

July 2021, No. 7

## AIC Working Paper

# India's Development Partnership with IMT-GT: Identifying the Regional Cooperation Contours

**Prabir De**

**Sreya Pan**

**Nida Rahman**



**RIS**

Research and Information System  
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# India's Development Partnership with IMT-GT: Identifying the Regional Cooperation Contours<sup>#</sup>

Prabir De<sup>\*</sup>, Sreya Pan<sup>\*\*</sup> and Nida Rahman<sup>\*\*\*</sup>

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## Abstract

*Indonesia, Malaysia and Thailand are strategically located in the heart of the Indo-Pacific and have created a triangular formation. The Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) initiative is aimed towards invigorating economic development in Indonesia, Malaysia and Thailand. IMT-GT provides a sub-regional framework to promote economic cooperation and integration. IMT-GT owns substantial controlling assets in ASEAN. The biggest location advantage for IMT-GT countries is access to a comprehensive trade network globally. India is IMT-GT's civilizational partner. India's development partnership with Indonesia, Malaysia and Thailand under the framework of IMT-GT could see a rejuvenation from the partnership relished within the ASEAN framework. This article discusses the aspects of the IMT-GT, their line of activities and projects and programmes. It also looks into the opportunities arising from India's cooperation with the IMT-GT.*

**Keywords:** Act East Policy, ASEAN, Indo-Pacific, Regional Trade

**JEL codes:** F0, F1, F5

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<sup>#</sup> Authors are grateful to the Centre for IMT-GT Sub-regional Cooperation (CIMT) in Kuala Lumpur and Asian Development Bank (ADB) in Manila for sharing some useful information on the subject. Views are authors' own. Usual disclaimers apply.

<sup>\*</sup> Professor, ASEAN-India Centre (AIC), Research and Information System for Developing Countries (RIS), New Delhi, e-mail: [prabirde@ris.org.in](mailto:prabirde@ris.org.in) (corresponding author)

<sup>\*\*</sup> Research Associate, AIC at RIS, New Delhi, e-mail: [sreya@ris.org.in](mailto:sreya@ris.org.in)

<sup>\*\*\*</sup> Young Professional, RIS, New Delhi, e-mail: [nida.rahman@ris.org.in](mailto:nida.rahman@ris.org.in)

## 1. Introduction

The Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) was constituted in the year 1993 in Langkawi, Malaysia by the respective governments of the three countries of Southeast Asia, namely, Indonesia, Malaysia and Thailand.<sup>1</sup> The initiative is aimed towards invigorating economic development in 32 provinces of Indonesia, Malaysia and Thailand.<sup>2</sup> IMT-GT provides a sub-regional framework to promote economic cooperation and integration among the three-member countries and provinces in the three countries. The growth triangle also facilitates economic growth and development of the sub-region by considering complementarities and comparative advantages lie within the member states.

The three-member states namely, Indonesia, Malaysia and Thailand are among the five founding member countries of the Association of Southeast Asian Nations (ASEAN), and together they own substantial controlling assets, economic and otherwise, in ASEAN. Table 1 presents the outlook of IMT-GT. It is apparent that barring FDI, IMT-GT countries lead in most of the important development parameters in ASEAN. The sub-regional group like IMT-GT is, therefore, the controlling shareholder of ASEAN. The biggest location advantage for IMT-GT countries is access to a comprehensive trade network globally.

**Table 1: Outlook of IMT-GT as a Growth Triangle in 2019**

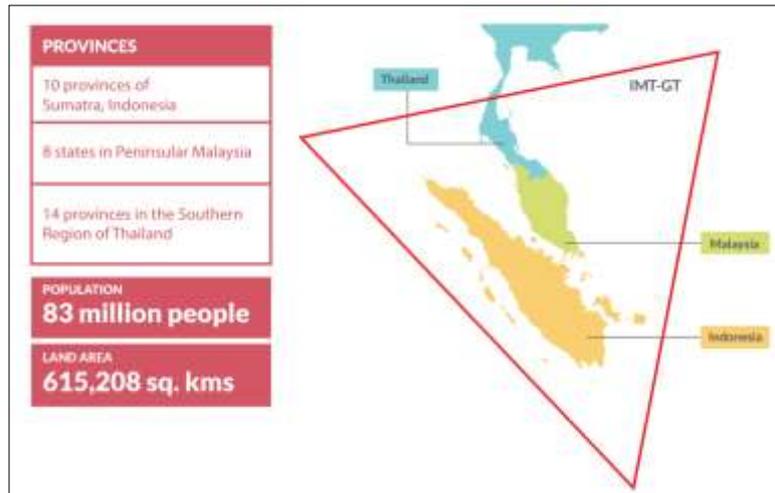
	<b>Indonesia</b>	<b>Malaysia</b>	<b>Thailand</b>	<b>Share in ASEAN (%)</b>
Population	266.91	32.58	67.99	56.03
Surface area	1916862.20	330345.00	513120.00	61.44
Coastline (sq. km)	54716.00	4675.00	3219.00	59.59
GDP <sup>1</sup> (US\$ billion)	1121.30	364.42	543.96	64.10
Global trade (US\$ billion)	338.96	443.01	483.25	44.92
Regional trade <sup>2</sup> (US\$ billion)	81.35	118.10	111.74	49.19
FDI inflows <sup>3</sup> (US\$ billion)	178.05	99.61	89.73	29.06
Tourists inflow (million)	16.11	26.10	39.80	57.15

Notes: 1. At current price 2. Intra-ASEAN trade in goods. 3. Cumulative for the period 2010-2019

Sources: Calculated based on ASEAN Secretariat, Jakarta and the World Bank, Washington, D.C

Indonesia, Malaysia and Thailand are strategically located in the heart of the Indo-Pacific and have created a triangular formation. Map 1 illustrates the locational advantage of the IMT-GT sub-region. Indonesia is the fulcrum of the Indo-Pacific, whereas Thailand and Malaysia are two important Bay of Bengal countries. While all of them have been playing a crucial role in IORA cooperation, Thailand in BIMSTEC and Indonesia and Malaysia in BIMP-EAGA are active partners of regional integration. All three are also having strong and promising bilateral relations with India.

## Map 1: Triangular Cooperation



Source: IMT-GT Secretariat

Relations with ASEAN are at the heart of India's Act East Policy (De, 2020). ASEAN countries and India have strong civilizational links, a very unique relationship among ASEAN's all dialogue partners that India and ASEAN rejoice. Connected by the ocean, IMT-GT and India are trusted partners in progress. As India celebrates its longstanding partnership of 30 years with ASEAN, IMT-GT and India may engage in a "development partnership", based on shared democratic values and increasing convergence of interests on bilateral, regional and global issues.

In view of the above, this article attempts to explore the emerging architecture of IMT-GT and its line of activities, projects and programmes. In particular, this paper also identifies different avenues of cooperation between India and IMT-GT and opportunities for India as a development partner of IMT-GT.

The rest of the article is arranged as follows. Section 2 presents the architecture of IMT-GT and its involvements. Section 3 discusses some challenges experienced by this growth triangle. Section 4 discusses India's engagement with IMT-GT in the context of economics and socio-cultural perspective. The potential areas of cooperation between India and IMT-GT are identified in Section 5. Finally, the conclusions are drawn in the last section.

## 2. Background of IMT-GT

The Indonesia Malaysia Thailand growth triangle (IMT-GT) is a 'special economic cooperation area initiative'<sup>3</sup> initiated by Indonesia, Malaysia, and Thailand to enhance the economic and social well-being of three member states and in particular 32 provinces of the sub-region. IMT-GT is one of the very few sub-regional cooperation initiatives that allow sub-national cooperation among the member countries. Approximately 83 million people

reside in the sub-region and over an area of 0.61 million sq. km. It currently includes the geographical areas of 10 provinces of Sumatera in Indonesia, which are Aceh, North Sumatera, West Sumatera, South Sumatera, Riau, Riau Island, Jambi, Bengkulu, Bangka Belitung and Lampung.; 8 States of peninsular Malaysia which are Perlis, Kedah, Penang, Kelantan, Perak, Selangor, Negeri Sembilan, and Melaka.; and 14 provinces in southern Thailand, namely, Krabi, Nakhon Si Thammarat, Narathiwat, Pattani, Phattalung, Satun, Songkhla, Trang, Yala, Chumphon, Ranong, Surat Thani, Phang Nga, and Phuket.

