



An Invitation from a Neighbour

Myanmar is open for trade and investment but the response from Indian business has not been adequate despite the growing political ties between the two countries.

A message coming out from our neighbour Myanmar, that is transforming itself after 50 years of military rule, is: 'We are open for business.' Are our commercial establishments listening and are they ready?

Our bilateral relations with Myanmar have gathered momentum in recent times. We have agreed on a wide-ranging development cooperation agenda. India has made substantial commitments to assist Myanmar in the areas of capacity building, connectivity, infrastructure and border region development. Our trade and economic ties have, however, not kept pace. India figures at only seventh place in Myanmar's total imports and ranks even lower at 13th place in terms of foreign investments into Myanmar. Being a large and contiguous neighbour, a closer overall engagement would call for a more robust trade and investment share that seems definitely possible at a time when rapid changes are unfolding.

Inclusive Politics

To what extent has Myanmar transformed itself? President Thein Sein has, in the last two years, taken the country towards a democratic path that has made political life more inclusive; it has also enabled Daw Aung San Suu Kyi and her National League for Democracy (NLD) to enter Parliament, *albeit* in a small way. The government has released a great majority of political prisoners and launched an ethnic reconciliation process to build peace with various minority groups that have been out of the national mainstream before independence.

Some problems have no doubt arisen in taking forward this process. Hostilities broke out with the Kachin rebels but

the atmosphere has improved since late January 2013. Tensions have also been building between the Buddhist and Muslim communities. Deadly riots erupted last year in Rakhine state in two spells between the Rohingyas and the Rakhine Buddhist community, leading to casualties and displacement of people. Last month there were attacks against the Muslim community in certain areas of Central Myanmar.

President Thein Sein has acknowledged that rioters have harmed the image of the country but he has also talked about adoption of a different approach to build trust. In a recent meeting with Muslim leaders, Ms. Suu Kyi told them that the law has to be just for all and she would want everyone to feel proud of being a citizen of the country. Building trust and peace to pave the way for an inclusive society is a delicate and painstaking process. It is hoped that the troublemakers are firmly and effectively dealt with and the supremacy of the rule of law is maintained.

One can expect that responsible leaders of Myanmar would not want adverse domestic developments to affect its hosting of international events in the coming months. It will also chair the ASEAN from January 2014.

More Open Economy

Myanmar is also moving towards an accelerated development programme with the promise of a more open economy. An unexpectedly deliberative Parliament, social activism and loosening of media controls have further energised the process. An economic reform programme launched with more debate is likely to be more acceptable and enduring even if the process is slower.

Several steps have already been taken. An IMF Staff Assessment Report on Myanmar acknowledges that the government has embarked on a bold set

of reforms and cites changes brought about in the areas of foreign exchange, banking, budget formulation, agriculture and improvement in business climate. It further notes that economic performance has improved projecting a 6.25 per cent growth for 2012-13 and a growth rate of 7 per cent over the next five-year period. The local currency Kyat, for example, has seen a fair degree of stability.

On the financial front, private local banks have been granted an enhanced role, including handling foreign exchange transfers, and have been allowed to consolidate themselves. Steps are under way to make the Central Bank more autonomous from the Finance Ministry.

On the trade side, procedures for import and export licences have been made easier. Myanmar products will also now enjoy concessional market access with the European Union making them eligible for benefits under its GSP scheme. This will be particularly attractive for those establishing garment making units in Myanmar. On the investment front, a new Foreign Investment Law was enacted in November 2012 after which new regulations and procedures for the processing of investment proposals have been issued. The Myanmar Investment Commission has provided further details about the areas where, and in what form, foreign investments will be allowed.

Lack of adequate infrastructure is a constraint and an opportunity. The government is paying attention to setting up power and other infrastructure projects. Expansion of telecom network, airports development, hotel zones in major cities and real estate development, including affordable housing, are other areas where one can see specific initiatives being taken. This is apart from the offers invited for a large number of onshore petroleum and gas blocks for which bids were due by mid-March and which should have elicited a good response. A few months

ago, the government also invited bids for 30 offshore blocks, 19 deep sea ones and 11 in shallow waters.

Many Indian trade and industry associations have mounted delegations to Myanmar during the last several months. A few product shows have been held. Some companies are exploring trade and investment opportunities. A few have also been shortlisted for certain infrastructure projects. Our companies and industry associations will, however, need to pack in a lot more punch to significantly improve our trade and investment ranking. The US\$ 500 million concessional Line of Credit extended by EXIM Bank of India to the Myanmar government could play an important role in enhancing trade relations to mutual benefit. Both the governments and the agencies concerned will, however, need to ensure that the proposals for utilising these credit lines are quickly finalised and translated into contracts.

Development Programmes

Devising suitable commercial strategies can also help to build on our development cooperation programmes. For example, our businesses can explore possible commercial ventures that can ride on the back of some of the infrastructure that will be created from the Indian government-assisted Kaladan project in western Myanmar or the Kalay-Yargyi road project in the North-West that will enable Moreh on our Manipur border to be connected to Mandalay and beyond by 2016 as part of the India-Myanmar-Thailand trilateral highway project. Similarly, our IT companies could work on commercial

spillovers of benefit to both countries from the Myanmar Institute of Information Technology that is being set up with the Indian government support as a centre of excellence in Mandalay. All such commercial proposals will no doubt need host country approvals but if they are well conceived and bring value addition, they would be welcomed.

On its part, our government will also have to try and make the cost of doing business with Myanmar more competitive. Encouraging enhanced direct air connectivity between our metros and Yangon is now rendered easier with a more liberal bilateral air services agreement signed during Prime Minister Dr. Manmohan Singh's visit to Myanmar in May 2012. As of now, there is only a tri-weekly Air India flight from Kolkata to Yangon. It is woefully inadequate. Compare this with airlines from Japan, the Republic of Korea, Qatar and Taiwan which have introduced regular flights to Yangon in the last six months, and airlines from China, Singapore and Thailand now flying more frequently every day and to more destinations in Myanmar.

Shipping, Banking and Finance

Furthermore, direct shipping services that will enable our goods to reach Myanmar in a matter of a few days, as in fact they did during the colonial days, than several weeks at present, would play a critical role in facilitating greater trade. The Shipping Corporation of India will need to take the initiative here with some initial support from the government to make the services viable.

Banking and finance are other areas. The United Bank of India made a beginning with the opening of a representative office in Yangon in December 2012. More Indian banks need to follow. Making available easy credit finance would provide a big boost to banking and finance sector. While the US and EU have taken steps to suspend or waive the economic sanctions imposed by them earlier, these have not altogether translated into allowing US\$ denominated letters of credit to be opened vis-à-vis Myanmar. Our banks need to operationalise these as soon as they become possible.

Finally, our businesses have also to learn how to do business in Myanmar. Businesses from countries like China, Thailand, Korea, Japan and Singapore frequent the country. Many of them have established a strong local presence keeping regular contacts with government ministries in Nay Pyi Taw, the new capital, and networking with the local business people in Yangon, Mandalay and other business centres, all of which form an important part. Trade and industry associations of these countries have also made Myanmar a priority country. It is essential that as our political ties and development cooperation efforts gather momentum, our trade and investment relations also gain further strength so that they get to reinforce one another.

Ambassador V. S. Seshadri, was the Indian Ambassador to Myanmar from July 2010 to February 2013, and presently is the Adviser in RIS. (This is a shorter version of author's original article published in *The Hindu* on 19 April 2013).

Major Indian Development Cooperation Projects in Myanmar

Development cooperation is a key to India-Myanmar relations and India has offered technical and financial assistance for 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 Multi-Modal Transit Transport Project, to mention a few. Indian public sector company, RITES is involved in development of the rail transportation system and in supply of railway coaches, locomotives and rolling stocks. A heavy turbo-truck assembly plant was set up in Myanmar by TATA Motors with Government of India's financial assistance in 2010. An India-Myanmar Industrial Training Centre has been set up by HMT in Pakokku with the assistance of Government of India, whereas a second centre is being set up in Myingyan. 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) have been set up under the Government of India assistance. India is assisting Myanmar to set up the Myanmar Institute of Information Technology (MIIT) at Mandalay. With financial and technical assistance of India, the Advance Centre for Agricultural Research and Education (ACARE) is being set up at the Yezin University Campus at Nay Pyi Taw. India is also assisting Myanmar in setting up a Rice Bio Park at the Yezin in collaboration with the Yezin Agriculture University. Other projects include restoration of the Ananda Temple in Bagan, upgradation of the Yangon Children's Hospital and Sittwe General Hospital. India is also providing assistance in setting up power transmission lines and upgradation of microwave links in several parts in Myanmar. India has also assisted in the reconstruction of many schools in Tarlay township, the area worst affected by the severe earthquake that struck north-eastern Myanmar in 2011.

Source: Indian Embassy, Yangon.

Myanmar and Regional Connectivity

Tin Htoo Naing

Visiting Fellow, Yangon Institute of Economics, Myanmar

Many of the economies in South and Southeast Asia depend either on the investment flows from the western economies or the market of those economies or both as the principle engines for rapid economic growth. The Southeast Asian countries are aware of the need to further diversify its engines of growth from the traditional growth engines of the US to Japan and more recently, China to India as well. Connectivity improvement is the key to such growth.

