

# WEEKLY NEWS HIGHLIGHTS

BANGLADESH ENTERPRISE INSTITUTE (BEI)

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## Brief Highlights on Current Issues of South Asia

### BANGLADESH

#### DR YUNUS NAMED AMONG TIME'S 100 MOST INFLUENTIAL PEOPLE OF 2025

Nobel laureate and microfinance pioneer Dr Muhammad Yunus has been named among TIME's 100 Most Influential People of 2025, recognized for his pivotal role in leading Bangladesh's transition to democracy following last year's student uprising. As Chief Adviser of the interim government, Yunus has worked to restore civil liberties, demand accountability, and lay the groundwork for a just and free society. At 84, he is the oldest person featured on this year's list. TIME also acknowledged his historic contribution through Grameen Bank, which empowered millions especially women through microloans and grassroots entrepreneurship. In a tribute, [Hillary Clinton](#) praised his lifelong dedication to social justice and his recent leadership during a critical political shift in Bangladesh. TIME described Yunus as a symbol of hope and resilience, noting that his return to public service reflects a broader global need for principled, people-focused leadership. His presence on the list underscores not only his enduring influence in Bangladesh but also his legacy as a global changemaker in economic empowerment and democratic reform.



*Source: [Dr Yunus named among TIME's 100 Most Influential People of 2025 | The Business Standard](#)*

#### US PLEDGES SUPPORT FOR GOVT'S REFORM AGENDA

A visiting US delegation has pledged strong support for Bangladesh's reform agenda under Chief Adviser Professor Muhammad Yunus, expressing appreciation for his leadership in democratic transition and regional cooperation. During a meeting at the State Guest House Jamuna, Deputy Assistant Secretaries Nicole A. Chulick and Andrew Herrup discussed regional peace, development, and security, praising Bangladesh's continued generosity in hosting 1.2 million Rohingya refugees. Prof Yunus welcomed Myanmar's move to identify 180,000 Rohingyas as eligible for repatriation, calling it a positive step. The US delegation also commended his proposals on regional connectivity and humanitarian solutions. Amid changing US trade policies under the Trump administration, Yunus thanked the US for pausing tariffs and resuming aid for Rohingyas, reaffirming Bangladesh's commitment to deepening bilateral ties. The US team met with

political parties and top officials to discuss elections, minority rights, and future foreign policy, while Bangladesh requested revisions to US funding and tariff policies. The Rohingya crisis remained a central focus, with plans for a high-level conference in New York later this year. *Source: [US pledges support for govt's reform agenda | The Daily Star](#)*

#### YUNUS CALLS FOR STRONGER TIES WITH PAKISTAN

Chief Adviser Professor Muhammad Yunus has stressed the importance of strengthening ties with Pakistan to enhance mutual cooperation and tap into trade and business opportunities. In a meeting with Pakistan's Foreign Secretary Amna Baloch at the State Guest House Jamuna, he emphasized overcoming historical hurdles and reviving bilateral engagement. The meeting marked the first foreign secretary-level consultation between the two countries in 15 years. Baloch echoed the need to harness regional market potentials and promote regular business-to-business interactions and exchanges at all levels. Referring to his earlier meetings with Prime Minister Shehbaz Sharif, Yunus highlighted the need for youth and cultural exchanges to rebuild people-to-people connections. He expressed hope that the upcoming visit of Pakistan's Deputy Prime Minister Ishaq Dar would further strengthen relations. Both sides agreed to enhance collaboration through regional and international platforms like SAARC, OIC, and D-8.

*Source: [Yunus calls for stronger ties with Pakistan | The Daily Star](#)*



### **DHAKA, ISLAMABAD HOLDS FOC AFTER 15 YEARS**

Bangladesh and Pakistan held their first Foreign Office Consultation (FOC) in nearly 15 years in Dhaka, with Foreign Secretaries Md Jashim Uddin and Amna Baloch leading their respective delegations. The meeting, held at the State Guest House Padma, focused on the full spectrum of bilateral relations, with special emphasis on boosting trade ties. Pakistan Foreign Secretary Baloch is also scheduled to meet Chief Adviser Professor Muhammad Yunus and Foreign Affairs Adviser Md Touhid Hossain. The consultation comes ahead of a planned visit by Pakistan's Deputy Prime Minister and Foreign Minister Ishaq Dar, marking the first such high-level visit since 2012.

*Source: [Dhaka, Islamabad holds FOC after 15 years | Prothom Alo](#)*



### **BANGLADESH ASKS PAKISTAN TO SEEK APOLOGY FOR 1971**

Bangladesh has urged Pakistan to offer a formal apology for the 1971 Liberation War atrocities, repay \$4.5 billion owed to Bangladesh, and take back over 300,000 stranded Pakistanis. The demands were raised during the first foreign secretary-level talks between the two countries in 15 years, held in Dhaka. Bangladesh also stressed the need to resolve these long-standing issues to build a stronger bilateral relationship. Pakistan expressed willingness to stay engaged on these matters. The discussions also covered trade, connectivity, people-to-people contacts, and the possibility of resuming direct flights. *Source: [Bangladesh asks Pakistan to seek apology for 1971](#)*



### **PAKISTAN'S DEPUTY PRIME MINISTER AND FOREIGN MINISTER, ISHAQ DAR, IS SET TO VISIT DHAKA ON APRIL 27**

Pakistan's Deputy Prime Minister and Foreign Minister, Ishaq Dar, is scheduled to visit Dhaka for a two-day official trip from April 27 to 28, as confirmed by Bangladesh's Foreign Secretary Md Jashim Uddin. The visit was finalized during the recent Foreign Office Consultation between Bangladesh and Pakistan. Discussions are underway for several memorandums of understanding (MoUs), with a working group formed to finalize them. While the focus remains on Dar's visit, the possibility of a visit by Bangladesh's Chief Adviser, Professor Dr. Muhammad Yunus, to Pakistan is also under consideration. The last visit by a Pakistani Foreign Minister to Dhaka was in 2012.

*Source: [Pakistan Foreign Minister to visit Dhaka on April 27](#)*

### **BUSINESS BETWEEN INDIA AND BANGLADESH SHOULD RUN ON MERIT: AMBASSADOR M HUMAYUN KABIR TO ANI**

M. Humayun Kabir, President of the Bangladesh Enterprise Institute (BEI), emphasized that business between India and Bangladesh should be based on merit and economic strength, not influenced by political factors, during the Foreign Service Day celebrations in Dhaka. Kabir, a former Bangladeshi ambassador and freedom fighter, recalled the pivotal moment in 1971 when Bangladesh's diplomats took over the Pakistan Deputy High Commission's office in Kolkata, marking a significant milestone in the country's liberation. He highlighted the enduring support Bangladesh received from India during its struggle for independence. Regarding Bangladesh's growing relations with China and Pakistan, Kabir stressed that these relations should be maintained independently of each other, with a focus on their respective merits. He called for normalized trade relations, noting that politics should not disrupt economic cooperation. Kabir also discussed the recent meeting between Indian Prime Minister Narendra Modi and Bangladesh's Chief Adviser Muhammad Yunus, emphasizing the importance of mutual respect and understanding. He expressed hope for improved bilateral relations, acknowledging the positive changes in Bangladesh after the July 2024 revolution. Kabir also addressed concerns over the treatment of minorities in Bangladesh, affirming the country's commitment to ensuring safety and dignity for all communities.

