Significance of Regional Connectivity in Asia

What is the issue?

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- India recently declined to endorse China's Belt and Road Initiative (BRI).
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- But Regional connectivity projects between India and China will benefit south Asian region.
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What are regional connectivity developments in Asia?

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- **Indo-Myanmar- Thailand Trilateral Highway -** India, Thailand and Myanmar are working on about 1,400km long highway that would link India with Southeast Asia by land.
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- This highway will give a boost to trade, business, health, education and tourism ties among the three countries.
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- **China Pakistan Economic Corridor (CPEC) -** Itis a collection of infrastructure projects that are currently under construction throughout Pakistan**.**
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- **Belt and Road Initiative (BRI) –**It is a development strategy proposed by China, focuses on connectivity and cooperation between Eurasian countries.
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- **Bangladesh-Bhutan-India-Nepal (BBIN) –** It is a motor vehicles agreement which has seen a positive development recently.
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- It proved the ambition of establishing physical connectivity among the smaller states of South Asia through India can eventually be realised.
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What is the significance of regional connectivity in Asia?

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- Poor connectivity is the major reason why intra-regional trade is among the lowest in South Asia.
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- South Asia, with its 1.8 billion population, is only capable of conducting around 5% intraregional trade as connectivity remains a constant barrier.
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- Non-tariff barriers (NTBs) continue to plague the region and addressing infrastructure deficits can do away with 80% of the NTBs.
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- Thus Connectivity can significantly improve people-to-people interaction leading to better understanding, greater tolerance and closer diplomatic relations in the region.
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What are the concerns with regional connectivity in Asia?

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- States in South and Southeast Asia are involved in multiple regional initiatives led by India and China but are unable to get the benefit due to their slow progress.
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- The South Asian Association for Regional Cooperation remains moribund with little hope of it becoming functional in the near future.
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- The Bay of Bengal too remains among the least integrated regions in spite of having immense potential of enhancing trade through utilisation of its ports and waterways.
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- The India-led Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) involving Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand, has made little progress.
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- Thus manysmaller states are losing out and having to pay the price of missed economic opportunities due to the actions of the two Asian giants.
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What is measures needs to be taken to address such issues?

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- If the BRI, BIMSTEC and BBIN were developed through coordination and consultation led by the two Asian giants, the projects under the schemes could have been implemented more efficiently.
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- With the minimum required cooperation in pursuing regional initiatives, India and China can significantly enhance trade, investment and connectivity in the region.
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- India-China has an opportunity to forge a pragmatic understanding on the efficacy of regional initiatives through greater communication, enhanced cooperation and better coordination.
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Source: The Hindu

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