

Connectivity and cooperation in the Bay of Bengal

Discussants – Ms Mandakini Kaul, Shri C Raja Mohan, Shri Amitendu Palit, shri Mikiko Tanaka and Constantino Xavier

Duration: 1 hour 40 minutes

Dr Constantino Xavier:

I would like to welcome you all. This is the first event we are doing actually in office again after three years. So, we are experimenting with different modes and hopefully we will see many more of you coming to our events. The good news that brings us here today here is publication of a report which we have been working on for two years. ‘Connectivity and cooperation in the Bay of Bengal region’. We thought of launching this before the madness takes over Delhi next week with many, many events which will be phenomenal and will give us a lot of food for thought. We will try to squeeze in the Bay of Bengal an important topic on connectivity here in the agenda. Of course, we will have many more dissemination events over the next few weeks and months across the region. We have a launch planned in Dhaka in Bangladesh. We have other launches in Bangkok and Colombo and discussions to engage various stakeholders across this region. I just wanted to welcome you all here to CSEP and a special note of thanks to Dr Rakesh Mohan, the president of CSEP and ambassador Shiv Shankar Menon who is our distinguished fellow here who really believed in this project and in building capacity also not only in CSEP to do good research focused on certain areas but also collaboration with many researchers across the region. You will see in the report contributors from Bangladesh, Sri Lanka, Thailand and the broader Bay of Bengal region. A special thanks also to all the contributors. Those are really the ones who make this report very valuable. Without further ado, I will pass on the word to Riya Sinha who herself a contributor to this report. She wrote a fabulous brief on Railway connectivity. She will be moderating this session over the next hour and a half or so with our panelists.

Riya Sinha:

Thank you Constantino and to all of us who have joined us today for this discussion and report launch both in person and on line. My name is Riya Sinha and I am an associate fellow in the foreign policy vertical at CSEP. Today what we are going to focus on as the name of the report goes – to bridge the connectivity, cooperation gap in the Bay of Bengal region. Where we are going to discuss how India can leverage its neighborhood first and act these policies to bridge this region which has over the years, we have heard a lot about it that it is more of a divider than a link connecting south and southeast Asia. We will also discuss how various stakeholders invested in the region including the World Bank, ESCAP can use the recommendations of this report or other recommendations to overcome this disconnect that we have today. To join us in the discussion we have a stellar panel today with us. I am just going to give a round of introductions before we start the discussion today. We have Dr Constantino Xavier who is a co editor of the report. He is a fellow in the foreign policy and security vertical at CSEP and a nonresident fellow at the Brookings institution in Washington DC. We are joined on line by Dr Amitendu Palit who is a senior research fellow and research lead in trade and economics at the Institute of South Asian studies, National university of Singapore. We are also joined by Ms Mikiko Tanaka director and head of ESCAP subregional office for south and south west Asia.

She has recently joined in new Delhi in May 22 if I am not wrong. And brings over 25 years of experience within the UN system. Our next speaker Dr Raja Mohan of course does not need much of an introduction. He is a senior fellow at the Asia society policy institute in Delhi. He is a visiting research professor at the institute for south Asian studies in the National university of Singapore. And was previously it's director. Dr Mohan was also the founding director of Carnegie India in Delhi. Finally, we have Ms Mandakini Kaul. World Bank's regional coordinator for south Asia regional integration and engagement. She works on issues of regional cooperation, economic connectivity and engendered approaches in traditionally gender-blind sectors among countries in south Asia and with neighboring regions in central Asia, east Asia and beyond. Thank you to all of you for joining us this morning for this discussion and the report launch. Before we move into the discussion can we have a photo op with the report? Thank you very much. Let me move straight into the discussion because I know there are lot of questions that have sort of come to us even before this event. So, I am going to reserve the last half hour of this session for Q&A. There will be two rounds of discussions and the panelists are requested to answer as in three four minutes each of the questions that I will post to all of you. In terms of the Q&A I will be taking questions both in person and on line in the last half hour. To those who want to ask in person are requested to raise your hand and my colleagues will pass a mic to you. To those asking questions online on zoom, I would request you to write it in the Q&A box so I can read it out to the panelists. Now to begin the discussion, Constantino, my first question is to you to set the broader context for this report and the discussion. Could you tell us about the main purpose of this report and why do you think this sectoral approach was necessary while you were... was a larger thinking that went behind this report. And why a sectoral approach towards this?

Dr Constantino Xavier:

I think the origins of this project was not so much that we need more connectivity between south, southeast Asia and the Bay of Bengal. I think we have done a lot of research and mapping of the gaps of connectivity in the Bay of Bengal in transportation, institutions, cooperation habits in that broader BIMSTEC region. What really drove the project is the concern that actually as you have more connectivity there is a gap in cooperation. Which basically means, you can develop interdependence on railways, on shipping, on submarine, cables, trade, supply chains in this region. That is all happening actually in the Bay of Bengal. There is really a race of connectivity, there is a race to correct decades of fragmentation, dysconnectivity, distance in all types possible. But when there are such races, I think also in the past we have seen it often there are challenges and concerns that there are less developmental benefits for everyone unless that is done cooperatively. I mean, as you set standards for example, as you set habits of cooperation and institutions. I think while there is good news there is a lot happening. Within the good news there is also certain concern that as states are racing to correct the connectivity gap or states in the region for example Sri Lanka are being burdened with expectations with financing, with promises, with pressures to develop their infrastructure from the outside. There is a deep fragility in the region in dealing with this sudden momentum and race towards connectivity. Therefore, what we have asked the scholars to do, these ten scholars from across the region is, we have already done very much work on this and therefore have just published short briefs with very concrete recommendations as to how do you bridge the connectivity gap in different sectors. But how do you do it cooperatively. Whether it is bilaterally between different states, whether it is trilaterally, quadrilaterally? For example, in the BBIN region or

also regionally multilaterally through BIMSTEC for example. So, it is not so much how to do connectivity. I think what really drove us here is to understand what type of connectivity you want to build that is sustainable, that is inclusive in the long term for all the states. This is the region with some of the most fragile states in Asia. If you look at the rankings of fragility of governance in states. So, it is therefore not surprising that maybe one of the causes of the Sri Lanka crisis was also this inability of governance frameworks in the state of Sri Lanka, but many other states in Bay of Bengal region in dealing with this sudden spurt and sudden demand to create interdependencies and modernize the economies in tandem with the rest of the region.

Riya Sinha:

Thank you Constantino. I think I agree with you that there is today because of this increased momentum there is a race to really connect and therefore the choices available are plenty and difficult as well. Dr Palit, if I may come to you next, just building on what Constantino said, as an editor what are your key takeaways from this report?

Dr Amitendu Palit:

Thank you so much Riya. I am delighted to be present with all you here today. I wish I could be there in person. Just to build up on what Tino shared with us I will bring in my own economic perspective over here. When Tino and I got around to talking about this report one of the things that struck me was that when Bay of Bengal is visualized as an economic geography it is actually much, much larger in terms of visualization than actually the physical geography of it would lead one to understand too. That is probably one of the reasons why a huge burst of capacity in connectivity is being provided to this geography from its extra regional actors. And there is a certain degree of competition that is arising from that particular burst, there is confusion within the region in terms of alignment across a variety of standards, a variety of processes and this brings back to the point that Tino had mentioned that there is an increase in connectivity, but unfortunately that increase has not been matched by cooperation. Now how does that cooperation arise. We tend to think of cooperation in a very big way. Perhaps we tend to limit ourselves to the idea of BIMSTEC becoming an energized secretariat, perhaps we tend to think of other institutions. But we probably don't get to understand cooperation at much more nuanced and minute levels which are some of the perspectives that we wanted to capture in this report. I am actually very glad that we have been able to address part of those challenges in terms of the issues that are encountered due to this what I might describe as a cooperation deficit in the region which is either in sense impeding the gains that could have arisen from the economic connectivity. We actually could have gone much more, much wider and I hope that in future Tino and I get the opportunity to collaborate on this area again to build in new ideas. Because, the entire idea of cooperation and connectivity is actually so congruent and so intrinsically connected to each other that I think the time has come to understand that one really cannot proceed without the other. It becomes a meaningless exercise. So, that is from me for now. Thank you.

