

|| WEEKLY NEWS HIGHLIGHTS ||

BANGLADESH ENTERPRISE INSTITUTE (BEI)

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

|| 28 January- 04 February 2022 ||

SOUTH ASIA: COVID-19 CRISIS: AT A GLANCE

Afghanistan recorded a total of 150,485 cases of coronavirus since the beginning of the pandemic. Total death cases reported 6,908 as of 4 February.

Bangladesh reported 36 new deaths and 8,359 coronavirus cases on 05 February and has thus far recorded a total of 28,524 fatalities and 1,844,828 confirmed cases. Bangladesh has administered a total 156,416,604 Covid-19 vaccine doses, totaling 48% of the population.

Bhutan reported 214 new cases and no death as of 05 February. A total of 5,934 cases have been registered until 05 February, while 74.79% of Bhutan's population has been vaccinated.

India reported 865 deaths and 1,07,474 new coronavirus cases on 05 February, bringing the total number of cases to 42,080,664 while the total number of deaths now stands at 501,114. Until 05 February, 53.04% of Indian population has been vaccinated.

Maldives recorded 130,599 confirmed cases and 274 fatalities as of 4 February. 69.60% of the total population was fully vaccinated.

Myanmar recorded 534,908 confirmed cases and 19,310 deaths as of 4 February.

Nepal reported a record of 12,338 new cases on 4 February, compared to a few hundred daily cases last month. Nepal's capital shut schools, ordered citizens to carry vaccination cards in public, banned religious festivals and instructed hotel guests to be tested every three days as it battles its biggest Covid-19 outbreak.

Pakistan on 4 February reported 7,678 new coronavirus cases, the highest number of cases since the pandemic began in February 2020. Further, 23 fatalities were also reported during this period while the national positivity rate rose to 12.93 percent.

Sri Lanka recorded 608,065 confirmed cases and 15,386 deaths as of 4 February. 63.74% of the total populations were fully vaccinated.

Source: <https://coronavirus.jhu.edu/map.html> (John Hopkins University)

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BUSINESS AND INVESTMENT: BANGLADESH PICKS U.S. COMPANY TO NEGOTIATE DEAL ON LONG-TERM LNG PURCHASE; FREELANCERS TO GET 4PC INCENTIVE FOR SOFTWARE EXPORT

Bangladesh has picked US oil-major Excelerate Energy as a third party to negotiate liquefied natural gas (LNG) purchase on a longer term, on unsolicited deals. Bangladesh's Petrobangla Company carried out preliminary negotiations with local Summit Group and Middle East's Emirates' National Oil Company (ENOC) for long-term LNG supply. However, rights groups and energy experts called for ensuring transparency and accountability in selecting new suppliers of LNG.

In separate news, Bangladesh's 600,000 IT freelancers will get 4% incentive against export of software or IT-enabled services. According to a Bangladesh Bank circular, freelancers working at 55 marketplaces and selected by the ICT ministry will get the incentive. Popular marketplaces including Upwork, Fiverr, Freelancer and Guru were among the selected marketplaces.

Source: <https://www.thedailystar.net/business/economy/banks/news/freelancers-get-4pc-incentive-software-export-2950991>

<https://thefinancialexpress.com.bd/trade/bangladesh-picks-us-company-to-negotiate-deal-on-long-term-lng-purchase-1643769862>

AFGHANISTAN : TALIBAN GOVERNMENT REOPENED UNIVERSITIES FOR AFGHAN WOMEN IN SIX PROVINCES; BANKS CAN PROCESS TRANSACTIONS RELATED TO HUMANITARIAN OPERATIONS: THE U.S. TREASURY

The Taliban government said they have reopened public universities for women students in six out of 34 provinces. The Culture and Information ministry said that public universities in the provinces of Nangarhar and Kandahar were now open for women, in what it described as a staggered process, expected to see all students including men and women would eventually return to university.

Global banks can transfer money to Afghanistan for humanitarian purposes, and aid groups are allowed to pay teachers and healthcare workers at state-run institutions without fear of breaching sanctions on the Taliban, the United States said. The US Treasury said banks can process transactions related to humanitarian operations including clearing, settlement, and transfers through, to, or otherwise involving privately owned and state-owned Afghan depository institutions. It also outlined permitted transactions involving the Taliban, which includes the also black-listed Haqqani Network. These include signing agreements to provide aid directly to the Afghan people, general aid coordination, including import administration, and sharing of office space.

