

## China's Silk Road hits hurdles

Bumpy ride: A policeman stands guard at a project site of China's Belt and Road Initiative in Haripur, Pakistan. **APAqeel Ahmed**

China's plan for a modern Silk Road of railways, ports and other facilities linking Asia with Europe hit a \$14 billion pothole in Pakistan.

Pakistan's relations with Beijing are so close that officials call China their "Iron Brother". Despite that, plans for the Diamer-Bhasha Dam were thrown into turmoil in November when the chairman of Pakistan's water authority said Beijing wanted an ownership stake in the hydropower project. He rejected that as against Pakistani interests.

China issued a denial but the official withdrew the dam from among dozens of projects being jointly developed by the two countries.

From Pakistan to Tanzania to Hungary, projects under President Xi Jinping's signature 'Belt and Road Initiative' are being cancelled, renegotiated or delayed due to disputes about costs or complaints that host countries get too little out of the projects.

In some areas, Beijing is suffering a political backlash due to fears of domination by Asia's biggest economy.

Belt and Road, announced by Mr. Xi in 2013, is a loosely defined umbrella for Chinese-built or -financed projects across 65 countries from the South Pacific through Asia to Africa and Europe. Other governments welcomed the initiative in a region the Asian Development Bank says needs more than \$26 trillion of infrastructure investment by 2030 to keep economies growing. Nations including Japan have given or lent billions of dollars for development, but China's venture is bigger and the only source of money for many projects.

### Derailed projects

Among projects that have been derailed or disrupted, authorities in Nepal cancelled plans in November for Chinese companies to build a \$2.5 billion dam after they concluded contracts for the Budhi Gandaki Hydro Electric Project violated rules requiring multiple bidders.

Consulting firm BMI Research has compiled a database of \$1.8 trillion of infrastructure investments across Asia and Africa that include Chinese money or other involvement.

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