

Kuryk,
Kazakhstan

Khorgos,
Kazakhstan

Gwadar,
Pakistan

CHINESE BELT AND ROAD INITIATIVE OPPORTUNITY TRIANGLE

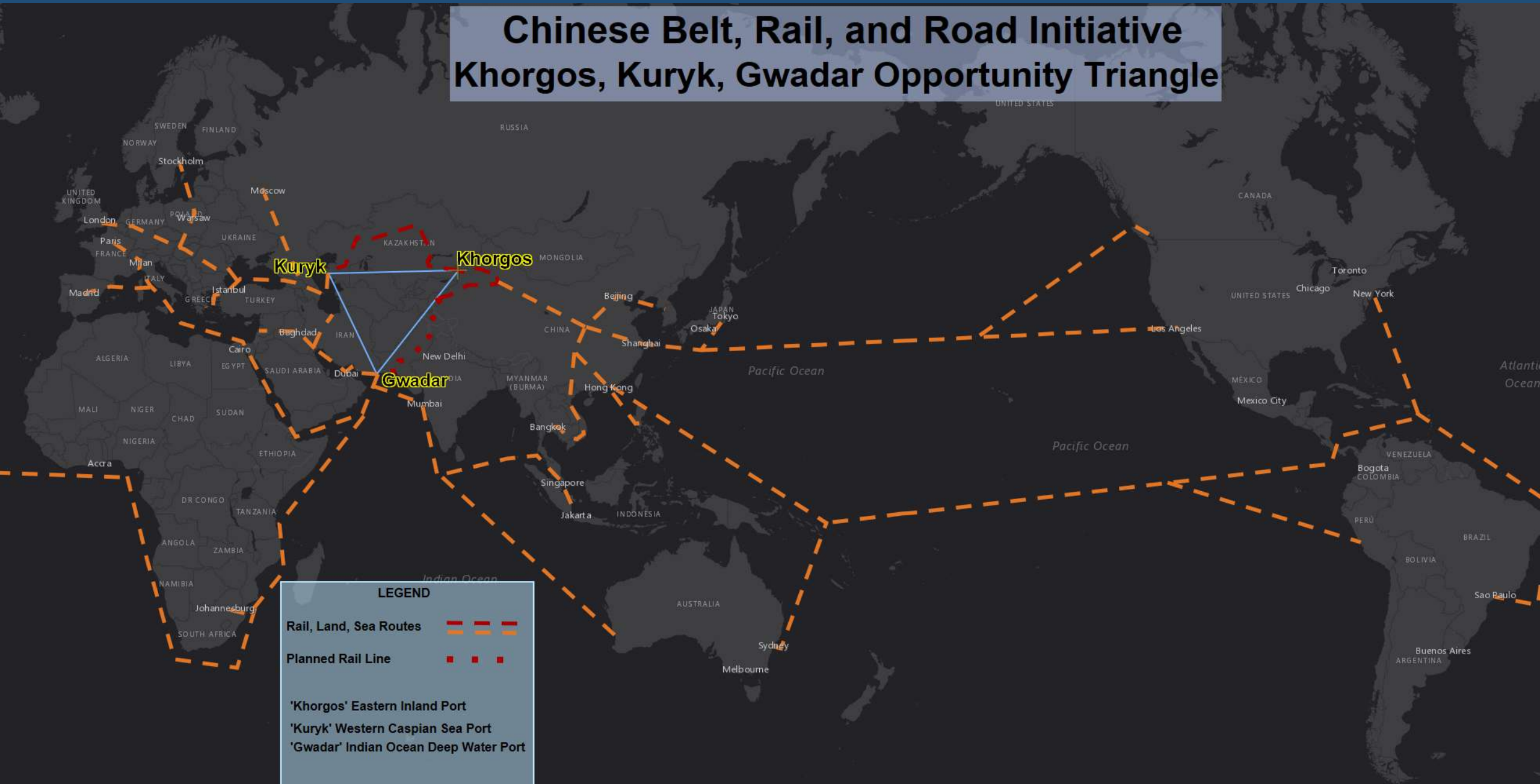
By

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CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE

Chinese Belt, Rail, and Road Initiative Khorgos, Kuryk, Gwadar Opportunity Triangle

