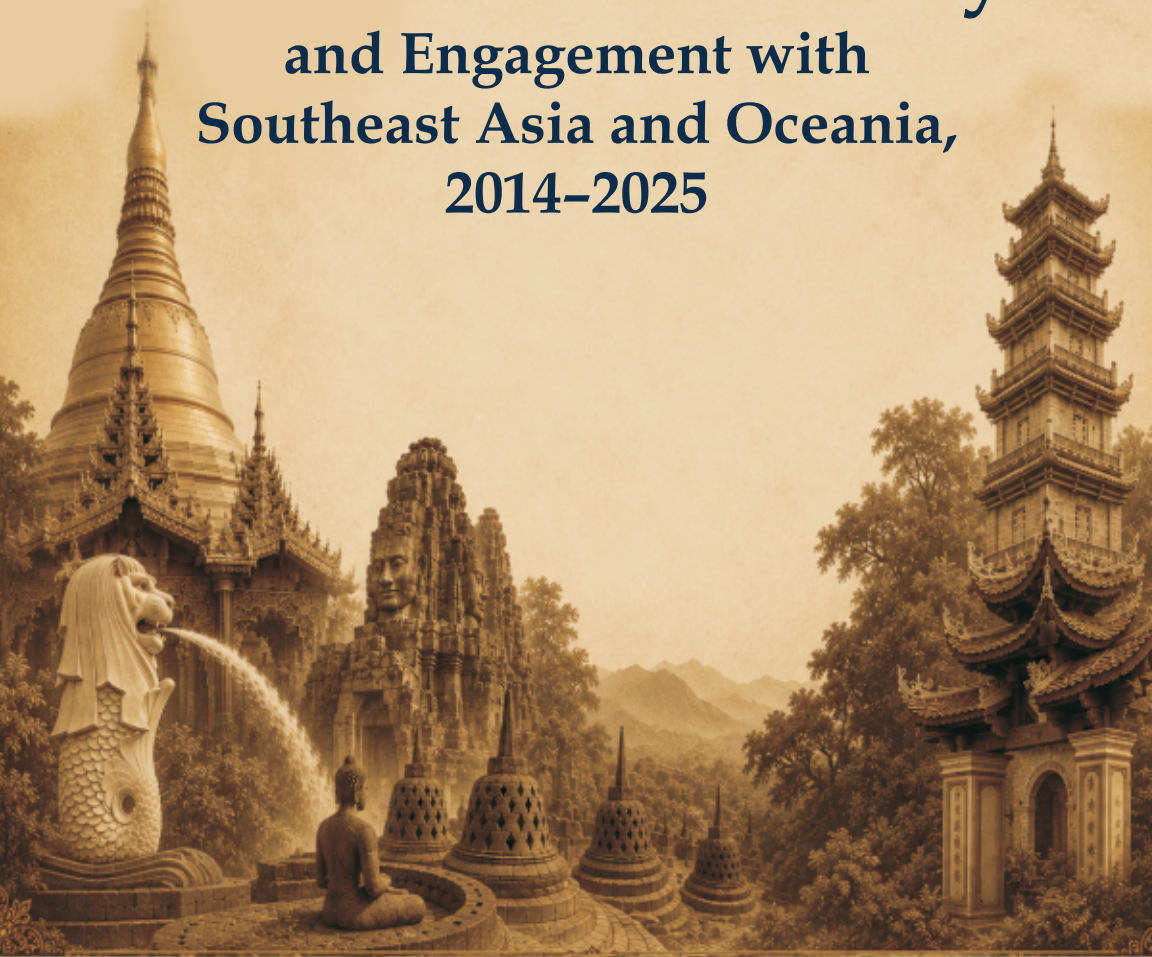


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# India's Act East Policy and Engagement with Southeast Asia and Oceania, 2014–2025



**Cmde. Abhay Kumar Singh (Retd.), Om Prakash Das,  
Shruti Pandalai, Temjenmeren Ao and Simran Walia**

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AND  
ENGAGEMENT WITH  
SOUTHEAST ASIA AND  
OCEANIA, 2014-2025**

**ABHAY KUMAR SINGH, OM PRAKASH DAS,  
SHRUTI PANDALAI,  
TEMJENMEREN AO AND SIMRAN WALIA**



MANOHAR PARRIKAR INSTITUTE FOR  
DEFENCE STUDIES AND ANALYSES

मनोहर परिकर रक्षा अध्ययन एवं विश्लेषण संस्थान

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## *LIST OF ABBREVIATIONS*

ACSP	ASEAN Connectivity Strategic Plan
ADMM-Plus	ASEAN Defence Ministers' Meeting-Plus
AEP	Act East Policy
AIFTA	ASEAN-India Free Trade Agreement
AOIP	ASEAN Outlook on the Indo-Pacific
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
BIMSTEC	Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation
BRI	Belt and Road Initiative
CLMV	Cambodia, Laos, Myanmar, and Vietnam
CSP	Comprehensive Strategic Partnership
EAS	East Asia Summit
ECTA	Economic Cooperation and Trade Agreement
EEZs	Exclusive Economic Zones
FDI	Foreign Direct Investment
FIPIC	Forum for India-Pacific Islands Cooperation
FTA	Free Trade Agreement
HADR	Humanitarian Assistance and Disaster Relief
IMT	India-Myanmar-Thailand (referring to the Trilateral Highway)
IPOI	Indo-Pacific Oceans Initiative
ISMR	India-Singapore Ministerial Roundtable

IITEC	Indian Technical and Economic Cooperation
KMMITTP	Kaladan Multi-modal Transit Transport Project
LEP	Look East Policy
MPAC	Master Plan on ASEAN Connectivity
NSS	National Security Strategy
PICs	Pacific Island Countries
PNG	Papua New Guinea
POA	Plan of Action
SAGAR	Security and Growth for All in the Region
SIMBEX	Singapore-India Maritime Bilateral Exercise
SLOCs	Sea Lanes of Communication
UNCLOS	United Nations Convention on the Law of the Sea

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# INDIA'S ACT EAST POLICY AND ENGAGEMENT WITH SOUTHEAST ASIA (2014-2025): ACHIEVEMENTS, CHALLENGES AND STRATEGIC OUTLOOK

## KEY FINDINGS

- The Act East Policy (AEP), launched in 2014, has significantly expanded India's engagement with Southeast Asia, moving beyond economic linkages to encompass political, security, cultural, and connectivity dimensions.
- India has achieved notable success in deepening relations with ASEAN through high-level summits, enhanced naval cooperation, and infrastructure projects such as the Kaladan Multi-modal Transport Project and the India-Myanmar-Thailand Trilateral Highway.
- Trade and investment with ASEAN have grown, but India faces persistent deficits and has struggled to diversify beyond a few major economies such as Singapore and Indonesia.
- Security cooperation, particularly maritime engagement with Vietnam, Singapore, and Indonesia, stands out as one of India's major achievements, aligning with shared concerns over China's assertiveness in the South China Sea.
- Challenges include infrastructure delays, political instability in Myanmar, limited trade diversification, and the difficulty of matching China's economic scale and Belt and Road Initiative (BRI) investments.
- Going forward, India's ability to strengthen its role in Southeast Asia depends on harmonising strategic intent with economic delivery, enhancing digital and physical connectivity, and sustaining ASEAN centrality in an era of great-power competition.



## INTRODUCTION

India's leadership at the Asian Relations Conference (1947) and Bandung Conference (1957) catalysed Afro-Asian solidarity, positioning the nation as a strategic mediator for newly decolonised states. By advocating for anti-colonialism and supporting Indonesian independence, India established a framework for South-South cooperation. This historical commitment to regional sovereignty and peaceful coexistence remains the ideological foundation for India's contemporary engagement with Southeast Asia, underpinned by ASEAN centrality and the AEP.

India's AEP reflects a sustained effort to align diplomatic intent with strategic outcomes in Southeast Asia and the Pacific. Over the past decade, India has maintained consistent high-level engagements, expanded strategic partnerships, and articulated a coherent Indo-Pacific vision that underscores its long-term regional commitment. Although the translation of diplomatic activism into material influence has been uneven, India's approach has enhanced its political credibility and normative visibility within a complex regional environment.

Prime Minister Narendra Modi has attended every ASEAN–India Summit since 2014, delivered the keynote address at the 2018 Shangri-La Dialogue outlining India's Indo-Pacific objectives, upgraded relationships with Vietnam to an Enhanced Comprehensive Strategic Partnership, Singapore and Indonesia to comprehensive strategic partnerships, and joined the Quadrilateral Security Dialogue with the

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1 'Prime Minister's Keynote Address at Shangri La Dialogue,' *Ministry of External Affairs, Government of India*, June 1, 2018, at <https://www.mea.gov.in/Speeches-Statements.htm?dt1/29943/Prime+Ministers+Keynote+Address+at+Shangri+La+Dialogue+June+01+2018;> 'Joint Statement from Quad Leaders,' The White House, September 24, 2021, at <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/24/joint-statement-from-quad-leaders/>. (Accessed December 8, 2025).

United States, Japan and Australia.<sup>1</sup> Indian naval vessels conduct exercises spanning from the South China Sea to the Coral Sea; Indian development assistance reaches Pacific Island nations through the Forum for India–Pacific Islands Cooperation; and connectivity projects under construction aim to link Northeast India with Southeast Asian markets. Yet this diplomatic expansion has generated limited strategic influence. China’s BRI continues transforming regional infrastructure and political economies; India’s connectivity projects experience multi-year delays; trade relationships display persistent asymmetries and concentration; and smaller states seeking to reduce dependence on Beijing find India unable to provide viable economic alternatives. This divergence between diplomatic effort and strategic outcome defines India’s AEP 10 years after its 2014 launch.

The AEP, announced by Prime Minister Modi in November 2014 at the 12th ASEAN–India Summit in Nay Pyi Taw, Myanmar, marked a shift from the preceding Look East Policy (LEP).<sup>2</sup> The shift from ‘Look’ to ‘Act’ indicated India’s commitment to implementation over dialogue, comprehensive engagement beyond economics and geographic expansion from Southeast Asian regionalism towards an explicit Indo-Pacific framing. The period from 2014 to 2025 tests whether India possesses sufficient strategic intent, economic resources, and bureaucratic capacity to convert its Indo-Pacific objectives into measurable influence across Southeast Asia and Oceania. This monograph evaluates that decade, examining the gap between India’s diplomatic presence and its strategic results.

## **THE ANALYTICAL INNOVATION—WHY SOUTHEAST ASIA AND OCEANIA TOGETHER**

Scholarship on India’s AEP concentrates overwhelmingly on ASEAN engagement, treating India’s Southeast Asian relations as analytically

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<sup>2</sup> ‘Remarks by Prime Minister at 12th ASEAN-India Summit,’ *Ministry of External Affairs, Government of India*, November 12, 2014, at <https://www.mea.gov.in/Speeches-Statements.htm?dtl/24252/Remarks+by+Prime+Minister+at+12th+ASEAN+India+Summit>.

separate from its Pacific Islands outreach.<sup>3</sup> Studies examining India–ASEAN relations dominate the literature, while research on India's engagement with Oceania—when present—analyses it separately under the Forum for India–Pacific Islands Cooperation (FIPIC) framework. This analytical separation misrepresents India's contemporary Indo-Pacific strategy and conceals patterns visible only through cross-regional comparison.

This monograph analyses Southeast Asia and Oceania as an integrated strategic theatre. This approach reflects three realities that justify a unified analysis rather than organisational preference.

**First, geographic and maritime continuity connect these regions within a single operational domain.** The Indo-Pacific maritime space from the Bay of Bengal through the Indonesian archipelago to the Southwest Pacific forms a continuous arc. The Malacca, Sunda, and Lombok Straits, connecting the Indian Ocean to the South China Sea, and the Torres Strait, linking Southeast Asian waters to the Coral Sea, function as components of an interdependent strategic system.<sup>4</sup> India's sea lines of communication (SLOCs), which carry over 90 per cent of its trade by volume, traverse this continuum. India's maritime security requirements, naval operational patterns, and strategic access needs, therefore, cannot be divided into separate Southeast Asian and Oceanic compartments. Indian Navy deployments—from anti-piracy operations in the Malacca Strait to humanitarian assistance missions in Fiji—demonstrate this operational continuity. Comprehensive evaluation of India's maritime diplomacy must therefore span both regions.

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<sup>3</sup> C. Raja Mohan, *Samudra Manthan: Sino-Indian Rivalry in the Indo-Pacific*, Carnegie Endowment for International Peace, Washington, DC, 2012; Frederic Grare, 'India and Southeast Asia: Adjusting to the China Challenge,' in William T. Tow and Douglas Stuart (eds.), *The New US Strategy Towards Asia: Adapting to the American Pivot*, Routledge, London, 2015, pp.124–139.

<sup>4</sup> Robert D. Kaplan, *Monsoon: The Indian Ocean and the Future of American Power*, Random House, New York, 2010, pp. 8–14; James R. Holmes and Toshi Yoshihara, 'The Influence of Mahan upon China's Maritime Strategy,' *Comparative Strategy*, 24 (1), 2005, pp. 23–51.

**Second, China's strategic expansion employs parallel instruments and follows similar trajectories across Southeast Asia and Oceania.** Beijing's approach in both theatres relies on infrastructure financing through the BRI, the acquisition of port access and potential naval facilities, political influence operations targeting national elites, and the construction of asymmetric economic dependencies.<sup>5</sup> The similarities are pronounced: Chinese-financed expressways and special economic zones in Cambodia correspond to infrastructure projects in Papua New Guinea; the expanded Ream Naval Base in Cambodia follows the dual-use port development model that generated concerns about potential Chinese facilities in Vanuatu; the political influence enabling Hun Sen's Cambodia to obstruct ASEAN consensus on South China Sea issues parallels the mechanisms that prompted Solomon Islands to switch diplomatic recognition from Taiwan to Beijing and conclude a security cooperation framework with China.<sup>6</sup> India's competitive position and responses to Chinese infrastructure diplomacy can be adequately assessed only by comparing performance across both regions. If India encounters identical difficulties in Southeast Asian and Oceanic contexts, the obstacles are structural—reflecting constraints in financing capacity, project implementation speed, or bureaucratic coordination—rather than context-specific policy errors.

**Third, institutional architecture and partnership frameworks integrate these regions within India's strategic calculus.** The East Asia Summit includes both ASEAN members and Australia and New Zealand, creating a diplomatic forum spanning both areas. The ASEAN Regional Forum connects Pacific security through observer mechanisms. The Indian Ocean Rim Association includes Indonesia, Singapore,

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<sup>5</sup> Nadège Rolland, *China's Eurasian Century? Political and Strategic Implications of the Belt and Road Initiative*, National Bureau of Asian Research, Washington, DC, 2017; Jonathan E. Hillman, *The Emperor's New Road: China and the Project of the Century*, Yale University Press, New Haven, 2020.

<sup>6</sup> 'China, Solomon Islands Sign Security Pact in Setback for US, Australia,' Reuters, April 19, 2022; Gregory B. Poling, *On Dangerous Ground: America's Century in the South China Sea*, Oxford University Press, New York, 2022, pp.187–211.

Thailand, and Australia as full members, institutionalising their treatment as components of a maritime continuum. India's Quad partnership with the United States, Japan, and Australia inherently bridges Southeast Asia and Oceania, with Australia functioning as the strategic connector.<sup>7</sup> Australia participates simultaneously in ASEAN dialogue partnerships (EAS, ADMM-Plus). It shapes the Oceanic strategic landscape, rendering analytical separation of these regions incoherent when evaluating India's Quad-enabled Indo-Pacific strategy. India's 2019 Indo-Pacific Oceans Initiative (IPOI), with its seven pillars covering maritime security, maritime ecology, maritime resources, capacity building, disaster risk reduction, science and technology cooperation, and trade connectivity, rejects regional compartmentalisation—these thematic pillars apply from the Andaman Sea to the Tasman Sea.<sup>8</sup>

This integrated approach yields substantial analytical benefits. Examining India's performance across Southeast Asia and Oceania together reveals structural patterns—showing whether India's implementation obstacles stem from policy-specific deficiencies amenable to technical correction, or from fundamental limitations in India's capacity for Indo-Pacific economic statecraft. This comparative framework enables assessment of whether India's capabilities (naval diplomacy, disaster relief, institutional engagement) and deficiencies (infrastructure delivery, trade diversification, development financing) remain consistent across regions, indicating systemic rather than contextual causation.

## **HISTORICAL CONTEXT—FROM ESTRANGEMENT TO ENGAGEMENT**

India's contemporary engagement with Southeast Asia and Oceania responds to decades of strategic distance. Ancient maritime trade networks and cultural exchanges connected the Indian subcontinent

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<sup>7</sup> 'Joint Statement from Quad Leaders'; Australian Government Department of Foreign Affairs and Trade, 2017 Foreign Policy White Paper, Commonwealth of Australia, Canberra, 2017, pp. 41–46.

<sup>8</sup> 'Prime Minister's Speech at the East Asia Summit, 04 November 2019,' *Ministry of External Affairs, Government of India*, November 12, 2014, at [https://www.mea.gov.in/Speeches-Statements.htm?dtl/32171/Prime\\_Ministers\\_Speech\\_at\\_the\\_East\\_Asia\\_Summit\\_04\\_November\\_2019](https://www.mea.gov.in/Speeches-Statements.htm?dtl/32171/Prime_Ministers_Speech_at_the_East_Asia_Summit_04_November_2019) (Accessed December 10, 2025).

with Southeast Asian kingdoms, extending into Pacific Rim communities, leaving enduring marks visible in monuments like Angkor Wat and Borobudur. Colonial partition severed these connections, and Cold War alignments perpetuated the separation: ASEAN's formation in 1967 occurred within Western security frameworks, while India aligned with the Soviet Union; the Pacific remained within Anglo-American strategic spheres, while India emphasised non-alignment and continental concerns.<sup>9</sup> By the 1980s, India's isolation from Asia's most dynamic growth region had become strategically costly.

The 1991 balance-of-payments crisis and the Soviet collapse forced India to reorient. Prime Minister P.V. Narasimha Rao's LEP, launched alongside domestic economic liberalisation, sought to integrate India with Southeast Asian markets and restore diplomatic ties with ASEAN.<sup>10</sup> The LEP achieved institutional gains: ASEAN Sectoral Partner (1992), Full Dialogue Partner (1995/1996), ASEAN Regional Forum participation (1996), sectoral partnerships, culminating in ASEAN–India Free Trade Agreement (goods 2010, services 2014) and East Asia Summit membership (2005). However, gaps between announcements and implementation, China's simultaneous deepening engagement, and the policy's predominantly economic rather than strategic focus limited its impact. Oceania remained largely outside the LEP framework; the Forum for India–Pacific Islands Cooperation was established only in 2014, reflecting India's delayed recognition of the Pacific Islands' strategic significance amid intensifying great-power competition.

## **THE ACT EAST POLICY—CONCEPT, EVOLUTION AND INDO-PACIFIC INTEGRATION**

The AEP announced in November 2014 represented a substantive transformation beyond a semantic revision. The shift from 'Look' to 'Act' indicated India's commitment to implementation over dialogue, to comprehensive engagement beyond economics, and expansion from

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<sup>9</sup> Amitav Acharya, *The Making of Southeast Asia: International Relations of a Region*, Cornell University Press, Ithaca, 2012, pp. 134–156.

<sup>10</sup> Harsh V. Pant, ed., *Indian Foreign Policy: An Overview*, Manchester University Press, Manchester, 2016, pp. 189–207.

Southeast Asian regionalism towards an explicit Indo-Pacific framing.<sup>11</sup> The AEP elevated defence cooperation to equal standing with economic ties, committed India to accelerated infrastructure project delivery, expanded the geographic scope to include Oceania explicitly through FIPIC's institutionalisation and positioned India as an active participant in shaping, rather than observing, the regional architecture.

The policy's evolution into a comprehensive Indo-Pacific strategy occurred through three developments. Prime Minister Modi's June 2018 Shangri-La Dialogue address articulated India's Indo-Pacific objectives, emphasising territorial integrity, sovereignty, and a rules-based order, while affirming ASEAN centrality and defining the region as extending 'from the shores of Africa to the Americas.'<sup>12</sup> The November 2019 IPOI provided an actionable framework through seven thematic pillars applicable across the maritime continuum from the Indian Ocean through Southeast Asian seas to the Pacific. The Quad's operationalisation from 2017 onward—particularly its 2021 elevation to summit-level institutionalisation—embedded India within a coalition explicitly spanning both Southeast Asia (through coordinated infrastructure initiatives, maritime domain awareness, and capacity-building programmes) and Oceania (through Australia's Pacific engagement aligned with Indian outreach).<sup>13</sup> The Quad's infrastructure coordination mechanisms, vaccine diplomacy during COVID-19, climate initiatives, and critical technology partnerships represent India's most substantial attempt at economic statecraft in the Indo-Pacific, directly addressing the implementation deficits that constrained the LEP.

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<sup>11</sup> 'Remarks by Prime Minister at 12th ASEAN-India Summit,' *Ministry of External Affairs, Government of India*, November 12, 2014, at <https://www.mea.gov.in/Speeches-Statements.htm?dt1/24252/Remarks+by+Prime+Minister+at+12th+ASEAN+India+Summit>.

<sup>12</sup> 'Prime Minister's Keynote Address at Shangri La Dialogue,' *Ministry of External Affairs, Government of India*, June 01, 2018, at <https://www.mea.gov.in/Speeches-Statements.htm?dt1/29943/Prime+Ministers+Keynote+Address+at+Shangri+La+Dialogue+June+01+2018>.

<sup>13</sup> 'Joint Statement from Quad Leaders'; Australian Government Department of Foreign Affairs and Trade, 2017 *Foreign Policy White Paper*, Commonwealth of Australia, Canberra, 2017, pp. 41–46.

This Indo-Pacific strategic framework—integrating bilateral partnerships, ASEAN-centred multilateralism, minilateral coalitions such as the Quad, and thematic initiatives such as IPOI—provides the operational context for India's engagement across Southeast Asia and Oceania from 2014 to 2025. Evaluating the effectiveness of the AEP requires assessing performance across these dimensions and geographic spaces simultaneously.

## CORE THESIS AND RESEARCH QUESTIONS

This monograph argues that India's AEP from 2014 to 2025 achieved measurable success in establishing diplomatic presence and security partnerships across Southeast Asia and Oceania, but failed to convert these gains into sustainable strategic influence due to systemic implementation obstacles. These obstacles—inadequate financing mechanisms, weak bureaucratic coordination, and the inability to match China's infrastructure delivery speed and scale—appear identical across both Southeast Asian and Oceanic contexts, revealing structural rather than policy-specific constraints. India excels where diplomatic engagement, security cooperation, and disaster response prove decisive: naval exercises increase operational complexity; humanitarian assistance and disaster relief deployments enhance India's regional profile; and institutional participation secures India's representation in regional forums. However, India struggles persistently, where large-scale economic statecraft requiring rapid infrastructure delivery proves essential: connectivity projects experience multi-year delays; trade relationships display asymmetries and concentration; development financing cannot match Chinese concessional lending.<sup>14</sup> India has therefore become a credible security partner but an insufficient economic alternative to China, limiting its ability to shape regional order and constraining smaller states' options for diversifying great-power dependencies in the Indo-Pacific.

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<sup>14</sup> Rajesh Basrur, 'India's Strategic Culture and the Problem of Power,' *India Review* 18 (4), 2019, pp.352–371; Dhruva Jaishankar, 'Indian Infrastructure Diplomacy in the Indo-Pacific,' *India Review*, 19 (3), 2020, pp. 287–305.

This argument generates four research questions structuring the monograph's analysis:

*First, to what extent has India elevated its institutional profile and diplomatic standing within ASEAN mechanisms and Pacific Islands frameworks? Has ASEAN centrality genuinely shaped India's approach, as demonstrated by deference to ASEAN-led processes and support for ASEAN unity, or has it remained rhetorical? At the same time, India pursues bilateral relationships, potentially undermining collective bargaining. How effective has India been in multilateral coalition-building through the Quad, BIMSTEC, and IORA, and do these frameworks enhance or duplicate existing ASEAN-centred architecture? What explains variation in India's diplomatic success across different institutional settings?*

*Second, which bilateral security partnerships represent substantive strategic depth versus symbolic gestures, and how has India's naval diplomacy translated into operational presence and influence?* The monograph examines India's defence relationships with Vietnam, Singapore, Indonesia, Australia, and other partners to distinguish between high-visibility exercises and substantive capability transfers, intelligence sharing, and interoperability. Where do India's humanitarian assistance and disaster relief capabilities provide a competitive advantage over China's predominantly infrastructure-focused engagement? How do India's arms sales (notably the BrahMos missile system to the Philippines) affect its positioning as a credible security provider?<sup>15</sup> Do security partnerships create leverage to address implementation failures in the economic and connectivity domains, or do these remain separate tracks?

*Third, why have connectivity projects experienced persistent implementation delays, and what explains India's inability to diversify trade relationships beyond established partners?* The Kaladan Multi-Modal Transport Project, the India–Myanmar–Thailand Trilateral Highway, and port development initiatives at Sabang and Sittwe were designed as signature AEP achievements

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<sup>15</sup> 'Philippines Signs \$375 Million Deal to Acquire BrahMos Missiles from India,' *The Hindu*, January 28, 2022.

demonstrating India's infrastructure-delivery capacity. Their troubled implementation—with delays measured in years and budget overruns—demands explanation.<sup>16</sup> Similarly, India's trade with ASEAN, while growing in absolute terms, remains characterised by persistent deficits, a concentration on Singapore and Indonesia, and limited penetration by newer ASEAN members. Can India's development model, which emphasises grants, capacity building, and assistance without political conditions, compete with China's infrastructure lending model, or do resource constraints inherently limit India's competitive position? What bureaucratic, financial, and political obstacles prevent India from translating project announcements into completed infrastructure?

*Fourth, how does India's approach and performance vary across ASEAN mainland states, maritime Southeast Asia, and Pacific Islands, and what explains differential success rates?* Comparative analysis reveals whether obstacles are systemic or context-dependent. If India performs better in maritime Southeast Asia (Singapore, Indonesia) than mainland Southeast Asia (Myanmar, Cambodia, Laos), this might indicate that India's naval diplomacy leverage is geographically constrained. If performance in the Pacific Islands mirrors patterns in CLMV countries—both characterised by resource scarcity, governance difficulties, and vulnerability to Chinese infrastructure diplomacy—this suggests that India's obstacles stem from its engagement with smaller, developing states, regardless of geographic location. Such cross-regional comparison is possible only through the integrated analytical framework this monograph employs.

## SCOPE, METHODOLOGY AND STRUCTURE

The monograph's temporal scope spans 2014 to 2025, the first decade of the AEP's implementation, providing sufficient time to assess outcomes beyond initial announcements while remaining recent enough to retain policy relevance. Geographically, Part II examines ASEAN

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<sup>16</sup> David Brewster, 'An Indian Sphere of Influence in the Indian Ocean?', *Security Challenges*, 6 (3), 2010, pp. 1–20; Nilanthi Samaranyake, Satu Limaye, and Joel Wuthnow (eds.), *Warship Diplomacy, Gunboat Diplomacy and Naval Diplomacy*, National Bureau of Asian Research, Washington, DC, 2016, pp. 78–94.

and its member states, with detailed case studies of partnerships including Vietnam, Singapore, Indonesia, Thailand, and Myanmar, alongside an assessment of India's engagement with newer ASEAN members and the CLMV grouping. Part III focuses on Australia, New Zealand, and Pacific Island states, examining both bilateral relationships and multilateral frameworks like FIPIC. Thematically, the analysis spans diplomatic and institutional engagement, economic relationships including trade and investment, security cooperation encompassing defence partnerships and maritime domain awareness, and connectivity infrastructure projects.

The monograph excludes specific dimensions to maintain analytical focus: domestic Indian politics and bureaucratic processes driving foreign policy choices are addressed only where directly relevant to explaining implementation outcomes; ASEAN internal dynamics, consensus-building difficulties, and centrality debates are examined solely where they affect India's policy options; non-state actors, civil society networks, and diaspora communities receive limited attention despite their importance; detailed military capability assessments and technical defence analyses remain beyond scope. These exclusions reflect the monograph's focus on evaluating India's strategic outcomes and implementation performance rather than comprehensively mapping all aspects of India–Southeast Asia–Oceania relations.

Methodologically, the analysis combines policy document examination (official statements, joint communiqués, summit declarations, parliamentary records), quantitative assessment of measurable indicators (trade flows, project completion timelines, exercise frequency, development assistance volumes), and qualitative evaluation of strategic outcomes (diplomatic influence, partnership depth, competitive positioning relative to China). Sources include government publications, think tank reports from institutions in India, Southeast Asia, Australia, and the United States, scholarly literature, and informed media analysis. The comparative framework—systematically assessing India's performance across different countries, sectors, and regions—enables identification of patterns obscured by single-country or single-region case studies.

The monograph is organised into three parts. Part I provides a thematic assessment of India's regional engagement across security, economic, and connectivity dimensions, identifying cross-regional patterns visible only through an integrated analysis of Southeast Asia and Oceania. This part establishes the systemic nature of India's implementation obstacles and its competitive positioning relative to China. Part II examines India's relationship with ASEAN as an institution and analyses bilateral engagement with individual Southeast Asian states, differentiating between maritime and mainland Southeast Asia and between established partners and newer relationships. Part III focuses on Australia, New Zealand, and Pacific Island nations, assessing how India's engagement in Oceania both parallels and differs from its approach in Southeast Asia. The conclusion synthesises findings across all three parts to evaluate the Act East Policy's overall effectiveness and identify implications for India's Indo-Pacific strategy beyond 2025. This structure enables both granular country-specific analysis and systemic-level insights into whether India's Act East Policy has positioned India as a consequential Indo-Pacific power capable of shaping the regional order.

# PART I



# INDIA'S ENGAGEMENT WITH SOUTHEAST ASIA

## STRATEGIC RELEVANCE OF SOUTHEAST ASIA FOR INDIA

The significance of Southeast Asia in India's foreign policy is rooted in centuries of historical interaction, revived in the post-colonial era, redefined during the Cold War, and rediscovered in the post-Cold War period. Southeast Asia today occupies a central place in India's evolving strategic thinking, not merely as a geographical neighbour but as a region of economic opportunity, cultural affinity, and geostrategic importance. The launch of the *LEP* in 1991 marked India's first concerted effort to reintegrate with Southeast Asia after decades of relative estrangement, while the *AEP*, declared in 2014, sought to move from rhetorical engagement to concrete strategic, economic, and defence partnerships. The transformation of Look East into Act East was not just semantic but represented India's recognition that it needed to deepen and operationalise its ties with the region in light of shifting power dynamics, the rise of China, and the Indo-Pacific's emergence as the centre of global geopolitics. A decade of the AEP has enabled India to expand its political-security, economic and socio-cultural ties with ASEAN. This is on account of shared interest driven by the shifts in the geopolitical and economic landscape. India has been an active participant in the ASEAN+1 and its various mechanisms, enabling its effort to ensure an Indo-Pacific centred on inclusivity, rules-based order, peace, and stability.

