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THE INDIAN EXPRESS, NEW DELHI 7-4-2021

Moscow plays down Beijing, pledges deeper Delhi ties: S-400 to Afghanistan

Shubhajt Roy

Incidentally, Moscow played the meeting ground for Indian and Chinese ministers last year amid the ongoing border standoff.

In a bid to iron out divergences and build on the common “resilient” ground ahead of Russian President Vladimir Putin’s visit later this year, Indian and Russian Foreign Ministers Tuesday sought to address each other’s concerns on a wide range of issues — from defence supplies to the S-400 air defence system, India’s role in Afghanistan and Taliban’s involvement in power-sharing to cooperation on Covid vaccines and Delhi’s participation in the Quad grouping.

Less than a month after the first ever Quad leaders’ virtual summit, visiting Russian Foreign minister Sergey Lavrov Tuesday, with External Affairs minister S Jaishankar by his side, sought to downplay the growing ties with Beijing saying Russia-China relations are at their “highest ever,” but these aren’t aimed at a “military alliance.” He took a swipe at the Quad grouping and referred to it as an “Asian NATO” — a term, incidentally, used by Beijing.

Incidentally, Moscow played the meeting ground for Indian and Chinese ministers last year amid the ongoing border standoff.

However, both sides underlined the convergences — deepening defence and energy cooperation; longstanding partnership in space and nuclear sectors; economic opportunities in the Russian Far East and leveraging the Atmanirbhar Bharat campaign; connectivity through the International North-South Transport and the Chennai-Vladivostok Eastern maritime corridors.

Jaishankar called the cooperation “energetic and forward looking” while Lavrov said bilateral ties were “valuable, mutually respectful,” and not “subjected to political fluctuations”.

“We both agree that this attests to the maturity and remarkable resilience of our relations,” Russian minister said.

Russia’s tightrope walk

India has been cautious in dealing with Russia over the past year given its dependence on Moscow for defence supplies. Moscow’s proximity to Beijing is being watched in Delhi. Russia also has misgivings about Quad diplomacy. Lavrov’s visit is part of the diplomatic tightrope both sides are walking as he heads to Islamabad from Delhi.

The contentious issue of the sale of the S-400 air defence system figured in the discussions. While India is keen on buying it, Washington has repeatedly expressed reservations — the Trump administration did not invoke sanctions on Indian entities and the Biden administration is yet to take a call.

Responding to a question on US pressure on India buying the S-400, “The USA says this overtly...but we also know the response of India. We did not discuss these statements from the USA. Instead, we confirmed that we are going to

deepen our military cooperation...discussed the prospect of additional manufacturing of Russian military equipment in India within the concept of Made in India...I didn’t feel any fluctuations or changes from our Indian partners and friends.”

However, the divergences, too, came through quite clearly. Lavrov, answering questions after a bilateral meeting with Jaishankar, stuck to the formulation of “Asia Pacific” while his Indian counterpart referred to “Indo-Pacific”. Jaishankar indicated as much — when he said that the “larger backdrop of global political changes provided the context.”

Lavrov, responding to a question on a possible military alliance between Moscow and Beijing, said: “...In the course of the Russia-China Summit, we said our relations are at the highest in the history. But these relations do not pursue a goal of establishing a military alliance. By the way, we have had speculations about pro-military alliances not only regarding Russia-China relations, we also heard about such alliances, allegedly being promoted as such as Middle East NATO, and we also heard about Asian NATO. Today, we exchanged views on these, and Indian friends have the same position and we believe that this is counterproductive, we are interested in inclusive cooperation, that is for something, not against somebody.”

This is not the first time that Lavrov has expressed his apprehension about the Quad, but his reference to Asian NATO is a construct used by Beijing. Chinese Foreign minister Wang Yi has called Quad the “Indo-Pacific NATO” in the past.

THE TIMES OF INDIA, NEW DELHI 12-4-2021

A sea grumble: India and the US should work together to tackle China’s maritime belligerence

Editorial

Times of India’s Edit Page team comprises senior journalists with wide-ranging interests who debate and opine on the news and issues of the day.

In a totally avoidable kerfuffle, the US navy carried out a freedom of navigation operation (FONOP) in India’s exclusive economic zone near Lakshadweep deliberately without New Delhi’s permission. In fact, the US Seventh Fleet in a statement said that the USS John Paul Jones — a guided missile destroyer — asserted navigational rights and freedoms around 130 nautical miles west of Lakshadweep on April 7. India has objected to this citing the United Nations Convention on the Law of the Sea (UNCLOS).

While the US has since somewhat toned down its statement, saying it had carried out an innocent passage in the vicinity of the Maldives and that its FONOPs aren’t targeted at any country in particular, the whole affair does stick out as an oddity. After all, the US hasn’t even ratified UNCLOS. True, the US navy has been carrying out FONOPs in the South China Sea against China’s excessive maritime claims there. But Beijing claims almost all of SCS through its so-called nine-dash line cartographical innovation, which was rejected by the Permanent Court of Arbitration in 2016. Plus, China has been building artificial islands, militarising

them and harassing legitimate commercial activities of other nations.

So there can be no comparison between India and China. Besides, even if Washington disagrees with New Delhi's domestic maritime laws, the matter can be handled with more finesse. For, the two sides today are part of the Quad and are increasing bilateral naval cooperation to counter China's aggressive tactics. But if India and the US allow minor disputes to creep up, it will undermine the overall objective of Quad and ultimately affect the reinforcement of a rules-based international order. Therefore, Indian and US navies should coordinate more closely and keep their eyes on the bigger Chinese threat.

THE INDIAN EXPRESS, NEW DELHI 13-4-2021

India and the great power triangle of Russia, China and US

By C. Raja Mohan

Delhi has successfully managed the changing dynamics between the great powers, and is now in an even better position to do so thanks to the size of the Indian economy. The recent visit of Russian foreign minister Sergei Lavrov to Delhi and Islamabad is among multiple signs of India's changing relations with the great powers. The others include the dramatic rise of China and Beijing's new assertiveness. At the same time, Delhi's growing strategic partnerships with the US and Europe have begun to end India's prolonged alienation from the West. Meanwhile, New Delhi's own relative weight in the international system continues to increase and give greater breadth and depth to India's foreign policy.

Change is the only permanent feature of the world and Delhi has no reason to be sentimental about the past. Consider, for example, the shifts in the triangular relations between Russia, China and America. If you like to pick nits, you could argue with Lavrov's claim in Delhi last week about relations between Moscow and Beijing being in their best-ever phase today. They were probably even better in the 1950s when Russia and China were ideological soulmates united by expansive economic and security cooperation.

The leaders of the two nations — Joseph Stalin and Mao Zedong — signed a formal treaty of alliance in 1950. Russia not only invested massively in the economic modernisation of China, but also gave it technology that made it easier for Beijing to become a nuclear weapon power.

However, by the 1960s, the two communist states were at each other's throats, arguing about ideology and a lot else. Dispelling the illusions that communist states don't fight with each other, the armies of Russia and China fought each other on their frontier in 1969. The Sino-Soviet split had consequences way beyond their bilateral relations. None of them more important than the efforts by both Moscow and Beijing to woo Washington.

The break-up between Russia and China also opened space for Delhi against Beijing after the 1962 war in the Himalayas. As Sino-Russian relations worsened in the 1960s along with the deterioration of India's relations with

China, Delhi and Moscow found common interest in balancing Beijing. That did not last too long though.

Under intense American pressure on Russia in the 1980s, Moscow sought to normalise ties with Beijing. After the collapse of the Soviet Union, Moscow's first instinct was to become a part of the political West. But disappointed with the Western response, Russia turned to build a stronger partnership with China.

Stepping back to the 1960s and 1970s, China strongly objected to Delhi's partnership with Moscow (much in the manner that Beijing complains about India's relations with America today). In a pithy but vulgar summary of Delhi-Moscow ties, Mao Zedong described them as the Russian bear mounting the Indian cow. Although the Indo-Russian strategic liaison endured, it was never without its share of problems that Delhi had to cope with.

Russia, which today resents India's growing strategic warmth with the US, has its own long history of collaboration with Washington. Moscow and Washington were allies in defeating Hitler's Germany and in constructing the post-War Yalta system on which the current world order rests. The alliance between Washington and Moscow, however, quickly degenerated into a Cold War by the late 1940s.

But by the turn of the 1960s, Russia was seeking peaceful coexistence with America. Together, Moscow and Washington laid the foundations for nuclear arms control and sought to develop a new framework for shared global leadership.

Delhi was happy to welcome Russia's repeated veto in the United Nations Security Council against Anglo-American interventions on the Kashmir question. But it was anxious about the dangers of a potential US-Russian global condominium. This is not very different from Delhi's worries these days about America and China setting up a G-2 over Asia and the world.

Delhi was especially concerned about the Nuclear Nonproliferation Treaty system, with all its constraints on India's atomic options, that Moscow and Washington constructed in the late 1960s. Many other global and regional issues, including Russian interventions in Hungary, Czechoslovakia and Afghanistan, created political difficulties for India. Delhi never relished Moscow's ideas on "Asian collective security". China was even more visceral in its denunciation of the US-Soviet detente in the 1960s and 1970s. But Mao's answer was not in staying away from both, but in leaning towards America.

Although he fought a costly Korean War with the US in the early 1950s, Mao had no difficulty cosyng up to Washington in 1971 to counter the perceived threat from Russia. He was merely following the old Chinese dictum of "aligning with the far to balance the near". His successor, Deng Xiaoping, refused to extend the 1950 security treaty with Russia that expired in 1980.

Deng turned, instead, towards building a solid economic partnership with the US and the West that helped accelerate China's rise as a great power. Today, the Chinese economy is nine times larger than that of Russia. If Moscow was the big brother in the 1950s, Beijing is the senior partner today.

It is a reminder that power balances will inevitably change over time.

Despite all their venting on India joining an “Asian Nato”, China and Russia have not stopped seeking special bilateral relationships of their own with America. The problem is not about principle, but the difficulty of finding acceptable terms of accommodation with Washington. Delhi has no reason to rule out important changes in the way the US, Russia and China relate to each other in the near and medium-term.

The twists and turns in the triangular dynamic between America, Russia and China noted above should remind us that Moscow and Beijing are not going to be “best friends forever”. Nor will America’s ties with China and Russia remain permanently frozen. Delhi has successfully managed the past flux in the great power politics; it is even better positioned today to deal with potential changes among the great powers, thanks to the size of the Indian economy — it is the sixth-largest in the world — and a more broad-based foreign policy.

In the last few years, India has finally overcome its historic hesitations in partnering with the US. Delhi has also intensified its efforts to woo European powers, especially France. Prime Minister Boris Johnson’s visit to Delhi later this month promises a fresh start in India’s difficult postcolonial ties with Britain. India is also expanding its ties with Asian middle powers like Japan, Korea and Australia. The current troubles with China seem to be an unfortunate exception to the upswing in India’s bilateral ties with global actors. What about Russia? Despite the current differences over Afghanistan and the Indo-Pacific, Delhi and Moscow have no reason to throw away their mutually beneficial bilateral partnership. To be sure, their relations with third parties like China and America are evolving. But none of that change is impossible for Delhi to manage.

THE TIMES OF INDIA, NEW DELHI 14-4-2021

India, France explore ways to strengthen ties in Indo-Pacific

TNN

NEW DELHI: India and France on Tuesday explored ways to strengthen cooperation in Indo-Pacific, including the India-France-Australia trilateral mechanism, addressing emerging challenges in the maritime and space domain and working together in the area of climate action and biodiversity protection.

In this regard, India welcomed France’s decision to take up the ‘Maritime Resources’ pillar of India’s Indo-Pacific Oceans Initiative, the government said in a statement after a meeting between foreign minister S Jaishankar and his counterpart Jean-Yves Le Drian.

The two ministers also held discussions on a number of regional and global issues of mutual interest, reiterating their shared commitment to a multipolar world and faith in multilateralism, the government said.

Looking to tap the full potential of bilateral trade and economic relations, both sides recognised the importance of fast-tracking the discussions on an India-EU trade and

investment agreement. “In the context of the changes in a Covid-impacted world, both ministers recognised the immense opportunities for greater collaboration in diverse sectors such as trade and investments, defence and security, health, education, research and innovation, energy and climate change,” the statement said.

HINDUSTAN TIMES, NEW DELHI 10-4-2021

As a tri-polar nation, India has a critical role in the Arctic

By Uttam Kumar Sinha

The Arctic has politico-strategic challenges and competitive economic and commercial interests, with 13% of the world’s undiscovered oil resources, 30% of undiscovered natural gas resources, and vast deposits of strategic metals. India recently circulated a draft Arctic Paper for public comments. A final document is now awaited. India’s Arctic attention has a brief-but-significant timeline, starting with expeditions in 2007 to the Arctic Ocean; the opening of a research station, Himadri, in 2008, at the international research base at Ny-Alesund in Svalbard, the northernmost island in the world belonging to Norway; and then being granted Observer Status to the Arctic Council in 2013 along with other Asian countries such as China, Japan, Singapore and South Korea.

India’s Arctic activities have come on the back of its successful scientific and diplomatic endeavours in Antarctica, the southernmost frozen continent. Closer home, the Hindu-Kush Himalaya mountains, referred to as the Third Pole, with maximum snow and ice accumulation outside the two polar regions, is a critical water store for socio-economic development in India and its neighbourhood.

