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THE INDIAN EXPRESS, NEW DELHI 1-8-2021

Ladakh standoff: India, China hold 12th round of talks; hope for a breakthrough

Sources said the meeting, which began around 10.30 am, continued until 7.30 pm, and defence establishment sources were hopeful of reaching an understanding for disengagement from Hot Spring and Gogra Post, Patrolling Point (PP) 15 and PP17A, respectively, friction points.

by Krishn Kaushik | New Delhi

Troops of both sides have now moved back to their respective permanent bases.

India and China held the 12th round of the Corps Commander-level talks on Saturday to find a possible resolution for the nearly 15-month-long military standoff in eastern Ladakh. The meeting was held on the Chinese side of Chushul-Moldo Border Personnel Meeting point.

Sources said the meeting, which began around 10.30 am, continued until 7.30 pm, and defence establishment sources were hopeful of reaching an understanding for disengagement from Hot Spring and Gogra Post, Patrolling Point (PP) 15 and PP17A, respectively, friction points.

There are platoon-sized units of troops on the Indian side of the Line of Actual Control (LAC) at both these friction points since last year. But the troops are not in an eyeball-to-eyeball situation anywhere in eastern Ladakh.

The talks, however, are unlikely to resolve issues in Depsang Plains and Demchok. In Depsang Plains, Chinese PLA troops are blocking Indian soldiers from accessing their traditional patrolling limits — PP10, PP11, PP11A, PP12 and PP13 — in the region. India had accessed the patrolling limits in February 2020, before the standoff began last May.

In Demchok, sources said, “so-called civilians” have pitched tents on the Indian side of Charding Nala, which marks the LAC.

But any movement on PP15 and PP17A would mark a breakthrough, as there has been a stalemate since February. The two sides had disengaged from the north and south banks of Pangong Tso, where troops and tanks from both sides were barely a few hundred meters apart at some places. The troops and armoured columns were pulled back by both sides from friction points in the area.

The Corps Commanders had met for the 10th time within two days after the disengagement to discuss the other issues,

but it did not yield a positive result. They met again on April 9, but the two sides could not even agree on a joint statement, unlike the previous few rounds of discussions.

THE INDIAN EXPRESS, NEW DELHI 10-8-2021

In message to China, PM Modi calls for rules-based resolution to sea disputes

By Shubhajit Roy

Modi also made a veiled reference to China’s Belt and Road Initiative, saying while creating structures for “maritime connectivity”, countries should keep “financial sustainability” and absorption capacity of the host countries — a clear reference to Beijing’s debt-trap diplomacy in recent years.

In a signal to China, Prime Minister Narendra Modi, citing India’s maritime boundary settlement with Bangladesh, told members of the United Nations Security Council Monday that maritime disputes should be resolved peacefully and as per international law.

Addressing UNSC members as the council president for the month of August, Modi also made a veiled reference to China’s Belt and Road Initiative, saying while creating structures for “maritime connectivity”, countries should keep “financial sustainability” and absorption capacity of the host countries — a clear reference to Beijing’s debt-trap diplomacy in recent years.

A presidential statement was adopted at the end of the first standalone discussion on “maritime security” which flagged the “primacy of international law” — UN Convention on the Law of the Sea or UNCLOS is the legal framework applicable to activities in oceans, including countering illicit activities at sea.

Sources said the process was not smooth, with one P-5 country (China) holding out till the very end on the language related to the UNCLOS. India’s negotiators were able to find language acceptable to all, without dropping reference to UNCLOS — other P-5 countries insisted on retaining it.

The final statement said: “The Security Council reaffirms that international law, as reflected in the United Nations Convention on the Law of the Sea of 10 December 1982 (UNCLOS), sets out the legal framework applicable to activities in the oceans, including countering illicit activities at sea.”

In his remarks, Modi said: “Maritime disputes should be resolved peacefully and in accordance with international

law. This is extremely important for promoting mutual trust and confidence, and ensuring global peace and stability.”

“We need to promote responsible maritime connectivity. It is well understood that creation of structure is necessary to boost maritime trade. However, in such infrastructure projects, it is important to pay attention to fiscal sustainability and absorption capacity of the host countries. For this, we should develop appropriate global norms and standards,” he said.

The session on “Enhancing maritime security: a case for international cooperation”, chaired by Modi, was attended by Russia President Vladimir Putin, US Secretary of State Antony Blinken, France Foreign Minister Jean-Yves Le Drian, UK Defence Secretary Ben Wallace and China’s Deputy Permanent Representative to the UN, Dai Bing, among others.

In their statements, the US and France mentioned the South China Sea — China objected to the reference, the UK referred to the Indo-Pacific, and Russia was careful to not mention them.

Without mentioning China, US Secretary of State Blinken called out “dangerous encounters” and “unlawful maritime claims” in the South China Sea and expressed concern on “actions that intimidate and bully” other countries. “We have seen dangerous encounters between vessels at sea, and provocative actions to advance unlawful maritime claims. The United States has made clear its concerns regarding actions that intimidate and bully other states, lawfully accessing their maritime resources. And we and other countries including South China Sea claimants have protested such behaviour, and unlawful maritime claims in the South China Sea,” Blinken said. Vietnam’s Prime Minister Pham Minh Chinh also flagged the situation in South China Sea, and said disputes should be settled through peaceful means, in line with international law, diplomatic and legal processes, and “ensure the freedom safety, security, freedom of navigation and overflight, without resorting to acts that would complicate a situation or create tension in the region”.

Addressing India which had called for the session, China’s Dai, who spoke towards the end of the session, said, “Mr President, I wish to point out that the (UN) Security Council is not the right place to discuss the issue of South China Sea. The United States just mentioned the South China Sea issue, and China firmly opposes this act.”

Referring to US and India, Dai said: “A few countries are pursuing exclusive regional strategies in the Asia Pacific

region and attempt to create and intensify maritime conflicts, undermine the sovereignty and security interests of relevant countries, and weaken regional peace and stability. This runs counter to the aspirations of most countries in the region to seek peace, cooperation and development.”

French Minister Le Drian said: “We would like to remain extremely attentive to all these situations in over tensions in the South China seas”. France is working in different regional fora to assist its partners to strengthen their ability to ensure the control and security of maritime bases, he said.

UK Defence secretary Wallace said UNCLOS applies to all the oceans, and all the seas. “It is not an a la carte option for some States to pick and choose, as they wish. Like India, the UK has a vision for a free, open and secure Indo Pacific,” he said, in a signal to Beijing.

Putin, however, did not mention South China Sea or the Indo-Pacific, and articulated a much nuanced position. “Russia promotes strict adherence to key norms and principles of international law enshrined in the UN Charter, such as respect for sovereignty, non-intervention in the internal affairs and settling disputes through dialogue. I hope that participants of our deliberation will concur with my saying that the UN principles must be observed in peaceful and responsible use of maritime spaces,” he said, aiming at the US’s Indo-Pacific strategy.

THE HINDUSTAN TIMES, NEW DELHI 5-8-2021

Stern message to China: Indian warships head to South China Sea

By Amit Chaturvedi, New Delhi

Four ships, including a guided missile destroyer and a missile frigate, will be deployed for a two-month period to southeast Asia, the South China Sea and the western Pacific, the navy said in the statement. The Indian ships will take part in annual joint war drills with countries part of Quad.

India is sending a naval task force to the South China Sea this month to expand security ties with friendly countries, the Indian navy said in a statement on Wednesday. The move signals India's intent to play a bigger role in regional efforts to counter China.

Four ships, including a guided missile destroyer and a missile frigate, will be deployed for a two-month period to southeast Asia, the South China Sea and the western Pacific, the navy said in the statement.

"The deployment of the Indian Navy ships seeks to underscore the operational reach, peaceful presence and solidarity with friendly countries towards ensuring good order in the maritime domain..." the navy said.

The Indian ships will take part in annual joint war drills involving the United States, Japan and Australia - the group known as Quad along with India - off the coast of Guam, the navy said. The Quad has emerged as a platform to counter an assertive China.

The mood of Indian navy has hardened following the clashes between Indian and Chinese militaries in Galwan in East Ladakh last year.

South China Sea has emerged as one of the flashpoints between China and other countries, including smaller ones like the Philippines, Vietnam etc who accuse the dragon of exercising undue pressure in the region by claiming it as its own territory.

The United States and Britain too have deployed their respective naval vessels in the region. The Elizabeth carrier strike group is heading to Japan to exercise with its maritime forces. Japan has shown urgency to ramp up its military capabilities and deepen military cooperation with Quad and other allies at a time when China has emerged as country's top security threat.

China had recently threatened to nuke Japan if it interferes in Taiwan or East China Sea by saying that Beijing will revisit its no first use option.

Meanwhile, Washington too has rejected what it calls unlawful territorial claims by Beijing in the resource-rich waters.

In June, a US aircraft carrier group led by the USS Ronald Reagan entered the South China Sea as part of a routine mission.

