



Fast Tracking BIMSTEC Free Trade Agreement

[Source: PIB](#)

The Indian **Minister of Commerce & Industry** called for faster negotiations of the [BIMSTEC Free Trade Agreement \(FTA\)](#) at the **BIMSTEC Business Summit** in New Delhi.

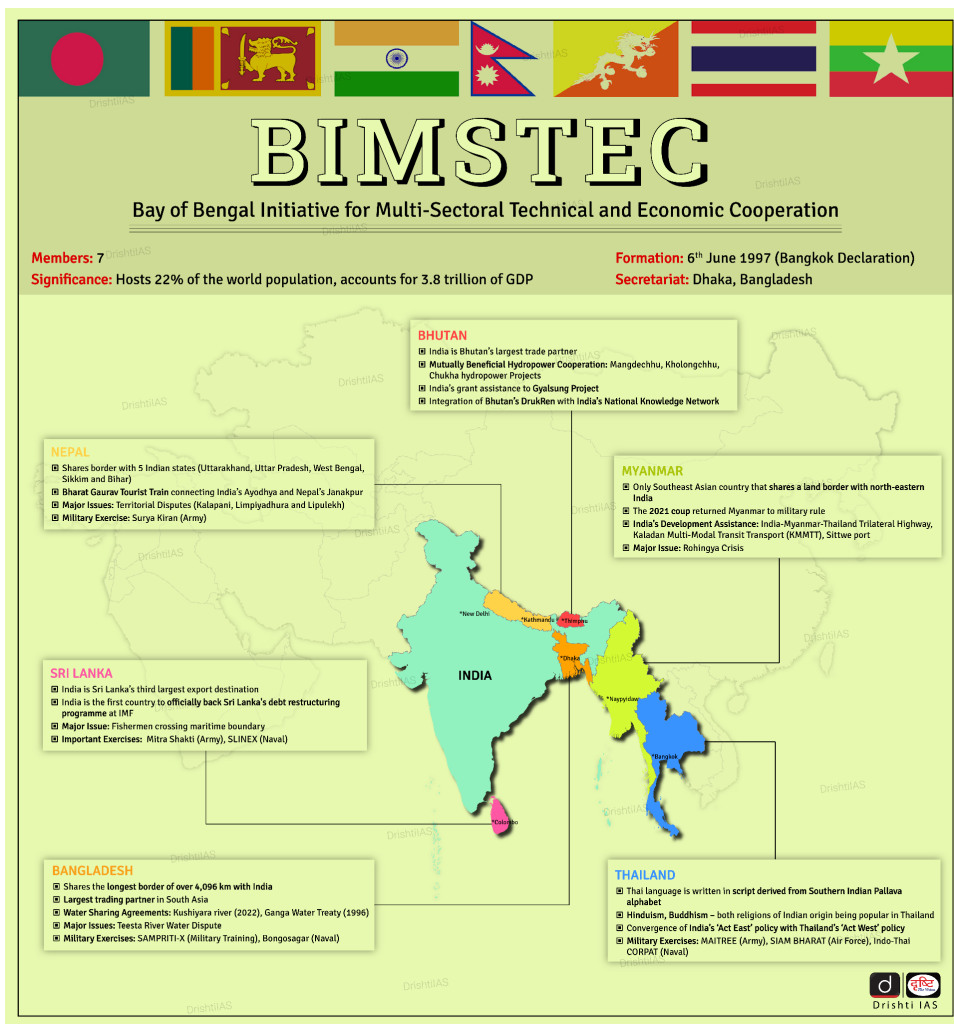
- He called for a [preferential trade agreement](#) to begin with to foster intra-regional trade and investment and enhance regional competitiveness.
- **India's total trade** with BIMSTEC countries amounted to **USD 44.32 billion** in 2023-24.
 - **Thailand was India's largest trading partner** within the bloc, with exports worth **USD 5.04 billion** and imports at **USD 9.91 billion**.
 - **Bangladesh** followed, with exports of **USD 11.06 billion** and **imports of USD 1.84 billion**, creating a trade balance of USD9.22 billion in India's favour.

BIMSTEC Free Trade Agreement (FTA):

- It was signed in February 2004.
- It **includes provision for negotiation of FTA** on goods, services, investment and economic cooperation amongst the member countries.
- BIMSTEC countries **constituted the Trade Negotiating Committee** to carry forward the negotiations in accordance with the Framework Agreement.

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BIMSTEC
Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation

Members: 7
Significance: Hosts 22% of the world population, accounts for 3.8 trillion of GDP

Formation: 6th June 1997 (Bangkok Declaration)
Secretariat: Dhaka, Bangladesh

NEPAL

- Shares border with 5 Indian states (Uttarakhand, Uttar Pradesh, West Bengal, Sikkim and Bihar)
- Bharat Gaurav Tourist Train connecting India's Ayodhya and Nepal's Janakpur
- Major Issues: Territorial Disputes (Kalapani, Limpiyadhura and Lipulekh)
- Military Exercise: Surya Kiran (Army)

BHUTAN

- India is Bhutan's largest trade partner
- Mutually Beneficial Hydropower Cooperation: Mangdechhu, Kholongchhu, Chukha hydropower Projects
- India's grant assistance to Gyalsung Project
- Integration of Bhutan's DrukRen with India's National Knowledge Network

MYANMAR

- Only Southeast Asian country that shares a land border with north-eastern India
- The 2021 coup returned Myanmar to military rule
- India's Development Assistance: India-Myanmar-Thailand Trilateral Highway, Kaladan Multi-Modal Transit Transport (KMMTT), Sittwe port
- Major Issue: Rohingya Crisis

SRI LANKA

- India is Sri Lanka's third largest export destination
- India is the first country to officially back Sri Lanka's debt restructuring programme at IMF
- Major Issue: Fishermen crossing maritime boundary
- Important Exercises: Mitra Shakti (Army), SLINEX (Naval)

INDIA

BANGLADESH

- Shares the longest border of over 4,096 km with India
- Largest trading partner in South Asia
- Water Sharing Agreements: Koshiyara river (2022), Ganga Water Treaty (1996)
- Major Issues: Teesta River Water Dispute
- Military Exercises: SAMPRITI-X (Military Training), Bongosagar (Naval)

THAILAND

- Thal language is written in script derived from Southern Indian Pallava alphabet
- Hinduism, Buddhism – both religions of Indian origin being popular in Thailand
- Convergence of India's 'Act East' policy with Thailand's 'Act West' policy
- Military Exercises: MAITREE (Army), SIAM BHARAT (Air Force), Indo-Thai CORPAT (Naval)

DRISHTI IAS

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