

## PM pledges Rs.100 bn economic partnership with Bhutan

Indian Prime Minister Manmohan Singh Saturday pledged Rs.100 billion (\$2.5 bn) over the next five years as part of a package of economic engagement with Bhutan, asserting that the challenge before both countries was to evolve a model of sustainable development.

Addressing Bhutan's newly elected national assembly, Manmohan Singh pointed out that the Indian market offered vast opportunities for Bhutan's agriculture, industry and service sectors.

'We will work towards the further improvement of connectivity between our two countries so that our borders become the gateways for mutually beneficial undertakings,' the prime minister said before winding up his two-day visit here.

In his speech, which underscored the strong ties between the two countries, Manmohan Singh made it amply clear that India supported Bhutan's transition from a kingdom to the world's youngest democracy.

'As Bhutan enters a new era in its history, you can continue to count on India as a friend. As we enter a new era in our ties and a new century, I come to seek and reinforce the same meeting of minds,' he said.

Detailing the progress that had been achieved by both sides in various sectors in the last four decades, Singh outlined a future roadmap where more could be achieved.

'India and Bhutan are well placed to create a new paradigm for inter-governmental cooperation in the areas of water security and environmental integrity.

'We should evolve a development and economic cooperation strategy that complements our mutual resource endowments. We know we are on the right path when electricity generated in the mountains and valleys of Chukha, Kurichhu and Tala lights homes in Bihar, West Bengal and Delhi and generates wealth for Bhutan,' he said.

On Friday, India announced significant move to broaden its energy basket by pledging to import 10,000 MW of electricity by 2020 from Bhutan, a country with one of the world's largest hydropower potential.

Referring to the proposed 30 km rail link between the border towns of Hashimara in West Bengal and Phuentsholing in Bhutan, Manmohan Singh said it would be called the Golden Jubilee Rail Line.

Singh also pointed out that the signing of the updated India-Bhutan Friendship Treaty last year, which gave Thimphu more freedom in international diplomacy and non-lethal military purchases was a watershed event.

Following his address, Singh dedicated the Tala project, built with India's assistance, to Bhutan and laid the foundation of the 1,095 MW Punatsangchu hydroelectric project.

*Murali Krishnan ( © IANS / India eNews)*