

## A 'silver' moment to propel a Bay of Bengal dream

### Why in news?

- June 6 marked the **completion of 25 years since the 1997 Bangkok Declaration** launched a modest grouping (of **Bangladesh, India, Sri Lanka and Thailand**), with the acronym, **BIST-EC**.
- Three countries (**Nepal, Bhutan and Myanmar**) **joined it later** to make it the **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)**.
- It as a platform for economic growth, prosperity and trade for the region was conceived to be a carve out from SAARC and ASEAN, given the apprehensions, many of the participating countries have with the two blocks.

# BIMSTEC



Bay of Bengal Initiative for Multi-Sectoral Technical & Economic Cooperation



Bangladesh



Sri Lanka



India



Nepal



Bhutan



Thailand



Myanmar

### A quick review of latest development in BIMSTEC:

- In the 25 years of existence, the Colombo summit in March 2022 for the first time, tried to provide an architectural framework for BIMSTEC.
- It has for the first time institutionalised the future roadmap, by agreeing to have yearly foreign affairs minister's meeting and summits every two years.
- The member-countries are home to nearly a quarter of the human population and have nearly \$4 trillion combined GDP. They have a huge potential for growth and large market potential, as has been evidenced by nearly doubling of Bangladesh and Nepal's GDP during the period BIMSTEC has been in existence.

### Consensus over free trade agreement:

- Sadly, BIMSTEC had no role to play in this growth story because unlike ASEAN, it doesnot have a free trade agreement amongst its members.
- One of the issues discussed in Colombo was a quick conclusion to a free trade agreement for bringing increased prosperity to citizens.
- However, the legacy challenges of mistrust amongst BIMSTEC partners and the rise of non-democratic forces in national politics (Myanmar) could stall the process.
- The political leadership addressing BIMSTEC cooperation have to realise that pushing a free trade agreement is going to be a domestic exercise, where their own political opponents would create roadblocks.

### Key achievements:

- BIMSTEC has crafted a **new Charter for itself, spelling out the grouping's vision, functions** of its constituent parts, and has secured a legal personality.
- It has prioritised the sectors of cooperation, reducing them from the unwieldy 14 to the more manageable seven, with each member-state serving as the lead country for the assigned sector.
- It has, finally, taken measures to strengthen the Secretariat, although some members are yet to extend adequate personnel support to it.

### Regular summits & collaboration:

- Unlike the South Asian Association for Regional Cooperation, post-2014, **BIMSTEC has continued to hold its summits and meetings of Foreign Ministers.**
- Unlike the Indian Ocean Rim Association (IORA) which held only one summit since its establishment in 1997, BIMSTEC has succeeded in holding five summits so far; it has now resolved to hold regular summits once in two years.
- The grouping has also **registered progress in combating terrorism, forging security cooperation, and creating mechanisms and practices for the better management of humanitarian assistance** and disaster relief.
- A whole basket of memoranda of understanding, agreements and legal instruments provide the foundation for developing functional cooperation in select areas such as agriculture, trade, sustainable development and connectivity. Institutions such as an Energy Centre and the Centre on Weather and Climate are in place to push sectoral cooperation forward.

### Internal issues:

- The BIMSTEC region witnessed the **influx of over a million Rohingya refugees into Bangladesh**, the result of oppression by the Myanmar military; **the coup in Myanmar** that led to its virtual boycott by a large segment of the international community; and the grave **political and economic crisis afflicting Sri Lanka.**

### Connectivity:

- There is disappointment on connectivity in infrastructure (roads, railways, air, river, and coastal shipping links), energy, the digital and financial domain, and institutions that bring people closer together for trade, tourism and cultural exchanges.
- **Only limited progress** has been achieved so far, **despite the adoption of the Master Plan for Connectivity supported by the Asian Development Bank (ADB).**
- Much of the connectivity established recently is the outcome of bilateral initiatives taken by India, Bangladesh, Nepal and Bhutan to strengthen transport links. Mega-projects aimed to improve connectivity between India and Myanmar (and Thailand) have been delayed inordinately.
- For greater regional connectivity, more financial resources are needed. The movement towards establishing the BIMSTEC Development Fund is minimal. The grouping has talked about the **Blue Economy** but is yet to begin any work on it. The involvement of the 'Third Space' needs to be expanded significantly.

### Strategic interest of India in BIMSTEC:

- For India, BIMSTEC allows the confluence of its Act East and the Neighbourhood Policies. This, while in itself being favourable, also allows it to coincide with its strategic view of the Indo-Pacific theatre.
- Due to the failure of SAARC, given the Indo-Pak hostilities, India has turned to the BIMSTEC nations for expanding its reach and presence in the Indo-Pacific region.
- Today, India's foreign policy is primarily concerned with the US and China power nexus. However, it's also the China concern which has forced India to shift its focus primarily from the US to start counting upon smaller and middle power nations. This has made it turn to the other Indo-Pacific nations, particularly in Southeast Asia. This is how BIMSTEC became important to serve India's security concerns in the Indo-Pacific.

### Way Forward:

- An exciting destiny awaits BIMSTEC as it works to realise the vision of the Bay of Bengal Community (BOBC). In this Indo-Pacific century, the BOBC has the potential to play a pivotal role, deepening linkages between South Asia and Southeast Asia.
- It should accelerate the region's economic development by collaborating with the newly minted Indo-Pacific Economic Framework for Prosperity (IPEF). New synergy should be created between BIMSTEC and the IPEF.
- Finally, while all member-states are equal, three have a special responsibility: Bangladesh as the host of the BIMSTEC Secretariat; Thailand as the representative of Southeast Asia; and India as the largest state in South Asia. This trio must be the engine to pull the BIMSTEC train with imagination and determination.