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Research Article

Evaluating SAARC : Challenges And Opportunities For Regional Cooperation In Recent Years

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Abstract. SAARC, the South Asian Association for Regional Cooperation, was formed in 1985 to build cooperation among South Asian countries and improve life for people across the region. Over the years, SAARC has worked on issues like poverty, trade, education, health, and disaster management. But despite these efforts, progress has often been limited by political tensions especially between India and Pakistan and by weak institutional structures. Still, SAARC has had some success and holds great promise for the future. This research explores how SAARC is structured, what it has achieved so far, the challenges it faces, and the opportunities it still has to become a stronger force for development and peace in South Asia.

Keywords: SAARC, South Asian regional cooperation, Economic condition, SAARC challenges, SAARC Opportunities Future like EU.

INTRODUCTION

The South Asian Association for Regional Cooperation (SAARC) was established in 1985 in Dhaka with the aim of fostering collaboration among South Asian countries in areas such as trade, poverty reduction, education, health, and disaster management. With eight member states Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka the organization represents nearly two billion people and a growing share of the global economy (SAARC Secretariat, 1985). Its creation reflected a recognition that the region's shared challenges could be better addressed through collective effort. Despite this potential, SAARC has struggled to achieve its founding goals. Persistent political rivalries especially between India and Pakistan have frequently undermined cooperation and delayed summits (Bajpai & Pant, 2013). The requirement for consensus in decision-making has further limited progress, with many initiatives stalled or only partially implemented. For example, intra-regional trade remains below 5 percent of total trade, despite the South Asian Free Trade Area (SAFTA) agreement (Kelegama, 2006; Rizvi & Ahmed, 2020). Weak institutional structures, coupled with a lack of political will, have prevented SAARC from becoming an effective platform for integration. Nevertheless, the organization has made modest contributions in areas such as disaster response, health cooperation, education, and cultural exchange (Siddiqui, 2015). These achievements demonstrate that regional collaboration is possible when countries prioritize shared interests over political disputes. Moreover, challenges such as climate change, pandemics, energy insecurity, and poverty demand collective responses that no single country can manage alone (World Bank, UNDP & ADB, 2022). This paper evaluates SAARC's achievements and limitations while exploring opportunities for future cooperation. It argues that with stronger political commitment and a focus on practical, non-political sectors, SAARC could still serve as an important platform for peace, trust-building, and sustainable development in South Asia.

LITERATURE REVIEW

Over the years, many researchers have studied SAARC to understand why it has not been as successful as expected. When SAARC was formed in 1985, there was hope that it would bring South Asian countries together to work on shared issues like poverty, trade, health, and development. But most scholars agree that political tensions especially between India and Pakistan have often stopped the organization from moving forward.

One common issue raised in the literature is SAARC's decision-making system. Every decision must be agreed upon by all member countries, which often leads to delays or complete standstills. Scholars like Dash (2008) have pointed out that this rule makes it almost impossible to take bold steps, especially when countries disagree on political matters.

Bajpai and Pant (2013), have said that SAARC's biggest failure is its inability to solve or even discuss bilateral conflicts. Because SAARC avoids political disputes, it often becomes irrelevant during regional crises. This view is supported by many studies that mention how Indo-Pak rivalry has blocked meetings and progress several

times.

Economic cooperation has also been a major area of discussion. Kelegama (2006) noted that even though SAARC launched free trade agreements like SAFTA, trade within South Asia is still very low, much lower than in other regions like ASEAN or the EU. Problems such as poor infrastructure, trade barriers, and lack of trust are often to blame. Similarly, Rizvi and Ahmed (2020) found that most SAARC countries prefer to trade with nations outside the region, which weakens regional ties.

Scholars like Hussain (2016) argue that this power imbalance makes smaller countries uncomfortable, pushing them to turn to other global powers like China or forums like BIMSTEC. This shift has made SAARC even less effective.

However, not all studies focus only on SAARC's problems. Some researchers, like Siddiqui (2015), believe there's still hope especially if SAARC focuses on areas where politics is less of a barrier. These include climate change, health, disaster management, education, and cultural exchange. The COVID-19 pandemic showed that regional cooperation is still possible when the need is urgent. The creation of the SAARC COVID-19 Emergency Fund was seen by many as a positive sign.

In recent years, sub-regional groups like BBIN (Bangladesh, Bhutan, India, Nepal) and BIMSTEC have shown more progress than SAARC itself. Many scholars suggest that SAARC should learn from these smaller groups, which focus more on practical goals and less on political disagreements.

In short, most of the existing research agrees that while SAARC has many weaknesses, it still has the potential to do better. If member countries can build more trust, focus on shared interests, and take smaller, practical steps, SAARC could still play an important role in South Asia's future.

Statement Of The Problem

SAARC was created in 1985 with high hopes of bringing South Asian countries together to solve common problems and support each other's development. But over the years, it hasn't lived up to its potential. One of the biggest reasons is the ongoing political tensions especially between India and Pakistan which often lead to canceled meetings and stalled progress. Even though there are agreements like the SAARC Free Trade Area (SAFTA), trade within the region is still very low. On top of that, the rule that all member countries must agree on every decision makes it difficult to move forward, even when most countries are on the same page. Meanwhile, the region continues to face serious issues like poverty, climate change, health crises, and disaster risks. SAARC was meant to help solve these problems, but it hasn't been able to do so effectively.