Although a small economy with a population of 60 million and a GDP of US\$ 58 billion, Myanmar's possession of natural resources and its strategically important location give it a significance beyond its economic weight class. Myanmar is the only land bridge between India, China and ASEAN, and has a unique opportunity to develop as a regional economic hub. With a potentially vibrant agriculture sector, it can become the food basket of Asia.

Myanmar is further endowed with significant energy and other mineral resources, which it can use to support rapid industrial development based on its strategic location and latecomer advantage (Verbiest and Tin, 2011). However, underdeveloped infrastructure and an unfavorable institutional and business environment seriously limit Myanmar's participation in regional and global production networks.

Myanmar needs financial and technical assistance from international agencies to design and implement needed policy reforms to transform growth potential into actual growth and to foster peace-building and democratisation process. Recently, the EU and USA eased restrictions on Myanmar, and the World Bank and IMF have pledged to restart the relations with Myanmar government.

Likewise, Myanmar has to perform well in its duties as ASEAN Chair in 2014, and comply fully with AFTA (ASEAN Free Trade Area) requirements by 2015. Deeper integration within ASEAN and fast expanding trade with China and India would further be the drivers of rapid growth.

Myanmar is a full member of regional cooperation blocs such as ASEAN, SAARC, GMS, BIMP-EAGA, BIMSTEC, ACMECS, ACD and BCIM. The purpose of these regional groupings is to provide economic and technological cooperation among the members in the areas of security, trade and investment, technology, energy, tourism, transport and communication.

Myanmar is of geopolitical importance for regional connectivity with its location at the tri-junction of East Asia, Southeast Asia and South Asia, and a potential central hub for exchange of goods, services and technology. The cross-border connectivity plays a very important role in this scenario. Establishing better connectivity will allow Myanmar and the other neighbouring countries, to create possibilities for collaboration between them and to expand economic synergies for development in the region.

Economic Corridors

Economic Corridor is an approach to leverage overall development by integrating infrastructure with other economic opportunities including trade, investment and efforts to address social and other impacts arising from increased connectivity of respective region.

There are three main economic corridors that have so far been defined in the GMS Programme, namely, the East-West Economic Corridor (EWEC) – running from the Da Nang Port in Vietnam, through Lao PDR, Thailand, and to the Mawlamyine Port in Myanmar; the North-South Economic Corridor (NSEC) – which covers the major routes running from Kunming to Chiang Rai to Bangkok via Lao PDR and via Myanmar, and from Kunming to Hanoi to Haiphong (and most recently, from Nanning to Hanoi); and the Southern Economic Corridor (SEC), which runs through southern Thailand, Cambodia, and southern Vietnam.

With the assistance of UNESCAP, ADB and Mekong River Commission, EWEC project is being implemented not only to improve freight transportation and trade in the region but also for the

development of transportation network across Mekong subregion, mainly in Cambodia, Lao PDR, Myanmar, and Vietnam (Cho, 2008).

The EWEC is designed to be the direct and continuous land route between the Indian Ocean and the South China Sea. The highly efficient transport system will strengthen economic cooperation between Myanmar, Thailand, Lao PDR and Vietnam by linking two port cities: Mawlamyine in Myanmar and Da Nang in Vietnam.

Although EWEC connects eastern ASEAN countries, Western and Southern Economic Corridors are the key base to establish Mekong-India Economic Corridor (MIEC) by extending the link to Dawei in Myanmar. The MIEC is advantageous for Myanmar as it will enable direct trade, transit trade and the development of special economic or industrial zones along the corridors (e.g., Yangon, Mandalay, Monywa, Myingyan, Mawlamyine, Dawei, Kyautphyu, etc.) as well as trade posts in the border areas (e.g., Myawaddy, Tamu, Rhi, Muse, etc.). Development of economic corridors and transportation networks will reduce not only transport costs but also growth differentials among the respective countries in the region.

India-Myanmar-Thailand Trilateral Highway

India-Myanmar-Thailand Trilateral Highway (TH) Project is an important development process for trade, transport and the economy of three member countries. The inspiration of TH project is to enhance trade, investment and tourism by linking the three countries. It is planned to be a 1,360 km long Moreh-Bagan-Mae Sot highway at the estimated cost of US\$ 700 million. The intrinsic objective of the road was to fulfill the ambition of creating a 'link' between Northeast India and Southeast Asia.

However, until now, route for the TH within Myanmar has not yet been stable although some sections have been approved. This obstacle limits survey sites to be investigated, data availability and

production of related maps. The TH route granted by Myanmar government passing through the country comprises various missing links: some are village-to-village tracks and some are totally untouched. India and Thailand have upgraded some of the link roads but due to financial scarcity in Myanmar, much work remains incomplete.

Apart from financial problems, there are many debilitating concerns such as security in the region. The development and commercially viable status of TH highly depend on political stability in some of the states in India's Northeastern region.

Stilwell Road

China and India have suggested to the Myanmar government that the 1726 km-long Stilwell Road, which could serve as an important road link between the world's two most populous nations, be reopened. The road links Ledo, in India's Assam State, with Kunming in China. Trade between China and India has expanded rapidly in recent years and both countries would benefit from the road link. India and China are eager to reopen this road. India wants to open its landlocked northeastern states to trade with China and ASEAN nations, while China is willing to send its products through the same route (UMFCCI, 2011). Myanmar can benefit from this transit trade by charging fees and gaining spin-off benefits from tourism.

Tiddim-Rhi-Falam Road

Detailed project report for upgrading of Tiddim-Rhi-Falam Road was carried out by the Border Road Organisation of India and Public Works of Myanmar in 2006. A technical team from RITES Ltd. of India had consulted Myanmar officials on the implementation of the project in 2008. IRCON International Ltd. has been assigned by the Indian government and delegation from the two countries had visited Tiddim-Rhi-Falam Road in 2009. Regarding the information from Indian side, it has been known that US\$ 60 million has already been allocated for upgrading 225 km road section between Tiddim and Rhi. If this road opens, it would surely boost bilateral trade between the two countries.

New Delhi-Hanoi Rail Link

India is planning New Delhi-Hanoi Rail Link with two possible routes. The main tasks of developing New Delhi-Hanoi Rail Link are: (a) to link India's Manipur with India's main railway corridor, and (b) to

re-establish and renovate railway networks in Myanmar.

RITES has already completed a preliminary study to establish Delhi-Hanoi railway link in 2006. There are also other rail link projects like the Jiribam-Imphal-Moreh line in Manipur and the Tamu-Kalay-Segyi line in Myanmar, as well as rehabilitation of Myanmar's existing Segyi-Chaungu Myohaung line. According to the RITES, the Jiribam-Imphal-Moreh rail link is estimated to cost US\$ 649 million, the Tamu-Kalay-Segyi link in Myanmar US\$ 296 million, and the cost of refurbishing the Segyi-Chungu-Myohaung line has been pegged at US\$ 62.5 million. All these rail links would ultimately add up to the New Delhi-Hanoi rail link proposed at the MGC ministerial meeting held in Phnom Penh in June 2003.

Dawei Deep Sea Port

The Dawei project is being implemented by the Italian-Thai Development Company. It would include a 250 sq. km area with three major components: Deep Sea Port, Industrial Estate (Heavy, Medium and Light Industries), and cross-border road, rail and pipeline links. The total project investment cost of infrastructure and supporting facilities is estimated to be US\$ 8.6 billion, and the required investment from potential industrial investors in the industrial estate is estimated to exceed US\$ 50 billion (MPA, 2010).

In regard to the geographic review, the proposed project area is supposed to become an Asian regional hub linking to China and Southeast Asia, India, the Middle East, Europe, and Africa. It is at the end of the Southern Economic Corridor of the Greater Mekong Subregion, and a gateway to the Indian Ocean.

The construction for the Dawei project is scheduled to be completed by 2018. The project has three phases of five years each. The first phase of infrastructure construction started in 2011. However, the project has been progressing slowly due to limitation of financial resources, which remains a contentious issue as noted elsewhere.

Kyaukphyu Deep Sea Port

China is developing another project for building a deep-sea port at Kyaukphyu in western Rakhine State in Myanmar. Kyaukphyu deep-sea port and connecting highway projects will shorten the overall distance by thousands of kilometers

and will save cost and time for China by sending their products to the west and Middle East through Myanmar, instead of passing through the Malacca Strait. As the projects, both Dawei and Kyaukphyu, are designed to develop the port with industrial zones and transportation links, they will promote not only trade volume but also foreign direct investment in the region (MPA, 2011). The project, targeted to complete within three years, is to be implemented in line with another ongoing China-Myanmar gas pipeline project from Kyaukphyu to Kunming.

Kaladan Multi-Modal Transit Transport Project (KMMTTP)

The purpose of the project is connecting the landlocked area of Northeast India with the sea via western Myanmar and open up trade routes to Southeast Asia. The Framework Agreement was signed by the Minister of Foreign Affairs of the Union of Myanmar and the Minister of External Affairs of the Republic of India during the goodwill visit of Vice Chairman of the State Peace and Development Council (SPDC) in April 2008 (MPA, 2010).

The project will firstly connect Kolkata seaport in east part of India, with the seaport in Sittwe, the capital city of Rakhine state in west part of Myanmar, a total distance of 539 km. It will then link Sittwe to the Mizoram state in Northeastern India via river and road transport. The project is aimed at reducing the travel time in Aizawl-Silchar-Siliguri-Kolkata route (1,700 km). The equipment and materials from India were supplied and the construction work was started in December 2010 and is scheduled to be completed in 2013. Plans have been made for 50,000 tonne ocean liners to berth at Sittwe deep seaport that will cost US\$ 120 million. As part of the project, the border road of Lungtian and Paletwa has been built.

