



Second Meeting of India-Central Asia Dialogue

Why in News

Recently, India virtually hosted the second meeting of the [India-Central Asia Dialogue](#).

- The [first meeting of the dialogue](#) was held in Samarkand, the Republic of Uzbekistan in January 2019.

Key Points

- **Combat Terrorism:** All the nations strongly **condemned terrorism and reaffirmed their determination to combat** it by destroying terrorist safe-havens, networks, infrastructure and funding channels.
 - They also underlined the need for **every country to ensure that their territory is not used to launch terrorist attacks** against other countries.
- **Afghan Peace Process:** All countries called for the [settlement of the Afghan conflict](#) on the basis of Afghan-led, Afghan-owned and Afghan-controlled peace process.
- **Infrastructure:** They appreciated **India's efforts to modernise the infrastructure of the Chabahar port in Iran**, which could become an important link in trade and transport communications between the markets of Central and South Asia.
- **Initiatives Announced by India:**
 - An additional **USD 1 billion Line of Credit by India** for the Central Asian countries.
 - It is expected that the money will be **spent on major infrastructural and connectivity projects**.
 - **Grant financing for high impact community development projects** in the countries.
 - **Establishment of working groups by India Central Asia Business Council** comprising the key chambers of all participating countries.
 - The council was launched by the Government of India along with the [Federation of Indian Chambers of Commerce and Industry](#) (FICCI) in February 2020.
 - It aims to promote business in the region and to collaborate and provide an industry view to the governments of the six countries.

Line of Credit

- It is a **credit facility** extended by a bank or any other financial institution to a government, business or an individual customer, that **enables the customer to draw the maximum loan amount**.
- The borrower **can access funds from the line of credit at any time as long as they do not exceed the maximum amount** (or credit limit) set in the agreement and meet any other requirements such as making timely minimum payments.

India-Central Asia Dialogue

- It is a **ministerial-level dialogue** between **India** and the **Central Asian** countries namely **Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan** and **Uzbekistan**.
 - All five nations became independent states after the **collapse of the USSR in 1991, post-Cold war**.
- All the countries participating in the dialogue, **except for Turkmenistan**, are also members of the **Shanghai Cooperation Organisation**.
- The dialogue focuses on a number of issues including ways to **improve connectivity and stabilise war-ravaged Afghanistan**.
- In the first dialogue, **India proposed** setting up of '**India-Central Asia Development Group**' to take forward development partnership between India and Central Asian countries.
 - The group will enable India to **expand its footprints in the resource-rich region** amid an ongoing **standoff with China** and to **fight terror** effectively, including in Afghanistan.



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