The growth triangle offers a sub-regional cooperation plan to enhance economic integration among the member countries. Since its inception, the IMT-GT initiative has facilitated economic growth and trade and investment between the member countries by leveraging on the complementarities and comparative advantages. According to the IMT-GT Secretariat, IMT-GT provides a sub-regional framework for accelerating economic cooperation and integration of the member states and provinces in the three countries.<sup>4</sup> Outlined in its charter, the IMT-GT promotes private-sector-led economic growth and facilitates the development of the sub-region as a whole by exploiting the underlying complementarities and comparative advantages of the member countries. IMT-GT envisions a seamless, progressive, prosperous and peaceful sub-region with improved quality of life.

The IMT-GT sub-regional cooperation is Summit-driven. It also has an annual Ministerial Meeting and Senior Officials Meeting (SOM). Besides, a Chief Ministers and Governors Forum is also coordinated from time to time. To drive the activities of IMT-GT, the Centre for IMT-GT Sub-regional Cooperation (CIMT) has been set-up in 2007 at Kuala Lumpur, headed by a Secretary-General. The current Secretary-General is an Indonesian diplomat.

## **2.1 Focus Areas and Activities**

The IMT-GT functions on seven pillars, divided into three lead focus areas of Agriculture and Agro-based industry, Tourism and Halal Products and Services, fuelled by four enablers of Transport and ICT connectivity, Trade and Investment facilitation, Environment and Human Resource Development, Education and Culture.<sup>5</sup> IMT-GT has taken multiple strategies on the line of its seven pillars and implemented various projects (Annexure 1). The 12<sup>th</sup> IMT-GT summit was held in Bangkok, Thailand on 23 June 2019, The Asian Development Bank (ADB) is a regional development partner of the IMT-GT.

The IMT-GT engages partner countries in a range of activities, which are based on the aforesaid seven strategic pillars of cooperation. The sub-regional cooperation initiative organizes its activities around these seven pillars and the major stakeholders identified in wheeling the cooperation efforts. The private sector and the local governments have been identified as the two major stakeholders by the IMT-GT cooperation. Since its formation in 1993, the sub-regional group has undertaken activities around a wide spectrum of the area

guided by its three-pronged approach of project-centric, project-specific and location-specific regulatory reforms and spatial approach towards regional development. The activities conducted under the sub-regional initiative has been in the form of seminars, conferences, skill upgrading programmes, joint research and development, social and cultural exchange programmes, joint investment promotional activities, trade fairs, expansion and upgrading of domestic physical infrastructure and border facilities, and the establishment of industrial parks, etc.<sup>6</sup>

The 12<sup>th</sup> IMT-GT Summit was held in Bangkok in 2019 which was chaired by Indonesia.<sup>7</sup> The major outcomes of the 12<sup>th</sup> Summit were assessment of the five existing IMT-GT economic corridors and a study of the proposed sixth corridor linking three southern border provinces of Thailand (Pattani, Yala, Narathiwat) with Perak and Kelantan in Malaysia, and southern Sumatra in Indonesia. IMT-GT has adopted the conceptual economic corridor approach to implementing projects to enhance trade, tourism, and physical connectivity.

## **2.2 IMT-GT's Vision 2036**

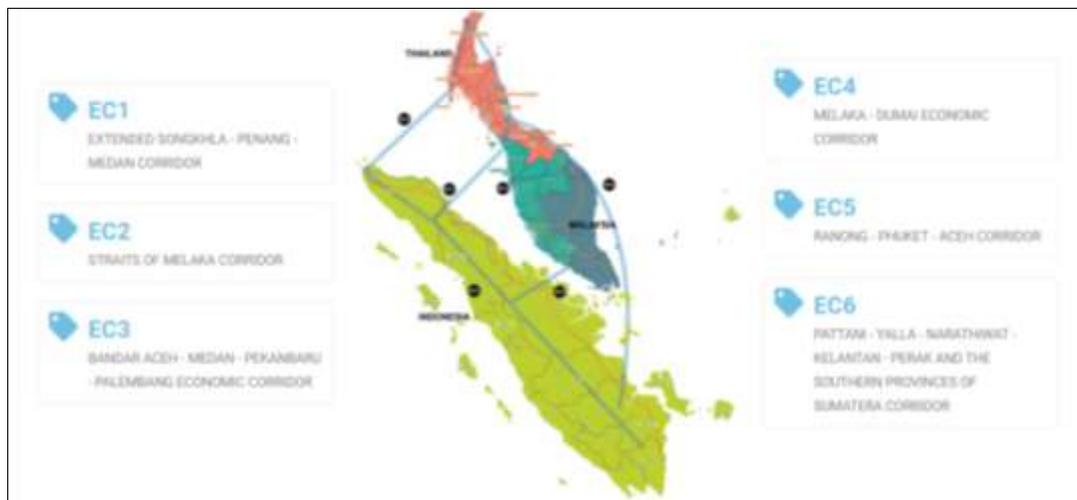
IMT-GT's vision is to become an integrated, innovative, inclusive, and sustainable sub-region by 2036. It is a shared strategy for promoting growth through greater regional economic integration and innovation, and conserving and investing in IMT-GT's natural capital for the well-being of the present and future generations. It follows a long-term strategy for empowering its people to contribute to and benefit from the socio-economic development of the sub-region. The vision is formulated with the IMT-GT people as the centrepiece of all regional development efforts. It has adopted some impressive and futuristic targets (see Box 1). To realise the vision, IMT-GT strives to deliver three priority sub-regional goals: (i) sustainable, inclusive and innovative agriculture sector; (ii) competitive, innovative and advanced industrial base; and (iii) sustainable, inclusive and competitive advantages of IMT-GT and having three mutually reinforcing approaches to ensure the sub-regions future success: (i) project-centric approach towards greater regional integration; (ii) project-specific and location-specific regulatory reforms (joint debottlenecking effort); and (iii) spatial approach to regional development.

### Box 1: IMT-GT Vision 2036 Targets

By 2036, the IMT-GT envisions the real GDP to increase to US\$ 694 billion from US\$ 215 billion in 2014; the GDP per capita to increase US\$ 32,120 from US\$ 13,844 in 2015; the intra-IMT-GT trade to increase to 28 per cent; the average annual FDI inflows to the IMT-GT to increase to US\$ 24 billion from US\$ 8 billion in 2015; and the average annual international visitor arrivals to increase to 109 million persons from 39 million in 2015, it foresees a total of 400 cross-border projects with Micro Small and Medium Enterprises (MSMEs), as well as the participation of social enterprises and at least 40 cities in the IMT-GT's Green City Action Plan.

Source: CMIT, Kuala Lumpur

### Map 2: IMT-GT Economic Corridor



Source: CIMT based on the Mid-term Review of IMT-GT Implementation Blueprint 2012–2016

To achieve the targets set by the IMT-GT Vision 2036, one of the key components is to enhance and strengthen physical connectivity. With this envision, the leaders at the 10th IMT-GT Summit committed to the implementation of projects worth a total of US\$ 47 billion to further develop the physical connectivity within this sub-region. Most of the projects which are currently being implemented are expected to be completed, at the latest, by the first round of the 2017-2021 IMT-GT Implementation Blueprint. The projects related to physical connectivity are categorised into six areas: (i) Roads, Railways and Bridge; (ii) Inland Transport, e.g. Inland Container Depots and Distribution Centres; (iii) Airports; (iv) Seaports; (v) Customs, Immigration and Quarantine (CIQ) Facilities; (vi) Environmental and Urban Development; and (vii) Others such as Special Economic Zone, Industrial Park, Rubber City, Science Park and Halal Park.

