



# India committed to boosting BIMSTEC connectivity: PM

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## **Highlights**

- The region is a meeting point for India's Neighbourhood First, Act East policies
- Making a strong pitch for enhanced regional connectivity, Prime Minister Narendra Modi said that India was committed to working with the BIMSTEC member states in the critical sector and to combating the menace of terrorism and drug trafficking.
- Mr. Modi said that there is a big opportunity for connectivity — trade connectivity, economic connectivity, transport connectivity, digital connectivity, and people-to-people connectivity while addressing the inaugural session of the fourth BIMSTEC summit.
- Modi also stated that India is committed to working with the BIMSTEC member states to enhance regional connectivity.
- The BIMSTEC is a regional grouping, comprising India, Bangladesh, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal.

## **'No substitute'**

- Addressing the summit, Mr. Oli said the BIMSTEC was not a substitute to the SAARC, and the two organisations could complement each other.
- He underlined the need for implementing the BIMSTEC poverty plan as well as the Millennium Development Goals for the benefit of the member states.
- He stressed the need for deeper economic integration and collaboration among the members for speedy development of the region.
- Addressing the summit, Prime Minister Narendra Modi said the BIMSTEC member states, situated between the Himalayas and the Bay of Bengal, face frequent natural disasters such as flood, cyclone and earthquake, and called for "cooperation and coordination" among them in humanitarian assistance and disaster relief efforts.
- "As no single country can move alone for attaining peace, prosperity and development, we need to collaborate and cooperate with each other in this interconnected world," he said.
- For research on art, culture and other subjects in the Bay of Bengal, Mr. Modi proposed that India would set up a Centre for Bay of Bengal Studies at the Nalanda University.
- Prime Minister Modi said India will host the International Buddhist Conclave in August 2020 and invited all BIMSTEC leaders to attend the event as guests of honour.
- He also said India was committed to enhance its national knowledge network in the field of digital connectivity in Sri Lanka, Bangladesh, Bhutan and Nepal. India also plans to extend it to Myanmar and Thailand.
- Mr. Modi hoped that the BIMSTEC member states will attend the India Mobile Congress in New Delhi scheduled for October.

## **Additional Info:**

### **BIMSTEC-Background**

- The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a regional organization comprising seven Member States lying in the littoral and adjacent areas of the Bay of Bengal constituting a contiguous regional unity.
- This sub-regional organization came into being on 6 June 1997 through the Bangkok Declaration.
- It constitutes seven Member States: five deriving from South Asia, including Bangladesh, Bhutan, India, Nepal, Sri Lanka, and two from Southeast Asia, including Myanmar and Thailand.
- Initially, the economic bloc was formed with four Member States with the acronym 'BIST-EC' (Bangladesh, India, Sri Lanka and Thailand Economic Cooperation).
- Following the inclusion of Myanmar on 22 December 1997 during a special Ministerial Meeting in Bangkok, the Group was renamed 'BIMST-EC' (Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation).
- With the admission of Nepal and Bhutan at the 6th Ministerial Meeting (February 2004, Thailand), the name of the grouping was changed to 'Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation' (BIMSTEC).
- The regional group constitutes a bridge between South and South East Asia and represents a reinforcement of relations among these countries.
- BIMSTEC has also established a platform for intra-regional cooperation between SAARC and ASEAN members.
- The BIMSTEC region is home to around 1.5 billion people which constitute around 22% of the global population with a combined gross domestic product (GDP) of 2.7 trillion economy.
- In the last five years, BIMSTEC Member States have been able to sustain an average 6.5% economic growth trajectory despite global financial meltdown.

### **Objective**

- The objective of building such an alliance was to harness shared and accelerated growth through mutual cooperation in different areas of common interests by mitigating the onslaught of globalization and by utilizing regional resources and geographical advantages.
- Unlike many other regional groupings, BIMSTEC is a sector-driven cooperative organization.
- Starting with six sectors—including trade, technology, energy, transport, tourism and fisheries—for sectoral cooperation in the late 1997, it expanded to embrace nine more sectors—including agriculture, public health, poverty alleviation, counter-terrorism, environment, culture, people to people contact and climate change—in 2008.

### **Permanent Secretariat**

- BIMSTEC Permanent Secretariat is at Dhaka was opened in 2014 and India provides 33% (65% of region's population) of its expenditure.
- BIMSTEC uses the alphabetical order for the Chairmanship. The Chairmanship of BIMSTEC has been taken in rotation commencing with Bangladesh (1997-1999).

## **BIMSTEC Free Trade Area Framework Agreement (BFTAFA)**

- BIMSTEC Free Trade Area Framework Agreement (BFTAFA) has been signed by all member nations to stimulate trade and investment in the parties, and attract outsiders to trade with and invest in BIMSTEC at a higher level.
- Subsequently, the "Trade Negotiating Committee" (TNC) was set up, with Thailand as the permanent chair, to negotiate in areas of trade in goods and services, investment, economic co-operation, trade facilitations and technical assistance for LDCs.
- Once negotiation on trade in goods is completed, the TNC would then proceed with negotiation on trade in services and investment.

## **BIMSTEC Coastal Shipping Agreement draft**

- BIMSTEC Coastal Shipping Agreement draft was discussed on 1 December 2017 at New Delhi, to facilitate coastal shipping within 20 nautical miles of the coastline in the region to boost trade between the member countries.
- Compared to the deep sea shipping, coastal ship require smaller vessels with lesser draft and involve lower costs.
- Once the agreement becomes operational after it is ratified, a lot of cargo movement between the member countries can be done through the cost effective, environment friendly and faster coastal shipping routes.

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