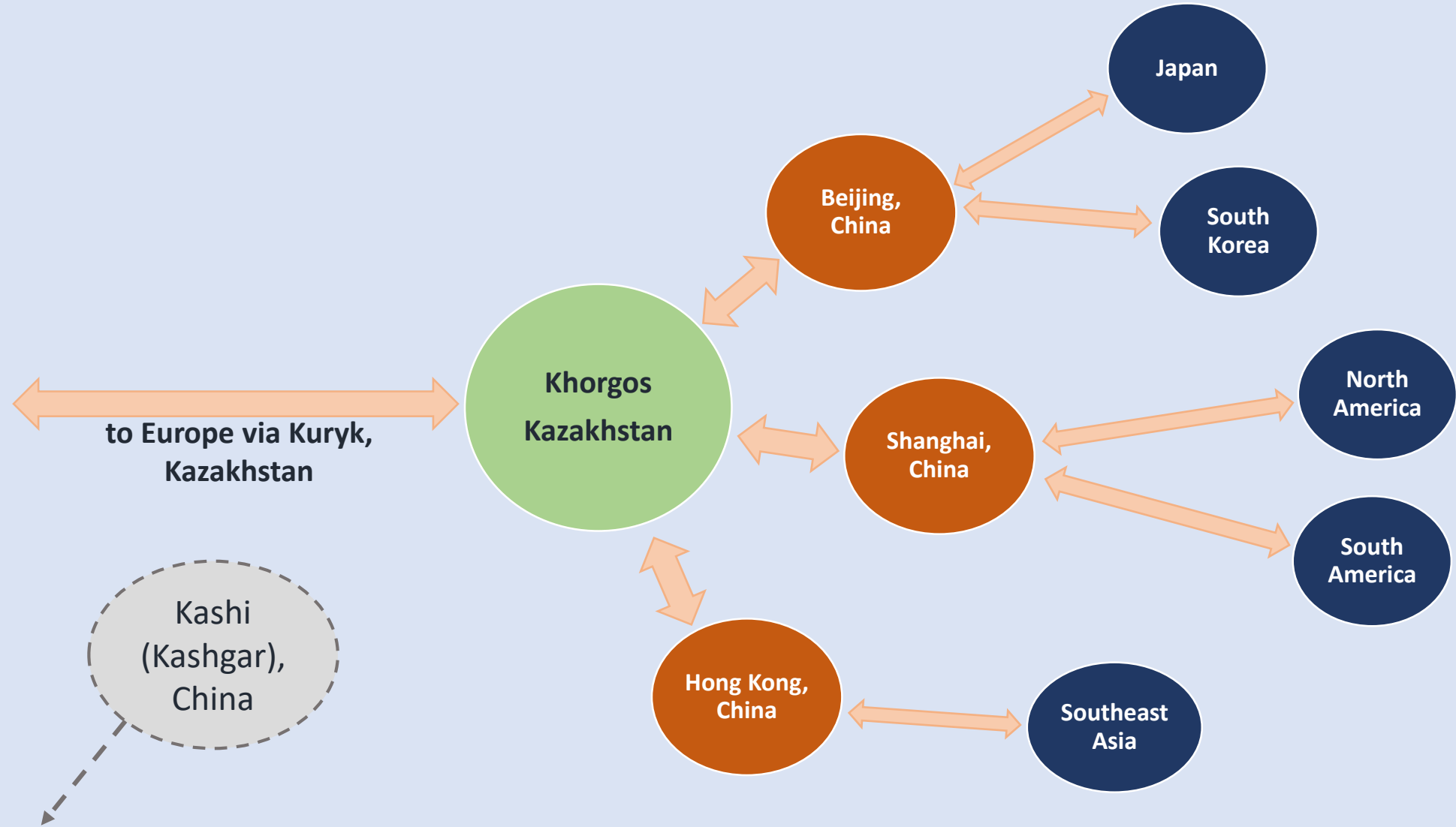


CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – KHORGOS, KURYK, AND GWADAR

The Khorgos Dry Port and the new deep water ports on the Caspian Sea at Kuryk, Kazakhstan and the Arabian Sea at Gwadar, Pakistan offer international businesses with a unique opportunity for both short and long term growth and investment:

- These facilities provide for efficient and rapid transportation of goods and services at a significant reduced cost.
- They are located on an international crossroads linking Europe, Asia, Africa, the Middle East, North and South America, and the Pacific littoral.
- Goods and services can flow in both directions of this opportunity triangle.
- Planned infrastructure improvements will continue through 2040.
- Affected governments embraced this infrastructure growth with innovative policies and new trade agreements.
- Governments have pledged to develop green infrastructure to reduce and mitigate impacts on local populations and the environment.

CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – KHORGOS/KASHI



Planned Kashi to Gwadar, Pakistan Rail Line
Est. Completion Date: 2040

CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – KHORGOS, KAZAKHSTAN

The Khorgos Dry Port is the largest and most isolated inland port in the world.

- Nearly 320 acres in size; operates as a free trade zone.
- Plans to increase the number of transported containers from 70,000 in 2012 to more than 500,000 by 2020 and beyond.
- Reduces transportation time between China and Western Europe by nearly 50 percent .
- The port uses seven gantry cranes, allowing containers to be rapidly transferred to different track gauges used in Kazakhstan and China.
- Large-scale commercial, residential, and industrial facilities are planned or under construction.
- Most development is occurring on the Chinese side of the border, but the Kazakhstan side has increased its development within the past few years.
- To enhance port viability, the Kazakh Government took steps to reduce border transfer delays and corruption challenges – resulting in greater throughput capacity.
- Inclement weather and an inhospitable winter climate have not significantly delayed transit operations.
- The Kazakh regime has done little to improve local inhabitant living conditions which increased local resentment against the government and perceived Chinese incursions into local affairs.

CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – KHORGOS, KAZAKHSTAN

Khorgos, Kazakhstan-China Inland Port Complex



Planned Development Area

Khorgos Gateway Dryport

Kazakhstan
China

Commercial Area

Special Economic Zone Development Area

New Residential Area

China to Europe Highway

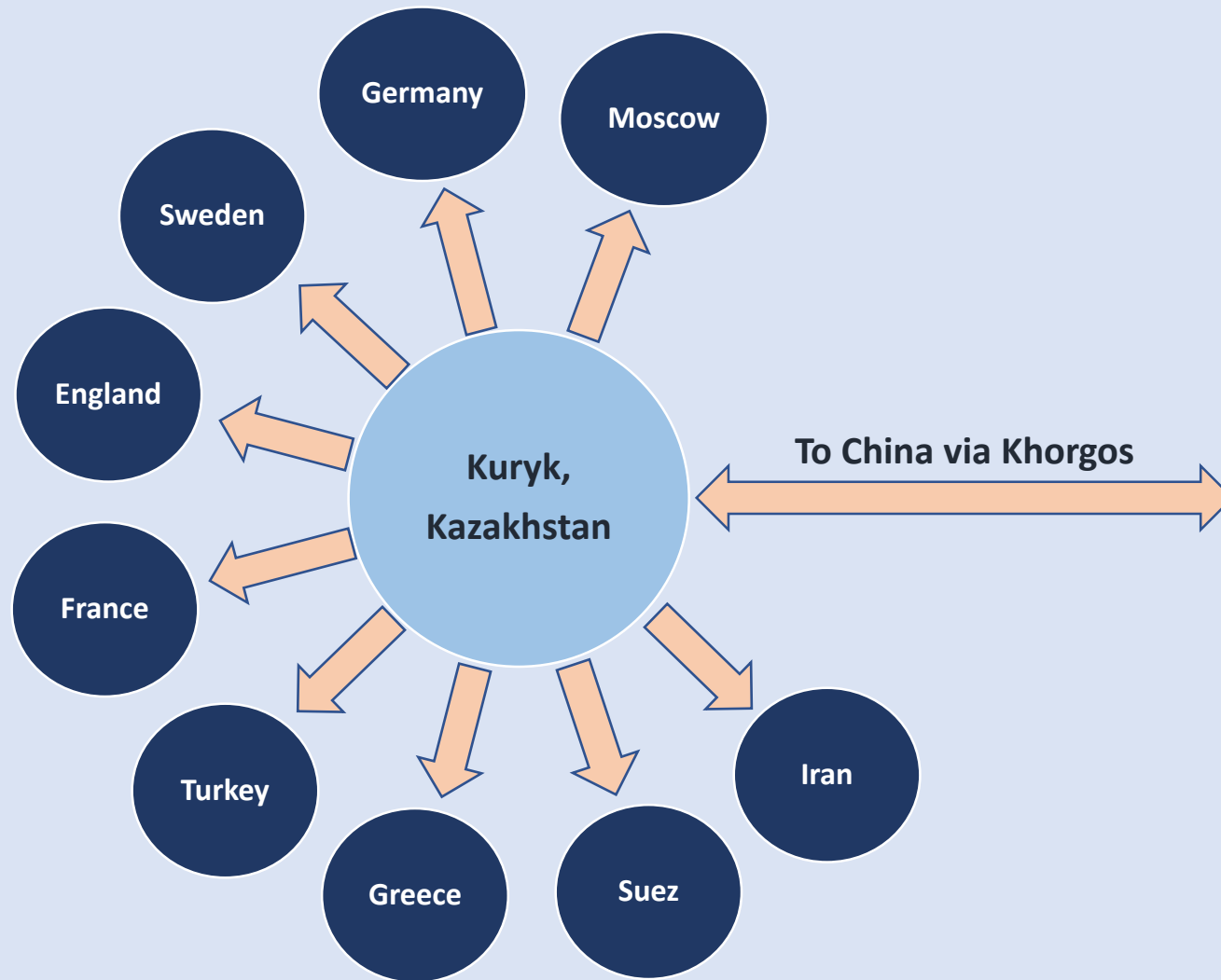
Rail Gauge Transfer Facility

Rail Gauge Transfer Facility

Khorgos Port

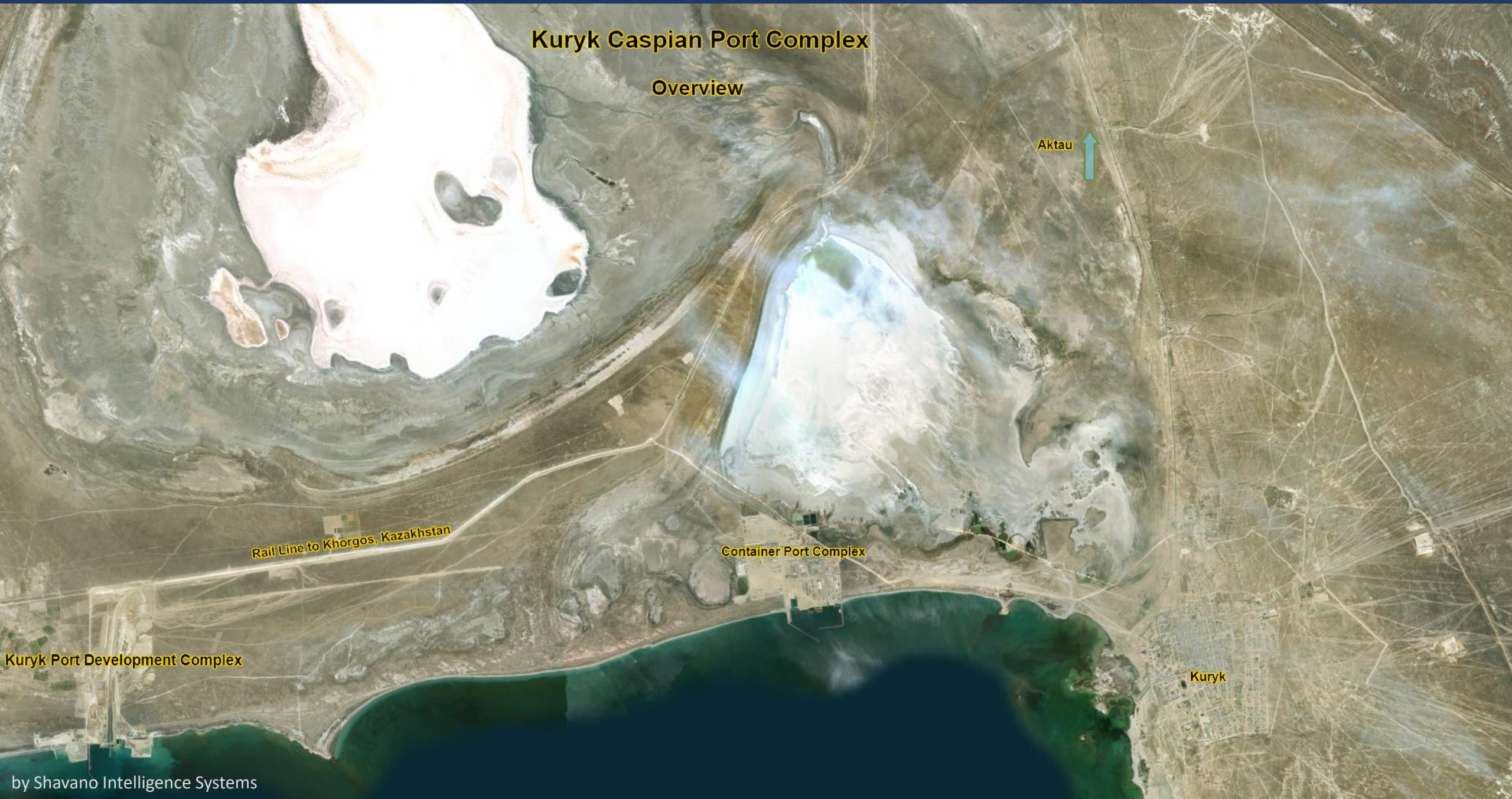
Aktau, Kuryk, Kazakhstan

CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – KURYK, KAZAKHSTAN



- Kuryk is a new deep water port facility located along the Eastern coast of the Caspian Sea.
- The initial rail ferry terminal (completed in 2016), links to Khorgos, Kazakhstan, and serves as the western terminus of the Chinese Belt Initiative.
- The port is mostly ice free and links to Europe through Azerbaijan and Georgia (transit agreements recently signed), and the Middle East through Iran.
- Over 90 acres in size, a free trade zone, and is estimated to transfer 10 million tons of cargo by 2030.
- When completed, the port will provide oil related ship repairs and include a liquid cargo terminal.
- Expansion of the older port of Aktau (located 75 km to the north) will also aid in increasing Chinese Belt and Road throughput capacity to Europe and China.

CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – KURYK, KAZAKHSTAN



Kuryk Caspian Port Complex

Overview

Aktau

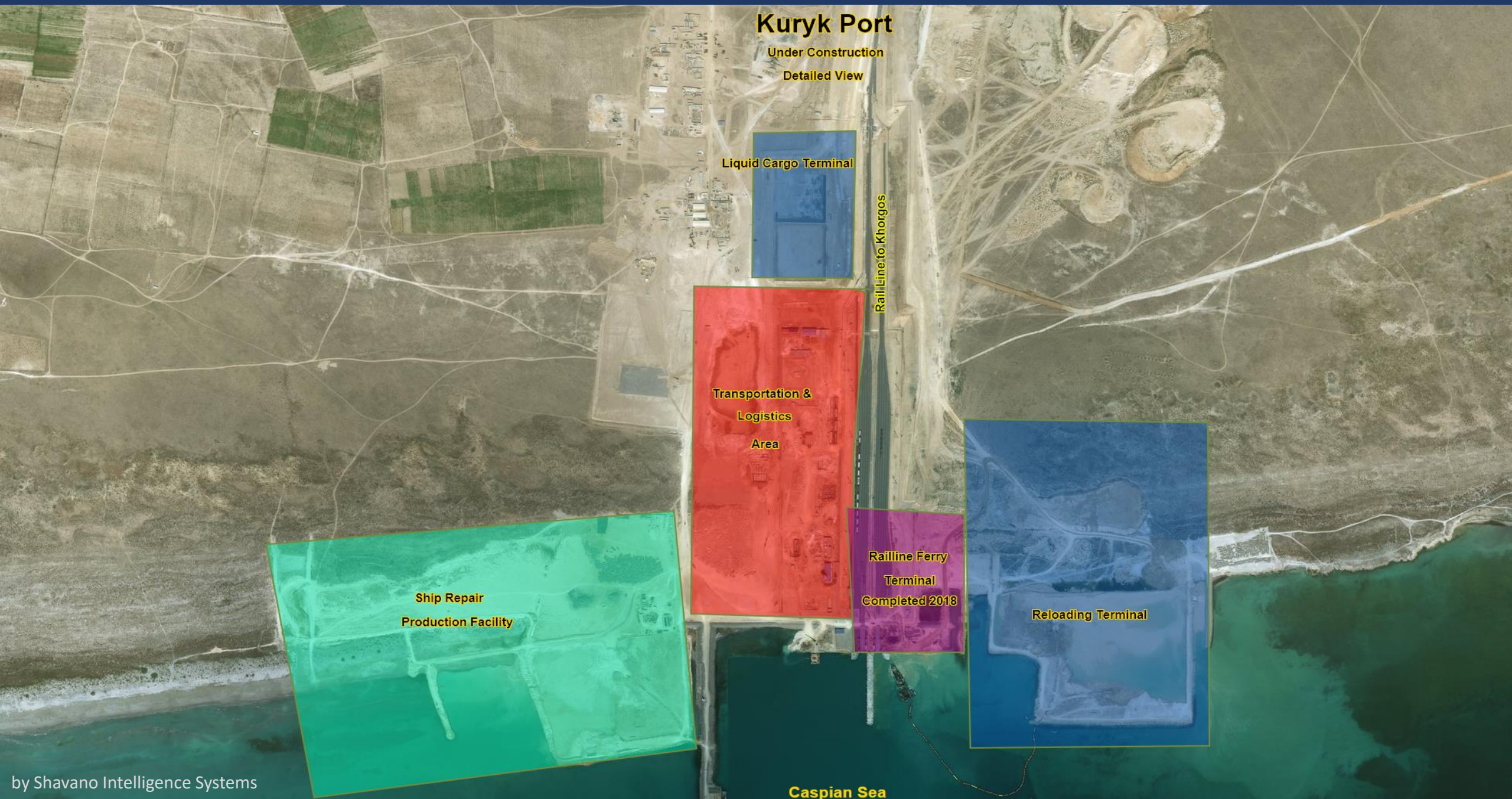
Rail Line to Khorgos, Kazakhstan

Container Port Complex

Kuryk Port Development Complex

Kuryk

CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – KURYK, KAZAKHSTAN



Kuryk Port

Under Construction

Detailed View

Liquid Cargo Terminal

Rail Line to Khorgos

Transportation &
Logistics
Area

Railline Ferry
Terminal
Completed 2018

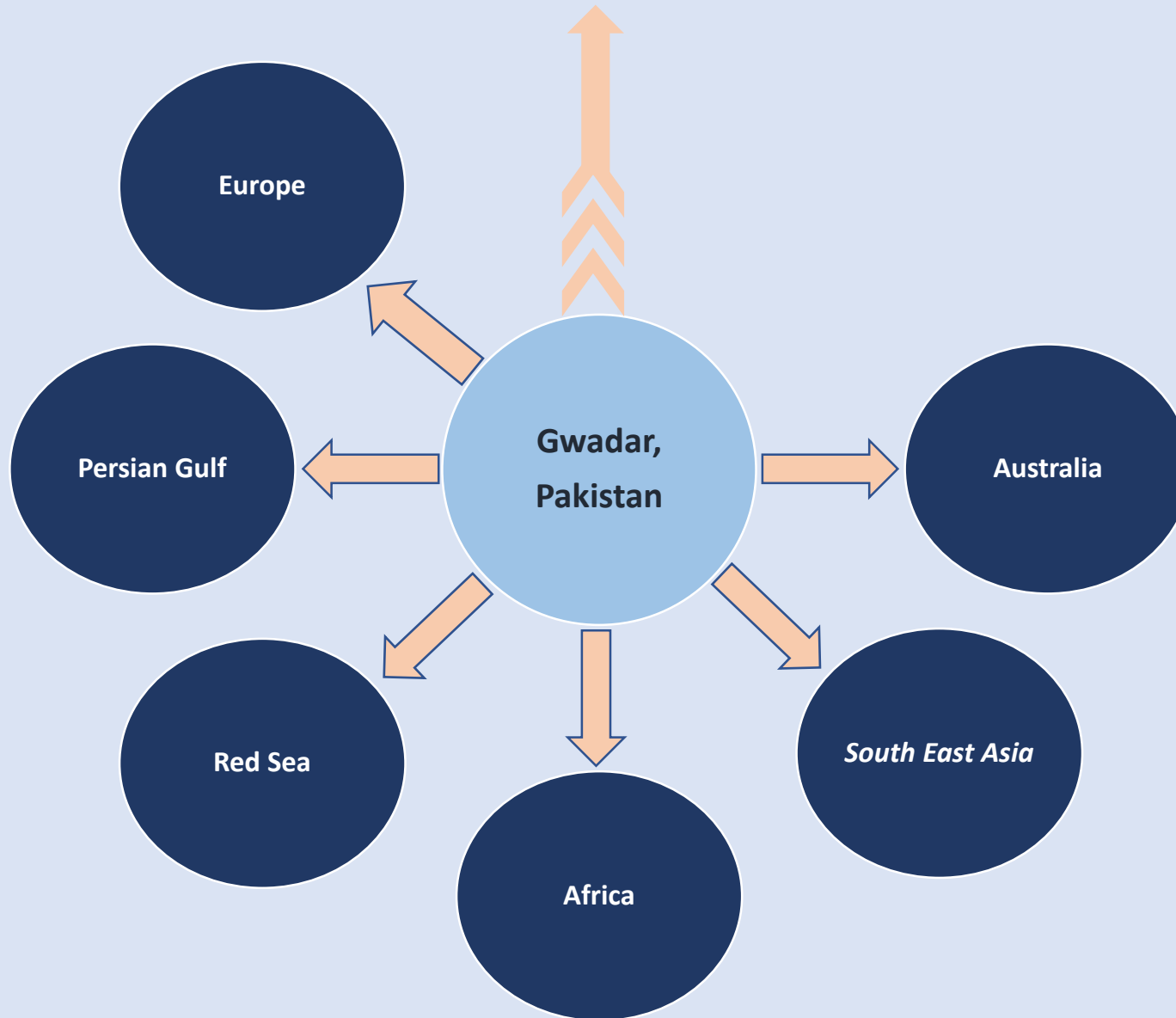
Reloading Terminal

Ship Repair
Production Facility

Caspian Sea

CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – GWADAR, PAKISTAN

Planned Rail Line to Kashi, China



This new, geo-strategically located Chinese built, deep water port on the Arabian Sea offers:

- Unparalleled access to global markets.
- Direct sea links to Asia, the Middle East, Africa, and Europe.
- Large multi-billion dollar long term Chinese investments in new infrastructure that will result in Gwadar becoming one of the world's largest ports; by 2030 annual cargo may exceed 400 million tons.
