

**GOVERNMENT OF INDIA**

**MINISTRY OF EXTERNAL AFFAIRS**

**LOK SABHA**

**UNSTARRED QUESTION NO- 814**

**ANSWERED ON- 07/02/2025**

**INDIA'S DIPLOMATIC AND ECONOMIC RELATIONS**

**814. SHRI ZIA UR REHMAN**

**Will the Minister of EXTERNAL AFFAIRS be pleased to state:-**

- (a) whether efforts have been made by the Government to improve diplomatic and economic relations with the neighbouring countries; and**
- (b) if so, the details and the major outcomes thereof?**

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS**

**(SHRI KIRTI VARDHAN SINGH)**

- (a) The Government of India recognizes the importance of fostering strong and cooperative relationships with our neighbouring countries. The**

**‘Neighbourhood First’ policy, which guides the management of India’s relations with countries in its immediate neighbourhood, focuses on creating mutually beneficial, people-oriented, regional frameworks for stability and prosperity, including through the building of physical, digital and people to people connectivity. India engages with these countries on a consultative, non-reciprocal and outcome-oriented basis, driven by the principles of Samman (respect), Samvad (dialogue), Shanti (peace), and Samriddhi (prosperity). As part of India’s ‘Neighbourhood First’ policy, the Government has been extending necessary developmental assistance and capacity building initiatives, as per needs and aspirations of the neighbouring countries, thereby contributing towards holistic economic development of their countries. Under this approach, India has been assisting neighbouring countries on development of infrastructure projects ranging from large scale infrastructure to community related provisioning of assets and platforms, augmentation of capabilities and extending financial, budgetary and humanitarian assistance.**

**(b) A large number of initiatives and programmes have been undertaken by India within the ambit of this policy. Details of major recent developments and initiatives include the following:**

**(i) Humanitarian assistance to Afghanistan in the form of food and medical aid, as well as scholarship schemes for Afghan students. In the last few years, keeping in mind the situation in the country, India has assisted the Afghan people with several shipments of humanitarian assistance including 50,000 MT of wheat, 40,000 litres of Malathion (pesticide), 300 tons of medical aid and 28 tons of earthquake relief aid. These consignments have been handed over to the United Nations World Food Programme (UNWFP), Indira Gandhi Institute of Child Health (IGICH), Afghan Red Crescent Society (ARCS), etc. India has also partnered with the United Nations Office on Drugs and Crime (UNODC) in Afghanistan to provide assistance for the welfare of Afghan drug user population, especially women. Under this partnership, India supplied 11,000 units of female hygiene kits, baby food, general-use hygiene kits, blankets, clothing, footwear, medical aid and other miscellaneous items.**

**On 8 January 2025, Foreign Secretary met Amir Khan Muttaqi, Acting Foreign Minister of Afghanistan in Dubai. We have also explored possibility of cooperation in some aspects of development assistance.**

**(ii) Post the political developments in August 2024 in Bangladesh, the Government of India has continued bilateral interactions. Prime Minister Narendra Modi and Chief Adviser Prof. Muhammad Yunus held a telephonic conversation on 16 August 2024. At the invitation of Prime Minister Modi,**

**Chief Adviser Prof. Muhammad Yunus participated in the 3<sup>rd</sup> Voice of Global South Summit on 17 August 2024. External Affairs Minister met with Foreign Affairs Adviser of Bangladesh Mr. Touhid Hossain, on the sidelines of the 79<sup>th</sup> United Nations General Assembly in New York on 24 September 2024. Foreign Secretary visited Dhaka on 9 December 2024 and called on Chief Adviser Prof. Muhammad Yunus and Foreign Affairs Adviser Hossain.**

**Several development cooperation projects in Bangladesh in the areas of cross-border power, energy and transport linkages have been supported by India. India is providing grant assistance to Bangladesh, for various infrastructure projects, including the construction of Akhaura-Agartala rail link and dredging of inland waterways in Bangladesh. On 26 October, a new state-of-art Passenger Terminal Building and a second gate called “Maitri Dwar” at the Integrated Check Post (ICP) at Petrapole, West Bengal was inaugurated. These projects aim to enhance cross-border trade and immigration infrastructure between India and Bangladesh. In October 2024, India, Bangladesh and Nepal signed a Trilateral Power Sale Agreement for Transmission of 40MW of Power from Nepal to Bangladesh through the Indian power grid.**

**(iii) With Bhutan, there have been several high-level exchanges in the last one year, to strengthen the bilateral relations. More recently, His Majesty**

**the King of Bhutan visited India from 5-6 December 2024, during which His Majesty met Prime Minister Modi and other senior officials of Government of India. His Majesty again visited India from 03-04 February 2025 to attend the Maha Kumbh Mela at the invitation of Prime Minister.**

**Regarding our development partnership, India has doubled its support for Bhutan's 13<sup>th</sup> Five Year Plan to Rs 10, 000 crores, which also includes support to the Royal Government of Bhutan's Economic Stimulus Package for Bhutan's economic recovery. At present, India is constructing two hydroelectric projects in Bhutan- Punatsangchhu-I (1200 MW) and Punatsangchhu-II (1020 MW). The first two units of Punatsangchhu-II HEP were commissioned in December 2024. Government has recently inaugurated an Immigration Check Post at Darranga (Assam)/Samdrup Jongkhar (Bhutan) to facilitate the entry and exit of third country nationals by land route. Till date, 61 projects under Project Tied Assistance modality have been finalised through Government of India's assistance under the 13<sup>th</sup> Plan of Bhutan. In December 2024, Government of India released the last tranche of the concessionary loan to Bhutan (overall Rs 1,500 crores) for the construction of the Gyalsung Academies for implementation of Bhutan's National Service programme.**

