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REFERENCE NOTE

No.28/RN/Ref./July/2017

For the use of Members of Parliament

NOT FOR PUBLICATION

THE SHANGHAI COOPERATION ORGANISATION (SCO) AND INDIA

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THE SHANGHAI COOPERATION ORGANIZATION (SCO) AND INDIA

The Shanghai Cooperation Organization (SCO) is inter-governmental organization, the creation of which was announced in Shanghai, China on 15 June 2001 by the Republic of Kazakhstan, the People's Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan, and the Republic of Uzbekistan.¹ Apart from Uzbekistan, the other five countries have been a part of the 'Shanghai Five' constituted in 1996 by China to address border security issues with four of its neighbours. The cooperation was renamed to Shanghai Cooperation Organization after Uzbekistan joined the organization in 2001. The six member states occupy territory that accounts for three-fifths of the Eurasian continent and have a population of 1.5 billion, a quarter of the world's population.

On 9 June 2017, India and Pakistan were inducted as full members in the Shanghai Cooperation Organisation in Astana, the capital of Kazakhstan. This is the first-ever expansion of the organisation since its formation in 2001. Now, with two new members, the organisation represents 3 billion people and accounts for a quarter of world's GDP. The SCO is one of the few multilateral organisations with China holding a decisive leadership position.

Currently, the SCO has eight members, four observer nations and six dialogue partners.

Member States: (i) Republic of Kazakhstan; (ii) The People's Republic of China; (iii) The Kyrgyz Republic; (iv) The Russian Federation; (v) The Republic of Tajikistan; (vi) The Republic of Uzbekistan. (vii) Republic of India (became

¹ <http://eng.sectesco.org>

Member on 9 June 2017) and (viii) Islamic Republic of Pakistan (became Member on 9 June 2017)

Observer States: (i) The Islamic Republic of Afghanistan; (ii) The Republic of Belarus; (iii) The Islamic Republic of Iran; and (iv) The Republic of Mongolia.

Dialogue Partners: (i) The Republic of Azerbaijan; (ii) The Republic of Armenia; (iii) The Kingdom of Cambodia; (iv) The Federal Democratic Republic of Nepal; (v) The Republic of Turkey; and (vi) The Democratic Socialist Republic of Sri Lanka.

The Charter of the SCO was signed at the summit held at St. Petersburg in June 2002, and entered into force on 19 September 2003. This is the fundamental statutory document stipulating purposes, principles, structures and form of operation of the organization.

Aims of the SCO

The main objectives of the SCO are as follows:

- Strengthening mutual trust, friendship and neighborly relations among the member states;
- Promoting effective cooperation in political, trade, economic, scientific, technical, and cultural spheres as well as in the realm of educational, energy, transport, tourism, environmental protection, and other areas;
- Jointly maintaining and safeguarding of peace, security and stability in the region; and
- Fostering creation of democratic, fair and rational new international political and economic order.

Structure of the SCO

Proceeding from the Shanghai Spirit, the SCO pursues its internal policy based on the principles of mutual trust, mutual benefit, equality, mutual consultations, respect for cultural diversity, and a desire for common development, while its external policy is conducted in accordance with the principles of non-alignment, non-targeting any third country, and openness. To implement the goals and objectives of the SCO Charter, the following bodies operate within the organization:

- The Heads of State Council (HSC) is the supreme decision-making body of the SCO. It meets once a year and adopts decisions and guidelines on all important issues of the organisation.
- The Heads of Government Council (HGC) of the SCO member states meets once a year to discuss the organisation's multilateral cooperation strategy and priority areas, to resolve current important economic and other cooperation issues. It also approves the annual budget of the organization.
- There are also mechanisms of meetings at the level of heads of parliament; secretaries of Security Councils; Ministers of Foreign Affairs, Defence, emergency situations, Economy, Transport, Culture, Education, and Healthcare; Heads of Law Enforcement Agencies and Supreme and Arbitration Courts; and Prosecutors General.
- The Council of National Coordinators of SCO Member States (CNC) coordinates and manages the day-to-day activities of the organization. The Council meets three times a year.

The Organization has two permanent bodies- the Executive Committee of the SCO Regional Anti-Terrorist Structure (RATS) based in Tashkent and the SCO Secretariat in Beijing.