Conclusion

India-Myanmar-ASEAN Connectivity could be realised through enhanced physical infrastructure development, effective institutional arrangements and empowered people. Myanmar is located at a strategic geographical location in the Southeast Asia. As it is costly for ASEAN countries to reach the Indian Ocean through the Malacca Straits, Myanmar can serve as a gateway and development

Continued on page 6

Myanmar – the Golden Land: Suvarnabhumi

Mr. Salman Khurshid

External Affairs Minister of India

I consider it a great honour and privilege to be here this morning at the inaugural function of the International Conference on Buddhist Cultural Heritage. As the international community watches Myanmar with renewed interest, it is only apt that this important meeting of scholars - designed to provide us with a better understanding of the depth and global spread of Buddhist influences - is being organised in this golden land - "Suvarnabhumi."

While describing the Buddha, Pandit Jawaharlal Nehru, India's first Prime Minister had written: "Seated on the lotus flower, calm and impassive, above passion and desire, beyond the storm and strife of this world, so far away he seems, out of reach, unattainable. Yet again we look and behind those still, unmoving features there is a passion and an emotion, strange and more powerful than the passions and emotions we have known. His eyes are closed, but some power of the spirit looks out of them and a vital energy fills the frame. The ages roll by and Buddha seems not so far away after all; his voice whispers in our ears and tells us not to run away from the struggle but, calm-eyed, to face it, and to see in life ever greater opportunities for growth and advancement."

Buddhism is a thriving religion. In 1879, Sir Edwin Arnold, the noted poet and journalist, wrote in his '*The Light of Asia*', "a generation ago little or nothing was known in Europe of this great faith of Asia, which had nevertheless existed during twenty-four centuries and at this day surpasses, in the number of its followers and the area of its prevalence, any other form of creed. Four hundred and seventy millions of our race live and die in the tenets of Gautama; and the spiritual dominions of this ancient teacher extend, at the present time, from Nepal and Ceylon, over the whole eastern peninsula to China, Japan, Tibet, Central Asia, Siberia and even Swedish Lapland. Forests of flowers are daily laid upon his stainless shins, and countless millions of lips daily repeat the formula, I take refuge in Buddha."

The people of Myanmar, influenced by profound Buddhist philosophy, have over a long period, created beautiful

art, built splendid pagodas and monasteries, crafted elegant sculptures, drawn magnificent mural paintings and developed classic literature and poetry. Two Monk merchants obtaining from Lord Buddha some hair relics and on their return enshrining them in a temple which later became Shwedagon Pagoda is a well known folklore. I am told that Myanmar has other famous pilgrimage sites such as the Mahamuni Pagoda in Mandalay, the scenic Kyaiktiyo Golden Rock Pagoda and of course, the over 2000 temples in just 16 square miles in the ancient city of Bagan, which I hope to visit tomorrow. India, as the birthplace of Buddhism, has its fair share – the Mahabodhi temple at Bodhi Gaya, the revered stupa at Sarnath/ Varanasi and the Buddha attaining Mahaparinirvana at Kushinagara – being some of them where millions of pilgrims from all over the world, including an ever increasing number from Myanmar, come to pay respect.

To highlight this glorious common heritage, the President of Myanmar and Prime Minister of India decided in favour of organising this conference, when President U Thein Sein undertook a State visit to India in October 2011. I am very glad that their directions have been realised today with the cooperation of many partners, including the Ministry of Religious Affairs of Myanmar, and the Sitagu International Buddhist Academy of Myanmar. I am also happy to see that the conference is being attended by several renowned Buddhist scholars and venerable monks from Myanmar, from India and from various other countries to share their knowledge and perspectives on the chosen theme of Buddhist Cultural Heritage.

India and Myanmar are bound by geography. But these bonds are reinforced, deepened and strengthened by our historical, cultural and spiritual ties, which are enduring. The shared traditions of Buddhism and the 'Sangha' formed the bedrock of our early contacts, as poets, philosophers and princes traversed our two countries. These contacts led the way to the movement of people and trade, creating a continuum of complex exchanges, strengthened in our struggle to create independent nations in the modern times.

Both our countries have achieved manifold accomplishments in the past six decades, but I believe we have far to go in living up to the expectations of our people and the dreams of the founding fathers of our nations. Today, Myanmar is poised at a fascinating point in its history, when it is reinventing itself and its relationship with the global community. The government has set itself an ambitious agenda of achieving good governance, rule of law, securing fundamental rights of citizens, reducing income disparity, economic reform and environmental conservation and political dialogue. We in India, stand ready to assist, in whatever way desired by the government and the people of Myanmar, in this transition, to what I would believe would create a democratic polity and lead to economic prosperity and well being of the people of Myanmar.

The high level exchanges between the two countries in the past two years, including the visit of our Prime Minister in May, have imparted a momentum to our relations. Our initiatives in the fields of connectivity, border area development, information technology, agriculture and capacity building, are a demonstration of our resolve to create a bright future, which can be shared by both the nations. The Kaladan Project, connecting the Rakhine and Chin States in Myanmar with the North Eastern part of India, has potential to substantially increase the trade between these parts of our countries. The Imphal-Mandalay Bus Service and the India-Myanmar-Thailand Trilateral Highway is expected to enable the communities across the borders to meet and create deeper economic and social bonds. So would the Border *Haats* that our two sides have agreed to set up along the India-Myanmar border. I also have great pleasure in informing you that, encouraged by the support of the EAS Member States, the ancient Buddhist Nalanda University is being revived in the Indian state of Bihar. We have appointed Nobel Laureate Prof. Amartya Sen as the Chancellor of this prestigious University. The School of Buddhist Studies, Philosophy and Comparative Religions will be one of the seven schools proposed to be set up as part of the University. Nalanda University

India-Mekong Cooperation Activities

will keep alive the spirit of ancient Nalanda in a modern setting and it would be our contribution towards the preservation and growth of Buddhist heritage.

Lord Buddha's teachings have had universal reach and timeless appeal. Not only has Buddhism spread far and wide from India to Central, South East and East Asia, it is now practiced by more than 500 million people across the world. Growing acceptance and influence of Buddhism around the world can also be gauged from the words of a renowned British historian, Arnold Toynbee, who in '*Turning the Wheels*' wrote, "The coming of Buddhism to the West may well prove to be the most important event of the twentieth century."

As the world is threatened by violence and terrorism and conflicts and hatred, the Buddha's message of peace, equality, unity, harmony and tolerance is more relevant today than at any other time in history. Buddhist philosophy of feeling for other's sufferings as our own holds the key to develop a sense of compassion, kindness and brotherhood leading to individual inner peace and peaceful co-existence. It is interesting that Pandit Jawaharlal Nehru conveyed the following

to an International Buddhist Conference in Sanchi in November 1952: "The message that Buddha gave 2,500 years ago shed its light not only on India or Asia but the whole world. The question that inevitably suggests itself is how far can the great message of the Buddha apply to the present day work? Perhaps, it may, perhaps it may not; but I do know that if we follow the principles enunciated by Buddha, we will win peace and tranquility for the world."

This year marks the 2600th year of the Buddha's enlightenment. India takes pride in being the cradle of Buddhism, the land where Gautama Buddha attained enlightenment. This conference, through its intensive discussions, can provide a platform to not only explore but to also strengthen the deep and rich cultural bonds that the common link of Buddhism can provide among all the countries represented in this conference, in fashioning a better world.

I am happy that coinciding with this important conference, we will also be able to unveil and consecrate the Sarnath style Buddha statue gifted by the people and Government of India to the friendly

people and Government of Myanmar. We are deeply appreciative of the importance accorded by Myanmar to this initiative by having the statue installed at the premises of the most holy Shwedagon Pagoda. Indeed, we also deeply value the cooperation that we currently have in being able to offer our assistance in the restoration of the world renowned Ananda Temple at Bagan by experts from the Archaeological Survey of India.

In conclusion, let me once again thank all the collaborators for putting together this important conference and to all the scholars for accepting the invitation to discuss and to dwell on the sacred and fascinating heritage of Buddhism and its culture across nations and regions. The Conference on Buddhist heritage, I believe, would provide an opportunity, to celebrate and ponder upon the unity in diversity that Buddhism and Buddhist culture has acquired since ancient times. I wish the conference every success.

(Excerpted from the Address delivered by the External Affairs Minister of India at the inauguration ceremony of the International Conference on Buddhist Cultural Heritage in Yangon on 15 December 2012).

Continued from page 3 (Myanmar and Regional Connectivity)

of EWEC and SWEC corridors will be beneficial for the region. The other projects such as Dawei and Kyaukphyu deep sea ports, KMMTTP and highway projects will heavily shorten the overall distance and will save money and time for ASEAN, India and China for their trade through Myanmar. The improvements in transportation infrastructure network will deliver numerous benefits and ensure that all economies across the region have competitive access to international markets through an efficient, reliable and thriving regional network. It will also integrate national markets to promote economic efficiency and private sector development. Improvements in the modes and infrastructures in terms of their capacity will result in reduced transport costs, which in turn will increase trade, and help change the location of economic activities. However, the current projects being implemented through Myanmar are faced with delays due to political instability, and the effects of the

international financial crisis. Building an enhanced regional connectivity requires not only the infrastructure development but also the development of new strategies and institutions, more effective implementation of existing and future initiatives (ADB, 2011). ASEAN-India must turn ambitious plans for better regional connectivity into reality in order to tap their full economic potential.