- A new Chinese funded international airport (est. completion by 2022) is under construction.
- A new rail line from Kashi, China is scheduled for completion by 2040.
- Planning for commercial, residential, and tourist development is well underway. Pakistani investments in local human capital, plans for green industrial and commercial development, and new jobs for displaced workers could reduce insurgency and Baluchi separatism.
- Chinese – Pakistani "debt trap diplomacy" could stymie short term growth, however, China appears poised for long-term investment in Gwadar.

CHINESE BELT AND ROAD INITIATIVE – OPPORTUNITY TRIANGLE – GWADAR, PAKISTAN

Gwadar, Pakistan



↑
Gwadar International Airport
Under Construction (est. completion 2022)
Constructed Under Chinese Grants

Gwadar

Original Port Complex

Planned Residential and Commercial Area

New, Chinese Built, Deep Water Port Facility

Recent Port
Expansion

گوادریں پورٹ
Gwadar Port

Future Port Expansion Area

Planned Residential Area

Current and Future Residential, Warehouse and Transportation Facilities Area

Pakistani Naval Facility

Investment Risks

- Chinese infrastructure loan calls, “debt traps”
- Land seizures
- Insurgent/terrorist attacks against soft targets
- Governmental oppression of ethnic minorities
- Crime
- Economic downturn
- Under or non-payment of nation-state infrastructure loans
- Break down in regional free trade agreements
- Internal corruption
- Oppression and displacement of local inhabitants
- Environmental degradation and pollution
- Trade conflicts

Investment Benefits

- Excellent high-quality port, rail, air, highway, and pipeline infrastructure in place or under development.
- Chinese/local Infrastructure investment will continue through 2040.
- Trade free zones; turnkey facilities in place.
- Energized and cooperative national and local governments seeking business and industry ready investments.
- Critical geo-strategic locations effectively link global customers to source producers.
- Significantly reduced transportation costs and time in transit.