



## BBIN Motor Vehicles Agreement

**For Prelims:** Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement (MVA), South Asian Association for Regional Cooperation (SAARC), Asian Development Bank, South Asian Subregional Economic Cooperation programme, World Bank

**For Mains:** Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement (MVA)

### Why in News?

Recently, India, Bangladesh and Nepal finalised an enabling memorandum of understanding (MoU) for implementing the long-gestating [Bangladesh-Bhutan-India-Nepal \(BBIN\) Motor Vehicles Agreement \(MVA\)](#).



### What is the BBIN connectivity Project?

- **Background:** The project was conceived after the [South Asian Association for Regional Cooperation \(SAARC\)](#) failed to agree on a regional motor vehicles agreement at a **summit in Nepal in 2014**, mainly because of opposition from Pakistan.
- **Origin:** The **BBIN Motor Vehicle Agreement for the Regulation of Passenger, Personal and Cargo Vehicular Traffic** between the 4 countries was signed during a transport ministers' meeting in **Thimpu on 15<sup>th</sup> June 2015**.
- **Objective:** Operationalising the MVA by concluding the **Passenger and the Cargo Protocol** will

help realise the full potential of trade and **people to people connectivity** between the BBIN countries by **fostering greater sub-regional cooperation**.

- **Bhutan's Reluctance:** The BBIN project suffered a setback in **2017 when Bhutan temporarily** opted out of it after being unable to get parliamentary approval for the MVA.
  - The **3 other countries** decided at the time to press ahead with the agreement.
- **Foreign Funding:** The [Asian Development Bank](#) has supported the project as part of its [South Asian Subregional Economic Cooperation programme](#), and has been requested to prioritise about 30 road projects worth billions of dollars.
  - The [World Bank](#), which has estimated that the implementation of the MVA will potentially see an [increase in traffic-regional trade within South Asia by nearly 60%](#), has also announced its interest in supporting infrastructure.
- **Persisting Issues:** There are still some agreements holding up the **final protocols, including issues like insurance and bank guarantees, and the size and frequency of freight carriers into each country**, which they hope to finalise this year before operationalizing bus and truck movements between them.

## What are the concerns of Bhutan?

- The objections of Bhutan pertains to **sustainability and environmental concerns**.
- In 2020, Prime Minister Lotay Tshering held that given **Bhutan's "current infrastructure" and top priority to remaining a "carbon-negative" country**, it would not be possible to consider joining the MVA.
  - Thus, the Bhutanese parliament decided not to endorse the plan.

## What are the Similar Connectivity Initiatives which India is a part of?

- [Bangladesh-China-India-Myanmar \(BCIM\) Corridor](#)
- [India-Myanmar-Thailand Trilateral Highway](#)
- [Kaladan Multi-Modal Transit Transport \(KMMTT\)](#)

## Way Forward

- Bhutan's concerns may be eased if India considers the inclusion of waterways and riverine channels as a **less environmentally damaging substitute**.

PYQ

Q. In the Mekong-Ganga Cooperation, an initiative of six countries, which of the following is/are not a participant/ participants? (2015)

1. Bangladesh
2. Cambodia
3. China
4. Myanmar
5. Thailand

Select the correct answer using the code given below:

- (a) 1 only
- (b) 2, 3 and 4
- (c) 1 and 3
- (d) 1, 2 and 5

Ans: (c)

**Source: TH**

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