References

- ADB (2011), *Asia 2050: Realizing the Asian Century*, Singapore.
- Myanmar Port Authority (2010), "Dawei Special Economic Zone Project", Powerpoint Presentation.
- Myanmar Port Authority (2011), Yangon.
- The Republic of the Union of Myanmar, Federation of Chamber of Commerce and Industries (2011).
- Verbiest, J.P. and Tin Htoo Naing (2011), *Myanmar Country Paper: ASEAN 2030 Studies*, Asian Development Institute, Japan.

The 2nd Round Table of the ASEAN-India Network of Think-Tanks

India has been very supportive of the objective of an ASEAN Community by 2015 and the Initiative for ASEAN Integration. We look forward to applauding your sense of achievement in 2015. Looking to the future, I would like to emphasise that as the ASEAN countries integrate better amongst themselves, it is necessary that their integration with India also progresses apace.

(Excerpted from the speech delivered by the External Affairs Minister of India at the inaugural session of 2nd ASEAN-India Network of Think-Tanks (AINTT) Conference in Lao PDR on 10 September 2013).

Exim Bank of India Opens Its Representative Office in Yangon, Myanmar

Export-Import Bank of India's (Exim Bank's) Representative Office at Yangon was formally inaugurated on 9 September 2013, in the presence of H.E. U Myint Swe, Hon'ble Chief Minister of Yangon, H.E. Mr. Gautam Mukhopadhya, Ambassador of India to Myanmar, and Mr. T.C.A Ranganathan, Chairman and Managing Director of Exim Bank. A seminar on Trade and Investment opportunities between India and Myanmar was also organised to mark the occasion, which was attended by Myanmar's high-level government functionaries, diplomats, multilateral agencies, banks, large number of corporates and the Indian diasporas.

H.E. Mr. Gautam Mukhopadhya, Ambassador of India to Myanmar, in his opening remarks welcomed Exim Bank's decision to open an office in Yangon, its eighth overseas regional office, and hoped that Exim Bank's presence in Myanmar would serve to further boost and facilitate bilateral trade and investment relations between India and Myanmar and contribute to the developmental endeavours of Myanmar. He urged the trade and industry bodies in the region to benefit from the use of financing and support services offered by Exim Bank.

Delivering the Special Address, H.E. U Myint Swe, Hon'ble Chief Minister of Yangon, congratulated Exim Bank of India and observed that Exim Bank's presence in

Myanmar would significantly contribute to enhancing bilateral trade and investment ties between Myanmar and India in the years to come and Myanmar would be greatly benefited by its expertise in trade and overseas investment and finance. He also recommended that Myanmar presents a plethora of opportunities for collaboration for especially partner Asian countries like India.

Earlier during the function, Exim Bank's Chairman and Managing Director, Mr. T.C.A. Ranganathan, in his welcome address, stated that Exim Bank through its global network of offices and wide range of financial, advisory and capability building activities has strived to play a catalytic role, as a key player, in promoting India's international trade and investment relations with partner countries, while contributing to the internationalisation endeavours of Indian business. He highlighted that bilateral trade relations between India and Myanmar have witnessed significant rise in recent years, with India accounting for 15 per cent of Myanmar's global exports in 2012, and ranking as its second largest export market. As a partner country for Myanmar's imports, India accounted for a share of 3 per cent of Myanmar's global imports while ranking as the seventh largest import source.

(Excerpted from the Press Release, Embassy of India, Yangon, Myanmar, 9 September 2013).

RIS Launched Project on Development Corridors in Myanmar: Implications for India

RIS has launched a policy research project on 'Development Corridors in Myanmar' that attempts to understand the level of trade links that India has with Myanmar, through both formal and informal channels. It will carry out a detailed fact finding survey of new infrastructure being planned or under implementation in Myanmar and their implications for Northeast India in general and India in particular.

The study would also examine the current status and performance of border infrastructure in Northeast India, particularly in bordering states with Myanmar. It would also investigate the strength and dimensions of the regional connectivity through Northeast India.

This study would make an attempt to understand: i) resources of Myanmar to be linked through development corridors; ii) opportunities for resource-based industries which will have strong spillover effects and generate downstream projects in Myanmar and India's Northeast; and iii) scopes and opportunities and production networks between India and Myanmar and beyond in sectors like petrochemicals, textile and clothing, rubber and other plantation crops, processed foods and marine products, etc.

Finally, based on these investigations, a coherent strategy would be developed for strengthening the existing levels of trade (and also investment) links and connectivity between India and Myanmar.

Brainstorming Seminar on India-Myanmar Strategic Partnership

RIS organised a Brainstorming Seminar on India-Myanmar Strategic Partnership on 4 February 2013 in New Delhi. In the inaugural session, Ambassador Shyam Saran, Chairman, RIS, delivered the introductory remarks. Shri Harsh Vardhan Shringla, Joint Secretary (BSM), Ministry of External Affairs, Government of India, presented the overview of India-Myanmar relations.

The Brainstorming Seminar had participation of eminent diplomats, senior government officials, senior officials and representatives of private sector. The

brainstorming seminar touched upon wide ranging issues on the selected themes.

The themes of the Brainstorming Seminar included the India-Myanmar Economic Partnership: India's Development Cooperation; Trade, Investment, Finance and Connectivity; Energy and Natural Resources; and Development of India's Northeast. In the concluding session, Ambassador Shyam Saran, presented the Blueprint for the future. Presentations made at the Brainstorming Seminar are available on the RIS website: www.ris.org.in

Brainstorming Session on India-Myanmar Trade and Connectivity

RIS organised a Brainstorming Session on India-Myanmar Trade and Connectivity in New Delhi on 13 April 2012. The session began with welcome remarks by Dr. Biswajit Dhar, Director-General, RIS and special remarks by Ambassador Shyam Saran, Chairman, RIS. The seminar was attended by policy makers, government officials and private sector representatives. Further details are available at www.ris.org.in

Inception Workshop of Myanmar Research and Capacity Building Project 2013

RIS organised a workshop on Myanmar Research and Capacity Building Project 2013 to identify scopes and directions of research and capacity building programme on Myanmar in New Delhi on 22 April 2013. The programme was attended by the senior government officials, both from India and Myanmar, research scholars from various institutes viz. UNESCAP, Sussex University, Calcutta University, Jadavpur University, RIS and representatives of organisations from Myanmar like Department of Economic Development Studies (EDS) of the Ministry of National Planning and Economic Development (MNPED), Centre of Economic and Social Development of the Myanmar Resources Development Institute (MDRI), and Yangon Institute of Economics (YIE) and representatives of

Department of International Development (DFID). The workshop was supported by the Sussex University.

Dr. Biswajit Dhar, Director-General, RIS, in his opening remarks introduced the project and RIS activities on ASEAN and Myanmar. Prof. Jayanta Kumar Ray (Calcutta University) gave special address, and highlighted the historical, social and cultural relations between India and Myanmar. Prof. Ray said that in the contemporary period, capacity building has always been in the forefront of India's bilateral cooperation with Myanmar and other Mekong countries. Prof. Ray urged for stronger capacity building in publication, administration and computer science in Myanmar. While making special observations, Mr. Kumar Tuhin, Joint Secretary (DPA), Ministry of External Affairs (MEA), Government of

India presented an overview of the India-Myanmar economic relations with special focus on India's capacity building and human resource development assistance programmes in Myanmar.

In the Session I, Dr. Prabir De (RIS) presented the detailed plan of the Myanmar research and capacity building project. He also presented the current overview of the economic scenario of Myanmar, and highlighted the areas where Myanmar needs capacity building.

The objective of this capacity building project taken up by RIS is to train Myanmar officials, policy makers and research scholars on contemporary global and regional economic issues and build the analytical capacity.

The project is coordinated by Dr. Prabir De, Senior Fellow, RIS. ■

India Grants US\$ 500 Million Line of Credit to Myanmar

During Prime Minister Dr. Manmohan Singh's visit to Myanmar in 2012 a slew of agreements and many MoUs were signed. Of these, the most significant MoU is concerned with granting of US\$ 500 million line of credit by India to Myanmar, which this country will utilise for upgrading its agriculture, irrigation, rail transportation and electric power system.

After the signing ceremony, Prime Minister Dr. Manmohan Singh said the MoU and agreements will usher in a new era of cooperation for mutual development. He said India's economic growth was there to help Myanmar to march further on its path of progress.

The captains of the Indian industry like Sunil Mittal and Navin Jindal, who are part of the Indian delegation, called the signing of the MoUs a historic event. Both are of the opinion that this was the right time for the Indian industry to come and invest in Myanmar in a big way. Indian industry should not miss this opportunity to make its contribution to Myanmar's economic and all round growth possible. "For Indian investment in Myanmar this is the most opportune time. It's now or never," they said.

A more significant MoU signed by both sides concerned the socio-economic development of India-Myanmar border areas. It proposes to bring this geographically strategic isolated area of

India's Northeast into sharp development focus and significantly improve its connectivity.

