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# Bangladesh Foreign Policy Watch

CGS Centre for Governance Studies



## A Bi-Weekly Roundup of Key Events

During Aziz's tenure as army chief, his brothers, known for criminal activities in the 90s and 2000s, received clemency for past convictions. These sanctions highlight the US commitment to anti-corruption efforts and strengthening democratic institutions in Bangladesh.

### May 20 US Imposes Sanctions on Former Bangladesh Army Chief Aziz and Family



The United States has imposed sanctions on former Bangladesh army chief General (retired) Aziz Ahmed and his immediate family due to significant corruption, barring them from entering the US. The US State Department accuses Aziz of interfering in public processes, aiding his brother's evasion of criminal accountability, and accepting bribes for government appointments.

### May 21 Australian Foreign Minister Meets Bangladeshi Leaders

Prime Minister Sheikh Hasina expressed frustration over developed countries' failure to meet their climate change commitments during a meeting with Australian Foreign Minister Penny Wong. Bangladesh has established its own Climate Trust Fund to address impacts like cyclones and floods. The government is also creating 100 economic zones to generate jobs and has invited Australian entrepreneurs to invest.

Penny Wong announced additional funding to support Bangladesh's economic reforms as it transitions from least developed country status. Efforts focus on aligning labor laws with international standards and deepening economic ties. Two-way trade between Australia and Bangladesh is around \$4 billion. Discussions included investments in Bangladesh's economic zones and high-tech villages. Australia and Bangladesh are collaborating on climate action, with Australia supporting Bangladesh's shift to a clean energy economy.

Wong emphasized the need for the safe return of the Rohingya to Myanmar and highlighted Australia's substantial investment in humanitarian assistance.

## Russian Helicopters for Bangladesh Police

Two Russian MI-171A2 helicopters will be delivered to the Bangladesh Police's aviation wing, with one arriving in July and the other in August. This purchase is part of a 2021 agreement with JSC Russian Helicopters. The government has allocated Tk191 crore for helicopter purchases in the fiscal 2023-24 budget, with additional funds for the next fiscal year due to delivery delays.

## France Provides €300 Million to Bangladesh to Combat Climate Change

France will provide €300 million in budget support to Bangladesh to combat climate change, under a concessional loan agreement signed with the Agence Francaise de Developpement (AFD). The three-year program (2023-2026) also includes a €5 million grant for technical cooperation. This initiative aims to support Bangladesh's climate resilience and low-carbon development, aligning with the National Adaptation Plan, Mujib Climate Prosperity Plan, and Nationally Determined Contributions. The first loan installment of €100 million is expected by June 2024.

## May 22

### France hopes for progress in Airbus aircraft, satellite deals during PM's Paris visit

The upcoming visit of Prime Minister Sheikh Hasina to France is expected to see significant progress in the purchase of ten A350 aircraft from Airbus, acquisition of a sovereign earth-observation satellite, and an adaptation pact for climate change support. Bangladesh faces economic challenges related to diversifying its economy and managing labor issues as it transitions out of LDC status.

France expresses concern over the deteriorating situation in Rohingya camps and supports Bangladesh's efforts to maintain security and seek repatriation. France and Bangladesh share a vision for a peaceful and inclusive Indo-Pacific region, with cooperation in maritime security and the blue economy.

### Missing MP Azim murdered in Kolkata



Anwarul Azim Anar, a member of Bangladesh's governing Awami League party, was murdered in Kolkata, India. Anar went missing on May 13 after traveling to India for medical treatment according to his family. Four Bangladeshis have been arrested in connection with Anar's death. Both Bangladeshi and Indian police are involved in the investigation, Bangladesh's Prime Minister Sheikh Hasina has expressed her condolences over the lawmaker's death.

### Govt. doesn't care about sanctions imposed by supporters of genocide Quader

The Awami League's General Secretary, Obaidul Quader, expressed that the government is unconcerned with sanctions from those who support genocide, specifically mentioning the ongoing violence in Palestine. In response to a question about US sanctions on Bangladesh's former army chief, Quader stated that the army follows its own rules and that the Prime Minister will not spare offenders.

