



4th BIMSTEC SUMMIT 2018

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The 4th BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) summit was held in Kathmandu, Nepal on August 30-31. The major focus of this year's BIMSTEC was enhancing regional connectivity and trade.

The ***Kathmandu Declaration*** was adopted unanimously at BIMSTEC-2018. It called for a **Peaceful, Prosperous and Sustainable Bay of Bengal Region**.

Focus Areas

- **Memorandum of Understanding on Grid Interconnection:** To enhance energy cooperation between member states and to remove barriers to grid interconnections.
Advantages of BIMSTEC grid interconnection:
 - The agreement will provide a broad framework, for the parties, to cooperate towards the implementation of grid interconnection for the electricity trade.
 - It will promote rational and optimal power transmission in the BIMSTEC region.
 - The promotion of efficient, economic, and secure operation of the power system needed through the development of regional electricity networks.
- **Transport and Communications (Connectivity):** Enhancing Connectivity is a major issue among the countries in the region. BIMSTEC members agreed to Step up efforts to conclude the BIMSTEC Coastal Shipping Agreement and the BIMSTEC Motor Vehicle Agreement as early as possible.
- **Trade and Investment:** BIMSTEC Free Trade Agreement was negotiated in 2004, talks on it are yet to be concluded. BIMSTEC members agreed to an early conclusion of BIMSTEC Free Trade Agreement.
- **Counter-terrorism and Transnational Crime:** As BIMSTEC region is under threat from radical terrorist groups, member nations agreed to Identify and hold accountable states and non- state entities that encourage support and finance terrorism.
- **Environment and Disaster Management:** South and South-east Asia is prone to disasters like Cyclone, earthquake and Tsunami. BIMSTEC members agreed to develop a plan of action to improve preparedness and coordination for responding to natural disasters in the Bay of Bengal Region.
- **Poverty alleviation:** Eradication of poverty in the Bay of Bengal Region by 2030 in line with the 2030 Agenda for Sustainable Development of United Nations.

- **Climate Change:** To protect and preserve the environment and to address the impact of Climate Change on the livelihoods of people in the region.
- **Public Health:** To cooperate on efforts to address non-communicable diseases as well as diseases like HIV and AIDS, malaria, dengue, tuberculosis, viral influenza-including avian and swine influenza and other emerging public health threats.
- **Cultural Cooperation:** To enhance cultural exchange among the Member States with Buddhism acting as a connecting thread in the region and to establish a Buddhist Circuit.
- To take concrete steps to promote **Tourism, People-to-People contact, Mountain Economy, and Blue Economy.**

About BIMSTEC

- The BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) is a regional grouping comprising India, Bangladesh, Myanmar, Sri Lanka, Thailand, Bhutan, and Nepal.
- Originally formed as BIST-EC (Bangladesh, India, Sri Lanka and Thailand Economic Cooperation) in 1997 by Bangkok Declaration.
- It became BIMST-EC when Myanmar joined, and BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) in 2004 with the inclusion of Nepal and Bhutan.
- The founding objectives of the sub-regional initiative are:
 - creating an enabling environment for the rapid economic development of the sub-region,
 - encouraging the spirit of equality and partnership,
 - promoting active collaboration and mutual assistance in the areas of common interests of the member countries,
 - accelerating support for each other in the fields of education, science, and technology, etc
- Around 22% of the world's population live in these seven countries around the Bay of Bengal, with a combined GDP close to \$2.7 trillion.

Importance of BIMSTEC

- BIMSTEC is significant for India as it acts as a bridge between South Asia with South-east Asia. As ASEAN member's (Thailand and Myanmar) are also included in BIMSTEC.
- For India, it is a natural platform to fulfill our key foreign policy priorities of 'Neighbourhood First Policy' and 'Act East Policy'.
- BIMSTEC could allow India to put forward it's agenda to counter Chinese investments in the region (e.g. Belt and Road Initiative), and instead show how to follow best practices for connectivity projects based on international norms.

- With SAARC (South Asian Association for Regional Cooperation.) becoming almost non-functional because of obstructionist approach of Pakistan, BIMSTEC has emerged as a new platform for India to engage with its neighbors outside of SAARC.
- Through BIMSTEC, Bay of Bengal can be showcased as open and peaceful, as compared to China's aggressive behavior in the South China Sea.
- BIMSTEC is also helpful for other members as:
 - Bangladesh views BIMSTEC as a platform to position itself beyond Bay of Bengal region.
 - Sri Lanka sees it as an opportunity to realize its ambition to connect with Southeast Asia and serve as the subcontinent's hub for the wider Indian Ocean and Pacific regions.
 - For Nepal and Bhutan, BIMSTEC stands to connect with the Bay of Bengal region and escape their landlocked geographic positions.
 - For Myanmar and Thailand connecting more deeply with India across the Bay of Bengal also would allow them to access a rising consumer market.

Challenges

- **Inconsistency in Meetings:** BIMSTEC planned to hold summits every two years, ministerial meetings every year, but only four summits have taken place in 20 years.
- **Neglect by member states:** It seems that India has used BIMSTEC only when it fails to work through SAARC in the regional setting and other major members like Thailand and Myanmar are focused more towards ASEAN than BIMSTEC.
- **Broad Focus Areas:** The focus of BIMSTEC is very wide, including 14 areas of cooperation like connectivity, public health, agriculture etc. It is suggested that BIMSTEC should remain committed to small focus areas and cooperate in them efficiently.
- **Bilateral Issues between Member Nations:** Bangladesh is facing one of the worst refugee crisis of Rohingyas from Myanmar who are fleeing prosecution in the state of Rakhine in Myanmar. There is a border conflict between Myanmar and Thailand.
- **No FTA:** BIMSTEC FTA was negotiated in 2004, talks on it are yet to be concluded.

Way forward

- BRICS-BIMSTEC outreach summit organized by India has brought BIMSTEC in focus as a regional grouping. India has renewed its interest in the grouping.
- It is necessary that BIMSTEC members should conclude talks on the Free Trade Agreement in a swift manner, BIMSTEC-FTA can create enormous opportunities for member countries in the field of employment, investment, and infrastructure.
- Instead of fourteen focus areas, BIMSTEC's priority areas should be trade and investment, connectivity, energy, people-to-people exchanges, counter-terrorism, the Blue Economy.

- It is necessary that countries within BIMSTEC should resolve their internal issues in a fair manner. If the cooperation among the members will be in right directions then it can prove a better alternative to SAARC.