



# BIMSTEC

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## What is BIMSTEC?

- The [\*\*Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation \(BIMSTEC\)\*\*](#) is a regional multilateral organisation.
- Its members lie in the littoral and adjacent areas of the Bay of Bengal constituting a contiguous regional unity.
- Out of the 7 members,
  - Five are from South Asia –
    - **Bangladesh**
    - **Bhutan**
    - **India**
    - **Nepal**
    - **Sri Lanka**
  - Two are from Southeast Asia –
    - **Myanmar**
    - **Thailand**
- BIMSTEC not only connects South and Southeast Asia, but also the ecologies of the Great Himalayas and the Bay of Bengal.
- It mainly aims to create an enabling environment for rapid economic development; accelerate social progress; and promote collaboration on matters of common interest in the region.

## What is the Genesis of BIMSTEC?

- This sub-regional organization came into being in 1997 through the **Bangkok Declaration**.
- Initially, it was formed with four Member States with the acronym '**BIST-EC**' (Bangladesh, India, Sri-Lanka and Thailand Economic Cooperation).
- It became renamed '**BIMST-EC**' in 1997, following the inclusion of Myanmar.
- With the admission of Nepal and Bhutan in 2004, the name of the grouping was changed to 'Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation' (**BIMSTEC**).

## What are the Main Objectives of BIMSTEC?

- 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.

## What are the Principles of BIMSTEC?

- Sovereign Equality
- Territorial Integrity
- Political Independence

- No-interference in Internal Affairs
- Peaceful Co- existence
- Mutual Benefit
- Constitute an addition to and not be a substitute for bilateral, regional or multilateral cooperation involving the Member States.

## **What is the Potential of BIMSTEC?**

- **Bridge between South and South East Asia** and represents a reinforcement of relations among these countries.
  - The Bay of Bengal region has the potential to become the epicentre of the Indo-Pacific idea, a place where the strategic interests of the major powers of East and South Asia intersect.
- Platform for **intra-regional cooperation between SAARC and ASEAN** members.
- Home to around 1.5 billion people that constitute around 22% of the global population and a combined Gross Domestic Product (GDP) of USD 3.8 trillion, BIMSTEC has emerged as an influential engine of economic growth.
- A fourth of the world's traded goods cross the bay every year.
- Important Connectivity Projects:
  - Kaladan Multimodal Project - links India and Myanmar.
  - Asian Trilateral Highway - connecting India and Thailand through Myanmar.
  - Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement - for seamless flow of passenger and cargo traffic.

## **What is the Significance of BIMSTEC for India?**

- Allows India to pursue three core policies:
  - Neighborhood First - primacy to the country's immediate periphery;
  - Act East - connect India with Southeast Asia; and
  - Economic development of India's northeastern states - by linking them to the Bay of Bengal region via Bangladesh and Myanmar.
- Allows India to counter China's creeping influence in countries around the Bay of Bengal due to the spread of its Belt and Road Initiative.
- A new platform for India to engage with its neighbors with South Asian Association for Regional Cooperation (SAARC) becoming dysfunctional because of differences between India and Pakistan.

## **What are the Key Areas of Cooperation within BIMSTEC?**

- Trade and Investment
- Technology
- Energy
- Transportation and Communication
- Tourism
- Fisheries
- Agriculture
- Cultural Cooperation
- Environment and Disaster Management
- Public Health
- People-to-People Contact
- Poverty Alleviation
- Counter Terrorism and Transnational Crime
- Climate Change

## What are the Various Institutional Mechanisms of BIMSTEC?

- **BIMSTEC Summit** - highest policymaking body in BIMSTEC process and is comprised of heads of state/government of member states.
  - In March 2022, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation ([BIMSTEC grouping's fifth summit](#)) took place in Colombo, Sri Lanka (Host for the Fifth Summit).
- **Ministerial Meeting** - second apex policy-making forum of BIMSTEC attended by the External/Foreign Ministers of Member States.
- **Senior Officials' Meeting** - represented by Senior Officials of Foreign Ministries of the Member States.
- **BIMSTEC Working Group** - attended by Ambassadors of BIMSTEC Member Countries to Bangladesh or their representatives on a monthly basis at the BIMSTEC Secretariat in Dhaka.
- **Business Forum & Economic Forum** - the two important forums to ensure active participation of private sector.

