

Blue dot network

April 26, 2020

Context: According to the joint statement released by India and US both leaders have “expressed interest” in the Blue Dot Network initiative.

- **The concept of the Blue Dot Network was officially launched on 4 November 2019 at the Indo-Pacific Business Forum in Bangkok, Thailand.**
- It will be led by the US along with Japan and Australia – the three countries, along with India, form the Quadrilateral grouping.
- Blue Dot Network will be a multi-stakeholder initiative that will bring governments, the private sector, and civil society together to promote high-quality trusted standards for global infrastructure development
- The infrastructure projects will have to follow
 - G-20 principles for Quality Infrastructure Investment, aimed at sustainable lending and borrowing
 - G7 Charlevoix Commitment on Innovative Financing for Development,
 - Equator Principles, which mandate financial institutions to assess and manage environmental and social risks in a given projects.
- Projects that aim to be certified under the Blue Dot Network will have to give an undertaking that they adhere to these principles. The undertaking will then be scrutinised.
- India remains one of the US’ sought-after choices for the initiative since the country refused to join the China-led Belt & Road Initiative (BRI), Xi Jinping’s ambitious platform for trade among Asia, Europe and Africa that counts infrastructure development in member nations – often at unsustainable loans – as a key

pillar.

- It does not exclude those who are part of the Belt and Road project also.
- A country that joins the Blue Dot Network as a partner will boost its project capability efforts. Further, if the infrastructure development projects of that particular country obtain a Blue Dot certification, they will be seen as adhering to the highest level of global standards.
- Access to private and public financing institutions will help mitigate financing risks, acting as an impetus for developing countries like India to smoothly undertake development projects domestically as well as internationally.