

## India's multilateral relations

### SUMMARY

India, once a leader of the Non-aligned Movement, is now moving away from its non-alignment position. New Delhi now maintains relationships in different configurations with a variety of countries for different purposes (such as within the BRICS).

India also increasingly engages in regional groupings. The South Asia Association for Regional Cooperation (SAARC) is supposed to be the main tool for integration in the region, but bilateral tensions with Pakistan have jeopardised its development. New Delhi is therefore shifting towards a sub-regional grouping within SAARC and connectivity projects, such as the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC) and the Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC). These projects coincide with the new 'Act East' policy, which builds on the previous 'Look East' policy, and whose key focus is represented by relations with the Association of South-East Asian Nations (ASEAN). By 2016 India will also join the Shanghai Cooperation Organisation, which is focused on non-traditional security cooperation between China, Russia and other Central Asian countries.

India has long lobbied for permanent seat in the United Nations Security Council, and maintains a pragmatic approach when voting in the UN General Assembly. India is also a major contributor to UN peacekeeping missions.

In November 2014, India achieved a remarkable diplomatic success, when it negotiated with the US the right to stockpile and subsidise staple foods for the poor – an agreement that unblocked the Trade Facilitation Agreement within the World Trade Organization.



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**Acronyms used**

<b>AIIB:</b>	Asian Infrastructure Investment Bank
<b>APEC:</b>	Asia-Pacific Economic Cooperation
<b>ASEAN:</b>	Association of South-East Asian Nations
<b>ASEAN+3:</b>	ASEAN + China, Japan, Korea
<b>ASEM:</b>	Asia-Europe Meeting
<b>BASIC:</b>	Brazil, South Africa, India, China
<b>BBIN:</b>	Bangladesh, Bhutan, India and Nepal
<b>BCIM-EC:</b>	Bangladesh-China-India-Myanmar Economic Corridor
<b>BIMSTEC:</b>	Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation
<b>BRICS:</b>	Brazil, Russia, India, China, South Africa
<b>CHOGM:</b>	Commonwealth Heads of Government Meeting
<b>EAS:</b>	East Asia Summit
<b>G20:</b>	The Group of Twenty
<b>IBSA:</b>	India, Brazil, South Africa
<b>MGC:</b>	Mekong-Ganga Cooperation
<b>MIEC:</b>	Mekong-India Economic Corridor
<b>NAM:</b>	Non-aligned Movement
<b>RCEP:</b>	Regional Comprehensive Economic Partnership
<b>SAARC:</b>	South Asia Association for Regional Cooperation
<b>SAEU:</b>	South Asian Economic Union
<b>SAFTA:</b>	South Asia Free Trade Agreement
<b>SASEC:</b>	South Asia Sub-regional Economic Cooperation
<b>SATIS:</b>	SAARC Agreement on Trade in Services
<b>SCO:</b>	Shanghai Cooperation Organisation
<b>TFA:</b>	Trade Facilitation Agreement
<b>TPP:</b>	Trans-Pacific Partnership
<b>UNGA:</b>	United Nations General Assembly
<b>UNSC:</b>	United Nations Security Council
<b>WTO:</b>	World Trade Organization

**Introduction**

India is increasingly engaged in regional groupings.<sup>1</sup> The first worth mentioning is the South Asia Association for Regional Cooperation (SAARC), which brings New Delhi together with its immediate neighbours. Despite 30 years of existence, the association has not made significant advances, largely due to bilateral tensions with Islamabad, and the most recent Summit, held in November 2014, was no exception. Because of this, India has started to promote a sub-regional grouping within SAARC and has shown an increasing interest in the Eastern dimension, via groupings such as BIMSTEC and more recently BCIM-EC, together with the promotion of connectivity projects that have the potential to develop India's north-eastern states.