THE TRIBUNE, CHANDIGARH 10-8-2021

India played constructive role in Afghanistan: Pentagon

Pentagon Press Secretary John Kirby says the United States continues to have conversations with Pakistani leadership about the safe havens that exist along that border between Afghanistan and Pakistan

India has played a constructive role in Afghanistan in the past, the Pentagon acknowledged on Monday.

"India has played a constructive role in Afghanistan in the past in terms of training and other infrastructure improvements," Pentagon Press Secretary John Kirby told reporters at his daily news conference.

"That kind of work, that kind of effort to help Afghanistan maintain stability and good governance is always welcome," he said when asked about India-US cooperation on Afghanistan. Responding to a question, Kirby said the United States continues to have conversations with Pakistani leadership about the safe havens that exist along that border between Afghanistan and Pakistan.

"We are mindful that those safe havens are only providing a source of more insecurity and more instability inside Afghanistan. We are not bashful about having that discussion with Pakistani leaders," he said.

"We are also mindful that Pakistan and the Pakistani people also fall victim to terrorist activities that emanate from that region. So, we all have a shared sense of the importance of closing down those safe havens and not allowing them to be used by the Taliban or other terrorist networks," Kirby said.

"And again, we're having that conversation with the Pakistanis all the time," he added.

Defence Secretary Lloyd Austin, he said, shares the concern of the international community about the security situation in Afghanistan which is clearly not going in the right direction.

"The secretary continues to believe that the Afghan forces have the capability, they have the capacity to make a big difference on the battlefield," he asserted. - PTI

THE TRIBUNE, CHANDIGARH 15-8-2021

India provides refuge to 'sympathetic' Afghan officials

India has started providing refuge to fleeing former Afghan government officials who were sympathetic to New Delhi.

These Afghans are arriving in Delhi by commercial flights, said sources. Among a group that landed from Kabul was the former police chief of Kandahar Tadin Khan, who was close to the notorious warlord Gul Agha Sherzai who also is believed to have fled to India.

At least a dozen commercial airlines are still operating to Kabul including Air India which arrived with 129 passengers.

Arvind Gupta, Director of the influential Vivekananda Foundation, which was headed by NSA Ajit Doval, leaned in favour of accommodating Afghans trying to flee Kabul, among them several friends of India. "They are looking to come to India on legitimate visas. The Government should consider such requests on humanitarian grounds and save them from likely Taliban reprisals," he said.

Several Afghans who did not hide their empathy for India and are journalists, writers, and activists fear the worst in the coming days, even if the initial takeover may appear peaceful in keeping with frequent exhortations from western countries, said the sources. Besides many Hazaras and Tajiks, many of whose association with India is well known may need to be accommodated. Sources said the Indian embassy in Kabul is open and issuing visas on a case-to-case basis to Afghan nationals regardless of their religion. However, most of those who have arrived over the past few days had long-term Indian visas as they were considered close to the Foreign Office and the intelligence agencies.

THE HINDUSTAN TIMES, NEW DELHI 4-8-2021

India for speeding up connectivity projects with Asean

India has been pushing for a review of the India-Asean trade in goods agreement, which entered into force in January 2010.

By Rezaul H Laskar

India on Wednesday called for the speeding up of regional connectivity projects with members of the Association of Southeast Asian Nations (Asean), including the trilateral highway with Myanmar and Thailand and the Kaladan transit transport project.

While speaking at the virtual Asean-India foreign ministers meeting, external affairs minister S Jaishankar said New Delhi was also looking to an early review of the trade in goods agreement. In a set of tweets, Jaishankar described the meeting as "substantive and fruitful".

India, he tweeted, was looking forward to "accelerate our connectivity projects, especially trilateral highway and Kaladan project". He didn't give details.

The Indian side has helped construct two key stretches of the 1,360-km trilateral highway in Myanmar, but work on several other sections and the upgrade of nearly 70 bridges has been held up by a variety of factors. India believes the highway, which will run from Moreh in Manipur to Mae Sot

in Thailand, will allow it to access markets across the Asean region and boost people-to-people ties.

Work on the \$484-million Kaladan project, which will connect Kolkata port with Sittwe port in Myanmar's Rakhine state, has been affected by the activities of militant groups such as the Arakan Army and land acquisition issues on the Indian side. New Delhi has been pushing for a review of the India-Asean trade in goods agreement, which entered into force in January 2010. Under the pact, the Asean states and India agreed to open their markets by progressively reducing and eliminating duties on 76.4% coverage of goods. The Indian side believes an early review of the agreement will help achieve the true trade potential between the two sides. The review is expected to include issues such as customs procedures, exchange of data and further liberalisation of trade.

"Much of India's interests and relationships now lie to its East, a testimony of its ties with Asean," Jaishankar said in a tweet. India also seeks convergence between its Indo-Pacific Oceans Initiative and the Asean outlook on the Indo-Pacific, he said.

At the same time, India will support the initiative for Asean integration through capacity-building initiatives and also contribute through Mekong-Ganga cooperation and quick impact projects, he added.

Jaishankar noted that the two sides had been strong partners in the Covid-19 response, including on medicines, oxygen, equipment and logistics. While backing the Asean position on resolving maritime issues, Jaishankar said India believes the United Nations Convention on the Law of the Sea (UNCLOS) sets out the "accepted legal framework for all maritime activities".

The minister subsequently addressed the virtual East Asia Summit foreign ministers' meeting that was joined by the representatives of Australia, China, Japan, New Zealand, Russia, Singapore, the US and the 10 Asean members.

Jaishankar highlighted the growing convergence of approaches on the Indo-Pacific among the members, and stressed that the "Code of Conduct on South China Sea should be fully consistent with UNCLOS 1982". The code, he said, "should not prejudice legitimate rights and interests of nations not party to discussions".

Asean and China plan to draft the Code of Conduct to serve as a framework with rules and standards to cope with long-standing disputes in the South China Sea.

Jaishankar also supported Asean's five-point consensus for the situation in Myanmar and welcomed the appointment of a special envoy by the grouping to deal with the issue.

The five-point consensus, adopted at an Asean leaders' meeting in April following the military coup in Myanmar, called for an immediate cessation of violence and utmost restraint from all parties, constructive dialogue to find a peaceful solution, the appointment of a special envoy to facilitate mediation, provision of humanitarian aid, and visit to Myanmar by the special envoy.

Asean on Wednesday announced Brunei's second minister for foreign affairs, Erywan Yusof, had been appointed as the special envoy. The appointment was delayed by divisions within the grouping.

OUTLOOK AFGHANISTAN, KABUL 7-8-2021

Ghani Meets with Iran's President-Elect Ahead of Inauguration

TEHRAN - President Ashraf Ghani met with Seyed Ebrahim Raisi, President-elect of Iran, in Tehran early Thursday, the Presidential Palace (ARG) said in a statement.

The meeting was also attended by Second Vice President Sarwar Danish, Foreign Minister Haneef Atmar and a number of other high-ranking Afghan government officials. During the meeting, both sides discussed the expansion of cooperation and relations between the two countries. The President-elect of Iran stressed the continued support for the Government of Afghanistan and the efforts for a regional consensus for peace. He also expressed his support for the people of Afghanistan to preserve the republic and its past achievements. "We support a system in which the rights of all Afghan citizens, including minorities, are protected, and our neighbors, especially Afghanistan, have a high position in our foreign policy," Raisi said. In turn, Ghani thanked Iran for its assistance and cooperation in various fields and stressed the need for joint economic cooperation and the expansion of relations between the two countries. (ATN)

OUTLOOK AFGHANISTAN, KABUL 8-8-2021

India Again Excluded from Extended Troika Meeting

KABUL - India has once again excluded from an important meeting of the Extended Troika on the latest situation in Afghanistan, a media report said on Saturday.

The Press Trust of India said Pakistan, China and the United States were expected to attend the Russia-convened meeting.

Russia has intensified diplomatic efforts to bring together key stakeholders to control the growing violence and push the peace process in Afghanistan.

The so-called Extended Troika is scheduled to meet in Qatar on August 11. Similar meetings were earlier held on March 18 and April 30.

Russian Foreign Minister Sergey Lavrov said in June Moscow would continue to interact with Delhi and other key capitals on the situation in Afghanistan.

Lavrov's statement had prompted speculation about India being invited to the upcoming 'Extended Troika' meeting in the Qatar capital. (Pajhwok)

OUTLOOK AFGHANISTAN, KABUL 9-8-2021

Iran Closes Border with Afghanistan amid Heavy Conflicts

Iran has announced the closure of its key border with Afghanistan in Nimroz province after the Taliban took over four provinces in the war-ravaged country.

The crossing point in the Milak district of Sistan and Baluchestan province has been closed due to a surge in violence in the neighboring Nimroz province.

The move comes two days after the Taliban toppled southwestern Nimroz province which obliged tens of families to cross the border into Iran from the provincial capital of Zaranj city.

Apart from the citizens of Zaranj city, Afghan government security forces also fled to Iran along with their armored and non-armored vehicles but the Afghan defense ministry denied the escape.