Objectives

The study examines the structure and functioning of SAARC and understand its decision-making process and institutional limitations. Identifying the major challenges both political and structural that hinder SAARC's effectiveness as a regional organization. Evaluate SAARC's achievements in areas like poverty reduction, education, health, and disaster management. To assess the level of economic integration among member states and analyze why intra-SAARC trade

remains low. To explore opportunities for renewed cooperation in non-political areas such as energy, connectivity, climate action, and cultural exchange.

METHODOLOGY

This study adopts a qualitative, descriptive approach based on secondary sources. Data were collected from peer-reviewed journal articles, books, institutional reports (World Bank, IMF, SAARC Secretariat), and policy briefs published between 2000 and 2025. A literature review method was applied to identify recurring themes such as institutional design, political rivalry, economic integration, and functional cooperation. By synthesizing existing evidence, this paper critically evaluates SAARC's achievements and shortcomings while identifying opportunities for reform. The qualitative desk-based approach is suitable because it allows for broad coverage of multiple dimensions political, economic, and social without requiring field surveys or primary data.

RESULT AND DISCUSSION

The Structural Framework of SAARC

The structural framework of SAARC given below: The South Asian Association for Regional Cooperation (SAARC) is a regional organization established to promote peace, cooperation, and development among South Asian countries. It was officially founded on December 8, 1985, in Dhaka, Bangladesh. Its structural framework is designed to ensure equal participation, collective decision-making, and effective implementation of regional initiatives.

The organization functions through a well-defined multi-layered structure that includes summits, ministerial meetings, committees, a permanent secretariat, technical bodies, and regional centers.

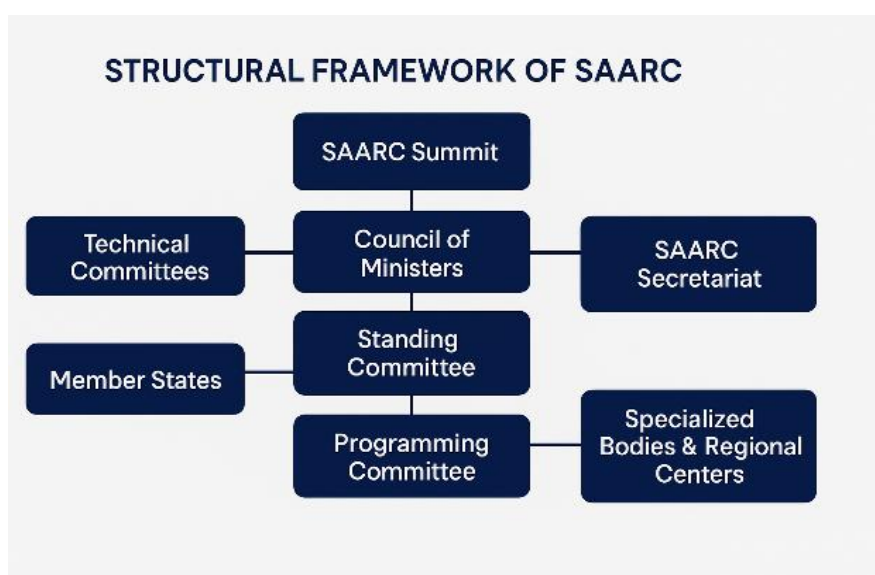


Fig:1 The structural framework of SAARC

The SAARC Summit is the highest decision-making authority and represents the

top level of the organization. It comprises the Heads of State or Government of the member countries. The summit is supposed to be held biennially, though political tensions have often delayed its meetings. During the summit, leaders set the broad direction of SAARC's policy, review progress, and decide on new initiatives. The chairmanship of SAARC rotates annually among the member states, ensuring shared leadership and responsibility.

The Council of Ministers is the second-highest level in the SAARC structure and consists of the Foreign Ministers of the member countries. The Council is responsible for the formulation of policies, reviewing past decisions, and approving programs and budgets. It usually meets twice a year to ensure continuity in policy implementation and to provide strategic oversight to the organization.

The Standing Committee, composed of the Foreign Secretaries of member countries, handles the overall monitoring and coordination of SAARC programs. It is tasked with determining inter-sectoral priorities, mobilizing resources, and approving project funding. The Standing Committee is a key body that ensures the decisions taken at higher levels are followed through effectively and practically.

The SAARC Secretariat, headquartered in Kathmandu, Nepal, serves as the administrative backbone of the organization. It is led by a Secretary-General, who is appointed for a three-year term and is chosen from member states on a rotational basis. The Secretariat plays a critical role in facilitating communication among member countries, organizing official meetings, monitoring progress, and ensuring the implementation of SAARC decisions. It acts as the central point of coordination for all SAARC activities.

Technical Committees form another essential component of SAARC's structure. These committees are sector-specific and deal with key areas such as agriculture, health, education, environment, science and technology, and rural development. Each committee is responsible for preparing projects, action plans, and policy recommendations relevant to its field. These initiatives aim to foster regional cooperation through knowledge sharing and joint implementation of programs.

The Programming Committee consists of senior officials from the member countries and supports the Standing Committee. It is tasked with examining and finalizing projects proposed by the Technical Committees. It also allocates budgets, reviews ongoing programs, and provides administrative guidance to the implementation processes. The Programming Committee plays a bridge role between technical planning and higher-level policy approval.

Specialized Bodies and Regional Centers have been created to deal with specific sectors of cooperation. These include institutions such as the SAARC Agriculture Centre in Bangladesh, the SAARC Energy Centre in Pakistan, and the SAARC Development Fund based in Bhutan. These centers help in research, development, and the execution of programs aligned with SAARC's goals. They function with autonomy but report back to the main SAARC bodies.

