

India- ASEAN Relation

The Association of South-East Asian Nations (ASEAN) comprises of Indonesia, Singapore, Philippines, Malaysia, Brunei, Thailand, Cambodia, Lao PDR, Myanmar and Vietnam. India's focus on a strengthened and multi-faceted relationship with ASEAN is an outcome of the significant changes in the world's political and economic scenario since the early 1990s and India's own march towards economic liberalisation. India's search for economic space resulted in the 'Look East Policy'. The Look East Policy has today matured into a dynamic and action oriented 'Act East Policy. PM at the 12th ASEAN India Summit and the 9th East Asia Summit held in Nay Pyi Taw, Myanmar, in November, 2014, formally enunciated the Act East Policy.

Apart from ASEAN, India has taken other policy initiatives in the region that involve some members of ASEAN like BIMSTEC, MGC etc. India is also an active participant in several regional forums like the Asia-Europe Meeting, East Asia Summit, ASEAN Regional Forum, ASEAN Defence Ministers' Meeting + (ADMM+) and Expanded ASEAN Maritime Forum.

There has been steady progress in the ASEAN-India partnership since the Look East Policy was launched in 1991. India became sectoral dialogue partners in 1992 and full dialogue partners in 1996. Since 2002, India has annual Summits with ASEAN along with China, Japan and Republic of Korea. There are 30 Dialogue Mechanisms cutting across all the sectors including 7 ministerial level meetings.

Commemorative Summit: In 2012, ASEAN and India commemorated 20 years of dialogue partnership and 10 years of Summit level partnership with ASEAN with a Commemorative Summit in New Delhi under the theme 'ASEAN-India Partnership for Peace and Shared Prosperity' on 20-21 December 2012. The Commemorative Summit attended by the Leaders from all the 10 ASEAN countries endorsed elevating the partnership to a 'Strategic Partnership'. The Leaders also adopted the 'ASEAN-India Vision Statement', which charts the future of ASEAN-India cooperation. Two major events that were organized in 2012 in the run-up to the Commemorative Summit include the 2nd ASEAN-India Car Rally and Shipping Expedition of INS Sudarshini to ASEAN countries. During the Summit, the heads of the Government recommended establishment of **ASEAN-India Centre (AIC)** to undertake policy research, advocacy and networking activities with organizations and think-tanks in India and ASEAN, with the aim to promote the ASEAN-India Strategic Partnership. The AIC has been serving as a resource centre for ASEAN Member States and India since its establishment in 2013, for strengthening ASEAN-India strategic partnership and promoting India-ASEAN dialogue and cooperation in the areas of mutual interests. AIC has provided some very valuable inputs to policy makers in India and ASEAN on implementation of ASEAN-India connectivity by organising seminars, roundtables etc. AIC also organizes workshops, seminars and conferences on various cross-cutting issues relevant to ASEAN-India strategic partnership. It undertakes regular networking activities with relevant public/private agencies, organizations and think-tanks in India and ASEAN and EAS countries, with the aim of providing up-to-date information, data resources and sustained interaction, for promoting ASEAN-India Strategic Partnership

Plans of Action: As a reflection of the interest of ASEAN and India to intensify their engagement, the ASEAN-India Partnership for Peace, Progress and Shared Prosperity, which sets out the roadmap for long-term ASEAN-India engagement, was signed at the 3rd ASEAN-India Summit in 2004 in Vientiane. A Plan of Action (POA) for the period 2004-2010 was also developed to implement the Partnership. Most of the paras of the 2nd POA (2010-15) have been implemented. The 3rd POA (2016-20) was adopted by the ASEAN-India Foreign Ministers Meeting held in August 2015.

Security cooperation: The main forum for ASEAN security dialogue is the ASEAN Regional Forum (ARF). India has been attending annual meetings of this forum since 1996 and has actively participated in its various activities. The ASEAN Defence Ministers' Meeting (ADMM) is the highest defence consultative and cooperative mechanism in ASEAN. The ADMM+ brings together Defence Ministers from the 10 ASEAN nations plus Australia, China, India, Japan, New Zealand, Republic of Korea, Russia, and the United States. Defense Minister attended the 3rd ADMM Plus held from 4-5 November 2015 in Kuala Lumpur. Expanded ASEAN Maritime Forum (EAMF) is an avenue for track 1.5 diplomacy focusing on cross cutting maritime issues of common concern. India participated in the 4th EAMF held in Manado, Indonesia on 10-11 September 2015.

Trade and Investment: India-ASEAN trade and investment relations have been growing steadily, with ASEAN being India's fourth largest trading partner. The annual trade registered an average growth of 22% per annum in the decade upto 2011-12, but has stagnated thereafter. It stood at approximately US\$ 76.53 billion in 2014-15.

Investment flows are also substantial both ways, with ASEAN accounting for approximately 12.5% of investment flows into India since 2000. FDI inflows into India from ASEAN between April 2007-March 2015 was about US\$ 32.44 billion. Whereas FDI outflows from India to ASEAN countries, from April 2007 to March 2015, as per data maintained by DEA, was about US\$ 38.672 billion.

The ASEAN-India Free Trade Area has been completed with the entering into force of the ASEAN-India Agreements on Trade in Service and Investments on 1 July 2015.

ASEAN and India have been also working on enhancing private sector engagement. ASEAN India-Business Council (AIBC) was set up in March 2003 in Kuala Lumpur as a forum to bring key private sector players from India and the ASEAN countries on a single platform for business networking and sharing of ideas.