## HISTORICAL CONNECTIONS BETWEEN INDIA AND SOUTHEAST ASIA

India's links with Southeast Asia stretch back more than two millennia, encompassing religious, cultural, commercial, and maritime interactions. The spread of Hinduism and Buddhism from the Indian subcontinent to kingdoms in present-day Indonesia, Cambodia, Thailand, and Vietnam illustrates the depth of this civilisational influence. The

magnificent temples of Angkor Wat in Cambodia and Borobudur in Indonesia, the Ramayana and Mahabharata epics woven into Southeast Asian folklore, and enduring linguistic and architectural legacies reflect India's cultural imprint on the region.<sup>17</sup> Indian traders were deeply embedded in the maritime commerce of the Bay of Bengal and beyond, linking ports on the Coromandel and Malabar coasts with Sumatra, Java, and the Malay Peninsula. The Chola dynasty's naval expeditions in the eleventh century extended Indian influence into maritime Southeast Asia, underscoring the region's importance in India's strategic horizon.<sup>18</sup>

This civilisational connect created a reservoir of goodwill and cultural familiarity that contemporary policymakers have sought to draw upon. When India revived its interest in Southeast Asia in the 1990s, this shared heritage was frequently invoked as a form of 'soft power' that differentiated India's engagement from that of other major powers such as China or the United States.<sup>19</sup>

## POST-COLONIAL ENGAGEMENT

The post-colonial era opened new opportunities for India and Southeast Asia to cooperate as newly independent states navigating Cold War rivalries. The 1955 Bandung Conference, a milestone in Asian–African solidarity, brought together India and several Southeast Asian nations under the principles of non-alignment, anti-colonialism, and cooperation among the Global South.<sup>20</sup> Jawaharlal Nehru's India sought to position

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<sup>17</sup> Hermann Kulke and Dietmar Rothermund, *A History of India*, 6th ed., Routledge, London, 2016, pp. 103–118.

<sup>18</sup> K. A. Nilakanta Sastri, *The Cholas*, University of Madras, Madras, 1935, pp. 215–221.

<sup>19</sup> Amitav Acharya, *Constructing a Security Community in Southeast Asia*, Routledge, London, 2009, pp. 23–25.

<sup>20</sup> Bandung Conference, 'Final Communiqué of the Asian–African Conference of Bandung,' April 24, 1955, at [https://www.cvce.eu/en/obj/final\\_communique\\_of\\_the\\_asian\\_african\\_conference\\_of\\_bandung\\_24\\_april\\_1955-en-7df8e3e-0042-4ab2-b350-77488c7f9e0e.html](https://www.cvce.eu/en/obj/final_communique_of_the_asian_african_conference_of_bandung_24_april_1955-en-7df8e3e-0042-4ab2-b350-77488c7f9e0e.html) (Accessed December 8, 2025).

itself as a moral and political leader of decolonising Asia, and shared experiences of colonial domination provided a foundation for engagement.

However, India's domestic economic orientation towards self-reliance and import substitution, combined with its non-aligned foreign policy, limited deeper economic or strategic ties with Southeast Asia.<sup>21</sup> Moreover, newly independent Southeast Asian states, wary of communism and often aligning with Western security arrangements like The Southeast Asia Treaty Organization (SEATO), perceived India's tilt towards the Soviet Union as incompatible with their security concerns.<sup>22</sup>

## COLD WAR DYNAMICS

The Cold War created a structural barrier in India–Southeast Asia relations. ASEAN, established in 1967, evolved as a grouping of states aligned broadly with the Western bloc, aimed at containing communism and ensuring regional stability through US-backed security frameworks.<sup>23</sup> India, meanwhile, moved closer to the Soviet Union, particularly after the 1971 Indo-Soviet Treaty of Peace, Friendship and Cooperation.<sup>24</sup>

As a result, India's engagement with ASEAN remained minimal, and Southeast Asia was effectively absent from New Delhi's strategic priorities for much of the Cold War.<sup>25</sup> Economic stagnation within

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<sup>21</sup> Surjit Mansingh, *India's Search for Power: Indira Gandhi's Foreign Policy, 1966–1982*, Sage, New Delhi, 1984, pp. 43–47.

<sup>22</sup> Richard Stubbs, 'The ASEAN Alternative? Ideas, Institutions and the Challenge to 'Global' Governance,' *The Pacific Review*, 21 (4), 2008, pp. 451–468.

<sup>23</sup> Amitav Acharya, *East of India, South of China: Sino–Indian Encounters in Southeast Asia*, Oxford University Press, New Delhi, 2017, pp. 92–97.

<sup>24</sup> Rajesh Basrur, 'India's Policy Towards Southeast Asia,' *Asian Survey*, 34 (3), 1994, pp. 237–250.

<sup>25</sup> C. Raja Mohan, *Crossing the Rubicon: The Shaping of India's New Foreign Policy*, Viking, New Delhi, 2003, pp. 165–170.

India and ASEAN's focus on integrating with global markets reinforced this distance. By the 1980s, however, India began to realise that its estrangement from Southeast Asia was detrimental to its long-term strategic interests.

## POST-COLD WAR REDISCOVERY AND THE LEP

The end of the Cold War, coupled with India's balance-of-payments crisis in 1991, forced a fundamental reorientation of its foreign and economic policies. The liberalisation reforms initiated by Prime Minister P.V. Narasimha Rao and Finance Minister Manmohan Singh emphasised integration into global markets and greater regional engagement.<sup>26</sup> Against this backdrop, the *LEP* was launched in 1991, signalling India's rediscovery of Southeast Asia as both an economic partner and a strategic priority.

The LEP was primarily economic in its initial phase. India sought to boost trade and investment with ASEAN, participate in regional economic forums, and position itself within the Asia-Pacific growth story.<sup>27</sup> This economic focus gradually evolved into a broader engagement encompassing security and political dimensions, as seen in India's accession to ASEAN's dialogue partnerships, participation in the ASEAN Regional Forum (ARF), and eventual inclusion in the East Asia Summit.<sup>28</sup> By the late 2000s, India had signed free trade agreements

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<sup>26</sup> V.V.Bhanoji Rao, 'Indian economic reforms and ASEAN-India economic relations', *Journal of Asian Economics*, 7 (4), Winter 1996, pp. 759–768, at [https://doi.org/10.1016/S1049-0078\(96\)90066-4](https://doi.org/10.1016/S1049-0078(96)90066-4) (Accessed September 6, 2025).

<sup>27</sup> Ian Storey, 'India's Strategic Engagement with Southeast Asia,' *Contemporary Southeast Asia*, 33 (2), 2011, pp. 274–300.

<sup>28</sup> Karthik Nachiappan, 'India–ASEAN Relations: Riding and Transcending the 'Indo-Pacific' Wave,' *The Journal of Indian and Asian Studies*, 02 (02), 2021, 2140004, at <https://doi.org/10.1142/S2717541321400040>.

with ASEAN covering goods and services, reflecting tangible progress under the Look East framework.<sup>29</sup>

## RELEVANCE OF SOUTHEAST ASIA IN THE LEP

Southeast Asia's strategic location, straddling the Indian and Pacific Oceans, and hosting critical maritime chokepoints such as the Malacca Strait, made it indispensable to India's security and economic interests.<sup>30</sup> Over 90 per cent of India's trade by volume passes through sea routes, with Southeast Asia forming the vital link to East Asian markets. Furthermore, ASEAN's collective weight as one of the world's fastest-growing economic regions made it an essential partner for India's economic diplomacy.<sup>31</sup>

Culturally, the LEP tapped into the historical memory of India–Southeast Asia interactions, promoting initiatives such as the revival of Nalanda University and Buddhist tourism circuits. These soft-power tools were meant to create a distinctive Indian identity in Southeast Asia, complementing trade and strategic ties.<sup>32</sup>

## THE IMPERATIVES FOR THE AEP

Despite its achievements, the LEP faced limitations. While it succeeded in building frameworks for cooperation, India's engagement was often

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<sup>29</sup> ASEAN Secretariat, 'Framework Agreement on Comprehensive Economic Cooperation Between the Republic of India and the Association of Southeast Asian Nations, Bali,' October 8, 2003, at <https://asean.org/framework-agreement-on-comprehensive-economic-cooperation-between-the-republic-of-india-and-the-association-of-southeast-asian-nations-bali/> (Accessed September 6, 2025).

<sup>30</sup> David Brewster, *India's Ocean: The Story of India's Bid for Regional Leadership*, Routledge, London, 2014, pp. 96–98.

<sup>31</sup> Soumya Bhowmick and Tanisha Paul, 'India's Evolving Trade Strategy with ASEAN,' *Orfonline.Org*, 31 August 2024, at <https://www.orfonline.org/expert-speak/india-s-evolving-trade-strategy-with-asean>. (Accessed September 6, 2025).

<sup>32</sup> Sarita Dash, *Cultural Dimensions of India's Look-Act East Policy: A Study of Southeast Asia*, 1st ed., Palgrave Macmillan, Singapore, 2023, pp. 73-113.

criticised as being more declaratory than action-oriented. Connectivity projects such as the India–Myanmar–Thailand Trilateral Highway and the Kaladan Multi-Modal Transit Transport Project suffered chronic delays.<sup>33</sup> India’s trade with ASEAN, though growing, lagged behind its potential and remained overshadowed by China’s massive economic footprint in the region.<sup>34</sup>

By the early 2010s, regional geopolitics had undergone a dramatic shift. China’s rise as an assertive regional power, particularly its militarisation of the South China Sea, raised concerns among Southeast Asian states.<sup>35</sup> The United States’ ‘pivot to Asia’ under President Obama and Japan’s efforts to enhance security partnerships underscored the emergence of the Indo-Pacific as the new strategic theatre.<sup>36</sup> For India, these developments demanded a more proactive and strategic approach to Southeast Asia.

It was against this backdrop that Prime Minister Narendra Modi launched the *AEP* in 2014.<sup>37</sup> The transformation from ‘Look’ to ‘Act’ was more than rhetorical. It reflected the recognition that India needed to:

- a) Move beyond symbolic diplomacy to deliver concrete outcomes.

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<sup>33</sup> Sanjay Pulipaka, ‘India – Myanmar Connectivity: A Strategic Imperative,’ *ICRIER Issue Brief* 3 (1), 2013, [https://icrier.org/ICRIER\\_Wadhvani/Index\\_files/issue%20Brief-%2031-March-2013.pdf](https://icrier.org/ICRIER_Wadhvani/Index_files/issue%20Brief-%2031-March-2013.pdf).

<sup>34</sup> Danielle Rajendram, *India’s New Asia-Pacific Strategy: Modi Acts East*, Lowy Institute for International Policy, Sydney, 2014.

<sup>35</sup> Carlyle A. Thayer, ‘Chinese Assertiveness in the South China Sea and Southeast Asian Responses,’ *Journal of Current Southeast Asian Affairs*, 30 (2), 2011, at <https://doi.org/10.1177/186810341103000205>. (Accessed September 8, 2025).

<sup>36</sup> Hillary Clinton, ‘America’s Pacific Century and the Pivot to Asia,’ *Foreign Policy*, November 2011, <https://foreignpolicy.com/2011/10/11/americas-pacific-century/>.

<sup>37</sup> ‘Prime Minister’s Remarks at the 9th East Asia Summit, Nay Pyi Taw, Myanmar,’ *Ministry of External Affairs, Government of India*, at [https://mea.gov.in/Speeches-Statements.htm?dt1/24238/Prime\\_Ministers\\_remarks\\_at\\_the\\_9th\\_East\\_Asia\\_Summit\\_Nay\\_Pyi\\_Taw\\_Myanmar](https://mea.gov.in/Speeches-Statements.htm?dt1/24238/Prime_Ministers_remarks_at_the_9th_East_Asia_Summit_Nay_Pyi_Taw_Myanmar). (Accessed September 10, 2025).

- b) Deepen defence and security cooperation with Southeast Asian states.
- c) Strengthen physical and institutional connectivity to integrate India with the ASEAN economy.
- d) Position itself as a resident power in the Indo-Pacific, balancing China and contributing to regional security.<sup>38</sup>

The AEP thus broadened the scope of engagement, explicitly incorporating strategic and defence dimensions alongside economic and cultural ties. It placed greater emphasis on subregional cooperation through forums such as BIMSTEC and the Mekong–Ganga Cooperation, highlighting the importance of India's Northeast as a gateway to Southeast Asia.<sup>39</sup>

The need to transition from Look East to Act East stemmed from three imperatives. First, ASEAN centrality in regional multilateralism meant India had to be visibly present to remain relevant in the Indo-Pacific strategic calculus. Second, China's growing dominance in Southeast Asia threatened to marginalise India economically and strategically unless New Delhi could present itself as a credible alternative partner. Third, domestic imperatives of developing India's Northeast required cross-border connectivity and integration with neighbouring Southeast Asia.

In essence, the AEP represented the maturation of India's Southeast Asia engagement from aspiration to execution, from rhetoric to strategic intent.

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<sup>38</sup> Narendra Modi, 'Prime Minister's Keynote Address at Shangri La Dialogue (June 01, 2018),' *Ministry of External Affairs, Government of India*, at <https://mea.gov.in/Speeches-Statements.htm?dt1/29943/Prime+Ministers+Keynote+Address+at+Shangri+La+Dialogue+June+01+2018>. (Accessed September 10, 2025).

<sup>39</sup> 'QUESTION NO.26 ACT EAST POLICY,' *Ministry of External Affairs, Government of India*, at <https://mea.gov.in/rajya-sabha.htm?dt1/27982/question+no26+act+east+policy>. (Accessed September 10, 2025).

## POLITICAL–DIPLOMATIC ENGAGEMENT

Since 2014, India has made a conscious effort to elevate ASEAN's role within its foreign policy matrix. The Modi government has prioritised participation in ASEAN-led multilateral forums, such as the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), and the ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus). These platforms allow India to engage not just bilaterally with individual states but also collectively, reinforcing ASEAN centrality in the regional security architecture.

A landmark demonstration of this prioritisation was the 2018 ASEAN–India Commemorative Summit in New Delhi, marking 25 years of dialogue partnership. For the first time in history, leaders from all ten ASEAN countries were invited as chief guests for India's Republic Day parade.<sup>40</sup> This act of symbolic statecraft underscored India's recognition of ASEAN as a unified regional partner.

In 2022, India and ASEAN elevated their relationship to a Comprehensive Strategic Partnership (CSP), marking a significant milestone in their diplomatic ties. The upgrade to a CSP signifies a substantial deepening and broadening of India–ASEAN relations, transitioning from primarily economic interactions to a comprehensive strategic alliance. This agreement represents the culmination of decades of collaboration and reflects a shared commitment to maintaining a rules-based regional order, emphasising ASEAN centrality and promoting sustainable development in the Indo-Pacific region.<sup>41</sup>

India has significantly deepened its bilateral ties with several ASEAN states as part of its AEP and its vision for a free and open Indo-

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<sup>40</sup> 'ASEAN–India Commemorative Summit 2018,' *Ministry of External Affairs, Government of India*, January 25, 2018, at <https://www.mea.gov.in/aseanindia-summit-2018.htm> (Accessed September 18, 2025).

<sup>41</sup> Rathindra Kuruwita, 'India and ASEAN Upgrade Their Partnership,' *The Diplomat*, November 25, 2022, at <https://thediplomat.com/2022/11/india-and-asean-upgrade-their-partnership/> (Accessed September 1, 2025).

Pacific. Relations with Vietnam have matured into a Enhanced Comprehensive Strategic Partnership,<sup>42</sup> anchored by high-level defence diplomacy and a shared interest in maintaining stability in the South China Sea. Similarly, the 2018 elevation of ties with Indonesia reflects a strong maritime convergence, exemplified by the 'Shared Vision on Maritime Cooperation in the Indo-Pacific.'<sup>43</sup>

Singapore remains India's most vital economic gateway in the region, serving as its largest trade and investment partner and a central pillar for defence training. Meanwhile, Myanmar presents a more complex landscape; as a critical land bridge to Southeast Asia, India continues to balance its democratic values with geostrategic imperatives, maintaining pragmatic engagement with the military leadership to ensure border security. Looking ahead, the designation of 2026 as the ASEAN–India Year of Maritime Cooperation signals a continued commitment to strengthening these regional bonds through joint naval exercises and sustainable blue economy initiatives.<sup>44</sup> We will discuss all the ASEAN countries in detail in Part II of this monograph.

## INDO-PACIFIC CONVERGENCE

India has also aligned itself with ASEAN's 'Outlook on the Indo-Pacific' (AOIP), released in 2019. The AOIP emphasises inclusivity,

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<sup>42</sup> India-Vietnam Joint Statement during State Visit of President to Vietnam,' *Ministry of External Affairs, Government of India*, November 21, 2018, at [https://www.mea.gov.in/bilateraldocuments.htm?dtl/30615/IndiaVietnam\\_Joint\\_Statement\\_during\\_State\\_Visit\\_of\\_President\\_to\\_Vietnam](https://www.mea.gov.in/bilateraldocuments.htm?dtl/30615/IndiaVietnam_Joint_Statement_during_State_Visit_of_President_to_Vietnam) (Accessed September 1, 2025).

<sup>43</sup> 'Shared Vision of India-Indonesia Maritime Cooperation in the Indo-Pacific,' *Ministry of External Affairs, Government of India*, May 30, 2018, at [https://www.mea.gov.in/bilateral-documents.htm?dtl/29933/Shared\\_Vision\\_of\\_IndiaIndonesia\\_Maritime\\_Cooperation\\_in\\_the\\_IndoPacific](https://www.mea.gov.in/bilateral-documents.htm?dtl/29933/Shared_Vision_of_IndiaIndonesia_Maritime_Cooperation_in_the_IndoPacific) (Accessed September 1, 2025).

<sup>44</sup> 'Press Statement on developments in Myanmar,' *Ministry of External Affairs, Government of India*, February 1, 2021, at <https://www.mea.gov.in/pressreleases.htm?dtl%2F33434%2FPress+Statement+on+developments+in+Myanmar> (Accessed September 4, 2025).

ASEAN centrality, and a rules-based maritime order.<sup>45</sup> India's support for the AOIP demonstrates its attempt to position itself as a benign, cooperative power that complements ASEAN's vision<sup>46</sup>, in contrast to the often divisive dynamics of US–China competition.

## **Economic and Connectivity Initiatives: Trade and Investment Trends**

ASEAN is India's fourth-largest trading partner, with bilateral trade reaching USD 122.67 billion during 2023–24.<sup>47</sup> However, India's persistent trade deficit with ASEAN, which stood at USD 43.57 billion in 2022–23, highlights structural imbalances. India's exports remain concentrated in petroleum, machinery, and agricultural products, while imports are dominated by electronics, machinery, and palm oil. Singapore accounts for the bulk of ASEAN's investment flows into India, underscoring the limited diversification of capital inflows.

India signed the ASEAN–India Free Trade Agreement (AIFTA) in goods (2010) and services and investment (2015). However, the Indian industry has criticised the agreement for uneven market access and alleged misuse of rules of origin by third countries, particularly China. In 2022, ASEAN and India agreed to review the AIFTA to make it

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<sup>45</sup> 'ASEAN outlook on the Indo-Pacific,' *ASEAN Secretariat*, June 2029, at [https://asean.org/wp-content/uploads/2021/01/ASEAN-Outlook-on-the-Indo-Pacific\\_FINAL\\_22062019.pdf](https://asean.org/wp-content/uploads/2021/01/ASEAN-Outlook-on-the-Indo-Pacific_FINAL_22062019.pdf)

<sup>46</sup> 'Joint Statement on Strengthening ASEAN-India Comprehensive Strategic Partnership for Peace, Stability and Prosperity in the Region in the context of the ASEAN Outlook on the Indo-Pacific (AOIP) with the support of India's Act East Policy (AEP),' *The ASEAN Secretariat*, October 10, 2024 at <https://asean.org/joint-statement-on-strengthening-asean-india-comprehensive-strategic-partnership-for-peace-stability-and-prosperity-in-the-region-in-the-context-of-the-asean-outlook-on-the-indo-pacific-aoip-with-t/> (Accessed September 4, 2025).

<sup>47</sup> '4th Meeting of ASEAN-India Trade in Goods Agreement Joint Committee,' *Ministry of Commerce & Industry, Press Information Bureau*, May 12, 2024, at <https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2020351&reg=3&lang=2> (Accessed September 4, 2025).

‘more user-friendly, simple, and trade-facilitative’. Both sides have agreed to conclude the review of the existing free-trade agreement (FTA) in goods by 2026.<sup>48</sup>

## Connectivity Projects

Connectivity has been the flagship agenda of India's AEP. Key initiatives include:

- **India–Myanmar–Thailand (IMT) Trilateral Highway:** Designed to link Moreh in India's Manipur state to Mae Sot in Thailand via Myanmar, the project remains delayed, largely due to conflict and instability in Myanmar.<sup>49</sup> Completion timelines have been repeatedly pushed back, though India remains committed to its eventual realisation.
- **Kaladan Multi-Modal Transit Transport Project (KMMTTP):** Aims to link Kolkata to Sittwe Port in Myanmar by sea, then via inland waterways and road to India's Mizoram. Though partially operational, the project has suffered cost escalations and delays.<sup>50</sup>
- **Digital Connectivity:** India has committed USD 1 billion in Line of Credit to ASEAN for enhancing digital and physical

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<sup>48</sup> Shreya Nandi, ‘India, ASEAN to conclude review of existing free-trade agreement by 2025,’ *Business Standard*, August 21, 2023, at [https://www.business-standard.com/economy/news/india-asean-likely-to-conclude-free-trade-agreement-review-by-2025-123082100820\\_1.html](https://www.business-standard.com/economy/news/india-asean-likely-to-conclude-free-trade-agreement-review-by-2025-123082100820_1.html) (Accessed September 4, 2025).

<sup>49</sup> Keshav Padmanabhan Krishnankutty Pia, ‘India-Myanmar-Thailand Highway — Final Piece of the Puzzle in New Delhi's Atlantic to Pacific Push,’ *ThePrint*, April 04, 2024, at <https://theprint.in/diplomacy/india-myanmar-thailand-highway-final-piece-of-the-puzzle-in-new-delhis-atlantic-to-pacific-push/2027359/>. (Accessed September 4, 2025).

<sup>50</sup> Ministry of External Affairs, ‘Question No-1411 Kaladan Multi Modal Transit Transport Project,’ July 28, 2023, at <https://www.mea.gov.in/lok-sabha.htm?dt1/36922/QUESTION+NO1411+KALADAN+MULTI+MODAL+TRANSIT+TRANSPORT+PROJECT>.

connectivity, including fibre optic networks and e-governance platforms.<sup>51</sup>

## **Air and People-to-People Connectivity**

Air connectivity has expanded with direct flights between India and major ASEAN cities such as Singapore, Bangkok, Kuala Lumpur, and Hanoi. However, compared with India's links to West Asia and Europe, air connections to Southeast Asia remain underdeveloped. Cultural linkages, including Buddhist tourism circuits and youth exchanges, have been promoted to strengthen people-to-people ties.

## **Defence and Security Cooperation**

India–ASEAN defence cooperation has evolved as a key pillar of their strategic partnership, reflecting shared concerns over maritime security, regional stability, and freedom of navigation in the Indo-Pacific. Regular exchanges, such as the ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus), joint naval exercises, and coordinated patrols, highlight India's role as a preferred security partner and its commitment to capacity-building in Southeast Asia. New Delhi's initiatives, including training programmes, defence dialogues, and technology sharing, strengthen ASEAN states' ability to address non-traditional threats such as piracy, terrorism, and humanitarian disasters.

## **Maritime Security Engagement**

India–Southeast Asia maritime security cooperation has become a cornerstone of their strategic engagement, driven by shared concerns over sea lane security and ensuring good order at sea in

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<sup>51</sup> Special Correspondent, 'Connectivity: India Offers ASEAN \$1 Billion,' Economy, *The Hindu*, January 24, 2018, at <https://www.thehindu.com/business/Economy/connectivity-india-offers-asean-1-billion/article22514799.ece>. (Accessed September 4, 2025).

India has expanded naval exercises with ASEAN states:

- **SIMBEX (Singapore–India Maritime Bilateral Exercise):** Now a large-scale annual drill involving advanced anti-submarine warfare and air–sea coordination.
- **Vietnam:** India has transferred patrol vessels and extended Lines of Credit for defence procurement.
- **Joint Coordinated Patrol:** India has conducted Joint patrols with Indonesia, Thailand and Myanmar in the Andaman Sea and the Malacca Strait, addressing piracy and illegal fishing.

### **Training and Visits**

India has increased its defence exports to ASEAN, notably to Vietnam and the Philippines, while offering training through the Indian Technical and Economic Cooperation (ITEC) programme. Agreements on logistics support with Singapore and Indonesia allow reciprocal access to naval bases, enhancing India's ability to project power and sustain presence.

### **Strategic Convergence**

India's emphasis on UNCLOS-based maritime order resonates with ASEAN concerns about China's militarisation of the South China Sea. By positioning itself as a rules-based partner, India enhances its credibility as a balancer in the Indo-Pacific security order.

### **Defence Industrial Cooperation**

India's defence exports to Southeast Asian countries form an important dimension of its AEP, aimed at deepening strategic and security partnerships. New Delhi has supplied equipment such as naval patrol vessels, offshore patrol ships, and surveillance systems to nations like Myanmar, Vietnam, the Philippines, and Indonesia, while also offering lines of credit for defence procurement. By positioning itself as a reliable and cost-effective source of defence hardware, India not only promotes regional security cooperation but also strengthens its own defence industry and strategic influence in the Indo-Pacific.

## ASSESSMENT OF ACHIEVEMENTS

Since the launch of the AEP in 2014, India has pursued a multi-pronged engagement with Southeast Asia, aiming to consolidate its strategic presence in a region marked by complex geopolitics and rapid economic transformation. Evaluating the achievements of India's foreign policy in the region requires examining four interlinked dimensions: political and diplomatic visibility, security and defence cooperation, economic and connectivity initiatives, and socio-cultural and normative engagement. While challenges persist, India's record demonstrates substantive gains that have elevated its profile as both a developmental partner and a security stakeholder.

### Political and Diplomatic Engagement

At the political level, India has succeeded in cementing its presence within ASEAN-led institutions. Prime Minister Narendra Modi has consistently attended EAS, ASEAN–India Summits, and related meetings, signalling continuity in India's commitment to 'ASEAN centrality' and regional multilateralism. This stands in contrast to major powers such as the United States, whose leadership attendance at ASEAN forums has often fluctuated. India's political visibility was particularly noteworthy in 2018 when Modi delivered the keynote address at the Shangri-La Dialogue in Singapore, outlining India's Indo-Pacific vision rooted in inclusivity, openness, and respect for international law.<sup>52</sup> This intervention was received positively by ASEAN states, many of whom seek to balance great-power rivalries without taking sides.

Another achievement lies in India's ability to balance bilateralism with multilateralism. For example, India has upgraded its partnerships to the level of 'CSP' with several Southeast Asian states. Simultaneously, India has ensured that these deepened bilateral ties complement rather than undermine its commitment to ASEAN centrality. As highlighted earlier, India also elevated its partnership with ASEAN to the level of

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<sup>52</sup> Narendra Modi, 'Prime Minister's Keynote Address at Shangri La Dialogue (June 01, 2018),' Ministry of External Affairs, Government of India, at <https://mea.gov.in/Speeches-Statements.htm?dt1/29943/Prime+Ministers+Keynote+Address+at+Shangri+La+Dialogue+June+01+2018>. (Accessed September 10, 2025).

CSP in November 2022. This dual approach enhances India's credibility as a reliable partner in the region.

## Security and Defence Cooperation

Defence cooperation represents one of the most visible achievements of India's engagement with Southeast Asia since 2014. India's defence and security engagement with Southeast Asian countries has grown significantly in scope, depth, and strategic importance.<sup>53</sup> This expansion is driven by common concerns over regional stability, securing critical SLOCs, and balancing China's assertiveness in the Indo-Pacific.

India has deepened bilateral defence ties with key Southeast Asian countries such as Vietnam, Singapore, Indonesia, the Philippines, Malaysia, and Thailand through a mix of joint military exercises, training exchanges, defence dialogues, technology transfers, and naval visits. Notably, India has conducted regular joint exercises like SIMBEX with Singapore and Garuda Shakti with Indonesia, reinforcing interoperability and strategic trust.<sup>54</sup>

India has also increased defence logistics cooperation, including agreements allowing reciprocal access to naval bases with Singapore and coordinated patrols with Vietnam, supporting maritime security in contested waters. Defence sales and joint production collaborations have expanded, exemplified by the landmark export of BrahMos supersonic cruise missiles to the Philippines and ongoing talks for arms procurement with Vietnam.<sup>55</sup>

<sup>53</sup> Rahman Yaacob et al., *Southeast Asia's Evolving Defence Partnerships*, Lowy Institute, 2025, at <https://www.lowyinstitute.org/publications/southeast-asia-s-evolving-defence-partnerships>. (Accessed September 3, 2025).

<sup>54</sup> Sripathi Narayanan, 'India's Military Diplomatic Engagement with Southeast Asia,' *Indian Council of World Affairs, Government of India*, September 14, 2022, at [https://icwa.in/show\\_content.php?lang=1&level=3&ls\\_id=11173&lid=5288](https://icwa.in/show_content.php?lang=1&level=3&ls_id=11173&lid=5288). (Accessed September 4, 2025).

<sup>55</sup> 'India Sends Second Batch of BrahMos Missiles to Philippines, Strengthening Indo-Pacific Security,' *The Economic Times*, New Delhi, April 21, 2025, at <https://economictimes.indiatimes.com/news/defence/india-sends-second-batch-of-brahmos-missiles-to-philippines-strengthening-indo-pacific-security/articleshow/120474231.cms?from=mdr>. (Accessed September 4, 2025).

At the multilateral level, India has contributed actively to the ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus), particularly through joint exercises and humanitarian assistance and disaster relief (HADR) missions. India's participation in multilateral naval exercises such as those under the ADMM-Plus and its own initiatives like the MILAN exercises in the Bay of Bengal and Andaman Sea further reflect its achievements in fostering a cooperative security architecture.

## **Economic and Connectivity Achievements**

Economically, India–ASEAN trade has expanded significantly. ASEAN collectively has emerged as one of India's largest trading partners. The ASEAN–India FTA (AIFTA), which came into effect in 2010, has underpinned this growth, although India continues to seek renegotiation of some provisions to address trade imbalances.

Land connectivity has been another area of achievement, albeit one marked by slow progress. Air connectivity has improved as well, with direct flights linking Indian metros to ASEAN capitals and secondary cities, boosting tourism and business. The 'ASEAN–India Air Transport Agreement,' finalised in 2019, aims to further liberalise air connectivity.<sup>56</sup> Digital connectivity has also emerged as a new frontier, with India launching initiatives to provide e-networking and digital capacity-building to the CLMV (Cambodia, Laos, Myanmar, and Vietnam) countries.<sup>57</sup>

Investment flows between India and ASEAN have deepened, particularly in information technology, pharmaceuticals, and renewable energy. Indian companies, such as Tata and Adani, have explored

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<sup>56</sup> ASEAN Secretariat, Chairman's Statement of the 16th ASEAN-India Summit Bangkok/Nonthaburi, November 3, 2019, at [https://Asean.Org/Wp-Content/Uploads/2019/11/13400\\_FINAL-Chairmans-Statement-Of-The-16th-ASEAN-India-Summit.Pdf](https://Asean.Org/Wp-Content/Uploads/2019/11/13400_FINAL-Chairmans-Statement-Of-The-16th-ASEAN-India-Summit.Pdf).

