



Fourth Bay of Bengal Economic Dialogue (BoBED)

Towards a Prosperous Bay of Bengal amidst Global Uncertainties

16-17 January 2026

Gulmohar Hall, India Habitat Centre, Lodhi Road, New Delhi

Delhi Declaration

1. BIMSTEC commenced its journey in 1997 in Bangkok. At the highest level, six BIMSTEC Summits have been held so far; one in 2004, held in Bangkok, 2008 in New Delhi, then in 2014 at Nay Pyi Taw, 2018 in Kathmandu, 2022 in Colombo and 2025 in Bangkok.
2. India hosted the BRICS-BIMSTEC Outreach meeting at Goa in October 2016 which has provided a renewed impetus to the organization. Bangladesh, the current chair of the BIMSTEC, will host the 7th BIMSTEC Summit in Dhaka. BIMSTEC will celebrate its 30th anniversary of its establishment in 2027.
3. Research and Information System for Developing Countries (RIS) in collaboration with the think-tanks of the Bay of Bengal region, the BIMSTEC Secretariat, the International Development Research Centre (IDRC), and the UNESCAP SSWA organised the fourth Bay of Bengal Economic Dialogue (BoBED) in New Delhi on 16-17 January 2026 on the theme 'Towards a Prosperous Bay of Bengal amidst Global Uncertainties'.
4. The current network partners of the BoBED are SANEM (Bangladesh), RIS (India), SAWTEE (Nepal), Pathfinder Foundation (Sri Lanka), and Chulalongkorn University (Thailand). Originated at the SANEM, the previous three editions of the BoBED were held in Dhaka (2021, 2022) and Bangkok (2024), respectively. The 2-day international conference was attended by over 100 senior experts, scholars, diplomats, and practitioners. Besides, inaugural and valedictory sessions, a total six plenary sessions were organized.

5. The geographical contiguity, abundant natural and human resources, rich historical linkages and shared cultural heritage are some of the unique advantages that BIMSTEC enjoys. BIMSTEC shares high trade potential and economic complementarities. Not only an energy hotspot, BIMSTEC's strategic location is its greatest asset.

6. The current global economic landscape is marked by geopolitical tensions, economic volatility, supply chain disruptions, unilateral trade measures (e.g. high tariff by the US, CBAM, EUDR, etc.), risks created by climate change, and rapid technological advancements. In this fluid world scenario, regional cooperation and regional integration have been emphasized as essential to addressing transnational challenges, strengthening resilience, and complementing bilateral mechanisms amid weakening global multilateralism.

7. Diversifying export markets, strengthening regional trade, and upgrading value chains are essential to reduce vulnerability to external shocks, and address shared economic, climate, and security challenges. Collective action on sustainable development, skills development, digitalisation and the blue economy including fisheries, renewable energy, biodiversity and coastal tourism is essential. Digital transformation and digital public infrastructure can accelerate regional integration, while cooperation is needed to address digital divides and security challenges.

8. Regional value chains and improved connectivity are critical for enhancing resilience and reducing dependence on limited markets. Expansion of academic exchanges, youth engagement, cultural cooperation, and think-tank networks is essential to build trust and confidence, foster shared understanding, and nurture the next generation of regional experts for long-term regional integration. Conference recommended for promoting the actionable interventions to achieve the BIMSTEC Bangkok Vision 2030 to build a Prosperous, Resilient, and Open BIMSTEC by 2030.

9. To further strengthen the BIMSTEC integration, the Dialogue recommended a 'Pragmatic, Step-by-Step Integration Strategy' prioritizing PTAs, early harvest schemes, and sector-specific cooperation, where political consensus is feasible. Development of Special Economic Zones (SEZs) (on member states borders) aligned with anchor economies' strengths are essential for regional development. Reforming investment restrictions (equity caps, licensing) to attract sustainable FDI was also recommended, with strategically positioning BIMSTEC within China+1 alternative model.

10. Developing coordinated regional responses to CBAM, deforestation rules, and ESG standards to reduce compliance costs, especially for MSMEs,

were also emphasized. Promotion of local-currency trade settlement among Bay of Bengal countries (or the BIMSTEC member states) to reduce vulnerability to dollar-denominated trade and finance was also recommended, along with expanding regional energy cooperation, including electricity trade and transmission infrastructure.

11. Agriculture remains the mainstay of the Bay of Bengal member states. Today, it is facing two major sources of uncertainty-climate-related shocks (extreme weather events) and man-made shocks (unilateral measures and economic disruptions). Member states collectively possess large fertile areas and significant climatic and biodiversity, which was described as a potential source of regional resilience.

