

WEEKLY NEWS HIGHLIGHTS

BANGLADESH ENTERPRISE INSTITUTE (BEI)

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Brief Highlights on Current Issues of South Asia

BANGLADESH



ELECTION IN FEBRUARY

Chief Adviser Prof Muhammad Yunus has announced that Bangladesh's next general election will be held in February 2026, ahead of Ramadan, to pave the way for transferring power to an elected government. In a televised address marking one year of the July Uprising, he unveiled the July Declaration, called for constitutional recognition of the 2024 student-led movement, and vowed to make the polls a festive, inclusive event. Yunus said the interim government has advanced reforms, initiated justice for uprising-related killings, and finalised the July Charter for political consensus. While BNP and several parties welcomed the date, NCP and Jamaat reserved comment. Highlighting economic recovery, anti-corruption steps, and media freedom measures, he warned of

attempts to derail the election and pledged to ensure women and expatriate participation. Calling the vote the "final chapter" of the interim government's mandate, he urged citizens to unite for a peaceful, fair, and historic election. [Source: Bangladesh National Election Set For February 2026 | Election in first half of February](#)



CA UNVEILS 'JULY DECLARATION'

Chief Adviser Prof Dr Muhammad Yunus today unveiled the 'July Declaration' at a public gathering at the South Plaza of the Jatiya Sangsad Bhaban, marking July Uprising Day. The declaration, presented as the voice of the 2024 student-led mass movement, recounts Bangladesh's historical struggles for democracy, condemns the 16-year rule of Sheikh Hasina as fascist and corrupt, and details alleged crimes including extrajudicial killings, suppression of dissent, and electoral fraud. It hails the August 5, 2024 ouster of Hasina as a people's victory, pledges justice for victims, and calls for constitutional and state recognition of the uprising, protection for its participants, and reforms to ensure good governance, rule of law, human rights, and sustainable development. The document asserts that the uprising restored people's sovereignty and demands enshrining

the July Declaration in the reformed constitution to be adopted after the next national election. [Source: CA unveils 'July Declaration' | Chief Adviser's News](#)

BANGLADESH SECURES 20% US TARIFF FOR GARMENTS, EXPORTERS RELIEVED

Bangladesh has secured a deal with the United States to impose a 20% tariff on its exports, down from the 37% initially proposed by U.S. President Donald Trump, easing concerns for the country's \$40 billion garment industry. The new rate matches those applied to key apparel exporters like Sri Lanka, Vietnam, Pakistan, and Indonesia, while India faces a higher 25% tariff after failing to reach a deal. Lead negotiator and National Security Adviser Khalilur Rahman said the agreement balanced protection of the garment sector with purchase commitments for U.S. agricultural goods, aiding food security and strengthening ties with U.S. farming states. Interim government head Muhammad Yunus hailed it as a "decisive diplomatic victory." The readymade garments industry, which employs about 4 million people and generates over 80% of Bangladesh's export earnings, is expected to face some short-term strain but remain competitive compared to rivals. Indian exporters warned that the higher tariffs could hurt their market position against countries with lower rates. [Source: Bangladesh secures 20% US tariff for garments, exporters relieved | Reuters](#)



20% US TARIFF ON BANGLADESH MAY FURTHER REDUCE: NSA

Bangladesh has negotiated a cut in U.S. tariffs on its exports from 37% to 20%, with National Security Adviser Khalilur Rahman indicating further reductions may be possible as talks continue. The breakthrough, credited to coordinated efforts by the commerce team and strong backing from business groups, was hailed as a competitive advantage for the country's \$40 billion garment industry, which exports about \$8 billion annually to the U.S. Leaders from FBCCI, BGMEA, BKMEA, and BTMA said the deal strengthens Bangladesh's position against rivals, encourages further investment, and underscores the need for policy support, customs reform, and diversification ahead of challenges posed by LDC graduation, when existing trade preferences will end.

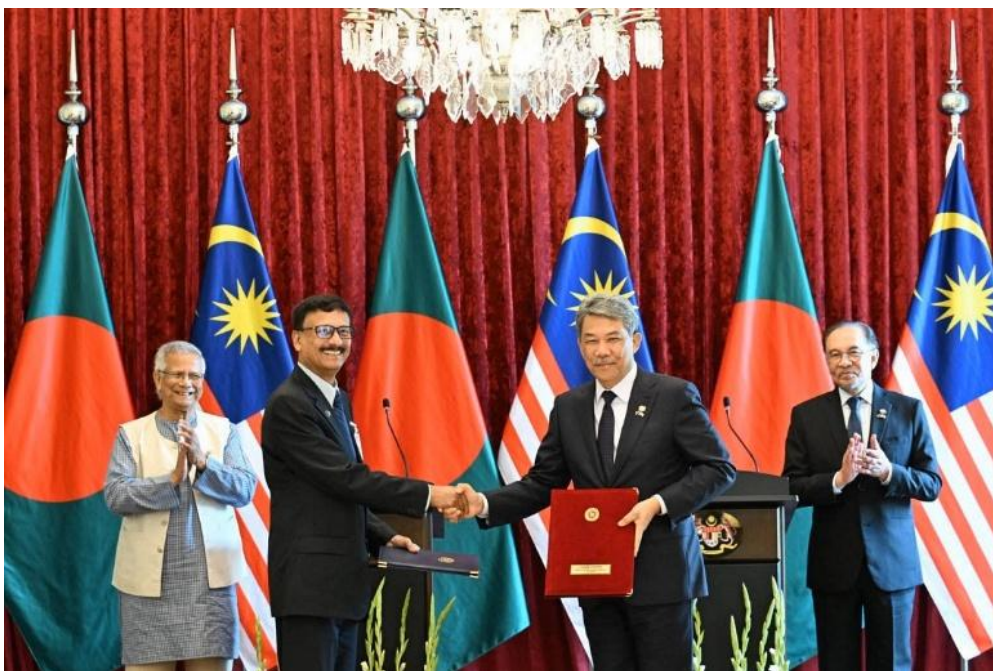
Source: [20% US tariff on Bangladesh may further reduce: Khalilur Rahman](#)