*Source: [Business between India and Bangladesh should run on merit: BEI President Humayun Kabir](#)*



## GARMENT EXPORTS TO US GROW 17%

Bangladesh's garment exports to the United States rose by 17.23% in the first nine months of FY 2024–25, reaching \$5.74 billion and accounting for nearly 19% of total RMG shipments, despite recent tariff concerns. Overall, RMG exports grew 10.84% year-on-year to \$30.25 billion. The European Union remained the top regional buyer with \$15.07 billion (49.82% share), led by Germany, while the Netherlands posted the highest growth at 23.15%. Exports to the UK stood at \$3.36 billion but grew only 4.14%. Non-traditional markets contributed \$5.12 billion (16.93%), with Japan leading, though exports to Russia, Korea, the UAE, and Malaysia declined. Knitwear and woven garment exports increased by 11.22% and 10.40%, respectively, reflecting steady demand in both traditional and emerging markets.

Source: [Garment exports to US grow 17% | The Daily Star](#)



## BANGLADESH'S EXPORTS TO US MAY INCREASE: WTO REPORT

The World Trade Organization (WTO) has projected that Least Developed Countries (LDCs) like Bangladesh, Cambodia, and Lesotho may see a rise in exports to the US, particularly in sectors such as clothing, textiles, and electronics, where China currently dominates. This shift comes as US imports from China are expected to fall due to recent tariff policies. However, despite potential export gains, the WTO's simulation also predicts a slight decline in the real GDP of LDCs due to trade policy uncertainties, including a possible 37% tariff on Bangladeshi goods after a 90-day pause period. The WTO has revised global trade growth forecasts downward, estimating a 0.2% decline in 2025 and highlighting risks tied to suspended reciprocal tariffs and broader trade uncertainty. If fully implemented, these factors could collectively reduce global merchandise trade by 1.5% in 2025.

Source: [Bangladesh's exports to US may increase: WTO report | The Daily Star](#)

## FOREIGN INVESTMENT IN BANGLADESH 2025 | TK 3,100 CRORE PROMISED: BIDA

The Bangladesh Investment Summit 2025 resulted in investment commitments totaling Tk 3,100 crore, according to BIDA Executive Chairman Chowdhury Ashik Mahmud Bin Harun. Held at the Foreign Service Academy, the summit cost around Tk 5 crore, largely funded by partner organizations. While acknowledging room for improvement, Ashik emphasized the summit's success in shifting global perceptions of Bangladesh and laying groundwork for future investments. A structured follow-up process is in place to convert proposals into actual investments. Key directives from the Chief Adviser included fast-tracking the third terminal at Hazrat Shahjalal International Airport, unifying investment agencies, and creating a dedicated economic zone for Nepal. Interest was noted in Chittagong Port, while plans for 10 new economic zones have been cancelled. The government also views India's withdrawal of transshipment facilities as a chance to boost airport efficiency.

Source: [Foreign Investment In Bangladesh 2025 | Tk 3,100 crore promised: BIDA](#)

## STRESS ON POLICY MEASURES TO BOOST EXPORT EARNINGS THROUGH ENHANCING COMPETITIVENESS: PROFESSOR



### REHMAN SOBHAN

Professor Rehman Sobhan, Chairman of the Centre for Policy Dialogue (CPD), emphasised the need for Bangladesh to prioritise safeguarding its \$8.0 billion export market to the US amid President Trump's tariff hike, urging a shift from reliance on increased imports to a strategy focused on enhancing export competitiveness. Speaking at a CPD dialogue, he highlighted the opportunity for Bangladesh to capture a share of China's diminishing garment exports to the US, which are under pressure from steep tariffs. Sobhan advocated for strengthening access to alternative markets like the EU, Canada, Japan, and Southeast Asia, and warned against short-sighted trade concessions, stressing that long-term growth hinges on improving competitiveness and aligning with Asia's rise as a global economic hub.

Source: [Stress on policy measures to boost export earnings through enhancing competitiveness | The Financial Express](#)

## BANGLADESH EXPECTS \$4.7B IMF LOAN INSTALLMENTS BY JUNE

Bangladesh is set to receive the remaining two installments of a \$470 million loan from the International Monetary Fund (IMF) by June, following a successful two-week review mission. IMF officials, during discussions at Bangladesh Bank, confirmed the upcoming disbursement of the fourth and fifth tranches under the ongoing loan programme. Chris Papageorgiou of the IMF noted that Bangladesh's foreign exchange reserves were performing better than expected and praised the stability of the exchange rate, while urging further flexibility for sustained economic stability. The IMF also recommended reforms in tax policy, banking governance, and legal frameworks to enhance revenue generation and tackle financial crimes. Since the programme began in January 2023, Bangladesh has received \$2.31 billion, with the remaining \$2.39 billion expected to be disbursed soon.

Source: [Bangladesh expects \\$4.7b IMF loan installments by June | The Financial Express](#)



## WB TO SUPPLY \$250M FOR REFORMING 5 AGENCIES

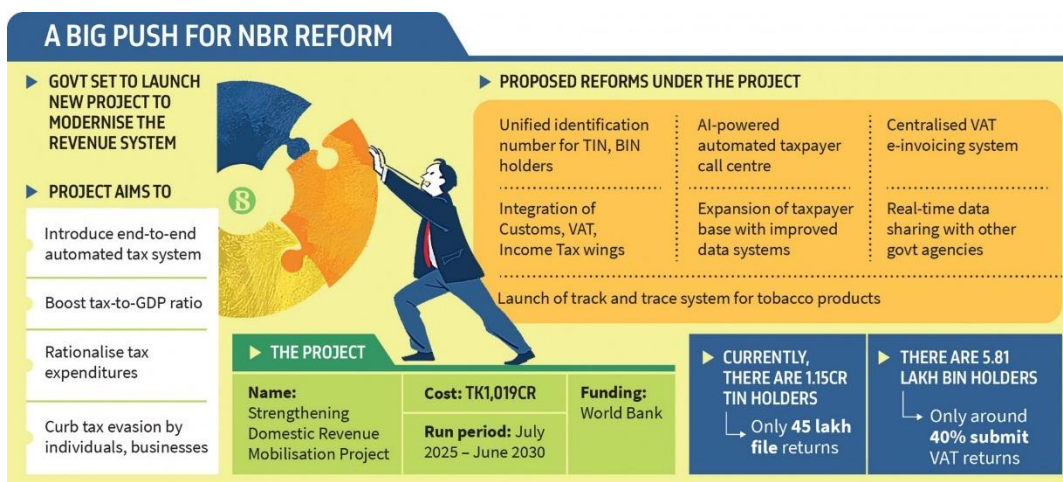
The World Bank has approved \$250 million in financial support for Bangladesh's interim government to implement reforms aimed at enhancing governance, transparency, and accountability across five key public agencies: the National Board of Revenue (NBR), the Comptroller and Auditor General (CAG), the Bangladesh Public Procurement Authority (BPPA), the Statistical Informatics Division (SID), and the Planning Division. Under the "Strengthening Institutions for Transparency and Accountability (SITA)" project, the funding will support structural and regulatory reforms, including digitisation, capacity building, and improved public service delivery. Set to run until 2030, the initiative aims to improve tax compliance, ensure reliable official statistics, and enhance the efficiency and accountability of public expenditure, thereby reinforcing the country's governance agenda. [Source: WB to supply \\$250m for reforming 5 agencies | The Financial Express](#)

## GERMAN FIRMS EYE BANGLADESH AMID US-CHINA TARIFF WAR

Amid the ongoing US-China tariff war, German firms are increasingly eyeing Bangladesh as an alternative manufacturing hub, buoyed by the country's growing competitiveness, strategic location, and vast workforce. A high-level German business delegation recently visited Dhaka to assess investment prospects, attend the Bangladesh Investment Summit 2025, and engage with the interim government. While bilateral trade between Germany and Bangladesh reached €8.6 billion in 2023 driven largely by Bangladeshi textile exports—German firms are now considering diversifying into electronics, consumer goods, and industrial components. However, despite Bangladesh's advantages and geopolitical potential, concerns over regulatory hurdles, infrastructure gaps, and political uncertainty continue to temper investor enthusiasm.