Observers are countries and organizations that have been granted permission to participate in SAARC meetings without voting rights. Observer status is held by entities like the United States, China, the European Union, Japan, South Korea, Iran, and others. These observers contribute to SAARC's programs through funding,

technical expertise, and diplomatic support.

SAARC Membership includes eight countries: Afghanistan (currently suspended), Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. The organization works on the principle of sovereign equality, and every member has an equal voice in decision-making.

Together, these structural components enable SAARC to promote regional integration, though political differences often limit its effectiveness. Nevertheless, its framework remains a strong foundation for cooperation in South Asia.

Economic Relations

Since it was formed in 1985, SAARC (the South Asian Association for Regional Cooperation) has aimed to bring the eight countries of South Asia Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka closer together through economic and social cooperation. One of its biggest goals has been to boost trade among member countries and reduce reliance on the outside world. In the early years, this began with the South Asian Preferential Trading Arrangement (SAPTA), and later, in 2006, the region launched the South Asian Free Trade Area (SAFTA). The idea behind SAFTA was simple: lower trade barriers and make it easier for countries in the region to do business with each other. But despite these efforts, trade within SAARC is still surprisingly low, less than 5% of the region's total trade, far below what we see in other regions like ASEAN or the European Union.

A big part of the problem is politics. Tensions between India and Pakistan have often spilled over into SAARC meetings, stalling progress on economic initiatives. Decisions in SAARC also require unanimous agreement, which means one country can block a plan even if the others support it. Besides political issues, practical challenges also get in the way things like poor transport infrastructure, border delays, red tape, and complicated trade rules. Even though SAFTA was supposed to reduce tariffs, countries still keep long lists of "sensitive items" that are excluded from tariff cuts, making it hard for trade to grow naturally. India, being the largest economy in the region, naturally dominates trade flows. Most South Asian countries trade more with India than with each other, which sometimes leads to concerns about imbalance or overdependence. Because of this, some smaller countries are more comfortable working in smaller groups. One good example is the BBIN initiative (Bangladesh, Bhutan, India, and Nepal), which focuses on improving road transport and cross-border trade among these four countries. There's also the SASEC program, backed by the Asian Development Bank, which has funded major projects in energy, transportation, and trade infrastructure across the region.

Interestingly, when the COVID-19 pandemic hit in 2020, it briefly brought SAARC countries back together. India hosted a virtual SAARC summit to discuss how the region could respond to the crisis, and this led to the creation of the SAARC COVID-19 Emergency Fund. While it was a small step, it showed that when the need is urgent, cooperation is possible. In recent years, there have been calls to revamp SAARC's approach to trade. Ideas include reducing non-tariff barriers, creating smoother customs processes, improving digital trade links, and even working together on shared energy grids. Bangladesh has been especially active in pushing for

stronger regional trade and transport connections. Nepal and Sri Lanka have also voiced support for better economic ties within SAARC. Experts believe that South Asia is missing out on more than \$170 billion in potential trade just because of current restrictions and inefficiencies. If countries in the region can put aside some of their political differences and focus on practical steps like simplifying trade rules, investing in better roads and ports, and promoting tourism SAARC could become a real driver of regional prosperity. There's a long way to go, but the potential is there. With a renewed focus on shared benefits and small but steady progress, SAARC still has a chance to succeed economically and deliver real value to the people of South Asia.

SAARC : Enhance quality of life

The South Asian Association for Regional Cooperation (SAARC) was formed in 1985 with the aim of promoting peace, development, and cooperation among its eight member countries Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. One of its most important goals is to improve the quality of life for people across the region. Considering that South Asia is home to over a billion people, many of whom face poverty and other challenges, this goal is both ambitious and essential.

Poverty Alleviation:

Poverty continues to be one of the most serious challenges facing South Asia. Across the region, millions of people still struggle to access basic necessities like food, clean water, shelter, healthcare, and education. Understanding how deeply poverty affects development and stability, the South Asian Association for Regional Cooperation (SAARC) has made poverty alleviation a key focus ever since it was established in 1985. This commitment is rooted in the SAARC Charter, which clearly states that improving the quality of life for the people of South Asia is a shared responsibility. The Charter calls for joint efforts to promote economic and social development, especially for the poorest and most vulnerable communities. This vision has guided many of SAARC's initiatives over the years.

One of the major steps taken by SAARC to address poverty is the creation of the SAARC Development Fund (SDF). This fund supports a wide range of projects aimed at improving livelihoods in member countries. These include training programs for youth, microfinance schemes, women's empowerment initiatives, rural development work, and educational support. The goal is simple but powerful: to give people the tools and opportunities they need to become self-reliant and improve their standard of living.

A key strength of SAARC is its ability to encourage collaboration and knowledge sharing across borders. For example, countries can learn from Bangladesh's success with microfinance or India's self-help group programs for women. By sharing what works, each country can adapt effective models to suit their own needs and challenges. In line with the SAARC Charter's vision of collective progress, SAARC also holds regular ministerial meetings and expert-level discussions focused on poverty-related issues. These gatherings allow member states to exchange ideas, assess challenges, and develop joint strategies. One major outcome of this collaboration is

the SAARC Plan of Action on Poverty Alleviation, which provides a common roadmap for tackling poverty across the region. While there are still many obstacles such as political tensions, resource limitations, and uneven development SAARC's ongoing efforts show that regional cooperation can play a meaningful role in fighting poverty. By staying true to the goals outlined in the SAARC Charter, the organization continues to push for a more inclusive and equitable South Asia.