### Tripura plans to transport essentials via Bangladesh during monsoon

The Tripura government is preparing to transport fuel and essentials through Bangladesh during the monsoon, as routes through south Assam and Meghalaya become unreliable. The Agartala-Gangasagar rail tracks are nearing completion for goods transportation, and the Indian Oil Corporation Ltd (IOCL) is building a large fuel depot in Sepahijala district.

## May 23

### Dhaka observes one day mourning for Raisi



Bangladesh has declared a one-day state mourning due to the death of Iranian President Ebrahim Raisi in a helicopter crash. The national flag was at half-mast at all government, semi-government and autonomous organisations and educational institutions, all government and private buildings and Bangladesh missions abroad. Special prayers were held at all mosques and other religious institutes on the day seeking eternal peace of the departed souls of those who died.



## **Maldives halts hiring Bangladeshi workers amid fake document allegations**

The Maldives has halted the recruitment of low-skilled workers from Bangladesh due to allegations of illegal recruitment practices involving fake documents. An investigation is ongoing into the companies and Bangladeshi middlemen involved in the forged document scandal. This is not the first time the Maldives has restricted Bangladeshi worker recruitment; a previous ban was lifted by the current government in December 2023. Bangladeshi workers in the Maldives are primarily employed in tourism and hospitality, with some professionals like doctors. The average monthly income for documented workers is Tk37,066, while undocumented workers earn Tk25,6504.

## **Hasina Alleges Plot to Create Christian State in Southeast Asia**

Prime Minister Sheikh Hasina claimed a plot to create "a Christian state like East Timor" from parts of Bangladesh and Myanmar. She revealed she was offered a hassle-free reelection in exchange for allowing a foreign country to build an airbase in Bangladesh. Hasina made these statements during a 14-party alliance meeting, emphasizing the government's challenges and conspiracies against it. She reiterated her refusal to bow to pressure and stressed the importance of maintaining Bangladesh's sovereignty and economic stability. Hasina also addressed rising extremism and inflation concerns, reaffirming her commitment to the country's welfare.

## **Rohingyas Crisis: UN Expert Appeals To Bangladesh To Reverse Its Closed Border Policy**

Thomas Andrews, the UN Special Rapporteur on human rights in Myanmar, urges Bangladesh to open its borders to displaced Rohingya, despite the country already hosting 1.3 million refugees. Andrews emphasizes that Bangladesh cannot handle the crisis alone and calls for urgent international aid to prevent a humanitarian disaster. The Rohingya in Bangladesh face ration cuts, violence, and exploitation, with reports of forced recruitment by militant groups. Credible reports from Myanmar's Rakhine State indicate killings, disappearances, and arson, necessitating immediate international intervention to protect civilian lives and provide humanitarian aid.

## **May 24**

### **UN May Repatriate Peacekeepers if Human Rights Abuses Proven**

If allegations of human rights abuses against UN peacekeepers are substantiated, they may face non-deployment or repatriation, said UN spokesperson Stéphane Dujarric at a press briefing.

Addressing a DW documentary's claims that Bangladesh and Sri Lanka sent officers implicated in abuses to UN missions, Dujarric confirmed the UN's commitment to high standards. The screening process includes self-certification, certification by the sending country, and review by the High Commissioner's Office for Human Rights. The UN peacekeeping department takes appropriate actions in such cases, ensuring personnel meet the highest standards of efficiency and integrity.

## **May 25**

### **Bangladesh Supports ICC's Efforts for Arrest Warrant Against Israeli PM**

Bangladesh's Foreign Minister Dr. Hasan Mahmud expressed strong support for ICC Chief Prosecutor Karim Khan's bid for an arrest warrant against Israeli Prime Minister Netanyahu over human rights violations in Palestinian territories. At a discussion in Dhaka, he criticized the US for vetoing UN Security Council resolutions for Palestinian statehood and condemned Israel's actions in Gaza. He highlighted the Awami League's active protests against Israel compared to other parties.

