMEDA

The Small and Medium Enterprises Development Authority (SMEDA) was established in October 1998 with an objective to provide fresh impetus to the economy through development of Small and Medium Enterprises (SMEs).

With a mission "to assist in employment generation and value addition to the national income, through development of the SME sector, by helping increase the number, scale and competitiveness of SMEs", SMEDA has carried out 'sectoral research' to identify policy, access to finance, business development services, strategic initiatives and institutional collaboration and networking initiatives.

Preparation and dissemination of prefeasibility studies in key areas of investment has been a successful hallmark of SME facilitation by SMEDA.

Concurrent to the prefeasibility studies, a broad spectrum of business development services is also offered to the SMEs by SMEDA. These services include identification of experts and consultants and delivery of need based capacity building programs of different types in addition to business guidance through help desk services.

2 Disclaimer

This information memorandum is to introduce the subject matter and provide a general idea and information on the said matter. Although, the material included in this document is based on data/information gathered from various reliable sources; however, it is based upon certain assumptions, which may differ from case to case. The information has been provided on as is where is basis without any warranties or assertions as to the correctness or soundness thereof. Although, due care and diligence has been taken to compile this document, the contained information may vary due to any change in any of the concerned factors, and the actual results may differ substantially from the presented information. SMEDA, its employees or agents do not assume any liability for any financial or other loss resulting from this memorandum in consequence of undertaking this activity. The contained information does not preclude any further professional advice. The prospective user of this memorandum is encouraged to carry out additional diligence and gather any information which is necessary for making an informed decision; including taking professional advice from a qualified consultant/technical expert before taking any decision to act upon the information.

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3 Purpose of the Document

The objective of the document is primarily to facilitate potential entrepreneurs in project identification for investment. The project may form the basis of an important investment decision and in order to serve this objective, the document/study covers various aspects of project concept development, start-up, and production, marketing, finance and business management.

The purpose of this document is to facilitate potential investors, by providing them with a general understanding of the business with the intention of supporting potential investors in crucial investment decisions.

The need to come up with reports for undocumented or minimally documented sectors attains greater imminence as the research that precedes such reports reveal certain thumb rules; best practices developed by existing enterprises by trial and error, and certain industrial norms that become a guiding source regarding various aspects of business set-up and its successful management.

Apart from carefully studying the whole document one must consider critical aspects provided later on, which form basis of any Investment Decision.

4. Introduction

4.1 Mekran Division

Makran mentioned in some sources as Mecran and Mokrān, is the coastal region of Baluchistan. It is a semi-desert coastal strip in Balochistan, in Pakistan and Iran, along the coast of the Gulf of Oman. It extends westwards, from the Sonmiani Bay to the northwest of Karachi in the east, to the fringes of the region of Bashkardia/Basgerd in the southern part of the Sistan and Baluchistan province of modern Iran. Makran is thus bisected by the modern political boundary between Pakistan and Iran.

The narrow coastal plain rises rapidly into several mountain ranges. Of the 1,000 km (620 mi) coastline, around 750 km (470 mi) are in Pakistan. The climate is dry with little rainfall. Makran is very sparsely inhabited, with much of the population concentrated in a string of small ports

including Chabahar, Gwatar, Jiwani, Jask, Sirik, Gwadar (not to be confused with Gwatar), Pasni, Ormara and many smaller fishing villages.

There is only one island off the coast of Makran, Astola Island, near Pasni although there are several small islets. The coastline can be divided into an eastern lagoon coastline and a western embayed coastline. The main lagoons are Miani Hor and Kalamat Hor. The main bays of the embayed coast are Gwadar Bay and Gwatar Bay. This latter bay shelters a large mangrove forest and the nesting grounds of endangered turtle species. The Mirani Dam provides irrigation, flood prevention and water supply to Gwadar city

It contains the following districts:

- **Gwadar District**
- **Kech District**
- **Panjgur District.**

4.2 Gwadar District Map



4.3 Gwadar District History

Gwadar is a port city on the southwestern coast of Balochistan, Pakistan. The city is located on the shores of the Arabian Sea opposite Oman. Gwadar was an overseas possession of Oman from 1783 to 1958. It is about 120 km (75 mi) southwest of Turbat, while the sister port city of Chabahar in Iran's Sistan and Balochistan Province is about 170 km (110 mi) to the west of Gwadar.

For most of its history, Gwadar was a small to medium-sized settlement with an economy largely based on artisanal fishing. The strategic value of its location was first recognized in

1954 when it was identified as a suitable site for a deep water port by the United States Geological Survey at the request of Pakistan while the territory was still under Omani rule.

The area's potential to be a major deep water port remained untapped under successive Pakistani governments until 2001, when construction on the first phase of Gwadar Port was initiated.

The first phase was inaugurated in 2007 at a total cost of \$248 million.

The port initially remained underutilized after construction for a variety of reasons, including lack of investment, security concerns, and the Government of Pakistan's failure to transfer land as promised to the port operator, Port of Singapore Authority.

In April 2015, Pakistan and China announced their intention to develop the \$46 billion China–Pakistan Economic Corridor (CPEC), which in turn forms part of China's ambitious One Belt, One Road.

Gwadar features heavily in CPEC, and is also envisaged to be the link between the One Belt, One Road and Maritime Silk Road project.

\$1.153 billion worth of infrastructure projects will be invested into the city as part of CPEC, with the aim of linking northern Pakistan and western China to the deep water seaport.

The city will also be the site of a floating liquefied natural gas facility that will be built as part of the larger \$2.5 billion Gwadar-Nawabshah segment of the Iran–Pakistan gas pipeline project.

In addition to investments directly under the aegis of CPEC in Gwadar city, the China Overseas Port Holding Company in June 2016 began construction on the \$2 billion Gwadar Special Economic Zone, which is being modeled on the lines of the Special Economic Zones of China.

In September 2016 the Gwadar Development Authority published a request for tenders for the preparation of expropriation and resettlement of Old Town Gwadar.

Gwadar underwent major development from 2002 to 2007.

In 2002, Pakistan's National Highway Authority (NHA) began construction of the 653 km-long Makran Coastal Highway linking Gwadar with Karachi via Pasni and Ormara and onwards with the rest of the National Highways of Pakistan, which was completed in 2004.

In 2003, the Gwadar Development Authority was established to oversee the planning and development of Gwadar and Gwadar Industrial Estate Development Authority was established to promote industrial activities in mega port city of Gwadar.

In 2004, Pakistan's NHA began construction of the 820-km long M8 motorway linking Gwadar with Ratodero in Sindh province via Turbat, Hoshab, Awaran and Khuzdar and onwards with the rest of the Motorways of Pakistan.



In 2006, the Gwadar Development Authority conceived, developed and adopted a 50-year Master Plan for Gwadar.

In 2007, the Civil Aviation Authority of Pakistan acquired 1,700 ha (4,300 acres) to construct a new Greenfield airport, the New Gwadar International Airport 2,400 ha (6,000 acres), at an estimated cost of US\$246 million.

5 Socio – Economic Framework

5.1 Geography & Climate

The climate of Gwadar, elevated at 0-300 meters above sea level, is drying arid hot. It is placed in “warm summer and mild winter” temperature region. The oceanic influence keeps the temperature lower than that in the interior in summer and higher in winter. The uniformity of temperature is a unique characteristic of the coastal region in Balochistan

5.2 Culture

The majority of population consists of Balochs. Balochi is spoken with a different dialect from that spoken in Dera Bugti and Kohlu. Historically the society in Gwadar was divided in three social strata Hakims, Balochs and Hizmatgars locally known as Darzadas or Gholams. Hakims constituted privileged class of the society, Baloch being intermediary class and Hizmatgars who were the lowest socio-economic stratum of the society. But those social class boundaries lost their existence between once Baloch Nationalism took routes in Makran.

Kalmatis, Mehdizais, Kaundais, Rais, Sangurs, Shehzadas, etc represent the important groups among the Baloch.

5.3 Area

Gwadar district is located from 25°-01' to 25°-45' North latitudes and from 61°-37' to 65°-15' east longitudes. It is bounded on the North by Kech and Awaran District. In the East by of Labella District, on the south by the Arabia Sea and on the West by Iran. Total area of the district is 12,637 square kilometers.

5.4 Population

Admin unit	Area (SQ. KM)	All sexes(2017)	Male	Female	Sex ratio	Population density per SQ. KM.	Average household size	Population 1998	1998-2017 average annual growth
Gwadar district	12637	262253	141116	121120	116.51	20.75	6.36	185498	1.84
Rural		101474	53299	48173	110.64	-	5.80	85346	0.91
Urban		160779	87817	72947	120.38	-	6.79	100152	2.52

Source: Pakistan Bureau of Statistics

5.5 GWADAR DISTRICT AT A GLANCE

Area	12637 Sq. Km
Population	262253 persons
Male	141116
Female	121120
Sex Ratio (males per 100 females)	116.51
Population density	20.75 per Sq. Km
Urban population	160779
Rural Population	101474
Average Household size	6.36
Literacy Ration (10 +)	25.5 %
Male	35.52 %
Female	13.81 %
Total Housing units	39922

Pacca Housing Units	6289 (18.67 %)
Housing Units having Electricity	11716 (34.78 %)
Housing Units having Piped Water	15300 (45.43 %)
Housing Units using Gas for Cooking	291 (0.86 %)
Administrative units	
Sub-Divisions	02
Union councils	13
Mauzas	77
Municipal Committees	02
Town Committees	02

Source: Pakistan Bureau of Statistics

5.6 EDUCATION

As true for other parts of Balochistan, Gwadar has low population density. As described earlier population density in district Gwadar is as low as 21 persons per square kilometer. This situation leaves a lot of settlements without schools as many of these settlements do not qualify to have schools due to their size. As opposed to 206 primary schools there are only 28 middle and 24 secondary schools while there is only 1 higher secondary school in the district. Overall the ratio of primary to middle is 7:1, for boys it is 8:1 and for girls it is 7:1. This becomes another factor for dropout beyond primary level.