Riya Sinha:

Thank you, Dr Palit. I hear you on much more and much wider connectivity, I think that is also something that we are trying to do with the Sambandh regional connectivity initiative that we have at CSEP. If I may move to you next Mikiko San. How do you see the usefulness of this

report particularly to multilaterals such as ESCAP who are deeply invested in this region? What do you take out of this report?

Mikiko Tanaka:

Good morning. Congratulations first of all for this report all the researchers and writers, editors. As a student of this theme, as I was introduced that I just came in May last year, so relatively new. Still very much learning. I thought this was really, really informative and although intuitively it is clear. This is a very complex issue altogether. It gave some clarity, insights, some focus so to speak on the issues that are at hand here. So, for ESCAP I mean regional cooperation is kind of the essence of the purpose and mandate of this regional commission. And across Asia Pacific it is challenging. You know it is very, very dynamic, there is cooperation that is moving forward, there is cooperation that is breaking apart. I mean, it is a very dynamic set of actions that are going on all the time. And in that, in this subregion and I am talking about South Asia and perhaps here it is Bay of Bengal, of course, the history, governance, there is a lot of factors in it. What ESCAP is also forging it and the focus for the subregional office that I represent here is really to find those opportunities at this point in time of cooperation. I think this report was very helpful in kind of giving some focus of the issues. I think two points that I can pick up from this is obviously this urgency for better cooperation in the Bay of Bengal region, both in terms of unlocking this on this potential that we all know has been around for a very long time and still very much exists. In terms of the possibilities of trade, possibilities of development. And really breaking the poverty under development vicious cycle in the whole subregion and then inside that many pockets of that. So, using this connectivity for that purpose of development. Secondly to really unlock this interesting opportunity that maybe here as a subregion or parts of it that is part of a global or regional trade chain, supply chain whatever that maybe. It can benefit the world as well beyond. So, the urgency of it particularly as you raise this particular red flag that unless there is cooperation, not selective cooperation but really meaningful cooperation, there are risks actually of this connectivity as well. Not just connectivity breaking apart but it can have other kinds of negative effects. So, that urgency obviously is very well taken from the report. In terms of addressing those constraints or the challenges of connectivity which I think all of us are working in one way or other, maybe three points just to highlight is again one of the main challenges of this subregion is this that the productive capacities are predominantly in these small scale, scattered manufacturing locations and is sold in these mountainous areas in the interior. But even along the coast you find many scattered villages as well. So, how do you connect them or how can they be part of this larger connectivity chain? And to really make it beneficial for them. That is a challenge. In this regard this Hub and spoke model that was recommended in one of the chapters of this report seemed very interesting and relevant. The second point is of course these capacity constraints for planning, implementing, coordinating this development of regional corridors, this is very real. Unfortunately, there is no real quick fix solution. So, continued and coordinated efforts and institutional capacity building are relevant, strategic institutions in countries as well as regional institutions like BIMSTEC would be extremely important. We just have to continue doing it in a coordinated manner. Then the third last point is this point you raise about the proliferation of connectivity initiatives that are not necessarily connected or coordinated and with that the increasing risks and uncertainties that maybe emerging and in that implicit I presume and I may add is the proliferation of perspectives and interests that maybe synergistic but maybe conflicting and contradictory. Again, we, partners, UN for sure

cannot work on the basis of a lowest common denominator. I mean, we do need to advocate for the expansion of a common ground around a purpose. Of course, from the UN it will be the SDGs and leaving no one behind. Really levelling the playing field, even addressing the information just **asymmetry**, I mean, if you really cut across all the stakeholders of the subregion, information is very, very unbalanced and therefore levelling that out between the countries and even within India between the states, the regions, the villages, whatever that may be. There is a lot to actually level out there to try to also advocate for that common purpose, a win-win solution for all as much as possible we are really the common purpose of SDGs leaving no one behind, that would be extremely important. So those are the takeaways that I pick up from this report.

Riya Sinha:

Thank you Mikiko San. I will circle back to you in the second round on the point you made about the risk of connectivity and then different stakeholders, different actors involved in the region and how some of their interests maybe competing instead of cooperating in the region. Dr Mohan if I may move to you. On the report do you think a policy focused approach is as we do in the report, is that enough to address the sort of security risk and the economic and the missed economic opportunities in the region or would you prefer say a broader macro level approach to addressing the concerns of this Bay of Bengal region?

Dr Raja Mohan:

Before I answer your question let me thank CSEP for inviting me for this report launch. I have really watched the Sambandh initiative actually produce good reports on connectivity. I think this is really while there is a lot of talk what we have seen, the work you have done on Nepal, now... I think it is important that we have our policy researchers get deeper into the ground level issues rather than merely repeating the slogan of connectivity and neighborhood first, that kind of stuffs. So, it is really good work you are doing. And I wish even more success in the coming years. Second, personally for me it is really a privilege to be here because I remember Tino and I we were part of Carnegie India where we launched the Bay of Bengal initiative. I mean, I am talking about six seven years ago. At that time actually one of the first reports we did was on BIMSTEC. And we had the secretary general come by. We kind of tried to focus on that issue. Then I went to ISAS where I had the pleasure of working with Dr Palit. We did a number of reports there as well on the Bay of Bengal regions. So, I think it is great to see both of you coming together to produce this report. I would say, finally Bay of Bengal is emerging as a field of enquiry in the academic, in the policy and other related areas. So therefore, it is a growing body of literature coming, from people like Sunil Amrit who has taken a sweeping macro view to actually what is happening at the ground level. With the emergence of the Indo-pacific debate where the Bay of Bengal will be the central element of this vast region. So, therefore I think there is going to be lot more interest and studying this region will be a worthwhile enterprise. That brings me to the three specific issues in relation to the report itself. One I think is this tension between security and the economic. There was a time when it looked like everybody was cooperating with everybody else. I mean, the Chinese had their initiatives. We began to talk about it. So, it seemed there was a far more shall we say facilitating environment a few years ago. But today that environment is shifted to a more contested domain, the Bay of Bengal, is going to be part of a contested domain. Should we regret that. Here, let me say something different. I think the security competition actually is waking up Delhi to

actually pursue connectivity far more seriously. Because as long as Bay of Bengal remained a backwater of interest to no one there was no real rush to focus on connectivity in the region. So, therefore it was remained as something that would neglect. But now I think given the pressures that are there between US and China, India and China, I think the contested environment actually compels a far more serious look at what is happening in the region. Therefore, it need not necessarily be a perverse outcome of contestation. It actually puts pressure on Delhi to do a lot more. That is one aspect. Second, I think is in terms of an issue there which talks about what should be the relationship between regional and bilateral. Essentially saying while bilateral are good, that is not a substitute for regional. But I would say something else. I would say go wherever and whichever works. That, it need not be a theoretical argument that if bilateral works as it is working between India Bangladesh, there is a lot more that has happened in the last few years than the previous 50 years. So therefore, if there is more possibility to move on the bilateral, move on the bilateral. If there is a possibility to move on the BBIN, the subregional cooperation, Bangladesh Bhutan India and Nepal, move there as well. So, rather than framing it as an ___ issue of the preferred choice, you be practical and go forward wherever you can. But I would also add... I am a great champion of unilateralism. Unilateralism is a bad word as it is opposed to multilateralism. But positive unilateralism. Given India's size and its location there are lot of things that can be done by an India that acts unilaterally. Sees the value of connectivity. Actually, changes the way it functions both on the regional plane, changes the way its borders operate. Changes the way it's ___ laws operate, so there are lot of things India can do unilaterally without having to sit down in a BIMSTEC or negotiate. India that sees giving market access, connectivity as in its own interest will automatically make it easier to do regional connectivity. Including internal connectivity. So, I think India can do a lot on its own. I hope the next report you do is what are the regulatory legal obstacles for India. What are the ten things that they can do to make ease of living or ease of business or whatever it is we talk about. I would suggest look at Indian laws, where the problems are from a purely Indian domestic perspectives. The third aspect... I always want to criticize the report for what they didn't do... so let me put in a criticism. You know, the ten essays really represent a broad sweep but I wish there was an eleventh one on the Andaman Nicobar Islands. They are right in the middle of the Bay of Bengal. Today they bring together both the economic possibilities of how these islands can be leveraged as well as the security dynamic around it. I know Collin Koh Swee's chapter talks about maritime security in Andaman Sea. But I think looking at the Andaman Nicobar chain as a piece in itself to see how do we... what are the new initiatives that India has taken or not taken and how those islands can be leveraged, their location can be leveraged to promote greater connectivity and greater security in the Bay of Bengal. I think that would be very useful. So maybe another report for you, you can look at Andaman Islands because I think this government in Delhi has talked about doing more things but the pace of movement is still glacial. But I think it is worth taking a look comprehensively on what the Andaman Nicobar island's role can be in integrating Bay of Bengal.