Regional Anti-Terrorist Structure²

The Executive Committee of the Regional Anti-Terrorist Structure (RATS) of the Shanghai Cooperation Organisation (SCO) is the permanent body of the SCO RATS based in Tashkent, the capital of Uzbekistan. Its main tasks and duties are as follows:

- Maintaining working relations with competent institutions of the member states and international organisations tackling issues of fighting terrorism, separatism and extremism;
- Assistance in interaction among the member states in preparation and staging of counter-terrorism exercises at the request of concerned member states, preparation and conduct of search operations and other activities in the field of fighting terrorism, separatism and extremism;
- Joint drafting of international legal documents concerning the fight against terrorism, separatism and extremism;
- Gathering and analysis of information coming to the RATS from the member states, formation and filling of RATS data bank;
- Joint formation of a system of effective response to global challenges and threats;
- Preparation and holding of scientific conferences and workshops, assistance in sharing experience in the field of fighting terrorism, separatism and extremism.

The Regional Anti-Terrorist Structure operates in accordance with the SCO Charter, the Shanghai Convention on Combating Terrorism, Separatism and Extremism, the Agreement among the SCO member states on the Regional Anti-Terrorist Structure, as well as documents and decisions adopted in the SCO

² <http://eng.sectSCO.org/structure/RATS>

framework. Director is the chief administrative officer of the RATS Executive Committee. The nominee, a citizen of an SCO member state, is appointed by the Heads of State Council upon the recommendation of the RATS Council for a period of three years.³

SCO Secretariat

The SCO Secretariat coordinates the activity of the SCO and provides informational, analytical, legal, organisational and technical support. It also coordinates the organisation's cooperation with observer states and dialogue partners in line with SCO regulatory and legal documents, works with states and international organizations on issues related to the organisation's activity, and concludes agreements to that end with the consent of the member states.

Among other works, the Secretariat also carries out preliminary legal and financial assessments of draft treaties and regulations drawn up within the SCO framework, acts as the depositary of documents adopted within the SCO framework, and certifies copies of such documents and forwards them to the member states as well as to the SCO RATS as applicable.

The Secretariat is headed by the Secretary-General. Nominated by the Council of Ministers of Foreign Affairs and approved by the Heads of State Council, the Secretary-General is appointed from among citizens of the SCO member states on a rotating basis in Russian alphabetical order for a single three-year term with no possibility of extension. Deputy Secretaries-General are nominated by the Council of National Coordinators and approved by the Council

³ <http://eng.sectSCO.org/secretariat/>

of Ministers of Foreign Affairs. Officials of the Secretariat are hired from among citizens of the SCO member states on the basis of quotas.

Based on the decisions of the Council of Heads of SCO member states, three non-governmental agencies were created to enhance cooperation in the field of economy and education. These are: (i) SCO Interbank Association (2005), which includes the Kazakhstan Development Bank, China Development Bank, the Russian Vnesheconombank, the National Bank of Tajikistan, the National Bank for Foreign Economic Affairs of Uzbekistan; (ii) SCO Business Council (2006), bringing together representatives of the business community of the Member States; and (iii) SCO Forum (2006) – a multilateral public consultation and expert mechanism, which includes research institutions of the Member States (The Institute for Strategic and Regional Studies under the President of Uzbekistan, Institute of Strategic Analysis and Evaluation of the President of the Kyrgyz Republic, China Institute of International Studies, the International Institute for Modern Politics (Kazakhstan), the Centre for East Asian studies and SCO at the Moscow State Institute for International Relations (University)- MFA of Russia, and the Centre for Strategic Studies under the President of Tajikistan.

SCO is open for the accession of other countries of the region (article 13 of the Charter). According to article 14 of the Charter, the SCO can grant observer's or dialogue partner's status to the interested state or international organization.

The observer states can be invited to the sessions of the Council of Heads of States or Council of Heads of Governments. The status of dialogue partner stipulates the participation of the partner state in the consultations on the ministerial level, sittings of working groups and committees of high level officials on the issues regarding partnership.

The member states of the Organization assume chairmanship in the main bodies of the SCO (the Council of Heads of State, Council of Heads of Governments, Council of Foreign Ministers and Council of National Coordinators) per one year according to the Russian alphabetic order of the names of member states.

The Russian and Chinese are the official languages of the Organization.

Significance of the SCO's Full Membership for India

India, Iran and Pakistan were admitted as Observers at the 2005 Astana Summit. The Tashkent SCO Summit in June 2010 had lifted the moratorium on new membership, paving the way for the expansion of the grouping. India applied for membership in 2014. It was during the Summit in Ufa, Russia, in July, 2015, that administrative hurdles were cleared to grant membership to India and Pakistan. On 24 June 2016 India and Pakistan signed the memorandum of obligations at Tashkent, thereby starting the formal process of joining the SCO as full members.