No. of schools in district Gwadar.

Total	Primary	Middle	High	H. secondary
277	219	32	25	1
School by level and gender				
Total	Boys-Girls	Boys-Girls	Boys-Girls	
277	148-71	23-9	16-10	

Source: Education Management Information System (BEMIS)

Low utilization of existing teacher strength and schools is another factor. The enrolment gaps continue to exist even in populations and settlements with accessible primary schools. The teacher student ratio varies across schools but overall average at middle and high schools is low in the district as depicted in the table below

Teacher Student Ratio						
	Appointed Teacher – Student Ratio			Sanctioned Teacher – Student Ratio		
	Boys	Girls	Total	Boys	Girls	Total
Primary	39	48	42	35	42	38

Middle	26	68	36	19	34	24
High	21	74	31	10	21	13

Source: BEMIS

There is a potential to enroll more children in the existing infrastructure. The data shows that the schools are still underutilized. At primary level the teacher room ratio may be another dimension to analyze the gap in the district. At primary level there are 677 rooms whereas the sanctioned post is 640 against which 569 are appointed that means still rooms are required to provide classroom to all the teachers.

5.7 Main crops

Main crops of Gwadar are Wheat, jowar (sorghum), and rice are the major food crops, and fruits are the principal cash crops.

5.8 Minerals

Mines and Minerals sector in district Gwadar does not have any significance to be a potential sector. Geological Survey of Pakistan and the department of minerals have not reported any minerals in Gwadar district. The only mineral product of the district is ocean salt.

6. INFRASTRUCTURE

6.1 GWADAR DEVELOPMENT AUTHORITY

Gwadar Development Authority was established in October 2003 to improve/Implement the Master Plan, which initially suggested only the land use. After the establishment of the Authority, Internal Road Network, Land Zoning and Vision for future Gwadar was Developed/finalized. The same time the Gwadar Town Planning Regulations were adapted. Details of the Land use are as under:

Type	Area (Acres)	
Residential	19500	Extendable

Commercial	200	Ext.
Recreational	210	Ext.
Industrial + Ware Housing, Desalination Plant, New International Airport, Railway Linkage, Multiple access to port and various urban facilities. Other incentives in Gwadar Master Plan includes: <ul style="list-style-type: none"> • Economic Free Zone • Subsidized Electricity • 5 roads connecting Gwadar with rest of the country/Afghanistan, China and India, Secondary access to all Central Asian Countries. 	10000	Ext.

Source: GDA

G.D.A. is a statutory body. The Chief Minister Balochistan is the Chairman of the Governing Body of the G.D.A. the other members are

1. Chief Minister, Chairman.
2. Chief Secretary.
3. Additional Chief Secretary, P&DD GOB.
4. The Secretary, Finance, GOB.
5. The Secretary, Ministry of Railways or Representative.
6. The Secretary, Ministry of Communication or Representative.
7. Director General, GDA.
8. The Chairman, Gwadar Port Authority.
9. Member National Assembly from the Area.
10. Member Provincial Assembly from the Area.
11. Minister, GDA.
12. Mr. Ahmed Bakhsh Lehri, Lifetime Member.

FUNCTIONS OF DEPARTMENT

- Regulate the land use of Gwadar Tehsil.
- Development of Infrastructure, Public Services / facilities mentioned in Master Plan.

- Monitoring of Planning and Engineering works on Public – Private Projects in Gwadar.
- Ensure an Environment friendly growth.

SERVICES & INCENTIVES

Gwadar Development Authority is committed to develop Gwadar town as one of the Modern cities of the Pakistan. As there is not a single piece of land owned by Government, so Gwadar Development Authority is only a regulatory body:

- Regulate the Land Use and Implement the Plans.
- Provides No Objection Certificates to the Public & Private sponsors for their project after examining the required documents.
- Monitor the public / private schemes/project regularly till completion and provide the public facilities mentioned in the Master Plan.
- Economic Free Zone
- Subsidized Electricity
- 5 Roads Connecting Gwadar with rest of the Countries (Afghanistan, China and India) Secondary access to all Central Asian Countries

STRATEGY

- Task Gigantic-Resources Scarce – Hence a special strategy devised:
- Encourage the private sector to invest every where
- GDA to work as a facilitator / regulator.
- Strategy of gradual decongestion of old town
- Workout rough cost and prepare PC-I on these basis
- Approach Federal and Provincial Government for grants
- Prioritize components of the projects keeping in view the availability of resources/needs

- Get these PC-Is approved from the Governing Body of GDA and share it with Federal/Provincial Government.

NOCs Issued	No. of Schemes	Total Area	
Residential	77	14,210.604	Acres
Industrial	16	2,274.87	Acres
Commercial	06	299.84	Acres
Recreational	04	381	Acres

Source: GDA

6.2 GWADAR PORT AUTHORITY

The Government of Pakistan has approved and built the third seaport and the first deep seaport at Gwadar on the Balochistan coast at about 235 Nautical miles West of Karachi and 390 nautical miles East of Gulf of Hormoz.

“Gwadar deep seaport is the second great monument of Pakistan -China friendship after the Karakorma Highway linking Pakistan and China. The foundation stone of the port was laid by the Chinese vice-premier Wu Bangguo in March 2002. With the completion of the first phase of the port, Gwadar, a small fishing village has become one of the most important towns of region and is poised to become one of the most important and modern cities of the Middle East, West Asia and the South Asia.

Gwadar port will become gateway port for Pakistan and the region and a world –class maritime hub. Gwadar Port is to Complement Karachi Port and Port Qasim in order to stimulate economic growth of Pakistan and in particular Balochistan utilizing the available resources of the country and also providing an outlet for land locked Central Asian Countries western China and Afghanistan through transit trade and offering transshipment facilities.

PORT PROFILE

CURRENT PORT INFRASTRUCTURE

- 3 -multipurpose berths - each 200 meters long.
- 1 -RO-RO facility
- 1-100 meter service berth
- 4.7 km long approach channel dredged to 14.4 m at outer channel, 13.8 m at inner channel /turning basin and 14.5 m depth alongside berth.
- Outer channel is-206 m and inner channel width in 155m
- Turning Basin 595 m diameter
- The port, currently, has the capacity to handle 50,000 DWT bulk carriers @ 12.5 meter maximum depth

CURRENT PORT FACILITIES

Port Area	64,000 sq.-m
Container stacking area	48,278 sq.-m
Reefer Cargo space	(400 points)367sq-m
Empty container stacking area	6,875 sq.-m
Storage yard	28,669 sq.-m
Transit shed	3,750 sq.-m
Hazardous cargo storage yard	1,800 sq.-m
Control tower (foot print only)	1,536 sq.-m
Buoy yard	1,500 sq.-m
Generator building	593 sq.-m
Maintenance workshop (general)	1,440 sq.-m
Vehicles Servicing Garage	450 sq.-m
Security building	65 sq.-m
Common offices for GPA, Customs,	Immigration Several floors, per floor: 4 ,144 sq.-m
Mosque	324 sq.-m
Operations office and canteen. Per floor:	1,742 sq.-m

Lorry car park	1,125 sq.-m
Future development area	118,575 sq.-m
Oil recovery system	1 complete set
Communication	
VHF/DSC including INMARSAT-B	Complete system

CURRENT PORT EQUIPMENT

• Crafts and vessels
• 2 - Tug boats (each 2400 HP)
• 1 -Survey boat
• Working boat
• 1 -Mooring boat
• 2 -Pilot boats

CRANES AND YARD EQUIPMENT

• 5 - Rail-mounted Cranes
• 2 x 40 tons- 40 m
• 1 x 16 tons- 33 m
• 2 x 10 tons-33 cranes
• 2 - 40 tons RTGS
• 2 -10 tons mobile cranes
• Refrigeration Container Sockets- 400 in No.
• Power House Main Generators 03 Nos. (1.5 WM each)
• Power House Emergency Generator (116 KW)
• 12 Fork lift trucks with rated lifting capacity 5 tons.
• 2 Containers reach stackers, capacity 40 tons
• 6 Container tractors, capacity 100 kN.
• 4 Container semi-trailers, carrying one 40' container or two 20' containers
• 4 25 t flat trucks
• 4 10 t flat trucks
• 8 Hoppers, 6 m x 6 m
• 8 Mobile bagging plants, capacity 50 t/h
• 12 Fork lift trucks, capacity 5 t
• 2 Weighing bridges, capacity 80 t

- | |
|----------------------|
| • 2 Fire tender |
| • 1 Sweeping Vehicle |
| • 1 Garbage Truck |

6.3 DESALINATION PLANT

A desalination plant has been set-up at Gwadar Port to supply 100,000 gallons/day of drinking water to ships arriving at Gwadar Port.

6.4 GWADAR INDUSTRIAL ESTATE

The Government of Balochistan is developing an industrial estate in Gwadar to meet the demand for industrial plots in the port city, which is expected to have substantial potential for industrial investment in view of the opportunities offered by the establishment of deep sea port and construction of major highways linking Gwadar with Karachi, Quetta, Iran and Central Asian countries. There are also plans to extend railway to Gwadar.