## **2.3 Economic Corridor Programmes of IMT-GT and Projects**

There are six priority economic corridors in IMT-GT (Map 2): EC1 (Extended Songkhla - Penang - Medan Corridor); EC2 (Straits of Melaka Corridor); EC3 (Bandar Aceh - Medan - Pekanbaru - Palembang Economic Corridor); EC4 (Melaka - Dumai Economic Corridor); EC5 (Ranong - Phuket - Aceh Corridor); and EC6 (Pattani - Yalla - Narathiwat - Kelantan - Perak and the Southern Provinces of Sumatera Corridor).<sup>8</sup> Each corridor has its own unique characteristics as defined by its geographic location and comparative advantage. These corridors are designed to enhance connectivity and promote industrial clusters and cross-border production networks along these corridors. The IMT-GT's corridors, therefore, represent a confluence of regional economic integration and inclusive growth. IMT-GT will continue to accord high priority to the implementation of programmes and projects that aim at expanding and enhancing the physical connectivity of these corridors, particularly in areas of transport, ICT and energy connectivity.

## **2.4 IMT-GT's Regional and Development Partners**

IMT-GT member countries and India are FTA partners. IMT-GT members are active partners in several key regional groupings (Table 2). Besides, they have signed/implemented several bilateral FTAs such as Malaysia with India and Japan, Thailand with China, India, Japan and the USA, and Indonesia with Korea and Japan. On the other, India and Thailand have already implemented a bilateral EHS in trade and India and Indonesia have been negotiating the CECA.

IMT-GT's present development partners are mainly regional/multilateral institutions, namely, Asian Development Bank (ADB), ASEAN Secretariat, the United Nations, World Bank, Economic Research Institute for ASEAN and East Asia (ERIA), ASEAN Foundation, International Council for Local Environment Initiatives (ICLEI) – Local Governments for Sustainability and other like-minded national and international development organisations and NGOs. Among all, ADB has been involved in the IMT-GT initiative since its inception and has been a Regional Development Partner and Development Advisor since 2007. ADB's support to IMT-GT covers a wide range of technical assistance (Box 2). It has been playing a key role as an adviser on policy and technical matters, and a mobiliser of funding. For the first time, IMT-GT has not invited any non-member country (primarily non-ASEAN) as its development partner. For the first time, IMT-GT has approached India to be its development partner.

**Table 2: Regional Membership of IMT-GT Countries and India**

	<b>Indonesia</b>	<b>Malaysia</b>	<b>Thailand</b>	<b>India</b>
APEC	Yes	Yes	Yes	No
IORA	Yes	Yes	Yes	Yes
EAS	Yes	Yes	Yes	Yes
ASEAN*	Yes	Yes	Yes	Yes**
RCEP*	Yes	Yes	Yes	No
CP-TPP*	No	Yes	No	No
BIMSTEC	No	No	Yes	Yes
BIMP-EAGA	Yes	Yes	No	No
GMS	No	No	Yes	No

Note: \*Implemented/implementing FTA \*\*Dialogue partner having FTA

Source: Based on WTO RTA Database

**Box 2: ADB's Role as Development Partner of IMT-GT**

The ADB is a Development Partner of IMT-GT since 2006. ADB provides capacity building support to IMT-GT institutions and extends assistance in mobilizing technical and financial resources as well as support for establishing an enabling environment for private sector development. ADB is currently supporting capacity building at the new IMT-GT permanent secretariat, and other institutions including Working Groups and Governors' and Chief Ministers' Forum. ADB is also facilitating economic and sector analysis to promote trade, investment, and tourism in the sub-region, with a focus on the 5 identified Economic Connectivity Corridors (ECCs).

Source: IMT-GT Secretariat

### **3. IMT-GT Sub-regional Cooperation: Major Challenges**

To stay competitive and relevant, the IMT-GT Vision 2036P Plan has identified a set of challenges for IMT-GT:

“There are challenges facing the subregion. There are still considerable administrative, technical and regulatory barriers to intra-IMT-GT trade. Reflecting this is the current low level of intra-IMT-GT trade to total trade of IMT, which stands at around nine per cent. The percentage share has not gone up by much since the creation of IMT-GT and has been significantly lagging behind the 24 per cent attained by ASEAN. If this situation is allowed to persist, IMT-GT will not be a meaningful player in the ASEAN Economic Community building process. There has been no significant progress towards raising IMT-GT's competitive edge. More than 75 per cent of IMT-GT's business units are micro, small and medium enterprises involved in relatively low value-adding activities with limited capacity to innovate. There has been weak involvement of local governments, local businesses, universities, research organisations and civil societies in

the IMT-GT process, thereby limiting the potential spillover or trickle-down effect of regional cooperation. IMT-GT's ecosystems and natural resources are increasingly stressed following decades of exploitation and extraction with little emphasis on sustainability. IMT-GT Vision 2036 (Vision 2036) was developed to respond to its development potential and challenges as espoused through the SWOT analysis that was prepared in the Comprehensive Review of IMT-GT Strategy.” (CIMT, 2020)

The first and foremost challenge is infrastructure funding. Infrastructure spending has not kept pace with the requirement. The IMT-GT sub-regional cooperation has ambitious plans in the field of trade and investment facilitation. Infrastructure connectivity has a critical role to play in the expansion of trade and investment along the IMT-GT sub-region. The growth triangle has identified projects in the areas of land, sea and air connectivity (e.g. Trans-Sumatra Highway) and also aims to propel cooperation in the areas of Information and Communication Technology (ICT), and energy connectivity. The involvement of the private sector has been low in several Asian countries including Indonesia. There is a need for the planning of long term infrastructure projects with the involvement of the Public-Private Partnerships (PPP).

Another challenge before the IMT-GT is the geographical seating of the three-member countries along the coastal lines. Proximity to water bodies and increased possibility of extreme climatic events place the sub-region at a disadvantage. Climate change is a constant challenge for Indonesia, Malaysia and Thailand as events like earthquakes, tsunamis, droughts, floods, etc. have been frequent in the sub-region. The resources and efforts required to ramp up disaster management are huge. Food diversity in the IMT-GT countries, especially Indonesia and Malaysia are also at stake due to damming of rivers and biodiversity.<sup>9</sup> This puts the first pillar of agriculture in the IMT-GT cooperation at the risk of future troubles.

The Covid-19 pandemic has unleashed an array of challenges before the IMT-GT. Today, Indonesia, Malaysia and Thailand are tiding over the second wave of the pandemic. Cases have been mounting and vaccinations are falling behind owing to vaccine hesitancy among masses and vaccine procurement issues. The health sector presents quite a severe challenge to the development efforts of the IMT-GT. Besides, the IMT-GT countries have been facing a rise in a number of diseases such as Tuberculosis and some communicable diseases. The Covid-19 pandemic has furthered the burden on the public health care sector in Indonesia, Malaysia and the Philippines. While efforts like the rolling out of telemedicine in Indonesia have shown a positive outlook for healthcare services, the infrastructure deficit is still a major impediment. India can come as an aide in providing telemedicine smoothly.

Cybersecurity is another area where the IMT-GT countries are stumbling. The increase in online malicious activities has exploded in the Covid-19 period. Indonesia and Malaysia are global hotspots for malware attacks.<sup>10</sup> With the movement of all the commerce activities

online comes a need to manage the cyber threat involved. Information leakage has become quite common after the amelioration in ICT based commerce. It has appeared as a major threat to businesses and firms. India can cater well to this emerging need in the IMT-GT countries as India's ICT sector excels in this area. Cooperation in the area of cybersecurity could expedite the development efforts of the IMT-GT and also lessen its healthcare sector woes.

The tourism sector is recognised as an important pillar in the IMT-GT cooperation. However, the sector is plagued with a number of challenges. The Covid-19 pandemic has exposed the tourism sector to a lot of disruptions. With travel services affected and brought to a halt, the tourism sector has already nosedived. Cooperation among the IMT-GT countries in the tourism sector hinges on innovation in the post-Covid-19 period.

Other challenges in the face of the IMT-GT sub-regional cooperation are delay in reforms at the ASEAN level, low global commodity prices and increasing Covid-19 infections slowing down economic activities.

#### **4. India's Engagement with IMT-GT**

The IMT-GT sub-regional cooperation has opened up ample opportunities for the member countries as well as non-members. The sub-region is endowed with vast reserves of natural resources, coastal access, demographic strength, a strong labour force, and a booming domestic market. The striking feature of the IMT-GT is that Indonesia, Malaysia and Thailand are also the founding members of ASEAN. Indonesia, Malaysia and Thailand have been at the forefront of the formation of ASEAN in 1967, through the signing of the Bangkok Declaration, in Thailand. Being the founding members of ASEAN, the three-member countries of IMT-GT already exert importance in the Indo-Pacific region.

