India and ASEAN are together home to 1.8 billion people, have a combined economy of US$ 3.8 trillion and a substantial share of world resources. With shared land and maritime boundaries, ASEAN-India relations are firmly embedded in Culture, Commerce and Connectivity. India’s “Look East Policy” (LEP) was in force for more than two decades, and thereafter, it has been transformed into “Act East Policy” (AEP) with ASEAN at its core. Starting as a sectoral partner of ASEAN in 1992, India became a dialogue partner of ASEAN in 1996, a summit-level partner in 2002 and a strategic partner in 2012. The year 2017 marks 25 years of ASEAN-India dialogue partnership, 15 years of summit level interaction and 5 years of strategic partnership.

Connectivity is the pathway to shared prosperity. The potential for ASEAN-India connectivity cooperation has come to the fore in the past decade. Connectivity in all modes is the key to greater collaborations, economic growth and development. For emerging economies, it is linkages established through seamless physical and digital connectivity which will unlock the quiescent potential opening gateway to greater stability across continental relationships giving way to added economic prosperity.

It is in this backdrop that the Ministry of External Affairs (MEA) in collaboration with the Confederation of Indian Industry (CII) and the ASEAN-India Centre (AIC) organized the first ever ASEAN-India Connectivity Summit, themed “Powering Digital and Physical Linkages” from 11-12 December 2017 in New Delhi.

Inaugurated by Mr Nitin Gadkari, Hon’ble Minister for Road, Transport and Highways, Shipping and Water Resources, River Development and Ganga Rejuvenation, Government of India. The Summit witnessed participation of around 250 delegates with over 25 representations from ASEAN Countries.
INAUGURAL

Mr Nitin Gadkari, Hon’ble Minister of Road Transport and Highways, Shipping and Water Resources, River Development and Ganga Rejuvenation in his keynote address acknowledged robust steps undertaken for upgradation of Indian ports and waterways. He stated that the highest priority is river and port connectivity and financing holds a key importance to successful accomplishment of the projects. He shared the details of the Sagar Mala Project which envisages an investment of Rs. 16 lakh crores for maritime connectivity which will include 14 industrial clusters. Further to this, he also shared the brief details of the future linkages being created via the Brahmaputra to connect with India’s North East; the proposed $1 billion line of credit to promote sea, air and road connectivity projects with ASEAN countries; project development fund of $77 million created to develop manufacturing hub in CLMV countries and ASEAN India Civil Aviation task force established to optimize the air connectivity.

Gen (Dr) (Retd) V K Singh, Hon’ble Minister of State for External Affairs, Government of India, in his special address highlighted Maritime connectivity as the backbone of the efficient and effective trade deliver a threefold benefit of improving relations; enhancing connectivity and tapping investment opportunities between India and ASEAN countries. In addition, he stated the need to promote air connectivity between the ASEAN region and Tier II cities in India. In terms of road linkages, he stated that projects such as the Trilateral Highway and the Kaladan Multi-modal Transport Project are progressing at a satisfactory pace. He described the important ingredients of connectivity as sustainable infrastructure, digital innovation, seamless logistics, regulator excellence and people mobility. He also briefed on the White Shipping Agreements signed by India with number of countries for providing assistance in capacity building measures and capability enhancement.

Mr Phan Tam, Deputy Minister for Information and Communications, Ministry of Information and Communications of Vietnam stated that ASEAN countries are focused on the implementation of the Master Plan on ASEAN Connectivity 2025 to promote free flow of goods and people in the region. He acknowledged India as a major partner among the ASEAN Countries.

Ms Shobana Kamineni, President, CII, while chairing the inaugural session stated the importance of building connectivity between India and ASEAN countries and acknowledged the numerous benefits it offers. She stated that integration of markets can facilitate in improving networks and attracting more foreign direct investments along with the benefits of knowledge sharing, technology transfer and opportunities to connect with regional and global supply chains.

CONNECTIVITY: MEGA CORRIDORS - INDIA’S INITIATIVES

The Special Plenary Session titled Connectivity: Mega Corridors - India’s Initiatives highlighted the importance of international corridors which impact the future state of the global economy and shed light on multilateral institutions’ perspectives and contributions toward connectivity projects.
The Session Chaired by Mr Rajat M Nag, Distinguished Fellow, NCAER and RIS stated the importance and the benefits of building transport corridors. He emphasized on the need to change the transport corridors to economic corridors which brings prosperity and enables people to people connect.

Mr M J Akbar, Hon’ble Minister of State for External Affairs, Government of India in his special remarks highlighted the new dimension and definition of Connectivity in the 21st century, he further added that the map of a region will not only be defined by the geographical locations but also includes the maps of sea, space and land of the region. He stressed upon the need for greater collaborations for economic growth and development for which India has taken the lead to build corridors like North-South Transport Corridor, Asia-Africa Growth Corridor and Indo-Pacific Economic Corridor.

