GS Paper 2International Relations

India and Extended Neighbourhood

India and Central Asia

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Recent Context

17th October 2023---Second India-Central Asia NSAs meeting took place in Kazakhstan.

This meeting focused on three aspects:

- It discussed measures for enhancing cooperation in cyber security, digital infrastructure, rare earths, and people-to-people contacts.
- Indian NSA proposed an India-Central Asia Rare Earths Forum to attract investment from the private sector.
- India also offered to provide technology related to digital payments free of cost to facilitate the setting up of sovereign digital real-time payment systems in line with the needs of these countries.
- India and Central Asian countries decided to work closely on cyber security and India offered help to build defences against cyber threats by creating a secure cyber-ecosystem. Indian NSA Cheif invited the heads of cyber securities agencies of the Central Asian countries to share India's experiences.

2)Discussion on aspects of connectivity.

- Indian NSA Chief, asked the Central Asian countries to utilize Chabahar port in Iran and its terminals which are operated by an Indian Company for maritime trade.
- India deplored the denial of land connectivity between the CARs and India by a conscious policy of a particular country. This was a veiled attack on the Pakistan policy. The absence of direct land access between Central Asia and India is an anomaly. This absence of direct connectivity is the result of a conscious policy of denial by a particular country. This situation is not only self-defeating for this country but it also reduces the collective well-being of the entire region," said Mr. Doval without mentioning Pakistan.
- India stressed that the connectivity initiatives must be transparent, consultative, and inclusive in nature. Such initiatives must respect the sovereignty and territorial integrity of all countries. Besides they must adhere to environmental parameters and should not become debt burdens. The remarks were seen as indirect criticism of China, whose BRI is neither consultative nor transparent. In addition, the BRI is seen as debt-trap diplomacy.

3)On terrorism, NSA Chief Ajit Doval emphasized that terrorism is a serious threat to international peace and security.

He also pointed out that terrorism could not be justified on any ground and offered fully-funded capacity-building programs to Central Asian countries to combat terrorism and drug trafficking.

India pointed out that the linkages between terrorism and drug trafficking were a serious menace.

• 19th May 2023---C+C5--President Xi Jinping Chairs the Inaugural China-Central Asia Summit in Xian (China). The summit marked the opening of the "Year of culture and art of the peoples of China and Central Asia". Amid G7, China hosts summit of its own with Central Asia.

- 6th December 2022----1st India-Central Asia NSAs meeting took place.
- January 2022----First India-Central Asia virtual summit.

• December 2021---- 3rd meeting of the India-Central Asia Dialogue was held in New Delhi in December 2021 under the chairmanship of EAM Jaisankar. They decided to step up efforts to achieve the full potential for trade between India and Central Asia and make optimum utilisation of the International North-South Transport Corridor (INSTC).

• Central Asia is the geographical centre of Asia.

Modern Central Asia consists of five nations:
 Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan
 and Uzbekistan.

• All five nations became independent after the collapse of the USSR in 1991.



Significance of Central Asia for India

1)Geo Strategic importance:

Central Asia has always been seen as Russia's backyard.

It is the battle ground for strategic space due to its position as an access point between Europe and Asia. (Land bridge between Asia and Europe).

2)Geo economic Importance

- Rich in natural resource: Kazakhstan has one of the biggest reserves of uranium, besides stores of coal, lead, zinc, gold, and iron ore. The Kyryz Republic is rich in gold and hydro-power, and Turkmenistan has one of the world's largest reserves of natural gas. Tajikistan has huge hydro-power potential and Uzbekistan has gold, uranium, and natural gas.
- **Important for ensuring energy security:** Turkmenistan is part of the proposed TAPI gas

3)Security

- National security: India's only overseas airbase lies in Farkhor, Tajikistan.
- Regional security (due to its proximity to Pakistan and Afghanistan).
- Central Asia lies near 'Golden Crescent' of opium production (Iran-Pak-Afghan) and is also a victim of terrorism, illegal arms trade, narcotics trafficking and arms smuggling.

4)China's angle

5)Connectivity (International North South Transport Corridor (INSTC)

Connect Central Asia Policy

India considers that Central Asia has tremendous strategic and economic value for India and falls into India's extended neighborhood. Indian PM visited all five countries of Central Asia in 2015. Soon India launched a broad based Connect Central Asia policy.

The Connect Central Asia Policy is based on - 4Cs:

1)Commerce (economic cooperation)

2)Connectivity (regional connectivity)

Two important initiatives for improving connectivity:

• Development of the International North-South Transport Corridor(INSTC) :INSTC is a multi-mode network of ship, rail, and road route for moving freight between India, Iran, Afghanistan, Armenia, Azerbaijan, Russia, Central Asia and Europe.

• **Becoming a member of Ashgabat Agreement**. The Ashgabat agreement is a multimodal transport agreement between India, Iran, Kazakhstan, Oman, Turkmenistan and Uzbekistan for creating an international transport and transit corridor facilitating transportation of goods between Central Asia and the Persian Gulf. The agreement came into force in April, 2016.

3)Consular (Political Cooperation and Strategic Cooperation)

4)Community (Cooperation in education, people-to-people contact, medical cooperation. Means Soft power)

Areas of Cooperation

1)Energy

- Civil nuclear cooperation: Kazakhastan is one of the first countries with which India launched civil nuclear cooperation. It has been supplying nuclear fuel to Indian nuclear plants since 2010.
- The TAPI project ,a trans-country natural gas pipeline from Caspian Sea, Turkmenistan to India through Afghanistan and Pakistan is as an important to connect energy rich Central Asia with energy starved South Asia.