Health and Medical Cooperation:

Health is a vital area where SAARC promotes cooperation among its member countries. South Asia faces many health challenges, including widespread communicable diseases like HIV/AIDS, tuberculosis, and malaria. Since these diseases affect multiple countries, SAARC encourages joint efforts for prevention, treatment, and awareness. Sharing resources and knowledge helps strengthen healthcare systems across the region. SAARC also focuses on improving maternal and child health, aiming to reduce high mortality rates by promoting access to proper healthcare, nutrition, and vaccinations. Additionally, SAARC supports the use and development of traditional medicine, which many rural communities rely on for affordable healthcare. To improve regional health standards, SAARC organizes workshops and training for healthcare professionals, encouraging the exchange of best practices. Though challenges remain, such as funding and infrastructure differences, SAARC's health cooperation has fostered better coordination and collective action to improve the well-being of millions in South Asia.

Education and Skill Development:

Since its establishment in 1985, SAARC has prioritized education and skill development to improve life in South Asia. In 1996, SAARC launched the SAARC Regional Convention on Recognition of Qualifications in Higher Education to promote academic cooperation and student mobility among member countries. This helps students and professionals benefit from education across the region. SAARC supports student and teacher exchange programs and provides scholarships through SAARC Chairs and fellowships to encourage research and innovation. These initiatives help develop skilled human resources essential for economic growth.

In 2003, SAARC adopted the SAARC Social Charter, which emphasizes the right to education and the importance of skill development. Workshops and vocational training programs especially target youth and women, aiming to increase employment opportunities. By sharing best practices and improving educational policies, SAARC works to boost literacy and access to quality education. These efforts contribute to building a skilled workforce crucial for South Asia's sustainable development.

Environmental Protection and Disaster Management:

Environmental protection and disaster management are critical issues for South Asia, a region vulnerable to climate change, natural disasters, and environmental degradation. Recognizing this, the South Asian Association for Regional Cooperation (SAARC) has made these areas a major focus to safeguard both people and natural

resources. South Asia faces frequent natural disasters like floods, earthquakes, cyclones, landslides, and droughts. These events cause significant loss of life, damage to property, and setbacks to development. To address these challenges, SAARC established the SAARC Disaster Management Centre (SDMC) in 2011 in India. The SDMC serves as a regional hub for disaster preparedness, response, training, and research. It helps member countries improve their disaster management capabilities through coordinated efforts, sharing early warning systems, and disaster risk reduction strategies.

SAARC also promotes regional cooperation on climate change. South Asia is highly vulnerable to the impacts of climate change: rising temperatures, changing rainfall patterns, glacial melt, and sea-level rise threaten agriculture, water resources, and livelihoods. SAARC encourages member countries to work together on climate adaptation and mitigation projects, such as promoting renewable energy, conserving forests, and improving water management. In 2008, SAARC adopted the SAARC Framework Agreement on Cooperation in Environment, which guides joint actions to combat pollution, conserve biodiversity, and promote sustainable development. The organization has also developed the SAARC Action Plan on Environment focusing on issues like waste management, air and water pollution control, and environmental awareness.

Disaster management cooperation under SAARC includes training programs for officials, community awareness campaigns, and simulation exercises that prepare countries to respond effectively during emergencies. SAARC also facilitates information exchange and technology transfer related to disaster risk reduction and climate resilience. One notable achievement is the SAARC Early Warning System for floods and cyclones, which shares timely alerts across borders, helping countries take preventive measures and reduce disaster impact.

Moreover, SAARC supports research and data sharing on environmental issues, encouraging member countries to develop policies based on scientific evidence. It also promotes community-based natural resource management, empowering local populations to participate actively in conservation efforts. Despite political differences among member states, SAARC has managed to maintain cooperation in environmental protection and disaster management, two areas where collaboration is vital for saving lives and securing the future of the region.

Cultural and Social Exchange:

One of the less highlighted but very important roles of SAARC is promoting cultural and social exchange among its member countries. South Asia is a region rich in diverse languages, religions, traditions, and lifestyles vary widely. This diversity can sometimes create misunderstandings or tensions, but it is also a great strength. SAARC encourages its members to celebrate and learn from their shared and unique cultures to build peace and harmony. Through various initiatives, SAARC organizes cultural festivals, art exhibitions, and literary events that bring artists, writers, musicians, and performers from different countries together. These events showcase the rich heritage of the region and foster mutual respect.

SAARC also focuses on youth engagement. Youth forums and exchange

programs enable young people to travel, learn, and collaborate beyond borders. These programs help build friendships and understanding among the future leaders of South Asia. In addition, SAARC promotes sports events like the SAARC Games, which encourage healthy competition and cooperation. Sports help break down barriers and bring people together, regardless of their backgrounds. On the social front, SAARC works to address common issues like poverty, women's empowerment, and health through collaborative projects. These efforts strengthen regional solidarity and show that despite differences, the member countries share common goals. By encouraging cultural and social exchange, SAARC helps create a sense of South Asian identity and unity, making the region more peaceful and cooperative in other areas as well.

Women & Child Welfare:

In South Asia, women and children are often the most vulnerable members of society. Many still face poverty, limited access to healthcare and education, and various forms of discrimination. Recognizing this, the South Asian Association for Regional Cooperation (SAARC) has placed a strong emphasis on protecting and empowering women and children. From the beginning, the SAARC Charter has highlighted the importance of social progress and improving the quality of life for all people in the region. This includes ensuring equal opportunities and basic rights for women and children.