[Source: German firms eye Bangladesh amid US-China tariff war | The Business Standard](#)

## GOVT PLANS TK1,019CR AUTOMATION PROJECT TO CURB TAX EVASION, BOOST REVENUE



To modernise tax administration and boost revenue collection, the government plans to launch a Tk1,019 crore World Bank-supported project titled "Strengthening Domestic Revenue Mobilisation Project," aiming to fully digitise the National Board of Revenue (NBR). Spanning from July 2025 to June 2030, the initiative will automate income tax, VAT, and customs systems, introduce a unified taxpayer ID to replace the current TIN-BIN separation, and implement tools like AI-powered call centres, e-invoicing, and integrated data-sharing platforms. With Bangladesh's tax-to-GDP ratio

stagnating at a low 7.4%—among the world's lowest—experts believe this automation project is critical for expanding the tax base, reducing evasion, and curbing corruption. However, they stress that successful execution will depend on a strong roadmap, full-time leadership, and interoperability with other government databases.

[Source: Govt plans Tk1,019cr automation project to curb tax evasion, boost revenue | The Business Standard](#)

## FINANCIAL SECTOR REFORM: IMF TEAM INQUIRES ABOUT PROGRESS ON ENACTMENT OF RELEVANT LAWS

A visiting International Monetary Fund (IMF) delegation met with the Financial Institutions Division (FID) on Tuesday to assess Bangladesh's progress on key financial governance reforms, with a particular focus on the banking sector. The IMF team inquired about the status of enacting the Deposit Protection Ordinance (DPO) and the Bank Resolution Ordinance (BRO)—two crucial laws intended to bolster transparency and oversight. FID officials assured the team that the DPO is nearing finalisation, while the BRO is still being drafted. Notably, the FID expressed its preference to oversee the enforcement of the BRO, sparking discussion over the respective roles of the FID and Bangladesh Bank. During the meeting, FID officials also questioned the central bank's performance over the past 15 years under the Awami League regime, citing widespread banking irregularities. While the IMF team did not propose any prior actions at this stage, it indicated that such governance issues may be revisited in future meetings. Other key topics included bank recapitalisation strategies, the sustainability of the Deposit Guarantee Fund, fiscal risks from central bank liquidity support, and reforms to support asset recovery and restructure state-owned commercial banks. The corporate insolvency framework was also part of the agenda, aligning with the broader goal of strengthening financial sector resilience under the IMF's ongoing \$4.7 billion loan programme. [Source: Financial sector reform: IMF team inquires about progress on enactment of relevant laws | The Financial Express](#)

## AFTER FLY JINNAH, PAKISTANI PRIVATE CARRIER AIR SIAL APPLIES TO OPERATE FLIGHTS TO DHAKA

Air Sial, a Pakistani private airline, has applied for permission to operate direct flights between Bangladesh and Pakistan, following in the footsteps of Fly Jinnah. Bangladesh Foreign Secretary Jashim Uddin confirmed the application is under consideration, while Bangladesh's envoy in Islamabad stated that Air Sial could begin operations within two months of receiving approval. This move comes amid renewed efforts to revive direct air links—discontinued since 2018 when Pakistan International Airlines (PIA) suspended flights due to low passenger traffic and past controversies, including currency smuggling allegations. The resumption of direct flights is expected to bolster tourism, trade, and people-to-people connections, as Pakistani businesses have expressed strong interest in expanding their footprint in Bangladesh, provided issues like visa difficulties and air connectivity are resolved.

[Source: After Fly Jinnah, Pakistani private carrier Air Sial applies to operate flights to Dhaka | The Business Standard](#)

## SWEDEN BOOSTS HUMANITARIAN AID FOR ROHINGYAS, HOST COMMUNITY IN BANGLADESH



Sweden has pledged \$12.7 million in humanitarian aid to support over one million Rohingya refugees and host communities in Cox's Bazar, Bangladesh. The assistance, provided through eight partners, will address critical needs such as food security, healthcare, education, water, and sanitation. Sweden's support includes funds for protection services, gender-based violence care, child protection, and emergency response efforts by local NGOs. Sweden's ambassador to Bangladesh, Nicolas Weeks, highlighted the country's ongoing commitment to humanitarian relief, noting that the increased funding reflects the growing needs in the world's largest refugee camp. The funds

will be channeled through organizations like UNHCR, WFP, and Save the Children, and will also aid local entities in responding to emergencies.

*Source: [New Age | Sweden boosts humanitarian aid for Rohingyas, host community in Bangladesh](#)*



## GERMANY TO GIVE 52.5M EUROS TO BANGLADESH FOR CLIMATE CHANGE ADAPTATION

Germany has pledged €52.5 million to support Bangladesh's climate change adaptation efforts through the "Climate Change Adapted Urban Development Programme VIII." The agreement was signed by Md Shahriar Kader Siddiky, Secretary of the Economic Relations Division, and Achim Tröster, the German Ambassador to Bangladesh. This funding, the first under the Bangladesh-German Climate and Development Partnership, will strengthen local government institutions in enhancing adaptive capacity and reducing the vulnerability of populations to climate change impacts. It will also support climate-sensitive infrastructure projects and future climate adaptation initiatives in Bangladesh.

*Source: [New Age | Germany to give 52.5m euros to Bangladesh for climate change adaptation](#)*

## BANGLADESH, EU EYE CONCLUSION OF PCA NEGOTIATIONS BY 2026

Bangladesh and the European Union are working towards concluding the negotiations for the Partnership and Cooperation Agreement (PCA) by 2026. The first round of negotiations, held in Brussels, focused on key issues such as trade and investment, governance, climate action, digital transformation, and connectivity. The PCA aims to establish a comprehensive framework to enhance cooperation in various sectors, providing a modern legal foundation for future Bangladesh-EU relations. Topics like health, education, agriculture, migration, human rights, and peace and security were also discussed. Both sides are committed to strengthening their partnership, with the goal of making Bangladesh the first South Asian country to sign a PCA with the EU. The next round of negotiations will take place in Dhaka at a mutually agreed time. This marks a significant step in the 50-year-long relationship between Bangladesh and the EU, reflecting a deepening strategic and thematic cooperation.

*Source: [New Age | Germany to give 52.5m euros to Bangladesh for climate change adaptation](#)*

## BANGLADESH SUSPENDS IMPORT OF YARN VIA LAND PORTS FROM INDIA

The National Board of Revenue (NBR) has suspended the import of yarn from India through all major land ports—Benapole, Bhomra, Sonamasjid, Banglabandha, and Burimari—with immediate effect, revising its previous directive issued in August 2024. The decision follows repeated calls from the Bangladesh Textile Mills Association (BTMA) and a recommendation from the Bangladesh Trade and Tariff Commission to curb cheap yarn imports that have been undercutting local manufacturers. The measure is intended to protect the domestic textile industry, which has struggled to compete with significantly lower-priced Indian yarn entering via land routes. However, yarn imports through seaports will continue as usual until necessary infrastructure is developed at land ports to ensure quality compliance.