Riya Sinha:

Thank you, Dr Mohan, for those two great report ideas. If I may speak on behalf of Constantino also I think we will take that up very seriously. Mandakini if I may come to you next. Similar to what Mikiko San says how do you see the policy recommendations of this report as being viewed by the World Bank. Because the World Bank is one of the most longstanding

institutions when it comes to regional connectivity over here. Increasingly invested in southeast Asia also. You have done a lot of work on it per se. So, where do you see this going?

Mandakini Kaul:

Thank you, Riya. First of all, it is a pleasure to be here in a face-to-face meeting in CSEP after a long time. Tino and I realized it has been nearly three years since we met. So, I think it is great to be here. And congratulations to you Tino and Amitendu whom we can see on the screen on this excellent report. I think the speakers before me have already spoken about the fact that you have covered many sectors. I really like this sectoral approach. Because, ultimately for those of us who work on regional cooperation, what we realize is that one has to be very opportunistic. You have to find those areas, you have to find those sweet spots where countries are willing to work together and as you said, it can be bilateral, it can be multilateral. I think, this report lends itself in that way to provide some of that information, to provide some of those recommendations which could be taken forward. Today I will center my remarks on something that has come up in several chapters but perhaps has not been fully explicitly brought out. That is of course the blue economy. How can the countries of the Bay of Bengal come together to chart a new path away from business as usual towards the development of the blue economy? Now, as we know ocean resources are either shared or migratory and therefore this necessitates regional collaboration. There is no way that you can work on the ocean and not collaborate on these shared resources. I am from the World Bank so, what I always do is I begin with data. Because, sometimes numbers can have an impact that otherwise we may not know. So, 37% of the world's population lives in coastal areas. Which means, it is dependent directly on the oceans in some way or the other for health, for food security, for livelihoods. UNCTAD has estimated that ocean resources are about 24 trillion dollars. So, if the ocean was an economy, it would be the seventh largest economy of the globe. It is also estimated that by the year 2030 the ocean growth or the blue economy growth will outstrip global growth. Which means, we cannot under emphasize the importance of oceans. Now depending on how we define the Bay of Bengal countries, we are looking at a population of about 1.5 to 2 billion. I think it depends on which ones we bring in, which ones we don't, which is 20% of the world's population who as you say in your report share an economic and environment network. Therefore, for these countries I would say that post covid-19 for the Bay of Bengal countries what they really have is once in a generation opportunity to come together, to chart a new path, a sustainable and integrated path towards the blue economy. Now, how can this be done? In the spirit of your report where you come down to very specific recommendations, I enjoyed that part where there were some very specific ideas on how those can be taken forward. So, how can these countries come together to forge a new path towards the blue economy? I say this with all humbleness because I know we have people here who represent the maritime institutes who work on the oceans. But this is our perspective. One thing I would always say is that based on our research we always try and put the economic above all other aspects which allows countries to come together in a way which is presumably and hopefully a win-win for all of them. So, what are the ways in which the Bay of Bengal countries could come together. Let me proffer five suggestions to you. The first is establishment of institutional governance mechanisms at the national bilateral multilateral, it could be at whatever level, maybe even the unilateral level to forge a coordinated path to deal with some of these threats that the oceans are facing today. For instance, we have over-fishing, we have marine debris, we have degraded mangroves and coral reefs. So, to develop a coordinated path to work with this. Again, as I said, because it is the

oceans collaboration is essential. Second is the promotion of resources and financing mechanisms. Without financing it won't be possible and in this even as we talk about governments, we talk about multilaterals, an important player in all of this is of course the private sector. It is very important to bring them in. The third is to follow a whole of community approach. As I mentioned there are large communities which are dependent on these resources. So, it is very important to look at job creation, it is important to look at gender mainstreaming, looking at ways in bringing in inclusion of the most marginalized communities. That is also very important. The fourth is the sustainable development of those oceanic sectors which are dependent for their livelihood, for their work on the oceans. So, what are we talking about? Tourism, maritime transport, offshore renewable energy. How can these be developed in a sustainable way? And finally, it is no conversation these days can be complete without mentioning the strengthening of resilience to climate change. I think, these are the five important areas in which BIMSTEC, Bay of Bengal, SAARC countries can come together and collaborate. I am going to take one more minute to talk about what the World Bank is doing in this since I represent the World Bank. The World Bank is leading the development of an integrated and inclusive concept for the blue economy. For this we have a facility called Pro Blue, which is supporting and which is one of the fore running facilities for supporting integrated ocean resource management and looking at ways in which the blue economy can be promoted. This looks at for instance looking at sustainable fisheries, looking at marine debris, it looks at a host of areas. This is supporting the World Bank's Ocean portfolio which is nine billion dollars currently globally. Now, specifically I always like to end with an example of how countries can come together and I think there is a very interesting example. The World Bank has a couple of years ago did a regional project with the south Asia cooperative environment program. SACEP and parlay for seas which has brought together all the eight SAARC countries to look at ways in which they can deal sustainably with plastics. Marine plastics. This is called the Plastic free rivers and seas for south Asia. The important thing of course about it is it brings together the five ocean economies and the three mountain economies of south Asia. Because the river systems of south Asia of course are the highways for taking plastics to the oceans. So, these are examples in ways in which countries can come together again as I said it could be bilaterally, it could be through regional groupings, it could be multilaterally. But very important to have these specific examples to take forward this collaboration. Let me stop there. (Unclear question) It is Bhutan, Nepal and Afghanistan.

Riya Sinha:

Thank you Mandakini. Lot of food for thought over there. Perhaps we can engage you next time for a policy brief on blue economy for our probably Bay of Bengal part 2 report. These were some great recommendations. Even in our report I edited, Dr. Aaron Lobo who partially addresses some of these issues using the example of the Hilsa Shad fish. Thank you so much for that. Just building on your point that the countries in the region economic connectivity and economic dividends are best way to sell connectivity initiatives in the region and Dr Mohan if I may come to you on that and also building on your point on India adopting a unilateral approach, like whatever works basically, whether unilateral, bilateral whatever. If I can quote you a piece of yours from 2014 where you have mentioned that - never before have so many different international actors both friends and rivals been so eager to promote strategic connectivity between India and its eastern neighborhood. Yet, new Delhi has failed to capitalize on the opportunities that have presented themselves over the last decade. Do you think this still

holds true? Do you think the unilateral perspective that you sort of mentioned in your previous comments, has New Delhi really taken that up when it comes to connectivity?

