



INDIA-MIDDLE EAST-EUROPE ECONOMIC CORRIDOR - ECONOMY

News: *The Union Minister of Commerce & Industry stated that the India-Middle East-Europe Economic Corridor (IMEC) can add to India's maritime security and faster movement of goods between Europe and Asia.*

What's in the news?

India-Middle East-Europe Economic Corridor (IMEC)

- **Participants:** During the Delhi G20 Summit, India, USA, UAE, Saudi Arabia, France, Germany, Italy and the European Union signed a Memorandum of Understanding (MoU) to establish the India-Middle East-Europe Economic Corridor.
- **Objective:** The corridor will encourage and provide impetus to economic development through enhanced connectivity and economic integration between Asia, West Asia, the Middle East and Europe.

Components

- The India-Middle East-Europe Economic Corridor will consist of two separate corridors,
 - **The East corridor** connecting India to West Asia/Middle East and
 - **The Northern corridor** connecting West Asia/Middle East to Europe.
- The project would involve the building of a **railway line** across the Arabian Peninsula through the United Arab Emirates and Saudi Arabia and develop **shipping connectivity** to India and Europe on either end of this corridor.
- The corridor could be further developed to transport energy through pipelines and data through an optical fiber link.

Ports Which are Part of IMEC

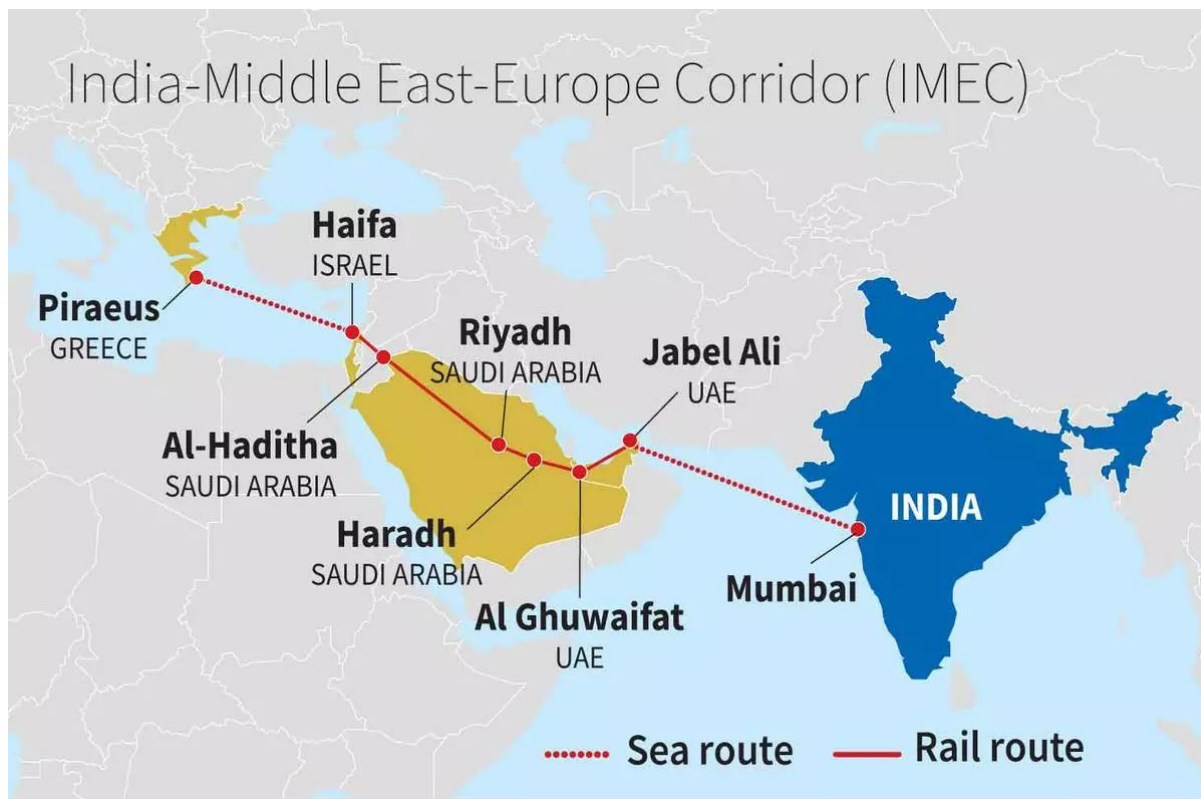
- **India:** Ports in Mundra (Gujarat), Kandla (Gujarat), and Jawaharlal Nehru Port Trust (Navi Mumbai).
- **Europe:** Piraeus in Greece, Messina in Southern Italy, and Marseille in France.
- **Middle East:** Ports include Fujairah, Jebel Ali, and Abu Dhabi in the UAE, as well as Dammam and Ras Al Khair ports in Saudi Arabia.
- **Israel:** Haifa port.
- **Railway Line:** The railway line will link Fujairah port in the UAE to Haifa port in Israel, passing through Saudi Arabia (Ghuwaifat and Haradh) and Jordan.

Maritime security for India

- The IMEC creates a **robust and secure trade corridor** across important maritime routes. It will give India a strategic role in patrolling and securing these areas
 - India's involvement ensures its critical maritime chokepoints, like the **Arabian Sea and the Strait of Hormuz**, are safeguarded.



- The collaboration between countries in the corridor will facilitate increased **intelligence-sharing and joint maritime exercises**.



- It will help India to **monitor maritime threats like piracy, trafficking, and terrorism**, particularly in volatile zones like the **Gulf of Aden or the Red Sea**.
- As IMEC improves connectivity, India has an opportunity to **expand its naval presence** in strategic ports within the Middle East and Eastern Mediterranean.
 - This bolsters India's power projection capability and ensures a protective watch over its trade routes.
- IMEC will ensure India that the strategic **Indian Ocean region does not become dominated by Chinese investments**, thereby preserving its maritime dominance and reducing external threats.

Other Opportunities for India

- **Bypassing Pakistan:** IMEC breaks Pakistan's veto over India's overland connectivity to the West. Since the 1990s, India has sought various trans-regional connectivity projects with Pakistan.
 - But Pakistan was adamant in its refusal to let India gain access to land-locked Afghanistan and Central Asia.
- **Indo-US collaboration in the Middle East:** This project has broken the myth that India and the United States might work together in the Indo-Pacific but not in the Middle East.

Hurdle before IMEC



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- **The Israel-Palestine conflict** has put a pause on the normalization of Arab-Israel relations which is a key element of the multi-nation initiative.
- **Vulnerability of the Strait of Hormuz:** The entire trade of the IMEC architecture flows through the Strait of Hormuz and with Iran's proximity and control over the strait, the risk of disruptions remain very high.
- **The security challenges** in the region have made other partners reluctant to invest in the project.

Way Forward

- The geopolitical concerns need to be managed by striking a delicate balance in accommodating the geopolitical interests of the participating nations and addressing potential political sensitivities.
- There is also a need to maintain the required security apparatus as the project passes through certain unstable regions of the world.

Source: <https://www.newsonair.gov.in/minister-piyush-goyal-addresses-1st-ever-india-mediterranean-business-conclave-2024-in-new-delhi/>