Sources: <https://www.aljazeera.com/news/2022/2/2/afghan-universities-reopen-with-small-number-of-women-attending>

<https://www.aljazeera.com/economy/2022/2/2/us-gives-global-banks-the-okay-to-transfer-aid-to-afghanistan>

BANGLADESH: BUDGET 2022-23 FISCAL YEAR: INDIA ALLOCATES RS. 3 BILLION FOR BANGLADESH

Indian Finance Minister Nirmala Sitharaman on 01 February presented a Rs. 39.45 trillion Union Budget 2022 in Parliament where she announced that the country's economic growth is expected to be at around 9.2 percent in the current financial year as the economy recovers from the Covid-19 pandemic. In the budget, India allocated Rs 300 crore (3 billion) as financial assistance for Bangladesh in the upcoming 2022-23 financial year, up from Rs 200 crore (2 billion) allocated in 2021-2022. The allocation has been provided through the Ministry of External Affairs as financial aid. The minister also announced Rs. 600 crore (6 billion) for Myanmar, Rs.

750 crore (7.5 billion) for Nepal, Rs. 2266.24 crore (22.66 billion) for Bhutan and Rs. 200 crore as aid to Taliban-ruled Afghanistan for 2022-23 fiscal.

Source: <https://en.prothomalo.com/bangladesh/india-allocates-rs-3-billion-for-bangladesh-in-2022-23-fiscal>

CHINA WILL CLOSELY WORK WITH INDIA TO HANDLE ONGOING BORDER TENSION, US SHOULD NOT MEDDLE: CHINA; 'CENSORSHIP' IN INDIA, 5 OTHER NATIONS POSE RISK TO BUSINESS: US TRADE PANEL

China has said that it will work closely with India to properly handle the ongoing border tension as the country strongly criticized the USA for making comments on the India- China border problem. The USA recently said that it was concerned by Beijing's attempts to coerce its neighbors, including India. The Chinese defense ministry said at the monthly defense ministry press conference that the border problem is a bilateral matter and both China and India oppose interference from a third party. China made the statement ahead of the 14th round of military talks between India and China on January 12 to resolve the ongoing tension along the Line of Actual Control (LAC) in Eastern Ladakh.

A new report released by the United States International Trade Commission (USITC), an independent and non-partisan US federal agency stated that increasing "censorship-related policies and practices" in India has affected American businesses across different media segments, including films, social

media and video streaming. The Commission prepared the report based on a request by the Senate Committee on Finance which is the first of two reports focusing on foreign censorship practices that American businesses cite as "impediment for trade or investment in key foreign markets".

Sources: https://www.hindustantimes.com/india-news/censorship-in-india-5-other-nations-pose-risk-to-business-us-trade-panel-101643481008042.html?utm_source=ht_site_copyURL&utm_medium=social&utm_campaign=ht_site

https://www.hindustantimes.com/india-news/will-closely-work-with-india-to-handle-ongoing-border-tension-us-should-not-meddle-china-101643312699667.html?utm_source=ht_site_copyURL&utm_medium=social&utm_campaign=ht_site

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MYANMAR : U.S. ENFORCES FRESH SANCTIONS ON MYANMAR JUNTA AND ITS CRONIES

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A year after Myanmar's coup, the US, UK and Canada have imposed sanctions on three junta appointees while Washington is targeting four businessmen who are supporting the regime and two organizations providing arms and equipment. US President Joe Biden also pledged continuous support to the anti-regime movement and urged the regime to "reverse course" and release all those unjustly detained, including State Counselor Daw Aung San SuuKyi and President U Win Myint. Biden said to the people of Burma that they have not forgotten their struggle and would continue to support their valiant determination to bring democracy and the rule of law to their coun-

try. Since the February 1st 2021, coup, Biden has threatened sanctions against generals and imposed sanctions on junta leaders and their associates. He added in a statement that as long as the regime continues to deny the people of Burma their democratic voice, they will continue to impose further costs on the military and its supporters.

Source:

<https://www.irrawaddy.com/news/burma/us-enforces-fresh-sanctions-on-myanmar-junta-and-its-cronies.html>

MYANMAR SHADOW GOVERNMENT DROPS OBJECTIONS TO ICJ'S ROHINGYA GENOCIDE CASE

Myanmar's shadow government, set up after last year's military coup, said it accepts the jurisdiction of the International Court of Justice (ICJ) to hear allegations that the country committed genocide against its Rohingya minority. Before the military seized power last year, Myanmar's government led by the now-ousted Aung San SuuKyi had filed preliminary objections to the ICJ over the case brought by Gambia in a move seen as likely to delay proceedings. The National Unity Government (NUG), a parallel administration including deposed lawmakers in exile, said in a statement issued on Tuesday that it had withdrawn all preliminary objections to the case. Still, it is not clear whether this would affect the legal process since the NUG said that through a "bureaucratic idiosyncrasy" the ICJ has been communicating with Myanmar diplomats in Brussels who were under the control of the junta. The NUG said in a statement that should the ICJ recognize the

military, it would embolden the junta to continue and escalate its daily atrocity crimes. It urged the ICJ to deal with Myanmar's permanent representative to the United Nations, Kyaw Moe Tun.