The most ambitious project to be undertaken jointly by the two countries along with Thailand, involves the construction of a road from Moreh to Mae Sot in Thailand via Myanmar. A land customs station will be opened at Zorinpui in Mizoram to promote border trade between Mizoram and Myanmar. The border trade points on the Indian side will have banking facilities.

Border *haats* (stores) like those on the India-Bangladesh border, will be set up along Northeast's border with Myanmar. A host of other projects will be taken up on both sides of the India-Myanmar border which will upgrade roads and highways, construct schools and health centres, bridges and promote agriculture related training activities.

India has offered assistance for the production of large cardamom in the Naga Self Administered zone in the Naga inhabited areas in Myanmar, bordering India's Northeast. Both sides have agreed to ensure border security through cooperation and exchanging intelligence inputs.

India has decided to help Myanmar in higher education and has offered scholarships and fellowships to Myanmar researchers.

Meanwhile, private Indian companies have started moving in but the volume of their investment is negligible, compared even to those of Thailand and Singapore. India is the fourth largest trade partner of Myanmar (second largest export destination and seventh largest import source), next to Thailand, China and Singapore, though it has the potential to be the first.

As one Myanmar official put it aptly "We are like long forgotten friends of India which suddenly has discovered that we still exist." The official said, it would have made a lot of sense if the Indian Prime Minister had brought with him here some of the northeastern Chief Ministers which would have made the outcome of his visit more meaningful and spectacular.

After all, he had made this unique experiment during his visit to Dhaka in 2011. A repeat of that would have contributed significantly to the visit's substance and outcome. Because a large part of the last two days' talks between the leaders of the two countries centered around the improvement of infrastructure, connectivity and trade between the northeastern states and the adjoining provinces of Myanmar.

(Excerpted from the *nationmultimedia.com*, 29 May 2012).

© *nationmultimedia.com* ■

India to Link with Myanmar Port to Boost ASEAN Connectivity

In its push for greater connectivity with ASEAN countries, India is focusing its attention on a deep-sea port in southern Myanmar that would provide a much shorter sea route to the economically vibrant Southeast Asian region and help boost trade. The Dawei deep sea port and special economic zone is slated to give a huge boost to connectivity and trade in the Southeast Asian region when it is commissioned in a few years. The project is being developed jointly by Myanmar and Thailand.

“The Dawei deep sea port, when complete, will provide India an alternative sea route to Southeast Asia and reduce dependency on the congested Strait of Malacca and cut transport time,” an official told IANS. The Dawei port is part of the southern corridor of the Mekong India Economic Corridor. India is concentrating on the southern economic corridor, which would connect Ho Chi Minh City in Vietnam, Phnom Penh in Cambodia, Bangkok in Thailand to Dawei in Myanmar.

“When Dawei port is ready, India is planning to connect it with Chennai. There will be no need to go through the Strait of Malacca then,” said the official. During Prime Minister Dr. Manmohan Singh’s visit to Thailand last May, the Thai government invited Indian business to invest in the Dawei Special Economic Zone, especially in areas where Indian companies have

expertise, such as steel, manufacturing, power, petrochemicals and services.

Thailand’s construction giant Italian-Thai Development Co has been involved in construction of the deep-sea port, which is designed to accommodate ocean-going cargo ships that pass through the Indian and Pacific oceans, cutting short the maritime distance over a relatively long detour via Singapore.

The Dawei Special Economic Zone Development Co, jointly owned by Thailand and Myanmar, will be assigned to run the project.

The Greater Mekong sub-region also has a North-South corridor linking cities of the Mekong basin countries - Cambodia, Laos, Myanmar, Thailand and Vietnam - to China. But India is not keen to join this. “That corridor cuts across to China and India is not very keen to join it,” said the official.

India is involved in the 1,400 km Trilateral Highway, linking India, Myanmar and Thailand, that is slated to become a reality by 2016. The highway from Moreh in Manipur to Mae Sot in Thailand via Myanmar would open up India’s landlocked Northeast to Southeast Asia. The project is being funded by the ADB. The highway is expected to allow freight and container trucks to move across the borders from India to Myanmar

and Thailand and play a crucial role in boosting trade and investment in the three countries.

The Kalewa-Yargi section of the highway in Myanmar, which India has offered to upgrade, is facing some problems due to the hilly terrain, said the source. “The major chunk of the Trilateral Highway has been completed. On the Kalewa-Yargi section and upgradation and repairing of 71 bridges, which India had agreed to undertake during Dr. Manmohan Singh’s visit to Myanmar in May 2012, work is on,” the official added.

India and the 10-nation ASEAN countries have a combined population of 1.8 billion, which is one-fourth of the global numbers. The combined GDP of India and the regional bloc is around US\$ 3 trillion.

Among other connectivity projects with the bloc, India is also helping Myanmar upgrade the 160 km Tamu-Kalewa-Kalemyo road, repairing 71 old bridges in Myanmar, besides building the Kaladan multi-modal transit transport project. The Kaladan project, expected to be completed in 2014, will connect Kolkata port with Sittwe port in Myanmar by sea and also link Sittwe to Mizoram via river and road transport.

(Excerpted from the *dna*, 11 August 2013).

© *dna*

India’s Energy Cooperation with Myanmar

The Union Minister of Commerce, Industry and Textiles Mr. Anand Sharma met Daw Aung San Suu Kyi, Chairperson of the National League for Democracy (NLD), Myanmar at Nay Pyi Taw. The Minister conveyed to Ms. Suu Kyi that India stands ready to extend all necessary assistance to the people of Myanmar in their developmental efforts. “Myanmar is a vitally important neighbour for us. The relations between our two countries have broadened and deepened in the past two years,” said the Minister to Ms. Suu Kyi.

Both the leaders exchanged views on the issues of mutual interests and Ms. Suu Kyi expressed keen interest in building linkages with the textiles sector of India. Stressing the preference of the people of Myanmar for natural fiber, she said that the handloom sector of India has immense potential for Myanmar. Pointing to the conducive ecology, she sought India’s

help in developing a full value chain for silk production in Myanmar.

In his meeting with Mr. U Than Htay, Myanmar’s Energy Minister, the Minister of Commerce, conveyed the interest of Indian banks in setting up their branches in Myanmar. “India will also be happy to assist in strengthening the banking system in Myanmar as we inherit common banking laws,” said the Minister. The two Ministers set a bilateral trade target of US\$ 3 billion by 2015.

The Minister also conveyed India’s interest in deepening cooperation in procuring energy, oil and natural gas from Myanmar. “Our companies are interested in securing more exploratory oil and gas blocks both onshore and offshore,” said the Minister to Mr. Htay. The issue of the revival of the discussions on the gas pipeline connection between

India and Myanmar through Bangladesh was also discussed. The Minister said that India stands ready to continue to assist Myanmar in the development of its infrastructural projects. He also expressed happiness over the progress made in the Inland Waterway component of the Kaladan project.

The need to improve air, road and water connectivity between India and Myanmar also came up for discussion between the two Ministers. “A Joint Working Groups (JWG) to determine the technical and commercial feasibility of cross-border rail links and the commercial feasibility of direct shipping links between the two countries are working with the sole aim to boosting the trade ties between the two countries,” said the Minister.

(Source: Ministry of Commerce and Industry, Department of Commerce, Press Release, 6 June 2013, New Delhi).

India Offered Help to Revive Apparel Sector in Myanmar

India has offered to help the revival of 300 apparel factories in Myanmar. During his meeting with the Myanmar President U Thein Sein, in Nay Pyi Taw, the Union Minister of Commerce, Industry and Textiles, Mr. Anand Sharma also offered US\$ 5 million Line of Credit for revival of these factories. The South India Textile Research Association (SITRA) will provide technical assistance in formulation of revival plans for these factories. Private sector companies will play a big role in revival and building joint ventures with these closed apparel factories. "A delegation comprising the experts, officials and businessmen will visit Myanmar within two weeks," the Minister informed the media persons after the meeting.

"India will also cooperate with Myanmar in formulating a common compliance code for standards and also the best practices in the factories," said the Indian Minister. The Minister proposed to the Myanmar President a Common Compliance Code - Disha Myanmar with

technical assistance from Apparel Export Promotion Council (AEPC) – to enhance compliance standards in Myanmar for exports to developed countries.

Sponsored by the Ministry of Textiles, and helmed by AEPC Disha is an initiative to driving industry towards sustainable human capital advancement. Disha attempts to educate apparel exporting members on a code of ethics that covers all critical social and environmental concerns like child labour, health and industrial safety, etc. For capacity building in Myanmar textiles sector, India has offered two scholarships for two slots under National Institute of Design (NID) and 250 scholarships for textile workers under Integrated Skill Development Scheme. Scholarships have been offered in National Institute of Fashion Technology and Institute of Foreign Trade also.

"India will be setting up India-Myanmar Apparel Sector joint ventures (JVs) in Thilawa SEZ in collaboration with other international brands," said Mr. Anand

Sharma. India will also set up a textiles trade show – Textiles Expo in Yangon for traditional textiles with Handloom Export Promotion Council (HEPC) as lead council.

The Indian Minister announced that Indian Trade Promotion Organisation (ITPO) will undertake this event. "We will also facilitate in return an exhibition of Myanmar industry in India organised by ITPO free of cost next year," said Mr. Sharma.

