

## India, Myanmar Agree Strategic Port Operation in Rakhine Next Year

By <u>Nan Lwin</u> Asia-Pacific Research, November 13, 2020 <u>The Irrawaddy</u> 6 October 2020 Region: <u>South Asia</u>, <u>South-East Asia</u> Theme: <u>Economy</u>

India and Myanmar agreed this week to move forward on a number of initiatives that are central to New Delhi's efforts to counter China's influence in Myanmar, during a visit by a high-level Indian delegation. In particular, the two sides agreed the Indian-backed Sittwe Port project in the capital of Myanmar's western Rakhine State on the Bay of Bengal would be up and running by next year.

The Sittwe Port project is a key part of the Kaladan Multi Modal Transit Transport Project under India's ambitious Act East policy, which aims to boost economic integration with Southeast and East Asia while providing a counterweight to China's influence in the region. The long-delayed Kaladan project is expected to open sea routes and a highway transport system to link the eastern Indian seaport of Kolkata with the country's landlocked northeastern state of Mizoram through Myanmar's Rakhine and Chin states.

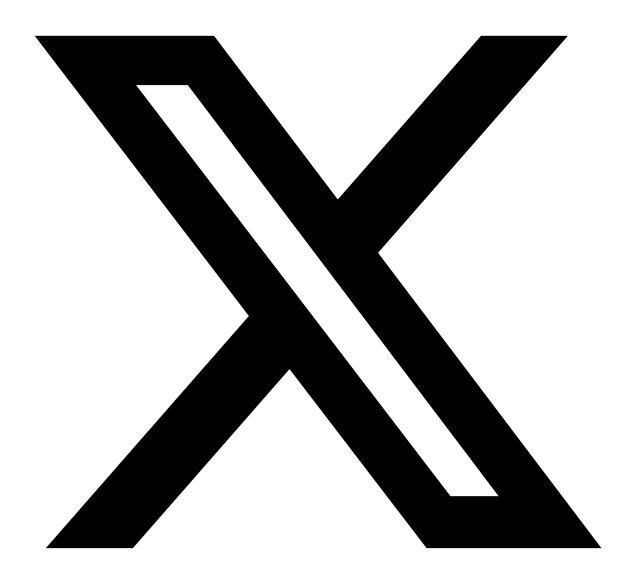
An Indian delegation led by Indian army chief General Manoi Mukund Naravane and Foreign Secretary Harsh Vardhan Shringla visited Myanmar on Sunday and Monday. During the trip, the Indian officials met with Myanmar State Counselor Daw Aung San Suu Kyi, Commander in Chief of Defense Services Senior General Min Aung Hlaing and other high-level officials in Naypyitaw, the capital of Myanmar.

A press release from India's Ministry of External Affairs said that during the meeting with Daw Aung San Suu Kyi, "both [sides] agreed to work towards operationalization of Sittwe Port in the Rakhine State in the first quarter of 2021".

Myanmar and India also discussed progress on other ongoing Indian-assisted infrastructure projects such as the Trilateral Highway, the statement said.

Under a framework agreement signed in Myanmar in 2008, the Kaladan project will connect Sittwe seaport to Paletwa via the Kaladan River, and Paletwa to Aizawl, the capital of Mizoram State, by road. The project includes 158 km of waterway on the Kaladan River from Sittwe to Paletwa in Myanmar and a 109-km road component from Paletwa to Zorinpui along the India-Myanmar border in Mizoram. The total US\$480-million (622.65-billion-kyat) estimated cost of the project is being borne by the Indian Ministry of External Affairs (MEA).

The project aims to reduce the travel distance from Kolkata to Sittwe by about 1,328 km, reducing by three or four days the time needed to transport goods which currently must travel through the narrow Siliguri corridor, also known as the "Chicken's Neck."



