

|| WEEKLY NEWS HIGHLIGHTS ||

BANGLADESH ENTERPRISE INSTITUTE (BEI)

|| Brief Highlights on Current Issues of South Asia ||

|| 26 May – June 04, 2023 ||

BUSINESS AND INVESTMENT

Qatar Energy signs 15-year gas deal with firm in Bangladesh; Digital bank to be set up within next fiscal year: Kamal.

Bangladesh signs a 15 years long agreement with QatarEnergy for importing yearly 1.80 million metric tons of liquid gas. PetroBangla hoped for overcoming following challenges on the outset of Ukraine-Russia war. This agreement is referred as another milestone in strengthening Bangladesh-Qatar bilateral relations. PetroBangla remarks that since Bangladesh is one of rapid growing economy, the availability of energy is essential for Bangladesh's socio-economic development and prosperity. Both party affirmed that they would never break this agreement further

To speed up the financial inclusion efforts in Bangladesh's banking sector, Finance Minister AHM Mustafa Kamal announced that a digital bank would be set up in the following year. He indicated the bank is designed around an AI-based credit rating system, which will facilitate the banking process and also protect the system from fake and anonymous borrowers.

<https://www.newagebd.net/article/203121/qatarenergy-signs-15-year-gas-deal-with-firm-in-bangladesh>

<https://thefinancialexpress.com.bd/economy/bangladesh/digital-bank-to-be-set-up-within-next-fiscal-kamal>

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AFGHANISTAN: TALIBAN SUPREME LEADER, QATARI PRIME MINISTER HOLDS TALKS IN AFGHANISTAN; PAKISTAN OUTLINES PROCESS FOR BARTER TRADE WITH AFGHANISTAN, IRAN, RUSSIA.

The Qatari prime minister held talks with the Taliban last month, signalling a new effort by the Taliban to end its international isolation since they took over Afghanistan nearly two years ago. The talks took place on May 12 in Kandahar, and included a meeting between the Taliban's supreme leader, Haibatullah Akhunzada, and Qatari PM Mohammed bin Abdulrahman Al Thani. However, no details or official readout from the meeting were released.

The second Central Asia-European Union leaders' meeting's participants expressed concern about the situation in Afghanistan in their closing statement, while also highlighting the stability and growth of this country. Speaking at the meeting, Charles Michel, President of the European Council, called for the establishment of inclusive government, respect for human rights, especially the right to

education and work for women and girls in Afghanistan.

Pakistan has passed a special order to allow barter trade with Afghanistan, Iran and Russia for certain goods, including petroleum and natural gas, the Ministry of Commerce said. Left with barely enough foreign exchange reserves to cover one month's imports, Pakistan's government is desperately trying to manage a balance of payments crisis and bring inflation under control after it hit a record of nearly 38% last month. The government order, called the Business -to-business (B2B) Barter Trade Mechanism 2023 and dated June 1, lists goods that can be bartered. State and privately owned entities would need approval to participate in the trade mechanism.

<https://www.aljazeera.com/news/2023/5/31/taliban-supreme-leader-qatari-pm-talks-held-in-kabul>

BANGLADESH: EC TAKES ACTION FOLLOWING ROAD MAP FOR UPCOMING NATIONAL POLLS: CEC; US SAYS HEARTENED BY BANGLADESH'S RESPONSE TO NEW VISA POLICY; CHINESE VICE-MINISTER: EAGER TO BOOST COOPERATION WITH BANGLADESH IN RENEWABLE ENERGY

The Chief Election Commissioner, Kazi Habibul Awal, in his meeting with the Japanese Ambassador to Bangladesh, Iwama Kiminori, stated that the EC is working on preparing a roadmap for the following parliamentary election in 2024. The commissioner mentioned that in the next election, the EC would invite some foreign observers. The EC assured Japanese ambassador that the next national election would be free and fair.

The US administration praised the government for welcoming the US visa policy against Bangladesh positively. The US administration believed the new visa policy has changed as per promoting democratic values in Bangladesh. The US made it clear that the policy was introduced for Bangladesh to support of free and fair and peaceful elections. In turn, the Bangladesh government accepted the policy and assured the US that the government is capable of holding

election in a free, fair and participatory manner.

Chinese vice-minister offers Bangladesh to cooperate in renewable energy and hi-tech sectors. As one of the biggest developing partner of Bangladesh, China is keen to continue bilateral relations and sustainable development of economic sectors of Bangladesh. Bangladesh PM Sheikh Hasina thanked China for their efforts and providing assistance during Covid -19 pandemic.