In recent conflicts, the Taliban took over Kunduz and Saripol provinces and have entered the central Taloqan city of Takhar province.

The collapse of major cities to the Taliban has infuriated the US and President Joe Biden ordered the use of B-52 bombers to target the fighters' positions in Afghanistan.

Iran though did not officially deny accepting Afghan refugees in case civil war erupts in Afghanistan; Pakistan has repeatedly expressed concerns over the potential influx of asylum seekers which will endanger both Pakistan and Iran. (Khaama Press)

OUTLOOK AFGHANISTAN, KABUL 11-8-2021

How Russia, China, and Iran will shape Afghanistan's future

Nilofar Sakhi

A new phase of regional cooperation is in bloom following US President Joe Biden's decision to withdraw all US troops from Afghanistan by September 11, 2021, revitalizing efforts to develop consensus around common security challenges. Officials from Islamabad, Beijing, Moscow, and Tehran are meeting or plan to meet with the leadership of the Taliban and Afghan government, in addition to US Secretary of State Antony Blinken's consultations with Afghan and Pakistani leaders and the March conferences in Moscow and Dushanbe, Tajikistan. There can be no sustained solution to the Afghan war without a national consensus on a political roadmap for the country. Still, these regional efforts are a parallel and crucial phase of the political peace process because the conflict in Afghanistan is multidimensional. Each country in the region has specific interests that influence its engagement in Afghanistan's future, and the relations of regional powers demonstrate the realpolitik at play. In particular, Russia, China, and Iran have much to gain (or lose) from Afghanistan's peace process. In recent years, they have been directly involved in Afghan politics: both formally, through state-to-state diplomatic relationships, and informally, through support to various political factions. Russia and Iran have become more proactive regional players in Afghan affairs since the start of the Afghan peace process in 2018. Additionally, China's partnerships with these countries will further define the Afghanistan that emerges after the US military withdrawal.

Russia and China: hegemonic allies and rivals

In the context of great-power politics, Russia has consistently expanded its influence in Central Asia. The US troop withdrawal has further motivated Russia to expand its military presence in the region. Moscow's engagement in the Afghan peace process and its involvement in regional platforms—particularly through the Troika-plus grouping of the United States, Russia, China, and Pakistan—has more to do with the threats it faces from Afghanistan's insecurity, religious extremism, drug production, and drug trafficking. At this point, the primary concern of Russia and Central Asian countries is their own security; they want to be sure that Afghanistan's post-US withdrawal insurgency or political instability will not cross their borders. Russia will likely find ways to work with the Taliban, which many

expect to hold power (either formally or informally) in the new Afghanistan.

The US withdrawal and potential power vacuum that results in the region will allow Russia to establish a geopolitical foothold in Afghanistan. For this purpose, it has already started building relationships with Afghan political factions. Russia still sees itself as a regional hegemon and views the US departure as an opportunity to revitalize its role and expand its power by building alliances in the region, particularly with China. Beijing's major interest of securing economic gains can be achieved by using Afghanistan's position as a regional connector in either the Belt and Road Initiative or China-Pakistan Economic Corridor. In addition, since 2007 China has been seeking ways to extract Afghanistan's vast mineral wealth, which requires security and transportation infrastructure. None of this is possible without a stable Afghanistan, so China is still assessing the political landscape in Afghanistan and what it can gain from a peace deal. Following the rule of "the enemy of my enemy is my friend," both Beijing and Moscow are eager to undermine Washington. China and Russia are now more aligned than they've been since the mid-1950s. With a commitment to a strategic and comprehensive partnership, these countries will expand their political outreach to the region through bilateral and trilateral agreements, well aware that, historically, romances among global powers do not last for long. For now, both Beijing and Moscow will maintain a presence in Afghanistan to prevent the potential threats that instability in the country could pose to their security. Though neither country wants an Islamic Emirate nearby, they may still agree to such a system if it serves their interests. That requires maintaining a relationship with the Taliban.

Iran: the power player

Like Russia, Iran, one of the most influential regional actors in Afghanistan, has always seen Afghanistan as a threat to its security but also as an opportunity to expand trade and accessibility to Afghan and Central Asian markets. Iran never wanted a long-term US presence in Afghanistan and has targeted the United States with both soft and hard power. Iran opposed the Bilateral Security Agreement negotiated between Afghanistan and the United States, while also supporting anti-US insurgents. Tehran has substantial security interests in Afghanistan and has fought Islamic State Khorasan Province there by sending its Fatemiyoun Brigade, which has recruited Afghan Shia fighters in the past. Iran will strive to maintain its access to the Afghan market, promote Shia ideology there, and address

transnational threats such as militancy, drug trafficking, and insurgency. It tends to work quietly in the country, using soft power to spread its influence. Despite their shared views about US troops, Russia doesn't want a powerful Iran countering its own regional influence. Another concern for Russia is US-Iran rapprochement, which could undermine and marginalize Russia's influence. With the US troop withdrawal, Iran will have more direct influence in Afghanistan and will aim to protect its interests by building alliances with regional powers, particularly China and Russia. A deal signed between Iran and China promising \$400 billion in Chinese investment is the second Chinese partnership in the region after China's collaboration with Russia. Though the China-Iran relationship is growing, Beijing will be careful to not allow that partnership to risk its relationships with oil-rich Gulf Arab states. Though deals between the regional powers might not have a direct impact on Afghanistan in the near future, in the long term they will influence Afghan power dynamics, especially considering that the China-Iran agreement includes deepening military cooperation through intelligence-sharing. In addition, these deals, if sustained, will strengthen cooperation between China and Iran, which, in principle, oppose US dominance in the region.

What's next?

The China-Iran bilateral agreement and China-Russia comprehensive partnership create the conditions for a triangular partnership among all three countries, which could determine the security architecture of the region. China, Russia, and Iran likely would never invade Afghanistan, but they will use it as a battlefield for their strategic competition with the United States. Additionally, knowing that Afghanistan will face long-term instability, these countries fear that the US withdrawal will destabilize the region and present them with transnational threats. In such a context, a continued US partnership with Afghanistan through development and diplomacy, intelligence-sharing, and other forms of cooperation would prevent Afghanistan from becoming a harbor for terrorists and allow Washington to maintain a base in the region to counter its regional rivals. To maintain regional order, multilateral diplomacy should proceed with US engagement—not abandonment—of the region.

In addition, the peace process should include Iran, Russia, and China so that they can negotiate their interests with Afghan political factions and offer their resources to advance Afghanistan's peace and stability. This will

ultimately serve the economic and security interests of everyone.

THE DAILY STAR, DHAKA 3-8-2021

'Repatriation is our main agenda'

JS body opposes WB proposal of integrating Rohingyas into Bangladesh

By Rashidul Hasan

A parliamentary body yesterday strongly opposed the World Bank's reform proposals, including the inclusion of Rohingya refugees in the host country.

The parliamentary standing committee on foreign affairs ministry has asked the ministry concerned to be vigilant in this regard, citing the proposal as an intention to allow Myanmar's displaced Rohingyas to settle permanently in Bangladesh.

The meeting was held in the Jatiya Sangsad Bhaban.

Muhammad Faruk Khan, chief of the parliamentary body, said, "We have told the ministry that the World Bank wants to make permanent arrangements for the Rohingyas by making such proposals. All these proposals for the settlement of Rohingyas cannot be accepted. We have clearly opposed it. We have said very strongly that we should not fall into the trap of the World Bank."

"We have also told the foreign ministry that statement in this regard will be clear that we have given them temporary shelter. You [World Bank] should make arrangements for their return to Myanmar. We will not accept such proposals to construct buildings for them and giving them opportunities for work and to buy land," he added.

Faruk Khan, also a ruling Awami League MP, said they have told the foreign ministry that their first agenda while discussion with the World Bank will be how to send Rohingyas back to Myanmar. Foreign Minister AK Abdul Momen recently said the government had rejected the World Bank's proposal in which it called for giving refugees all kinds of legal rights, including birth and death registration, working, buying land, education, employment and engaging in business.

Meanwhile, a report issued by the foreign ministry said improving the living standards of Rohingyas would encourage them to settle in the country permanently.

Rohingya repatriation, western countries and relevant UN agencies have long been interested in taking up long-term

projects to improve the living standards of Rohingyas in the camps.

The international community is becoming more active in increasing the quality of life and facilities for the camps, providing Rohingyas with formal education, technical training, job creation through social business and various development projects.

Such activities, especially the continuous improvement of the quality of life in the camps, could encourage the Rohingyas to settle permanently in Bangladesh and severely hamper the repatriation process, the foreign ministry said in its report.

In this regard, the prime minister has approved the proposal of the foreign ministry to take a policy decision to keep the living standards and facilities of the Rohingya camps at a reasonable and limited level in the interest of repatriation. Among others, committee members Foreign Minister AK Abdul Momen; State Minister for Foreign Affairs Shahriar Alam; and lawmakers Nurul Islam Nahid, Golam Farooq Khandaker Prince, Abdul Majid Khan and Habibe Millat took part in the meeting.

