



## Trade Tides

### *Navigating India-Bangladesh Relations*

India-Bangladesh relations are time tested, and the relationship between these two very close neighbours is rooted in the ethos of mutual respect. By fostering collaboration on subjects such as energy, counterterrorism, they have been able to overcome a phase of uneven times to emerge as close partners on the path of progress and development. Both countries have worked on some key projects, which include enhanced cross-border connectivity initiatives, such as improved rail, water and road links, aimed at boosting bilateral trade.

Additionally, they are expected to expand trade cooperation under a Comprehensive Economic Partnership Agreement (CEPA) underscoring their commitment to long-term economic integration. Now, it is a matter of time to see that by striking a balance between diplomatic, economic, and defence cooperation, how they will elevate their partnership in existing and new areas.

With this Background and Context, this Occasional News Wrap has reviewed and compiled some relevant articles in print and electronic media on the recent developments in Bangladesh.

1.	<p><b>Comprehensive economic partnership in focus as India and Bangladesh ink new pacts (22nd June 2024), FE</b></p> <p><i>By Express Defence</i></p> <p>Financial Express</p> <p>June 22, 2024</p>	<p>The agreements between India and Bangladesh signal a new era in bilateral relations, with both nations committing to a <a href="#">Comprehensive Economic Partnership Agreement (CEPA)</a> and cooperation across key sectors. These include maritime collaboration, defence modernization, digital infrastructure, green partnerships, and enhanced railway connectivity. The launch of India's e-medical visa for Bangladeshi nationals and discussions on shared water resources highlight a focus on people-to-people ties. Overall, the vision set by Prime Ministers Modi and Hasina aims to deepen economic integration, foster sustainable development, and strengthen regional security.</p>
2.	<p><b>No visible progress in signing CEPA with India</b></p> <p><i>By Refayet Ullah Mirdha</i></p> <p>The Daily Star</p> <p>July 01, 2024</p>	<p>Although Bangladesh and India agreed nearly two years ago to start negotiations on a Comprehensive Economic Partnership Agreement (CEPA), <a href="#">formal talks have yet to begin</a>. Bangladesh is keen to secure trade deals before its graduation from the Least Developed Countries (LDC) group in 2026 to maintain preferential market access. While discussions have taken place, a concrete timeline for CEPA negotiations remains unclear. Both countries stand to benefit from the agreement, with Bangladesh potentially boosting exports and services, while India is expected to gain from reduced tariffs and increased exports.</p>
3.	<p><b>Bangladesh crisis: How trade with India could face major disruptions</b></p> <p><i>By India Today Business Desk</i></p> <p>India Today</p> <p>Aug 06, 2024</p>	<p>Bangladesh's strong partnership with India, fostered under Prime Minister Sheikh Hasina, has boosted trade and economic ties. However, the <a href="#">current political instability in Bangladesh raises concerns about the future</a> of this relationship. Key discussions on a potential Free Trade Agreement (FTA) and trade, valued at \$13 billion in 2023-24, may be disrupted. Trade flows, infrastructure projects, and connectivity crucial to India, particularly its Northeast region, face uncertainty. Internet disruptions have already affected banking and exports, and the coming days will be critical for assessing the broader impact on Indo-Bangladesh trade.</p>
4.	<p><b>Turmoil in Bangladesh and its impact on India-Bangladesh trade ties</b></p> <p><i>By Durgesh K Rai</i></p> <p>The Economic Times</p> <p>Aug 27, 2024</p>	<p>The on-going socio-political turmoil in Bangladesh poses significant risks to its economic relationship with India, which has become one of India's leading export destinations. Under Sheikh Hasina's leadership, Bangladesh's economy flourished, driving strong trade ties with India, particularly in textiles, cotton, fuel, and agricultural products. However, <a href="#">the crisis threatens to reduce demand for Indian imports</a>, impacting sectors like textiles, agriculture, and energy. While India's garment industry might gain some competitive edge globally, it lacks the capacity to fully replace Bangladesh's market share, limiting the potential upside.</p>

<p>5.</p>	<p><b>India-Bangladesh trade resumes from West Bengal’s Petrapole land port amid tight security</b></p> <p>The Hindu</p> <p>Aug 08, 2024</p>	<p>Trade between India and Bangladesh, which had halted on August 5, 2024, following the fall of Sheikh Hasina's government, <a href="#">resumed on August 8 at the Petrapole land port</a> in West Bengal under tight security. Petrapole is the largest land port for bilateral trade between the two countries. Although trade partially resumed at other ports a day earlier, perishable goods were primarily affected. India heightened security along the border amid the political crisis in Bangladesh. India is Bangladesh’s largest trade partner in South Asia, with key exports including vegetables, cotton, and vehicles.</p>
<p>6.</p>	<p><b>Bangladesh, India trade via railway resumes through Benapole after 47 days</b></p> <p>Dhaka Tribune</p> <p>Sept 04, 2024</p>	<p><a href="#">Trade activities resumed after 47 days of suspension via railway at Benapole</a> land port, situated between Bangladesh and India. This decision came after consultations between senior officials from both countries. The suspension, which began on July 19 due to security concerns amid public protests in Bangladesh, was lifted after the fall of the Awami League government on August 5 and the establishment of an interim government. Traders expressed relief as goods like stones, gypsum, cement materials, garments, chemicals, and motor vehicles resumed flowing through this vital trade route.</p>
<p>7.</p>	<p><b>Bangladesh to export 2,420 tonnes of Hilsa fish to India ahead of festive season</b></p> <p><i>By Sutanuka Ghosal</i></p> <p>Economic Times</p> <p>25th Sept 25, 2024</p>	<p>The <a href="#">Bangladesh government has approved the export of 2,420 tonnes of Hilsa</a> fish to India ahead of the festive season, which will lower prices from Rs 2,000 to Rs 1,200 per kg. Initially, an export ban was imposed by the interim government to meet local demand, but it was later revised. Indian importers, however, must complete the imports by October 12, raising concerns about the tight deadline. Despite a limited local supply of Hilsa, Bangladesh's Padma Hilsa is prized for its superior taste, especially during the Durga Puja season.</p>