<https://www.newagebd.net/article/203111/ec-takes-action-following-road-map-for-upcoming-national-polls-cec>

<https://www.dhakatribune.com/foreign-affairs/2023/05/26/us-democracy-is-the-most-enduring-means-to-advance-peace-prosperity>

<https://www.dhakatribune.com/bangladesh/2023/06/05/rpa-amendment-bill-2023-placed-in-js>

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India: India wants to take relations with Australia to 'next level': PM Modi to Australian newspaper; India-Australia ties based on mutual trust and respect, says PM Modi

The deadly train crash in Odisha on Friday occurred against the backdrop of a railway campaign to launch high-speed trains amid declining resources for track inspections and shortfalls in pledged funds for critical safety-related works. A report from India's Comptroller and Auditor General (CAG), which had analysed dozens of derailments and 11 train collisions between 2017-18 and 2020-21, had flagged 30 percent to 100 percent shortfalls in inspections to assess the geometric and structural

conditions of railway tracks. The shortfalls have occurred amid the Narendra Modi government's campaign to launch high-speed trains, including the Vande Bharat trains that can run at speeds of up to 160 kmph and have been flaunted as a "Make-in-India success story".

<https://www.telegraphindia.com/india/odisha-train-accident-safety-funds-fall-short-amid-indian-govts-focus-on-speed/cid/1942082>

Pakistan: Pakistan steps up efforts for renewal of GSP+ status; PM meets world leaders in Türkiye

As the European Union's 10-year preferential trade arrangement approaches its expiration this year, Pakistan has intensified its efforts to enhance compliance with key international conventions that encompass a wide spectrum of human rights, labour standards, and environmental protections. The EU monitoring team had already visited Pakistan and compiled the last assessment report on the GSP+ for 2014-2023, which is expected to be made public either this month or in July. The report will elaborate on Pakistan's performance in terms of human rights, labour standards, press freedom and environmental protection, which are linked with the availing of GSP+ preferences. The report will also become

a basis for the renewal of GSP+ status for Pakistan.

Prime Minister Shehbaz Sharif, during his recent visit to Türkiye, met with different world leaders and discussed bilateral ties and cooperation between Pakistan and their respective countries. The prime minister arrived in Ankara on a two-day official visit to attend a ceremony marking the re-election of Recep Tayyip Erdogan as the country's president.

<https://www.dawn.com/news/1757308/pti-president-chaudhry-pervaiz-elahi-arrested-outside-lahore-residence>

Myanmar: Russian Lower House Official Pledges Support for Myanmar Regime's Planned Poll

A memorandum of understanding has been signed between the Russian and Myanmar government. Both parties discussed a number of issues, including fostering peace and cooperation in Southeast Asian politics. After India and China, Russia is the largest arms supplier to Myanmar.

<https://www.irrawaddy.com/news/burma/russian-lower-house-official-pledges-support-for-myanmar-regimes-planned-poll.html>

Sri Lanka: No single political party commands majority voter base, despite cross-party collaboration in Parliament: Sri Lankan President; IMF deputy urges SL to keep up momentum on economic reforms; China says always stands by SL's sovereignty, political independence and socio-economic development.

President Ranil Wickremesinghe said although all political parties in Parliament are united, none of them currently possesses a 50% voter base. He emphasized the need for unity among the parties, not solely for the purpose of elections, but to steer the country towards recovery from the ongoing economic crisis. The President also highlighted the loss of faith in elections and politics among the majority of the population, including the youth. He added that while the re-establishment of law and order, as well as political and economic stability, is crucial, it does not imply that Sri Lanka has completely overcome the crisis.

Sri Lanka is showing a "strong commitment" to implementing economic reforms but must continue this momentum amid a challenging economic environment, remarked IMF's Deputy Managing Director Kenji Okamura. In a statement at the conclusion of his visit to Colombo last week, Okamura said continued open dialogue with Sri Lanka's creditors would help reach restructuring agreements that would restore debt sustainability in line with IMF targets for its \$3 billion, 40-month loan to the struggling island country. The economic reform program aims to achieve macroeconomic stabilization,

restore debt sustainability, safeguard financial stability, strengthen governance, and protect the vulnerable.

