

# BIMSTEC Member Countries

## Significance, Challenges

*BIMSTEC is a multilateral regional organisation that comprises Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand. Check here Significance and Challenges of BIMSTEC Countries.*

### BIMSTEC

BIMSTEC is a multilateral regional organisation. Members of this regional unity are located along the littoral and in nearby areas of the Bay of Bengal. BIMSTEC includes not only South and Southeast Asia but also the Great Himalayan and Bay of Bengal ecologies.

### Aim of BIMSTEC

The main objective of the regional group was the promotion of economic cooperation between countries bordering the **Bay of Bengal** region. Its primary goals are to foster cooperation on issues of regional importance, accelerate social advancement, and create an atmosphere that is conducive to rapid economic development.

BIMSTEC, which comprises 21.7% of the global population and has a combined **Gross Domestic Product** (GDP) of USD 3.8 trillion, has become a significant contributor to the world's economy.

### BIMSTEC Countries Origin and Membership

- Founded as BIST-EC (Bangladesh, India, Sri Lanka, and Thailand Economic Cooperation) in June 1997 with the Bangkok Declaration.
- Renamed BIMST-EC with the entry of Myanmar in late 1997.
- Became BIMSTEC with the inclusion of Nepal and Bhutan in 2004.
- Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) comprising



- Bangladesh,
- India,
- Bhutan,
- Nepal,
- Myanmar,
- Sri Lanka, and
- Thailand

## BIMSTEC Full Form

BIMSTEC is an acronym for the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation. The grouping was renamed during the First Summit in Bangkok on 31 July 2004 from BIST-EC to BIMSTEC.

## BIMSTEC Headquarters

BIMSTEC headquarters is located in Bangladesh's capital city Dhaka and was established on 06 June 1997 when the Bangkok Declaration was signed.

## BIMSTEC Countries List with Capital City

There are 7 member countries in the BIMSTEC organization. Out of the 7 members, Five are from South Asia i.e., Bangladesh, Bhutan, India, Nepal, and Sri Lanka and Two are from Southeast Asia i.e., Myanmar and Thailand.

S. No.	Name of BIMSTEC Countries	Capital City
1.	Bangladesh	Dhaka/Dacca
2.	Bhutan	Thimphu
3.	India	New Delhi
4.	Nepal	Kathmandu
5.	Sri Lanka	Colombo (Executive and Judicial); Sri Jayewardenepura Kotte (Legislative)





6.	Myanmar	Naypyidaw
7.	Thailand	Bangkok








### BIMSTEC Countries Map

For a better understanding, refer to the following image for the Map of BIMSTEC Countries below:

# BIMSTEC

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation.

**OBJECTIVE**

To accelerate the economic growth and social progress in the sub-region through joint endeavors in a spirit of equality and partnership.

**MAIN SECTORS OF COOPERATION**

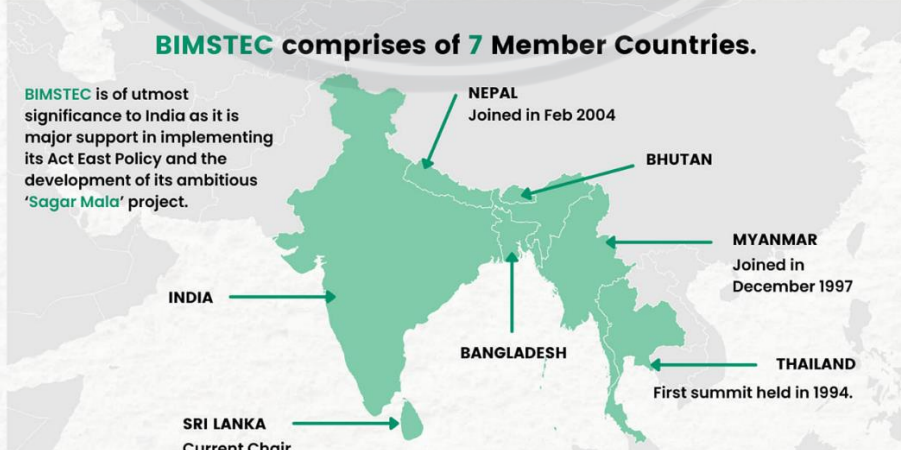
Trade & Investment, Transport & Communication, Energy, Tourism, Technology, Fisheries, Agriculture, Public Health, Poverty Alleviation, Counter-Terrorism & Transnational Crime, Environment & Disaster, Management, People-to-People, Contact, Cultural Cooperation, Climate Change.

