

Gwadar Port

Background of Gwadar Port

- Gwadar Port is a warm water port located in Pakistan's Balochistan Province. It is a deep seaport located on the Arabian Sea in Gwadar. This port is deemed as a link between China's One Belt One Road project and its Maritime Silk Road Project. It features majorly in the CPEC. Aspirants can go through the detailed information on CPEC China-Pakistan Economic Corridor by visiting the linked page.
- The port is situated about 533km from the city of Karachi and about 120km from the Iran border. It is also 380km NE of the nearest point in Oman over the Arabian Sea.
- The port is placed at the Persian Gulf mouth, outside the Hormuz Strait, close to the important shipping routes to and from the Gulf of Persia. The port is managed by a Chinese government company.
- The government of China in August 2015 announced that the previously announced concessionary loans for several projects in Gwadar totaling \$757 million would be converted to 0% interest loans for which Pakistan will only be required to repay the principal value.
- The projects which are now to financed by the 0% interest loans include the construction of the \$140 million East Bay Expressway project, installation of breakwaters in Gwadar which will cost \$130 million, a \$360 million coal power plant in Gwadar, a \$27 million project to dredge berths in Gwadar harbour and a \$100 million 300-bed hospital in Gwadar.

Geopolitical Impact of Gwadar Port on India

- As the world's biggest oil importer, energy security is a key concern for China while current sea routes used to import Middle Eastern and African oil are frequently patrolled by the United States Navy.
- For China, the shortest maritime trade route to Africa, Europe and the Middle East is through the Strait of Malacca. At least 80% of its Middle Eastern and African energy imports also pass through the Straits of Malacca.
- In the event that China was to face hostile actions from a state or non-state actor, energy imports
 through the Straits of Malacca could be halted, which in turn would paralyze the Chinese economy in
 a scenario that is frequently referred to as the "Malacca Dilemma"
- In addition to China's potential weaknesses from the U.S. Navy, potential vulnerabilities could stem from a decline in <u>India-China relations</u>.
- The Indian Navy has recently increased maritime surveillance of the Straits of Malacca region from
 its base on Great Nicobar Island. India has expressed fears of a Chinese "String of Pearls" encircling
 it. Were conflict to erupt, India could potentially impede Chinese imports through the straits. Indian
 maritime surveillance in the Andaman Sea could possibly enhance Chinese interest in Pakistan's
 Gwadar Port.



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Ashgabat Agreement	13 Important Major Ports in India	Jawaharlal Port – Largest Container Port in India
Ashuganj Port – Transit Facility between India and Bangladesh	India-ChinaBorderConflict - Galwan ValleyClash	Difference between India's Act East Policy and Look East Policy – Comprehensive Overview of Act East Policy
Hambantota Port: Overview, Facts and India's Concerns	Sagarmala Project – Sagarmala Seaplane Services	The Silk Road Economic Belt
Dedicated Freight Corridor	India – Afghanistan Relation – A Brief Overview	Inland Waterways Authority
Indian Deep Ocean Mission	United Nations Convention on the Law of the Sea (UNCLOS)	Indian National Center for Ocean Information Services (INCOIS)

How has India responded to the construction of Gwadar Port?

Gwadar Port is part of String of Pearls, a strategy used by China to protect its interests as well as act as a threat to Indian interests in the Indian Ocean.

- India responded by working on Chabahar Port which is a mere 76 nautical miles from Chinese developed Gwadar Port in Pakistan. Further details on <u>Chabahar Port</u> are available on the linked page.
- Predominantly India decided to go ahead with Chabahar Port to provide trade connectivity to Afghanistan, Central Asian Countries and Russia.
- India took over the operations of the Chabahar Port in 2018.
- India has signed a Memorandum of Understanding (MoU) for investments in the Chabahar Special Economic Zone. Know more on <u>Special Economic Zones SEZs</u> on the page linked here.
- Indian has committed to developing the Chabahar-Hajigak corridor. It is important since Indian companies were awarded the Hajigak iron and steel project in Afghanistan by the Government of Afghanistan.
- Chabahar Port also provides direct connectivity to Farkhor Air Force Base in Tajikistan which is jointly operated by Indian Air Force and Tajik Air Force.
- Chabahar Port will connect India with the International North-South Transport Corridor.



For more information on India-Iran ties, visit the article in the given link.

- Apart from extensive work in Iran, India has built a chain of Coastal Radar Systems in across many countries. India is building a huge network of Coastal Radar Systems in India, Sri Lanka, Maldives, Mauritius and Bangladesh.
- Apart from it India is also developing ports in Indonesia, Myanmar, Bangladesh and has signed agreements with Oman and Singapore to use their strategically located port.

Hence, the Government of India has taken multiple measures to counter the strategic depth gained by China due to its work at Gwadar Port in Pakistan, which is part of a larger strategy of China in the Indian Ocean.

Frequently Asked Questions related to Gwadar Port

Who sold Gwadar to Pakistan?

On 8th September 1958, Pakistan purchased the Gwadar enclave from Oman; Gwadar officially became part of Pakistan on the 8th of December, 1958.

Why is Gwadar Port so Important for Pakistan?

Gwadar Port is situated at the mouth of the Persian Gulf, Strait of Hormuz. The port holds great strategic and economic significance for Pakistan. It is the third important deep seaport of Pakistan. It is located at the 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 the Middle East. It would open new job opportunities and help in the development of Balochistan. 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.