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MINISTRY OF  
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**BCC&i**  
AIDING BUSINESS  
SINCE 1833

# 3<sup>rd</sup> edition of **INDO-PACIFIC ECONOMIC CONCLAVE 2025**

on the occasion of BCC&I 171<sup>st</sup> Annual General Meeting (AGM)

Theme: 'Indo-Pacific Cooperation: Towards  
New Horizons of Maritime Partnership'



18<sup>TH</sup> & 19<sup>TH</sup> SEPTEMBER 2025

KOLKATA

# **Proceedings and Recommendations**

# Executive Summary

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**The Bengal Chamber of Commerce and Industry (BCC&I) in association with Ministry of External Affairs, Branch Secretariat, Kolkata** presented the **3rd edition of the Indo-Pacific Economic Conclave** on the occasion of **BCC&I's 171st Annual General Meeting (AGM)** on **18th and 19th September 2025**, at the historic and heritage premises of The Bengal Chamber.

The 2025 edition of the Indo-Pacific Economic Conclave was themed ***"Indo-Pacific Cooperation: Towards New Horizons of Maritime Partnership."*** The two-day Conclave brought together a wide spectrum of thought leaders, policymakers, and business pioneers to deliberate on critical issues shaping the Indo-Pacific region. Day One, with the sub-theme ***"Indo-Pacific Cooperation: Towards New Horizons of Maritime, International Trade, Tariffs & Partnerships,"*** focused on strengthening maritime linkages, fostering cross-border trade, and reimagining economic partnerships in the evolving global order. Day Two, themed ***"Innovation and Sustainability in Indo-Pacific Ecosystem,"*** highlighted the role of technology, green energy transitions, and sustainable business practices in driving inclusive growth and building resilient economic frameworks across the region.

The sessions highlighted the growing importance of maritime cooperation in enhancing regional connectivity, while also exploring how innovation and sustainability can serve as the foundation for the Indo-Pacific's long-term economic progress. From international trade and tariffs to fintech, digital ecosystems, and climate-conscious strategies, the discussions highlighted the diverse opportunities and challenges that define the Indo-Pacific narrative today.

The Conclave attracted a diverse and influential audience, with over 150 participants each day, comprising industry captains, CXO-level leaders, startup founders, representatives of think tanks and research institutions, members of diplomatic missions, and senior executives from technology, finance, and manufacturing sectors. Their insights enriched the deliberations with perspectives spanning policy, business, and global partnerships. The strong participation from across India and Indo-Pacific countries like Indonesia, Malaysia, the Philippines, Australia, Cambodia, Japan, Bangladesh, Nepal and Myanmar further reflected the shared interest in building a more interconnected and sustainable regional future.

The 3rd edition of the Indo-Pacific Economic Conclave was made possible with the support of several esteemed partners, including Exide, Berger, CementIndia Pvt. Ltd., Hindustan Copper Ltd., Haldia Petrochemicals, State Bank of India (SBI), Aqilaw, Adamas, Indorama, JIS, Tax Connect, Texmaco, Jupiter Wagons, 6 Ballygunge Place, Selvelone, RT Network Solutions, and Paperboat Holidays.

# Outcome

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**The two days of discussions at the Indo-Pacific Economic Conclave highlighted a shared vision for positioning India and the region as anchors of sustainable, inclusive, and technology-driven growth in the Indo-Pacific. The recommendations reflect an integrated approach that ties together connectivity, sustainability, innovation, and cooperation.**

- **India as a Regional Anchor:** India should consolidate its leadership role by aligning flagship initiatives — Sagarmala, IPOI, Act East Policy, and Maritime Vision 2047 — with ASEAN, BIMSTEC, IPEF, and Quad frameworks. West Bengal, with its strategic location, can emerge as a key Indo-Pacific hub through projects like the Tajpur deep-sea port, industrial parks, and expanded export bases.
- **Sustainable and Inclusive Growth:** Growth must directly benefit MSMEs, coastal communities, youth, and vulnerable groups. Recommendations emphasized fostering the blue economy (fisheries, seafood processing, marine biodiversity), promoting green jobs, circular economy practices, and involving youth in climate action, mangrove protection, and recycling initiatives.
- **Connectivity and Trade Facilitation:** Seamless physical and digital connectivity is central to Indo-Pacific cooperation. This requires development of deep-sea ports, multimodal transport corridors like Kaladan and IMT Highway, logistics hubs, SEZs, and FTWZs, coupled with digital infrastructure such as port automation, customs digitization, and AI- or blockchain-based supply chain systems.
- **Technology and Innovation as Growth Engines:** The conclave called for scaling up renewable energy storage, critical minerals recycling, AI, fintech, blockchain, precision agriculture, shipbuilding, biotechnology, and climate-smart technologies. The focus was on ensuring innovations move rapidly from lab-to-market, while fostering industrial symbiosis and disruptive technologies for efficiency and competitiveness.
- **Green and Resilient Transition:** Accelerating renewable energy deployment (solar, wind, nuclear, green hydrogen) and establishing robust green taxonomies, carbon markets, and transparent climate disclosures are key to meeting climate goals. Innovative financing, subsidies, blended funds, and PPPs should be mobilized to overcome transition risks while ensuring equitable access to global clean technologies.
- **Regional and Multilateral Cooperation:** A stronger emphasis was placed on deepening engagement with ASEAN, BIMSTEC, IORA, Quad, and IPEF, while also exploring FTAs with Vietnam, the Philippines, and others. Knowledge-sharing platforms with partners like Japan and South Korea will strengthen climate resilience, disaster preparedness, and trade efficiency.
- **Security-Connectivity Synergies:** Freedom of navigation, anti-piracy measures, and joint naval exercises must be integrated with energy, digital, and logistics connectivity frameworks to provide a secure and predictable business environment for investors and traders.
- **Institutionalized Policy Platforms:** The conclave recommended permanent mechanisms for dialogue among governments, businesses, and think tanks to ensure continuity in policy advocacy on trade facilitation, infrastructure financing, climate transition, and supply chain reform.

# Inaugural Session

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**DAY 1**

**18th September, 2025**

**Sub-Theme: “Indo-Pacific  
Cooperation: Towards New  
Horizons of Maritime, International  
Trade, Tariffs & Partnerships”**

# Inaugural Session

## **Session Convenor and Moderator:**

Dr. Meera Mitra, Mentor, Economic Affairs National Committee, BCC&I and Member, Governing Body, Centre for Responsible Business

## **Opening Address**

Mr. Arnab Basu, President, BCC&I and Clients and Industries Leader, PricewaterhouseCoopers Pvt. Ltd

## **Setting the Context**

Shri A. Ajay Kumar, Joint Secretary [States], Ministry of External Affairs, Government of India

## **Keynote Address**

Shri Rajesh Pandey, IAS, Additional Chief Secretary, Department of Micro, Small & Medium Enterprises and Textiles (MSME & T), Government of West Bengal

## **Special Address I**

H.E. Dato' Muzafar Shah Mustafa, High Commissioner of Malaysia to the Republic of India, High Commission of Malaysia, New Delhi

## **Special Address II**

Ambassador Indra Mani Pandey, Secretary General, BIMSTEC

## **Concluding Remarks**

Mr. Abhijit Roy, President Designate, BCC&I and Managing Director & CEO, Berger Paints India Ltd.

# Proceedings

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**Mr. Arnab Basu**  
President, BCC&I and  
Clients and Industries Leader,  
PricewaterhouseCoopers Pvt. Ltd:

- Welcome from Bengal Chamber of Commerce and Industries, and on behalf of the chamber, it is a privilege to host the Indo-Pacific Economic Conclave that we have planned for the next two days. The theme for this year's conclave is the "Indo-Pacific cooperation towards new horizons of maritime partnership" partnered with Ministry of External Affairs and the branch secretary in Kolkata. Their support underlies India's national commitment for strengthening the engagement across the Indo-Pacific, and also lends great strength to our collective efforts.
- This conclave in just three years has evolved into a premier international platform, convening high-level representatives from across the Indo-Pacific region. This year, BCC&i is privileged to host participation from Indonesia, Malaysia, the Philippines, Cambodia, Japan, Bangladesh, Nepal, and Myanmar.
- This conclave aims to foster cross-border collaborations, policy discussions, dialogues, and, of course, strategic partnerships that will shape the future of the Indo-Pacific.
- At the heart of this conclave, lies its commitment to inclusive growth centered around sustainability. Through investments in marine biodiversity conservation, around climate resilience, around collaborative economic policies, India is working towards a future-ready Indo-Pacific, one that ensures prosperity, stability, and ecological balance.
- Indo-Pacific houses, amongst its 38 countries, about 65% of the world's population, about 62% of the global GDP. These figures highlight India's trade with the Indo-Pacific, where we have about 55% of the container trade of the world going through this place, 46% of the global merchandise going through these routes.
- An Indo-Pacific collaboration is very critical in sustaining this growth in the days to come, in building resilience and reinforcing our rising role in the world stage. Frameworks like IPF and Quad are making their mark in advancing sustainable trade, clean energy, climate, and biodiversity dialogues across the region.
- The future vision of the Indo-Pacific Maritime Cooperation is to create a secure, stable, and prosperous region through deeper collaboration and greater economic integration. Through the Conclave, the Chamber is trying to make a mark in having dialogues around the blue economy, fostering technology innovation in the maritime domain, and supporting sustainable development.

- Any discussion today feels incomplete without touching on geopolitics. Our country's current stance in the global arena is something to be proud of. History shows that nations have risen to global leadership through defining moments—wars for Britain, the Soviet Union, and the U.S. For India, this moment may well be the ongoing trade war for India.
- In this context, maritime cooperation becomes indispensable. With shifting geopolitics, rapid technological change, and the rising need for secure, sustainable trade and resilient supply chains, India's role in strengthening sea-based collaboration is both timely and essential.
- This conclave aspires to chart new pathways of cooperation, unlocking maritime trade potential, building secure supply networks, harnessing innovation and powering the blue economy. Kolkata, with its strategic location on the Bay of Bengal, serves as India's natural gateway to Southeast Asia, the ASEAN countries and the markets through vital sea routes. Its historic ports, emerging connectivity projects and proximity to many of the other nations make it an ideal hub for advancing Indo-Pacific maritime cooperation.

### **Dr. Meera Mitra**

*Mentor, Economic Affairs National Committee, BCC&I and Member, Governing Body, Centre for Responsible Business :*



- A special welcome to the sub-theme of this inaugural, "Indo-Pacific Cooperation: Towards New Horizons of Maritime, International Trade, Tariffs & Partnerships".
- This year's Indo-Pacific Economic Conclave comes at a critical time because of the slew of sudden escalating tariffs that landed on our nations and has brought shocks to many stakeholders, including the nations, the businesses represented in this region, as well as the people.
- The Indian and Pacific Oceans with its sea lanes, maritime corridors and the countries they border are recognized globally as a strategic focal point of growth, resources and connectivities harboring 60% of the global GDP and 80% of the global maritime trade.
- These maritime nations have coalesced in many types of groupings, sometimes expanding, contracting and overlapping for specific shared interests, also building beyond trade per se to include sustainable supply chains, green ports, protecting the coastal environment and its people, guarding against climate fragility, building other ties of bondedness and peace to create resilience.

- MSMEs have gained a larger share across sectors including defense, engineering, and seafood, reflecting their growing significance as they also form the backbone of industries in many neighboring Indo-Pacific countries. While alternative markets are already being carved out through active negotiations with vendors and suppliers, future opportunities lie in emerging areas like EV batteries and charging infrastructure, alongside tourism, which can foster regional cooperation and strengthen maritime unity.
- Countries in the Indo-Pacific must work together with inclusivity and sustainability at the core. The Bay of Bengal is home to around 450 million people living within overlapping exclusive economic zones, many of whom depend on it for livelihood and resources, including some of the poorest and most vulnerable communities. Any initiatives in this region must connect to their needs, while also exploring new areas of opportunity that are of keen interest to businesses present here.
- The questions that the session will definitely address: What are the inherent unexplored business strengths of this maritime region? What will help the needs of the people? Will this maritime corridor be able to show a new world of maritime unity and withstand the onslaughts to it?



**Shri A. Ajay Kumar,**  
*Joint Secretary [States],  
 Ministry of External  
 Affairs, Government of India*

- This Conclave is happening at the time of a sudden rise of protectionism, where our country has been shortlisted to be on the receiving end of it.
- India enjoys a very prominent role in the Indo-Pacific panorama with a coastline extending over 7,500 kilometers and about 1,300 islands starting from Lakshadweep on this side and Andaman on the east.
- Our vision for this region is cornered on the Prime Minister's vision of Sagar. India's concept of Indo-Pacific was articulated by Prime Minister's keynote address further in Shangri-La Dialogue in June 2018.
- It was a wider implementation of Doctrine of Sagar and Mahasagar for IOR and Act East policy. This vision calls for a free, open, inclusive, and rule-based order in the Indo-Pacific based on respect for sovereignty and territorial integrity of all nations, peaceful resolution of disputes through dialogues and adherence to international rules and laws. It is inclusive in nature and supports an approach that reflects the right to freedom of navigation and overflight for all the international seas. It is based on cooperation and collaboration.

- At the 14th East Asia Summit in Bangkok (November 2019), the Hon'ble Prime Minister launched the Indo-Pacific Ocean Initiative (IPOI)—an open, non-treaty, cooperation-driven framework. IPOI aims to bring together like-minded nations to sustain the oceans through collective action across key pillars such as maritime security, ecology, resources, capacity building, disaster risk management, and science & technology—where India has already taken active initiatives.
- To make IPOI inclusive, India has invited partners globally to take lead in some of the pillars of IPOI. Currently, 16 countries and European Union have joined IPOI.

**Shri Rajesh Pandey, IAS**  
*Additional Chief Secretary,  
 Department of Micro, Small & Medium  
 Enterprises and Textiles (MSME & T),  
 Government of West Bengal :*



- Bengal is part of the biggest economy in this part of the country. As my previous speakers have mentioned, this region is kind of representing over 60% of the GDP, 80% of trade and more importantly, number 2, number 3, number 4 economies of the world currently.
- More than 7500 km of coastline which India has along this side and huge amounts of cargo moving through this part of the nation covering the countries which are in this cooperation area. The Bay of Bengal, which is central to India's maritime strategy, is a crucial link between the Indian Ocean and the Pacific Ocean with major ports like Kolkata, Vishakhapatnam, Chennai.
- On the part of the state of West Bengal, there is an effort to develop a deep sea port at Tajpur.
- The MSME and textile sector is central to the huge amount of employment. Large amounts of supply chains are dependent on this sector and are integral to the maritime sector by acting as suppliers not only for the products but also for the ship building, defence, navy and so on.
- This sector contributes for the blue economy which includes sectors like fisheries, coastal tourism, logistics for maritime and infrastructure development. India has been exporting a wide spectrum of products and those products include engineering goods, petroleum products, pharmaceuticals, textiles, gem jewellery, marine products etc.
- Where Bengal fits in is the products which are largely leather, gems and jewellery, textiles and sea food related products.

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  - To make IPOI inclusive, India has invited partners globally to take lead in some of the pillars of IPOI. Currently, 16 countries and European Union have joined IPOI.
  - Engineering products are exported from Bengal, contributing significantly. In fact, the share of MSMEs nationally is close to about 44% in the total exports in 2022-23 and that has gone up to about 46% in 2023-24
  - No talk of the Indo-Pacific region can be complete without Bengal, the second-largest MSME hub in India, hosts the country's largest leather complex, foundry cluster, and hosiery park. Its MSMEs are vital growth engines for both the state and the nation.
  - Bengal's strategic location makes it a gateway to the Northeast and Southeast Asian nations, and no discussion on the Indo-Pacific can be complete without recognizing its role. The state has a strong export base, but recent disruptions have challenged industries, leading entrepreneurs and businesses to find new ways to navigate the shifting trade environment.
  - Industries are negotiating with buyers, adjusting prices, and absorbing shocks where needed, while also exploring alternate markets and expanding collaborations with Nepal, Bangladesh, Cambodia, Vietnam, and others in the region. The state government is supporting critical sectors such as textiles, gems and jewelry, handicrafts, handlooms, engineering goods, and leather, which continue to drive growth and employment.
  - There are also significant opportunities for investment in industrial infrastructure, including the creation of parks, logistics hubs, and warehousing facilities, as well as in emerging sectors like EVs, battery manufacturing, and charging infrastructure. At the same time, Bengal's traditional strengths in leather, textiles, gems, jewelry, and engineering goods remain important areas of cooperation.
  - Tourism holds vast potential for collaboration, with scope for mutual arrangements that can benefit both Bengal and partner countries across the Indo-Pacific. Through such initiatives, the state can improve infrastructure, expand market access, and diversify product lines while creating mutual benefits for the region.
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## H.E. Dato' Muzafar Shah Mustafa

High Commissioner of Malaysia to the Republic of India,  
High Commission of Malaysia,  
New Delhi.

- The Indo-Pacific is not merely a geographical expanse, it's a dynamic ecosystem of connectivity and opportunity. With 60% of global GDP, 80% of maritime trade, and over half of global container passing through its waters, the Indo-Pacific anchors global prosperity and stability. Yet, the region also faces pressing challenges, from supply chain disruptions and tariff complexities, to climate change and maritime security.
- This duality of immense potential and complex risks reminds us that no single nation can navigate the future alone. For ASEAN, the Indo-Pacific is not a theater of rivalry, but a platform of cooperation. The ASEAN Outlook on the Indo-Pacific, or AOIP, emphasizes inclusivity, openness, respect for international law, and synergy rather than division.
- It focuses on four key areas, namely maritime cooperation, connectivity, sustainable development, and economic cooperation. As Chair of ASEAN, or maybe many of you know that ASEAN stands for Association of Southeast Asian Nations, this year, 2025, Malaysia has placed inclusivity and sustainability at the heart of our agenda. There have been advancing initiatives that promote open trade, resilient supply chains, green transition, and people-centered growth, in full alignment with ASEAN Outlook on the Indo-Pacific principles.
- Malaysia, strategically located along the Strait of Malacca and the South China Sea, carries a special responsibility. There has been alignment of our regional commitment with national strategies such as the New Industrial Master Plan 2030 and the National Semiconductor Strategy. These efforts enable Malaysia to forge partnerships in electronics, AI, digital trade, fintech, green technology, and blue economy.
- With a skilled workforce and strong infrastructure, Malaysia is well-positioned to work with regional partners in building a more sustainable and innovative Indo-Pacific. I would like also to commend India's proactive initiatives under the Indo-Pacific. The Indo-Pacific Ocean Initiative, launched by Prime Minister Narendra Modi, provides a cooperative framework for ensuring maritime security, connectivity, sustainable use of resources, and trade facilitation.
- Equally significant is India's Ag-East policy, which has evolved into a cornerstone of its Indo-Pacific vision. By strengthening connectivity, trade, and cultural ties with ASEAN and beyond, the Ag-East policy has become a powerful driver of regional growth and integration. Malaysia strongly welcomes this approach as it complements ASEAN-owned priorities under ASEAN Outlook on Indo-Pacific.