Meanwhile, the World Bank has clarified that the proposals made in its Refugee Policy Review Framework is a global document, not Bangladesh-specific, meant to assess the effectiveness of the refugee-related projects funded by the global lender. It also said it was not in a position to negotiate the policy issues.

THE DAILY OBSERVER, DHAKA 8-8-2021

FM urges ASEAN countries to help expedite Rohingya repatriation efforts

Foreign Minister Dr AK Abdul Momen on Sunday urged the ASEAN member states to intervene in the Rohingya issue and help expedite their repatriation to Myanmar.

"For the last four years, there is no violence in the Rakhaine State, yet none of the displaced people of Myanmar returned to their homes mostly because of fear of uncertainty and trust defect," he said. Dr Momen was addressing a virtual programme on the occasion of the 54th ASEAN Day organized by ASEAN Dhaka Committee, reports UNB.

Foreign Secretary Masud Bin Momen, Haznah Md Hashim, High Commissioner of Malaysia and Chair of the ASEAN Dhaka Committee, Haji Haris bin Haji Othman, High Commissioner of Brunei Darussalam; Rina P. Soemarno, Ambassador of Indonesia; Aung Kyaw Moe, Ambassador

of Myanmar; Pham Viet Chien, Ambassador of Vietnam; Panom Thongprayoon, Chargé d'Affaires, Royal Thai Embassy; Leo Marco C. Vidal, Chargé d'Affaires at the Embassy of the Philippines; Sheela Pillai, Head of Mission of the Singapore Consulate, Dhaka; Foreign Ministry officials and diplomats from ASEAN member countries joined. Dr Momen said ASEAN should work together to address their lack of trust and uncertainty and facilitate their safe repatriation. The prolonged presence of such a huge number of displaced people entails serious ramifications on the economy, environment, security, and socio-political stability of not only Bangladesh but the entire region including the ASEAN, he said. Dr Momen said they need to make a tangible progress in terms of a safe, secure and sustainable repatriation of the Rohingyas to their homeland, Myanmar.

Myanmar agreed to take back their displaced people from Bangladesh and agreed to provide them safety and security and also to create a conducive environment in the Rakhaine State for their return but the pledge remains unmet. Out of a humanitarian consideration, the Foreign Minister said, Bangladesh is sheltering to 1.1 million Myanmar nationals who were forcibly evicted from their homeland. Dr Momen said ASEAN is standing at a crossroad of previous success and future opportunities. Bangladesh considers it crucial to maintain regional peace, stability and security if the region is to attain full potential, he said.

Bangladesh says it is willing to work with ASEAN for the betterment of the people of this entire region and attain the shared vision of future prosperity. Bangladesh, being located between ASEAN and SAARC, provides a lot of opportunities and potentials to furthering trade, investment and wide economic relations with the ASEAN countries, Dr Momen said. Bangladesh applied for the status of Secretarial Dialogue Partner of ASEAN, which if received, can add impetus in Bangladesh's role in bridging these two important regions of the world. The Association of Southeast Asian Nations (ASEAN) brings together ten countries with over 660 million people, about 9% of the world's population, and a combined gross domestic product of more than USD 2.5 trillion. Throughout the last 50 years, Dr Momen said, the ASEAN has transformed from a loosely constructed regional organization to one of the major players in the world encompassing almost all countries in Southeast Asia. With its unique geographical location, Bangladesh can act as a "bridge" between South Asia and South East Asia acting as a gateway to the land locked countries of Nepal, Bhutan and Northeast India for the ASEAN countries, Dr Momen said. The ASEAN Dhaka

Committee (ADC) hosted the 54th ASEAN Day to commemorate the founding of ASEAN on 8 August 1967. Under the national Chairmanship of Brunei Darussalam, the theme for 2021 is “We Care, We Prepare, We Prosper”. Haznah Md Hashim highlighted the achievement of ASEAN, after 54 years since its establishment, in bringing peace and prosperity to the region, and that ASEAN has been working together in finding a sustainable response to the current pandemic. She reiterated the significance of ASEAN-Bangladesh relations, and that the ADC will continue to play an active and constructive role as the bridge for the ASEAN Member States in engaging the host government.

THE KATHMANDU POST, KATHMANDU 12-8-2021

Border dispute issue with China raised at Congress senior leaders’ meeting

After some senior members sought to know the government's position on border disputes with China, Prime Minister and Nepali Congress President Sher Bahadur on Thursday said he would form a task force to look into the issue.

During a meeting with senior leaders, ahead of the party’s Central Working Committee meeting, questions were raised as to why the government’s Common Minimum Programme, prepared by seven members of the ruling alliance, failed to include the boundary dispute with China, particularly in Humla district. Bimalendra Nidhi, who was present in the meeting, told the Post that Nepal should be sensitive about its boundary issues both with India and China and must seek a solution through bilateral talks. “While the border issues with India have been incorporated into the government’s Common Minimum Programme, similar concerns relating to China have not,” said Nidhi.

Deuba had called a meeting of senior leaders to solicit views on holding the party’s 14th general convention and the Common Minimum Programme (CMP), among others. Nidhi said the CMP while categorically talks about boundary issues with India, including Kalapani, Lipulekh and Limpiyadhura, it has not said anything on the border issue, especially in Humla, with China, which was reported by the party’s own members, Jeevan Bahadur Shai, a member of Karnali Provincial Assembly.

After a field visit of border areas with China, Shahi in October last year had submitted a report to the party headquarters saying some parts of Nepal had been

encroached upon by China Namkha Rural Municipality of Humla. In his report, Shahi had reported that boundary pillars numbering 9, 10, 11, 12, 5 (1), 6 (1), 7 (1) and 8 (1) were damaged and pillar No. 12 was replaced with a new one. With the installation of pillar No. 12 inside the Nepali territory, a large chunk of Nepali land has slipped into the Chinese territory, Shahi wrote in his report.

“Our own provincial lawmaker Jeevan Bahadur Shahi had reported about the border dispute,” said Nidhi. “But the party has failed to take up the issue. This must have figured in the CMP.”

After the report was made public, the Chinese embassy in Kathmandu had written to the Nepali Congress, protesting the charges that China had encroached upon the Nepali territory. An internal report prepared by the Home Ministry also found that there were some disputes in border areas in Humla. The report, however, was never made public.

The Ministry of Foreign Affairs, however, ruled out any boundary dispute with China. According to Nidhi, after listening to concerns regarding the government’s position on boundary issues with China, Deuba has pledged to form a high-level task force to study the matter.

“The prime minister has assured us that such a task force would be formed by the Cabinet,” Nidhi told the Post. Later in the day, the party held its Central Working Committee meeting to discuss the 14th general convention. According to leaders, the party is planning to defer the convention at least for two to three months, as it has become almost impossible to hold it on September 1-4 as per an earlier plan. Failure to hold the convention by the third week of September, the Congress runs the risk of getting invalidated, as it has already exhausted the provisions provided for by the law to extend the term of its elected bodies. “Before proposing the new timeline to hold the convention from ward to central level, we have to resolve the dispute over the party’s active membership,” said Arjun Nar Singh KC, a senior party leader.

DAILY MIRROR, COLOMBO 2-8-2021

Foreign intel operating in Sri Lanka?

Foreign intelligence agencies from a number of countries are believed to be operating in Sri Lanka to gather information or counterpropaganda from countries of concern, Daily Mirror learns. Sources said that the main focus of these intelligence agencies is to keep a close eye on the activities of some countries, the contacts they establish

locally and their military presence, if any. Sri Lanka has been seen as a strategic location in the Indian Ocean, and there have been fears the island could be used by some countries to pose a threat to regional stability. Well-informed sources said that foreign intelligence officers are believed to have entered Sri Lanka using diplomatic passports. Foreign intelligence officers are believed to have been operating in Sri Lanka as far back as when the war with the LTTE was at its peak. One source told Daily Mirror that during the war, there were also concerns raised that meetings held by the local authorities could be tapped. The source said that measures were taken at the time by local defence authorities to bar tapping of closed-door meetings using the technology available at the time. When contacted by Daily Mirror, Media Minister and Cabinet co-spokesman Keheliya Rambukwella said that it is hard to detect foreign intelligence officers, especially when they are in the country using diplomatic passports. He also said that Sri Lanka is not the only country where intelligence officers of foreign countries are believed to be operating. "We see this happening in other countries as well, where foreign missions are used for intelligence gathering," Rambukwella said. However, he noted that local intelligence agencies are on alert, and if there is a threat to Sri Lanka as a result of the presence of any foreigner then the local authorities will act. (EASWARAN RUTNA)

THE EXPRESS TRIBUNE, ISLAMABAD 4-8-2021

Qureshi asks UN to take note of India's illegal steps in Kashmir

FM says India's attempt to change demography of occupied region violation of UN resolution

On the completion of two years of India's annexation of Occupied Kashmir after the abrogation of Article 370, Foreign Minister Shah Mahmood Qureshi urged the United Nations on Wednesday to play its role in upholding the Kashmiris' right to self-determination. In a letter addressed to the United Nations Security Council and Security General, Qureshi drew attention to the "blatant measures" taken by India on August 5, 2019, to consolidate its occupation of the disputed territory that was followed by additional unlawful steps.

