

BBIN Motor Vehicles Agreement

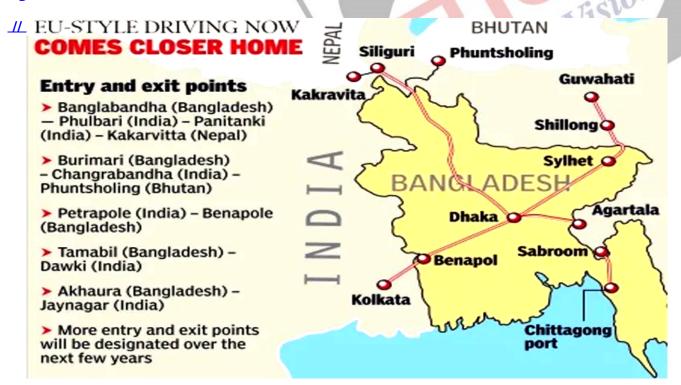
For Prelims: Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement (MVA), South Asian Association for Regional Cooperation (SAARC), Asian Development Bank, South Asian Subregional Economic Cooperation programme, World Bank

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 <u>South Asian Association for Regional</u>
 <u>Cooperation (SAARC)</u> failed to agree on a regional motor vehicles agreement at a <u>summit in</u>
 <u>Nepal in 2014</u>, 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 15th 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 <u>Asian Development Bank</u> has supported the project as part of its <u>South Asian Subregional Economic Cooperation programme</u>, and has been requested to prioritise about 30 road projects worth billions of dollars.
 - The <u>World Bank</u>, which has estimated that the implementation of the MVA will potentially see an <u>increase in traffic-regional trade within South Asia by nearly 60%</u>, 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)

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