The IMT-GT countries are located at a strategically important place. Being located within the ASEAN region, the IMT-GT is in proximity to other sub-regional initiatives such as the GMS, the BIMP-EAGA, BIMSTEC, etc. (see Table 2). ASEAN's efforts in linking its economies through land and maritime routes are an opportunity for the IMT-GT countries as well. ASEAN's relations with its external FTA partners like China, Japan, Korea, Australia, New Zealand and India also prove opportune for IMT-GT countries to achieve greater collaboration and improve ties with the FTA partners of ASEAN. The cultural ethos of the entire Southeast Asian region amplifies cooperation between them. Cultural exchange programmes are an important mechanism under the IMT-GT cooperation. ASEAN's relations with its FTA partners such as India could prove fruitful for the IMT-GT cooperation. ASEAN's trade and investment with India has quadrupled over time and so also integration through connectivity programmes. Therefore, elevated relations with India will bring

profound opportunities for the IMT-GT sub-regional cooperation and vice versa. Let's examine some of the engagements that India has with IMT-GT.

#### 4.1 Trade and Investment

Trade is one of the key pillars of India's economic relations with IMT-GT countries. IMT-GT countries and India are FTA partners, both at regional and bilateral levels. In 2019-20, India's total trade with IMT-GT was US\$ 46.42 billion, sharing a hefty 58 per cent in India's trade with ASEAN (Table 3). India has experienced a trade deficit with the IMT-GT countries (except Thailand for the year 1999-2000). Trade between India and IMT-GT is likely to bounce back once the current pandemic starts subsiding. Primarily, chemical products, mineral products, transport equipment, meat, machinery and electrical, etc. are India's major exports to IMT-GT countries. IMT-GT countries are having regional value chain linkages with India in electronics, automobiles, office equipment, etc.

**Table 3: India's Trade with IMT-GT Countries**

(US\$ billion)

Year	Indonesia		Malaysia		Thailand		IMT-GT		
	Export	Import	Export	Import	Export	Import	Export	Import	Total
1999-2000	0.33	0.95	0.45	1.95	0.45	0.33	1.23	3.23	4.46 (64.92)
2009-2010	3.06	8.66	2.84	5.18	1.74	2.93	7.64	16.77	24.41 (46.00)
2019-2020	4.13	15.06	6.36	9.78	4.30	6.79	14.79	31.63	46.42 (57.98)

\*Numbers in parentheses are respective share in ASEAN

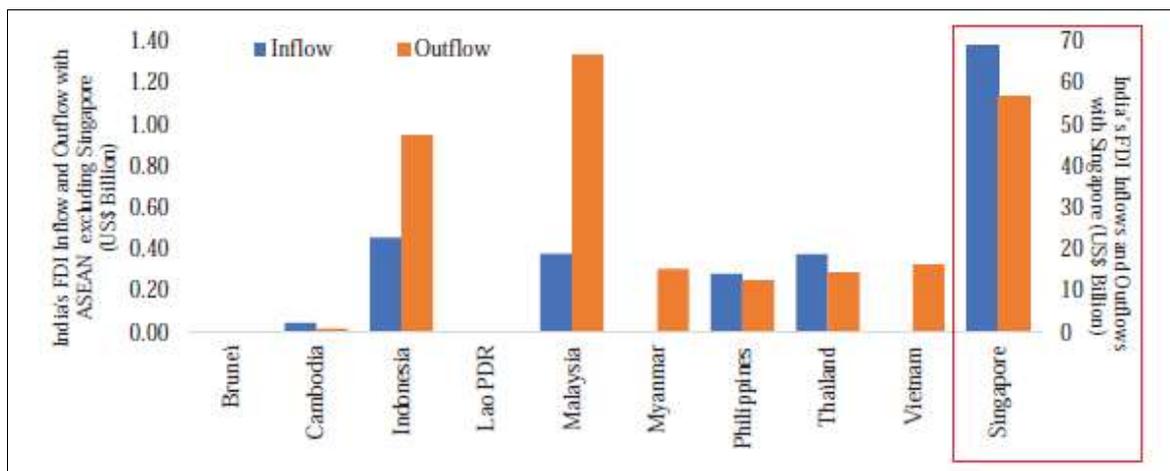
Source: Export Import Data Bank, Department of Commerce, India

**Table 4: IMT-GT Country-wise FDI Equity Inflows to India  
(April 2000 to March 2021)**

Country	FDI Inflows	Share in total
	(US\$ million)	(%)
Malaysia	1122.55	0.21
Indonesia	638.61	0.12
Thailand	637.67	0.12

Source: DIPP, Government of India

**Figure 1: India’s Inward and Outward FDI Stock with ASEAN Countries (2010-2019)**



Source: AIC-RIS (2021)

India is having strong investment relations with IMT-GT countries. Although India’s FDI inflows and outflows in ASEAN are mainly with Singapore, IMT-GT countries are some of the predominant investors in India and vice versa (Figure 1). In the IMT-GT, India is one of the largest investors in Malaysia and Thailand. However, the current flow of FDI between India and IMT-GT does not show a healthy trend and country-wise variation is quite noticeable. For example, the overall investment scenario in Indonesia is encouraging. It is an attractive destination for Indian investment in the region. Till 2019, there are about 30 Indian investments / Joint Ventures in Indonesia. As per Indonesian authorities, Indian investment in Indonesia was US\$ 995.18 million in 2215 projects during 2000-2018. But, as most investments come through Singapore and other gateways, the quantum of investment could be much more. In the case of Malaysia, the bilateral flow of FDI has been promising. Malaysia ranks as the 24th largest investor in India with an FDI inflow of US\$ 1122.55 million, which constitutes a meagre 0.21 per cent in total FDI inflows during the period April 2000 to March 2021 (Table 4). India is the largest operational base for Malaysian construction companies outside Malaysia. Malaysian companies are primarily interested to invest in India in areas like the infrastructure and construction sector especially on roads and highways, railways and up-gradation of airports and ports. Other sectors are telecommunications, ICT, engineering, power, oil & gas, etc. Indian companies have invested in 242 manufacturing projects of over US\$ 2.62 billion (RM 8.74 billion) in Malaysia, which includes an investment of RM 5.5 billion (approx. US\$ 1.37 billion) by about 135 Indian companies in the manufacturing sector.<sup>11</sup>

Presently, there are more than 150 Indian companies, including 61 Indian joint ventures and 3 Indian Public Sector Undertakings operating in Malaysia. Their areas of operation are the manufacture of textiles and yarn, drugs and pharmaceuticals, glass containers; automobile associated activities, speciality chemicals, steel furniture, rubber products, services in

banking, insurance, information technologies, education, biotechnology, healthcare, etc. Thailand has been the host of India's earliest outward FDIs. Indian investments in Thailand range from chemicals to pharmaceuticals to automobiles. Leading Thai companies in the fields of agro-processing, construction, automotive, engineering and banking have active and growing business presence in India. India has received an FDI of US\$ 637.67 billion from Thailand from April 2000 to March 2021.