Ms Anita Prakash, Director General of Policy Design Department, Economic Research Institute of India (ERIA), Indonesia shared the details on the fundamentals of AAGC (Asia Africa Growth Corridor). She further elaborated on the four components of the project which include development and cooperation based projects; quality infrastructure for connectivity; capacity and skill enhancement and people to people partnerships.

Mr Ronald Butiong, Director for Regional Cooperation and Operations Coordination, ADB, Philippines stated economic sustainability as the essential points to be considered for enhancing connectivity. He further added the requirement for setting up multimodal transnational transport corridors to build road, rail and maritime network for boosting connectivity between India and ASEAN.

Dr Prabir De, Coordinator, ASEAN-India Centre (AIC), RIS highlighted the massive rise India has witnessed in the recent times. He emphasized the requirement of quality infrastructure to build better connectivity within the region.

Vice Admiral Pradeep Chauhan, Director, National Maritime Foundation shared the importance of maritime security and White Shipping Agreements. He further stated that one of the area which has not been given much importance is security implication of climate change which lays impact on the ports and mega corridors.

Mr Ryoji Furui, Industrial Researcher, JETRO India and Representative of Ministry of Economy, International Trade and Industry of Japan in India shared perspectives of the Indo Pacific region. He elaborated on the scope of Japanese companies in India and ASEAN region in terms of regional value chain. He emphasized the essence of multilateral and bilateral trade treaties and its impact on transforming integrated economies within the region.

**ASEAN-INDIA DIGITAL CONNECTIVITY: TOWARDS AN INTERCONNECTED DIGITAL ECONOMY**

Digital infrastructure provides the foundation for many new technologies, services, applications and business models. There is a significant need to upgrade infrastructure to support urbanization. Challenges to digital infrastructure investment include geographic differences, regulatory uncertainty, high capital expenditure, etc.
Policy imperatives will help ASEAN “leapfrog” into the vanguard of the digital economy making the region globally competitive and enriching the lives of citizens. Realizing this opportunity must be a top priority as disruptive technologies such as Internet of Things, Mobile Internet, Big Data and Cloud Technology are being heralded as the new horizon for convergence of all digital expressways of the future.

The Plenary Session titled ASEAN-India Digital Connectivity: Towards an Interconnected Digital Economy threw insights into the areas of collaboration on Digital Connectivity between India and ASEAN; Regulatory frameworks to support digital technologies; financing and development of digital infrastructure; Technology adoption by micro, small and medium enterprises (MSMEs) and strategies to build a cohesive and future-ready ASEAN-India Digital economy.

Chaired by Mr N K Goyal, President, CMAI Association of India acknowledge the immense opportunities which exist for Indian Companies in the ASEAN region and highlighted briefly the expertise which the Indian Companies can provide.

Mr Rakesh Kumar Bhatnagar, Director, Telecom Export Promotion Council and Mr Prabhash Singh, Member-Technology, Department of Telecommunications, Ministry of Communications shared in brief the ongoing projects being executed by TEPC in the ASEAN countries and Government of India’s recently proposed ICT Work Plan 2018 for ASEAN countries that includes several capacity building programmes, establishing center for cyber security and setting up of high-performance lab.

Mr U Soe Thein, Director General, Department of Posts and Telecommunications, Ministry of Transport and Communications, Government of Myanmar shared insights on the project GPON which is supported by the Government of India extended under Line of Credit. In addition, he briefly shared the initiative taken by Myanmar recently by forming a Digital Economy Development Committee.

Dr Thavisak Manodham, Director General of Department of Information Communications Technology, Ministry of Post and Telecommunication, Lao PDR in his remarks captures the commonalities of Lao PDR and India in terms of geography and culture. He acknowledged the cooperation received from India for establishment of a center of excellence in software development with an objective to train and work with India on the digital projects to counter the challenge of technology adaptation.

Mr Shyamal Ghosh, Chairman, TEPC stressed on the importance on correct utilization of line of credit being extended by India to fellow countries. He pointed out the concern of sovereign guarantee and stressed that it can be resolved by finding the alternatives to enable the fullest use of Line of Credit.

Mr Sanjay Nayak, CEO & MD, Tejas Network highlighted the huge scope which exists for Indian Companies in the field of ICT in ASEAN countries. He further elaborated that Indian companies should come forward in engaging with the companies of the ASEAN region to identify new projects and take forward these projects under Line of credit extended by the Government of India.

Mr V Raghunandan, DDG(IR), Department of
Telecommunication, Government of India mentioning about the various proposals said India would like to form joint working group with each country of the ASEAN region and take forward the individual projects. He highlighted Disaster Management as one of the key area where India needs to focus partnership with ASEAN countries.

