



**Reframing South Asian  
Regional Cooperation  
in the New Context**  
*National and Global Dimensions*  
4-5 November 2023, Dhaka, Bangladesh



Plenary Session 2  
**Identifying New Opportunities and New Modalities for  
Fostering Regional Cooperation in South Asia**  
Saturday, 4 November 2023 | 4:30 pm – 6:00 pm  
Venue: Grand Ballroom, Sheraton Dhaka

The current landscape of South Asian regional cooperation stands at a critical juncture. Conventional regional approaches to cooperation in South Asia have apparently reached an impasse. The situation has been complicated further in the face of emerging geo-political trends. This necessitates overhauling conventional strategies by embracing new modalities and leveraging emerging opportunities.

**Guiding questions:**

- Would you agree that traditional regional cooperation framework and modalities have reached an impasse in South Asia?
- What new modalities can be envisioned for fostering cooperation within South Asia?

Interestingly, the COVID-19 pandemic showcased certain new regional opportunities in areas such as access to vaccines and medical accessories as well as food and finance. However, this collaboration primarily occurred bilaterally, revealing significant logistical bottlenecks of financial flows and supply of essentials.

**Guiding question:**

- Did the COVID pandemic experience allude to some potential new areas and avenues for collaboration in South Asia?

To take the cooperation among regional countries to its next level, the conventional trade in goods needs to evolve into regional value chains. These supply chains need to connect themselves to the global value chain, with leading enterprises from South Asia.

**Guiding question:**

- Has the prospect of creating a globally linked regional value chain improved, notwithstanding the depressed environment for cooperation in South Asia?

Trade cooperation in the South Asian region is expanding into the area of services. The regional trade in services is, in fact visible in the case of energy supply. Cooperation in the areas of health and education is becoming increasingly visible.

**Guiding question:**

- What could be the areas for cooperation concerning trade in services?

Multimodal connectivity, largely in the road, railway, riverways and coastal links, are also expanding gradually. The absence of proper logistics facilities at the cross-border ports is emerging as a serious bottleneck.

Digital connectivity as well as cooperation in the areas of technology and innovation, can spur developmental momentum in the concerned countries.

**Guiding questions:**

- How can the expansion of digital connectivity support economic cooperation?
- How can South Asian countries institutionalise cooperation in the areas of transport and communication?

For enhancing economic cooperation within the region, the exploration of new financial cooperation models such as cryptocurrency, currency swaps, and common currencies has become pertinent.

**Guiding question:**

- Can the exploration of new financial cooperation models and engagement with extra-regional countries substantially enhance regional cooperation in South Asia?

Engagement of extra-regional countries as potential collaborators might further bolster regional cooperation efforts.

**Guiding question:**

- Will the extra-regional involvement be a hindrance or facilitator for regional cooperation?

However, all these will necessitate an updated and new framework for regional and/or sub-regional cooperation. If fully participatory sectoral/area-specific agreements cannot be reached, plurilateral agreements may be endorsed. Whereas bilateral relationships may be upgraded to multisectoral (comprehensive) cooperation arrangements.

**Guiding question:**

- Considering the need for updated cooperation frameworks, what new agreements or arrangements might be effective for South Asia - such as subnational or plurilateral agreements?

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The panelists for the session are:

- **Dr. Ishrat Husain**, Former Governor of the State Bank of Pakistan and Former Advisor to the Prime Minister on Institutional Reforms and Austerity, Pakistan
- **Dr. P. Nandalal Weerasinghe**, Governor, Central Bank of Sri Lanka, Sri Lanka
- **Dr. Shekhar Shah**, Vice Chairman of the Academic Advisory Council at the Indian School of Public Policy (ISPP), India
- **Ambassador Durga Bhattarai**, Former Foreign Secretary, Federal Democratic Republic of Nepal

**Mr Md. Jashim Uddin**, President of the SAARC Chamber of Commerce & Industry, will be the Guest of Honour.

**Dr Debapriya Bhattacharya**, Former Ambassador and Permanent Representative of Bangladesh to the World Trade Organization (WTO) and UN Offices in Geneva and Vienna, and a Distinguished Fellow at the Centre for Policy Dialogue (CPD), will Chair/moderate the session.