Textiles sector appeared prominently during Indian Minister's three-day visit to Myanmar, as National League for Democracy leader Daw Aung San Suu Kyi, during her meeting with Mr. Sharma, also expressed keen desire to establish linkages in the sector specially in handloom and silk. "Entire sector as such will be brought in for cooperation including silk," Mr. Sharma told mediapersons.

(Source: Ministry of Commerce and Industry, Department of Commerce, Press Release 9 June 2013, New Delhi). ■

Myanmar Launches National Strategic Plan for Women

Myanmar has launched a strategic plan to advance women's rights in Nay Pyi Taw on 3 October 2013 with the aim of empowering women with the support of the government.

The National Strategic Plan for the Advancement of Women 2013-2022 (NSPAW) was initiated in 2010 by the Ministry of Social Welfare, Relief and Resettlement with support from the Gender Equality Network and the Myanmar National Committee for Women's Affairs (MNCWA).

During the three-year development period, there have been a number of consultations with relevant ministries, government departments and over 50 groups comprising NGOs, civil society organisations, UN agencies and technical experts from the Gender Equality Network.

"The main objective of the plan is that all women in Myanmar are empowered and able to fully enjoy their rights with

the support of the government. Enabling systems, structures and practices are created for the advancement of women, gender equality, and the realisation of women's rights," May Sabei Phyu, Senior Coordinator of the Gender Equality Network, told *Eleven Media*.

There are twelve priority areas in the plan: livelihood, education and training, health, violence against women, emergencies, the economy, decision-making, institutional mechanisms for the advancement of women, human rights, the media, the environment and children.

In order to effectively implement each priority area, four main tasks - research and surveys, awareness raising, implementation, budget and policy making - have been outlined in each area.

The management committee for the NSPAW will be established under the guidance of the Myanmar National Committee on Women's Affairs (MNCWA).

It will develop a five year Operational Plan to coordinate the implementation of strategic policies.

The Operational Plan will be reviewed and revised on a regular basis, in accordance with respective government national plans.

"We will work together with all the ministries of the government under the different priority areas. We believe the plan will play a crucial role in gender equality in Myanmar," said Kaythi Myint Thein, Assistant Coordinator of the Gender Equality Network.

Experts have long expressed the importance of empowering women as an important step to economic development and growth. Despite decades of male-dominated military rule, Myanmar has traditions that value women's rights.

(Excerpted from the *elevenmyanmar.com*, 4 October 2013).
© *elevenmyanmar.com*. ■

India Offers US\$ 150 Million for SEZ at Sittwe

India has offered US\$ 150 million credit for project exports for establishing a Special Economic Zone (SEZ) at Sittwe in Myanmar Buyer's Credit Scheme under National Export Insurance Account (NEIA). The offer assumes that Myanmar Government will give a suitable land for the purpose.

During his meeting with the Myanmar President U Thein Sein, in Nay Pyi Taw, the Union Minister of Commerce, Industry and Textiles, Mr. Anand Sharma covered a whole gamut of issues for deepening the economic ties between India and Myanmar. Substantive decisions were taken in the meeting which was also attended by Foreign Minister, Industry Minister and Planning Minister from the Myanmar side, on SME sector, economic cooperation, trade, energy, agriculture and telecommunication.

President U Thein Sein conveyed Myanmar's appreciation of India's contribution to the country's development. "Path breaking reform measures taken by the Government of Myanmar in economic, political and social field is a positive message that has resonated globally and India is committed to be a steadfast partner of Myanmar in this journey," the Minister told the President.

Talking about cooperation in banking sector, the Minister conveys India's appreciation for the Myanmar Government's approval to allow Indian Banks like United Bank of India to set a representative office in Myanmar. He expressed the hope that the two public sector banks viz., Bank of India and State Bank of India, who have also expressed interest, would also be permitted to operate in Myanmar. The Minister stressed the need for permission to open full-fledged banking services. "Even setting up a joint venture state-owned bank with India and Myanmar sharing equity would further enable to strengthen our ties in banking and commerce", said the Minister.

The two leaders also discussed cooperation in energy sector. The Minister expressed satisfaction on the progress of cooperation in this field as the renovation of the Thanlyin Refinery and the ongoing upgradation of the

Thanbayakan Petrochemical Complex proceeded smoothly. The renovation of the Thanlyin Refinery was financed by US\$ 20 million LoC, signed in 2005-06. The upgradation of Thanbayakan Petrochemical Complex is being financed by another US\$ 20 million LoC signed in 2008-09.

The Minister later told media persons that many of the Indian companies undertaking exploratory activities in North East region India which shares common geological traits with neighbouring Myanmar are well placed to also take up such activities there.

Myanmar Government has shortlisted 59 companies for submission of final bids for 18 onshore gas blocks on offer. Seven Indian companies are part of those shortlisted. The Minister conveyed the robust track record of Indian companies to the President.

Indian companies are very active in oil and gas field in Myanmar. OVL and GAIL have announced US\$ 1.33 billion investment in China-Myanmar gas pipeline project. Phase I of 200 km Kyaukphyu-Kunming Oil & Gas pipeline worth US\$ 475 million for construction of two parallel pipelines for gas and oil has been awarded to Punj Lloyd. PSC-1 onshore block in Central Myanmar worth US\$ 73 million has been awarded to Jubilant Energy India on the basis of a global tender in 2011. The two leaders also discussed revival of the discussions on the gas pipeline connection between India and Myanmar through Bangladesh.

India is involved in improving road connectivity with ASEAN country which will create new opportunities for India's north eastern region. The Minister informed of the significant progress in the area. India has extended assistance for road development projects which include upgradation of the Tamu-Kalewa-Kalemyo (TKK) road (about 160 km); Kaladan Multi-Modal Transit Transport Project which envisages development of road and inland waterways from Sittwe port in Myanmar to Mizoram; and some segments of Trilateral Highway Project (about 1360 km) connecting Moreh (Manipur, India) to Mae Sot (Thailand)

through Myanmar. These will prove of great benefit to India's landlocked Northeast.

Border Road Organisation (BRO) has completed the resurfacing and maintenance work of 132 km Tamu-Kyigone-Kalemyo stretch of the road and handed over to Myanmar. The remaining 11 km of the 28 km section on the Kyigone-Kalewa stretch is also to be handed over to Myanmar after completion. Indian assistance towards repair/upgradation of the 71 bridges on the Tamu-Kalewa road and the upgradation of the Kalewa-Yargyi road section of the Trilateral Highway was announced during the visit of the Prime Minister to Myanmar in May 2012.

The work on the Sittwe Port of the Kaladan Project, which began in December 2010, is expected to be completed by mid 2013. The Detailed Engineering Report (DER) for the road component is expected to be finalised in 2013. A new Air Service agreement to facilitate direct air connectivity was signed during the visit of the Prime Minister in May 2012. Currently Air India is operating 3 services per week on the Kolkata Yangon Sector.

During the Prime Minister's visit to Myanmar in May 2012, several new initiatives were announced and signed including extension of a new line of credit (LoC) for US\$ 500 million to Myanmar, support for setting up an Advance Centre for Agriculture Research and Education in Yezin, a Rice Bio-park in the integrated Demonstration Park in Nay Pyi Taw, and an Information Technology Institute in Mandalay, Air Service Agreement, Establishment of Joint Trade and Investment Forum, MoU on Border Areas Development, and establishment of Border Haats and Cultural Exchange Programme. The Minister addressed the first meeting of Joint Trade and Investment Forum which was co chaired from Indian side by Mr. Sunil Bharti Mittal at Yangon.

(Source: Ministry of Commerce and Industry, Department of Commerce, Press Release, 9 June 2013, New Delhi). ■

India-Myanmar Connectivity: Current Status and Future Prospects

Prabir De and Jayanta Kumar Ray

Institute of Foreign Policy Studies, Centre for Pakistan and West Asian Studies, Calcutta University, Kolkata

KW Publishers Private Ltd., 2013

This paper deals with trade and physical connectivity links between India and Myanmar. Specifically, it presents the status of all major modes of transportation links between India and Myanmar, and discusses the challenges and prospects. Besides, it also presents Myanmar's selected connectivity projects with neighbouring China and Thailand. It also draws up an action plan for implementation of connectivity projects in Myanmar.

Myanmar's Moment: Unique Opportunities, Major Challenges

McKinsey Global Institute, June 2013

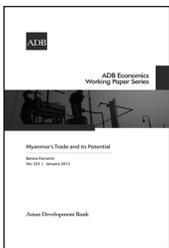


Myanmar is a highly unusual but has promising prospect for businesses and investors - an underdeveloped economy with many advantages, in the heart of the world's fastest-growing region. Home to 60 million inhabitants

(46 million of working age), this Asian nation has abundant natural resources and is close to a market of half a billion people. And the country's early stage of economic development gives it a "greenfield" advantage: an opportunity to build a "fit for purpose" economy to suit the modern world.

Myanmar's Trade and Its Potential Report

Asian Development Bank (ADB), January 2013

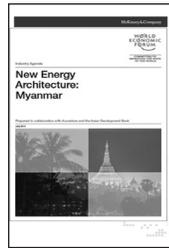


The research paper tabulates Myanmar's merchandise trade as reported by its partner countries, thereby circumventing the data constraints stemming from Myanmar's patchy trade records. It also estimates Myanmar's

export potential, based on the bilateral export patterns observed for six other countries in Southeast Asia.