SUSTAINABLE INFRASTRUCTURE:

AVIATION

Given the significant role of some Southeast Asian companies in the civil aviation sector and increasing strategic economic engagement between India and ASEAN, there are immense possibilities of widening aviation cooperation between India and ASEAN. The Session on Aviation showcased ongoing ASEAN – India collaborations and highlighted the potential project areas in the sector.

Mr Ajay Singh, Chairman, CII National Committee on Aviation and Managing Director, Spice Jet Limited while chairing the session mentioned the need for the Government of ASEAN Countries to engage the private players to develop the new air corridors. He acknowledged the tremendous opportunities in the sectors across India and ASEAN region.

Ms Shefali Juneja, Director, Ministry of Civil Aviation in her presentation highlighted the ASEAN-India cooperation framework, a joint working group being set up which would initially focus on safety and security aspects of air connectivity. The first meeting of the joint working group is scheduled in January 2018. She stated the fact that, there are no direct air services between India and four ASEAN countries — Brunei, Cambodia, the Philippines and Lao-PDR and priority should be given to overcome this at the earliest.

Mr Kapil Kaul, CEO, CAPA stated Connectivity as the key element for economic prosperity. He stated the need for Indian carriers to come forward and create the new air hubs and markets in countries like Cambodia, Philippines or other destinations in the region which are not connected very well with India. In addition, he emphasized on the need of building air corridors to explore the new destinations in the region to improve the connectivity and trade.

Mr Pradeep Panicker, Chief Commercial Officer-Aero Business, Delhi International Airport Limited threw insights on the existing partnership between GMR and the Malaysian Airports Holding Berhad and the possibility to explore the new collaborations in the region. He clearly stressed on developing new markets as it will be eventually beneficial for all stakeholders.

Mr Koustav M Dhar, CEO, Zoom Air emphasized the need to improve the air-connectivity and initiate dedicated cargo airline between the ASEAN region and India.

Mr Amar Abrol, MD & CEO, Air Asia India recommended a common visa for the region introduced as “ASEAN visa”. In addition, he highlighted trade, cargo and tourism as the key areas holding huge potential along with medical and religious tourism.
SUSTAINABLE INFRASTRUCTURE: MARITIME

Maritime cooperation is one of the important aspects of the India-ASEAN strategic partnership. While ASEAN and India have agreed to establish a Maritime Transport Working Group between India, Myanmar, Thailand, Cambodia and Vietnam to examine the feasibility of shipping networks, for both India and ASEAN to maintain its stakes and safeguard its interests in the region, concerted efforts are required to further strengthen its maritime cooperation. The session on Maritime showcased ongoing collaborations in the sector, the challenges and the potential project area in the sector.

Chairing the Session, Mr Anil Devli, CEO, INSA highlighted the importance of shipping routes for developing infrastructure for freight corridor. He stressed on the development of the eastern coast of India keeping in view to enhance the connectivity with the ASEAN countries.

Dr Malini V Shankar, DG Shipping, Ministry of Shipping urged the need to explore new sea routes between India and ASEAN. Countries in addition, she briefly captured the initiatives taken by the Government of India in order to enhance maritime connectivity with ASEAN Countries.

Mr S K Gangwar, Member (Technical), Inland Waterways Authority of India shared concise details of the initiatives taken by India for port development in Myanmar and also expressed the desire to take these initiatives to the rest of the ASEAN countries.

Ms Sangeeta Sharma, Sr. VP in Charge (L&PS) Division, The Shipping Corporation of India briefly shared the concept of short sea shipping and coastal trade. In addition, she pointed the fact on the current transportation cost being on higher side between India and ASEAN countries and the measures which can be adopted for improving maritime connectivity.

SUSTAINABLE INFRASTRUCTURE: ENERGY

Energy security is one of the foremost priorities of ASEAN and India. Renewable energy development is common focus of both ASEAN and India. Prime Minister Modi spoke of the “seven horses of energy”, which include thermal, gas, hydro, and nuclear power, with emphasis given on the development of solar, wind, and biogas. ASEAN has started implementing the ASEAN Plan of Action for Energy Cooperation (APAEC) 2016-2025. ASEAN countries through the agreements on enhanced cooperation are intended to achieve a “One ASEAN Community Through Resilient and Sustainable Energy.”

The Session on Energy chaired by Mr P K Pujari, Former Secretary, Ministry of Power, Government of India highlighted the Energy sector cooperation between ASEAN and India and discussed the investment opportunities, and blueprints to facilitate private sector cooperation between the region. In his remarks, he highlighted that renewable energy is the focus point for future collaborations. He acknowledged the role played by private sector in this area.