To support these goals, SAARC has launched several regional initiatives. One of the most important steps was the SAARC Convention on Preventing and Combating Trafficking in Women and Children, adopted in 2002. This agreement aims to stop cross-border trafficking and exploitation, one of the region's most serious human rights issues. SAARC also promotes programs that support girls' education, maternal health, women's economic empowerment, and

early childhood development. These programs include skill-building for women, nutrition support for children, and safe learning environments for girls. Further strengthening this effort, the SAARC Social Charter (2004) lays out clear commitments to gender equality, child protection, and inclusive development. It reminds member countries that lasting progress in South Asia isn't possible unless women and children are healthy, safe, and given equal chances to grow and succeed. Through continued cooperation, knowledge-sharing, and joint policies, SAARC is helping to build a more inclusive and compassionate South Asia one where every woman and child can live with dignity and hope.

SAARC : Economic condition in 21st century

In the 21st century, the South Asian Association for Regional Cooperation (SAARC) which includes Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka has shown mixed progress in terms of economic development. While some member countries, particularly India and Bangladesh, have seen strong economic growth, the region as a whole continues to struggle with poor economic integration. Together, the SAARC nations now have a combined GDP of around \$5 trillion (as of 2025), and they account for more than a quarter of the world's population. But despite this, trade among SAARC countries remains disappointingly

low: just 5 to 7% of their total trade is done within the region, compared to 25% in ASEAN or nearly 70% in the European Union. Between 2019 and 2023, SAARC's exports grew by 24% to reach \$462 billion, but ASEAN more than doubled that growth, increasing exports by 52% to \$2 trillion. Part of the problem lies in the region's high trade costs up to 114% of the value of goods caused by weak infrastructure, political tensions (especially between India and Pakistan), and a lack of cooperation in areas like transport, banking, and visa access. Countries like Pakistan and Sri Lanka have also faced major financial crises in recent years. Pakistan, for instance, has seen its trade deficit balloon to over \$35 billion and its currency lose significant value, making it harder to participate effectively in regional trade. Even though the SAFTA agreement was meant to remove tariffs by 2016, many countries still protect key industries through long "sensitive lists," and progress remains slow. On top of that, the way SAARC makes decisions requiring agreement from all members often leads to gridlock. Still, there have been a few success stories. Sub-regional initiatives like BBIN (involving Bangladesh, Bhutan, India, and Nepal) and SASEC (backed by the Asian Development Bank) have made progress on trade and transport projects. During the COVID-19 pandemic, SAARC countries even came together to create an emergency fund, showing that cooperation is possible in times of crisis.

Despite these efforts, overall trade within the region continues to lag. The trade-to-GDP ratio in South Asia dropped from about 47% in 2022 to around 43% in 2024. Experts say the region could unlock an additional \$100–170 billion in trade if barriers were reduced. For SAARC to reach its potential, member countries will need to focus less on political disputes and more on practical solutions like updating trade agreements, improving transport and digital infrastructure, encouraging cross-border investment, and expanding funding through the SAARC Development Fund. India, as the region's largest economy, has a key role to play, but it must work to build trust with smaller neighbors. If SAARC members can focus on shared goals such as creating regional supply chains, boosting digital trade, and improving connectivity by land, air, and sea they still have a chance to transform South Asia into a thriving, connected economic region.

SAARC's Achievements

Over its 38 years of history, SAARC has been able to achieve a copious amount of improvement in its objectives. Especially in the area of Poverty elevation– South Asia has made significant progress in reducing poverty over the last decade. The implementation of the Millennium Development Goals (MDGs) has played a role in this achievement. In India, the percentage of the population living below the poverty line decreased from 38.2 %to 24.5 %. Similarly, Bangladesh witnessed a reduction in poverty at a rate of 30.3 %. Nepal, Pakistan, Sri Lanka, Bhutan, and Maldives also experienced lower poverty rates.

The size of the SAARC region as compared to global GDP in PPP has increased to around 7 percent which has more than doubled since 1980. The average growth rate in developing Asia has been 7 to 8 percent in the last 30 years, twice the global average and three times or more of that in the EU economies. But when compared to China it has been slow (8.5-10.3%). South Asian Free Trade Area (SAFTA) was

established in 2006 and aimed to gradually reduce and eliminate tariffs and other trade barriers among member countries. The tariff reduction plan you mentioned was indeed part of the SAFTA agreement. It involved two phases of tariff reductions to be implemented over specific timeframes. In the first phase, India and Pakistan committed to reducing their tariffs on all goods to 20% within two years, while the other SAARC countries would reduce their tariffs to 30% within three years. In the second phase, India and Pakistan planned to further lower their tariff rates to 5% within five years, while the other SAARC countries would reach that level within seven years.

SAARC member countries have recognized the importance of addressing climate change and promoting environmental protection. Climate change poses significant challenges for the South Asian region, including increased vulnerability to natural disasters, water scarcity, and adverse impacts on agriculture and ecosystems. SAARC has provided a platform for member countries to discuss and coordinate efforts to mitigate and adapt to the effects of climate change.

Bhutan's concept of "Gross National Happiness" (GNH), has been highly regarded within SAARC and beyond. GNH is a development philosophy that emphasizes holistic well-being, sustainable development, cultural preservation, and good governance. SAARC member countries have acknowledged the unique value of this concept in promoting social progress, preserving traditional values, protecting the natural environment, and advancing good governance. It is important to note that while SAARC member countries have acknowledged the value of GNH, its implementation and impact vary across different contexts. However, the philosophy of GNH continues to inspire conversations and discussions on alternative models of development that prioritize the well-being of people and the planet.