2) Trade and Investment cooperation

Kazakhastan is India's largest trade and investment partner in Central Asia

3) Security and Defence

- Khanjar" is annual joint military exercise between India and Kyrgystan.
- "Kazind" is annual joint military exercise between India and Kazakhastan

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Indian efforts to strengthen Cooperation with Central Asia

1)Connect Central Asia policy – launched in 2012 to strengthen strategic, economic, and security cooperation.

2)Shanghai Cooperation Organization (SCO) membership. With full membership of SCO, there will be more frequent summit level contacts between the top leaderships of India & CARs. India hosted the SCO summit on the 4th of July 2023 to focus on the sustainable development of Central Asia.

3)International North-South Transport Corridor (INSTC) – a multi-modal transport project to connect Indian Ocean and Persian Gulf to the Caspian Sea.

India, Iran and Russia in 2000 launched INSTC to develop a new trade route that would help in cutting the costs and time in moving cargo between Russia and India.

4)Chabahar Port in Iran

Once the Chabahar port is ready, along with INSTC it can become an important anchor for trade to and from Central Asia via Afghanistan.

5) Signing of Ashgabat Agreement

An international transport and transit corridor facilitating transportation of goods between Central Asia and the Persian Gulf.

The pact was signed in 2011 by Uzbekistan, Turkmenistan, Iran, Oman and Qatar and aimed at developing the shortest trade route between the Central Asian republics and Iranian and Omani ports. India joined the Ashgabat agreement in 2018 to diversify its connectivity options with Central Asia.

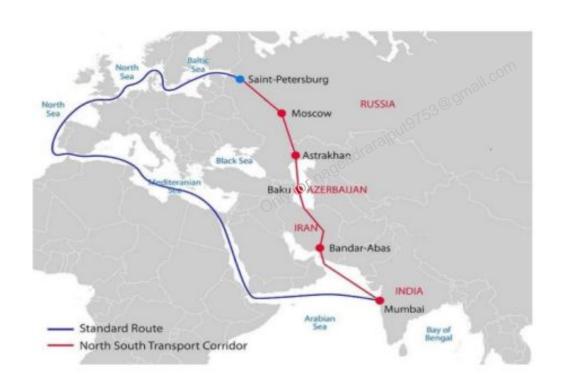
- **6)**Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline to supply natural gas from Turkmenistan to India. It was launched to transport natural gas from Turkmenistan to India with transit through Afghanistan and Pakistan. However, it has been stalled since 2006 due to a lack of support from Pakistan.
- 7)Eurasian Economic Union (EEU) India is negotiating a comprehensive economic partnership agreement with the Eurasian Economic Union, which include Belarus, Kazakhstan, Russia, Armenia, and Kyrgyzstan.

8)India-Central Asia Dialogue – provides a platform for strengthening cooperation between India and Central Asian countries.

9)India-Central Asia Business Council (ICABC) – launched in February 2020 and comprises the Federation of Indian Chambers of Commerce and Industry (FICCI) and chambers of commerce from the 5 central Asian countries.

10)Defence Strategic Partnership Agreements (SPA): India signed the SPA with three of the five CARs—Kazakhstan, Tajikistan and Uzbekistan—to stimulate defence cooperation and deepen trade relations.

International North-South Transport Corridor (INSTC)



Chabahar Port in Iran



India Central Asia Summit 2022

Jan 2022--- Prime Minister of India hosted the first India Central Asia Summit in virtual format.

This first India-Central Asia coincided with the 30th anniversary of establishment of diplomatic relations between India and Central Asian countries.

Key Points of the Summit

1)Institutionalisation of the Summit:

- The Leaders agreed to institutionalise the Summit mechanism by deciding to hold it every 2 years.
- They also agreed on regular meetings of Foreign Ministers, Trade Ministers, Culture Ministers and Secretaries of the Security Council to prepare the groundwork for the Summit meetings.
- An India-Central Asia Secretariat in New Delhi would be set up to support the new mechanism.

2)India-Central Asia Cooperation:

The Leaders discussed far-reaching proposals to further cooperation in areas of:

- trade and connectivity (Joint Working Groups at senior official level on use of Chabahar Port was held. The leaders agreed to utilise the services of the Shahid Beheshti Terminal at the Chabahar Port for facilitating trade between the landlocked Central Asian countries and India.)
 development cooperation

 defence and security (Joint Working Groups at senior official level on Afghanistan was

held)

on cultural and people to people contacts.

3) Afghanistan:

• The leaders reiterated their strong support for a peaceful, secure and stable Afghanistan with a truly representative and inclusive government.

• India conveyed its continued commitment to provide humanitarian assistance to the Afghan people.

4)India's Stand on

• Kazakhstan: It has become a vital partner for India's energy security.

- Tajikistan: Both the countries have a longstanding cooperation in the field of security.
- Turkmenistan: It is an important part of Indian vision in the field of regional connectivity, which is evident from participation in the Ashgabat agreement.

Challenges in Indo Central Asia relations

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Way Forward

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Previous Year Question

A number of outside powers have entrenched themselves in Central Asia, which is a zone of interest to India. Discuss the implications, in this context, of India's joining the Ashgabat Agreement, 2018. (2018)