<sup>57</sup> 'Digital Villages to Be Set up by India in Four ASEAN Countries,' *Press Information Bureau*, November 29, 2018, at <https://www.pib.gov.in/www.pib.gov.in/Pressreleaseshare.aspx?PRID=1554230>. (Accessed September 6, 2025).

investments in Indonesia, Vietnam, and Myanmar, while ASEAN investors have increased their presence in India's infrastructure and services sectors.

## Socio-Cultural and Normative Dimensions

The AEP has also yielded achievements in socio-cultural diplomacy. India has emphasised civilisational linkages with Southeast Asia, promoting shared Buddhist heritage, maritime history, and people-to-people exchanges. Initiatives such as the ASEAN–India Network of Think Tanks, the Youth Summit, and the Students' Exchange Programme have created platforms for dialogue and capacity-building.

Normatively, India has projected itself as a responsible stakeholder committed to international law, freedom of navigation, and peaceful resolution of disputes.<sup>58</sup> This normative stance resonates with ASEAN states that seek to uphold a rules-based order in the face of Chinese assertiveness in the South China Sea. India's endorsement of the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and support for ASEAN's outlook on the Indo-Pacific (AOIP) highlight converging principles.<sup>59</sup>

India's humanitarian and development assistance has further enhanced its image. Following the COVID-19 pandemic, India supplied vaccines to several Southeast Asian states under its 'Vaccine Maitri' programme, thereby demonstrating its capacity as a provider of public goods in the region.<sup>60</sup>

<sup>58</sup> Abhay K Singh, 'India as a Net Security Provider in the Indian Ocean Region: The Strategic Approach of a Responsible Stakeholder,' in Jivanta Schottli (ed.), *Maritime Governance and South Asia: Trade, Security and Sustainable Development in the Indian Ocean*, World Scientific, 2018.

<sup>59</sup> Joanne Lin, 'Can ASEAN and India Share a Common Outlook and Approach in the Indo-Pacific?', *ISEAS – Yusof Ishak Institute: Perspectives, Singapore*, 2022, 87 (022), at [https://www.iseas.edu.sg/wp-content/uploads/2022/08/ISEAS\\_Perspective\\_2022\\_87.pdf](https://www.iseas.edu.sg/wp-content/uploads/2022/08/ISEAS_Perspective_2022_87.pdf).

<sup>60</sup> 'Statement by External Affairs Minister in Lok Sabha on the Vaccine Maitri Initiative,' *Ministry of External Affairs, Government of India*, at <https://mea.gov.in/Speeches-Statements.htm?dtl/33655/statement+by+external+affairs+minister+in+lok+sabha+on+the+vaccine+maitri+initiative>. (Accessed September 10, 2025).

## Maritime and Indo-Pacific Achievements

The Indo-Pacific concept represents one of India's most significant diplomatic achievements in Southeast Asia since 2014. By aligning its Indo-Pacific vision with ASEAN's AOIP, India has avoided the perception of undermining ASEAN centrality while simultaneously advancing its strategic interests.<sup>61</sup> Modi's articulation of the IPOI in 2019 identified seven pillars, ranging from maritime ecology to disaster risk reduction, and opened avenues for collaboration with ASEAN partners.<sup>62</sup>

India's increasing naval presence in the South China Sea, through goodwill visits, exercises, and passage operations, has underscored its growing role as a maritime balancer. Joint patrols with Indonesia and coordinated patrols with Myanmar and Thailand have expanded the scope of regional maritime security cooperation.

## CHALLENGES AND CONSTRAINTS

Taken together, India's foreign policy achievements in Southeast Asia since 2014 reflect a blend of diplomatic visibility, defence outreach, economic engagement, connectivity progress, and normative alignment. While gaps remain in execution and trade imbalances persist, India has undeniably moved beyond symbolic engagement to substantive partnerships. By deepening bilateral ties without undermining ASEAN centrality, expanding defence exports, advancing connectivity projects, and reinforcing shared values, India has positioned itself as a credible and responsible actor in Southeast Asia. These achievements form the foundation upon which India can address the challenges that continue to shape its engagement in the region.

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<sup>61</sup> C. Raja Mohan, 'From Looking East to Acting East,' *Carnegie Endowment for International Peace*, January 26, 2015, at <https://carnegieendowment.org/posts/2015/01/from-looking-east-to-acting-east?lang=en>. (Accessed September 10, 2025).

<sup>62</sup> Prime Minister's Speech at the East Asia Summit, *Ministry of External Affairs, Government of India*, November 4, 2019, at [https://www.mea.gov.in/Speeches-Statements.htm?dt1/32171/Prime\\_Ministers\\_Speech\\_at\\_the\\_East\\_Asia\\_Summit\\_04\\_November\\_2019](https://www.mea.gov.in/Speeches-Statements.htm?dt1/32171/Prime_Ministers_Speech_at_the_East_Asia_Summit_04_November_2019).

Despite progress across multiple domains, India's expanded engagement in Southeast Asia continues to encounter substantial structural constraints. These constraints are rooted in both regional geopolitical and geo-economic shifts, along with enduring domestic constraints. India's most formidable challenge in Southeast Asia is managing strategic competition with China. China's BRI, which has injected vast sums into Southeast Asian infrastructure, trade, and digital ecosystems, far outpaces India's capacity or speed. The region's economic gravity continues to tilt toward China: ASEAN–China trade, for example, surpassed USD 900 billion as of 2024, while India–ASEAN trade was approximately USD 131.5 billion—a stark gap that raises questions about India's depth of engagement.<sup>63</sup>

China's assertive posture—in the South China Sea, through land reclamation, militarisation, and rejection of international legal rulings—was met with concern by Southeast Asian states, but most regional players prefer hedging rather than outright alignment with New Delhi.<sup>64</sup> While Southeast Asian countries value their partnership with India in the economic and strategic realm, its strategic weight is limited by China's overwhelming economic and geographic advantages.

## **Economic and Investment Limitations**

Although trade volumes have increased, India's trade relations with Southeast Asia remain marked by deficits and limited depth. Over 95% of India's FDI in ASEAN remains concentrated in Singapore, with only modest flows to countries like Vietnam, Indonesia, and Cambodia. Structural barriers, regulatory complexity, protectionist

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<sup>63</sup> Dr. Apila Sangtam, 'Southeast Asia's Shifting Geopolitics: A Challenge for India's Act East Policy,' *9DashLine*, July 24, 2025, at <https://www.9dashline.com/article/southeast-asias-shifting-geopolitics-a-challenge-for-indias-act-east-policy>. (Accessed September 11, 2025).

<sup>64</sup> Yanitha Meena, 'India, ASEAN, and the Battle for Influence in Southeast Asia | ISIS,' *Institute of Strategic and International Studies (ISIS) Malaysia*, August 5, 2025, at <https://www.isis.org.my/2025/08/05/india-asean-and-the-battle-for-influence-in-southeast-asia/>. (Accessed September 11, 2025).

tendencies (notably high tariffs on Southeast Asian agricultural imports), and slow progress on liberalising the ASEAN–India FTA restrict India’s economic influence relative to its ambitions.<sup>65</sup>

India’s imports from Southeast Asia continue to focus on necessity goods, such as palm oil, rather than high-value or manufacturing supply chains, further undercutting regional economic integration. Digital investment also remains uneven, despite the rhetoric of ‘Digital Public Infrastructure’ collaboration.<sup>66</sup>

## Connectivity Deficits and Project Delays

Connectivity was meant to be the fulcrum of India’s Act East success. Yet flagship projects like the India–Myanmar–Thailand Trilateral Highway and the KMMTTP have suffered from chronic delays due to a range of factors: the 2021 Myanmar military coup and continued civil conflict, Indian bureaucratic bottlenecks, slow land acquisition, environmental protests, and inadequate cross-border governance.

As of late 2025, almost 30% of the Trilateral Highway remains unfinished, hampering India’s ability to provide a convincing alternative to Chinese-backed corridors in the region. The physical infrastructure deficit is compounded by weak air and maritime connectivity that continues to impede the movement of people, goods, and ideas.

## Political Instability and Regional Geopolitics

Political instability in Southeast Asian countries—especially in Myanmar—poses a major constraint on the efficacy of New Delhi’s outreach. Myanmar’s domestic turbulence has not only stymied project completion but has also made security cooperation increasingly complex, with frequent insurgent violence spilling over into India’s Northeast. Other countries, while more stable, are often slow to deepen

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<sup>65</sup> Dr. Apila Sangtam, no. 63.

<sup>66</sup> Saon Ray and Vasundhara Thakur, *Regional Value Chains: Opportunities for India and Asean?*, Working Paper 420 (ICRIER, n.d.), April 2024, at [https://icrier.org/pdf/Working\\_Paper\\_420.pdf](https://icrier.org/pdf/Working_Paper_420.pdf). (Accessed November 12, 2025).

engagement due to competing domestic priorities and sensitivity to great-power rivalries.

The wider region's strategic ambiguity—balancing between China, the US, and other powers—limits the appetite of many ASEAN states for unequivocal security or economic alignments with India.

### **Bureaucratic and Regulatory Barriers**

India's domestic governance challenges—cumbersome customs procedures, overlapping regulatory agencies, and delays in project implementation—have dampened its credibility as a fast and reliable development partner. These bureaucratic headwinds undermine New Delhi's ability to convert diplomatic declarations into on-the-ground results, and they weaken its comparative standing in a region that values speed and predictability.

### **Environmental and Sustainability Concerns**

An additional long-term challenge is the sustainability dimension. As India scales up its involvement, environmental safeguards, climate resilience in projects, and the ability to partner effectively on transboundary resource management (such as rivers and fisheries) will become ever more important. Many ASEAN nations are increasingly linking economic partnership to sustainable development, and India's competitive edge will hinge on its willingness to mainstream these priorities.

## **INDIA'S ENGAGEMENT WITH ASEAN**

India–ASEAN relations have witnessed remarkable growth over the last decade, with the strategic partnership established in 2012. The partnership received further momentum under the AEP. During the 25-year Commemorative Summit in January 2018 in New Delhi, India and ASEAN adopted the 'Delhi Declaration', outlining their commitments to deepen strategic partnership across political, economic, and socio-cultural pillars. This includes deeper maritime cooperation, countering extremism, radicalisation, and terrorism, along with exploring areas for enhanced economic and digital connectivity. India's engagement with ASEAN since 2014 has been driven primarily by (i) the AEP with

a focus on ASEAN; (ii) IPOI; and (iii) enhancing physical and digital connectivity.<sup>67</sup>

While the LEP was primarily focused on economic and institutional relations, the AEP seeks to deepen strategic and economic engagement with Southeast Asia. The AEP signalled a more action-oriented policy towards the region through enhanced collaboration across a range of economic and strategic issues. Some of these include trade and connectivity, culture, people-to-people contacts, transnational terrorism, and maritime security. Southeast Asia holds a central and indispensable position in the Indo-Pacific due to its unique geographic location, dynamic economic growth, and crucial maritime connectivity. ASEAN acts as a vital economic and strategic bridge between the Pacific and Indian Oceans. This positioning makes the region not only a conduit for trade and investment but also a focal point of geopolitical competition and cooperation.<sup>68</sup> The IPOI, announced at the EAS in 2019 with the broad objective to ensure the safety, security, and stability of the maritime domain in the Indo-Pacific region, complements the AOIP. The AOIP provides a guide for ASEAN's engagement in the Indo-Pacific region, which promotes its centrality and emphasises ASEAN-led mechanisms to strengthen regional and subregional cooperation, which would contribute to the maintenance of peace, freedom, and prosperity. The ASEAN–India joint statement on cooperation on the ASEAN outlook on the Indo-Pacific for peace, stability, and prosperity in the region, adopted at the 18th ASEAN–India Summit on October 28, 2021, noted that both the AOIP and IPOI ‘...share relevant fundamental principles in promoting peace and cooperation...’.<sup>69</sup> This demonstrates the shared vision for regional

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<sup>67</sup> ‘Overview of ASEAN-India Relations’, *MEA*, June 11, 2025, at <chrome-extension://efaidnbmninnibpcapjpcgglefindmkaj/https://www.mea.gov.in/Portal/ForeignRelation/BRIEF-ON-ASEAN-INDIA.pdf>. (Accessed on August 29, 2025).

<sup>68</sup> Dr. Apila Sangtam, ‘Southeast Asia’s Shifting Geopolitics: A Challenge for India’s Act East Policy,’ *9DashLine*, July 24, 2025, at <https://www.9dashline.com/article/southeast-asias-shifting-geopolitics-a-challengefor-indias-act-east-policy>. (Accessed September 11, 2025).

<sup>69</sup> ‘ASEAN-India Joint Statement on Cooperation on the ASEAN Outlook on the Indo-Pacific for Peace, Stability, and Prosperity in the Region’, *MEA*, October 28, 2021, at <https://www.mea.gov.in/bilateral-documents.htm?dtl/>

stability and unity within the evolving architecture and enables India and ASEAN to explore synergies between the AOIP and IPOI for mutual benefits.

On connectivity, India's steadfast commitment to collaborating with ASEAN, particularly in advancing both physical and digital connectivity is a key pillar in its AEP. India has been stressing the significance of connectivity with ASEAN, which, beyond geographic linkages, includes institution-to-institution and people-to-people connections. In building the AEP, the Northeast of India occupies a very 'strategic' position to accomplish the goals that the policy envisages. The AEP is closely connected with its long-term vision of developing its Northeast Region, which is considered a gateway to Southeast Asia. Former External Affairs Minister, Ms Sushma Swaraj, stated in a briefing to the Governors of the Northeast states in October 2015 that the Northeast is a 'natural partner' in India's AEP, being India's land bridge to Southeast Asia. She added that the AEP is also a means to strengthen the stability, economy and prospects of India's Northeast region. India proposed the three 'Cs' idea: Commerce, Connectivity, and Culture. These three formed the foundation of this policy and are interlinked with one another.<sup>70</sup> To strengthen cooperation in connectivity between ASEAN and India, the 2024 India–ASEAN Summit committed to bringing synergies between ASEAN's Master Plan on ASEAN Connectivity (MPAC) 2025/the ASEAN Connectivity Strategic Plan (ACSP) and India's connectivity initiatives in the region under the AEP and SAGAR.<sup>71</sup>

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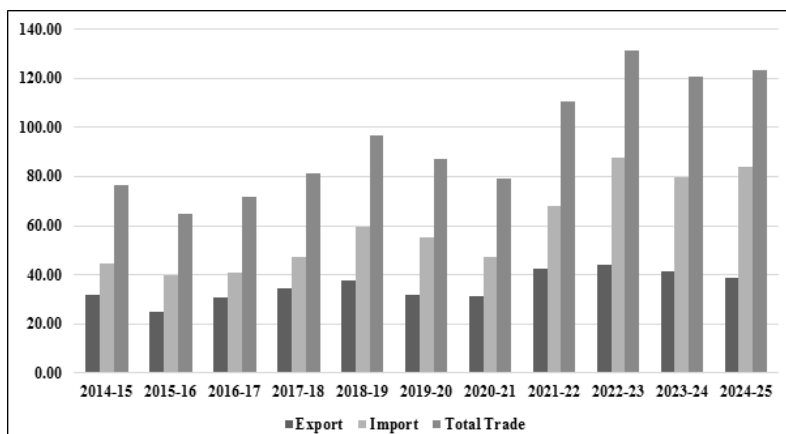
34425/ASEANIndia+Joint+Statement+on+Cooperation+on+the+ASEAN+Outlook+on+the+IndoPacific+for+Peace+Stability+and+Prosperity+in+the+Region. (Accessed September 1, 2025).

<sup>70</sup> S.D. Muni and Rahul Mishra, *India's Eastward Engagement: From Antiquity to Act East Policy*, SAGE, New Delhi, 2019, pp. 211–214.

<sup>71</sup> 'Joint Statement on Strengthening ASEAN-India Comprehensive Strategic Partnership for Peace, Stability and Prosperity in the Region in the context of the ASEAN Outlook on the Indo-Pacific (AOIP) with the support of India's Act East Policy (AEP),' *The ASEAN Secretariat*, October 10, 2024 at <https://asean.org/joint-statement-on-strengthening-asean-india-comprehensive-strategic-partnership-for-peace-stability-and-prosperity-in-the-region-in-the-context-of-the-asean-outlook-on-the-indo-pacific-aoip-with-t/> (Accessed September 4, 2025).

These initiatives will ensure seamless connectivity for improved trade and commerce in the Indo-Pacific.

**Figure 1: India–ASEAN Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

The ASEAN–India FTA in goods, which came into effect in 2010, as indicated in Figure 1, has significantly increased total trade from USD 76.5 billion in 2014 to USD 123.1 billion in 2024. Apart from becoming ASEAN’s eighth-largest trade partner in 2023, India has reentered the list of the top ten foreign investors in ASEAN for the second time since its debut in 2012, with its investment in the region more than doubling to US\$5.6 billion. The socio-cultural dimensions of ASEAN–India relations have also flourished over the decade, encompassing human resource development, people-to-people contacts and cultural exchanges, education, health, biodiversity, climate change, and disaster management. These initiatives are supported by the ASEAN–India Fund and the ASEAN–India Green Fund, highlighting the depth and resilience of the partnership.<sup>72</sup>

<sup>72</sup> Dr. Kao Kim Hourn, ‘Towards a Resilient Partnership: ASEAN and India in a Transforming Global Landscape’, *AIC Commentary*, No.54, January 2025, at <chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://aseanindiacentre.org.in/sites/default/files/2025-02/AIC-Commentary-No-54-Dr-Kao-Kim-Hourn.pdf>. (Accessed September 2, 2025).

The year 2022 marked the thirty years of ASEAN–India dialogue partnership during which the ASEAN–India strategic partnership was elevated to ‘CSP’. This further broadened the scope for cooperation and marked a new chapter, emphasising multifaceted cooperation in areas such as defence cooperation, transnational crime prevention, digital economy, renewable and civilian nuclear energy, and people-to-people exchanges. The year 2024 marked ‘A Decade of India’s AEP’ with Secretary General of ASEAN, Dr. Kao Kim Hourn at the invitation of Government of India, visiting India from February 12–15, 2024. At the 21st ASEAN–India Summit, held at Vientiane, Lao PDR on October 10, 2024. Two Joint Statements were adopted: (i) Joint Statement on Strengthening ASEAN–India Comprehensive strategic partnership for Peace, Stability and Prosperity in the Region in the Context of the ASEAN Outlook on the Indo-Pacific with the Support of India’s AEP; and (ii) ASEAN–India joint statement on Advancing Digital Transformation.<sup>73</sup>

Over the decade, India–ASEAN relations have significantly expanded and deepened. To ensure that this partnership becomes even more meaningful, substantive, and mutually beneficial, India and ASEAN have developed the next Plan of Action (POA), 2026–2030. This POA is built upon the significant achievements made in the relations between India and ASEAN and the successful implementation of the POA 2021–2025. The collaborative efforts under the new POA, taking into consideration the complex geostrategic landscape, would enable partnership in emerging areas of artificial intelligence governance, cybersecurity, and climate resilience, as well as aligning regional digital policies.<sup>74</sup>

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<sup>73</sup> ‘Overview of ASEAN-India Relations’, no.16.

<sup>74</sup> ‘Plan of Action to Implement the ASEAN-India Comprehensive Strategic Partnership (2026-2030)’, *ASEAN*, July 2025, at <chrome-extension://efaidnbmninnibpcapjpcglclefindmkaj/https://asean.org/wp-content/uploads/2025/07/Final-POA-to-Implement-ASEAN-India-CSP-2026-2030.pdf>. (Accessed September 2, 2025).

## Challenges and Strategic Outlook

Since the ASEAN–India Trade in Goods Agreement (AITIGA) came into effect on January 1, 2010, trade between India and ASEAN has surged, surpassing USD120 billion in 2023. There is also the issue of a huge trade deficit India is facing post the trade agreement, particularly because of its weak provisions for ‘rules of origin’ that led to massive dumping of Chinese goods via some of the ASEAN. As a result, in August 2023, on India’s request, both sides announced a complete review of the existing agreement on goods and hope to conclude it by 2025. The review of the agreement is a longstanding demand of the Indian industry, and India is looking forward to an upgraded pact, which will address the current asymmetries in bilateral trade and will make trade more balanced and sustainable. Economic engagement has been the backbone of India–ASEAN relations, in which the AITIGA has facilitated trade growth. The ongoing review aims to simplify customs procedures, reduce tariffs, and address emerging issues such as digital trade and e-commerce.

The connectivity pillar of India’s AEP remains underdeveloped. The ongoing crisis in Myanmar has delayed joint regional connectivity projects. The Kaladan Multi-Modal Transport Transit Project and the India–Myanmar–Thailand Trilateral Project, continue to miss multiple deadlines.

## **PART II**



# INDIA'S ENGAGEMENT WITH ASEAN MEMBER COUNTRIES

## BRUNEI

India and Brunei formally established diplomatic channels on May 10, 1984. Both countries celebrated the 40th anniversary of this partnership in 2024. To commemorate the milestone, Prime Minister Narendra Modi travelled to Brunei on September 3, 2024.<sup>75</sup> This was a significant moment as it marked the first dedicated bilateral visit by an Indian Prime Minister to the country. Furthermore, India revitalised this relationship during the last decade, following the tenth anniversary of the AEP in 2024. This initiative has served as a major milestone for regional diplomacy since its introduction by the Narendra Modi government in 2014.

Deep cultural and traditional connections serve as the foundation upon which this relationship is built. Both nations also work closely together within international groups like the United Nations, the Commonwealth, and ASEAN. The Sultan of Brunei has been a consistent advocate for these ties, showing strong support for India and taking an active interest in the welfare of the Indian community living in Brunei. Moreover, Brunei has emerged as one of the key supporters of India's 'Look East' and 'Act East' policies from a strategic perspective, insofar as Brunei has played a practical role in helping India deepen its cooperation with the rest of the ASEAN region. Between 2012 and 2015, Brunei

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<sup>75</sup> Press Release on Prime Minister Shri Narendra Modi's Historic Visit to Brunei Darussalam on 3-4 September, 2024, *High Commission of India, Brunei*, September 5, 2024, at [https://www.hcindiabrunei.gov.in/news\\_letter\\_detail/?id=137](https://www.hcindiabrunei.gov.in/news_letter_detail/?id=137). (Accessed September 8, 2025).

even served as the Country Coordinator for ASEAN-India dialogue relations, which helped bring the two sides much closer together. Beyond the Southeast Asian region, Brunei is a consistently reliable partner that frequently supports India's candidates in elections for various international organisations on the global stage.

Prime Minister Modi's visit to Brunei in 2024 is part of a broader strategy to engage with nations that have been overlooked by Indian diplomacy for decades. Brunei is a perfect example; while it is geographically small, it possesses one of the most robust economies in Southeast Asia and ranks as a major global exporter of natural gas. Since oil and gas account for nearly 90 per cent of Brunei's gross domestic product (GDP), the nation is an essential partner for India's future. The partnership is built primarily on energy. As the world's third-largest oil consumer, India is focused on diversifying its sources to move away from a heavy reliance on West Asia and Russia. Brunei offers a dependable alternative that is also geographically closer, which helps keep transportation costs down. There is plenty of room for this relationship to grow, as India currently receives approximately 12 per cent of Brunei's hydrocarbon exports. With India's advanced refining capabilities, companies like GAIL and ONGC Videsh are already looking at ways to deepen their involvement in Brunei's energy infrastructure.

Naturally, this economic bond extends to maritime security. Protecting the sea lanes between the two countries is vital for steady trade. While Brunei maintains a quiet stance on its territorial overlaps with China, its interests align with India's call for a rules-based international order. By increasing its economic stake in the region, India will likely take a more active role in ensuring these waters remain stable. Both nations have formally committed to the principles of UNCLOS, emphasising the importance of freedom of navigation and the peaceful resolution of maritime disputes in the South China Sea.

## **Assessment**

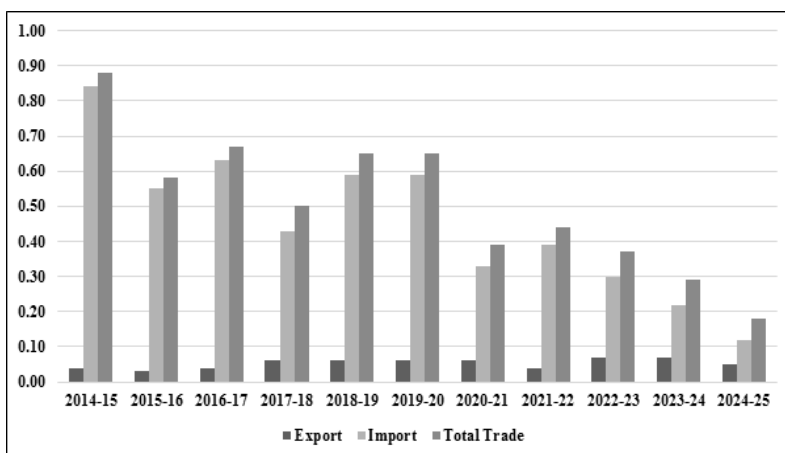
Energy cooperation, thus, forms the bedrock of India–Brunei relations. Brunei's role as a reliable exporter of hydrocarbons aligns well with Delhi's strategic goal of diversifying its energy portfolio and reducing excessive dependence on Russian and West Asian supplies.

Defence ties between the two countries have been steadily expanding through regular official-level exchanges, visits by naval and coast guard ships, joint training and exercises, as well as participation in each other's defence exhibitions and expositions. In January 2021, officials from both defence ministries held a virtual meeting to further strengthen cooperation. The Memorandum of Understanding on Defence Cooperation was also renewed in 2021 for an additional five-year period. Bruneian naval vessels visited India, including participation in MILAN exercises (2012, 2014). Furthermore, Indian defence companies (Bharat Electronics Ltd and MKU Ltd) exhibited at Brunei's defence industry exposition in 2024. Officers from both countries participated in each other's staff courses—for instance, Indian officers have attended Brunei's Staff College, and vice versa. Indian Naval and Coast Guard vessels have made port calls and conducted exercises in Brunei as part of broader maritime engagements. India also aims to strengthen maritime cooperation with Brunei as part of its wider outreach in Southeast Asia, especially in areas like counter-terrorism and counter-piracy operations. There are excellent prospects with Brunei, as India hopes to emerge as a significant defence exporter in the region.

Although bilateral trade between the two countries remains relatively modest at US\$195.2 million in 2023—especially when compared to India's trade with other ASEAN members—it has shown consistent growth in recent years. In fiscal 2023, Brunei generated 128 million USD in exports to India and 67 million USD in imports, for a total bilateral trade value of USD 195 million.<sup>76</sup> While India's exports to Brunei have remained stable, this has mostly been due to a drop in crude shipments to India.

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<sup>76</sup> India-Brunei Bilateral Brief, *High Commission of India, Brunei*, at <https://www.hcindiabrunei.gov.in/page/india-brunei-bilateral/> (Accessed September 8, 2025).

**Figure 2: India–Brunei Bilateral Trade (in USD Billion)**

*Source:* Department of Commerce, Government of India

PM Narendra Modi’s visit in September 2024 elevated India–Brunei ties to an Enhanced Partnership, which laid the groundwork for deeper cooperation across multiple fronts. Key agreements included a Memorandum of Understanding (MoU) on space cooperation (satellite development, remote sensing), and both countries agreed to promote joint exercises and training programmes.

## Challenges and Strategic Outlook

The 2024 visit significantly elevated bilateral ties, positioning Brunei as a key partner in India’s Act East and Indo-Pacific policies. The launch of direct flights boosts tourism, cultural exchanges, and business ties, reinforcing people-to-people diplomacy. Some of the challenges include:

India–Brunei trade remains relatively low (around US\$195–286 million in 2023), requiring expansion beyond traditional commodity exchange. Brunei maintains close ties with China, which remains its largest trading partner; India must carefully balance its engagement amid geopolitical sensitivities. India’s foreign policy towards Brunei has matured steadily—from early diplomatic relations to a strategic and multi-sectoral partnership in 2024.

The inadequate economic diversification of Brunei is a significant barrier to greater economic engagement. Due to its significant reliance on the oil and gas industry, Brunei's economic stability is susceptible to changes in the price of energy globally. Because of this, it is crucial that both countries look into new areas of collaboration outside of energy, such as tourism, infrastructure, healthcare, education, and technology.

An additional obstacle is Brunei's relatively limited market, which restricts the potential for trade growth. However, by collaborating with Indian businesses across a range of industries, Brunei may take advantage of India's expanding economic influence in the ASEAN region and access wider markets.

Despite frequently being overlooked by India's more extensive interactions with other ASEAN countries, India–Brunei ties have a lot of room to expand and flourish. Despite appearing to be a smaller actor in Southeast Asia, Brunei is important to India in terms of multilateral collaboration, regional stability, and energy security.

## **CAMBODIA**

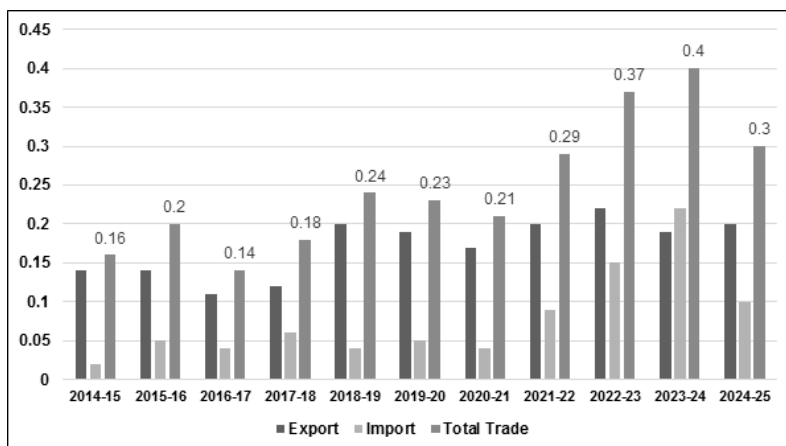
India and Cambodia formally established diplomatic relations in 1952, at a time when both countries were navigating the early decades of postcolonial statehood and seeking to assert strategic autonomy in a deeply polarised international system. Their relationship was shaped by a shared commitment to anti-colonial solidarity and an emphasis on independent foreign policy choices, which later found institutional expression in the Non-Aligned Movement. India, under Jawaharlal Nehru, and Cambodia, led by Prince Norodom Sihanouk, viewed non-alignment not merely as a tactical positioning between Cold War blocs but as a normative framework grounded in sovereignty, peaceful coexistence, and resistance to external domination. This convergence fostered sustained political engagement, mutual diplomatic support in international forums, and a degree of strategic empathy that distinguished India–Cambodia relations in the early Cold War period.