The three poles — the Arctic, Antarctic and the Himalayas — with their breathtaking landscape and permafrost ecosystem are connected through risks and vulnerabilities of changing climate systems and are an intricate part of the global commons. The physical changes in the Arctic are highly likely to impact the Indian monsoon or “tele-connection” as it is described. Likewise, the emissions from the Gangetic plains partly explain the black carbon events witnessed recently in the Arctic.

But what skips our imagination is that India is a tri-polar nation, both in terms of its multi-level scientific engagement vis-à-vis the Antarctic Treaty System and the Arctic Council, and its commitment to mitigating climate risks in its neighbourhood. India would do well to leverage the tri-polar geographical expression in its diplomacy, given its own climate vulnerability and its efforts to foster climate-resilient economic development.

In fact, the intersection of science and diplomacy, as seen in India’s vaccine outreach, and the soft power projection that India has tried to assiduously build into its foreign policy makes the Arctic an important area to engage in. But unlike the Antarctic, where the legacy of peace and science prevails, the Arctic has politico-strategic challenges and competitive economic and commercial interests with 13% of the world’s undiscovered oil resources and 30% of

undiscovered natural gas resources. Vast deposits of strategic metals have also been discovered. As the ice extent declines due to global warming, navigation in the Arctic Ocean will become significantly wider with the potential to become the world's largest logistics intersections.

The opening up of the Arctic in terms of economic opportunity is in India's interest, but has to be carefully weighed. Rather than engaging in a resource rush, it would be better to draw home new investments in clean energy from the Arctic states. The year 2021 is estimated to be the first time renewable energy will surpass oil and gas as the largest area of spending in the energy sector. India has, over the last five years, built a positive climate image, often stating that its development trajectory will be increasingly green.

The Arctic emphasis, thus, should continue to be one of scientific enterprise with efforts to build India's knowledge profile. Expanding its scientific footprint will certainly require a state-of-the-art polar research vessel. Joint projects on polar research should become part of the bilateral arrangement with the Arctic states such as Russia and Canada. There is already abiding polar science cooperation with the Norwegian Polar Institute.

Coincidentally, India and Norway are currently in the United Nations Security Council (UNSC). It is a unique opportunity for the two to align, "human-centric and inclusive solutions", as India describes its tenure in UNSC, to the impact of the climate crisis on peace and security that Norway desires to raise.

For India, the Arctic has a deep civilisational connect. It enshrines a consciousness of human social evolution as a response to the physical environment as Bal Gangadhar Tilak expressed in his work, *The Arctic Home in the Vedas* (1903). Celebrating international yoga day among the scientists in Ny-Alesund on June 21, the day of the summer solstice, will be a mark of diplomatic symbolism in the High North.

THE PIONEER, NEW DELHI 10-4-2021

India-Pakistan peace process is far from dead

Gaurie Dwivedi

Right now, peace looks elusive, but the peace process does not. By all aspects, it is clear that the process is thriving and may succeed in thrashing out some of the differences

One does not need to be a rocket scientist to know Pakistan Prime Minister Imran Khan has robbed whatever little credibility civilian Governments in his country have, with his multiple policy flip-flops. Just like one does not need to be an astute political pundit to know Prime Minister Narendra Modi is not like former PM Rajiv Gandhi in wanting to leave contentious border disputes to the "wisdom of the next generation". If anything, PM Modi has enough political capital to push through a resolution. Amidst the contrast in the two civilian leaderships of the hostile neighbours, how does one read the current India-Pakistan situation? Is there any prospect of peace, given that even baby steps like trade and resumption of sporting ties are not

possible in the vitiated atmosphere? There are reasons to assume a positive movement will take place in the India-Pakistan ties, for three clear reasons.

First, the Pakistani economy cannot continue the status quo — of next-to-nothing trade with India. Islamabad is on its 13th loan from the International Monetary Fund (IMF) and the economy is battling a crippling inflation. Adding to Pakistan's economic woes is its surging wheat imports. After years of being self-sufficient, Pakistan is now being forced to import wheat to feed its people. Even if one discounts any comparisons with Bangladesh — which is growing at an impressive eight per cent with higher Gross Domestic Product (GDP) and four times more forex collections — Pakistan's economy needs help.

It is not for nothing that the Pakistani Army chief spoke about geo-economics in his much talked-about speech on March 18. No amount of jingoism can cover up for the present economic woes of Pakistan. The Pakistani Army understands this even more, given that it is one of the key stakeholders in the economy. If it were not for its obsession to 'checkmate' India, would the Pakistani economy — with its excessive defence spends — be in such a mess? Opening up trade with India will be the first set of the baby steps that are needed towards any normalisation. But more importantly, it will be vital for fixing Pakistan's economy.

The worst of Pakistan's economic mess is yet to present itself, in the form of large payouts to China. China has invested heavily in the China- Pakistan Economic Corridor, which is a vital part of its Belt and Road Initiative. China is a rent- seeking country, not an aid-granting friend. And sooner than later, China will extract its pound of flesh from Pakistan for the large amount of funds it has invested in the strategically-located country. In fact, the few sane voices in the Pakistani establishment must be wondering what would have been Islamabad's relations with Beijing if the former was not focused only on its India hatred. It would have had normal ties with China and not become its vassal State — only because it sought to undermine New Delhi. In the process, though, it has become heavily indebted to Beijing. As the payments would start, so would Pakistan's economic headaches.

Second, the happenings in Afghanistan — keenly watched by Islamabad — may have a bearing on the India-Pakistan conundrum. If some reports are to be believed, the withdrawal of the US forces from Afghanistan could pave the way for a multi-nation UN team to oversee that the nation does not fall into chaos. It would be logical to assume New Delhi's inclusion in the same, since the US has always favoured India to play a larger role. Such an outcome would be least desirable for Islamabad since it will undercut its geo-strategic importance and reduce its bargaining power with the US.

It would not be out of the ordinary to assume that some of the backchannel lines of communication may include Afghanistan and the role both India and Pakistan would play in it. After all, Pakistan — which now has diminishing returns from its Kashmir rhetoric — has not been able to successfully rake up the support of global powers on the issue of abrogation of Article 370. On the contrary,

Islamabad stands to gain significantly by leveraging its role in Kabul post-US exit. So will Imran Khan (or his military bosses) want to risk a larger play in Afghanistan by holding onto the Kashmir issue? Or would they choose to show some positive gestures (like ceasefire) on Kashmir in return for continuing its important position in determining Kabul's future?

The answer to this is clear, but its implementation will be decided by the fate of 'informal' talks between India and Pakistan. Nevertheless, it will be an important choice to make for all decision-makers in Pakistan (which may or may not include Imran Khan).

Third, in July, some elements in the Pakistani Army and the civilian Government will rake up the issue of integration of Gilgit-Baltistan and the Pakistan-occupied Kashmir (PoK) as the fifth and sixth provinces. Imran may not be able to resist the temptation to be seen as similar to Modi (post-abrogation of Article 370). This will quite naturally invite a strong response from New Delhi, since the incumbent dispensation has spoken about the will and determination to reclaim both these areas. If such a situation does arise, it will limit the flexibility that can be shown by the Indian side or its Pakistani counterpart to move beyond the usual irritants. Since August 5, 2019, the Indian Government has made its stance clear — "all future discussions will now be only on PoK" has been the usual response. Likewise, Pakistani Army's institutional legitimacy has been centred on the need to wage a war with India to "solve the Kashmir issue". If PoK becomes a Pakistani province, the pressure from domestic constituents will be so intense that both the sides will not be able to make any forward movement, lest they be termed a "sellout". Given these complexities, there is high chance that these negotiations — being held behind closed doors and outside the purview of formal diplomatic channels — would expedite any outcome.

India and Pakistan are not doomed to live in hatred, hostility and tension. Despite false starts and multiple attempts by India — which have been followed by terror attacks by Pakistan — Modi may be keen to move ahead. Right now, peace looks elusive, but the peace process does not. By all aspects, it is clear that the process is thriving and may succeed in thrashing out some of the differences. A peaceful solution does not need to decide the fate of the most complex geo-political problem of the subcontinent right away; it needs to demonstrate the will to do so.

HINDUSTAN TIMES, NEW DELHI 7-4-2021

The gulf between Delhi and Moscow

Editorial

India and Russia are talking frankly, but the "time-tested relationship" is clearly headed for greater challenges. Russia's foreign minister, Sergey Lavrov, and external affairs minister, S Jaishankar, have reiterated their commitment to the bilateral relationship. But beneath the story of cordiality is a story of increasing differences on two key issues, visible during the joint press conference of the two ministers on Tuesday.

The first is on the wider relationship with the United States (US) and China. Moscow sees Washington as a belligerent

actor out to contain Russian influence and punish it through sanctions. This has pushed it towards Beijing, though Mr Lavrov emphasised, in response to a question from this newspaper, that a military alliance with China was not on the cards. New Delhi sees its partnership with Washington as an important security pillar, and views Beijing as the core problem. India, thus, has chosen to remain more aligned with the US — while keeping up its independent relationship with Russia, especially on defence. Till the US and Russia achieve a degree of rapprochement or Russia and China fall out, none of which are imminent, India will have to keep striking this difficult balance.

There is a danger, however, that with Mr Deshmukh's resignation — he should have quit earlier, and finally put in his papers after the Bombay High Court ordered a CBI probe into allegations against him — powerful political interests will seek to bury the matter. (ANI)

On Afghanistan, Mr Lavrov was unequivocal that the Taliban had to be a part of any sustainable peace process and power-sharing compact. India has reconciled itself to the changed dynamic — but New Delhi is approaching the peace process with its eyes open, sceptical of the possibility of any inclusive political settlement, and aware that neither the Taliban nor its patron across the Durand border, Pakistan (which Mr Lavrov is now visiting, clubbed with his trip to India, a first for Russia) is about to change its stripes. India and Russia are talking frankly, but the "time-tested relationship" is clearly headed for greater challenges.

OUTLOOK AFGHANISTAN, KABUL 11-4-2021

US Special Envoy Khalilzad Discusses Peace Process with Afghan Officials

(Khaama Press)

KABUL - U.S special envoy Zalmay Khalilzad following his arrival in Kabul on Saturday held meetings with President Ashraf Ghani and Abdullah Abdullah Head of High Council for National Reconciliation.

HCNR in a released statement said, that Khalilzad and Abdullah discussed the peace process and negotiations underway in Doha.

President Ashraf Ghani and Khalilzad US special envoy for Afghan reconciliation also met and discussed the peace process and the upcoming Turkey summit.

Khalilzad also has discussed the latest developments in the peace process with both of the political leaders, and it is expected that a peace proposal will be shared by the Afghan republic at the summit.

Khalilzad's visit comes ahead of the Istanbul Summit which is scheduled to start later this month.

Meanwhile, in Kabul, President Ghani and Afghan officials are working on a peace proposal to be addressed at the Turkey summit.

The UN-led summit will host Afghanistan's Republic leader, Taliban, politicians, and other international stakeholders to discuss a peace roadmap for a political settlement in Afghanistan.

This comes as Reconciliation Council has completed the review of at least 25 peace proposals including President Ghani's plan for peace.

Turkey summit will be evident to various views and finalized proposals on Afghanistan peace process.

Afghanistan will reportedly present a single plan for the peace in the Turkey summit.

An exact date has not yet been fixed for the UN-led turkey summit but the committee is scheduled to hold its last meeting on Saturday to review the offered ideas.

Turkey conference will complement the ongoing peace negotiations, it is aimed at accelerating the Afghan peace efforts, Spokesman for US Department of State, Ned Price said.

Previously in an interview with BBC, First Vice president Amrullah Saleh said that Afghanistan will present a single plan during the summit, which includes early elections, and hinted that President Ashraf Ghani will not run for the presidency.

Afghanistan requires regional and international guarantees and assurance for a stable, prolonged, and well-maintained peace in Afghanistan, Saleh told BBC.

He said that the government's peace plan is comprehensive, and describes deals that do not allow one party to hold all of the power.

OUTLOOK AFGHANISTAN, KABUL 12-4-2021

US Shares Istanbul Summit Agenda with Afghan Officials

ATN

KABUL - First Vice President Amrullah Saleh said on Sunday in Kabul that the US has shared the agenda for the Istanbul Summit with Afghan officials and that among the topics listed is that of an interim government, a ceasefire and the preservation of gains made over the past two decades.

This comes a day after US peace envoy Zalmay Khalilzad met with President Ashraf Ghani and Abdullah Abdullah, the chairman of the High Council for National Reconciliation, in Kabul on Saturday to discuss the way forward regarding the summit and the peace process.

On Sunday, in an address to delegates attending the event, Saleh said that the agenda will also include discussions on achievements made by Afghanistan over the past 20 – especially those relating to the rights of the people.

Saleh meanwhile criticized the Taliban for their lack of contribution during the recent Moscow summit and said the group presented nothing but insults.

He also said Sunday that the Taliban were “strangers” and questioned how Afghanistan could hand over the country under such circumstances.

Saleh said that the Taliban was afraid to go to the polls in an election as they “know” they will only secure five percent of the people's vote.

Meanwhile he stated that one of government's biggest mistakes was releasing the 5,000 Taliban prisoners last year – as per the US agreement with the group.

He said of these prisoners freed, 75 percent have returned to the battlefields while between 40 and 50 of the freed inmates

were in fact drug smugglers how paid the Taliban to help secure their release.

On the system of governance – an Emirate – that the Taliban are insisting on, Saleh said neither the Afghan people nor the countries in the region want this.