PROF YUNUS URGES MALAYSIA TO KEEP DOORS OPEN FOR BANGLADESHI WORKERS

During his state visit to Malaysia, Chief Adviser Professor Muhammad Yunus urged Kuala Lumpur to keep its doors open for Bangladeshi workers while seeking deeper financial, investment, and trade ties. Speaking alongside Malaysian Prime Minister Anwar Ibrahim after the signing of five MoUs and three Exchange of Notes, Yunus highlighted the role Bangladeshi workers play in both nations' development, noting the skills they gain abroad and the remittances they send home bolster families and the economy. He invited Malaysian businesses to invest in Bangladesh, citing opportunities in manufacturing, technology, and joint ventures aimed at global markets. Prime Minister Anwar reaffirmed Bangladesh's importance as a partner, praising Yunus's governance and economic progress, and pointed to ongoing cooperation in energy, telecommunications, halal industry development, STEM research, and semiconductors. Both leaders expressed commitment to strengthening cultural, economic, and institutional ties, with Malaysia announcing measures such as multiple-entry visas to support Bangladeshi workers and facilitate family visits.

Source: [Prof Yunus urges Malaysia to keep doors open for Bangladeshi workers](#)



BANGLADESH, MALAYSIA SIGN EIGHT DEALS TO BOOST BILATERAL COOPERATION

Bangladesh and Malaysia have signed a series of agreements and understandings aimed at expanding bilateral cooperation in areas ranging from trade, energy, and infrastructure to education, research, and cultural exchange. The deals, formalised in Putrajaya during Chief Adviser Professor Muhammad Yunus's visit, reflect both countries' intent to deepen strategic and economic ties, enhance institutional partnerships, and promote mutual investment opportunities. Leaders on both sides highlighted the potential for collaboration in emerging sectors, capacity building, and knowledge sharing, positioning the relationship for long-term growth in a rapidly changing regional landscape.

Source: [Prof Muhammad Yunus Malaysia Visit / Bangladesh, Malaysia sign eight deals to boost bilateral cooperation](#)

MALAYSIA CONCERNED WITH BANGLADESH'S BURDEN TO CATER ROHINGYAS: ANWAR IBRAHIM



Malaysian Prime Minister Anwar Ibrahim expressed concern over the significant burden Bangladesh bears in hosting a large population of forcibly displaced Rohingyas, emphasizing the regional priority of securing peace in Myanmar and providing urgent humanitarian aid to refugees and disaster victims. Speaking at a joint press conference with Bangladesh's Chief Adviser Professor Muhammad Yunus in Putrajaya, Anwar praised Bangladesh's proactive role in multilateral efforts to address the crisis, noting upcoming coordinated visits to Myanmar by Malaysia, Indonesia, the Philippines, and Thailand aimed at fostering peace and resolving ethnic conflicts amicably. Highlighting the longstanding partnership between the two countries, Anwar underscored the vital contributions of Bangladeshi workers to Malaysia's development and announced enhanced support measures such as the Multiple Entry Visa facility to assist these workers. He also pointed to ongoing cooperation in energy, telecommunications, halal industry, STEM, research, and semiconductors. Anwar lauded Professor Yunus's achievements in restoring peace and security during Bangladesh's transition period and continuing efforts to deepen bilateral ties in investment, trade, culture, and education. Malaysia's early official engagement with Bangladesh reflects its commitment to supporting the nation's peace, progress, and development. [Source:](#)

[Malaysia concerned with Bangladesh's burden to cater Rohingyas: Anwar Ibrahim](#)

CHITTAGONG PORT: FOREIGN OPERATORS TO TAKE OVER BY DECEMBER: BIDA CHAIRMAN

Bangladesh Investment Development Authority (BIDA) and Bangladesh Economic Zones Authority (BEZA)

Executive Chairman Ashik Chowdhury announced that foreign operators will be appointed by the end of December to manage key container terminals at Chittagong Port, including the New Mooring Container Terminal (NCT), Laldia Terminal, and Bay Terminal. Currently, only the New Mooring Terminal is operational and run temporarily by the Bangladesh Navy-owned Chittagong Dry Dock Limited, which has already increased container handling by 30% and reduced unloading time by 13%. The other terminals require construction and foreign investment. Ashik emphasized ongoing reforms aimed at modernizing port operations, including the introduction of a new automated software system to streamline processes, reduce paperwork, and cut corruption and harassment. The long-term vision is to raise Chittagong Port's global ranking and boost its capacity by four to five times by 2030, with a target to reduce clearance times to outperform competitors like Vietnam, thereby enhancing Bangladesh's trade efficiency and appeal to investors and exporters.



