

ICWA Sponsored  
Event Report

on

Connect Central Asia-India Dialogue III



Indian Council of World Affairs  
New Delhi, India

Academy of Sciences Republic of Tajikistan  
Dushanbe, Tajikistan

**Dushanbe, Tajikistan**

**10 October 2014**

### **Executive Summary**

Scholars were of the view that India's full membership with Shanghai Cooperation Organization will strengthen the SCO and increase New Delhi's presence in Central Asia.

Once again, delegates from Central Asia and India urged New Delhi to be more active in the region by implementing the plans and programmes it has proposed.

Despite recent political transition in Afghanistan, scepticism about stability in the country, especially after the drawdown of international forces, continues.

Central Asian countries and India were urged to explore the expansion of the Afghanistan-Pakistan Transit Trade Agreement (APTTA 2010) to include Central Asian countries, enabling them to easily export/import goods to and from India.

The scholars from Central Asian countries suggested that visits by top political leaders from India to the region need to be more frequent.

There is a general lack of awareness in India and Central Asia about each other's potential, therefore, the media should be engaged and it should become more active in sensitizing people.

### **Recommendations**

During the course of one-day deliberations on bilateral, regional and global issues of common interest between India and Central Asia, experts and participants of the Third Connect Central Asia-India Dialogue made some recommendations in political, economic and cultural spheres to further increase the engagement between the two critical regions of the world.

### **Strategic and Security**

- Greater regional efforts to stabilize Afghanistan and efforts against drug trafficking should continue.
- Inclusion of South Asian countries in the SCO would be advantageous for the Central Asian states in their economic development, and combating violence and terrorism.
- To further deepen strategic, security, economic and political relations, top political leaders from India should undertake regular visits to the countries of Central Asia.
- India's river water sharing management with neighbouring countries should be studied and analyzed to address the water issues in Central Asia.
- India and Central Asia should develop a cohesive strategy for future engagement.

### **Connectivity and Investments**

- Central Asian countries need to liberalize their visa regimes to increase business connectivity, people to people contact and make commercial airline operations sustainable.
- Central Asian countries are joining regional and global economic organizations, such as Eurasian Union and WTO. To help increasing foreign investments in the region, India and Central Asian countries should jointly address taxation and banking issues.
- Joint partnerships should be explored for small and medium enterprises.
- Soda production should be explored, while other areas of cooperation include leather processing, IT and pharmaceuticals.
- By also including the Central Asian countries, an expanded Afghanistan-Pakistan Transit Trade Agreement (2010) can facilitate faster and economical connectivity between Central Asia and India; goods can be transported in two days.
- Central Asia's tourism potential needs to be publicised in India.

### **Energy**

- TAPI gas pipeline is feasible and the countries should expedite the project.
- India should explore the possibility of joining the CASA-1000, a power transmission project between Central Asia and South Asia.
- India should also explore investments in Central Asian countries' non-conventional sources of energy, such as bio-fuel and solar power.

### **People-to-people Contact**

- A liberalized visa regime in Central Asia will increase people to people contact.
- Many people from Central Asia are coming to India to avail of advanced health facilities available at affordable costs.
- Media, especially in India, should be encouraged to make people aware of developments in Central Asia; formation of a joint India-Central Asia TV channel can be helpful.
- Indian films and cinema personalities are hugely popular in Central Asia; Indian films should be filmed in the region and actors should visit the countries.

### **About the Dialogue**

- In view of varied issues for discussion and analyses, the Dialogue should be of two days.
- An informal group of experts can be set up to continue the dialogue process further, to finalize the suggestions made and forward them to respective political authorities.

## Report

India and the five Central Asian republics of Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan enjoy cordial relations. During a visit of Mr. E. Ahamed, former Minister of State for External Affairs, Government of India, to Kyrgyzstan in June 2012, India announced 'Connect Central Asia' policy on the occasion of completion of two decades of diplomatic relationship with these republics. The policy aims to achieve greater political, economic and cultural engagements with the countries in India's 'extended neighbourhood' of Central Asia.

The annual Connect Central Asia-India Dialogue is an important Track II component of India's 'Connect Central Asia' policy, 2012, and it is held by rotation in each Central Asian republics. The Dialogue aims to bring scholars, practitioners, policymakers and business leaders from Central Asian countries and India on a common platform to discuss the issues of critical importance and of contemporary relevance. The Indian Council of World Affairs (ICWA) is the nodal think tank to organize the Dialogue in collaboration with a suitable institution of the host country.