Dr C Raja Mohan:

I think things have changed but not fast enough, substantively enough. If you go back to 2014, I think probably when I wrote this. You had the Chinese really pushing down for a what was then called the Calcutta Kunming initiatives of connecting Yunnan with the Bay of Bengal. There of course, India had political issues. But if you look at Japan, Japan has long been offering money through ADB, JICA, to promote regional connectivity or even internal connectivity. Much of the so-called Delhi Bombay corridors, all this was funded by Japan. Almost twenty years ago. I think we were unwilling to take support from multilateral institutions in the pre reform period. We said -no, no. We don't want anybody, our own government will negotiate with the neighbors. While China actually took ADBs help to dramatically transform the linkages between other Mekong countries in China. I think the ideological arguments in Delhi about, we don't work with multilateral institutions, IFIs was a bad word, that it is all national effort. I think it was really a disastrous policy that actually when things were easily done, we didn't do it, subregional connectivity or building simple things like roads. But if you see the costs of that have been very high. Today part of the problem is the connectivity issues are politicized. So, in a way what was a more open environment in the pre-90s where you could have taken advantage of it to one where actually India's relationship with its neighbors have become very contested and then there a whole lot of new issues have come up. So having said that post 2014 there has been an effort to expand collaboration in the region for example JICA, the Japanese agency, look at what they have done in the last few years. Enormous number of new projects have been launched in the Northeast for the internal connectivity. Connecting India Bangladesh. That I think is the beginning of a possibility what it tells you Japanese are interested very much to promote that connectivity. And Japan has done it in other regions in south east Asia, in China itself. So, I would say there are new opportunities and there is greater awareness of the possibilities. If you look at the summit meetings, India Japan bilateral summit meetings in the last nine years connectivity was a big thing. We even talked about Africa on the other side. But actually, the northeast projects of Japan have been a major force. So, I would say things have moved but it could have been lot better. And that brings you back to the unilateral. India needs to reform its own internal processes by which decisions get taken, projects are approved, our projects are actually implemented. Part of the problem has been the pace, the way we operate itself has been a problem. So, I think that goes back to our own internal reform is so critical because today the pressures are much higher. But the pace of movement is still slow while the opportunities are a lot. I will just add on the quad. Today the quad is willing to do a lot of new things very creation of the forum. You can frame it as a rivalry issue or you can frame it as a possibility where you can work more closely with Japan, Australia and the US to do the region. I would also say other initiatives like what we have done with Singapore last week, digital connectivity, financial connectivity, a lot of that can actually be done in a bilateral framework or other frameworks. Some of it we are going to see are promoting UPI, Rupay in the region hopefully that is a good thing. But the World Bank has done so many studies on trade facilitation, on improving regional connectivity, going towards paperless trade, there is so much to be done which is really the way reforming ourselves which I think is where there is a lot of possibilities still remain. Just the effects of India that is better organized on its borders itself will give a huge boost.

Riya Sinha:

Thank you, Dr Mohan. Mandakini, if I may pick up on Dr Mohan's last point about an India that is better organized on its borders. You have done extensive field work in the border areas of India and south east Asia as well. What is your sense of how this connectivity cooperation agenda is being seen at the ground level? Are the stake holders really happy about the decisions taken in new Delhi and other private sectors specially involved at that level as well? What is their take on it?

Mandakini Kaul:

Thank you, Riya. I am actually going to pick up on Dr Raja Mohan's last point and say that if you are an Indonesian trader in Bangkok and you want to make a payment what do you do? You take out your cell phone, you scan the QR code and you can make a payment in the local currency which is what you just alluded to about the inter-operability of systems, cross border payments. Now imagine the impact of that on trade if this could happen between southeast Asia and south Asia. Or if it could happen within south Asia in fact. When we talk about what is the impact on the ground level, I think partly you have to think about what would be the impact on the individual. If some of these issues could be taken forward and as you said some of this is work and research we have done and these are very simple measures which have to be taken place which can have a huge impact or a multiplier impact on trade, on economic growth, on integration. Now, we have also done some very interesting research on the linkages between south Asia and southeast Asia which is really the Bay of Bengal countries and plus some that we are talking about. What we have found out is... I am going to read this one out because I want to make sure I don't... there are two things I have to read out. One is acronyms and the other is numbers to make sure that I don't fumble on either of them. Our report estimates that if there was the most optimistic scenario where you were able to have liberalization of tariffs, non-tariff, FDI barriers, if you were able to have no cumbersome regulations, if we were able to have agreements also that went beyond these countries with other third-party countries, then what we are looking at is a boost of GDP of around 17.6% for south Asia and 15.7% for southeast Asia. Now, this is of course the most optimistic scenario where everything takes place and we have agreements across and liberalization across. But this tells you the tremendous potential that lies in terms of linkages and the impact it could have at the ground level. Some of you may know that trade linkages between south Asia and southeast Asia have grown nine-fold in the last two decades which is from 38 billion dollars in 2000 to 349 billion dollars in 2018. But this is only the tip of the iceberg if I may say so. We have estimated and I urge you all to look at that report to see the potential that lies. There are three sectors in particular that we highlight where there is tremendous potential. One is the whole digital economy you mentioned that. The other one is environment goods. The third one of course is trading services. Now Riya you asked me specifically how do we bring in the private sector. Where does the private sector come into it? I think for the private sector to come in to it, there are three or four things we have to do. Because they will only come in where they see there is profitability, where there are advantages. The first of course is to improve the domestic business climate. You spoke about this. I don't think I need to detail this further because we all know what needs to be done, but for all of these countries to look at ways in which they can improve their own domestic business climate. For instance, we have done research on this. It is about 20% cheaper for an Indian firm to do business with Brazil than it is to do business with a firm in Bangladesh. To have trade between India and Bangladesh, you need about 22

clearances and 55 signatures. So, this is just between these two countries. Can you imagine the potential for the region as a whole and these are other countries that we are looking at? So, the first is improving the domestic business climate. Second is enacting and enforcing laws and regulations on contract enforcement, land rights, these are some important basics that need to be fixed which are very important for the private sector. The third is to undertake trade facilitation measures. This is especially true at the borders as well. We are talking about e-documents, we are talking about other cumbersome border procedures. If you go to Benapole Pertapole, you only have to see to know, I don't want to even go into the details. You just have to know what is going on there. So, these are some easy wins that all the countries can do which would help in the border collaboration. Fourth I think is to for our national plans. Whatever is the national plan our countries have, to integrate some of these regional priorities into those national plans. If the national plans can refer to what is a win-win situation in the region, then I think that will have a huge impact on how the private sector and indeed these countries collaborate with each other. Thank you.

Riya Sinha:

Thank you Mandakiniji. I think there are several initiatives that were taken as part of India's ratification of trade facilitation agreement. But it is still a very long road to go. Dr Palit if I may come to you next. One subject we haven't addressed in this is that of RCEP. India's exit from RCEP, has it affected relations, has it affected engagements with countries in southeast Asia because in some of our discussions it did come up that they were upset that India was not a part of RCEP and they were sort of open to more talks and they are keen to have India as a part of this. What is your take on this?

Dr Amitendu Palit:

My take on that Riya is very simple. I think that ship has sailed. That ship has sailed for both southeast Asia as well as India. A lot has happened since India left RCEP and I really don't think India is coming back to RCEP or not being a part of it is any more an issue which really is going to impact the inter-regional dynamics in that respect. Because today if you look at a large number of other post RCEP initiatives if I could call them, something like the Indo-pacific economic framework for example practically the whole of southeast Asia. There are 11 members of RCEP who are working with India in this entire block. There has been substantial increase in the bilateral mechanisms of trade and investment facilitation between India and a large number of southeast Asian countries. The most important point to be noted I think is that RCEP happened at a point in time when the geo-politics and geo-economics was very different from what it is now today. So, I think that is an understanding and the connection between economics and security which I think is a very important point that Professor Mohan alluded to. That understanding has become very central to the understanding of all connections and connectivity processes and frameworks that need to be looked into very carefully. I don't think there is really much relevance any further any more in looking back at whether India could have been a part of RCEP or whether will either ever become a part of RCEP.

Riya Sinha:

Thank you, Dr Palit. Mikiko San if I can follow up on your previous point on the risks of connectivity and the number of actors involved today. They are competing sort of projects. How is ESCAP trying to bridge that gap? I know there was a project on trans-Asian railway

and then many other actors also got involved. Could you speak about ESCAP's projects in the region, how it is trying to bridge the gap between the different actors that are involved, what kind of risk it poses of cooperating or not cooperating for that matter.