Challenges Facing SAARC

The South Asian Association for Regional Cooperation (SAARC), established in December 1985, aimed to foster regional integration, economic development, and mutual cooperation among its eight member states: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. With nearly one-fourth of the world's population and a shared cultural and historical heritage, SAARC holds immense potential. However, despite ambitious goals, SAARC has largely underperformed. It remains one of the least integrated regional organizations globally. Various geopolitical tensions, economic protectionism, institutional weaknesses, and external influences have significantly undermined its effectiveness.

Geopolitical Tensions: India-Pakistan Rivalry

The roots of India-Pakistan antagonism lie in the violent Partition of British India in 1947, which created Pakistan as a separate Muslim-majority state. The legacy of Partition has led to multiple wars and continued territorial disputes primarily over Jammu and Kashmir.

1947-48 War: The first Indo-Pak war over Kashmir ended with a UN-brokered ceasefire but left the region divided and bitterly contested.

1965 War: A second war, again over Kashmir, ended in a stalemate, worsening

distrust.1971 War: Resulted in Pakistan's defeat and the creation of Bangladesh, with India playing a crucial role in an event that Pakistan views with deep resentment.

1999 Kargil War: Pakistan's intrusion into Indian territory triggered a limited but intense conflict, again over Kashmir. These wars entrenched mistrust and prevented meaningful diplomatic engagement, even after SAARC's formation. Each military episode further eroded the possibility of regional unity, which SAARC aspired to build.

The 2025 Pahalgam Conflict: A Turning Point :

In April 2025, a deadly terrorist attack in Pahalgam, Jammu and Kashmir, killed dozens of Indian and foreign tourists. India accused Pakistan-based terrorist groups of orchestrating the attack and responded with targeted airstrikes on what it claimed were militant camps in Pakistan-administered Kashmir. Pakistan retaliated with artillery shelling across the Line of Control. The military skirmishes quickly escalated, drawing attention from the global community. According to Reuters (July 4, 2025), the Indian Army reported that China provided Pakistan with "live inputs" during the conflict an alarming sign of growing Chinese involvement in South Asia's regional tensions. Turkey was also reported to have supplied surveillance drones to Pakistan, intensifying the international dimension of the conflict.

While a ceasefire was reached in May 2025 after significant pressure from the Quad nations and the United Nations, the political and economic fallout across the region was substantial and SAARC once again found itself sidelined and silent.

Lack of Political Will and Trust Deficit

One of the most persistent challenges hindering the effectiveness of SAARC is the lack of political will among its member states, compounded by a deep-rooted trust deficit. Although SAARC was established to foster regional cooperation and development, national priorities and bilateral tensions have consistently overshadowed collective interests. The rivalry between India and Pakistan is the most visible example, but mistrust also exists among other members, such as Nepal and India over border disputes, or concerns among smaller nations about India's regional dominance. This has led to strategic balancing with external powers like China, further weakening SAARC's cohesion. Moreover, political transitions in member states often result in policy reversals or disinterest in regional commitments, undermining continuity. Even in non-controversial areas like climate change, public health, and disaster management, cooperation remains minimal. The cancellation of the 2016 summit and the diplomatic inertia following the 2025 India-Pakistan skirmishes reflect the unwillingness of states to prioritize regionalism. Without trust and consistent political commitment, SAARC risks remaining a symbolic forum rather than a functional mechanism for South Asia's development.

This distrust undermines cooperation in key areas like trade, energy, public health, and disaster response. Even programs with minimal political sensitivity such as cultural exchanges and student mobility struggle to gain traction.

Ineffective Institutional Mechanisms

One of the key reasons SAARC has struggled to achieve its goals is its weak and ineffective institutional structure. The SAARC Secretariat has very limited powers and mainly serves a coordinating role, without the authority to implement decisions or enforce agreements. All decisions require unanimous approval, which often leads to gridlock, especially given the tense political relationship between some member countries, notably India and Pakistan. Many of the agreements made are non-binding, and their implementation depends entirely on the political will of individual countries, resulting in slow or no progress. In addition, there is poor coordination among various SAARC bodies, and little involvement of civil society or the private sector, which limits broader participation and innovation. Frequent postponement of summits further hampers continuity and weakens the organization's ability to act as a strong regional force.

Economic Underperformance and Low Trade Integration

Another major challenge facing SAARC is economic underperformance and low trade integration among its member countries. Despite being home to nearly a quarter of the world's population, South Asia contributes only a small fraction to global trade and has some of the lowest levels of intra-regional trade in the world—less than 5% of total trade compared to over 60% in the EU and around 30% in ASEAN. Deep-rooted political tensions, especially between India and Pakistan, have prevented the creation of a strong regional market. Non-tariff barriers, poor connectivity, lack of infrastructure, and complex customs procedures further hinder trade flows between SAARC countries. Initiatives like the South Asian Free Trade Area (SAFTA) have seen limited success due to weak implementation and lack of trust among members. As a result, SAARC has failed to unlock the economic potential of the region or leverage the benefits of shared growth and regional supply chains.

Absence of Regional Security Cooperation

One of the biggest weaknesses of SAARC is that the member countries don't really work together on security issues. Even though they face many of the same problems like terrorism, drug smuggling, cybercrime, and natural disasters there's no strong system in place to deal with these challenges together. A major reason for this is the ongoing political tensions, especially between India and Pakistan, which make it hard for them to cooperate. SAARC did sign a convention against terrorism back in 1987, but it hasn't led to any real action or enforcement. Unlike other regional groups like ASEAN, SAARC doesn't organize joint military exercises or share intelligence. When serious events happen like the 2025 Pahalgam attack SAARC usually stays silent and doesn't step in. Because of this, countries often turn to outside powers for help instead of relying on each other through SAARC. This makes the organization even weaker when it comes to handling security in the region.