*Source: [New Age | Germany to give 52.5m euros to Bangladesh for climate change adaptation](#)*

## TK 13,525CR PROJECT OKAYED FOR BAY TERMINAL'S EXPANSION

The Executive Committee of the National Economic Council (Ecneec) has approved a Tk 13,525.57 crore project for developing the marine infrastructure of Chattogram port's Bay Terminal, aiming to enhance the port's capacity and resilience. The "Bay Terminal Marine Infrastructure Development Project," to be implemented by the Chittagong Port Authority (CPA) from April 2025 to June 2031, will be partly funded by CPA (Tk 4,192.57 crore) and largely through foreign loans (Tk 9,333 crore). The World Bank has already approved \$650 million for key components like breakwater construction and dredging, with an additional \$200 million under negotiation. The 4-kilometre terminal will include two container terminals, a multipurpose terminal, 13 jetties, and a 6.217 km breakwater to shield it from sea turbulence. CPA is set to invite international tenders soon to commence construction.

*Source: [Bay Terminal Expansion Project Chittagong | Tk 13,525cr project okayed for Bay Terminal's expansion](#)*

## VANCE TO VISIT INDIA AS TRUMP INTENSIFIES TARIFF WAR WITH CHINA



US Vice President JD Vance is set to meet Indian Prime Minister Narendra Modi on April 21 during his first official visit to India, as both countries push to finalize a bilateral trade agreement amid escalating US-China trade tensions. The four-day trip will focus on strengthening economic, trade, and geopolitical ties, with India's foreign ministry highlighting the visit as a chance to review progress in bilateral relations. Vance, accompanied by his wife Usha and their children, arrives following Trump's recent tariff hike on Indian goods—later paused for 90 days—prompting Delhi to consider further tariff reductions. The visit also underscores India-US alignment within the Quad alliance and comes shortly after Director of National Intelligence Tulsi Gabbard's India tour. Before arriving in Delhi, Vance will visit Italy for talks with Prime Minister Giorgia Meloni.

*Source: JD Vance India visit: U.S. Vice-President to cover Delhi, Jaipur and Agra during official visit - The Hindu*

### PM MODI SPEAKS TO ELON MUSK DAYS BEFORE VANCE'S INDIA VISIT

Prime Minister Narendra Modi held a telephone conversation with Elon Musk on Friday, reaffirming India's interest in deepening collaboration with the United States in technology and innovation. Modi noted that the discussion revisited key points from their earlier meeting in Washington and highlighted India's commitment to advancing its strategic tech partnership with the US. The call comes as Delhi seeks to finalize a bilateral trade deal with Washington amid uncertainty over President Donald Trump's tariff policies. Musk, who leads Tesla, Starlink, and the Department of Government Efficiency (DOGE), is preparing for Starlink's India launch and exploring Tesla's market entry, with hiring underway in Delhi and Mumbai. The conversation also precedes US Vice President JD Vance's upcoming visit to India on April 21, where trade, economic cooperation, and global strategic issues will be on the agenda.



*Source: PM Modi speaks to Elon Musk days before Vance's India visit*

## JAISHANKAR URGES ENVOYS TO EXPLORE NORTHEAST

External Affairs Minister S Jaishankar said northeast India's strategic and economic relevance will continue to grow, urging foreign envoys to familiarise themselves with the region and promote its potential to their governments and industries. Speaking ahead of the North East Investors Summit 2025, he described the northeast as central to India's key foreign policy initiatives—Neighbourhood First, Act East, and BIMSTEC—highlighting its proximity to five neighbouring countries and ASEAN. He cited projects like the Trilateral Highway and Kaladan initiative as crucial links, positioning the region as a future hub of connectivity, trade, and tourism, with growing global significance.

*Source: [Jaishankar urges envoys to explore northeast, share insights with govts | India News - Business Standard](#)*

## INDIA GEARED UP FOR 'HIGH DEGREE' OF URGENCY, SAYS EAM S JAISHANKAR ON TRADE DEAL NEGOTIATIONS WITH US, EU

External Affairs Minister S Jaishankar asserted that India is demonstrating a "very high degree of urgency" in concluding bilateral trade agreements with the United States and the European Union amid escalating global trade tensions triggered by President Trump's sweeping tariffs. Speaking at the Global Technology Summit, Jaishankar indicated that New Delhi is actively pushing to fast-track negotiations, particularly following a conceptual agreement with the new US administration to finalize a mutually beneficial trade pact. He highlighted that India, traditionally seen as a slower negotiator, is now driving momentum, while seeking similar responsiveness from the US, EU, and UK. With the Trump administration pausing tariffs on all but China, India sees a strategic window to secure trade deals and stabilize its economic interests.

*Source: [India Geared Up For 'High Degree' Of Urgency, Says EAM S Jaishankar On Trade Deal Negotiations With US, EU](#)*

## INDIA, UK DISCUSS STRENGTHENING MILITARY COOPERATION AND ADVANCING DEFENCE CAPABILITY COLLABORATION

India and the UK advanced their strategic and economic ties through a series of high-level meetings in London, including the 24th Defence Consultative Group co-chaired by Defence Secretary Rajesh Kumar Singh and UK counterpart David Williams. The dialogue focused on bolstering military cooperation and enhancing defence industry collaboration, with a special emphasis on supporting India's 'Make in India' initiative and niche technologies. Meanwhile, at the 13th India-UK Economic and Financial Dialogue, Finance Minister Nirmala Sitharaman and UK Chancellor Rachel Reeves discussed expanding financial cooperation, as the UK announced £400 million in export and investment deals with India. Both sides reaffirmed commitments to strengthen collaboration in financial services, digital economy, and climate finance, underscoring India's rising global economic profile.

*Source: [India, UK discuss strengthening military cooperation and advancing defence capability collaboration | World News - The Times of India](#)*

## INDIA DOES NOT WANT A TRADE WAR WITH BANGLADESH, TOI REPORTS

India has no intention of entering a trade war with Bangladesh despite growing concerns over recent trade-related developments, the *Times of India* reported on April 17, citing official sources. The clarification comes amid reports that Bangladesh has blocked yarn imports from India via land borders, and India's recent move to withdraw a transshipment facility granted to Dhaka in 2020. Indian officials said the withdrawal aimed to decongest its ports and would not affect Bangladesh's trade with Nepal and Bhutan through Indian territory. The report also mentioned that during a recent meeting in Bangkok, Prime Minister Narendra Modi urged Bangladesh's Chief Adviser Muhammad Yunus to avoid anti-India rhetoric. Indian sources indicated that Dhaka's actions and statements in recent months had already strained bilateral trade ties, even before the suspension of the transshipment facility.

*Source: [India does not want a trade war with Bangladesh, TOI reports | The Business Standard](#)*

## WHITE HOUSE EXPECTS INDIA-US TRADE DEAL WITHIN 2-3 WEEKS

The White House is pushing to finalize a trade agreement with India within the next few weeks, aiming to de-escalate global trade tensions before US tariffs are reinstated. India, which was hit with a 26% tariff alongside South Korea, Taiwan, and Japan, has chosen to maintain diplomatic calm, opting for quiet negotiations rather than confrontation. According to *The Daily Telegraph*, the US plans to prioritize trade deals with India, Japan, and South Korea, followed by the UK. India's Commerce Minister Piyush Goyal emphasized that talks were already underway before the tariffs, signaling a strategic and cooperative approach. As the US seeks to economically isolate China, a deal with India—viewed as a stable and pragmatic partner—would reinforce its Indo-Pacific strategy and potentially ease tariff-induced pressures for both nations.