## **4.2 Education**

India's recent offer of 1000 fellowships to study PhD programmes in IITs<sup>12</sup> has changed the contour of the ASEAN-India educational relation. India has committed to offering over 1000 scholarships to students of the 10 ASEAN countries including students of IMT-GT to do integrated PhD at IITs, and already two batches of students have got admitted in IITs. The funding covers the entire cost of study and living expenses for up to five years of their PhD programme. Another major educational cooperation between India and ASEAN is Nalanda University.<sup>13</sup>

Indonesia, Malaysia and Thailand are major recipients of ITEC and TCS of Colombo Plan scholarships. For example, in 2018-19, 125 slots were allotted to Indonesia.<sup>14</sup> Indian Council for Cultural Relations (ICCR) offers 20 scholarships every year to Indonesian students for pursuing higher studies in India. India has offered 45 slots under the ITEC programme for 2018-19 and 3 slots under ICCR General Scholarship Scheme to Malaysia.<sup>15</sup> India also offers 20 scholarships for Malaysian nationals to study traditional medicine in Indian institutes/colleges under the Ministry of Ayush. In 2018-19, India has offered 72 scholarships to Thai students under its various schemes (ITEC – 40, ICCR sponsored schemes – 24 and Hindi Scholarship – 8).<sup>16</sup>

## **4.3 Tourism**

Southeast Asian countries and India offer several forms of tourism such as cultural tourism, heritage tourism, religious travel, conferences and seminars, Bollywood, Himalaya, Sea beaches, medical and wellness, cruise, cuisine, spirituality, etc. Barring the Covid-19 period, tourism between ASEAN and India has grown rapidly in recent years. India and ASEAN observed the year 2019 as the ASEAN-India Year of Tourism. Tourism is one of the key pillars of economic relations and also an important working area in IMT-GT. The growth rates between 2011 and 2019 indicate that the tourist flows between IMT-GT countries and India have been rising, more prominently for India's outbound tourists going to IMT-GT countries. For example, in 2019, the IMT-GT countries together have received over 3 million Indian tourists (Table 5).

**Table 5: Tourists Flow between IMT-GT Countries and India**

Country	Inbound Tourists to India			Outbound Tourists from India		
	2011	2019	CAGR (%)	2011	2019	CAGR (%)
Indonesia	32530	50177	5.57	154237	657300	19.87
Malaysia	208196	334579	6.11	693056	735309	0.74
Thailand	92404	169956	7.91	916787	1995516	10.21
IMT-GT	33130	554712	6.58	1764080	3388125	8.50

Notes: ^ CAGR calculated based on 9 years; \* CAGR calculated based on 8 years

Sources: India Tourism Statistics 2013-14 and 2020 and ASEANstat.

Tourism is one of the hardest-hit sectors in this Covid-19 period. However, once the pandemic subsides, tourism will rebound sharply, provided countries agree to strengthen connectivity and restore a favourable business environment. The tourism sector has vast employment potential; both the IMT sub-region and India should undertake a calibrated approach in opening up the tourism sector for inter-country travel and tourism. Countries may insist on new standards and protocols including travel bubble and green lane in the Covid-19 time.

#### 4.4 Transport Connectivity

IMT-GT countries and India share a maritime border. Both of them realise the importance of stronger connectivity, particularly on sea links, in order to facilitate economic cooperation and people-to-people contact. India and Indonesia have designed a plan to build connectivity between Andaman Nicobar-Aceh to unleash the economic potentials. In the first phase, both the countries have decided to take up the development of port-related infrastructure in and around Sabang Island and working together for sustainable development of marine resources and fisheries. On the other, India and Thailand have been cooperating closely on improving regional connectivity through initiatives such as India-Myanmar-Thailand Trilateral Highway and its extension to Lao PDR, Cambodia and Vietnam. Barring Indonesia, Thailand and Malaysia are directly connected with several Indian cities by air. Thailand has approx 280-330 weekly flights with India with seasonal variation.<sup>17</sup> There are over 224 weekly flights connecting Indian cities with Malaysia.<sup>18</sup> Though Thailand and Malaysia are reasonably well connected with India, Indonesia is still trailing behind in terms of direct air connectivity with India. Not only cargoes and passengers from major cities, but air connectivity also helps promote tourism and trade. Therefore, to enhance economic relations with the sub-region, India and IMT-GT countries need to focus on air connectivity.

#### **4.5 Digital Connectivity**

India had announced a Line of Credit of US\$ 1 billion to promote projects that support physical and digital connectivity between India and ASEAN in 2015. Under this initiative, a grant of US\$ 40 million for pilot projects on rural connectivity in CLMV countries was announced in 2018. The ongoing pandemic has accelerated the demand for digital connectivity in various forms including digital payments, e-education, e-commerce, e-health system, app-based cap services, etc. The rising demand for the internet needs to address infrastructure and cooperation among countries. Digital partnership between IMT-GT and India may enhance commercial activities in this digital era.

#### **4.6 Diaspora**

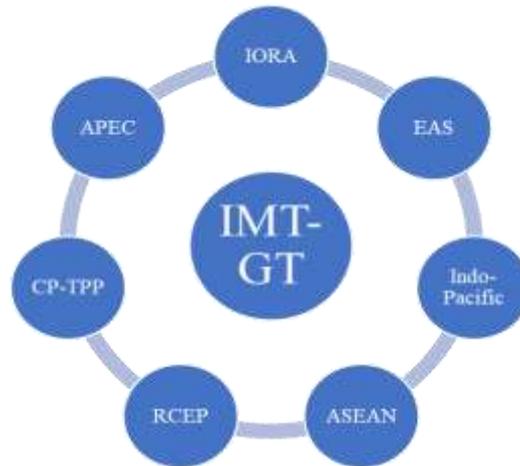
Diaspora is an asset for regional bonding. Over 18 million Indians live abroad, of which about half a million reside in the IMT-GT sub-region. For example, Indonesia is having around 120,000<sup>19</sup> Indonesians of Indian origin in Indonesia. In Malaysia, approx. 225000<sup>20</sup> Indian origin lives in Malaysia whereas around 250,000<sup>21</sup> people of Indian origin live in Thailand. Inward remittances from diasporas are one of the important sources of foreign currency inflows. Besides, Indian diasporas have been promoting trade and investment, creating businesses, and also providing new knowledge, skills and financial assistance.

### **5. Potential Areas of Cooperation between India and IMT-GT**

The centrality of ASEAN in India's foreign policy has displayed the importance of Southeast Asian countries in India's larger vision of a more integrated Indo-Pacific. Developing on India's integration efforts in the Indo-Pacific region, the IMT-GT visualise India as a development partner to their initiative. This section reflects on the prospects for India in light of the available opportunities from the IMT-GT development cooperation.

India has been a strong advocate of regional cooperation since the 1990s. India's position of encouraging regional cooperation reverberates in its active support in regional cooperation initiatives like ASEAN, SAARC, BIMSTEC, etc. India has been a development partner of ACMECS (De *et al.*, 2020). The call to bring India as a development partner in the IMT-GT may benefit India in a variety of areas, particularly trade and investment, connectivity and people to people contacts. As a development partner, India should enhance economic partnerships with IMT-GT countries by upgrading and strengthening trade and investment work programmes/plans. IMT-GT and India may continue to make steady progress towards integrating the region in the post-Covid-19 period.

**Figure 2: Strategic Advantages of IMT-GT**



Source: Authors' Own

Illustrated in Figure 2, IMT-GT being the central node in the web of regional integration initiatives, by joining IMT-GT as development partner India may gain strategic access to RCEP and CP-TPP markets, where India is not a member yet. Development partnership will also provide substantial economic and strategic strength in raising India's position in ASEAN, EAS, IORA, APEC and Indo-Pacific. Building on the gains from IMT-GT's global engagement and its economic integration initiatives, India may integrate further with the regional and global economies. The following section presents selected areas where India may contribute to IMT-GT as a development partner and harness the development goal together.

### **5.1 Trade and Investment**

India's cooperation with the IMT-GT countries can prove fruitful for India's export sector as India has a competitive edge in product categories like Pharmaceuticals, Gems and Jewellery, Textiles, etc. As Malaysia, Indonesia and Thailand have emerged as major trading partners of India in ASEAN, this traction could further be boosted with India's joining of IMT-GT as a development partner. The integration of the Indian MSMEs in regional value chains is of utmost importance for the progress of the MSME sector. Between 2019 and 2020, MSMEs in India increased extensively in number. Bringing these MSMEs in the regional value chains can be an important step in guiding India towards partnering with the IMT-GT. The partnership could bode well for the MSMEs in increasing their share in exports as well as GDP. The partnership with IMT-GT could farewell for the Indian trade balance as well which has been in the deficit for a long time with ASEAN. Increasing trade with IMT-GT through enablers like transport connectivity may narrow down India's trade deficit with its regional

partners. On the front of the non-tariff measure, there is a lot of scope for reduction of barriers such as customs regulations under rules of origin, quality checks, etc.