- Talking about Malaysia-India bilateral partnership, Malaysia's partnership with India is both historic and forward-looking. Bilateral trade reached US\$18.2 billion in 2024, reflecting complementarities in manufacturing, petrochemicals, healthcare, and IT services. Investment flows in both directions, with new areas emerging in green energy, biotechnology, and advanced manufacturing.
  - The elevation of our ties to a comprehensive strategic partnership in August 2024, during the visit by the Malaysian Prime Minister to India, has unlocked fresh momentum in our cooperation. Together, Malaysia as ASEAN gateway and India as a dynamic innovation hub can anchor deeper regional connectivity. At the regional level, the ongoing review of the ASEAN-India trade in goods agreement will further expand market access and strengthen supply chains across ASEAN's close to 700 million consumers.
  - This is a tangible step in advancing both ASEAN's centrality and India's Ag-East policy. Looking ahead, Malaysia and India can collaborate in the following areas. Semiconductor supply chain resilience, ensuring security of critical technologies, maritime logistic and shipbuilding, reinforcing safe and open sea lanes, renewable and green energy partnerships contributing to the global green transition, and digital public infrastructure, promoting inclusive and transparent trade.
  - Private sector partnerships will be central, whether in port modernization, blockchain-based cargo tracking, cybersecurity solutions, or AI-driven trade platforms. Equally, cooperation in renewable energy can power sustainable industrial growth across the Indo-Pacific. This is also where West Bengal holds a unique position in the Indo-Pacific economic landscape.
  - With its strategic location on the Bay of Bengal and its historic role as a gateway for trade and cultural exchange, the state has long connected India to Southeast Asia and beyond. Today, West Bengal continues to be a vital hub for maritime connectivity, logistics, and innovation, areas that are central to the Indo-Pacific vision of free, open, and inclusive growth. For Malaysia, this resonates deeply as we too are committed to strengthening regional supply chains, enhancing port infrastructure, and fostering people-to-people ties.
  - In this spirit, West Bengal is not only a partner for India's eastern outreach, but also a bridge linking South Asia with Southeast Asia. Excellencies, ladies and gentlemen, the Indo-Pacific must not be defined by division, but celebrated for its diversity. It must remain a region of engagement, inclusivity, and shared prosperity.
  - If we commit to a rule-based, secure, and cooperative order, the Indo-Pacific will continue to be a region of opportunity and progress.
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## Ambassador Indra Mani Pandey Secretary General, BIMSTEC



- The Indo-Pacific region is very important because we believe this century belongs to Asia, and when we look at Asia and the broader region of the Indo-Pacific, five to six major economies of the world are in this region.
- China, the second largest economy, India, the third largest economy from the perspective of purchasing power parity, Japan, Australia, Indonesia, South Korea, so this region is economic powerhouse of the world, and that's why increasingly it has acquired a lot of attention globally, and Indo-Pacific as a construct has become very popular. From India's perspective, of course, this region is very important. When we talk about a multipolar world, we also mention always a multipolar Asia, and in Asia we have very important poles of global politics
- In this period of uncertainty and unpredictability, India's policy of multiple alignment and its basic paradigm of strategic autonomy has served well. Of course, in diplomacy, we mainly base our action and our policies on certain assumptions, and in this period of uncertainty,
- those assumptions are being questioned, and that's why it's a much greater challenge than ever in our foreign policy. When we look at Indo-Pacific, of course, the centrality of Bay of Bengal is very important, particularly from India's perspective, whether we look at India's developmental challenges or we look at India's security paradigms, Bay of Bengal is very important from our perspective.
- Bay of Bengal and the security challenges that India faces, the need for regional cooperation becomes very important, and that is where BIMSTEC comes into picture. BIMSTEC has been in existence for almost three decades now. In 1997, leaders of India, Bangladesh, Thailand, and Sri Lanka came together to create this platform.
- In this period, India had started underlining its ACT-EAST policy, and at the same time, countries in Southeast Asia had recognized the importance of South Asia with India's growing economy, and there was a desire to connect together. That was the period when India had started linking very closely with ASEAN, and that's why Thailand, India, Sri Lanka, and Bangladesh came together to create this platform, and Myanmar, within months, joined this. So that's how this nomenclature came, BIMSTEC, Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation, and when, in 2004, Nepal and Bhutan also joined. That is when there was a challenge of how to retain that name, BIMSTEC. So it was renamed as Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation. The organization has since then evolved.

- The sectors that BIMSTEC are mentioned. So, beginning with Bangladesh, Bangladesh leads in sectors like trade, investment, and development, as well as the blue economy. Bhutan leads in environment and climate change and mountain economy, the two related sectors.
- India has led in the security sector, in energy, and in disaster management. Myanmar has led in related sectors of agriculture, food security, fisheries, and livestock. Nepal leads in sectors like culture, tourism, people-to-people contact, and poverty alleviation.
- Sri Lanka leads in science, technology, and innovation, as well as sectors like human resource development and health. And Thailand finally leads in the connectivity sector. There is also a scope of expanding the scope of cooperation to include fiscal and monetary policy-related discourse, and women-centric development.
- These two sectors are being looked at by member states to start new mechanisms. The achievement in the past 28 years is that we have been able to create the institutional mechanisms which any regional organization needs to be able to forge cooperation.
- In each sector, there are expert groups or joint working groups. There are action plans which are being implemented by member states. Going beyond these action plans and master plans, there are centers of excellence.
- To cite a couple of examples, there is BIMSTEC Center for Weather and Climate, BIMSTEC Energy Center. We are in the process of creating a BIMSTEC technology transfer facility.
- There is a BIMSTEC Commission for Cultural Industries, BIMSTEC Center for Excellence in Agriculture, BIMSTEC Center for Excellence in Disaster Management, BIMSTEC Center for Excellence in Maritime Connectivity. Thailand is creating two centers: one is for tropical diseases and public health and other is for chartered institutions which do audit, supreme audit institutions. Nepal has proposed to create a center for culture and tourism.
- Bangladesh is looking at creating a center for skill development. So all the member states are coming forward to contribute to cooperation in different sectors, going beyond the sectors that they lead.
- Progress within BIMSTEC has not been as much as expected, which led member states last year to set up an Eminent Persons Group. The group produced a set of recommendations, and unlike many other reports that are left unimplemented, BIMSTEC has already begun putting these into practice to address institutional challenges.

- BIMSTEC stands apart from many other organizations in two key ways. First, it is focused only on technical and economic cooperation, deliberately setting aside divisive political issues—whether bilateral, regional, or global. This focus ensures that the agenda is always on strengthening regional cooperation. At the sixth BIMSTEC Summit, Prime Minister Modi announced 22 concrete steps that India would take to advance cooperation, while other leaders also set out their perspectives on how to deepen collaboration.
- Another defining feature of BIMSTEC is the strong commitment of all its member countries. This was clearly demonstrated at the sixth summit held in Bangkok in April, attended by the Prime Ministers of all six member states and the Chief Advisor of Bangladesh. Beyond the summit discussions, bilateral meetings among leaders also took place, showing the summit's role in facilitating exchanges at multiple levels.
- BIMSTEC is also building external partnerships to enhance its regional role. It already has four formal partners: the UN Office on Drugs and Crime (UNODC), the Asian Development Bank (ADB), the International Food Policy Research Institute (IFPRI), and the Indian Ocean Rim Association (IORA). Beyond these, it is actively engaged with other organizations such as ASEAN, with which it maintains close communication, as well as UNESCAP in Bangkok. It also works with UN agencies and international bodies like WHO, ITU, and WIPO to leverage their resources and capacities for the benefit of member states.
- The importance of BIMSTEC for India lies particularly in its eastern and northeastern states. Given the geography of the Bay of Bengal and the member countries involved, these regions stand to gain the most from enhanced cooperation. BIMSTEC has been engaging with states such as Assam and Odisha through events, as well as with think tanks and centers in Meghalaya and other states that seek to connect with and benefit from BIMSTEC's activities.
- BIMSTEC's role in the wider Indo-Pacific is also emphasized. While ASEAN has long been central to Indo-Pacific discussions, BIMSTEC carries special importance for India as it is an organization created by and led by India. The commitment to make BIMSTEC a success remains strong, with the belief that it will play an even greater role in regional cooperation in the future.



## Mr. Abhijit Roy

*President Designate, BCC&I and  
Managing Director & CEO,  
Berger Paints India Ltd.:*

### Concluding Remarks:

- As we draw this inaugural session to a close, it is important to reflect on the breadth and depth of what has been shared today. We have heard how the Indo-Pacific is not merely a geographical construct but a region where the second, third, and fourth largest economies converge, and where MSMEs – contributing nearly half of exports – remain the backbone of growth and livelihoods. The examples of West Bengal’s role through sectors such as leather, gems and jewellery, textiles, seafood, and engineering reinforce the point that regional strength is built upon local enterprise.
- What also stood out was the emphasis that this is not an arena of division but one of collaboration. The Malaysian perspective reminded us that ASEAN is a theatre for cooperation, not rivalry, and that opportunities in green energy, biotechnology, and advanced manufacturing will only deepen our bonds. The remarks on BINSTEC highlighted how the Bay of Bengal is not just a security frontier but a shared economic artery linking South Asia and Southeast Asia, and one that sustains nearly 450 million people in its exclusive economic zones.
- I also found the focus on inclusivity and sustainability deeply compelling – particularly the reminder that some of the poorest and most vulnerable communities in our region depend on these waters and resources for their survival. Our conversations about defense-related MSMEs, EV batteries, charging infrastructure, and tourism show that new markets are already being carved out and that business leaders in this room are already preparing to act. This is precisely the spirit of advance thinking and proactive negotiation that will help us translate today’s deliberations into tomorrow’s opportunities.
- Finally, looking around this room, with industry leaders, diplomats, and policymakers gathered together, it is clear that the Indo-Pacific is not just a vision but a shared responsibility. The spirit of partnership and collective action that has animated this session must carry forward into the days ahead. If we keep sustainability, inclusivity, and cooperation at the core, I am confident this conclave will not just be a meeting of ideas, but the beginning of concrete steps toward prosperity and stability across the Indo-Pacific.



## Special Address



**Mr. Manjeev Singh Puri** *Former Indian Ambassador to Nepal, Luxembourg, Belgium and European Union:*

- Expression of gratitude for being invited and reflected on his perspective as a retired diplomat and sharing insights directly relevant to business and industry.
- Emphasized on the centrality of responsible and sustainable development. Mitigating and adapting to climate change as a defining challenge for business and diplomacy, stressing that India's national endeavor towards *Net Zero 2070* must be taken seriously. Trade with the European Union, Great Britain, focused on global mechanisms like CBAM (Carbon Border Adjustment Mechanism) will soon embed carbon accountability into trade systems, and urged businesses to adopt carbon-conscious practices early to remain competitive.
- Highlighting international governance as a power game, he noted that while developing countries may resist climate-linked trade measures at institutions like the WTO, reality demands adaptation. He underlined that measurement, reporting, and verification (MRVs) of emissions will soon be unavoidable for Indian industries.
- On tariff and trade disruptions, he referred to examples like Bangladesh's rise in textiles under the multi-fibre arrangement, and how current U.S. tariff hikes are pushing Indian businesses to explore alternatives, including collaborations with Vietnam. He cautioned industries to remain agile and aware of such shifts, as global powers use tariffs as strategic tools.
- Puri spoke about the Indo-Pacific construct, describing it as a geopolitical framework that places democracies in counterbalance with non-democracies. He pointed to emerging changes, such as reduced tensions with India's northern neighbor, which could reshape trade routes and open new possibilities.
- Stressing the economic centrality of the Indo-Pacific, he argued it could replace the transatlantic corridor as the new axis of global trade, with organizations like BIMSTEC and ASEAN playing pivotal roles. He reminded participants of Bengal's strategic geography at the heart of this transformation.

- He strongly highlighted the historic and ongoing importance of Nepal to Bengal and Kolkata, noting Nepal's long-standing consular presence in the city since the 1790s, its deep trade ties with India, and its reliance on Kolkata as a commercial gateway. He urged Bengal to strengthen structural and institutional cooperation with Nepal, especially in North Bengal, to remain competitive against other ports like Vishakhapatnam.
- Drawing from personal experience, he described how cross-border trade and consumer activity thrive in regions like Siliguri, where Nepalese shoppers contribute significantly to local commerce, illustrating opportunities that lie at India's open borders with Nepal, Bhutan, and Bangladesh.
- He encouraged Bengal to leverage its unique position as a gateway state with three international borders, emphasizing that competition is rising and Bengal must proactively engage in regional trade and logistics to retain its advantage.
- Finally, concluded with a strategic reminder: as India advances towards Viksit Bharat 2047 and commits to Net Zero 2070, Bengal and India's businesses should seize Indo-Pacific opportunities, adapt to geopolitical shifts, and assert themselves in one of the fastest-growing regions of the world.



## Audience Question to Mr. Manjeev Singh Puri:



- An IT professional with 18 years of experience, formerly associated with firms like TCS, raised a question linking ESG, digital sustainability, and India's leadership mindset. He explained that in 2022 he had proposed a project to his management aimed at optimizing digital waste and reducing electricity consumption by up to 90%, potentially generating significant savings. While the idea was dismissed at the time as impractical and irrelevant to ecology, subsequent global developments — including the Russia-Ukraine war and the surge in European energy prices — proved its value, with his client BT (British Telecom) willing to adopt such a solution at double the price had it been available.
- Reflecting on this, he questioned the mindset in India, suggesting that Indians often act as followers rather than leaders in global innovation. He asked whether India could become a true "guru" in the world, and what fundamental changes are required to achieve this. Expressing personal disillusionment, he admitted he felt his generation had missed the opportunity, as he himself had to leave his organization despite his ideas. He sought advice on what guidance should be given to professionals of his age and to younger generations so they can evolve into global leaders in innovation, sustainability, and thought leadership.



## ***Reply of Mr. Manjeev Singh Puri:***

He acknowledged that companies make decisions based on their own internal processes, balance sheets, and bottom-line considerations, which may explain why innovative ideas are sometimes not adopted. He divided the question into two parts: the philosophical motivation and the issue of ESG. On the latter, he noted that despite signs of climate fatigue in Europe—for example, the poor performance of the Greens in German elections and attempts by developed countries to shift responsibilities onto large developing nations like India and China—Europe remains fundamentally committed to climate action. Thus, ESG and related ideas remain highly relevant.

Regarding the specific case of British Telecom, he said he could not judge its practicality but emphasized that there is tremendous scope in India for waste reduction and decarbonisation, especially if one looks beyond the “noise” coming from across the Atlantic that denies climate change. He stressed that opportunities in India are real and growing.

On the motivational side, he encouraged the questioner, calling him a young man of 40, to persist with his ideas. He pointed out that India offers significant space for start-ups, financing, and innovation, making it possible to publish, experiment, and succeed. He concluded by underlining the need for a “can-do” attitude to seize these opportunities.



# Theme: Reimagining Indo-Pacific Trade: Connectivity, Digital Innovation, and Sustainable Supply Chains for a Resilient Future

### Points of Discussion:

- India's Indo-Pacific Trade Vision – Strengthening trade agreements, Act East Policy, and regional economic partnerships.
- Maritime Trade Corridors & Infrastructure – Enhancing connectivity through Sagarmala, IMEC, and key Indo-Pacific routes.
- Digital Transformation in Trade – Leveraging AI, blockchain, and fintech for seamless cross-border commerce.
- Supply Chain Resilience & Security – Ensuring stability through diversification, regional cooperation, and secure logistics.
- Sustainable & Green Maritime Trade – Advancing decarbonization, green ports, and eco-friendly shipping initiatives.

### Panelist:

- **Mr. R. Srinivasa Naik**, Chief Commissioner, Kolkata Customs
- **Mr. Navanit Narayan**, Whole Time Director & CEO, Haldia Petrochemicals Limited
- **Commodore Sujeet Samaddar**, Visiting Fellow, Research and Information System for Developing Countries (RIS)
- **Mr. S. Ramakrishna**, Director, Balaji Mariline Pvt. Ltd. & Advisor, FFFAI
- **Shri R. Rajhans**, Traffic Manager, Syama Prasad Mookerjee Port Authority

### Session Moderator:

**Prof. Dr. Ajitava Ray Chaudhuri**, Professor Emeritus and Head, Department of Economics, Adamas University and Chairperson, Economic Affairs National Committee, BCC&I



**Prof. Dr. Ajitava Ray Chaudhuri**  
Professor Emeritus and Head,  
Department of Economics,  
Adamas University and  
Chairperson, Economic Affairs  
National Committee, BCC&I :

- The scope of the 3rd Edition of the Indo-Pacific Economic Conclave has expanded, naturally.
- It's a very growing region, a region where we have endless possibilities with a huge economic power.
- Trade digitalization is crucial to ensure compatibility among Indo-Pacific partners, especially since some countries are advancing faster than India. India must keep pace to remain competitive. The greatest opportunities now lie in global supply chains, which can help absorb shocks from tariffs and geopolitical uncertainties, much like ASEAN's efforts to strengthen regional supply chains. Though a late entrant, India is making strong progress in this area.
- Looking ahead, sustainable trade will be vital, not only for resilience but also to align with standards set by more developed Indo-Pacific economies. Additionally, the region holds immense potential in the blue economy, with its vast ocean resources offering opportunities to strengthen growth and cooperation.
- Disruptions in any part of the supply chain, whether on land or under the sea, and frequent policy changes are problematic for business. India is shifting from a focus on agriculture and textiles toward high-tech sectors, supported by skilled manpower, research capabilities, and favorable government policies, paving the way for growth in areas like blockchain and advanced technologies.
- The Question: My question is, what role do you foresee in digital transformation of the trade channels on the expansion of trade in the Indo-Pacific region?

**Mr. R. Srinivasa Naik**  
*Chief Commissioner, Kolkata*  
*Customs:*



- Customs cooperation is vital in today's era of digitized supply chain, new technologies and accelerating scale and speed of goods movement. The customs administrations must adapt to the expanding globalized economy and work together to achieve economic development and prosperity.
- In the recent years, India has been part of customs cooperation to different countries, several bilateral multilateral agreements to motivate regional integration and trade facilitation. Countries in the Indo-Pacific region are involved in free trade agreements, FTAs, with major agreements including the Regional Comprehensive Economic Partnership, RCEP, the ASEAN-India Free Trade Area, Indo-Pacific Economic Framework, which is focusing on pillars like supply chain, clean energy, rather than comprehensive tariff reduction. The Asia-Pacific Trade Agreement is another regional preferential trade agreement in this area.

- It has 10 ASEAN members. It's the world's largest regional FTA, covering these 10 members of ASEAN, Australia, China, Japan, South Korea, New Zealand. Then there is the ASEAN-India Free Trade Area, which systematically reduces tariffs and trade barriers between India and the 10 ASEAN states in the areas of goods, services, and investments.
- Asia-Pacific Trade Agreement, which is also called APTA, it's a preferential trade agreement that aims to promote intra-regional trade through tariff concessions and evolving to include investment services and trade facilitation. Now, Indo-Pacific Economic Framework is a U.S.-led new economic initiative with 14 members. Four members are from QUAD countries, South Korea, New Zealand, Fiji, and seven ASEAN countries.
- It is not a traditional FTA, but an economic framework focusing on four pillars, supply chain resilience, clean energy, taxation, and fair trade. So India's role here is very active in expanding its trade relationship with Indo-Pacific with significant trade with ASEAN and Australia. It is also signatory to RCEP and ASEAN-India Free Trade Agreement.
- This Indo-Pacific Economic Framework includes initiatives to enhance digital customs and trade facilitation through collaboration and adoption of advanced technologies to improve efficiency and security. Customs, being the organization working on the international border. Trade facilitation and mutual trade agreements with other partner countries are very important.
- Trade facilitation, broadly refers to policies that target administrative barriers impeding trade. In practice, this usually means improving the efficiency of existing trade regulations, implementing new technologies relevant to trade, and addressing emerging structural changes in trade. Trade facilitation targets the operational hurdles to trade and reduces the complaints caused traders shoulder when they engage with the government agencies.
- CBIC, Central Board of Indirect Taxes and Customs, over the period of time, over the period of years, has implemented some innovative practices for the facilitation of trade in a seamless and secured manner to drive operational excellence and leverage technological advancements to escalate a more transparent, predictable, and facilitative ecosystem for businesses in cross-border trade. These include some initiatives like single window interface for trade, it's also called SWIFT, faceless assessment, direct port delivery(DPD), direct port entry, which have improved the time taken for release of the import and export consignments. All these initiatives have re-emphasized a strong commitment of customs for a responsible and responsive cross-border trade administration.
- Another scheme which is very important for the partnering countries is the policy which is supporting the Indo-Pacific region and enhance mutual economic connectivity is Authorized Economic Operator, AEO scheme, a Trusted Trader Program. AEO program certify the market participants in the nation's customs administration as trustworthy. They do this by verifying that the authorized participant maintains an adequate level of supply chain security so that customs screenings for exports and imports can be expedited.
- In US, this program is called Customs Trade Partnership Against Terrorism because there the concern for terrorism activities is more. For AEO program, participants exporting becomes cheaper and quicker than those not in AEO program, making it an important part of trade facilitation. Although major economies in the region already maintain some form of AEO program, India has rolled out an entity-based facilitation.

- Earlier it was called Accredited Client Program, now it is revised and it is being called as Authorized Economic Operator. So some of the features are that you know, AUO, once they are registered, they get a DPD.
- DPD for import consignments to ensure their consignments just in time. The clearances are allowed from the hook, means from the terminal itself, and they can directly take to their warehouses. DPE for export consignments which are factory stuff.
- A special focus on small and medium-scale entities. Any entity with 25 transactions in a year, they become eligible. The provision of deferred payment of duty, once they are accredited, the duties can be paid once in 15 days.
- Their export incentives are fast-tracked. There are many other facilities. So this AUO scheme has also got MRA, this is Mutual Recognition Arrangement.
- So, AUO in India will also get some sort of facilitation in other countries also. This will help unify AUO programs across different nations, such that participants in one nation's program can seamlessly access the benefits associated with accreditation in other nation also. So India has got about 6,000 AUOs registered.
- They are put into three different categories, tier one, tier two, tier three, and some logistic operators are also given this AUO status. This MRA is already signed, Mutual Recognition Arrangement with 20 countries, and some more agreements are also in consideration.



