# <u>CONCEPT NOTE ON DELHI DIALOGUE VII</u>

#### Introduction

Delhi Dialogue is an annual Track 1.5 forum for discussing politico-security and economic issues between ASEAN and India. Since its first edition in 2009, Delhi Dialogue has evolved into a useful forum for brainstorming on all aspects of the ASEAN-India relationship and has contributed immensely towards strengthening of the Strategic Partnership established in 2012.

The seventh edition of Delhi Dialogue is scheduled to take place in New Delhi on 11-12 March 2015, with the overall theme of 'ASEAN-India: Shaping the Post 2015 Agenda'.

#### The Context

2015 marks a watershed in the 48 years long journey of ASEAN. Its three principal pillars - the ASEAN Political and Security Community (APSC), the ASEAN Economic Community (AEC) and ASEAN Socio-Cultural Community (ASCC) are expected to be established during this year. The 25th ASEAN Summit held on 12 November 2014 adopted the ASEAN Community's Post-2015 Vision, which provides a comprehensive road map for ASEAN. With Malaysia in the Chair, ASEAN hopes to constitute a community that is politically cohesive, economically dynamic and socially and culturally harmonious.

ASEAN, with a combined GDP of US \$ 2.3 trillion (in 2013), a large market of 630 million people, good connectivity, and free trade agreements with major partners covers a dynamic region which exercises substantial collective economic influence regionally and globally. In combination with India, this constitutes a community of more than 1.8 billion people - nearly a quarter of the world's population, and a combined GDP of about US \$ 4 trillion.

It is significant that the ASEAN- India partnership that has progressed over the last 23 years is destined to play a crucial role in shaping ASEAN's post-2015 agenda. ASEAN-India relations received momentum in the early 1990s with the introduction of India's Look East policy, coinciding with India's economic reforms. Economic aspirations led India into first a Sectoral Dialogue partnership with ASEAN in 1992 which later matured into a Full Dialogue partnership. This was followed by Summit-level partnership (2002), and India's accession to the Treaty of Amity and Cooperation in Southeast Asia. In November 2004, India signed the 'ASEAN-India Partnership for Peace, Progress and Shared Prosperity' during the Third ASEAN-India Summit in

Vientiane. The partnership agreement presented the vision of future cooperation between India and ASEAN. For the practical implementation of this idea, a 'Plan of Action' (2004-2010) was adopted. This was followed by a second 'Plan of Action' covering the period 2010-2015. The next Plan of Action for 2016-21 is at the drafting stage.

# The Impact of Global, Regional and Domestic Shifts in the post-2015 Agenda

Southeast Asia has witnessed political, economic and socio-cultural ferment in the recent past. Traditional security priorities compete with the non-traditional security requirements. Equally, the rise of some regional powers and the tension in the South China Sea could inhibit steady growth. Some of the security challenges that ASEAN faces are common to India too. The evolution of norms and institutions and an inclusive Asian security architecture are common aspirations of India and ASEAN and so is the goal of shared prosperity. A stable regional security and economic architecture would require taking on board genuine concerns of all stakeholders.

In order to ensure stable growth and development, policy makers of India and ASEAN would be called upon to address a wide gamut of challenges in the post-2015 period that would include: maritime and cyber-security challenges and other non-traditional security challenges such as terrorism and natural disasters.

Both, ASEAN and India need to pay greater attention to synergising development of their human resources pool through cooperation in education and skill development fields, improve connectivity by removing bottlenecks, enhance economic engagement through integrating regional production networks, investments and creation of value chains, and, promoting social and cultural links among their people. Delhi Dialogue VII will focus on these important themes.