### **Tripura trims power export to Bangladesh over dues**

Bangladesh's electricity imports from India's Tripura State Electricity Corporation Ltd (TSECL) are disrupted due to unpaid dues of over Rs100 crore. TSECL has been supplying less electricity than the contract stipulates for nearly a year, with recent supply figures significantly lower than the 160 MW agreed upon. The government is considering adjusting subsidies by increasing electricity prices, as the current budget allocates Tk39,000 crore for electricity subsidies but faces revenue collection issues.

## **May 26**

### **Regaining GSP not going to happen quickly: US Embassy labour attaché**

The US Embassy in Dhaka's Labour Attaché, Leena Khan, indicated that the process to regain GSP status will be lengthy and contingent on US Congress reauthorization. The US has developed an 11-point labour action plan for Bangladesh, emphasizing labour law reform and addressing issues in export processing zones, including anti-union violence and unfair labour practices.

### **Airbus not viable financially Biman finds**

Airbus offered to sell two A350-900 aircraft to Biman Bangladesh Airlines, but the deal is deemed not financially viable due to high costs and negative cash flow projections for 25 years. The total investment exceeds \$1 billion, with a price escalation due to interest and other factors. A \$10 million non-refundable fee and initial investments for spare parts and training add to the costs.

Biman's fleet plan indicates a need for 47 aircraft by FY35, including various capacity planes. The A350-900 would add to the fleet diversity. However, introducing the A350-900 poses challenges in crew management, maintenance, and engineering training, with significant investments needed in training and spare parts.

## May 28

### **WB-funded Tk8,483cr projects for Rohingya, host community approved**

Bangladesh has approved two major projects, funded by the World Bank, to enhance the lives of Rohingya refugees and their host community, totaling Tk8,483 crore. The World Bank will provide Tk7,719.65 crore, with Tk3,244 crore as a grant for the Rohingyas and Tk4,478 crore as a loan for the host community. The initiatives include 12 sub-projects covering road development, waste management, forestry, electrification, disaster management, education, and health services. The government negotiated for equal support for both the Rohingyas and the host community, emphasizing the local population's increased pressure due to the refugee presence.

### **Fitch Downgrades Bangladesh's Credit Rating**

Fitch has downgraded Bangladesh's Long-Term Foreign-Currency Issuer Default Rating (IDR) to "B+" from "BB-". The downgrade reflects a sustained weakening of external buffers, which poses challenges to reversal and increases vulnerability to external shocks. Recent policy actions have not been sufficient to prevent the decline in foreign exchange reserves or resolve domestic dollar tightness.

### **Direct Banking and Currency Alternatives Could Enhance Trade with Russia, says FBCCI**

The FBCCI is keen on strengthening trade and business ties with Russia, highlighted in a meeting with a Russian delegation. There's significant potential for growth in bilateral trade, particularly in RMG, pharmaceuticals, and other sectors. Bangladesh aims to reach a \$300 billion export target by 2041, focusing on market and product diversification. The FBCCI invites Russian investment in Bangladesh's Special Economic Zones, emphasizing infrastructure, energy, and manufacturing sectors.

## May 29

### **70% of Bangladesh's outward FDI went to India in 2023**

Bangladeshi firms have increased their outward foreign direct investment (FDI), expanding to over 22 host countries. A significant portion, over two-thirds of this FDI, flowed into India last year, with net FDI into India amounting to \$21.05 million.

The majority of investments were in financial intermediaries and mining and quarrying sectors. In 2023, Bangladesh saw a decrease in gross FDI inflows by 17.8% and net FDI inflows by 13.7% compared to 2022. Total FDI in Bangladesh stood at \$20.55 billion at the end of 2023.

### **Biman proceeding with Airbus deal to avoid future risks**

Biman Bangladesh Airlines aims to diversify its fleet, negotiating with Airbus to minimize risks associated with relying on a single supplier according to outgoing CEO Shaful Azim. The decision follows recent issues with Boeing 737 Max aircraft and potential supply chain risks. Biman is planning to purchase three aircraft, ensuring technical and financial benefits, with proposals from both Airbus and Boeing under evaluation. Despite challenges like dollar shortages and global conflicts, Biman has been profitable for eight out of the last ten years.