President Ashraf Ghani also addressed the gathering, in a recorded video, and said Afghanistan has the capacity and ability to create a plan for peace.

“We have the alternative to any plan prepared by other countries,” he said adding that the next administration must be decided by elections.

He stated that to achieve peace, difficult decisions and sacrifices need to be made.

“We have proven to all that we are ready to shorten our legal term and hold an early election,” he said.

Ghani called on the Taliban to take part in a Loya Jirga and share their problems with the people and make a commitment to denounce war and to solve the problems through talks.

He also said decisions made that bring suffering to the nation need to be prevented.

THE DAILY OBSERVER, DHAKA 7-4-2021

Biden "committed to strengthening" ties with Bangladesh

Observer Online Desk

US President Joe Biden and Secretary Antony J. Blinken are "committed to strengthening" the Dhaka-Washington relationship as the two countries address common challenges, says a senior US official.

The two countries address some of the most pressing regional and global challenges together, including the Rohingya humanitarian crisis and global challenge to tackle climate change, said the official, reports UNB.

"Bangladesh's impressive economic sector provides a solid platform on which to expand and deepen our relationship," said Marcia Bernicat, senior official for economic growth, energy and the environment.

She made the remarks while addressing virtual launching of the U.S.-Bangladesh Business Council on Tuesday.

Bernicat said the United States is proud of the partnership that they have built with the Bangladeshi people since Father of the Nation Bangabandhu Sheikh Mujibur Rahman led a proud and determined people to achieve their independence 50 years ago.

"How fitting that we honor that important anniversary today by launching the U.S.-Bangladesh Business Council," she said.

She said the US continues to look for ways to help make Bangladesh more attractive for investment, which in turn provides for the transparency and rule of law that all companies thrive in.

Similarly, Bernicat said, they look forward to welcoming Bangladeshi investment into the United States from the country's increasingly internationally competitive companies.

She said President Biden has emphasized the challenge of climate change, stating that "the United States and the world

face a profound climate crisis" and by placing climate change at the center of our foreign policy, diplomacy, and national security.

The US official said Bangladesh's leadership in addressing climate change offers the United States - and the world - a great partner to tackle this climate crisis.

As president of the Climate Vulnerable Forum and the Vulnerable Twenty Group of Finance Ministers, Bangladesh has a leading voice and can make irreplaceable contributions toward a successful COP26, she said.

As a climate vulnerable country, Bangladesh will require significant climate adaptation and resilience, especially in view of its increasingly ambitious climate goals, Bernicat said.

The US companies are well placed to deliver many of the solutions Bangladesh will need to sustainably grow its economy, she said.

Bernicat said this is an exciting time in U.S.-Bangladesh relations, and it is a particularly timely moment to inaugurate this organization to support closer US-Bangladesh economic cooperation.

The US-Bangladesh Business Council and the American private sector will be invaluable partners to help Bangladesh reach the ambitions laid out in its Bangladesh Vision 2041, including to become a high-income country, she said.

The two countries have already seen some of this cooperation in action.

US companies operating in Bangladesh are bringing sustainable best practices and making unique contributions, such as local community economic development and innovative AI-powered flood alerts, she said.

A US-Bangladesh partnership achieved Bangabandhu's extraordinary vision by launching Bangladesh into space with the Bangabandhu-1 satellite, Bernicat said.

And in response to the COVID-19 pandemic, it was Bangladeshi companies who stepped up to play a critical role in establishing more diverse and secure global supply chains, exporting valuable PPE to the United States, she recalled.

The launching featured inaugural remarks by Prime Minister Sheikh Hasina, as well as special addresses by Prime Minister's ICT Affairs Advisor Sajeeb Wazed Joy, Commerce Minister Tipu Munshi and Prime Minister's Principal Secretary Dr Ahmad Kaikaus, US Ambassador to Bangladesh Earl Miller and Bangladesh Ambassador to USA M Shahidul Islam.

Myron Brilliant, Executive Vice President and Head of International Affairs for the US Chamber of Commerce said the United States is one of Bangladesh's most important trading partners, and over the past decade they have seen an impressive growth trajectory that they are confident will create new opportunities for US companies.

"We believe the Council will serve as the premier bridge between business and government leaders in both countries," said Myron Brilliant.

The Council will be led by Nisha Biswal, President of the US-Bangladesh Business Council and US Chamber of Commerce Senior Vice President for South Asia, and

Sidhanta Mehra, Director of the US-Bangladesh Business Council.

"Under the leadership of Bangladesh Prime Minister Sheikh Hasina, Bangladesh has seen tremendous growth and so too has its partnership with the United States," said Biswal, who served as Assistant Secretary of State for South and Central Asian Affairs under President Barack Obama.

She said the US-Bangladesh business Council will work to strengthen trade and investment between our two countries, promote transparency, inclusion and market-based reforms so that we can ensure that the coming decades continue to build prosperity and opportunity for the people of Bangladesh.

"The U.S.-Bangladesh Business Council is a reflection for the need of a dedicated platform to understand and partner with the Bangladesh of the Future," said Jay R. Pryor, Vice President, Business Development for Chevron and the Inaugural Chair of the Council's Board of Directors.

Reflecting on Bangladesh's growth, Pryor noted its future will be "one that is sustainable, helps Bangladesh reach its economic development goals and by doing so, creates a business environment that empowers Bangladeshi women, enables small business growth, and strengthens communities through better access to healthcare, employment, and also energy.

US and Bangladeshi corporate leaders speaking at the launch event included Uber CEO Dara Khosrowshahi, MetLife Executive Vice President and CFO John F. McCallion, Walmart International President and CEO Judith McKenna, Excelerate Energy President and CEO Steven Kobos, bKash Founder and CEO Kamal Quadir, GE South Asia President Mahesh Palashikar, Federation of Bangladesh Chambers of Commerce and Industry President Sheikh Fazle Fahim, Visa Senior Vice President for Global Government Engagement Ambassador Demetrios Marantis, MetLife Senior Vice President for Strategic Growth Markets in Asia Elena Butarova, and ShopUp Co-Founder and CEO Afeef Zubaer Zaman.

THE DAILY OBSERVER, DHAKA 8-4-2021

Dhaka seeks regional, multilateral steps for Rohingya repatriation

Diplomatic Correspondent

Foreign Minister Dr AK Abdul Momen has sought serious regional, multilateral initiatives from the global leaders over Rohingya repatriation.

"Canada, with its global stature and standing on human rights issues, may consider taking a lead in such initiatives. Bangladesh always stands ready to work with Canada and other partners in this direction," the foreign minister said.

Dr Momen made the remarks while addressing a webinar, "Evolving Rohingya Crisis and International Response: Canada's Future Role in Repatriation and Accountability Initiatives" on Tuesday night.

"It's our collective responsibility to help these distressed people materialise their dreams and aspirations. Only through our concerted efforts, sustained repatriation can

become a reality," he said, according to the Foreign Ministry.

Bangabandhu Centre for Bangladesh Studies in Canada (BCBS) in cooperation with Conflict and Resilience Research Institute Canada (CRRIC) organised its first webinar on Rohingya crisis resolution.

The foreign minister said the displaced Rohingyas are also desperate to return home with safety and dignity at the earliest possible time. Momen has said they should now seriously consider regional or multilateral initiatives for the repatriation of Rohingyas to Myanmar as it remains a compelling priority for Bangladesh.

High Commissioner of Bangladesh in Canada Dr Khalilur Rahman, Senator Marilou McPhedran CM, Heather McPherson, Brad Redekopp, Professor John Packer and Neuberger-Jesin, Professor of International Conflict Resolution, also spoke on the occasion. Dr Kawser Ahmed, Executive Director, CRRIC, moderated the session. The Rohingya crisis might turn into a broader regional and global security issue if not resolved sooner, the speakers said.

They said Canada must step up with pragmatic 'actions' and genuine 'willingness' regarding continuing humanitarian assistance, imposing effective economic sanctions and stop investing in Myanmar, and support the ICJ case.

A call for urgent multilateral action would enable like-minded actors to intervene in actualising safe and dignified repatriation of Rohingyas to Rakhine, they said. They said a call for a joint statement in their Parliament requesting the Canadian government to take a leading role in the resolution of the crisis, including a negotiated diplomatic solution using ASEAN Regional Forum (ARF) where both Bangladesh and Canada are members.

There is a need to explore the possibility of the 'Aceh model,' which would guarantee the rights of minorities in Myanmar under a viable confederation within Myanmar, they said.

The speakers said there is also a need to address the educational needs of thousands of Rohingya children growing up in the camps might end up being the 'lost generation.'

THE KATHMANDU POST, KATHMANDU 11-4-2021

Does Nepal need innovation in foreign policy?

Surendra Prasad Chaudhary

Our leaders should have the political wisdom to optimise soft power and attract investment.

The classical concept of foreign policy saw it as the policy pursued by a state in its dealings with other states with the aim of achieving national interests. But many non-state, non-governmental and inter-governmental actors too pursue policies on multi-track levels with implications on foreign policy. This denotes that a careerist, status quoist and regime-oriented foreign policy cannot be a viable option to achieve national stability. Since foreign policy issues are high profile subjects, their governance requires multi-track engagements, professionalism and competence backed by strong policy inputs. Nepal, wedged between two Asian

power giants, India and China, occupies a strategic pivot vital for them and other great powers. Its diversified ties with them help secure a balancing act, scope for sovereignty, international creditworthiness and an ability to adapt to shifting geopolitics.

Certain facts about its foreign policy are worthy of note to underscore what the government's new 'integrated foreign policy' unveils. First, the critical role of foreign policy is to promote national interests based on realpolitik, the objective circumstances of geopolitics. Second, it is premised on learning the historical choices for the nation so that assertion, accommodation, neutrality or certain strategic distancing and strategic proximity with neighbours and compatibility with the outside powers can be aptly articulated. Third, it is rooted in certain normative constitutional frames based on abstract ideals. Fourth, it is defined by the nation's self-image, geographic and institutional capabilities and aspirations of the leaders to play a proactive role in the community of nations favouring 'rule-based, not deal based system'. And finally, its efficiency is based on the robustness of national consensus, dexterity of its diplomats and international acceptability of its initiatives.

Diversification mantra

The policy of diversification has provided it a measure of a safety valve and a semblance of deterrence to security threats, and enabled it to maintain its own way of life. From the time of the Mallas, Ranas and Shahs to the present, Nepal has sought a balance of power approach, tilting sometimes to one or the other power if an opportunity arose, but not entirely relying on any one power. The mantra of diversification had been practised by Jung Bahadur Rana, BP Koirala and king Mahendra as they, like statespersons, knew the utility of foreign policy for national identity, and did not reduce it to class, market, ideology, partisan or personal interests.

It is unclear whether the changing global geopolitics of Asia now offers Nepal an opportunity to reset or innovate foreign policy options or remain in continuity with certain modifications in styles Nepal needs to probe into the relative advantage of the United States' Indo-Pacific Strategy, India's Look South and China's Belt and Road Initiatives against a backdrop of its constitutional values, tradition of statecraft and insight into diplomatic history. Covid-19, Nepali migrants' plight, economic and ecological decline and political wrangling indicate Nepal's vulnerability, requiring innovation in its hitherto regime-driven foreign policy. The lessons learned by three statespersons—Prithvi Narayan Shah, Jung Bahadur Rana and BP Koirala—are significant as to how they navigated the nation in difficult situations and ensured autonomy in policy matters. Statespersons learn from history. They do not transcend its patterns and, therefore, do not repeat the mistakes.

Given Nepal's internal disadvantage owing to a lack of institutionalisation of polity, it should maintain principles of accommodation of regional interests and play constructive roles in the forums of the United Nations, least developed

countries and landlocked and small states. Solidarity with the forums of small states can increase its voice for justice, minimise the risks of foreign intervention in its internal affairs and optimise foreign policy manoeuvrability. Acting in concert with like-minded nations as a pressure group can enhance an equal relationship with the evolving powers in the context of a geo-strategic shift.

Nepal's web of ties beyond the neighbours, such as with the US, United Kingdom, Germany, Japan, Russia, South Korea, France and the Gulf countries, and international regimes such as the South Asian Association for Regional Cooperation (SAARC), Bangladesh, Bhutan, India, Nepal (BBIN), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and Non-Aligned Movement would bind it into alternative forums for international communication. Nepal is a middle nation in the global ranking of nations, but small relative to the demographic, geographic, military, economic and technological prowess of its neighbours. A nation may be small, but it does not mean it is deprived of intellectual innovation, diplomatic skill and creativity.

Nepal's constitution articulates the general principles of Nepali foreign policy. Tapping into the 'institutional memory' of enlightened diplomats, politicians and national think tanks is a vital aspect of adapting, shaping and innovating foreign policy effectiveness. The self-image of Nepal as a small, landlocked and least developed nation does not mean that it has less human and natural resource potentials to promote sustainable progress. Nepal's cultural, natural and social capital, if harnessed properly, can contribute to its development profile.

Political wisdom

What is required of Nepali leaders is the political wisdom to optimise soft power, national interests and attract investment in priority areas so that the connecting forces of society can contribute to nation-building. The economy is the lifeblood of diplomacy. Nepal's economic diplomacy, too, aims to promote brain gain, aid, trade-investment, technology transfer and remittance. They are the factors of the global integration process and escape from core-periphery ties or unequal exchange.

