

## **India – Myanmar Relations**

India-Myanmar relations are rooted in shared historical, ethnic, cultural and religious ties. As the land of Lord Buddha, India is a country of pilgrimage for the people of Myanmar. India and Myanmar share a long land border of over 1600 km and a maritime boundary in the Bay of Bengal. A large population of Indian origin (according to some estimates about 2.5 million) lives in Myanmar. India and Myanmar signed a Treaty of Friendship in 1951. The visit of the Prime Minister of India in 1987 laid the foundations for a stronger relationship between India and Myanmar. Since, the bilateral relations have developed and diversified satisfactorily. A number of agreements enhancing bilateral Cooperation have been signed. Institutional mechanisms for facilitating regular dialogue on a range of issues of bilateral interest have also been established. During 2002, the Indian Consulate General in Mandalay was re-opened and the Consulate General of Myanmar was set up in Kolkata. Following the cataclysmic cyclone 'Nargis' which hit Myanmar in May 2008, India responded immediately with relief materials and offers of assistance. Recently, India also announced assistance of US \$1 million for humanitarian relief and rehabilitation in the areas affected by the severe earthquake in Shan State in March 2011. Of this amount, US\$ 250,000 has been handed over as a cash grant to the Myanmar Government while US\$ 750,000 was utilized for reconstruction of one high school and six primary schools in Tarlay Township that was worst affected by the earthquake.

### **EXCHANGE OF VVIP VISITS SINCE THE ESTABLISHMENT OF THE NEW GOVERNMENT**

High level visits have been a regular feature of India-Myanmar relations for several years. After the formation of the new government led by President U Thein Sein on March 30, 2011, Shri S.M. Krishna, Minister of External Affairs, was the first high level dignitary to visit Myanmar on June 20-22, 2011. Smt Nirupama Rao, Foreign Secretary, accompanied EAM during the visit. During the visit, the MoU on Setting up of Indo-Myanmar Industrial Training Centre at Myingyan in Myanmar was signed by EAM and H.E. U Soe Thane, Minister of Industry-II of Myanmar. Documents pertaining to the construction of ten 500-tonne rice silos with Indian assistance of US\$ 2 million in Yangon and Ayeyarwaddy Divisions were also handed over.

President U Thein Sein paid a State visit to India on October 12-15, 2011. The visit represented the first State visit from Myanmar to India following the swearing in of a new Government in Myanmar in March 2011. President Thein Sein had a meeting with the Prime Minister of India, Dr. Manmohan Singh, which was followed by delegation level talks. He was accompanied by Chief of General Staff Lt Gen. Hla Htay Win, Minister for Border Affairs and Myanmar Industrial Development Lt. Gen Thein Htay, Minister for Foreign Affairs U. Wunna Maung Lwin, Minister for Agriculture and Irrigation U Myint Hlaing, Minister for Religious Affairs Thura U Myint Maung, Minister for Industry (1) and (2) U Soe Thane, Minister for Electric Power (1) U Zaw Min, Minister for National Planning and

Economic Development and Livestock and Fisheries U Tin Naing Thein, Minister for Transport U Nyan Tun Aung, Minister for Energy U Than Htay, Minister for Science and Technology U Aye Myint, Minister of Commerce U Win Myint, Deputy Minister for Health Dr. Win Myint, and other senior officials. During the visit, two documents were signed, namely, the Memorandum of Understanding for the Upgradation of the Yangon Children's Hospital and Sittwe General Hospital; and the Programme of Cooperation in Science & Technology for the period of 2012-2015. The Indian side announced the extension of a new concessional facility of US\$500 million Line of Credit to Myanmar as well as technical and financial support for three new projects, namely the Setting up an Advanced Centre for Agricultural Research and Education (ACARE) in Yezin; Setting up a Rice Bio Park demonstrating the various techniques in rice biomass utilisation in the Integrated Demonstration Farm at Nay Pyi Taw; and Setting up an Information Technology Institute in Mandalay.

Pyithu Hluttaw (Lower House) Speaker Thura U Shwe Mann led a high level parliamentary delegation to India from December 11-17, 2011. The visit was in response to a joint invitation extended by Shri M. Hamid Ansari, Vice President of India/Chairman, Rajya Sabha and Smt. Meira Kumar, Speaker of the Lok Sabha. The objective of the visit was to share India's experience in parliamentary practices and procedures with the visiting Myanmar delegation.

Myanmar Foreign Minister U Wunna Maung Lwin paid an official visit to India from January 22-26, 2012. During the visit, he called on Prime Minister and held bilateral discussions with EAM. During his visit, he delivered a lecture at the Indian Council for World Affairs on the topic "Myanmar: A Country in Transition to Democracy".

