



Summary of Discussions

VIF Roundtable on

India-Central Asia Relations



Vivekananda
International
Foundation

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List of Participants

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6. H.E. Mr. Sulton Rahimzoda Ambassador, Republic of Tajikistan to India.

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8. H.E. Mr. Farhod Arziev Ambassador, Republic of Uzbekistan to India.
9. H. E. Dr. Ali Chegeni Ambassador, Islamic Republic of Iran to India.
10. Amb. D. P. Srivastava, Distinguished Fellow, VIF.

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Introduction

India-Central Asia relations gained momentum in the recent past with Prime Minister Modi's visit to the five Central Asian Republics in 2015 and India's permanent membership to Shanghai Cooperation Organization (SCO) in 2017. During Prime Minister Modi's visit to Central Asia, several Memoranda of Understanding (MoUs) and Agreements were signed. The high level exchange of visits between India and Central Asia has raised their bilateral relation profile. India is also contributing to the annual SCO Summits by suggesting a number of concrete ideas.

The first-ever India-Central Asia Dialogue at the foreign ministers level was held in Samarkand, Uzbekistan, in January 2019. Former External Affairs Minister (EAM) of India Smt. Sushma Swaraj led the Indian delegation to the summit. Swaraj then described India and Central Asia as natural partners. She underscored the need for building a modern and comprehensive partnership between the two regions. During the Samarkand Dialogue, several initiatives were taken to enhance G2G cooperation. The setting up of an 'India-

Central Asia Developmental Group' was announced. This group is expected to come up with concrete proposals. It was also decided to come up with an India-Central Asia Business Council to enhance trade and commerce between the two regions. On 6 February 2020, the India-Central Asia Business Council was launched in New Delhi. India will host the Second India-Central Asia Dialogue this year.

In order to discuss the current status of India's relations with Central Asian countries and to explore ways to enhance them in the future; the Vivekananda International Foundation (VIF) organised a Round Table Discussion (RTD) on 'India-Central Asia Relations' on 23 January 2020. This RTD also focused on the regional dimensions of India-Central Asia relations.

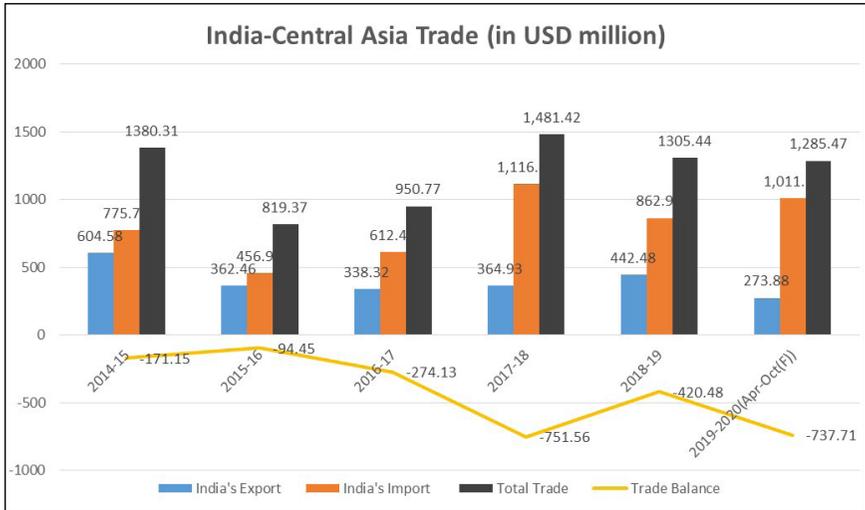
The RTD came up with a number of suggestions which are summarized below.

Executive Summary

The round table came up with many pragmatic insights and serious concerns that need to be highlighted in the policy discourse in India. Please find below a summary of the discussion, structured thematically.

