

# **Delhi Policy Group**

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### Advancing India's Rise as a Leading Power

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# **Outcomes of the BIMSTEC Summit**

by Mohit Musaddi



The 4<sup>th</sup> BIMSTEC Summit took place on August 30-31 in Kathmandu with the heads of all Member States present. The Summit was preceded by the 16<sup>th</sup> BIMSTEC Foreign Ministers meeting on August 29

and the 19<sup>th</sup> Senior Officials Meeting held on August 28.

Overall, the Summit concluded on a note of optimism with many recommendations and action plans emerging out of it. The Memorandum of Understanding (MoU) on Grid Interconnection Agreement was also signed in the Summit. However, some common problems from the past haunted the summit and some key elements were also neglected. Following is a brief on the outcomes.

### **Key Statements and Achievements**

The first key outcome of the summit was to prepare a draft for the 'Charter of BIMSTEC' that will be built on the Bangkok Declaration of 1997 as well as on the outcomes of the three preceding summits as well as the Leader's Retreat in Goa. The Summit also welcomed Thailand's concept paper on the 'Reprioritization of BIMSTEC Pillars of Cooperation' proposing to streamline areas of cooperation to five pillars, namely "connectivity, trade and investment, people to people contacts, security and science and technology". BIMSTEC currently operates with fourteen areas of cooperation and many member states believe that the areas of cooperation need to be streamlined to ensure effectiveness.

Even though BIMSTEC was formed in 1997, a permanent Secretariat was only established in 2014. During the Summit, it was proposed to establish a BIMSTEC Development Fund (BDF) with the motive of strengthening the secretariat financially. This is important as a lot of BIMSTEC activities have failed to take off owing to a lack of funds. Additional funds will now allow the Secretariat to hire experts to conduct independent studies in the region besides also engaging with the think-tank community to develop ideas and actions plans for the region.

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Ambassador Hemant Krishan Singh Director General The two key themes of the Summit were poverty alleviation and regional connectivity. The member states pledged to work towards eradicating poverty by the year 2030 by providing job opportunities through increased investment in service and productive sectors of the national economy. On the regional connectivity front, BIMSTEC countries agreed to establish seamless multi-modal transportation linkages and smooth, synchronized and simplified transit facilities through the development, expansion and modernization of highways, railways, waterways, sea routes and airways in the region.



The Summit in Kathmandu witnessed the signing of the MoU on Grid Interconnection. Various other aspects including the FTA, a BIMSTEC MVA and the Coastal Shipping Agreement were also discussed. Source: MEA

It also reiterated a strong commitment of BIMSTEC countries to combat terrorism and called upon all countries to devise comprehensive approach in this regard. Member countries also agreed to expedite conclusion of BIMSTEC Convention on Mutual Legal Assistance in Criminal Matters and called upon member states for its early ratification. It also expressed satisfaction that many member states have ratified BIMSTEC Convention on Cooperation in Combating International Terrorism, Transnational Organized Crime and Illicit Drug Trafficking.

A key statement was made on incorporating cultural cooperation to promote tourism in the region. The region shares historic cultural ties and thus it was decided to develop the 'Buddhist Tourist Circuit', 'Temple Tourist Circuit' and an 'Ancient Cities Trail' to underscore the importance of culture, and particularly Buddhism in the region. Nepal agreed to host the BIMSTEC Tourism conclave in 2020 which also coincides with the Visit Nepal Year, 2020.

A significant achievement was the signing of the MoU on Grid Interconnection. The MoU will provide a broad framework for all the member states to cooperate towards the implementation of grid interconnections for the trade in electricity with a view to promote rational and optimal power transmission in the BIMSTEC region.

Overall, the greater political will that was on display throughout the Summit was its biggest achievement. Pragmatic ideas were delivered with the promise of institutionalizing them through collective efforts from all member states. Closer cooperation in other priority areas such as counter terrorism and transnational crime, environment and disaster management, climate change, energy, agriculture, technology and people to people contacts among others were also discussed and statements released for the same.