Mikiko Tanaka:

That is a big question. I am going to start with what ESCAP is doing. We don't have projects per se. But please allow me to read this one. because I want to be also accurate in what I say and don't forget. Just to explain a little bit about ESCAP is doing and how ESCAP works and how it may be useful for cooperation with all kinds of stakeholders in this. It is an intergovernmental body, it is a regional commission of the United Nations social economic, environmental. It is basically the SDG so to speak. But really that regional cooperation for Asia Pacific. That is really the essence. ESCAP provides technical assistance for trade, transport facilitation in Asia-Pacific region including this subregion and also provides a platform for working together dialogues, around implementing cross border transport connectivity. Some examples of that the ones that really kind of stand out are our history of the inter-governmental agreements on the Asian highways, the trans-Asian railways and dry ports networks which together constitute a pan-Asian multimodal connectivity work. Some of the key corridors that are mentioned in this report for the Bay of Bengal region such as the IMT trilateral highway or BCIM corridor are an integral part of this wider network. Implementation of these three components of the regional transport network which is rail, road and dry ports are facilitated by specific regional frameworks developed for each component containing models, best practices and operational guidelines. One example of that is a regional framework for development design and planning and operation of dry ports which lays out all the technical specifications and modalities for building and operating an ideal inland transshipment terminal. And similar frameworks have also been developed for other modes of transport as well. It is really also intended to standardize, harmonize so that collaboration becomes or the passage becomes much more fluid. These frameworks have been developed in consultation with the member states and incorporating ideas and plans from optimal transport models which already exist in the Asia-Pacific region. One advantage that ESCAP can bring in is the knowledge sharing platforms through various regional level forums hosted by the secretariat such as the Asian highway or the trans-Asian railway working groups. The region is characterized by huge diversity in transport and connectivity practices. At one end of the spectrum is advanced sub-regions of east and southeast Asia, while other sub-regions such as central Asia and south Asia are lagging behind on the most of the ease of connectivity indicators. The regional working groups help to benchmark best models from advanced sub-regions for the benefit of trailing countries. Another area of importance which kind of relates to my previous speakers is the modernisation of trade and transport procedures, the framework agreements on facilitation of cross border paperless trade in Asia and Pacific is now one of the flagship initiatives of UN ESCAP. Enabling transition of cross border freight transport procedures to a fully digitised environment through a comprehensive resource pool called the UN NEXT. So, the other part is cooperation with sub-regional organisations and in here of course, BIMSTEC comes out prominently. Acknowledging the resource capacity constraints ESCAP has and will continue collaboration and capacity building initiatives. In 2022 there was a training jointly with USAID on value chain analysis for BIMSTEC region and also a BIMSTEC course on negotiating regional trade arrangements. The support to the implementation of the BIMSTEC connectivity master plan is another area that ESCAP is ready to pursue. Then, recently in this sub-regional

office covering south and southwest Asia, we have started a scoping study in BBIN subregion with the specific objective of identifying some cross border transport ICT energy connectivity efforts that can be considered as low hanging fruits. The report alludes to early harvest connectivity projects that can potentially have a far-reaching demonstration effect and inspire more initiatives of similar nature. So, we are in the process of concluding our report which has been done by institutions, consultants that have consulted different stakeholders. We hope to share the findings of this study with you and other interested stakeholders. And to look for the immediate things that we can maybe undertake to help and it is not unilateral things. It is really working with many stakeholders. Of course, the role of ESCAP is not so much in investments and projects but more about convening stakeholders, be it governmental or local or subregion or whatever that maybe. I think this whole thing of connectivity, cooperation and the ... again I am a student in this. So, I am learning everything but there is just so much going on and there are many actors and of course you can't dictate anything. Even the unilateral actions are like how many million unilateral actions are going on. I know you are talking about a country level thing. But even in a country there are so many decision makers and again part of the more democratic kind of set up is you allow for that freedom, of actions economic or social, whatever, to actually take place from the citizens levels to communities to local governments to whatever that maybe. So, it is inevitable that this happens. The issue is of course a long-standing issue for institutions like World Bank, United Nations or whatever is that we are trying to also forge some global or regional cooperation peace, security, development. And again, time and time again, we see examples of how disparities or parts of the world moving forward for whatever good intentions they may have, at the detriment of others which creates injustices, that creates this perception or sense or reality actually of exclusion. and this of course feeds into the risks of security, conflict whatever that maybe. I think the role of institutions like ours is to kind of also highlight, flag even as different stakeholders, governments or whatever it is, take their unilateral actions at least to be informed of what the implication is of that. Not just for themselves but also for others. Particularly in this region we are looking at for instance countries that are almost graduating from LDC status. You have Bhutan this year and then Bangladesh, Nepal in four years' time. Again, this long path to development or achieving the SDGs, graduating LDC is only step one. There are lots of risks actually attached to graduating from LDCs. Again, for landlocked countries like Bhutan or Nepal, they are so dependent on India because a lot of other things that have potential for their own developmental gains actually have to go through India. Again, the unilateral action that India may decide to do for India's own purposes again may have detrimental effects on these other countries. Where is that common ground or what can we do as institutions like the UN whatever to provide the facts, the information the analysis, different perspectives of stakeholders to basically say – ok, this is something that is really important for these stakeholders and is there something that could be ok, maybe not your ideal but maybe still good enough that would actually benefit all because the whole theory behind all of this is that actually by connecting and forging cooperation amongst these countries and communities in this sub region actually better things can happen too. That we can't foresee everything, but nonetheless that cooperation that happens can in itself foster more opportunities. I am sure there is a lot that can be untapped if that initial step of that collaboration is done in the right direction. I think really our role, ESCAP would really like to work with the stakeholders, the different institutions to have kind of a common message. What are the key messages, what are the key issues or key objectives, key actions that really will be beneficial? So that, wherever we work and if it is working groups or

intergovernmental meetings in ESCAP, at least we can try to promote those messages, the information at the table so that in the intergovernmental processes or decisions that are made at least we are in the same direction as whatever is going on with other stakeholder's actions.

Riya Sinha:

Thank you Mikiko San. It is a very important point that you made and I really like that example that you gave on ESCAP's joint training with USAID and supporting the BIMSTEC master plan because this is something that is not just India and other actors. Other actors within themselves also need to cooperate with each other for connectivity in the region and that is one of the messages and it aligns really nicely with what the report is also trying to say in terms of cooperation in this region. Constantino if I may come you next. Your BIMSTEC report was quoted by Dr Mohan earlier. You were rather disappointed with last year's BIMSTEC summit held in Sri Lanka. What are your expectations from the upcoming summit and from Thailand leading the BIMSTEC summit this time and what are your suggestions for strengthening the organisation?

Dr Constantino Xavier:

Thanks Riya. I don't want to come between the many questions that are lined up. But very telegraphically maybe summing up some of the issues and will come to BIMSTEC in a second. One it is quite clear from two points about India maybe more specific is when Delhi will have other chances to engage stakeholders from beyond Dhaka and Colombo and Bangkok. But I think it is quite clear now and I think we should emphasize and understand that you see across the government, across the eco system in India today, not only in Delhi but across states, stakeholders a deep maybe belated but deep assimilation of the language of interdependence as a strategic objective. So, this idea of connectivity or security is an outdated lens as Dr Mohan mentioned. It is about 80s and 90s regulating in fact impairing India's approach to the region. But today when you have one of the former army chiefs commenting on the northeast region of India which was underdeveloped, landlocked, ridden by violence, you have the army chief of India saying that more connectivity enhances our security in the northeast. This is the head of the army which has been traditionally one of the conservative institutions looking at security from a militaristic angle. But saying that more interdependence with Myanmar, with Bangladesh, with Bhutan is in our interest. I think it is quite clear that this system has adopted the idea of interdependence, connectivity as a security strategic political imperative. Number two. I have often disagreements and discussions. I think there is different views on this. On, do we fix the politics first or do we do economic projects infrastructure. For example, can we develop the India Myanmar Thailand trilateral highway or the Caledon project if our engineers are being kidnapped or if there is a coup, there is massive unrest, violence etc. Also do we deal with governments in Kathmandu, in Colombo or in Dhaka, do we engage this particular dispensation of this government or wait for another one. I think India is running so late, behind time that it cannot afford to think of too much about the politics. This is my view. When you don't have the basics of interdependence and connectivity, when you have something like Benapole still where trucks are lining up for three four days to cross the basic border that should take you ten minutes in most areas of the world including in China and southeast Asia. The choosiness about the politics becomes redundant in fact the luxury that India cannot afford. This is my view, of course, to build projects, to develop projects you have to have basic stability, social and political in your neighbouring countries. But broadly if you look at the