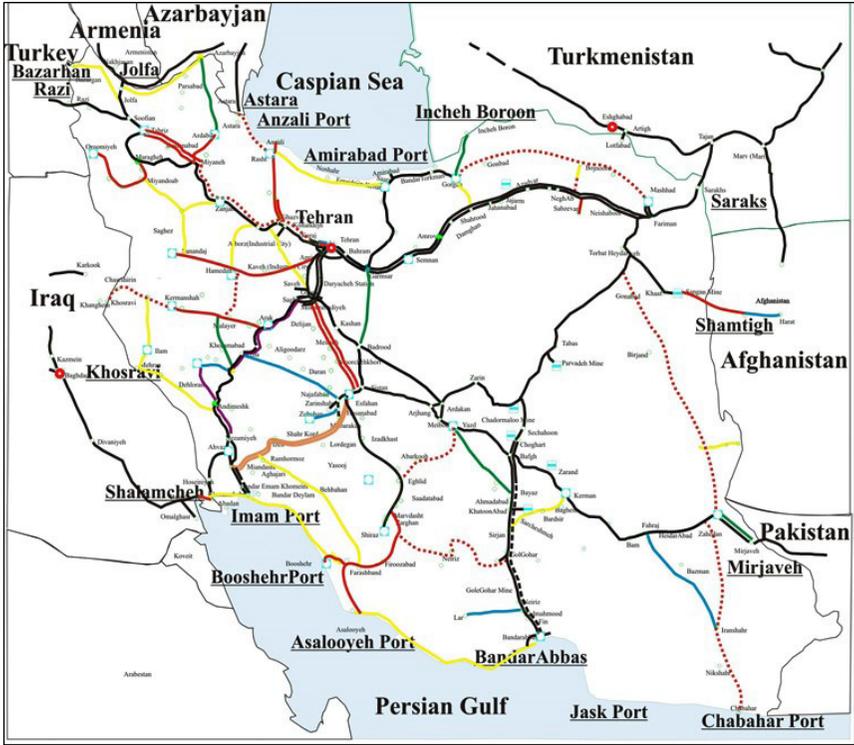
Connectivity

India's relations with Central Asia are much below true potential. Trade between India and Central Asia is miniscule. In 2018-19, total trade between India and Kazakhstan was 851.91 US million dollars, which accounted for 0.10 percent of India's total trade. For the same period, trade with Kyrgyzstan was only 32.60 US million dollars, trade with Tajikistan was at 26.52 US million dollars and India-Turkmenistan trade was 66.27 US million dollars, which was 0.01 percent of India's total trade. Lastly, trade with Uzbekistan was 328.14 US million dollars, which accounted for 0.04 percent of India's total trade.



- India should invest in hinterland connectivity by developing the Chabahar-Zahedan railway project.
- India should promote Chabahar as a trans-shipment hub for trade with Africa.
- India also needs to promote Chabahar as a transit hub for trade with Central Asia.
- India should also invest in the Chabahar Free Trade Zone (FTZ).
- Since there is no direct connectivity to bring natural gas from Central Asia to India, India should invest in the setting up of petrochemical industries in Central Asian countries e.g. Turkmenistan, Uzbekistan and Kazakhstan.
- India should encourage investment in the oil sector in Kazakhstan and should use a swap arrangement to bring crude oil to India via Russia or Iran.

- The International North South Transport Corridor (INSTC) should be developed using the Shahid Beheshti Port in Iran as access to Russia and Central Asian markets. This could be done by using existing infrastructure.



- There are at least three points on Iran's border with Central Asia which are connected to Bandar Abbas by rail as well as road-
 - Sarakhs
 - Incheh-berun
 - Amirabad Port

- Therefore, instead of being dependent on full operationalisation of the Chabahar Port, India should use the existing infrastructure to reach out to Afghanistan and Central Asia.
- Financial institutions such as the Asian Development Bank and the BRICS New Development Bank (NDB) should be approached for more financing for INSTC-related projects.
- The proposed Preferential/Free Trade Agreement (PTA/FTA) between INSTC members should be finalised.
- India, Central Asian countries and Iran should organise road shows to promote the Chabahar Port.
- Air connectivity needs to be strengthened.

Ways to enhance India-Central Asia Bilateral Cooperation

- India should take the initiative to set up an India-Central Asia Forum Summit on the lines of the India-Africa Forum Summit to discuss issues of mutual concern and to come up with concrete suggestions.
- Political will is required from both India and Central Asia to take connectivity projects forward for mutual benefit.
- India-Central Asia Think Tank Forum: India should facilitate the setting up of a India-Central Asia Think Tank Forum to discuss and debate economics, history, political and business at the Track-2 level.