Mr Ghanshyam Prasad, Director, Ministry of Power, Government of India and Dr D K Khare, Director, Ministry of New and Renewable Energy, Government of India
shared the Government’s experience and expertise in the sector. In addition, they also highlighted the Government’s willingness to work together in renewable energy market with the neighboring countries and take the economic relationship a step ahead.

**Mr Ratul Puri**, Chairman, Hindustan Power Projects stated the potential in conventional and renewable energy where Indian companies can explore the ASEAN markets.

**Mr S K Roy Mohapatra**, Chief Engineer (Power System), Central Electricity Authority stated India’s target to be the principal source of renewable energy in next 10 years. In addition, he recommended the formation of the joint working group which help discuss the knowledge and expertise of the manufacturing; energy production and transmission.

**SUSTAINABLE INFRASTRUCTURE: ISLAND CONNECTIVITY**

Islands Connectivity has gained momentum in recent years with ASEAN’s investments in infrastructure in its islands, and India’s investments in infrastructure, tourism, agriculture (organic and fisheries) and renewable energy development in Andaman and Nicobar Islands region. There is a huge scope to unlock the vast potentials of cooperation, particularly in tourism, maritime security, disaster management, etc.

The session on Island Connectivity highlighted the Investment opportunities and deliberated on the challenges that need to be addressed for continued growth in the sector. **Dr Vijay Shakuja**, Former Director, National Maritime Foundation while chairing the session stated Cruise Tourism and Marine Leisure Industry as the niche component of the connectivity projects between India and ASEAN countries. He recommended development of cruise triangle between Lankavi Island, Andaman and Kolkata connecting with coastal cities of Thailand and Myanmar. In addition, he stated development of the blue economy and use of digital technology as the key for improving connectivity between the islands of the ASEAN countries with the Andaman and Nicobar Island.

**Admiral R K Dhowan**, PVSM, AVSM, YSM (Retd.) Chairman, National Maritime Foundation acknowledged India as a maritime nation and ASEAN as a major trade and strategic partner. In addition, he stated that blue economy holds a core position of India’s economic activities. He briefly shared that island development plan envisages inclusion of green field investment projects with zero carbon foot print to promote cruise tourism with ASEAN countries.

**Vice Admiral Pradeep Chauhan (Retd.),** Director National Maritime Foundation stated RORO transport technology holding strong potential between ASEAN countries and India. He mentioned that the 3 major RORO connectivity routes include Philippines with Indonesia, Malaysia and Vietnam. He stressed on the adoption of digital technologies to upgrade the maritime sector and the need to develop a roadmap for integrated maritime transport.
Mr Madhu Bhavi, Chief Engineer, Andaman and Nicobar Islands and Lakshadweep Harbour Works stressed on the need for improving the connectivity of the Andaman Island and Lakshadweep area with the ASEAN region.

Mr Carmello L Arcella, Executive Director, Civil Aeronautics Board, Philippines shared the willingness of the Philippines industry to collaborate with India to enhance connectivity particularly in air and maritime corridors. He shared the fact that Philippines is a maritime country and constitutes the 4th largest ship builders in the world with the growth of 300% increase in passengers annually and successfully overcoming the challenges of the congestion in the network.

Dr Prabir De, Coordinator, ASEAN India Centre, RIS urged on the need to improve connectivity between India and ASEAN countries especially Port Blair on Indian side and Indonesia and Thailand on the ASEAN side. Simultaneously, he also cautioned that developing Andaman should be slow as it can have an implication on the nature because it is a very sensitive place in terms of environmental handling.

**SUSTAINABLE INFRASTRUCTURE: ROADS AND HIGHWAYS**

Roads and Highways form a substantial part of the ongoing cooperation between ASEAN and India. Sustained investment in infrastructure and innovation are crucial drivers of economic growth and development. India is already focused on improving road connectivity with ASEAN as it opens the gateway to increased trade thereby integrating economies.

India has engaged in the implementation of several roads and highways projects such as the **India - Myanmar - Thailand Trilateral Highway (TH)**, extension of TH to Cambodia, Lao PDR and Vietnam, and the **Kaladan Multimodal Transit Transport Project** etc.

The Session on Roads and Highways chaired by Mr Ajit Gulabchand, President, Construction Federation of India (CFI) and Chairman & Managing Director, Hindustan Construction Company Limited acknowledged the fact that a lot of development has taken place over the years but a lot more needs to be done.

Sharing the government perspective, Mr Yudhvir Singh Malik, Secretary, Ministry of Road, Transport and Highways and Mr Nagendra Nath Sinha, Managing Director, National Highways and Infrastructure Development Corporation shared insights on the key development projects in the sector such as the Bharat Mala project- an ambitious project for connectivity within the country and to build connectivity with ASEAN countries. They stressed upon improving connectivity with ASEAN countries and focused on developing multimodal transit economic corridors.

