



Prime Minister's Visits to Singapore and Brunei Darussalam

For Prelims: [Semiconductor](#), [India's Semiconductor Mission](#), [Green hydrogen](#), [Global Biofuels Alliance](#), [ASEAN-India Trade in Goods Agreement](#), [Artificial Intelligence](#), [Comprehensive Economic Cooperation Agreement](#), [Foreign Direct Investment](#), [East Asia Summit](#)

For Mains: India's Relations with Singapore, Importance of Brunei for India's Strategic Interests, Act East Policy, ASEAN-India Comprehensive Strategic Partnership

Source: HT

Why in News?

Recently, Prime Minister of India's visits to **Brunei Darussalam** and **Singapore** have marked significant advancements in India's diplomatic and strategic engagements in Southeast Asia.

What are the Key Facts About Singapore and Brunei Darussalam?

- **Brunei Darussalam:**
 - **Location:** Situated on the north-west of the island of Borneo. with a coastline of about 161-km along the South China Sea. It is bounded on the North by the South China Sea and on all the other sides by Malaysia.
 - **Economy:** Revenue is generated predominantly from crude oil and natural gas, with efforts towards economic diversification.
 - **Third-largest oil producer in Southeast Asia; fourth-largest liquefied natural gas producer globally.**
 - Brunei Darussalam's main exports consist of three major commodities - crude oil, petroleum products and liquefied natural gas - **sold largely to Japan, the US and ASEAN countries.**



▪ Singapore:

- **Geography:** Singapore is an island nation, consisting of one main island (Pulau Ujong) and 62 smaller islands. Its neighbors include Malaysia to the north and Indonesia to the south.
- **Historical Background:** Originally known as Tumasik, meaning "sea," the island was a key stop for traders. During the 14th century, Tumasik earned its new name, "**Singapura**" (meaning "**The Lion City**").
 - Singapore officially came under British rule in 1826. The Japanese took control of Singapore in 1942 during WW-II but handed back ownership to the British once they lost the war.
 - In 1959, Singapore became self-governing, though Britain still controlled the country's military. The country finally gained full independence as the Republic of Singapore in 1965.
- **Government and Economy:** Parliamentary republic. It is one of the strongest economies in Southeast Asia with significant sectors in banking and manufacturing.

What were the Key Outcomes of PM's Visit to Brunei Darussalam?

- The PM visited the **iconic Omar Ali Saifuddien Mosque in Bandar Seri Begawan**, a symbol of Brunei's Islamic heritage and is named after the 28th Sultan of Brunei.
- India appreciated Brunei's support in hosting **ISRO's Telemetry Tracking and Telecommand (TTC) Station**, with discussions on furthering cooperation under the renewed MoU.
- Both nations underscored the importance of peaceful dispute resolution in the **South China Sea** in line with international law, particularly the **UNCLOS 1982**.
 - Agreed to strengthen cooperation in multilateral fora like **ASEAN-India Dialogue Relations**, **East Asia Summit**, and the **United Nations**.
- Both leaders stressed the urgent need to address climate change, with India supporting Brunei's efforts, including hosting the **ASEAN Centre for Climate Change**.
- **Earlier, India reduced its oil imports from Brunei in favor of Russian supplies. Now, discussions on long-term cooperation in liquefied natural gas (LNG) have been initiated.**

What were the Key Outcomes of PM's Visit to Singapore?

- **Semiconductor Ecosystem Partnership: An MoU was signed to develop a resilient semiconductor supply chain, marking a new area of bilateral cooperation. The MoU holds great geo-strategic significance due to the global importance of semiconductor chips in various technologies.**
 - Singapore's semiconductor industry has been thriving since the 1970s, accounting for approximately **10% of global semiconductor output and 20% of semiconductor equipment production**.
- **Comprehensive Strategic Partnership: India and Singapore have agreed to elevate their bilateral relationship to a 'Comprehensive Strategic Partnership,' broadening cooperation across various sectors.**
- **Cooperation in Sustainability:** Both nations are set to collaborate on **green hydrogen** and **ammonia** projects, with a framework being developed to support these initiatives.
 - India has agreed to grant an exemption for **exporting non-Basmati white rice to Singapore**, addressing Singapore's food security needs.
- **Digital Technologies: A MoU on digital technologies has been signed, aiming to deepen cooperation in data, AI, and cybersecurity. The establishment of a Cyber Policy Dialogue and the renewal of the MOU on Cybersecurity Cooperation are in progress.**
- **Fintech Cooperation: India's UPI and Singapore's PayNow** and TradeTrust initiative are recognised for their role in facilitating paperless transactions and enhancing trade efficiencies.
- **Cultural Linkages: India also announced the upcoming inauguration of the Thiruvalluvar Cultural Centre in Singapore, celebrating the legacy of the Tamil saint Thiruvalluvar.**
 - There is a mutual commitment to enhance cultural and people-to-people ties, recognizing the contributions of the Indian community in Singapore.

How are India's Relations with Brunei Darussalam and Singapore?