[Source: Chittagong Port: Foreign operators to take over by December](#)

SURELY INDIA WON'T DECIDE BANGLADESH'S TIES WITH PAKISTAN: TOUHID HOSSAIN

Foreign Affairs Adviser Md Touhid Hossain stated that just as Bangladesh does not determine the nature of India's relationship with Pakistan, India will not dictate Bangladesh's ties with Pakistan. Speaking at the Foreign Service Academy, he emphasized that Bangladesh seeks normal relations with Pakistan—neither strained nor unusually close—and that the upcoming visit of Pakistan's Deputy Prime Minister and Foreign Minister Ishaq Dar will focus on mutual interests like trade and commerce, with all aspects of the bilateral relationship open for discussion. While longstanding issues such as a formal apology for 1971 and outstanding funds may be raised, Touhid Hossain acknowledged these won't be resolved quickly but stressed a positive approach to prevent one issue from blocking progress. He also clarified there is no formal Bangladesh-China-Pakistan alliance, though informal meetings have taken place, and Bangladesh would welcome broader regional cooperation involving other countries. [Source: Surely India won't decide Bangladesh's ties](#)



[with Pakistan: Touhid Hossain | Prothom Alo](#)

JOINT MILITARY EXERCISE SHOWS STRONG BANGLADESH-US RELATIONS: JACOBSON

Bangladesh and the United States have concluded Tiger Shark, a bilateral military exercise aimed at strengthening regional security cooperation and interoperability between their armed forces. The exercise included diverse training activities such as medical drills, patrolling, marksmanship, swimming, diving, and close-quarters combat, along with expert exchanges and joint planning. This collaboration underscores the strong US-Bangladesh partnership and their shared commitment to peace and stability in the Indo-Pacific region.

[Source: Joint military exercise shows strong Bangladesh-US relations: Jacobson](#)



BANGLADESH INKS \$150M DEAL WITH ADB

Bangladesh and the Asian Development Bank (ADB) signed a \$150 million loan to improve Technical and Vocational Education and Training (TVET). The program focuses on key technology sectors and aims to enhance teacher skills, expand training outside Dhaka, and benefit over 250,000 students. It supports Bangladesh's goal of boosting employment and global competitiveness while establishing a system for ongoing teacher development.

[Source: Bangladesh inks \\$150m deal with ADB | Prothom Alo](#)



PAKISTAN DEPUTY PM TO ARRIVE IN DHAKA AUGUST 23

Pakistan's Deputy Prime Minister and Foreign Minister Ishaq Dar is scheduled to visit Dhaka on August 23 to strengthen diplomatic ties between Bangladesh and Pakistan. During his visit, Dar is expected to meet with Bangladesh's Foreign Affairs Adviser Md Touhid Hossain to discuss ways to enhance cooperation and engage in constructive dialogue. The visit, postponed earlier due to regional tensions, signals a renewed effort by both countries to improve relations and address shared interests.

[Source: New Age | Pakistan deputy PM to arrive in Dhaka August 23](#)

INDIA IMPOSES NEW RESTRICTIONS ON IMPORTING JUTE PRODUCTS FROM BANGLADESH

India has imposed new restrictions on imports of four jute products from Bangladesh, barring their entry through land ports and mandating shipment only via the Nhava Sheva Port in Mumbai. The affected products include jute and jute-based fabric, jute rope or cordage, rope made from jute products, and jute sacks or bags. This order, issued by India's Directorate General of Foreign Trade, takes immediate effect and impacts the most accessible export route for these goods, as over 99% of such exports currently use land borders. Bangladesh's jute industry leaders have called for bilateral talks to address the issue, emphasizing the need to explore alternative markets amid a series of recent Indian non-tariff barriers affecting Bangladeshi exports. Bangladesh exported \$1.57 billion worth of goods to India in the 2023–24 fiscal year, while importing \$9 billion, mainly raw materials and consumer goods from India.



Source: [ADB predicts decline in Bangladesh's GDP growth due to US reciprocal tariff](#)

BANGLADESH, INDIA TO HAVE BORDER TALKS SCHEDULED IN DHAKA THIS MONTH

The bi-annual India-Bangladesh border talks are set to take place in Dhaka later this month, marking the first visit by an Indian delegation since Bangladesh's government changed last year. Scheduled between August 25 and 28 at the Border Guard Bangladesh (BGB) headquarters in Pikhana, the 56th director general-level talks will be led by BSF Director General Daljit Singh Chawdhary. Key agenda items include addressing illegal border crossings and enhancing border management. India has deployed around 5,000 body-worn cameras to BSF personnel along the border to document incidents and improve accountability. While no major policy decisions are anticipated due to Bangladesh's current interim government, the talks will build on earlier agreements such as establishing

new communication links between border officers and identifying nearly 99 additional fencing sites. Approximately 864.48 kilometers of the shared border remain unfenced, posing ongoing security challenges along the border that spans five Indian states. **Source:** [Bangladesh, India to have border talks scheduled in Dhaka this month | The Business Standard](#)