## **Assessment**

Since the establishment of the diplomatic relations, there has been regular high-level visits by both sides. PM Modi held a virtual meeting with PM Hun Sen on 18 May, 2022, and in September 2023, held an

interaction with his counterpart, Mr Hun Manet, on the sidelines of the India–ASEAN Summit in Jakarta, Indonesia. On May 29, 2023, Cambodia’s King Norodom Sihamoni paid his first state visit to India. This was Cambodia’s first visit to India since King Norodom Sihanouk, the current King’s father, visited in 1963. During the visit, both sides underscored their deep civilisational ties as well as their strong cultural and people-to-people relationships. PM Modi informed His Majesty of India’s determination to deepen bilateral ties with Cambodia in a variety of areas, including capacity-building.<sup>77</sup> Given the historical relations dating back to the beginning of C.E., the cultural ties between the two nations have continued to remain strong. India’s help in the restoration of various temples in Cambodia, from the majestic Angkor Wat to the Ta Prohm temple in Angkor Archaeological Park in Siem Reap, and also signing MoUs on a financial agreement for conservation and cultural preservation of paintings.<sup>78</sup>

**Figure 3: India–Cambodia Bilateral Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

<sup>77</sup> ‘Brief on India-Cambodia Bilateral Relations’, *Ministry of External Affairs*, May 2025, at <chrome-extension://efaidnbmnnnibpcajpcgleclefindmkaj/https://www.mea.gov.in/Portal/ForeignRelation/Cambodia-2025.pdf>. (Accessed August 29, 2025).

<sup>78</sup> Suteekshn Mahajan, ‘India-Cambodia Relations’, *Medium*, August 20, 2025, at [https://medium.com/@smahajan\\_352/india-cambodia-relations-00fc5a55c804](https://medium.com/@smahajan_352/india-cambodia-relations-00fc5a55c804). (Accessed August 29, 2025).

India–Cambodia bilateral trade has been growing steadily in the last few years, from USD 23.8 billion in 2018 to USD 40.3 billion in 2023. As indicated in the figure, India–Cambodia bilateral trade has been growing steadily in the last few years, except for a decline in total trade in 2024 on account of reduced imports. However, the total trade volume between India and Cambodia seems to have improved, already reaching nearly \$160 million in the first five months of 2025. The principal commodities exported from India are: pharmaceutical products, bovine meat, motor vehicles (autos, motor cycles, and spare parts), raw hides and leather, miscellaneous chemicals, etc. while the main exports from Cambodia are electrical goods/equipment/parts, organic chemicals, vegetable oil, articles of apparel and clothing, footwear, etc.<sup>79</sup> In 2021, both sides agreed to the Terms of Reference on setting up a Joint Working Group on Trade and Investment and the 1st meeting of India–Cambodia Joint Working Group on Trade and Investment (JWGTT) was held virtually on July 1, 2022. The 2nd JWGTT meeting took place on June 19, 2024, in New Delhi. India–Cambodia Joint Business Council (JBC) was launched with the first meeting taking place on February 23, 2024 in New Delhi.<sup>80</sup> Cambodia is also planning to establish a bilateral FTA with India. It already has FTA with China, South Korea, and Japan.<sup>81</sup>

Cambodia's defence ties with India have been growing in recent years, with frequent goodwill visits by Indian naval forces. Cooperation has been continuing in the defence sector with the conduct of annual training

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<sup>79</sup> 'India-Cambodia Bilateral Trade and Investment Relations', *Embassy of India, Phnom Penh, Cambodia*, August 25, 2025, at <https://embindpp.gov.in/pages?id=xboja&subid=Qe1Ra>. (Accessed September 01, 2025).

<sup>80</sup> Brief on India-Cambodia Bilateral Relations, *Ministry of External Affairs*, May 2025, at <https://www.mea.gov.in/Portal/ForeignRelation/Cambodia-2025.pdf> (Accessed August 29, 2025).

<sup>81</sup> Sreeparna Banerjee, 'India and Cambodia expanding bilateral relations on the sidelines of the ASEAN Summit', *ORF*, November 22, 2022, at <https://www.orfonline.org/expert-speak/india-and-cambodia-expanding-bilateralrelations>. (Accessed August 29, 2025).

capsule for Royal Cambodian Armed Forces in Peacekeeping and Demining modules; defence courses under ITEC; goodwill visits by Indian Navy and Indian Coast Guard ships, and exchange of official delegations. During the bilateral meeting on the sidelines of ASEAN Heads of States' invitation as special guest on the occasion of India's Republic Day celebrations in January 2018, PM Modi had affirmed to the visiting Cambodian counterpart Hun Sen that India will strengthen ties in key areas of defence, security and counter-terrorism. Both sides have expressed the desire to enhance cooperation in the maritime domain, including preservation of the marine and coastal environment, anti-piracy cooperation, and security of SLOCs to maintain peace and ensure safety and security of navigation in the Indo-Pacific region. India has granted a line of credit of USD 50 million to support the purchase of defence equipment from India. In addition, India has also provided USD 1.5 million to assist Cambodia in acquiring demining equipment.<sup>82</sup> The Inaugural India–Cambodia Bilateral Army Exercise (CINBAX-I) successfully took place in December 2024 in Pune, India. The exercise, which ran from December 1st to 8th, 2024, focused on counter-terrorism operations under the United Nations Charter. India has also gifted fifteen sniffer dogs to Cambodia for demining activities and an Infantry Weapon Training Simulator.<sup>83</sup>

India, being a voice of the Global South, is adopting a multi-engagement strategy aimed at strengthening relations with states in its extended neighbourhood. This resonates with Cambodia, which has adopted a diplomatic strategy to develop new strategic relations, particularly with countries of the Global South and middle powers. India invited Cambodia to the Voice of Global South summit held in February 2023, in which Prime Minister Hun Sen participated at the inaugural session. Under PM Hun Manet, Cambodia is looking at diversifying its

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<sup>82</sup> “Brief on India-Cambodia Bilateral Relations,” *Ministry of External Affairs, Government of India*, May 2025, at <https://www.mea.gov.in/Portal/ForeignRelation/Cambodia-2025.pdf> (Accessed August 29, 2025).

<sup>83</sup> Suteekshn Mahajan, India-Cambodia Relations, *Medium*, August 20, 2025, at [https://medium.com/@smahajan\\_352/india-cambodia-relations-00fc5a55c804](https://medium.com/@smahajan_352/india-cambodia-relations-00fc5a55c804) (Accessed September 22, 2025).

economic and defence relations. India and Cambodia are focusing on enhancing trade, investment, and collaborative efforts in various sectors that include Unified Payment Interface (UPI)-based digital payment to promote trade and tourism between the two countries. The inaugural CINBAX –I indicates growing defence ties that will benefit not just the two nations but the region at large.

## Challenges and Strategic Outlook

India's ties with Cambodia have expanded at a slower pace in comparison with other ASEAN countries, with bilateral trade being one of the lowest amongst the other countries in the bloc. India and Cambodia relations remain limited given that China has a strong influence as a major trading partner and foreign investor, funding at least 70 per cent of crucial infrastructure projects. India–Cambodia defence ties, which traditionally have centred on capacity building for the Cambodian armed forces, look set to expand. However, concerns remain over the Chinese military's ties with the Royal Cambodian Armed Forces, as Beijing is the largest military aid provider to Cambodia.

## INDONESIA

India–Indonesia relations over the last decade offer a compelling case study in the exercise of diplomacy as a complex, adaptive process, where tangible outcomes emerge not merely from declarations but from layered interactions, institutionalised dialogues, and pragmatic policy engagements rooted in mutual interests and contextual sensitivities. At the diplomatic level, the sustained high-level political exchanges symbolise both a continuity of trust and an expansion of strategic horizons. India's diplomatic practice, reflecting a balance between normative assertiveness and respect for sovereign agency, employs a calibrated approach that fosters alignment with Indonesia's regional aspirations, ASEAN commitments, and domestic political landscape. The establishment of the 'Comprehensive Strategic Partnership'<sup>84</sup> in

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<sup>84</sup> Annual Report 2018–19, *Ministry of External Affairs, Government of India*, pp. 69–70, at [https://www.mea.gov.in/Uploads/PublicationDocs/31719\\_MEA\\_AR18\\_19.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/31719_MEA_AR18_19.pdf)(Accessed November 18, 2025).

2018 epitomises this institutional maturation, representing not only a formal recognition of shared priorities but also a platform facilitating dialogue on complex issues such as maritime security, counter-terrorism, and regional economic integration.

Economically, India and Indonesia have incrementally deepened their ties, evidenced by growing bilateral trade, expanding investment flows, and targeted sectoral collaborations spanning pharmaceuticals, energy, digital technologies, and infrastructure development. Trade volumes have steadily increased, reflecting policy frameworks oriented toward diversification of trade baskets and resolving structural imbalances. Various institutional processes underscore the dynamic nature of economic diplomacy, wherein adaptive strategies respond to regulatory challenges, infrastructural constraints, and global economic fluctuations. The connectivity initiatives—such as enhanced air links, cooperation on maritime logistics, and digital cooperation—embody the operationalisation of India's AEP<sup>85</sup> and Indonesia's role as a maritime fulcrum in Southeast Asia, underpinning aspirations for a more integrated Indo-Pacific economic space.

Strategic cooperation forms a cornerstone of the bilateral engagement, notably in the domain of maritime security and defence collaboration. The expanding scope of defence collaboration—encompassing capacity building, technology exchanges, and joint participation in multilateral security forums—reflects sophisticated diplomacy attuned to evolving regional threats. The India–Indonesia security partnership encapsulates the operative synthesis of traditional geopolitical imperatives with emerging security challenges such as cyber threats, counter-terrorism, and HADR, highlighting India's strategic intent to anchor a rules-based Indo-Pacific order alongside a key ASEAN nation.

Emerging challenges contextualise the trajectory and inform a forward-looking diplomatic calculus. Economic asymmetries and regulatory divergences pose ongoing obstacles to trade equilibrium and deeper

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<sup>85</sup> Question No-1456 India's Act-East Policy, Lok Sabha Unstarred Question No-1456, India's Act-East Policy, *Ministry of External Affairs, Government of India*, July 28, 2023.

market integration, necessitating enhanced institutional mechanisms and sustained political will to overcome tariff and non-tariff barriers. Underlying regional volatility, including maritime security risks and transnational threats, demands more comprehensive and institutionalised security architectures to transcend ad hoc cooperation. Looking ahead, the future of India–Indonesia relations hinges on deepening the embedded institutional structures that enable responsive and resilient diplomacy. This entails not only the reinforcement of existing bilateral mechanisms but also innovative expansion into new domains such as the digital economy, green technology, and space cooperation.

Conceptually, the India–Indonesia partnership exemplifies the exercise of diplomacy as a cumulative, dialogic process embedded within the flux of international politics. It reveals India's foreign policy dynamics characterised by a strategic mix of normative commitment to multilateralism, pragmatic engagement with diverse regional actors, and a calibrated balance of power approach in a multipolar Indo-Pacific. This engagement reflects a recognition that enduring partnerships are forged through iterative dialogue, institutional coherence, and policy flexibility that is responsive to both bilateral interests and broader regional architectures.

## Assessment

The evolution from continuity to strategic depth in this relationship has been neither accidental nor merely reactive; it is the result of deliberately crafted processes, carefully institutionalised mechanisms, and an ever-adaptive policy orientation attentive to both regional currents and intrinsic bilateral priorities.

At the diplomatic level, the texture of India–Indonesia contacts is defined by a dense framework of sustained high-level exchanges, including state visits, Foreign Office Consultations, working group mechanisms,<sup>86</sup> and increasingly robust trilateral dialogues (notably with

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<sup>86</sup> Annual Report 2017–18, *Ministry of External Affairs, Government of India*, pp. 27–28, at [https://www.mea.gov.in/Uploads/PublicationDocs/29788\\_MEA-AR-2017-18-03-02-2018.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/29788_MEA-AR-2017-18-03-02-2018.pdf) (Accessed November 10, 2025).

Australia).<sup>87</sup> These engagements are not standalone events but are embedded within a culture of consultative problem-solving and joint agenda-setting. Ministerial dialogues, parliamentary exchanges, sectoral forums, and regular commemorations of shared milestones, such as the 70th and 75th anniversaries of diplomatic ties, have reinforced institutional trust and policy predictability. The creation of Eminent Persons Groups<sup>88</sup> and Joint Commissions, as well as the regular convening of defence, security, and trade committees, reflects a model of diplomacy rooted in mutual respect and iterative dialogue—a process that continuously renews the partnership’s relevance within shifting regional dynamics.

Economically, the relationship has transitioned from basic commodity exchange to a sophisticated partnership underpinned by multifaceted trade, investment, and sectoral cooperation. Bilateral trade has not only increased consistently, reaching nearly \$38.84 billion in 2022–23,<sup>89</sup> but has also diversified in structure. Both sides have persistently worked to move beyond traditional trade, actively promoting investment, institution-to-institution linkages, and business-to-business outreach in fields such as pharmaceuticals, infrastructure, renewable energy, digital technologies, and health. High-level business delegations, joint working groups targeting agriculture, coal, oil and gas, and new renewable energy,<sup>90,91</sup> and the launch of the High-Level ministerial Economic and

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<sup>87</sup> Annual Report 2022–23, *Ministry of External Affairs, Government of India*, pp. 61–62, at [https://www.mea.gov.in/Uploads/PublicationDocs/36286\\_MEA\\_Annual\\_Report\\_2022\\_English\\_web.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/36286_MEA_Annual_Report_2022_English_web.pdf).

<sup>88</sup> Annual Report 2016–17, *Ministry of External Affairs, Government of India*, pp. 30–32, at [https://www.mea.gov.in/Uploads/PublicationDocs/29521\\_MEA\\_ANNUAL\\_REPORT\\_2016\\_17\\_new.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/29521_MEA_ANNUAL_REPORT_2016_17_new.pdf).

<sup>89</sup> Annual Report 2023–24, *Ministry of External Affairs, Government of India*, pp. 44–45, at [https://www.mea.gov.in/Images/CPV/38005\\_Final-MEA-AR-2023-English.pdf](https://www.mea.gov.in/Images/CPV/38005_Final-MEA-AR-2023-English.pdf).

<sup>90</sup> Annual Report 2014–15, *Ministry of External Affairs, Government of India*, pp. 25–26, at [https://www.mea.gov.in/Uploads/PublicationDocs/25009\\_External\\_Affairs\\_2014-2015\\_\\_English\\_.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/25009_External_Affairs_2014-2015__English_.pdf).

<sup>91</sup> Annual Report 2017–18, no. 86.

Financial Dialogue<sup>92</sup> exemplify a proactive policy orientation aimed at addressing structural imbalances and leveraging complementarities. The operationalisation of connectivity projects—direct flights, port infrastructure in Sabang and Aceh, and streamlined customs processes<sup>93</sup>—has translated the abstract goal of Indo-Pacific integration into tangible outcomes, enhancing regional supply chain resilience, tourism, and people-to-people flows.<sup>94,95</sup>

Strategically, the Indo-Pacific context has catalysed the evolution of the India–Indonesia partnership into a multidimensional security collaboration. The processual deepening of maritime cooperation—anchored in coordinated patrols (IND-INDO CORPAT),<sup>96</sup> bilateral exercises (Samudra Shakti),<sup>97</sup> and multilateral naval engagements (MILAN)—represents both a strategic achievement and a manifestation of operational trust. Institutionalised defence staff talks, inter-service cooperation, naval port calls, and an expanding agenda that includes counter-terrorism, anti-narcotics, cyber security, and HADR activities<sup>98</sup> reflect the maturation of policy frameworks and command-chain interoperability. Policy statements articulating a shared Indo-Pacific vision and MoUs on maritime safety reveal an enduring commitment to a rules-based regional order, freedom of navigation, and collective security.<sup>99</sup>

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<sup>92</sup> Annual Report 2016–17, no. 88.

<sup>93</sup> Annual Report 2019–20, *Ministry of External Affairs, Government of India*, pp. 73–74, at [https://www.mea.gov.in/Uploads/PublicationDocs/32489\\_AR\\_Spread\\_2020\\_new.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/32489_AR_Spread_2020_new.pdf).

<sup>94</sup> Ibid.

<sup>95</sup> Annual Report 2021–22, *Ministry of External Affairs, Government of India*, pp. 61–62, at [https://www.mea.gov.in/Uploads/PublicationDocs/34894\\_MEA\\_Annual\\_Report\\_English.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/34894_MEA_Annual_Report_English.pdf).

<sup>96</sup> Ibid.

<sup>97</sup> Annual Report 2018–19, no. 84.

<sup>98</sup> Annual Report 2014–15, no. 90.

<sup>99</sup> Annual Report 2020–21, *Ministry of External Affairs, Government of India*, p. 55, at [https://www.mea.gov.in/Uploads/PublicationDocs/33569\\_MEA\\_annual\\_Report.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/33569_MEA_annual_Report.pdf).

In addition to this, Dialogue mechanisms, such as the Joint Defence Cooperation Committee<sup>100</sup> and specialised working groups, serve as engines of adaptation and innovation in response to emerging challenges. The use of Eminent Persons Groups to chart long-term vision and the deliberate alignment of bilateral priorities with ASEAN centrality and multilateral forums (G20, IORA, ADMM-Plus) demonstrate a sophisticated understanding of the layered structure of international politics. This ingrained multi-track engagement is further enriched by crisis-driven cooperation—humanitarian assistance missions, pandemic-era aid exchanges, and joint relief operations—that reinforces the partnership’s resilience and societal anchorage.

India’s diplomatic conduct reveals a policy dynamic that is marked by both agency and accommodation: the assertion of strategic autonomy is delicately calibrated with ASEAN’s consensus-based approach<sup>101</sup> and Indonesia’s balancing imperatives, while also synchronising with regional and global frameworks. The pragmatic pursuit of sectoral innovation—such as in digital economy, space technology, and local currency settlements—signals a willingness to harness new frontiers for strategic advantage and mutual benefit. At the same time, India’s approach to capacity building, human resource exchanges, and people-centric programmes underscores an understanding that comprehensive partnerships are grounded in societal linkages as much as in state-centric interactions. Moreover, India–Indonesia relations are emblematic of a holistic diplomatic strategy in the Indo-Pacific: one that fuses high-level statecraft, economic integration, and security cooperation into a coherent fabric of interaction. The achievements of recent decades are not merely the accumulation of agreements, but the crystallisation of institutional practices, adaptive policymaking, and a deliberate orientation towards common regional challenges and opportunities.

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<sup>100</sup> Annual Report 2016–17, no. 88.

<sup>101</sup> ASEAN Consensus on the Protection and Promotion of the Rights of Migrant Workers, *ASEAN Secretariat*, Jakarta, March 2018, at <https://asean.org/wp-content/uploads/2021/01/3.-March-2018-ASEAN-Consensus-on-the-Protection-and-Promotion-of-the-Rights-of-Migrant-Workers.pdf>.

The evolution of these ties, governed by robust processes and a clear policy ethos, offers both a template and a beacon for the conduct of meaningful bilateralism and collaborative international politics in a rapidly changing world order.

## Challenges and Strategic Outlook

The analysis of India–Indonesia relations from 2014 to 2025 can be effectively framed by examining the interplay between India's 'Act East' policy and Indonesia's 'Bebas-Aktif' doctrine<sup>102</sup> within the evolving geopolitical landscape of the Indo-Pacific. 'Act East' policy positions India as a proactive advocate of rule-based order, capable of offering economic development assistance and contributing to regional stability through actions such as humanitarian aid and multilateral engagement. This strategic self-conception is a critical factor in understanding India's subsequent diplomatic efforts in the region. Indonesia's 'free and active'<sup>103</sup> foreign policy, rooted in non-alignment, seeks regional influence while avoiding entanglement in great-power rivalries, particularly the US–China competition. This contrasts with India's flexible minilateralism, creating a key obstacle to deeper strategic convergence between the two countries.

India–Indonesia economic ties face persistent challenges, with bilateral trade stuck at \$29.4 billion in 2023–24, far below the \$50 billion target.<sup>104</sup>

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<sup>102</sup> Rizal Sukma, 'Indonesia's bebas-aktif foreign policy and the 'security agreement' with Australia', *Australian Journal of International Affairs*, 51 (2), 1997, pp. 231–241, DOI:10.1080/10357719708445212.

<sup>103</sup> Helga Yohana Simatupang and Michael Romulus Panggabean, The Implementation of Indonesia's Free and Active Foreign Policy Over the Russia-Ukraine War During Indonesia's G20 Presidency, *ICOSI-HESS*, 2022, pp. 590–602, [https://doi.org/10.2991/978-2-494069-65-7\\_49](https://doi.org/10.2991/978-2-494069-65-7_49).

<sup>104</sup> India Indonesia Trade, India Brand Equity Foundation, *Ministry of Commerce and Industry, Government of India*, February 2025, at <https://www.ibef.org/indian-exports/india-indonesia-trade#:~:text=The%20economic%20relations%20between%20India,billion%20in%20trade%20by%202025>. (Accessed September 1, 2025).

A deep structural imbalance exists, as Indonesia primarily exports raw materials like coal and palm oil, while India exports more technologically complex goods. India's heavy dependence on Indonesian coal fuels is a widening trade deficit, while its higher-value exports encounter protectionist barriers in Indonesia.

The core challenge lies not just in boosting trade volume but in restructuring it towards value-added goods and services for long-term balance and sustainability. India–Indonesia economic relations suffer from an implementation gap.<sup>105</sup> The stalled Comprehensive Economic Cooperation Agreement (CECA)<sup>106</sup> and bureaucratic hurdles in Indonesia have slowed down. Even mechanisms like the 2013 High-Level Task Force<sup>107</sup> remain ineffective, reflecting weak follow-through and institutional inertia. Protectionist tendencies on both sides further complicate efforts, despite the ongoing review of the ASEAN–India Trade in Goods Agreement (AITIGA). The persistent trade imbalance and missed targets highlight a sort of structural disengagement between political will and bureaucratic execution, posing a major challenge to deeper economic cooperation.

India and Indonesia face a strategic challenge rooted not in rivalry but in divergent security models, with India favouring flexible minilateralism like the Quad, while Indonesia adheres to ASEAN-centric multilateralism. Indonesia's ambivalence towards the Quad is structural, tied to its 'Bebas-Aktif' doctrine and its resistance to mechanisms. This clash of frameworks creates a persistent obstacle to deeper alignment on regional security architecture. However, pragmatism has enabled convergence in operational areas, particularly maritime and cybersecurity

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<sup>105</sup> Economic and commercial relations, Consulate General of India, Medan, Indonesia, at <https://www.cgimedan.gov.in/page/economic-and-commercial-relations/> (Accessed August 31, 2025).

<sup>106</sup> Ibid.

<sup>107</sup> Joint Statement on five initiatives for strengthening the India-Indonesia Strategic Partnership, Prime Minister's Office, *Press Information Bureau*, Government of India, October 11, 2013, at <https://www.pib.gov.in/newsite/PrintRelease.aspx?relid=100004>.

cooperation under their 'Shared Vision on Maritime Cooperation'.<sup>108</sup> The launch of a trilateral maritime security dialogue with Australia in 2025 shows how both sides can collaborate outside the Quad while addressing shared concerns. Counter-terrorism has also emerged as a key area of cooperation, including India's outreach on 'Operation Sindoor' and joint efforts against online radicalisation. Thus, while conceptual divergences persist at the macro-level, practical security cooperation reflects a strong foundation for mitigating shared threats.

One of the impediments to India–Indonesia relations is bridging the gap between ambitious rhetoric and limited tangible outcomes. Despite frequent high-level engagements, progress has often been slow, creating a sense of a 'cautious pause' in the relationship.<sup>109</sup> President Prabowo's 2025 visit, with focused MoUs on health, maritime security, and the digital economy, reflects a shift towards realism and specificity. The challenge lies not in drafting new grand visions but in delivering on existing frameworks through targeted, sector-based cooperation. Sustaining the partnership will depend on the swift and coordinated implementation of these agreements to produce verifiable results.

India–Indonesia relations are ensuring that ambitious new areas of cooperation—digital, maritime, and healthcare—translate into sustainable outcomes rather than remain aspirational. While digital public infrastructure initiatives like UPI–QRIS interoperability and local

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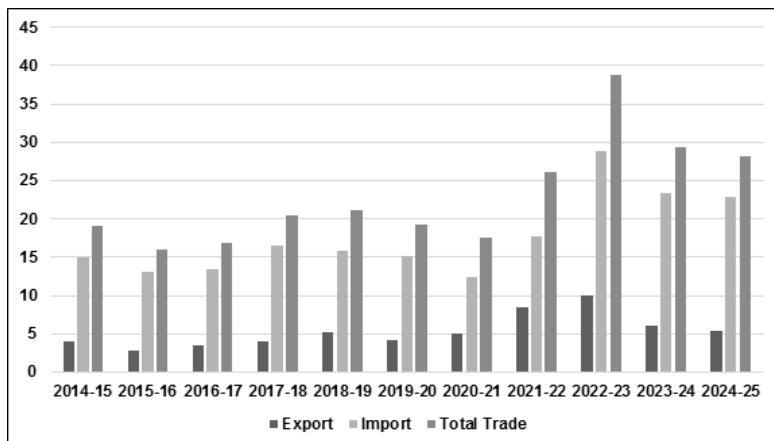
<sup>108</sup> India-Indonesia Joint Statement during visit of Prime Minister to Indonesia, *Ministry of External Affairs, Government of India*, May 30, 2018, at <https://www.mea.gov.in/bilateral-documents.htm?dtl/29932/IndiaIndonesia+Joint+Statement+during+visit+of+Prime+Minister+to+Indonesia+May+30+2018#:~:text=The%20Leaders%20welcomed%20the%20adoption,Jakarta%20on%205%20January%202018> (Accessed September 1, 2025).

<sup>109</sup> Muhammad Waffaa Kharisma, *ORF Foundation*, Strengthening India-Indonesia maritime and defence ties, August 3, 2025, at [orfonline.org. https://www.orfonline.org/expert-speak/strengthening-india-indonesia-maritime-and-defence-ties#:~:text=From%20Patrols%20to%20Production:%20A%20Maturing%20Maritime%20Partnership&text=Since%202002%2C%20they%20have%20engaged,its%20fourth%20iteration%20in%202023](https://www.orfonline.org/expert-speak/strengthening-india-indonesia-maritime-and-defence-ties#:~:text=From%20Patrols%20to%20Production:%20A%20Maturing%20Maritime%20Partnership&text=Since%202002%2C%20they%20have%20engaged,its%20fourth%20iteration%20in%202023) (Accessed August 31, 2025).

currency settlements promise resilience and inclusivity,<sup>110</sup> their success depends on timely implementation and overcoming regulatory hurdles. Similarly, the blue economy offers a pathway beyond great-power competition, but addressing non-traditional threats like illegal fishing requires coordinated political will. In healthcare, India's cost advantage and expertise can benefit Indonesia, yet bureaucratic inertia and uneven institutional capacity threaten to stall these promising collaborations.

Recent progress in Indo-Indonesia relations has been inhibited by structural economic asymmetries, particularly a deep trade imbalance driven by the exchange of raw materials for more complex goods, and conceptual divergence over regional security frameworks. Indonesia's enduring 'Bebas-Aktif' doctrine and its focus on ASEAN centrality contrast with India's increasingly proactive 'Act East' policy and its embrace of minilateralism. The future of the relationship will be defined not by the rhetoric of strategic partnership but by the tangible progress achieved through specific, verifiable outcomes.

**Figure 4: India–Indonesia Bilateral Trade (in USD Billion)**



**Source:** Department of Commerce, Government of India

<sup>110</sup> Tuhu Nugraha, Inclusive Innovation from the South: How Indonesia's QRIS is Reshaping Digital Finance, *Modern Diplomacy*, May 31, 2025, at <https://modern diplomacy.eu/2025/05/31/inclusive-innovation-from-the-south-how-indonesias-qr-is-reshaping-digital-finance/> (Accessed August 31, 2025).

In essence, the India–Indonesia bilateral relationship transcends transactional exchanges, embodying a mature strategic engagement shaped by convergent regional visions and differentiated national imperatives. Its evolution resonates deeply with the imperatives of contemporary international relations, where sustained diplomatic processes, economic complementarities, and strategic dialogues coalesce to produce a partnership capable of shaping regional stability and prosperity in a complex, contested Indo-Pacific order.

## **LAO PDR**

The bilateral engagement between India and the Lao People's Democratic Republic represents a profound synthesis of civilisational continuity and contemporary geopolitical necessity. When viewed through a philosophical lens, this relationship transcends mere diplomatic transaction, embodying instead a shared ontological journey towards regional stability and mutual flourishing.

At the heart of this partnership lies a recognition of an ancestral 'oneness', a shared cultural and spiritual heritage that provides the normative foundation for modern political dialogue. The diplomatic summits and ministerial exchanges are not isolated events; they are the external manifestations of an internal, historical dialogue. This 'civilisational diplomacy' seeks to widen the horizon of cooperation by anchoring modern statecraft in a common ethical past. It suggests that the legitimacy of current bilateral roadmaps is derived from a deeper, pre-existing bond that links the two societies.

India's 'Act East' framework has redefined this oneness in contemporary terms. By focusing on capacity building, infrastructure, and human resource development, the engagement moves beyond a paternalistic model of aid towards a collaborative model of empowerment. This approach respects the 'Sovereign Will' of the partner state, focusing on the cultivation of intellectual and physical capital, be it through digital literacy, agricultural innovation, or the preservation of sacred heritage. The preservation of the latter serves as a guardian of memory, ensuring that technological progress does not lead to cultural alienation. The relationship also navigates a complex dialectic of power. The geographical positioning of the Mekong region functions as a strategic 'crossroads,' necessitating a delicate balance between autonomy and

external influence. The presence of various international actors in the spheres of defence and economy creates a pluralistic arena. Within this space, the pursuit of ‘strategic outlook’ becomes a quest for a ‘Middle Path’, a way for a land-linked nation to maintain its integrity while engaging with larger neighbours.

India–Laos diplomatic relations were formally established in 1956 and have since been anchored in longstanding historical and civilisational connections that predate the modern nation state. These links are rooted in the shared cultural and religious heritage shaped by the spread of Buddhism, Indic ideas, and ancient patterns of exchange across mainland Southeast Asia. Such civilisational affinities have created a reservoir of mutual goodwill and cultural familiarity, which continues to inform contemporary engagement between the two countries. Over time, these foundations have enabled India and Laos to develop converging perspectives on a range of issues of mutual concern, including regional stability, development cooperation, capacity building, and support for a rules-based order in the Indo-Pacific. The relationship has thus evolved from symbolic cultural ties into a pragmatic diplomatic partnership that balances historical continuity with present-day strategic and developmental priorities.

## Assessment

Prime Minister Modi’s first visit to Laos was in 2016, focused on further strengthening and widening the civilisational and contemporary relations between the two countries. External Affairs Minister Sushma Swaraj visited Lao PDR on November 22–23, 2018, co-chaired the 9th India–Lao PDR Joint Commission Meeting (JCM) along with her Laotian counterpart Saleumxay Kommasith. The meeting reviewed the India–Lao PDR relations comprehensively and also laid out the roadmap for future cooperation and enhancement in bilateral relations.<sup>111</sup> During

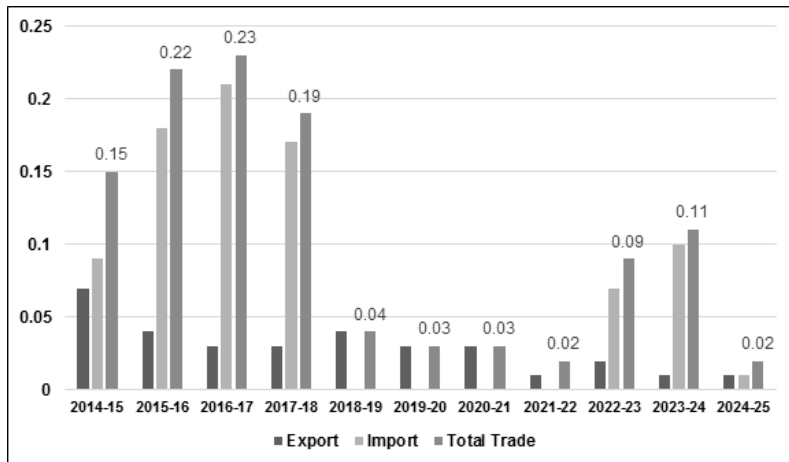
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<sup>111</sup> ‘Agreed Minutes of the Ninth Joint Commission Meeting on Bilateral Cooperation between India and Lao PDR,’ *Ministry of External Affairs*, November 23, 2018, at <https://www.mea.gov.in/bilateral-documents.htm?dtl/30627/Agreed+Minutes+of+the+Ninth+Joint+>. (Accessed September 02, 2025).