Source:

<https://www.reuters.com/world/asia-pacific/myanmar-shadow-government-drops-objections-icjs-rohingya-genocide-case-2022-02-02/>

MALDIVES: MALDIVES PLANS NEW LAW TO CURB UNREST

Members of the main ruling party in the Maldives are considering legislation to criminalize protests “that affect the country’s relations with other nations”. A draft bill circulated within the Maldives Democratic Party (MDP) comes against the backdrop of protests in the Indian Ocean country over the perceived proximity of the Ibrahim Solih government to India. The “India Out” protests, which began two years ago, have increased in pitch since the release from house arrest of Opposition leader and former pro-China president Abdulla Yameen late last year. The draft bill, titled “The Bill to Stop All Actions That Could Negatively Affect Relations Established by The Maldives with Foreign Countries”, is seen as effectively targeting the “India Out” campaign, and could be submitted when the country’s legislative body, Majlis, when it reconvenes on February 3. But it is still unclear

if the government wants to be involved. An MDP politician, who has seen the draft, said some members of the party were advocating the legislation but there have been no formal discussions between the government and the party on it.

Source:

<https://indianexpress.com/article/india/anti-india-protests-in-mind-maldives-plans-new-law-to-curb-unrest-7750454/>

NEPAL: INDIA, NEPAL SIGNED MOU TO CONSTRUCT BRIDGE OVER MAHAKALI RIVER

India and Nepal signed an MoU for construction of a motor able bridge with the Indian grant assistance over the Mahakali River connecting Dharcula in Uttarakhand with Darchula in Nepal. India’s Ambassador to Nepal, Vinay Mohan Kwatra, and Nepal’s Secretary, Ministry of Physical Infrastructure and Transport, Rabindra Nath Shrestha, signed the MoU in presence of Transport Minister Renu Kumari Yadav. India will bear all the cost of constructing the bridge and preparation of detailed project report for the bridge has already been completed, said informed sources at

the Ministry of Transport. They added that the construction work of the bridge will start soon. The bridge will enhance cross-border connectivity between the Sudurpaschim province of Nepal and Uttarakhand across the Mahakali River where close people-to-people links exist between communities on both sides of the border.

<https://kathmandupost.com/national/2022/02/01/nepal-india-sign-mou-to-build-bridge-across-mahakali-river-in-darchula>

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PAKISTAN: PAKISTAN'S TEXTILE EXPORTS SURGE 40% AS ORDERS SHIFT FROM COMPETITOR COUNTRIES; PAKISTAN, CHINA SIGNED INDUSTRIAL FRAMEWORK ACCORD AS BOTH SIDES REVIEW CPEC PROGRESS

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The textile sector of Pakistan is all set to swell due to record exports after gaining an edge over its South Asian competitors amid the Covid-19 pandemic. The country's textile exports are expected to surge 40% from a year earlier to a record \$21 billion in the 12 months ending in June bringing cheer to its flailing economy, said Abdul Razak Dawood, the Prime Minister's Commerce Adviser. The figure would expand to \$26 billion in the next fiscal year, surpassing the nation's total exports in 2021. The Pakistani commerce adviser said, "A lot of orders actually were shifted from Bangladesh and India to Pakistan. With measures such as tax breaks, cheap loans and supplying electricity at rates comparable to rivals in the South Asia region, Pakistan is doubling down to boost its exports."

Prime Minister Imran Khan held a virtual meeting with China's National Development and Reform Commission (NDRC) chairperson, He Lifeng, to review the progress of ongoing China-Pakistan Economic Corridor (CPEC) projects and discussed future initiatives. The premier said that the Pakistan-

China partnership was time-tested and timeless, in a statement released after the meeting. The Prime Minister reiterated that as the flagship project of the Belt and Road Initiative (BRI), CPEC had strategic significance for both Pakistan and China and was delivering tangible benefits to the people of the two countries. He noted with satisfaction that CPEC's early-harvest projects have transformed Pakistan's economic landscape thus laying a solid foundation for sustainable economic growth.

Sources:

<https://www.bloomberg.com/news/articles/2022-01-30/pakistan-s-textile-exports-to-surge-as-orders-move-from-rivals>

<https://www.dawn.com/news/1673411/accord-signed-with-china-for-industrial-cooperation>

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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