- Media outreach and collaborations can play a significant role in bridging the gap of lack of information in both India and Central Asia.
- Scholar exchange programmes between Indian and Central Asian think tanks should take place at regular intervals.
- A visa free regime would enhance people-to-people contact between India and Central Asia.
- For increasing investments, instead of providing Lines of Credit and Buyers Credit, India should incentivise the private sector to invest in countries of the Central Asian region.
- India-Central Asia cooperation in the service sector should be strengthened.
- Transfer of uranium to India for peaceful nuclear energy production should be encouraged.

Science and Technology

- India should promote exports of software to Central Asia using Uzbekistan as a hub. This would also help India access Russian markets.
- India and Central Asia should create innovative and technological highways such as creating a 'Virtual Silk Route'.
- India, as a leading country in high-quality technology, can be an important market for Central Asian countries.
- Digital connectivity needs to be strengthened.

- India should leverage its achievements in space to build capacities and to promote space cooperation with Central Asia.

Climate Change and Disaster Management

- India's initiatives and expertise in dealing with challenges of climate change and disaster management can contribute to the combatting of Central Asia's ecological challenges.
- In this regard, India should arrange some mock drills in these republics to spread awareness.
- Expertise in Clean and Green India initiatives should be shared with Central Asian neighbours.

Tourism

- In 2019, the total number of Indian visas issued to Central Asian tourists was around 48, 500, including E-visas, which is very low.
- India should encourage tourism with Central Asia. This should include the discovery of Buddhist traits from India to Central Asia such as Bukhara, a name derived from a Buddhist Vihara.
- Heritage tourism should be encouraged.
- A joint tourism council to promote tourism between India and Central Asia should be established.

- Medical tourism has immense potential due to India's cheap and proficient medical services. Therefore, more advertisement and awareness is required to promote this in Central Asia.
- The tour packages that private businesses give to their employees should be encouraged for visiting Central Asia.

History and Archeology

- India and Central Asian republics should encourage cooperation between their national museums.
- In cultural cooperation between India and Central Asia, apart from cultural troops, exhibitions etc. there is an urgent need to discuss projects related to history and archaeology.
- Joint archaeological research between India and Central Asia will help to overcome historical prejudices.
- A one-sided Silk Route narrative which mainly focusses on China needs to be observed and studied more closely by initiating joint efforts from India and Central Asia. Joint research to contest the one-sided narrative of different aspects of the Silk Route is required.
- Joint effort should be made to preserve and study the art and artifacts of bilateral historical importance which are in a decaying state.
- A compendium of Indian artifacts and places of historical importance in Central Asia should be prepared.

Educational cooperation

- India and Central Asia need to expand their educational links by establishing more Indian educational institutes in Central Asia.
- Scholar exchanges between India and Central Asia needs to be increased.
- Through programs like the Indian Technical and Economic Cooperation (ITEC) Programme and the Indian Council for Cultural Relations (ICCR), India is creating a large group of friendly professionals in Central Asian countries. The Ministry of External Affairs (MEA) should prepare a proper database of former students/ trainees of these programs. This goodwill can be used to develop Indian IT businesses in these countries.
- The government and institutes conducting these courses should also regularly assess the relevance of these courses.

Defence Cooperation

- Joint manufacturing, especially in the defence sector is highly required.
- The India-Uzbekistan military medicine agreement should be taken further with other Central Asian republics as well.
- Joint training should be exercised between defence forces of India and Central Asia.
- An India-Central Asia Defence Expo should be organised.

Salient Points of Discussion

Connectivity

The importance of Iran as a connectivity provider between India and Central Asia cannot be overlooked. Without Iran, India-Central Asia relations cannot achieve their full potential. The Chabahar Port and the INSTC remain crucial in this regard. India-Central Asia trade is much below its potential and the factor behind it is the lack of direct connectivity. Some innovative steps to ensure connectivity between India and Central Asia need to be taken. The experience of the successful operationalisation of the India-Afghanistan air corridor can be taken into consideration to further facilitate the extension of this corridor to Central Asia. India is engaged in promoting a dialogue on an air corridor between India and Central Asia. The Chabahar Port as a fully operational port that at present enjoys an 8.5 million ton capacity is critical to India and Eurasia strategy and connectivity initiatives. For Central Asia, Chabahar is the nearest sea port available.