SALIENT FEATURES

- 3000 Acres Area
- 1, 2, 5 Acres Industrial Plots
- Desalination Plant
- 4 MV Grid Station
- 250, 200, 80 feet Wide Road Network
- 250,000 GLS RCC Water Tank
- Special Economic Zone
- Various Tax exemption

TYPE OF INDUSTRIES

- Warehouses
- Small Size Industries
- Medium Size Industries
- Noise & Pollution Intensive Industries
- Cement Industries
- Manufacturing Industries
- Textile Industries
- Food Industries
- Petro Chemical Industries

GIEDA LOCATION

- Front at Coastal Highway
- 8 minute drive from N10 & M8 Intersection
- 8 minute drive from New Gwadar International Airport
- 50 minute drive from Gwadar Port & Free Zone Phase 1
- 50 minute drive from Sangar Housing Project Gwadar
- 35 minute drive from New Town Monument Gwadar
- 30 minute drive from GDA Hospital Gwadar

6.5 Export processing zone authority (EPZA).

Gwadar Export Processing Zone is to be developed on 1000 acres (50% BOT + 50% PSDP funding). Following results will be obtained after development of Export Processing Zone in Gwadar:

- High Tech large processing units will be established on 8000 sq. meter/each area.
- Large industry unit on 4000 sq. meter/each area
- Medium type unit on 2000 sq. meter/each area
- Small unit on 1000 sq. meter /each area
- Bank on 400 Sq meter/ each area
- Tentative estimated Foreign Direct Investment (FDI) US \$ 600 million.
- Expected job generation (skilled + unskilled) 20,000/-
- Tentative exports are US \$ 500 million. Per annum.

6.6 ROADS

The N-10 or National Highway 10, is a 653 km national highway in Pakistan which extends along Pakistan's Arabian Sea Coast from Karachi in Sindh province to Gwadar in Balochistan province. It passes the towns of Ormara and Pasni. The construction contract for the Makran Coastal Highway was awarded to Pakistan's Frontier Works Organization (FWO), which built the Karakorum Highway. Construction work on the Makran Coastal Highway Project commenced in 2002 and was completed by 14 December 2004, in a period of three years.

Gwadar development authority has also initiated construction project on the 6-six 50-60 meter wide roads within the Gwadar Master plan. These roads are Jinnah Avenue, Marine Drive,

Balochistan Broadway, Rakhsani Avenue Padizar Avenue and Pasni Avenue. Gwadar has been linked to Mekran coastal highway and Iran via these roads.

The M-8 is an east-west motorway in Pakistan, connecting Sukkur- Larkana to Gwadar. The motorway partly currently under-construction, while the 193 kilometer stretch between Gwadar and Hoshab was inaugurated in February 2016. A timeline for the completion of the motorway is not available due the difficult terrain in which the motorway is being constructed.

The M8 is being constructed by Pakistan's National Highway Authority. Construction of the M8 commenced on 15 October 2004. According to a newspaper report of July 23, 2015 the construction arm of Pakistan army, Frontier Works Organization (FWO) has completed 502 of 870 kilometer of this road. The work started simultaneously from the junction with the Mekran Coastal Highway (MCH) and from Ratodero in Sind. As of January 2015, the road is completed except for some bridges from MCH to a point near Hoshab where it joins N85 (Hoshab-Panjgur-Besima Highway) and Hoshab-Bela Road. The M8 Motorway will be following the alignment of N85. From the Ratodero end M8 to Khuzdar is almost complete except for a difficult section going over the peaks of northern Kirthar range about seventy km east of Khuzdar. M8 motorway is part of CPEC central Route. Motorway half part from Gwadar to hoshab is operational with 2 lanes.

6.7 TRANSPORTATION

Buses, Hiace Wagons and pick-ups operate daily for Karachi, Turbat, Panjgur, Khuzdar, and other towns of the district including Pasni, Jiwani, Ormara, Suntsar, Pishukan, Sur Bandar, and Nigore. There are more than 10 Karachi bound transport companies which have air conditioned coach facilities. Suzuki Carry and Ching Chee rickshaw is employed as mode of public transport in Gwadar.

In recent years Rent a car and Taxi service has also been started in Gwadar that have modern luxurious cars and jeeps that is being employed by visitors, investors and government officials to travel within Gwadar district but are limited.

6.8 RAILWAY

Pre-feasibility study of Broad Gauge railway linkage of Gwadar –Mastung and Quetta is under study of Ministry of Railways Government of Pakistan. It is planned that Gwadar will be linked through Rail with all over Pakistan and also to central Asian states and Iran.

6.9 AIRPORT

Gwadar International Airport (IATA: GWD, ICAO: OPGD) is an international airport situated 14 km (9 miles) north of the city center of Gwadar.

Gwadar is located at international air roots, there are 4 airports (Gwadar, Pasni, Ormara, and Jiwani) in the district, of which 2 (Gwadar and Pasni) are international airports. At Gwadar, the airport is in operation that is linked to Quetta, Karachi, Disbandeen, Turbat and Muscat.

PIA (Pakistan International Airlines) is a major service provider with direct flights to Quetta, Karachi, Turbat, Dalbandeen and Gulf countries i-e Dubai, Masqat etc.

A New Gwadar International Airport (NGIA) is being built and will be countries biggest when completed in 2022. Occupying 4,300 acres (17 km²) of land, it is located in Gurandani, 26 km north-east of the existing airport in Gwadar City on the south-western Arabian Sea coast of Balochistan region. NGIA is expected to cost \$246 million. It is fully funded by China as a grant.

6.10 COMMUNICATION

The Pak-China Optical Fiber Cable Project is a first of its kind project under the China Pakistan Economic Corridor (CPEC), which gives China alternate and shorter access for transit telecom traffic to Europe, Middle East and Africa. The project features the development of communication infrastructure of around 820 km underground OFC from Rawalpindi to Khunjerab and 172 km aerial OFC from Karimabad to Khunjerab to supplement in landslide prone areas. It provides 26 high capacity microwave links as backup to OFC network and 9 node centers in different locations along Rawalpindi-Khunjerab belt. The work on the project was formally launched in 2016 and has been completed in a record two years. The project is collaboration between Special Communications Organization, China Telecom Global and Pakistan Telecommunication Company.

Pakistan Telecommunication company (PTCL) has (3) three digital telephone exchanges in Gwadar.

There are a number of cellular companies operating in the Gwadar district, however their coverage is limited only in the Gwadar city and some companies also cover Pasni town. The companies include Mobilink, Zong, Ufone and Telenor.

Pakistan post has a General Post office in Gwadar. Beside Pakistan Post numbers of Private courier services are also operating in the district that includes TCS, OCS, and SPEEDEX. Pakistan Postal Services Corporation has established one post office at Gwadar town and 3 sub post offices at Pasni, Ormara, and Jiwani. 3 branch post offices at Kalamat, Sur Bandar, and Pishukan.

6.11 ENERGY

Gwadar and Pasni are connected to main electricity transmission from Iran. Electricity is brought from Iran via Mand and Turbat. Where it is supplied to district Panjgur and major portion of District Gwadar. Jewani, Ormara, Pishokan, Kappar and Kalamat areas of the district have independent power generating system. Electricity is produced through heavy diesel engines Electricity of the district is governed and operated by Quetta Electric Supply Company. (QESCO)

Fuel wood, kerosene oil and liquefied petroleum gas (LPG) is mainly used for cooking and heating, while diesel engine generators are used to run sea food processing factories, ice plants and tube wells. All most all the kerosene oil, diesel, and petrol come from Iran through cross-border trade. The price difference in Iranian and Pakistani petroleum products is significant. Therefore, illegal trade of Iranian petroleum has flourished well.

7. Economic Potential

7.1 CPEC (China Pakistan Economic Corridor)

China-Pakistan Economic Corridor is a framework of regional connectivity. CPEC will not only benefit China and Pakistan but will have positive impact on Iran, Afghanistan, India, Central Asian Republic, and the region. The enhancement of geographical linkages having improved road, rail and air transportation system with frequent and free exchanges of growth and people to people contact, enhancing understanding through academic, cultural and regional knowledge and culture, activity of higher volume of flow of trade and businesses, producing and moving energy to have more optimal businesses and enhancement of co-operation by win-win model will result in well connected, integrated region of shared destiny, harmony and development.

China Pakistan Economic Corridor is journey towards economic regionalization in the globalized world. It founded peace, development, and win-win model for all of them.

China Pakistan Economic Corridor is hope of better region of the future with peace, development and growth of economy.

CPEC is an ongoing development mega project which aims to connect Gwadar Port of Pakistan to China's northwestern region of Xinjiang, via a network of highways, railways, and pipelines. The economic corridor is considered central to China–Pakistan relations and will run about 2700 km from Gwadar to Kashgar.

China-Pakistan Economic Corridor and its connectivity with Central Asia, Middle East and Africa will help to shape the entire region. Overall construction costs are estimated at around \$46 billion, with the entire project expected to be completed in several years.

The Corridor is an extension of China's proposed 21st century Silk Road initiative. This is the biggest overseas investment by China announced so far and the corridor is expected to be operational within three years. The corridor will be a strategic game-changer in the region and would go a long way in making Pakistan a richer and stronger entity.

The CPEC projects, investment on the corridor will transform Pakistan into a regional economic hub. The corridor will be a confidence booster for investors and attract investment not only from China but from other parts of the world as well. Other than transportation infrastructure, the economic corridor will provide Pakistan with telecommunications and energy infrastructure.

CPEC is a game-changer project which will lift millions of Pakistanis out of poverty and misery. The project embraces the construction of the textile garments, industrial park projects, construction of dams, the installation of nuclear reactors, and creating networks of road, a railway line that will generate employment, and people will also take ownership of these projects. Fully equipped hospitals, technical and vocational training institutes, water supply, and distribution in undeveloped areas will also improve the quality of life of people. CPEC is not only the name of road, port, and railway system but a multi-dollars mega project which will bring peace and prosperity in all the provinces of Pakistan. The chairman of the Gwadar port, Dostain Khan Jamaldini said that the CPEC would not only benefit Balochistan but also prove beneficial for the country's three other provinces.

