

## MP-IDSA Backgrounder

# The 22<sup>nd</sup> Summit of the Shanghai Cooperation Organisation

### Jason Wahlang

November 14, 2022



The main focus of the 22nd Summit of the Shanghai Cooperation Organisation in Samarkand was on strengthening regional cooperation and trade connectivity in Eurasia.

The 22<sup>nd</sup> Summit of the Shanghai Cooperation Organisation (SCO) took place in Samarkand on 15 September 2022. This was the first in-person event since the outbreak of the Covid-19 pandemic. The Summit took place against the backdrop of tumultuous geopolitical flux, including the war in Ukraine. The main focus of the Summit was on strengthening regional cooperation and trade connectivity in Eurasia.

The SCO member states include Russia, China, Central Asian Republics of Kazakhstan, Uzbekistan, Kyrgyzstan, and Tajikistan, along with India and Pakistan. While Turkmenistan is not a member due to its policy of neutrality, it continues to be a permanent invitee. The organisation also has several observer states such as Afghanistan, Belarus and Mongolia, apart from dialogue partners such as Nepal, Armenia, Azerbaijan and Sri Lanka, amongst others. The SCO is the largest regional organisation in Eurasia. Its members encompass one-quarter of the Earth's surface and 40 per cent of the world's population (Map 1). They also contribute one-third of the world's Gross Domestic Product (GDP).<sup>1</sup>



#### Map 1: Shanghai Cooperation Organisation Member States

\* GIS Section, Manohar Parrikar Institute for Defence Studies & Analyses, New Delhi. Disclaimer - Map not to scale.

<sup>&</sup>lt;sup>1</sup> "Infographic: Shanghai Cooperation Organization", Iran Press, 4 February 2020.

#### Historical Background

The SCO's predecessor, the Shanghai Five Organisation, established in 1995, initially consisted of Russia, China, Kazakhstan, Tajikistan, and Kyrgyzstan. Its primary purpose was to settle border disputes between China and the Central Asian Republics. Russia was a part of this organisation mainly due to its strong influence on the former Soviet states. With the addition of Uzbekistan, the Shanghai Five morphed into the SCO in 2001.<sup>2</sup>

Over the years, the organisation's role has evolved from resolving border disputes to addressing regional security and economic concerns. Recently, there have been debates on environmental issues as well. The Organisation seeks to promote 'Confidence Building, Good Neighbourliness and Friendship, Develop and Strengthen Political and Economic Cooperation, Maintain Peace and Security in the region, Combat Terrorism, Human Trafficking and Protect the Stability of Member States'.<sup>3</sup>

Since inception, SCO's first expansion took place in 2017, with the inclusion of India and Pakistan as permanent members. The group is due to expand further with incorporation of Iran as a permanent member in 2023.

#### Samarkand Summit 2022

Samarkand, Uzbekistan's cultural capital, hosted the annual Summit this year. The major highlight of the Summit was the nomination of Varanasi as the first SCO Tourism and Cultural Capital (2022–23).<sup>4</sup> The organisation also welcomed Maldives, Myanmar, United Arab Emirates, and Bahrain as dialogue partners. Meanwhile, Belarus's initiation of permanent membership also took place during this summit.

In his remarks, Chinese President Xi Jinping stressed on the efforts needed to bring about stability in a changing world. He also highlighted the need to prevent colour revolutions, apart from highlighting SCO's potential to promote peace and be a net security provider.<sup>5</sup> This was seen as a show of support to Russia and a signal to the West to shield Central Asia from perceived Western machinations.

Iranian President Ebrahim Raisi focused on Iran's importance in strengthening regional energy security and transportation.<sup>6</sup> Iran's addition to the permanent

<sup>&</sup>lt;sup>2</sup> Yamei Xue and Benjamin Mwadi Makengo, "Twenty Years of the Shanghai Cooperation Organization: Achievements, Challenges and Prospects", Open Journal of Social Sciences, Vol. 9, pp. 184–200.

<sup>&</sup>lt;sup>3</sup> "Shanghai Cooperation Organization (SCO)", Asian Development Bank, 2015.

<sup>&</sup>lt;sup>4</sup> "Varanasi nominated as the first-ever SCO Tourism and Cultural Capital at the 2022 SCO Summit", Ministry of External Affairs, Government of India, 16 September 2022.