Shortly after his election in May 2014, Prime Minister Narendra Modi launched the concept of the new 'Act East' policy (formerly 'Look East' policy), which focuses on working with ASEAN, where New Delhi – though not a member – is no longer seen as a

distant neighbour, but rather as a respected and active interlocutor, including in its enlarged forum, the East Asia Summit (EAS). The two India-ASEAN Free Trade Agreements (FTAs) may pave the way to the [Regional Comprehensive Economic Partnership](#) (RCEP), currently being negotiated between ASEAN members and six partner countries, including India, and with great economic potential. Meanwhile, New Delhi's relations with Central Asia are set to improve, as it is to join the Shanghai Cooperation Organisation (SCO). Pursuing an 'Act East' policy, but also engaging with Central Asia, obliges India to measure itself against China and Chinese assertiveness in the region.

Regarding India's presence in multilateral organisations, the nation has historically enjoyed a [reputation](#) as being responsible for blocking multilateral negotiations, on the grounds of national sovereignty and 'third worldism'. This latter trend was inspired as early as 1947, by Prime Minister Jawaharlal Nehru, who led India to a foreign policy based on non-alignment. India was a leading country within the Non-aligned Movement (NAM). At the same time, New Delhi has not entered into formal alliances since its independence, but has rather engaged in multilateralist policies, instrumental to serving India's core interest of pursuing socioeconomic growth.<sup>2</sup>

Although, in his first months as Prime Minister, Modi concentrated on Indian bilateral relationships, he nevertheless participated in events like the G20 in Brisbane, the BRICS summit in Fortaleza, the SCO summit and the BRICS summit in Ufa and the East Asia Summit in Nay Pyi Taw, and addressed the United Nations General Assembly (UNGA). In beginning to assign value to these multilateral frameworks, New Delhi thus marks a change from the past.

Indeed, bilateralism may not be contradictory to the development of multilateralism – on 19 February 2015, India and the US held their first ever bilateral [dialogue](#) on the UN and multilateral issues, in the spirit of the '[Delhi Declaration of Friendship](#)', adopted on 25 January 2015 during US President Barack Obama's second visit to India.

**Table 1 – India and its neighbours' membership of frameworks for regional cooperation**

	SAARC	BIMSTEC	BCIM-EC	ASEAN	IORA	East Asia Summit	RCEP	SCO <sup>3</sup>
India	x	x	x		x	x		x
China			x			x		x
Pakistan	x							x
Nepal	x	x						
Bhutan	x	x						
Bangladesh	x	x	x		x			
Myanmar		x	x	x		x		
Sri Lanka	x	x			x			

Source: EPRS, 2015.

## Frameworks for regional cooperation

### South Asian Association for Regional Cooperation (SAARC)

The South Asian Association for Regional Cooperation ([SAARC](#)) was established in 1985 and includes eight members. The headquarters are in Kathmandu, Nepal. China is one of the nine observers (so too is the EU), and would like to play a bigger role, but India –

which makes up 77% of the population and covers 64% of the group's territory – is reluctant to relinquish its dominant position. A South Asia Free Trade Agreement ([SAFTA](#)) and a SAARC Agreement on Trade in Services ([SATIS](#)) are in force, while negotiations continue for the creation of a South Asian Economic Union ([SAEU](#)) by 2030.

In a highly symbolic gesture, Modi invited all SAARC Heads of State and Government to his swearing-in ceremony in May 2014, thus expressing his priority to enhance relations with neighbours, as announced in the BJP party [manifesto](#) with which he had won the elections.

Distrust between India and Pakistan has prevented SAARC from progressing and exploiting its potential as the platform for southern Asia's development. Trade among SAARC members amounts to only 5% of their total trade, much lower than that of other regions. At the latest summit, held in Kathmandu on 26 and 27 November 2014, while New Delhi put forward several initiatives (including the launch of a [SAARC satellite](#) on 8 December 2016), Islamabad blocked two agreements: a 'SAARC Motor Vehicle Agreement' and 'SAARC Regional Railways Agreement'. Only the 'SAARC Framework Agreement for Energy Cooperation (Electricity)' was signed. For this reason, four SAARC members – Bangladesh, Bhutan, India and Nepal (BBIN) – negotiated and [signed](#) a 'Motor Vehicles Agreement', on 15 June 2015 in Thimphu, Bhutan. The agreement is open to other SAARC members. Meanwhile India has negotiated with two ASEAN members – Myanmar and Thailand – a similar agreement.