MAIN COMPONENTS OF CORRIDOR

- Gwadar (including port and city and Gwadar region socio-economic development).
- Energy (Coal, Hydel, Wind, Solar, LNG, Transmission).
- Transport Infrastructure (Road, Rail, Aviation).
- Investment & Industrial Cooperation (Gwadar Free Zone and other industrial parks to be finalized).
- Any other area of interest mutually agreed.

The table given below summarizes the number of projects identified so far along with estimated cost under CPEC.



Sr. No	Sector	No. of Projects	Estimated Cost (Million \$)
1	Energy	21	33,793
2	Transport Infrastructure	14	9,784
3	Gwadar	8	792.62

CPEC Projects Progress Update

CPEC Gwader Projects

1. Gwadar East-Bay Expressway

Project progress

- Cost approved by ECNEC on 12-01-2015
- Contract Agreement was signed b/w GPA & CCCC on 24-09-2017
- Groundbreaking ceremony of Eastbay Expressway was held on 22nd November 2017 by Prime Minister
- Construction work underway
- Date of Completion October, 2020

2. New Gwadar International Airport

Project progress

- Design and work plan agreed
- Grant Agreement signed in May 2017

- Groundbreaking done by Prime Minister on 29th March 2019
- Construction work started on 31st October 2019
- Press Link:
- Prime Minister Imran Khan performed ground-breaking of Gwadar International Airport at Gwadar on Friday.

3. Construction of Breakwaters

Project progress

- Draft business plan has been received from Chinese (COPHCL), under review by MoP&S and GPA

4. Dredging of berthing areas & channels

Project progress

- Draft business plan has been received from Chinese (COPHCL), under review by MoP&S and GPA
- Draft MoU for joint Technical and Commercial Feasibility has also been Prepared and being vetted by concerned Ministries

5. Dredging of berthing areas & channels

Project progress

- Tax exemptions for port and Free Zone notified in Finance Bill 2016
- Ground breaking done by the Prime Minister
- 100% private Investment inside Free Zone. To be operated by COPHCL
- 1st phase completed and inaugurated in January 2018
- Significant progress and response from investors
- Gwadar Free Zone investment guide line published
- First Gwadar Expo was held in January 2018
- A number of industries to start construction work in soon

6. Pak China Friendship Hospital

Project progress

- Feasibility study completed by Chinese team to add 100 beds from existing 50, for subsequent extension to 300 beds
- LOE is signed on 10th April 2018 between EAD and MOFCOM
- Implementation minutes signed on 29th March 2019
- Groundbreaking held on 16th December 2019



7. Pak-China Technical and Vocational Institute at Gwadar

Project progress

- GPA acquired 18 acres land and infrastructure of old Gwadar Degree College for establishment of Pak-China Technical & Vocational Institute
- The onsite feasibility study of the project has been carried out in January 2017 by the China International Engineering Company
- Minutes of onsite feasibility study has been signed with Chinese side on 09th August 2017
- LOE between EAD and MOFCOM signed in April 2018
- Implementation minutes signed on 29th March 2019
- Groundbreaking held on 16th December 2019

8. Gwadar Smart Port City Master Plan

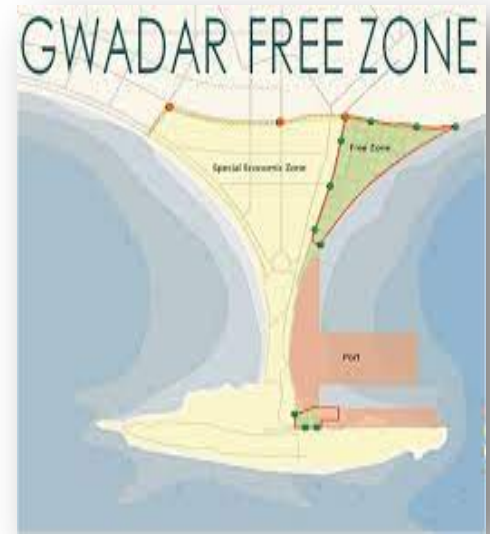
Project progress

- MoU signed in Nov 2015
- LOE signed in August 2015
- Chinese Fourth Harbor Design Institute has been nominated for Gwadar Smart City Plan
- Contract Signed in May 2017
- Completed and approved in the 9th JCC held on 5th November 2019

7.2 Gwadar Port

In the changing dynamics of global architecture, the sea politics is getting complex with more focus on commercial activities and economic prosperity. Gwadar Port is the warm water and deep sea port of Pakistan. It is situated at the mouth of Persian Gulf, Strait of Hormuz and holds 2/3 world oil reserves. During its construction phase, from 1988-1992 small port was constructed. In 2007, General Musharraf inaugurated the port. From 2007-2012, Gwadar port remained under Port Singapore Authority (PSA) but due to its poor performance, the port was handed over to China Overseas Port Holding Company (COPHC) in 2013. Since then the construction work has been done at a rapid pace. Along with the Gwadar port, the building up of Gwadar city, Gwadar power generation plants and Gwadar International Airport are the proposed projects under development. The port has started shipment, seasonal cargo and commercial trade but it is still under construction.

The port holds great strategic and economic significance for Pakistan. It is third important deep sea port of Pakistan after Karachi and Qasim ports. It is located at cross-junction of international sea shipping and oil trade routes. Gwadar can act as an international trade hub for Pakistan. Gwadar Port would connect three regions, i.e. Central Asia, South Asia and Middle East. It would open new job opportunities and help in the development of Baluchistan. Pakistan would be able to explore minerals, hydrocarbons, oil and gas resources of CARs. The port will attract foreign investment and tourism. It would provide foreign reserves and free trade zones and special economic zones (SEZ) that would help in the economic prosperity of Baluchistan and Pakistan. It would help to increase Pakistan's trade and commercial activities particularly in Baluchistan province.



Gwadar will help Pakistan to monitor the Sea Lines of Communications (SLOCs) originating from the Persian Gulf and the Strait of Hormuz. Gwadar will be able to control the oil sea routes and trade links among regions such as South Asia, Africa, Central Asia, Gulf and Middle East. It will provide strategic leverage to Pakistan vis-à-vis India, as the port is far from Indian reach as compared to other two Pakistani ports. Gwadar will increase job opportunities for Pakistani people and help in economic development through transit trade fee and foreign exchange reserves. Gwadar will boost up cooperation of Pakistan with other countries in oil and energy sector. Tourism, trade, hotel industry and state revenue will increase which will strengthen economy of the country. Gwadar offers tax-free investment and trade, thus attracting large number of foreign investors to open new development projects and economic plans.

Asia, being the largest region, has many landlocked countries and their access to sea via their own land route is very costly. Such countries look out for shortest routes for the purpose of international trade. China is an example whose western part is thousand kilometers away from its Eastern seaports. Through Pakistan-China Economic Corridor (CPEC), China would benefit from the nearest Gwadar port. Kashgar is 4500 km while Gwadar is 2800 km from the Port of Shanghai. The port would provide China an access to Afghanistan and Central Asian Republics (CARs). The Strait of Malacca can be blocked by India but Gwadar would provide an alternate sea route. Gwadar can act as an alternative route to Indian Ocean or South China Sea routes. Pak-China Relations will improve, as Chinese Premier on his bilateral visit to Pakistan in May

2013, referred to Gwadar as “Economic Corridor”. Similarly, Gwadar has the potential to serve as a regional hub and it would also provide better trade routes to the landlocked Caspian region.

7.3 Gwadar Free Zone

Located just 7km away from the port, the northern part of Gwadar has seen some significant investment and developments in the area lately. Commonly known as the Gwadar Free Zone, the region has been much talked about for the recent tax exemptions that were approved to businesses investing here. In what is being seen as a big step to take the Pak-China bond to a new level, the Gwadar Free Zone holds a significant position in the business relationship.

The Gwadar area of Balochistan province is known for its exemplary store of natural resources. However, unlike most other naturally rich places in the world, the Gwadar area has been defined by its significant development. Locals have experienced a rise in poverty and unemployment in the distant past but that is certainly set to change over the coming years. Construction on the Gwadar Free Zone started as soon as investments from Chinese giants; The China Overseas Ports Holding Ltd arrived in the sum of \$250 million. Phase 1 was inaugurated in 2018 with Phase 2 in development. The company constructed a massive 25-acre modern industrial park with all the modern amenities.

This project and many other subsequent developmental projects have created job opportunities for the locals. The recent developments have also been highly regarded by the officials in Balochistan too.

China and Pakistan in unison have realized the strategic and economic significance of the port of Gwadar. It is the cornerstone of the whole trade that happens in the area and critical to building trade with the South West and Central Asia. The area is known for carrying out almost 40 per cent of the oil shipment transits. Hence the strategic location of the Gwadar will give Pakistan and China an upper hand in the region. When transits happen on a large scale at some port, the areas around the port are also the beneficiaries to large scale development.

The recent inaugurations of the developmental projects in the Gwadar Free Zone like the 300MW coal power plant and others will provide a sustainable effect on the economy of Balochistan and Pakistan as a whole. The public will reap the benefits of all these projects throughout the initial phases of the projects to its final development phase. The pace of these developmental projects has increased even more after the tax exemptions that the Pakistani government gifted investors looking for business opportunities in the Gwadar Free Zone.

The businesses that are to be established in the Gwadar Free Zone area are set to enjoy tax benefits for 23 years. Besides providing enough time to investors to cover their expenses and work on the profits, this step has also been successful in bringing the attention of business owners from all over the world to the Gwadar Free Zone. According to reports, more than 30 Pakistani and Chinese investors have already moved in with direct investments worth more than three billion Yuan. China has already planned to develop the area around Gwadar and the Free Zone as a significant commercial hub. This gives more potential to the thought of producing jobs for locals and a good lifestyle too.

The Gwadar area has been known for the abundant coastal heritage, and the Chinese seem to be the first to recognize it. The Gwadar Port project to help China make its mark in the Arab waters is being seen as the most significant Chinese investment in Pakistan till date. The recent policies introduced in the Gwadar Free Zone have lured investors and at the same time bounded them to complete the projects and start production within a year.

