

India-Bhutan Relations: Cooperation and Challenges

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Syllabus: India's Neighbourhood

Source: **MEA**

Context: India and Bhutan recently strengthened their close ties with a visit from Bhutan's Prime Minister to India. The discussions led to the signing of several agreements between the two nations.

Key Highlights of the recent India-Bhutan Bilateral Talks:

1. **Petroleum Agreement:** Both nations signed an agreement ensuring a reliable supply of petroleum products from India to Bhutan
2. **Food Safety Collaboration:** Bhutan's Food and Drug Authority and India's FSSAI signed an agreement to enhance cooperation in food safety measures, facilitating trade and reducing compliance costs.
3. **Energy Efficiency and Conservation:** An MoU on energy efficiency and conservation reflects a commitment to sustainable development, with **India assisting Bhutan in enhancing energy efficiency** and promoting the use of energy-efficient appliances.
4. **Border Dispute Resolution:** Ongoing discussions between China and Bhutan to resolve their border dispute were discussed, particularly **in the Doklam region**, with implications for regional security.
5. **Bhutan's Regional Economic Hub in Gelephu:** Plans for a regional economic hub in Gelephu aim to foster regional development and connectivity

Various dimensions of cooperation between India and Bhutan with examples:

Dimension	Examples
Strategic	Bhutan serves as a buffer between India and China , protecting the Siliguri Corridor (also known as Chicken's Neck). <u>The Doklam standoff (2017)</u> has re-established Bhutan's strategic significance for India. Bhutan does not have any formal diplomatic relations with China.
Historical	The <u>Indo-Bhutan Treaty of Peace and Friendship of 1949</u> , is the bedrock of India and Bhutan's relationship

Economic	India is Bhutan's largest trading partner (mostly in electricity) . Also, increased trade with Bhutan benefits landlocked states like Assam and Arunachal Pradesh . India has decided to support Bhutan's upcoming 13th Five-Year Plan (for 12 FYP, India had provided 4500Cr)
Assistance	As per India's 'Neighbourhood First' policy , the largest share of the aid portfolio was granted to Bhutan in the interim budget 2024-25 For Bhutan's 12th Five-Year Plan, India's contribution of Rs 4,500 crore constituted 73% of Bhutan's total external grant component
Cultural and Educational	Buddhism. India also offers various scholarships for Bhutanese students through Nehru-Wangchuck Scholarships, Ambassador's Scholarship
Energy	India has constructed three Hydroelectric Projects in Bhutan (and exporting surplus power to India)— Chhukha HEP, Kurichhu HEP, and Tala HEP . India is also building Mangdechhu, Punatsangchhu 1 and 2 Hydroelectric Power Projects in Bhutan. Also, India will expedite the proposed Kokrajhar-Gelephu rail link project .
Regional	Both nations cooperate in regional forums such as BIMSTEC and SAARC .
Technological	E.g., the E-Library project and the India-Bhutan satellite , India's Vaccine Maitri Initiative
Environmental	India is supporting Bhutan in its efforts to become carbon-negative .

Issues between the two countries:

1. **Border Dispute**: Disputes over the exact demarcation of the border between the two countries.
2. **Hydropower Projects**: Concerns in Bhutan over environmental and social impacts from the project. Also, Bhutan has sought greater revenue from these projects
3. **Trade Imbalance**: Bhutan is heavily dependent on India for its imports.
4. **Cross-Border Movement**: Bhutan has restricted the cross-border movement of Indian workers, citing concerns over the impact on Bhutan's culture and society.
5. **Political Interference**: Bhutan has accused India of interfering in its internal affairs, particularly during the 2013 elections.

Conclusion:

India-Bhutan relations have remained strong and friendly, characterized by a deep sense of trust and understanding. Both countries must enhance connectivity which is a central pillar of India's **'Neighbourhood First' and 'Act East' policies**.

About Bhutan:

It is a landlocked country nestled between India and China and is known for its mountainous landscape dominated by valleys. **Thimphu** serves as its capital city. After democratic elections in 2008, **Bhutan transitioned into a democracy**, with the King serving as the Head of State. It's referred to as the '**Kingdom of Bhutan**' or **Druk Gyal Khap**, translating to the '**Land of the Thunder Dragon**'. The longest river in Bhutan is the **Manas River**, spanning over 376 km and flowing through the Himalayan foothills between southern Bhutan and India.



Inta Links

[India-Bhutan](#)

Mains Link:

Border management is a complex task due to difficult terrain and hostile relations with some countries. Elucidate the challenges and strategies for effective border management. (UPSC 2016)