Figure 1 - Map of south and south-east Asia



### Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC)

The Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation ([BIMSTEC](#)), created in 1997, is based on three areas of cooperation: trade and investment; energy; and transport. The headquarters are in Dhaka, Bangladesh. The organisation's seven members partially overlap with SAARC membership, but do not include Pakistan or Afghanistan, whereas Myanmar and Thailand, from ASEAN, are also members. The prospects for a BIMSTEC FTA are currently more optimistic than for SAFTA, although the group has to date only held three summits – the last in Nay Pyi Taw, Myanmar from 1-4 March 2014.

For India, membership of BIMSTEC is a key element of its 'Act East' policy, as it represents a bridge between south and south-east Asia. New Delhi can act as group leader, as with SAARC, but without having to deal with Islamabad. India's focus on regional counter-terrorism is also covered by this cooperation – the only agreement to have been signed in BIMSTEC was the [Convention](#) on International Terrorism, Transnational Organised Crime and Illicit Drug Trafficking. Some also argue that BIMSTEC has the potential to become a [global manufacturing hub](#) and therefore support North-Eastern India's economic development.

### Bangladesh-China-India-Myanmar Economic Cooperation (BCIM-EC)

The Bangladesh-China-India-Myanmar Economic Corridor ([BCIM-EC](#)) is a concept originally developed at [academic](#) level in the late 1990s. It advocates a 2 800 km multi-modal corridor between Kunming in the south-west of China and Kolkata in eastern India, passing through Mandalay in Myanmar, and Dhaka and Chittagong in Bangladesh. The project seeks to harness the complementary features of the land-locked frontier areas.

India has always been sceptical about this initiative because of its suspicions regarding China. New Delhi's attitude

has been advanced as a reason for China's reducing the scale of its investments in India. Before Chinese President Xi's visit to India in September 2014, China's Consul-General in Mumbai had hinted that Beijing was considering investing US\$100 billion, about three times the amount promised by Japan during Modi's visit to Tokyo a few weeks earlier. Most of the bigger investments were planned for the BCIM-EC economic corridor, or Indian states located around it in the east and north-east. However, during Xi's visit, only one fifth of the investment materialised – US\$20 billion – for projects mainly located in Gujarat and Maharashtra in the west of the country.

However, recently New Delhi has shown renewed interest in the project and a second [meeting](#) of the Joint-Study Group (JSG) on BCIM-EC took place in December 2014, in Bangladesh. The Indian focus on regional connectivity could match Chinese promotion of the [Southern Silk Road](#), and give [new impetus](#) to the BCIM-EC, for which the Chinese

Figure 2 - BCIM-EC area



envisage a [high-speed rail link](#). It has also been [argued](#) that, in the case of the slow pace towards a BIMSTEC FTA (which would make India's north-eastern region the gateway to south-east Asia), India may shift to favour to BCIM-EC, focusing instead on Kolkata and the Bay of Bengal.

On the other hand, should New Delhi abandon the project, the Chinese could develop a [limited axis](#) – the Yunnan-Arakan-Chittagong – and link it to the [Maritime Silk Route](#), which may interest countries like Sri Lanka and the Maldives.

#### India and its connectivity to south-east Asia

India and ASEAN countries are strengthening regional connectivity and integration through cross-border infrastructure. This will allow India to exploit its trade potential with ASEAN+3, [estimated](#) at US\$500 billion by 2020.

[India-Myanmar-Thailand trilateral highway](#): a 3 200 km highway between the three countries. The construction is [proceeding slowly](#) and the end of works has been put back to 2019.

[Kaladan Multi-Modal Transit Transport Project](#): will connect India's landlocked State of Mizoram to a deep-sea port in Sittwe, Myanmar, and Myanmar to Kolkata port.