*Source: [White House Expects India-US Trade Deal Within 2-3 Weeks](#)*

## INDIA TO PURSUE TRADE LIBERALISATION WITH US, OFFICIAL SAYS: REUTERS

India has formally decided to pursue a path of trade liberalisation with the United States, Trade Secretary Sunil Barthwal announced on Tuesday, as both nations signed the terms of reference for the first phase of a bilateral trade agreement. Following Prime Minister Narendra Modi's February visit to Washington, the two countries agreed to conclude the initial phase of the deal by late 2025, targeting bilateral trade worth \$500 billion by 2030. Virtual negotiations will commence this month, with in-person talks planned for mid-May. India is reportedly ready to cut tariffs on over half of \$23 billion worth of U.S. imports, marking its biggest tariff reduction in years. This move comes after U.S. President Donald Trump temporarily paused most tariff hikes for India and other major partners while sharply increasing levies on China. Despite Trump labelling India as a "tariff king," Delhi has responded with strategic restraint—pledging to boost imports of American defence and energy products in an effort to reset trade ties and resolve the ongoing tariff standoff.

*Source: [India to pursue trade liberalisation with US, official says | Reuters](#)*



## REUTERS EXCLUSIVE: INDIA PLANS TO EASE NUCLEAR LIABILITY LAWS TO ATTRACT FOREIGN FIRMS



India is preparing to amend its nuclear liability laws to cap accident-related penalties on suppliers, in a move aimed at attracting foreign firms; particularly from the United States—as part of a broader strategy to boost nuclear power capacity twelvefold to 100 gigawatts by 2047. According to government sources, the proposed changes would revise the Civil Nuclear Liability Damage Act of 2010 to align with global norms, shifting responsibility for safety from equipment suppliers to plant operators. The draft law would limit compensation claims to the contract value and define a liability period, thereby addressing long-standing concerns of U.S. companies like GE and Westinghouse, who have hesitated to invest in India's nuclear sector due to the risk of unlimited liability. The amendments, expected to be tabled in the July monsoon session of Parliament, could play a key role in facilitating a U.S.-India trade deal aimed at raising bilateral trade to \$500 billion by 2030. India's 2010 law, rooted in the legacy of the 1984 Bhopal disaster, has previously deterred Western firms, placing them at a disadvantage to Russian and French counterparts with government-backed liability shields. The new draft also proposes a reduced liability cap for small reactors while retaining the current \$175 million cap for large ones, as India eyes clean energy expansion through public-private partnerships.

*Source: [Exclusive: India plans to ease nuclear liability laws to attract foreign firms, sources say | Reuters](#)*

## INDIA EYES CHINESE MARKET AS GLOBAL RAPESEED MEAL PRICES SURGE

India is eyeing a comeback in the Chinese rapeseed meal market, as global prices soar due to a supply crunch in the European Union, according to the Solvent Extractors Association of India (SEA). With China heavily dependent on imports from Canada and the EU, India's competitively priced rapeseed meal—currently at \$209 per tonne FAS at Kandla, compared to \$335 per tonne ex-Hamburg—offers a strategic edge. The SEA stated that if Beijing relaxes trade restrictions, India, the world's third-largest rapeseed producer, could reclaim lost ground in a market where it currently accounts for less than 1% of exports. The move could not only bolster Indian exports but also contribute to price stabilization globally.

*Source: [India eyes Chinese market as global rapeseed meal prices surge - The Hindu BusinessLine](#)*

## APPLE INDIA PRODUCES \$22 BILLION OF IPHONES IN SHIFT FROM CHINA

Apple Inc. produced \$22 billion worth of iPhones in India in the fiscal year ending March 2025 — a nearly 60% surge from the previous year — signaling a significant acceleration in its supply chain diversification away from China. Now, one in every five iPhones is made in India, with Foxconn, Tata Electronics, and Pegatron driving this ramp-up. Of the total output, Apple exported \$17.4 billion worth of devices, largely destined for the U.S., amid rising tariffs on Chinese goods under Trump's revived trade policy. The exemption of Indian-made electronics from these tariffs strengthens India's role in Apple's global strategy. While China remains critical to Apple's ecosystem, ongoing policy shifts and India's manufacturing incentives are reshaping the company's production footprint — with India now assembling the full iPhone range, including high-end Pro models.

*Source: [Apple India produces \\$22 billion of iPhones in shift from China | The Business Standard](#)*

## ALSO: APPLE AIRLIFTS 600 TONS OF IPHONES FROM INDIA 'TO BEAT' TRUMP TARIFFS: REUTERS

Apple has discreetly ramped up iPhone production and exports from India, chartering cargo flights to ship 1.5 million devices—around 600 tons—to the United States in a strategic move to sidestep steep U.S. tariffs on Chinese imports under President Donald Trump. The company, in coordination with the Indian government, secured expedited customs clearance at Chennai airport, reducing processing time from 30 to just 6 hours. Foxconn's Chennai plant, operating even on Sundays to meet demand, led the production surge, contributing to Apple's broader push to shift its supply chain away from China. India now produces 20% of all iPhones globally, with shipments to the U.S. peaking at \$770 million in January and \$643 million in February, reinforcing the country's emergence as a key manufacturing hub in Apple's global operations.



*Source: [Apple airlifts 600 tons of iPhones from India 'to beat' Trump tariffs, sources say | Reuters](#)*