During Chinese Vice Minister of Foreign Affairs Sun Weidong meeting with Prime Minister Dinesh Gunawardena, he assured him that China would increase investments in several areas such as agriculture, trade and commerce, ports and infrastructure development in the country. Weidong added that China would also continue to provide economic assistance as well as support Sri Lanka's debt restructuring programme.

https://www.dailymirror.lk/breaking_news/No-single-political-party-commands-majority-voter-base-despite-cross-party-collaboration-in-Parliament-RW/108-260407

https://www.dailymirror.lk/breaking_news/IMF-deputy-urges-SL-to-keep-up-momentum-on-economic-reforms/108-260301

<https://www.dailymirror.lk/print/business/China-says-always-stands-by-SLs-sovereignty-political-independence-and-socioeconomic-development/215-260387>

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Nepal: Will strive to take India-Nepal ties to Himalayan heights: PM Modi after talks with Prachanda; Nepal, India sign long-term energy deal

India and Nepal will strive to take their bilateral ties to Himalayan heights and resolve all matters, including the boundary issue, in this spirit, Prime Minister Narendra Modi said on Thursday after holding wide-ranging talks with his Nepalese counterpart Pushpakamal Dahal 'Prachanda'. In his media statement after the meeting, Modi said he and Prachanda have taken many important decisions to make the partnership between the two countries a "super hit" in the future.

Various matters of mutual interest and issues of the two countries, including energy trade, commerce, and air routes among others, were discussed and agreed upon during the meeting. The two prime ministers signed a Memorandum of Understanding on the agreement to extend trade and transit and for the construction of the Siliguri-Jhapa Petroleum Pipeline.

[https://
economictimes.indiatimes.com/news/
india/will-strive-to-take-india-nepal-
ties-to-himalayan-heights-pm-modi-
after-talks-with-prachanda/
articleshow/100676148.cms?
utm_source=contentofinterest&utm_m
edium=text&utm_campaign=cppst](https://economictimes.indiatimes.com/news/india/will-strive-to-take-india-nepal-ties-to-himalayan-heights-pm-modi-after-talks-with-prachanda/articleshow/100676148.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

[https://kathmandupost.com/
national/2023/06/01/pm-dahal-
meets-indian-counterpart-modi](https://kathmandupost.com/national/2023/06/01/pm-dahal-meets-indian-counterpart-modi)

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About Us

Bangladesh Enterprise Institute is a non-profit, non-political research centre. Established in October 2000, the Institute has established for itself a reputation for excellence in its research and advocacy work focusing on the growth of private enterprise in Bangladesh. The Institute promotes issues of importance to the private sector and seeks to initiate essential measures and influence policy for the development of a market-oriented economy. Through the promotion of sustainable growth in domestic trade, commerce and industry, BEI hopes to address the enormous challenge for Bangladesh in securing a fair share of the global market.

BEI has a particular interest in the support and growth of Small and Medium-Sized Enterprises (SMEs), which have the potential to be the engine of economic growth in Bangladesh. BEI also undertakes research and policy advocacy work focusing on the issues of foreign policy and security, particularly those of terrorism impacting Bangladesh and South Asia.

Being conscious of the enormous challenge to securing a fair share for Bangladesh in the global market as well as to address issues of trade and investment promotion, the Bangladesh Enterprise Institute (BEI) was established under the initiative of some leading business personalities of the country. Salman F. Rahman, Deputy Chairman of the BEXIMCO Group, has been working as the Chairman of the Board of Governors, Ambassador Farooq Sobhan, former Foreign Secretary and Ambassador, and past Executive Chairman of the Board of Investment, has been working as a Distinguished Fellow and Member of the Board of Governors of the institute and M Humayun Kabir, former Ambassador, has been working as the President and Chief Executive of the institute.

The institute is registered with the Registrar of Joint Stock Companies, Bangladesh, under the Societies Registration Act.

DISCLAIMER

In compiling this weekly news update, BEI has attempted to include the most relevant news accounts from the past week concerning South Asian Region. From time to time, news beyond South Asia has also been included if it finds relevance on any issues to the region. We recognize that some developments may have been overlooked, and that some sources may not be viewed by all as credible or balanced. Inclusion of a news story and its summary does not constitute any kind of endorsement or position taken by BEI, and the text and positions included in the above are solely extracted from various news articles published in the print media in various countries in South Asia and beyond. If you have any comments or feedback for us regarding this digest, please email at bei@bol-online.com. For more information about BEI and our work, please visit <https://www.bei-bd.org/>

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