[Mekong-India Economic Corridor](#) (MIEC): links the four Mekong countries (Myanmar, Thailand, Cambodia and Vietnam) with India and connects Ho Chi Minh City in Vietnam with [Dawei port](#) in Myanmar, via Bangkok, Thailand and Phnom Penh, Cambodia, and further linking Dawei to Chennai port in India.

[BCIM-EC](#) (Bangladesh-China-India-Myanmar Economic Corridor, also known as 'The Kunming Initiative'): see section above on 'BCIM-EC'.

#### Association of South-East Asian Nations (ASEAN)

The Association of South-East Asian Nations ([ASEAN](#)) was founded in 1967 and has ten members. In late 1995, India became a full dialogue partner with ASEAN, and in July 1996 it joined the [ASEAN Regional Forum](#). Since 2002, India has held annual Summits with ASEAN. In 2009, an [ASEAN-India Free Trade Area](#) on goods was signed. In 2012, celebrating the tenth anniversary of the India-ASEAN Summit, the two sides signed a Strategic Partnership Agreement. After several rounds of negotiations, India and the ten ASEAN member countries [signed](#) an Agreement on Trade in Services and Investment on 8 September 2014 that [came into force](#) in April 2015. ASEAN is India's fourth largest trading partner: trade between New Delhi and the bloc has seen average growth of 22% for the past decade. Trade under the Agreement amounted to US\$76 billion in 2013, against a target of US\$100 billion by 2015 and US\$200 billion by 2022.

The perception of India within ASEAN as a natural partner and responsible regional stakeholder is growing. New Delhi has never had a conflict with ASEAN members, with

Figure 3 - Mekong-India Economic Corridor (MIEC)



Data source: [Mekong-India Economic Corridor Development](#), Economic Research Institute for ASEAN and East Asia (ERIA), 2009.

which it shares views on regional security, in common with the US, and in contrast to Chinese assertiveness in the South China Sea.

### **East Asia Summit (EAS)**

Established in 2005, the East Asia Summit ([EAS](#)) is a leader-led forum of 18 countries<sup>4</sup> in the Asia-Pacific region for strategic dialogue and cooperation on political, security and economic issues of common regional concern. EAS is an ASEAN initiative, and summits are held on the sidelines of ASEAN summits. Modi [attended](#) the ninth<sup>5</sup> EAS on 13 November 2014 in Nay Pyi Taw. As in his address to the India-ASEAN Summit, he advocated following international law for settlement of disputes in the South China Sea.<sup>6</sup>

### **Regional Comprehensive Economic Partnership (RCEP)**

The Regional Comprehensive Economic Partnership ([RCEP](#)) is currently being negotiated among the ten ASEAN members and six partner countries: Australia, China, India, Japan, South Korea and New Zealand (in fact, it includes all EAS countries, minus Russia and the US). RCEP will cover trade in goods and services, investment, economic and technical cooperation and dispute settlement. Negotiations were launched in November 2012, but are proving difficult to the point that a flexibility clause to break deadlock and protect national interests has been imposed, with the risk of limiting the negotiations' scope. A number of existing bilateral FTAs could also represent an obstacle to the negotiations – for instance, in terms of the rules of origin.

RCEP would represent the world's largest trading bloc, with 3 billion people and a combined GDP of about US\$17 trillion, and 40% of world trade. The interest for India would be high, as it would allow access to east Asian markets, gaining considerably from its price competitiveness. This would compensate for the fact that India is neither a member of the Asia-Pacific Economic Cooperation ([APEC](#))<sup>7</sup> nor a negotiator in the Trans-Pacific Partnership ([TPP](#)). Some [argue](#) however that the ongoing negotiations are putting pressure on India on issues such as software and pharmaceutical patent protection.