In addition, Ms Dakshita Das, Joint Secretary, Ministry of Road, Transport and Highways, India said that connectivity will lead to an increase in growth of India’s GDP. She stated that India and ASEAN countries are holding consultations on the extension of the India Myanmar Thailand Trilateral Highway to Laos, Cambodia and Vietnam which will bolster the road connectivity of India with ASEAN region.

Mr Takema Sakamoto, Chief Representative, JICA India while sharing his perspective highlighted the importance
Mr U Zaw Min Oo, Director General, Department of Road Transport Administration, Ministry of Transport and Communications, Government of Myanmar and Ms Lai Lai Aye, Chairperson, Mandalay Minn Express and Member, Union of Myanmar Federation of Chamber of Commerce and Industry threw light on the strategies that can be adopted for enhancing connectivity and the benefits these hold for both the sides.

Mr S K Chaudhary, Chairman & MD, IRCON International stated both physical and emotional connectivity playing a significant role in building collaborations. He mentioned that uniting together can help transform the region to become an economic powerhouse with focus on improving multimodal connectivity.

ASEAN-INDIA CONNECTIVITY: TRANSFORMING NORTHEAST

Northeast India is the pivot to India’s Act East Policy (AEP). A stronger connectivity between ASEAN and India act as a game changer for India’s Northeastern Region. Connectivity is being strengthened through the ASEAN-India Strategic Partnership projects such as the India-Myanmar-Thailand Trilateral Highway and the Kaladan Multimodal Transport Project.

However, given the wide geographical scope and the less developed transport infrastructure, it is also important to pay explicit attention to the connectivity within and beyond Northeast India. Enhancing connectivity between ASEAN and Northeast India would open up new opportunities for the development of the border areas, which in turn would contribute to narrow the development gaps.

Chairing the session, Mr Jitendra Kumar, Adviser (NRE), Niti Aayog mentioned that connecting north eastern states will be key for improving connectivity with the ASEAN countries. He highlighted on key sectors for development and regional connectivity as tourism, agriculture, horticulture and handicrafts.

Mr Naveen Verma, Secretary, Ministry of Development of the North-Eastern Region, India stated the geographical demographics of the 8 north eastern states and the unique advantages that states offers. He shared Government’s initiative to set up a north east regional tourism cell which is looking at selling tourism packages for the region, across the NE states. He further suggested that a similar initiative can be done by the ASEAN countries for the north-eastern region.

Mr P D Rai, Member of Parliament (Lok Sabha) acknowledged the fact that major changes are happening in the region which help enhance connectivity. He further stated that the only way we can unleash the potential is by opening the border gates for increasing trade and more people to people connect.

Ms Sripriya Ranganathan, Joint Secretary (BM), Ministry of External Affairs, Government of India stated the commonalities of Myanmar and other ASEAN countries with India is belief in Buddhism which also creates the gateways for tourism in the region and people to
people connect. In addition, she highlighted the fact that Bangladesh and Myanmar are the land bordering countries with the north-eastern parts of India and therefore building connect with these countries will bring development to the parts of the north-eastern states across these corridors.

Ms Mamta Shankar, Adviser, Ministry of Development of the North-Eastern Region, Government of India threw light on the potential across the north-eastern states in the handloom and handicraft; horticulture and agriculture sector and ways these sectors can help in increasing trade and connecting people of the region.

Mr Pradeep Bagla, Co Chairman, North East Core Committee on Infrastructure, CII & Managing Director Amrit Cements Limited mentioned that connectivity projects like Kaladan Multimodal and IMT Trilateral highway will help the whole region and make a massive impact in the industrial growth and socio-economic growth.

Mr Harmit Singh Sethi, Deputy Executive Director, Dalmia Bharat Limited recommended set up of vocational universities in north eastern part of India and the universities being connected by road network from Delhi and to the regional countries from Myanmar, Thailand, Lao to Vietnam which enables the students to take advantage by connecting them across universities and help in improving higher education, social entrepreneurship and skill development.

ASEAN CONNECTIVITY MASTER PLAN: HARNESSING OPPORTUNITIES

The development of the Master Plan on ASEAN Connectivity (MPAC) 2025 is a strategic document that has been drawn up to strengthen ASEAN Community-building through the three dimensions of physical, institutional and people-to-people connectivity. India has welcomed ASEAN’s own connectivity projects to strengthen intra-ASEAN linkages, and there are opportunities for harmonizing this initiative with plans for improving cross-border connectivity across the borders.

The Session on ASEAN Connectivity Master Plan: Harnessing Opportunities took stock on the progress made on the proposed Master Plan and deliberated on the strategy to enhance physical and digital connectivity between India and ASEAN.