The Indian manufacturing industry stands to be benefited from India's participation in the IMT-GT sub-regional cooperation. India's development cooperation with the IMT-GT may facilitate FDI from these countries and raise their share in India's total FDI. Investment facilitation measures that the IMT-GT envisions to put in place has the potential to increase investment flow between the IMT-GT and India. The Ease of Doing Business Report places Malaysia and Thailand at a rank of 12 and 21, respectively, for the year 2021. India's Ease of Doing Business has significantly improved and its participation in cooperative efforts with the IMT-GT can increase prospects of Indian FDI into Malaysian and Thai industries and vice versa. The IMT-GT cooperation establishes the private sector as a major stakeholder in carrying out the cooperation agenda. The MSME sector is also recognised as a major wheel of growth in the IMT-GT. India could harness IMT-GT cooperation to scale up the engagements of the MSME sector with the IMT-GT sub-region and the rest of ASEAN as well.

Both must minimise trade protection and compliance costs in dealing with the Non-Tariff Measures (NTMs). Most NTMs address regulatory objectives such as environmental, health and safety, security or cultural considerations, but they can also significantly impede trade inadvertently or by design. Addressing NTMs involves the following: (i) accelerating work towards full elimination of non-tariff barriers; (ii) standards and conformance measures, e.g. equivalence in technical regulations, standards harmonisation, alignment with international standards and mutual recognition arrangements (MRAs); and (iii) streamlining procedures and reducing requirements for certificates, permits and licenses to import or export. Development partnership with IMT-GT should yield into facilitation of movement of skilled labours and business visitors between India and IMT-GT countries, particularly for business visitors engaged in the conduct of trade in goods, trade in services, and investment.

## **5.2 Connectivity**

Connectivity has been a major pillar of regional cooperation. The fourth pillar of IMT-GT sub-regional cooperation is Transport and ICT connectivity. India's progress in enhancing connectivity with Southeast Asia is commendable. India has broached connectivity issues in all of its dimensions viz. physical connectivity, infrastructural connectivity as well as digital connectivity. India's India-Myanmar-Thailand Trilateral Highway connects the IMT-GT sub-region with India overland. The Kuala Lumpur Transport Strategic Plan (2016-2025) is also of great potential to enhance connectivity. Being a development partner to IMT-GT is likely to expedite the process of these infrastructure projects. The bottlenecks in infrastructure connectivity could be easily ironed out by India's closer association with the IMT-GT countries. The extension of the Trilateral Highway to Malaysia and beyond in the Southern

direction could further raise cross-border trade prospects for India. On the maritime front, IMT-GT and India should strengthen the maritime transport connectivity and promote maritime safety, security and maritime logistic corridors through the establishment of regional maritime transport cooperation. IMT-GT – India coastal shipping / short-sea shipping may unleash trade and tourism potentials in a major way.

Digital connectivity has been at the forefront of all regional cooperation agendas. The ASEAN Plan of Action (2021-25) for guiding the ASEAN-India Partnership for Peace, Progress and shared prosperity emphasise promoting sustainable and inclusive economic growth and prosperity through increased digital trade, entrepreneurship, preparing MSMEs for digital transformation and developing a digital-ready workforce equipped for the fourth industrial revolution. Through IMT-GT, more cooperation could be garnered by India in its Digital India flagship programme. The cooperation on the digital front is essential for India to enhance its MSME sector, health sector and for managing the current pandemic situation.

### **5.3 People to People Contacts**

People to people contacts serve as an important catalyst of regional cooperation. With India's development partnership with IMT-GT, people to people contacts could register a boost. This could be done through enhancing education, tourism, organising cultural exchange programmes, scholarship programmes, etc. The Indian 'Study in India' initiative focuses on increasing number of foreign students in Indian higher education institutions. The target is to raise the number of foreign students to 2,00,000 from the current 44,750. India acting as the development partner of the IMT-GT could raise India's soft power in the Indo-Pacific. India's cooperation with IMT-GT in the areas of higher education will also enable the rise of the global ranking of the Higher Education Institutions (HeIs) of India. IMT-GT countries have introduced IMT-GT UNINET in 2017. About 24 universities from the sub-region have signed the charter or the articles of Indonesia-Malaysia-Thailand Growth Triangle University Network (IMT-GT UNINET). Collaboration between ASEAN-India University Network (AIUN) and IMT-GT UNINET may promote educational interactions between India and IMT-GT. IMT-GT countries and India encourage the holding of events such as academic conferences, workshops and seminars; webinars, and publish seminal publications on IMT-GT-India partnership for dissemination to the public. The Covid-19 pandemic has battered the tourism industry and the rise in Coronavirus cases in Indonesia, Malaysia and Thailand lately is a gloomy sign for the tourism sector there. India's cooperation with IMT-GT could ameliorate tourism sector in India and bolster projects like Swadesh Darshana and PRASHAD (National Mission on Pilgrimage Rejuvenation and Spiritual Heritage Augmentation Drive) schemes.

## **5.4 Island Connectivity**

India's efforts for island connectivity in the Andamans has gained momentum after the Prime Minister of India and President of Indonesia released a joint statement on connecting Andaman and Nicobar Islands to Sumatra islands in Indonesia. The Sabang Island in Indonesia is in close vicinity with Andaman. The cooperation between India and Indonesia joint task force is centred around projects for infrastructures related to shipping and port. India's role as the development partner of IMT-GT will be equally important for port-related infrastructure along with the Andaman Islands. The island connectivity will further India's objective of enhanced trade through robust sea links. India has undertaken ample initiatives to enhance island connectivity along the Bay of Bengal. For example, India launched one of a kind 2312 km long submarine Optical Fibre project to deliver high-speed internet to Andaman and Nicobar Islands.<sup>22</sup> India also initiated an investment of Rs. 10,000 crores for erecting a transshipment port in the Great Nicobar Islands. The initiative offers to give a second choice to the shippers located on this route. Enabling cooperation with the IMT-GT countries would be advantageous for increasing maritime trade.

## **5.5 Cruise Tourism**

Cruise Tourism is emerging as a dominant tourism experience in many parts of the world. The natural endowment of coasts and wide flora and fauna has given India an edge in cruise tourism. The Ministry of Tourism has rolled out several schemes to promote cruise tourism in India. Several bilateral agreements have also focussed on cruise tourism. For example, India has signed a Memorandum of Understanding (MoUs) with both Indonesia and Malaysia for the promotion of tourism in both regions. In total, India is a signatory to bilateral/tripartite/MoUs with 48 countries/international organisations on tourism.<sup>23</sup> Five major ports have been recognised for promoting cruise tourism in India viz. Chennai Port Trust, Cochin Port Trust, New Mangalore Port Trust, Mormugao Port Trust and Mumbai Port Trust. The cruise service from Mumbai to Goa has attracted a major chunk of tourists. The number of passengers along the Mumbai Port Trust has grown astoundingly from 86757 in 2018-19 to 222105 in 2019-20.<sup>24</sup> The Government of India has undertaken a host of initiatives in the cruise tourism segment like rationalisation of port tariff, relaxation of cabotage for international cruise vessels, easing of immigration clearing procedures, etc.<sup>25</sup> The IMT-GT countries being maritime stands to benefit from the cruise tourism schemes and initiatives unveiled by the Government of India. India's cooperation with the IMT-GT countries can transform the rudimentary cruise tourism industry into a budding

## **5.6 Blue Economy**

The IMT-GT Vision 2036 emphasise the sustenance and protection of the Blue Economy. The seventh pillar of IMT-GT attaches particular significance to the environment. The protection and rejuvenation of the ocean resources guide initiatives envisioned by the sub-regional group under the pillar of Environment. With initiatives such as Green cities, IMT-GT affirms safeguarding the ocean resources. India has been actively contributing in protecting and reviving the marine economy. The economic fruits from sustaining the ocean resources are plenty. These are reflected in increased marine tourism, fisheries production and mineral exploration. India's partnership with the IMT-GT will favour the larger objective of sustaining the whole Indian Ocean region. All the countries in the IMT-GT share coastal borders with India. There is huge potential for India to meet its goal of research and development in marine technology, biology and biotechnology through development cooperation with IMT-GT. Capacity building and exchanges of experts between IMT-GT and India in the field of the blue economy may lead to strengthen India's IPOI and ASEAN's AOIP, respectively.