## What Key Challenges are Associated with BIMSTEC?

Though largely devoid of bilateral tensions, as is the case in SAARC, BIMSTEC does not seem to have made much progress.

- **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 upto 2018.
- **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.
- **BCIM:** The formation of another sub-regional initiative, the Bangladesh-China-India-Myanmar (BCIM) Forum, with the proactive membership of China, has created more doubts about the exclusive potential of BIMSTEC.
- **Inadequate Focus on Economic Cooperation:** A quick look at the unfinished tasks and new challenges gives an idea of the **burden of responsibilities on the grouping**.
  - Despite signing a framework agreement for a comprehensive [Free Trade Agreement \(FTA\)](#) in 2004, BIMSTEC stands far away from this goal.
  - Of the seven constituent agreements needed for the FTA, **only two are in place as of now**.
- **Unfinished Projects:** The general formulations of the Colombo Declaration (fifth BIMSTEC Summit) instil **little confidence about prospects of early progress**.
  - Despite talks for the need for expansion of connectivity, much of the **work is unfinished when it comes to finalising legal instruments** for coastal shipping, road transport and intra-regional energy grid connection.

## How BIMSTEC is Different from SAARC?

SAARC	BIMSTEC
1. A regional organisation looking into South Asia	1. Interregional organisation connecting South Asia and South East Asia.
2. Established in 1985 during the cold war era.	2. Established in 1997 in the post-Cold War.
3. Member countries suffer for mistrust and suspicion.	3. Members maintain reasonably friendly relations. 4. Core objective is the improvement of

4. Suffers from regional politics.	economic cooperation among countries.
5. Asymmetric power balance.	5. Balancing of power with the presence of Thailand and India on the bloc.
6. Intra-regional trade only 5 percent.	6. Intra-regional trade has increased around 6 percent in a decade.

## What could be the Way Forward?

- Since the BIMSTEC region is notable for its diversity, the member states need to build on the regional synergies and work towards utilising the available resources in the most optimal manner.
- This would help build a stronger and a more dynamic BIMSTEC.
- **Multilateral Discussions:** Given the complexity of domestic and geopolitical factors, this sphere will require **sustained bilateral and group-level discussions to prevent problems such as the Rohingya crisis** from becoming impediments to the smooth delivery of economic and security outcomes.
  - India too will have to ensure equally sustained **political engagement with partners** such as Nepal, Sri Lanka and Bangladesh to **prevent any domestic political spillover** from affecting bilateral and group-level working relationships.
  - India and other members will also need to be **astute in managing Myanmar's engagement** until the **political situation in the country** becomes normal.
- **Boosting Connectivity and Cooperation:** For India's vision to bolster trade connectivity in the grouping, an **FTA spanning the maritime resource-rich members** such as **Myanmar and Sri Lanka** could bring dramatic gains for all members.
  - A '**coastal shipping ecosystem**' and an **interconnected electricity grid**, in addition to the adopted Master Plan for Transport Connectivity, have the **potential to boost intraregional trade** and economic ties.
  - Also, BIMSTEC needs to generate **additional funding and push for timely implementation** of the projects.
- **India as the Torchbearer:** For the revived grouping to realise its trade and economic potential, India will have to take a leadership role in **assuaging any apprehensions among the smaller members** of intragroup power imbalances and strive to **facilitate greater cross-border connectivity** and **flow of investments** by lowering barriers to the movement of people and goods.
  - Even at the summit, India was the **only country to offer additional funding to the Secretariat** and also to support the Secretary General's proposal to establish an **Eminent Persons Group (EPG)** for producing a vision document.
  - **Other countries need to emulate this** sincere matching of words with action.
- **Others Areas of Focus:** BIMSTEC should focus more in the future on new areas such as the **blue economy**, the **digital economy**, and **promotion of exchanges** and links among **start-ups and Micro, Small and Medium Enterprises (MSMEs)**.