Mr Shailesh Pathak, CEO, L&T Infrastructure Developments Projects Limited while chairing the session expressed interest for 2 pilot projects for improving connectivity namely 10-year business visa for the ASEAN region and free international roaming within the region.

Mr Lim Cheen, Head ASEAN Connectivity Division said that five strategic areas to be focused for connectivity are sustainable infrastructure, digital innovation, seamless logistics, regulatory excellence and people mobility. He said that focus should be to leverage on the ongoing and proposed connectivity projects that are IMT Trilateral Highway and its extension to Cambodia, Laos and Vietnam and strengthen the negotiation on ASEAN India Air Transport Agreement and explore other potential projects. He ended his remarks by saying – “We are connecting today and we will connect tomorrow”.

Mr Akhilesh Kumar Shrivastava, CGM (IT), NHAI shared the progress of ongoing connectivity projects and he further stated that many new projects will be introduced once the ongoing projects are completed.

Mr Nathan K Suppiah, Vice President, Federation of Malaysian Manufacturers & Secretary General, Malaysian National Shippers Council urged that India should expand the investments in other countries of ASEAN region as currently India is focusing its investments in CLMV countries.
only. This would strengthen India’s presence in the region, he added. He reiterated the suggestion of ASEAN travel card that should come into existence like the a APEC travel card which allow the businessman to travel in the region countries without any visa issues.

BUILDING CONNECTIVITY: LINE OF CREDIT

India has proposed to a Line of Credit of US$ 1 billion to promote projects that support physical and digital connectivity between India and ASEAN. In addition, India has also set-up a Project Development Fund of US$ 77 million to support manufacturing units in CLMV countries. The special emphasis on India’s partnership with CLMV will be further cemented through the projects, especially in the area of capacity building across infrastructure sectors.

The session titled Building Connectivity: Line of Credit was chaired by Prof Sachin Chaturvedi, Director General, Research and Information System for Developing Countries (RIS) highlighted information on various ongoing and proposed projects of connectivity under India’s Line of Credit and reiterated fact that promoting physical and digital linkage between India and ASEAN will help bring huge development in the region.

Mr Nadeem Panjetan, Chief General Manager - LoC Group, EXIM Bank enumerated how LoCs have become an important instrument in partnership with the CLMVs. Through a detailed presentation he informed about the kind of partnerships that can be done with the ASEAN countries. In addition, he stated that EXIM bank would like to offer partnership for execution of such joint infra projects. He elaborated the impact of LOCs and EXIM Bank’s interventions in strengthening India-ASEAN relations and the benefits that LoCs bring in to such projects.

Mr Prashant Agarwal, Joint Secretary (DPA – I), Ministry of External Affairs, Government of India stated that as part of Government engagement with ASEAN project implementation is critical to the success of any project. He further added that LoCs are not the only way to fund these projects and grants could play an important role while looking at project funding.

Mr Pankaj Tandon, Vice President - T&D-SAARC, KEC International sharing his experience in Bangladesh said that in partner countries clarity is needed at the operational level about how the execution of these projects and any discrepancies with this regard must be resolved. He also said that it is important to note how the private sector looks at such viable projects between India and ASEAN that require Line of Credit support.

FINANCING INFRASTRUCTURE

Constraints of finance and resultant delays in infrastructure development is a consistent problem fettering the sector. Searching for solutions to address this problem will consequently help in resolving other interlocking obstacles. India has been planning infrastructure projects
in several parts of Asia. Financing constrains has become the major issue in building cross-border connectivity projects.

The Session on Financing Infrastructure was chaired by Mr Vinayak Chatterjee, Chairman, CII Economic Affairs Council and Chairman, Feedback Infra Private Limited highlighted the key changes that have taken place in financing and the futuristic approach to move from the commercial banks to the capital markets. A big push is being observed in public expenditure and PPP is an important instrument in new and emerging sectors.

Mr Subhash Chandra Garg, Secretary, Department of Economic Affairs, Ministry of Finance, India said globally most of the growth is coming from the emerging markets like China, India and other countries from ASEAN. He mentioned that going forward growth will come from infrastructure projects – both digital and physical. These projects are going to be funded in 3 ways – Government, private and a combination of both. He mentioned that through all these projects $12-13 billion investment mobilization for infrastructure projects in India is expected. He suggested that there is big money in pension funds so we should think of how to get that money into such projects.

Mr Ichiro Hayashidani, Chief Representative, JBIC Representative Office said that India’s PPP success stories should be shared with ASEAN countries so that similar projects can be undertaken in the region. In addition he stated that JBIC is keen to support infrastructure financing projects in the region and it can also introduce energy efficient & reliable technology from Japan.