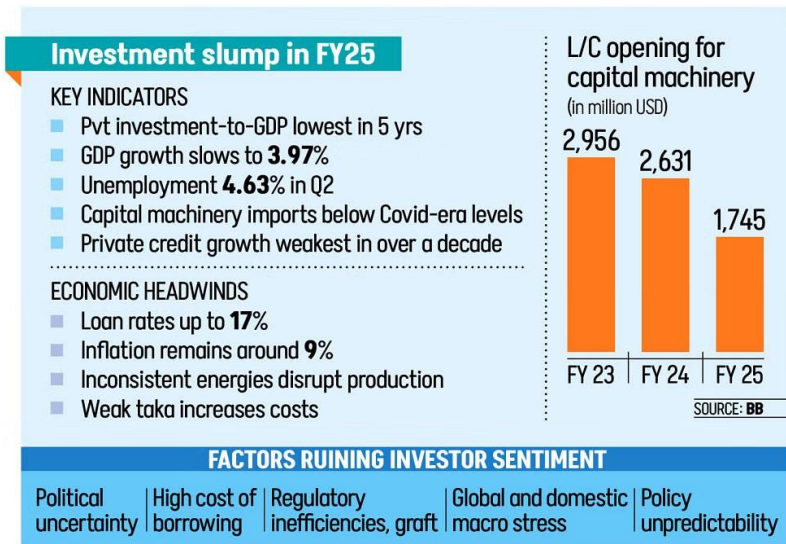
EXPORT EARNINGS REGISTER 25PC GROWTH IN JULY

Bangladesh's export earnings surged by nearly 25% in July 2025, reaching USD 4.77 billion compared to USD 3.82 billion in the same month last year, according to Export Promotion Bureau data. The ready-made garments (RMG) sector dominated exports with USD 3.96 billion, growing 24.67%, where knitwear rose 26% and woven garments 23%. Other notable growths included leather products at nearly 30%, engineering products soaring 74%, and frozen fish exports up by over 42%, led by shrimp. Home textiles, jute goods, agricultural products, and plastics also showed solid increases, reflecting a broad-based export recovery in the opening month of fiscal year 2025-26. **Source:** [Export earnings register 25pc growth in July](#)

CHINESE COMPANY BAISHILI HOUSEHOLD TO INVEST \$10.47M IN BEPZA ECONOMIC ZONE

Chinese company Baishili Household Products Bangladesh Co Ltd will invest \$10.47 million to set up a household products and bag manufacturing plant in the Bepza Economic Zone at Mirsharai, Chattogram. The factory aims to produce 21.41 million pieces annually of various household storage, decoration items, and bags, creating employment for 989 Bangladeshis. The investment agreement was signed at the Bepza Complex in Dhaka, with Bepza's Executive Chairman Major General Abul Kalam Mohammad Ziaur Rahman urging swift construction and emphasizing sustainable practices like solar panel installation and rainwater harvesting. **Source:** [Chinese company Baishili Household to invest \\$10.47m in Bepza economic zone | The Daily Star](#)