- **Brunei Darussalam:**
 - **Political Relations:** Diplomatic relations between India and Brunei Darussalam were established in 1984. Both nations share strong ties through cultural linkages and memberships in organizations like the [United Nations](#), [Non-Aligned Movement \(NAM\)](#), [Commonwealth](#), and ASEAN.
 - The Sultan of Brunei, Sultan Haji Hassanal Bolkiah, is a strong advocate for close India-Brunei relations and has supported [India's 'Look East'](#) and ['Act East' policies](#).
 - Brunei has also supported India's international candidatures and played a key role in strengthening **India-ASEAN relations** as the ASEAN Country Coordinator from 2012 to 2015.
 - **Commercial Relations:** India's main exports to Brunei include automobiles, transport equipment, rice, and spices. India is a major importer of **crude oil from Brunei**, with imports valued at approximately **USD 500-600 million annually**.
 - **Indian Community:** The Indian diaspora in Brunei Darussalam spans well over decades, with the first arrivals in the 1930s with more than half being semi and unskilled workers in industries such as oil & gas, construction, and retail.
- **Singapore:**
 - **Historical Connect:** India and Singapore have deep historical ties spanning commerce, culture, and people-to-people connections over a millennium.
 - The modern relationship traces back to **Stamford Raffles** (British East Indian administrator and founder of the port city of Singapore) **establishing a trading post in Singapore in 1819**, which later became a British colony **governed from Kolkata until 1867**.
 - India was one of the first countries to recognise Singapore's independence in 1965.
 - **Trade and Economic Cooperation:**
 - **Trade:** Singapore is **India's 6th largest trade partner, with a share of 3.2 % of India's overall trade**.
 - **Investments:** Since 2018-19, Singapore has been the largest contributor of **FDI** into India with top sectors being Services, Computer Software & Hardware, Trading, Telecommunications, and Drugs & Pharmaceuticals.
 - **Fintech:** Commercial and technical arrangements have been made for [RuPay card acceptance](#) in Singapore. **UPI-Paynow Linkage** is a landmark cross-border Fintech development.
 - Singapore is the first nation with which India has begun this **cross-border Person-to-Person (P2P) payment facility**.
 - **Science and Technology Cooperation:** The [ISRO](#) has launched several Singaporean satellites, including **Singapore's first indigenous built micro-satellite in 2011**.
 - **Multilateral Cooperation:** Singapore has joined the [International Solar Alliance](#) and [Global Bio-fuel Alliance](#). The two are also part of multilateral groups like [Indian Ocean Rim Association \(IORA\)](#).
 - **Indian Community:** Ethnic Indians make up about 9.1% of Singapore's 3.9 million residents. Tamil is one of the four official languages of Singapore.

What is the Importance of Southeast Asian Countries for India's Strategic Interests?

- **Act East Policy:** PM's visit to Southeast Asian countries, aligns with India's broader [Act East Policy](#) which seeks to strengthen ties with [ASEAN countries](#) and enhance India's strategic footprint in Southeast Asia.
 - India is deepening its defense relationships in Southeast Asia, exemplified by agreements with the **Philippines** and **collaborations with other nations like Vietnam and Indonesia**.
- **Geostrategic Location:** Southeast Asia sits at a pivotal juncture in the Indo-Pacific region, a **major hub for maritime trade routes like Maritime Silk Road**. This strategic location is

vital for India's vision of a free, open, and inclusive Indo-Pacific.

- **Counterbalancing China:** The region's proximity to China makes it crucial for India's efforts to counterbalance China's growing influence. Strengthening ties with Southeast Asian countries helps India maintain a strategic edge and support regional stability.
- **Economic Interests:** Southeast Asia is home to some of the world's fastest-growing economies (Malaysia, the Philippines, Thailand, and Vietnam), the region presents substantial economic opportunities for India.
 - India has been ASEAN's leading trade partner. Key projects like the [India-Myanmar-Thailand Trilateral Highway](#) and the [Mekong-India Economic Corridor](#) further enhance economic integration.
- **Challenges Faced by India Face in SE Asia:**
 - China's assertive policies in the South China Sea complicate India's efforts to promote regional stability and secure maritime routes critical for its trade.
 - China's proximity and economic power give it a natural advantage, making it challenging for India to match its influence in Southeast Asia.
 - SE Asia's political landscape is diverse, with **varying degrees of alignment and resistance to China's influence**, making a one-size-fits-all approach difficult for India.
 - While India is working on improving connectivity with Southeast Asia, existing infrastructure remains underdeveloped, hampering trade and people-to-people connections.

Way Forward

- India shall enhance **digital connectivity with SE Asia** to boost collaboration in e-commerce, and fintech. India shall leverage its [Information technology \(IT\)](#) strengths to establish it as a regional technology hub, offering expertise in software, IT services, and digital innovation.
- India's focus should be on **diversifying supply chains to reduce reliance on China**, promoting **regional value chains** to boost trade and investment for greater economic resilience and integration.
- Enhancing maritime security cooperation to address common threats like [Maritime piracy](#), [illegal fishing](#), and [maritime terrorism](#).
- India can consider developing a **Maritime Southeast Asia-India Economic Corridor**, to counter China's BRI to enhance connectivity and cooperation in the region.

Drishhti Mains Question:

Q. Analyze the significance of elevating India-Singapore relations to a Comprehensive Strategic Partnership. What are the expected benefits across different sectors?

Q. What are the strategic benefits for India in expanding its relationship with ASEAN countries under the Act East Policy?

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Prelims:

Q. Consider the following countries: (2018)

1. Australia
2. Canada
3. China
4. India
5. Japan
6. USA

Which of the above are among the 'free-trade partners' of ASEAN?

(a) 1, 2, 4 and 5

(b) 3, 4, 5 and 6

(c) 1, 3, 4 and 5

(d) 2, 3, 4 and 6

Ans: (c)

Q. The term 'Regional Comprehensive Economic Partnership' often appears in the news in the context of the affairs of a group of countries known as (2016)

(a) G20

(b) ASEAN

(c) SCO

(d) SAARC

Ans: (b)

Mains

Q. Evaluate the economic and strategic dimensions of India's Look East Policy in the context of the post-Cold War international scenario. (2016)

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