Fifth BIMSTEC Summit – 2

Why in news?

In its 25th year, and at its fifth summit held in hybrid format in Colombo, the organisation adopted a charter which aims at providing greater coordination among the members.

What is BIMSTEC?

- BIMSTEC is a regional multilateral organization comprising 7 Member States lying in the littoral and adjacent areas of the Bay of Bengal.
- This sub-regional organization came into being on 6 June 1997 through the **Bangkok Declaration**.
- The seven Member States ae Bangladesh, Bhutan, India, Nepal, Sri Lanka, Myanmar and Thailand.
- It has its secretariat at **Dhaka, Bangladesh**.
- Initially, the economic bloc was formed with 4 Member States with the acronym 'BIST-EC' (Bangladesh, India, Sri Lanka and Thailand Economic Cooperation).
- BIMSTEC Centres
    - BIMSTEC Energy Centre
    - BIMSTEC Centre on Weather and Climate

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What is the Colombo package of the fifth BIMSTEC Summit?

- The process of re-defining its purpose and rejuvenating its organs and institutions was launched at the Leaders' Retreat convened by India in 2016.
- It gathered momentum in Kathmandu Summit in 2018 and the result is now seen in the package of agreements announced at the fifth summit.
- **BIMSTEC Charter**- It presents BIMSTEC as "an inter-governmental organization" and lists 11 items such as acceleration of economic growth and social progress in the Bay of Bengal region, promotion of multidimensional connectivity, etc.
- The grouping now views itself as a regional organisation whose destiny is linked with the area around the Bay of Bengal.
- **Sectors of cooperation-** It was decided to re-constitute and reduce the number of sectors of cooperation from 14 to 7.
- Each member-state will serve as a lead for a sector
    - trade, investment and development (Bangladesh)
    - environment and climate change (Bhutan)
    - security, including energy (India)
    - agriculture and food security (Myanmar)
    - people-to-people contacts (Nepal)
    - science, technology and innovation (Sri Lanka)
    - connectivity (Thailand)

- **Master Plan for Transport Connectivity**- It was devised and backed by the Asian Development Bank (ADB).
- It lists 264 projects entailing a total investment of 126 billion dollars applicable for 2018-2028.
- **Others**- The package also includes three new agreements signed by member states, relating to
    - mutual legal assistance in criminal matters
    - cooperation between diplomatic academies
    - establishment of a technology transfer facility in Colombo

Why is this Summit significant?

- **Edge over SAARC**- The new charter comes at a time when the need for an alternative regional-global organisation is increasingly being felt because of the declining nature of SAARC which has not met since 2014.
- **Security**- The Bay of Bengal borders the Strait of Malacca which is the main energy lane for the eastern and Southeast Asian nations.
- The security relevance of BIMSTEC has been growing especially after the Easter Sunday bombings in Sri Lanka in 2019.
- **Domestic problems aside-** BIMSTEC members like Myanmar and Bangladesh have challenges like the Rohingya crisis since 2017.
- As of now, the grouping included Myanmar in the summit indicating that it will not interfere in domestic political problems and provides scope for an inclusive meet.

What are the concerns?

- **Trade pillar-** The pillar of trade, economic and investment cooperation needs greater strengthening at a faster pace.
- A framework agreement for a comprehensive Free Trade Agreement (FTA) was signed in 2004.
- Of the seven constituent agreements needed for the FTA, only two are in place as of now.
- The need for expansion of connectivity was stressed by everyone but finalising legal instruments for coastal shipping, road transport and intra-regional energy grid connection remains unfinished.
- Deepening cooperation in security matters and management of Humanitarian Assistance and Disaster Relief (HADR) was achieved speedier.
- **Bilateral issues-** BIMSTEC members like Myanmar and Bangladesh have challenges like the Rohingya crisis that both sides have been dealing with since 2017.

How will this Summit prove beneficial to India?

- **Trade-** Having walked away from mega trade blocs such as the RCEP, India’s willingness to explore an FTA within the framework of a near-home regional grouping may provide greater accommodation for multi-party interests.
- **Security-** India will steer the security pillar of BIMSTEC and is expected to coordinate region wide security cooperation.
- **Connectivity**- The BBIN connectivity project of Bangladesh, Bhutan, India and Nepal is expected to be merged with the port and infrastructure projects like the Sittwe port of Myanmar and Payra port of Bangladesh and Colombo of Sri Lanka.
- **Advantage over SAARC**- SAARC has been weighed down by issues between India and Pakistan while BIMSTEC appears to be an inclusive platform setting aside the bilateral problems.

References

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