**(iv) With Maldives, Development Cooperation is one of the cornerstones of the India-Maldives bilateral relationship. Government of India is implementing the flagship Greater Male Connectivity Project (GMCP) in Maldives which will connect the four islands of the Greater Male region. In addition, other major development projects being undertaken with Government of India's assistance include the redevelopment of Gan and Hanimaadhoo airports in Maldives, fish processing units, Addu city redevelopment project, water and sanitation projects, construction of 4,000 social housing units and High Impact Community Development Projects (HICDPs). President of Maldives undertook a State Visit to India from 6-10 October 2024 and met Prime Minister Modi. During this visit, both leaders jointly inaugurated and handed over 700 social housing units and runway of the Hanimaadhoo airport. Both leaders also launched the RuPay card in Maldives. Earlier, External Affairs Minister undertook an official visit to Maldives in August 2024, during which, both sides jointly inaugurated and handed over 6 India-assisted High Impact Community Development Projects (HICDPs) including, water and sanitation projects in 28 out of the 34 islands, Addu reclamation project and Addu detour link road. In November 2024, India and Maldives signed an MoU for establishing a framework to promote the use of local currencies for cross-border transactions between the central banks of the two countries. In addition,**

**India and Maldives are working together on operationalization of UPI payments infrastructure in Maldives. In January 2025, during the visit of Foreign Minister of Maldives to India, both sides signed an MoU to implement HICDPs under Phase-III in Maldives, through grant assistance by the Government of India.**

**(v) Assistance to Myanmar has been extended for several connectivity infrastructure development projects and capacity building, besides humanitarian relief. Despite challenges posed by the ongoing security situation, consistent efforts were made for the execution of ongoing socio-economic development projects and major connectivity projects including the Kaladan Multi-Modal Transit Transport Project (KMTTP) and India-Myanmar-Thailand (IMT) Trilateral Highway. India has been implementing people-centric development projects throughout Myanmar under the High Impact Community Development Projects (HICDPs) and Quick Impact Projects (QIPs) for construction of civilian infrastructure, including roads, schools and small health centres, among others.**

**(vi) With Nepal, India has a very elaborate programme of development cooperation aimed at promoting connectivity, and developing economic, energy, digital and cultural ties, including through the implementation of High Impact Community Development Projects (HICDP) in building hospitals, schools, colleges, drinking water facilities, sanitation, drainage,**

**rural electrification, hydropower, embankment and river training works, so as to improve the overall quality of life at the local level. In October 2024, India provided over 25 tonnes of humanitarian aid, including essential hygiene supplies, medicines, life jackets, sleeping mats, food items, inflatable rubber boats, motors, tarpaulins, sleeping bags, blankets, chlorine tablets, and bottled water to support families affected by the floods and landslides in Nepal. Marking a significant milestone, the first trilateral power transaction from Nepal to Bangladesh via the Indian grid was inaugurated on 15 November 2024. In September 2024, Nepal became the 101st member of the International Solar Alliance, following its hand over of the Instrument of Ratification.**

**(vii) Development partnership with Sri Lanka includes connectivity, agriculture, power, education, human resource development, culture and economic engagement, as well as a significant financial assistance programme. The incumbent President of Sri Lanka Anura Kumara Dissanayake made a State Visit to India from 15-17 December 2024. This was his maiden foreign visit since assuming Presidency. During the visit, India and Sri Lanka adopted the joint statement for 'Fostering Partnerships for a Shared Future'. As a part of the State Visit, following announcements were made by Hon'ble PM:**



**1) Financial assistance scheme to 100 new students each annually from University of Jaffna and Eastern University until the end of academic courses of the beneficiaries.**

**2) Extension of grant assistance of USD 14.9 million for the signaling project in Maho-Anuradhapura section.**

**In addition, following Agreements / MoUs were signed during the visit:**

**1) Protocol Amending the Agreement between the Government of the Democratic Socialist Republic of Sri Lanka and the Government of the Republic of India for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.**

**2) MoU between National Centre for Good Governance (NCGG), Government of India and Sri Lanka Institute of Development Administration(SLIDA) on Training and Capacity Building Programme for Civil Servants of Sri Lanka.**

**On 4 October 2024, External Affairs Minister became the first foreign dignitary to be received by the newly sworn-in President Dissanayake, during his second visit to the country this year. As part of India's development cooperation with Sri Lanka, in June 2024, the then President of Sri Lanka Ranil Wickremesinghe and External Affairs Minister jointly handed over 48 houses under Model Village Housing Project in Colombo and Trincomalee districts, and 106 houses under Phase III of the Indian**

**Housing Project in Kandy, Matale and Nuwara Eliya Districts. During the visit to Colombo in October 2024, External Affairs Minister announced extension of grant assistance to cover payments related to completed LoC projects to the tune of USD 20.66 million and grant assistance to modernize Kankesanthurai port to the tune of USD 61.5 million. He also announced gifting of 22 diesel locomotives to the Sri Lankan Railways.**

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