Connectivity: ASEAN-India connectivity is a matter of strategic priority for India as also the ASEAN countries. In 2013, India became the third dialogue partner of ASEAN to initiate an ASEAN Connectivity Coordinating Committee-India Meeting. While India has made considerable progress in implementing the India-Myanmar-Thailand Trilateral Highway and the Kaladan Multimodal Project, issues related to increasing the maritime and air connectivity between ASEAN and India and transforming the corridors of connectivity into economic corridors are under discussion. A possible extension to India-Myanmar-Thailand Trilateral Highway to Cambodia, Lao PDR and Viet Nam is also under consideration. A consensus on

signing and operationalizing the India-Myanmar-Thailand Motor Vehicle Agreement (IMT MVA) has been reached. This agreement will have a critical role in realizing seamless movement of passenger, personal and cargo vehicles along roads linking India, Myanmar and Thailand. PM announced a Line of Credit of US\$ 1 billion to promote projects that support physical and digital connectivity between India and ASEAN and a Project Development Fund with a corpus of INR 500 crores to develop manufacturing hubs in CLMV countries.

Funds: ASEAN Multilateral Division offers project-based financial assistance to ASEAN countries. Financial assistance has been provided to ASEAN countries in following forms:

- **ASEAN-India Cooperation Fund:** At the 7th ASEAN-India Summit in 2009, India announced a contribution of US\$ 50 million to the ASEAN-India Cooperation Fund, to support implementation of the ASEAN-India Plan of Action 2010-15. Till now 13 projects have been implemented, 17 projects are under implementation and 22 projects are in the planning stage. Projects and programmes worth US\$ 35.68 million are under implementation, including the largest project under the ASEAN-India Cooperation, i.e., Space Project.
- **ASEAN-India S&T Development Fund (AISTDF):** At the 6th ASEAN-India Summit in November 2007 in Singapore, PM announced the setting up of an ASEAN-India Science & Technology Development Fund with a US\$ 1 million contribution from India to promote joint collaborative R&D research projects in Science & Technology sectors. An amount of US\$ 373,352 has already been spent out of this Fund on various projects & activities. We have enhanced the ASEAN-India Science and Technology Fund from US\$ 1 million to US\$ 5 million w.e.f. 2016.
- **ASEAN-India Green Fund:** At the 6th ASEAN-India Summit on 21 November 2007 in Singapore, PM announced the setting up of an ASEAN-India Green Fund with an initial contribution of US\$ 5 million from India to support collaboration activities relating to environment and climate change. Till July 2015, Projects worth US\$ 2,079,287 covered under this Fund are at the implementation stage.

ASEAN-India Projects: India has been cooperating with ASEAN by way of implementation of various projects in the fields of Agriculture, Science & Technology, Space, Environment & Climate Change, Human Resource Development, Capacity Building, New and Renewable Energy, Tourism, People-to-People contacts and Connectivity etc.

Since 2011-12, while 13 projects have been completed, 17 projects are under implementation and 22 projects are in the planning stage, some of which are in the final stages of approval. Programmes and projects totalling over US\$ 48.85 million have been proposed since September 2011 till date to ASEAN through the ASEAN Secretariat. Some of the prominent projects, which are either ongoing or in the final stages of approval are as follows:

Space Project envisaging establishment of a Tracking, Data Reception/Data Processing Station in Ho Chi Minh City, Vietnam and upgradation of Telemetry Tracking and Command Station in Biak, Indonesia; Setting up of Centres of Excellence in Software Development & Training in CLMV countries are some of the major projects under implementation.

Apart from the above projects, India has been supporting ASEAN specially CLMV countries under the Initiatives for ASEAN Integration, which include projects on Training of English Language for Law Enforcement Officers in CLMV countries and Training of professionals dealing with capital markets in CLMV by National Institute of Securities Management Mumbai. To boost People-to-people Interaction with ASEAN, India has been organising various programme including Training Programme for ASEAN diplomats, Exchange of Parliamentarians, Participation of ASEAN students in the National Children's Science Congress, ASEAN-India Network of Think Tanks, ASEAN-India Eminent Persons Lecture Series etc.

In the field of agriculture, India and ASEAN have projects such as Exchange of Farmers, ASEAN-India Fellowships for Higher Agricultural Education in India and ASEAN, Exchange of Agriculture Scientists, Empowerment of ASEAN-Indian Women through Cooperatives etc. In the S&T field, there are projects such as ASEAN-India Collaborative Project on S&T for Combating Malaria, ASEAN-India Programme on Quality Systems in Manufacturing, ASEAN-India Collaborative R&D Project on Mariculture, Bio-mining and Bioremediation Technologies etc.

Delhi Dialogue: India has an annual Track 1.5 event Delhi Dialogue, for discussing politico-security and economic issues between ASEAN and India. Since 2009, India has had eight editions of this event. The 8th edition of Delhi Dialogue is being hosted by the MEA in partnership with IDSA, FICCI and other select Indian and ASEAN partners on 17-19 February 2016 in New Delhi. DD VIII has 'ASEAN-India Relations: A New Paradigm' as its theme and includes an Inaugural Business Session, a Ministerial Session, and an Academic Session.

Mission to ASEAN: India has set up a separate Mission to ASEAN and the EAS in Jakarta in April 2015 with a dedicated Ambassador to strengthen engagement with ASEAN and ASEAN-centric processes.

February, 2016