The INSTC is a multi-modal transportation route linking the Indian Ocean and the Persian Gulf to the Caspian Sea via Iran, and onward to northern Europe via St. Petersburg in Russia. The INSTC will provide more direct access to Central Asia, Russia and Europe. At the same time, it will allow Iran and Azerbaijan to become regional transit hubs. The INSTC is to be 40 percent shorter and 30 percent cheaper than the traditional route taken through the Suez Canal. It could help India, Iran, Central Asia and Russia to boost up their bilateral trade.

During the 7th INSTC Coordination Council Meeting held in March 2019 in Tehran, the idea to have a single transporting or forwarding company as a joint venture with equities of all member countries to handle the INSTC came up. This would overcome all the obstacles of regulation, customs etc. In the next meeting at Baku, Azerbaijan, this idea will be further discussed.

Security Cooperation

Terrorism remains a key concern for both India and the Central Asian republics. India, on bilateral and multilateral fora, has promoted a comprehensive approach to strengthen international cooperation to curb this menace. Developments in Afghanistan have a direct impact on both India and Central Asia. India supports a peaceful reconciliation in Afghanistan based on an Afghan-led, Afghan-owned and Afghan-controlled process. Durable peace cannot be achieved by appeasing the Taliban. The Taliban should be persuaded to leave violence while being genuine about reconciliation. The cyber and narcotics dimensions are critical to the collective security of India and Central Asia. India and Central Asia, being stakeholders,

must have regular exchanges and common approaches to ensure that Afghanistan never again becomes a proxy of someone else or a fountainhead of international terrorism.

Trade and Economic Cooperation

India and Central Asia do not have problematic areas in their diplomatic and political relations. However, the bilateral trade turnover is minuscule. Towards the goal of having more of business between India and Central Asia, and India being able to extend its Line of Credit and Buyers Credit etc. the apex industrial bodies of India and Central Asian countries have launched the India-Central Asia Business Council as proposed by former EAM Sushma Swaraj at the first India-Central Asia Dialogue to enhance prospects of joint business development.

SCO

India's full SCO membership is considered a forward movement in her engagement with Central Asia. This has enhanced India's strategic 'presence' in the Eurasian region. While being a part of the SCO, India has put forward many concrete proposals for regional cooperation in different areas. However, India needs to be proactive while figuring out its priorities within the SCO. India has been able to enhance cooperation with SCO member-states to combat extremism and terrorism through the mechanism of the Regional Anti-Terrorist Structure (RATS) at Tashkent by sharing of information. In the SCO, discussions are also under process to use the local currency in trade and economic transactions instead of dollars.

Civilization and Cultural Cooperation

India has historical and civilizational linkages with the region which were interrupted by events of the 19th and 20th centuries, including the colonial period and the subsequent partition of India in 1947. In spite of this, India sees itself as the very logical extension of the Central Asian region. The cultural influences that bind the two regions together represent the best testimony of this legacy.

Cooperation on International Issues

West Asia and the Gulf region are areas of instability and tension and India is deeply affected and concerned by developments in this region. It is, therefore, essential to have more exchanges with the region, including Iran, on issues which are of critical importance. India has clear interests in this region. Many Central Asian countries have linkages with this region as well, but India's exposure to the region is different in character. Both India and Central Asia are nevertheless stakeholders in ensuring the stability of the region.

Promotion of Tourism and People to People Contact

There is an immense potential of development of this aspect of India-Central Asia relations. Tourism between India and Central Asian countries has witnessed slight growth in the recent past. Popularisation of Bollywood movies, songs and Hindi television serials in Central Asia have added to India's positive image in the region. Central Asian countries have also been participating as international partners in the Surajkund craft fair organized by the Haryana government. This year Uzbekistan was the partner country.

India also issues E-Visas to most of the CARs which enables more Central Asian people to visit India. Hindi as a language is also being taught in a few Central Asian universities.

Capacity Building

India is involved in capacity building in Central Asia, especially in the defence sector. Training is provided to Central Asia cadets in various defence institutes across India. Joint defence production between India and Central Asia is also under discussion. The ITEC programme was launched in 1964 as a bilateral programme of assistance by the Government of India. Central Asian states have benefitted from the ITEC Program that offers training courses, infrastructure-related cooperation and disaster relief to 161 countries. Since the early 1990s, thousands of people from Central Asia have attended professional development training and earned scholarships to study at Indian universities.