The First India-Central Asia Dialogue was organized by the ICWA in collaboration with the Kyrgyz Diplomatic Academy, at Bishkek, Kyrgyzstan, on 12-13 June 2012. It was inaugurated by Mr. E. Ahamed in the presence of Roza Otunbaeva, former President of the Kyrgyz Republic.

The Second Dialogue was jointly organized by the ICWA and the R.B. Suleimenov Institute of Oriental Studies (IOS), Almaty, Kazakhstan, at Almaty on 17-18 June 2013. The Ministry of External Affairs, Government of India, supported the Dialogue. The Centre for Research in Rural and Industrial Development (CRRID), Chandigarh, India, an autonomous research institute, was the Special Sponsor of the Second Dialogue. The ICWA has brought out a publication consisting of the papers presented during the Second Dialogue in Almaty.

Continuing the process of evolving a permanent platform for academic exchanges between Central Asia and India, the Third Connect Central Asia-India Dialogue was successfully organized by the ICWA in partnership with the Academy of Sciences Republic of Tajikistan (ASRT) in Dushanbe on October 10, 2014. Besides India, participants from Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan attended the Third Dialogue, and 17 papers were presented. The Dushanbe Dialogue proved to be another successful chapter in the India-Central Asia relationship.

## Inaugural Session

Professor Karomatullo Olimov, Vice-President of the Academy of Sciences of the Republic of Tajikistan, who was representing the President of the Academy of Sciences of Republic of Tajikistan, Mr. Fahod Rahimov, welcomed the participants of the Third Connect Central Asia-India Dialogue. He mentioned that the region is facing many challenges and India as a neighbour and fast developing country can play a significant role in development, peace and stability of Central Asian countries. India has secured achievements in different spheres and Central Asia has a great opportunity to use its experience and have greater cooperation for economic development. Expecting that all aspects of Central Asia-India relations would be discussed during the course of the Dialogue, he hoped that useful recommendations would be made and the Dialogue would be a successful exercise.

In his remarks, Mr. Asith Bhattacharjee, Ambassador of India to Tajikistan, underscored close relations between India and the region and cited famous Tajik academician, Babajon Ghafurov for his works highlighting the close cultural and historical linkages between India and the Central Asian region. He was of the view that currently, mutual economic interest, measures to counter terrorism, extremism, and other problems of global significance are areas of convergence. India has rich experience in development and capacity building and the Central Asian republics can gain from this

knowledge.

The

Ambassador referred to India's Strategic Partnership with regional countries and emphasized that it needs fresh impetus.

India was a



Inaugural session: (R to L) Prof. Karomatullo Olimov, Vice-President of the Academy of Sciences of Republic of Tajikistan; Mr. Asith Bhattacharjee, Ambassador of India to Tajikistan; Ambassador Skand Tayal; Dr. Athar Zafar, Research Fellow, ICWA

huge market for Central Asian resources, and the countries of the region, on the other hand, can benefit from India's medical and agriculture developments. Regionally, bringing stability in Afghanistan was another area of cooperation between India and Central Asia.

Ambassador Skand Tayal delivered the Keynote address and noted that India and Central Asia have very long historical linkages. He referred to India's 'Connect Central Asia' policy announced in 2012 during the First Dialogue, and said that New Delhi was pursuing a strategy of focusing on the areas of its strength, what it can deliver and where the regional countries require Indian expertise. He also discussed about different projects launched by India in the region and programmes run by India for students, which are quite popular in the five republics. He said that bilateral cooperation would be more fruitful if the current problem of connectivity between India and Central Asia was resolved. The lack of direct connectivity has been a major obstacle in closer cooperation.

The Vote of Thanks was proposed by Dr. Athar Zafar, Research Fellow, ICWA.

## **Session I**

### **Evolving Strategic Dynamics in Central Asia & Multilateral Organizations**

The session was chaired by Prof. Saitumbar Rajabov, Head of International Law Department, Institute of Political Science and Law, Academy of Sciences of the Republic of Tajikistan.

The panellists held that international agencies, such as the UN, can play a significant role in avoiding war and conflict in the world. Greater interaction among people and enhanced cooperation among countries would help in addressing the common problems. About the role of India in Central Asia, it was said that the cooperation and relations of India with the Central Asian countries are quite positive and are promoting stability and development in the Central Asian countries, which also has been the top priority of the countries in the region.