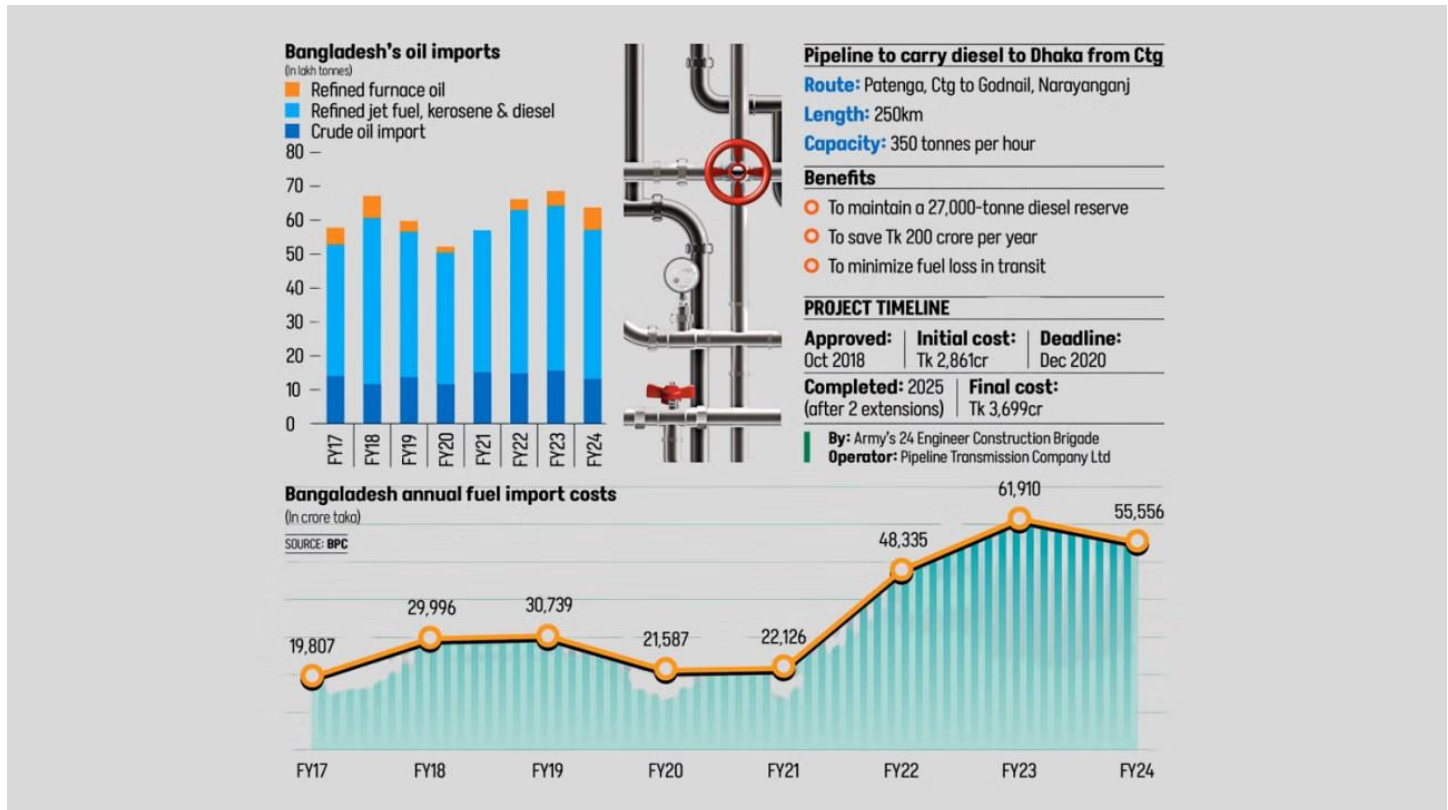
INVESTMENT SLUMP DEEPENS



As the interim government marks one year in office, Bangladesh is facing a sharp investment slowdown, with private investment at a five-year low and credit growth at its weakest in over a decade. Experts and business leaders cite high interest rates, energy shortages, political uncertainty, regulatory inefficiencies, and corruption as key factors undermining investor confidence. With GDP growth slowing to under 4% and rising unemployment, many investors are hesitant to commit until political stability and clear policies are established. Urgent reforms in financial governance, energy supply, and the ease of doing business are seen as essential to revive investment, sustain growth, and create jobs amid ongoing economic challenges.

Source: [Investment slump deepens | The Daily Star](#)

PIPELINE READY TO CARRY FUEL FROM CTG TO DHAKA



The long-awaited Chattogram-Dhaka fuel pipeline is set to officially launch on August 16, following three successful trial runs, according to the Bangladesh Petroleum Corporation (BPC). Stretching 250 kilometers, the pipeline will transport refined diesel directly from Chattogram's Patenga to the Godnail depot in Narayanganj, crossing multiple rivers and canals. Once operational, it is expected to save BPC about Tk 200 crore annually by cutting fuel transport costs and reducing risks associated with the current multi-modal system of river, rail, and road transport. The pipeline can handle up to 50 lakh tonnes of fuel per year and will be managed by the newly formed Pipeline Transmission Company Limited under BPC. Though originally planned for completion in 2020, the project faced delays and cost overruns, but it is poised to strengthen national energy security and improve delivery efficiency between the country's main port and capital.

Source: [Chattogram to Dhaka Underground Fuel Pipeline Inauguration 2025 | Pipeline ready to carry fuel from Ctg to Dhaka](#)



BANGLADESH SETS \$63.5B EXPORT TARGET FOR FY26

Bangladesh has set a \$63.5 billion export target for FY 2025-26, aiming for \$55 billion from goods and \$8.5 billion from services, marking a 16.5% increase from last year. Key sectors include knitwear (\$23.7 billion), woven garments (\$20.79 billion), leather goods, agriculture, and jute products. The government is negotiating free trade agreements with Japan, South Korea, and Singapore, and working to reduce the US reciprocal tariff from 20% to 15%, while addressing tariff and non-tariff barriers to expand market access, especially in the UK and EU. Industry leaders remain optimistic but highlight the need to tackle domestic challenges such as the gas crisis, banking instability, customs inefficiencies, and law-and-order issues to meet or exceed the target. Efforts are also underway to diplomatically resolve India's recent restrictions on jute exports via land ports, with expected minimal impact on overall exports.

Source: [Bangladesh sets \\$63.5b export target for FY26 | The Financial Express](#)



RUSSIAN OIL PURCHASE: TRUMP RAISES INDIA TARIFFS TO 50%

US President Donald Trump has imposed an additional 25% tariff on certain Indian goods, raising some duties up to 50%, in response to India's continued imports of Russian oil. This move, effective 21 days after August 7, significantly strains Indo-US relations and was condemned by India's foreign ministry as "unfair, unjustified and unreasonable." The tariffs threaten major Indian export sectors like textiles, footwear, and jewelry, potentially putting Indian exporters at a 30–35% disadvantage compared to competitors in Vietnam, Bangladesh, and Japan. While some products like smartphones are temporarily

exempted, the escalation signals a deep diplomatic rift, coinciding with India's efforts to strengthen ties with China. Despite the tensions, Indian officials suggest the tariff delay indicates a willingness from the US to negotiate, though no immediate retaliatory measures or high-level visits to Washington are planned. [Source: US Imposes 50 Percent Tariff On India | Russian oil purchase: Trump raises India tariffs to 50%](#)

INDIA PAUSES PLANS TO BUY US ARMS AFTER TRUMP'S TARIFFS: REUTERS

India has paused plans to procure U.S. weapons and aircraft—including Stryker combat vehicles, Javelin anti-tank missiles, and Boeing P81 reconnaissance planes—amid tensions following the U.S. imposing steep tariffs on Indian exports, especially as a penalty over India's Russian oil purchases. Defence Minister Rajnath Singh's planned Washington trip to announce these deals was canceled, reflecting Delhi's demand for clarity on tariffs and bilateral ties before moving forward. While no official pause was ordered and talks could resume quickly, the tariffs have introduced delays. Despite this, the broader U.S.-India defense partnership, including intelligence sharing and joint exercises, continues smoothly. India remains open to scaling back Russian oil imports and diversifying sources but is unlikely to fully end reliance on Russian military equipment due to longstanding ties and existing support needs. The situation highlights rising strains in U.S.-India relations linked to trade disputes, geopolitical alignments, and complex diplomacy over Russia. [Source: Exclusive: India pauses plans to buy US arms after Trump's tariffs | Reuters](#)