India-Central Asia Relations

Central Asia is a part of India's strategic neighborhood and, therefore, it occupies an important role in India's foreign policy. Apart from the past, common interest binds India and Central Asia on a long term basis because of shared principals and national goals. India deals with Central Asia at multiple levels. Firstly, at the bilateral level, secondly, at the multilateral level through platforms such as the SCO, the Conference on Interaction and Confidence-Building Measures in Asia (CICA) and the United Nations. Thirdly, multi-layered engagement between India and Central Asia such as the India-Central Asia Dialogue at the foreign ministers level.

Since 2014, there has been a renewed thrust and focus in India's approach and outreach to Central Asia. India wishes to see Central Asia as a region that stands on its own merit. India wants to develop its relations with each of the Central Asia Republics based on their own specific individual characteristics, national goals and stages of development. India does not believe that history or geography should constrain the legitimate freedom of each of the Central Asian Republics to take independent decisions on their domestic and foreign policies. India deeply respects the sovereignty and independence of each of the Central Asian Republics.

In the task of allowing relations between India and Central Asia to progress, there is a need to reduce this agenda to five strategic goals, namely:

- Connectivity of all kinds; physical, digital and people-to-people contact- many initiatives are at various stages of implementation, but a long term and strategic view is needed in order to operationalise these initiatives successfully.
- Achieving stability and security for the region and for individual societies. Both are critical goals shared by India and Central Asia and a greater cooperation is required for the accomplishment of these goals.
- Joint efforts to defeat forces of terrorism, extremism and radicalisation.
- Preservation of sovereignty and decisional autonomy.
- Promotion of economic and social development and economies through cooperative and mutually beneficial

efforts in the areas of investments, trade and technology. With shared experiences, both regions should engage in projects which are sustainable, transparent and contribute to their economies and also avoid economic dependence and debt traps. It is a global concern and we need to lead by example.

India's outreach to Central Asia is a strategic decision that the Government of India has taken and it will unfold in the coming years. India looks forward to cooperation from Central Asia to realize the full potential of this relationship. Furthermore, it would be highly desirable if India and Central Asian countries mutually prepare an ambitious and yet implementable roadmap for a strategic partnership for the years ahead. This would require interaction not only between governments of the two regions, but also between other stakeholders and policymakers.

Bilateral relations

Kazakhstan

Kazakhstan has been transformed from a landlocked country into a transit hub between the East and the West. Former President Nursultan Nazarbayev's idea of Eurasian integration back in 1992 has come up in the form of the Eurasian Economic Union, which proposed to form a common market for almost 200 million consumers. Nuryl Zhol, these initiatives have contributed towards infrastructure development mechanism in Central Asia.

As a non-permanent member of the United Nations Security Council (UNSC), in 2017-18, Kazakhstan made best efforts to promote the

interest of Central Asian states which are critical to the security and development of the region. Some of these efforts include countering terrorism and extremism, tackling drug trafficking and organised crimes, institutionalisation of Central Asia as a nuclear free zone and ensuring border security to prevent illegal migration.

Kazakhstan considers India as one of its key political, trade, economic and investment partners in the region. Kazakhstan has linguistic and historical similarities with India. Defence cooperation between both countries has also witnessed new developments in the recent past. It includes military-technical cooperation, military education and training, joint military exercises, bilateral exchange of visits and cadet youth exchange programs. Over 200 Kazakh defence personnel have undergone military training in India till date. The tourism sector is also growing between India and Kazakhstan. There are regular flights -- twice a day -- between India and Kazakhstan. Kazakhstan provides 72 hours transit visa to India travelers.

Kyrgyzstan

Mutual trust and common values hold India and the Kyrgyz Republic together. Connectivity is an issue and business through the air corridor is expensive. Connectivity plays an important role for the ease of trade between the two countries and, the Chabahar Port has emerged as new route between India and Afghanistan and further north to Central Asia. The Republic of Kyrgyzstan is a part of the Eurasian Economic Union and India is working to increase trade with the Eurasian Union. India's connectivity issues with Central Asian countries can be resolved through the collective efforts of all partner countries.

Regional cooperation in Central Asia has been increasing through the efforts of all Central Asian leaders and on the initiative taken by Uzbek President Shawkat Mirziyoyev. Kyrgyzstan thoroughly supports these initiatives. A favorable regional environment will lead to an increased Indian engagement in the region. There should be a caravan taking place between India and Central Asia which will be a representation of India-Central Asia historical legacies.

