

## **Press Release**

#### BIMSTEC, after 25 years, has a charter laying out foundational principles and mandates

#### April 1, 2022

**New Delhi**: The Centre for Social and Economic Progress (CSEP), New Delhi, virtually hosted a webinar "**Bridging The Bay Of Bengal: BIMSTEC And Beyond**" on March 31, 2022, to review the outcomes of the 5<sup>th</sup> Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) summit held in Sri Lanka on March 30, 2022. **Constantino Xavier, Fellow, CSEP,** moderated the discussion. This webinar is a part of new project titled *Acting East to Connect the Bay of Bengal* under CSEP's <u>Sambandh Regional Connectivity Initiative</u>.

#### Thematic exploration under BIMSTEC declaration

**Dr Nishan de Mel**, Executive Director, Verité Research, Sri Lanka expressed concerns over the mechanisms to convert declaration into measurable action plan—with KPIs (Key Performance Indicators), Timelines, and Outcomes. Talking about the ways to operationalize "ambitions" under declarations, Mel said: "Declarations need evaluations."

The main themes of 5<sup>th</sup> BIMSTEC summit were: resilient region, prosperous economy, and healthy people. **Dr Anasua B. Choudhury**, Senior Fellow, Observer Research Foundation, India, said entire discussion folded around three key issues: prosperity, resilience, and public health.

Choudhury expressed concern over the lack of decision-making structure and consensus-driven approach in BIMSTEC. Talking about the Observer status in BIMSTEC, Choudhury said: "The member states have not yet touched upon the inclusion of observers in the BIMSTEC, [but] we know that the Bay of Bengal littorals are expanding by including Malaysia, Indonesia and Singapore in the purview of the Bay of Bengal" and noted there have been requests from Nepal and Bangladesh on including other littorals under the institutional purview of Bay of Bengal.

**Dr Amitendu Palit**, Senior Research Fellow, Institute of South Asian Studies, National University of Singapore, said conditions for conversation within BIMSTEC nations have changed remarkably since 2018 because of reasons such as "strong reshaping of regional order around BIMSTEC" due to developments in Myanmar and between US and China; adapting BIMSTEC charter was a critical progress.

The interesting initiatives in Palit's opinion were the exchange between diplomatic institutes, since much less engagement at the officers-level takes place compared to the think tanks and other similar institutions. Secondly, Palit noted the "Technology Transfer Facility Initiative in Colombo is a good decision." Pailt felt BIMSTEC could have adopted clearer approach on two issues: i.) engagement of the group on vaccines, and ii.) the context within which digital cooperation between BIMSTEC nations operate has significantly change since the last four years.

### Trade agreements, sequencing of geo-economic agendas

While discussing the importance of the micro aspects of bilateral trade agreements, Mel said "trade facilitation can sometimes unlock a lot of things" adding that "it's not just reducing tariffs or giving preferential access that works," and highlighted layers of bureaucracy such as "automation of



document submissions, setting standards on speed of processing and having clear information about how things can be resolved and taken forward."

On trade and connectivity, Palit said "all countries of BIMSTEC, except Myanmar, are signatories of WTO Trade facilitation agreement, and within that framework, these nations are working to bring down costs of trade across borders" and further added "this should be first step towards paperless trade and embracing these systems."

Mel also discussed problems with harmonizing standards across countries saying, "Harmonizing standards is quite hard and quite slow and unlikely to happen, but there is a way out of that process which we call the *mutual recognition agreements (MRAs)*."

# **BIMSTEC Connectivity**

BIMSTEC is cross-regional organisation, bringing together South Asia and Southeast Asia. For energizing issues within BIMSTEC, particularly trade and connectivity, Palit emphasized on the role that Thailand can play "to provide connectivity solutions in the region." Highlighting the BCG [Blue economy, Circular economy, and Green economy] model of connectivity and development, Palit stressed several objectives such as connectivity and inclusive sustainability could be solved and "will bring the Southeast Asian experience into managing connectivity."

On consensus and decision-making in BIMSTEC, Xavier said: "BBIN [Bangladesh Bhutan India Nepal] framework, which is doing decently well, began under the SAARC cloud with a cluster of countries to circumvent the consensus clause and start working on issues of common interest" and gave example of Motor Vehicles Agreement—borne out of those 1990s sub-regional discussions in SAARC.

Highlighting the importance of India's landlocked northeast region and geo-economic transformation, Choudhury said "[India's northeast] is a conduit for greater connectivity in the Bay of Bengal region with a collaborative framework involving India, its eastern neighbours and also the Southeast Asia."

"There's a need to match physical connectivity with human connectivity," Mel said while attributing the barriers in human movement among the BIMSTEC countries to archaic Visa protocols.

In reference to the mobility of human capital, Choudhury said "we are very sensitive towards information-sharing [and] capital-sharing, but we are extremely insensitive about labour-sharing and about common peoples' movement across borders."

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