**6 JUNE 1997** is the establishment date of **BIMSTEC**.

**FACTORS**

- BIMSTEC has headquarters in **Dhaka, Bangladesh**.
- BIMSTEC countries house **1.73 billion** people
- BIMSTEC has combined GDP of **\$ 4.4 trillion**.
- The current Secretary General of the **BIMSTEC** is Ambassador **Tenzin Lekphell** from **Bhutan**.

**BIMSTEC comprises of 7 Member Countries.**



BIMSTEC is of utmost significance to India as it is major support in implementing its Act East Policy and the development of its ambitious 'Sagar Mala' project.

## Area of Cooperation in BIMSTEC

Cooperation within BIMSTEC, which is a sector-driven organisation, was initially concentrated on six sectors in 1997 (trade, technology, energy, transport, tourism, and fisheries), and it was expanded to include agriculture, public health, poverty alleviation, counterterrorism, environment, culture, people-to-people contact, and climate change in 2008. Following efforts to rationalise and reorganise sectors and sub-sectors, cooperation was structured in 2021 under the sectors and sub-sectors listed below, each of which was headed by a different Member State:

Member Country	Sectors
<b>Bangladesh</b>	Trade, Investment and Development
<b>Bhutan</b>	Environment & Climate Change
<b>India</b>	Security: Counter-Terrorism and Transnational Crime, Energy and Disaster Management
<b>Nepal</b>	People-to-People Contact: Tourism, Culture, (forums of think tanks, media etc.)
<b>Sri Lanka</b>	Science, Technology & Innovation (Human Resource Development, Health, Technology)
<b>Myanmar</b>	Agriculture and Food Security (Agriculture, Livestock, Fisheries)
<b>Thailand</b>	Connectivity

## BIMSTEC Flag

The BIMSTEC Flag is a symbolic representation of the member states' solidarity and adherence to the organization's guiding principles.



## Working Mechanism of BIMSTEC

**Policy Making:** Conducted through two types of meetings:

- **Summits:** Held every two years.
- **Ministerial Meetings:** Foreign and Commerce Ministers meet annually to decide on trade and economic affairs.
- **Operational Meetings:** Senior officials meet twice a year to monitor the activities of the grouping.