The India-Kyrgyzstan Business Forum was launched in June 2019, during the official visit of Prime Minister Modi to Bishkek. The Prime Minister announced a Line of Credit of USD 200 million for supporting developmental projects in Kyrgyzstan. India and Kyrgyzstan have also given final shape to the Double Taxation Avoidance Agreement (DTAA) and the bilateral investment treaty, which would help in creating a proper atmosphere for bilateral trade.

Tajikistan

During the visit of Prime Minister Modi to Tajikistan in July 2015, both countries decided to step up cooperation in the spheres of defence, connectivity and in the fight against terrorism. During his state visit to Tajikistan from 7-9 October 2018, President Shri Ram Nath Kovind announced USD 20 million worth of grants for projects to be mutually agreed upon. During this visit, a MoU between the Vivekananda International Foundation, New Delhi, and the Centre for Strategic Researches under the President of Tajikistan, was signed.

Initiatives such as Digital India, Urban Development, Renewable Energy, Clean India and Make in India have contributed to the

India's social and economic development. Also, plastic free India and sustainable development will enhance climate change initiatives. These are the areas where both India and Tajikistan can cooperate.

Bilateral trade between India and Tajikistan remains at around 25 US million dollars. India's overall share of overall trade of Tajikistan is only 0.5 percent, while Tajikistan's share in India's overall trade is 0.03 per cent. The main reason behind these negligible figures is the lack of direct access between both countries. The same scenario is visible in investments; India's business and investment projects in Tajikistan are a negligible two percent.

In order to overcome the lack of connectivity and to enhance trade between India and Tajikistan, Tajikistan fully supports the Chabahar Project which provides adequate access to a seaport and makes it possible to enhance the economic and transit potential of Tajikistan.

One issue which is very pertinent and is liable for low Indian investments in Tajikistan and other Central Asian Republics is the lack of proper information. Many of Indian and Central Asian businessmen do not have sufficient information about the economic and commercial opportunities available in the region. Trade shows, fairs, exhibitions etc. can serve as a good basis for the development of entrepreneurship between the two regions. The first meeting of the India-Central Business Council on 6 February 2020 gave impetus to the rapprochement between business communities of both regions.

Regional security and stability is an important component of India-Tajikistan relations. Afghanistan serves as a crucial transit corridor between India and Central Asia; peace and security can contribute significantly in improving trade relations.

Tajikistan is interested in investments for the implementation of projects related to energy, transport, industry, agriculture, tourism, trade and services, new technology etc. The country has heavy untapped potential for investments. Political will and desire will provide a solid foundation for business and industries to invest in Tajikistan.

Of top priority is the development of its hydropower resources of which only four percent is used. 2019 was announced by the President of Tajikistan as the Year of Industrialisation. It has opened up avenues for industrial companies to invest in Tajikistan. Having a huge potential of energy resources will certainly have an impact on the industrial development of Tajikistan. India being an industrial developed nation can help Tajikistan by sharing its expertise. Tajikistan looks forward to greater cooperation in this field.

In order to facilitate the development of the tourism sector in Tajikistan, the government has been providing several concessions. In Tajikistan, tourism companies are exempted from profit tax for the first five years of their activities. Equipment and construction material imported for the purpose of the development of tourism infrastructure is also exempted from custom duties.

India and Tajikistan share a rich cultural heritage; therefore, development of tourism can complement the bilateral developmental partnership. India has a developed tourism sector, so it has the potential to contribute towards the development of the tourism sector of Tajikistan. In the coming years, Tajikistan will also be able use the credit line provided by India for the development of multiple sectors.

Turkmenistan

Historical and cultural linkages have brought India and Turkmenistan closer. After the independence of the Central Asian Republics in the early 1990s, India started to pay special attention to the region. Today, each of the Central Asian countries has had a positive experience of working with India in multiple spheres.

India and Turkmenistan have traditionally had friendly relations. Bilateral political relations function through different mechanisms such as political consultations between the foreign ministries of both countries and Inter- Governmental Commissions which suggest new ways to enhance bilateral relations.

India and Turkmenistan share a cordial political understanding on key regional and international issues. Security is one of the key areas where both countries have fruitful cooperation. Combating terrorism and extremism is a priority area for security cooperation between India and Turkmenistan.