Mr Ankur Kathuria, Vice President, Transaction Advisory Services, Ernst & Young LLP mentioned about challenges in structuring the projects and said that a lot of Infrastructure projects get stuck as the approvals take time so these projects need to be handled in a systematic manner.

VALEDICTORY SESSION

Mr Manoj Sinha, Hon’ble Minister of State for Communication (Independent Charge), Government of India stated that India is working towards improving digital connectivity between India and ASEAN countries and that will benefit a lot of lives of the two regions. He mentioned that India is very well connected digitally with the ASEAN region and with Singapore as a major hub. He stated that India has always been keen to learn from the best practices followed by countries in the ASEAN region to strengthen digital connectivity within the country.

Mr Chankosal Tauch, Secretary of State, Ministry of Public Works and Transport, Cambodia stated that India and ASEAN countries need to work together to facilitate cross-border trade to boost growth. He reiterated Cambodia’s commitment for working towards India-ASEAN connectivity. He pointed out that maritime connectivity is one of the key areas for boosting India - ASEAN connectivity. To facilitate maritime connectivity, Cambodia is in process of negotiating with private investors for building and connecting highways with its major ports.

Ms Preeti Saran, Secretary (East), Ministry of External Affairs stated that connectivity would determine how India and ASEAN will grow in the future and keeping this in mind India is undertaking several initiatives related
to connectivity with the ASEAN region. She said in her view there are three “C’s” - Commerce, Culture and Connectivity that will define India’s relationship with South East Asia. She mentioned that some of the connectivity related initiatives that India is undertaking are building of roads to link India’s Northeast to the ASEAN region, strengthening maritime security and establishment of new trade routes between India and South-East Asia.

Dr Prabir De, Coordinator, ASEAN - India Centre (AIC), RIS highlighted some of the outcomes of the Summit. He stated that India and ASEAN have formed Joint Working Groups to harmonise ASEAN - India Maritime, Road and Aviation Connections. He mentioned that plans have been put in place to enhance digital connectivity between the two regions and Island connectivity took center stage at the Summit and there is also a need to look at ways of conserving ocean resources. He highlighted the need to transform the transport corridors that can be developed into economic corridors by developing manufacturing zones around them. There is also a need to integrate with the other regional initiatives in the region like BIMSTEC.

Mr Rakesh Bharti Mittal, President Designate, CII chaired the session and stated that the ASEAN - India relationship needed a reinvigorated approach with greater private sector participation. He said that private sector should drive the agenda of integration of ASEAN region in the sectors of energy, water management, education, health care agriculture, food processing and natural resources exploration. He stated that the ASEAN - India Connectivity Summit is being institutionalized as an Annual Event.

### KEY RECOMMENDATIONS

#### Government Policy
- Policy restructuring to address the concerns of Sovereign Guarantee and enable optimum utilization of line of credit between India and ASEAN.
- Introduction of ASEAN travel card to encourage Entrepreneurs to travel and expand their business across the region. (eg existing APEC travel card)

#### Infrastructure Development
- Extension of India-Myanmar-Thailand Trilateral Highway Project to Laos, Cambodia and Vietnam and with major cities of North east India.
- Enhance physical connectivity by introducing direct flights between Indian cities and Cambodia, Laos, Myanmar and Vietnam.
- Improve physical and digital connectivity to further strengthen international border areas
- Encourage private sector participation in the development of multi modal transport corridors between India-CLMV Countries.
- Transform transport corridors to economic corridors by developing manufacturing zones around them.
- Adoption of Digital technologies to upgrade the maritime sector
- Formulation of a roadmap for integrated maritime transport

#### Trade & Investments
- Introduction of knowledge exchange programmes between India and ASEAN on investment incentives being extended by both regions to encourage investments by private sector players.
- Strengthen partnerships in areas like tourism, handicrafts and handlooms, energy, water management, education, health care, agriculture, food processing and natural resources exploration with the ASEAN region.

**Human Resources Development**

- Encourage establishment of startups by introducing knowledge exchange/ training programmes on skill development.
- Setting up of Vocational universities in north eastern part of India with direct road connectivity from Delhi to the regional countries from Myanmar, Thailand, Lao to Vietnam enabling students to take advantage of travelling across these universities and higher education, social entrepreneurship and skill development.

**Technology Transfer and Knowledge Sharing**

- Introduce knowledge exchange programmes/ joint working groups on new technologies developed by India in ICT and renewable energy.
- Introduce knowledge exchange programmes between India – Singapore - Malaysia on port and marine infrastructure development.