The COPHC chairman in a recent address notified, “So far, 41 investors have come forward to invest about \$500 million in Gwadar Free Zone in the first phase. These industries are being set up in sectors of logistics, edible oil, piping, and halal food.”

The woes of the local people that have been a significant issue in the last few years as well as the Pakistani government are moving to put to rest finally.

The China Overseas Ports Holding Company (COPHC) Gwadar Chairman Zhang Baozhong also mentioned, “We have completed the master plan of the Gwadar Free Zone that will be built in four phases over a period of seven years. Once the zone is fully developed in seven years, 47,000 jobs will be created for the locals, and its annual sales will be \$1 billion.”

The Chinese have clarified their aim of turning Gwadar into a key commercial hub in what is known as the “great economic funnel”. The area is widely popular as a critical force that drives the trade and strategic relations between the Arab countries. The Gwadar Free Zone will also provide a significant platform to the Pakistani government to build diplomatic and military ties with the neighboring countries without much toil.

The Gwadar Free Zone is also held to be the most significant factor that would shape the Pak-China relations in the future. For the past many decades, both the countries have helped each other develop sustainability and carried out military operations in amalgamation too. The recent statements from the Chinese president, Xi Jinping, where he mentioned the bond to be

unbreakable and thanked Pakistan, clearly showing the good health of relationship between the two countries.

“No matter how the international and regional situation changes, the friendship between China and Pakistan has always been unbreakable and rock-solid, and China-Pakistan cooperation has always maintained strong vitality,” said the President at a meeting with Prime Minister Khan at the Diaoyutai State Guesthouse.

The past governments in Pakistan have ignored the development and socio-economic conditions of the Balochistan area. The Gwadar Free Zone will bring the necessary economic improvement in the whole region, assisting Pakistan strengthen their economy in the long run.

Project	Development of Free Zone
Project Objective	This project will aim at creating backup port industry for Gwadar port.
Project Description	<p>Project Title: Infrastructure Development for Free Zone & EPZs, Gwadar.</p> <p>At present following areas have been allocated as free Zone and export processing Zones in the industrial locations of Gwadar. Pieces of lands have already been earmarked/acquired for the purpose: Gwadar port free zone: 2,280 acres GIEDA industrial zone: 3,000 acres EPZA export processing zone: 1,000 acres Infrastructure is required to be developed for these industrial zones, for example, access roads, internal roads, water, gas, power, custom Facilities, fencing, security, some warehouses, office and other allied infrastructure, etc. Proposing Agency: Gwadar Port Authority.</p>
Location	Gwadar district, Balochistan
Estimated Cost (US \$ Million)	32
Executing Company / Sponsors	GPA, GIEDA, and EPZA Or any Financial Framework Agreement under CPEC
Supervising Agency	Ministry of Ports & Shipping, Government of Pakistan and Ministry of Commerce
Project Progress Update	<p>Tax exemptions for port and Free Zone notified in Finance Bill 2016. Ground breaking done by the Prime Minister 100% private Investment inside Free Zone To be operated by COPHCL 1st phase completed and inaugurated in January 2018 Significant progress and response from investors</p>

	Gwadar Free Zone investment guide line published First Gwadar Expo was held in January 2018 A number of industries to start construction work in soon.

7.4 Special Economic Zone

In order to facilitate rapid commercial and economic development, Gwadar will be declared a Special Economic Zone for a certain period, the length of this period has not yet been determined. The SEZ is likely to cover the city of Gwadar and the industrial areas currently planned and foreseen. The specific incentives-regime is likely to include general tax-holidays, no VAT and generous incentives pertaining to business ownership and employment of foreigners. The main purpose of this concept is to accelerate economic development and investments, both foreign and local, in general. This in turn will spur industrial development and port traffic throughput demand. It would also contribute more rapidly to employment creation and uplifting of the Gwadar district and of Balochistan.

7.5 GWADAR'S IMPORTANT SECTORS

7.5.1 SMALL AND MEDIUM ENTERPRISES

Historically Gwadar's coastal belt had always been a vital player in fisheries related trades and supply, fisheries is the major economic activity of the region. The first sea food processing plant was established in Gwadar in the year 2000. More than 15 sea food processing plants that have been established to utilize the wide potential of the sea food export market. Seafood processing employment is labor intensive and semi-skilled.

Gwadar provides the local Hub for fish trading to the local and international market. Fisheries department has established an infrastructure comprising of fish auction hall and cold storage in 1966. There are two fish harbors in the district. One is located in Pasni and the other in Gwadar. Gwadar Fish harbor has been established in 1990 under ministry of communication and working under Gwadar Port Authority. Both the harbors of Gwadar and Pasni comprise of modern fish auction halls with a capacity to handle more than 100 tons of sea food at a time. These harbors provide a marketing ground for the fisherman in order to market their catch.

Boat manufacturing and repair units have been established by the local skilled workers in 1970's. At present boat manufacturers, manufacture wooden boats and vessels of varying sizes.

There are several sectors in Gwadar. Greater numbers of SME's are associated in fisheries and cool chain sector. After the completion of mega projects i-e Gwadar Port and Coastal highway,

growing number of investments are coming real estate , construction , allied services , water purification & bottling plant units, Hotel & tourism and port related business activities.

At present in terms of sales tax and transactions, there is a lot of business activity going on in the district. Capital investments have been done in the following major sectors,

- Real Estate Sector.
- Town planning and building.
- Fisheries (Boat manufacturing and related services)
- Sea food processing.
- Trade (Import / export)
- Hotel and Tourism.
- Cell phones /Scratch cards and electronic equipment.
- Local trading of consumer Items.

As per small medium enterprises and investment, Gwadar district has been categorized into 9-nine sectors.

1. Fisheries
2. Agriculture Horticulture
3. Industries
4. Livestock
5. Poultry and Dairy
6. Handicrafts
7. Real Estate
8. Mines and Minerals.
9. Tourism

7.6 FISHERIES

Fisheries is the largest sector in Gwadar which is playing a vital role in the economy of Balochistan, it provides a significant supply of the sea food to Pakistan and also plays an important role in international sea food export market. Gwadar district annual production of fishery is more than 107,568 metric tons. Gwadar district also happens to be on the migration routes of the various varieties of fish that have a considerable demand for the local as well as international marine food markets.

a. AQUACULTURE SHRIMP FARMING

Coastal area of Gwadar, Kalamat, Jewani and Pishokan presents a viable environment for aquaculture development and shrimp farms. Shrimp farmers can earn a good return on their investment, two shrimp farms established by private sector in "Shaabi" and "Karwat" produced encouraging results therefore investing in shrimp's farms along creeks and bays in coastal areas can be a potential for aquaculture and fisheries.

b. SEA FOOD PROCESSORS AND EXPORTERS

There are more than 16 small and large sea food processors and exporters operating in different tehsils of the district. Most of them have established their processing plants in Gwadar city. Sea food processing in here mostly involves Washing, ballast freezing and packaging, whereas little or no initiative is done in other processing technologies i-e fish canning, sea food cooking etc. Fish export is the major trade activity in the district. About 40% of the total fish catch is exported to Karachi. The fish is also exported to Sri Lanka, Korea, China and Hong Kong. So, Gwadar is a well-known trading center for fishing. In Gwadar district till today fishing is a family skill.

c. FISHING BOATS AND FISH CATCH

Fishery has the major stake in economic activity of the district. More than 30,000 people are associated directly with fisheries sector employing more than 4759 fishing boats. All boats are wooden with inboard mechanized engines. Gwadar district annual production of fishery is more than 107,568 metric tons. Boat manufacturing units are operating in Gwadar since long time and manufacturing wooden boats of various sized and kinds, starting from small fishing boats to heavy fishing and cargo vessels.

FISH HARBORS

a) PASNI FISH HARBOR

Government has established two fish harbors in District Gwadar. First fish harbor was constructed in



Pasni. Pasni fish harbor has the facility of cold storages, fish fishing jetty, fish auction halls and open space for transportation, offices, hotels and accommodation for fishermen. Pasni fish harbor has the capacity to store more than 100 tons of fish catch at a time.

b) GWADAR FISH HARBOR

Gwadar Fish harbor has been established in 1990 under ministry of communication and working under Gwadar Port Authority, Gwadar fish harbor comprises of a modern fish auction hall carrying a capacity to handle more than 100 tons of sea food at a time.

MARKETING

In Gwadar, three components make the marketing system of fisheries sector, they are

- Sea Food Processors.
- Commission Agents and Purchasers of Sea food processors Boats owners.
- Open Commission agents.

These components provide an efficient but not very effective market system of fisheries. There are two major players in making the existing system. First and the major player in setting up of market price are the sea food processor and most of the time the market follows the price set by the sea food processor. Every sea food processor places a paid agent or a commission agent in the market that handles the daily seafood catch trading.

Beside agents of sea food processors, broker also plays a significant role in marketing system. Broker most of the time is also the supplier of a sea food processor. A broker can set a market price only if he possesses a good quantity and Quality of the specie which is currently on a high demand i-e Shrimps and lobsters. Most of the brokers in fisheries sector in Gwadar are either Boat owners or they are a major lender to the fishermen.

Fishermen usually borrow money from the broker for a number of reasons, which include boat maintenance, repairing or renewing the fishing nets or loan for family matters. A broker will hold the all future catch of the fishermen as collateral for the loan to fishermen, he lends money on this understanding that all future catch will be sold to the broker in peak fishing season. By this method a broker may hold 4-5 boats.

7.7 AGRICULTURE AND HORTICULTURE

Though, Agriculture and Horticulture is not a vital sector of the district as far as investment and SME's are concerned, however, local population invest a part of their earning in this sector mainly to obtain fodder for the livestock. Limited Agricultural crops exist in the district.