On 9 June, 2017 India and Pakistan became full members of the Shanghai Cooperation Organisation (SCO). India's membership at the SCO was announced by the President of Kazakhstan, Nursultan Nazarbayev, who also welcomed Pakistan as a new member into the organisation.

According to experts, India's presence in a Eurasian body will enhance India's international standing⁴. It is expected that it would help India get greater access to regional markets and its politico-strategic dynamics.

⁴ What's in SCO for India, 29-05-2017, <http://www.rediff.com/news/column/whats-in-sco-for-india/20170529.htm>

The permanent membership of the SCO will offer India with some unique opportunities to get constructively engaged with Eurasia.⁵ This membership will serve as a natural extension of India's ties with Eurasia. India will be able to address shared security concerns, particularly in combating terrorism.

India will also benefit from stepping up cooperation, especially by participating in the existing SCO's processes such as the Regional Anti-Terrorist Structure (RATS) that shares key information and intelligence on the movements of terrorists and drug-trafficking. Likewise, participation in the SCO's counter-terror exercises and annually conducted military drills will benefit Indian armed forces to understand the operational tactics of other militaries.

Prime Minister Shri Narendra Modi also acknowledged this in his speech in SCO summit recently:

“Terrorism is a major threat to humanity. I have full confidence that the India-SCO cooperation will give a new direction and strength to the fight against terrorism⁶,”

The Prime Minister urged cooperation against terrorism and an agenda of economic connectivity, but with some pointed caveats. *“For connectivity initiatives and for success and approval of the projects,”* the Prime Minister said, *“sovereignty and regional integrity must be respected⁷.”*

The permanent membership will help India to work closely with other Central Asian countries. India is one of the biggest energy-consuming countries in

⁵ What does a permanent membership of the Shanghai Cooperation mean for India?, 10 June, 2017, <https://theindianeconomist.com/permanent-membership-shanghai-cooperation-mean-india/>

⁶ India, Pakistan become full members of SCO [Kallol Bhattacharjee](http://www.thehindu.com) <http://www.thehindu.com> ASTANA, JUNE 09, 2017)

⁷ India and Pakistan Join the SCO www.the-american-interest.com

the world and relies heavily on imports in order to meet half of its natural gas needs. The Central Asia region have abundant reserves of natural resources and minerals. Apart from having huge hydrocarbon fields, this region is home to an estimated 4 per cent of the world's natural gas reserves and approximately 3 per cent of oil reserves. Most of these resources are found in Kazakhstan, Turkmenistan and Uzbekistan. India, which is in the acute need of energy resources to sustain and increase its economic growth, sees this region as a vial source of oil, gas and other natural resources. The SCO could also facilitate the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline.

The Standing Committee of Parliament on Natural Gas and Petroleum has also advised the government to revive its long-delayed Iran-Pakistan-India (IPI) gas pipeline, following the announcement of Iran's change of status from an observer to a permanent member in the next Summit. India had previously abandoned the IPI pipeline following sanctions on Iran over its suspected nuclear program. The IPI pipeline was proposed with the aim of transporting natural gas from Iran to Pakistan and India. With all the three countries coming together under one platform, it is expected the SCO will provide an opportunity to New Delhi, Islamabad, and Tehran to revive this long-standing project.

The Committee has further stressed the need to pursue the transnational pipelines for the national energy security. It proposed that the SCO can act as a guarantor for projects such as the TAPI (Turkmenistan-Afghanistan-Pakistan-India) to bolster economic ties between Afghanistan, South Asian and Central Asian countries.

Russia traditionally pushed India's case for full membership of the SCO at the Tashkent Summit in 2016. It is believed that this gesture by Russia will lead to

even “closer Russian-Indian cooperation”. It would open up gates for collaboration in civil nuclear energy, partnership in the natural gas, petrochemicals sector, and liaison in the space sector.

The Russian decision to back India was also supported by Kazakhstan and Tajikistan who have close ties with India. Therefore the growing proximity of India to Russia, Kyrgyzstan, and Tajikistan will open new gates for trade and robust diplomatic ties.

Being a full member of the SCO, India would be in a position to plan its policy to effectively deal with China’s ambitious initiative of “One Belt, One Road” and “China Pakistan Economic Corridor” (CPEC). In this regard, the contraction of the International North- South Transportation Corridor (INSTC) can prove to be of high significance for India, as it will facilitate the ship, rail and road route for moving freight between India, Russia, Iran, Europe and Central Asia.

At the same time, membership of the SCO would further strengthen India’s position as a promoter of a multilateral global order⁸.

⁸ <http://www.claws.in>