A shift in Nepali politics from a zone of confrontation to a zone of what BP Koirala called national reconciliation is a vital narrative to evade external subversion, intervention and use of proxies for eternal regime changes to influence its domestic and foreign policy. Koirala knew the moral voice of small nations, conceptualised and strategised the focus of diplomacy, diversified Nepal's diplomatic relations with 16 countries, and internationalised its sovereignty. Foreign policy becomes realistic if Nepali leaders truly realise the domestic goals enshrined in the constitution without being divorced from many international obligations. Nepali leaders need to keep prudent rationality in pursuing the nation's foreign policy, promote national interests in cooperative terms, and avoid the trap of the great powers' ill manoeuvres.

DAILY MIRROR, COLOMBO 1-4-2021 **Sri Lanka to tie up with China further** **Kelum Bandara**

President Gotabaya Rajapaksa had a telephone conversation with Chinese President Xi Jinping on Monday. It should not be viewed as just another regular telephone conversation between the two leaders because of the background that preceded it. The telephone dialogue has been timed in a context where China supported the Sri Lankan Government's position on the UNHRC resolution on Sri Lanka. The phone conversation followed the introduction of the bill to regulate the economic affairs of the Colombo Port City which is a US \$ 1.4 billion investment by China and COVID-19 vaccine diplomacy.

According to reports, the two presidents discussed, among a host of other matters, the Port City as part of the advancement of cooperation under the Belt and Road Initiative (BRI). Ground breaking for the project was done in 2014 at an event attended by President Xi. The 2015 change of the Government had an impact on the project, and the new Government proceeded with some amendments to the original agreement.

The Colombo Port City Economic Commission Bill, which provides for regulation and operation of activities in the special economic zone to be established in the landmass reclaimed from the sea under the Port City project, has now been gazetted. It is expected to be passed into law by Parliament soon. The enactment is assured because the present Government enjoys a clear-cut majority in the House.

The Bill, if enacted into Act, will provide for the establishment of a Commission called the Colombo Port City Economic Commission to be entrusted with authority to administer, regulate and operate the activities of the economic zone. The bill was a product of a long drawn process, initiated first during the time of the previous government. The legislative process could not be completed at that time. Now the legal infrastructure is slated to be set up laying the groundwork for the kick-off of investment activities. It is a commercial project, but with a strategic component attached to it. The western nations and India are not obviously happy with Sri Lanka nurturing its ties further with China because of their competing interests in the region in terms of geopolitical aspects.

However, any country's relations with another depends on mutual interests. Recent developments on the world stage, as far as Sri Lanka is concerned, have left scope for it to tie up China. The Sri Lankan Government tried unsuccessfully to thwart the adoption on a resolution by the UNHRC. The resolution has now been adopted spelling out further challenges for the Government in the international arena. Likewise, China is also facing critical challenges at the international fora. Practically, the two countries will seek to cooperate with each other, and it is more than obvious by what transpired during the latest highest level telephone conversation between the presidents of the two countries.

A statement issued by the Chinese Foreign Ministry after the phone call said, “China will never forget Sri Lanka’s valuable support for the restoration of its lawful seat in the United Nations, and is willing to make continuous joint efforts with Sri Lanka to firmly support each other on issues concerning respective core interests, defend our legitimate rights, promote international equity and justice, and safeguard the common interests of developing countries,”

COVID-19 vaccine diplomacy is also at work in the background to the telephone conversation. The demand is much higher than supply for global rollout of vaccines against the pandemic. Circumstances have prevailed upon the countries across the globe depend on the goodwill towards each other to secure jabs from manufacturers. Sri Lanka received a consignment of vaccines as a gift from India first. Likewise, China also gifted a dispatch 600,000 doses its Sinopharm vaccine. The vaccine manufacturers are struggling to meet the increasing demand. India’s Serum Institute, the manufacture of AstraZeneca vaccine, suspended exports over the rising local demand. This led Sri Lanka to turn to other manufacturers. Already, an order has been placed with Russia to purchase 700,000 vaccines. Likewise, Sri Lanka will seek more cooperation from the Chinese authorities to secure sufficient vaccines.

Mention is made in this regard in the statement issued by the Chinese Foreign Ministry

“Xi Jinping pointed out that since the onset of the COVID-19 pandemic, China and Sri Lanka have pulled together and helped each other, writing a new chapter of China-Sri Lanka friendship. China attaches great importance to the development of bilateral ties, and stands ready to work with Sri Lanka to determine the strategic direction and achieve steady growth of the relationship. China will continue to provide as much assistance as its capacity allows for Sri Lanka’s fight against COVID-19, and seek to gradually carry out cooperation in fields like aviation and education while keeping pandemic control measures in place, and continuously explore new channels and areas of collaboration. China stands ready to steadily push forward major projects like the Colombo Port City and the Hambantota Port, and promote high-quality Belt and Road cooperation, providing robust impetus for Sri Lanka’s post-pandemic economic recovery and sustainable development,” the statement said.

President Xi said that China and Sri Lanka are strategic cooperative partners that enjoy sincere mutual assistance and ever-lasting friendship.

According to the statement, President Rajapaksa warmly congratulated the Communist Party of China (CPC) on its 100th anniversary and highly appreciated the historic achievements made by the CPC. President Xi also greeted his counterpart for Sinhala New Year.

Currently, Sri Lanka is economically on a weak footing. It is saddled with a high component of debt. The government has limited option for further burrowing except it is for the repayment of loan instalments.

DAILY MIRROR, COLOMBO 3-4-2021

SL, Maldives in the cross-hairs of Indian Ocean Game

Lasanda Kurukulasuriya

The Maldivian Parliamentarians have been up in arms since its government’s signing of a defence agreement with India in February which, according to a leaked draft, permits Indian military presence.

It is reported that the majority (48 out of 51) of those demanding that the agreement be disclosed and debated in Parliament, were ruling party MPs of the Maldivian Democratic Party. The deal with India comes on the heels of a defence agreement that the Maldives signed with the US in September.

Recent security-related developments in the Maldives are of relevance to Sri Lanka for multiple reasons. There are similarities in the approach adopted by the US to gain a foothold in the two strategically located Indian Ocean States – through defence agreements like ACSA (Acquisition and Cross Servicing Agreement) and SOFA (Status of Forces Agreement).

The picture that emerges by joining the dots would seem to be, one where India acts as a US proxy to bind smaller Indian Ocean States - through agreements and other mechanisms - to advance a shared US-Indian goal of thwarting China’s emerging global dominance

In 2013 the Maldives told the US it would not sign a proposed SOFA. Its terms were almost identical to the SOFA discussed with Sri Lanka in 2019. Then Foreign Minister Tilak Marapane told the US that Sri Lanka could not sign owing to provisions that couldn’t be implemented, such as granting diplomatic immunity to US Department of Defense Personnel, and exempting them from criminal jurisdiction under Sri Lankan law while in Sri Lanka.

While India takes a big-brotherly interest in both the Maldives and Sri Lanka, it is locked with the US in an ever-closer strategic partnership, that shares the goal of pushing back against China’s rising influence in the region.

Indian military presence

The Indo-Maldives agreement for the development, management and maintenance of a Maldives National Defence Force (MNDF) Coastguard Harbour at Uthuru Thila Falhu (UTF), was concluded during a visit by Indian External Affairs Minister S Jaishankar on February 21. Defence Minister Mariya Didi signed on behalf of the Maldives. The facilities are to be developed with a US\$50 million loan from India’s Exim Bank.

“The UTF agreement comprises of several clauses that put Maldivian State-Sovereignty in grave jeopardy,” according to The Maldives Journal, which said its sister paper Dhiyares had “received a copy of the draft” from a high ranking MNDF officer.

Publishing details from the leaked document, the Journal observed that this “is the first time that a Maldivian government had permitted a long-term foreign military presence in the country since the British had left.”

Submitting an emergency motion to the Majlis (Maldives’ Parliament) the day after the signing, Vice President of the Opposition Progressive Party of Maldives, MP Ahmed Shyam called for details of the agreement to be disclosed.

The motion claimed the agreement would allow a permanent stationing of Indian military personnel at UTF.

It said Article 251 (c) of the Constitution “Prohibits giving any part of the Maldives for the military use of a foreign country without the unanimous approval of the Majlis.” It was also reported that President Ibrahim Solih had not issued the required ‘credential’ for such an agreement to be signed. Dhiyares has meanwhile filed a Right to Information request from the Maldives Ministry of Defence, with a list of questions.

Following the furore over the leaked document, the Maldives Ministry of Defence had reportedly issued a statement claiming it was a ‘fake.’ If that is the case, the question then is, why is the authentic document not being made public? If there is nothing to hide, why the secrecy?

UTF and SOFA similarities

According to a joint press statement issued on Jaishankar’s visit, discussions relating to the UTF facility started in 2013 - the same year the Maldives rejected the US’s draft SOFA. It is interesting that many provisions in the UTF agreement, relating to Indian presence in the Maldives, seem to replicate, in a milder form, demands made in the rejected SOFA relating to US presence. For example, according to the leaked details published:

“The terms of the agreement permit Indian military personnel to carry weapons at UTF.” Article III (3) of the Maldives draft SOFA says US personnel shall be authorized to carry arms while on duty if authorized to do so by their orders.

In the UTF agreement, Maldives agrees to extend full diplomatic immunity to personnel deputed by the government of India, their papers and premises, from local judicial and legal processes, as being extended to other diplomatic personnel in the Maldives. Article III of the draft SOFA says US personnel shall be granted the privileges, exemptions and immunities accorded to the administrative and technical staff of a diplomatic mission under the Vienna Convention on Diplomatic Relations of April 18, 1961.

Article 6.3 of the copy of the UTF agreement says both “personnel, marine and air vessels and other platforms as well as other communication systems” that belong to India and the Maldives would have “the right to full utilization of the facilities”. Such utilization by the Indian side shall be free of charge. The draft SOFA in Article VIII says vessels and vehicles operated by or exclusively for the United States may enter, exit or move freely within the territory and territorial seas of the Maldives and not be subject to

overland transit tolls. It lists the payments and dues that US vessels and aircraft would be exempted from.

Article 6.8 of the UTF agreement grants India the legal power to prevent any third-party from utilizing the facilities, according to the Journal. Under Article X (3) of the draft SOFA, the Maldives would allow US forces to control entry to agreed facilities and areas that have been provided for the exclusive use of US forces.

Use of communication systems by the Indian side would be free of charge under the UTF. The draft SOFA would allow US forces to use the radio spectrum free of charge and operate their telecommunication systems.

Coastguard and border control

The UTF agreement’s focus on the coastguard, harbour and dockyard is also of interest, considering that the US had reportedly supplied the Maldives with a Border Control System free of charge in 2013.

“Effectively, it puts the US in control of entry points into the island from the outside world,” wrote analyst M K Bhadrakumar. Interestingly, a team led by US ambassador in Colombo Alaina Teplitz is reported to have met Prime Minister Ranil Wickremesinghe in the aftermath of the 2019 Easter attacks to stress the need for ‘stricter border control and coast guard to ward off terrorism.’

On March 2 India launched a real-time vessel tracking system to be shared with Sri Lanka and the Maldives. Though it is dubbed a ‘Mercantile Marine Domain Awareness Centre,’ the Hindu Businessline reported it has ‘elements of security for which it would collaborate with the Indian Navy. The day before, a Secretariat for Maritime Security Cooperation was opened at Sri Lanka Navy headquarters in Colombo, for trilateral cooperation between Sri Lanka, India and Maldives. This appears to fit the description of a new initiative described in a secret US document declassified in January (‘Secret US document reveals Lanka’s ‘IndoPacific’ role?’ – Daily Mirror 18.03.21)

The picture that emerges by joining the dots would seem to be, one where India acts as a US proxy to bind smaller Indian Ocean States - through agreements and other mechanisms - to advance a shared US-Indian goal of thwarting China’s emerging global dominance.

There appears an element of surreptitiousness and secrecy in the manner in which both Sri Lanka and the Maldives are being co-opted into the US-Indian project. Both would need to beware of the dangers of being unwittingly drawn into proxy wars between nuclear-armed big powers.

DAWN, ISLAMABAD 9-4-2021

Improving ties with Russia

Editorial

RUSSIAN Foreign Minister Sergey Lavrov struck the right tone during his visit to Pakistan. In a press conference along with Pakistani Foreign Minister Shah Mehmood Qureshi, Mr Lavrov said Russia was ready to promote bilateral

cooperation with Pakistan in diverse fields including economy, trade and defence. The importance of his visit can be gauged from the fact that it is after nearly a decade that the top diplomat of Russia has made a trip to Pakistan. In the last 15 years or so, both countries have made a concerted effort to improve ties and establish solid grounds for building a stronger and mutually beneficial relationship for the years ahead. The present times accord a good opportunity to undertake such an endeavour. Pakistan's foreign policy is aligned with regional realities. In a strategically vital neighbourhood, Pakistan is well placed to leverage its ties with key countries in order to effectively pursue its national interests. Pakistan is doing well to avoid the label of being in any one camp and it is important that it is recognised as a regional player that is on good terms with major powers such as China, the US and Russia. While Russia retains a global reach in its policy, it is one of the most influential countries in our region and Mr Qureshi was right when he said that Russia is a factor of stability in the region. This makes Pakistan's ties with Russia crucial from all aspects.