## TABLE: Proposals made by Prime Minister NarendraModi at the Kathmandu Summit

PROPOSALS	PRIORITY AREA
BIMSTEC Multi-National	Counterterrorism and
Military Field Training	transnational crime
Exercise & Army Chief's	
Conclave	
BIMSTEC Ministerial	Transport and
Conclave as part of India	Communication
Mobile Congress	
International Buddhist	Cultural Cooperation
Conclave	
Conference on BIMSTEC	Counterterrorism and
Framework on Narcotics	transnational crime
International Conference	Climate Change
on the issue of climate	
smart farming	
Centre for Bay of Bengal	People-to-people Contact
Studies at Nalanda	
University	
Special Forum for BIMSTEC	People-to-people Contact
Women MPs	
BIMSTEC Youth Summit	People-to-people Contact
BIMSTEC Band Festival	Cultural Cooperation
BIMSTEC Youth Water	People-to-people Contact
Sports	
Tri Services Humanitarian	Environment and Disaster
Assistance and Disaster	Management
Relief Exercise	
Second Annual BIMSTEC	Environment and Disaster
Disaster Management	Management
Exercise	
Hackathon for Youth	Blue Economy

#### **Some Observations**

At least six legal documents among BIMSTEC member states are still awaiting finalization. Chief among them is the Free Trade Agreement (FTA), the framework of which was signed in 2004 and twenty rounds of negotiations have been held ever since. The member states however, are yet to sign the FTA and no timeline was set during the summit regarding its conclusion. Only the Thai Prime Minister urged participants to make BIMSTEC a Free Trade Zone by 2021 but the statement could not find space in the summit declaration. Apart from that, a Coastal Shipping Agreement and a Motor Vehicle Agreement (MVA) which will be heavily based on the BBIN MVA model was discussed but it was unclear as to when these might come to fruition.

Further, there was no date set for holding the next BIMSTEC Summit. Although leaders have expressed the desire to make the summit an annual affair, the joint statement only read that a "timely holding of the Summit" will be appropriate.

BIMSTEC needs to let go of its top-down approach. An important step for the regional organization needs to be the expansion of the BIMSTEC Network of Policy Think Tanks (BNPTT). Currently it only includes one policy think tank from each Member State and only a more inclusive BNPTT will result in the outcome of more pragmatic ideas and policy recommendations for future plans of action. Recommendations on ways to complete the ongoing projects might also emerge from enhanced engagement with think tanks.

Moreover, plenty of ideas and promises have been made at the Summit and fulfilling them will require more than what the member states offer to the organization. While it is good for BIMSTEC to punch above its weight, it would also have proven beneficial if the Summit could focus on the completion of a few ongoing projects rather than starting new ones.

#### What's next?

Myanmar offered to host 1<sup>st</sup> BIMSTEC Ministerial Meeting on Agriculture by 2019 while India would host the BIMSTEC Seminar on Climate Smart Farming Systems in 2019. Further, Thailand has agreed to host the Third Meeting of the BIMSTEC National Security Chiefs in March 2019. India will also host the BIMSTEC Startup Conclave in December 2018 and the BIMSTEC Ministerial Conclave at the India Mobile Congress 2018 in New Delhi from 25-27 October 2018, the theme of which will be New Digital Horizons: Connect, Create, Innovate. The most immediate initiative though, is a joint military exercise of all the BIMSTEC countries. The post-summit cooperation has already witnessed a hiccup after Nepalese Prime Minister K P Sharma Oli decided to pull out of the exercise following domestic criticisms from members of his own party for participating in the drills.



Contingents from Armies of five of seven BIMSTEC countries will undertake the weeklong (September 10-16) military exercise in Pune. The remaining two countries, Thailand and Nepal, have sent teams of observers for the exercise, the focus of which is counter terrorism operations in a semi-urban environment. Source: Indian Express

Overall, the summit has provided a stepping stone for cooperation and development in the region. The coming year will be crucial for the organization and only the time-based implementation of the proposed projects will be the measure of its success or otherwise.

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