levels of political vines in south Asia and the durability of regimes, south Asia is going through a very stable period. 20 years ago, we had active civil wars in Nepal and Sri Lanka. Today you have stability in these countries. Broad stability. Financial collapse in Sri Lanka, but the politics in that sense for me are marginal. This is at least my view. Third, the paradox as I often mention is while India is doing more than ever has adopted a language of connectivity, is reforming its institutions at home, has a consensus about connectivity, is putting more resources than in evidence neighbourhood to build the infrastructure, the development cooperation with its neighbouring countries, it is still too little, too slow. Only too little too slow for what India would want to. Neighbours are asking India to come in. Let us not forget 20 years ago many of the neighbouring countries were asking India to stay out. Neighbours were asking India to stay away. Today it is Bangladeshi's expectation that India builds, finance, operate, sustains connectivity inside Bangladesh. And on its own border regions. Fourth, you will see in our report our emphasis was really on small steps. Sometimes big FTA deals like the one we have been thinking of at BIMSTEC since 2003, it's been 20 years are really useless. For example, the paper we have by Subhashini and Hasna on mutual recognition agreements, in terms of recognising laboratories and testing of labs of goods that are being exchanged between India and Sri Lanka are small steps that have a huge value to increase trade between India and Sri Lanka. So, you don't need to think big sometimes or big FTAs, big institutions, big projects, but small steps take you a long way in terms of building this connectivity. Finally coming to your BIMSTEC question, I think absolutely. I could have... the sentence that Dr Mohan I could have reversed it also. I should have maybe included saying there are many things BIMSTEC cannot do. That BIMSTEC cannot do those unilateral initiatives from India are able to do. In fact, you mentioned the negative effects of unilateral behaviour but Nepal achieved record levels of exports because India has taken unilateral steps of developing its infrastructure, giving Nepali cargo privileged access to its ECTS system, giving Nepali cargo access to its ports on the eastern coast, developing the railways link, the petroleum products pipeline the first one in the region it was built in Nepal. Actually, by India doing that last mile connectivity in which you Riya has worked... Riya's paper for example integrated check posts, how India is massively expanding the border management infrastructure, that actually enhances the connectivity. Therefore, BIMSTEC in that sense is one of many routes and it is particularly good and timely that Thailand is taking on the chairmanship. We have had two summits of BIMSTEC in the last four years. There were three in 20 years. The Thais have held two permanent working group meetings in one year of their chairmanship, they have adopted four different documents this month on various procedures that were hanging for ten years. Sectoral mechanisms, external relations, procedurals, establishing the BIMSTEC charter. So, I see a lot of hope for the summit which I think now is bound to happen also with the new Thai government, post May elections which will come with a lot of energy whatever government or shape it will be on foreign policy and therefore in November I think we will have a very productive summit on BIMSTEC.

Riya Sinha:

Thank you Constantino. I share your optimism with BIMSTEC and hoping that in the next summit we see more outcomes than we have in the last 25 years of its existence. We will now open up the floor for questions. I request you to raise your hand where my colleagues will give you the mic and please if you can identify yourself that would be helpful.

Audience 1:

Always a pleasure to be at CSEP and participate in this. Dr Raja Mohan had mentioned go with whatever happens or whatever works go with it. I fully agree with you. But when you line up this spurt of many laterals that have emerged over the last two or three years there is a common pool of nations that form the most of the bandwidth that form part of this many laterals. Therefore, the limitation for these nations to actually focus on many agendas would be based on their capacity and capability. So, is this going to raise the inter-regional cooperation or competition when you look at the Bay of Bengal vis-à-vis the many of the subregions of the Indo-Pacific. There is therefore a need to engage with these many laterals and keep them focused on the Bay of Bengal if we actually have to promote the BIMSTEC points of agenda. That is one issue. Second is on the blue economy. We had a small chat before this. I know a couple sitting here and I fully endorse that view. We need to look at blue economy. But the lack of a common definition often limits the ability of nations to engage. So, the best idea is to look at it as a concept. You have freedom of manoeuvre. But having said that when you look at the blue economy and the cooperation angle that is part of the report there is a need to look at the issue of sharing of resources. Now, if you look at the Bay of Bengal as an area where maritime zones have been peacefully demarcated, a few niggling problems do __. But the extension of the continental shelf which is yet to take place could lead to perhaps competition happening for resources which are available. Therefore, there is a need to look at sharing of resources in a bigger way. Especially keeping the future in mind and then of course if we look at blue economy and then there is a difference on what is the blue economy and ocean economy. I think the blue economy does need a lot of more discussions and especially sharing of resources specifically to areas beyond any form of national jurisdiction. Your comments are welcome.

Audience 2 (Shripathi):

I got the description of the chair question statement observation. Two points. One when you are looking at connectivity in the Bay of Bengal region, are we going to look at new connectivity networks or are we going to re-establish existing connectivity networks which were lost over the past 70 years. If you really look at it pre second world war, the British empire in this part of the world ran out of Calcutta. Singapore and Dutch, east indies, the treaty was signed in Calcutta and not in London. So, are we looking at that connectivity and are we to sensationalise the stakeholders that we are not talking about something new? But that which existed. In this, after the 1965 Indo-Pakistan war, the northeast was cut off because east Pakistan refused to give overland and water way transit facilities. One. Two, with the point which Dr Raja Mohan said in his initial statement, in the past few years Delhi is waking up. The question is that should we talk about Bay of Bengal in Delhi or in the regional capitals. I would like to quantify the statement because I come from Madras. Chennai which has got one of the largest, longest beaches in the world. Only twice we talked about maritime issues in Chennai city. One is the meteorological department report in October November whether we are going to have a cyclonical storm or not and the park bay dispute with fishermen. So, should we or should we not involve the state governments and tell them what ocean is?

Riya Sinha:

Thank you. Prof Chadda.

Audience 3 (Prof Chadda)

Thank you and my compliments for an excellent report and an excellent panel discussion that we have had. I generally attend all the events that you organise because it touches upon some of the areas of my interest. I think blue economy has been referred to but I would suggest that a chapter or a paper on the issues of cooperation on clean energies, climate change issues, COP 26, COP 27 relationships, because when blue economy is discussed, we also discuss about the tidal power. We also discuss about the wind turbines. And we also discuss about how this power generated would be distributed among the Bay of Bengal. So, this is one of the major cooperation issues. The second one I think is important is the deep ocean mission. I am not going into details but many of the minerals that we may require for the new technologies may be very close to the deep oceans or within the deep oceans. So, a cooperative strategy on mining particularly the critical minerals that we talk about, if possible, I don't know how much that is. But a cooperation on that among the Bay of Bengal countries. And my last point, I have read Dr Palit's chapter talking about the supply chains. Very good examples Dr Palit. They are including semiconductors. But if we can also weave in the critical mineral's cooperation and something like MSP, mineral security partnership, which is not existing among the Bay of Bengal countries. So, to some extent a clean environment issues, tidal power harnessing, wind turbines and the cooperation on trade in critical minerals or value chain in critical minerals I thought would add a lot of value to the cooperation part of your report. Thank you.

Riya Sinha:

Can we take these three questions first? There are questions on line as well. But we can take these three questions first. Mandakini there are two questions on blue economy for you. Dr Mohan if you can address the question on whether it is important to discuss Bay of Bengal cooperation just in new Delhi or in the regional capitals as well. Or capitals within the country as well. Constantino if you can address the question on what kind of connectivity initiatives. Old versus new. Mandakini can you start?