Mentioning the achievements that the Central Asian countries have made in different fields, particularly economy, since their independence, it was said that opportunities for development are available and multilateral institutions, such as Shanghai Cooperation Organization (SCO), can play greater role in this regard. India has been an SCO observer-member and recently it applied for full membership. The country is poised to play bigger role in attending to the issues of the region at a multilateral platform that can be in the interest of regional countries. The SCO, on the other hand, is also willing to include new members and 2014 SCO Summit in Dushanbe discussed possible

expansion. Pakistan has also expressed its willingness to join the organization. India's experience can be useful in mitigating many problems in Central Asia, like combating terrorism, extremism and separatism. Central Asia has been generating much international interest in its development and India wants to be partner in the progress of this region.

Another regional initiative along the economic line is the Belarus-Kazakhstan-Russia Customs Union. The scholars were divided over its advantages and disadvantages for the regional countries if they chose to become a member of the Union. It was shared that the Kyrgyz Republic has decided to join the Union and hopes to revitalize its agricultural sector and boost the economy. One of the participants suggested that Russia, India and China should have greater cooperation and understanding over the developments in Central Asia and its neighbourhood.

Discussing about the difference in Central Asian countries over the use of water resources, one of the presenters held that there is no lack of water resources in the region; however, since the disintegration of the USSR, the management of these resources has been an issue with the regional countries. Sharing of river water has been a problem, for example, between Tajikistan and Uzbekistan or Kazakhstan and China. Talking about recent initiatives on the climate issue, it was said that restoration of Aral Sea is in the process and the fishing industry is also being developed. The Indian experience of sharing river water with neighbouring countries was referred to and it was observed that such arrangements can be important for Central Asian countries, as without any conflict, India has been sharing river water with Pakistan or Nepal.

## **Session – II**

### **Situation in Afghanistan: Implications on Neighbourhood**

The second session of the Third Dialogue was moderated by Dr. Baktygul Kalambekova, Deputy Director, Issyk-Kul Forum named after Chingiz Aitmatov, Kyrgyz Republic.

During the presentations, the scholars said that currently, the whole world is interested in peace and stability in Afghanistan. Peace and stability in Afghanistan is in the interest of regional countries, especially Tajikistan as it shares a long border, similar culture, language and traditions. Uzbekistan is also concerned about the evolving situation in Afghanistan and has been watching the developments closely as some Uzbeks are believed to have joined the Taliban. However, it was proposed that Tajikistan can share its experience to stabilize Afghanistan, as it has also passed through similar turbulent period during the civil war from 1992 to 1997. It was said that more than

50 armed groups are operating in Afghanistan. The Central Asian countries need to take measures to regulate their borders with Afghanistan.

Drug trafficking from Afghanistan is another problem that negatively impacts other countries, especially Russia. It was proposed that greater cooperation and regional integration processes, such as laying down railway lines connecting Afghanistan, will play important role in developing the economy and thus addressing militancy and drug issues. Though, even after attaining peace and stability, many years and huge funds will be needed for Afghanistan's revival and future development. In resolving the problems in Afghanistan, the UN and SCO can play important roles. The economic and political coordination of Central Asian countries is needed for improvement in the situation in Afghanistan. Currently, about 97 per cent of the country's GDP depends on foreign donors and unemployment is a very serious problem for the economy. The new government will continue to face the challenge of terrorism and extremism. Afghanistan should not be isolated, as the common Afghan people suffered much. It is necessary to unite this country and help it to pass this difficult phase.

One paper presenter suggested that foreign intervention has itself been a problem for the country. The financial resources pledged to the country's development are not being utilized properly as corruption is widespread. It was also proposed that mainly the Afghan people can help in rebuilding their country. Many rich Afghans are living in foreign countries and they should come forward to help in the reconstruction of their motherland at this difficult juncture.



A session in progress during the Third Dialogue

### Session – III

#### **Resources, Investments and Trade: Prospects for India-Central Asia Cooperation**

The third session was chaired by Mr. Galimzhan Duisen, Associate Professor and Deputy Director, R.B. Suleimenov Institute of Oriental Studies, Almaty, Kazakhstan.

The Central Asian countries share close and similar traditions and culture and with good diplomacy, these republics can overcome isolation from the outside world. Economic development can be observed in majority of Central Asian countries, especially in Kazakhstan. The Indian experience is very important for the Central Asian countries, because it could develop its economy by producing almost all kinds of products in different sectors. The cooperation with India would be mutually beneficial as India is a large consumer of power and Central Asia has large energy resource deposits.