### **Indian Ocean Rim Association (IORA)**

The Indian Ocean Rim Association ([IORA](#)) was launched on the initiative of Mauritius in 1997. India is a founding member and the Secretariat is based in Ebène, Mauritius. Twenty coastal states bordering the Indian Ocean (from South Africa to Iran to Australia) are members. IORA covers fields such as economic cooperation, promotion of foreign investment, scientific and technological exchanges, tourism, movement of persons and service providers, and development of infrastructure and human resources. The loss of Malaysian Airlines flight MH 370 in March 2014 highlighted the potential of cooperation within the IORA framework on [search and rescue](#) operations. Countering piracy and disaster-risk management (e.g. the Indian Ocean earthquake and tsunami in December 2004) are common challenges that the organisation may help to tackle. India hosted the [first Indian Ocean Dialogue](#) under the aegis of IORA in Kochi, a port on the Arabian Sea. New Delhi – alarmed by the growing Chinese presence in the Indian Ocean – is expected to take a leadership role in addressing traditional and non-traditional security responsibilities in a region so strategic that, according to a quote [attributed](#) to the maritime strategist Alfred Mahan, 'Whoever controls the Indian Ocean will dominate Asia, the destiny of the world will be decided on its waters.'

### Shanghai Cooperation Organisation (SCO)

The [Shanghai Cooperation Organisation \(SCO\)](#) includes China and Russia, plus four of the five central Asian states: Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan (Turkmenistan is not even an observer). It was created in 2001 as a regional organisation for non-traditional security cooperation, although economic cooperation is also part of its agenda. India, an observer since 2005, will be a [full member](#) – as will Pakistan – by 2016, following the 15th SCO [Summit](#) in Ufa, Russia on 9-10 July 2015. Regional security threats are a major factor in India's accession to this group, as it will join forces with China and Russia to build stability in Afghanistan. However, New Delhi is also targeting the extensive central Asian energy resources and the construction of the Russia-China oil and gas pipelines, which it would like to see extended to India to reduce its dependence on oil from the Middle East,<sup>8</sup> a strategic issue for a country set to become the world's largest oil importer by 2020.

### International organisations and relevant fora

#### United Nations (UN)

India is a founding member of the United Nations. Some [argue](#) that New Delhi has obtained few advantages from its membership to date, considering its engagement. India is a major contributor to UN peacekeeping missions: it has taken part in 43 of the 69 peacekeeping operations undertaken by the UN since 1948, is currently the third provider of personnel<sup>9</sup> after Bangladesh and Pakistan, and has the highest death toll<sup>10</sup> in the history of UN peacekeeping missions.

India has [claimed](#) a permanent seat in the UN Security Council (UNSC) since 1955. The Indian lobby has intensified in recent years, and received backing from several countries, including the five permanent members – China, France, Russia, the United Kingdom and the US, though some argue that Beijing's support remains far from unequivocal.<sup>1112</sup> India is also a member of the G-4, four countries (Brazil, Germany, India, Japan) striving to reform the UNSC and become permanent members.<sup>13</sup>

Indian behaviour in the UNGA reflects a pragmatic approach. India abstained<sup>14</sup> on the UNGA resolution 68/262 of 27 March 2014 on Russia's annexation of Crimea. In July 2014, Modi's government did not condemn Israel's operations in Gaza, but India did vote in favour of a UN Human Rights Council resolution for an 'independent inquiry into purported violations of international humanitarian and human rights laws in the Occupied Palestinian Territory'. On 27 September 2014, Modi addressed the UNGA, dismissing the claims on the Kashmir issue, made by the Pakistani Prime Minister Nawaz Sharif the previous day, and stating that this bilateral issue should be discussed 'without the shadow of terrorism'. On 2 December 2014, India voted against the UNGA resolution 69/37<sup>15</sup> 'Towards a nuclear weapon-free world: accelerating the implementation of nuclear disarmament commitments', pushing India, Israel and Pakistan to accede to the NPT (non-proliferation treaty) and to place all their nuclear facilities under International Atomic Energy Agency (IAEA) safeguard. On 18 December 2014, India maintained its [position](#) on capital punishment by voting [against](#) the UNGA [resolution](#) (A/RES/69/186) calling for a global moratorium on the use of the death penalty.