## BIMSTEC History

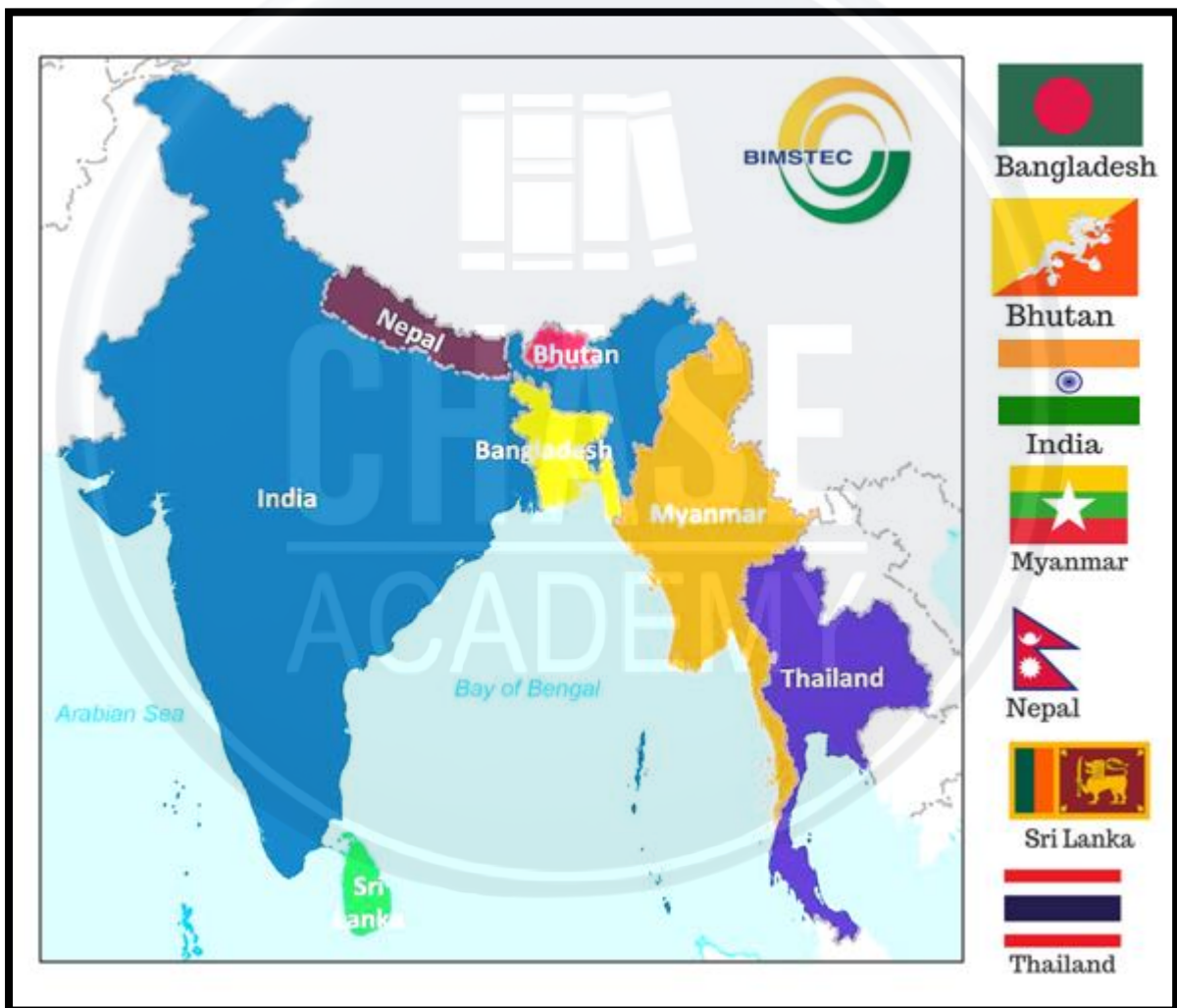
- The Bangkok Declaration, which founded the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), was signed on June 6, 1997.
- With the inclusion of Myanmar on December 22, 1997, and Bhutan and Nepal in February 2004, the organisation that was formerly known as BIST-EC (Bangladesh, India, Sri Lanka, and Thailand Economic Cooperation) has changed its name to BIMSTEC and currently includes seven Member States.
- On June 6, 1997, representatives from the governments of Bangladesh, India, Sri Lanka, and Thailand met in Bangkok to sign the "Declaration on the Establishment of the Bangladesh-India-Sri Lanka-Thailand Economic Cooperation (BIST-EC)".
- The institutional development of BIMSTEC has been gradual.
- The BIMSTEC Secretariat was established in Dhaka, Bangladesh, in the same year as a result of a decision made at the Third BIMSTEC Summit in 2014, offering an organised framework for promoting and deepening cooperation.



## Institutional Mechanisms of BIMSTEC

- BIMSTEC Summit
- Ministerial Meeting
- Senior Officials' Meeting
- BIMSTEC Working Group
- Business Forum & Economic Forum

## Purpose of BIMSTEC Countries



- To create and implement targeted cooperation initiatives in the areas of cooperation that have already been agreed upon as well as any additional areas that the Member States may decide upon in order to foster an

environment that is conducive to rapid economic development. The areas of cooperation may be reviewed by Member States on a regular basis.

- Enhance social and economic development in the Bay of Bengal region via collaborative efforts conducted in a spirit of equality and partnership.
- To encourage active cooperation and reciprocal help on issues of shared interest in the realms of economics, society, technology, and science.
- To collaborate with one another to build training and research centres for the academic, professional, and technological fields.
- To more effectively collaborate in projects that support and complement the national development strategies of the Member States and raise real living conditions for the populace, particularly by creating jobs and enhancing infrastructure for transportation and communication.
- To collaborate on projects that could be managed most effectively regionally among the BIMSTEC Member States and that best utilise the synergies available.
- To make an effort to alleviate poverty in the Bay of Bengal region.
- To promote trade and investment as key drivers of the region's economic and social development.