According to Qureshi, "These additional steps include illegal changes to the demographic structure and electoral boundaries in the occupied territory which are aimed at further marginalisation of Kashmiri Muslims to suppress

their demand for freedom from Indian occupation and repression."

FM Qureshi said that Pakistan has categorically rejected all unilateral measures of India in Kashmir, including the end to its autonomy on August 5. He said Pakistan would also categorically reject "any further unlawful steps that may be imposed in the future". The foreign minister underlined that all such measures by India in Kashmir were "violation of the international law, including the UNSC resolutions and 4th Geneva Convention, and, are ipso facto, legally and materially, null and void".

In his letter, the foreign minister said that the Indian government has deployed 900,000 troops in the region to suppress the Kashmiri people. Similarly, India enforced the "most extended curfew and lockdowns, imprisoned the Kashmiri political leadership, illegally detained 15,000 Kashmiri youth, tortured and extra-judicially killed young boys, put down peaceful protests violently...and imposed collective punishments by demolishing and burning entire neighbourhoods and villages". Noting India's active planning as well as promotion and financing of terrorist activities against Pakistan from across the border, including the recent bombing in Lahore, the FM urged the Security Council to push India to halt its terrorist and subversive campaign against Pakistan. Recalling that a just settlement of the Jammu and Kashmir dispute in accordance with relevant UNSC resolutions and the wishes of the Kashmiri people is essential for sustainable peace in South Asia, the FM emphasised that the onus remains on India to create a conducive environment for engagement and result-oriented dialogue. To create such an environment, India must reverse all unilateral and illegal measures imposed in Kashmir, including those initiated on and after 5 August 2019, rescind the demographic changes, and halt human rights violations, the minister wrote. Qureshi also called upon the UN Security Council to fulfil its obligation to ensure the full implementation of its resolutions, guaranteeing the exercise of Kashmiris' right to self-determination. This latest letter from the FM came as the continuation of Pakistan's regular communications since August 2019 to keep the United Nations apprised of the situation in Kashmir.

THE EXPRESS TRIBUNE, ISLAMABAD 5-8-2021

Pakistan won't accept forceful takeover in Afghanistan: NSA

WASHINGTON: National Security Adviser Dr Moeed Yusuf has said that Pakistan would not accept 'forceful

takeover' in Afghanistan and instead support political solution to the conflict." We will not accept a forceful takeover," he told the media at a news conference held at the Pakistan embassy in Washington DC late Wednesday, wrapping up a week of talks with the US administration. The NSA stressed that the only solution for peace in Afghanistan was a "political one".

"We have made it absolutely clear that we are with the international community on where this goes," he said. "But the world also needs to be clear that the US invests in a political settlement," he added.

Dr Yusuf said the harsh rhetoric of the Afghan government against Pakistan was making it impossible to maintain good relations between the neighbours. "We are beginning to see a very conscious, deliberate effort by the Afghan government to scapegoat Pakistan," he said, adding that Afghanistan wanted "to shift the entire blame of its failures".

He said Pakistan wanted to have very good relations with the Afghan government; however, "unfortunately, the vitriol and rhetoric coming from there is making that impossible". He urged the government of Afghanistan and the Taliban to "compromise and reach a peace settlement" as the insurgents made rapid gains amid a US troop withdrawal. He stressed that the internationally-recognised government in Kabul needed to stop looking for a military victory and should include a broader range of Afghans in any future talks. "There will have to be some compromise given the ground reality. But the violence will have to stop," he said. Yusuf said his US counterpart, Jake Sullivan, and others in President Joe Biden's administration did not make specific requests of Pakistan, but discussed "how quickly we can get all these actors in one room to have a sincere conversation". He dismissed talk of Islamabad exerting leverage over the Taliban. "Whatever limited leverage we had, we used," he said, pointing to Pakistan encouraging the Taliban to enter talks with the Afghan government in Doha. "Now with the troop withdrawal, that leverage has logically gone down further," he added. Dr Yusuf said Pakistan was no longer in a position to accept Afghan refugees as it currently hosts about 3.5 million. "Peace in Afghanistan is nonnegotiable for us," he said. "We, under no circumstances, are prepared to see protracted instability that in the past has caused spillover into Pakistan."

THE EXPRESS TRIBUNE, ISLAMABAD 10-8-2021

China reaffirms support to Pakistan as 'strategic partner'

Chinese envoy discusses CPEC, defence collaboration with army chief Gen Qamar at GHQ, says ISPR

China's Ambassador to Pakistan Nong Rong on Tuesday called on Chief of Army Staff (COAS) General Qamar Javed Bajwa at the General Headquarters (GHQ) in Rawalpindi and discussed matters of mutual interest, military said. The Inter-Services Public Relations (ISPR) said in a statement that during the meeting matters of mutual interests including defence collaboration, progress on China Pakistan Economic Corridor (CPEC) and regional security were discussed in detail. "Visiting dignitary appreciated Pakistan's sincere efforts for peace and stability in the region. He reiterated that China shall continue to support Pakistan as a strategic partner," it added.

Last month, Gen Qamar had said that both the Pakistani and Chinese armies will continue to contribute towards safeguarding collective interests, terming the People's Liberation Army (PLA) and Pakistan Army brothers in arms, a statement issued by the ISPR said. The army chief was speaking at the 94th anniversary of the founding of PLA commemorated at the General Headquarters (GHQ) in Rawalpindi.

Chinese Ambassador Nong Rang, Defence Attache Major General Chen Wenrong, officials from the Chinese embassy and officers from the tri-services of Pakistan attended the event. On the occasion, according to the ISPR, the defence attaché thanked the COAS for hosting a reception on the eve of PLA's 94th Anniversary.

THE NEWS, ISLAMABAD 6-8-2021

Pak-US relationship 'moving in the right direction': Moeed Yusuf

The Pakistan-US relationship is "moving in the right direction", National Security Adviser (NSA) Moeed Yusuf said on Friday. Yusuf, who tweeted about his recently concluded visit to the US, termed it a "constructive" one. The NSA also gave insight into his engagements, saying that he continued his discussions, which began in Geneva, with his US counterpart Sullivan. Besides that, Yusuf engaged with Capitol Hill, think tanks, media and Pakistani immigrants in the US. Moeed Yusuf departs on visit to US. Yusuf had left for an official visit to the US last week on Tuesday. According to a statement issued by Prime Minister House, Yusuf departed on a visit to the US to review progress on bilateral engagement. His visit is part of high-level bilateral engagements between the two countries, the statement said.

THE NEWS, ISLAMABAD 12-8-2021

RAW, NDS clearly linked to Dasu attack on Chinese nationals, FM Qureshi says

Web Desk

ISLAMABAD: India's Research and Analysis Wing (RAW) and Afghanistan's National Directorate of Security (NDS) are clearly involved in the Dasu incident, Foreign Minister Shah Mahmood Qureshi said Thursday. At least 12 people, including nine Chinese nationals working on the Dasu hydel project were killed when a bus carrying them fell into a ravine following an explosion. The investigation into the tragic incident was carried out with the assistance of a 15-member Chinese security team. FM Qureshi, addressing a press conference, said: "Afghanistan's land was used in concocting the plan; the planning and execution link clearly to the RAW and NDS nexus."

"The nexus cannot bear China and Pakistan's growing cooperation and increasing Chinese investment in the country," the foreign minister said, adding: "Alhamdulillah, they failed in their attempts. "Pakistani authorities have traced the handlers of the incident and the investigation revealed that the car used in the incident was smuggled into Pakistan, the foreign minister said.

The probe also revealed that the terrorists' primary target was the Diamer-Bhasha Dam, but when they failed there, they chose Dasu next, he added. The government arrived at a conclusion after taking into account several aspects of the investigation, said Qureshi. The authorities reviewed 36 CCTV cameras along the 1,400 kilometre route that the bus had gone through, he said. "We found a thumb, finger, and body parts [...] which were later analysed," said the foreign minister, adding that the authorities are fairly confident at this point that they must belong to the suicide bomber.

