



## India – Myanmar Relations

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### Why in News?

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- India-Myanmar joint operation **destroyed several militant camps of Arakan Army** on the Indo-Myanmar border.
- The action **averted a possible threat to the ambitious Kaladan transit and transport project** which is important for improving the connectivity in the Northeast.
- Myanmar is important for India because of the geographic, historical, cultural and economic linkages/ties that span centuries as well as for the overall development of North-Eastern Indian states. India and Myanmar relationship officially got underway after the Treaty of Friendship was signed in 1951.

### Areas of Cooperation

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### **Strategic Significance**

- India and Myanmar share a long 1,643 km geographical land border and maritime boundary in the Bay of Bengal. Myanmar shares borders with **4 Indian states** – Mizoram, Manipur, Nagaland and Arunachal Pradesh in Northeast India.
- Myanmar is India's gateway to South-East Asia.
- India - Myanmar border is highly **porous, poorly guarded and located along a remote**, underdeveloped, insurgency-prone region and proximate to opium producing area.
- The border is also vulnerable to the activities of **insurgents and drugs and arms traffickers**.
- Myanmar is also important from the security point of view as the **influx of sizable numbers of Rohingya** from Myanmar's Rakhine state continues.
- India-Myanmar border poses a **challenge to India's security**.

### **• Trade and Economy**

- The success of India's Act East Policy, Neighbourhood first policy largely depend on its relations with Myanmar.
- Bilateral trade has grown from \$12.4 million in 1980-81 to **\$2.18 billion** in 2016-17.
- Myanmar is also the beneficiary of a duty-free tariff preference scheme for least developed countries (LDCs).

- Some of the Indian companies such as Essar, GAIL, and ONGC Videsh Ltd. have invested in Myanmar's **energy sector**.
- Cooperation in the banking sector, which is crucial for investment and trade, is moving ahead steadily. United Bank of India and EXIM Bank have representative offices in Myanmar.
- Indian firms engage in manufacturing, services (banking, insurance, dry port), power sector etc.

- **Connectivity**

- India is building the **Kaladan Multi-Modal Transit Transport**, a road-river-port cargo transport project, to link Kolkata to Sittwe in Myanmar and then from Myanmar's Kaladan river to India's north-east.



- India, Myanmar, and Thailand are building the **Asian Trilateral Highway**, which will connect India to ASEAN. The road is expected to boost trade and commerce in the ASEAN-India Free Trade Area, as well as with the rest of Southeast Asia.

- **Development Assistance**

- India has already extended **\$2 billion in soft loans**. It has offered to help Myanmar developmental assistance in the areas it wants rather than be prescriptive.
- India is also providing assistance in setting up institutions for **higher learning and research**, namely Myanmar Institute of Information Technology, Advanced Centre for Agricultural Research and Education, Myanmar-India Centre for Enhancement of IT Skills, India-Myanmar Industrial Training Centres.
- A new Indian proposal suggests the setting up of **infrastructure and socio-economic projects** jointly with Myanmar in the restive Rakhine state—in the areas of education, health, agriculture, agro-processing, upgradation of roads, small power projects and livelihood activity.

- **Defence Cooperation**

- **India-Myanmar Bilateral Army Exercise** (IMBAX) is aimed at building and promoting closer relations with armies.
- Myanmar is a key partner in the **fight to end insurgency** in India's northeast.

- **Cultural Significance**

- India and Myanmar share cultural ties in terms of Buddhist heritage and shared history of colonialism.
- Building on this shared heritage, India is undertaking some key initiatives in the **restoration** of the Ananda Temple in Bagan and the repair and conservation of a large number of damaged pagodas.

- **Humanitarian Assistance**

- India has responded promptly and effectively in rendering **assistance following natural calamities** in Myanmar like Cyclone Mora (2017), Komen (2015), earthquake in Shan State (2010).
- India also offered to provide support in **capacity building in disaster risk mitigation** as well as in strengthening Myanmar's National Disaster Response Mechanism.

- **Indian Community**

There are varying estimates of 1.5-2 million people of Indian origin living and working in various parts of Myanmar.

- **Multilateral Partnership**

- Myanmar is also a key component of India's strategy to bridge South and South-East Asia through **BIMSTEC** (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation).
- Myanmar's membership of ASEAN, BIMSTEC and Mekong Ganga Cooperation has introduced a regional/sub-regional dimension to bilateral relations and imparted added significance in the context of our "Act East" policy.
- Myanmar has generally been supportive of India's stand in various international organisations. For our part, we have supported Myanmar's association with SAARC as an observer, a status Myanmar formally acquired in 2008.

- **The Rohingya Issue**

India does not directly engage with the issue of Myanmar's treatment of its Rohingya Muslim minority. But India has condemned the recent terrorist attacks in northern Rakhine State. This can be considered as a measure of support to Myanmar.

## Challenges

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- Internal Security is a major concern for India; Indo-Myanmar border is porous and lightly policed which is exploited by terrorist outfits and insurgent groups from North Eastern part of India eg. supply of trained cadres, arms trafficking.
- Bilateral trade between India and Myanmar still falls short of expectations.
- Overtime trust deficit has widened between India-Myanmar because of the Indian reputation for delaying implementation of various projects.
- China has asserted itself through its soft power as well as through its trade and economic relations with Myanmar by taking up large infrastructure projects.

- As China's growing influence in the region is a potential threat to India, New Delhi would like to enhance India's presence by developing infrastructure and connectivity projects in the country.
- India has found it difficult to counter Chinese influence in Myanmar.

## Way Forward

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- Both the countries are affected due to the misuse of open border by internal and external forces, the responsibility of border management and regulation depends on both.
- It is also the only country that can act as a link between India and ASEAN.
- Myanmar is India's gateway to Southeast Asia and could be the required impetus to realize India's Act East Policy.
- Myanmar itself is an emerging consumer market of 60 million people who have demands for products ranging from personal care to beverages to smart phones. India should leverage these export opportunities.
- There are a few sectors where India can extend its presence in Myanmar. These include manufacturing high-end smart phones, exporting cement, furniture, FMCG, energy, telecommunications, healthcare, creating townships, low cost housing development, ports and logistics, rural electrification etc.
- Agriculture is another sector where India can substantially augment its cooperation with Myanmar in rice research activities, post-harvest technology, agriculture financing and articulating policies.
- India's Kaladan Multimodal Transit and Transport project and India-Myanmar-Thailand Trilateral Highway have seen much delay over the past couple of years. Hence, it can be said that the success of India's Act East Policy will now depend on India's prompt action and pragmatic approach for completion of projects.
- Enhancing economic partnership with Myanmar needs to be a priority in India's Act East Policy which will benefit New Delhi in enhancing ties with Southeast Asia.