



Event Summary

Thursday, April 27, 2023

- The Centre for Social and Economic Progress (CSEP) hosted the 14th edition of its Foreign Policy and Security Tiffin Talk series with **Amitendu Palit**, Senior Research Fellow and Research Lead (Trade and Economics), Institute for South Asian Studies, National University of Singapore, and **Constantino Xavier**, Fellow, Foreign Policy and Security Studies, CSEP.
- The discussion centred on CSEP's report on [Connectivity and Cooperation in the Bay of Bengal Region](#) (eds. Constantino Xavier and Amitendu Palit) launched in February 2023. **Rakesh Mohan**, President, CSEP, delivered the welcome remarks, and **Suman Bery**, Vice Chairman, NITI Aayog, delivered the opening remarks.
- The discussants at the seminar included, **Dammu Ravi**, Secretary (Economic Relations), Ministry of External Affairs; **Aditya Mishra**, Chairman, Land Ports Authority of India; **Sanjeev Ranjan**, Chairman, National Shipping Board, Ministry of Shipping and Inland Waterways; **Jayant Singh**, Vice-chairman, Inland Waterways Authority of India; **Mandakini Kaul**, Regional Coordinator for South Asia Regional Integration and Engagement, The World Bank; and **Bharat Joshi**, CEO, J Curve Ventures. The seminar was moderated by **Riya Sinha**, Associate Fellow, CSEP.
- This seminar engaged policymakers and sectoral experts to build on the existing research and generate new ideas for more policy-relevant studies on connectivity in the Bay of Bengal region. The participants included representatives from the government of India, diplomats, and scholars from leading think tanks and universities from India and abroad. CSEP's Tiffin Talk Series features scholars presenting their recent evidence-based research to peers and practitioners. This series of closed-door seminars seeks to facilitate dialogue between researchers and policy-makers invested in India's foreign policy and security affairs.

Regionalism in the Bay of Bengal and India's Role

While presenting the report, Constantino Xavier and Amitendu Palit emphasised the growing gap between connectivity and cooperation in the Bay of Bengal Region, particularly in infrastructure connectivity (both hard and soft). Therefore, considering the existing challenges, it is important to deliberate on the potential partners and locations where India is amenable to collaborating or coordinating, to bridge the connectivity gap in the region. Additionally, identifying the “softer” areas of focus and determining the role of the private sector will be important.

A discussant emphasised that the lack of connectivity is rooted in the lack of a “regional” outlook towards the Bay of Bengal. Several other discussants attributed this failure

to a Cold-War era security mindset, which thwarted any real effort for regional integration. Calling the regional insecurity as “a relic of the past,” a speaker iterated on the concept of hard and soft sovereignty and emphasised how India can benefit from the latter—through deeper integration of the region.

While improved connectivity is essential for regional integration, asymmetry in capacity, resources, people, and institutions presents a major challenge. To overcome this, speakers suggested that India should do some heavy-lifting and enable other countries in the process. Another pointed out that its “India's responsibility to bring the region along.” In other words, India should take the lead on the issues of multi-modal connectivity, interoperability of systems, and policy adjustments. On this account, it was suggested that India could practice “trade generosity” in

the region, that is, provide preferential market access to the neighbours - both as an ongoing good practice as well as a strategy for long-term growth.

Accelerating Pace of Connectivity Efforts

Another recurring theme of the discussion was the proliferation of India's connectivity efforts in recent years through the Neighbourhood First and Act East policies, including the extension of development grants and lines of credit. A discussant shared the example of India's land connectivity efforts with its neighbours, particularly Bangladesh, Bhutan, and Nepal; approximately 90 land ports at international borders are being pursued, out of which 25 are at major locations. Out of these, 17 are in the Northeast, which reflects India's focus on improving connectivity to and from the Northeast Region (NER). For instance, the Tripura-Chittagong economic corridor is likely to bring in businesses and companies, and increase employment opportunities in the NER. Japan's Matarbari Port project in Bangladesh is also aimed at increasing connectivity with the NER.

Additionally, the government has set up a new inter-ministerial group on increasing trade in the NER, which has also been discussing how to improve connectivity. Another discussant shared how the cargo movement volume through inland waterways, on the India-Bangladesh Protocol Route has doubled in the last three years. He also mentioned Bangladesh's recent issuance of a permanent transit order, allowing India to use Chattogram and Mongla ports, which would further solve the problems of delays at the check posts during the transshipment of goods. Furthermore, the prospects of a multi-modal integrated movement arrangement and the elevation of the BIMSTEC Coastal Shipping Agreement, currently under negotiation, to a comprehensive one were also discussed. There is also a need to strengthen the capacity of the BIMSTEC secretariat to achieve connectivity goals in the region.

Speakers and participants also emphasised the necessity of a more active role by the state governments in advancing the process of regional connectivity. State governments can play an instrumental role at both the central and regional levels to reap the benefits of connectivity projects.

Suggestions for further research

During the discussion, several participants suggested important areas of potential research and policy interventions.

- There is a need for a dedicated Indian think tank to look at the Bay of Bengal more deeply and from a regional focus.
- In the broader Indo-Pacific context, there is a need to study linkages in the Bay of Bengal, the advancements on Regional Comprehensive Economic Partnership, connectivity with ASEAN, and Bangladesh's recent Indo-Pacific outlook.
- Regarding shipping and port connectivity, a participant suggested that expediting the implementation of the coastal shipping agreement in the region would facilitate cost-effective transportation of cargo between ports and merits further investigation. This will be especially crucial for drawing cargo traffic to the transshipment hub proposed in Galathea Bay on the southern coast of the Andaman and Nicobar Islands.
- For project monitoring and implementation, a participant suggested expanding the Prime Minister's Gati Shakti National Master Plan to include the region.
- Participants also urged greater private sector involvement in regional connectivity, particularly in green infrastructure development and financing. One private sector participant expressed interest in participating in bilateral and trilateral initiatives, such as India, Japan, and Australia Supply Chain Resilience Initiative.
- Participants also suggested expanding research into topics such as port restrictions, diversifying product profiles, the impact of railway connections in the NER, and deepening institutional coordination for the implementation of the Bangladesh, Bhutan, India and Nepal Motor Vehicles Agreement (BBIN-MVA).
- The discussion also alluded to the importance of financial connectivity in the region, especially in terms of trade in national currencies, digitisation, interoperability of financial systems etc.
- It was also suggested that gender and climate be made an integral part of the study on infrastructure connectivity.

All content reflects the individual views of the participants. The Centre for Social and Economic Progress (CSEP) does not hold an institutional view on any subject.

*This event summary was prepared by **Mahesh K. Kushwaha**, Research Intern, CSEP. For queries, please reach out to **Riya Sinha**, Associate Fellow, at RSinha@csep.org.*

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