Bilateral trade is below potential. However, efforts to bridge the connectivity gap will certainly enhance prospects of developing trade between both countries. In recent years, Turkmenistan has increased the production of petrochemicals, which India and Turkmenistan consider as one of the key area for cooperation. Turkmenistan has a growing industrial sector especially, agriculture, mining, textile, refinery, fertilisers and chemical industries. It considers India as one of the biggest markets of the world.

Energy cooperation is also one of the main components of India-Turkmenistan bilateral relations. The Turkmenistan-Afghanistan-

Pakistan-India (TAPI) gas pipeline is a huge and historical project. Its completion will not only ensure energy security, but also contribute to the peace-building process in neighbouring Afghanistan. Afghanistan is the common agenda for both countries.

In order to overcome the barriers of connectivity, both India and Turkmenistan have joined multi-modal connectivity projects such as the Ashgabat Agreement. Turkmenistan also fully supports INSTC. There are regular flights between India and Turkmenistan.

Tourism is identified as a significant aspect of the state policy of Turkmenistan and India is considered an important partner in this regard. There are age old cultural and historical connections between India and Turkmenistan; both countries can work jointly in the field of exploring their common historical past.

This year will be the 25th anniversary of Turkmenistan's permanent neutrality. This mechanism of preventive diplomacy is an example for the world. Turkmenistan is also hosting the first global transport meeting of landlocked countries at the ministerial level in March 2020.

Uzbekistan

Central Asia's geo-strategic location, connecting East with the West, is significant for international transport communication and transit corridors. Two primary challenges that Central Asian countries have faced -- competing interests of global powers and hot spots of instability -- affect both regional and international security. However existing challenges do not fragment but consolidate the Central Asian region. Central Asia is one of the best examples of

regional cooperation and political trust. Countries in the region take efforts to tackle regional challenges.

The course of openness and good neighbourliness undertaken by President Shavkat Mirziyoyev has created a new political atmosphere and allowed Central Asian Republics to manage many acute regional challenges and problems over the past three years. The most significant step taken has been the signing of the delimitation and demarcation of disputed territories in Central Asia. In order to enhance people-to-people contact, visa regimes were simplified; travelling restrictions were eased by opening up border checkpoints between Central Asian countries. The progress made in settling trans-boundary water management and use between the countries has been satisfactory. Significant outcomes have also been attained in expanding intra-regional trade in Central Asia. In the past three years, Uzbekistan's commodities turn-over with other Central Asian states grew more than 2.5 times.

The consultative meeting mechanism, including heads of all Central Asian states, had its last meeting in November 2019 in Tashkent, Uzbekistan. This initiative serves as one of the significant stages of positive regional development. All leaders have agreed to have this annual consultative meeting for constructive and open dialogue on pressing issues of cooperation and tackling of common challenges in the region. This needs to be seen as an attempt to make Central Asia a stable and steadily developing region for its international partners.

Central Asia is committed towards achieving peace in Afghanistan as it will always remain an integral part of Central Asia. Uzbekistan along with other Central Asian republics have welcomed and

endorsed ongoing international efforts to resolve the conflict in Afghanistan with an aim to attain enduring peace. It is necessary, therefore, to highlight key principles of political settlement in Afghanistan which are to renounce violence, observe a ceasefire and demonstrate a readiness for dialogue for mutual compromise. In order to bring Afghanistan into regional trade and economic ties, peace building is mandatory. Infrastructural development could play a significant role in getting Afghanistan back into this process.

India-Central Asia relations have witnessed exclusive undercurrents in recent years. India's association with each of the Central Asian republics, including Uzbekistan, is not for competition for regional leadership but as an example of mutually beneficial and respectful cooperation. Traditionally India's role in the region has always been constructive.

Historically, India has been linked with Central Asia through close cultural, commercial and economic ties. It was well before the emergence of Silk Route that an Indian road speared the Mediterranean and to the West which in essence became the first trans-continental corridor in civilisational history. With this point of view, Central Asia considers India as its close extended and civilizational neighbour. The tendency of strengthening regional cooperation is opening new opportunities for wide scale cooperation and interaction between India and Central Asia. In this regard, the India-Central dialogue at the ministerial level, with the participation Afghanistan, has become a significant event.

The Central Asian region, particularly Uzbekistan, is looking forward to becoming a centre for India's capital exports, including mutually

beneficial projects like energy, pharmaceuticals, medicine, IT and communication, agriculture, finance, etc. It is important to put in place a transport and transit system which would connect India with Central Asian countries through Afghanistan. Therefore, Uzbekistan fully supports the development and speedy operationalisation of the Chabahar Port in Iran.

