

# 17th BIMSTEC Meet

April 6, 2021

Quick on the heels of the first Quad summit, India took part in the 17th BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) Ministerial meet, chaired by Sri Lanka. The BIMSTEC has emerged as a platform of significance in South Asia specifically in light of the several obstacles being faced by SAARC.

**In news:** BIMSTEC meet: India wants talks on coastal shipping, motor vehicle agreement to be expedited

**Placing it in syllabus:** Foreign Affairs

## Dimensions

- Highlights of the meet
- BIMSTEC
- Importance
- Drawbacks

## Content:

### Highlights of the Meet:

- 17th BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) Ministerial meet, chaired by Sri Lanka, was held recently.
- The meeting drew participation from all the seven-member States, including Myanmar which is witnessing a large-scale crackdown against anti-military protesters.
- Indian External Affairs Minister S. Jaishankar pushed for further bolstering regional cooperation through the platform and making it “stronger, vibrant, more effective, and result-oriented.”
- He also called for enhanced cooperation to expand regional connectivity, which he said would be “an important step towards fulfilling the aspirations of the

people of our region for better connectivity and integration.”

- In this regard, he urged the members to finalise a legal framework, along with expediting the completion of a coastal shipping deal and a motor vehicles agreement, to augment connectivity.
- The gathering also featured extensive discussions relating to preparations for the **Fifth BIMSTEC Summit**, which is scheduled to take place in Sri Lanka next year.
- **Member states endorsed the signing of multiple legal instruments** in the upcoming meet, including “the BIMSTEC Convention on Mutual Legal Assistance in Criminal Matters; Memorandum of Association on the Establishment of BIMSTEC Technology Transfer Facility (TTF) in Colombo, Sri Lanka; and, Memorandum of Understanding on Mutual Cooperation between Diplomatic Academies/Training Institutions of BIMSTEC Member States.”
- The text of the **BIMSTEC Charter** has been finalised. With this, the organisation will soon have the common set of rules and goals.
- The Member States have finalised the **BIMSTEC Master Plan for Transport Connectivity** which is expected to be adopted at the fifth BIMSTEC Summit
- The 17th BIMSTEC Ministerial, chaired by Sri Lanka, however, avoided any reference to Myanmar’s current crisis.

## **BIMSTEC:**

### **Origin:**

- The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is an international organisation of seven nations of South Asia and Southeast Asia
- BIMSTEC is an economic bloc that came into being on 6 June 1997 through the Bangkok Declaration.

- It aims to accelerate economic growth and social progress among members across multiple sectors – trade, technology, energy, transport, tourism and fisheries, agriculture, public health, poverty alleviation, counter-terrorism, environment, culture, people to people contact and climate change.
- The grouping holds annual meetings hosted by member states based on alphabetical rotation. Sri Lanka is the host nation this time.
- Initially, the economic bloc was formed with four countries with the acronym 'BIST-EC' (Bangladesh, India, Sri Lanka and Thailand Economic Cooperation). With the entrance of Myanmar in 1997, the grouping was renamed 'BIMST-EC' (Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation).
- Finally, with the entrance of Nepal and Bhutan at the 6th Ministerial Meeting in 2004, the grouping was named Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

### **Structure:**

- Fourteen priority sectors of cooperation have been identified and several BIMSTEC centres have been established to focus on those sectors.
- A BIMSTEC free trade agreement is under negotiation , also referred to as the mini SAARC.
- Leadership is rotated in alphabetical order of country names. The permanent secretariat is in Dhaka, Bangladesh.

### **Members**

- BIMSTEC, which now includes five countries from South Asia and two from ASEAN, is a bridge between South Asia and Southeast Asia.
- BIMSTEC is a regional organisation comprising Bangladesh, Bhutan, India, Nepal, Sri Lanka, Myanmar and

Thailand.

Some key agreements signed by BIMSTEC members include a **convention for combating terrorism, transnational organised crime and illicit drug trafficking**. However, this awaits ratification.

Another is the **BIMSTEC Grid Interconnection**, signed during the BIMSTEC Summit in Kathmandu, Nepal, in 2018, which aims to promote an optimal power transmission in the BIMSTEC region

## **Importance:**

### ***Economic Factors:***

- Over one-fifth (22%) of the world's population live in the seven countries around it, and they have a combined GDP close to \$2.7 trillion.
- The Bay also has vast untapped natural resources. One-fourth of the world's traded goods cross the Bay every year.

### ***Failure of SAARC:***

- The BIMSTEC has emerged as a platform of significance in South Asia specifically in light of the several obstacles being faced by SAARC.
- In 2016, members of the SAARC refused to attend the yearly meeting in Pakistan, thereby diminishing its relevance for regional cooperation.
- In fact, in June 2019, Jaishankar explicitly declared that the "issues" faced by the SAARC have resulted in the BIMSTEC becoming India's preferred platform over the next five years.

### ***Indo-Pacific Strategic Significance:***

- The Bay of Bengal has grown in strategic significance within the Indo-Pacific, especially due to the contest

between India and China.

- What was once a region bereft of any major conflicts is now poised to become “a zone of geopolitical rivalry among major powers and of regional conflict”

### **Importance for India:**

- **Regional Connectivity:** BIMSTEC connects not only South and Southeast Asia, but also the ecologies of the Great Himalayas and the Bay of Bengal.
- For New Delhi, one key reason for engagement is in the vast potential that is unlocked with stronger connectivity. Almost 300 million people, or roughly one-quarter of India’s population, live in the four coastal states adjacent to the Bay of Bengal (Andhra Pradesh, Orissa, Tamil Nadu, and West Bengal).
- **Gateway for Act East:** For India, it is a natural platform to fulfil our key foreign policy priorities of ‘Neighborhood First’ and ‘Act East’.
- **Strategic Convergence:** From the strategic perspective, the Bay of Bengal, a funnel to the Malacca straits, has emerged a key theatre for an increasingly assertive China in maintaining its access route to the Indian Ocean.
- As China mounts assertive activities in the Bay of Bengal region, with increased submarine movement and ship visits in the Indian Ocean, it is in India’s interest to consolidate its internal engagement among the BIMSTEC countries.

### **Drawbacks :**

- However, BIMSTEC has come under scrutiny for failing to achieve milestones within 23 years of its inception.
- Experts have also criticised the body’s inadequate response towards issues like the Rohingya crisis which involves three of its member countries – Myanmar, India

and Bangladesh.

- BIMSTEC has come under scrutiny mainly due to dormancy in initial years and a stalled Free Trade Agreement (FTA) process.
- The fact that other countries in the Bay of Bengal like Malaysia, Singapore and Indonesia have not been involved even as dialogue partners has also been a point of contention.
- In 2018, India aggressively pushed for the conclusion of a long-pending FTA among BIMSTEC nations but differences between India and Thailand over market access for professionals, duty cuts on traded goods and policy relaxation stalled the process.
- The reason small nations in the Bay of Bengal, Indian Ocean and Pacific Ocean are turning to regional blocs like BIMSTEC is because they gain higher economic dividends from regional blocks than fragmented multilateralism promoted by the World Trade Organization (WTO).
- BIMSTEC has been slow on the come-up because (unlike bodies like the EU or ASEAN), it is based on consensus-building which takes time.

**Mould your thought:** Robust connectivity was an essential prerequisite for economic integration of the Bay of Bengal region. Evaluate the statement with respect to BIMSTEC.

***Approach to the answer:***

- Introduction
- Discuss the BIMSTEC basics
- Discuss the importance of connectivity for the region
- Discuss the recent updates in this regard
- Conclusion