**Mr. Navanit Narayan**  
*Whole Time Director & CEO,*  
*Haldia Petrochemicals Limited:*

- While visiting the Angkor Wat Temple in Cambodia, it reminded of the Vijayanagara Empire, which extended from India to Southeast Asia and was heavily engaged in trade in the early 1500s. They exported cotton, gems, and gold, while importing Persian horses and metals. But towards the end, as their ports crumbled, they couldn't sustain trade or the empire's economy.
- The Indo-Pacific today offers a similar lesson. On one side of the Pacific is the largest economy, the U.S., on the other is the world's largest factory, China, and in between lie major economies like Japan, India, and Malaysia, the entire Asian countries, which are very fast-growing economies, well-developed countries. And then we have the ANZ down under. I think when you look at this geography, the growth of the economy in this sector is not, on average, the world is growing at 2%.

- This part of the world will grow at more than 4% to 5%, because the large economies and the large growing economies are in this region, which gives us opportunity.
  - This part of the world is consuming a huge amount of raw materials and minerals.
  - China, being the world's factory, needs vast raw materials to produce goods for export. Tariff issues will settle over time, but what will not change is the importance of global supply chains. Trade within this region has grown tremendously over the decades, though challenges remain in sea routes, especially between Japan, India, and westward.
  - For India, Bengal is a critical gateway to Southeast and East Asia as well as Nepal and northern India. Historically a port of choice, it continues to hold this position, and traffic through the region will only grow. We must prepare to manage congestion and logistical bottlenecks, ensuring smoother trade flows.
  - India is exporting increasing volumes of chemicals, much of which feeds into production hubs in China, Vietnam, and Cambodia. With more facilities coming up, India will be part of this wider eastern economy. But growth depends on addressing infrastructure and logistics gaps.
  - To realize this potential, we must strengthen infrastructure, digitize processes, and simplify operations. Reducing delays, improving turnaround times, and building efficiency are key to leveraging India's position in regional trade.
  - Growth in trade is inevitable, but India must secure its rightful share by improving efficiency and infrastructure.
  - Logistics issues like congestion and delays remain major hurdles despite best efforts.
  - Turnaround time for ships must be cut down to avoid demurrage and improve competitiveness.
  - Digitization of trade processes is essential to make operations smoother and more efficient.
  - The session should focus on what kind of infrastructure India needs to build and how digitization can support regional trade integration.
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**Commodore Sujeet Samaddar**  
*Visiting Fellow*  
*Research and Information System*  
*for Developing Countries (RIS) :*



- The question from Prof. Dr. Ajitava Ray Chaudhuri: **What are the suggestions regarding strengthening long-term stability in trade relations being the key to success in the Indo-Pacific region.**
- At the core of all business things, there are just three things that everyone wants, predictability, credibility, and stability.
- To sustain global supply chains, the foundation must be strong connectivity—going beyond transportation to include digital, energy, and people-to-people linkages. What matters most is a predictable, credible, and stable environment for business, where information is reliable and outcomes are foreseeable. Within this framework, India has already shown leadership, notably through initiatives like the International Solar Alliance, which reflects its role in advancing energy connectivity.
- Whilst connectivity is important, it is closely linked to security. What we have seen in the Red Sea, Gulf of Guinea, Panama Canal, Venezuela, Mali are now very important challenges for us in businesses because once connectivity linkages are cut, it impacts our business.
- This requires a certain amount of security infrastructure and that cannot be provided by one country. The second part of course is in the connectivity thing, what is supposed to be carrying this connectivity, basically what you spoke about the supply chain resilience, in which basically the idea for all of us in business is to diversify our vendors and diversify our customers, that is the foundation of business, so you are not stuck in one corner, which means either you had a model which is one to one or many to one or one to many, but today the business is more structured on many to many and that is that network that businesses have to organise themselves in thinking. The connectivity in today's context is really about supply chain resilience. For businesses, this means diversifying both vendors and customers so that they are not dependent on a single source or market. Earlier models of one-to-one or one-to-many relationships are giving way to a “many-to-many” structure, where networks are built to ensure flexibility, stability, and long-term sustainability in business operations.
- Businesses must prioritize supply chain resilience by understanding the sources of their raw materials and feedstock, and by ensuring end-of-life recovery and recycling. The Government of India has implemented Extended Producer Responsibility (EPR) across multiple product categories, making it mandatory for producers, importers, and brand owners to comply with sustainable business practices. Compliance with EPR forms the structural foundation of responsible and sustainable business operations.

- Global trade requirements also demand attention, particularly for companies working with Europe. Businesses must consider CBAM regulations and monitor scope 1, 2, and 3 emissions, alongside compliance with broader ESG standards. At the same time, companies must remain cognizant of geopolitical uncertainties, which continue to influence trade and investment decisions in the Indo-Pacific region.
- Active engagement between the business community and the government is essential. Entrepreneurs and industry leaders are expected to communicate their reform priorities, which the government can then assess and implement. Collaboration and dialogue between businesses, policymakers, and think tanks are critical to shaping sustainable and growth-oriented interventions.
- Significant investment is required for infrastructure development under India's Maritime Vision 2047. Shipbuilding alone demands at least USD 2 trillion (16 lakh crores), while port projects under development already represent investments of 1.6 lakh crores. Innovative financing solutions, such as tokenisation of real-world assets through blockchain, are emerging as strategic approaches to support these large-scale infrastructure projects and ensure integration into sustainable supply chains.
- India's export portfolio is evolving beyond traditional sectors like textiles, gems, and jewelry. High-technology industries, including electronics (iPhones), automobiles, tractors, and other capital and intermediate goods, are becoming increasingly central to trade. These sectors rely on complex, globally integrated supply chains, highlighting the need for careful planning, coordination, and investment in both domestic capabilities and international sourcing networks.
- The business environment in the Indo-Pacific is characterized by rapid transformation and complex challenges. By aligning sustainability, digital trade, infrastructure investment, and regulatory compliance, businesses, governments, and think tanks can collectively create resilient, future-ready enterprises that contribute to regional economic growth and stability.
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**Mr. S. Ramakrishna**  
 Director,  
*Balaji Mariline Pvt. Ltd.*  
 & Advisor, FFAI :

- The Question from Prof. Dr. Ajitava Ray Chaudhuri: about how a resilient supply chain is the ultimate dream of any regional trade groupings. Can you give your considered opinion on how to strengthen this in this context?
- India's digital and customs systems are highly advanced, with operational capabilities surpassing many other countries, reflecting strong technological and procedural infrastructure.
- Membership in global forums such as QUAD, ASEAN, and IPEF underscores the strategic importance of India's logistics sector. Focus areas like maritime security, freedom of navigation, joint naval exercises, cybersecurity, supply chain resilience, climate and infrastructure projects, technology collaboration, and infrastructure investments are already actively pursued.
- Government initiatives have strengthened trade facilitation, including the reduction of LPA from 44 to 38, export GST refunds processed within a fortnight, and drawback claims settled within three days. Transaction verification ensures accountability and accuracy across operations.

- Despite these advancements, weaknesses remain in logistics, particularly in track-and-trace mechanisms, which require enhancement to provide global stakeholders with confidence in cargo monitoring.
- A key challenge is the absence of domestic shipping companies and container manufacturing. Over 95% of containers are currently produced in China, and second-hand containers procured in India cost twice as much as new containers abroad. The lack of domestic container production, despite available steel manufacturing capacity, impacts cost competitiveness and global trade efficiency.
- India possesses the resources, expertise, and infrastructure to address these gaps, enabling the country to strengthen its logistics capabilities and enhance competitiveness in global trade.

**Shri R. Rajhans**  
*Traffic Manager,*  
*Syama Prasad Mookerjee*  
*Port Authority (SMPA):*



- The question from Prof. Dr. Ajitava Ray Chaudhuri: What trade facilitating measures may be thought of for ports to enhance Indo-Pacific trade?
- The disruption in cargo operations highlights the critical role of Syama Prasad Mookerjee Port Authority (SMPA) in the region, with a key focus on advancing digitization for improvement.
- NLP Marine, Ice Gates integration, and the One Nation, One Port process are being advanced, supported by an economic framework reflecting significant changes in exports to Indo-Pacific countries through Kolkata Port between 2023–24 and 2024–25. Trade relations span across China, United States of America, Japan, Korea, Republic, Australia, Canada, Chile, Russia, Philippines, Peru, New Zealand, Brunei, Fiji Island, and Mali, covering a wide range of major commodities.
- To meet India's Amritkal 2047 target of 10 billion tons of capacity from the current 2 billion, infrastructure expansion in both software and hardware, along with enhanced port capacity, is essential. SMPK has become a fully digitized port where business can be conducted from home, supported by seamless customs integration and access to the Port Operating Management System.

- SMPK is focusing on mechanization to expand capacity, with developments such as the 1870s Khyderabad Port and Century Port signing concession agreements. Investments include JSW Port in berths 7 and 8, a new outer terminal at Kolkata covering berths 1, 3, 4, and 5, the introduction of night navigation through Antwerp Ports and IIT Madras collaboration, and the development of Balagar Terminal.
- Transloading arrangements for containers are underway at Diamond Harbour, with multiple projects pipelined under Portland development to position SMPK for future growth. Enhancing export and import channels is a priority to facilitate Indo-Pacific trade.
- SMPK plays a crucial role in regional trade integration, serving as the nearest port for Nepal, with established agreements with Bangladesh for the use of Chattogram and Mongla Ports, and connections with Myanmar through the development of Chitwe Port. With West Bengal's central position and Kolkata Port being the only port in the state, SMPK holds strategic importance in the region.

### **Audience Question to Mr. R. Srinivasa Naik:**

- While significant progress has been made in customs digitization and in trusted taxpayer schemes such as AEO and Mover, there remain long-standing issues with classification in customs, similar to those seen earlier under GST. It was pointed out that such classification disputes often unsettle positions that have been consistently followed by taxpayers and importers for 10–15 years or more. The suggestion was whether customs could consider a scheme where, in cases with a long-settled practice of using a particular HSN code for certain goods, the principle of “as is, where is” could apply—so that if any anomaly is later identified by the department, past transactions remain undisturbed while corrections are made prospectively.

### **Reply of Mr. R. Srinivasa Naik:**

- It was explained that if there are apprehensions regarding disputes in customs classification, importers can make use of the advance ruling mechanism, where the decision given is binding on both the importer and customs. Additionally, it was emphasized that all import consignments are assessed under the risk management system (RMS), through which nearly 90% of consignments are facilitated without issue. When the same classification continues consistently, RMS does not flag them, and disputes generally arise only when physical examination by officers indicates a difference or anomaly in classification. It was also highlighted that post-clearance audit is largely applicable for Authorized Economic Operators, where consignments are first allowed and

later audited. An elaborate consultation process follows—beginning with a consultation letter, providing the importer an opportunity to explain and settle the matter. Only when no settlement is reached does a show cause notice arise. It was further suggested that importers with apprehensions should make use of the advance ruling mechanism, which is widely used in the US but remains underutilized in India.

## **Audience Question to Mr. Navanit Narayan:**

- The question raised was that the speaker runs a foundation across four South Asian countries, working to facilitate bilateral discussions for industries and empowering laborers to join the workforce. Referring to Bengal's strategic position as India's gateway to the Indo-Pacific, he asked what operational efficiencies and strategic innovations industries in the region should prioritize to enhance trade competitiveness and integrate more strongly into Indo-Pacific supply chains.

## **Mr. Navanit Narayan reply:**

- What does a customer look for? It was emphasized that customers prioritize quality, cost, and predictability of supply. To increase trade, industries must focus on producing high-quality, cost-competitive products and ensuring reliable availability. While government support and financial measures help, the core of competitiveness lies in what is produced and sold, making it essential for manufacturers to concentrate on these factors to succeed.



## Special Session II

# Building bridges in the Indo Pacific - catalysing business connects in South East Asia

### Panelist

- **Mr. Aung Aung Myo Thein**, Myanmar Consulate-General in Kolkata
- **Mr. Indronil Sengupta**, Former Chairman, Indian Business Chamber in Vietnam (INCHAM)
- **Dato Ramesh Kodammal**, Chairman, ASEAN India Economic Council (AIEC), Malaysia
- **Mr. Johnny Chotrani**, Chairman, Philippines- India Business Council
- **Mr. Marshal Rathour**, Director, Nepal-India Chamber of Commerce & Industry (NICCI)

Session Moderator:

**Prof. Dr. Prabir De**, Professor, Research and Information System for Developing Countries (RIS) and Co-Chairperson, Economic Affairs National Committee, BCC&I



### **Dr. Prabir De**

*Professor, Research and Information System for Developing Countries (RIS) and Co-Chairperson, Economic Affairs National Committee, BCC&I :*

- The title of the session is Building Bridges in the Indo-Pacific, Catalyzing Business Connects in Southeast Asia to Great Oceans, Indian Ocean and Pacific Oceans. There is a need for many bridges, not just a single bridge.
- The Indo-Pacific region has many sub-regions, and many workable free trade areas, if you have been closely following up, like RCEP, like IPEF, like CPTPP, like ASEAN-FTA, like ASEAN++. So those who are handling free trade agreements, they know these nomenclatures.
- We have an Indo-Pacific dream, and President Trump has introduced a tariff. But in Southeast Asia and East Asian countries, when it comes to the Indo-Pacific, the word called ASEAN centrality is used.
- It's basically ASEAN-driven. In the Indo-Pacific, there are, except Brunei, Laos, the rest of the countries are getting within the band of 19% to 20% tariff line. India, on the other, is at 50%.

- Many of the products, Americans have already introduced anti-dumping. For example, the shrimp that is exported has a 10% anti-dumping done last year. Now 50%, so it is becoming 60% tariff.
- If there is a failure in arriving at a workable bilateral agreement with the U.S., then Indian shrimp exporters, many of them from Calcutta, like IFB Agro, will be sending their shrimps to Indonesians, to the Vietnamese. You know, they will repackage. So near-shoring, off-shoring, and several supply chain developments are happening.
- In this changing scenario, trade is not a static thing, it is a dynamic.
- There is talking about resilience, particularly supply chain resilience, and new value chains.
- Myanmar has a very strong rare earth deposit. Myanmar is our maritime neighbor, our land neighbor, and it is a strong historical connection between India and Myanmar

**Mr. Aung Aung Myo Thein**  
*Myanmar Consulate-General in  
 Kolkata :*



- Focus on Myanmar's position itself as one of the catalyst business connects in Southeast Asia in the context of Indo-Pacific, broader region of Indo-Pacific, and India. Myanmar, strategically located at the crossroad of Southeast Asia and the wider Indo-Pacific, is a natural bridge between the Indian Ocean and Pacific trade networks. With its coastline along the Bay of Bengal and its role in regional initiatives, like the previous section said, regional initiatives such as BIMSTEC, and also India's very famous ACTIS policy, Myanmar contributes significantly to connectivity, trade, and maritime cooperation.
- *Focus on infrastructure connectivity projects. Like you all know, most of you know, the Caledon multimodal transit transport project connects Kolkata with Sittwe port in Myanmar and extends to Northeast India, bolstering both trade connectivity and regional integration. It is also poised to become one of the important connectivity projects.*
- *One notable distinguished guest is that our Union Minister of India, Sarbananda Sonowal, announced in July 2025 that the entire Caledon multimodal transport project will be operational by 2027 completely. The project will shorten the distance between Aizawl in Mizoram and Kolkata by around 700 kilometers approximately. Sittwe port, Sittwe port development, with the kind assistance of India Ports Global Limited, managing Sittwe port, maritime connectivity, and regional trade channels are significantly enhanced.*
- *Another significant landmark connectivity project is Myanmar-India-Thailand Trilateral Road. It is also attended by the Union Minister of Foreign Affairs of Myanmar, who participated in the trilateral meeting on July 11 last year, 2024, at the Taj Palace Hotel in New Delhi. So it shows how much these projects and connectivity are being emphasized by both Myanmar and India.*



**Mr. Indronil Sengupta**  
*Former Chairman, Indian  
 Business Chamber in  
 Vietnam (INCHAM) :*

- Question of Dr. Prabir De: **The question highlighted Vietnam as a key trading partner, noting its transformation from a high-tariff country to one of the lowest tariff zones, and its status as a signatory to over 25 FTAs, including the European Union, RCEP, CPTPP, and APTA. The speaker asked about new business opportunities arising from recent developments between Vietnam and the U.S., as well as opportunities for trade and collaboration between India and Vietnam.**
- Vietnam’s manufacturing strategy began 25 years ago when it recognized the limitations of its domestic market of 100 million people. To overcome this, Vietnam focused on expanding internationally by signing 25 FTAs over 25 years, averaging one FTA per year. Prior to the U.S. FTA, these agreements covered 45% of global GDP, and after the U.S. FTA, coverage increased to 70%, leaving only Africa, South America, and parts of the Middle East outside its network.
- To complement market access, Vietnam developed approximately 1,000 industrial parks and economic zones. These zones offered plug-and-play facilities with essential infrastructure such as electricity, water, sewage treatment, internet, and factory sheds. Long-term 50-year leases were provided, allowing MSMEs to start operations within three to four months, removing traditional barriers like land acquisition and utility setup.
- Vietnam also introduced targeted tax incentives for MSMEs, including schemes like 2+4 and 4+9, to enhance global competitiveness. These measures together—FTAs, industrial parks, and tax incentives—positioned Vietnam as a highly attractive hub for global MSMEs, even before the China-plus-one strategy and COVID-19.
- During the China-plus-one trend, Vietnam became the largest beneficiary, receiving 83% of redirected investments from China. This shift strengthened Vietnam’s manufacturing base, creating additional opportunities for technology adoption and MSME expansion.
- The Trump-era tariffs initially imposed high barriers, but Vietnam successfully negotiated a reduction from 65% to 20%, demonstrating their experience and ability in trade negotiations built over years of consistent FTA engagement.
- Opportunities for India-Vietnam collaboration were outlined. First, restructuring Indian MSME investments in Vietnam could leverage Vietnam’s FTAs to gain better access to global markets. This could include partnerships in the manufacturing sector and participation in existing industrial zones.

- Second, India could invest in Vietnamese startups, capitalizing on India's technological expertise and prior experience with such ventures. This investment could help capture the growing tech-driven manufacturing opportunities in Vietnam.
- Third, infrastructure development is a critical area for investment to support Vietnam's expanding manufacturing sector post-tariff changes. However, challenges exist with the Indian Ex-Im Bank, including slow processing and high coupon rates, which have limited the flow of Indian investments compared to faster financing from Korea, Japan, and Europe.
- Overall, three main areas were emphasized for India-Vietnam engagement: restructuring MSME investments to leverage FTAs, strategic investment in startups, and infrastructure development to support the growing manufacturing ecosystem. These areas together could strengthen bilateral economic ties and integrate India more strongly into Indo-Pacific supply chains.

**Dato Ramesh Kodammal**  
*Chairman,*  
*ASEAN India Economic Council*  
*(AIEC), Malaysia :*



- He introduced himself as a Malaysian businessman with over 50 years of experience, highlighting his roles as former Secretary of the ASEAN Business Advisory Council, ASEAN Business Council, ASEAN India Business Council, and currently with the ASEAN India Economic Council.
- He reflected on Malaysia's economic transformation, noting that the country started as agriculture-based, gradually industrialized with investments from Japan, Korea, and others, and today has evolved into a digital and IT-driven economy.
- The speaker acknowledged current global challenges, particularly the impact of tariffs, noting that these disruptions affect India, ASEAN countries, and Malaysia alike, with low-margin items making even a 20% tariff significant for smaller economies.
- He emphasized the importance of confidence and long-term vision, stating that India is a crucial partner for ASEAN countries due to geographic proximity and shared economic interests, highlighting that if ASEAN can trade extensively with China, similar cooperation with India should be possible.