Mandakini Kaul:

I think they were more in nature of common-sense questions actually. Perhaps I can say two things. One I just want to also say that there has been progress. This agenda has advanced. The agenda of regional cooperation. So, we must also acknowledge and celebrate the successes. I think where possibly all of our comments stem for and I speak for the other panellists, so please forgive me, is that there the agenda is so large and there is an urgency of time, but there has been progress. And there have been things that have been done. So, we must acknowledge that. For instance, I think India's cross border electricity trading guidelines was an important development that took place. There is a lot of cooperation that is taking place on electricity trade. There are many other areas we can see the integrated check posts, the whole eastern subregions coming together. The motor vehicles agreement. I would like to also emphasise that we are working with all of these governments. We see the progress that has been made, the steps that are being taken and we all want to work with them to advance this agenda. So, I think that is the first point. On the blue economy I agree with you that it is a concept, it is a definition, how you define it. It is something that the World Bank is certainly leading the effort on progressing the definition of the blue economy and whether we treat it as a definition or as a concept it is something that has to be progressed and taken forward. In terms of cooperative management, I think a very interesting example is the Sundarbans. 60% in Bangladesh and 40% in India. We are working with both the countries to see how they can be cooperative

management of what is such an important ecosystem. It can be at the micro level, it can be at the macro level, the question is these shared resources exist. So, you can have connectivity, you can have cooperation at every level. It is a question of taking forward this agenda. Thank you.

Dr C Raja Mohan:

I think you talk anywhere. Why only Chennai. I come from Andhra and we can do in Vizag as well. I think the major national policy are made in Delhi. I am sure you are saying please take it other parts along the coast. I am sure there will be a lot of interests. You should do that. But again, it comes to reform. Without reforming the way we operate, in which, if you talk to people the federalism question is a deep one in relation to your maritime policy. From policing to actually projects, to coastal zone management, anything you talk about the multiple agencies, governments. There is a deep challenge there. It is again how do you bring all the stakeholders... you said internally we are not even talking about outside... to come together to be able to move forward. That is what this requires. I think change. The idea we can stay where we are and we will change the world around us is fundamentally a mistake. I think the accumulated anti connectivity mentalities, the laws, the regulations, are so deep. That if you don't change those, it doesn't matter where we talk. So, change in reform internally is the key if you want to succeed in this whole connectivity. I think contrary to the anti-colonial rhetoric we revel ourselves in, Bay of Bengal is more connected in the colonial period. One of the great tropes in Indian discourse is colonialism disrupted regional connectivity. Really? If you see the 19th century actually thanks to the empire, I mean the empire had other problems, but the connectivity between India and its neighbouring regions dramatically expanded. India was at the centre of 19th century globalisation across the Indian ocean. So, it is the nationalist, socialist policies that followed after that which actually by choice sundered the connectivity. By choice. Because if you say socialism in one country, self-reliance, internal development, borders, we don't care for the borders, we are not interested in exports. It is those policies that produced dysconnectivity. While southeast Asia went in a different direction from the 70s. We were late to come to it. Still the job of undoing the past accumulated legal regulatory requirements that are anti-connectivity, that is a long way to go. That is why, when I said unilateral, we need to change so much. That is why I always add positive to the unilateral stuff, it is not an alternative to other things. We need to change and I think the more we do that it is critical. Your question on how do we use the many laterals, because you are also talking about south pacific. You are working with the French in the western Indian ocean. You have got many laterals with the UAE and France. You have got I2, U2, all this stuff is there. But you can't just say I will only do Bay of Bengal. Where we can work for example the quad Australia in the report refers to Australia's eagerness to do more in the eastern Indian ocean. Take advantage of that. You move your policy on the Andaman Island. Singapore is very interested in investment in Andamans. There again it is what you do internally is the key and you have seen US is funding Nepal's connectivity to India. That is what MCG was about. Japanese today explicitly talk about the strategic purpose of their aid policies which is to connect India to its neighbours. This is not happening in abstract because there is a China problem. But the question is are we taking full advantage of those possibilities. That is the issue that again connects back to the thing of we need to change, we need to take the advantages that are emerging from outside.

Dr Constantino Xavier:

Not much really to add on the kinds of connectivity. I think that is the real question that we would try to discuss. What are the types? Connectivity is easy, you can say change is happening as Mandakini has mentioned. Connectivity is happening. We have mentioned so many examples in the past hour. But the question is do you have the apparatus, the standards, the norms, the vision, in fleshing out the connectivity. For example, the argument we made Riya you remember, on Gati Shakti, the national master plan for connectivity which is internal but early on for example we cautioned and happy to see that it is happening now that anything that India is doing internally for example the Gati shakti national plan needs to be in some way plugged in or able to be plugged in with neighbouring countries. Your connectivity standards. Sometimes it is very concrete issues. It is not just an abstract corridor or it would be for example on the work you were doing on Riya on the paper you have here, as you plan your railways, you invest massively for the first time in decades in railways expansion in northeast with Nepal, with Bangladesh, where do you lay the tracks to connect. That should be harmonised with Nepal's first time ever development of the railway structure, right? Which is what the Nepalese are doing now. Bangladesh's own interest with Myanmar's own interest, if that trilateral railway link is to happen before 50 years from now. I think those discussions are critical. And for that we need knowledge transfer and discussions. It is surprising how little, talking Dr Mohan's point about the past and these three parties used to be connected. I mean the university of Calcutta had hundreds of students from Burma up to the 1950s. Today it is unthinkable. Very few come but it is a complete disconnect. So, we need much more knowledge exchange between experts, scholars, decision makers in this region that used to be so connected and is still so disconnected today.

Riya Sinha:

Thank you. There is a question on line. Dr Palit if I may direct it to you. It is by Karthik Kishore from RIS. He says that India – Bangladesh relations have come a long way in the last decade. Yet trade figures have not really picked up. So, are we missing something in the trade part of it, in maritime connectivity? How can we increase our economic relations with Bangladesh?

Dr Amitendu Palit:

Well, I think the fact that India Bangladesh trade relations have come a long way, yet there has not been substantive increase in the volume of trade is something... these two ideas are essentially inconsistent between each other. There is obviously something wrong somewhere, the understanding is not happening rightly. But, let me share on a broader note point with you Riya on the question of connectivity. I think Tino and I will both agree on this that when we looked into this exercise, we discovered that there is an enormous amount of conversation that has been happening on connectivity and what has not happened with respect to connectivity. Now the point over here is that within this what has not happened on connectivity, perhaps the time has come to separate the issues into two boxes. First, what cannot happen and secondly what can happen. The cost of staying engaged with what cannot happen can become prohibitively high. If there is too much effort that is required to be put into some very small areas of what can happen, I think the time has come to check for all countries and stakeholders concerned as to whether it is worth staying engaged in those areas or not. Perhaps it is much more important to focus on what can happen and most importantly what has happened. Because the benefits of what has happened and the quantification of those asked something which needs to be brought to the knowledge of the people to give clear demonstrations about – look, these

have happened. And there are benefits that are coming out of it and these have happened irrespective of the cooperation deficit. So, when we look ahead of this report in future that is something that we need to focus strongly upon.

Riya Sinha:

Dr Mohan you had an intervention?

Dr C Raja Mohan:

Trade with Bangladesh has been actually growing pretty significantly. In 2020 it was 11 billion dollars. 2021 it was almost 20 or 18 or 19 something. In fact, in 2021 India's trade with Bangladesh was three times that with Russia.

Riya Sinha:

Now the fourth largest export partner of India.

Dr C Raja Mohan:

So, I think the things have changed certainly with Nepal and Bangladesh because of the improved connectivity and other things that was mentioned. Of course, the potential is much more.

Audience 4 (Kapil Narula):

Thank you. Constantino, excellent report. Thank you for the panel. My name is Kapil Narula. Formerly with UN, NITI Aayog and Indian navy. My question is addressed to Ms Tanaka and Ms Kaul. We heard about expanding trade and it goes without saying that that is the right way. My question is specifically when we go down to the nuts and bolts should we go into separate agreements for example there are specified commodities like electricity, like carbon trade, like ecosystems services and other services which do not require physical movement of goods. So, should we go in to decentralise some of the processes and procedures and establish different mechanisms for some of these commodities.

Riya Sinha:

Are there any more questions?

Audience 5 (Rajat):

Hi, my name is Rajat and I work with CSEP itself. My question is directed to Ms Mikiko. When we talk about the social issues, don't you think we should also talk about the illegal migration. How does that impact the lives as well as livelihoods and there are humanitarian issues involved in it? Do you think that connectivity and cooperation within the southeast and south Asia, can that really help address those issues also?

Riya Sinha:

We can take one more question.