*Also Read: [Is the iPhone's 'Made in India' era about to begin?: CNN](#)*

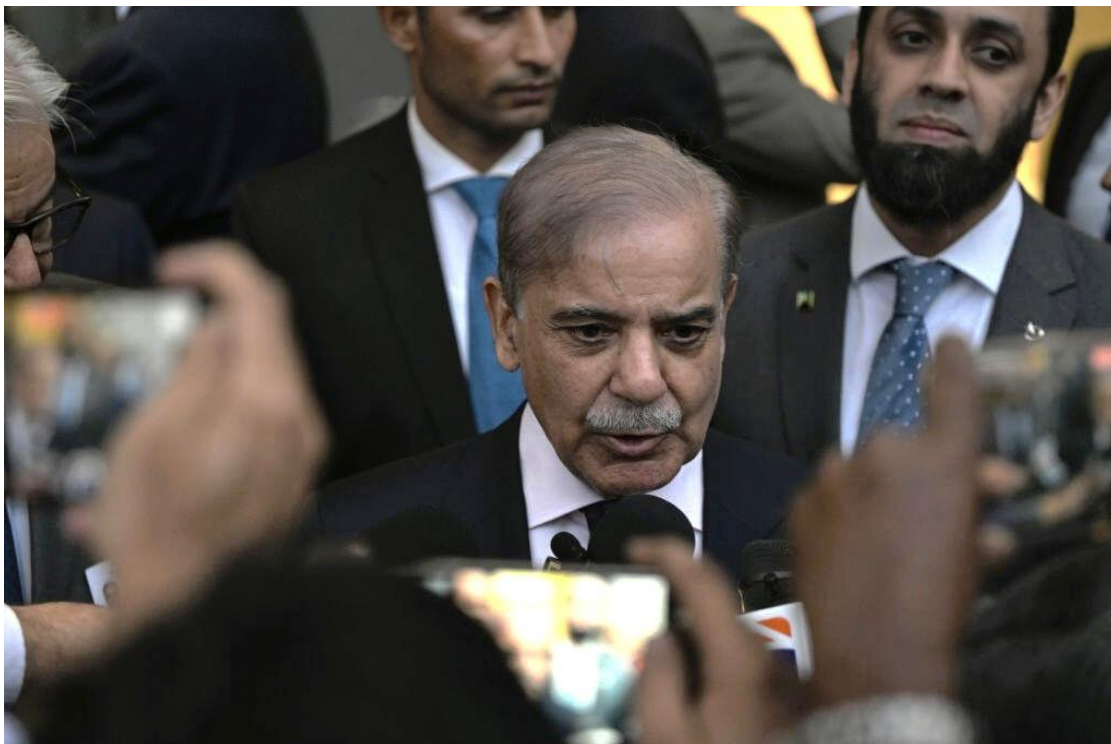
### PM SHARIF URGES GLOBAL INVESTORS TO TAP INTO PAKISTAN'S MINERALS SECTOR

Pakistan hosted the three-day Health, Engineering and Minerals Show (HEMS) in Lahore this week, drawing 860 foreign delegates from countries including China, the U.S., Turkiye, and across Africa, the Middle East, and Europe. Prime Minister Shehbaz Sharif used the platform to invite global investors to explore Pakistan's vast economic potential, particularly in its underdeveloped mining sector, highlighting the Reko Diq copper-gold reserve in Balochistan as a key opportunity. The exhibition featured high-tech displays of agricultural machinery, pharmaceuticals, precious stones, and surgical tools, while several bilateral agreements and MoUs were signed. Sharif emphasized youth empowerment, IT and AI innovation, and a push for increased exports through consistent policies and reduced import dependence.

*Source: [PM Sharif urges global investors to tap into Pakistan's minerals sector](#)*

### IMF PROGRAMME WASN'T POSSIBLE WITHOUT CHINA'S SUPPORT: PM SHEHBAZ

Prime Minister Shehbaz Sharif on Wednesday acknowledged China's crucial support in securing Pakistan's recent International Monetary Fund (IMF) programme, noting that the deal would not have been possible without Beijing's assistance. Highlighting the longstanding ties between the two nations, he referred to China as Pakistan's "most sincere friend" and praised its contributions, particularly through investments like the China-Pakistan Economic



Corridor (CPEC), which he described as a "lifeline" for Pakistan's economy. Sharif also discussed an initiative to send 1,000 agriculture graduates to China for training in modern farming techniques, with the aim of revitalizing Pakistan's agricultural sector. He emphasized the need for digitalized crop management and climate-resilient seeds to ensure food security and boost exports. Chinese Ambassador Jiang Zaidong expressed his admiration for Pakistan's economic recovery and reiterated China's commitment to strengthening bilateral cooperation, particularly in agriculture.

*Source: [IMF programme wasn't possible without China's support: PM Shehbaz - Pakistan - DAWN.COM](#)*

### PAKISTAN SHOULD REINFORCE TRADE PARTNERSHIPS WITH CHINA, MIDDLE EAST AMID TARIFF ROW— THINK TANK

Pakistan should urgently diversify its export markets and build strategic alliances with countries facing similar tariff challenges, a Karachi-based think tank recommended, as the country narrowly avoided a 29 percent U.S. tariff hike temporarily suspended by President Donald Trump. The Pakistan Institute of Development Economics (PIDE) warned that such a tariff—if reinstated—could push total U.S. duties on Pakistani exports to 37.6 percent, potentially slashing exports by up to 25 percent and costing up to \$1.4 billion annually, with textiles hit hardest. The Policy Research & Advisory Council (PRAC) urged Pakistan to reinforce ties with China and the Middle East, explore trade with Africa and Central Asia, and push for a coordinated multilateral response through platforms like the WTO. It also advised Islamabad to expand beyond its narrow export basket, leveraging strengths in apparel, food products, and certain low-tariff sectors to offset losses and build long-term trade resilience.

*Source: [Pakistan should reinforce trade partnerships with China, Middle East amid tariff row— think tank](#)*

### PAKISTAN'S IMPORTS FROM CHINA LEAD IN MARCH TRADE

China retained its position as Pakistan's top import partner in March, with imports rising 9.8% year-on-year to \$1.39 billion, followed by the UAE (Dubai), Saudi Arabia, and Indonesia, according to the State Bank of Pakistan. Imports from the UAE rose 19.8% to \$522.16 million, while Saudi Arabia saw a 40.9% surge to \$359.54 million. Imports from Indonesia climbed 25.2% to \$296.1 million. Notably, imports from Qatar fell by 16.6% to \$256.2 million, while those from the U.S. rose 18.5% to \$223.3 million. On a cumulative basis for the first nine months of FY25, China led with \$11.58 billion in imports, up from \$9.36 billion in 9MFY24, followed by the UAE at \$4.67 billion (up 31%) and Saudi Arabia at \$2.83 billion, which marked a decline from \$3.33 billion during the same period last year.

*Source: [Pakistan's imports from China lead in March trade - Mettis Global Link](#)*



### **PAKISTAN EXPELS TENS OF THOUSANDS OF AFGHANS**

Pakistan has deported over 19,500 Afghans this month ahead of a 30 April deadline, as part of a broader drive to expel undocumented migrants and those with expired temporary permissions, placing immense pressure on Afghanistan's fragile infrastructure and economy. With around 700–800 families being deported daily and up to two million expected to follow, many returnees—some born and raised in Pakistan—face an uncertain future, particularly families with daughters who are now barred from attending school under Taliban rule. The mass deportations have strained resources at the Torkham border, where families endure extreme heat, limited shelter, and restrictions on what belongings they can carry. While Pakistan cites national security and pressure on public services as justification, Afghan officials have expressed deep concern, and the humanitarian toll continues to mount.

*Source: [Pakistan expels tens of thousands of Afghans/BBC](#)*

### **TRADE MAY BE DIVERTED IN PAKISTAN'S FAVOUR DUE TO TARIFFS ON BANGLADESH, VIETNAM, CHINA: ANALYSTS**

Despite concerns that US-imposed tariffs could significantly reduce Pakistan's exports—particularly in textiles—analysts from the Lahore School of Economics suggest that higher tariffs on competitors like Bangladesh, Vietnam, and China may lead to trade being diverted in Pakistan's favour. While the full burden of a 29% or 39% tariff could result in export losses ranging from \$0.6 to \$0.8 billion in 2024 alone (and up to \$4.22 billion over five years), the actual impact might be softened if US buyers absorb part of the cost or if only a portion is passed to consumers. Additionally, export demand could decline further in the event of a global recession, with income elasticity estimates showing a 1.445% drop in export demand for every 1% fall in foreign income growth. Still, if Pakistan leverages potential trade diversion and negotiates smartly, the fallout may be mitigated to some extent.

*Source: [Trade may be diverted in Pakistan's favour due to tariffs on BD, Vietnam, China: analysts](#)*

### **PAKISTAN, AFGHANISTAN RESUME HIGH-LEVEL TRADE TALKS TO BOOST ECONOMIC TIES**

Pakistan and Afghanistan resumed high-level trade talks after a year-long pause, focusing on revitalizing bilateral and transit trade, including the renewal of the Afghanistan-Pakistan Transit Trade Agreement (APTTA). Afghan Acting Minister Nooruddin Azizi and Pakistan's Commerce Minister Jam Kamal discussed key issues like making the Torkham border operational 24/7, coal exports, and improved port management. Pakistan proposed forming a joint committee to address trade barriers through regular consultations. Despite disruptions from a 27-day Torkham closure, Pakistan's exports to Afghanistan rose by 84.25% to \$592.84 million in the first eight months of FY25, with sugar being the top export. Both sides expressed optimism for resolving trade challenges through ongoing dialogue and technical meetings.