### **Adani requests Finance Ministry to clear electricity bills**

Pranav Adani, director of India's Adani Group, has met with Bangladesh's Finance Minister to request the clearance of outstanding electricity bills totaling about \$700 million. In 2017, Bangladesh signed a power purchase agreement with Adani Group, which established a coal-based power plant in Jharkhand, India, to supply Bangladesh with 1,500MW of electricity for 25 years. The Bangladesh Power Development Board (BPDB) faces arrears due to non-disbursement of government subsidies, a dollar crisis, and an increase in the dollar's price, leading to nearly Tk30,000 crore in pending subsidies. To address the financial shortfall, the government has issued a Tk15,000 crore bond to repay bank loans of power plants and is seeking to release a subsidy of Tk17,701 crore for March-June 2024 to cover both foreign and domestic outstanding bills.

### **Tripura's power supply to Bangladesh to continue**

The Tripura government has decided to continue supplying power to Bangladesh despite outstanding dues exceeding Rs 100 crore. A bilateral agreement was signed in 2010 between TSECL and BPDB for supplying 100 MW of power, with Bangladesh currently receiving an average of 90 MW. Debasish Sarkar, MD of TSECL, expressed concerns over the financial burden due to overdue payments, with efforts being made to settle the dues. Minister Ratan Lal Nath stressed that discontinuing power could harm trade relations, as Bangladesh imports a total of 1160 MW of electricity from India.

## May 30

### Meta Removes Awami League-Linked Accounts for Coordinated Inauthentic Behavior

Meta recently removed over 50 Facebook accounts and 98 pages linked to Bangladesh's Awami League and the Centre for Research and Information (CRI) for engaging in "coordinated inauthentic behavior." In its Adversarial Threat Report for Q1 2024, Meta highlighted that these pages posed as fictitious news entities, sometimes even using names of real news organizations. Some pages included "BNP" in their names to post anti-BNP content. Meta's investigation, which is part of routine operations on public threat reporting, found links to individuals associated with the Awami League and CRI.

### Oman Grants Visas to Bangladeshi Nationals in 12 Categories

The Omani government announced it will now issue visas to Bangladeshi nationals in 12 categories, including family visas, according to the Times of Oman. Other categories encompass visit visas for Bangladeshi nationals residing in Gulf Cooperation Council countries, as well as visas for doctors, engineers, nurses, teachers, accountants, investors, and various official purposes. This decision, announced on May 29, follows a halt in visa issuance for Bangladeshi citizens since October 31, which led to a significant drop in their arrivals in Oman by over 50 percent.

## Japan Pledges Support for Cyclone Recovery in Bangladesh

Japanese Prime Minister Fumio Kishida assured full support for Bangladesh's recovery from Cyclone Remal. In a message to Prime Minister Sheikh Hasina, Kishida expressed deep sorrow over the loss of lives and displacement in southern coastal areas, pledging that Japan will stand by Bangladesh during this difficult time. Japanese Foreign Minister Kamikawa Yoko echoed these sentiments in a message to Foreign Minister Hasan Mahmud, extending condolences and offering assistance for recovery and reconstruction efforts. Both leaders emphasized Japan's readiness to provide necessary aid to facilitate swift recovery.

## May 31

### UN Secretary General Lauds Bangladesh as Key Partner

UN Secretary General Antonio Guterres recognized Bangladesh as a crucial partner for its significant contributions to UN initiatives, including peacekeeping, sustainable development, and climate adaptation. In a meeting with Foreign Minister Hasan Mahmud at the UN headquarters, Guterres praised Bangladesh's climate resilience and its generous support for the Rohingyas. He assured UN assistance for Bangladesh's transition from a low-income country and emphasized the need to maintain focus on the Rohingya crisis. Foreign Minister Hasan highlighted Bangladesh's progress under Prime Minister Sheikh Hasina's leadership and extended an invitation to Guterres to visit Bangladesh for the 50th anniversary of its UN membership.

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