Indian officials hand over 3,000 vials of Remdesivir to the Myanmar State Counselor after the bilateral meeting in Naypyitaw, the capital of Myanmar, on Monday. / Indian Embassy in Myanmar / Facebook

New Delhi's strategic goal is to create a Special Economic Zone surrounding the Sittwe Port, and in so doing, cement India's footprint in Rakhine and boost its presence in the Bay of Bengal. The Sittwe Port is meant to be India's answer to the Chinese-funded Kyaukphyu Port in Rakhine under the Belt and Road Initiative (BRI), which is intended to cement China's geostrategic footprint in the state.

Myanmar's land border with northeastern India stretches for some 1,624 km, and Myanmar's geographic position gives it a key role in New Delhi's Act East policy.

During this week's visit, the two sides also signed an agreement to upgrade agricultural productivity by using farm machinery and equipment more effectively as a part of the Rakhine State Development Program (RSDP). Under the RSDP, the Indian government has committed to provide socioeconomic development assistance for projects pertaining to health, education, agriculture and allied activities in Rakhine State.

The statement said that considerable progress had been made under the RSDP and proposed finalizing projects under Phase III of the program, including the setting up of a skills training center.

Moreover, India also announced a \$2-million grant for the construction of the border haat (market) bridge at Byanyu/Sarsichauk in Myanmar's Chin State, which will provide increased economic connectivity between Mizoram and Myanmar. A quota of 150,000 tonnes of urad (Vigna mungo beans) for import from Myanmar was also announced, effective through March 31, 2021.

During the trip, a virtual inauguration was also held for the Center of Excellence in Software Development and Training in Myitkyina, the capital of Kachin State.

Lying next to China's Yunnan Province, Kachin State plays a strategically important role in China's ambitious BRI. The network of infrastructure projects across the region is Chinese President Xi Jinping's signature foreign policy initiative. Kachin is already home to massive Chinese investments including dam, mining and industrial projects as well as tissue culture banana plantations, among others.

Under the BRI plan, China is set to invest \$400 million in the <u>Myitkyina Economic</u>Zone on 4,700 acres (1,900 hectares) of land along the Ledo Road and \$22.4 million in an industrial park in the border town of Kanpiketi, which will bring the state even more firmly into China's economic orbit. Moreover, the state also plays a vital role in <u>China's planned China-Myanmar Irrawaddy Economic Bel</u>t, a strategic land and water transport route expected to start in Kunming and run through Yunnan's Longchuan to Kachin's Bhamo, then to Yangon and the Indian Ocean.

In March, Indian Ambassador to Myanmar **Saurabh <u>Kumar visited Myitkyina</u>** and met with leaders of a popular Kachin party and the president of the Kachin Baptist Convention (KBC). During the visit, the Indian ambassador sought possible investment opportunities including reconstructing a segment of the Ledo Road in Kachin State.

The Ledo Road was built during World War II to enable the Western allies to deliver supplies to China and thus aid the war effort against Japanese forces. It was an overland connection between Ledo in India's Assam State and Kunming in China's Yunnan Province. China has made the area a strategic priority, with the ultimate aim of linking it with India as part of its BRI, although India strongly opposes the initiative.

During the recent visit, officials from both sides also inaugurated the Indian Embassy Liaison Office in Naypyitaw. The press release said that both sides agreed to further strengthen connectivity projects, capacity building, power and energy, deepen economic and trade ties, and further facilitate people-to-people and cultural exchanges.

India also promised to prioritize Myanmar in sharing vaccines as and when these become available and handed over 3,000 vials of Remdesivir, an antiviral drug that is currently being used to treat the coronavirus.

During the delegation's meeting with Senior General Min Aung Hlaing, the two sides discussed maintenance of security and stability in border areas and reiterated mutual commitment between the two countries not to allow their respective territories to be used for activities inimical to each other, the statement said.

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Nan Lwin is Senior Reporter at the English edition of The Irrawaddy.

Featured image: Myanmar State Counselor Daw Aung San Suu Kyi (right) and Indian officials (left) after the bilateral meeting in Naypyitaw, the capital of Myanmar, on Monday. / Myanmar State Counselor / Facebook

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