### **MAJOR INDIAN PROJECTS IN MYANMAR**

The Government of India is actively involved in over a dozen projects in Myanmar, both in infrastructural and non-infrastructural areas. These include upgradation and resurfacing of the 160 km. long Tamu-Kalewa-Kalemyo road; construction and upgradation of the Rhi-Tiddim Road in Myanmar; the Kaladan Multimodal Transport Project; etc. An ADSL project for high speed data link in 32 Myanmar cities has been completed by TCIL. ONGC Videsh Ltd. (OVL), GAIL and ESSAR are participants in the energy sector in Myanmar. M/s RITES is involved in development of the rail transportation system and in supply of railway coaches, locos and parts. In September 2008, Ministry of Electric Power-1 (MoEP-1) and NHPC signed an agreement for development of the Tamanthi and Shwezaye Hydro-Electric Power project in Chindwin River valley and NHPC submitted the updated DPR on Tamanthi and is working on the DPR on the Shwezaye project. A heavy turbo-truck assembly plant set up in Myanmar by TATA Motors with GOI financial assistance was inaugurated on December 31, 2010. An India-Myanmar Industrial Training Centre has been set up by HMT(I) in Myanmar with the assistance of GOI in Pakokku, a second centre is being set up in Myingyan, while the Myanmar-India Centre for English Language (MICELT), a

Myanmar-India Entrepreneurship Development Centre (MIEDC) and an India-Myanmar Centre for Enhancement of IT Skills (IMCEITS) are all operational. Other projects include revamp of the Ananda Temple in Bagan, upgradation of the Yangon Children's Hospital and Sittwe General Hospital, erection of disaster proof rice silos etc. India has also assisted in the reconstruction of 1 high school and 6 primary schools in Tarlay township, the area worst affected by the severe earthquake that struck north-eastern Myanmar in March 2011.

### COMMERCIAL AND ECONOMIC RELATIONS

Bilateral trade has expanded significantly from US\$ 12.4 million in 1980-81 to US\$ 1070.88 million in 2010-11. India's imports from Myanmar are dominated by agricultural items (beans, pulses and forest based products form 90% of our imports). India's main exports to Myanmar are primary and semi-finished steel and pharmaceuticals. Following are the export-import figures as per the Central Statistical Organization (CSO), Yangon:-

**Table 1: INDIA-MYANMAR BILATERAL TRADE (US\$ million)**

Year	India's Export	India's Import	Total	Trade Balance
<b>2006-07</b>	139.95	781.93	<b>921.19</b>	(-) 641.98
<b>2007-08</b>	185.43	809.94	<b>995.37</b>	(-) 624.51
<b>2008-09</b>	221.64	928.97	<b>1150.61</b>	(-) 707.33
<b>2009-10</b>	207.97	1289.8	<b>1497.77</b>	(-) 1081.83
<b>2010-11</b>	194.75	876.13	<b>1070.88</b>	(-) 681.38
<b>2011-12 (Apr-Dec)</b>	217.65	763.32	<b>814.6</b>	(-) 545.67

(Source: Central Statistical Organisation, Myanmar)

At the institutional level, the Confederation of Indian Industry and the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) entered into an MoU in February, 2000. An MoU was also signed between CII and the Myanmar Computer Federation (MCF) in 2001. In 2004, an Agreement on setting up of a Joint Task Force between Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) and Confederation of India Industry was signed, as was an MoU between Myanmar-India Business Club (MIBC) and Federation of Industries and Commerce of North-Eastern Region. The mechanism of the Joint Trade Committee (JTC), chaired by the respective Commerce Ministers, has been effective in reviewing and setting policy objectives for bilateral trade between the two countries. Set up in 2003, the Joint Trade Committee has met four times so far (the last being in September 2011) and has successfully directed the rapid growth of commercial relations between the two countries. During the 4<sup>th</sup> JTC meeting both sides reviewed bilateral trade

and investment and agreed to double the bilateral trade to US\$ 3 bn by 2015. In 2008, during the 3rd Joint Trade Committee Meeting between India and Myanmar, United Bank of India signed an MoU with three Myanmar national banks (Myanma Foreign Trade Bank, Myanma Economic Bank and & Myanma Investment and Commercial Bank) to facilitate trade. However, this channel is being mostly utilized for border trade only. In addition to this, a Bilateral Investment Promotion Agreement (BIPA) and a Double Taxation Avoidance Agreement (DTAA) were also signed in 2008. India and Myanmar are both signatory to the India-ASEAN Trade in Goods Agreement, which was signed in August 2009. Myanmar is also a beneficiary country under India's Duty Free Tariff Preference Scheme for LDCs.

**Border trade:** India and Myanmar signed a border trade agreement in 1994 and have two operational border trade points (Moreh-Tamu and Zowkhatar –Rhi on the 1643 km long border. A third border trade point is proposed to be opened at Avakhung-Pansat/Somrai. With an estimated border trade of US\$ 12.8 mn(2010-11), major items bought by Myanmar traders from the Indian side are cotton yarn, auto parts, soya bean meal and pharmaceuticals, (reports also about smuggling of items like fertilizers, vehicles particularly two wheelers etc.); betel nut, dried ginger, green mung beans, turmeric roots, resin and medicinal herbs are the main items sold from Myanmar to India. During the 3rd India-Myanmar Joint Trade Committee in October 2008, it was agreed that Border Trade at the existing points would be upgraded to Normal Trade so as to promote bilateral trade between the two countries. Notifications to this effect have been issued by both sides.