PM Modi's visit to Vientiane, on October 10–11, 2024 to attend the 21st ASEAN–India Summit and the 19th EAS hosted by Laos as ASEAN Chair for 2024, bilateral meeting were held with Lao PM and President of Lao PDR Dr. Thongloun Sisoulith. Both sides signed agreements in the fields of defence, broadcasting, customs cooperation, and three Quick Impact Projects (QIPs) under the Mekong–Ganga Cooperation (MGC). Grant assistance of about USD 1 million to improve nutrition security in the Lao PDR was also announced.<sup>112</sup>

India's AEP has enabled further strengthening bilateral cooperation in many areas including infrastructure building, human resources capacity building, agriculture and irrigation, Information Technology (IT) and education, and heritage conservation. Trade and economic cooperation have also been growing steadily as India is one of the most important trading partners, ranking 5th in terms of the total value of imports and exports only behind Thailand, China, Vietnam, and Japan.

**Figure 5: India–Lao PDR Bilateral Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

<sup>112</sup> 'India-Lao PDR Bilateral Relations', *Embassy of India, Vientiane, Lao PDR*, February 10, 2025, at <https://www.indianembassyloos.gov.in/page/bilateral-relations-sub/>. (Accessed September 02, 2025).

As indicated in the figure, bilateral trade in 2023 was at USD 112.6 million with Indian imports being USD 99.7 million and Indian exports being USD 12.9 million. The main products that Lao PDR exports include gold, rubber, processed wood, coffee (unprocessed), resin, rubber, resin, natural metals and others, clothing, furniture, and so forth. The primary commodities imported by Lao PDR include pharmaceutical products (pharmaceuticals), land vehicles (excluding tractors and motorcycles), electrical and electronic equipment, motorcycle equipment, cotton, textile, and clothing.<sup>113</sup>

The defence and security relations between the two nations date back to 1994, when a two-member Indian Army Training Team conducted training for Lao defence personnel in English, Computers and Basic Tactics under the ITEC. Through an MoU under the ITEC programme, an Indian Army Training Team (IATT) was established on 10 Aug 1995 at Kaysone Phomvihane Academy of National Defence (KAND), Vientiane. Permanent teams deployed at KAND were from (a) India, (b) China, (c) Vietnam and (d) Russia, with the last IATT team departed in June 2022.<sup>114</sup> On the sidelines of the 11th ADMM-Plus held at Vientiane, on November 20, 2024, Defence Minister Rajnath Singh met with his counterpart General Chansamone Chanyalath, the Defence Minister of Lao PDR. During the meeting, both sides appreciated agreements in the fields of defence signed during PM Modi's visit to Laos in October 2024. According to both sides, this renewed MoUs on defence would go a long way in building stronger bonds and in enhancing exchange in capacity building.<sup>115</sup>

## Challenges and Strategic Outlook

India's AEP had a positive impact towards strengthening bilateral ties with Laos, centred on capacity building, training and skilling. Laos shares

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<sup>113</sup> Ibid.

<sup>114</sup> Ibid.

<sup>115</sup> 'Raksha Mantri meets his Malaysian & Lao PDR counterparts on the sidelines of 11th ASEAN Defence Ministers' Meeting-Plus at Vientiane', *Press Information Bureau, Government of India*, November 20, 2024, at <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2075209>. (Accessed September 03, 2025).

a relatively small but strategically important border with China and has the potential to become a valuable partner for India. Laos is unique, located in the heart of Southeast Asia and shares borders with five nations, making it an important geopolitical player. Laos is strategically located along the Mekong River, which provides an important trade route connecting Southeast Asia with China. The country's strategic location, along with its large resource reserves, makes it an attractive partner. Despite the huge potential, bilateral relations remain challenged largely due to overwhelming influence of China in Laos and the strong defence relationship shared with Vientiane.

## **MALAYSIA**

The evolution of India's engagement with Malaysia since 2014 illustrates how international relations are rarely the outcome of isolated events but rather the cumulative unfolding of patterns, gestures, and shared meanings that gradually sediment into durable structures of statecraft. From the outset, India approached Malaysia through a dual lens: as a site of civilisational familiarity shaped by culture, diaspora, and historical presence, and as a strategic medium through which New Delhi could extend its influence into ASEAN and the broader Indo-Pacific.<sup>116</sup> This framework allowed the relationship to develop simultaneously in the registers of heritage and geopolitics, generating a partnership that combined intimacy with projection.

The density of official interactions—ranging from ministerial visits to exchanges in education, health, housing, and commerce—illustrated India's intent to build a comprehensive foundation. Such multidimensional outreach signalled that bilateral ties were to be defined not by a singular theme but by breadth and diversity. Maritime cooperation, submarine visits, and defence exchanges were deliberately cultivated alongside cultural programmes and diaspora-led initiatives,

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<sup>116</sup> Annual Report 2022–23, *Ministry of External Affairs, Government of India*, p. 63, at [https://www.mea.gov.in/Uploads/PublicationDocs/36286\\_MEA\\_Annual\\_Report\\_2022\\_English\\_web.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/36286_MEA_Annual_Report_2022_English_web.pdf).

underscoring India's recognition that strategic trust is best anchored in a fabric woven from both soft and hard elements. In this sense, repetition, continuity, and institutionalisation became the grammar of diplomacy, transforming gestures into enduring habits of cooperation.

Prime Minister Modi's 2015 visit<sup>117</sup> and the subsequent articulation of the 'Enhanced Strategic Partnership'<sup>118</sup> crystallised this approach by integrating external diplomacy with domestic development. The inclusion of state-level economic delegations indicated that Indian federal energies were being projected outward, tying local developmental aspirations with external opportunities. This internalisation of diplomacy as an extension of national growth reinforced the principle that foreign policy serves as both a mirror of domestic needs and a medium of external expansion.

The trajectory further deepened from 2016 onwards, when security concerns such as counter-terrorism, de-radicalisation, and extremism began to occupy central space.<sup>119,120</sup> This shift demonstrated India's awareness of the increasingly porous boundary between domestic and international security. Malaysia thus emerged not only as an economic partner but also as a necessary interlocutor in confronting global challenges, situating the partnership within the wider framework of international stability. In 2026, both countries elevated their relationship at the level of The CSP. CSP between India and Malaysia, reaffirmed

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<sup>117</sup> Annual Report 2015–16, Ministry of External Affairs, *Government of India*, pp. 30–31, at [https://www.mea.gov.in/Uploads/PublicationDocs/26525\\_26525\\_External\\_Affairs\\_English\\_AR\\_2015-16\\_Final\\_compressed.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/26525_26525_External_Affairs_English_AR_2015-16_Final_compressed.pdf).

<sup>118</sup> Ibid.

<sup>119</sup> Annual Report 2016–17, Ministry of External Affairs, *Government of India*, pp. 34–35, at [https://www.mea.gov.in/Uploads/PublicationDocs/29521\\_MEA\\_ANNUAL\\_REPORT\\_2016\\_17\\_new.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/29521_MEA_ANNUAL_REPORT_2016_17_new.pdf) (Accessed November 15, 2025).

<sup>120</sup> Ibid.

during PM Modi's visit to Malaysia in February 2026.<sup>121</sup> This elevation in the relationship represents a deep integration of economic, technological, and security interests rooted in shared civilisational ties. Beyond traditional diplomatic engagement, the CSP prioritises strategic synergy in high-value sectors such as semiconductor supply chains, digital public infrastructure, and green energy.<sup>122</sup> By institutionalising cooperation through the Malaysia–India Digital Council and promoting local currency settlements, both nations aim to enhance regional resilience and economic sovereignty. Furthermore, the partnership extends into maritime security and multilateral governance, with mutual support for Brazil, Russia, India, China, and South Africa (BRICS) and The United Nations Security Council (UNSC) reforms signalling a shared commitment to a more representative, rules-based international order.

## Assessment

Over the decade, from 2014 to 2024, India–Malaysia relations evolved steadily, partnership deepened in the security domain through regular naval port calls, coordinated joint exercises across army, navy, and air force, and growing collaboration in counter-terrorism, cyber security, and intelligence exchanges—demonstrating a shared concern for stability in the Malacca Strait and wider Indo–Pacific. Alongside, trade and investment ties expanded sharply, with bilateral trade registering steady growth, even resilient during the disruption of COVID–19, and later diversifying into settlement in local currencies, collaborations in infrastructure, energy, technology, and small and medium enterprises. The relationship was also shaped by the frequent use of institutional platforms such as ASEAN–centred meetings, Joint Commissions,<sup>123</sup>

<sup>121</sup> India–Malaysia Joint Statement on the occasion of the Official visit by Prime minister of India to Malaysia, *Ministry of External Affairs, Kuala Lumpur*, February 8, 2026, at <https://www.mea.gov.in/bilateral-documents.htm?dtl/40711/India++Malaysia+Joint+Statement+on+the+occasion+of+the+Official+visit+by+Prime+minister+of+India+to+Malaysia+February+08+2026>.

<sup>122</sup> Ibid.

<sup>123</sup> Annual Report 2023–24, *Ministry of External Affairs, Government of India*, p. 45, at [https://www.mea.gov.in/Images/CPV/38005\\_Final-MEA-AR-2023-English.pdf](https://www.mea.gov.in/Images/CPV/38005_Final-MEA-AR-2023-English.pdf) (Accessed November 15, 2025).

and CEO Forums,<sup>124</sup> which enabled predictability, negotiation, and continued engagement. People-to-people linkages, historical memory of the Indian National Army,<sup>125</sup> the role of the large Indian diaspora in Malaysia, the promotion of Ayurveda and yoga, and cultural events celebrating leaders and traditions infused the relationship with a civilisational warmth that buffered occasional trade or political challenges.<sup>126</sup> At the same time, the partnership often reflected underlying inequalities: Malaysia's reliance on India as a key market for palm oil exports and workers, India's growing leverage in defence services, and the structural asymmetry inherent in resource dependency and labour agreements.<sup>127</sup> Over time, what began as cordial ties with modest exchanges gradually consolidated into a comprehensive framework, blending strategic cooperation, economic interdependence, cultural connections, and pragmatic management of imbalances, culminating in the elevation of ties to a Comprehensive Strategic Partnership in 2024.<sup>128</sup>

The evolution of India–Malaysia bilateral relations during the period 2014–2025 represents a significant recalibration of strategic engagement, driven by mutual recognition of shared interests within the evolving Indo-Pacific construct.<sup>129</sup> This engagement, transcending traditional cordiality, has manifested through a deliberate institutionalisation of frameworks and a demonstrable expansion across multidimensional domains, revealing the inherent processes of contemporary diplomatic statecraft and India's adaptive foreign policy dynamics. The trajectory

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<sup>124</sup> Annual Report 2024–25, *Ministry of External Affairs, Government of India*, pp. 67–68, at [https://www.mea.gov.in/Annual\\_Reports.htm?dtl/39677/Annual\\_Report\\_20242025](https://www.mea.gov.in/Annual_Reports.htm?dtl/39677/Annual_Report_20242025) (Accessed November 15, 2025).

<sup>125</sup> Annual Report 2016–17, no. 119.

<sup>126</sup> Annual Report 2017–18, *Ministry of External Affairs, Government of India*, pp. 28–29, at [https://www.mea.gov.in/Uploads/PublicationDocs/29788\\_MEA-AR-2017-18-03-02-2018.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/29788_MEA-AR-2017-18-03-02-2018.pdf).

<sup>127</sup> Annual Report 2022–23, no. 116.

<sup>128</sup> Annual Report 2024–25, no. 124.

<sup>129</sup> Annual Report 2023–24, no. 123.

is defined not merely by achievements but by the systematic construction of a robust partnership architecture.

Central to this transformation was the elevation of the bilateral relationship to an 'Enhanced Strategic Partnership' during Prime Minister Modi's landmark 2015 visit to Malaysia.<sup>130</sup> This formal recalibration provided the essential scaffolding for subsequent cooperation, shifting the paradigm from ad hoc interactions towards structured, high-density engagement. This institutional momentum was sustained through frequent high-level political exchanges, including reciprocal prime ministerial visits (2015, 2017, 2018, and 2024), multiple Ministerial interactions, and the establishment of pivotal mechanisms like the JCM and the India-Malaysia CEOs' Forum.<sup>131</sup> The culmination occurred in 2024 with the further elevation to a 'CSP',<sup>132</sup> accompanied by a suite of agreements spanning digital technologies, employment, traditional medicine, culture, tourism, public administration, youth, sports, and financial services. This progressive institutional deepening signifies a mutual commitment to embedding the relationship within a formalised, long-term strategic framework responsive to the multipolar regional order.

Operational convergence, particularly in 'defence and security cooperation', emerged as a cornerstone achievement, embodying India's proactive 'Act East' policy and its role as an advocate of 'rule-based order'. Cooperation evolved significantly beyond delegation exchanges and port calls (e.g., INS Ranvijay, 2014; INS Sahyadri/Shakti/Kirch, 2016; INS Delhi/Shakti, 2023/2024) to encompass sophisticated joint exercises across all three services: the bilateral naval exercise SAMUDRA LAKSAMANA (commencing 2019),<sup>133</sup> the bilateral air exercise

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<sup>130</sup> Annual Report 2015–16, no. 117.

<sup>131</sup> Annual Report 2024–25, no. 124.

<sup>132</sup> Ibid.

<sup>133</sup> Annual Report 2019–20, *Ministry of External Affairs, Government of India*, pp. 75–76, at [https://www.mea.gov.in/Uploads/PublicationDocs/32489\\_AR\\_Spread\\_2020\\_new.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/32489_AR_Spread_2020_new.pdf).

UDARA SHAKTI (commencing 2022),<sup>134</sup> and the bilateral army exercise HARIMAU SHAKTI (commencing 2022).<sup>135</sup> The institutionalisation of regular navy-to-navy staff talks (reaching the 9th iteration in 2023),<sup>136,137</sup> army-to-army staff talks, air force exchanges (including Su-30 Fighter Aircrew), and high-level defence ministry dialogues underscores a mature and operationally integrated security partnership. The establishment of Hindustan Aeronautics Limited's office in Kuala Lumpur (2023)<sup>138</sup> further signifies the strategic depth achieved, moving cooperation towards defence industrial collaboration. Counter-terrorism collaboration, including discussions on de-radicalisation and enhanced intelligence sharing, solidified this pillar.

Simultaneously, economic and functional connectivity witnessed substantial expansion, demonstrating resilience even amidst global disruptions like the COVID-19 pandemic. Bilateral trade grew robustly, reaching USD 19.6 billion in 2022 (a 34% increase),<sup>139</sup> with Malaysia consistently ranking among India's top trading partners within ASEAN and globally. While trade composition evolved, India demonstrated strategic economic responsiveness through the allocation of special quotas for essential commodities like rice (200,000 MT in 2024, 170,000 MT in 2023) and sugar during periods of Malaysian need. The landmark agreement on 'trade settlement in Indian Rupees (INR)' implemented in 2023 marked a significant step towards enhanced monetary sovereignty within the bilateral relationship. Cooperation extended deeply into niche sectors: public administration and governance reforms

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<sup>134</sup> Annual Report 2022–23, no. 116.

<sup>135</sup> Ibid.

<sup>136</sup> Annual Report 2018–19, *Ministry of External Affairs, Government of India*, pp. 8–9, at [https://www.mea.gov.in/Uploads/PublicationDocs/31719\\_MEA\\_AR18\\_19.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/31719_MEA_AR18_19.pdf).

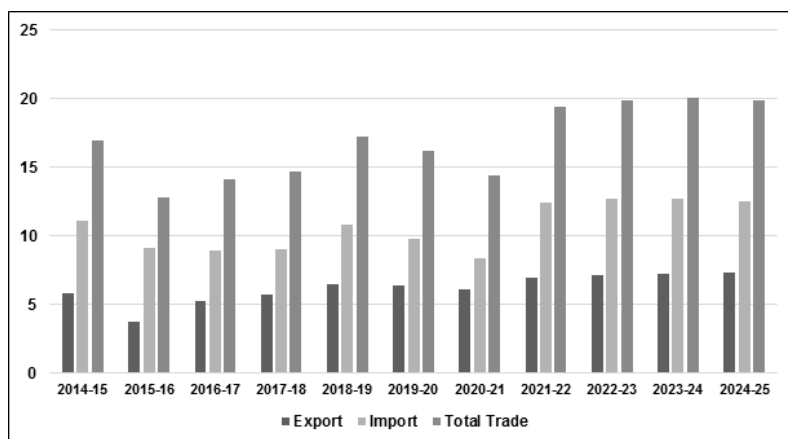
<sup>137</sup> Annual Report 2024–25, *Ministry of External Affairs, Government of India*, pp. 43–45, at [https://www.mea.gov.in/Annual\\_Reports.htm?dtl/39677/Annual\\_Report\\_20242025](https://www.mea.gov.in/Annual_Reports.htm?dtl/39677/Annual_Report_20242025).

<sup>138</sup> Annual Report 2023–24, no. 123.

<sup>139</sup> Ibid.

(via joint working groups), cyber security, project delivery monitoring, disaster management,<sup>140</sup> energy efficiency (MoU with IMT-GT JBC), skill development, and cultural exchanges (symbolised by the Torana Gate inauguration in 2015 and the Ayurveda Chair at UTAR established 2017/operationalised 2024).<sup>141</sup> The establishment of the Malaysia–India Digital Council and the India–Malaysia Startup Alliance (2024) points towards future-oriented collaboration.<sup>142</sup>

**Figure 6: India–Malaysia Bilateral Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

The relationship also demonstrated notable ‘adaptive capacity and resilience.’ The swift operationalisation of the Vande Bharat Mission during the COVID-19 pandemic, repatriating over 85,329 Indians,<sup>143</sup> and the responsive provision of critical medical supplies

<sup>140</sup> Annual Report 2016–17, no. 119.

<sup>141</sup> Annual Report 2015–16, no. 117.

<sup>142</sup> Annual Report 2024–25, *Ministry of External Affairs, Government of India*, pp. 67, at [https://www.mea.gov.in/Annual\\_Reports.htm?dtl/39677/Annual\\_Report\\_20242025](https://www.mea.gov.in/Annual_Reports.htm?dtl/39677/Annual_Report_20242025).

<sup>143</sup> Annual Report 2021–22, *Ministry of External Affairs, Government of India*, p. 63, at [https://www.mea.gov.in/Uploads/PublicationDocs/34894\\_MEA\\_Annual\\_Report\\_English.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/34894_MEA_Annual_Report_English.pdf).

(hydroxychloroquine, paracetamol) highlighted effective crisis management and mutual support. Sustained engagement with the diaspora through scholarships (Indian Scholarship and Trust Fund),<sup>144</sup> cultural centres (Netaji Subhash Chandra Bose Indian Cultural Centre), events like the Global Indian Festival and Persons of Indian Origin (PIO) Day, and the establishment of the Indian Workers Resource Centre (IWRC) in Kuala Lumpur (2023) strengthened the vital people-to-people pillar.<sup>145</sup> Diplomatic engagement persisted through political transitions in Malaysia, evidenced by continuous high-level contact with successive administrations.

India–Malaysia relations over the past decade embody a shift from episodic cooperation to a carefully cultivated strategic equilibrium, where the interplay of structure and sentiment defines the trajectory more than singular events or agreements. What has emerged is not merely a catalogue of diplomatic milestones but a deeper reorientation, in which both countries internalised the need to weave their interactions into the larger fabric of an unsettled Indo-Pacific order. The process has been less about grand declarations and more about subtle recalibrations: an ongoing negotiation of space, influence, and identity that allows each side to affirm autonomy while creating convergences that endure beyond immediate contingencies. At the heart of this evolution lies the recognition that institutionalisation is not simply about formal mechanisms but about generating habits of cooperation that gradually harden into shared expectations.

Equally significant is the subtle shift in how each country perceives the other within its strategic calculus. India increasingly views Malaysia not just as a bilateral partner but as a node in the wider ASEAN matrix, a vantage point that amplifies its own regional outreach. Malaysia, in turn, regards India as a necessary counterweight within a multipolar environment where major power rivalry threatens to reduce Southeast Asian agency. This mutual awareness redefines the partnership as a

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<sup>144</sup> Annual Report 2019–20, *Ministry of External Affairs, Government of India*, pp. 76, at [https://www.mea.gov.in/Uploads/PublicationDocs/32489\\_AR\\_Spread\\_2020\\_new.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/32489_AR_Spread_2020_new.pdf).

<sup>145</sup> Annual Report 2023–24, no. 123.

platform of strategic reassurance, allowing both to maintain balance without overt alignment. The achievement lies less in headline announcements and more in the gradual embedding of trust, resilience, and adaptability into the very fabric of the partnership, enabling it to evolve as a stable axis within the uncertainties of the Indo-Pacific.

## Challenges and Strategic Outlook

A few other aspects get highlighted when we see the relationship between the two countries. India–Malaysia relations between 2014 and 2025 reveal how domestic politics, economic leverage, and great-power rivalry shape bilateral ties. What might appear as episodic disputes—over Kashmir, Pakistan sponsors cross-border terrorism and violence, the issue of extradition, palm oil, etc. are in fact manifestations of deeper structural forces. Together, they illustrate the shift from historical amity to a transactional calculus where domestic imperatives and external alignments collide.

The emergence of the Indo-Pacific strategic calculus has redefined strategic geography, elevating India's role as a counterweight to China and drawing ASEAN states into a new security framework. For Malaysia, the Strait of Malacca underscores its importance as a trading hub, while India's AEP highlights the necessity of engaging Southeast Asia. Yet this arena of maritime interdependence is shaped less by cooperative visions than by great-power rivalry.

Participation of India in the Quad, growing defence exports, and aspirations as a strong advocate of 'rule-based navigation and international order' reflect India's rising ambitions. Policies on Kashmir and the Citizenship Amendment Act,<sup>146,147</sup> viewed by New Delhi as

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<sup>146</sup> 'Factually Inaccurate Remarks by Prime Minister of Malaysia on CAA,' *Ministry of External Affairs, Government of India*, December 20, 2019, at [https://www.mea.gov.in/pressreleases.htm?dt1/32230/Factually\\_Inaccurate\\_Remarks\\_by\\_Prime\\_Minister\\_of\\_Malaysia\\_on\\_CAA](https://www.mea.gov.in/pressreleases.htm?dt1/32230/Factually_Inaccurate_Remarks_by_Prime_Minister_of_Malaysia_on_CAA). (Accessed September 3, 2025).

<sup>147</sup> "People Dying': Malaysia's Mahathir Slams India's Citizenship Law,' *AlJazeera*, December 21, 2019, at <https://www.aljazeera.com/news/2019/12/21/people-dying-malysias-mahathir-slams-indias-citizenship-law>. (Accessed September 3, 2025).

sovereign matters, have generated criticism abroad by a few countries due to their popular political rhetoric and politics of appeasement, particularly in Muslim-majority states like Malaysia.<sup>148,149</sup>

Malaysia, by contrast, has long pursued a balancing act between great powers, anchored in ASEAN's non-interference principle. This allows it to extract economic benefits from both China and the United States, while maintaining equidistance in disputes.<sup>150</sup> Yet leadership can disrupt this equilibrium. Former Prime Minister Mahathir Mohamad departed from Malaysia's cautious diplomacy by criticising India's actions in Kashmir and the Citizenship (Amendment) Act (CAA), reflecting not only geopolitical considerations but also domestic identity politics appeasing majority religious community in the country. This move violated ASEAN norms of non-interference and provoked India's retaliation. Addition to this, the extradition (of a religious preacher) dispute epitomises the clash of sovereignty and identity politics. India demands his return on charges of money laundering and hate speech, framing it as a matter of law and order. Malaysia, however, shielded him under permanent residency, appealing to domestic constituencies. Ironically, both sides wield sovereignty as a political tool, leaving the issue unresolved.

The palm oil dispute over the claim that India is restricting palm oil imports illustrates the use of economic statecraft as diplomatic retaliation. Trade was quickly restored after a leadership change in Kuala Lumpur, underscoring the primacy of economic interests. This episode

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<sup>148</sup> 'Factually Inaccurate Remarks by Prime Minister of Malaysia on CAA,' *Ministry of External Affairs, Government of India*, December 20, 2019, at [https://www.mea.gov.in/pressreleases.htm?dt1/32230/Factually\\_Inaccurate\\_Remarks\\_by\\_Prime\\_Minister\\_of\\_Malaysia\\_on\\_CAA](https://www.mea.gov.in/pressreleases.htm?dt1/32230/Factually_Inaccurate_Remarks_by_Prime_Minister_of_Malaysia_on_CAA). (Accessed September 3, 2025).

<sup>149</sup> 'People Dying': Malaysia's Mahathir Slams India's Citizenship Law,' no. 147.

<sup>150</sup> Ngeow Chow Bing, 'How Malaysia Views US and Chinese Narratives About the World Order,' *Carnegie*, August 21, 2023, at <https://carnegieendowment.org/research/2023/08/how-malaysia-views-us-and-chinese-narratives-about-the-world-order?lang=en> (Accessed September 3, 2025).

demonstrated not just how political rhetoric can trigger sharp retaliation but also how pragmatism reasserts itself once costs outweigh symbolic posturing.

The Pahalgam attack by Pakistani terrorists in Kashmir added a further layer of sensitivity. India highlighted it as evidence of cross-border terrorism that undermines regional stability and demanded stronger international condemnation. Malaysia's response, however, reflected its characteristic caution: while expressing concern over violence and calling for peace, it avoided explicitly naming Pakistan.<sup>151</sup> This silence reinforced India's perception that domestic religious sentiments in Malaysia sometimes overshadow strategic solidarity, blurring the line between sympathy for the majority religious community's causes in Malaysia and principled opposition to terrorism. For New Delhi, the absence of unequivocal condemnation was read as a gap in trust, even as both sides continued to emphasise broader cooperation.

Despite divergent strategies—India's ambition for strategic autonomy and Malaysia's hedging—both countries face the same paradox: the need to project stability abroad while grappling with domestic identity politics. For India, Malaysia's leaders occasionally externalise domestic religious concerns through foreign policy. The past decade has shown that India and Malaysia operate within a *realpolitik* where interests dictate outcomes. When aligned—such as in defence cooperation, trade recovery, or technological collaboration—ties deepen quickly. When clashing over sovereignty, terrorism, or identity, friction emerges, often resolved through pragmatic recalibration.

## MYANMAR

India's foreign policy towards Myanmar has undergone a decisive and multidimensional transformation under the strategic frameworks of

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<sup>151</sup> 'Malaysia In Support Of Pakistan's Demand for Probe into Pahalgam Terrorist Attack,' *The Times of India*, May 6, 2025, at <https://timesofindia.indiatimes.com/videos/toi-original/malaysia-in-support-of-pakistans-demand-for-probe-into-pahalgam-terrorist-attack/videoshow/120910437.cms>. (Accessed September 3, 2025).

the ‘AEP and the ‘Neighbourhood First’ initiative, both championed by Prime Minister Narendra Modi’s government to reposition Myanmar as a pivotal gateway to Southeast Asia and a vital partner in ensuring security, connectivity, and regional stability.<sup>152</sup> This shift marked a departure from the earlier LEP’s relatively passive engagement towards a proactive, outcome-oriented approach, driven by Myanmar’s unique geographic position as India’s only land bridge to ASEAN. Over the past decade, India’s objectives have been multifaceted, strengthening border security to stabilise its insurgency-prone Northeast; enhancing physical, digital, and institutional connectivity. The February 2021 military coup presented the most significant diplomatic challenge, triggering civil war, humanitarian crises, and shifting control of much of Myanmar’s periphery to ethnic armed organisations.<sup>153</sup> India adopted a pragmatic dual-track approach, balancing its normative support for democracy and rule of law with the geopolitical imperative of maintaining functional engagement with the military authorities to safeguard its own security and strategic interests. At its core, the decade-long trajectory of India’s foreign policy toward Myanmar reveals more than a sequence of pragmatic diplomatic measures; it embodies a civilisational ethos refracted through the exigencies of realpolitik, where the ancient impulse to bind, connect, and exchange is perpetually mediated by the modern necessity to secure, fence, and calculate.

Myanmar functions as both gateway and buffer for India,<sup>154</sup> a bridge to the envisioned Indo-Pacific integration and a bulwark against insurgency, narcotics, and the gravitational pull of Chinese hegemony.

<sup>152</sup> Annual Report 2019–20, *Ministry of External Affairs, Government of India*, pp. 13, at [https://www.mea.gov.in/Uploads/PublicationDocs/32489\\_AR\\_Spread\\_2020\\_new.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/32489_AR_Spread_2020_new.pdf) (Accessed November 8, 2025).

<sup>153</sup> Niranjana Marjani, ‘India Faces a Two-Front Challenge From Post-Coup Myanmar’, *The Diplomat*, April 22, 2023, at <https://thediplomat.com/2023/04/india-faces-a-two-front-challenge-from-post-coup-myanmar/> (Accessed November 13, 2025).

<sup>154</sup> Mohammad Taha Ali, ‘The De Facto Buffer: How Myanmar’s Border Instability Reshapes India’s Northeast Security Architecture’, *NatStrat*, August 25, 2025, at <https://www.natstrat.org/articledetail/publications/the-de-facto-buffer-how-myanmar-s-border-instability-reshapes-india-s-northeast-security-architecture-221.html> (Accessed November 13, 2025).

This dual role forces India into an inherently dialectical posture, where moral commitments (to democracy, to humanitarianism, to the cultural fraternity of the Buddhist world) coexist in uneasy tension with the imperatives of security, market access, and geostrategic counterbalancing.

Yet the coup of 2021 fractures this historical continuum. The subsequent civil war, in which the state apparatus controls only fragments of the territory, forces India into an ethical bind: it must engage the junta to preserve its strategic projects and security corridors, while simultaneously safeguarding India's borderlands and promoting harmony within the population.<sup>155</sup> This is critical because several Indian states share close ethnic affinities with communities in Myanmar. This approach is neither accidental nor purely opportunistic; it reflects a deeper strategic anthropology in which power in Myanmar is understood as distributed, not monolithic. From a philosophical vantage, the policy's connective infrastructure, whether highways, ports, or digital links, carries symbolic weight beyond its economic utility. Each road segment completed, each port operationalised, represents an attempt to re-script the spatial grammar of the Indo-Pacific, to reorient India's Northeast from a landlocked periphery to a maritime-connected participant in trans-Asian flows.<sup>156</sup> But the parallel rise of border fencing and the termination of the Free Movement Regime in 2024 indicate a counter-current: the hardening of thresholds even as corridors are built.<sup>157</sup> This juxtaposition underscores the deep paradox of modern connectivity: to open is also to control; to link is also to delimit.