#### India's Act East Policy

India's policy towards ASEAN has maintained a strong content of continuity, despite changes in government. India's Prime Minister, Mr Narendra Modi, reiterated at the 12th ASEAN Summit held in Nay Pyi Taw in November 2012 that India's Look East Policy had been transformed to an 'Act East Policy'. India has clearly expressed interest in strengthening and broadening of the relationship. This is testified by the exchange of high level visits, accelerated pace of multilateral interaction in the region, and growing mutual economic interdependence. There has been an exchange of high level visits to ASEAN capitals including PM's visit to Myanmar, President's visit to Vietnam and visits

by the External Affairs Minister to Myanmar, Singapore and Vietnam. In turn, there have been high level visits to India from Vietnam and Singapore during the last six months.

India cooperates with ASEAN members in various track one and track two fora. India is engaged with the region through ASEAN-led mechanisms such as the ASEAN Regional Forum (ARF), the East Asia Summit (EAS) and ASEAN Defence Ministers Meeting (ADMM) Plus. India recognises the centrality of ASEAN in all these initiatives. India and ASEAN have joined hands in countering terrorism as signified in the ASEAN-India Joint Declaration for Cooperation in Combating International Terrorism. India is already active in other fora like the Mekong Ganga Cooperation, and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

For its part, India supports ASEAN's initiatives for peace and development and desires a strong and united ASEAN. The ASEAN-India Vision Statement at the Commemorative Summit (New Delhi, 2012) elevated the ASEAN-India partnership to a strategic level. The Summit marked 20 years of formal ASEAN-India engagement and operationalization of India's Look East Policy. The Vision Statement has given direction to the ASEAN-India Strategic Partnership and lent its support to the ASEAN Community Building process.

The ASEAN-India Plan of Action to implement the ASEAN-India Partnership for Peace, Progress and Shared Prosperity (2010-2015) has made steady progress. The establishment of an ASEAN-India Trade and Investment Centre, reactivation of the ASEAN-India Business Council, education and vocational skills training, food security and renewable energy, and enhanced people-to people and physical connectivity are being considered in the third ASEAN-India Plan of Action (2016-2021). India's strategic partnership at the bilateral level with Indonesia, Malaysia, Vietnam and Australia further complements its strategic partnership with ASEAN.

On the economic front, ASEAN is India's fourth largest trading partner and India is the eighth largest trading partner of ASEAN. With the FTA on trade in goods already in place since 2009 and the Agreements on Trade in Services and Investment expected to enter into force this year, the stage is set for closer economic interaction. The Agreement on Goods is now due for review. Similarly, the successful conclusion of RCEP negotiations would help in the realisation of regional economic integration.

### The Way Forward

The region encompassing ASEAN and India is confronted with new challenges.

The countries of the region and its institutions must respond in a pro-active manner to the changes occurring in the security, economic and socio-cultural environment in the region. This presents a unique opportunity for India and ASEAN member states to utilise their linkages through ASEAN-related institutions and structures such as ADMM Plus, East Asia Summit and others, to strengthen their partnership for mutual benefit.

There is also merit in strengthening the ties through sub-regional organisations like BIMSTEC, Mekong-Ganga Cooperation forum which could serve to channelize resources where they are needed the most, such as in development of the CLMV countries and India's Northeast.

# Delhi Dialogue VII

The progress of Delhi Dialogue since its inception in 2009 has been a barometer of the progress in ASEAN-India relations. As domestic imperatives of resilience converge with the regional imperatives of peace and stability, the Members of ASEAN and India are looking to expand areas of cooperation.

This year, DD VII will have a dedicated Business Session with panel discussions on "ASEAN Economic Community: Benefits for the ASEAN and Indian Industry", with focus on "Make in India" campaign of Government of India; and "Trade in Services as driver for future economic cooperation: Views from India & ASEAN".

The Academic Session will cover a wide range of discussions on subjects such as Maritime Security, Cyber Security, Skill Development, Knowledge Economy, Cultural Linkages, Regional Integration, Infrastructure and Energy, and the Way Forward for ASEAN-India relations. All these issues focus on strengthening the ASEAN-India Strategic Partnership in the long run.

We hope that participants in DD VII will help evolve a new vision for the ASEAN-India relationship as it heads towards its 25<sup>th</sup> anniversary in 2017.