India is a member of the largest intergovernmental organisation of developing countries in the UN: the Group of 77 ([G-77](#)), established in 1964 by 77 developing countries. It provides the means for those countries to promote their collective economic interests

and enhance their joint negotiating capacity on all major international economic issues within the UN and promote South-South cooperation for development.

### **World Trade Organization (WTO)**

On 13 November 2014, India negotiated with the US the right to stockpile and subsidise staple food for the poor – a remarkable diplomatic achievement.<sup>16</sup> The deal followed the December 2013 agreement of Trade Ministers in Bali on a Trade Facilitation Agreement ([TFA](#)) within the WTO (the 'Bali Package'). A 'Peace Clause' protected countries' ability to subsidise food for the poor until 2017. However, New Delhi wanted a permanent guarantee for the implementation of its food security programme, and therefore in July 2014, refused to adopt the TFA. The stand-off – which risked [isolating](#) India from future global markets – was resolved through US-India negotiations that guaranteed that the 2017 deadline for food subsidies was substituted with an indefinite timeframe for India. India lifted its veto on the TFA, which was adopted on 27 November 2014. This is the first multilateral trade agreement concluded in the history of the WTO.

India is part of a 19-member group of countries (including Brazil and China) which have submitted a proposal to extend the moratorium on 'non-violation complaints and situations' for intellectual property rights under the Trade-Related Intellectual Property Rights (TRIPS) Agreement. The US and Switzerland have been [reported](#) to have begun a campaign at the WTO not to renew the moratorium. In the case of India, Section 3(d) of the 1970 India Patents Act could be targeted by complainants, as it has been interpreted to deny patents for drugs in order to ease access to affordable medication.

### **G20**

When the ninth G20<sup>17</sup> summit was held in Brisbane, Australia on 15-16 November 2014, leaders welcomed the breakthrough in negotiations between the US and India, which paved the way to the adoption of the TFA. India succeeded in obtaining G20 endorsement of its demand for an automatic exchange of information on a reciprocal basis by the end of 2018, to prevent cross-border tax evasion. At the G20 [Sherpa meeting](#) held on 16-17 June 2015 in Bodrum (Turkey),<sup>18</sup> India pressed for petroleum pricing reforms globally to ensure stability in the energy sector.

### **BRICS**

India has been a member of [BRICS](#) since ministerial meetings began in 2006. India sees the BRICS framework as a means to legitimise its bid to obtain a permanent seat in the UNSC. New Delhi hosted the fourth BRICS Summit on 29 March 2012. Modi participated in the sixth BRICS summit, held in Fortaleza, Brazil on 15 July 2014, where it was decided to create the New Development Bank ([NDB](#)) and a BRICS Contingent Reserve Arrangement (CRA). India did not succeed in its bid to host the NDB – the headquarters will be in Shanghai. However, New Delhi did obtain the presidency for the first six years and also agreement that the bank's capital be equally subscribed so that the five members have equal control of the bank. India ratified the agreement on NDP and CRA in February 2015. Modi participated in the seventh [BRICS summit](#) held in Ufa, Russia, on 8-9 July 2015. India will host the eighth BRICS summit in 2016.

### **IBSA and BASIC**

India, Brazil and South Africa established South-South structured cooperation and exchange dialogue, IBSA, in 2003, based on the [Brasilia Declaration](#). New Delhi will host the next summit of IBSA in 2015. Modi is expected to play a major role in [reviving](#) a forum which has made slow progress so far as a result of the BRICS' success and

domestic crises in Brazil and South Africa, and is therefore at risk of becoming irrelevant.<sup>19</sup>

The IBSA countries, together with China – BASIC – started to meet in November 2009 with a view to acting jointly at the UN Copenhagen climate summit of December 2009. They succeeded in drafting the [Copenhagen Accord](#) with the US. The group continues to coordinate its position: on 7-8 August 2014, the 18th BASIC Ministerial [Meeting](#) on Climate Change was held in New Delhi. However, its unity appears under threat, as China and Brazil, and India itself, have now moved towards bilateral agreements with the US to fight climate change.