Qureshi said that the authorities also recovered mobile phones from the bus — which had security personnel and Chinese nationals onboard — and the data on them was also examined. "We came to an initial conclusion that this was a blind case and could not be solved easily, but our institutions have successfully solved it," the foreign minister said. He said more than 1,000 workers of the Dasu hydel project were scrutinised and interviewed. Furthermore, the car used in the incident has been identified as to where it came from and how it was smuggled into Pakistan, he said. The investigation; Taking over the media briefing, Deputy Inspector General Counter Terrorism Department Khyber Pakhtunkhwa Javed Iqbal said the convoy of vehicles that fateful day had left their base camp for Dasu at 7am. The

incident occurred at the main Karakoram Highway (KKH) road, following which, CTD spearheaded the investigation along with other intelligence agencies. "We found the parts of the car used in the incident. The finger and thumb of the alleged suicide bomber [Khalid aka Sheikh] were also recovered from the site and we did a forensic and chemical analysis of them. "The DNA and other samples of the person were cross-checked with the National Database and Registration Authority's (NDARA) database, but we found no leads there, Iqbal said. Authorities then analysed more than 500GB worth of CCTV camera data, and this exercised helped us identify a vehicle, Honda Accord, he said, adding that Atlas Honda was contacted, but they confirmed it was not logically manufactured. The mobile phones that we found belonged to the people who were on board the bus and we could not find any leads there either, he said, adding, "later, we scrutinised and interviewed the employees working on the project". "We had exhausted all the angles that are used to solve a case," he said. The authorities gathered information from across the country in the hunt for the vehicle, Honda Accord, and finally, we found a sticker of "Chaman 2 Motors" on the number plate of the car, he said. Iqbal said the showroom's owner informed the authorities that he had procured the car seven or six months back — in November 2020. "When we backtracked the car, it emerged that it had been transported from Afghanistan. "The authorities then found a mobile phone through which they located the first suspect, Hussain. Later, we tracked him and through Hussain, we reached a second suspect, Ayaz, and arrested him from Karachi, said the top investigator. Two sons of Hussain, who were included in the investigation, confirmed that their father had indeed procured the car back in November, he said. Hussain and Ayaz, when interrogated, revealed that another suspect, Tariq, who belongs to the outlawed Tehreek-i-Taliban Pakistan and resides in Afghanistan, was also involved. He has gone back to the country after the incident, said Iqbal. "RAW and NDS supported the people involved in the incident. Everyone in Pakistan who had planned the attack has been arrested," said the DIG. Fourteen people are involved in the incident and Tariq is running this group from Afghanistan with the help of NDS and RAW, he said, adding that another suspect, Muavia, had planned the attack with Tariq.

II - ECONOMIC, CULTURAL AND SOCIAL AFFAIRS

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4.	Analysts Predict Decrease in Govt Revenue as Border Town Falls - Tolo News	Outlook Afghanistan, Kabul	9-8-2021	15
5.	Taliban Terrorists Collecting 200 Million AFN Daily from Captured Border Posts - ATN	Outlook Afghanistan, Kabul	10-8-2021	15
6.	Afghan-Iran trade pause amid Taliban seizure of borders BANGLADESH	Afghanistan Times, Kabul	10-8-2021	16
7.	Dhaka seeks US-investment in off shore's oil, gas exploration	The Daily Observer, Dhaka	1-8-2021	16
8.	Plans afoot to transform BD economy in view of LDC graduation - FDI	The Daily Observer, Dhaka	13-8-2021	16
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10.	Govt to import 50,000 tonnes of rice from India - Star Business Report	The Daily Star, Dhaka	5-8-2021	18
11.	Economy hit harder than thought SRI LANKA	The Daily Star, Dhaka	6-8-2021	19
12.	Sri Lanka Tourism attracts over US\$ 950 mn investments despite pandemic	Daily News, Colombo	10-8-2021	20
13.	Private sector credit surges by Rs. 83 bn	Daily News, Colombo	12-8-2021	20

	NEPAL			
14.	White Paper Projected A Bleak Economic Scenario	Spotlight, Kathmandu	10-8-2021	21
15.	NRB Unveiled Monetary Policy for Fiscal Year 2021/22	Spotlight, Kathmandu	13-8-2021	
16.	PHDCCI's India-Nepal Centre hosted India-Nepal investment and development partnership By Rejaul Karim Byron & Sohel Parvez PAKISTAN	Spotlight, Kathmandu	8-8-2021	21
17.	WB urges Pakistan to 'stay course' on reforms By Shahbaz Rana	The Express Tribune, Islamabad	9-8-2021	23
18.	Pakistan to get \$2.77 billion from IMF on August 23 - APP	The Express Tribune, Islamabad	12-8-2021	24

THE INDIAN EXPRESS, NEW DELHI 15-8-2021

PM Modi announces Rs 100 lakh-crore Gati Shakti master plan on Independence Day

In a move that aims at strengthening the Beti Bachao Beti Padhao initiative, PM Modi announced that all Sainik Schools across the country will now be open for girls.

As India marked another milestone on Sunday celebrating the 75th Independence Day, Prime Minister Narendra Modi, while addressing the nation from the ramparts of the Red Fort, announced that the Centre will soon launch the Rs 100 lakh-crore Gati Shakti national infrastructure plan to boost the country's economy.

Chalking out the government's key plans over the next two years, Modi said, "In the coming days, we will launch the PM Gati Shakti Plan — a 100 lakh-crore national infrastructure master project that will make a foundation for holistic infrastructure and give an integrated pathway to our economy. To further increase our developmental progress, we have to focus on our manufacturing and export."

During the speech, the Prime Minister also lauded India's Olympic contingent, frontline and healthcare workers and Covid warriors, and paid tribute to former leaders of the country, including Jawaharlal Nehru.

After unfurling the Tricolour at the Red Fort, PM Modi, while drawing reference to the decades-long freedom struggle, said, "I would like to begin by conveying greetings on this special occasion of Independence Day. This is a day to remember our great freedom fighters. Be it Vallabhbhai Patel, Lal Bahadur Shastri, or Jawaharlal Nehru, we are thankful to our leaders who brought Independence."

Lauding the 2020 Olympic contingent, the PM said, "The athletes who have made us proud at Tokyo Olympics are here amongst us today. I urge the nation to applaud their achievement today. They have not only won our hearts but also inspired future generations." Around 240 Olympians, support staff, and Sports Authority of India and sports federation officials are part of this year's celebrations at the Red Fort.

Expressing his gratitude towards all frontline and healthcare workers who helped the country fight the Covid-19 pandemic, Modi said, "During the pandemic, our doctors, nurses, paramedical staff, sanitation workers and scientists who were developing vaccines were

working with a sense of service towards the nation. All those who devoted every moment to serve others in this period deserve our appreciation."

Praising the vaccination programme of the country, he added, "Indians have fought this battle with a lot of patience. We have had many challenges but we worked with extraordinary pace in every area. It's a result of the strength of our industrialists and scientists, that today, India doesn't need to depend on any other nation for vaccines. We can proudly say that the largest Covid-19 vaccination programme is being run in India today. More than 54 crore people have received their shots so far."

India Independence Day live updates

Modi also set the 100th Independence Day as the target to fulfill the Atmanirbhar Bharat plan. "From Ujjwala (free cooking gas scheme) to Ayushman Bharat, the poor of the nation knows the strength of government schemes... Now we have to move towards saturation. 100 per cent villages have roads, 100 per cent households have a bank account, 100 per cent beneficiaries should have Ayushman Bharat card, 100 per cent eligible persons should have a gas connection under Ujjwala scheme," he added.

"A time comes in the development journey of every country when that nation defines itself from a new end when it takes itself forward with new resolutions. Today, that time has come in India's development journey," he added.

Saying that the country has moved towards a "people-centric approach" when it comes to bureaucracy, Modi said, "We have to stop the over-involvement of government in the form of complex policies. Today, we have destroyed over 15,000 unnecessary compliances. Political will is required to bring in big changes, big reforms. Today, the world can see that there is no dearth of political will in India. Good and smart governance is needed to bring reforms."

In a move that aims at strengthening the Beti Bachao Beti Padhao initiative, PM Modi announced that all Sainik Schools across the country will now be open for girls. "Today, be it education or Olympics, our daughters are performing tremendously. We have to ensure that they get equal opportunities and they feel safe and respected," he added.

The Prime Minister also launched the National Hydrogen Mission with the aim of making the India the world's largest exporter of the gas. "India is the only nation that is on the path to meeting its climate goals. Green Hydrogen

is the future of the world and I plan to make India the global hub.”

Calling small-scale farmers India’s pride, Modi, while advocating for their welfare, said. “We have to deal with the fact that our farmers now have less land to cultivate on. More than 80% of our farmers have less than 2 hectares of land. We have to focus on helping our small farmers. We have to give maximum benefits of the government’s schemes to them — be it through DBT or Krishi Rail.”