India-Uzbekistan relations have deepened in recent times. Prime Minister Modi paid an official visit to Uzbekistan in 2015. President Shawkat Mirziyoyev paid a state visit to India in October 2018 and again in January 2019 as the guest of honour at the “Vibrant Gujarat” Summit. Foreign office consultations (FOCs) are held at regular intervals. The 13th round of FOCs was held in March 2017 in New Delhi. A Joint Working Group (JWG) on Counter Terrorism was set up in 2003. The 18th meeting of the JWG was held in July 2019 in New Delhi.

Defence cooperation between both countries has seen a remarkable increase since the visit of Uzbekistan’s former Defence Minister Maj. Gen. Abdusalam Azizov to India from 4-7 September 2018. The first annual JWG on Defence was held on 27-28 February 2019 in New Delhi. Raksha Mantri Rajnath Singh visited Uzbekistan on 1-3 November 2019 to attend the meeting of the Council of SCO Heads of Government in Tashkent. He also inaugurated the first-ever joint military exercise between India and Uzbekistan from 4-14 November 2019.

India and Uzbekistan have a modest bilateral trade turnover of over 300 million dollars. Pharmaceutical is a major area of both trade and investment by India. Medical tourism to India has increased sharply

in the recent past. There should be joint efforts to eradicate barriers to bilateral trade.

Iran

Iran serves as a major link for Central Asia to international markets. Iran also provides the cheapest and shortest access route to Central Asian countries for India and other emerging Asian markets. Iran has established several world class ports and free trade zones intended to stimulate regional trade, including the Chabahar Port, the Sarakhs Free Trade Zone, the Anzali Port and Special Zone and the Dogharoon Special Customs Zone.

The Chabahar-Iranshar-Zahedan-Mashhad Railway Corridor is the most ideal route for regional integration (1827km from Milak to the Turkamen border) and is under consideration. The INSTC plus Chabahar could be a game changer for boosting both trade and investment between countries of the region. The Shahid Beheshti terminal of Chabahar Port is to reach a capacity of 10 million tons soon. The Shahid Kalantari terminal in Chabahar is also handling about 2.1 million tons of cargo per year. Chabahar is viewed as a strategic arc of partnership and cooperation between Iran and India. At present all cargo transiting through the Chabahar Port is based on rules and regulations of the TIR Convention to which India is a signatory.

Iran has offered several commercial incentives around Chabahar which is looking to attract foreign investments such as the establishment of a free trade zone (FTZ). The Chabahar FTZ is divided into nine functional zones, with 26 percent of territory being

allocated to the trade and services sector, 49 percent to industry and 25 percent to tourism and residential activities. The 610-kilometer-long North-South Railway (Chabahar to Zahedan) is under construction in Iran.

Outcomes of Second Meeting of the Follow-up Committee for the Implementation of Chabahar Port Agreement in December 2019

- To hold more Chabahar Day events in India and Afghanistan to popularise the port in 2020.
- To extend discounts to all incoming and outgoing cargo at all arrival and departure ports along with determined routes in three countries of Afghanistan, India and Iran.
- To put in place suitable banking arrangement to facilitate trade and transit through the corridor.
- Welcome the addition of Mormugoa and New Mangalore ports from India as part of main routes for the said corridor. To undertake a study on the determined routes from Indian ports to the Chabahar Port and then to Afghanistan as well as taxes, tariffs, charges and other procedures and regulations at ports, customs, checkpoints, etc.
- To share details of respective nodal points /logistics service providers.
- A single comprehensive protocol be worked out and to be finalised by the first half of 2020 before the next meeting of the INSTC Coordination Council.

- Afghanistan has also expressed its interest to join the INSTC.
- Parties have also agreed to add the Chabahar Port to the INSTC framework.

Conclusion

India-Central Asia relations have experienced a gradual growth irrespective of the absence of direct access. Increasing cooperation between India and Central Asia will promote security, stability, economic growth and development of these countries along with providing energy security and a constructive regional role for India. High level exchanges between the two regions will lead to enhanced cooperation. However, there is an urgent need for India to leverage its economic and technical capacities with Central Asian countries. It will not only give strategic value to the India- Central Asia policy, but also augment goodwill between the two regions.

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