New Energy Architecture: Myanmar

World Economic Forum (WEF), 2013



This report is the culmination of a nine-month multi-stakeholder process investigating Myanmar's energy architecture, which involved the Asian Development Bank, the World Economic Forum and Accenture. The process aimed to understand the nation's current energy architecture challenges and provide an overview of a path to a 'New Energy Architecture.'

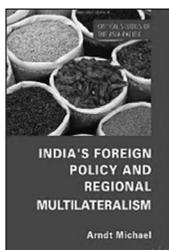
India's Foreign Policy and Regional Multilateralism

Arndt Michael

Palgrave Macmillan, 2013

ISBN-10: 1137263113

ISBN-13: 978-1137263117



While successful processes of regional multilateralism are taking place in all corners of the world, South Asia and its neighbouring regions have not been able to successfully cooperate in a regional framework.

At present, there are four regional organisations or initiatives: the SAARC, the Bay of Bengal Initiative for Multi Sectoral-Economic Cooperation, the Indian Ocean Rim-Association for Regional Cooperation and the Mekong Ganga Cooperation Initiative. Arndt Michael examines the genesis and evolution of these organisations by using the theoretical perspective of norm localisation. The study focuses especially on India - a founding member in all four organisations - and traces the impact of India's foreign policy on the discourse, the development and the institutional designs of regional multilateralism.

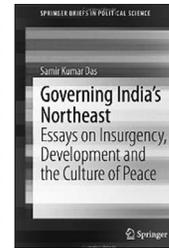
Governing India's Northeast: Essays on Insurgency, Development and the Culture of Peace

Samir Kumar Das

Springer, 2013

ISBN-10: 8132211456

ISBN-13: 978-8132211457



This book focuses on issues of governance and the nature and complexities of social transformation in India's Northeast -- a 'problem' zone for policymakers -- particularly since the early 1990s. While governance is the thread that runs through the volume, the latter at one level addresses the challenges of governing in global times a region historically marked by acute violence, inter-ethnic conflict and insurgency; and at another, traces macro changes in the very forms and technologies of governance. The essays in this volume, point to how changing forms and technologies of governing insurgency, development and culture do not remain mere instruments of peace, but define the very nature and content of both peace and conflict and their interrelationship in the region.

For the first time in the history of scholarship on the region, the three crucial issues of insurgency, development and culture have been analysed through the lens of governance. This volume, therefore, marks an important addition to the scholarship on the region.

Enhancing India-ASEAN Connectivity (CSIS Reports)

Ted Osius and Raja C. Mohan

Center for Strategic and International Studies (CSIS), 2013

ISBN-10: 1442225092

ISBN-13: 978-1442225091



Twenty years ago, India launched its "Look East" policy. For most of those 20 years, Myanmar's isolation, mistrust between India and its neighbours, and poor infrastructure connectivity hindered the development of links

between South and Southeast Asia. With Myanmar's tentative opening and improved relations between India and Bangladesh, an opportunity exists for India to boost trade and security ties with mainland and maritime Southeast Asia. And the United States, during President Barack Obama's second term, is committed to rebalancing toward Asia, with India playing a pivotal role. With these facts in mind, CSIS presents

key recommendations in the areas of diplomacy and security, infrastructure and energy, and enhancing people-to-people collaboration among India, ASEAN, and the United States.

A Neorealist Assessment of India's Look East Policy

Johanna B. Tscher and Johanna Botscher

GRIN Verlag, 2013

ISBN-10: 3640892194

ISBN-13: 978-3640892198



In line with its new foreign policy after the end of the Cold War, India started to significantly increase its political, economic and military relations with Southeast Asia at the beginning of the 1990s. Since then, but particularly for the last ten years, this

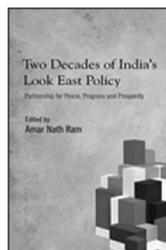
so-called "Look East Policy" has grown to a strong and multifaceted partnership that constitutes a major component of Indian foreign policy today. The principal purpose of this thesis is to evaluate India's motives for its strong interactions with Southeast Asia. The most common approach among academics to explain India's Look East Policy follows a liberal understanding of International Relations. Liberals argue that both, India and the Southeast Asian countries want to exploit complementarities in their economic and social structures. This thesis, however, follows a neorealist understanding of International Relations by arguing that the Look East Policy is primarily a strategy of the Indian government to counterbalance the growing Chinese influence in Southeast Asia.

Two Decades of India's Look East Policy: Partnership for Peace, Progress and Prosperity

Editor: Amar Nath Ram

Manohar Publishers & Distributors, 2012

ISBN: 978-981-4380-21-8



In the last nearly two decades, India's Look East Policy has evolved and acquired its own momentum and, arguably, critical mass to give it a new and greater meaning, relevance, depth and content in

the changing context of geo-politics and globalisation. Today, many believe, it is a defining partnership among some of the most dynamic and geo-strategically important countries of the world, including those which are the future economic power houses of the Asia-Pacific, impacting not only regional but global equations. The compilation of essays in this volume written by eminent diplomats who, as practitioners and propagators, helped shape and give direction to the Look East policy, contains incisive and in-depth candid accounts of the policy and its evolving complexion.

Security and Development in India's Northeast

Gurudas Das

Oxford University Press, 2012

ISBN-10: 0198079788

ISBN-13: 978-0198079781



This book provides a rich account of the dynamics of the development of civil wars in India's Northeastern region. The rise of ethnic militancy in the region in the 1980s had an adverse impact on its development, making it

hostage to security concerns of the Indian state vis-a-vis its north-eastern borders. The consequent underdevelopment led to rise in internal insecurity. The book examines the inter-linkages between external security threats, economic under-development, and internal insecurity that have led to a conflict trap in the region. The author argues in favour of cross-border cooperation as an alternative strategy for breaking this trap and facilitating the development of the area's bordering regions, as the same can hardly be accomplished within the framework of national development.

Where China Meets India: Burma and the New Crossroads of Asia

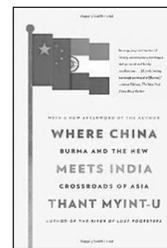
Thant Myint-U

Farrar, Straus and Giroux, 2012

ISBN-10: 0374533520

ISBN-13: 978-0374533526

Thant Myint-U's 'Where China Meets India' is a vivid, searching, timely book about



the remote region that is suddenly a geopolitical center of the world.

From their very beginnings, China and India have been walled off from each other: by the towering summits of the Himalayas, by a vast and impenetrable jungle, by hostile tribes and remote inland kingdoms stretching a thousand miles from Calcutta across Burma to the upper Yangtze River.

Soon this last great frontier will vanish—the forests cut down, dirt roads replaced by super-highways, insurgencies crushed—leaving China and India exposed to each other as never before. This basic shift in geography—as sudden and profound as the opening of the Suez Canal—will lead to unprecedented connections among the three billion people of Southeast Asia and the Far East.

What will this change mean? Thant Myint-U is in a unique position to know. Over the past few years he has travelled extensively across this vast territory, where high-speed trains and gleaming new shopping malls are now coming within striking distance of the last far-flung rebellions and impoverished mountain communities. And he has explored the new strategic centrality of Burma, where Asia's two rising, giant powers appear to be vying for supremacy.

The 2011 Myanmar Spring: Implication for India and China: Opportunities and Challenges

Rimli Basu

LAP LAMBERT Academic Publishing, 2012

ISBN-10: 3848426307

ISBN-13: 978-3848426300



Bilateral relations are of immense importance since under the garb of globalisation and global dependence; regional fragmentation is making a headway. This dichotomy is simply visible with the rise of the number of low-intensity-

conflicts, proxy warfare, insurgency all over the world. India is situated in a most politically volatile region with her neighbours — Pakistan, Bangladesh,

Resources

Sri Lanka, China, Bhutan and Nepal - all coming in different sizes and strengths. Pragmatic changes of the 90's were reflected in the political arena through the "Look East Policy". With the "Rising China," all Asian regional powers, and even the USA have become more concerned about the spread of Chinese influence in Southeast Asia. China-Myanmar proximity can be perceived as a shift of the 'security' and 'power balance' of the whole region. Indian and ASEAN relations with Myanmar are focused on engagement. It is against this backdrop, that this book intends to focus and reason out as to why India should go beyond the idealist Nehruvian policy, and go ahead with a realist policy with the goal of securing and maximising her security interest.

Countries of the World: Republic of the Union of Myanmar

Tomas Clancy

CreateSpace Independent Publishing Platform, 2012

ISBN-10: 1470045125

ISBN-13: 978-1470045128

Countries of the World - Burma ... What is so special about Burma? What is its history, culture and geography? What is it that makes it so special and unique? What are its similarities and differences to other countries in the world? This in-depth guide answers these questions and more, providing you with a comprehensive understanding of Burma, and a lasting appreciation of its wonders.

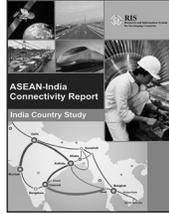


ASEAN-India Connectivity Report: India Country Study

RIS, 2012

ISBN-10: 9380574371

ISBN-13: 978-9380574370

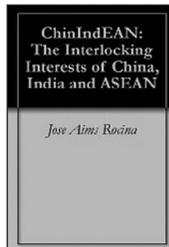


This Report outlines a strategy to enhance the physical connectivity between ASEAN and India. It recommends two major axis that could be promoted to enhance this physical connectivity: the first one is surface connectivity through India's North East Region (NER) and the second one is multimodal connectivity through Southern India, primarily through Chennai-Ennore area. The Report argues that ASEAN-India connectivity would help unlock the tremendous growth potential of the region by removing constraints and bottlenecks to economic development.