*Source: [Pakistan, Afghanistan resume high-level trade talks to boost economic ties - Shia Waves](#)*

### NEPAL PM OLI CLAIMS 'INDIA ROLE' IN PRO-MONARCHY MOVEMENT



Nepal Prime Minister K.P. Sharma Oli has accused India of playing a role in fueling the ongoing pro-monarchy movement in the country and has vowed to expose this in Parliament, according to a senior leader of the ruling CPN-UML. Oli also reportedly stated his intention to have former King Gyanendra Shah arrested, amid the ex-king's recent public appearances and growing support, including a warm reception in Nuwakot. However, Oli's push to form a united front with the Nepali Congress and CPN-Maoist Centre against the monarchy faced setbacks, as the Nepali Congress declined to join such an alliance, opting instead to uphold the constitution. While Nepali Congress chief Sher Bahadur Deuba was open to the idea, the party's performance committee rejected it. Former PM and CPN-Maoist Centre leader Pushpa Kamal Dahal (Prachanda), however, has

reportedly expressed conditional support for Oli's move against the former monarch.

*Source: [Nepal PM Oli claims 'India role' in pro-monarchy movement | World News - The Indian Express](#)*

### THROUGH CLIMATE DIPLOMACY, NEPAL SOUNDS THE ALARM ON THE HIMALAYAS

Nepal, among the world's most climate-vulnerable nations, is intensifying its climate diplomacy through the revival of the Sagarmatha Sambah (Everest Dialogue)—a high-level forum set for May 16–18, 2025—aimed at spotlighting the urgent threats facing the Himalayas. Despite contributing just 0.02% to global emissions, Nepal faces catastrophic climate impacts like floods, landslides, and glacial melt, with over 13 million people living in mountainous regions at risk. The country has pledged carbon neutrality by 2045 and net-zero emissions by 2050, but these ambitions hinge on substantial international support, as implementation costs reach \$28.4 billion against its modest GDP of \$40.9 billion. The Sagarmatha Sambah, inspired by global platforms like Davos and Raisina Dialogue, serves as a bold diplomatic initiative to mobilize global action, demand climate justice, and rally regional and international partners—particularly crucial amid setbacks like the U.S. withdrawal from the Paris Agreement and funding cuts to climate aid.

*Source: [Through Climate Diplomacy, Nepal Sounds the Alarm on the Himalayas - The Diplomat](#)*

### NEPAL AND THAILAND TO FORM JOINT BUSINESS COUNCIL

Nepal and Thailand have agreed to establish a Joint Business Council (JBC) to boost bilateral trade and investment, following a meeting between the Federation of Nepalese Chambers of Commerce and Industry (FNCCI) and Thailand's Chamber of Commerce in Bangkok. FNCCI President Chandra Prasad Dhakal emphasized Nepal's vast investment potential in sectors like tourism, energy, ICT, and agriculture, and urged Thailand to introduce an on-arrival visa for Nepali citizens. Thai officials expressed readiness for cooperation and promised to raise the visa issue with their government. The JBC will serve as a dedicated platform for dialogue and collaboration, with both sides aiming to streamline investment processes and promote joint ventures.

*Source: [Nepal and Thailand to form Joint Business Council - The Himalayan Times - Nepal's No.1 English Daily Newspaper | Nepal News, Latest Politics, Business, World, Sports, Entertainment, Travel, Life Style News](#)*

### BANGLADESH, NEPAL TO WORK TOGETHER TO REVIVE SAARC

Bangladesh and Nepal have pledged to collaborate on reviving the South Asian Association for Regional Cooperation (Saarc), recognizing its importance for regional stability and development. Nepalese Ambassador Ghanshyam Bhandari emphasized that Saarc's functioning depends on unanimous decisions, and as the current chair, Nepal will continue its efforts to rejuvenate the organization. He also highlighted the need to remove tariff and non-tariff barriers to fully harness trade opportunities between the two nations. While Nepal has access to Bangladesh's Mongla Port, trade primarily occurs through the Bangla Bandha land port due to logistical challenges. Furthermore, the two countries are exploring greater cooperation in hydropower, with Nepal already supplying 40MW of electricity to Bangladesh, creating mutual benefits.

*Source: [Bangladesh, Nepal to work together to revive Saarc](#)*

## BHUTAN

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### **BHUTAN TURNS TO 'GREEN' CRYPTOCURRENCY TO FUEL ECONOMY**

Bhutan is turning to green cryptocurrency—digital currencies mined using clean energy like hydropower—as a strategic move to boost its economy, generate jobs, and curb youth brain drain. The country, which runs entirely on hydropower, sees this as a way to offset fossil fuel-based crypto mining while capitalizing on its renewable energy surplus. Ujjwal Deep Dahal, CEO of Bhutan's sovereign wealth fund Druk Holding and Investments, said Bhutan began investing in cryptocurrencies in 2019 and has even used profits to pay government salaries. With ambitions to expand hydropower capacity from 3.5 to 33 gigawatts, Bhutan aims to attract ESG-conscious investors, train its youth in blockchain and AI, and position itself as a global hub for green digital currency.

*Source: [Bhutan turns to 'green' cryptocurrency to fuel economy](#)*

### **THE EU SHOULD PRESS BHUTAN TO FREE POLITICAL PRISONERS: HUMAN RIGHTS WATCH & AMNESTY INTERNATIONAL**

Amnesty International and Human Rights Watch have urged the European Union to press Bhutan for the immediate release of at least 32 political prisoners, some of whom have been incarcerated since 1990 under harsh conditions and without fair trials. This call follows a recent UN communication that raised grave concerns about torture, inhumane treatment, and legal violations, including the use of vague treason laws to suppress dissent. As Bhutan seeks to deepen trade and diplomatic ties—especially with the EU, which grants it preferential trade access—the rights groups argue that its international partners must hold it accountable. They urge the Bhutanese King to use his constitutional powers to grant amnesty, reflecting genuine respect for human rights and international obligations.

*Source: [The EU Should Press Bhutan to Free Political Prisoners | Human Rights Watch](#)*

### **ADB PROJECTS BHUTAN'S INFLATION TO MODERATE AT 4.2 PERCENT IN 2025**

Bhutan's inflation is projected to ease to 4.2% in 2025, following a temporary rise to 4.5% in 2024, according to the Asian Development Bank (ADB). The fluctuation is linked to global commodity prices and domestic factors, such as a civil service pay hike in mid-2023. ADB's Economics Officer Sonam Lhendup noted Bhutan's inflation is closely tied to trends in India, which supplies half of the country's consumer goods. Despite a February 2024 uptick to 3.38%, annual average inflation dropped to 2.82%, aided by a sharp slowdown in both food and non-food price increases. Bhutan's reliance on Indian imports and its currency peg to the Indian Rupee continue to limit its monetary policy flexibility, leaving fiscal tools as the primary means of inflation control.