Neglect of Smaller Members and Imbalance of Power

One major issue within SAARC is the imbalance of power among its member countries, especially due to India's dominant role in the region. India makes up over 70% of SAARC's economy and population, which often makes the smaller countries

like Bhutan, Maldives, and Nepal feel sidelined or overshadowed. These nations sometimes worry that India's influence might shape decisions in its favor, rather than reflecting everyone's interests equally. This has led to mistrust and hesitation in fully committing to SAARC initiatives. As a result, smaller countries often turn to outside powers like China or form sub-regional groups where they feel their voices are better heard. This unequal dynamic not only weakens unity within SAARC but also holds back progress in areas where true cooperation is needed.

Rise of Alternative Regional Forums

As SAARC continues to struggle with internal issues and political conflicts, many of its member countries have started looking for alternative regional platforms to meet their needs. This shift has led to the rise of other groupings like BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation), BBIN (Bangladesh, Bhutan, India, Nepal), and SASEC (South Asia Subregional Economic Cooperation). These platforms focus more on practical cooperation and less on political disputes, making them more effective in areas like trade, transport, and energy. For example, BIMSTEC includes countries from both South and Southeast Asia and works without the involvement of Pakistan, which has often been a source of gridlock in SAARC. As a result, India and other members have shifted their attention to these smaller but more functional groups. This growing interest in alternatives has made SAARC less relevant and further weakened its role as the main platform for regional cooperation in South Asia.

Afghanistan's Uncertain Role

Afghanistan, the newest member of SAARC since 2007, plays an uncertain role in the organization due to its ongoing political instability and security challenges. Frequent changes in government, conflict, and lack of diplomatic engagement have limited its participation in regional initiatives. This has created a gap in SAARC's vision of full regional cooperation. However, Afghanistan's strategic location and cultural ties with South Asia offer future opportunities for connectivity, trade, and peacebuilding if regional stability is restored and mutual trust is built.

Climate Change and Disaster Inaction

Climate change poses one of the gravest threats to the SAARC region, with countries frequently experiencing floods, cyclones, droughts, and glacial melting. Despite its vulnerability, SAARC has shown limited collective action in addressing climate-related disasters. Weak institutional coordination, lack of funding, and political tensions have hindered effective regional disaster response and climate adaptation strategies. However, this challenge presents a vital opportunity: by strengthening cooperation in climate resilience, early warning systems, and shared research, SAARC can turn a shared vulnerability into a platform for regional solidarity and sustainable development.

SAARC: A Region Full of Opportunities

South Asia is home to nearly two billion people. It's a region rich in history, culture, and potential. The South Asian Association for Regional Cooperation better known as SAARC was created in 1985 to bring together eight neighboring countries: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. The idea was simple but powerful: work together to improve life in the region. But nearly four decades later, many people see SAARC as an organization that hasn't done enough. Political tensions, especially between India and Pakistan, have often slowed things down. That said, the region still holds enormous opportunities and with the right mindset and cooperation, SAARC can still become a real force for positive change.

Trade: A Sleeping Giant

Trade within South Asia is surprisingly low. Countries in the region trade more with nations outside of SAARC than with each other. To put it into perspective: intra-SAARC trade is just around 5% of the region's total trade, while in the European Union it's over 60%. This low number isn't because there's no potential. It's due to high tariffs, red tape, and a lack of trust between countries. If SAARC members reduced these trade barriers and made it easier for goods to move across borders, billions of dollars could be added to the region's economy. The World Bank has even estimated that better trade could add \$23 billion a year. There's also huge potential in creating regional value chains, where different parts of a product are made in different countries before coming together. This would not only increase trade but also create jobs and lift millions out of poverty.

Energy: Sharing the Power

Energy is another area where South Asia can benefit by working together. Countries like Nepal and Bhutan produce more hydroelectricity than they use. Meanwhile, Bangladesh and Pakistan often face energy shortages. This creates an obvious opportunity: connect national power grids and share electricity. In fact, some of this is already happening. India supplies electricity to Nepal and Bangladesh, and Nepal has recently started selling power back to India. In 2014, SAARC countries signed an agreement to improve energy cooperation. If taken seriously, this could lead to a regional energy network bringing more stable, affordable, and clean energy to millions.

Connectivity: Closing the Distance

In many parts of the world, crossing borders is easy. In South Asia, it's often a challenge. Poor roads, outdated rail systems, and complicated visa processes make it hard for people and goods to move freely. Projects like the BBIN (Bangladesh-Bhutan-India-Nepal) Motor Vehicles Agreement are trying to change that. This agreement would allow vehicles to travel across borders more smoothly, boosting trade and tourism. India and Bangladesh have also reopened several old rail routes that were closed decades ago. Beyond physical infrastructure, digital connectivity offers another opportunity. With rising internet use in the region, cross-border digital payments,

shared e-commerce platforms, and online education can help bridge gaps faster than roads ever could.

Climate and Environment: A Shared Challenge

Climate change doesn't care about national borders. And South Asia is one of the most vulnerable regions in the world. Glaciers are melting in the Himalayas, sea levels are rising in the Maldives and Bangladesh, and extreme weather is becoming more common everywhere.