## **5.7 Maritime Connectivity**

Maritime connectivity has emerged as a channel of greater integration between littoral countries. International trade through maritime routes has been ubiquitous to fostering integration between the economies. As the IMT-GT countries and India share a maritime border, they need to benefit from maritime connectivity. The construction of shipping ports is key to manifesting the vision of maritime cooperation. India's partnership with IMT-GT could prove beneficial in setting up new ports along the Malacca Strait. This would reduce the transport time considerably. Enhanced maritime connectivity will mean increased trade as well as more penetration of Indian MSMEs in the global and regional value chains. Through IMT-GT, India could raise its shipping links with countries like Thailand. A major initiative of India in maritime connectivity with Indonesia, connecting Port Blair to Aceh province in Indonesia will receive greater traction following India's development role in the IMT-GT sub-regional grouping. The initiative has facilitated trade by commencing shipping of RoRo vessels between India and Indonesia. India's development partnership with IMT-GT will nurture its Indo-Pacific Oceans Initiative (IPOI) and expedite work on seven pillars of Maritime Security, Maritime Ecology, Maritime resources, Capacity building and resource sharing, Disaster risk reduction and management, Science Technology and Academic cooperation, and Trade, Connectivity and Maritime transport.<sup>26</sup>

## **5.8 Indo-Pacific Cooperation**

India's venture into the IMT-GT sub-regional group as a development partner is suitable for its Indo-Pacific vision. ASEAN has been a central point in India's Indo-Pacific policy. The sub-regional cooperation group of Mekong-Ganga Cooperation (MGC) has also emerged as a focal point in India's objectives in the Indo-Pacific. The IMT-GT will play a similar role and offers the potential to boost and expedite India's vision of the Indo-Pacific. India's vision of the Indo-Pacific centres around wide themes such as trade and investment, physical connectivity, digital connectivity, maritime connectivity, education, tourism, climate change, marine resources, science and technology cooperation and SDGs, etc. The IMT-GT's commitment in all of these domains is commendable and is reflected in their vision 2036. Cooperation with IMT-GT will provide a push to initiatives in these domains. India's sub-regional cooperation platforms such as ACMECS are also imperative in connecting with countries in the Indo-Pacific.

## **5.9 Smart Cities**

India's engagement with the IMT-GT countries as a development partner is expected to power the smart cities mission of the Government of India. The mission is a step ahead in devising smart solutions for people with the assistance of local governments. The channelling of emerging technologies in this direction is a prerequisite. The innovative solutions are to be devised in the area of education, health, sustainable development, housing, water and electricity supply, sanitation, and transportation. The use of ICT is imperative for creating innovative solutions. The IMT-GT aims to offer sustainable solutions to these problems in the member countries. IMT-GT's Green city initiative commits to providing sustainable solutions to problems in the sub-region. The Vision 2036 of IMT-GT gives due emphasis to extending their support for green solutions outside the region as well. India's development partnership could come as an advantage for extending its smart city mission. The cooperation between India and IMT-GT countries would create better synergies for urban development as well.

## **5.10 Health**

The importance of healthcare has again taken centre stage after the Covid-19 pandemic battered countries in the Asian region. Countries in Southeast Asia and members of ASEAN have seen an uptick in fresh infections lately. The emergence and fast contagion created by the delta variant is proving to be hazardous for the region. India has emerged as the pharmacy of the world. India's strides in the generic drugs domain have given it mileage over other developing countries. India's pharma industry is a key supplier of drugs all over the world.

India caters to more than 50 per cent of the world demand for various vaccines, 40 per cent of generic demand in the United States and 25 per cent of all medicine in the United Kingdom.<sup>27</sup> Under India's neighbourhood policy, the country erected a programme 'Vaccine Maitri' for providing vaccines to the world. IMT-GT countries are grappling with rising coronavirus cases and the dilapidated health structure in these countries make the situation far worse for the economy and people. India's engagement as a development partner to IMT-GT will propel many digital health-related services in the region. For instance, telemedicine has emerged as a powerful tool. India's partnership with the IMT-GT countries in the health sector and overall tackling of Covid-19 could act as a catalyst for India's Indo-Pacific agenda. Another potential areas of cooperation between IMT-GT and India are genome sequencing. Cooperation within the framework of ASEAN could reap benefits in genome sequencing within the IMT-GT countries and India as well.

### **5.11 Traditional Medicine**

Another area that has considerable relevance in the IMT-GT countries and India alike is traditional medicine. India has been home to a variety of traditional and indigenous practitioners over the ages. The Government of India has dedicated a separate ministry for propelling the use of traditional medicine. The Ministry of Ayush (Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy) was set up in the year 2014. The IMT-GT countries are also great practitioners of traditional medicines. The Delhi Declaration on traditional medicine in 2013 saw the commitment of the countries of the Southeast Asian region in the field of research and development of traditional medicine. The cooperation aims to seek collaboration from member states in exchanging information by organising workshops, seminars, etc., seeking to recognise educational qualifications of practitioners of traditional medicine in various member states, integration of traditional medicine into the mainstream healthcare systems, etc.

The Covid-19 pandemic has highlighted the importance of Yoga sciences. The IMT-GT countries have seen a surge in Yoga practitioners. India's cooperation with IMT-GT could enhance India's trade in traditional medicinal plants to these countries. For instance, the cooperation could bode well for India's exports of traditional medicinal plants to Malaysia as the latter imports most of its raw materials for traditional medicinal products from other countries. There is vast export potential for India's botanical products like Isabgol, Chakoda and Sonpatta in the IMT-GT countries. At present, 80 per cent of the population in developing countries rely largely on plant-based drugs for their health care needs, and the WHO has estimated that in coming decades a similar percentage of the world population may well rely on plant-based medicines.<sup>28</sup> Thirty per cent of the drugs sold worldwide contain compounds derived from plant material. The harmonization of regulatory standards of traditional

medicinal products has surfaced as an important issue for India. Through India's development partnership with IMT-GT, India can expedite on harmonisation of regulatory standards.

## **6. Conclusions**

The Indo-pacific has emerged as the core of all foreign policy making of developed and developing countries alike. India's 'Look East - Act East' policy has taken the centre stage for its integration efforts in the region. India-ASEAN relations have nurtured and come a long way since 1992 when India became ASEAN's sectoral level. The IMT-GT growth triangle was initiated in 1993. Having substantial contribution in the formation and strength of ASEAN, the IMT-GT countries of Indonesia, Malaysia and Thailand reflect a promising future for economic development and growth of the region as well as for its bilateral partners like India. The IMT-GT growth triangle is perched at the centre of regional initiatives and forums such as the RCEP, CP-TPP, ASEAN, APEC, etc. which will prove advantageous for India's partnership with the growth triangle.

The traditional and cultural linkages between India and the IMT-GT countries make the sub-regional cooperation suitable for achieving mutual goals. Several channels like trade and investment, cooperation in education, people to people contact, connectivity and diaspora have already cemented a firm foundation for future development partnership between India and the IMT-GT. The IMT-GT emphasizes on trade and investment facilitation, transport and ICT connectivity, education, environment, and culture as forces enabling economic cooperation and growth. India's strides in these areas are considerably important for the IMT-GT sub-regional cooperation.

With Indonesia, Malaysia and Thailand, India can explore new avenues to cooperate on areas such as maritime connectivity, health, smart cities, transport connectivity, people to people contact, trade and investment, blue economy, and traditional medicine. India's partnership with IMT-GT would give a fresh impetus to the formers Indo-Pacific Oceans Initiative (IPOI). The partnership is also supposed to provide a push for health-related services in the pandemic struck region. Services like telemedicine and cooperation in the provisioning of vaccines would be critical tools for energising the IMT-GT growth triangle.

Despite the promising prospects, the IMT-GT growth triangle is surrounded by several challenges, foremost being funding and investment. The IMT-GT's ambitious plans in the area of infrastructure and connectivity demand a continuous stream of investment. The prolonged reform process at the ASEAN level is also an impediment to speedy reforms at the IMT-GT level. Extreme and erratic climate events also challenge the sub-regional cooperation as the member countries are all coastal countries and climate change is bound to impinge pressure on resources, communities and economy. The recurring waves of the Covid-19

pandemic have also toppled the growth triangle programmes. However, the member countries are bracing to brave the pandemic and its repercussions on economic activity.