The crops of the district include wheat, barley, mutter, pulse, melons, citrus, chikoo, coconut, tomatoes, jowar and mash, but the current production all these crops is near to none mainly due to scarce availability of water. Fodder is cultivated throughout the year. Cultivation areas of Gwadar district is scattered throughout the district which include, Jewani, Kulanch, Pasni, Nalaint and Ormara.

Water is the scarce resource in the district. The major source of irrigation in Gwadar is streams and springs etc. Other significant sources are tube wells, operated by diesel, and open surface wells from where water is taken out for irrigation with the help of diesel pumps. The remaining is khushkaba or sailaba land dependent upon rainfall. Economic and development contribution of the said crops in agriculture sector of the district is minimal.

7.8 DATES

Date is the only agricultural produce of the district which has a role in economic development of the farmer, date produce is sold in local markets in Gwadar and it is also exported to other parts of the country as well. Gwadar's date production contribution is 2.5% of the Balochistan annual production of date.

MARKETING

Current volume of agricultural production of district Gwadar is negligible to develop any economic activity in its population. Most of the produce is locally consumed. Due to its production volume, only dates are exported to other parts of the country like Karachi, Quetta, and Sukkur. Date produce is sold on farm where a middleman buys the crop and further sells it out in the markets.

7.9 LIVESTOCK

Livestock sector has limited significance in economic activity of the district. Livestock farming is done on the local household levels ranging from 2 to 4 animals (goats) kept and looked after by housewives. The valleys of Kulanch and Dasht are major small ruminant raising areas in the district Livestock farmers own herds of more than one hundred heads of small ruminants

and they have regular pattern of seasonal migration. The livestock raising communities live in mountainous areas which are not easily accessible by road. Apart from the livestock-farming household, all the agricultural households in Gwadar raise different animals. An average household owns a couple of cows, a pair of bullocks or a camel for ploughing, sometimes a donkey as a beast of burden and several sheep and goats.

7.10 POULTRY AND DAIRY

There are a few poultry farms in Gwadar town, while the numbers of poultry farms which is insufficient to fulfill the poultry supply of the district, before construction of coastal highway poultry supply were fulfilled through Iran. At the moment poultry supply is mostly done from Karachi and other parts of Balochistan.

Private sector has established very few dairy farms in Gwadar town which supplies milk products to the town, each farm has 30-50 milk producing cows, and however most of dairy supplies are done from Karachi and other parts of Balochistan through road. Poultry and dairy sector investment have a good potential in Gwadar district. Due to high feed and fodder prices, transportation and human resources this sector has not developed to its potential.

7.11 HANDICRAFTS

a) EMBROIDERY

Embroidery work is the main handicraft done by women of the area with excellent skill and craft. Mostly it is done on women's dress for personal use. Some more skilled women receive orders to make dress for other women. This embroidery work is rarely sold out in markets. Cost of such embroidery ranges from rupees 5,000 to 50,000 and work can take 3 to 6 months or even a year for completion.

b) SEASHELL CRAFTS

District Gwadar being a fisheries rich area also gives enormous number of seashells of various sizes, colors and styles as side product. However, this sector is still not exploited as a potential area of handicraft. This sector can also be a viable potential sector for economic growth and development if men and women are introduced to seashell handicrafts and then trained for such crafts.

7.12 REAL ESTATE

Projects of Gwadar Port and coastal highway developed the real estate market of the District to such an extent that in a time span of 6 years Gwadar has emerged as the third real estate area for investment after Islamabad and Karachi. Investment worth Billions of rupees has been invested in real estate by Local and foreign investors and still continues in areas of Gwadar, Jewani, Kalamat, Pasni, Guns, and Pishokan. Lands are bought by private sector investors investing in more than 100 real estate projects. 95% of the land of Gwadar, Jewani, Kalamat, Kappar and Pishokan areas is being bought either by private sector investors or being bought by government for potential development activities of Gwadar. Projects launched by private sector investors in Gwadar include Housing, Recreational, Commercial and Industrial schemes.

Government has introduced two residential and commercial projects which are Singhar housing scheme and Newtown housing scheme. Both the schemes spread to 4 Phases with residential plots ranging from 400 square yards to 1000 square yards. Both schemes have received encouraging response and more than 95% of the plots are bought and owned by private individuals. People already have constructed modern luxury bungalows in new town housing scheme and private sector construction is going on at fast pace in the new town housing scheme. Because of its location and modern designs most of government and commercial organizations have shifted their offices in New town housing scheme.

7.13 MINERALS

Mines and Minerals sector in district Gwadar does not have any significance to be a potential sector. Geological Survey of Pakistan and the department of minerals have not reported any minerals in Gwadar district.

The only mineral product of the district is ocean salt. Salt is obtained from sea or rainwater. Small wells of 3-4 meters depth are dug near the seashore and sea water is spread in panes made on plain surface. The usual dimension of the panes is 300 x 200 x 10 centimeters. Water dries up in 10 days and salt is collected. Each of the panes produces about 20 kilogram of salt which is sold at a rate of PRs. 600 per 50-80 kg bag.

7.14 TOURISM

District Gwadar as a coastal area has rich marine life and present viable opportunity for ecotourism. The district has untouched clear beaches which can be an attractive place for

tourism. Kund Malir, Daraan, Asthola Island, beaches of Jewani, Guns and Ormara are some of the most beautiful tourist beaches. Asthola Island is located at a distance of 150 kilometer from Gwadar tehsil. It is an internationally recognized wetland and has numerous species of aquatic creatures. Hingol National Park is the largest natural forest of Asia, coastal highway run for 55 kilometers in the scenic mountains of this natural forest. Hingol National Park is also one beautiful tourist sight Wildlife creatures like tigers, Ibex, goats and monkeys are found in this sight.

At present, more than 6 hotels and resorts are operating in Gwadar, a major breakthrough in hotel and tourism industry is the construction of a 5 start Zaver Pearl Continental Hotel at Koh-e- Batill, opposite to Singhar Housing Scheme in Gwadar. Potential exists for development of tourist resort and motels, seafood restaurants, country parks and beach sports recreation facilities. Ecotourism sector can be developed to its potential in Gwadar district as the number of tourists from Islamabad, Karachi and Lahore has remarkably increased due to the construction of coastal highway.

8. Potential Sectors for Investment

8.1 Projects in Gwadar for private investors

Gwadar will see a burst of financial activities from transport and hospitality to entertainment and leisure when it is built and fully operational. It is a center of financial activities conducted by contractors, entrepreneurs, and real estate investors. This is the key reason why investment has become synonymous with Gwadar in Pakistan, as investors see real possibilities that are not seen elsewhere in Pakistan.

a) Major Projects for Private Investors in Gwadar

- Large private schools and hospitals can be established
- Establishment of freight forwarding companies
- Large-scale housing plans, all manner of manufacturing and major hotel developments
- Investing in desalination plants
- Transportation of Goods
- Plan to begin ferry services between the Gwadar, Karachi and Gulf countries
- Construction of freezing and packing facilities for the fishing industries
- You can set up a Wireless Cab Network
- Electric Power Generation
- Oil terminals

- Ware-housing/ Container Yards
- Export Oriented Industries

b) Small Scale Projects

- Law firms & Chambers
- Private Medical Clinics
- Small Shops, Coffee & Ice cream restaurants, shops, and individual cab services
- Architects/ Town Planners
- Business of Contractors
- Fish Meal Factory
- Avenues for Shrimp & fish farming along the coast

8.2 Best Places to Invest in Gwadar Open Land

Because of priority and desired development in Gwadar Industrial Zone, land in GIEDA is considered to be the best short-term investment with the highest rewards in Phase 1 of the Gwadar Master Plan, specifically the land adjacent to Gwadar International Airport.

In addition, commercial land at Jinnah Avenue Gwadar is also one of the best open land investments with massive short-term returns, as this area is under major development activities.

Beach Front Open Land investments also reserve huge prospects as Baluchistan's government has designated beaches as Tourist's Spots. Beach Front Lands can be used for beach houses or resorts and there are also few resorts on-site that have been built.

8.3 DIVERSE INVESTMENT OPPORTUNITIES

- i. Industrial Cooperation
- ii. Financial Cooperation
- iii. Agricultural Cooperation
- iv. Tourism
- v. Educational linkage
- vi. Human resource development
- vii. Health Care
- viii. People to people contact
- ix. Increase in livelihood opportunities
- x. Enhance Security and stability of the region

9. Major Issues and recommendations

9.1 Fisheries

a. Brief details

Fisheries is the biggest sector in Gwadar which is playing an indispensable part in the economy of Balochistan, it provides a critical stock of the ocean bottom to Pakistan and furthermore plays a significant part in sea food export market. Gwadar region additionally turns out to be on the relocation courses of the different assortments of fish that have an extensive demand in local and international marine food markets.

Coastal area of Gwadar, Kalamat, Jewani and Pishokan presents a reasonable climate for aquaculture development and shrimp ranches. Shrimp ranchers can procure a decent profit from their venture, two shrimp ranches set up by private area in "Shaabi" and "Karwat" delivered encouraging returns consequently putting resources into shrimp farms along creeks and bays in coastal areas can be a potential for aquaculture and fisheries.

b. Issues

- Trawling
- Inaccessibility to cold storages
- Absence of financing institutions.
- Education and awareness
- Literacy and awareness
- Bureaucratic delays

c. Recommendations.

There are more than 16 small and large sea food processors and exporters working in various tehsils of the area. A large portion of them have set up their handling plants around the area. sea food handling in here for the most part includes Washing, blast freezing and packing, though next to zero drive is done in other preparing advancements I-e fish canning, sea food cooking. About 40% of the fish is sent out to Karachi. However with incentives from the government the same could be tackled very easily.