- The speaker stressed the need for open-mindedness in trade relations, noting that all businesspeople aim to benefit from trade opportunities, and that governments must place policies that facilitate trade rather than restrict it.
- Malaysia's trade strategy was highlighted, mentioning over 27 bilateral and free trade agreements, including RCEP and BRICS, and Malaysia's willingness to maintain open doors for trade regardless of global shifts.
- He observed India's cautious approach in the past, referencing India's decision not to join RCEP due to concerns about opening markets in the presence of China, while noting that India's current trade with China surpasses that with ASEAN countries.
- Concluding, he urged a positive, collaborative perspective, encouraging India to reconsider joining RCEP and emphasizing the importance of proactive engagement to strengthen regional trade ties between India and ASEAN.
- There is hope that India would engage more actively with ASEAN countries to open markets, emphasizing that if India can trade a certain amount with China, a similar volume could be sourced from its neighboring ASEAN countries, highlighting the need for understanding and cooperation.
- He referred to the 2010 ASEAN-India FTA, signed during Mr. Kamal Nath's tenure as Trade Minister, noting that despite the agreement, progress on reviewing and updating the FTA has been slow, and there is a continued aspiration to open up more markets on both sides.
- Focused on the importance of balanced trade policies, emphasizing that trade opportunities should benefit both India and ASEAN countries, and called for careful consideration to ensure equitable access and mutual growth.
- Highlighted the deep cultural and historical ties between ASEAN countries and India, citing Malaysia's large Indian diaspora of 2.8 million people and Singapore's significant Indian investments, including multiple Indian banks operating there, as examples of longstanding connections that can support trade and collaboration.
- However, there are challenges arising from the structure of SMEs, noting that 97% of businesses in both ASEAN and India are SMEs. He emphasized the need for cooperative efforts to support SME growth and prevent stagnation, especially in light of technological disruption.
- The impact of digitalization and AI on business, pointing out that 80% of retail businesses in Malaysia and ASEAN are moving online, reducing costs but also requiring adaptation from traditional business models.
- Introduction of the concept of "HI" (Human Intelligence) and "FI" (Future Intelligence), stressing the importance of preparing for the challenges that future intelligence and technological shifts may pose to businesses and society, alongside the need for safeguarding families and personal positions.
- Redefinition of the term SME as a "self-made entrepreneur," highlighting that small and medium enterprises are foundational to economic growth. He encouraged SMEs to take pride in their work, persevere, find direction, and view themselves as growth engines that will ultimately evolve into larger, public-listed companies.
- Conclusion with motivational advice, urging SMEs to maintain resilience, embrace opportunities, and continue growing with confidence, emphasizing that small businesses play a crucial role in regional economic development.



**Mr. Johnny Chotrani**  
*Chairman,  
 Philippines- India Business  
 Council :*

- The perspective of the Philippines and a nation of over 7,600 islands, sitting at the very crossroads of the Indo-Pacific is a vast maritime region. It is the backyard, our highway, and our economic life. It is a region of breathtaking opportunity, accounting for over 60% of the global economy
- Commerce relies on stability, and stability enables commerce. This is where the two nations, India and the Philippines, find a profound common interest. The economic imperative is a partnership of growth.
- Basically, is there a substantial and largely untapped potential for bilateral FTA? Yes. Alignment in the Indo-Pacific, both India and the Philippines are key players in the Indo-Pacific region, sharing a common interest in a free, open, and inclusive regional architecture.
- An FTA would be a concrete economic pillar to this tragic partnership, reducing dependency on a single supply chain and promoting diversification, a key lesson from recent global disruptions. Complementary to the structure of two economies, are rather than competitive, India is a stronghold in IT, pharmaceutical, manufacturing, and service, while the Philippines has strengths in electronics, IT, BPM, certain agriculture products, and a large skilled English-speaking workforce. Underutilized trade potentials, bilateral trade was approximately \$2.9 billion in 2022 to 2023.
- This is modest compared to the potential given to the size of the two economies. An FTA would easily double or triple this figure by addressing tariff and non-tariff barriers. India companies like Adani, Green Energy, Tata Consulting, Engineers, and several pharmaceutical firms are expanding in the Philippines.
- Filipino companies like International Container Terminal Service Inc., ICTSI operate major ports in India. An FTA with an investment chapter would secure and accelerate this trend. ASEAN-India FTA as a foundation is not a substitute.

- The chamber role building the future is where the business leaders of Bengal and India come in. This is not a job for diplomats and admirals. They are the essential architects of this stable future. Every joint venture you form, every supplier chain you diversify, every technology transfer you agree upon does more than just generate profit.
- It builds bridges of mutual interest and brings the two countries forward. It creates a powerful constituency for peace and stability because our economies become so intertwined that conflict becomes unthinkable

**Mr. Marshal Rathour**  
*Director,*  
*Nepal-India Chamber*  
*of Commerce &*  
*Industry (NICCI):*



- Expression of sincere gratitude to the Bengal Chamber of Commerce and Industry for the invitation to the Indo-Pacific conclave, noting the strategic importance of Bengal and the fascination of participating in such a significant event.
- An overview of the Nepal India Chamber of Commerce and Industry (NICCI), explaining that it is a bilateral chamber established in 1993 by visionary business leaders of Nepal, with Mr. Prabhakar S.J.V. Rana as the founding president. Since its inception, NICCI has acted as a trusted platform facilitating cross-border cooperation in trade, investment, tourism, logistics, energy, infrastructure, and industrial collaboration, and reaffirmation of The Chamber's commitment to continue working in these areas in the future.
- India has now become a major global economic power, reaching over the \$4 trillion U.S. dollar in GDP as of, you know, early 2025, the fourth largest economy, and even looking forward to being the third largest economy of the world.
- The relation between India and Nepal are bound not only by the geography and culture, but by the economic and infrastructural interlinkages like trade, tourism, investments, technology. For Nepal, India remains Nepal's largest trade and development partner, with bilateral trade exceeding U.S. dollar 30 billion in year 2023, and over 90 percent of Nepal's third country trade passing through Indian corridors,
- Over the decade India has introduced impactful policies, like the PM GatiShakti and Udan making India, and above this, the neighbourhood first policy, which has brought us very close to each other.

- Building bridges in the Indo-Pacific, catalyzing business connection in Southeast Asia. India is undoubtedly the leading in the region, as it has been strategically blessed with resources and locations. It has all which it requires to lead the economy in the region. It has a seam, it has a market, resources, ability, and business.
- Nepal is geographically small, but rich in natural resources, with resources, landscape, weather, culture, being a landlocked country.
- The dependency is natural as Nepal is a land-linked country, and almost 90% of trade is happening by Indian corridors.
- Promotes blue economy initiatives, maritime trade routes, and port developments. Improves trade facilitation through secure sea lines of communications, which are vital for energy and goods transports. Another area of its positive impact could be the strategic balancing and regional stability.
- This initiative of India would not only uphold the principles of fair competition, but also contribute to India's leadership in regional connectivity and collaborative development. With this the countries in this region could seek opportunities, want to achieve economic growth, and this initiative could lead them forward hand-in-hand, provided the regional integration and mutual trust amongst the nation is a must.




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### Three Takeaways by Dr. Prabir De:

- The first takeaway is the rich contribution of the Indo-Pacific Business Council under the Bengal Chamber of Commerce and Industry, with representation from Myanmar, ASEAN, Vietnam, the Philippines, South Asia, and India, emphasizing the importance of continuing this initiative and building on discussions held in Kolkata on 18th September.

- The second takeaway highlights the valuable recommendations and best practices shared by countries such as Vietnam, Myanmar, the Philippines, and ASEAN, with the hope that these insights will inform outcomes at the upcoming ASEAN-India Summit.
  - The third takeaway is the importance of continuing the dialogue initiated at the Third Indo-Pacific Economic Conclave, with ongoing support from the Ministry of External Affairs, to further regional cooperation and integration.
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## **Recommendations from Inaugural Session, Day 1:**

- Strengthen regional maritime partnerships by leveraging India's strategic position on the Bay of Bengal and West Bengal's port-led connectivity to ASEAN and beyond, ensuring stable supply chains and blue economy growth.
  - Expand MSME integration into Indo-Pacific trade by supporting textiles, leather, gems & jewellery, engineering goods, and seafood exports from Bengal, while also encouraging diversification into EV batteries, charging infrastructure, and tourism sectors.
  - Advance inclusive and sustainable development in Indo-Pacific initiatives by linking policies to vulnerable coastal communities dependent on fisheries and marine resources, ensuring their participation in growth opportunities.
  - Actively support frameworks like IPOI, Quad, and BIMSTEC for maritime security, capacity-building, and disaster risk management, ensuring India continues to lead regional cooperation and dialogue.
  - Develop industrial infrastructure and logistics hubs in West Bengal (e.g., Tajpur deep-sea port, warehousing, transloading facilities) to enhance India's trade competitiveness and regional outreach.
  - Build synergies with ASEAN economies by focusing on green energy, biotech, digital trade, and advanced manufacturing, in line with Malaysia's AOIP framework and ASEAN-led priorities for connectivity and inclusivity.
  - Develop industrial infrastructure and logistics hubs in West Bengal (e.g., Tajpur deep-sea port, warehousing, transloading facilities) to enhance India's trade competitiveness and regional outreach.
  - Build synergies with ASEAN economies by focusing on green energy, biotech, digital trade, and advanced manufacturing, in line with Malaysia's AOIP framework and ASEAN-led priorities for connectivity and inclusivity.
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## **Recommendations from the Special Session I:**

- Prioritize digital transformation of trade by deploying AI, blockchain, and fintech tools to enhance transparency, predictability, and customs facilitation across Indo-Pacific corridors.

- Improve port and logistics infrastructure under Sagarmala, IMEC, and Maritime Vision 2047, focusing on congestion reduction, faster turnaround times, and digitized port operations.
  - Enhance supply chain resilience by diversifying vendors and customers (many-to-many models), developing domestic container production, and ensuring compliance with Extended Producer Responsibility (EPR) and ESG standards.
  - Expand customs cooperation and trade facilitation through initiatives like the AEO scheme, faceless assessments, single-window systems, and MRAs across Indo-Pacific partners to boost seamless cross-border trade.
  - Attract investment into blue economy and high-tech sectors, including shipbuilding, electronics, automobiles, chemicals, and renewable energy, supported by innovative financing tools like blockchain-based asset tokenization.
  - Strengthen business-government collaboration by fostering structured dialogues on policy reforms, advancing trusted trader programs, and aligning with global frameworks like CBAM to meet emerging sustainability benchmarks.
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## **Recommendations from the Special Session II :**

- Reinforce ASEAN centrality in India's Indo-Pacific engagement by deepening cooperation under RCEP, IPEF, and ASEAN-India FTA review, while reconsidering India's participation in RCEP for broader market access.
- Accelerate connectivity projects with Myanmar and Southeast Asia (Kaladan Multimodal Transit Project, India-Myanmar-Thailand Trilateral Highway, and Sittwe Port operations) to shorten trade routes and integrate North-East India into Indo-Pacific trade.
- Leverage Vietnam's FTA network and industrial parks for Indian MSME investments, startups, and manufacturing collaborations to access 70% of global GDP through tariff-free entry points.
- Establish bilateral FTAs with key Indo-Pacific partners (e.g., Philippines, Vietnam) to tap complementarities in IT, pharma, electronics, agriculture, and maritime logistics, thereby doubling bilateral trade potential.
- Promote SME collaboration across ASEAN and India by supporting digital adoption, online retail platforms, and technology integration to prevent stagnation and improve global competitiveness.
- Strengthen people-to-people and diaspora-led linkages (India-Malaysia, India-Philippines, India-Nepal) to build trust, expand market access, and enhance cultural-economic integration across the region.

## Summary of Recommendations from Day 1

- Position India as a regional anchor in Indo-Pacific cooperation by aligning flagship initiatives — Sagarmala, IPOI, Act East Policy, and Maritime Vision 2047 — with ASEAN, BIMSTEC, and IPEF frameworks to consolidate India’s leadership role in maritime security, connectivity, and trade facilitation.
- Strengthen inclusive and sustainable development frameworks by ensuring MSMEs, coastal communities, and vulnerable groups benefit directly from Indo-Pacific growth, with targeted support for blue economy sectors such as fisheries, seafood processing, coastal tourism, and marine biodiversity conservation.
- Accelerate physical and digital connectivity infrastructure development through deep-sea ports, modernized logistics hubs, industrial corridors, and multimodal transport projects (e.g., Kaladan Multimodal, IMT Trilateral Highway), while digitizing port management systems to create seamless supply chain linkages from South Asia to Southeast Asia.
- Integrate supply chain resilience strategies across Indo-Pacific trade by encouraging diversification of vendors and customers (“many-to-many” models), building domestic container production capacity, and adopting EPR and ESG-compliance frameworks to meet evolving global trade regulations like CBAM.
- Leverage digital transformation and technology-driven trade by scaling up adoption of AI, blockchain, fintech, and customs digitization programs (e.g., AEO schemes, single-window clearance, faceless assessments), ensuring predictability, transparency, and competitiveness of Indo-Pacific commerce.
- Boost high-tech and green economy cooperation by supporting joint ventures in electronics, EVs, batteries, shipbuilding, renewable energy, biotechnology, and green port initiatives — positioning India and West Bengal as innovation-driven players in Indo-Pacific trade networks.
- Deepen bilateral and multilateral trade agreements by strengthening ASEAN-India FTA review, pursuing bilateral FTAs with Philippines and Vietnam, reconsidering RCEP engagement, and leveraging Vietnam’s wide FTA network to expand Indian MSMEs’ access to 70% of global GDP.
- Catalyze SME and MSME collaboration across the Indo-Pacific by encouraging cross-border investments, startup exchanges, and digital adoption programs, ensuring that SMEs remain competitive in a fast-digitizing global economy.
- Foster stronger people-to-people and diaspora-led linkages across ASEAN, South Asia, and the Bay of Bengal region to build cultural trust, enhance market access, and encourage business partnerships, particularly in Malaysia, Nepal, and the Philippines where Indian diaspora and investments are significant.
- Enhance security-connectivity synergies by integrating maritime security cooperation (freedom of navigation, joint naval exercises, anti-piracy measures) with energy, digital, and logistics connectivity to ensure safe, predictable, and stable business environments.

- Promote innovative financing mechanisms for Indo-Pacific trade infrastructure by exploring blockchain tokenization of real-world assets, blended finance, and PPP models to mobilize resources for mega-projects such as port expansion, shipbuilding, and logistics corridors.
  - Institutionalize policy dialogue between governments, businesses, and think tanks by creating standing platforms for trade facilitation, supply chain reform, and infrastructure financing to ensure recommendations move from deliberation to implementation.
  - Strengthen regional cooperation platforms like BIMSTEC and ASEAN by aligning India's eastern states (West Bengal, Northeast) with Bay of Bengal-focused initiatives, creating subregional hubs for energy, climate, disaster management, and skill development.
  - Promote diversification of trade and investment corridors to reduce dependency on any single major power (e.g., China or U.S.), instead fostering balanced cooperation with ASEAN, Japan, South Korea, and emerging Southeast Asian economies to stabilize long-term growth.
  - Position West Bengal as India's Indo-Pacific hub by highlighting its strategic role as a gateway to Southeast Asia, developing Tappur deep-sea port, industrial parks, and logistics networks, and expanding its export base in textiles, leather, gems, seafood, and engineering products.
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# Inaugural Session

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**DAY 2**  
**19th September, 2025**

**Sub-Theme: “Innovation  
and Sustainability in  
Indo-Pacific Ecosystem”**

# Inaugural Session

## **Session Convenor and Moderator:**

Mr. Abhijit Roy, President Designate, BCC&I and Managing Director & CEO, Berger Paints India Ltd.

## **Welcome Address**

Mr. Arnab Basu, President, BCC&I and Clients and Industries Leader, PricewaterhouseCoopers Pvt. Ltd.

## **Keynote Address**

Shri A. Ajay Kumar, Joint Secretary [States], Ministry of External Affairs, Government of India

## **Address by Chief Guest**

Dr. V. Anantha Nageswaran, Chief Economic Adviser, Government of India

## **Summing Up**

Prof. Dr. Ajitava Ray Chaudhuri, Professor Emeritus and Head, Department of Economics, Adamas University and Chairperson, Economic Affairs National Committee, BCC&I

# Proceedings

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## **Mr. Arnab Basu**

President, BCC&I and  
Clients and Industries Leader,  
PricewaterhouseCoopers Pvt. Ltd:

- The proceedings of Day Two commenced with a warm welcome to all distinguished guests, esteemed delegates, and participants. The opening remarks reflected upon the rich deliberations of Day One, which had been described as truly power-packed. The sessions underscored the vibrant synergy between nations of the Indo-Pacific, industry representatives, academia, and policymakers, all converging to reaffirm India's steadfast commitment to maritime cooperation across the Indo-Pacific. The active participation of all stakeholders had set a remarkable tone, making the first day a memorable and impactful experience.
- In recalling the discussions of the previous day, the focus was highlighted on the dynamics of trade, particularly maritime trade, as well as the evolving geopolitical environment shaping regional interactions. It was noted that while India continues to navigate big power relationships, it also remains dedicated to strengthening its Indo-Pacific credentials by stabilizing its neighborhood, advancing economic integration within the region, and nurturing a technological edge to deliver goods and services effectively. The inaugural remarks emphasized that Day Two would now pivot to an equally crucial theme: sustainability.
- The importance of sustainability was articulated as central to India's growth and resilience. India's technological initiatives, including the strengthening of cybersecurity, the advancement of AI-driven defense capabilities, and the scaling of digital transformation through the Digital India initiative, were all framed within a sustainability perspective. These strategies were presented as integral for positioning India as a key player in shaping the future of the Indo-Pacific while ensuring that growth remains balanced and environmentally conscious.
- Linking the broader theme of the conclave, "Towards New Horizons of Maritime Partnership", with the sub-theme for Day Two, "Innovation and Sustainability in the Indo-Pacific", the discussions emphasized the urgent relevance of sustainability in today's context of climate challenges. The role of partnerships, especially as reflected in the United Nations' Sustainable Development Goal 17, was highlighted as indispensable in achieving these objectives. The Indo-Pacific region was described as uniquely vulnerable to diverse and complex climate-related security risks, necessitating collaborative frameworks and coordinated action.

- The significance of regional frameworks such as the Quad and the Indo-Pacific Economic Framework (IPEF) was also noted. The Quad, which began as a humanitarian collaboration during the 2004 Indian Ocean tsunami, has since evolved into a resilient grouping advancing sustainable trade and clean energy. Similarly, the IPEF, though not a free trade agreement, provides member nations with a structured platform to deliberate on four major pillars: supply chain resilience; clean energy, decarbonization, and infrastructure; taxation and anti-corruption; and fair and resilient trade. These frameworks were positioned as pivotal in creating shared strategies for sustainability in the region.
  - The discussions then turned to the broader sustainability challenges posed by rapid economic growth, urbanization, high population density, and coastal vulnerabilities in the Indo-Pacific. Reference was made to the Asia and the Indo-Pacific SDG Progress Report 2025, which showcases community-level innovations and partnerships that bridge the gap between local realities and the targets envisioned by the SDGs. It was emphasized that technology and innovation are not stand-alone verticals, but interconnected drivers that cut across climate action, equality, health, education, and inclusive development
  - The inaugural reflections underscored the need for multi-level collaborations among governments, development partners, businesses, and local communities in order to address sustainability priorities effectively. Special emphasis was laid on the private sector, which not only plays a crucial role in shaping sustainable business models but also serves as a key partner in policymaking. The convergence of collaborative efforts between stakeholders was highlighted as essential for delivering tangible outcomes and fostering green, inclusive growth in the Indo-Pacific.
  - Looking ahead, participants were informed that Day Two would feature an exceptional lineup of speakers, including leading economists, regional thought leaders, and Indian experts. Their presence at the conclave reaffirmed the global interest in shaping sustainable growth strategies for the Indo-Pacific. The session was envisioned as a platform to explore disruptive ideas, cutting-edge technologies, innovative financial models, and new avenues of multilateral cooperation aimed at redefining the regional ecosystem.
  - The opening remarks concluded by reiterating the Bengal Chamber's vision for the conclave as a platform to exchange ideas, facilitate collaborations, showcase best practices, and learn collectively. A deep expression of gratitude was extended to all distinguished guests, partners, sponsors, and participants for their invaluable contributions of time, wisdom, and expertise. With this, the proceedings of Day Two were formally inaugurated, setting the stage for the sessions ahead.
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**Shri A. Ajay Kumar**  
*Joint Secretary [States],  
Ministry of External Affairs,  
Government of India*



- The keynote address of Day Two was delivered in the august presence of the Chief Guest, Dr. V. Anant Nageswaran, Chief Economic Advisor, Government of India, along with Mr. Arnab Basu, President, BCC&I, Professor Dr. Ajitava Ray Chaudhuri, and Mr. Abhijit Roy, President Designate, BCC&I. Extending greetings to the dignitaries, the keynote speaker recalled his role on the previous day of setting the context of the Indo-Pacific and the relevance of the conclave. He emphasized that while the larger questions on Indo-Pacific relevance had already been addressed, today's focus was on innovation and sustainability, with particular attention to India's role and responsibilities in this domain.
- The Indo-Pacific was described not merely as a map on a strategist's desk, but as the beating heart of shared culture and civilization. It is home to three-fifths of humanity, a region that carries half of the world's trade across its waters and nurtures some of the richest ecosystems of forests, rivers, and reefs. Yet, it is also a theatre of profound challenges – rising seas that threaten nations, dying coral reefs, intensifying cyclones, destructive floods, relentless droughts, choking plastics, toxic pollution, and biodiversity pushed to the brink. Against this backdrop, the speaker underlined that India's role is not peripheral but indispensable, owing to its central position geographically, historically, and morally.
- India, it was highlighted, has for millennia been at the centre of Indo-Pacific exchanges, where its coasts served as gateways for merchants, pilgrims, and scholars. In contemporary times, India seeks not dominance but partnership – acting as a convener, a source of innovation, and a driver of sustainability. The keynote address identified India's unique combination of strengths: a youthful population eager to innovate; strong scientific and technological achievements including space exploration and digital connectivity; globally recognized pharmaceutical industries; proven capacity to scale solutions for electrification and sanitation; and a civilizational ethos that balances progress with preservation. Together, these qualities empower India to lead in the quest for sustainability and innovation across the Indo-Pacific.
- The address then focused on four critical pathways where India is contributing and can expand its leadership. First, the speaker emphasized the urgent need to power the region with clean energy. India is breaking the chain of fossil fuel dependence by building the world's largest solar parks, investing in wind, tidal, and green hydrogen, and by sharing this expertise through initiatives like the International Solar Alliance. The vision of an Indo-Pacific where every island nation and coastal community is powered by renewable energy was presented as a realistic and shared goal.

