

BIMSTEC: Where India's 'Neighbourhood First' and 'Act East' meet

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The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) was established in 1997. Its members are Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand. On 11 August 2017, the 15th BIMSTEC Ministerial Meeting was held in Kathmandu. Addressing the meeting, India's External Affairs Minister Sushma Swaraj said, "For India, BIMSTEC is a natural choice to fulfil our key foreign policy priorities of 'Neighbourhood First' and 'Act East'...."¹ These policies were enunciated by the Modi led Government which assumed office in May 2014. Bangladesh, Bhutan, Nepal and Sri Lanka are part of India's immediate neighbourhood wherein the 'Neighbourhood First' policy is implemented. Thailand and Myanmar are members of ASEAN (Association of South East Asian Nations) which is central to India's Act East policy. BIMSTEC connects South Asia to Southeast Asia and most of the member countries are littorals of the Bay of Bengal. Given their importance, a BRICS-BIMSTEC Outreach Summit was organised at the BRICS (Brazil, Russia, India, China, and South Africa) Summit in India in October 2016. A BIMSTEC Leaders' Retreat was also held on this occasion wherein the member countries pledged to make BIMSTEC stronger, more effective and result oriented.

In the above context, this issue brief looks at the origin of BIMSTEC; the discussions held at the BIMSTEC Leaders' Retreat in October 2016; and the significance of the Joint statement of the 15th BIMSTEC Ministerial Meeting. The paper argues that BIMSTEC, in its twentieth year, will play a decisive role in transforming the Bay of Bengal as a hub of constructive maritime activity. The BIMSTEC leadership is keen to implement maritime cooperation wherein issues of multi-modal connectivity, ensuring maritime security, combating challenges of climate change, and tapping opportunities of Blue Economy have been prioritised. For India, BIMSTEC has an important role to play in its larger maritime vision. Also, the Bay of Bengal is part of India's primary area of maritime interest in the northern Indian Ocean Region. ²

Origin of BIMSTEC

India's interest in establishing BIMSTEC needs to be seen in the context of India's Look East Policy (LEP). The cold war geo-politics had limited India's interactions with Southeast Asia. After the end of cold war, India engaged with Southeast Asia bilaterally and multilaterally through the LEP enunciated in 1992 under Prime Minister Narasimha Rao. In 1992, India became a Sectoral Partner with ASEAN and in 1996 a full Dialogue Partner.³

With the success of LEP, it was opined that these interactions could be utilised for the economic development of India's landlocked Northeast States which share land boundaries with Bangladesh and Myanmar. According to Ambassador Ranjit Gupta, who had been India's ambassador to Thailand in the nineties - "The most important point in favour of BIMSTEC was that it was meant to focus on the economic development and stability of the Northeast by doing away with its isolation and lack of connectivity with its geographical neighbours and even mainland India; remedying this remoteness and this lack of connectivity lay at the heart of the idea of BIMSTEC".⁴ Thus, the primary reason motivating India to join BIMSTEC was that it will directly connect South Asia to Southeast Asia and would provide economic opportunities to India's Northeast states.

On 6 June 1997, the officials of the countries of Bangladesh, India, Sri Lanka and Thailand established BIST-EC ie Bangladesh, India, Sri Lanka, Thailand Economic Cooperation through the Bangkok Declaration. On 22 December 1997, Myanmar joined the grouping and BIST-EC was amended to BIMST-EC ie Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation. In February 2004 Nepal and Bhutan joined the grouping and since then the acronym BIMSTEC stands for Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Coopeartion. BIMSTEC collectively comprises twenty two per cent of global population and has a GDP (Gross Domestic Product) of US\$2.85 trillion.⁵

BIMSTEC is a sector driven co-operative organisation which seeks to create an enabling environment for rapid economic development through projects that can be dealt with most productively on a sub-regional basis making best use of available synergies among member countries. The sectors for cooperation include transport and communication, tourism, environment, disaster management, counter-terrorism, trans-national crimes, trade and investment, climate change, cultural cooperation,

energy, agriculture, poverty alleviation, fisheries, public-health, people-to-people contacts, and technology.⁶

However, the grouping failed to take off due to disinterest among the leadership and difficult bilateral relations among the member countries. A permanent Secretariat was established in Dhaka, Bangladesh in 2004 and only three summit meetings have been held so far. The first in Thailand in 2004; the second in New Delhi in 2008; and the third in Nay Pyi Taw in Myanmar in 2014. The fourth is slated to be held in Nepal in 2017.