Pakistan has genuine policy interests in Afghanistan, India, Iran and the Middle East. Russia wields significant influence in all these spheres. Pakistan has been gradually investing in this relationship in recent years and the Russian foreign minister's productive visit appears to be one of the dividends of this diplomatic investment. However, the real challenge for Islamabad is to translate this improved relationship into tangible projects. The key project that requires Pakistan's highest priority is the North-South gas pipeline from Karachi to Lahore. Prime Minister Imran Khan also highlighted the importance of this joint Pakistan-Russia project in his meeting with Mr Lavrov. In addition, Russia has also shown an interest in the Steel Mill which in fact had been initially set up by the USSR. Pakistan can benefit from this renewed interest from Moscow.

Mr Lavrov also assured his counterpart that Russia would be sending more Sputnik vaccine to Pakistan and this is a welcome gesture as vaccines are not easy to come by in the international market. Similarly, defence cooperation is a key area. It was announced that Russia would provide more counterterrorism equipment to Pakistan which is perhaps an acknowledgement of Pakistan's success in this area. Five rounds of Pakistan-Russia military exercises have already taken place. Pakistan-Russia ties are on an upward trajectory and it is important that Islamabad put greater effort into strengthening them even further.

back over seven decades, peacemaking will not be easy, and there will be pitfalls aplenty before any workable agreement is reached. Even over the last few weeks there have been many ups and downs, with the first positive sign in a long time coming in late February, when both sides agreed to silence their guns along the LoC. This was followed by an exchange of pleasantries and public pronouncements calling for peace in the region from the highest offices in both capitals, along with a decision by Pakistan to import Indian sugar and cotton. However, shortly afterwards, the trade plan was nixed.

Now, two fresh developments have posed further questions. Firstly, the Foreign Office has said the Saarc summit, due to be held in Pakistan in October, can take place if 'artificial obstacles' are removed, in a thinly veiled reference to India. In the second, more ominous development, the US National Intelligence Council has said Pakistan and India may 'stumble' into a large-scale war within the next five years.

Regarding the American assertion, while it has an alarmist ring to it, it is not without substance. After all, just over two years ago both states came close to conflict following India's Balakot misadventure, while some of New Delhi's top generals have been issuing combative statements against Pakistan. Be that as it may, for the time being it seems that temperatures are coming down, and the jury remains out on what and who has triggered the latest desire for peace. The fact is that the latest thaw offers both Islamabad and New Delhi a chance to show the world that they are interested in long-term peace.

And more than creating a soft image for the international audience, both sides owe it to their people to forge a peaceful path based on coexistence and friendship.

However, beyond rhetoric, there are some very serious issues standing in the way of peace, namely Kashmir, as the FO has highlighted. For there to be long-lasting peace, the Kashmir question will have to be addressed in a manner acceptable to the people of the region. Experts note that everything including Kashmir can be resolved if there is a will in both capitals. Indeed some, such as Manmohan Singh's special envoy Satinder Lambah, who was previously involved in backchannel talks and was quoted in the papers the other day, have endorsed this form of secret diplomacy. Perhaps the best option is to continue with such parleys in the hopes of achieving a breakthrough that can be publicised at the right time, while reiterating our stance that repression must end in held Kashmir.

DAWN, ISLAMABAD 12-4-2021

Pakistan-India peace

Editorial

AS the Pakistan-India peace process or at least the shaky beginnings of the latest round moves forward, several questions swirl over the direction it will take. Of course, in a relationship as complex as this, and with disputes going

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HINDUSTAN TIMES, NEW DELHI 15-4-2021**A looming economic crisis****Editorial**

Exactly a year ago, when India was in the middle of a complete lockdown to curb the spread of Covid-19 infections, most forecasters, institutional and private, had a bleak assessment of the Indian economy

Exactly a year ago, when India was in the middle of a complete lockdown to curb the spread of Covid-19 infections, most forecasters, institutional and private, had a bleak assessment of the Indian economy. A large number of them did not see the economy returning to 2019-20 levels of GDP even in 2021-22. These projections were revised favourably in late 2020, largely because of the fact that the easing of lockdown restrictions did not trigger a nation-wide second wave in India. That is not the case anymore. The second wave has come with a lag, but it is here — and it is more severe than the first. Daily new cases have broken past records, and many states — including economic hubs such as Maharashtra — have imposed lockdown-like restrictions.

This is bound to have adverse consequences for the economy. The latest available economic indicator, which captures this, is the Nomura India Business Resumption Index (NIBRI), which fell to 90.4 in the week ending April 11, registering its biggest week-on-week fall. It will not be surprising if this downward trend continues. What is even more worrying is the fact that the sequential economic recovery was losing momentum even before the second wave hit India. This is best seen back-to-back, and growing, contraction in the Index of Industrial Production (IIP) in January and February. Indicators such as Purchasing Managers' Index have been warning that employment levels have been going down even when production was increasing.

The point is, if the choice between flattening the Covid-19 curve and economic hardship was difficult last year, it will be even more difficult this year, as businesses and workers are still nursing the wounds of the first lockdown. That the second wave has coincided with the beginning of the new fiscal year also means that even the conservative revenue targets in the Budget could be jeopardised. At a time when inflation is already on an upward trajectory, the petroleum tax route might not be an appropriate one to sustain government finances. The only difference between the first wave and the second wave is that India has vaccines now. The only effective way to safeguard the economy from another massive disruption is to relax both demand and supply for vaccines. The government has taken some steps towards both. It should do more.

THE INDIAN EXPRESS, NEW DELHI 13-4-2021**Indian economy may clock double-digit growth in 2021: Moody's****PTI**

Moody's expects that given the focus on 'micro-containment zones' to deal with the current wave of infections, as opposed to a nationwide lockdown, the impact on economic activity would be less severe than that seen in 2020.

The second wave of COVID-19 infections presents a risk to India's growth forecast as the reimposition of measures to curb the spread of the virus will hit economic activity, but a double-digit GDP growth is likely in 2021 given the low level of activity last year, Moody's said on Tuesday.

Moody's expects that given the focus on 'micro-containment zones' to deal with the current wave of infections, as opposed to a nationwide lockdown, the impact on economic activity would be less severe than that seen in 2020.

"India's very low coronavirus death count (only about 1,70,179 deaths have been recorded as of April 12) and relatively very young population also help mitigate risks. GDP is still likely to grow in double digits in 2021 given the low level of activity in 2020," Moody's Investors Service said.

In its commentary on India, Moody's said the countermeasures to combat the second wave — some of which are due to remain in place at least until the end of April — risk weakening the economic recovery. However, the targeted nature of containment measures and rapid progress on vaccinating the population will mitigate the credit-negative impact.

In February, Moody's had bettered India's growth projection for the current fiscal year, which began on April 1, to 13.7 per cent as economic activity gathered pace. For the calendar year 2021, Moody's has projected economic growth rate at 12 per cent.

As per official estimates, the Indian economy contracted 8 per cent in 2020-21 fiscal year, which ended on March 31, 2021.

"The second wave of infections presents a risk to our growth forecast as the reimposition of virus management measures will curb economic activity and could dampen market and consumer sentiment," Moody's said.

Retail and recreational activity across India had dropped by 25 per cent as of April 7 compared with February 24, according to Google mobility data. This was mirrored in the Reserve Bank of India's March consumer confidence survey which showed a deterioration in perceptions of the economic situation and expectations of decreased spending on nonessential items, it noted.

Moody's said vaccination will be a key element in controlling the second wave of COVID-19 as the authorities balance virus management against maintaining economic activity.

India began its vaccination drive against COVID-19 in mid-January and has administered 100 million doses of the vaccine as of April 10, becoming the fastest country to reach that threshold so far.

However, a shortage of vaccines and India's nearly 1.4 billion population, which includes many people living in rural, more remote locations, could slow the progress of the vaccine rollout, it added.

As of early April, around 7 per cent of the population has been inoculated. The vaccination drive was expanded to all citizens aged 45 years and above, which is about 25 per cent of the population- from April 1.

Workplace vaccination centres were also launched on April 11, through which the government expects to facilitate inoculation among workers, while minimizing risk.

"India has prioritized domestic vaccine distribution, delaying exports, amid the resurgence in coronavirus infections," Moody's said.

The government also placed a temporary prohibition on the export of remdesivir, which is used in the treatment of coronavirus patients.

India has been experiencing a second wave of coronavirus infections since March 2021.

"Daily new reported cases for the month totalled 1.1 million, jumping from the 0.4 million cases reported in February, which was the lowest since the country's 2.6 million peak in September 2020 during the first wave," Moody's said.

Maharashtra, the epicentre of the second surge, accounted for close to 50 per cent of the active caseload as of April 12. Besides, Uttar Pradesh, Chhattisgarh, Delhi and Karnataka have reported a sharp rise in daily cases.

THE TIMES OF INDIA, NEW DELHI 4-4-2021

Taiwan message: New Delhi-Taipei cooperation is both mutually beneficial and a pointed signal to China

Editorial

Taiwan recently saw its worst rail accident in 40 years that killed at least 51 people and left 188 injured on Friday, and reaching out in this situation is in one sense natural. Nevertheless, when foreign affairs spokesperson Arindam Bagchi put out a condolence message on social media and Taiwan's foreign minister Joseph Wu responded, it was seen to be laden with geopolitical significance as China sees Taiwan as a renegade province and is extremely sensitive about countries making official contact with the island.

However, India shouldn't be overly concerned about China's political claims on Taiwan. After all, Taiwan is a vibrant nation of 23 million people that cherishes its multi-party democracy. It's also an Asian economic dynamo and a world leader in semiconductors. And under current

President Tsai Ing-wen's New Southbound Policy, Taiwan is looking to actively engage Southeast and South Asian nations like India. In fact, there are multiple areas where India and Taiwan can collaborate from smart cities and farm tech to semiconductors, renewable energy and even Mandarin learning – Taiwan Education Centres can easily substitute for China's problematic Confucius Institutes.

With China becoming a country of global consequence, we need to understand the Sinic world better. And Taiwan knows China best, which is why cooperation with Taipei makes strategic sense for New Delhi. Plus, with the troop disengagement process in eastern Ladakh stalled, Beijing clearly doesn't respect 'One India'. There is no reason then for India to be overly sensitive about China's territorial claims. Add to this the China-Pakistan axis that aims to strategically hem in India. If Beijing insists on treating Islamabad as its 'iron brother', it may be time for New Delhi and Taipei to elevate their relationship and forge their own fraternity as well.

THE INDIAN EXPRESS, NEW DELHI 15-4-2021

India Inc's outward FDI halves to \$1.93 billion in March: RBI data

PTI

Of the total investment committed by the Indian investors in their foreign joint ventures/wholly owned subsidiaries in March this year, USD 1.15 billion was in the form of issuance of guarantees.

India Inc's outward foreign direct investment in March 2021 nearly halved to USD 1.93 billion (around Rs 14,495 crore), according to the RBI data.

Domestic firms had invested USD 3.86 billion as outward foreign direct investment (OFDI) in the year-ago month of March 2020.

In the preceding month (February 2021), the OFDI stood nearly the same at USD 1.95 billion.

Of the total investment committed by the Indian investors in their foreign joint ventures/wholly owned subsidiaries in March this year, USD 1.15 billion was in the form of issuance of guarantees.

Rest of USD 413.25 million was in the form of loan and USD 363.54 million was through equity capital, the data showed.

The major investors were telecom major Bharti Airtel Ltd USD 750 million in a wholly owned unit in Mauritius; pharma firm Lupin Ltd USD 250 million in a JV in the US, SRF Ltd USD 83.83 million in a wholly owned subsidiary (WoS) in the Netherlands.

Mahindra & Mahindra invested USD 84.52 million in WoS in Mauritius and The Indian Hotels Co Ltd USD 59.59 million in its wholly owned subsidiary in the Netherlands.

The RBI said the data is provisional and subject to change based on the online reporting by the authorised dealer (AD) banks.

OUTLOOK AFGHANISTAN, KABUL 7-4-2021

2 Power Projects Worth \$4.4m Inaugurated in Nangarhar

(Pajhwok)

JALALABAD - Two water and solar power projects generating 340 kilowatts of electricity have been completed and put into service by South Korea at a cost of \$4.4 million in the Dara-i-Noor district of eastern Nangarhar province.

The governor of Nangarhar, officials from the Ministry of Rural Rehabilitation and Development and UNDP visited the district on Monday to inaugurate the two projects.

Governor Zia-ul-Haq Amarkhel said South Korea had established solar and hydropower networks at a cost of \$4.4 million. The networks were inaugurated in the Shamil area of the district.

He said the two power plants would generate about 340 kilowatts of electricity. The projects will generate 200 kilowatts of solar and 140 kilowatts of hydel power.

About 2,000 houses, 30 mosques, seven schools, two clinics and 20 factories would be supplied electricity in Shamil, Kandak, Chiwal, Lamtak, Majkandol, Lagayak, Staan and Banba Kot villages.

Popal Habib, deputy minister for programmes, said the project would be repaired by the executing firm for a year. He promised strengthening the project.

The deputy minister hailed the project as one of vital schemes in Dara-i-Noor. He hoped it would speed up production and create a global market for the district's products.

Sorayo Bozorokova, a UNDP official, expressed satisfaction with the completion of the project, providing electricity to the people of the region. He promised implementing other projects in the field of rural energy.

Abdul Rauf Shpoon, a member of the Wolesi Jirga from Nangarhar, congratulated the people of Dara-i-Noor on the completion of the important project and thanked them for cooperation on the implementation of the scheme.