## Significance of BIMSTEC for India

- BIMSTEC permits India to carry out 3 main policies **Act East Policy** (connect Southeast Asia and India), Neighborhood First Policy (the country's near periphery should take precedence) and Northeastern Indian regions' economic development via connecting them to the Bay of Bengal region via Bangladesh and Myanmar.
- As the **South Asian Association for Regional Cooperation** (SAARC) begins to break down due to disputes between India and Pakistan, India needs a new forum to interact with its neighbours.
- BIMSTEC enables India to combat China's escalating influence in countries bordering the Bay of Bengal as a result of the Belt and Road Initiative's expansion.

## Challenges Associated with BIMSTEC

- **Economic Disparities:** Significant economic differences between BIMSTEC countries make it difficult to implement policies fairly and ensure everyone benefits equally.
  - **Example:** India, being the largest economy in BIMSTEC, has significantly more resources compared to smaller member states like



Bhutan and Nepal. This disparity can create challenges in equitable project funding and implementation.

- **Infrastructure and Connectivity:** Poor transportation and communication links between BIMSTEC countries hinder smooth connectivity, which is essential for trade and economic cooperation.
  - Issues with customs regulations and border management further complicate regional connectivity.
  - **Example:** The Kaladan Multi-Modal Transit Transport Project, which aims to connect India and Myanmar, has faced delays due to poor infrastructure and logistical issues.
- **Institutional Weaknesses:** BIMSTEC's institutional framework and secretariat lack sufficient capacity, affecting the effective implementation and monitoring of initiatives.
  - Coordinating various national institutions and agencies within member states can be difficult, leading to inefficiencies.
  - **Example:** BIMSTEC's secretariat, based in Dhaka, often struggles with limited staffing and resources, affecting its ability to coordinate and implement initiatives effectively.
- **Political Instability:** Political instability in some member countries, such as Myanmar, can disrupt regional cooperation and project implementation.
  - Frequent changes in government and policy direction within member states can affect the continuity and commitment to BIMSTEC initiatives.
- **Security Concerns:** Maintaining maritime security in the Bay of Bengal, which is vulnerable to piracy and illegal activities, is a major concern.
  - **Example:** Maritime security in the Bay of Bengal, critical for trade routes, is frequently threatened by piracy and illegal fishing, necessitating coordinated security efforts.
- **Environmental and Climate Issues:** Frequent cyclones and rising sea levels in the Bay of Bengal impact coastal countries like Bangladesh and Sri Lanka, requiring collective disaster management and climate adaptation strategies.

#### Specific Member State Challenges

- Nepal: **Entered a period of economic recession.**
- Sri Lanka: **Slowly recovering from its worst economic and humanitarian crisis since independence.**
  - **Still faces forex declines, food and fuel inflation, and shortages of essentials.**



- Bangladesh: **Requested a precautionary loan from the International Monetary Fund (IMF) to protect its forex reserves.**
- Myanmar: **The economy and security situation are in disarray. The Rohingya issue continues to strain Bangladesh-Myanmar relations.**

## Way Forward

- **Establish Regional Prominence:** BIMSTEC should capitalise on the growing need for a functional regional organisation to address emerging economic and security concerns in the Bay of Bengal region.
  - This is crucial as the region becomes more significant to the strategic dynamics of the Indo-Pacific.
- **Maritime Cooperation and Connectivity:** Efforts to establish a maritime cooperation agreement and facilitate the movement of motor vehicles across the region are essential for collective security, connectivity, and prosperity, as highlighted by Indian Prime Minister **Narendra Modi**.
- **Dispute-Resolution Mechanism:** To prevent national issues from hindering progress, BIMSTEC should formulate a dispute-resolution mechanism based on deliberation and consensus.
- **Strengthen Institutional Mechanisms:** While recent efforts to strengthen institutional mechanisms are a good start, BIMSTEC must continue to build on these foundations to operate more effectively.
- **Inclusivity and Stakeholder Participation:** BIMSTEC should be more inclusive by involving different stakeholders, especially local communities, to make initiatives more meaningful and relevant.
- **Invite Indonesia as Observer State:** Inviting Indonesia, which shares the same geopolitical space and is a prominent **ASEAN member**, as an observer state could enhance BIMSTEC's initiatives.
- **Continued Deliberation and Decision-Making:** There is a need for more deliberations, prompt decisions, and effective implementation to realise BIMSTEC's potential in the Bay of Bengal region.