In its twentieth year however the situation in BIMSTEC is promising. Bilateral relations have improved and the political leadership, including that from India, is showing renewed interest in BIMSTEC. The maritime agenda of cooperation has also assumed primacy. All this has to be seen in the context of global power shifting from Europe to Asia with the economic rise of China and India; ninety per cent of international trade including trade in critical energy resources being conducted through the seas; the BIMSTEC littoral countries of Bay of Bengal being geo-strategically located along important international shipping lanes; and the need to tap the opportunities being offered by Blue Economy.

For India, the Bay of Bengal is part of the Indian Ocean Region which India considers as its primary areas of maritime interest. Its engagement in BIMSTEC is part of India's larger maritime vision wherein SAGAR⁷, SAGARMALA⁸, Project Mausam⁹, Act East¹⁰ and India as a 'net security provider'¹¹ are being implemented. They propose a shared security architecture in the maritime domain and thus emphasise cooperation. Significantly, except Bhutan and India, the rest of BIMSTEC countries are part of China's Belt and Road Initiative (BRI). It is in India's interest that BIMSTEC's maritime agenda be a success for then the members will be sensitive to India's security concerns while they maintain relations with China.

The re-orientation of BIMSTEC is closely linked to India's Act East Policy. It was at the India-ASEAN Summit in Myanmar in November 2014, that India stated that its 'Look East Policy' has become 'Act East Policy'. ASEAN is at the heart of India's Act East policy wherein focus is not only on economic but strategic and security interactions too. India-ASEAN summit level partnership was established in 2002; strategic partnership in 2012; and presently there are thirty annual institutional mechanisms between them. While earlier India's north-eastern states were looked upon as a land bridge connecting India to ASEAN, presently its inland waterways

along with the ports of Bangladesh are being looked upon as a critical connecting link to ASEAN. In fact, the Indian President inaugurating the Brahmaputra River festival in April 2017 said, “The development of this national waterway can give Assam access to international ports like Chittagong in Bangladesh. This will give Assam an exposure to international trade and commerce. With the Act East Policy taking forefront, Assam is perfectly positioned to become the corridor of the country to the ASEAN nations”.¹² When connectivity with ASEAN improves, BIMSTEC too benefits.

India is taking steps to augment infrastructure and capacity at all major ports on the eastern sea board which overlook the Bay of Bengal and the BIMSTEC region to augment trade with ASEAN. This will have a direct bearing on BIMSTEC as Myanmar and Thailand are part of both ASEAN and BIMSTEC. The Kaladan Multi-modal Transit Transport Project is important in this connectivity plans¹³. It aims to connect Kolkata Port with Sittwe seaport in Myanmar by sea; it will then link Sittwe seaport to Lashio in Myanmar via Kaladan river boat route and then from Lashio on to Mizoram in India by road transport.¹⁴ Another connectivity project is India Myanmar Thailand Trilateral Highway project. It seeks to provide seamless connectivity from Moreh in Manipur to Mae Sot in Thailand via Myanmar. Discussions are taking place to extend this Trilateral Highway to Cambodia, Laos and Vietnam.¹⁵

India’s diplomacy with the immediate neighbourhood is based on India’s ‘Neighbourhood First Policy’ with focus on connectivity, contact and cooperation. Connectivity projects and strong bilateral diplomacy at the highest level form the bedrock of this policy.¹⁶ This policy, has specific relevance to India’s immediate neighbours in the east i.e. Nepal, Bhutan and Bangladesh which along with India’s Northeast states form the sub-region BBIN i.e. Bangladesh, Bhutan, India, Nepal Growth Quadrangle. This entire region, which is part of BIMSTEC too, looks to the ports of Bangladesh and India to access the Bay of Bengal. On the other hand, Sri Lanka, another BIMSTEC member has opined that it looks to strengthen economic cooperation in the Bay of Bengal.

These countries are focusing on ‘connectivity’ in the maritime domain. This refers to enabling coastal shipping between countries; connecting inland waterways to ports; connecting landlocked regions through roadways and waterways to ports; facilitating a seamless movement of people and goods through the waterways and ports of the South Asian region; and connecting the coast guards of the concerned countries so that maritime security is ensured. This will result in a secure and safe

maritime space from traditional and non traditional threats so that economic activities are not hindered and movement of people and goods is possible.

The BIMSTEC Leaders' Retreat, Goa, India 2016

On 16 October 2016, the leaders of the BIMSTEC member countries met in Goa, India for the BRICS-BIMSTEC Outreach Summit and released an Outcome Document too. This meeting was held in the background of the terror attack on 18 September 2016 on an army camp in Uri in the state of Jammu and Kashmir in India. Later the 19th SAARC Summit scheduled to be held in Pakistan in November 2016 was postponed.¹⁷ India had opined that that the increasing cross-border terrorist attacks in the region and growing interference in the internal affairs of Member States by one country had created an environment that was not conducive to the successful holding of the 19th SAARC Summit in Islamabad in November 2016.¹⁸

It was in this context that the dominant narrative was that India was trying to focus on BIMSTEC as SAARC was embroiled in difficulties. However, this paper argues that BIMSTEC has a relevance and significance independent of SAARC. Infact, by holding the BIMSTEC meet while BRICS Summit was being held, India sought to convey to the BRICs countries especially China that the Bay of Bengal falls under its area of influence.