- Second, attention was directed towards transforming the blue economy into a green economy. The oceans, while feeding populations and connecting markets, are under threat from overfishing, pollution, and rising temperatures. India's scientists are developing sustainable aquaculture, innovators are offering alternatives to single-use plastics, and coastal states are restoring mangroves. These models, it was suggested, should be refined and shared with regional partners to safeguard the Indo-Pacific as a sanctuary of marine life.
- Third, the keynote emphasized the need to build resilience against disasters. With rising seas and intensifying storms, disasters disregard borders and impact all communities equally. India has developed resilient models in disaster management: satellites mapping storm paths, early warning systems, and rapid relief forces. India has already shared these capabilities with neighbors and has consistently been the first responder in times of regional crises. Looking ahead, India must evolve into the first partner, fostering a grid of resilience where data, knowledge, and support flow freely across Indo-Pacific nations.
- Fourth, the address stressed the imperative of securing food and water security. Millions of farmers and fishermen in the region face existential threats due to droughts, salinity, and shifting crop patterns. India's innovations — precision irrigation, drought-resistant crops, and climate-smart agriculture — were highlighted as practical solutions to be shared with Southeast Asia, Pacific island nations, and other vulnerable communities. These innovations were described as necessities, not luxuries, in the fight for sustainability.
- The speaker noted that while technology provides tools, sustainability is ultimately a way of thinking, governing, and living. India's leadership must therefore extend beyond laboratories and factories to coalition building, shaping policies, mobilizing finance, and embedding capacity-building at the core of cooperation. Platforms such as the Indian Ocean Rim Association, BIMSTEC, and the Quad were cited as critical vehicles for advancing this collaborative agenda. Training, scholarships, and fellowships were suggested as practical steps to embed sustainability in future generations.
- Illustrative stories of impact were shared: solar panels in Maldives reducing fossil fuel dependence; mangrove restoration in Odisha shielding villages from cyclones; mobile apps in Gujarat guiding farmers on water conservation; and satellite-based storm warnings in the Bay of Bengal saving lives. Each story was presented as evidence that innovation and sustainability are not abstract ideals but transformative realities capable of reshaping lives across the Indo-Pacific.
- The keynote, however, also acknowledged the challenges ahead. Financing green technologies requires vision and courage; bureaucratic hurdles must be addressed; infrastructure gaps bridged; and technology flows liberalized beyond narrow interests. The way forward lies in commitment, clarity, and collaboration. India must continue to set bold targets, invest in its people and innovators, and build partnerships where wisdom flows in both directions. Small island states must be treated as equal partners and contributors of knowledge. Every policy, innovation, and investment must be measured not by short-term profit but by long-term sustainability.
- In conclusion, the Indo-Pacific was described as a promise: a promise that oceans will connect rather than divide; that resources will be preserved rather than plundered; and that the future will belong not to conflict and collapse but to cooperation and creation. With this inspiring vision, the keynote address was brought to a close, marking a powerful start to the deliberations of Day Two.



## **Dr. V. Anantha Nageswaran** Chief Economic Adviser, Government of India:

- The inaugural address of the session was delivered in the august presence of Mr. Arnab Basu, President, BCC&I, Shri Ajay Kumar, Joint Secretary, Government of India, Professor Dr. Ajitava Ray Chaudhuri, and Mr. Abhijit Roy, Session Moderator. Extending greetings to the dignitaries, the speaker began with a light-hearted apology for a brief delay in commencement, attributing it to the morning traffic caused by the dispersal of school shifts. He then thanked the audience for their patience before proceeding with his address.
- Expressing his delight at being part of the Indo-Pacific Economic Conclave, the speaker observed that, as the President had rightly summarized, the sessions across the two days together provided a comprehensive overview of the region's evolution and underscored why the Indo-Pacific must remain at the center of global strategic and economic imagination. He remarked that in an era where events unfold with both predictability and uncertainty, it is vital for platforms such as this Conclave to step back, reflect, and provide thought leadership. The address highlighted how the deliberations at the Conclave transcend personalities and immediate concerns, focusing instead on issues whose consequences will shape decades to come. Commending the Bengal Chamber of Commerce and Industry and the Ministry of External Affairs, the speaker praised the timeliness and relevance of convening an event with sustainability in the Indo-Pacific as its central theme.
- The focus on sustainability is particularly significant because many Indo-Pacific nations are littoral states, deeply vulnerable to ecological pressures. For India, this theme resonates strongly. Having emerged from the economic contraction caused by COVID, India has, over the last four years, recorded one of the strongest growth performances among G20 countries. Even as we pursued this growth, we simultaneously invested in public infrastructure, maintained fiscal prudence, expanded our manufacturing base, and worked to reduce overdependence on any single global source for raw materials and inputs. Yet, alongside growth, we face the generational challenge of energy transition. The developed world built its prosperity on the back of abundant fossil fuel use; India must now attempt a transformation at a scale unprecedented in history. This is not merely an economic or technological challenge but also a recognition that development and sustainability involve deep and often difficult trade-offs.
- One of the most critical trade-offs concerns energy itself. While renewable sources such as solar and wind have a near-zero marginal cost of generation, the upfront costs remain high, and the issue of intermittency demands ever-increasing investment in storage and grid upgrades. Technology is improving—storage capacity now ranges between two to six hours—but sustaining such systems at grid scale is still uncertain. Moreover, as the blackout in Spain reminded us, the absence of inertia in renewable energy systems necessitates further investments or fossil-fuel-based backups. Thus, the actual cost of renewable energy cannot be seen only in terms of marginal generation; it must also factor in infrastructure, storage, and backup investments. For a lower-middle-income nation aspiring to be a developed economy by 2047, such trade-offs are unavoidable, because resources always have competing uses.

- Another trade-off lies in the carbon budget. Economic development is directly linked to energy consumption, and as India's per capita income rises, so too will our demand for energy. Yet the global carbon budget, arbitrarily assigned without accounting for the two centuries of overuse by developed nations, limits what countries like India can consume. Even if we meet our share of the budget, we would remain vastly undersupplied compared to the energy consumption levels that powered the rise of the developed world. India, however, is not speaking from a defensive position. As my colleague Shri Ajay Kumar has highlighted, we are ahead of schedule on our nationally determined contributions, and in both emissions reduction and installed renewable capacity, we outperform most G20 nations. Yet the development imperative remains: we must ensure that climate goals do not consign India—or indeed Africa or other Indo-Pacific nations—to permanent underdevelopment. That requires not only our own efforts but also genuine contributions from developed countries in terms of finance, technology sharing, and removal of restrictive intellectual property barriers. Without this collective approach, sustainable development for all will remain an illusion.
- The fiscal dimension presents yet another trade-off. India's Union and State governments currently raise nearly ₹7.5 trillion annually through fuel taxes and cesses. A rapid phase-out of fossil fuels would erode this revenue base, constraining the very resources required to fund the green transition, including subsidies and government support. Similarly, there are risks to the banking system. If private investments in thermal power plants turn into stranded assets, it will have direct implications for banks' balance sheets, capital adequacy, and stability. We must therefore manage this transition in a way that does not undermine financial stability or fiscal resilience.
- Critical minerals represent a further vulnerability. Despite recent advances in domestic capacity—whether in solar manufacturing or EV batteries—India still depends heavily on imports from a single country for lithium, cobalt, graphite, and other critical inputs. This dependence threatens both national security and the pace of our renewable transition. Paradoxically, as Ed Conway's *The Material World* reminds us, the very extraction and processing of these minerals demands immense energy, underlining the complexity of the path ahead. Thus, diversification of supply chains and collective global strategies for resource management are essential if we are to avoid new forms of dependence.
- Given these constraints, India must broaden its approach to clean energy beyond just solar and wind. Hydro and nuclear must play a greater role. Recognizing this, the Government of India has recently opened the nuclear energy sector for private participation and foreign collaboration, and amendments to the Civil Nuclear Liabilities Act will enable progress in this area. Small modular reactors and next-generation nuclear technologies must become integral to our future mix. At the same time, we must emphasize adaptation alongside mitigation. Whether through coastal zoning, sea walls, floodplain investments, or household-level innovations in energy efficiency, adaptation offers practical, immediate solutions. The United States and Europe themselves are increasingly acknowledging these trade-offs as energy costs rise and public acceptance wanes. For India, prioritizing adaptation ensures that development continues even as we strengthen resilience to climate risks.

- Urbanization and public transport form another critical area. India's metro network has expanded to over 1,000 kilometers across 20 cities in a decade, but ridership is constrained by inadequate last-mile connectivity, safety concerns, and weak integration with bus networks. Sustainable development requires us to make public transport both viable and attractive, since Western levels of private vehicle ownership are neither affordable nor sustainable for India. Cleaner air, reduced congestion, and lower energy intensity are essential components of a livable, productive urban future. Complementing this must be a revival of traditional practices—rainwater harvesting, temple tanks, circular economy models of resource use—which embody adaptation rooted in Indian culture and history.
  - Ultimately, sustainability is not only about technology or policy. It requires citizen participation, awareness, and a cultural shift toward living within our ecological means. Governments can provide frameworks, subsidies, and infrastructure, but without individual and community engagement, progress will be incomplete. If we embrace both modern innovation and traditional wisdom, if we prioritize adaptation as well as mitigation, India can achieve its development goals for 2047 while also positioning itself realistically for net-zero by 2070.
  - In conclusion, I once again commend the organizers for convening this conclave at a time when thought leadership matters more than ever. It is only through honest recognition of trade-offs, practical policy choices, and shared responsibility that we can balance the imperatives of growth and sustainability. The Indo-Pacific's future depends on it. Thank you.
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## *Audience Questions to Dr. V. Anantha Nageswaran by the Audience*



- Thank you very much for your insightful remarks. As you rightly pointed out, the trade-offs between development and sustainability require us to rethink not only how we produce and consume energy, but also how we shape our daily lifestyles. However, I would like to ask you about two additional dimensions. First, how do you see the role of breakthrough technologies—such as potential sharp cost declines in nuclear or other emerging innovations—reshaping these trade-offs? And second, in the geopolitical context, given that much of the discussion has centered on dependence on China, how might a shifting India–China relationship in an increasingly multipolar world alter these calculations?
- Thank you for emphasizing the importance of adaptation, which resonates with much of what has been discussed. My question is whether the government has any plans to establish an energy transition accelerator or to develop more functional carbon markets. At present, we don't seem to have effective carbon markets—so what exactly is holding us back? Is it the relatively low emission norms, the recent changes in emission standards, or perhaps gaps in reporting and compliance mechanisms?
- Thank you for that enlightening speech. You spoke about the circular economy, and rightly so, because it is estimated that nearly 40% of the carbon footprint comes from waste. With the growing emphasis on renewable energy, we will also face the challenge of renewable energy waste. In this context, do you think that 'waste-to-worth' technologies should be prioritized, and is there a need for a comprehensive policy—such as a dedicated metal waste policy—to address the large volume of waste that will inevitably be generated?



## *Answers given by Dr. V. Anantha Nageswaran*

- The speaker acknowledged the valuable points raised about the potential of technological developments and changing geopolitical configurations to ease existing constraints. Improvements such as the progress in battery storage, which has advanced from a few minutes to several hours, were highlighted as important examples of this shift.

- He emphasized that technological innovation and evolving geopolitical dynamics can both reduce binding limitations, and these aspects must be factored into policy planning.
  - On the subject of carbon markets and green financing, the speaker noted that a green or climate taxonomy is currently under development. At the same time, carbon trading is beginning to take shape into a functional market structure, which will evolve further in the coming years.
  - Disclosure requirements were also identified as a key area of progress. The speaker explained that disclosures should not be limited only to emission norms (Scope 1, 2, or 3), but must also include the broader risks that climate change poses to the financial system, including the resilience of institutional balance sheets. The Reserve Bank of India is actively working in this area.
  - The importance of moving beyond emission-focused disclosures to capture the full range of climate-related risks was strongly underscored, as this holistic approach will provide a truer picture of climate vulnerability.
  - Addressing the issue of circular economy and waste-to-worth technologies, the speaker confirmed that significant work is underway in this direction. The Council of Scientific and Industrial Research (CSIR) laboratories are focusing on recycling, especially with respect to critical minerals and rare earths, where recycling will play a crucial role alongside new excavations.
  - He further explained that the government's newly established Anusandhan National Research Foundation and the Research and Development Innovation Fund (RDIF) will play an important role in scaling up these recycling technologies. The aim is to transition them from the laboratory level (Technology Readiness Levels 1–5) to higher stages of development and eventual deployment (TRL 6–9).
  - In conclusion, the speaker reiterated that considerable work is underway across these areas—from green taxonomy and carbon trading to disclosures, recycling, and circular economy solutions—and assured participants that the points raised were well taken and aligned with ongoing initiatives.
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**Prof. Dr. Ajitava Ray Chaudhuri**  
Professor Emeritus and Head,  
Department of Economics,  
Adamas University and  
Chairperson, Economic Affairs  
National Committee, BCC&I :



- The discussion began by emphasizing the broader context of disaster relief, supply chains, and Sustainable Development Goals (SDGs), which are increasingly becoming important priorities in both the Quad and Indo-Pacific frameworks. Mr. Basu set the tone by drawing attention to these emerging goals, which was further carried forward by Mr. Ajay Kumar, who highlighted the real asset of India—its younger population.
- A key suggestion was the need to launch greater awareness campaigns among the younger generation. As someone working closely with students, the speaker stressed that awareness and behavioral change campaigns are essential to prepare youth for future sustainability challenges. In this context, issues such as mangrove protection, recycling, and lifestyle transformations were highlighted as vital areas of focus.
- Turning to Dr. Nageshwaran's intervention, the speaker noted the insightful analysis around two key dimensions: trade-offs and possible solutions. On trade-offs, it was underlined that while renewable energy sources such as solar or hydro come with low marginal costs once installed, the high initial sunk costs pose significant financing challenges. Another important trade-off lies between economic development and energy consumption, as development inevitably requires more energy.
- It was observed that while developed countries emphasize energy transition and emission reduction goals, they often place a disproportionate burden on developing nations. The speaker argued that certain globally beneficial technologies should be treated as public commons rather than subject to restrictive intellectual property regimes. Fiscal constraints were also identified as a barrier, with proposals such as taxing non-renewable energy to finance renewable energy transitions, though such measures are not without public resistance.
- The discussion further highlighted the risk posed to the banking sector, given its significant exposure to non-renewable energy facilities. Shutting down or transitioning these assets raises serious financial stability concerns. Similarly, dependence on critical minerals was noted as a global issue requiring collective, international solutions.
- On solutions, it was stressed that no single pathway can achieve energy transition, and a collaborative mix of hydro, nuclear, solar, and other sources will be required. The importance of conducting rigorous cost-benefit and social cost-benefit analyses was emphasized, as long-term benefits may outweigh the initial high sunk costs.
- The speaker also raised concerns about the stress on the manufacturing sector due to global climate targets, particularly when India has prioritized manufacturing through initiatives like "Make in India." The complementary role of the service sector was acknowledged, though attention was drawn to the varying energy intensities of different services, such as transport and construction.

- Public versus private transportation emerged as another critical point. While last-mile connectivity in India remains heavily dependent on private modes of transport, developed countries rely largely on public, government-owned transportation. Strengthening India's public transport system could therefore be a potential solution.
  - Finally, the importance of adopting circular economy principles was underlined, with rainwater harvesting cited as a concrete example of sustainable practice. The deliberations were concluded with appreciation for the depth of discussions and optimism that participants would carry forward valuable insights into how best to tackle the challenges of energy transition and sustainable development.
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## Special Session III

### Theme: Strengthening Multilateral Cooperation in the Indo-Pacific

#### Panelist:

- **Mr. Ishikawa Yoshihisa**, Consul General, Consulate General of Japan in Kolkata
- **Dr. Bradley Jensen Murg**, Senior Advisor and Distinguished Senior Research Fellow, Cambodia Institute for International Cooperation and Peace (CICP) & Provost, VR for Academic Affairs, Paragon International University
- **Dr. Satish C Mishra**, Founder and Executive Director, Arthashastra Institute, Bali, Indonesia
- **Dr. Mridul Saggur**, Professor, Indian Institute of Management (IIM), Kozhikode
- **Mr. Rahul Mazumdar**, Deputy General Manager, Research & Analysis Group, Exim Bank

#### Session Moderator:

**Mr. Ambarish Dasgupta**, Senior Partner, Intueri Consulting LLP, Former Head of Management Consulting, KPMG India and Former Head of Consulting, PwC India



**Mr. Ambarish Dasgupta**  
*Senior Partner, Intueri Consulting  
LLP, Former Head of Management  
Consulting, KPMG India and Former  
Head of Consulting, PwC India*

- The session began with a warm greeting to the panellists and an appreciation for the Bengal Chamber of Commerce and Industry, which has consistently organized discussions on the Indo-Pacific theme for the past three years. This continuity was recognized as a valuable contribution to deepening dialogue on a critical global issue.
- The moderator clarified that the focus of the present session would be on cooperation among Indo-Pacific countries. He noted that issues related to the formation, composition, and economic dimensions of the Indo-Pacific had been extensively deliberated in earlier sessions, and therefore, this discussion would concentrate on the practical aspects of cooperation.
- The Indo-Pacific, it was emphasized, is not a formal organization, treaty, or pact akin to NATO, SCO, or ASEAN, but rather a concept—one initially floated by the United States through frameworks like IPEF and IPEC, and subsequently supported by many countries. The concept continues to evolve through references in the statements of global leaders but remains more an idea than an institution.
- The moderator highlighted the wide geographic span of the Indo-Pacific, encompassing SAARC countries, ASEAN, Oceania, Pacific Island states, East Africa, and even parts of the West Indies. Within this broad space, numerous trade and corridor agreements already exist, such as IPEF, AOIP, Pacific Islands initiatives, AFTA, BIMSTEC, BBIN, MECON, MGC, and PACT. Taken together, the Indo-Pacific can be seen as an umbrella of multiple agreements and initiatives rather than a single structure.
- Against this backdrop, the question of cooperation arises: cooperation between whom and how? Given the diversity of the countries involved—in terms of trade maturity, economic structures, legal frameworks, demographic profiles, and religious differences—achieving meaningful collaboration is complex. The moderator suggested that cooperation may need to be organized along specific axes rather than attempting an all-encompassing approach.

- Possible dimensions of collaboration were outlined, including security and defence cooperation, trade partnerships, shared financing of initial costs for climate adaptation and green energy transitions, and the protection of critical sea routes. The emphasis was placed on identifying achievable and pragmatic areas of cooperation rather than seeking an overly broad framework.
- It was also underlined that each country must first and foremost prioritize its own economic prosperity. This gives rise to a further dilemma: should nations pursue prosperity through closer collaboration with Indo-Pacific neighbors, or through partnerships with actors outside the region? Both bilateral and multilateral agreements play a role, though conflicts of interest—whether political or economic—within the Indo-Pacific space complicate matters.
- The moderator concluded his introductory remarks by posing these questions for reflection: How can Indo-Pacific collaboration function amid diverging priorities and conflicts of interest? On what specific dimensions should cooperation be pursued? With this framing, the floor was opened to the first speaker, the Honorable Consul General of Japan, for his comments.

