

3. USA's Blue Dot network

Prelims Syllabus: IR - India Bilateral Cooperation

Mains Syllabus: GS-II Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's Interests.

Why in News?

- During Trump's visit, India and the US will discuss the Blue Dot network, a new proposal to cover infrastructure and development projects across the region and other countries.

Highlights:

- The BDN was formally announced on 4th November, 2019 at the Indo-Pacific Business Forum in Bangkok, Thailand. It will be led by the US along with Japan and Australia.

BDN:

- The Blue Dot network is a multi-stakeholder initiative to bring together governments, the private sector and civil society to promote high-quality, trusted standards for global infrastructure development.
- The proposal, which is part of the US's Indo-Pacific strategy, is aimed at countering Chinese President Xi Jinping's ambitious One Belt One Road initiative.
- The initiative will evaluate projects on various parameters, including level of public consultation, transparency in funding, debt traps and basic environment norms.
- Projects that meet the norms will get a "blue dot", which will enable them to attract private funding and not have to depend on state-funding alone. Blue Dot will be about supporting alternatives to predatory lending by facilitating foreign investment in projects that come under this network.
- Under BRI, China's government and state-owned enterprises finance international projects by providing logistical support, from concrete and steel to workers and cash. This approach, however, has been labelled by some experts as "debt-trap diplomacy".
- The new Blue Dot Network is seen as part of the USA's strategy of trying to persuade developing countries in Asia-Pacific not rely on Chinese funds for infrastructure.

Belt and Road Initiative (BRI):

- BRI is an ambitious project that focuses on connectivity and cooperation among multiple countries spread across the continents of Asia, Africa, and Europe.
- The stated objectives are to construct a unified large market and make full use of both international and domestic markets, through cultural exchange and integration, to

enhance mutual understanding and trust of member nations, ending up in an innovative pattern with capital inflows, talent pool, and technology database.

- The initial focus has been infrastructure investment, education, construction materials, railway and highway, automobile, real estate, power grid, and iron and steel.