THE PIONEER, NEW DELHI 10-8-2021

India needs USD100 billion FDI annually to become USD5 trillion economy: Aghi

PTI | Washington,

India needs at least USD100 billion of foreign direct investment every year to reach its target of a USD5 trillion economy from the current USD2.7, the head of a top India-centric American business advocacy group has said. The group made the observation, asserting that a major chunk of this FDI is going to come from the United States. “India needs to grow its economy from the current USD2.7 trillion to USD 5 trillion. It will need a lot of FDI coming in -- at least USD100 billion dollars a year to fuel that growth,” Mukesh Aghi, president of US India Strategic and Partnership Forum told PTI in a recent interview. “I believe that is going to come mainly from the US,” he added. India, he observed, “needs to look at what it needs to do to get that FDI coming in and have the technology coming in, to fuel this growth”. “From a US perspective, it needs to leverage India on vaccination diplomacy, have Indian factories produce these vaccines so they can ship it to the rest of the world, and they can make this vaccine much, much cheaper than anybody else can get,” he said. Last week, USISPF, which now has more than 300 Fortune 500 companies as its members, celebrated its fourth anniversary. Four years ago, Aghi, along with several top American corporate leaders established USISPF after they had sharp differences on key issues with the then leadership of US Chambers of Commerce. Aghi then was the head of the US-India Business Council or USIBC, which he left along with the entire board member of USIBC to set up USISPF. In just four years, USISPF has emerged as the top India-centric advocacy group for American companies, having hosted top leaders from both the United States and India, including Prime Minister Narendra Modi. “We have a fantastic board which is quite

engaged, involved and who are the most prominent boards, especially between India and the US,” he said. Responding to a question, Aghi said four years ago, one of the goals of his and the board members was to build an institution which “becomes a pillar, between two countries or independent institutions, which is not tied to any political party,” and looking at the interests of both countries. For the last four years, that has been the focus, he asserted. “It has not just been business to business. It could be a cultural aspect. It could be on technology. It could be geopolitical itself,” he said. Going forward, he said the India-US relationship is going to evolve positively. “When I say positively (it is) because you already have 4.5 half million Indian Americans. They play an influential role, and we have roughly 800,000 gaining green cards. So, I see people's culture gaining more momentum itself. That means, you will see a positive impact between two countries,” he said. But there are challenges as well, he noted. “But I think, there'll be enough maturity on both sides to handle issues. For example, when (Secretary of State) Tony Blinken was in India, he talked about human rights. But he also said we are not perfect, we are still trying to understand how to manage this. So, he spoke about it but at the same time said, we're not here to give you a lecture because our house is not in order also,” he said. The relationship will continue moving in a positive direction, he asserted. Responding to a question, Aghi said in the first six months of this administration, nothing on the issue of trade was pushed forward. “But on the geopolitical alignment in a very cohesive matter, the USA worked with India, to make sure that QUAD continues,” he said. “I think on the security side, one

gap which I see which took place was India's non-involvement in the Afghanistan withdrawal. I see India getting left out on the appliance issue. But overall, geopolitically the approach has been very strong and very positive,” Aghi said.

OUTLOOK AFGHANISTAN, KABUL 2-8-2021

Afghan Government Halts Development Projects Nation-Wide

KABUL - Afghanistan Ministry of Finance in an official note requested all ministries to halt or suspend their development projects due to a decline in national revenue. The note also requires governmental bodies to call off all the newly stroke contracts. The move comes parallel to the announcement of a decrease in the amount of national revenue due to the six dry ports of Afghanistan being

under Taliban control. As the conflict between the Afghan National Defense and Security Forces and the Taliban rages on daily basis, the Afghan government has apparently made security and military operations its priority. President Ashraf Ghani in the cabinet meeting on Sunday said that Afghan Air Force is conducting up to 150 airstrikes every day. The official note has also asked the government bodies to stop squander and providing National Technical Assistance (NTA) salaries. The Taliban are now controlling Dand-e-Patan port in Paktia province, AiKhanum in Takhar province, Sher Khan in Kunduz province, Islam Qala and Tor Ghundi in Herat province, Abu Nasr Farahi in Farah province and Spin Boldak dry port and crossing in Kandahar province. The decline in national revenue and rise in the expenditure of Security Forces have obliged the Afghan government to halt development projects.

OUTLOOK AFGHANISTAN, KABUL 9-8-2021

Analysts Predict Decrease in Govt Revenue as Border Town Falls

Analysts predict that the fall of Zaranj city on the border with Iran will deprive the Afghan government from \$175 million in revenue a year.

With the fall of Zaranj, the Taliban is now controlling at least 10 border towns, including Islam Qala and Torghundi in Herat, Abu Nasr-e-Farahi in Farah, Spin Boldak in Kandahar, Sher Khan in Kunuduz, Dand-e-Pathan in Paktia, Ai Khanum in Takhar and Ishkashim crossing point in the northeastern province of Badakhshan.

“Main reasons are linked to government's failures, incompetency and corruption. They handed over a province like a district,” said Baz Mohammad Naser, head of Nimroz provincial council.

“Here, the people are screaming, but the border is closed,” said Mohammad Asfar, a resident of Nimroz.

The Afghan government is now controlling few border towns, including Aqian in Faryab, Hairatan in Balkh, Angor Ada in Paktika, Ghulam Khan in Khost and Torkham crossing in the eastern province of Nangarhar.

The fall of Zaranj has also raised deep concerns over a surge in the smuggling of fuel to Afghanistan.

Nimroz besides enjoying borders with Iran and Pakistan is also the monitoring point of the Helmand river from where the water flows to Afghanistan's newly built Kamal Khan and Salma dams in Herat.

“Other ports that we had in the west are now out of the government control. I think this will create a major problem for the central government,” said MP Farishta Amini.

“The Afghan businessmen are facing the great loss due to the current situation in Nimroz,” said Massoud Forogh, former head of fuel department in the north zone.

The Taliban's control in Spin Boldak has left hundreds of convoys and passengers stranded along the Durand Line.

On Friday, the Taliban closed Spin Boldak crossing for a while, saying the Pakistani government is implementing a transportation mechanism that it has signed with the Afghan government, not with them.

Zaranj is the first provincial capital that has fallen to the Taliban. The Taliban also took the control of Sheberghan city on Saturday. (TOLO NEWS)

OUTLOOK AFGHANISTAN, KABUL 10-8-2021

Taliban Terrorists Collecting 200 Million AFN Daily from Captured Border Posts

KABUL - Some members of Afghanistan's Wolesi Jirga (Lower House of Parliament) said on Sunday that more than 60% of customs revenue is now being collected by the Taliban after they captured border crossings.

MP's said this amounts to about 200 million AFN a day.

The financial and budget commission of the Wolesi Jirga said that government should take serious measures to recapture the border crossings, otherwise government will lose more revenue.

“Taliban captured about 65 percent of customs and they earn up to 200 million AFN from the customs... Government should take practical action,” said Mir Afghan Safi, head of the financial and budget commission of the Wolesi Jirga.

MPs have urged government on numerous occasions to conduct operations to retake control of these border crossings, but government has not taken any action so far, MPs said.

“Most of our ports including Pol-e- Abrashim, Sheikh Abu Nasr Farahi, Torghundi, and other ports in the north have been captured by Taliban recently. Unfortunately, Taliban collects government income and is transferring it to Pakistan. The Afghan nation should be united and support

security forces in order to change the situation,” said Abdul Satar Hussaini, an MP.

Meanwhile, Afghan Ministry of Finance (MoF) stated that seven border crossings have fallen to the Taliban and have had a negative impact on government revenue collection.

“Unfortunately the MoF is not active in Islam Qala, Torghundi, Abu Nasr Farahi, Spin Boldak, Ay-Khanum, Dand-e-Patan, and Sher Khan Port, and without any doubt, direct trade has impacted on income. The current problems have a negative impact on income,” said Mohammad Rafi Tabi, a spokesman for the MoF.

The MoF added that national revenue generation has dropped in the past two months.

The MP said that running customs by Taliban is not acceptable and will have a negative impact on the country’s national revenue income. (ATN)

AFGHANISTAN TIMES, KABUL 10-8-2021

Afghan-Iran trade pause amid Taliban seizure of borders

KABUL: Iran has completely halted trade and closed border with Afghanistan amid seizure of borders by the Taliban and fierce fighting between the Afghan security forces and militants in west and southwest of the country. Head of Iran-Afghanistan Joint Chamber of Commerce Hossein Salimi said the intensification of violence in Afghanistan has led to a complete halt in trade. He pointed out the high risk for trade in Afghanistan in the current situation which discouraged the Iranian traders to send their goods. Salimi said that he is not sure whether Iranian goods have been sold in Afghanistan or not, as the situation does not allow to determine the damage that the Iranian traders have incurred in Afghanistan.