*Source: [ADB projects Bhutan's inflation to moderate at 4.2 percent in 2025 - Asia News Network](#)*

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## SRI LANKA

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### **SRI LANKA CANCELS PLAN TO HOLD NAVAL EXERCISE OFF TRINCOMALEE WITH PAKISTAN FOLLOWING INDIA'S CONCERNS**

Sri Lanka has cancelled a planned naval exercise with Pakistan in Trincomalee following concerns raised by India, reflecting the strategic importance New Delhi places on the northeastern port city. Though Sri Lanka and Pakistan regularly engage in naval cooperation, Colombo shelved the joint drill after India expressed security apprehensions, especially given Trincomalee's key location overlooking the Bay of Bengal. The move comes amid India's increased involvement in developing Trincomalee's energy infrastructure and a trilateral agreement with Sri Lanka and the UAE to transform it into an energy hub. With Pakistan's navy closely aligned with China's PLA Navy—whose presence near Sri Lankan ports has previously alarmed India—New Delhi views any military activity involving Islamabad in the area as

potentially destabilizing.

*Source: [Sri Lanka cancels plan to hold naval exercise off Trincomalee with Pakistan following India's concerns | World News - India TV](#)*

## **MODI VISITS SRI LANKA TO BOOST DEFENSE COOPERATION**

Indian Prime Minister Narendra Modi's visit to Sri Lanka marked a significant step in strengthening defense and energy cooperation between the two nations, as both countries signed key agreements aimed at enhancing regional security and infrastructure. A five-year defense deal will facilitate military training and technological exchanges, while the two leaders also inaugurated the long-delayed, Indian-funded solar power plant in Trincomalee. Modi emphasized the shared and interdependent security interests in the Indian Ocean region, and Sri Lankan President Anura Kumara Dissanayake reassured that Sri Lankan territory would not be used against India's security. Amid rising Chinese influence—evident through massive debts, port leases, and a recent \$3.7 billion oil refinery project—India is ramping up its presence in the island nation, seeking to reassert its role as a key partner during Sri Lanka's ongoing economic recovery.

*Source: [India's Modi visits Sri Lanka to boost defense cooperation - DW - 04/06/2025](#)*

## **HIGH-LEVEL DELEGATION TO VISIT US TO NEGOTIATE CONCESSIONS**

Sri Lanka is sending a high-level delegation to the US next week to negotiate relief from steep new tariffs—some as high as 44%—that threaten a key export market accounting for 25% of its trade. Though a 90-day pause has been announced, the tariffs are set to take effect in July unless further reprieve is granted. With Sri Lanka in the midst of an IMF program and aiming to start debt repayments by 2028, officials have urged US Embassy representatives for support and submitted a report to President Anura Dissanayake outlining short- and long-term strategies to cushion the economic impact.

*Source: [High-level delegation to visit US to negotiate concessions - Sri Lanka Mirror - Right to Know. Power to Change](#)*

## **PRESIDENT VOWS ACTION ON ILLEGAL FISHING AFTER TALKS WITH MODI**



President Anura Kumara Dissanayake emphasized Mannar's strategic and economic importance during a rally, highlighting that unauthorized fishing—especially by illegal vessels in the Pesalai area—is severely harming Sri Lanka's marine ecosystem. He said the issue was a key topic during Indian Prime Minister Narendra Modi's recent visit, underscoring that Sri Lanka's marine resources belong to its people and must be protected. The President affirmed that the Sri Lanka Navy has been instructed to take firm action against illegal activities, as the country steps up efforts to resolve the long-standing fishing dispute with India.

*Source: [Recent external shock brings uncertainty to Sri Lankan economy: IMF-Xinhua](#)*

## AFGHANISTAN



### PAK DEPUTY PM SAYS AFGHAN SIDE TOLD WON'T ALLOW EACH OTHER'S SOIL TO BE USED FOR TERROR

During a pivotal one-day visit to Kabul, Pakistan's Deputy Prime Minister and Foreign Minister Ishaq Dar emphasized mutual assurances between Pakistan and Afghanistan to prevent the use of their territories for illicit or hostile activities against each other, underlining a joint responsibility to act against such threats. Amid efforts to thaw strained ties, Dar met top Afghan leaders, including FM Amir Khan Muttaqi and PM Mullah Hassan Akhund, discussing critical issues like security, trade, refugees, and regional connectivity projects. Both sides agreed to enhance cooperation through trade facilitation, transit reforms, and high-level engagements, while also pledging humane treatment of Afghan refugees and the formation of joint committees to address bilateral challenges effectively.

*Source: [FM Dar says Afghan side told won't allow each other's soil to be used for terror - Pakistan - DAWN.COM](#)*

### RUSSIA'S SUPREME COURT SUSPENDS BAN ON AFGHANISTAN'S TALIBAN

Russia's Supreme Court has suspended its ban on the Taliban, effectively removing the group from its list of designated terrorist organizations, a move that marks a significant shift in Russia's approach to Afghanistan's de facto rulers. The decision, prompted by a request from the Russian prosecutor general, is part of a broader effort by Moscow to improve diplomatic and security relations with the Taliban, despite their history of conflict dating back to the Afghan Civil War. Since the Taliban's takeover of Afghanistan in 2021, Russia has engaged more closely with the group, driven by shared security concerns, particularly in combating ISIS-K, the regional affiliate of ISIS. Russia has also indicated its interest in using Afghanistan as a key transit hub for gas exports to Southeast Asia. This shift in policy aligns with the growing trend in several Asian nations, such as Kazakhstan and Kyrgyzstan, which have also removed the Taliban from their lists of terrorist organizations in recent years. While no country has fully recognized the Taliban as Afghanistan's legitimate government, nations like China, India, and Iran have maintained diplomatic relations and even established embassies in Kabul. *Source: [Russia's Supreme Court suspends ban on Afghanistan's Taliban | Taliban News | Al Jazeera](#)*

### US IMPOSES 10% TARIFF ON AFGHAN IMPORTS

The United States' recent imposition of a 10% tariff on Afghan exports, under President Donald Trump's global economic policy shift, has sparked concern among Afghan officials and business leaders, who fear it could severely hamper trade between the two nations. Afghanistan, which exported \$9 million worth of goods to the US in 2024—mainly handicrafts, dried fruits, and carpets—had previously benefited from tariff exemptions as a least developed country under the GSP. Afghan commerce authorities warn that the new tariff, coupled with already high transportation costs, could dramatically reduce exports and undermine the country's fragile post-conflict economy. They have urged the US to reconsider, emphasizing the need for trade development over restrictive measures. *Source: [US Imposes 10% Tariff on Afghan Imports | TOLONews](#)*



### US WEAPONS LEFT IN AFGHANISTAN SOLD TO MILITANT GROUPS: BBC

The weapons left behind in Afghanistan after the U.S. withdrawal in 2021 have indeed ended up in the hands of various militant groups, including al-Qaeda affiliates, according to multiple sources. The Taliban seized about one million weapons and pieces of military equipment, much of which was funded by the U.S. during its involvement in Afghanistan. However, at least half of this equipment is now unaccounted for, and some has been sold or smuggled to groups like the Tehreek-e-Taliban Pakistan and the Islamic Movement of Uzbekistan. Despite the Taliban's claims to have securely stored these weapons, black market trade has flourished, with local commanders and fighters often trading these weapons, contributing to further

instability in the region.

*Source: [US weapons left in Afghanistan sold to militant groups, sources tell BBC](#)*

# ABOUT BEI

*Bangladesh Enterprise Institute is a non-profit, non-political research center. 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.*

*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.*

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