### **The Commonwealth of nations**

India is one of the nine founding members (mostly former UK colonies) of the [53-nation](#) Commonwealth of nations. This intergovernmental organisation includes three EU Member States: the United Kingdom, Cyprus and Malta. The UK guarantees Commonwealth citizens a set of [rights](#), similar to those recognised under [EU citizenship](#). The Commonwealth Heads of Government Meeting (CHOGM) meets every two years. The [next meeting](#) is scheduled for 27-29 November 2015 in Malta.

Though home to a combined population of more than two billion, of which more than [60%](#) are under 30 years of age, the Commonwealth today appears antiquated and irrelevant internationally. It has been argued that among the [measures](#) for its revival as a leading organisation of the developing world, the headquarters could be moved from London to India.

### **The Non-aligned Movement (NAM)**

The Non-aligned Movement ([NAM](#)) was created at the First Summit Conference of Belgrade in 1961, following the Asian-African conference of 1955 in Bandung, Indonesia. India was not only one of the 25 original founders, but a leader of the movement. Jawaharlal Nehru, India's Prime Minister from 1947 to 1964, created a pivotal role in NAM for New Delhi. Today, NAM is no longer the only forum for India's international ambitions and its [relevance](#) is currently challenged.

India is also a founding member of the Group of Fifteen ([G-15](#)), a group of developing nations established at the ninth Non-aligned Movement Summit in Belgrade in 1989, to facilitate dialogue with industrialised countries.

## **Outlook**

The Modi government attaches great importance to developing good relations with its immediate neighbourhood. However present prospects for the integration of South Asia through SAARC are not promising. Bilateral relations with Pakistan do not seem high on Modi's current agenda, and prevent SAARC from making substantial advances.<sup>20</sup> New Delhi is therefore promoting sub-groupings within and outside SAARC (e.g. BCIM-EC) to enhance connectivity between India and its neighbours.

New Delhi resists the possibility of China playing a bigger role in SAARC, although Beijing approved India's membership of the Shanghai Cooperation Organisation. SCO membership may allow easier access to Central Asian energy resources,<sup>21</sup> useful for meeting increasing Indian energy demands and to reach India's goal of becoming a global manufacturing hub through the '[Make in India](#)' initiative launched by Modi on 25 September 2014. This is also line with the Government's [goal](#) to raise India's share in world exports from 2% to 3.5% by 2020, according to the new [five-year foreign trade policy](#).

India is the third biggest provider of personnel to UN peacekeeping missions, and thus may continue to lobby for a permanent seat in the UNSC. New Delhi would like to be recognised as a [global power](#) within the ongoing international framework, however its pragmatic approach leads the country to join the heterogeneous BRICS group and support new financial institutions like the New Development Bank ([NDB](#)) and the China-driven Asian Infrastructure Investment Bank ([AIIB](#)). This latter could represent an [interesting](#) instrument for an India which needs to address its chronic infrastructure gap.<sup>22</sup>

## Main references

[Pax Indica: India and the World of the Twenty-First Century](#), Tharoor S., Penguin, 2012.

[India: Drawn To The Shanghai Cooperation Organization](#), Kumar S., The Diplomat, 27 February 2014.

[Explained: Understanding the permanent solution at WTO](#), Damodaran H., The Indian Express, 17 November 2014.

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[India's Look East policy at crossroads: an examination of changing relations with BIMSTEC and BCIM](#), Sharma A. and Roy A., in: Scholars World, Volume III, Issue I, January 2015.