**Mr. Ishikawa Yoshihisa**  
*Consul General,  
 Consulate General of Japan  
 in Kolkata:*



- The Honorable Consul General of Japan began by extending his gratitude to the Bengal Chamber of Commerce and Industry and the Ministry of External Affairs, Government of India, for organizing the Indo-Pacific Economic Conclave for three consecutive years. He noted the value of the conclave as a platform for engaging discussions on regional cooperation and strategic issues.
- In his opening observations, he underlined the vast significance of the Indo-Pacific region, which encompasses over 50 countries, accounts for more than 60% of the world's population, and contributes over 60% of global GDP. The region is critical due to its abundant natural resources, vital choke points such as the Strait of Malacca, and its central role in global supply chains. Stability and security in this region, he emphasized, are indispensable for global prosperity.

- Japan's contributions to regional cooperation were highlighted, with examples including the Japan–ASEAN Connectivity Initiatives, the Japan–Philippines Reciprocal Access Agreement, Japan–Philippines–U.S. Trilateral Cooperation, the Japan–India Digital Partnership, clean energy partnerships with Indian firms, and initiatives such as Smart Island and Green Port projects in India. He reiterated Japan's longstanding commitment to promoting peace, stability, and prosperity in the region.
- Recalling former Prime Minister Shinzo Abe's articulation of the Free and Open Indo-Pacific (FOIP) vision in 2016, he described its three pillars: (i) establishing rule of law, freedom of navigation, and free trade; (ii) promoting economic prosperity through physical, people-to-people, and institutional connectivity; and (iii) ensuring peace and stability through capacity building, humanitarian assistance, disaster relief, and cooperation against piracy, terrorism, and proliferation.
- He further noted that Prime Minister Fumio Kishida, during his 2023 visit to India, announced Japan's New Plan for FOIP under four pillars: principles for peace and rules for prosperity; addressing challenges in the "Indo-Pacific way"; multi-layered connectivity; and extending cooperation for security and the safe use of seas and air. Kishida also welcomed Prime Minister Modi's Indo-Pacific Oceans Initiative (IPOI) and acknowledged synergies between IPOI and FOIP.
- The Consul General emphasized Japan's active role in the Quad alongside the United States, India, and Australia. Areas of cooperation include maritime security, resilient supply chains, technological partnerships, and critical minerals. He cited recent initiatives such as the "Ports of the Future" project in Mumbai and recalled that six Quad Leaders' Summits have already taken place, with India scheduled to host the next one.
- He stressed the growing importance of Japan–India relations, noting that the two countries share fundamental values and strategic interests, which give them great responsibility for peace and stability in the Indo-Pacific. He recalled Prime Minister Modi's recent visit to Japan for the 15th Annual Summit, during which both leaders reaffirmed their commitment to deepen cooperation, including under the Quad framework.
- Looking ahead, the Consul General stated that Japan and India would commemorate 75 years of diplomatic relations in 2027. Japan's economic cooperation with India has already yielded landmark projects such as the Mumbai–Ahmedabad high-speed rail, the East–West Metro Corridor in Kolkata, the Delhi–Mumbai Industrial Corridor, and the Chennai–Bengaluru Industrial Corridor. These projects underscore Japan's role in accelerating India's infrastructure development.
- He concluded by reaffirming Japan's commitment to multidimensional collaboration with India, particularly in enhancing infrastructure synergies. He expressed hope that the conclave would generate thought-provoking ideas, solutions, and meaningful takeaways, and extended his congratulations to the incoming President and leadership of the Bengal Chamber of Commerce and Industry.
- Before closing, the moderator noted that the Honorable Consul General would have to leave early and therefore posed one concluding question: What, in Japan's view, will be the success factors for the Indo-Pacific in the next five to six years, and what objectives should define its progress?



**Dr. Bradley Jensen Murg**  
*Senior Advisor and Distinguished Senior Research Fellow, Cambodia Institute for International Cooperation and Peace (CICP) & Provost, VR for Academic Affairs, Paragon International University*

- The speaker began by expressing gratitude to the Bengal Chamber of Commerce and Industry for the invitation, while regretting the inability to attend in person. They emphasized that despite physical absence, they greatly valued the opportunity to listen to the panel discussions from Phnom Penh.
- In setting the context, the speaker noted that the world has transitioned from a bipolar to a unipolar structure, and is now moving towards a multipolar phase. Rather than anticipating a binary U.S.–China rivalry, the emphasis was placed on recognizing the present reality of mini-lateralism. This, they argued, reflects the structural shifts caused by U.S. retrenchment, China’s demographic and economic constraints, and the limitations of existing multilateral institutions.
- Mini-lateralism was described not as a temporary phenomenon but as a durable feature of the emerging order. The speaker argued that neither a U.S.–China bipolar structure nor ASEAN-led full multilateralism can effectively address the region’s pressing issues. Myanmar’s unresolved crisis and the growing maritime–mainland divisions in ASEAN were highlighted as clear illustrations of these challenges. The coming role of the Philippines as ASEAN chair was pointed out as a moment when the South China Sea disputes will further test ASEAN’s unity.
- The speaker drew parallels to the Concert of Europe of the 19th century, noting that mini-lateralism functions effectively due to its speed, focus, and ability to align interests quickly. Recent examples cited included the Philippines–New Zealand troop agreement and supply chain initiatives, as well as long-standing cooperation within the Greater Mekong region (CLMB states).
- However, while the Greater Mekong Subregion demonstrates the benefits of mini-lateralism, it also exposes the risks of fragmentation. With 14 different mini-lateral entities operating simultaneously—covering issues from infrastructure to trade to gender—the lack of a central coordinator has created duplication and inefficiency. The key lesson, the speaker stressed, is that mini-lateral groupings must have a clear, single-issue focus with open membership and transparency to avoid becoming ineffective.
- The remarks also underlined that mini-lateralism should not be viewed as the enemy of multilateralism. Instead, it is a pragmatic response to prevailing structural conditions. Mini-lateralism and multilateralism can coexist, with the former addressing immediate priorities while the latter remains important for broader regional aspirations.

- Finally, the speaker recognized ASEAN's continuing centrality but urged realism. With the entry of Timor-Leste, bringing ASEAN to 11 members, consensus on all issues will become even more difficult. In such circumstances, smaller and more flexible groupings will likely be more effective in the near term. The address concluded with an acknowledgment of exceeding time slightly, and with thanks once again to the organizers.

**Dr. Satish C Mishra**  
*Founder and Executive Director,  
 Arthashastra Institute, Bali,  
 Indonesia:*



- The speaker opened by expressing gratitude for the invitation, noting a personal connection to Calcutta through past teaching at Presidency College and family ties. This return to the city was described as both an honor and a pleasure.
- Setting the tone, the speaker reflected on the complexity of global issues, stressing the importance of not letting crises go to waste, quoting Arnold Schwarzenegger's adage. In the midst of overlapping crises, the challenge is not to add nuance for its own sake but to frame arguments that point toward solutions.
- The remarks highlighted Asia's diversity, particularly within ASEAN, which is even more diverse than the European Union. Contrary to its peaceful image, the region has historically been prone to conflict and has recorded some of the highest casualties in wars and conflicts globally. This sobering reality shapes the context for any discussion on multilateral cooperation.
- Drawing on the Indonesian example, the speaker described the country's remarkable transformation since 2000. Comprehensive reforms across the military, political system, central bank, governance, and anti-corruption measures have created a stable democracy with steady economic growth of around 5–5.5 percent. The military has retreated to the barracks after decades in power, and projections suggest continued stability for the next 10–15 years. Indonesia today represents a moderate Islamic democracy with a growing economy, offering an important case study of successful reform.
- In discussing multilateral cooperation, the speaker cautioned against over-reliance on the consensus model, which often stalls progress. Instead, they proposed closer integration between India and Indonesia, two of Asia's largest countries. Together, they could form a second pole within Asia—balancing China—and create a different framework for cooperation. This partnership fits the OECD criteria of “major player” and “mutual interest,” though both nations have yet to undertake serious due diligence to understand each other fully.

- The analysis then turned to global trends of fragmentation and self-sufficiency. On one side, countries are seeking security in food, energy, and critical goods at the national level. On the other, major challenges such as artificial intelligence, climate change, pandemic control, and advanced technologies like nanotechnology demand large-scale, cross-border cooperation. India and Indonesia, with their large populations and markets, are well positioned to bridge this divide by working together at scale.
- The speaker emphasized that the future must be viewed not only through the lens of threats but also of possibilities. Indonesia's strengths in artificial intelligence—being home to the largest number of hackers globally—and its human capital potential, alongside opportunities in pharma, medical technologies, minerals, trade, tourism, and infrastructure, offer significant areas for India–Indonesia collaboration. However, the current level of knowledge and engagement between the two remains limited.
- In response, the Arthashastra Institute was established to strengthen India–Indonesia ties and promote a strategic partnership that could act as a second pole in Asia. This, the speaker argued, would allow smaller countries to align more effectively, advancing multilateral cooperation not only through large groupings but also through sequenced and focused partnerships.
- Concluding, the speaker urged a shift from a purely diplomatic to a more strategic approach in building such cooperation. The hope expressed was that this conversation would mark the beginning of a more deliberate and future-oriented India–Indonesia partnership.



**Dr. Mridul Saggar**  
*Professor, Indian Institute of Management (IIM), Kozhikode*

- The session opened with the speaker thanking the organizers and underlining the importance of engaging on Indo-Pacific issues at a critical juncture. While the Indo-Pacific is not an integrated economic bloc or a unified geopolitical entity, it remains a binding concept that enables flexible engagement among nations. Such flexibility is particularly relevant in today's fragmented global order, and forums of this kind provide valuable opportunities for people-to-people exchange, academic discussion, and practical cooperation.
- Addressing global economic and geopolitical dynamics, the speaker highlighted how shifts in the global economic order are influencing power structures. In the Indo-Pacific, the United States continues to hold the largest output share in dollar terms, while China leads

in purchasing power parity. Yet, over the past decades, both the U.S. and Japan have lost significant output share, with India and China gaining considerably. Japan's pragmatic and constructive response was noted for promoting trade, financial cooperation, and prosperity in the region.

- On approaches to cooperation, the speaker emphasized that mini-lateralism should not be viewed as conflicting with multilateralism, but rather as complementing it in the Indo-Pacific. The first area identified was trade. With tariff wars fragmenting global markets, the speaker suggested reducing tariffs within the 10–15% range to restore stability. Revisiting the Regional Comprehensive Economic Partnership (RCEP) was also proposed, provided India's sectoral concerns are addressed, as this could unlock a transformative pan-Asian trading framework.
- The second area of focus was multilateral development banks (MDBs). Institutions such as the ADB, AIIB, and BRICS Bank were recognized as central to addressing regional infrastructure gaps. However, with global infrastructure needs estimated at USD 15 trillion against current commitments of only USD 1 trillion, there is a significant shortfall. Given that Asia-Pacific represents 60% of the global population and 62% of global output, the speaker stressed the need for scaling up resources, democratizing governance, and mobilizing greater capital for these banks.
- The third area concerned regional financing arrangements (RFAs), with attention to central bank swaps such as the Chiang Mai Initiative Multilateralization (CMIM) and the BRICS Contingent Reserve Arrangement (CRA). These mechanisms were described as critical safeguards against future crises. The CMIM has doubled its resources to USD 240 billion, while the BRICS CRA is at USD 100 billion. Japan's bilateral USD 75 billion swap line with India was acknowledged as an important initiative, underscoring the necessity of preparedness against financial shocks reminiscent of the Asian financial crisis.
- The fourth area discussed was monetary cooperation. The speaker noted the dollar's declining share of global reserves, from nearly 70% in 1999 to just over 52% in 2025. While this marks a weakening of dollar dominance, no alternative—such as the RMB—has yet emerged as a replacement. The speaker recommended patience in this transition, focusing instead on strengthening local currency bond markets and carefully advancing cross-border payment systems.
- Finally, the speaker highlighted digital cooperation. The current AI/ML revolution has prompted countries to prioritize national champions, often at the expense of consumer welfare. The speaker cautioned against this approach, urging that digital innovation be directed toward inclusive development. India's Unified Payments Interface (UPI) and the wider India Stack were cited as models of people-centric, scalable digital infrastructure. Already extended to other countries, these systems are under active consideration in Africa, with 17 nations in exploratory discussions and pilots underway, including with Tanzania. NPCI International is working with seven countries, with potential to expand across the Indo-Pacific.
- In conclusion, the speaker reiterated that Indo-Pacific cooperation must remain pragmatic, flexible, and inclusive. Progress across trade, development banks, financial arrangements, monetary systems, and digital technologies will be crucial, with India poised to play a constructive and forward-looking role in shaping this cooperative framework.

**Mr. Rahul Mazumdar,**  
*Deputy General Manager,  
Research & Analysis Group,  
Exim Bank :*



- The speaker began by thanking the Chamber of Commerce for the invitation and acknowledged the extensive discussion already held on the Indo-Pacific. He emphasized that while historic and cultural linkages—such as those with the CLMV region—are important, the real driver of engagement is business, trade, and investment, which bind countries together.
- Reflecting on economic theories and recent experiences, the speaker noted that while comparative advantage traditionally drives trade, the COVID-19 pandemic renewed emphasis on self-reliance. He highlighted that the Indo-Pacific is not a single country or uniform entity but includes frameworks such as the Indo-Pacific Economic Framework (IPEF), which collectively shows significant trade activity but also a trade deficit, with U.S. dominance evident across member economies.
- Vietnam was highlighted as an example of success within IPEF, having diversified its economy from agriculture to engineering goods over the last 25 years. The country's proactive engagement in FTAs and multilateral trade agreements was cited as a reason for its export-led growth.
- Turning to India's trade experience, the speaker recalled that India signed its first significant FTA in decades with ASEAN in 2010, followed by FTAs with Japan and South Korea. However, these agreements have not yielded favorable results for India. India's trade deficit with ASEAN, for example, has increased nearly sevenfold from USD 7 billion to about USD 45 billion. The speaker attributed this not to the strength of partners but to India's inability to produce goods in demand across the Indo-Pacific.
- While India is connected through multiple FTAs—including with ASEAN, Japan, South Korea, and Australia—the outcomes have been less than satisfactory. One key reason identified was the role of non-tariff barriers (NTBs) such as technical barriers to trade, compliance rules, and customs issues. These constraints particularly affect India's exports in sectors like pharmaceuticals, where despite global competitiveness, Indian firms face restrictive domestic testing and regulatory requirements in markets such as Malaysia and Vietnam.
- The speaker argued that the Indo-Pacific must work collectively in such a dynamic environment. He pointed out that developed countries' engagement in the region is often driven not purely by trade but by strategic motives, particularly to counter China's influence. France, for instance, was cited for deploying significant resources in South Asia under its AFD agency as part of its Indo-Pacific engagement.

- On sustainability and circular economy, the speaker emphasized the importance of collaboration and learning from partners such as Japan, which has consistently supported India. He suggested that Japan's experience and practices could be adapted for India and the broader Indo-Pacific region to build resilience and sustainable growth.
- Moving to financial institutions, the speaker mentioned multilateral banks like the New Development Bank, AIIB, and ADB, but also pointed to the significant role of Export Credit Agencies (ECAs) across the Indo-Pacific. He proposed that governments of the region explore structured cooperation among ECAs to collectively strengthen trade and investment flows.
- In conclusion, the speaker reiterated that India and the Indo-Pacific partners must find ways to collaborate more effectively, connect the dots across trade, finance, sustainability, and regulatory issues, and build a dynamic and inclusive framework for the region's growth. He ended by expressing readiness for continued dialogue and involvement.



## Questions to the panel members by the moderator



**Question to Mr. Ishikawa Yoshihisa**  
by the session moderator,  
**Mr. Ambarish Dasgupta :**

***Japan has made immense contributions to India–Japan cooperation and to the broader Indo–Pacific, not only through economic ties but also via the Quad, bilateral, and multilateral agreements. In your view, what will define the success of the Indo–Pacific in the next five to six years? What objectives should it prioritize, and what do you see as the key success factors?***

- There are many strong and important points regarding the Indo-Pacific for Japan and for all countries concerned. First, in terms of geopolitics, the importance of this region can be clearly understood by observing the maps: it links the Pacific Ocean and the Indian Ocean, and is home to large populations, abundant natural and marine resources, and vital sea lanes that many countries depend upon for stability and trade. The region also has massive, young, and dynamic populations, and it is witnessing the fastest-growing levels of Internet penetration in the world, making the digital economy an increasingly critical driver of future growth. In addition, clean energy and renewable technologies are becoming increasingly important, and these sectors offer significant potential for sustainable development and regional cooperation. These factors together create limitless possibilities
- for economic, technological, and social advancement. At the same time, stability and peace in this region are crucial, especially for Japan, and there are several challenges that must be addressed collectively. One key challenge is to prevent unilateral attempts to change the status quo by force, which must be opposed by all responsible actors. Another challenge is the rise of non-tariff barriers and arbitrary tariffs, which can threaten the open economy of the Indo-Pacific and, if unchecked, may lead to protectionism with historical precedents of serious global consequences. Furthermore, unforeseen crises such as pandemics present additional risks that require collective preparedness and coordination. In this context, Japan's vision of a Free and Open Indo-Pacific (FOIP) is designed to promote peace, stability, and prosperity, and it is not an exclusive framework. Any country that respects the rule of law, international law, transparency, and free trade is welcome to participate. By adhering to these principles and working together, countries in the region can harness the full potential of the Indo-Pacific while ensuring a stable, inclusive, and prosperous future for all stakeholders.

Question to  
**Dr. Bradley Jensen Murg**  
by the session moderator,  
**Mr. Ambarish Dasgupta :**



**You mentioned unipolarity, bipolarity, and also referred to bilateral, multilateral, and now mini-lateral frameworks. Given the multiple conundrums we are navigating, what would be the best approach for the global, regional, or even individual country economies? Specifically, what kind of association do you envision for the Indo-Pacific countries, and what could serve as the common binding factor or a “common minimum agenda” that would unite these nations, considering the variety of agreements they are pursuing both within and outside the Indo-Pacific?**

- The speaker noted that there is no single common initiative or binding factor that can unite all Indo-Pacific countries. He highlighted climate change as an example where collaboration is necessary, citing the shared river in the Greater Mekong subregion as a collective action problem that has required cooperation. Moving forward, different states will have differing motivations for collaboration depending on the issue. For instance, some states will engage more actively on security issues such as the South China Sea, aligning with their direct interests, while others may focus on normative collaboration to uphold principles like freedom of the seas without provoking binary alignments. The speaker emphasized that mini-lateral cooperation often generates positive spillover effects, allowing agendas to be advanced in areas where larger institutions may be unable to act effectively. He cited the Quad as an example, noting its origins in tsunami relief and its evolution into a broader strategic forum. The speaker concluded that embracing this “Goldilocks” approach—neither too large nor too small—is essential, as mini-lateralism represents the practical and realistic path forward for multilateral cooperation in the Indo-Pacific.