OUTLOOK AFGHANISTAN, KABUL 7-4-2021

EU Helps Afghanistan with Debt Relief Amid Ongoing Pandemic

(ATN)

KABUL - The EU announced Tuesday it will provide Afghanistan with 2.9 million Euros in grant funding to be used towards debt relief in a bid to help the country maintain its commitment and path towards reaching its Sustainable Development Goals.

The EU said in a statement the ongoing pandemic has carried severe health, social and economic consequences around the world, including in Afghanistan. In many developing countries, debt levels were already high before the crisis and are now at risk of becoming unsustainable.

“Afghanistan has to cope with sharply declining revenue as a consequence of the crisis, driven by restrictions on economic activity and trade. Tax revenue dropped by 40 percent in April–May 2020 while the expenditure burden for health and other social services increased,” the statement read.

“The Afghan government successfully managed to borrow considerable amounts in highly concessional loans from the IMF to cover its fiscal deficit during the crisis. Although Afghanistan’s debt level still remains low, the current revenue position increased vulnerability,” read the statement.

EU Chargé d’ Affaires Arnout Pauwels meanwhile said: “Today’s announcement is good news for Afghanistan, as this additional funding will free space to increase the social, health and economic spending in response to the COVID-19 crisis.

“This comes in addition to the substantial support the EU has already provided to Afghanistan to tackle the pandemic, both bilaterally and through the COVAX facility,” he said.

The support announced Tuesday will also contribute to Afghanistan’s macro-economic stability. This comes at an important moment, as the EU’s assessment of the government’s performance on the 2020 State and Resilience Budget Support begins. For years, economic stability and sound public finance management have been at the heart of the EU’s dialogue with countries receiving EU budget support.

Since the start of the pandemic, the EU has mobilised almost 147 million euros to Afghanistan to address the immediate health crisis and provide humanitarian assistance to the people in need. As the largest donor to the COVAX facility, the EU and its member states have also enabled the delivery of almost 500,000 doses of vaccine to Afghanistan.

OUTLOOK AFGHANISTAN, KABUL 11-4-2021

Chinese Investors Attend Expo, Seek Investment in Afghanistan

(TOLO NEWS)

KABUL - Chinese investors at a joint expo in Kabul on Friday said they are willing to invest in Afghanistan if they are provided the environment by the Afghan government, according to the private sector representatives and organizers of the event.

The organizer of the event, Yuming Hui, a Chinese citizen who has lived in the country for the last 20 years, said he has invited eight investors from China to attend the

exhibition so that they are encouraged to invest in Afghanistan.

“You can see that eight Chinese investors are here (at the exhibition) to do consultations and find out which areas they can invest in and what type of investment and factories are required in Afghanistan,” he said.

The private sector representatives said that such events will encourage foreign investors to invest in Afghanistan and that it will boost the job market in the country.

“Our Chinese friends have planned to establish three factories in the country,” said Rahimullah Samandar, the CEO of the Afghanistan Chamber of Commerce and Industries. “They have already imported machinery for two of them.”

The business community suggested that China’s visa issuance to Afghan investors should be eased as it would boost trade relations between the two countries.

“We ask China’s government to ease the issuance of visas for us,” the deputy head of the chamber, Mohammad Yunis Mohmand, said.

An official of the Ministry of Industry and Commerce said that such exhibitions will support the private sector in many ways, including in providing them a vast environment for investment.

“They (Chinese investors) will support the private sector in different areas, including investment, industrial parks and providing investment opportunities in various areas,” the head of the exhibitions department of the ministry, Ehsanullah Pazir, said.

Afghanistan exported \$60 million worth of goods to China last year while it imported goods and commodities worth \$1 billion during this period, according to figures by the chamber of commerce and industries.

The private sector said there is a huge trade balance deficit between Afghanistan and China but suggested that it can be reduced by expanding trade and economic relations between the two countries.

THE DAILY STAR, DHAKA 14-4-2021

Economic Recovery: Bangladesh leads the way in South Asia Says IMF

AKM Zamir Uddin

Despite the recent spike in Covid-19 infections, South Asia excluding India is recovering, led by Bangladesh, due to higher-than-expected exports and remittances, the International Monetary Fund said yesterday.

The Washington-based multilateral lender revised its GDP projection for Bangladesh to 5 percent in 2021, up from its October last year's projection of 4.4 percent.

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The nation's economy is expected to grow 7.5 percent the next year, said the IMF at its Spring Meetings which took place virtually.

With a remittance income of \$18.60 billion, the country recorded 35 percent year-on-year spike in remittances in the first nine months of the current fiscal year, thanks to migrant workers and non-resident Bangladeshis who sent money home, data from Bangladesh Bank shows.

While the overall export remained slightly below the last year's level in July-March period of the current fiscal year, shipment soared by 13 percent year-on-year to \$3.7 billion from a year ago, shows data of Export Promotion Bureau (EPB).

The IMF said the pandemic has resulted in unprecedented output losses in the Asia-Pacific region.

"Losses varied widely across economies as a function of the stringency and effectiveness of containment policies; dependence on tourism and contact-intensive services; and the degree of policy support. Some of the Pacific Island countries have been among the worst affected," said Deputy Director of IMF's Asia and Pacific Department Jonathan D Ostry at a press briefing.

The IMF said although a recovery is now underway, and the pandemic is receding in some countries, elsewhere, second or third waves of infections are raging, notably in India and some of the ASEAN economies.

"Outlooks in the Maldives, Nepal, and Sri Lanka are affected by weak tourism and limited policy space," said Ostry.

The IMF predicted that regional growth would be just above 7.5 percent this year.

Jonathan said recovery in Asia depends on a smooth handoff from public support to private demand.

"After the historically unprecedented stimulus in 2020, fiscal policy in the region is expected to continue to do its part this year, with the fiscal stance remaining supportive in the region," he said.

The IMF suggested accommodative fiscal support, targeted towards vulnerable groups, until private demand recovers.

THE DAILY OBSERVER, DHAKA 14-4-2021

Bangladesh, WB ink \$1b deal for responding to COVID-19 pandemic

Observer Online Desk

The government of Bangladesh signed three financing agreements totaling \$1.04 billion with the World Bank to respond to the COVID-19 pandemic and to build resilience to future crises including vaccination against COVID-19.

The agreements were signed by Economic Relations Division secretary Fatima Yasmin and World Bank Country Director for Bangladesh and Bhutan Mercy

Tembon on behalf of the Government and the World Bank, respectively.

The credits are from the World Bank's International Development Association (IDA), and have a 30-year term, including a five-year grace period.

The \$500 million additional financing to the COVID-19 Emergency Response and Pandemic Preparedness Project will help Bangladesh vaccinate about 54 million people against COVID-19, according to a WB press release issued on Wednesday.

It said that it will help the government procure vaccines; expand storage facilities; and distribute and deploy the vaccines.

The project will also continue to provide support to strengthen the national health systems to detect, prevent, and treat COVID-19 cases as well for preparedness for future health emergencies.

The \$500 million Private Investment and Digital Entrepreneurship (PRIDE) Project will promote and attract about \$2 billion direct private investments and strengthen social and environmental standards in selected public and private economic zones and software technology parks.

It will develop the Bangabandhu Sheikh Mujib Shilpa Nagar II in Mirsarai-Feni and establish Dhaka's first digital entrepreneurship hub in the Janata Software Technology Park and turn it into a green building.

By creating more jobs and attracting domestic and foreign private investment, including in the IT and ITES sectors, the project will help the economy to rebound from the impact of COVID-19.

The \$40 million Additional Financing to the Digitizing Implementation Monitoring and Public Procurement Project (DIMAPP) will help Bangladesh expand electronic government procurement (e-GP) to all public procurement entities with new features to respond to the COVID-19 challenges.

Last year, during the general holiday for the COVID-19 pandemic, e-GP played a critical role in continuing development works throughout the country.

To respond to the challenges of COVID-19 pandemic and any other future emergencies, the financing will help add features to the e-GP system, including international bidding, direct contracting, framework agreement, electronic contract management and payment, procurement data analytics, geo-tagging, and others.

"The COVID-19 pandemic continues to be an enormous challenge around the world. So far, Bangladesh has tackled the challenges well through fiscal stimulus and social protection programs. However economic recovery would depend on vaccination for those who need it most, and actions to increase efficiency and boost productivity," said Mercy Tembon, World Bank Country Director for Bangladesh and Bhutan.

These projects, he said, will help vaccinate about one-third of the population, attract direct private investment in specialized economic zones and expand as well as upgrade the electronic government procurement system.

ERD secretary Fatima Yasmin said that these financings will help Bangladesh provide vaccination to mass people and thus help the economy to turn around and remain resilient.

Bangladesh currently has the largest ongoing IDA program totaling over \$14 billion.

The World Bank was among the first development partners to support Bangladesh and has committed more than \$35 billion in grants, interest-free, and concessional credits to the country since its Independence.

DAILY NEWS, COLOMBO 2-4-2021

Korea to explore trade and tourism opportunities in Northern Province

Business

Republic of Korea Ambassador Santhush Woonjin Jeong in a bid to enhance its cooperation and support to the Northern Province met with the Governor of the Northern Province, P.S.M. Charles in Colombo.

During the meeting with the Governor, the Ambassador discussed ways to promote the economic and cultural ties between Korea and Sri Lanka. Both sides discussed opportunities to explore potentials in trade, infrastructure development and tourism in the Northern Province.

The significance of ways to strengthen people-to-people ties between Korea and Sri Lanka is of utmost importance once COVID-19 subsides in the region. The Ambassador said, "The Korean Development Assistance (ODA) agencies such as Korea International Cooperation Agency (KOICA) and Korea Eximbank have greatly contributed to the expansion of development in the Northern region."

KOICA and Eximbank have funded projects in education, transportation, water resources, sanitation and regional development in Sri Lanka. These fruitful endeavours benefitted around 40 schools in the Northern region.

Ambassador Santhush Woonjin Jeong reiterated that there is more potential to increase trade relations between Korea and Sri Lanka. "The trade volume should be expanded for both countries to enjoy the favourable outcomes of investment and economic growth."

"Under the vision of President Gotabaya Rajapaksa the Ambassador is keen to assist Sri Lanka in achieving the fruits of development in all regions including the Northern Province. Education has been one of the most significant pillars behind the national development of Korea."

Governor Charles appreciated the assistance extended by the government of Korea for education, infrastructure development and capacity building in the Northern Province.

“Korea’s economic success story is indeed an inspiration to Sri Lanka as there are many lessons to be learnt in overcoming hardships,” she said. The Governor further discussed ways to boost tourism in Jaffna and uplift the livelihoods of the populace. Furthermore, the Ambassador stated that Korea has also been providing assistance to Sri Lanka to cope with COVID-19 by strengthening its cooperation to uplift public health in Sri Lanka.

Ambassador Santhush expressed his willingness to explore the possibilities in the Northern Province, especially in the tourism sector and explore the establishment of trade activities.

DAILY MIRROR, COLOMBO 8-4-2021

Pak Envoy pledges support for development efforts of SL

Pakistan High Commissioner Maj. Gen, Muhammad Saad Khattak pledged the support of the Pakistan Government towards the development efforts of the Sri Lankan Government that had fostered friendly relations and regional cooperation between the two countries.

He said the Pakistan Government would extend its cooperation to the Sri Lanka’s construction industry and the government’s housing projects, during a meeting held yesterday between the Sri Lankan representatives and representatives of the Pakistan Government to discuss future plans of the construction sector in Sri Lanka.

The Envoy together with several Sri Lankan representatives visited the ‘Destiny Housing Project’ near the Slave Island Railway Station which had been stalled for a long time which resumed yesterday..

“The Pakistan Government will provide aid for the ‘Destiny Housing Project’ inaugurated today. Sri Lanka and Pakistan have had sound bilateral trade and friendly relations in the past. The regional cooperation of the two countries has a long history.” the Pakistan High Commissioner further said.

State Ministers Nalaka Godahewa, Ajith Niwad Cabraal, Secretary to the Ministry of Housing and Urban Development Sirinimal Perera, Chairman of the UDA Harshan De Silva and several senior officials were present at the occasion.

DAILY MIRROR, COLOMBO 13-4-2021

SL signs USD 500 million loan agreement with CDB

This loan will infuse vitally required foreign exchange into SL’s economy

Sri Lanka yesterday signed a USD 500 million loan agreement with the China Development Bank (CDB) yesterday, Sri Lankan Embassy in China said.

Ambassador Dr. Palitha Kohona, on behalf of the Government of Sri Lanka, signed the agreement.

“This loan will infuse vitally required foreign exchange into the Sri Lanka economy. These funds will help with Government efforts to facilitate rapid economic recovery following the setbacks caused by the Covid-19 pandemic,” a statement issued by the Embassy said.

After the signing ceremony, Dr. Kohona stated that the timely assistance from China in providing these funds will help fuel Sri Lanka’s recovery efforts and stimulate growth and that this loan will encourage investor confidence in Sri Lanka and strengthen the currency.

“China, as a loyal friend and reflecting the depth of our friendship, has been generously extending its helping hand to Sri Lanka when difficult challenges confronted us. Two weeks ago, China’s gift of 600,000 Covid-19 vaccines were air freighted to Sri Lanka adding to our vaccine stock,” the Ambassador said.

He welcomed further cooperation on trade, investment, tourism, education, sports and other areas.

“We expect more Chinese tourists to visit Sri Lanka in the post Covid-19 period with the prospect of travel restrictions being relaxed in the near future”. Dr. Kohona said that we were in discussion with Chinese producers with a view to shooting a tourism-oriented movie in the near future. The Mission was also holding talks to improve access to Sri Lankan exports to the lucrative market while encouraging increased MI flows to Sri Lanka. All these would assist our economy to recover in the shortest period, Dr. Kohona stated.

