



# Shanghai Cooperation Organisation (SCO)

Last Updated: July 2022

## What is SCO?

- SCO is a permanent intergovernmental international organisation.
- It's a Eurasian political, economic and military organisation aiming to maintain peace, security and stability in the region.
- It was created in 2001.
- The SCO Charter was signed in 2002, and entered into force in 2003.
- It is a statutory document which outlines the organisation's goals and principles, as well as its structure and core activities.
- The SCO's official languages are Russian and Chinese.

## What are the Recent Developments?

- In SCO Summit to be held in September 2022 in Uzbekistan, Varanasi has been selected as the SCO region's first **"Tourism and Cultural Capital for 2022-23."**
- **India will host the SCO summit next year in 2023.**

## How did it Come into Being?

- Prior to the creation of SCO in 2001, Kazakhstan, China, Kyrgyzstan, Russia and Tajikistan were members of the Shanghai Five.
- Shanghai Five (1996) emerged from a series of border demarcation and demilitarization talks which the four former Soviet republics held with China to ensure stability along the borders.
- Following the accession of Uzbekistan to the organisation in 2001, the Shanghai Five was renamed the SCO.
- India and Pakistan became members in 2017.

## Who are the Member Nations?

- There are eight member nations of SCO
  - Kazakhstan
  - China
  - Kyrgyzstan
  - Russia
  - Tajikistan
  - Uzbekistan
  - India
  - Pakistan
- [Iran and Belarus are likely to be the two newest additions to the SCO.](#)

## Who are the Observer States?

- Afghanistan

- Belarus
- Iran
- Mongolia

## Who are the Dialogue Partners?

- Azerbaijan
- Armenia
- Cambodia
- Nepal
- Turkey
- Sri Lanka

## What are the Objectives?

- Strengthening mutual trust and neighbourliness among the member states.
- Promoting effective cooperation in -politics, trade & economy, research & technology and culture.
- Enhancing ties in education, energy, transport, tourism, environmental protection, etc.
- Maintain and ensure peace, security and stability in the region.
- Establishment of a democratic, fair and rational new international political & economic order.

## What is the Guiding Principle of SCO?

### The Guiding Principle of SCO is based on Shanghai Spirit

- Internal policy based on the principles of mutual trust, mutual benefit, equality, mutual consultations, respect for cultural diversity, and a desire for common development.
- External policy in accordance with the principles of non-alignment, non-targeting any third country, and openness.

## What is the Structure of SCO?

- **Heads of State Council** - The supreme SCO body which decides its internal functioning and its interaction with other States & international organisations, and considers international issues.
- **Heads of Government Council** - Approves the budget, considers and decides upon issues related economic spheres of interaction within SCO.
- **Council of Ministers of Foreign Affairs** - Considers issues related to day-to-day activities.
- **Regional Anti-Terrorist Structure (RATS)** - Established to combat terrorism, separatism and extremism.
- **SCO Secretariat** - Based in Beijing to provide informational, analytical & organisational support.

## What are SCO's Main Areas of Operations?

- Initially, the SCO focused on mutual intraregional efforts to curb terrorism, separatism and extremism in Central Asia.
- In 2006, SCO's agenda widened to include combatting international drug trafficking as a source of financing global.
- In 2008, SCO actively participated in bringing back stability in Afghanistan.
- At the same time, the SCO took up a variety of economic activities:
  - In 2003, SCO member states signed a 20-year Programme of Multilateral Trade and Economic Cooperation for the establishment of a free trade zone within the territory under the SCO member states.

## What are the Strengths of SCO?

- The SCO covers 40% of the global population, nearly 30% of the global GDP and 60% of the area of Eurasia.
- The SCO has a strategically important role in Asia due to its geographical significance - this

- enables it to control the Central Asia and limit the American influence in region.
- SCO is seen as counterweight to the North Atlantic Treaty Organisation.

## What are the Challenges for SCO?

- The SCO security challenges includes combating terrorism, extremism and separatism;; drug and weapons trafficking, illegal immigration, etc.
- Despite being geographically close, the rich diversity in member's history, backgrounds, language, national interests and form of government, wealth and culture makes the SCO decision making challenging.

## What is the Importance of SCO for India?

- India's membership of SCO can help in achieving regional integration, promote connectivity and stability across borders.

### Security

- India through RATS can improve its counterterrorism abilities by working toward intelligence sharing, law enforcement and developing best practices and technologies.
- Through the SCO, India can also work on anti-drug trafficking and small arms proliferation.
- Cooperation on common challenges of terrorism and radicalisation.

### Energy

- India being an energy deficient country with increasing demands for energy, SCO provides it with an opportunity to meet its energy requirements through regional diplomacy.
  - Talks on the construction of stalled pipelines like the TAPI (Turkmenistan-Afghanistan-Pakistan-India) pipeline; IPI (Iran-Pakistan-India) pipeline can get a much needed push through the SCO.

### Trade

- SCO provides direct access to Central Asia - overcoming the main hindrance in flourishing of trade between India and Central Asia.
- SCO acts as an alternative route to Central Asia.
- Economic Ties - Central Asian countries provides India with a market for its IT, telecommunications, banking, finance and pharmaceutical industries.

### Geopolitical

- Central Asia is a part of India's Extended Neighbourhood - SCO provides India an opportunity to pursue the "Connect Central Asian Policy".
- Helps India fulfil its aspiration of playing an active role in its extended neighbourhood as well as checking the ever growing influence of China in Eurasia.
- Platform for India to simultaneously engage with its traditional friend Russia as well as its rivals, China and Pakistan.

## What are the Challenges of SCO Membership for India?

- Pakistan's inclusion in SCO poses potential difficulties for India.
- India's ability to assert itself would be limited and it may have to play second fiddle since China and Russia are co-founders of SCO and its dominant powers.
- India may also have to either dilute its growing partnership with the West or engage in a delicate balancing act - as SCO has traditionally adopted an anti-Western posture.

PDF Referenece URL: <https://www.drishtiiias.com/printpdf/important-international-institutions-shanghai-cooperation-organisation-sco>