- Introduce knowledge sharing platforms and showcase India’s PPP success stories with ASEAN countries

**People-to-People Contacts**

- Cruise Tourism and Marine Leisure Industry to be developed and encouraged to promote people-to-people contacts.
- A cruise triangle could be developed connecting Kolkata and Andaman Island with islands of Myanmar and Thailand and can be further extended to Indonesia and Malaysia.
- Establishment of a dedicated tourism cell to help sell tourism packages between ASEAN countries that will create greater business opportunities as well as generate employment in the region.
- Enhance people to people connectivity with introduction of 10 year ASEAN Business Visa and free international roaming in the region.

**Financing Infrastructure**

- Formulate strategies on how the big money in pension funds can be utilized for infrastructure projects.
- Encourage Indian public sector enterprises and financial institutions to back Indian private sector for investing in CLMV countries.
“Sagar Mala Project envisages an investment of Rs. 16 lakh crores for maritime connectivity which will include 14 industrial clusters. India has proposed $1 billion line of credit to promote sea, air and road connectivity projects with ASEAN countries. India has set up a project development fund of $77 million to develop manufacturing hub in CLMV countries and ASEAN India Civil Aviation task force has been established to see optimization of air connectivity.”

Nitin Gadkari, Hon’ble Minister of Road Transport and Highways, Shipping and Water Resources, River Development and Ganga Rejuvenation, Government of India

“Maritime connectivity is the backbone of the efficient and effective trade that will not only help in improving bilateral relations but also connecting the various islands of India and ASEAN region and in tapping investment opportunities in these islands. India has signed White Shipping Agreements with number of countries for providing assistance in capacity building measures and capability enhancement.”

V K Singh, Hon’ble Minister of State for External Affairs, Government of India

“India and ASEAN are natural partners owing to shared values of social justice, gender equality, existence of pluralistic society and a common destiny. India has taken the lead to build corridors like North-South Transport Corridor, Asia-Africa Growth Corridor and Indo-Pacific Economic Corridor. ASEAN and India Connectivity has been one of the pillars of such mega corridors.”

M J Akbar, Hon’ble Minister of State for External Affairs, Government of India

“India is working towards improving digital connectivity between India and ASEAN countries and that will benefit a lot of lives of the two regions. India has always been keen to learn from the best practices followed by countries in the ASEAN region to strengthen digital connectivity within the country”.

Manoj Sinha, Hon’ble Minister of State for Communication (I/C), Government of India

“India has taken several initiatives and ASEAN - India strategic relations are poised to touch a new high due to these initiatives”.

Phan Tam, Deputy Minister for Information and Communications, Ministry of Information and Communications, Government of Vietnam

“Both countries need to work together to facilitate cross-border trade and maritime connectivity is one of the key area for boosting India - ASEAN connectivity”.

Chankosal Tauch, Secretary of State, Ministry of Public Works and Transport, Kingdom of Cambodia

“Integration of markets can facilitate in improving networks and attracting more foreign direct investments along with the benefits of knowledge sharing, technology transfer and opportunities to connect with regional and global supply chains.”

Shobana Kamineni, President, Confederation of Indian Industry
“Private sector should drive the agenda of integration of ASEAN region in the sectors of energy, water management, education, health care agriculture, food processing and natural resources exploration.”

Rakesh Bharti Mittal,
President Designate,
Confederation of Indian Industry

“Connectivity would determine how India and ASEAN will grow in the future and there are three “C’s” - Commerce, Culture and Connectivity that will define India’s relationship with South East Asia.”

Preeti Saran,
Secretary (East),
Ministry of External Affairs,
Government of India

“We should transform the transport corridors into economic corridors by developing manufacturing zones around them.”

Prabir De,
Coordinator, ASEAN - India Centre (AIC), RIS

“Connectivity comprises of three elements that it should make better economic sense, focus should be to sustain actions on the initiatives and the transport corridor must be transformed into economic corridor. We need to set up multimodal transnational transport corridors to build road, rail and maritime network for connecting the whole region.”

Ronald Butiong,
Director for Regional Cooperation and Operations Coordination, ADB

“We are seeking India’s cooperation to set up a center of excellence in software development and training and working with India on other digital projects to counter the challenge of technology adaptation.”

Thavisak Manodham,
Director General,
Department of Information Communications Technology,
Ministry of Post and Telecommunication,
Lao PDR

“Our focus should be to leverage on the ongoing and proposed connectivity projects that are IMT Trilateral Highway and its extension to Cambodia, Laos and Vietnam and strengthen the negotiation on ASEAN India Air Transport Agreement and explore other potential projects. We are connecting today and we will connect tomorrow”.

Lim Cheen,
Head ASEAN Connectivity Division, ASEAN Secretariat

“Myanmar has recently formed a digital economy development committee and working closely with India in the field of digital connectivity.”

U Soe Thein,
Director General,
Department of Posts and Telecommunications,
Ministry of Transport and Communications,
Myanmar