12. Agricultural supply chains are weak, especially at the post-harvest stage, with large losses due to inadequate storage and transportation facilities and processing capacity for cereals, fruits, and vegetables. Investment in storage and processing infrastructure was emphasized as necessary to extend shelf life, reduce waste, and enable intra-regional agricultural trade. Agriculture and food prices are directly linked to monetary policy effectiveness, since stable food supply chains help control inflation and thus, enable central banks to focus on growth.

13. Although the BIMSTEC has made some tangible progress in recent years, the region requires additional push to scale up to a higher level. Global uncertainties are yet to be over, and the BIMSTEC faces several challenges both in economic and non-economic areas.

14. Deeper regional understanding on global challenges provides sustainable solutions. BIMSTEC member states need to work on governance, connectivity and trade facilitation, disaster management, climate issues particularly green financing, counter-terrorism, global value chains, digitalization, cross-border digital payment and interoperability, foreign direct investment, implementation of the BIMSTEC master plan of transport connectivity, among others.

15. There are many interesting developments in BIMSTEC. Some of the BIMSTEC member states like Bangladesh and Nepal will graduate to the developing world. Good governance also means good economics. Toward that direction, BIMSTEC has introduced the BIMSTEC Charter in 2022 and implemented. New dimensions have been added to the BIMSTEC Sectoral Mechanisms and BIMSTEC's External Relations. The Rules of Procedure was adopted at the 6th BIMSTEC Summit.

16. The Eminent Persons Group (EPG), which is mandated to make recommendations on the future directions of BIMSTEC, has been accepted. The Agreement on Maritime Transport Cooperation was signed at the sixth Summit, and is under implementation. The BIMSTEC Bangkok Vision 2030 was launched during the 6th Summit.

17. Trade is one of the priority areas of the BIMSTEC. However, intra-BIMSTEC trade and investment remains low. BIMSTEC is yet to make substantial progress in the reduction of non-tariff barriers; trade facilitation, lowering trade costs, streamlining regulatory frameworks and harmonisation of standards. On top, barriers at the border have increased in recent months.

18. The conference emphasised on negotiation and finalisation of the BIMSTEC FTA. Trade and transit facilitations must be given top priority along with energy and digital connectivity. Productivity enhancement, capacity building, knowledge exchange and mutual recognition of standards and certification, paperless trade, currency cooperation, customs single window, among other instruments, can make the BIMSTEC FTA more effective and to translate comparative advantage into competitive advantage. Conference recommended setting up a database on trade barriers with coverage on NTBs.

19. Economic corridors play a key role in integrating economies across region. Conference noted that the Bay of Bengal region has witnessed some good progress in maritime and border connectivity, whereas the progress in land and digital connectivity is limited and they are yet to acquire the needed momentum for deepening the integration. BIMSTEC member states have signed the Maritime Cooperation Agreement (MCA) at the 6th BIMSTEC Summit. Some of the BIMSTEC member states have taken up trade facilitation initiatives including paperless trade measures. The task ahead is to revive the transportation networks in the Bay of Bengal region and beyond, and establish region-wide multimodal transport and transit to reduce transportation costs.

20. A regional strategic partnership for policy development to set-up an economic corridor and an action plan to foster regional cooperation and integration have to be implemented in the region. Economic corridors and multimodal connectivity must however move beyond infrastructure-led approaches and be anchored in practical implementation, policy coordination, and real economic usage. Multimodal corridors must also evolve from being viewed as transport routes to spatial development corridors, generating industrial activity, logistics hubs, and private investment along their routes.

21. To achieve the same, it will be required to accelerate implementation of agreed BIMSTEC connectivity commitments by addressing procedural

bottlenecks, strengthening institutional capacity, and improving inter-agency coordination and sustainable funding. Simultaneous planning of infrastructure and economic activity should be ensured to integrate industrial parks, logistics hubs, and trade clusters into economic corridor development strategies. In-parallel, soft infrastructure reforms—including customs harmonisation, digital trade facilitation, single-window systems, and trusted trader programmes—as immediate enablers of regional integration should be pursued. These initiatives should also be accompanied by continued political momentum through regular leadership-level engagement, ensuring accountability, credibility, and delivery of tangible outcomes.

22. The human civilization is standing at the cusp of extinction as a result of climate change, a problem for which Global South, especially South Asian countries, has contributed the least. However, this region is facing the maximum adverse impacts of it, especially in agriculture and fishery. The Bay of Bengal is one of the world's most productive large marine ecosystem (LME), combining mangroves, coral reefs, many river deltas, and critical habitats for endangered species, while also acting as a major blue-carbon sink, and hosting many fishing species and supporting livelihoods in the region.