INDIA'S MODI TO VISIT CHINA FOR FIRST TIME IN 7 YEARS AS TENSIONS WITH US RISE



Indian Prime Minister Narendra Modi is set to visit China for the first time in over seven years to attend the Shanghai Cooperation Organisation (SCO) summit in Tianjin starting August 31. This visit marks a diplomatic thaw between the two countries following heightened tensions after their 2020 Himalayan border clash. Modi's trip comes amid escalating strains with the United States, which recently imposed steep tariffs on Indian goods—partly linked to India's continued purchases of Russian oil—and threatened further penalties. India's National Security Adviser Ajit Doval is currently in Russia discussing oil supplies and defense cooperation, including potential expedited delivery of the S-400 missile system and a possible visit by President Putin. Despite trade disruptions, India's GDP growth forecast remains steady at 6.5%, though the tariffs could cost India a competitive edge in roughly \$64 billion of exports to the U.S., about 80% of India's total exports to America.

[Source: India's Modi to visit China for first time in 7 years as tensions with US rise | Reuters](#)

MODI, BRAZIL'S LULA SPEAK AMID TRUMP TARIFF BLITZ

India's Prime Minister Narendra Modi and Brazil's President Luiz Inacio Lula da Silva recently spoke by phone amid growing tensions caused by U.S. tariffs hitting both countries. Lula confirmed a state visit to India in early 2026 and announced plans to rally the BRICS nations (Brazil, Russia, India, China, South Africa) to address the high U.S. tariffs, which were imposed by President Trump mainly as punishment for India's Russian oil imports and Brazil's political issues. The two leaders discussed boosting bilateral trade from \$12 billion to over \$20 billion by 2030, expanding the India-Mercosur trade deal, and enhancing digital payment cooperation. While Modi's office didn't directly mention the tariffs, India is signaling a shift to rebalance global partnerships, including preparing for Modi's first China visit in over seven years, reflecting a possible diplomatic recalibration amid friction with the U.S. [Source: India's Modi, Brazil's Lula speak amid Trump tariff blitz | Narendra Modi News | Al Jazeera](#)



TRUMP-PUTIN MEETING: MODI TELEPHONES ZELENSKY

Indian Prime Minister Narendra Modi expressed his commitment to an "early and peaceful" resolution of the Ukraine war following a phone call with Ukrainian President Volodymyr Zelensky. The discussion preceded a planned summit between Russian President Vladimir Putin and U.S. President Joe Biden in Alaska, aimed at resolving the three-year conflict. Modi reiterated India's consistent stance on peace and highlighted its role as a potential intermediary, balancing longstanding ties with Russia and growing security partnerships with Western countries. Despite recent talks between Russia and Ukraine, progress remains stalled, with Putin refusing direct talks with Zelensky, whom Ukraine insists must be involved for any meaningful agreement.

[Source: India's Modi, Brazil's Lula speak amid Trump tariff blitz | Narendra Modi News | Al Jazeera](#)



NSA DOVAL, EAM JAISHANKAR TO VISIT RUSSIA AMID US TARIFF THREATS

Russia condemned US President Donald Trump's threats of "substantial" penalties on India for continuing to buy Russian crude oil, calling them "illegal trade pressure." This comes as India's National Security Adviser Ajit Doval is scheduled to visit Moscow, with External Affairs Minister S. Jaishankar to follow later this month. Their visits coincide with upcoming summits involving Russian President Vladimir Putin and Indian Prime Minister Narendra Modi. Despite Trump's tariffs and criticism labeling India and Russia as "dead economies," India has shown no sign of reducing its Russian oil imports, which make up nearly 42% of its total crude oil supply. The Kremlin emphasized that sovereign

nations have the right to choose their trade partners, while India's Ministry of External Affairs rejected US threats as unjustified, highlighting double standards in Western trade relations with Russia, noting continued EU and US imports of Russian energy and industrial goods.

[Source: Doval, Jaishankar to visit Russia amid US tariff threats - The Tribune](#)

INDIA CLAIMS TO HAVE KILLED ALL SUSPECTS OF KASHMIR'S PAHALGAM ATTACK

India's Home Minister Amit Shah announced that all three armed suspects involved in the April 22 Pahalgam attack, which killed 26 people—mostly Hindu tourists—have been killed in a joint operation near Srinagar. India blamed Pakistan for supporting the assailants, sparking a deadly four-day conflict in May that left over 70 people dead on both sides. Shah said the attackers were Pakistani nationals, linked to Lashkar-e-Taiba, and identified using forensic and witness evidence. The Resistance Front (TRF) initially claimed responsibility but later retracted it; the U.S. has since designated TRF as a foreign terrorist organization. The incident adds to ongoing tensions over Kashmir, a disputed region divided between India and Pakistan since 1947.