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<sup>155</sup> A Rebel Border: India's Evolving Ties with Myanmar after the Coup, International Crisis Group, Crisis Group Asia Briefing N°182, Myanmar/Bangkok/Brussels, 11 April 2025, at [https://www.crisisgroup.org/sites/default/files/2025-04/b182-india-myanmar-evolving-ties\\_0.pdf](https://www.crisisgroup.org/sites/default/files/2025-04/b182-india-myanmar-evolving-ties_0.pdf).

<sup>156</sup> Pratnashree Basu and Sohini Bose, 'In Search of the Sea: Opening India's Northeast to the Bay of Bengal,' *ORF*, February 5, 2024, at <https://www.orfonline.org/research/in-search-of-the-sea-opening-indias-northeast-to-the-bay-of-bengal>. (Accessed November 13, 2025).

<sup>157</sup> Ministry of Home Affairs: Year End Review 2024, *Ministry of Home Affairs, Press Information Bureau*, December 30, 2024, at <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2088945> (Accessed November 13, 2025).

## Assessment

Since 2014, India's Act East-driven engagement with Myanmar has matured into a multidimensional partnership and at the heart of this engagement lies the connectivity agenda, where flagship infrastructure projects such as the KMMITP<sup>158</sup> and the India–Myanmar–Thailand Trilateral Highway (IMT–TH) have advanced despite security, terrain, and pandemic-related delays.<sup>159</sup> The KMMITP connects Kolkata Port in India to Sittwe Port in Myanmar by sea. From Sittwe, the route continues inland along the Kaladan River to Paletwa, and then proceeds by road to the Indo–Myanmar border at Zorinpui, Mizoram. The Sittwe Port became operational in 2023, while the road components are under construction and expected to be completed by 2027. The Trilateral Highway, designed to link Moreh in Manipur with Mae Sot in Thailand via Myanmar, has reached near-operational readiness on several Indian-built segments in Myanmar, with major works completed on sections such as Moreh–Tamu–Kalay and Monywa–Mandalay. These connectivity corridors aim to reduce dependence on the vulnerable Siliguri Corridor, integrate India's Northeast into regional supply chains, and enhance its access to Southeast Asian markets. Complementing these are upgraded border roads, modernised Integrated Check Posts (such as Zorinpui, operational since 2017), and participation in UNESCAP-led regional transport networks like the Asian Highway and Trans-Asian Railway, all of which reinforce India's position as a regional connector.<sup>160</sup>

Economic and development cooperation has been equally robust, with India extending approximately USD 1.7 billion in grants for projects spanning infrastructure, healthcare, and education.<sup>161</sup> Signature initiatives

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<sup>158</sup> Annual Report 2016–17, *Ministry of External Affairs, Government of India*, pp. 12–14, at [https://www.mea.gov.in/Uploads/PublicationDocs/29521\\_MEA\\_ANNUAL\\_REPORT\\_2016\\_17\\_new.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/29521_MEA_ANNUAL_REPORT_2016_17_new.pdf).

<sup>159</sup> Ibid.

<sup>160</sup> Dr Jaikhlong Basumatary, 'Implications of Trans-Asian Highway in North East India,' *Centre for Land Warfare Studies*, July 28, 2013, at <https://archive.claws.co.in/1052/implications-of-trans-asian-highway-in-north-east-india-dr-jaikhlong-basumatary.html> (Accessed November 14, 2025).

<sup>161</sup> Annual Report 2016–17, no. 158.

include the upgrading of Yangon Children's Hospital, construction of general hospitals in Sittwe and Monywa, and establishment of India–Myanmar Institutes of IT and Agriculture.<sup>162</sup> Following the 2017 Rakhine crisis, India committed USD 25 million over five years for housing, schools, clinics, and roads to aid displaced communities, underlining its role as a humanitarian partner.<sup>163</sup> Bilateral trade has steadily grown, supported by border haats such as Moreh–Tamu, improved customs procedures, and expanded banking links.<sup>164</sup> India is now Myanmar's fourth-largest trading partner, its second-largest export market, and the 11th largest investor, with investments totalling USD 1.736 billion between 2000 and 2023—focused heavily on oil and gas projects via ONGC Videsh and GAIL, which maintain stakes in offshore gas blocks vital to India's energy security.<sup>165,166,167</sup> India also dominates Myanmar's

<sup>162</sup> Abhay Thakur (Ambassador of India to the Republic of the Union of Myanmar), 'Bridging Borders: India-Myanmar Development Partnership Lifts Communities,' *The Global New Light of Myanmar*, August 25, 2025, at <https://www.gnlm.com.mm/bridging-borders-india-myanmar-development-partnership-lifts-communities/> (Accessed November 14, 2025)

<sup>163</sup> Lok Sabha Unstarred Question no. 646 to be answered on 05.02.2020, *Ministry of External Affairs, Government of India*, February 5, 2020, at <https://www.mea.gov.in/lok-sabha.htm?dt1/32362/QUESTION+NO646+NEW+DIVISION>.

<sup>164</sup> Annual Report 2018–19, *Ministry of External Affairs, Government of India*, pp. 49–51, at [https://www.mea.gov.in/Uploads/PublicationDocs/31719\\_MEA\\_AR18\\_19.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/31719_MEA_AR18_19.pdf).

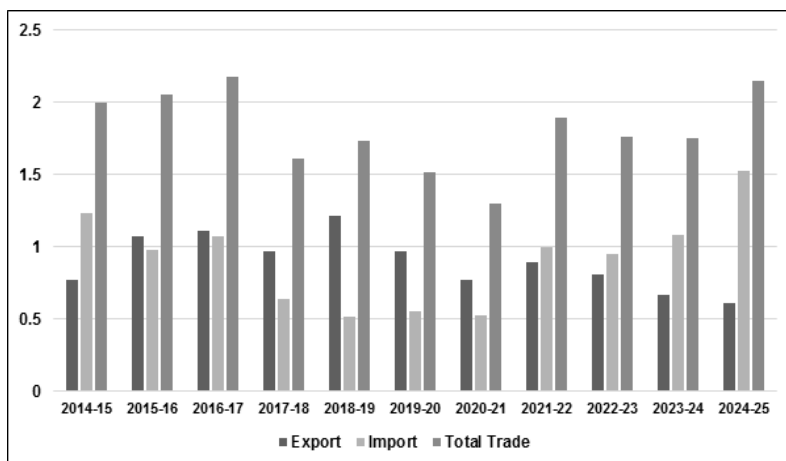
<sup>165</sup> 'India-Myanmar trade volume expected to exceed US\$1.6 Billion in 2024-2025 FY', *Global New Light of Myanmar*, 15 January 2025, at <https://www.gnlm.com.mm/india-myanmar-trade-volume-expected-to-exceed-us1-6billion-in-2024-2025-fy/> (Accessed November 16, 2025).

<sup>166</sup> Annual Report 2014–15, *Ministry of External Affairs, Government of India*, pp. 13–15, at [https://www.mea.gov.in/Uploads/PublicationDocs/25009\\_External\\_Affairs\\_2014-2015\\_\\_English\\_.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/25009_External_Affairs_2014-2015__English_.pdf) (Accessed November 5, 2025).

<sup>167</sup> Huma Siddiqui, 'Neighbourhood First: India to invest USD 6 bn for setting up a Petroleum refinery in Myanmar,' *Financial Express*, 6 October 2020, at <https://www.financialexpress.com/business/defence-neighbourhood-first-india-to-invest-usd-6-bn-for-setting-up-a-petroleum-refinery-in-myanmar-2099145/> (Accessed October 16, 2025).

pharmaceutical imports, supplying about 60% of its needs, while vehicles, machinery, and consumer goods feature prominently in exports to Myanmar.

**Figure 7: India–Myanmar Bilateral Trade (in USD Billion)**



**Source:** Department of Commerce, Government of India

Defence and security cooperation have deepened through regular military consultations, staff talks, and high-level visits. Landmark developments include the 2019 launch of ‘Operation Sunrise,’<sup>168</sup> a joint military effort to dismantle insurgent camps threatening the Kaladan Project; MoUs on border management; training for Myanmar’s armed forces, air force, and naval personnel; and equipment transfers such as the INS Sindhuvir submarine.<sup>169</sup> Joint coordinated patrols in the Bay of Bengal and intelligence sharing on insurgent and narcotics networks

<sup>168</sup> ‘Year End Review – 2020 Ministry of Defence,’ *Ministry of Defence*, January 1, 2021, at [https://www.pib.gov.in/PressReleseDetailm.aspx?PRID=1685437&utm\\_source=chatgpt.com](https://www.pib.gov.in/PressReleseDetailm.aspx?PRID=1685437&utm_source=chatgpt.com) (Accessed October 16, 2025).

<sup>169</sup> Annual Report 2020–21, *Ministry of External Affairs, Government of India*, p. 14, at [https://www.mea.gov.in/Uploads/PublicationDocs/33569\\_MEA\\_annual\\_Report.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/33569_MEA_annual_Report.pdf) (Accessed October 14, 2025).

underscore the strategic convergence on border and maritime security. India's assistance extends to modernising Myanmar's coastal defence capabilities, supplying patrol vessels, and building the capacity of its navy to secure sea lanes in the eastern Indian Ocean.

Cultural diplomacy and people-to-people ties remain an enduring strength of the relationship, anchored in shared Buddhist heritage, a sizeable Indian-origin community in Myanmar (estimated at over 2.5 million), and multiple educational and capacity-building programmes.<sup>170</sup> Thousands of Myanmar students and officials benefit annually from ITEC, ICCR scholarships, and specialised training in governance, IT, medicine, and agriculture.<sup>171</sup> India's restoration of sacred Buddhist sites such as the Ananda Temple in Bagan and the redevelopment of Burmese-built temples in Bodh Gaya resonate strongly with Myanmar's majority-Buddhist population. Platforms like the Mekong–Ganga Cooperation (MGC) further institutionalise exchanges in tourism, culture, education, and transport.<sup>172</sup>

India's humanitarian record has bolstered its image as a credible and reliable partner. This includes supplying COVID-19 vaccines during the pandemic, delivering relief after Cyclone Mocha, and providing food and medical aid in response to the Rohingya crisis—both directly to Myanmar and to refugee camps in Bangladesh under 'Operation Insaniyat'.<sup>173, 174</sup> Such people-centric measures, coupled with sustained

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<sup>170</sup> Annual Report 2023–24, *Ministry of External Affairs, Government of India*, p.27–28, at [https://www.mea.gov.in/Images/CPV/38005\\_Final-MEA-AR-2023-English.pdf](https://www.mea.gov.in/Images/CPV/38005_Final-MEA-AR-2023-English.pdf) (Accessed October 14, 2025).

<sup>171</sup> Annual Report 2024–25, *Ministry of External Affairs, Government of India*, pp.43–45, at [https://www.mea.gov.in/Annual\\_Reports.htm?dtl/39677/Annual\\_Report\\_20242025](https://www.mea.gov.in/Annual_Reports.htm?dtl/39677/Annual_Report_20242025) (Accessed October 14, 2025).

<sup>172</sup> Annual Report 2023–24, no. 170.

<sup>173</sup> Ibid.

<sup>174</sup> Press Releases, 'Operation Insaniyat - Humanitarian assistance to Bangladesh on account of influx of refugees,' *Ministry of External Affairs, Government of India*, 14 September 2017, [https://www.mea.gov.in/press-releases.htm?dtl/28944/Operation\\_Insaniyat\\_\\_Humanitarian\\_assistance\\_to\\_Bangladesh\\_on\\_account\\_of\\_influx\\_of\\_refugees](https://www.mea.gov.in/press-releases.htm?dtl/28944/Operation_Insaniyat__Humanitarian_assistance_to_Bangladesh_on_account_of_influx_of_refugees) (Accessed October 16, 2025).

official-level engagement—exemplified by the 2017 signing of 11 MoUs spanning border management, maritime security, health, and education—have reinforced trust and preserved India’s strategic relevance in Myanmar’s calculus despite the backdrop of political upheavals, particularly the 2021 military coup. By combining hard infrastructure development, defence cooperation, economic interdependence, and cultural diplomacy, New Delhi has managed to project itself as a stable, consistent, and empathetic partner, ensuring that Myanmar remains firmly embedded in India’s eastern strategic outreach while also serving as a critical platform for India’s broader Indo-Pacific engagement.

### **Challenges and Strategic Outlook**

Myanmar appears not merely as a neighbour, but as a threshold space where India’s continental history meets its maritime future, where the accumulated weight of shared civilisation intersects with the fluid realities of twenty-first-century power competition. India’s approach carries within it a duality: the desire for stability and the acceptance of constant change. Connectivity projects such as the KMMITP and the Trilateral Highway stand not only as practical undertakings but as symbols of linkages, tangible attempts to draw lines of certainty across unpredictable terrain. Their delays, however, remind us that intent and execution often operate on different timelines, and that managing this divergence is one of the central challenges of diplomacy. Cultural initiatives are reaffirmations of deep-rooted ties that predate political boundaries. They serve to balance the transactional nature of trade and security cooperation. The 2021 military takeover in Myanmar and the subsequent political fragmentation underscored the fragility of any strategic framework in the region. It is a navigation between principle and necessity, between the aspiration to support democratic values and the imperative to safeguard security interests in a volatile borderland. While China advances through speed and large-scale investment, India relies on endurance, trust-building, and multi-layered engagement. This contrast raises the central question of whether gradualism can remain effective in an era where geopolitical outcomes are often shaped by acceleration.

However, the trajectory of this partnership was significantly disrupted by Myanmar's military coup in February 2021 and the subsequent civil war. By 2024, the junta controlled less than one-fifth of the national territory, with vast areas under the control of ethnic armed organisations (EAOs) and anti-junta People's Defence Forces (PDFs). The instability severely hampered India's connectivity and infrastructure projects, with the KMMTIP and IMT-TH facing prolonged delays due to security risks, difficult terrain, and bureaucratic inertia on both sides. Security concerns intensified as insurgent activity, arms trafficking, and narcotics flows surged across the porous border, prompting India in 2024 to begin phasing out the Free Movement Regime (FMR) and erecting border fencing. While these measures aimed to curb illicit flows and enhance territorial security, they also strained cross-border ethnic and kinship ties, especially among Mizo and Chin communities. These cross-border affinities had a negative role in community clashes in Manipur since 2023 in terms of availability of arms, funding, expertise in violent activities, etc.

India's relatively muted advocacy for democracy, in contrast to Western sanctions-based policies, reflected its pragmatic need to preserve security cooperation and maintain operational access for its projects. Yet, this realism exposed India to criticism for appearing ambivalent on human rights. China's entrenched influence further complicated India's position. With investments exceeding USD 20 billion under the China–Myanmar Economic Corridor (CMEC), Beijing leveraged its rapid project execution, political leverage with the junta, and deep penetration in ethnic-minority areas to secure strategic access to the Indian Ocean and energy supply routes. In comparison, India's slower project delivery and modest trade volume—bilateral trade reached USD 2.1 billion in 2024, with India as Myanmar's fourth-largest trading partner—highlighted the asymmetry in influence.

Looking ahead, India's ability to convert Myanmar's geographic indispensability into a tangible strategic advantage will depend on accelerating project completion, potentially by negotiating implementation guarantees with both state and non-state actors; expanding Northeast India's logistical and manufacturing base to leverage connectivity once operational; offering transparent and sustainable alternatives to Chinese projects; and using multilateral

platforms such as BIMSTEC, ASEAN-led forums, and Indo-Pacific coalitions to embed Myanmar within a broader regional economic and security network.

Success for India will depend on moving from reactive diplomacy to an anticipatory strategy—embedding resilience into connectivity projects, securing access agreements immune to regime changes, enhancing cross-border infrastructure in the Northeast, and expanding humanitarian outreach beyond junta-controlled areas to preserve grassroots goodwill. In Myanmar’s fractured landscape, India’s credibility will rest on its ability to combine steadiness with strategic agility, turning a volatile frontier into a durable bridge for its regional ambitions.

## PHILIPPINES

On November 26, 1949, India and the Philippines formally established diplomatic ties, shortly after both nations attained independence.<sup>175</sup> The relationship with the Philippines has expanded into the areas of trade and industry, people-to-people interactions, and political and security since the AEP was introduced in 2014. During the 2018 ASEAN-India Commemorative Summit, India expressed support for peaceful dispute resolution and adherence to UNCLOS and the 2016 Arbitral Award favouring the Philippines in the South China Sea context, which showcased India’s tilt towards the Philippines.<sup>176</sup> Growing links are demonstrated by the two countries’ intensifying relations in all areas, including the old and new frontiers. The primary areas of concentration for India–Philippines bilateral relations include people-to-people linkages or exchange programmes, maritime security, defence, and political, economic, and trade issues. The year 2024 also marked the 75th anniversary of India–Philippines diplomatic relations.

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<sup>175</sup> Establishment of Diplomatic Relations, Embassy of the Philippines, New Delhi, at <https://newdelhi.pe.dfa.gov.ph/index.php/86-philippines-india-relations/268-establishment-of-diplomatic-relations-2>. (Accessed September 1, 2025).

<sup>176</sup> Maria T. Reyes, ‘India Backs Philippines in South China Sea, Increases Engagement,’ Indo-Pacific Defense Forum, August 16, 2023, at <https://ipdefenseforum.com/2023/08/india-backs-philippines-in-south-china-sea-increases-engagement/> (Accessed September 01, 2025).

Prime Minister Narendra Modi visited the Philippines in 2017, and President Shri Ram Nath Kovind visited in 2019. During the October 2019 visit to the Philippines by then-President Shri Ram Nath Kovind, the two nations' cultural exchange programmes were extended for the years 2019–2023.<sup>177</sup> On Indian national days, the Philippines routinely hosts Indian cultural events.

In the year 2022, Prime Minister Narendra Modi spoke with the President of the Philippines Ferdinand Marcos Jr. and congratulated him on becoming the 17th President of the Philippines. Prime Minister Narendra Modi reaffirmed the Philippines' significance in India's AEP and its Indo-Pacific regional strategy.

A bilateral mechanism has been set up between India and the Philippines, that is, the Joint Commission on Bilateral Cooperation (JCBC) co-chaired by the External Affairs Minister and the Philippines Secretary of Foreign Affairs, and the last meeting was on June 29, 2023 in New Delhi.

## Assessment

India's External Affairs Minister Dr S Jaishankar visited the Philippines from 25-27 March 2024 and reviewed the progress in bilateral relations between the two countries.<sup>178</sup> He discussed further avenues for bilateral cooperation with his Philippine counterpart, Mr Enrique A. Manalo, such as trade, investment, defence and maritime security, foreign policy, education, new technologies, and people-to-people ties. High-level

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<sup>177</sup> 'Visit of President to Philippines and Japan (October 17–23, 2019),' *Ministry of External Affairs, Government of India*, at <https://www.mea.gov.in/press-releases.htm?dtl/31944/Visit+of+President+to+Philippines+and+Japan+October+1723+2019> (Accessed September 5, 2025).

<sup>178</sup> 'Visit of External Affairs Minister, Dr. S. Jaishankar to Philippines (March 25–27, 2024),' *Ministry of External Affairs, Government of India*, at <https://www.mea.gov.in/press-releases.htm?dtl/37755/Visit+of+External+Affairs+Minister+Dr+S+Jaishankar+to+Philippines+March+2527+2024> (Accessed September 2, 2025).

interactions also included conversations between PM Modi and President Ferdinand R. Marcos Jr on the sidelines of the 21st ASEAN–India Summit in October 2024 and the recent one being President Marcos Jr’s visit to India on August 4, 2025, for a bilateral meeting with PM Modi.

Defence Cooperation is a strong and fundamental pillar of bilateral relations between the two countries and has potential for future collaboration as well, beyond capacity-building and training. Ships from the Indian Coast Guard and Navy frequently visit the Philippines and consult with their counterparts. From June 3–7, 2022, INS Satpura made a port call in Manila for Operational Turn Around (OTR).<sup>179</sup>

In January 2022, India signed a \$375 million BrahMos missile deal—India’s first major defence export to Southeast Asia. Marking a major milestone in India–Philippines relations, India delivered the first batch of BrahMos missile systems to the Philippines on April 19, 2024, making it the first foreign country to receive this advanced missile weapon system.<sup>180</sup> The second batch of the BrahMos supersonic cruise missile was dispatched to the Philippines in April 2025, which further solidified the country’s growing role in the global defence market. The latest shipment further solidifies the Philippines’ efforts to modernise its armed forces amid rising maritime tensions in the South China Sea. The BrahMos, known for its precision strike capability, supersonic speed (up to Mach 3), and versatility in land, sea, and air launches, significantly enhances the Philippines’ coastal defence capability.<sup>181</sup> With the Philippines

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<sup>179</sup> Manjeet Negi, ‘INS Satpura visits Manila during deployment to South China Sea’, *India Today*, June 8, 2022, at <https://www.indiatoday.in/defence/story/ins-satpura-visits-manila-deployment-to-south-china-sea-1959656-2022-06-07> (Accessed September 2, 2025).

<sup>180</sup> ‘India delivers first batch of BRAHMOS Missiles to the Philippines’, BrahMos Aerospace, April 19, 2024, at <https://www.brahmos.com/brahmos-in-media/114> (Accessed September 4, 2025).

<sup>181</sup> Raghav Patel, ‘Can Philippines Effectively Utilize BrahMos Missiles Against China? Not Without Crucial C4ISR Infrastructure, Says Former US Adviser’, *Defence.IN*, March 2, 2025, at <https://defence.in/threads/can-philippines-effectively-utilize-brahmos-missiles-against-china-not-without-crucial-c4isr-infrastructure-says-former-us-adviser.13122/> (Accessed September 5, 2025).

as a showcase buyer, New Delhi is increasingly positioning itself as a reliable defence partner to Southeast Asian nations facing shared security challenges.

In November 2017, the two countries signed an MoU on defence industry and logistics cooperation and established a dedicated Joint Defence Industry and Logistics Committee (JDILC) under its framework. The committee has convened three times, with the most recent meeting held on March 11, 2022. In August 2023, the Indian Coast Guard signed an MoU with the Philippine Coast Guard on enhanced maritime cooperation, which seeks to enhance professional linkage between the two coast guards in the domain of Maritime Law Enforcement. There was also an agreement on the Standard Operating Procedure (SOP) on the sharing of White Shipping Information.

With the aim of strengthening institutional maritime engagement, the inaugural India–Philippines Track-1 Maritime Dialogue was held in Manila in December 2024.<sup>182</sup> In mid 2024, Indian naval vessels (INS Delhi, Shakti, Kiltan) visited Manila, promoting goodwill and interoperability amid rising tensions in the South China Sea. India's stance on the South China Sea arbitration ruling became more explicitly supportive of the Philippines, moving beyond its earlier neutral posture.

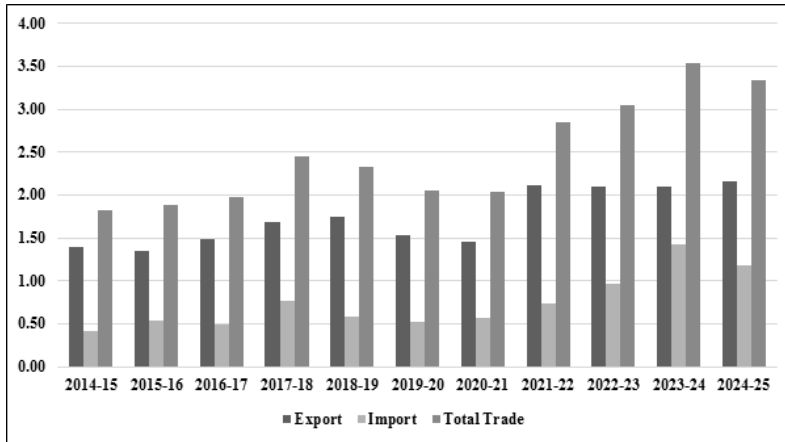
**Trade and Economic Cooperation:** In terms of value, bilateral trade between India and the Philippines has surpassed \$3 billion for the first time, rising from \$1.89 billion (USD) in 2015–16 to \$3.05 billion (USD) in FY 2022–23, according to official figures from the Department of Commerce, Government of India. To facilitate bilateral trade, both countries signed an Agreement on Cooperation and Mutual Assistance in Customs Matters in April 2022 (ratified in June 2023). India's cumulative investment in the Philippines is approximately US \$5 billion.

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<sup>182</sup> 'Philippines, India hold inaugural Track 1 Maritime Dialogue in Manila', Department of Foreign Affairs, Republic of the Philippines, at <https://dfa.gov.ph/dfa-news/dfa-releasesupdate/35909-philippines-india-hold-inaugural-track-1-maritime-dialogue-in-manila> (Accessed September 6, 2025).

The key investment areas are pharmaceuticals, healthcare, textiles, and infrastructure.

**Figure 8: India–Philippines Bilateral Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

Electronic goods, auto parts, electric transformers, petroleum products, semi-finished iron and steel products, pharmaceuticals, meat, groundnuts, and other materials are among the main exports from India to the Philippines. Twenty per cent of all Indian pharmaceutical exports to the ASEAN region come from the Philippines. Major imports from the Philippines to India also include semiconductors, electrical machinery, pearls and precious stones, food sector waste and residue, animal feed, and more. According to the most recent data on trade and economic cooperation between India and the Philippines, as of May 2024, India's exports and imports totalled about \$162 million and \$60.7 million, respectively, with a \$101 million positive trade balance.<sup>183</sup> The figure below shows that India's imports from the Philippines have grown faster.

<sup>183</sup> 'Bilateral Economic and Commercial Relations', Embassy of India, Manila, <https://eoimanila.gov.in/eoi.php?id=bilateral-trade-and-economic-relations/> (Accessed October 10, 2025).

India and the Philippines recently declared a strategic partnership during President Ferdinand Marcos Jr's. visit to India on August 4. A comprehensive roadmap was launched to institutionalise cooperation across defence, maritime security, trade, digital infrastructure, space, tourism, legal domains, and more.<sup>184</sup> Thirteen bilateral agreements were signed, which covered defence (including tri-service Terms of Reference), mutual legal assistance, sentenced persons transfer, digital tech, tourism, space, science and technology, cultural exchange, maritime cooperation, and more.

Philippines offered visa-free entry for Indian tourists from June 8, 2025, up to 14 days (or 30 days with valid third-country visas/permits), and India reciprocated with free e-tourist visas for Filipino nationals starting August 2025. The visit also coincided with an incident in early August, where Indian warships made a strategic port call in Manila, including exercises and expert exchanges. It also demonstrated interoperability within Manila's EEZ. India and the Philippines are discussing cooperation on developing submarine infrastructure.

## **Challenges and Strategic Outlook**

One of the key achievements has been the defence diplomacy breakthrough with BrahMos missile export, which is a historic success in India's defence export policy. Furthermore, Public support for UNCLOS and the arbitral tribunal ruling, aligning with the Philippines' legal position in the South China Sea, is a success, wherein India's diplomatic posture strengthened its Indo-Pacific credibility and alignment with ASEAN norms. The most crucial action is to strengthen India–Philippines defence cooperation. This is due to the fact that China and the Philippines have had numerous dangerous contacts in the past few months close to the disputed Second Thomas Shoal, where the Philippines keeps a troop detachment based on a military vessel that is grounded.

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<sup>184</sup> Sebastian Strangio, Philippines and India Announce Establishment of Strategic Partnership, *The Diplomat*, August 6, 2025, at <https://thediplomat.com/2025/08/philippines-and-india-announceestablishment-of-strategic-partnership/> (Accessed September 8, 2025).

Defence procurements from India (possibly joint production) would play a crucial role in boosting bilateral ties. Manila has already shown interest in getting assistance from India in military modernisation. India too has a lot to gain from investing in Manila, as capacity building of the Armed forces of the Philippines could perhaps enhance India's credibility as a dependable defence partner in the wider Indo-Pacific region. India is already viewed by many Southeast Asian nations as a 'secondary balancer' against growing Chinese influence, and its involvement with the Philippines is a means for India to increase its visibility and credibility in the region.

However, despite growth, India's trade with the Philippines remains relatively small compared to China, Japan, or the US. Indian investment in the Philippines is still limited, particularly outside of pharmaceuticals and IT. Geopolitically, China's influence in the region (both economic and military) creates indirect pressure on India–Philippines defence collaboration. New avenues of investment and joint ventures need to be explored to enhance the bilateral trade. Certain industries account for the majority of the two nations' imports and exports.

Trade ties may be stabilised and mutual economic resilience could be fostered by diversifying the range of goods and services traded.

Trade and investment may be hampered by logistical difficulties, bureaucratic red tape, and regulatory barriers in both nations. To lessen these problems, infrastructure improvement and process simplification are crucial. To simplify trade procedures and lower administrative barriers, it is vital to work towards standardising rules and regulations. Furthermore, more investments should be made in highways, ports, and storage facilities, as well as other infrastructure initiatives targeted at enhancing logistics.

Sustaining and improving defence cooperation necessitates ongoing work in managing geopolitical dynamics in the Indo-Pacific region, capacity building, and strategic interest alignment. Joint training exercises and capacity-building programmes need to be enhanced to bolster the defence cooperation further.

Over the past three decades, India–Philippines relations have significantly improved, especially since the start of the EAS and the India–ASEAN

Summit, which opened up opportunities for increased interaction. Nevertheless, more work needs to be done to advance bilateral relations between the two countries. India's foreign policy towards the Philippines since 2014 has evolved from cautious engagement under Act East to a robust strategic partnership by 2025.

## **SINGAPORE**

India and Singapore have cultivated a dynamic, forward-looking partnership over the past decade, anchored in trust, shared values, and strategic convergence. In September 2024, the bilateral relationship was elevated to a Comprehensive Strategic Partnership, symbolising the deepening engagement across political, economic, technological, and defence domains. Rooted in a shared colonial legacy, strong diaspora connections, and mutual interests in the Indo-Pacific, ties have grown steadily through frequent high-level interactions—highlighted by Prime Minister Modi's five visits to Singapore.

Singapore has supported as a partner in multilateral platforms such as G20, ASEAN, and the International Solar Alliance. As India emerges as a major global economy and Singapore consolidates its role as a financial and tech hub, the relationship has transformed into one of pragmatic cooperation and strategic significance.

## **Assessment**

### ***Political and Institutional Engagement***

The formal structuring of bilateral interactions between India and Singapore moves beyond simple tactical diplomacy, embodying a complex conceptual merger where state ambition meets the pursuit of regional equilibrium. This emerging systemic framework, which finds its most significant expression through the Ministerial Roundtable mechanism, functions as an essential consultative space for the intellectual harmonisation of two unique yet mutually reinforcing political personas. Within this framework, the dialogue has shifted from traditional paradigms of cooperation towards a more nuanced exploration of shared futurity. The expansion of the bilateral agenda into spheres such as advanced manufacturing and connectivity signifies a transition from a relationship of transaction to one of profound integration. This

represents a ‘modernisation of proximity,’ where geographic distance is mitigated by the deliberate synchronisation of institutional and technological vectors.

The sustained momentum of these dialogues suggests a deeper commitment to policy coherence. By embedding frequent ministerial interactions into the state apparatus, both nations have moved towards a ‘recursive diplomacy’, a state where continuous engagement becomes the primary mechanism for navigating the tensions between domestic priorities and international responsibilities. This institutional engagement does not merely reflect existing ties; it actively constructs a new shared reality, reinforcing a mutual belief in the necessity of a rules-based, interconnected order in the contemporary era.