Some of the issues spelt out in the outcome document are that terrorism remains the single most significant threat to peace and stability in the region; the need for implementation of the Paris Agreement on Climate Change as it impacts livelihoods of the people in the Bay of Bengal; closer cooperation in Disaster Management through joint exercises; need to focus on multi-modal physical connectivity (air-rail-roads-waterways); look into possibility of a BIMSTEC Motor vehicle agreement; deepen cooperation in agriculture sector to facilitate food security; need for sustainable development of fisheries as the Bay of Bengal region is home to over thirty per cent of world fisheries; tap into the enormous potential of Blue economy; explore ways to deepen cooperation in areas of aquaculture, hydrography, sea bed mineral exploration, coastal shipping, eco-tourism and renewable ocean energy to promote sustainable development of the region.¹⁹

As a follow up, the First Meeting of the National Security Chiefs of BIMSTEC member states was hosted in New Delhi on 21 March 2017. The member states emphasised the importance of recognising the Bay of Bengal as a common security

space and developing a holistic approach towards maritime security cooperation which would include Humanitarian Assistance and Disaster Relief too. The meeting decided to establish Track 1.5 BIMSTEC Security Dialogue Forum. The issue of terrorism was also discussed. It is important to note that India is the lead country in areas of Counter-Terrorism and Transnational Crime; Transport & Communication; Tourism; and Environment and Disaster Management. ²⁰

Through BIMSTEC, India is focusing on issues of maritime cooperation in a benign manner in the Bay of Bengal. However this should be seen in the context of power projection which takes place on a different platform. For example in July 2017, the USA-Japan-India trilateral Malabar exercises involving the navies of these three countries took place off the coast of Chennai in the eastern coast of India in the Bay of Bengal. ²¹

15th BIMSTEC Ministerial Meeting, Kathmandu, 11 August 2017

The momentum initiated in Goa 2016 continued to have a positive impact at the 15th BIMSTEC Ministerial Meeting. The joint statement issued at the conclusion of the meeting indicates to the constructive activities which will be held in the months to come. Bangladesh would hold a BIMSTEC Experts' Workshop on Climate Change; the third BIMSTEC Energy Ministers Meeting would be held in Nepal in 2018; India will organise the First Annual Disaster Management Exercise in October 2017; an International Conference on Blue Economy will be hosted by Bangladesh in October 2017; and the fourth BIMSTEC Summit would be held in Nepal.

The members also decided to conclude at the earliest the BIMSTEC Free Trade Area; the Trade Facilitation Agreement; and Agreement on Mutual Assistance on Customs Matters. The MoU on Establishment of BIMSTEC Grid Interconnection was finalised; and discussions will be held on Framework Agreement on Transit, Transshipment and Movement of Vehicular Traffic (BIMSTEC Motor Vehicle Agreement); BIMSTEC Coastal Shipping Agreement; and Thailand's Draft Concept Paper on BIMSTEC Master Plan for Connectivity. Discussions were also held on issues of counter-terrorism and Transnational Crime; the importance of sustainable development of fisheries for food security; mountain economy; and tourism. ²²

The Bangladesh Foreign Minister rightly said, "Connectivity is the key to overall cooperation which is lagging behind among BIMSTEC countries. Transportation of people and business through air-rail-road and seas and connectivity

of ideas, knowledge and skills are fundamental to boost mutual cooperation and partnership in all other areas among BIMSTEC countries.”²³

Conclusion

For India, BIMSTEC was an outcome of its Look East Policy where focus was on geo-economics. Twenty years hence, BIMSTEC has an added strategic relevance and needs to be examined in the context of Act East Policy and Neighbourhood First. All BIMSTEC member countries are aware that they are geo-strategically located and recent BIMSTEC meetings have prioritised maritime issues. There is a realisation that maritime security is necessary to tap the economic opportunities offered by Blue Economy. Most important, BIMSTEC is not a substitute for SAARC and was never meant to be.

The Bay of Bengal is part of the Indian Ocean Region which India terms as its primary areas of maritime interest. India needs to sustain the cordial bilateral relations in BIMSTEC and ensure that the connectivity projects are implemented. The resultant maritime activity will not only benefit the people of the region but also ensure that India’s influence in the region prevails.

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