

## **Background Note**

### **Facilitating Connectivity in Bay of Bengal Region**

**April 11, 2017, Dhaka, Bangladesh**

#### **Objective and Purpose**

CUTS International in partnership with BIMSTEC secretariat is organizing a conference on **“Facilitating Connectivity in Bay of Bengal Region”** on **11<sup>th</sup> April, 2017 at Dhaka, Bangladesh**. The meeting aims to deliberate on issues pertinent to connectivity in the Bay of Bengal region, with particular emphasis on physical connectivity, energy connectivity and investment connectivity. It will bring together policy makers, experts, private sector, academia, think-tanks and media representatives from the region to discuss key issues and come up with a forward looking road map for overall connectivity in the Bay of Bengal Region.

#### **Background and Context**

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) comprising Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand accounts for 21% of the world population. Though this provides a huge potential for trade, intra-BIMSTEC trade is fairly low. Two crucial reasons inhibiting growth are a low level of economic integration within the region and a dearth of infrastructure: especially transport connections within those countries to neighbouring states and the rest of the world. A key driver of growth for the Bay states will lie in their ability to take advantage of the economic opportunities presented by their neighbours, in terms of regional integration and infrastructural development.

The present scenario pushes for initiatives such as greater connectivity, energy cooperation, technology cooperation, increased cross border trade and investment, agriculture as major focus area of active ongoing cooperation under BIMSTEC cooperation. It is also recognized that different modes of transport linkages are imperative for achieving connectivity among member countries to promote the movement of goods and services. With this background CUTS is organizing a conference on 11<sup>th</sup> April, Dhaka, Bangladesh to understand how consensus on better economic integration can be achieved through synergy.

## **Issues of Discussion**

- Identifying the Land corridors in Bay of Bengal Region and how they can be strengthened, particularly in the backdrop of the BBI MVA and such other enabling connectivity initiatives and frameworks in the region
- Integrating the land corridors of the region with other modes of connectivity, viz. rail, waterways and maritime connectivity and highlighting the role of multi-modal connectivity in enabling trade in the economies of Bay of Bengal region.
- Policies and programs to encourage investment in regional power projects fueled by clean, renewable sources to mitigate climate challenges in the countries of Bay of Bengal region, which currently relies heavily on fossil fuels to generate power, while meeting the growing energy needs of these transforming economies
- Trends and impediments to cross-border investment in the countries of the Bay of Bengal region and how such impediments can be overcome

## **Expected Outcomes**

- Recommendation to facilitate connectivity through all modes of transport between and among the countries of the Bay of Bengal region
- Develop recommendations for the successful implementation of the BBIN Motor Vehicles Agreement and such other enabling connectivity initiatives with a focus on customs and border processes
- Key policies and projects that will encourage investment in the region, including those for regional clean power projects, infrastructure and corridor development