- Trawling pose significant danger to the endurance of the fishermen and fish processors in Gwadar. Unlawful base fishing however prohibited by the Government is preceded with the Gwadar coastal belt that obliterates the entire breed of the

different species. However a little attention from the government can bring positive impact and eliminate trawling for the betterment of this sector.

- Inaccessibility of cold chain from Boats to processors impacts this sector severely however with little attention and direction from the government the issue can be resolved.
- Absence of financing offices I-e short term loans for fishermen impacts small fishermen and therefore expose them to local middlemen however the issue could be resolved very easily if government plays its part and provide easy access to finance on low markup rates.
- Absence of education and awareness in fishermen and boat proprietors to utilize recent fad and strategies in fishing impacts productivity however this could be resolved by providing trainings to the fishermen through government institutions.
- Improvement projects should be initiated for fisheries sector.
- Legitimate advertising system and access to different markets through government institutions could play a vital role in establishment of this sector.
- Absence of literacy and awareness with respect to investment in aquaculture shrimp farming hinders growth of this sector however with a little attention and training the issue could be resolved and the sector may perform at its optimal level.
- Bureaucratic delays could be eliminated with one window operation method moreover a specific time frame for formalization may be set to eliminate delays.

9.2 Agriculture and Forestry

a. Brief details

Agriculture and Horticulture is certainly not an indispensable area of the region taking everything into account, notwithstanding, local populace put a piece of their acquiring in this area primarily to get grain for their animals. Restricted Agricultural yields exist in the district.

The crops of the district include wheat, barley, mutter, pulse, melons, citrus, chikoo, coconut, tomatoes, jowar and mash, but the current production all these crops is near to none mainly due to scarce availability of water. Fodder is cultivated throughout the year. Cultivation areas of Gwadar district is scattered throughout the district which include, Jewani, Kulanch, Pasni, Nalaint and Ormara.

Date is the only agricultural produce of the district which plays vital role in economic development of the farmer, date produce in Gwadar is sold in local markets in Gwadar and it

is also exported to other parts of the country as well. Gwadar's date production contribution is 2.5% of the Balochistan annual production of date.

b. Issues

- short supply of water
- Shortage of processing and packing units.
- Lack of literacy rate.
- Lack of government incentives.

c. Recommendations

- Water is the scarce resource in the district. The major source of irrigation in Gwadar is streams and springs etc. Other significant sources are tube wells, operated by diesel, and open surface wells from where water is taken out for irrigation with the help of diesel pumps. The remaining is khushkaba or sailaba land dependent upon rainfall. Economic and development contribution of the said crops in agriculture sector of the district is minimal however with modern day advancements and techniques and government intervention the same scenario could be changed into favorable situation.
- Dates being major agricultural product of the district a processing and packing units may be established and product marketed in the country and internationally however this is only possible if government decides to show its interest.
- Lack of literacy and awareness in farmers and landlords to employ new trend and techniques hinders growth and productivity however with training from government institutions the issue may be resolved.
- Government may provide incentives in initiating agricultural development projects

9.3 Tourism and Hospitality sector

a. Brief details

District Gwadar as a coastal area has rich marine life and present viable opportunity for ecotourism. The district has untouched clear beaches which can be an attractive place for tourism. At present, more than 6 hotels and resorts are operational in Gwadar, a major breakthrough in hotel and tourism industry is the construction of a 5 start Zaver Pearl Continental Hotel at Koh-e- Batill, opposite to Singhar Housing Scheme in Gwadar. Potential exists for development of tourist resort and motels, seafood restaurants, country parks and beach sports recreation facilities. Ecotourism sector can be developed to its potential in Gwadar district as the number of tourists from Islamabad, Karachi and Lahore has remarkably increased due to the construction of coastal highway.

Tourism is the most important and fastest growing economic activity occurring in the sea. It is believed that domestic or native/national tourism will continue to support opportunities of growth in travel and hospitality industry, and will bring economic benefits for locals.

b. Issues.

- Human resource unavailability.
- Lack of infrastructure
- Law and order situation.

c. Recommendations

- Current available human resources don't fulfill requirements for the industry moreover to counter that initiatives must be taken by the Government.
- The industry would need major financing from financial institutions therefore subsidized markup plans should be offered to the investors, accessibility to finances is still a major variable and should be tackled on priority basis.
- Lack of infrastructure on beaches could hinder growth of tourism industry therefore government therefore it is recommended that government should invest funds in infrastructure of beaches.
- Tourism industry or inflow of tourists is highly dependent on law and order situation therefore this variable should be taken into consideration on priority basis.

9.4 Livestock

a. Brief details

Livestock sector has limited significance in economic activity of the district. Livestock farming is done on the local household levels ranging from 2 to 4 animals (goats) kept and looked after by housewives. The valleys of Kulanch and Dasht are major small ruminant raising areas in the district Livestock farmers own herds of more than one hundred heads of small ruminants and they have regular pattern of seasonal migration. The livestock raising communities live in mountainous areas which are not easily accessible by road. Apart from the livestock-farming household, all the agricultural households in Gwadar raise different animals. An average household owns a couple of cows, a pair of bullocks or a camel for ploughing, sometimes a donkey as a beast of burden and several sheep and goats.

b. Issues

- High feed and fodder prices
- Untrained human resource

- Limited number of farms in the district.

c. Recommendation

- There are a few poultry farms in Gwadar town, while the number of poultry farms is still insufficient to fulfill the poultry supply of the district, before construction of coastal highway poultry supply were fulfilled through Iran. At the moment poultry supply is mostly fulfilled through Karachi and other parts of Balochistan therefore government should provide incentives in this particular field, incentives such as financial would attract local investors to invest and enter into this particular market.
- High feed and fodder prices, transportation and human resources for this sector has not developed to its potential therefore incentives from government would translate into betterment of this sector.
- Lack of awareness and untrained staff could be a threat and tackled by new entrant thus training and development initiatives from government may translate into betterment of this sector.

9.5 Industries and Trade

a. Brief details

Industries in Gwadar district consists of fisheries, power generation plants, manufacturing units, ice plants. Fish is the major export of the district.

Manufacturing units in the district include ice factories, boat making sheds and few furniture making workshops.

b. Issues.

- Inaccessibility to financial institutions
- Shortage of energy
- Overpriced energy
- Demand and supply gap yet to be identified
- Untrained human resource.

c. Recommendations

- Access to finances is still a threat and government has to play its role by providing loans on cheap markup rates.
- Before initiating a venture investors may have to consider their core competencies so that they may achieve competitive advantage over their competitors.

- Short fall in energy sector is a major threat to industries therefore government may have to invest in energy sector in order to support industrial growth in Gwadar.
- Overpriced energy could be major hurdle to industries therefore government may have to provide cheap and subsidized rates for industries.
- Development of human resources through training and development initiatives may be needed.

10. Financial Institutions

List of banks operating in Gwadar.

Banks	Location	Contact
Habib Bank Limited (HBL)	Union Council North.Gwadar Tehsil & Distt	0864-210306, 211336
Habib Bank Limited (HBL)	Union Council Southern.Pansi Tehsil & Distt	0863-210519, 210198
Dubai Islamic Bank	Gwadar Shop #7 & 8, PC Zaver- Koh e Batil Branch	111-786-342
Muslim Commercial Bank (MCB)	Airport Rd. Ormara Khasara # 2	0863-310247
Muslim Commercial Bank (MCB)	Gwadar Shahi Bazzar	0864-210550
Muslim Commercial Bank (MCB)	Jinnah Avenue Gwadar	0864-2122019
Muslim Commercial Bank (MCB)	Pasni Main Bazzar, New Bus Adda	0863-210521
National Bank (NBP)	Tehsil Rd. Mustung	0843-895414
National Bank (NBP)	Main Bazzar Gwadar	086-4210117, 4210089
National Bank (NBP)	Jiwani Gwadar	086-4310305
National Bank (NBP)	District Office Rd. Washuk	0847-520042
National Savings	Bulding # 2,3 Askani Plaza, Airport Rd	N/A
NIB Bank	Plot Khayut & Khatooni #35, Thana Ward Airport Rd	086-4212209
Soneri Bank	Shop # 5,6,7, Thana Ward, Gwadar	086-4211702-03
Summit Bank	Plot Askani Hotel, Mullah Faazul Chowk	0864-212144

United Bank (UBL)	Main Bazzar Gwadar	111-825-888
Zarai Taraqiat Bank	Fish Harbour Rd. Near GPA Complex	0864-210094
Allied Bank	Gwadar Port Rd	N/A
Bank Al-Habib	Airport Rd.	N/A
JS Bank	Gwadar Port Rd	N/A
MCB Islamic Bank	Gwadar Port Rd	086-4210294
Bank Alfalah	Airport Rd.	086-4211796
Sindh Bank	Gwadar Port Rd	N/A

11. Business Support Institutions

Local Bodies/Chambers & Trade Associations

Gwadar chamber of commerce is operational in the district and provides all necessary support to the SMEs operating in the district. The following provides contact details.