[Source: India claims to have killed all suspects of Kashmir's Pahalgam attack | India-Pakistan Tensions News | Al Jazeera](#)

PAKISTAN

PAK ARMY CHIEF IN US AGAIN, MEETS MILITARY, POLITICAL LEADERS

In less than two months, Pakistan Army Chief Field Marshal Asim Munir is set to visit the United States again, engaging in high-level meetings with senior American military and political leaders, according to Dawn. This follows his historic June trip, where he became the first serving Pakistani army chief to meet sitting US President Donald Trump during a working luncheon, emphasizing the potential for a broader, multidimensional relationship based on mutual respect and shared strategic interests. During his recent visit to Tampa, Florida, Munir attended the retirement ceremony of General Michael E. Kurilla, outgoing CENTCOM Commander, and the change of command ceremony for Admiral Brad Cooper. He praised Kurilla's leadership and extended best wishes to Cooper, expressing confidence in continued bilateral cooperation. Munir also met with US Chairman of the Joint Chiefs



of Staff General Dan Caine, discussing strategic matters and inviting him to visit Pakistan. These visits underscore Pakistan's efforts to deepen military ties with the US amid evolving regional dynamics. [Source: Pak army chief in US again, meets military, political leaders](#)

PAKISTAN ARMY CHIEF WARNS IT WILL COUNTER ANY ACT BY INDIA

Pakistan Army Chief Field Marshal Asim Munir warned that Pakistan is fully prepared to counter any aggression from India amid continuing regional tensions following a brief but intense four-day conflict in May. Speaking at a dinner with the Pakistani diaspora in Florida during his recent US

visit, Munir accused India of attempting to destabilize the region and stated that any Indian aggression would be met with a "crushing response." Reports indicated he threatened to target any Indian dams on the Indus River with missiles and referenced the possibility of nuclear conflict, remarks that sparked condemnation from India's Ministry of External Affairs, which dismissed them as "nuclear sabre-rattling" and vowed not to succumb to "nuclear blackmail." Pakistan's Foreign Office rejected India's response, emphasizing Pakistan's responsible nuclear command under civilian control. The statements come amid Pakistan's growing ties with the Trump administration following the May conflict, while Indo-US relations have cooled. The recent clash, sparked by a deadly attack in Indian-administered Kashmir blamed on Pakistan, saw both sides exchange air and missile strikes, with conflicting claims over damage inflicted. Munir also praised Trump's role in brokering the ceasefire, a claim denied by Indian officials. [Source: Pakistan Army Chief Warns It Will Counter Any Act by India - Bloomberg](#)

MAJOR ECONOMIC PACKAGE EXPECTED AS PM SHEHBAZ SHARIF TO VISIT JAPAN



agriculture. [Source: Major economic package expected as PM Shehbaz Sharif to visit Japan](#)

Prime Minister Shehbaz Sharif is set to visit Japan in the first week of October on a special invitation from the Japanese government, marking the first visit by a Pakistani prime minister to Japan in 20 years. During the visit, Japan is expected to announce a significant economic and trade package for Pakistan, encompassing investment projects, industrial development, technology exchange, and export promotion. Several key agreements and memoranda of understanding will be signed, signaling a milestone in bilateral relations. Japan's ambassador Akamatsu Shuichi emphasized the visit's importance, calling it the start of a new chapter between the two countries. Shehbaz Sharif will meet Japan's prime minister and senior leaders, aiming to expand cooperation across government, business, public, and educational sectors. Additionally, Punjab Chief Minister Maryam Nawaz Sharif will visit Japan in mid-August to promote investment opportunities and strengthen ties in trade, technology, education, and

US IMPOSES 20 PERCENT TARIFF ON SRI LANKA

The recent 20% US tariff on Sri Lankan exports, particularly targeting the vital apparel sector, poses a severe threat to the country's economy, risking sharp declines in exports, widespread job losses, and deteriorating worker conditions amid already harsh IMF-imposed austerity. While the Sri Lankan government promotes the deal as maintaining competitiveness, key details linking trade concessions to alignment with US geopolitical interests remain undisclosed, highlighting the growing intertwining of economic and strategic pressures. Meanwhile, trade unions have largely failed to defend workers' rights, cooperating with authorities instead of organizing independent resistance. This tariff escalation is part of a broader US strategy of economic coercion that deepens global instability and underscores the urgent need for workers to unite beyond national borders to defend jobs, wages, and social rights. [*Source: US imposes 20 percent tariff on Sri Lanka - World Socialist Web Site*](#)



SRI LANKA'S DISSANAYAKE GOVERNMENT ANNOUNCES MARKET-DRIVEN EDUCATION REFORMS

The Sri Lankan government, under President Dissanayake and the JVP/NPP coalition, is set to implement market-driven education reforms starting in 2026 based largely on the previous Wickremesinghe administration's National Policy Framework for Education 2023–2033. These reforms aim to cut public spending, promote privatization, reduce the number of school subjects, and align education with labor market demands, prioritizing commercial interests over a broad, critical education. Despite widespread concern from academics, workers, and students about the erosion of free public education and the growing burden on poor families amid ongoing IMF austerity, opposition parties and education unions have failed to mount meaningful resistance. The Socialist Equality Party (SEP) and International Youth and Students for Social Equality (IYSSE) warn that defending education requires an independent, working-class political movement to challenge austerity and capitalist control, calling for grassroots action committees to fight for free, democratic education and broader social change. [*Source: Sri Lanka's Dissanayake government announces market-driven education reforms - World Socialist Web Site*](#)

"DOORS ARE OPEN": PRESIDENT DECLARES END TO DYNASTIC POLITICS, INVITES YOUTH TO LEAD

President Anura Kumara Dissanayake declared at the National Youth Summit that the era of inherited political leadership in Sri Lanka is over, calling on the nation's youth to become the true custodians of the country's future. He criticized past youth movements as tools of the old political elite used to protect family power rather than empower young leaders, emphasizing that the current political

transformation aims to break this cycle. Dissanayake stressed that future leadership will be based on merit, integrity, and vision—not bloodlines or privilege—and urged young people to embody justice and fairness themselves before demanding it. He affirmed that the present leadership is temporary and that the youth will one day inherit the responsibility of guiding Sri Lanka forward.