ChinIndEAN: The Interlocking Interests of China, India and ASEAN

Jose Aims Rocina

Amazon Digital Services, Inc., 2012



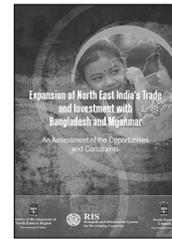
This book analyses the conflicting interests of China, India and ASEAN in Asia, specifically, the Southeast and their potential impact on regional political direction and dynamics. Failure of the parties to cooperate and find

means to settle their differences will have dealt a huge blow to a region already touted as the world's best in the coming years. In this regard, ChinIndEAN is the main catalyst for the region's stability and security.

Expansion of North East India's Trade and Investment with Bangladesh and Myanmar: An Assessment of the Opportunities and Constraints

RIS, 2011

ISBN-81-7122-100-9



This study attempts to better understand the existing level of trade links through both formal and informal channels between India and its neighbours around the country's North East by focusing on Bangladesh and Myanmar. More specifically, the study analyses the scope of utilising nine Land Customs Stations (LCSs) for improving border trade with two countries. Three sets of issues are examined in the study. These are: (a) pattern of border trade between India and its two neighbours and the possibilities of expanding it; (b) supply-side constraints that may exist in the NER which inhibit India's two-way trade with its two neighbours; and (c) exploring India's investment opportunities in Bangladesh and Myanmar with buy-back provisions that can promote border trade through the LCSs.

Further Readings

- ❖ ADB doing analytical work on East Coast Economic Corridors: Nag. K.R. Srivats. *The Hindu Business Line*, 19 November 2013.
- ❖ Let's Flow Along with the Mekong. Chandrajit Bannerjee. *The Hindu Business Line*, 18 November 2013.
- ❖ Can Myanmar live up to expectations? *Bangkok Post*, 11 June 2013.
- ❖ Myanmar, ASEAN stand to gain from enhanced profile after WEF. May Wong, *Channel Newsasia*, 8 June 2013.
- ❖ The Rush to Tap Myanmar's Energy Promise. Roben Farzad. *Bloomberg Business Week*, 7 June 2013.
- ❖ East Asia joins forces to tap deep regional tourism potential. *Eturbonews.com*, 6 June 2013.
- ❖ Myanmar a key passageway for integration with South-East Asia: Saran. *Livemint.com*, 6 June 2013.
- ❖ Power Grid, IFC may tie up for rural electrification, distribution. *Livemint.com*, 6 June 2013.
- ❖ Indian firms, government eye Myanmar for investment, strategic inroads. *Times of India*. 5 June 2013.
- ❖ ADB - Asian Development Bank : Myanmar Unveils US\$ 500 Million Tourism Plan. *4-traders.com*, 5 June 2013.
- ❖ China, India Vie for Myanmar's Energy Resources. *Atlantic Sentinel*, 3 June 2013.

Statistical Indicators

GDP, GDP Per Capita and Population of India and Myanmar

Year	GDP		GDP Per Capita		Population	
	India	Myanmar	India	Myanmar	India	Myanmar
	(US\$ billion)		(US\$)		(million)	
2000	474.57	10.28	461.11	205.00	1029.19	50.13
2012	1841.72	55.27	1500.76	868.09	1227.19	63.67
2018*	2481.18	96.40	1869.34	1343.62	1327.30	71.75
CAGR (2000-12), %	11.96	15.05	10.33	12.78	1.48	2.01

*Forecast

Source: World Economic Outlook, October 2013, International Monetary Fund (IMF).

India's Merchandise Trade with Myanmar

Year	Export (US\$ million)	Share* (%)	Import (US\$ million)	Share* (%)
2000-01	52.71	0.12	181.69	0.36
2005-06	110.70	0.11	525.96	0.35
2012-13	544.66	0.18	1412.69	0.29

*Share in country's total export (import)

Source: Export-Import Databank, Department of Commerce, Government of India.

India's Exports to and Imports from Myanmar: Major Products

(a) Export to Myanmar

HS Code	Commodity	2012-13 (US\$ million)	Share* (%)
30049099	Other Medcne Put Up For Retail Sale N.e.s	41.26	7.58
72104900	Othr Prdcts Of Iron/Non-Alloy Steel Otherwise Pltd/Cotd Wth Zinc	39.46	7.24
23040030	Meal Of Soyabean, Solvent Extracted (Defatted) Variety	38.87	7.14
85371000	Bords Etc For A Voltage<=1000 VIts	26.01	4.78
84306900	Other Machinery, Not Self-Propelled	23.18	4.26
	Total Export To Myanmar	544.66	

(b) Import from Myanmar

HS Code	Commodity	2012-13 (US\$ million)	Share* (%)
7133100	Beans Of The Spp Vigna Mungo, Hepper Or Vigna Radiata,Wilczek Dried & Shld	344.23	24.37
44034910	Teak Wood In Rough	278.86	19.74
44039913	Gurgan (Dipterocarpus Alatus)	220.86	15.63
7139010	Other Dried & Shld Leguminous Vegtbls, Split	202.60	14.34
44039929	Other	139.66	9.89
	Total Import from Myanmar	1412.69	

*Share in country's total export (import) to (from) Myanmar

Source: Export-Import Databank, Department of Commerce, Government of India.

Statistical Indicators

Myanmar's Top 10 Export Partners in 2012

S. No.	Countries	Export (US\$ million)	Share* (%)
1	Thailand	3362.58	40.64
2	India	1219.71	14.74
3	China	1181.2	14.28
4	Japan	612.25	7.40
5	Korea	319.24	3.86
6	Malaysia	167.56	2.03
7	Vietnam	99.52	1.20
8	Singapore	71.74	0.87
9	Bangladesh	67.85	0.82
10	North Korea	65.89	0.80
	World	8273.79	

*Share in country's total export

Source: Direction of Trade Statistics Yearbook, IMF, August 2013.

Myanmar's Top 10 Import Partners in 2012

S. No.	Countries	Import (US\$ million)	Share* (%)
1	China	6242.48	36.93
2	Thailand	3419.34	20.23
3	Singapore	1474.61	8.72
4	Korea	1463.98	8.66
5	Japan	1384.45	8.19
6	Malaysia	774.10	4.58
7	India	586.71	3.47
8	Indonesia	441.75	2.61
9	Germany	138.92	0.82
10	Vietnam	129.59	0.77
	World	16903.80	

*Share in country's total import

Source: Direction of Trade Statistics Yearbook, IMF, August 2013.

Mekong-Ganga Policy Brief

An RIS Publication on India-Mekong Economic Cooperation

RIS has been supporting the process of regional economic integration in Asia with its studies and research. Besides its pioneering contribution to the process of economic integration in South Asia and on broader regional cooperation in Asia, RIS has been supporting the ASEAN-India economic partnership with special emphasis on India-Mekong cooperation. As its most recent initiative to enhance deeper cooperation between India and Mekong countries, RIS has undertaken a project entitled "Building Capacity through South-South Cooperation: Case of Mekong-India Cooperation", supported by the Swiss Agency for Development and Cooperation (SDC). Overall objective of this project is to strengthen trade and investment related capacity of Mekong countries through information sharing, dissemination of knowledge and experiences, networking and transfer of skills. RIS has launched *Mekong Ganga Policy Brief* within the framework of this project. The *Mekong Ganga Policy Brief* seeks to disseminate the policy-related research, news, viewpoints, and information about resources among the policy circles and think-tanks to promote the cause of deeper cooperation between India and Mekong countries. Views expressed by the authors in this policy brief are their personal, and do not represent the views of RIS or SDC. The information contained has been compiled from various sources, as cited, purely for education and dissemination, and not for commercial purposes. The copyrights of the material included remain with the original sources. *Mekong-Ganga Policy Brief* is freely available from RIS or can be downloaded from www.ris.org.in.

RIS

Research and Information System for Developing Countries (RIS), a New Delhi based autonomous think-tank under the Ministry of External Affairs, Government of India, is an organisation that specialises in policy research on international economic issues and development cooperation. RIS is envisioned as a forum for fostering effective policy dialogue and capacity-building among developing countries on international economic issues. The focus of the work programme of RIS is to promote South-South Cooperation and assist developing countries in multilateral negotiations in various forums. RIS is engaged in the Track II process of several regional initiatives. RIS is providing analytical support to the Government of India in the negotiations for concluding comprehensive economic cooperation agreements with partner countries. Through its intensive network of policy think-tanks, RIS seeks to strengthen policy coherence on international economic issues.

For more information about RIS and its work programme, please visit its website: www.ris.org.in



RIS
Research and Information System
for Developing Countries

Core IV-B, Fourth Floor, India Habitat Centre,
Lodhi Road, New Delhi-110 003, India.,
Ph. 91-11-24682177-80 Fax: 91-11-24682173-74
Email: publication@ris.org.in, Website: <http://www.ris.org.in>



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Federal Department of Foreign Affairs (FDFA)
Swiss Agency for Development and Cooperation (SDC)
Department Development Policy and Multilateral Cooperation
Global Issues and Sustainable Development Division

Editor: Dr. Prabir De
Managing Editor: Dr. Beena Pandey