



## India & its Neighbourhood

**For Prelims:** India & Its Border with Neighbour Countries, Foreign Policy, Gujral Doctrine

**For Mains:** India's relations with its neighbours, India's initiatives & agreements with neighbours, Challenges in Neighbourhood First Policy

### Why in News?

Recently, Indian External Affairs Minister met with Maldives President stating that [India's 'Neighborhood First' policy](#) and the Maldives' 'India First' policy complement each other, advancing the special partnership.

### What is India's Neighbourhood First Policy?

#### ▪ About:

- Under its '**Neighbourhood First**' policy, India is committed to **developing friendly and mutually beneficial relations** with all its neighbours.
  - India is an **active development partner** and is involved in several projects in these countries.
- India's policy of 'Neighbourhood First' focuses on **creating mutually beneficial, people-oriented, regional frameworks** for stability and prosperity.
- India's engagement with these countries is based on a consultative, non-reciprocal and outcome-oriented approach, which focuses on delivering benefits like **greater connectivity, improved infrastructure, stronger development** cooperation in various **sectors, security and broader people-to-people contacts**.

#### ▪ Purpose:

- **Connectivity:**
  - India has entered into **MoU (Memorandum of Understanding)** with members of the [South Asian Association for Regional Cooperation \(SAARC\)](#).
    - These agreements ensure a **free flow of resources, energy, goods, labour, and information across borders**.
- **Improving Relations with Neighbours:**
  - Priority is to **improve the relations** with immediate neighbours as **peace and tranquillity in South Asia** is essential for realising development agenda.
- **Dialogue:**
  - It focuses on **vigorous regional diplomacy** by engaging with neighbouring nations and building political connectivity through dialogue.
- **Economic Cooperation:**
  - It focuses on enhancing trade ties with neighbours.
    - India has participated and invested in SAARC as a vehicle for development in the region.
  - One such example is the [Bangladesh-Bhutan-India-Nepal \(BBIN\)](#) grouping for energy development i.e. motor vehicles, waterpower management and inter-grid connectivity.

- **Disaster Management:**
  - The policy also focuses on cooperating on **disaster response, resource management, [weather forecasting](#) and communication** and also capabilities and expertise in disaster management for all South Asian citizens.
- **Military and Defence Cooperation:**
  - India is also focusing on **deepening security** in the region through **military cooperation** by conducting as well as participating in various **[defence exercises](#)**.

## How has India's Relations with its Neighbours been?

- **India - Maldives:**
  - **Security Partnership:**
    - Recently, the **National College for Policing and Law Enforcement (NCPLE)** was inaugurated by India's External Affairs Minister during his two day visit to Maldives in 2022.
  - **Rehabilitation Centre:**
    - Signing of an **USD80-million contract for the Addu reclamation and shore protection** project.
    - A **drug detoxification and rehabilitation centre** in Addu built with Indian assistance.
      - The centre is **one of 20 high impact community development projects** being implemented by India in areas such as **[healthcare](#), [education](#), [fisheries](#), [tourism](#), [sports](#) and **culture**.**
  - **Economic Cooperation:**
    - **Tourism** is the mainstay of Maldivian economy. The country is now a **major tourist destination** for some Indians and a job destination for others.
    - In August 2021, **Afcons, an Indian company**, signed a contract for the **largest-ever infrastructure project in Maldives** which is the **[Greater Male Connectivity Project \(GMCP\)](#)**.
- **India - Bhutan:**
  - **Indo-Bhutan Treaty of Peace and Friendship, 1949:**
    - The Treaty provides for, among other things, **perpetual peace and friendship, [free trade](#) and [commerce](#)** and equal justice to each other's citizens.
      - In 2007 the treaty was re-negotiated, and provisions were included to **encourage Bhutan's sovereignty**, abolishing the need to take India's guidance on foreign policy.
  - **Hydropower Cooperation:**
    - This **[hydropower cooperation](#)** comes under the **2006 Agreement on Cooperation in Hydropower**.
      - Under a protocol to this agreement, India has agreed to assist Bhutan in the development of a minimum of **10,000 MW of hydropower and import of surplus electricity** from the same by 2020.
  - **Economic Assistance:**
    - India is Bhutan's **leading development partner**.
    - Since the launch of the **First Five Year Plan of Bhutan in 1961**, India has been extending financial support to Bhutan's FYPs.
    - India has allotted **Rs 4500 crore to Bhutan's 12<sup>th</sup> FYP (2018-23)**.
- **India - Nepal:**
  - **High Level Visit:**
    - Recently, the Indian Prime Minister has visited **Lumbini, Nepal**, the birthplace of **[Buddha](#)**, where he laid a **foundation stone** along with **Nepalese Prime Minister** for a **Buddhist Vihara**, being built with **Indian assistance**.
  - **Treaty of Peace and Friendship of 1950:**
    - The treaty talks about **reciprocal treatment of Indian and Nepali citizens** in the two countries, in residence, property, business and movement.
      - It also establishes **national treatment for both Indian and Nepalese businesses** (i.e. once imported, **foreign goods would be treated no differently than domestic goods**).
  - **Hydropower Projects:**