23. As region is already experiencing severe climate impacts, including stronger cyclones, ocean warming, acidification, coral bleaching, seagrass loss, growing pressure from pollution, unsustainable fishing, and unplanned coastal development; deepening regional scientific collaboration and data-sharing across Bay of Bengal countries, including joint research platforms and networks, with a focus on shared priority species (including *hilsa*) and climate impacts on fisheries and coastal ecosystems, is important. Countries need to define local solutions for global problems.

24. Leveraging existing institutions and initiatives within the region such as the ISA, the CDRI, the Global Biofuel Alliance, and the Big Cat Alliance more systematically for resilience-building, shared infrastructure, biodiversity conservation, and improved disaster preparedness was recommended. The dialogue also encouraged BIMSTEC member states to strengthen blue economy account and data systems to identify priority investment areas, improve policy coherence, and support strategic planning, including the development of blue trade, blue value chains, and employment-intensive blue MSMEs. There are several opportunities for Bay of Bengal countries in coordinated action in IUU fishing and collaborative marine research initiatives.

25. The rapid diffusion of artificial intelligence (AI) is reshaping economies, societies and governance systems, intensifying the need for an inclusive AI governance framework that supports inclusive digital integration. Conference

discussed the intersection of AI governance and digital integration with a specific focus on the BIMSTEC member states.

26. The region has been facing key governance challenges including data sovereignty, algorithmic accountability, cyber-security, and uneven digital capacities across the region. This scenario highlights the role of enhanced regional cooperation mechanisms, interoperable digital public infrastructure, and multi-stakeholder engagement. Strengthening capacity-building, aligning regulatory approaches, and fostering public–private collaboration can emerge as key pathways to achieving resilient and equitable digital integration in an AI-driven world. Integration of AI with the DPI is going to drive the digital connectivity. There is an imperative for a coordinated, context-sensitive AI governance framework, aligned with BIMSTEC’s development priorities, which is essential for building a resilient, inclusive, and future-ready digitally integrated regional economy. Forming a working group for data localization, harmonization of standards, laws, rules and regulations are some innovative measures recommended by the conference. ASEAN will sign the Digital Economy Framework Agreement (DEFA) in 2026. Interaction between ASEAN and neighboring regions such as the BIMSTEC will poise to strengthen the digital connectivity.

27. BIMSTEC member states may explore the effective ways and instruments to enhance regional financing for funding resilience and shared development goals. Enhancing regional identity and cooperation through regular institutional meetings is important. BIMSTEC’s cooperation with MDBs such as the ADB, AIIB, NDB, the World Bank, among other such institutions, shall be strengthened. These programmes may lead to transforming the region’s comparative advantage into competitive advantage.

28. Connectivity without community is fragile. Conference identified people-to-people contacts as a best mean to deepen the integration. To enhance people-to-people contacts, initiatives such as liberalize visa regime, educating youth about BIMSTEC’s importance, expanding educational exchange programmes, exchange of scholars, BIMSTEC fellowship (Build BIMSEC Policy Research Fellowship), investing in cross-border infrastructure, and facilitating affordable digital connectivity need to be promoted.

29. Education can be identified as a powerful tool for creating connections, with the inauguration of integrated scholarship programs. The student exchange programme at the school level may also be impactful in cultural exchange. Exchange of parliamentarians, scholars, etc. are important to strengthen regional integration in BIMSTEC. BIMSTEC member states should leverage shared culture and maritime heritage. The *Kartik Purnima* day could be celebrated as

BIMSTEC Maritime Day, thereby further strengthening trust and people-to-people contacts. There are many common cultural similarities across the region at the sub-national level, which require special attention and nurturing leading to strengthen the people to people contacts. Interoperability of digital platforms such as the UPI and Thailand's PromtPay is going to strengthen the people-to-people contacts.

30. Bangladesh is the current chair of BIMSTEC. The Conference identified a set of supportive recommendations leading to add further momentum.

31. Organisers of the fourth BoBED thanked the host, RIS for extending an excellent support and cooperation in organising the 4th BoBED. Participants of the conference appreciated the BIMSTEC Secretariat and the Secretary Generals, both former and current, for whole-hearted support to the programme. The BoBED has been grateful to the IDRC for extending the valuable support. The organisers are equally grateful to the UNESCAP for their supports and participation.

32. This Declaration is handed over to the Director at the BIMSTEC Secretariat, Mr. Uttam Kumar Shahi and requested him to report it to the next BIMSTEC Ministerial meetings and also to the member states.

17 January 2026, New Delhi