Having this in mind, India can offer its support to the growth triangle as a development partner in areas where India has comparative advantages and can complement the sub-regional framework. Cooperation in the aforementioned areas may give an impetus to the sub-regional growth including the India-ASEAN relationship. The deeper cooperation indeed will help the region in overcoming the aftermath of the pandemic.

## End Notes:

1. Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) idea was initiated by former Prime Minister of Malaysia, H.E. Tun Dr. Mahathir Mohammad. In 1993, the former President of Indonesia, H.E. Suharto, Prime Minister of Thailand, H.E. Chuan Leekpai and HE. Tun Dr. Mahathir Mohammad was endorsed the formalisation of IMT-GT in Langkawi, Malaysia. Also refer, Ibrahim *et al.* (2002)
2. Refer, Asian Development Bank (2020)
3. Refer, IMT-GT Secretariat, <https://imtgt.org/country-information/>
4. Refer, IMT-GT Secretariat, <https://imtgt.org/about-imt-gt>
5. Refer, IMT-GT Secretariat, available at <https://imtgt.org>
6. Refer, IMT-GT. Vision 2036
7. IMT-GT website. 12th IMT-GT Summit, Bangkok Thailand | Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) ([imtgt.org](http://imtgt.org))
8. Refer, IMT-GT, Economic Corridor. <https://imtgt.org/economic-corridor/>
9. ASEAN Today. 2021. Southeast Asia in the spotlight ahead of international talks on biodiversity.
10. Nikkei Asian Review: 8 February, 2018. [ASEAN remains 'prime target' for cyberattacks - Nikkei Asia](#)
11. Source: Malaysia Investment Development Authority (MIDA)
12. Refer, The Financial Express, 16 September 2019. S Jaishankar launches PhD Fellowship Programme for 1000 students from ASEAN countries at IITs.
13. Nalanda University was established in 2010. It came into being by an act (Nalanda University Act 2010) of the Indian Parliament.
14. Refer, MEA, India-Indonesia Bilateral Brief.
15. Refer, High Commission of India, in Malaysia
16. Refer, Embassy of India in Thailand
17. Refer, Ibid
18. Refer, High Commission of India, in Malaysia
19. Refer, MEA, India-Indonesia Bilateral Brief.
20. Refer, High Commission of India, in Malaysia
21. Refer, Embassy of India in Thailand
22. Refer, Indian Express, 10 August, 2020. PM Modi inaugurates 2,312-kilometre undersea optical fibre cable link between Andaman-Chennai

23. Ministry of Tourism, India
24. Ministry of Tourism, India and Parliamentary Questions
25. Ibid.
26. Ministry of External Affairs. Indo Pacific Division Briefs, available at [www.mea.gov.in](http://www.mea.gov.in)
27. Refer, IBEF (2021).
28. Food and Agriculture Organisation (FAO). Trade in Medicinal plants.

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### Annexure 1: List of Projects Completed under Focus Areas

Strategic Area	No.	Project Name	Project Proponent	Status	Year
Agro & Agriculture	1.	IMT-GT Palm Oil Cooperation	Land Use Planning & Policy, Land Development, MOAC Thailand	Completed	October 2016 – September 2018
	2.	Development of Local Grain Corn Productivity System for Livestock Utilising Varieties from Indonesia and Thailand	Malaysia Agriculture Research & Development Institute, MOA Malaysia	Completed	September 2017 – February 2020
Halal Industry and Services	1.	IQRAH (H-Number)	Halal Science Centre (HSC)	Completed	February 2018
	2.	SPHERE (Standardised Protocol for Halal Electronic Resource Exchange)	Halal Science Centre (HSC)	Completed	2018
	3.	Halal Start-Up 4.0	Halal Science Centre (HSC)	Completed	February 2018
	4.	Integrated Halal Superhighway IMT-GT Host System	Halal Science Centre (HSC)	Completed	February 2018
Tourism	1.	Heritage Race Campaign: IMT-GT the liveable old towns-an integrated marketing communication program	Ministry of Tourism and Sports Thailand	Completed	2018
	2.	Position paper to measure the impact of development of tourism industry in the IMT-GT	Ministry of Tourism and Sports Thailand	Completed	2018
	3.	Workshop on Maritime and Coastal Sustainable Tourism in IMT-GT; Managing Over tourism	Ministry of Tourism and Sports Thailand	Completed	21 – 24 April 2019
	4.	IMT-GT Cruise Business Forum	Sabang Authority Port, Indonesia	Completed	17 – 18 October 2019
	5.	IMT-GT Peranakan Nature Trail: International Peranakan Festival	Indonesia, Malaysia and Thailand Ministry of Tourism	Completed	October 2019
	6.	IMT-GT Fly and Rail tourism	Keretapi Tanah Melayu and Ministry of Tourism, Arts and Culture Malaysia	Completed	17 November 2019
	7.	Marketing strategy and action plans for IMT-GT for 2018-2020 Marketing strategy and action plans for IMT-GT for 2018-2020	Ministry of Tourism, Arts and Culture Malaysia	Completed	2019
	8.	Peranakan a colourful culture: The Booklet of ASEAN Heritage Trails	Ministry of Tourism and Sports Thailand	Completed	2019
Trade and Investment	1.	Facilitation: Trial Period of 24Hrs Operation of CIQ Sadao-ICQs Bukit Kayu Hitam	Thailand/Malaysia Customs	Completed	
	1.	Computer Networking	Manpower	Completed	September 2018

Human Resource Development, Education and Culture		Technology	Department, Min of Human Resources Malaysia		– September 2019
	2.	IMT-GT Vocational Training Centre Networking (VTC-NET)	Min of Manpower Indonesia	Completed	February 2017 – November 2018
	3.	Training: Quality Management System for Automotive	Min of Human Resources Malaysia	Completed	February 2020
	4.	Training: TVET Training Methodology	Min of Human Resources Malaysia	Completed	February 2020
Transport and ICT Connectivity	1.	Transport: Revision of IMT-GT MoU on Air Linkages	MOT Indonesia, MOT Malaysia, MOT Thailand	Completed	
	2.	ICT Connectivity: Workshop on IMT-GT Smart City	Digital Economy Promotion Agency, Min of Digital Economy and Society Thailand	Completed	
Environment	1.	Sustainable Urban Development Framework and Action Plan 2019-2036	IMT-GT	Completed	June 2016 – December 2018
	2.	Integrated Green Urban Transport Plan	IMT-GT, ADB	Completed	September 2018 – September 2019
	3.	Regional Green Cities Conference – 1st Green Cities Conference/Forum: Sept 2017 – 2nd Green Cities Conference/Forum: Oct 2018 – 3rd Green Cities Forum: Jan 2020	IMT-GT, ADB	Completed	
	4.	Non-Revenue Water Forum	IMT-GT, ADB	Completed	April 2019

Source: CIMT, Kuala Lumpur

## About AIC

Considering the work of the ASEAN-India Eminent Persons Group (AIEPG), and its Report with recommendations for forging a closer partnership for peace, progress and shared prosperity, the Heads of the State/Government of ASEAN and India at the ASEAN-India Commemorative Summit 2012, held at New Delhi on 19-20 December 2012, recommended the establishment of ASEAN-India Centre (AIC), which was formally inaugurated by the External Affairs Minister of India on 21 June 2013 at RIS. AIC serves as a resource centre for ASEAN Member States and India to fill the knowledge gaps that currently limit the opportunities for cooperation. The AIC has been closely working with the Indo-Pacific Division of the Ministry of External Affairs (MEA), Government of India, undertake and disseminate evidence-based policy research and provide policy recommendations.

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## Contact us at:

ASEAN-India Centre (AIC)  
Research and Information System of Developing Countries (RIS)  
Zone-IV-B, Fourth Floor, India Habitat Centre, Lodhi Road  
New Delhi – 110003, India  
Tel. +91-11-24682177-80  
Fax: +91-11-24682173-74  
E-mail: [aic@ris.org.in](mailto:aic@ris.org.in)  
Visit our website at: <http://aic.ris.org.in>