India has energy interests in Central Asia and the resources of one country can be used by another country for mutual development and benefit of the region. It was observed that significant progress has been made on projects, like the Turkmenistan-Afghanistan-Pakistan-India natural gas pipeline (TAPI) and the Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000). Both the projects were considered economically feasible and it was suggested that India should also join the CASA power transmission project that would enable it to bring hydropower electricity from Central Asia to India. Against the argument about the security of TAPI pipeline because it would be passing through volatile regions, it was suggested that now, with the new technology, repair works can be done quickly if any harm is done to the pipeline, and that there are many pipelines in the world that are successfully operating, though they pass through troubled regions.

It was also suggested that Indian investments can be made in areas of non-conventional energy sources, such as bio-fuels, wind and solar power. Indian businesses were urged to explore the possibilities of setting up soda production and leather processing facilities in Central Asia, especially in Tajikistan. One scholar proposed that Central Asia, including Tajikistan, can export fruits to India in a season when these are not available in Indian markets.

Taxation and inadequate banking facilities were identified as barriers hampering close trade and economic links between India and Central Asia. However, it was proposed that the two sides need to jointly address the problem, as the countries of the region were joining global and regional economic organizations, such as the WTO and Customs Union and were standardising their laws and rules.

Restrictive visa regulations practiced by different Central Asian countries also came up prominently in the discussion. It was said that the regional countries need to liberalize their visa regimes that hamper movement of business leaders as well as tourists. Restricted visa regime means fewer visitors to the country, which in turn, affects the business viability of commercial air carriers flying between Central Asian and Indian cities.

#### **Session IV**

##### **Centrality of Central Asia in Intra and Inter-continental Connectivity: Emerging Trends**

Mr. S. Berdiniyazov, Special Envoy, Ministry of Foreign Affairs of Turkmenistan, chaired the final session of the Third Dialogue.

Regarding India's connectivity and engagement, it was said that in comparison to other neighbouring countries of Central Asia, such as China, it was still very weak. Tajikistan's trade with Afghanistan is higher in comparison to India despite the fact that Afghanistan is unstable and facing conflict. China pays big attention to economic cooperation with Central Asia. It has created infrastructure in the areas close to Central Asian borders, such as Urumqi, including trading spaces, terminals and hotels, etc. It was opined that Indian goods can compete with China in terms of quality, but efforts are needed to remove certain obstacles, one of which is the problem of transport corridor. Another obstacle in the way of greater engagement has been the absence of awareness, particularly in India, about the available opportunities in Central Asia. It was said that the media can play an important role in this field; therefore, it was proposed that an India-Central Asia joint TV channel can be established to sensitize people in India and Central Asia.

During the discussion, it was opined that to increase connectivity, Central Asian countries can explore with Pakistan and Afghanistan to join the Afghanistan-Pakistan Transit Trade Agreement (2010) and make it a multilateral agreement. Presently, through this agreement, Afghan goods exported to India are allowed to pass through the Pakistan territory. However, the current arrangement does not allow Indian goods to pass through Pakistan to Afghanistan. Already, Pakistan, Afghanistan and Tajikistan are negotiating a tripartite agreement. It was suggested that if Pakistan does not allow two-way traffic of goods, items from Central Asia can be exported to India if Central Asian countries also become signatories to the agreement.



Dialogue participants, October 10, 2014

### **Concluding session**

Representative from the Academy of Science Republic of Tajikistan and Indian Council of World Affairs expressed satisfaction over the candid discussion by the participants on the issues of common interests between Central Asia and India. Highlighting the significance of connectivity and continued dialogue, Prof. Karomatullah Olimov cited the famous story of Rustam-o-Sohrab by Firdausi in Shahnama, where the father ended up killing his own son due to separation and lack of communication and information. He emphasized that India and Tajikistan are like brothers, and events, such as this conference, would enhance cooperation among the countries.

In his concluding remarks, Ambassador Skand Tayal said that the Third Dialogue has significantly contributed to further expanding the relations between the two neighbouring regions of South Asia and Central Asia. He suggested that huge goodwill is enjoyed by India among the people of Central Asia and the two sides should work closely to translate it into deeper economic relations. He suggested that visits of scholars as well as political leaders from India and Central Asia to each other's countries should be increased.

Report prepared by Dr. Athar Zafar, Research Fellow, Indian Council of World Affairs, New Delhi.

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