Question to **Dr. Satish C Mishra**  
by the session moderator,  
**Mr. Ambarish Dasgupta :**

**Building on your earlier points about the India–Indonesia relationship and the broader Indo-Pacific strategy, I have two related questions. First, many observers suggest that the Indo-Pacific is primarily a defensive strategy aimed at countering a particular country’s monopolistic or aggressive actions, rather than being driven by the participating**

***countries' own economic prosperity. Would you agree with this characterization? Second, given your expertise, could you comment on the implications for waterway security—particularly regarding the South China Sea, the Strait of Hormuz, and other strategic chokepoints—and how China's nine-dash line claims might affect the Indo-Pacific strategy? Do these dynamics create opportunities for greater regional solidarity, or do they generate heightened insecurity for the countries involved?***

- The speaker responded by emphasizing the importance of looking toward the future for two key reasons. First, there is a need to understand whether the unipolar world is truly coming to an end and whether a return to unipolarity is possible; the speaker asserted that we are now in a multipolar world and, within our lifetimes, will not revert to a unipolar global order. In this context, the discussion on China is closely related. The speaker highlighted research comparing the top 50 corporations globally to country GDPs, noting that companies such as NVIDIA have a market capitalization equivalent to India's GDP of \$4 trillion, and Apple is wealthier than Germany. This underscores the influence of technology and private actors on international governance, as illustrated by instances like Elon Musk funding the Reform Party in the UK, which can impact governance decisions and international reactions.
- The speaker argued that the combination of technological power and the end of unipolarity creates uncertainty regarding what the multipolar world will look like. In terms of China, the speaker suggested that assuming a multipolar world, China does not pose an immediate threat of stopping trade within the Asia-Pacific. While military skirmishes are possible, large-scale interventions are unlikely, as historical precedents—such as China's actions in Goa, Gaza, and border skirmishes with India—demonstrate limited international intervention. Additionally, India and China, as well as Indonesia with India and China, have not historically engaged in major wars, which shapes the contemporary security calculus.
- Looking forward, the speaker noted that if Asia emerges as a bipolar or tripolar center of global influence and economy, multilateral institutions and cooperation will also evolve differently. Resuscitating multilaterals and creating new governance structures require an understanding of future global dynamics, including whether there will be a retreat to unipolarism, though a Cold War-style scenario is deemed unlikely. Furthermore, rapid technological advancements and the influence of global firms—whose decisions are no longer confined to national loyalties—complicate governance and multilateral cooperation. Companies like Apple exemplify this shift, indicating that decision-making increasingly occurs at a global rather than national level.
- The speaker concluded by emphasizing that connecting the evolving and rapidly moving “dots” of international relations is essential. This includes closely monitoring the evolution of a multipolar world, new governance structures, and the rise of international oligarchies. Within the Asian context, the speaker suggested that revising perspectives on the future roles of India and China, potentially leveraging Indonesia as a balancing mechanism, is critical for shaping cooperative and strategic regional frameworks in this new era.

Question to  
**Dr. Mridul Saggar**  
by the session moderator,  
**Mr. Ambarish Dasgupta :**



***Considering your earlier points on the India–Indonesia relationship and the broader Indo-Pacific strategy, would you say that the Indo-Pacific is primarily a defensive strategy aimed at countering a particular country’s monopolistic or aggressive actions rather than being driven by the participating countries’ economic prosperity? Additionally, could you comment on the implications for waterway security—especially in the South China Sea, the Strait of Hormuz, and other strategic chokepoints—and how China’s nine-dash line claims might influence the Indo-Pacific strategy? Do these dynamics present opportunities for greater regional solidarity, or do they heighten insecurity for the countries involved?***

- The speaker addressed the topic of monetary cooperation by noting that the Indo-Pacific region does not present the characteristics necessary for a monetary union or a single common currency. Drawing from studies on common currency areas, the speaker suggested that such a union is unlikely to be feasible. However, cooperation could still be pursued in other areas, such as the development of local currency bond markets and limited payment settlement mechanisms, like the Asian Clearing Union, which would allow transactions in local currencies without requiring widespread global trading of those currencies. The speaker emphasized that while trade cooperation can be substantially enhanced independently of payment or currency arrangements, the choice of currency for settlements will naturally evolve over time as economies grow, rather than being imposed externally. Finally, the speaker highlighted that achieving moderate tariff levels, around 10–15%, and aligning India with global tariff standards would significantly boost trade and improve welfare across the region.



Question to  
**Mr. Rahul Mazumdar**  
by the session moderator,  
**Mr. Ambarish Dasgupta :**

***You mentioned the importance of self-sufficiency within the Indo-Pacific. Based on some research, it appears that, excluding the US and China, most Indo-Pacific nations are largely self-sufficient in basic commodities, but rely heavily on imports for advanced manufacturing, which involves skill development and advanced technology. Given this, how can the region effectively address the challenges posed by varying non-tariff barriers (NTBs) across countries with different levels of legal maturity, and is there a way to harmonize the Logistics Performance Index (LMI) to ensure more consistent trade and cooperation?***

- The speaker emphasized the importance of strengthening regional cooperation within the Indo-Pacific, particularly between India and ASEAN countries, which have maintained a trade division for nearly 15 years. He suggested that a starting point should be the establishment of a Mutual Recognition Agreement (MRA) among these countries, which would allow them to acknowledge each other's products within agreed-upon limits, thereby avoiding unnecessary delays or restrictions at ports. Additionally, he highlighted the opportunities presented by existing free trade agreements in the region, such as India's agreements with Australia, which include zero-tariff provisions for critical minerals like zirconium. The speaker noted that many stakeholders are not fully aware of these opportunities, underscoring the need for better engagement and education on the benefits of such agreements. Using the automobile industry as an example, he explained how Japan, once a front-runner in traditional vehicles, is now challenged in the electric vehicle sector due to China's control over certain rare earth minerals. Against this backdrop, the speaker stressed that Indo-Pacific countries should collaborate closely, align on common interests, and proactively strategize for future challenges to maximize regional benefits and collective growth.
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## **Fireside Chat – Strengthening Cooperation in The Bay of Bengal Region**

**Ambassador Indra Mani Pandey, Secretary General, BIMSTEC**

*in conversation with*

**Prof. Dr. Prabir De, Professor, Research and Information System for  
Developing Countries (RIS) and Co-Chairperson, Economic Affairs National  
Committee, BCC&I**

### **Ambassador Indra Mani Pandey**

- The session began with an introduction of the guest, the Honorable Secretary General of BIMSTEC, recognized as an eminent speaker
- The speaker highlighted the guest's extensive diplomatic career spanning 33 years, including serving as India's representative at the UN in Geneva and other international organizations, as well as holding the position of Additional Secretary in the Ministry of External Affairs.
- The speaker shared personal experience of working with the guest during his tenure as Secretary Consul General in Guangzhou, particularly on regional cooperation initiatives with China.
- The session was structured as a rapid-fire chat, with the speaker humorously noting that there would be no "fire brigade" in case of any difficult questions.
- The agenda included a brief introduction by His Excellency Indra Modi Pandey, a four-minute video presentation, followed by a question-and-answer segment.
- If time permitted, the session would conclude in 15–20 minutes, after which questions would be taken from the audience.

### **Prof. Dr. Prabir De**

The session was introduced as the penultimate session of the conference, noting that participants had already engaged in over three hours of deliberations.

- The speaker referenced the previous day's discussion on BIMSTEC in the context of the Indo-Pacific and acknowledged that the morning session had outlined the challenges faced in the region.
- The importance of multilateral cooperation beyond bilateral agreements was highlighted, noting that it can take various forms: global multilateral platforms like the United Nations, mini-laterals, or intergovernmental regional organizations.

- Four key regional organizations in the Asia-Pacific were identified as focused on sustainable development:
  - > Indian Ocean Rim Association (west of India)
  - > BIMSTEC (Bay of Bengal Initiative for Multisectoral Cooperation, central focus)
  - > ASEAN (focused on sustainable development)
  - > Pacific Islands Forum
- BIMSTEC was emphasized as particularly significant for India, especially for the eastern and north-eastern states, as it connects South Asia with Southeast Asia.
- The speaker noted that a short video would be played to provide participants with essential information about BIMSTEC, as it is not a widely known organization.
- The session was opened for specific questions from participants following the video presentation.

## **Ambassador Indra Mani Pandey**

- The moderator thanked the speaker and introduced a set of three questions for the Secretary-General.
- The moderator noted personal experience working with all previous BIMSTEC secretaries-general and highlighted that the current speaker is the fourth secretary-general.
- Reference was made to the establishment of the BIMSTEC Secretariat in Dhaka and the Kolkata Consensus of the 2007 Declaration, with Kolkata being designated to host the secretary.
- The moderator indicated that this historical context would be included in background materials for BIMSTEC.
- The first question posed to the Secretary-General focused on the sixth BIMSTEC Summit held in Bangkok, where an agreement on maritime cooperation was signed.
- The question asked how this maritime cooperation agreement would contribute to enhancing trade and connectivity among BIMSTEC member countries.

## **Prof. Dr. Prabir De**

- The Secretary-General outlined four key areas of the BIMSTEC maritime cooperation agreement:
  - > Increasing shipping linkages between member states.
  - > Enhancing cooperation among ports.
  - > Addressing logistical impediments at ports related to cargo handling, imports/exports, and passenger movement.
  - > Collaborating to enhance port infrastructure across member states.
- The agreement includes a provision for a Joint Shipping Committee, and member states have been requested to nominate representatives.
- Although the agreement has only been ratified by India so far, the process of implementation has already begun.
- Negotiations are ongoing for a Standard Operating Procedure to guide the implementation once the agreement enters into force.
- India recently hosted a ports conclave in Visakhapatnam to bring together regional ports and facilitate collaboration.
- India has also proposed establishing a Center of Excellence for maritime transport cooperation, which will spearhead BIMSTEC regional maritime connectivity efforts.

## **Ambassador Indra Mani Pandey**

- The question was raised regarding BIMSTEC's efforts to connect industry associations across member states.
- Reference was made to India's activation of chambers of commerce, including a successful conference in Delhi earlier this year attended by the Commerce Minister, Shri Piyush Goyal.
- The discussion sought insights on potential plans to link business associations, such as the Bengal Chamber of Commerce & Industry, with counterparts in other BIMSTEC member countries.
- The focus was on enhancing regional industry collaboration and fostering trade and investment partnerships through these business networks.

## **Prof. Dr. Prabir De**

- BIMSTEC recognizes connecting industry associations as a key objective.
- The BIMSTEC Business Forum had been convened in the past, though meetings were not consistently held.
- The Confederation of Indian Industry (CII) hosted the first BIMSTEC Business Summit, and the Hon'ble Prime Minister has committed to making it a regular event.
- Plans are underway for the second edition of the BIMSTEC Business Summit.
- A proposal exists to establish a BIMSTEC Business Chamber; Bangladesh has prepared a concept paper shared with all member states.
- Member states' feedback from their respective chambers will guide the formal establishment of the BIMSTEC Business Chamber.
- The chamber will bring together business and industry associations from all member states, fostering regional trade and investment cooperation.
- The Bengal Chamber of Commerce & Industry is highlighted as a key participant, given the strategic role of India's eastern and north-eastern states in BIMSTEC cooperation.
- The chamber aims to integrate chambers from Bangladesh, Bhutan, Nepal, Sri Lanka, Myanmar, and Thailand, serving as a fulcrum for regional business collaboration.

## **Ambassador Indra Mani Pandey**

- How does the BIMSTEC Secretariat plan to enhance people-to-people relations among member states?
- What are the plans to connect culturally significant regions in India, such as Kolkata, Bihar (Rajgir, Nalanda), the northeast, and Odisha, with the rest of the BIMSTEC countries?

## **Prof. Dr. Prabir De**

- People-to-people relations are a very important aspect of BIMSTEC cooperation.
- The Secretariat supports activities in culture and tourism, and maintains a network of BIMSTEC think tanks.

- Cultural cooperation and association with different states of India is guided by the Ministry of External Affairs, Government of India, as BIMSTEC is an intergovernmental organization.
- The Secretariat mainly coordinates with the central government, which decides the venues and partner organizations for BIMSTEC activities.
- The BIMSTEC Youth Summit was recently held in Guwahati, and several other BIMSTEC events have been organized in eastern and north-eastern India.
- The Ministry of External Affairs considers eastern and north-eastern India to play a very important role in BIMSTEC activities.



## Special Session IV

Theme: "Pioneering the Future – Maneuvering Trade and Tariffs; Advancing Innovation and Sustainability in the Indo-Pacific Ecosystem"

Points of Discussion:

- Technological Innovations in Maritime Trade – Role of AI, blockchain, and IoT in enhancing efficiency, security, and logistics in Indo-Pacific shipping networks.
- Sustainable Industrial Growth & Circular Economy – Promoting resource efficiency, waste reduction, and renewable energy adoption in key industries to drive long-term economic growth.
- Green Investment & Financing for Sustainable Development – Role of ESG funding, green bonds, and climate finance in supporting sustainable infrastructure and innovation.
- Indo-Pacific Cooperation in Trade amidst global Geo-Political turmoil
- Indo-Pacific Cooperation in Tariffs for Inclusive Development

### Special Address

**Shri. Atul Bagai**, IAS (Retd.), Former Head, United Nations Environment Programme Country Office, India and Chairman, Network for Certification and Conservation of Forests (NCCF)

### Panelist:

- **Prof. Arpita Mukherjee**, Professor, ICRIER
- **Mr. Ajeya Bandyopadhyay**, South-Asia Lead for Climate Advisory, International Finance Corporation (IFC), World Bank Group
- **Dr. Srinivas Yanamandra**, Visiting Professor, IDRBT (Institute for Development and Research in Banking Technology, established by RBI)
- **Mr. RVN Vishweshwar**, Director (Finance), Hindustan Copper Ltd.
- **Mr. Anirudha Barooah**, Assistant General Manager & Regional Head, Kolkata Regional Office, Exim Bank
- **Dr. Debashis Chakraborty**, Professor & Co-Editor, Foreign Trade Review, Indian Institute of Foreign Trade, Kolkata
- **Sri Rajneesh Kumar**, DGM SME, SBI

Session Moderator:

**Mr. Vivek Jalan**, Partner, Tax Connect Advisory Services LLP and Member Economic Affairs National Committee, BCC&I

## Special Address



### **Shri. Atul Bagai**

*IAS (Retd.), Former Head, United Nations Environment Programme Country Office, India and Chairman, Network for Certification and Conservation of Forests (NCCF):*

- The speaker began by expressing gratitude to the Bengal Chamber of Commerce and University for the invitation and specifically thanked a college contemporary, Zahadev, for considering them for the event. Acknowledging the delayed lunch, the speaker assured a concise presentation. The Chamber was congratulated for its insightful brochure on the Indo-Pacific region, which offered perspectives beyond purely environmental concerns.
- While recognizing the emphasis on climate change, the speaker highlighted two additional global crises that require attention: the crisis of nature, encompassing ecosystem degradation and biodiversity loss, and the crisis of pollution affecting air, water, and soil quality. The speaker emphasized that industry and chambers of commerce, as key economic stakeholders, cannot overlook these interconnected challenges.
- The speaker stressed the importance of the crisis of nature in the Indo-Pacific region and highlighted the India-Norway Blue Economy Agreement, signed four to five years ago, as an exemplary framework for sustainable economic, social, and environmental cooperation. It was suggested that the Chamber actively engage in Blue Economy initiatives, such as shipping, maritime route planning, and sustainable development, drawing inspiration from Norway's global leadership in the sector.
- Attention was drawn to the Chamber's environment and energy vertical as critical to its Indo-Pacific engagements. International negotiations on plastics, particularly single-use plastic, were highlighted as ongoing discussions with global implications, including an impending treaty that will affect trade and environmental practices. The speaker also cited recognition of research in international water agreements, signaling the growing significance of water governance and sustainability at the global level.
- The speaker urged industry to take a proactive leadership role rather than waiting for government action. A paradigm shift was called for, where industry leads technological innovation and policy initiatives. The Montreal Protocol was cited as a successful example where industry spearheaded global technological change, demonstrating how private sector leadership can drive international collaboration and sustainable development.

- Drawing on the Indian principle “Atithi Devo Bhav” (Guest is God), the speaker proposed extending this philosophy to environmental stewardship with “Prakriti Devo Bhav” (Nature is God). Emphasizing this mindset, the speaker argued, is essential for addressing sustainable development challenges and guiding industry and stakeholders toward responsible engagement with the environment.
- In conclusion, the speaker thanked the organizers and attendees, encouraging the Chamber and industry leaders to actively participate in environmental, economic, and sustainable initiatives in the Indo-Pacific region, reinforcing the importance of leadership, innovation, and a nature-centric approach.



## Special Session IV

### Theme: Pioneering the Future – Maneuvering Trade and Tariffs; Advancing Innovation and Sustainability in the Indo-Pacific Ecosystem



#### Mr. Vivek Jalan

*Partner, Tax Connect Advisory Services LLP and Member Economic Affairs National Committee, BCC&I :*

- The session began with a greeting to the esteemed gathering. It was noted that over the last two days, discussions had focused on past achievements and current initiatives in Indo-Pacific cooperation, trade tariffs, and sustainability. The final session was introduced as forward-looking, titled “Pioneering the Future: Maneuvering Trade and Tariffs, Advancing Innovations and Sustainability in the Indo-Pacific Ecosystem.”

- The session was structured around five main aspects relevant to trade and industry. The first was technological innovations in maritime trade, emphasizing the role of AI, blockchain, and the Internet of Things in improving efficiency, security, and logistics in Indo-Pacific shipping networks. The second aspect was financing and investment opportunities, highlighting the growth potential of the digital maritime ecosystem, projected at a CAGR of 14% until 2031, offering significant investment returns. The third was green investment and sustainable development, noting an estimated annual financing requirement of ₹11 lakh crore, presenting substantial opportunities for investment. The fourth aspect was sustainable industrial growth and circular economy, with focus on strategies for managing industrial waste, particularly in renewable energy, solar, electric vehicles, and battery sectors. The fifth aspect was Indo-Pacific cooperation and trade amid geopolitical turmoil, discussing trade cooperation and tariff strategies amidst regional developments, from the Galwan Valley disputes to SCO summits, and highlighting inclusive development and global tariff considerations.
- The session featured an esteemed panel of experts. Panelists included Mr. Ajeya Bandyopadhyay, South Asia Lead, Climate Advisory, IFC, World Bank Group; Mr. RVN. Vishweshwar, Director of Finance, Hindustan Copper Limited; Prof. Arpita Mukherjee, Professor at ICRIER and economic policy researcher; Dr. Debashish Chakraborty, Professor and Co-editor, Foreign Trade Review, Indian Institute of Foreign Trade, Kolkata; Mr. Rajneesh Kumar, DGM, SME, SBI; and Mr. Anirudh Borua, Assistant General Manager and Regional Head, Kolkata Regional Office at Exim Bank.
- The session was planned in two phases, allowing panelists to either speak from their seats or come forward to deliberate. Given the scheduled AGM, deliberations were requested to be concise, limited to two to three minutes, followed by an open session for questions. The first speaker invited was Mr. Ajeya Bandyopadhyay, to discuss how South-South collaboration and partnerships can accelerate India's zero-net journey and enable decarbonization of value chains in energy-intensive industries such as steel, cement, glass, and chemicals.