The institutionalisation of ties advanced with the launch of the India–Singapore Ministerial Roundtable (ISMR) in 2022. The second round in 2024 expanded the bilateral agenda to new areas like advanced manufacturing and connectivity. Frequent ministerial-level dialogues have ensured sustained momentum and policy alignment.

### *Trade and Investment*

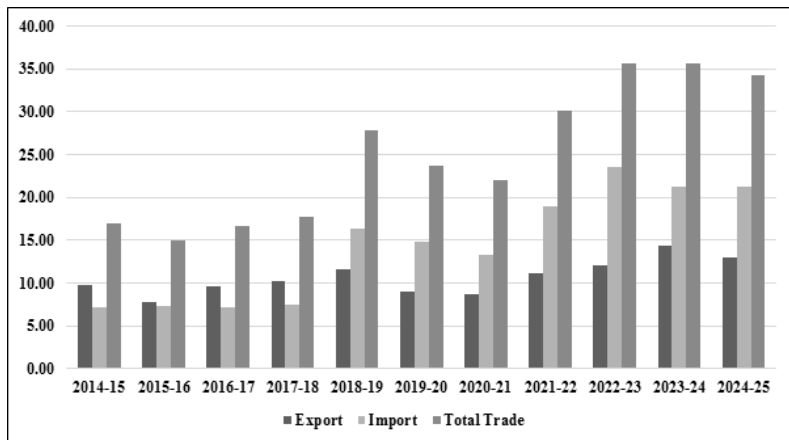
The economic interaction between India and Singapore transcends mere material exchange, manifesting as a profound synthesis of necessity and strategic convergence. This bilateral relationship represents a sophisticated ontological framework where two distinct sovereign entities find a shared essence through the medium of global commerce. Within this partnership, the movement of capital is not simply a financial transaction but a realisation of ‘Telos’, a purposeful movement towards a modernised and interconnected state of being. Singapore functions as a vital conduit, a philosophical ‘bridge’ through which the potentiality of the Indian market is actualised. This is not merely an accumulation of resources; it is an elective affinity between a continental power and a maritime node, where the small and the large find a common language in the pursuit of mutual excellence.

The presence of a robust corporate diaspora signifies a deeper integration of spirits, where the ethos of one nation becomes embedded within the institutional architecture of the other. The establishment of dedicated agencies for investment reflects a deliberate ‘Will to

Cooperate,' moving beyond spontaneous interaction towards a structured, teleological path of development.

Bilateral trade reached USD 35.6 billion in FY 2024–25, making Singapore India's largest trading partner in ASEAN and its 6th largest globally. Singapore remained the top source of FDI into India in 2024–25, with inflows of USD 14.94 billion, accounting for 24% of India's cumulative FDI. Indian corporate presence in Singapore is strong, with over 9,000 companies registered. In 2024, Invest India opened an office in Singapore to further boost trade and investment ties.

**Figure 9: India–Singapore Bilateral Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

### *Digital and Fintech Collaboration*

The collaborative synergy between India and Singapore in the fintech sector represents a pioneering shift in international digital finance. By moving beyond traditional banking silos, both nations have prioritised interoperability as a core pillar of their bilateral relationship. The 2023 launch of the UPI–PayNow linkage serves as the cornerstone of this ambition, creating the first real-time, cross-border retail payment system globally. This mechanism effectively democratises international remittances by providing a low-cost, instantaneous channel for person-to-person transfers.

Beyond retail payments, the ecosystem has expanded through the strategic integration of RuPay and the synchronisation of the Open Network for Digital Commerce (ONDC) with Singapore's Proxtera. These initiatives, alongside the adoption of TradeTrust for digitised shipping documentation, have significantly reduced friction in bilateral trade. This deep digital connectivity does not merely facilitate transactions; it establishes a scalable, high-speed infrastructure that serves as a global blueprint for how two sovereign digital economies can achieve seamless financial integration while maintaining rigorous regulatory oversight.

### *Defence and Maritime Security*

The security partnership between India and Singapore has evolved into a cornerstone of regional stability, characterised by a sophisticated multi-domain architecture. This cooperation is anchored by rigorous, regular service-specific engagements: the SIMBEX naval drills, the Agni Warrior army exercises, and the Joint Military Training conducted by their respective air forces. These are not merely symbolic manoeuvres but critical interoperability sessions that synchronise tactical doctrines and operational readiness.

Complementing these field exercises are high-level strategic platforms like the defence ministers' dialogue, which facilitate institutional alignment on emerging security threats. Furthermore, their joint participation in broader multilateral arenas, including the MILAN exercises and the SITMEX trilateral underscores a collective vision for the maritime commons. By fostering such deep-seated integration, both nations actively uphold the principles of a free, open, and inclusive Indo-Pacific, ensuring that vital SLOC remain governed by international law rather than unilateral force.

Other Sectors: Singapore has supported the establishment of eight Skill Development Centres across India. Scientific and technological cooperation spans cybersecurity, green economy, and semiconductors, while Indian Space Research Organisation (ISRO) has launched multiple satellites for Singapore, showcasing robust space collaboration. The Indian diaspora—constituting 9% of Singapore's resident population—acts as a living bridge between the two nations. In 2024, the announcement of a Thiruvalluvar Cultural Centre in Singapore added a new institutional layer to cultural exchange.

## Challenges and Strategic Outlook

Despite progress, certain structural and policy-related challenges remain. India recorded a trade deficit of USD 6.8 billion with Singapore in FY 2024–25, pointing to the need for more diversified Indian exports and enhanced market access. Regulatory mismatches, particularly in fintech, data governance, and labour mobility, can occasionally impede seamless cooperation. As digital partnerships deepen, ensuring cybersecurity and data protection will be essential to building trust. Geopolitical shifts in the Indo-Pacific also require both nations to balance great-power dynamics while maintaining their strategic autonomy. Lastly, aligning skills and labour mobility frameworks to meet the needs of Singapore's evolving workforce and India's talent pool remains a work in progress.

Looking ahead, India and Singapore are well-positioned to emerge as global leaders in digital public infrastructure, with models such as UPI–PayNow and ONDC–Proxtera shaping international standards. The green economy offers new opportunities for joint investment in clean energy, hydrogen, and sustainable urban development. Singapore's role as a financial and logistics hub aligns with India's goals of becoming a manufacturing and innovation centre. Strategic alignment in semiconductors, maritime security, and critical technologies will further strengthen regional economic and security frameworks. With a robust institutional architecture, a shared vision for the Indo-Pacific, and strong people-to-people ties, India–Singapore relations are poised to play a catalytic role in shaping the region's future.

## THAILAND

India–Thailand relations over the past decade represent a deepening and multifaceted engagement grounded in centuries-old cultural ties but dynamically reconfigured through a continuous and complex interplay of diplomatic interactions, economic collaboration, and strategic cooperation within the evolving geopolitical framework of the Indo-Pacific. The relationship reflects diplomacy as an inherently processual and adaptive endeavour, where state actors engage in sustained dialogue and institutional exchanges to reproduce trust, manage emerging challenges, and harmonise divergent interests. Adaptive stance from both the countries has allowed for sustained high-level political

and ministerial interactions, joint working groups, and consultative mechanisms that institutionalise cooperation across diverse sectors including trade, investment, defence, education, culture, technology, and public administration. Defence cooperation has evolved into a cornerstone of bilateral ties through institutionalised mechanisms like annual defence dialogues,<sup>185</sup> joint military exercises such as Maitree<sup>186</sup> and Cobra Gold, coordinated maritime patrols to ensure security in shared maritime domains, and extensive personnel exchanges in training and capacity building. Persisting challenges include negotiating the thorny issues of migration, visa policies, bilateral trade deficits, and the impacts of third-party influences, particularly China's growing economic and strategic footprint, which complicate India's narrative as a preferred partner. The ongoing recalibration of these relations demands continual policy innovation and flexible diplomacy to manage contradictions inherent in a complex and competitive regional order.

## Assessment

At the heart of India–Thailand ties lies a robust and evolving diplomatic architecture characterised by sustained high-level political dialogues, structured consultations, and multilateral cooperation frameworks. This architecture reinforces relational continuity and trust, as evidenced by frequent ministerial visits, JCMs, Foreign Office Consultations (FOCs), and sectoral working groups. India's diplomatic approach, marked by strategic patience and calibrated engagement, has successfully maintained connectivity even amid Thailand's periodic political shifts, underlining a nuanced balancing act between endorsing democratic norms and respecting sovereign prerogatives.

Economically, the partnership has been reinforced through systematic policy efforts aimed at deepening trade, investment, and infrastructure linkages. Participation in ASEAN and BIMSTEC platforms, alignment

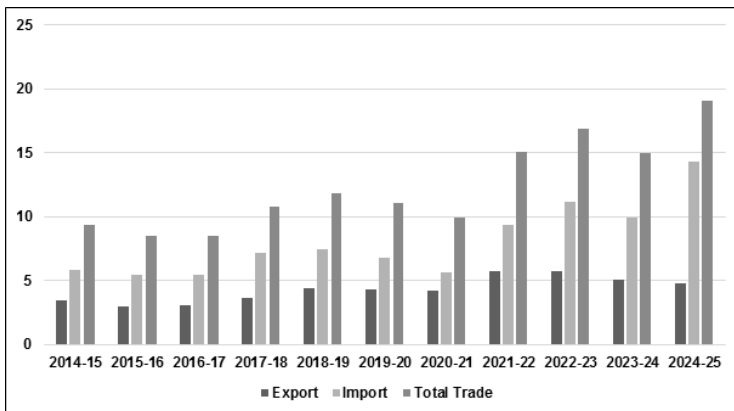
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<sup>185</sup> Annual Report 2014–15, *Ministry of External Affairs, Government of India*, pp. 32–33, at [https://www.mea.gov.in/Uploads/PublicationDocs/25009\\_External\\_Affairs\\_2014-2015\\_\\_English\\_.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/25009_External_Affairs_2014-2015__English_.pdf).

<sup>186</sup> Annual Report 2019–20, *Ministry of External Affairs, Government of India*, pp. 81–82, at [https://www.mea.gov.in/Uploads/PublicationDocs/32489\\_AR\\_Spread\\_2020\\_new.pdf](https://www.mea.gov.in/Uploads/PublicationDocs/32489_AR_Spread_2020_new.pdf).

with India's flagship 'Make in India' initiative, and focused sectoral dialogues have contributed to a stable and expanding trade volume, which reached notable milestones by 2023. The expansion of sectoral cooperation—ranging from textiles, spices, and engineering to tourism and energy—highlights the targeted policy calibration that facilitates market access and mutual investment. Concurrently, infrastructural cooperation, such as trilateral transport projects and enhanced connectivity via the Motor Vehicles Agreement and port partnerships, underscores a strategic emphasis on physical integration critical for regional economic interdependence. These economic outcomes stem from an array of complementary policies—bilateral MoUs, streamlined visa regimes, and focused investment promotion—that simultaneously address regulatory challenges and nurture business confidence.

**Figure 10: India–Thailand Bilateral Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

Strategic interactions have matured into a comprehensive security partnership addressing traditional and emerging regional threats within the Indo-Pacific milieu. The institutionalisation of joint defence dialogues, trilateral naval patrols (CORPAT), and multifaceted military exercises, including Maitree and Cobra Gold, reflects a deepening of operational interoperability and strategic solidarity. The integration of cyber cooperation, humanitarian assistance, counter-terrorism training, and peacekeeping engagements demonstrates an expansive security agenda responsive to the region's complex risk landscape. The strategic gains reflect India's adept diplomacy, which balances its desire for regional

influence with Thailand's sensitive geopolitical positioning and the omnipresence of competing powers such as China.

The policy framework driving this multifaceted engagement is characterised by empirical adaptability, strategic coherence, and normative sensibility. The continuity in diplomatic and defence dialogues amidst fluctuating regional security dynamics speaks to a layered approach that prioritises stability, partnership diversification, and incremental capacity enhancement. Economic policies intertwine with cultural promotion and people-to-people connectivity efforts, reflecting a comprehensive diplomatic strategy that fuses material interests with normative alignment.

India–Thailand relations, as manifested over the past decade, encapsulate a textured diplomatic narrative wherein tangible achievements in trade expansion, strategic cooperation, and cultural exchange are inseparable from the intricate processes of normative dialogue, institutional consolidation, and policy innovation. This relationship illustrates a conceptualisation of international politics as a continuous and dialectical process—an arena where identity, interests, and institutional agency coalesce to produce resilient partnerships.

## **Challenges and Strategic Outlook**

The diplomatic evolution of India–Thailand relations since 2014 illustrates the interplay of structural dynamics, regional volatility, and strategic recalibration. Positioned as proximate maritime neighbours in the Bay of Bengal and integral stakeholders in the Indo-Pacific, the bilateral dynamic has been anchored in India's AEP and Thailand's complementary Look West orientation. Yet the consolidation of this relationship into a strategic partnership since 2018 represents not merely an institutional milestone but also the crystallisation of a decade-long struggle to reconcile convergent aspirations with divergent capacities and constraints. The bilateral trajectory underscores the dual imperative of deepening trust while negotiating challenges that emanate from economic disequilibria, maritime insecurity, connectivity deficits, and the pressures of great-power competition.

Economic asymmetries constitute the most visible fault line. While bilateral trade has expanded, the persistent deficit in India's trade with

Thailand reflects both structural and regulatory impediments. Thailand's export dominance in automotive parts, electronics, and agricultural commodities contrasts with India's strengths in pharmaceuticals, engineering goods, and textiles, sectors that remain constrained by tariff and non-tariff barriers. Beyond structural divergence, regulatory fragmentation has hampered deeper market integration, with standards and certification regimes operating at cross-purposes. The consequence is an entrenchment of trade disequilibrium that constrains the political economy of partnership and raises questions regarding the sustainability of economic engagement. Connectivity initiatives, particularly the India–Myanmar–Thailand Trilateral Highway, were intended to provide corrective momentum but have instead become symbols of inertia—delayed by Myanmar's political instability, bureaucratic bottlenecks, and resource asymmetry. The inability to operationalise seamless physical and digital linkages impedes trade diversification, people-to-people flows, and India's larger connectivity vision for the Indo-Pacific.

Strategically, maritime coordination remains both an arena of potential and an aspect of unrealised potential. Despite converging discourses on a free, open, and rules-based Indo-Pacific order, operationalisation has lagged behind declaratory commitments. Joint patrols in the Andaman Sea and dialogues at the National Security Council level exist, yet remain embryonic relative to the scale of maritime challenges ranging from trafficking and illegal fishing to coercive manoeuvres in contested waters. The absence of a trilateral or multilateral architecture integrating India, Thailand, and other Indo-Pacific partners constrains interoperability and intelligence fusion. Moreover, counter-terrorism and transnational organised crime, particularly in relation to narcotics trafficking from the Golden Triangle, demand a more institutionalised security framework that transcends episodic cooperation. This gap between rhetoric and capability underscores the fragility of strategic alignment in the face of mounting regional insecurity.

The trajectory of the past decade indicates that India–Thailand relations are no longer reducible to cultural familiarity or episodic exchanges. Instead, they represent a maturing strategic partnership conditioned by the geopolitics of the Indo-Pacific. The path forward lies in sustaining political will, aligning asymmetric priorities through adaptive diplomacy, and institutionalising sectoral innovations.

## VIETNAM

Diplomatic relations between India and Vietnam, established in 1972, have developed into a resilient and multifaceted partnership shaped by shared historical experiences and convergent strategic interests. The year 2022 marked fifty years of bilateral ties, highlighting both the continuity and adaptability of the relationship amid changing regional and global dynamics. What began as political solidarity has gradually evolved into a comprehensive framework of cooperation, underpinned by institutionalised engagement across key sectors.

India–Vietnam relations are structured around five pillars. Political and diplomatic cooperation has been strengthened through regular high-level exchanges, coordination in multilateral forums, and alignment on regional and global issues. Defence and security cooperation has gained prominence, particularly in areas such as maritime security and capacity building in the Indo-Pacific context. Economic and trade ties have expanded steadily, alongside collaboration in science and technology. Education, training, and people-to-people exchanges continue to provide the societal foundation of the partnership, reinforcing long-term strategic trust.

### Assessment

Vietnam was the first country in the Southeast Asian region with which India had signed a Strategic Partnership Agreement in 2007. The partnership has grown to the level of a ‘CSP, which was established in 2016.<sup>187</sup> The relations has further been elevated to an Enhanced CSP during Mr To Lam, General Secretary of the Communist Party of Vietnam and President of Vietnam, State visit to New Delhi in May 2026.

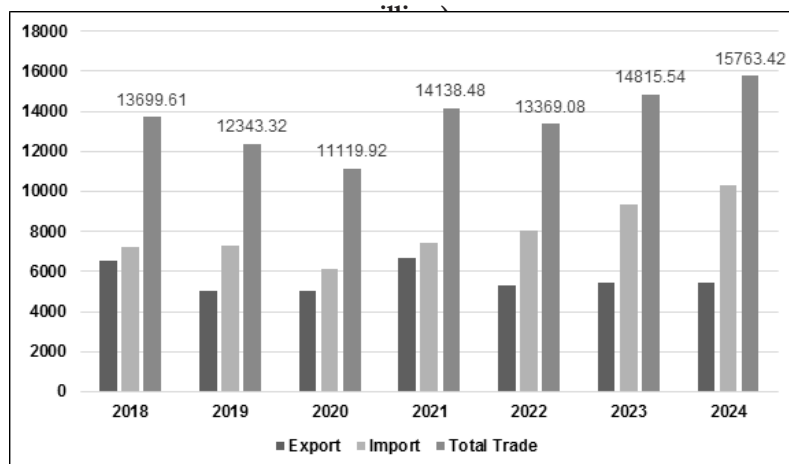
The India–Vietnam Joint Vision for Peace, Prosperity, and People announced in December 2020, is significant as it serves as the

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<sup>187</sup> ‘India-Vietnam Relations’, Embassy of India, Hanoi, Vietnam, August 2025, at <https://www.indembassyhanoi.gov.in/page/bilateral-relations/> (Accessed September 4, 2025).

cornerstone for further strengthening the shared vision. The joint vision statement recognises the importance of this partnership towards addressing the emerging geopolitical and geo-economic landscape of the region and beyond. In the current world order, both nations share similar views on many regional and international issues, showing the convergences in their strategic interests. On multiple occasions, both nations affirmed the demand to uphold the multilateral world order to avoid the threat or use of force, to settle the international dispute in a peaceful manner, to ensure maritime safety and freedom of navigation, and to uphold international law, including the 1982 UNCLOS to ensure peace, stability and justice in the Indo-Pacific region. India and Vietnam also agree to an early conclusion of a substantive and effective Code of Conduct in the South China Sea (COC) in accordance with international law, especially UNCLOS. This shared stance on the South China Sea has further strengthened their cooperation in countering unilateral actions, reinforcing their commitment to a rules-based order and ensuring freedom of navigation in the region.<sup>188</sup>

**Figure 11: India–Vietnam Bilateral Trade, (2018–2024 in USD)**



*Source:* Department of Commerce, Government of India

<sup>188</sup> Rishi Gupta and Shruti Dey, 'India and Vietnam: Forging a Forward-Looking Strategic Partnership', Institute for Security & Development Policy, September 10, 2024, at <https://www.isdp.eu/india-and-vietnam-forging-a-forward-looking-strategic-partnership/> (Accessed September 4, 2025).

India and Vietnam have longstanding trade and economic relations which have steadily grown over a period of time. From a meagre USD 200 million in the year 2000, as indicated in the figure, bilateral trade grew to USD 15.7 billion in 2024. In FY 2024-2025, Vietnam is India's 20th largest trading partner and 15th largest export destination globally. India is Vietnam's 8th largest trading partner, the 7th largest export market and the 10th largest import source. Key items of exports from India to Vietnam include frozen bovine meat, fishery products, machinery and equipment, electrical equipment, auto components, pharmaceuticals and API, chemicals, ordinary metals, cereal, cotton, animal fodder and gems and jewellery. Key items of imports into India from Vietnam were electronic equipment, telecom equipment, machinery and mechanical appliances, iron and steel, ordinary metals, chemicals, article of plastic, products of steel, footwear, garment, textile materials, wood, rubber, coffee, etc. Both sides have established institutional mechanism in the economic field, which include Joint Commission for Economic, Trade, Science and Technology Cooperation (JCM), Joint Trade Sub-Committee, joint working groups on Agriculture, Healthcare, ICT and Science and Technology. At the 17th Meeting of the India–Vietnam Joint Commission on Trade, Economic, Scientific and Technological Cooperation virtually held in August 2020, the two countries agreed to enhance cooperation along the lines of IPOI and AOIP.<sup>189</sup>

Defence and security cooperation between India and Vietnam has emerged as a key component under the CSP. The India–Vietnam Joint Vision 2020 serves as a cornerstone for deeper bilateral defence and security cooperation to help maintain and promote stability in the Indo-Pacific. On June 8, 2022, during the visit of Defence Minister Rajnath Singh, to Vietnam, both sides signed the 'Joint Vision Statement on India–Vietnam Defence Partnership towards 2030'. Further a MoU on Mutual Logistics Support was also signed during the Defence

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<sup>189</sup> 'India-Vietnam Trade and Economic Relations', Embassy of India, Hanoi, Vietnam, August 2025, at <https://www.indembassyhanoi.gov.in/page/economic-and-commercial/> (Accessed September 1, 2025).

Minister's Vietnam visit. The MoU was the first such agreement signed by Vietnam with any other country.<sup>190</sup>

Bilateral military-to-military staff talks, defence exercises, training courses, ship and aircraft visits and other exchanges are active areas of defence cooperation. These include the annual defence policy dialogue with its fourteenth edition being held in New Delhi on August 1, 2024. The army-to-army staff talks being held in Vietnam from 22—24 April 2025; the sixth navy-to-navy talks in New Delhi from 19—21 November 2024; the air force level staff talks held in November 2023 in Hanoi; and the 5th high-level meeting between the coast guards is taking place in New Delhi on February 22, 2024. Defence exercise includes the 5th Vietnam–India Bilateral Army Exercise-2024 held in India from November 04–23, 2024. India and Vietnam are working to preserve their strategic interests by emphasising on maritime cooperation. Following the Indian Defence Minister's visit to Hanoi in 2022, Delhi gifted the indigenously built missile corvette INS Kirpan to Hanoi. In May 2023, two Indian naval ships, INS Delhi and INS Satpura, docked at Tien Sa port, Son Tra district, for a courtesy visit to Da Nang City. During their transit to Da Nang Port, both INS Delhi and INS Satpura participated in the first-ever ASEAN–India Maritime Exercise (AIME) along with naval ships from ASEAN countries, including the VPN Tran Hung Dao of Vietnam. Vietnam People's Navy Frigate participated in the 12th Multilateral Naval Exercise MILAN in Vishakhapatnam in February 2024. Indian naval ships recent port call in Vietnam was that by INS Delhi, INS Kiltan and INS Shakti at Da Nang from July 24–27, 2025.<sup>191</sup> India and Vietnam have also established a maritime security dialogue which held its first meeting in

<sup>190</sup> Temjenmeren Ao, 'India-Vietnam Defence Partnership Gaining Ground', MP-IDSA, June 26, 2023, at <https://www.idsa.in/publisher/issuebrief/india-vietnam-defence-partnership-gaining-ground> (Accessed September 1, 2025).

<sup>191</sup> 'India-Vietnam Relations', Embassy of India, Hanoi, Vietnam, August 2025, at <https://www.indembassyhanoi.gov.in/page/bilateral-relations/> (Accessed September 4, 2025).

Hanoi in March 2019. The second dialogue was held online in April 2021, followed by the 3rd held in May 2023 at New Delhi<sup>192</sup>; and the 4th held on 16 August 2024, at Hanoi, Vietnam.<sup>193</sup> This forum provides a platform not only to review ongoing cooperation initiatives in the maritime sector but also to discuss new developments and opportunities for bilateral cooperation.

Vietnamese Prime Minister Pham Minh Chinh during his three-day visit to New Delhi, from July 30 to August 1, 2024, was significant since it was after a decade that a prime ministerial-level visit from Vietnam to India took place. In the joint statement, both sides agreed to further strengthen defence and security cooperation by promoting the effective implementation of the Joint Vision Statement on India–Vietnam Defence Partnership towards 2030, expanding cooperation in maritime security, cyber security, and counter-terrorism. PM Modi announced a USD 300 million loan to enhance Vietnam’s maritime security, underscoring Delhi’s commitment to bolstering Hanoi’s defence capabilities and contributing to regional stability amid rising geopolitical tensions.<sup>194</sup>

## Challenges and Strategic Outlook

Amidst China’s growing footprint in the region, India is attempting to rejuvenate its traditional ties with like-minded countries, and Vietnam

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<sup>192</sup> ‘Third Maritime Security Dialogue between India and Vietnam’, *Diplomacy & Beyond Plus*, June 3, 2023, at <https://diplomacybeyond.com/third-maritime-security-dialogue-between-india-and-vietnam/> (Accessed September 4, 2025).

<sup>193</sup> ‘4th India-Vietnam Maritime Security Dialogue’, *Ministry of External Affairs, Government of India*, August 16, 2024, at <https://www.mea.gov.in/press-releases.htm?dtl/38164/4th+IndiaVietnam+Maritime+Security+Dialogue> (Accessed September 4, 2025).

<sup>194</sup> ‘English translation of Press Statement by Prime Minister Shri Narendra Modi during the visit of Prime Minister of Vietnam to India’, *Press Information Bureau, Government of India*, August 1, 2024, at <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2040103> (Accessed September 4, 2025).

fits well into that construct. The increasing strategic alignment shared between India and Vietnam signals both nations' commitment to ensuring stability and security in the Indo-Pacific. A decade of the AEP has witnessed defence cooperation becoming the key pillar of the bilateral ties as both nations' shares substantial agendas, one being the centrality of the China threat. Given the uncertainties witnessed in the geopolitical and geo-economic environment, the relationship to gain greater traction in terms of both diplomatic and military engagements was achieved. The uncertainty from ongoing unilateral trade and tariff actions by the US administration makes economic and development cooperation a crucial driver in the relations. India and Vietnam have strong convergences of interest from energy security and renewables to infrastructure developments that need to be further explored. The future trajectory of the relations would be shaped by intra-regional and extra-regional factors. Despite being each other's Comprehensive Strategic Partners, cooperation between the two countries have not yet been commensurate with the potential and strengths of the two sides. The need for cooperation that addresses challenges of a rapidly changing regional and world order would require enhanced economic relations through more investments, along with frequent dialogues and exchange of ideas to build deeper strategic alignments.



# PART III



# INDIA'S ENGAGEMENT WITH OCEANIA

## INDIA'S ENGAGEMENT WITH OCEANIA: A DECADE OF TRANSFORMATION (2014–2025)

India's engagement with Oceania over the decade from 2014 to 2025 represents one of the most purposeful recalibrations of its foreign policy imagination since the end of the Cold War. What was once viewed in New Delhi as a distant maritime neighbourhood gradually entered mainstream strategic discourse under the AEP and the wider Indo–Pacific outlook articulated by Prime Minister Narendra Modi.<sup>195</sup> This outreach was shaped by both opportunity and necessity. Opportunities emerged through new trade corridors, energy transition partnerships, and education linkages with Australia and New Zealand. Necessity was imposed by intensifying geopolitical competition, particularly China's expanding footprint and the United States' changing strategic posture, culminating in Donald Trump's National Security Strategy 2025.<sup>196</sup> Over this decade, India moved from episodic diplomacy to structured engagement, creating institutional mechanisms such as FIPIC,<sup>197</sup> annual summits with Canberra, customs cooperation with Wellington, and digital public infrastructure sharing with Papua

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<sup>195</sup> Ministry of External Affairs (MEA), Government of India, 'Forum for India–Pacific Islands Cooperation (FIPIC): Outcome Documents,' *MEA Archive*, 2014–2015, and Transcript of Media Briefing by Secretary (East) on forthcoming FIPIC Summit in Jaipur, August 13, 2015, at <https://www.mea.gov.in/media-briefings.htm?dtl/25725> (Accessed October 20, 2025).

<sup>196</sup> Government of the United States, National Security Strategy of the United States of America, Washington, DC: The White House, 2025, at <https://www.whitehouse.gov/wp-content/uploads/2025/12/2025-National-Security-Strategy.pdf> (Accessed December 15, 2025).

<sup>197</sup> See no. 1

New Guinea and Fiji.<sup>198</sup> These steps signalled that India no longer wished to be a peripheral observer in Oceania but an invested stakeholder willing to listen to regional narratives and co-create solutions.

The signing of the India–New Zealand FTA in December 2025 and Wellington’s growing ministerial exchanges with India illustrated that economic logic had begun to complement strategic intent<sup>199</sup>. At the same time, the US NSS 2025 introduced harder realism on US engagement appetite, indirectly compelling India to assume greater responsibility in maritime governance and capacity building.<sup>200</sup> These steps signalled that India no longer wished to be a peripheral observer in Oceania but an invested stakeholder willing to listen to regional narratives and co-create solutions.

## AUSTRALIA

Australia occupies central analytical space because it has been the most dynamic vector of India’s Oceania outreach. The India–Australia bilateral relationship has evolved from a strategic partnership in 2009 to a CSP in 2020 and matured further during 2014–2025 through dense political dialogue and expanding security cooperation.<sup>201</sup> This deepening engagement is rooted in shared democratic values,

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<sup>198</sup> For more see: Ministry of External Affairs Annual Reports (2014–2025), at [https://www.mea.gov.in/Annual\\_Reports.htm?57/Annual\\_Reports](https://www.mea.gov.in/Annual_Reports.htm?57/Annual_Reports) (Accessed December 15, 2025).

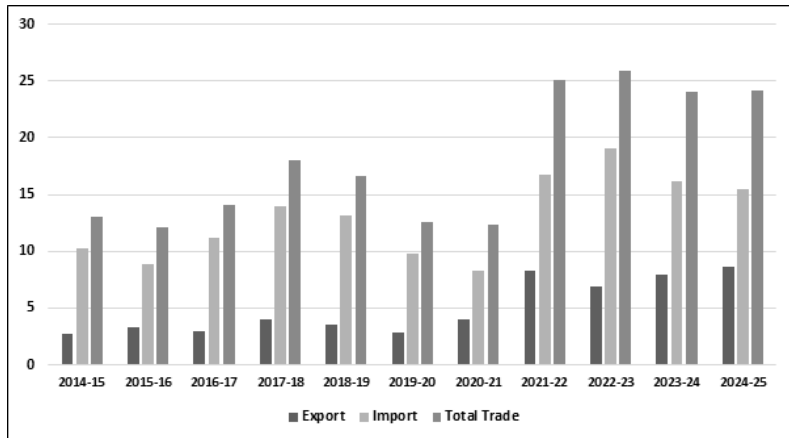
<sup>199</sup> ‘India–New Zealand Free Trade Agreement: Text and Explanatory Memorandum’, *Ministry of Commerce and Industry, Government of India*, December 2025, at <https://www.commerce.gov.in/wp-content/uploads/2025/12/Fact-Sheet-NZ-FTA-dec-22-for-Website-ver2.pdf> (Accessed January 2, 2025).