<sup>&</sup>lt;sup>5</sup> "People's Republic of China, President Xi Jinping Attends the Restricted Session of the 22nd Meeting of the Council of Heads of State of the Shanghai Cooperation Organization", Ministry of Foreign Affairs, People's Republic of China, 16 September 2022.

<sup>&</sup>lt;sup>6</sup> **"President Raisi Addressing 21st SCO Summit"**, Ministry of Foreign Affairs of the Islamic Republic of Iran, 17 September 2022.

membership of the organisation would strengthen its energy security, given its proximity to the world's largest hydrocarbon fields in the Persian Gulf and the Caspian Sea.

Russian President Vladimir Putin highlighted the organisation's potential of being a counterweight to the West. He also focused on food security and the contribution that Russia could make, particularly in the field of fertilizers and grain exports.<sup>7</sup>

Notably, the Samarkand Summit differed from last year's Dushanbe Summit, as the focus of the previous summit was mainly on Afghanistan and regional security. This was not surprising since the Dushanbe Summit took place against the backdrop of US withdrawal from Afghanistan.

#### India and the Samarkand Summit

Prime Minister Narendra Modi highlighted the importance of robust connectivity, food security, resilient supply chains and enhanced regional cooperation and trust. He held bilateral meetings with Uzbek President Shavkat Mirziyoyev, Russian President Vladimir Putin, Turkish President Recep Tayyip Erdogan, and Iranian President Ebrahim Raisi.

During the meeting with President Mirziyoyev, the two leaders discussed areas of cooperation like trade, economics, connectivity, Afghanistan and terrorism. Similarly, President Raisi, in his meeting with Prime Minister Modi, urged greater regional connectivity, and stressed on the importance of Chabahar Port, which resonates with India's vision for the SCO. The two leaders also discussed their shared hopes about a secure and inclusive Afghanistan. India reiterated its continuing support to provide humanitarian assistance to all Afghans.

Prime Minister Modi's remarks during his meeting with President Vladimir Putin, when he stated 'today is not an era of war', stood out. This was hailed by Western leaders and media, with media outlets in the United States like *The Washington Post* and *The New York Times* making it their lead stories on their websites. The United States Security Adviser Jake Sullivan also hailed the PM's remarks. The PM garnered praise from the French President Emanuel Macron as well, who stated that "PM Modi was right when he said it is not a time for war".

India reiterated its stand for dialogue and diplomacy for a peaceful end to the Ukraine conflict. The Indian and Russian leaders also focused on cooperation in trade, energy, defence, and fertilizers. Notably, Russian fertilizer exports to India have risen exponentially since the start of the Ukraine Crisis in February 2022.<sup>8</sup> The possibility of introducing visa-free exchanges between India and Russia was also discussed.

<sup>&</sup>lt;sup>7</sup> "Meeting of the SCO Heads of State Council", President of Russia, 16 September 2022.

<sup>&</sup>lt;sup>8</sup> Dipanjan Roy Chaudhury, **"Russia increases export quota of fertilizers easing supply to India",** *The Economic Times*, 20 April 2022.

#### India's SCO Calculus

India's outreach to SCO is anchored in SECURE: Security of Citizens, Economic Development for all, Connecting the Region, Uniting the People, Respect for Sovereignty and Integrity, and Environmental Protection.<sup>9</sup> Moreover, the following positives also flow from India engaging with the SCO.

#### **Positives**

#### Access to the Region

SCO has the potential to provide India with direct access to Central Asia, a region which is considered to be a part of its extended neighbourhood. It also provides a platform to engage the member states bilaterally.

#### Access to Resources of Central Asia and Iran

Russia, Iran, Kazakhstan, and Uzbekistan are some of the major energy suppliers in the world, while India is a major energy importer.<sup>10</sup> These countries retain the potential to meet India's energy security. Meanwhile, Iran is a key pillar of the International North–South Transport Corridor (INSTC), which seeks to circumvent Pakistan's strategic denial of a direct land access between India and Central Asia.