**Mr. Ajeya Bandyopadhyay**  
*South-Asia Lead for Climate  
 Advisory, International  
 Finance Corporation (IFC),  
 World Bank Group:*



- The speaker began by thanking Mr. Jalan and the Bengal Chamber for the invitation to the program. He highlighted the current juncture in global climate discussions, noting that while some parts of the Global North have deprioritized climate change, the Global South continues to face the brunt of its impacts, which are intensifying rapidly. The speaker emphasized that South-South collaboration has become central to accelerating climate action and decarbonization, with the Indo-Pacific region playing a key role in this collaboration.
  - The speaker noted that several Global South countries have achieved rapid economic growth over the past decades, lifting millions out of poverty. However, much of this growth has relied on highly carbon- and energy-intensive infrastructure, including large-scale construction, ports, shipping, heavy industries, and fossil-fuel-based power utilities. Consequently, many of these countries are now constrained by the middle-income trap and require a fundamentally different growth model to sustain future development.
  - The speaker highlighted that the Global South possesses a substantial capital pool, including government funds, sovereign wealth funds, institutional investors, pension funds, insurance companies, and private sector contributions. Estimates suggest that this capital pool is approaching USD 50 trillion. Despite this, current resources are still insufficient to meet the climate-related challenges faced by the region, particularly regarding energy access, resilient agriculture, and urban transport.
  - Three key areas were outlined for how the Global South can accelerate decarbonization, especially in energy-intensive industries:
    - Deployable Market for Technologies: The Global South offers a significant market for testing, diffusing, and deploying innovative technologies, which are often developed in the Global North. The region represents an ideal platform for scaling breakthrough technologies.
    - Mobilization of Capital: Multilateral banks play an important role in financing, but there is a need to leverage the far larger private capital pool in the region. Innovative financial instruments are required to mobilize private investment effectively toward climate and energy transition projects.
    - Knowledge Exchange: Sharing technological and industrial know-how is critical. For example, China has made significant advancements in electric vehicles, battery storage, and biofuels technologies. Emerging concepts such as industrial convergence can simultaneously address climate challenges, advance decarbonization and circularity, create high-quality green jobs, and stimulate industrial R&D in the region.
  - The speaker concluded that South-South collaboration—through partnerships, knowledge exchange, and innovative capital mobilization—is essential to advancing the climate and energy transition agenda in the Global South and the Indo-Pacific region.
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**Mr. RVN Vishweshwar**  
*Director (Finance),  
Hindustan Copper Ltd. :*

- The speaker began by thanking Vivek and the Bengal Chamber of Commerce, emphasizing that the discussion would focus on the future rather than the past or present.
  - He reflected on the pre-GST taxation landscape, highlighting the “three Ps of the Trident”—excise, VAT, and customs—supplemented by service tax. In those days, corporations faced significant compliance challenges, and cost efficiency was closely linked to tax compliance rather than simply cutting costs.
  - GST was introduced in 2017 as a major reform, subsuming multiple previous tax acts. The initial two years were tumultuous due to technological and infrastructure challenges, and the government had to manage widespread adoption and acceptance. Over the following four years, the transition stabilized, with the system enabling optimization of tax rates and building confidence in the taxation framework.
  - The speaker noted that GST compliance has progressed significantly, with technological interventions and policy support contributing to a current GST revenue realization of around ₹2 lakh crore. While some commodities, such as petroleum products, may be difficult to include under GST, overall, the system has provided stability and predictability for businesses.
  - On customs, the speaker highlighted that reforms in the past two years have improved procedures, including tariff rationalization from 21 to 8 items, digitization initiatives such as a single All India Multiple Powers E-Bond, mandatory e-filing of refund claims, and digital voluntary payments implemented from December 2024. Integration of SEZ BOE has also simplified procedural requirements, aiming for end-to-end paperless processing.
  - Looking forward, the government aims to integrate portals such as ISGATE and ICAS by April 2026, which is expected to further streamline processes and provide a major boost for exporters and businesses. The speaker emphasized that the goal is to enable businesses to operate efficiently without being burdened by litigation, compliance issues, or procedural delays.
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**Prof. Arpita Mukherjee**  
*Professor, ICRIER:*



- The speaker began by thanking the Bengal Chamber of Commerce and apologized for a poor throat. She emphasized that the discussion would focus on the future, particularly on tariff structures and trade zones.
- She noted that tariffs are often implemented to protect industries, whether infant or established, and can create complex cost implications since intermediate products are used by multiple stakeholders. While systems like SEZs were originally created in Asia, including India, to facilitate ease of doing business with fiscal and non-fiscal incentives, the World Trade Organization (WTO) placed restrictions on region- and industry-specific subsidies, leaving services subsidies largely undecided.
- Countries such as Thailand and China redesigned their SEZs to avoid export-linked prohibited subsidies, focusing instead on R&D and other incentives. India, however, did not initially adjust its SEZ regime, which led to challenges, including legal disputes with the US. As a result, India is currently revising its subsidy framework, and SEZs in India now receive limited direct subsidies. Manufacturers increasingly prefer direct export subsidies, but global trends favor indirect subsidies via zones, R&D, and manpower incentives.
- The speaker highlighted that India's SEZs are approximately 70% services and 30% manufacturing, as India is not primarily an export-focused destination like Vietnam. Firms often establish operations in India to sell domestically as well as export, leading to higher domestic taxation and reducing SEZ competitiveness compared to countries like Thailand and ASEAN nations with preferential trade agreements. This underscores the need for SEZs to receive best FTA benefits and cost reductions to attract industry investment.
- SEZs can help reduce operational costs, such as subsidizing power, similar to practices in China. The speaker distinguished SEZs from Free Trade Warehousing Zones (FTWZs), noting that FTWZs focus on storage and shipping, including hub-and-spoke logistics, and remain relevant in developed countries like the US. FTWZs also rely heavily on express cargo clearance and integration with government systems like ICEGATE. For SEZs and FTWZs to function efficiently in India, all streams—express cargo, SEZ cargo, and ICEGATE—must be fully integrated.
- Finally, the speaker cautioned that fiscal incentives in zones are becoming globally harder to maintain due to countervailing duties, citing challenges India faces in comparison to China. She suggested that India may need to **reinvent its SEZ and zone-based schemes** to remain competitive internationally.



**Dr. Debashis Chakraborty**  
*Professor & Co-Editor,  
 Foreign Trade Review,  
 Indian Institute of Foreign Trade,  
 Kolkata:*

- The speaker began by thanking the Chairman and the Bengal Chamber of Commerce for the invitation and apologized for a slow start. He noted that his remarks would build on points raised by Arpita Di and aimed to analyze trade agreements and negotiations in the Asia-Pacific region.
- He introduced the concept of the “impossible trinity” in international negotiations, as proposed by economist Danny Rodericks, highlighting that countries cannot simultaneously maintain democracy, protection of national interest, and multilateral commitments. In this context, regional trade agreements are often the preferred approach for countries that wish to protect domestic interests while engaging in international trade.
- The speaker observed that since 2011-2012, many countries have emphasized national interest in trade and industrial policy, citing initiatives such as “Make in India” and “Made in China 2015.” He noted that domestic protection remains a guiding principle in any negotiation, influencing the choice and design of trade agreements.
- Regarding ongoing trade negotiations in the Asia-Pacific, he noted that some agreements, including India’s initial participation in RCEP, remain incomplete. Using a game-theoretic perspective, he explained that countries may favor multilateral cooperation if the “shadow of the future” is long, but prefer regional agreements if future conditions appear uncertain or short-term. The speaker highlighted recent US actions, including disruption of the WTO appellate body, as evidence of weakening multilateral cooperation.
- He analyzed potential FTAs for India, noting that the European Union could emerge as a key market due to trade complementarity, while also cautioning that high export similarity with some countries could create trade conflicts. Past calls for tariff revisions with ASEAN illustrate these potential challenges. Pending agreements with BIMSTEC, RCEP, and other partners may generate trade disputes or reduce India’s expected benefits.
- The speaker emphasized the dynamic nature of trade negotiations, warning that anticipated benefits from static analyses may be undermined if partner countries enter multiple FTAs with lower-cost competitors. He suggested that India could pursue RCEP negotiations strategically but highlighted challenges, including relations with China, non-market economy concerns, anti-dumping issues, strategic and security considerations.

- The speaker recommended exploring trade agreements with partners such as Mercosur and the European Union to offset potential losses from the American market. He identified key sectors for focus, including leather, where India has cost competitiveness, and suggested that limited tariff cuts could facilitate market entry. Conversely, sectors like auto components face challenges due to lower cost competitiveness, especially if competitors like China negotiate simultaneously with the EU, potentially reducing India's gains.
  - He concluded by noting these initial observations for consideration by trade policymakers and negotiators, emphasizing the complex, dynamic, and strategic nature of Asia-Pacific trade negotiations.
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**Sri Rajneesh Kumar**  
*DGM SME, SBI:*



- The speaker began by thanking the Bengal Chamber of Commerce for the invitation. He noted that maritime transport is one of the oldest methods for moving goods, but in India, it has historically been underdeveloped compared to some Western ports and waterways.
  - With the advent of digitization, significant improvements have occurred over the past 2–3 years, including enhanced port turnaround times and more efficient unloading of containers. These advancements have created opportunities not only for traders but also for investors and service providers involved in port operations, such as crane services and other mechanized operations.
  - The speaker highlighted that the development of waterways and cargo shipping also intersects with the tourism sector, providing additional avenues for investment and growth. He emphasized that banks are ready to provide financing for these emerging opportunities in port and maritime infrastructure.
  - Another emerging area is the focus on cost-effectiveness and fuel efficiency, particularly through renewable energy and green vessels. This development opens prospects for green financing instruments such as green bonds, further supporting sustainable growth in the maritime sector.
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**Mr. Anirudha Barooah**  
*Assistant General Manager &  
Regional Head, Kolkata Regional  
Office, Exim Bank:*

- The speaker began by greeting the dignitaries on the dais and noted that the topic of green financing and investment is vast. He intended to keep his remarks concise due to time constraints.
- He introduced the Export-Import Bank of India (Exim Bank) as a wholly government-owned financial institution, established in 1981 and operational since 1982 under the Exim Bank of India Act. Exim Bank's primary objective is to finance, facilitate, and promote exports from India.
- The speaker emphasized that green investment and financing are now central to sustainable development and not peripheral considerations. For India, which is targeting net-zero emissions by 2070, financing the transition to a green economy is crucial, as each phase of transition requires substantial investment.
- He outlined that the scope of green financing extends far beyond solar and wind energy. It includes green transitions across multiple sectors such as hydrogen technology, green infrastructure, EV charging networks, metro systems, and water treatment plants. Decarbonization efforts in energy-intensive sectors like cement, steel, and textiles, as well as initiatives in deforestation and biodiversity, also require significant investment.
- The speaker highlighted that Exim Bank aligns with government objectives including Atmanirbhar Bharat, Make in India, and the Sustainable Development Goals. The bank supports Indian companies in executing renewable and green projects overseas, including solar, green hydrogen, and other sustainable investments.
- He noted that Exim Bank began issuing bonds for renewable energy financing in 2017, raising approximately half a billion dollars to fund projects in Africa, Southeast Asia, and other partner countries. The bank also offers lines of credit as concessional financing through the Government of India, enabling collaboration with developing nations on green projects.
- In the previous financial year, Exim Bank financed around 37 green and sustainable projects, and the bank plans to expand further in this domain. The speaker concluded by emphasizing the role of Exim Bank in facilitating sustainable financing and thanked the audience.

**Audience Question:** Could you please elaborate on the concept of industrial convergence that Mr. Ajay Banerjee mentioned?

- The speaker acknowledged that industrial convergence is a broad subject but provided a concise explanation. He noted that in the Indo-Pacific region, countries like Japan and South Korea have successfully piloted and scaled up industrial symbiosis, where the waste or non-utilizable material from one industry is used as input for another industry. This approach has been implemented effectively in large industrial clusters. He further explained that industrial convergence allows multiple industries—such as oil refineries, steel, and chemical sectors—to collaboratively pilot disruptive technologies. By testing new technologies together rather than independently, the viability and efficiency of these innovations are significantly enhanced. The speaker emphasized that this collaborative approach supports the adoption of new technologies in the region and contributes to sustainable industrial development.







## Recommendations from Inaugural Session Day 1

- **Prioritize Renewable and Clean Energy Mix:** Accelerate deployment of solar, wind, hydro, nuclear, and green hydrogen to reduce fossil fuel dependence. Invest in storage, grid upgrades, and resilient infrastructure to manage intermittency and ensure energy security. Explore public-private partnerships and global collaboration to scale renewable solutions efficiently.
- **Adopt Holistic Sustainability Approaches:** Integrate adaptation and mitigation measures across urban planning, disaster resilience, water and food security, and coastal protection. Encourage circular economy practices, waste-to-worth technologies, rainwater harvesting, and mangrove restoration to minimize environmental impact.
- **Strengthen Regional Collaboration:** Leverage platforms such as Quad, IORA, BIMSTEC, and IPEF to share best practices, technology, and disaster-resilient solutions. Treat small island and vulnerable nations as equal partners in knowledge exchange and sustainable development initiatives.
- **Promote Technological Innovation and Research:** Support R&D in critical minerals recycling, renewable energy storage, precision agriculture, climate-smart technologies, and blue economy solutions. Facilitate scaling of technologies from lab (TRL 1–5) to deployment stages (TRL 6–9) through government-backed initiatives like RDIF and ANRF.
- **Develop Functional Carbon and Green Markets:** Establish green taxonomy and robust carbon trading mechanisms to incentivize emissions reduction. Expand climate-related disclosures to include financial system risks, Scope 1–3 emissions, and broader climate vulnerabilities to ensure transparency and accountability.
- **Mobilize Finance and Mitigate Fiscal Risks:** Address high upfront costs of renewable infrastructure through innovative financing, subsidies, and blended funding models. Manage transition risks to banking and fiscal systems arising from stranded assets or reduced fossil fuel revenue. Explore global cooperation for equitable technology access and IP flexibility.
- **Enhance Public Awareness and Youth Engagement:** Launch campaigns to educate youth on sustainability challenges, climate action, and behavioral transformation. Encourage active participation in mangrove protection, recycling, lifestyle adaptation, and community-led sustainable practices.
- **Improve Urban Mobility and Infrastructure:** Strengthen public transportation networks with better last-mile connectivity, safety, and integration with buses and metro systems. Promote energy-efficient urban planning to reduce congestion, pollution, and overall energy intensity.
- **Balance Development with Climate Goals:** Recognize trade-offs between economic growth, energy consumption, and emissions. Conduct rigorous cost-benefit and social cost-benefit analyses to ensure that energy transition policies support inclusive and sustainable development for India and the Indo-Pacific region.

## Recommendations from Special Session III

- **Indo-Pacific Concept and Scope:** The Indo-Pacific is **not a formal organization but a broad strategic and economic region**, encompassing SAARC, ASEAN, Oceania, Pacific Island states, East Africa, and parts of the West Indies. Cooperation is complex due to **diverse economic structures, legal frameworks, demographics, and trade maturity**, requiring **targeted, issue-specific collaboration rather than a single overarching framework**.
- **Priority Areas for Cooperation:** Practical cooperation can focus on **security and defense partnerships, trade facilitation, climate adaptation, renewable energy transitions, and safeguarding critical sea lanes**. Countries must **balance national economic priorities with regional commitments**, ensuring cooperation is mutually beneficial rather than politically driven.
- **Japan's FOIP Vision and Regional Engagement:** Japan's Free and Open Indo-Pacific (FOIP) emphasizes **rule of law, freedom of navigation, free trade, economic prosperity, and regional stability**. Japan actively engages with India and ASEAN through **infrastructure projects, digital partnerships, green energy initiatives, and Quad cooperation**, highlighting the role of responsible states in fostering inclusive growth.
- **Mini-lateralism as a Practical Approach:** Given the region's diversity, **mini-lateral groupings** (like the Quad or Greater Mekong initiatives) are more effective than full-scale multilateralism. They **allow agile, focused decision-making on single-issue agendas**, generate positive spillovers, and complement larger multilateral institutions that often struggle with consensus-building.
- **India-Indonesia Strategic Potential:** India and Indonesia, with **large populations, dynamic markets, and emerging technological capabilities**, can act as a **"second pole" in Asia**, balancing China's influence. Cooperation could span **AI, healthcare, pharmaceuticals, infrastructure, critical minerals, and tourism**, with both countries leveraging human capital and industrial capabilities for regional growth.
- **Trade and Economic Dynamics:** Global economic shifts are reshaping power balances—**U.S. leads in output in dollar terms, China in PPP, while India and China gain share**. Indo-Pacific trade cooperation can be enhanced by **moderate tariff levels (10–15%), revisiting RCEP with sectoral safeguards, and leveraging FTAs to boost competitiveness**, while addressing structural trade deficits.

## Recommendations from Special Session III

- **Infrastructure and Financial Collaboration:** Regional infrastructure gaps are immense (~USD 15 trillion). Scaling up cooperation via multilateral development banks (ADB, AIIB, New Development Bank), regional swap arrangements (CMIM, BRICS CRA), and Export Credit Agencies (ECAs) is essential for financing, resilience, and inclusive growth in the Indo-Pacific.
- **Monetary and Digital Cooperation:** A monetary union is unlikely, but regional efforts can focus on local currency bond markets, limited cross-border payment systems like the Asian Clearing Union, and strengthening financial safeguards. Digital innovation should prioritize inclusive, scalable solutions, exemplified by India Stack and UPI, which are already being piloted in Africa and the Indo-Pacific.
- **Addressing Non-Tariff Barriers (NTBs) and Trade Facilitation:** India and Indo-Pacific partners face NTBs, technical regulations, and customs hurdles, which restrict trade in key sectors like pharmaceuticals, EVs, and critical minerals. Mutual Recognition Agreements (MRAs), awareness campaigns on FTAs, and harmonized logistics standards can reduce barriers and improve regional trade efficiency.
- **Vision for the Next Five to Six Years:** Indo-Pacific success depends on peace, stability, inclusive economic growth, strategic mini-lateral partnerships, and proactive regional collaboration. Countries must navigate conflicting priorities and geopolitical pressures, focusing on trade, infrastructure, technology, sustainability, and human capital to ensure a stable, prosperous, and resilient regional ecosystem.

## Recommendations from Special Session IV

- **Strengthen South-South Collaboration:** Facilitate partnerships between Global South countries to accelerate decarbonization and climate action. Promote knowledge-sharing platforms for energy-intensive industries such as steel, cement, glass, and chemicals. Leverage the Indo-Pacific region as a testbed for deploying and scaling innovative technologies.
- **Leverage Technology in Maritime Trade:** Expand adoption of AI, blockchain, IoT, and robotics to improve port efficiency, security, and logistics. Invest in digital infrastructure to reduce turnaround times, enable paperless operations, and improve cargo tracking. Encourage private sector investment in port mechanization, automation, and maritime infrastructure.
- **Advance GST and Customs Efficiency:** Continue optimizing GST rates and including additional commodities where feasible. Accelerate digitization and integration of customs procedures (e.g., ICEGATE, ISGATE, SEZ cargo clearance) to achieve end-to-end paperless processing. Enhance predictability and reduce litigation to improve ease of doing business for exporters.
- **Reform SEZ and FTWZ Schemes:** Revise SEZ policies to provide best FTA benefits and reduce operational costs to attract investment. Integrate SEZs with FTWZs and express cargo clearance systems for smooth logistics and efficient trade. Consider operational cost-reduction measures such as subsidized power or infrastructure support to enhance competitiveness.
- **Strategic Trade Policy:** Focus on regional trade agreements (FTAs) in Asia-Pacific, EU, and Mercosur to offset risks from US and global uncertainties. Prioritize sectors with strong cost competitiveness (e.g., leather) while monitoring vulnerabilities in sectors like auto components. Regularly review and renegotiate tariff structures to maintain India's export competitiveness and mitigate trade conflicts.
- **Promote Green Financing and Investment:** Expand financing for renewable energy, green infrastructure, hydrogen technology, EV networks, water treatment, and decarbonization of industrial sectors. Mobilize private capital through innovative instruments to complement multilateral financing. Support Indian companies in executing green projects overseas via lines of credit and concessional financing.
- **Encourage Industrial Convergence:** Promote industrial symbiosis where waste or by-products from one industry become inputs for another, improving resource efficiency. Facilitate collaborative piloting of disruptive technologies among clusters of complementary industries. Integrate convergence strategies into industrial policy to generate green jobs and advance circular economy practices.
- **Capacity Building and Knowledge Exchange:** Organize workshops, training programs, and policy dialogues to transfer best practices in sustainability, green financing, and industrial innovation. Develop platforms to share technological know-how and lessons from successful pilots in countries like Japan and South Korea.

## Summary of Recommendations from Day 2

- **Accelerate Renewable Energy Deployment:** Prioritize solar, wind, hydro, nuclear, and green hydrogen, supported by storage solutions, grid modernization, and resilient infrastructure. Promote public-private partnerships and cross-border collaboration to scale clean energy efficiently.
  - **Advance Regional Climate and Sustainability Cooperation:** Leverage platforms like Quad, IORA, BIMSTEC, and IPEF to exchange knowledge, climate-resilient solutions, and disaster preparedness strategies. Include small island and vulnerable nations as equal partners.
  - **Promote Technology-Driven Growth:** Support R&D and scaling of innovations in critical minerals recycling, renewable energy storage, precision agriculture, AI, blue economy, and climate-smart technologies, ensuring lab-to-market transition.
  - **Develop Functional Carbon and Green Markets:** Establish clear green taxonomies, robust carbon trading mechanisms, and climate-related financial disclosures (Scope 1–3 emissions) to incentivize emissions reduction and transparency.
  - **Mobilize Finance and Mitigate Transition Risks:** Address high upfront renewable energy costs via innovative financing, subsidies, and blended funds. Manage fiscal and banking risks from stranded assets and reduced fossil fuel revenues, while ensuring equitable access to global technology.
  - **Enhance Trade and Logistics Efficiency:** Address NTBs, harmonize standards, expand Mutual Recognition Agreements (MRAs), optimize GST and customs processes, and integrate SEZs and FTWZs for seamless regional trade.
  - **Strengthen Industrial Convergence and Circular Economy:** Promote industrial symbiosis, resource efficiency, and waste-to-value technologies. Encourage collaborative piloting of disruptive technologies to generate green jobs and advance circular economy practices.
  - **Expand Digital and Maritime Innovation:** Invest in AI, blockchain, IoT, robotics, and port automation to improve efficiency, security, and traceability in logistics and maritime trade. Scale digital infrastructure for paperless, transparent operations.
  - **Capacity Building and Knowledge Exchange:** Organize workshops, policy dialogues, and technical training to transfer best practices in sustainability, green financing, industrial innovation, and Indo-Pacific cooperation. Facilitate regional knowledge-sharing with Japan, South Korea, and other partners.
  - **Promote Inclusive and Youth-Focused Engagement:** Launch awareness campaigns targeting youth and communities on climate action, sustainable practices, and energy transitions. Encourage participation in mangrove protection, recycling, and local climate-resilient initiatives to foster a culture of sustainability.
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