GWADAR CHAMBER OF COMMERCE & INDUSTRY
ADDRESS: Main Airport Road, Gwadar
PHONE NUMBER: (92 864) 5375071, 5375072
FAX: (92 864) 5876336
WEBSITE: http://www.gwadarchamber.com

12. Useful References

IMPORTANT CONTACT LIST – GWADAR

FISHERIES DEPARTMENT

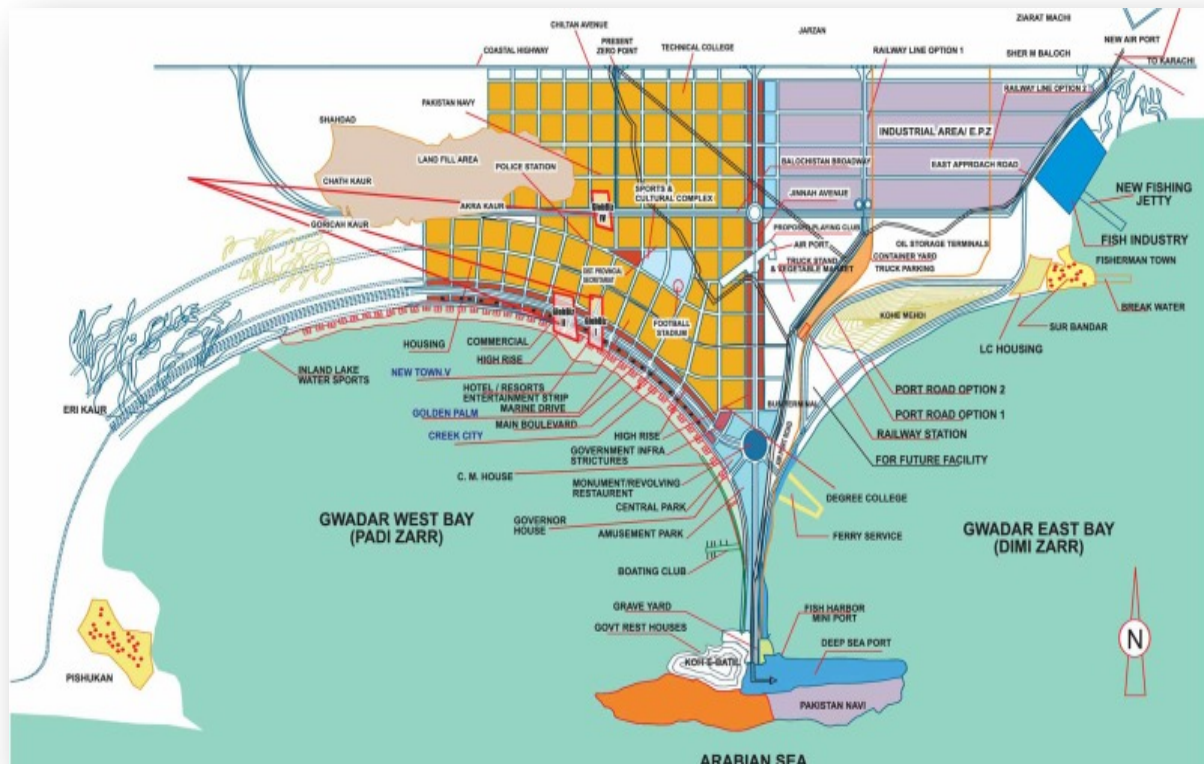
Designation	Station	Phone No	Fax No	Mobile No
Director General Fisheries	Quetta	081-9211587	081-2472389	0344-8005259
Director (Marine) Fisheries	Pasni	0863-210243	0863-210594	0300-2020202

Deputy Director (Admn:)	Pasni	0863-210537	0863-210594	0321-8060382
Deputy Director (Marine) Fisheries	Pasni	0863-210537	0863-210594	0345-8829290
Assistant Director Fisheries	Pasni	0863-210537	0863-210594	0321-2217954
Assistant Director Fisheries (Statis)	Pasni	0863-210537	0863-210594	>0345-8818781
Assistant Director Fisheries	Ormara	—	—	0343-2374137

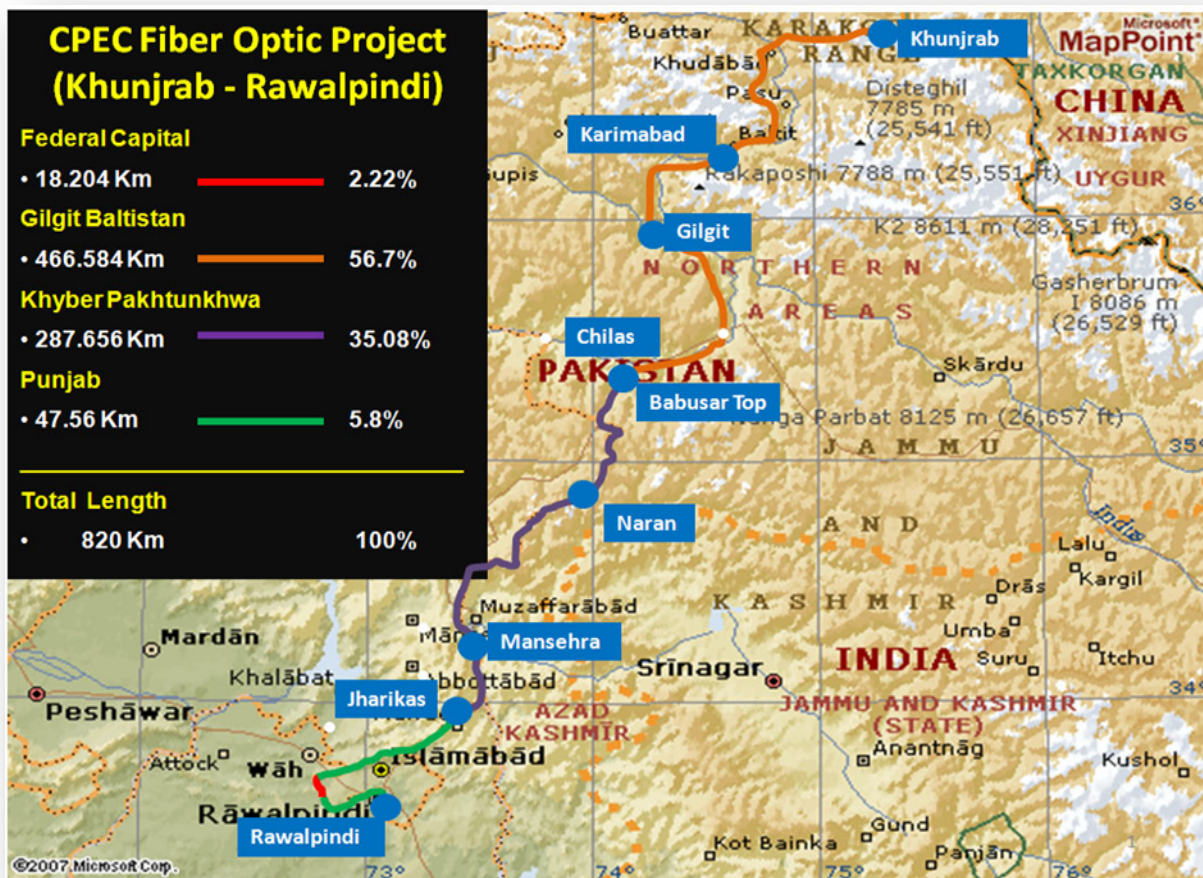
Source: Fisheries Department GOB.

13. PICTORIAL VIEW OF GWADAR AND CPEC PROJECTS

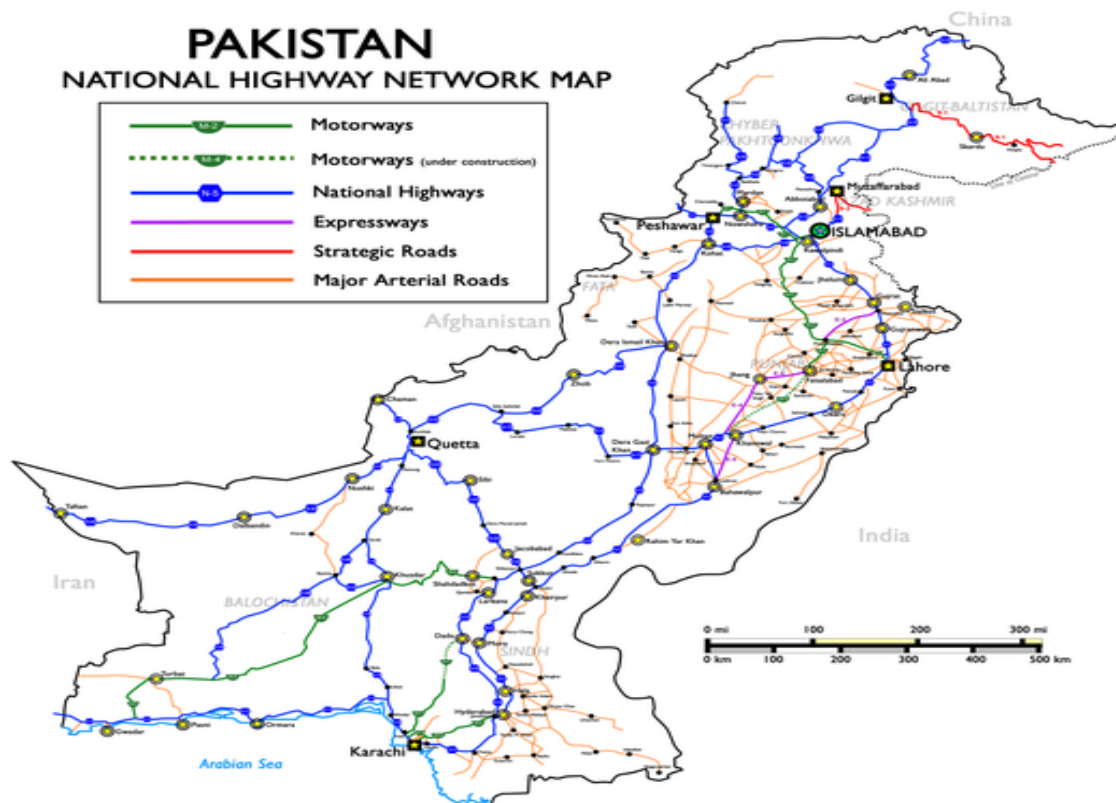
Gwadar Master Plan.



CPEC PROJECTS AND GWADAR



Highways Network of CPEC



Gwadar Port.



Gwadar Sunset.



Gwadar West bay.



ZAVER PEARL CONTINENTAL HOTEL GWADAR