#### Space for Dialogue on Various Regional Issues

The Eurasia region has been at the epicentre of crucial developments, including Russia's special military operation in Ukraine, Taliban's takeover in Afghanistan, and protests in Kazakhstan and Uzbekistan. Resultantly, SCO is vital for India to be a part of conversations linked to these areas of continental interests and concerns because such regional occurrences directly impact India due to their territorial proximity.<sup>11</sup>

#### Forum for Engagement

The organisation provides a space for India to diplomatically engage even neighbours like China and Pakistan at a time when bilateral relations remain difficult. These meetings could provide an opening to improve relations.

<sup>&</sup>lt;sup>9</sup> "English translation of Prime Minister's Intervention in Extended Plenary of 18th SCO Summit", Ministry of External Affairs, Government of India, 11 June 2018.

<sup>&</sup>lt;sup>10</sup> Aamna Khan and Ahmed Bux Jamali, "The Shanghai Cooperation Organization in Promoting Regional Peace and Stability: Analyzing the Case of Indo-Pak Conflict", Global Strategic & Security Studies Review, Vol. VI, No. II (Spring 2021).

<sup>&</sup>lt;sup>11</sup> Rajorshi Roy, **"India and SCO: Navigating New Equations"**, *Financial Express*, 15 September 2022.

#### Challenges

Regardless of the benefits accruing from its SCO membership, India faces several obstacles.

#### China's Domination

There exists a perception of China calling the economic shots in SCO with all roads leading to and from Beijing, anchored to the Belt and Road Initiative (BRI). Notably, Afghanistan's willingness to become a part of the BRI via the China–Pakistan Economic Corridor (CPEC) would entail direct connectivity for Central Asia to access the Indian Ocean.<sup>12</sup> However, this would likely exclude India due to its objections towards the CPEC. Ultimately, India's exclusion from any connectivity projects would likely strengthen Chinese regional influence.

#### Land Connectivity

India's biggest hindrance in the SCO is the lack of direct land connectivity, with the closest transit route via Pakistan being blocked. Prime Minister Modi's emphasis on transit rights to ensure connectivity highlights the limitations facing India.

#### Anti-Terrorism Cooperation Limitation

The Regional Anti-Terrorist Structure (RATS) is an integral part of the SCO as it seeks to build regional counter-terrorism cooperation. However, an inherent limitation of RATS is its narrow focus on tackling threats largely emanating from Central Asia as against South Asia. These include Islamic Movement of Uzbekistan (IMU), East Turkestan Islamic Movement (ETIM) and Hizb-ut-Tahrir (HUT).<sup>13</sup>

This had led to a perception of the organisation adopting double standards. The overwhelming focus on terrorism in Eurasia could affect India, as the latter's main threat of terrorism stems from the Af-Pak region. However, the SCO's emphasis on creating a unified list of terrorists during the Samarkand Summit could indicate some progress in adopting a common approach.

#### Conclusion

Despite these challenges, SCO remains a key vector in India's Eurasian calculus. Moreover, the potential of SCO remains untapped. These include assistance on humanitarian grounds, disaster relief, health, and climate change (an issue affecting the majority of SCO states). At a time when the region remains in flux, it makes more sense to be a part of this organisation rather than outside it.

<sup>&</sup>lt;sup>12</sup> "Afghanistan Hopes to Join CPEC", Ariana News, 5 September 2022.

<sup>&</sup>lt;sup>13</sup> Ayjaz Wani, **"India's Unaddressed Concerns from the SCO-RATS Summit"**, Observer Research Foundation, 26 May 2022.

#### **About the Author**



**Mr Jason Wahlang** is a Research Analyst at Manohar Parrikar Institute for Defence Studies and Analyses, New Delhi. Manohar Parrikar Institute for Defence Studies and Analyses is a non-partisan, autonomous body dedicated to objective research and policy relevant studies on all aspects of defence and security. Its mission is to promote national and international security through the generation and dissemination of knowledge on defence and security-related issues.

*Disclaimer:* Views expressed in Manohar Parrikar IDSA's publications and on its website are those of the authors and do not necessarily reflect the views of the Manohar Parrikar IDSA or the Government of India.

© Manohar Parrikar Institute for Defence Studies and Analyses (MP-IDSA) 2022

Manohar Parrikar Institute for Defence Studies and Analyses 1, Development Enclave, Rao Tula Ram Marg New Delhi 110 010 India T +91-11-2671 7983 F +91-11-2615 4191 www.idsa.in Twitter @IDSAIndia www.facebook.com/ManoharParrikarInstituteforDefenceStudiesAnalyses