This USD 500 million loan was a part of USD 1 billion, out of which USD 500 million was released last year. Previously, the Mission had worked closely with Chinese counterparts to secure these funds.

The Mission was also holding talks to improve access to Sri Lankan exports to the lucrative market while encouraging increased MI flows to Sri Lanka

SPOTLIGHT, KATHMANDU 5-4-2021

Two India Funded Projects Inaugurated

By New Spotlight Online

Karun Bansal, Head of Administration Wing of the Embassy of India to Nepal, inaugurated the two projects built with the Government of India grant assistance of total cost of NR 89.2 million.

According to the Embassy of India, the newly upgraded Fateh Bal Eye Hospital in Nepalgunj and the newly built Rapti Cold Storage Building in Lamahi Bazar of Lamahi were jointly inaugurated with local authorities.

Both projects have been completed under the ‘Nepal-Bharat Development Cooperation’ program as High Impact Community Development Projects. The new Hospital has a general ward, private ward, operation theatre, training hall, doctors quarters, inside road and drainage systems and was built at a cost of NR 46.64 million Indian grant assistance.

The new 3200 MT capacity cold storage facility constructed at a total cost of NR 90.6 million through joint funding by the Government of India (NR 42.54 million) and rest by the Government of Nepal and the Former's User Group.

The government of India has so far provided grant assistance of INR 20.99 crores to Nepal Netra Jyoti Sangh (NNJS), which manages the Fateh Bal eye hospital, for conducting 400 Diagnostic Screening & Treatment (DST) camps and surgery camp for Cataract in 52 districts and for TT in 14 Districts and for holding eye camps in schools in remote areas of Nepal.

The Rapti cold storage building is equipped to preserve vegetables, fruits and perishable agriculture produce. The fully operational new cold storage facility is envisaged to help farmers of the area to prolong the commercial value of their agri-produce and is expected to assist in raising incomes of small and medium farmers of the area.

Both projects were taken up as High Impact Community Development Projects (HICDPs) by the Government of India with the concurrence of the Government of Nepal. Any proposal for the creation of infrastructure in the priority sectors of the Government of Nepal such as education, health, drinking water, agriculture, sanitation and public utilities, connectivity such as bridges, capacity building and vocational training, health camps in rural/remote areas, etc. and having a cost estimate of less than NRs 5 cr are considered as HICDPs. These are taken up under the Nepal-Bharat Development Partnership program and are implemented to support and provide immediate benefits to people of the project area, through local governments.

The health sector is an important area of focus for Governments of India and Nepal. Under reconstruction grant assistance (the US \$ 50 million) of the Government of India to Nepal, a total of 147 Health Posts are being built across ten districts of Nepal affected by the 2015 earthquake. Out of 147, contracts for 25 health post has been awarded. India has also gifted 823 ambulances to various government and Not for Profit organizations working in the health sector in Nepal.

Agriculture is also a priority sector in which both India and Nepal governments are jointly working to create the required infrastructure in Nepal. In addition to the above project, Deputy Chief of the Indian Embassy, on 10th March 2021, inaugurated the new building of the Lalitpur District Cooperative Union built at a cost of NRs 35 million under 'Nepal-Bharat Development Cooperation'. The Cooperative Promotion Centre is working to enhance the marketing capability by establishing direct linkage between farmers and consumers. The building is also structured to serve as an Information Centre for marketing agricultural products. Further, to support holistic development solutions, in the last two years, India has also trained 59 agriculture scientists, farmers and agriculture policymakers in the areas of organic farming, soil testing

and fertilizer science in premier Indian agriculture centers in the National Capital Region of Delhi.

Through these projects, the Embassy of India has been complementing the efforts of the Government of Nepal in augmenting infrastructure in priority sectors. India has already completed 446 HICDPs in Nepal, of which 41 are in Province 5, including 6 in Dang District. Government of India funded projects are under various stages of completion/implementation in the province. The government of India has also funded NR 698 million for the construction of a 33.5 km road from Lamahi to Koilabas, connecting the East-West highway and the India-Nepal border. It provides an all-weather blacktopped road connecting nine wards of seven villages including Lamahi and Koilabas.

India and Nepal have been enjoying old, unwavering, unmatched and multidimensional development partnerships. Today's inauguration of new building of Rapti Cold Storage is a reflection of India's continued development partnership with Nepal and complements effort of Government of Nepal in augmenting infrastructure in the field of agriculture.

THE KATHMANDU POST, KATHMANDU 12-4-2021

Nepal has export potential worth \$9.2 billion, World Bank says

Sangam Prasain

In fiscal 2019-20, exports amounted to \$835 million while imports valued at \$10.22 billion flooded in.

Nepal has export potential worth \$9.2 billion, World Bank says

Nepal has untapped export potential worth an estimated \$9.2 billion, according to a new World Bank finding unveiled on Monday.

The multilateral funding agency said Nepal could boost its exports twelvefold, which represents an opportunity to create around 220,000 new jobs. The World Bank's Nepal Development Update published annually provides a report on the country's key economic developments.

In the last fiscal year 2019-20 ended mid-July, shipments from Nepal were worth \$835 million while imports valued at \$10.22 billion flooded in, resulting in a gargantuan trade deficit of \$9.39 billion.

The World Bank has termed Nepal's export potential as 'missing exports' in the special focus section under the theme 'Harnessing Export Potential for a Green, Inclusive, and Resilient Recovery'.

"This export potential represents an opportunity to create an estimated 220,000 new jobs, with significant implications for productivity growth. Realising that potential is not unrealistic in the medium term," said Kene Ezemenari, World Bank senior economist and lead author of the update, at a virtual meeting organised by the Society of Economic Journalists-Nepal on Monday.

According to the Department of Customs, Nepal's trade deficit crossed the Rs1 trillion (\$9.95 billion) mark in 2017-18 as imports surged amid slowed domestic output and consequent sluggish export revenues.

If Nepal's export growth rate had been able to keep up with the South Asian average since 2000, the unrealised export potential would have been slashed by 73 percent, the World Bank said.

The country's export growth has been stagnant over the past two decades, it said. "Indeed, with export growth at 4 percent on average since the turn of the century, Nepal features among the 20 countries in the world with the least dynamic exports," the report added.

The multilateral funding agency said that stronger exports could help increase Nepal's economic resilience, and accelerate recovery from the devastating shock that the Covid-19 pandemic has posed for the private sector.

"Exports can not only bring foreign currency into the economy to finance well-needed imports, but also spur the creation of 'good jobs' in higher value-added activities," the report said. "Indeed, export orientation tends to drive productivity gains through increased scale and exposure to sophisticated global clients."

The World Bank has suggested six key priority areas to achieve its export potential.

First, Nepal will need to reform the tourism sector through private sector coordination to meet the expected post-pandemic changes in demand and preferences. The country needs to develop nature-based tourism that is environmentally sustainable, with potential to support job creation and inclusive growth.

Second, to attract foreign direct investment, which is crucial for integration into regional and global value chains, it will be important to simplify and streamline processes for multinationals setting up shop in Nepal, besides actively engaging in economic diplomacy to attract capital.

Third, modernising export promotion will require links to digitisation, simplification of processes, skills development, and incentives for exporters.

Fourth, a reduction of trade costs will be critical, particularly given the country's landlocked location and the mountainous terrain. This would entail reducing border crossing congestion through upgraded infrastructure and streamlined procedures and processes.

Similarly, reducing import duties—particularly on raw materials and intermediates—is crucial to ensure exporters have access to the most efficient inputs at world prices.

Fifth, investments to improve phytosanitary infrastructure will be needed for increased standards and safety of exports.

Sixth, measures to boost digital trade, and e-commerce in general, could potentially be a game changer for Nepal by adopting a robust policy framework. This would include, inter alia, efficient domestic and cross-border digital

payment systems, and consumer protection and data privacy regulations aligned with international good practices.

Speaking at the virtual meeting, Finance Minister Bishnu Prasad Poudel said the government was ready to discuss the necessary policy arrangements to realise the export potential.

He said that as per the bank's recommendation, the government was ready to discuss ways to reduce trade costs and import duties, and promote digital or e-commerce to energise Nepal's trade dynamics.

Surakchya Adhikari, co-founder of e-commerce site Thulo.com, said low-cost and reliable logistics solutions were needed to promote Nepali start-ups in global trade.

Adhikari added that gaining global trust and reducing costs by using technology were key to promoting exports.

The Covid-19 pandemic caused Nepal's first economic contraction in 40 years. Nepal's economy shrank by 1.9 percent in the last fiscal year 2019-20 as prolonged nationwide mobility restrictions from March to July 2020 significantly impacted all sectors of the economy.

The effect of the lockdowns and restrictions was pronounced on the services sector whose output fell by 3.6 percent. Tourism ground to a halt, which had a ripple effect on tourism-linked activities and transport. Wholesale and retail trade was also hit hard.

The World Bank said that about 1 million jobs were believed to have been lost in services linked to tourism and transport.

Industrial output dropped by 4.2 percent as manufacturing and construction suffered from input shortages, restricted labour mobility and constrained market access.

Agriculture remained the single driver of growth, expanding by 2.2 percent despite fertiliser shortages and disruptions in distribution channels.

The economy is expected to continue to recover, with growth projected to reach 2.7 percent in 2020-21. But celebrations might be premature, insiders said.

The World Bank has warned that Nepal's economic outlook is still gloomy.

"Delays in the deployment of vaccines and new outbreaks domestically or globally would dampen the nascent recovery momentum, with a particularly detrimental impact on tourism," the report said.

"Also, widespread or global outbreaks could cause a return to travel restrictions, leading to a reduction in outmigration and remittances."

Shocks in migrant receiving countries would also reduce remittances, the report said.

Sekhar Golchha, president of the Federation of Nepalese Chambers of Commerce and Industry, told Monday's virtual meeting that since Nepal was a less leveraged economy, supply and demand would pick up very fast.

“If we are not hit by the pandemic further, we can achieve double-digit growth in the next fiscal year.”

The recent political uncertainty, if prolonged, may further undermine the investment sentiment, according to the report.

Political instability heightened last December when Prime Minister KP Sharma Oli dissolved the House of Representatives. In February, the Supreme Court overturned the decision and reinstated the lower house, leading the two-party majority coalition to split into their former selves in March.

“Finally, should there be another dissolution of Parliament or similar level of political incident as occurred recently, this could dampen investor sentiment,” said the report.

Finance Minister Poudel said concerns that political uncertainties would impact the future investment environment and economic activities were unfounded.

“I urge you not to worry. As all political issues are resolved within the constitutional framework, it will not impact economic policy,” he said.

SPOTLIGHT, KATHMANDU 12-4-2021

Nepal’s Economy Projected To Grow by 2.7 Percent In FY2021

By New Spotlight Online

Export Competitiveness Key To Nepal’s Green, resilient, and inclusive recovery, states new World Bank report

After contracting for the first time in 40 years in FY2020, Nepal’s economy is projected to grow by 2.7 percent in FY 2021, driven primarily by services as social distancing measures continue to be relaxed and vaccines rolled out for priority populations. Agriculture is also expected to perform well, on the back of recent favorable monsoons. Exports could be a powerful platform to boost post-pandemic recovery and enable Nepal to transition towards green, resilient, and inclusive development, states the World Bank’s latest Nepal Development Update.

The update notes that the tourism sector may not fully recover without reforms to readjust to a post-COVID-19 tourism market. The current account deficit is expected to widen marginally in FY2021 to 1.2 percent of GDP as imports and remittances recover modestly while exports remain tepid. Revenue performance is also expected to remain weak. This coupled with additional spending on economic relief measures, vaccinations, and the resumption of project implementation should contribute to increase the fiscal deficit close to 7 percent of GDP in FY2021.

While the government has outlined a program to address the impacts of COVID-19 to mitigate the attendant risks to

the outlook, the Nepal Development Update highlights the importance of improving export competitiveness for a resilient economic recovery.

“Nepal’s untapped export potential is estimated to be around US\$9.2 billion, 12 times its actual annual merchandise exports,” said Dr. Kene Ezemenari, World Bank Senior Economist and lead author of the update. “This export potential represents an opportunity to create an estimated 220,000 new jobs, with significant implications for productivity growth. Realizing that potential is not unrealistic in the medium term.”

The report outlines six key priorities for Nepal to achieve its export potential. These include reforming the tourism sector for a quick and resilient recovery; simplifying and streamlining processes to attract more FDI; modernizing export promotion and upgrading exporters’ capabilities; reducing trade costs; investing in phytosanitary and quality control-related infrastructure; and boosting digital trade and e-commerce for more opportunities linked to global value chains.

“Nepal’s economy is on the path to recovery amid the severe impacts of the global COVID-19 pandemic which affected people lives and livelihoods, and businesses,” stated Honorable Finance Minister, Mr. Bishnu Prasad Paudel. “The recommendations that can help harness the potential of exports in supporting Nepal’s economic recovery are in line with the government’s policies and priorities. The Government of Nepal is working together with development partners and the private sector on a green, resilient and inclusive development agenda to help Nepal build back better and greener from the pandemic.”