#### **TRADE FAIRS & MARKET PROMOTION**

Recent trade promotion events include the India Product Show 2012(March 2012), representing 19 companies, NEFIT's car rally from (March 2012) with over 60 participants (including over 35 business community representatives) from Guwahati to Yangon and back, the much successful Enterprise India show 2011 organised by CII in November 2011 in which over 60 Indian companies participated, India Pharmaceutical Expo 2011 held in Yangon with the help of PHARMEXCIL and the Myanmar Medical Association, the North East India Conclave held in Yangon and Mandalay in September 2010 by the Indian Chamber of Commerce, Kolkata and the UMFCCI, visits by the Indo-Myanmar Chamber of Commerce and Industry (IMCCI), Mumbai to Myanmar in January 2010 etc.

#### **TRAINING PROGRAMMES**

Myanmar is a beneficiary of training programmes under ITEC, TCS of Colombo Plan, GCSS and MGCSS schemes. The slots for Myanmar trainees in 2011-12 were as follows: ITEC 185; TCS –75; GCSS of ICCR – 10 and MGCSS - 10. Utilization has been excellent. In 2011-12 also, the interest levels are high. We have also offered training to two sets of local journalists who were given an intensive training at IIMC, New Delhi by XP Division.

## **CULTURAL EXCHANGE**

Performances by Indian cultural troupes in Myanmar have been organised on a regular basis since 1997. Various cultural troupes have exchanged visits and performed in both countries. In November 2009, a 13-member student group from Myanmar attended SAARC Cultural Festival in India. In December 2009, a popular Myanmar music band 'Emperor' went to India to participate in the "South Asian Bands Festival" organized by ICCR. They also performed in Shillong, Meghalaya. In January 2010, the Embassy organized the annual "Indian Film Festival" at Yangon. This event has become a highlight of the Yangon cultural calendar. In March 2010, a famous landscape artist from Myanmar went to Puducherry, India to participate in "South Asian Artists Camp" organized by ICCR and SEHER. The paintings emerging from that camp were exhibited in the Embassy Auditorium in November 2010 and received an outstanding response from the local community. A 15-member theatre group from Myanmar went to India participate in "South Asian Theatre Festival" organized by ICCR and NSD in March 2010. The "Abiogenesis" band performed Yangon and Mandalay in the last week of May 2010. A Qawalli group (Sabri Brothers) performed in Yangon and other cities in Myanmar in January 2011. There was a packed calendar of commemorative activities for the Rabindranath Tagore 150th birth anniversary celebrations, including a dance drama, seminar, artists' camp, film festival etc. All the events were very well received by the Myanmar public and media. Classes in Bharatnatyam and Yoga have been started in the Embassy since December 2010, with the support of the ICCR.

## **INDIAN DIASPORA**

The origin of the Indian community in Myanmar is traced back to the mid-19th century with the advent of the British rule in Lower Burma in 1852. The two cities of Myanmar namely, Yangon (former Rangoon) and Mandalay had a dominating presence of Indians in various fields such as civil services, education, trade & commerce during the British rule. According to 1983 official census of Myanmar the number of PIOs in Myanmar is 428,428 and the estimated number of stateless PIOs is to be 250,000. A large number of the Indian community (nearly 150,000) live in Bago (Zeyawaddy & Kyautaga) and Tanintharyi Regions and Mon State and are primarily engaged in farming. The NRI families in Myanmar mainly live in Yangon and are engaged in export-import business or are employees of MNCs based in India, Singapore and Thailand.

### **Air links with India / Convenient Travel Routes**

1. Thai Airways flies daily to various cities in India via Bangkok;
2. Indian Airlines flies Kolkata-Yangon (to-and-fro) thrice a week on Mondays and Fridays;

## **COOPERATION BETWEEN INDIA AND MYANMAR IN THE REGIONAL / SUBREGIONAL CONTEXT**

**ASEAN:** Myanmar became a member of ASEAN in July 1997. As the only ASEAN country which shares a land border with India, Myanmar is a bridge between India and ASEAN. A few proposals for cooperation have been implemented and some are under discussions with Myanmar within the framework of ASEAN's IAI programme.

**BIMSTEC:** Myanmar became a member of BIMSTEC in December 1997. Myanmar is a signatory to the BIMSTEC Free Trade Agreement. Myanmar is the lead country for the energy sector. Myanmar trades mostly with Thailand and India in the BIMSTEC region. Myanmar's major exports to India are agricultural products like beans, pulses and maize and forest products such as teak and hardwoods. Its imports from India include chemical products, pharmaceuticals, electrical appliances and transport equipment. The 13th BIMSTEC Ministerial Meeting was held in Myanmar in January 2011.

**Mekong Ganga Cooperation:** Myanmar is a member of the Mekong Ganga Cooperation (MGC) since its inception in November 2000. MGC is an initiative by six countries – India and five ASEAN countries namely, Cambodia, Laos, Myanmar, Thailand and Vietnam – for cooperation in the fields of tourism, education, culture, transport and communication. The chairmanship of MGC is assumed by member countries in alphabetical order.

**SAARC:** Myanmar was given the status of observer in SAARC in August 2008.

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