Audience 6 (Sreoshi Sinha):

Hello, I am Sreoshi Sinha. Associate fellow, national maritime foundation. First of all, congratulations for such an extensive report. It would be really helpful in my work also. My

question is to Dr Palit. We have a Matarbari port coming up in Bangladesh which is 25 km away from the Sonadia port that was proposed by China. But Bangladesh has officially called it off. And also, in that area they are bringing up a new eco-tourism park and they have summoned Mahindra from India to take up the project. I have two questions. First, would it be taken as Beijing's influence being limited in Bangladesh, should new Delhi have a sigh of relief in this? Secondly, what are the economic options or how do you think the India – Bangladesh economic options be enhanced by the upcoming new port? Thank you.

Audience 7 (Mauro Bonavita):

I am Mauro Bonavita the Kings college London and I am visiting fellow at the national maritime foundation. I would like to go back to the link between security and connectivity. So, it is easier of course to talk about just economic goals when you interact with states. But it is very hard to disconnect this from the great power competition which is going on in the wider region. So, my question is insisting on the idea that the wider Indo – pacific and the Bay of Bengal should be not just free and open but also inclusive. Isn't it a way to avoid the greater picture and the greater problem? And the second question would be, projects like the ___ where an attempt to try to become not just a security connection but also have an impact in different ways, in which ways could create secure connectivity in the region? Thank you.

Riya Sinha:

I can also use this as a concluding round. In one minute, each of you could answer some of the questions that were addressed to you. Starting with Dr Palit.

Dr Amitendu Palit:

I think I would like to describe it in this way. That, for a country like Bangladesh or for that matter several other countries in the region. This source of connectivity capacity is not important as long as there are capacities that are needed available on reasonable terms and allowing the country to participate in that connectivity capacity expansion in a productive fashion. It really doesn't matter for the recipient country at least as to from which direction the capacity is coming from. But, having said that, let me also allude to this fact that we do talk about China's role in expanding connectivity in the region through the humongous DRI initiative. But we often forget to take note of the fact that countries like Japan, Australia and India and now lately the United States have become very active actors in promoting this and Japan's role in promoting connectivity in Bangladesh is very, very striking and significant. And we know about the Sumitomo special economic zone and other initiatives that have come along. I think it is good news for Bangladesh and in that same vein, the India Bangladesh relations in so far as trade is concerned, I think Dr Mohan pointed to the figures. Robust increases. The point is in which direction does this flow from here onwards. Because, Bangladesh is going to change its graduation, it is going to become a new economy in all practical senses of the term, concessional lending and borrowing support will go. Whether Bangladesh will be able to maintain the kind of trade impetus that it has had till now, it's something which of course we need to wait and watch.

Riya Sinha:

Thank you, Dr Palit. Mandakini?

Mandakini Kaul:

I think I will just say that as I started by saying regional cooperation is something which requires one to be very opportunistic and very nimble. And in that spirit different countries, different groupings come together around different issues that at that point are imperative for them. I think there are some countries we have FTAs with, others where there are for instance there is the motor vehicles agreement, there is the electricity trade and indeed sometimes they are all together in one package and other times they are not. I don't think one size fits all. We should do whatever at that point makes sense and where we are able to find those opportunities to come together and collaborate. Thank you.

Riya Sinha:

Constantino?

Dr Constantino Xavier:

Now we are racing against time. So just two points. Secure connectivity is sustainable connectivity. I think that is the key thing that is coming out. Sustainable connectivity means inclusive connectivity every stakeholder. It means it is connectivity that is there not only in good times but also bad times. Deep disappointment in Sri Lanka today about China not being there to support Sri Lanka when it is most needed. In the good times of connectivity China was there. So, there are a lot of questions being asked about what types, what kind, what sustainable connectivity does the Bay of Bengal region need and second, we need to imagine the Bay of Bengal as I think Prime minister Sheikh Hasina said in 2011 as much more beyond south Asia, the subcontinent the Bay of Bengal. This is the Bay of Bengal that includes Indonesia that now has a joint task force with India that has met twice already to develop connectivity in maritime, digital, shipping between Indonesia and the Andaman Nicobar. So, it has to be a much more open broad inclusive Bay of Bengal to everyone who believes in the sustainable if I may say so democratic inclusive connectivity.

Riya Sinha:

Thank you. Mikiko San?

Mikiko Tanaka:

Thank you. I think Mandakini mentioned one size does to fit all. There is so much diversity, so you can't solve every problem with the same solution. What I can say is you need both. General and the specific. I think the kind of biggest human achievement in the 20th century was these whole international conventions, the universal declaration of human rights and 194 states members in the United Nations. To have all these agree on one standard principle or one set of rules, this is a major in the history of human kind. It is really unprecedented. You can criticise the UN and all of that. But the thing is that this is a really, really important kind of basis. Whatever happens it is kind of an agreement at least on paper law or principle that wherever you are born you have equal rights to education, to law, to a certain level of wellbeing. You have these things also kind of detailed out. The sustainable development agenda, SDGs has 200 plus indicators that are across all the countries. What is poverty? You have to be above that. All of that. This is amazing. But how do you then ensure there is a common standard that is applied everywhere. Non discrimination all of that including migrants and all of that. I think that is the kind of bottom line that we need to protect and to educate. I think the role of UN and other institutions is to continue doing that in a very changing world. And again, a lot of the

solutions need to be done at the various levels where many, many stakeholders. So that is kind of a general answer to that. Thank you.

Riya Sinha:

Thank you. Dr Mohan?

Dr C Raja Mohan:

On security and connectivity paradox is abound. One reason why the US, Japan is accelerating their support for India, India's connectivity with its neighbours is because of security considerations. There was a period of height of economic globalisation, there was an economic logic of its own. Not everybody was into it. But today the security considerations and the geopolitical considerations are actually driving connectivity projects. Some. So that is an interesting thing. Question is can countries take advantage of it. If there is only BRI and if there is BRI, EUs global gateway, Indians Australians everyone is willing to pitch in for connectivity, as a consumer you have more options. You can negotiate better terms. Again, a paradoxically security competition actually gives you more choice. I think it is not a linear or a simple thing. I think there is also the flip side. Political security considerations have produced dysconnectivity. If you say democracy in Burma is such a primary consideration that Burma will be isolated, sanctioned, then you actually after opening up for 10 years now you are disconnecting Burma through sanctions. Again, it is a politically driven thing. That is actually open space for the Chinese to come back in into Burma. Russians too are now playing. So, there you are. The choices made on a range of issues has outcomes in the connectivity domain. I think for example India and Japan took a more... view that Burma needs to be engaged. But Japan too has to move back because of the G7, because of the ASEAN's positions. Today if you have a situation where the biggest country, the most important country in Bay of Bengal along with India is cut off. So that in fact is part of the problem. That is Burma's isolation, forced or otherwise and the nature of its political evolution has made it harder. The question then is not to bemoan this, but to move where we can. As I said, Bangladesh India has been a positive thing, there also been other mechanisms of doing more things with Sri Lanka, Maldives, where you can do things do it. We didn't do enough in terms of how south east Asia, Thailand can sea-based connectivity as opposed to land based, road or otherwise. I think there are huge possibilities for changing the way we do a lot of the business on this.

Riya Sinha:

Thank you, Dr Mohan. Since we have run about 15 minutes over time and apologies for that. But this was a very stimulating discussion. Thank you to our panellists joining us in person and online. Thank you very much for ideas, for taking this research forward and perhaps coming out with a part two in the next one year. Thank you all for joining us today and coming early morning at our CSEP's auditorium. I think this is our first like Tino mentioned. This is our first in person event after three years and we are delighted to have you all join us. We had about 300 registrations. Many participants joined online. We are grateful for that. The support for this we also want to thank DFAT the government of Australia for the support in publishing this report and throughout. I would also like to thank the contributors who have contributed to this report without which we wouldn't have this product with us here today. Thank you to the co-editors, Dr Xavier and Dr Palit for bringing this report out and thank you to my team at CSEP, Nitika Nair, Anandita Sinha, Bhavyanshi Sinha, our communications team, Aruna, Trishna,

Mukesh and Malvika for bringing up and making this event seamless without any technical glitches. Thank you all and hope you have a great day.