The Government of Nepal’s relief, restructuring and resilience plan addresses the pandemic’s impacts from the immediate to the long term with a focus on a green, resilient, inclusive recovery. The first stage of the plan is focused on relief support to businesses and households most affected by COVID-19. In the restructuring phase or medium-term, the focus is on recovery through investments to promote and create green jobs that sustain the country’s natural capital base. In the long term, the plan focuses on sustainability and resilience for inclusive growth.

“We welcome the government’s planned reforms to support Nepal’s green, resilient, and inclusive development. This will be the foundation for Nepal to emerge stronger from the crisis,” stated Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal, and Sri Lanka. “We look forward to continued collaboration with the government and development partners in this effort, particularly on investments that harness Nepal’s export potential to support a sustainable and resilient recovery.”

SPOTLIGHT, KATHMANDU 15-4-2021

Nepal-India Electricity Trade A New Breakthrough

By New Spotlight Online

Indian Government Authorizes Nepal Electricity Authority (NEA) To Purchase Electricity from Indian Market

Nepal Electricity Authority (NEA) has received authorization to purchase electricity from the Indian market. As per the Indian Minister of Energy, NEA is authorized to import electricity purchasing through the energy exchange market.

NEA was informed by India on Wednesday. Following this decision, Nepal is now a member of the Indian energy market. "This is a major milestone for Nepal's energy development," said NEA's MD Hitendra Dev Shakya.

MD Shakya said that the decision paves the way for NEA to import electricity from the Indian market in competitive market price as needed and without the interference of the third party." The decision has historic importance," said MD Shakya. He also said that this is the first step to export electricity to Bangladesh through India. This is a major step for Nepal Bangladesh Electricity Trade.

"NEA has also sent a formal letter to India for the permission of export of Nepal's surplus electricity to India. In the first phase, Nepal proposes to export electricity generated by 456 MW Upper Tamakoshi and 45 MW Bhotekoshi during the rainy season," said MD Shakya.

MD Shakya said India responded to our request for the export and import of electricity to India. "We have requested a letter requesting the purchase and sale of electricity to India. They have permitted us now to purchase and asked us to submit further documents to export. We have already submitted additional documents for the export," said MD Shakya.

THE NEWS, ISLAMABAD 5-4-2021

Trade with India: The facts

Nasim Zehra

On Pakistan's India policy the latest controversy to surface is related to the question of trade. Between March 30 and April 2, several announcements were made by the government which inevitably raised several questions: has Pakistan flip-flopped again on a key policy matter? Which stakeholder on foreign policy forced the final decision? Is the prime minister confused? Is the prime minister not getting the space to take independent decisions on a key policy issue like India? Is the government's decision-making process proceeding in isolated pockets or, worse, in silos? Perhaps some of these are perennial questions related to Pakistan's decision-making process, especially where it involves foreign policy and national security matters.

Which is why it would be important to look at the handling of the trade with India question over the last 100 hours with reference to what exactly the facts were.

Fact 1: Weeks before the discussion at the ECC, the commerce minister raised the question of importing cotton from India within a specific time frame given the shortage of cotton in Pakistan. The commerce minister conveyed the same in writing to the prime minister who advised the commerce minister in writing to raise it in the ECC after the Senate elections. The commerce minister was to take his recommendations and argue his case in the ECC, which is the usual constitutionally defined practice.

Fact 2: The minister of industries, Hammad Azhar, before becoming the finance minister had suggested that sugar be imported from India, which as an important matter had to be first cleared by the commerce ministry before taking it to any forum. When the industries minister's recommendation in writing came to the commerce minister, he presented his own recommendation and the industries minister's note to the prime minister.

Fact 3: Before this ECC meeting, the general thrust of the government – which included the prime minister, his national security division and the army chief – regarding relations with India was that, while Kashmir remains important, Pakistan has to recognise that geo-economics is now a central if not the predominant pillar of its security; that dialogue and not war is the way to settle outstanding bilateral problems with India; that regions develop not countries; and that Pakistan is seeking peace with all its neighbours and accordingly will encourage trade with all its neighbours.

Several meetings on national security, with input from all security stakeholders and often organised by the national security division, conveyed to ministers dealing with trade commerce and economy etc that economics is central to Pakistan's security. Hence, this is the general atmosphere specifically on policy matters against the backdrop of which the commerce and industries ministers took their recommendations to the ECC. The prime minister did not stop them from raising the question of trade with India. He let them argue their case on merit, and against the backdrop of Pakistan's ostensibly evolving policy on India following the February 21 Pakistan-India LOC ceasefire.

Fact 4: On March 30, at the ECC meeting which was chaired by Hammad Azhar as the new finance minister, the issue of importing cotton yarn and sugar was brought up in the committee. The commerce minister presented his recommendations and his case for import of cotton yarn plus sugar, as recommended by the industries minister. The question of import from India was discussed from an economic point of view and the case was made for the same to be presented at the next cabinet meeting. According to not only the constitution but Supreme Court judgments, all government decisions must be cleared by the cabinet. At the ECC, while there was agreement that recommendations for importing sugar and cotton yarn from India will be made at the cabinet, apparently the

planning minister clearly stated that there were politically important political dimensions to the question which had not been discussed.

Fact 5: Contrary to the usual practice of not holding a presser after an ECC meeting, the new finance minister held a press conference in which he announced that the Pakistan government had decided to open import of sugar and cotton from India for the benefit of the public and the SMEs. The minister did not clearly state that the ECC recommendation was to be taken up by the cabinet where a final decision would be made.

Fact 6: On April 1, the cabinet was informed by the prime minister that the ECC had recommended trade with India. The minutes of the ECC's March 30 meeting had not been presented to the cabinet. However, it is believed that Foreign Minister Shah Mahmud Qureshi, Minister for Human Rights and Minister for Interior Sheikh Rashid opposed the ECC's recommendation. The commerce and finance ministers both recalled their interaction with the prime minister regarding importing sugar and cotton yarn from India. The prime minister concluded the topic at the cabinet meeting by deciding to hold a smaller meeting the following day to finalise the policy on the ECC-recommended trade with India. At the cabinet meeting, however, for all purposes the decision against opening any trade with India seemed to have been taken.

Fact 7: On April 2, the prime minister chaired a special meeting on the question of trade with India. The foreign minister, the planning minister, the finance minister, the human rights minister, the food and security minister and the prime minister's SAPMs on commerce and on national security participated in this meeting. The decision was clear: no trade or any other business with India unless India reverses its August 5, 2019 decision on Occupied Kashmir. It was also announced that the commerce minister will explore alternative sources of importing cotton, given the acute shortage of cotton in Pakistan currently, so as to respond to the demands of the SMEs.

After this April 2 decision of no trade with India until India reverses its August 5, 2019 step, Pakistan's India policy is now crystal clear. Irrespective of the new openings after February 21, it is all work in progress. No final decisions have yet been made despite a fairly high level backchannel that currently continues between Pakistani and Indian officials. This decision is also a clear signal to the Kashmiris that it cannot be business as usual with India until India ends state terrorism against the Kashmiris and concedes to the legitimate demands of the people of Kashmir.

In terms of the decision-making process, it appears that this was generally in line with the usual decision-making process. According to the constitution, all economy-related matters must be discussed threadbare at the ECC and subsequently brought to the cabinet for final approval. Also, from a general common sense perspective, the prime minister at the cabinet would get input from different ministers and then arrive at a final decision.

Two issues, however, are significant regarding decision-making. One, that the business of communication has to be viewed more than just communicating at will without thinking through the issue. ECC decisions are all work-in-progress, until approved by the cabinet and hence must be accordingly conveyed to the press and beyond.

Two, and more importantly, there are several components in Pakistan's current decision-making setup that are exploring and pursuing the question of Pakistan's relations with India. Three are important: the Pakistan Foreign Office, the national security division and the backchannel. The Pakistan Foreign Office with its historical memory, looking at matters traditionally and holistically, remains a key stakeholder in the question of Pakistan's relations with India. The National Security Division headed by Moeed Yusuf, his young and competent multi-disciplinary team and with input from the armed forces is a new and dynamic policymaking unit. There is also the backchannel at work where India's input is received by Pakistan and is conveyed to the prime minister in an unadulterated manner. It is critical that the prime minister ensures greater interaction of all three components.

Meanwhile, over the last approximately 100 hours, Pakistan's policymakers should have realized that geo-economics operates within a context and no matter how peace-loving Pakistan is and wants to be, there are issues that must be addressed. Pakistan does not want war but equally Pakistan does not have the option to walk away from complex situations with simplistic decisions.

THE NATION, ISLAMABAD 13-4-2021

Pakistan's exports to Germany show 8.79pc increase in 8 months

APP

ISLAMABAD - Pakistan's exports of goods and services to Germany witnessed an increase of 8.79 percent during the eight months of financial year (2020-21) as compared to the corresponding period of last year, State Bank of Pakistan (SBP) reported.

The overall exports to Germany were recorded at \$989.729 million during July-February (2020-21) against exports of \$909.755 million during July-February (2019-20), showing growth of 8.79 percent, SBP data revealed.

Meanwhile, on year-on-year basis, the exports to Germany during February 2021 also increased by 5.48 percent, from \$110.430 million against the exports of \$116.489 million.

On month-on-month basis, the exports to Germany however decreased by 6.39 percent during February 2021 as compared to the exports of \$124.448 million in January 2021, the SBP data revealed.

Overall, Pakistan's exports to all countries witnessed decline of 2.26 percent in eight months, from \$16.438 billion to \$16.065 billion, the SBP data revealed.

On the other hand, the imports from Germany into the country during the period under review were recorded at

\$698.732 million against \$658.180 million last year, showing increase of 6.16 percent in eight months of this year.

Meanwhile, on year-on-year basis, the imports from Germany during February 2021 dipped by 11.04 percent, from \$104.285 million last year to \$92.769 million.

On month-on-month basis, the import from Germany also decreased by 10.23 percent during February 2021 when compared to the import of \$103.344 million in January 2021, the SBP data revealed.

The overall imports into the all countries increased by 8.59 percent, from \$29.604 billion to \$32.149 billion, according to the data.

THE NATION, ISLAMABAD 15-4-2021

Pakistan, Uzbekistan review level of progress on Trans-Afghan Railway Line Project

SHAFQAT ALI

ISLAMABAD - Pakistan and Uzbekistan yesterday reviewed the level of progress on the Trans-Afghan Railway Line Project which was agreed between Pakistan, Uzbekistan and Afghanistan earlier this year.

Prime Minister Imran Khan discussed the bilateral cooperation and the regional issues with Uzbekistan President Shavkat Mirziyoyev at the first Virtual Summit, the foreign ministry said.

“During the wide-ranging talks, views were exchanged on bilateral, regional and international issues,” said the official announcement.

The Trans-Afghan Railway Line Project would be a first step in linking the Central Asian transport network with Pakistani seaports of Gwadar, Karachi and Qasim. Prime Minister Imran Khan said once completed, the initiative would transform the geo-economic dynamics of the entire regime.

The two sides highlighted the depth of Pakistan-Uzbekistan relations rooted in common faith, shared history and cultural affinities. They also reiterated their determination to maintain momentum of high-level exchanges and further enhance the upward trajectory of the relationship.

The two leaders reviewed the entire spectrum of bilateral relations -- with particular focus on political, trade, security and defence, educational and cultural domains. They also agreed to encourage more people-to-people contacts including through ziyarat (spiritual sightseeing) tourism.

Prime Minister Imran Khan underlined the importance of enhancing political and diplomatic linkages, fast tracking trade and economic cooperation, ensuring early finalization of the Preferential Trade Agreement and

Transit Trade Agreement, increasing security and defence cooperation, and taking steps to deepen mutual collaboration in the fields of education, culture and tourism.

The Prime Minister also underscored the importance of rail, road and air connectivity and highlighted the enormous potential that exists in diverse fields to build an expanded mutually-beneficial partnership.

The Prime Minister highlighted Pakistan’s economic security paradigm and the shifting focus to geo-economics. He stressed that Central Asia was a region of particular focus in this vision.

The two leaders also discussed important global and regional matters of mutual interest, and reaffirmed the commitment to continue supporting each other at all international and regional fora, including the United Nations, Organisation of Islamic Cooperation, Shanghai Cooperation Organisation and Economic Cooperation Organization.

Prime Minister Imran Khan apprised on the latest situation in held Kashmir, shared Pakistan’s perspective on issues of peace and security in South Asia, and underlined the imperative of peaceful resolution of the Jammu and Kashmir dispute.

The Prime Minister also highlighted Pakistan’s efforts to facilitate the Afghan peace process for lasting peace and stability in Afghanistan. He stressed that this historic opportunity must be seized by the Afghan parties to achieve an inclusive, broad-based and comprehensive negotiated political settlement.

The Prime Minister also underscored the importance of countering Islamophobia and promoting inter-faith harmony.

An agreement on Mutual Recognition in the Fields of Conformity Assessment of Products, Standardization, Metrology and Technical Assistance was inked. The two sides also signed an MoU on Defence Cooperation.

President Mirziyoyev reiterated his invitation to Prime Minister Imran Khan to attend the high-level International Conference on regional connectivity, to be held in Tashkent in July 2021.

Prime Minister Imran Khan thanked President Mirziyoyev and reiterated his invitation to him to visit Pakistan at the earliest convenience, said the foreign ministry statement.

The two leaders expressed confidence that the understandings reached during the Virtual Summit will further deepen bilateral cooperation and contribute towards forging a stronger, multi-dimensional relationship between the two countries. It was agreed to continue the Summit-level political dialogue in future. A Joint Declaration was adopted at the conclusion of the Summit.