## Endnotes

- <sup>1</sup> Some argue that India is engaged in too many regional groupings without a clear agenda. [India's ambivalence on China can derail regional groupings](#), Bhaumik S., [Business Standard](#), 23 November 2014.
- <sup>2</sup> Indian foreign policy and coexistence: continuity and change in the post-Cold war era, Gupta S. and Chatterjee S., in: [The BRICS and coexistence. An alternative vision of world order](#), de Coning C., Mandrup T., Odgaard L. (ed.), Routledge, 2015.
- <sup>3</sup> Following the SCO Summit in Ufa in July 2015, India and Pakistan are to join in 2016.
- <sup>4</sup> [EAS](#) consists of the ten ASEAN Member States (Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Singapore, Thailand, Philippines and Vietnam), Australia, China, India, Japan, Korea, New Zealand, Russia and the US.
- <sup>5</sup> The tenth EAS will take place in Kuala Lumpur (Malaysia) on 21-22 November 2015.
- <sup>6</sup> This position is advocated by India since 2013. On 11 March 2015, the Indian Ambassador to the Philippines made a specific reference to international arbitration. [India's Got a Plan For South China Sea Disputes \(And China Won't Like It\)](#), Panda A., The Diplomat, 11 March 2015.
- <sup>7</sup> But this may change. [APEC doors open for India, President Xi, Sushma Swaraj discuss progress in ties](#), Vaidyanathan I., The Indian Express, 3 February 2015. 'At the invitation of Chinese President Xi Jinping, its host, Prime Minister Narendra Modi will have the opportunity to attend a group that has long excluded India – the Asia-Pacific Economic Cooperation (APEC) forum.'
- <sup>8</sup> In 2013, approximately 62% of India's imported crude oil came from Middle East countries. Saudi Arabia is the largest supplier. [India. Overview](#), US Energy Information Administration, 26 June 2014.
- <sup>9</sup> 8 102 people, of which 7 050 troops, 993 police, 59 military experts. [Troop and police contributors](#). Half of them are in the [MONUSCO](#) mission (Congo) and a quarter are in the [UNMISS](#) (South Sudan).
- <sup>10</sup> 159 casualties. [Fatalities by Nationality and Mission](#).
- <sup>11</sup> [China on India's UNSC Bid: Neither Yes Nor No](#), Kaura, V., The Diplomat, 3 June 2015.
- <sup>12</sup> In the final Declaration following the BRICS summit in Ufa on 8-9 July 2015, "China and Russia reiterate the importance they attach to the status and role of Brazil, India and South Africa in international affairs and support their aspiration to play a greater role in the UN". Once again, there is no support to India's (and Brazil's) campaign to gain permanent UNSC membership. [VII BRICS Summit. Ufa Declaration](#).
- <sup>13</sup> The G4 proposed that two unspecified African countries also be included in the enlarged UNSC.
- <sup>14</sup> [UNGA A/68/PV.80](#).
- <sup>15</sup> [General Assembly Adopts 63 Drafts on First Committee's Recommendation with Nuclear Disarmament at Core of Several Recorded Votes](#).

- <sup>16</sup> [Explained: Understanding the permanent solution at WTO](#), Damodaran H., The Indian Express, 17 November 2014.
- <sup>17</sup> [The Group of Twenty \(G20\)](#), Szczepanski M., Bassot E., EPRS, 8 January 2015.
- <sup>18</sup> The tenth [G20](#) will take place in Istanbul (Turkey) on 15-16 November 2015.
- <sup>19</sup> [The Uncertain Future of IBSA](#), Stuenkel O., Carnegie Endowment for International Peace, 18 February 2015.
- <sup>20</sup> But a strong positive signal has been given by the meeting of Narendra Modi with the Pakistani Prime Minister Nawaz Sharif on the sidelines of the Ufa Summit, on 10 July 2015. The statement issued by the Foreign Secretaries of the two countries does not mention the Kashmir issue but provides a list of five steps to be taken by both sides in order to improve their relations. [Statement read out by Foreign Secretaries of India and Pakistan in Ufa, Russia \(10 July 2015\)](#).
- <sup>21</sup> In his visit to the five Central Asia republics in early July 2015 before the Ufa Summit, Modi claimed it was the start of a 'new era' in relations with these countries. [Media Statement by the Prime Minister during his visit to Uzbekistan](#).
- <sup>22</sup> India is the [second largest shareholder](#) within AIIB, with a stake of 8.52% and voting share of 7.5%.

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