<sup>200</sup> See no. 2

<sup>201</sup> For more see: Narendra Modi, ‘Address by Prime Minister to the Australian Parliament,’ Parliament House, Ministry of External Affairs Canberra, November 18, 2014, at <https://www.pib.gov.in/newsite/PrintRelease.aspx?relid=111504&reg=3&lang=2>; Ministry of External Affairs, Government of India, India–Australia Comprehensive Strategic Partnership: Joint Statement, New Delhi, June 4, 2020, at [https://www.mea.gov.in/bilateral-documents.htm?dt1/32729/Joint\\_Statement\\_on\\_a\\_Comprehensive\\_Strategic\\_Partnership\\_between\\_Republic\\_of\\_India\\_and\\_Australia](https://www.mea.gov.in/bilateral-documents.htm?dt1/32729/Joint_Statement_on_a_Comprehensive_Strategic_Partnership_between_Republic_of_India_and_Australia) (Accessed December 15, 2025).

Commonwealth traditions, and convergence in maintaining a free, open, and rules-based Indo-Pacific. Both nations, as pluralistic democracies, view each other as natural partners able to speak in familiar idioms even while negotiating hard interests. The relationship has been enriched by expanding economic ties, frequent high-level exchanges, and strong people-to-people connections, particularly through education, tourism, and cricket.

**Figure 12: India–Australia Bilateral Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

The vibrant Indian diaspora, Australia's second-largest migrant group, plays a decisive role in nurturing this partnership and shaping domestic constituencies in Canberra that view India with warmth rather than in the abstract.

## Assessment

The period since 2014 witnessed unprecedented political engagement. Prime Minister Narendra Modi's 2014 address to a joint sitting of the Australian Parliament became an emblem of India's intent to elevate the partnership beyond polite ceremony.<sup>202</sup> Since then, regular bilateral

<sup>202</sup> Section based on information provided by 'India–Australia Bilateral Relations,' High Commission of India Canberra, at <https://www.hcicanberra.gov.in/page/india-australia-relations/> (Accessed October 22, 2025).

summits, virtual during the pandemic years and in-person after 2022, enhanced strategic trust.

The institutionalisation of Annual Leaders' Summits in 2022 reflected the growing strategic equities each side placed on the relationship and created a rhythm that survived electoral cycles. Modi's visit to Australia in May 2023, marking his sixth meeting with Prime Minister Anthony Albanese since May 2022, underscored the intensity of dialogue and suggested that India–Australia ties had acquired a quasi-alliance texture without the legal label. Between May 2022 and mid-2025, India hosted 33 Australian ministerial visits while 19 Indian ministers travelled to Australia, demonstrating bureaucratic ownership across portfolios ranging from energy to education and home affairs.

The Foreign and Defence Ministerial Dialogue (2+2), launched in 2021, became a crucial mechanism for strategic coordination. Its second edition in New Delhi in November 2023 emphasised deeper defence cooperation, maritime domain awareness, and coordination on Pacific infrastructure resilience.

Defence ties have matured significantly, moving beyond joint exercises to policy-level dialogues and operational collaboration. Bilateral exercises such as AUSINDEX (naval) and AUSTRAHIND (army) were held regularly, while both countries participated in multilateral drills, including Malabar, Pitch Black, Kakadu, and undersea surveillance experimentation. India participated in Talisman Sabre 2025 (TS25), Australia's largest military exercise, for the first time as a participant, enhancing its role in regional defence cooperation with 18 other nations, focusing on interoperability in multi-domain operations to support a stable Indo-Pacific.<sup>203</sup> While India observed in 2023, 2025 marked its first active role in the exercise, signalling deeper military ties. Moreover, annual defence policy talks, service staff talks, and trilateral maritime workshops with Indonesia have strengthened operational familiarity.

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<sup>203</sup> 'India joins 18 nations for Australia-led Talisman Sabre 2025 military exercise', Economic Diplomacy Division, *Ministry of External Affairs, Government of India*, at <https://indbiz.gov.in/india-joins-18-nations-for-australia-led-talisman-sabre-2025-military-exercise/#:~:text=India%20joins%2018%20nations%20for,amphibious%2C%20and%20air%20combat%20operations>, (Accessed December 15, 2025).

Defence industrial collaboration emerged as a new frontier, with Indian public sector undertakings participating in Australian defence expos and start-ups exploring maintenance hubs in Adelaide and Chennai. The signing of the Mutual Logistics Support Agreement enabled reciprocal access and signalled that India was willing to be a net security provider in pockets of Oceania.

Economic and trade relations have advanced significantly. The Economic Cooperation and Trade Agreement (ECTA), signed in April 2022 and implemented in December 2022, reduced tariffs on key goods and abolished double taxation for Indian IT firms. Bilateral trade in goods and services reached AUD 48.9 billion (USD 32.6 billion) in 2023, making India Australia's sixth-largest trading partner and one of its fastest-growing markets. Critical minerals cooperation covering lithium, cobalt, and rare earth processing complemented India's energy transition goals and answered Canberra's desire to diversify from China. Both countries invested in the International Solar Alliance projects across the Pacific. Space agencies explored satellite tracking in the Cocos Islands. However, investment frameworks were often tangled in state-federal divisions and Indian bureaucratic caution. Negotiations for the CECA continued through eleven rounds. Despite these hurdles, by 2025, the relationship had acquired the character of a comprehensive partnership that neither side could easily reverse.

Pillars of People-to-People and Cultural Links remain central to the relationship. The Migration and Mobility Partnership Arrangement (MMPA), signed in May 2023, facilitates the movement of students, professionals, and researchers. Indian students are the second-largest group in Australia, and the Mutual Recognition of Educational Qualifications Agreement (March 2023) supports academic and professional mobility. Cultural initiatives, such as the Centre for Australia-India Relations, Maitri scholarships, and artefact repatriation, reinforce mutual respect. New consulates in Brisbane and Bengaluru enhance diaspora services and suggest that India-Australia ties are being normalised at the sub-national level through premiers' visits and university corridors.

The most transformative recent development in the India-Australia-US subsea connectivity axis is Google's America-India Connect programme, announced in February 2026.<sup>204</sup> Under this initiative,

Google has committed to constructing three new subsea cable systems connecting India to the United States via South Africa, Singapore, and Australia.<sup>205</sup> The programme is anchored by a USD 15 billion partnership between Google and Bharti Airtel to establish India's first AI hub and a gigawatt-scale data centre campus in Visakhapatnam (Vizag) between 2026 and 2030.<sup>206</sup> The India–Australia–US subsea connectivity expansion represents a qualitative shift in the strategic logic of digital infrastructure investment. It transforms submarine cables from passive commercial utilities into active instruments of geopolitical architecture, underpinning India's ambitions as a regional digital hub and reinforcing the Quad's vision of a free, open, and resilient Indo-Pacific.<sup>207</sup> For India's AEP, this expansion offers a new and potent modality of regional engagement, one that complements physical and diplomatic connectivity with an enduring digital dimension.

## Challenges and Strategic Outlook

Notwithstanding a positive trajectory in bilateral relations, challenges remain. While ECTA has catalysed trade growth,<sup>208</sup> the CECA

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<sup>204</sup> Google Announces \$15 Billion 'America–India Connect' Subsea Cable Initiative at India AI Summit, *News On AIR*, February 19, 2026, at <https://www.newsonair.gov.in/google-announces-15-billion-america-india-connect-subsea-cable-initiative-at-india-ai-summit/> (Accessed on March 25, 2026).

<sup>205</sup> Announcing America–India Connect and new investments to advance global AI access, *Google Cloud*, February 19, 2026, at <https://cloud.google.com/blog/products/infrastructure/america-india-connect-infrastructure-connects-four-continents> (Accessed on March 25, 2026).

<sup>206</sup> John Tanner, 'Google Plans Three New Subsea Cables to Support Indian AI Infrastructure,' *Developing Telecoms*, 19 February 2026, at <https://developingtelecoms.com/telecom-technology/optical-fixed-networks/19793-google-plans-three-new-subsea-cables-to-support-indian-ai-infrastructure.html> (Accessed on 25 March 2026).

<sup>207</sup> John Tanner, 'Google Plans Three New Subsea Cables to Support Indian AI Infrastructure,' *Developing Telecoms*, February 19, 2026, at <https://developingtelecoms.com/telecom-technology/optical-fixed-networks/19793-google-plans-three-new-subsea-cables-to-support-indian-ai-infrastructure.html> (Accessed on March 25, 2026).

<sup>208</sup> 'Australia-India Comprehensive Economic Cooperation Agreement (CECA),' Australian Government Department of Foreign Affairs and Trade,

negotiations face delays due to differences over market access, agriculture, and regulatory standards.<sup>209</sup> Geopolitical uncertainties, ranging from strategic competition in the Indo-Pacific to supply chain disruptions, demand continued diplomatic alignment without compromising national interests. Bureaucratic and regulatory hurdles persist in business and migration processes, including visa delays and taxation complexities. Social issues such as international student safety and racial discrimination also require sustained attention.<sup>210</sup> Meanwhile, climate and clean energy cooperation, though promising, needs more clarity in terms of project execution and investment frameworks.

Despite these hurdles, the trajectory of the India–Australia relationship remains strong. With robust institutional frameworks, shared democratic values, and complementary economic strengths, both nations are well-positioned to deepen their collaboration. Finalising CECA, expanding into new sectors like clean energy, critical minerals, and space, and enhancing practical outcomes across sectors will define the next phase of this strategic partnership.<sup>211</sup>

## NEW ZEALAND

The decade from 2014 to 2025 marked a transition in India–New Zealand relations from a historically distant engagement to a more

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at <https://www.dfat.gov.au/trade/agreements/negotiations/aifta/australia-india-comprehensive-economic-cooperation-agreement>. (Accessed January 9, 2026).

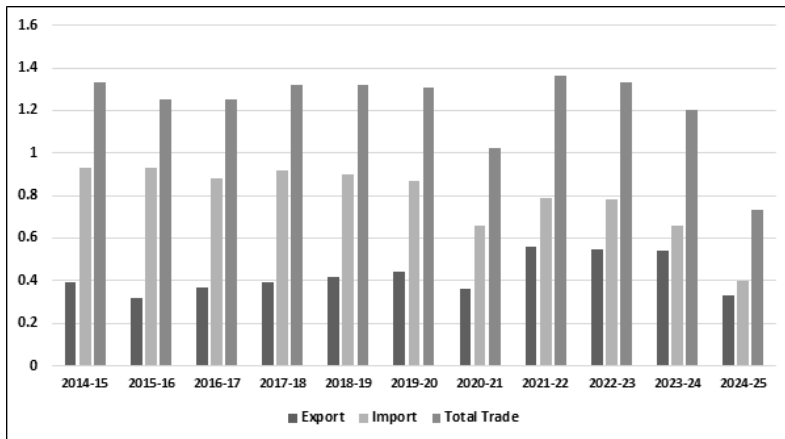
<sup>209</sup> Manoj Kumar, Peter Hobson and Khushi Malhotra, 'India, Australia trade talks hit dairy, wine tariff hurdles as year-end deadline looms say sources', , Reuters, July 11, 2025, at [https://www.reuters.com/world/asia-pacific/india-australia-trade-talks-hit-dairy-wine-tariff-hurdles-year-end-deadline-2025-07-11/?utm\\_source=chatgpt.com](https://www.reuters.com/world/asia-pacific/india-australia-trade-talks-hit-dairy-wine-tariff-hurdles-year-end-deadline-2025-07-11/?utm_source=chatgpt.com). (Accessed January 9, 2026).

<sup>210</sup> Lisa Singh, 'In Brief with Lisa Singh — Indian Diaspora and Social Issues in Australia,' *9 Dashline*, January 3, 2022, at <https://www.9dashline.com/article/in-brief-with-lisa-singh-ceo-australia-india-institute> (Accessed January 9, 2026).

<sup>211</sup> Soumya Bhowmick and Nilanjana Das, 'A Growth Agenda For India-Australia Economic Ties, ORF, 03 Jun 2024,' at <https://www.orfonline.org/research/a-growth-agenda-for-india-australia-economic-ties> (Accessed January 9, 2026).

structured partnership.<sup>212</sup> Shared democratic values, Commonwealth membership, and cultural connections guided ties since 1950. Recent years saw momentum through New Zealand’s ‘Opening Doors to India’ policy and the ‘India–New Zealand 2025’ strategy. The inaugural Defence Strategic Dialogue in 2025 became a milestone, indicating a shift towards institutionalised Indo-Pacific cooperation. The signing of the Customs Cooperation Agreement in August 2024 enhanced trade facilitation and addressed smuggling and fraud. Bilateral trade reached USD 1.75 billion in 2023–24, and the India–New Zealand FTA signed in December 2025 granted zero-duty access to 100 per cent of India’s exports while relaxing 95 per cent tariffs on imports from New Zealand.<sup>213</sup> This economic breakthrough came even amidst concerns of implications of US strategy’s preference for food security networks and reduced climate financing, thereby elevating New Zealand as a complementary partner for India.

**Figure 13: India–New Zealand Bilateral Trade (in USD Billion)**



*Source:* Department of Commerce, Government of India

<sup>212</sup> Section curated from note: ‘India–New Zealand: Bilateral Brief,’ March 13, 2025, *Ministry of External Affairs, Government of India*, at <https://www.mea.gov.in/Portal/ForeignRelation/Bilateral-13-03-2025.pdf> (Accessed January 9, 2026).

<sup>213</sup> See no. 5.

## Assessment

Defence cooperation expanded through an MoU enabling naval visits and India's participation in Combined Task Force 150 led by New Zealand in 2025. Economic logic focused on dairy, agri-tech, food processing, and critical minerals. The Indian diaspora in New Zealand, numbering over 250,000, became a vital bridge, and India emerged as the second-largest source of international students. Diplomatic engagement intensified with New Zealand increasing presence in India by over 60 per cent. Alignment on global issues including the Russia–Ukraine war and UN Security Council reforms reflected deeper political convergence.

## Challenges and Strategic Outlook

Despite progress, several structural and strategic challenges persist. New Zealand's deep economic dependence on China continues to restrict the pace of strategic convergence with India. Defence engagement, while improving, lacks historical continuity and still relies heavily on leadership-level interactions rather than sustained institutional mechanisms. New Zealand's alignment within the Five Eyes intelligence alliance and its Pacific neutrality also pose constraints on deeper security coordination. The emergence of pro-Khalistan separatist activity in New Zealand has introduced a politically sensitive issue that risks straining trust if not addressed diplomatically.<sup>214</sup>

The future of India–New Zealand relations hinges on moving beyond transactional diplomacy towards a durable strategic partnership. Both countries must commit to institutionalising dialogue mechanisms, such as a proposed 2+2 ministerial dialogue, and ensure policy continuity beyond leadership cycles. There is significant potential in green technology, digital innovation, climate resilience, and education—sectors

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<sup>214</sup> Neel Vanvari, 'New Zealand's India Outreach: Opportunities and Obstacles,' March 22, 2024, *The Diplomat*, at <https://thediplomat.com/2024/03/new-zealands-india-outreach-opportunities-and-obstacles/> (Accessed January 9, 2026).

that align well with both nations' strategic and economic priorities. Addressing mobility issues and managing emerging political concerns transparently will also be crucial. Ultimately, a stable and mutually beneficial India–New Zealand partnership will depend on political will, economic diversification, and strategic realism—recognising New Zealand's Pacific constraints and India's continental challenges.<sup>215</sup>

## THE PACIFIC ISLAND COUNTRIES (PICs)

India's engagement with the PICs has significantly expanded since 2014, in line with its broader Indo-Pacific strategy and the 'Act East' Policy. Comprising fourteen nations spread across Melanesia, Micronesia, and Polynesia, the PICs hold immense strategic value due to their vast Exclusive Economic Zones (EEZs), natural resources, and geographical location in a geopolitically sensitive region. Collectively, these nations control some of the largest maritime zones in the world, making them critical stakeholders in global debates on climate change, maritime governance, and sustainable development. Recognising these factors, India launched the Forum for India–Pacific Islands Cooperation (FIPIC) in 2014 to establish regular high-level engagement. Countries such as Fiji, Papua New Guinea (PNG), Samoa, and Tonga have since emerged as key partners. India's outreach to PICs is now anchored in concrete cooperation on climate change, maritime security, digital development, healthcare, and capacity building, supported by shared values and historical diaspora ties.

### Assessment

The launch of FIPIC in 2014 was a turning point in India's Pacific diplomacy.<sup>216</sup> The first summit in Suva, Fiji, followed by a second in Jaipur in 2015, announced a series of development assistance packages, infrastructure projects, and climate research initiatives. Among the most notable was the establishment of the Sustainable Coastal and Ocean

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<sup>215</sup> *Ibid.*

<sup>216</sup> See no. 1.

Research Institute (SCORI) in Fiji, designed to advance collaborative research on marine ecosystems, coastal resilience, and ocean governance. These summits also signalled India's intent to move beyond symbolic diplomacy towards structured, institutionalised engagement with the Pacific.

High-level visits have reinforced this commitment. Prime Minister Narendra Modi's visit to Papua New Guinea in 2023 was particularly significant, as it underscored India's recognition of PNG as a flagship partner in the Pacific.<sup>217</sup> Earlier, President Pranab Mukherjee's 2016 visit to Fiji had already laid the groundwork for deeper political ties. These visits were not merely ceremonial; they were accompanied by announcements of new lines of credit, technical cooperation programmes, and agreements on digital infrastructure. The symbolism of India's top leadership visiting relatively small Pacific nations carried weight, signalling that India views the region as strategically important rather than peripheral.

India's diplomatic presence has also expanded. The High Commission in Port Moresby, established in 1996, has become a hub for India's Pacific outreach, while reciprocal missions in New Delhi by countries like PNG have facilitated closer dialogue. India's participation in regional forums, including the Pacific Islands Forum (PIF) and climate-focused initiatives, has further institutionalised its presence. These engagements reflect India's broader Indo-Pacific vision of inclusive multilateralism, where even small island states are treated as equal partners in shaping regional order.

## **Papua New Guinea (PNG)**

PNG occupies a special place in India's Pacific strategy. Diplomatic ties established in 1976 have matured into a partnership that spans

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<sup>217</sup> Transcript of Special Briefing by Foreign Secretary on Prime Minister's visit to Papua New Guinea, May 23, 2023, at <https://www.mea.gov.in/outgoing-visit-detail.htm?36597/Transcript+of+Special+Briefing+by+Foreign+Secretary+on+Prime+Ministers+visit+to+Papua+New+Guinea+May+23+2023>. (Accessed January 9, 2026).

multiple sectors.<sup>218</sup> India opened its High Commission in Port Moresby in 1996, and PNG reciprocated with a mission in New Delhi in 2006, underscoring the mutual recognition of strategic importance. Development assistance has been a cornerstone of this relationship. India extended a USD 100 million Line of Credit to PNG, supporting projects in agriculture, healthcare, and infrastructure. These initiatives have helped PNG address pressing developmental challenges while positioning India as a reliable partner.

One of the most notable initiatives is the Centre of Excellence in IT (CEIT) at the University of PNG. Initially conceived as a training hub, CEIT has evolved into a regional centre for cybersecurity and digital governance. The 2023 MoU on sharing India Stack, a suite of digital public infrastructure tools including Aadhaar, UPI, and DigiLocker, has further strengthened PNG's capacity to adopt inclusive digital governance. This initiative not only enhances PNG's domestic governance but also positions India as a technology partner of choice in the Pacific, offering scalable solutions that rival Chinese digital infrastructure projects.

India–PNG trade has also grown steadily. In 2022–23, bilateral trade reached USD 729.2 million. Indian exports include pharmaceuticals, rice, machinery, and textiles, while imports consist of palm oil, timber, copper, and gold. These trade flows, though modest compared to India's larger partners, are strategically significant as they diversify India's resource base and strengthen economic linkages with the Pacific. Agreements covering foreign consultations, visa waivers, and agricultural cooperation further institutionalise bilateral ties.

### *Diaspora and Cultural Diplomacy*<sup>219</sup>

The Indian diaspora has played a vital role in bridging India and the Pacific. In PNG, the 3,000–4,000-strong community includes professionals across sectors such as healthcare, education, and business.

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<sup>218</sup> India-Papua New Guinea Bilateral Brief, *Ministry of External Affairs, Government of India*, at [https://www.mea.gov.in/Portal/ForeignRelation/PNG-bilateral\\_brief-2023.pdf](https://www.mea.gov.in/Portal/ForeignRelation/PNG-bilateral_brief-2023.pdf) (Accessed January 9, 2026).

<sup>219</sup> See no. 1.

Their contributions have not only strengthened local economies but also fostered goodwill towards India. Notably, Sasindran Muthuvel, a person of Indian origin (PIO), serves as a Member of Parliament and Governor, symbolising the diaspora's integration into PNG's political fabric.

Fiji, with its large Indo-Fijian community, has been a cultural anchor for India in the Pacific. The hosting of the 12th World Hindi Conference in Fiji in 2023 underscored the cultural bonds between India and the Pacific. Such initiatives reinforce India's soft power, projecting it as a nation that values cultural diversity and linguistic heritage. Diaspora networks also facilitate educational exchanges, tourism, and business linkages, serving as a 'living bridge' between India and the Pacific.

### *Economic and Trade Engagement*<sup>220</sup>

India's trade with PICs, though modest, has shown consistent growth. The small size and fragmented nature of PIC markets limit the scale of trade, but India has sought to expand economic engagement through targeted initiatives. Pharmaceuticals, rice, and machinery dominate Indian exports, meeting critical needs in healthcare and food security. Imports of palm oil, timber, copper, and gold diversify India's resource base, contributing to its broader economic resilience.

Beyond trade, India has invested in capacity building and infrastructure. Lines of credit, technical training programmes, and agricultural cooperation agreements have supported local development. India's emphasis on sustainable infrastructure—such as solar electrification and digital governance platforms—aligns with the developmental priorities of PICs. These initiatives also differentiate India's approach from China's, which often emphasises large-scale infrastructure projects financed through concessional loans. India's model of incremental, trust-based development resonates with PICs, even if it lacks the scale of Chinese investments.

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<sup>220</sup> *Ibid.*

## *Climate and Development Cooperation*<sup>221</sup>

Climate change is the defining challenge for PICs, which are among the most climate-vulnerable nations in the world. Rising sea levels, extreme weather events, and coastal erosion threaten their very existence. India has responded by positioning climate cooperation as a central pillar of its Pacific engagement. Solar electrification projects, disaster relief operations, and technical training programmes have been implemented across the region. Capacity-building initiatives, such as the ITEC programme, have trained Pacific professionals in climate resilience, disaster management, and renewable energy technologies. India's role as a South–South development partner is increasingly acknowledged in the region. By offering scalable, affordable solutions in renewable energy and coastal infrastructure, India has positioned itself as a credible alternative to traditional donors. Initiatives such as the International Solar Alliance (ISA), co-founded by India, provide a global platform for PICs to access renewable energy technologies and financing. India's emphasis on inclusive, democratic partnerships resonates with PICs, which often seek transparent and accountable development cooperation.

## **Challenges and Strategic Outlook**<sup>222</sup>

Despite sustained diplomatic goodwill, India's engagement with PICs faces significant challenges. Geographic isolation increases the cost of interaction and complicates regular high-level exchanges. Trade volumes remain limited due to the small size and fragmented nature of PIC markets. India's economic outreach has not yet fully translated into

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<sup>221</sup> *Ibid.*

<sup>222</sup> For more see: Shruti Pandalai, 'In the Pacific islands, an Indian counter to China', *Hindustan Times*, May 26, 2023, at <https://www.hindustantimes.com/opinion/in-the-pacific-islands-an-indian-counter-to-china-101685024897111.html>, (Accessed January 7, 2026); Shruti Pandalai, 'India & South Pacific: Key takeaways from PM Modi's visit; China's diplomatic presence', *Indian Express*, May 26, 2023, at <https://indianexpress.com/article/explained/india-and-the-south-pacific-papua-new-guinea-james-marape-narendra-modi-8629395/> (Accessed January 7, 2026).

deep commercial linkages, and governance challenges in some PICs, including PNG, may hinder the full implementation of agreed initiatives.

Competition from China poses a strategic challenge. Beijing's expansive investments, concessional loans, and political outreach have entrenched its influence across the Pacific. China's ability to deliver large-scale infrastructure projects quickly contrasts with India's incremental approach, creating a credibility gap. India's relatively limited diplomatic presence in the region further compounds this challenge. Linguistic and cultural diversity across PICs also demands more tailored, resource-intensive engagement strategies.

Looking ahead, India–PIC relations offer immense potential for strategic and developmental convergence. Climate cooperation is expected to remain a central pillar, with India offering scalable solutions in renewable energy, disaster resilience, and coastal infrastructure. The blue economy, particularly fisheries and marine resource management, presents an opportunity for shared growth. India should enhance its economic diplomacy by promoting trade and investment in sectors like agriculture, tourism, and sustainable infrastructure. Capacity-building in digital governance, education, and health will deepen people-to-people links and institutional familiarity. Scaling up digital partnerships through India Stack and similar platforms can establish India as a technology partner of choice in the region. To ensure sustained engagement, India should expand its diplomatic footprint, actively participate in multilateral forums such as the PIF, and develop country-specific strategies. By positioning itself as a transparent, democratic, and reliable development partner, India can anchor lasting ties with PICs rooted in mutual respect and shared values.<sup>223</sup>

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<sup>223</sup> A. Shruti Pandalai, 'Geopolitical Competition in the Pacific Islands: India's Potential Stabilizing Role, 2022', *Manohar Parrikar Institute for Defence Studies and Analyses, India*, at <https://coilink.org/20.500.12592/28x0c9> on 09 Jan 2026. COI: 20.500.12592/28x0c9.

## **CONCLUSION: A DECADE OF FOUNDATIONAL PROGRESS, BUT REQUIRING SUSTAINED MOMENTUM**

A decade of India's AEP reflects an engagement trajectory that has evolved in a cumulative, adaptive, and strategically calibrated manner, rather than through abrupt transformation in traditional power-political terms. Between 2014 and 2025, India has steadily consolidated its presence across Southeast Asia and expanded its diplomatic and developmental outreach into Oceania, thereby embedding itself more firmly within the Indo-Pacific's political, security, and institutional landscape. While this period has not fundamentally altered regional power balances or matched the scale of China's economic involvement, it has contributed to the gradual strengthening of India's regional standing. In particular, it has helped establish a form of influence grounded in credibility, continuity, and normative acceptance—qualities that are especially valued in regions marked by sensitivity to hegemonic behaviour and a preference for inclusive engagement.

India's engagement during this period reflects a conscious attempt to recalibrate its external orientation from episodic interaction to sustained participation. Regular summit-level diplomacy, expanding defence and maritime cooperation, and a steady presence in ASEAN-led and Pacific regional forums have collectively normalised India as a long-term stakeholder, rather than a peripheral actor. This normalisation is itself a strategic achievement. In Southeast Asia and Oceania, where regional states place high value on autonomy, consensus, and inclusivity, the manner of engagement often carries as much weight as its material content. India's emphasis on dialogue, respect for sovereignty, and alignment with existing regional institutions has allowed it to operate without generating significant political resistance or strategic anxiety.

Looking ahead, India's engagement is likely to deepen along functional and sector-specific lines, rather than through sweeping geopolitical initiatives. Maritime security cooperation, HADR, capacity building,

and defence training are areas where India's contributions are already visible and widely accepted. The IPOI, naval exercises, and information-sharing mechanisms illustrate an approach that privileges cooperative security and public goods over coercive power projection. In the Pacific Island states, India's development assistance and people-centric initiatives through the Forum for India–Pacific Islands Cooperation suggest a gradual expansion of presence that remains sensitive to local priorities and constraints. These domains are likely to remain central to India's future engagement, as they allow for incremental influence-building while reinforcing India's image as a benign and reliable partner.

The economic dimension will remain central in shaping both the scope and trajectory of the AEP. Experience over the past decade suggests that India's economic engagement has evolved more gradually than its diplomatic and strategic outreach. Progress on connectivity initiatives has been incremental, trade patterns continue to display structural imbalances, and India's role in large-scale infrastructure financing has remained selective. At the same time, assessing India's future regional role solely through comparison with China would offer an incomplete picture. India's economic engagement follows a distinct pathway, influenced by domestic priorities, institutional capacities, and an emphasis on transparency and sustainability. As regional states increasingly weigh the long-term implications of debt, dependence, and strategic exposure, India's preference for consultative, demand-driven, and non-intrusive forms of cooperation may assume growing relevance within the regional economic landscape.

In this context, future gains are likely to emerge not from dramatic expansions in scale, but from improved execution, coordination, and prioritisation. Incremental progress in project delivery, enhanced trade facilitation, and deeper integration into regional supply chains could yield cumulative strategic benefits disproportionate to their immediate economic size. Even modest advances in connectivity linking India's north-eastern states with Southeast Asian markets would carry symbolic and practical significance, reinforcing India's self-positioning as an integral part of the region rather than an external balancer. The challenge lies less in articulating new initiatives than in ensuring institutional coherence and administrative follow-through across existing ones.

Partnerships will play an increasingly important role in shaping the future trajectory of India's engagement. India's growing strategic coordination with Australia, Japan, and the United States, alongside strengthening bilateral relationships with key Southeast Asian states such as Vietnam, Indonesia, and Singapore, reflects an implicit recognition of capacity constraints. Rather than seeking unilateral influence, India has increasingly opted for collaborative frameworks that allow it to amplify impact while managing resource limitations. This pattern of selective alignment enables India to remain strategically relevant without overextension and reinforces its preference for networked, rather than hierarchical, regional engagement.

Beyond material considerations, India's normative and ideational positioning is likely to remain a central feature of its regional role. The articulation of an inclusive Indo-Pacific vision, an emphasis on a rules-based order, and support for ASEAN centrality resonate strongly within Southeast Asia, while India's historical identity as a postcolonial, non-coercive power continues to shape perceptions in Oceania. These attributes do not translate automatically into influence, but they create a permissive environment within which influence can be gradually accumulated. Over time, such normative alignment may prove particularly valuable as regional states navigate intensifying great-power competition and seek partners that offer stability without compulsion.

As the AEP moves beyond its first decade, it appears poised to enter a phase focused on consolidation rather than expansion. The strategic question facing India is no longer whether it belongs in Southeast Asia and Oceania, but how it can translate presence into sustained relevance. This will require continued alignment between strategic ambition and bureaucratic capacity, a realistic appraisal of economic limitations, and a willingness to prioritise depth over breadth. The future effectiveness of India's engagement will depend less on headline initiatives and more on reliability, predictability, and institutional endurance.

In this context, India's trajectory reflects a calibrated approach to regional engagement that emphasises continuity, cooperation, and institutional participation, rather than rapid assertion of influence. Instead of seeking to alter existing power configurations, India's engagement is directed towards contributing to regional order through incremental norm-building, functional cooperation, and partnership-oriented

frameworks. This mode of engagement corresponds closely with the prevailing political cultures of Southeast Asia and Oceania, where legitimacy, inclusivity, and long-term confidence-building are highly valued. If sustained with consistency and strategic patience, such an approach provides India with a credible basis for maintaining a stable and constructive role within the evolving Indo-Pacific regional order.

Over the past decade, India's Act East Policy has shifted from occasional interaction to a steady, institutionalized presence across Southeast Asia and Oceania. This monograph argues that by prioritizing normative alignment, maritime security, and collaborative partnerships over coercive power, India has solidified its standing as a credible regional stakeholder. Future success depends on deepening functional cooperation and improving project execution to translate this established influence into long-term strategic relevance and regional stability.

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