- The two countries **signed five agreements**, including one between the **Satluj Jal Vidyut Nigam (SJVN) Ltd and the Nepal Electricity Authority (NEA)** for development and implementation of 490.2 megawatts Arun-4 hydropower project.
  - Nepal also **invited Indian companies** to invest in the West Seti hydropower project in Nepal.
- **India - Sri Lanka:**
  - **Hybrid Power:**
    - India & Sri Lanka signed a MoU that provided India to **set up hybrid power projects in three Islands** (Nainativu , Delft or Neduntheevu , and Analaitivu) off Jaffna.
  - **Maritime Rescue Coordination Center:**
    - India and Sri Lanka have also agreed to set up a **Maritime Rescue Coordination Center (MRCC)**, signaling greater defence sector **collaboration** between the neighbours.
  - **Unitary Digital Identity framework:**
    - India has agreed to **provide a grant to Sri Lanka** to implement a ‘**Unitary Digital Identity framework**’, apparently modelled on the **Aadhaar card**.
      - It is similar to India’s own Aadhaar and under the proposed **Unitary Digital Identity framework**, Sri Lanka is expected to introduce a:
        - Personal identity **verification device** based on **biometric data**.
        - **Digital tool** that can represent the identities of individuals in **cyberspace**.
        - **Identification of individual identities** that can be accurately verified in digital and physical environments by combining the two devices.

## What are the Challenges in India’s Neighbourhood First Policy?

- **Growing Chinese Pressure:**
  - It failed to take a meaningful direction and growing Chinese pressure has prevented the country from winning allies in the region.
    - On the maritime front, China is extending its influence across the **Indo-Pacific region**.
- **Interference in Domestic Affairs:**
  - India is **interfering in the domestic affairs of neighbouring countries** especially in Nepal in the violation of their sovereignty.
    - India is also creating **hurdles in free transit and free trade** within and beyond Nepal and keeps **suppressing its people and government**.
- **Impact of India’s Domestic Politics:**
  - India’s domestic policies are creating **problems in Bangladesh**, a Muslim-majority country, showing India’s neighbourhood first policy faces serious challenges even in friendly territories like Bangladesh.
- **Impact of India’s Tilt towards West:**
  - India draws closer to the West, particularly through the **Quad** and other **multilateral and mini-lateral initiatives**.
    - But Sri Lanka’s connections with the West are **not moving in a good direction** as the country’s current government **faces increasing criticism** from Western capitals on **human rights issues and freedoms**.

## Way Forward

- India’ neighbourhood policy should be **based on the principles of Gujral Doctrine**.
  - This would ensure **India’s stature and strength cannot be isolated** from the quality of its relations with its neighbours and there can be **regional growth as well**.
- Integrating **India’s regional economic and foreign policy** remains a major challenge.
  - Therefore, India should **resist compromising bilateral relationships** with neighbours for short economic interests.
- **Regional connectivity must be pursued** with greater vigour while **security concerns** are addressed through **cost-effective, efficient and reliable technological measures** which are

in use in other parts of the world.

## **UPSC Civil Services Examination, Previous Year Questions (PYQs)**

**Q.** “China is using its economic relations and positive trade surplus as tools to develop potential military power status in Asia”. In the light of this statement, discuss its impact on India as her neighbour. **(2017)**

**Source: IE**

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