[*Source: "Doors Are Open": President Declares End to Dynastic Politics, Invites Youth to Lead*](#)

SRI LANKA MONETARY POLICY BALANCED, SPACE TO CUT ON AN EXTERNAL IMPACT: CB GOVERNOR

Sri Lanka's Central Bank Governor Nandalal Weerasinghe stated that the country's monetary policy is currently balanced, with a policy rate of 7.75 percent and an inflation target of 5 percent, resulting in a real interest rate of 2.75 percent. He noted that economic growth is nearing 5 percent, exceeding the IMF's 3 percent projection, indicating a well-calibrated policy stance. While the central bank remains prepared to cut rates if external shocks—such as the impact of US tariffs—materialize, Weerasinghe cautioned against premature easing to avoid creating financial bubbles. He expressed confidence in meeting the year-end IMF target of about \$7 billion in foreign reserves and emphasized that reducing the proposed US tariff on Sri Lankan exports from 44 to 20 percent has helped preserve the country's competitive position.

[*Source: Sri Lanka monetary policy balanced, space to cut on an external impact: CB Governor | EconomyNext*](#)

FDI MORE THAN DOUBLES IN 1H2025, SIGNALLING INVESTOR CONFIDENCE

Sri Lanka's foreign direct investment (FDI) inflows more than doubled in the first half of 2025, reaching US\$ 507 million compared to US\$ 252 million in the same period last year, signaling renewed global investor confidence. The Board of Investment (BOI) also reported a rise in local investment to US\$ 285 million, alongside the approval of 57 new projects worth US\$ 569 million, of which US\$ 320 million came from foreign sources. These include 31 greenfield and 26 expansion projects expected to generate over 14,000 jobs. Key investment areas include port development, manufacturing, tourism, and services. The growth reflects policy reforms, improved facilitation, and strategic positioning as a regional investment hub. The government has reinforced this trend by reinstating the Investor Facilitation Coordination Committee (IFCC) and strengthening digital and one-stop investor services, while the BOI plans to accelerate implementation and align investments with green growth, digital transformation, and export diversification.

[*Source: FDI more than doubles in 1H2025, signalling investor confidence - Business Main | Daily Mirror*](#)

MALDIVES

MALDIVES PRESIDENT MUIZZU THANKS INDIA FOR 'PIVOTAL' ECONOMIC ASSISTANCE



'pivotal' economic assistance - The Hindu

Maldivian President Mohamed Muizzu expressed gratitude to India for its “pivotal role” in helping Maldives overcome its economic and liquidity challenges during Indian Prime Minister Narendra Modi’s two-day state visit to the island nation on July 25, 2025. The visit marked a renewed warmth in bilateral ties following strains after Muizzu’s election in 2024. Both leaders emphasized a clear roadmap for future cooperation across sectors, formalized through the exchange of four MoUs and the signing of three agreements. PM Modi highlighted Maldives as a key part of India’s “neighbourhood first” policy and announced India’s extension of a \$565 million line of credit, including upgrades to the ferry network to enhance connectivity, symbolizing the strengthening of this “very cherished friendship” between the two countries.

Source: [Maldives President Muizzu thanks India for](#)

NEPAL



Source: [Misri visiting Nepal to set stage for PM Oli's India trip](#)

MISRI VISITING NEPAL TO SET STAGE FOR PM OLI'S INDIA TRIP

Nepal is preparing for Prime Minister KP Sharma Oli’s official visit to India, tentatively scheduled for September 16, 2025, with Indian Foreign Secretary Vikram Misri visiting Kathmandu on August 17 to lay the groundwork for the trip. Misri’s two-day visit aims to discuss the visit’s agenda, possible agreements—including a likely Mutual Legal Assistance (MLA) treaty on criminal matters—and arrangements for Oli’s travel beyond New Delhi, traditionally part of such visits. This will be Misri’s second visit to Kathmandu since becoming India’s foreign secretary. Despite previous strained ties between Oli and Indian Prime Minister Narendra Modi—exacerbated by boundary disputes and Nepal’s closer ties with China—diplomatic engagement has increased recently, including home secretary-level talks and progress on border discussions. Officials express cautious optimism that the visit will mark a positive chapter in Nepal-India relations, with formal announcements pending.

CHINA'S DOMINANCE IN NEPAL EV MARKET LEAVES INDIA TRAILING

The Nepal Automobile Importers and Manufacturers Association (NAIMA) Auto Show in Kathmandu showcased a booming competition between Chinese and Indian electric vehicle (EV) makers, with Chinese brands, especially BYD, clearly leading the market. Visitors like Ishwar Rauniyar were impressed by the advanced technology and affordability of EVs priced below Rs3 million. Electric vehicles now dominate Nepal’s passenger vehicle imports, accounting for 73 percent of four-wheelers, with EV imports rising 23.33 percent in the last fiscal year to over 16,700 units worth Rs41.23 billion. This marks a dramatic shift from just five years ago when only 236 EVs were imported. Initially, Indian-made Tata Nexon EVs were popular, but since BYD’s entry offering innovative features, Chinese brands have surged ahead despite India’s continued efforts to supply the market. The strong demand has prompted the auto show’s extension, reflecting Nepal’s rapidly growing appetite for electric mobility.

Source: [FDI more than doubles in 1H2025, signalling investor confidence - Business Main | Daily Mirror](#)

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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.

DISCLAIMER

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