SAARC has taken some steps in this area. There's a SAARC Disaster Management Centre, and countries have agreed to work together on things like climate-resilient agriculture and water sharing. But these efforts need more support. The region could do much more by investing in green energy, sharing research, and preparing better for floods, droughts, and other disasters. Working together could save lives and protect ecosystems.

Health: Lessons from the Pandemic

The COVID-19 pandemic reminded everyone just how interconnected the world is. When the virus spread, no country was truly safe until all were. In March 2020, India proposed a SAARC COVID-19 Emergency Fund, and most countries contributed. The money was used to send medical supplies, train health workers, and hold virtual meetings of health experts.

This was a rare and much-needed moment of unity. It showed that SAARC can respond in times of crisis and it also highlighted the need for long-term cooperation in public health. Going forward, SAARC could set up a regional health network for disease tracking, vaccine development, and emergency response.

Education, Culture, and People

SAARC isn't just about politics and economics. One of its biggest strengths is the shared culture of South Asia. From music and films to food and festivals, the people of this region have a lot in common. Programs that support student exchanges, cultural festivals, and regional tourism can help build trust and understanding. There's already a SAARC Cultural Centre in Sri Lanka, but it needs more support and visibility. Imagine if more young people from Pakistan studied in Bangladesh, or if tourists from India regularly visited Bhutan or Sri Lanka. These experiences could help overcome the mistrust that often exists between nations.

Security: A Sensitive But Important Area

Security is one area where SAARC has struggled the most. Political disagreements especially between India and Pakistan have often brought progress to a halt. However, there are shared threats that require joint action, such as terrorism, cybercrime, drug trafficking, and human trafficking. Even if full-scale security cooperation isn't possible, information sharing and dialogue can help. Over time, confidence-building measures could create the space needed for deeper trust and collaboration.

Tourism

The SAARC countries have a lot of potential for tourism because they have many beautiful places and rich cultures. Countries like India, Nepal, Sri Lanka, Bangladesh, Bhutan, Pakistan, Maldives, and Afghanistan have old historical sites, mountains, beaches, and forests that attract tourists. There are also important religious places like Lumbini and Bodh Gaya that many people visit. If these countries work together to promote tourism, it can help create jobs and improve their economies. Tourism can also help people from different countries understand each other better and bring peace to the region.

SAARC future possibility like EU:

There is a possibility that SAARC could become like the European Union one day, but several key differences make this a challenging goal. The European Union is a highly integrated organization where member countries not only trade freely and share policies but also follow common laws and, in many cases, use the same currency (the euro). In contrast, SAARC remains limited in its cooperation due to political tensions, especially between India and Pakistan, which often block progress. While EU members have largely moved beyond historical conflicts to focus on collective growth, SAARC still struggles with mistrust and rivalry. However, SAARC has potential. The member countries share cultural, historical, and regional ties and face similar challenges such as poverty, climate change, and the need for development. If these nations can set aside political disputes and focus on mutual interests, SAARC could grow stronger. Achieving a structure like the EU would take time, deep trust, and a clear commitment to regional unity, but it remains a possible long-term opportunity.

RECOMMENDATIONS

For SAARC to become truly effective, it needs both political commitment and practical reforms. The biggest step would be to build trust among its members, especially between India and Pakistan, whose rivalry has often stalled cooperation. While deep-rooted disputes may not be resolved quickly, keeping channels of dialogue open and encouraging cultural, academic, and youth exchanges could slowly rebuild confidence. At the same time, SAARC's decision-making process needs to change. The current rule of unanimous approval has made it almost impossible to move forward; adopting a more flexible system for non-political issues like health, climate change, or disaster response would help the organization act faster and more decisively. The SAARC Secretariat also needs to be strengthened with more resources and authority so that it can do more than just coordinate meetings it should be able to monitor, guide, and ensure implementation of agreements.

Economic cooperation remains another area with huge potential. Intra-regional trade is still very low compared to other regions, and this is a missed opportunity. Reducing unnecessary barriers, improving transport and digital connections, and making SAFTA more effective could generate significant growth and jobs. Beyond trade, SAARC should focus on areas where politics plays a smaller role, such as renewable energy, climate resilience, disaster management, and public health. These

are shared challenges where cooperation is easier and benefits are visible. Smaller sub-regional initiatives like BBIN and SASEC show that progress is possible even when larger issues remain unresolved, and these could be encouraged under the SAARC umbrella. Finally, SAARC should connect more directly with the people of South Asia. Expanding cultural programs, tourism, and student exchanges can help foster a sense of regional identity and show citizens the real value of cooperation.

If these steps are taken, SAARC can move beyond being seen as a symbolic body and instead emerge as a meaningful platform for peace, trust, and sustainable development in South Asia.

CONCLUSION

The review of existing literature and institutional practices reveals that SAARC's effectiveness has been consistently undermined by structural weaknesses and the Indo-Pakistan conflict. However, this paper argues that SAARC should not be dismissed as irrelevant. Its modest achievements in disaster management, social development, and health cooperation illustrate that "low-politics" areas can serve as platforms for rebuilding trust. The study contributes by highlighting that incremental, functional cooperation particularly in climate resilience, energy connectivity, and trade facilitation offers the most viable path forward. Unlike earlier works that focus mainly on SAFTA's failures, this paper emphasizes the strategic value of sub-regionalism (e.g., BBIN) and complementary frameworks (BIMSTEC) as realistic pathways for South Asian integration. By repositioning SAARC as a facilitator of selective but meaningful cooperation, this research provides a pragmatic roadmap for enhancing regionalism in South Asia.

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