THE DAILY OBSERVER, DHAKA 1-8-2021

Dhaka seeks US-investment in off shore's oil, gas exploration

Adviser to the Prime Minister on Power, Energy and Mineral Resources Tawfiq-e-Elahi Chowdhury, Bir Bikram, has sought cooperation of ExxonMobil, one of the world's largest publicly traded international oil and gas companies, for investing in Bangladesh, especially for oil and gas exploration in offshore-places. Tawfiq-e-Elahi Chowdhury encouraged ExxonMobil officials to invest in Bangladesh during a meeting held with senior officials of

ExxonMobil at the Bangladesh Embassy in Washington DC on July 30, an official release said here today. The adviser highlighted the important role of US companies in the energy sector in Bangladesh and welcomed their contribution to this regard. He highlighted the need for investment in building storage facilities for renewable energy in Bangladesh. Balanced use of different energy sources is important for the development of Bangladesh, he said. He urged ExxonMobil to expedite deep-sea exploration and invest in the construction of transmission networks and land-based facilities. Officials of ExxonMobil expressed their interest in working with Bangladesh to ensure the required energy demand to keep pace with the current development of Bangladesh. The meeting was attended by Bangladesh Ambassador to the US M Shahidul Islam and senior officials of Bangladesh Embassy and ExxonMobil. Later, a Memorandum of Understanding (MoU) was signed between Summit Oil & Shipping Co. Ltd. (SOSCL) and Commonwealth LNG at the Bangabandhu Auditorium of the Bangladesh Embassy in Washington DC in presence of Tawfiq-e-Elahi Chowdhury. Welcoming the signing of the MoU, the adviser said such steps would play a vital role in further expanding existing energy cooperation between Bangladesh and the United States.

THE DAILY OBSERVER, DHAKA 13-8-2021

Plans afoot to transform BD economy in view of LDC graduation

The government has taken structural transformation of the economy as a priority agenda for the coming days to maintain its position among the developing countries and become a higher middle-income country by 2031 defying all the hurdles of the post-LDC era. "We, therefore, need to accelerate this structural transformation of the economy," the government said in an official budget document. To this end, the government will provide necessary financial assistance for the implementation of some activities, reports UNB.

These are-- mechanisation of agriculture, development of the agro- processing sector, skill development and productivity enhancement, and expansion of training and education related to 4th Industrial Revolution. The government will also provide necessary financial assistance for encouragement of online based outsourcing work, self- employment/creation of new entrepreneurs, and encouragement of basic and practical research at the university level.

It said that the country has been gradually moving from an agro-based economy to a manufacturing-based economy following the pursuit of effective government policies and strategies during the last 12 years. Therefore, the document said, the contribution of agriculture to the GDP has been gradually declining and the desired structural transformation is taking place in the economy. It mentioned that Bangladesh has already qualified for graduation from a least developed country to a developing country.

"To maintain its position among the developing countries and become a higher middle income country by 2031, we need a strong industrial and manufacturing sector, which will help sustain high economic growth. "According to the United Nations Committee for Development Policy (UNCDP) recommendation, Bangladesh's transition will be effective in 2026. It means until 2026, Bangladesh will be able to enjoy all the benefits applicable to LDCs.

However, under the current rules, Bangladesh will be able to enjoy duty-free and quota-free market access for another three years, i.e. until 2029, after entering the EU market. Meanwhile, the government is preparing a detailed action plan for supporting the country's export competitiveness to maintain its position in the world market as well as improving further in the post-LDC era. The plan, which is being prepared by the Economic Relations Division, will incorporate all necessary strategies in the 8th Five Year Plan for the purpose.

Bangladesh will have at least five years to deal with the challenges of transitioning from a least developed country to a developing country. The UNCDP upon the request of the government has recommended that against the backdrop of COVID-19 pandemic, the preparation period for the transition will be five years instead of three. During this period, that is, until 2026, all international facilities will continue. The LDC Group of the World Trade Organization (WTO) has put forward a proposal to ensure that all trade facilities pertaining to LDCs remain in force for another 12 years after transition. Bangladesh has actively participated in this process, and is continuing its efforts to get this proposal accepted. The document said that the government has already taken steps to avail the advantages of GSP+ in EU countries after the graduation. Meanwhile, the government has taken various steps to address the challenges that Bangladesh will face as a result of its graduation from an LDC. The government has taken multiple steps to increase the overall competitiveness of the country's trade and commerce to survive in the

international market by competing with products from other countries. Moreover, the government has taken effective steps to improve its ranking in the Ease of Doing Business Index to increase the flow of foreign direct investment (FDI).

THE DAILY STAR, DHAKA 4-8-2021

Challenges facing SMEs during pandemic

Selim Raihan

In Bangladesh, small and medium enterprises (SMEs) have heterogeneous characteristics, which are evident from their diverse business activities. However, the discussion on SMEs has a fundamental problem related to the definition and scope. As the term SMEs is more popular, often MSMEs are also referred to include micro-enterprises. There are also references to CSMEs to include cottage industries. These definitional anomalies create problems in undertaking the right policies and programmes for the betterment of these sectors.

Furthermore, the nature and depth of challenges faced by the cottage, micro and small enterprises are more acute than those of medium enterprises. Therefore, there is a valid argument of separating medium industries to have a focused discussion on the problems and needs of the micro, cottage, and small enterprises. Keeping in mind the definitional debates, in the article, we will continue to use the term SMEs where small will mean micro, cottage and small enterprises. SMEs play a critical role in the economic development of a country. Their functions concerning production, employment generation, contribution to exports and facilitating equitable income distribution are vital. Experiences from East and Southeast Asia suggest that SMEs can significantly contribute to economic growth by stimulating competition, innovation, entrepreneurship, and skill dissemination. However, in Bangladesh, we haven't yet been able to acquire the full potential of SMEs. There is an absence of any consistent data on the contribution of SMEs to the national economy in Bangladesh. However, according to some reasonable estimates, SMEs contribute around 25 per cent to GDP and 35-40 per cent to employment. A prime aspect of the contribution of SMEs in the economy is their role in the different segments of the value chains of goods and services. And a large part of the activities of SMEs is informal. Micro and small enterprises, among the SMEs, enjoy low entry barriers due to their informality and small

size. However, the low entry barrier does not necessarily mean low entry and exit costs for these enterprises in proportion to their business sizes. Therefore, a pandemic like Covid-19 can permanently force many micro and small enterprises out of the business operation. There are three areas of challenges for SMEs in Bangladesh: financing, infrastructure and skill. These problems are common to many businesses. However, these problems become more acute for SMEs, especially micro and small enterprises.

The financing challenges for SMEs are enormous. SMEs have limited access to institutional finance due to scale obstacles and market failures stemming from policy deficiencies and institutional rigidities. Therefore, formal financing processes, through the banking channels, are not readily available for them. Banks consider financing SMEs costly and risky. The high entry barriers into the formal financing processes at affordable costs function as significant impediments to SME growth and expansion. Though, as per the instructions of the central bank, 20 per cent of all bank loans must go to SMEs, in reality, SME entrepreneurs are not getting that amount of loans. This compels SMEs to take loans through informal channels at higher interest rates. SMEs face several supply-side constraints related to insufficient infrastructural facilities and difficulties in accessing appropriate technologies and information. Due to their small scale, it is costly and challenging to solve the infrastructural-related supply-side problems if SMEs work in isolation. A cluster-based approach is, therefore, needed to solve the infrastructural deficiencies of SMEs. The clustering of SMEs can generate external economies of scale. The whole idea of having an industrial park for SMEs, like the BSCIC industrial park, is very consistent with promoting external economies of scale. However, the BSCIC industrial park initiative remained unsuccessful due to various reasons. The prime reason is the failure to integrate SME development policy in the broad industrial policy and generate necessary policy and programmatic supports to make the estate successful.

SMEs also have challenges related to inexperience in business, lack of technical knowledge, poor managerial skills, lack of planning skills, and market research skills. The ongoing pandemic has had some intense impacts on the SME sector. According to the quarterly firm-level surveys conducted by the South Asian Network on Economic Modeling (SANEM) since June 2020, SMEs in Bangladesh have been more affected than large enterprises. In particular, the impacts are devastating for

micro and small enterprises. Also, the business environment has been turning out to be more unfavourable for SMEs during the pandemic. The survey in April 2021 also found that the SMEs were seriously lagging larger enterprises in terms of economic recovery. While, on average, by April 2021, large firms made a recovery of 77.3 per cent of their businesses to their pre-pandemic states, medium firms managed to record a 63.6 per cent recovery, and micro and small firms registered a 46.9 per cent recovery. Large firms also received more stimulus packages than micro, small and medium firms. While 46 per cent of the surveyed large firms received stimulus packages, this rate was 30 per cent for medium firms and only 9 per cent for micro and small firms.

The adjustment costs induced by the lockdown and "strict" restrictions are very high for SMEs. Many SMEs have lost their businesses during the crisis. Given the difficulty of obtaining loans and other forms of assistance through established means, the recovery path for many SMEs is likely to be uncertain. However, the resonant performance of SMEs is critical for the recovery of the overall economy. While lockdown and "strict" restrictions contain the spread of the virus, they hamper the livelihood of poor people and small businesses. The economy is unable to afford the long-term suspension of economic activities. Though more than a year has passed since the start of the pandemic, there have not been any health-related area and sector-specific effective protocols, which can substitute lockdown and "strict" restrictions, to maintain economic activities. The governments should undertake several policies and support measures to help the SME sector come out of the crisis. Examples of these support measures include deferring income and profit tax payments, providing tax reliefs, easing debt repayment schedules and rent and utility charge payments, providing soft loans (working capital) at low-interest rates, ensuring salary subsidies for job protection, introducing temporary regulations to prevent large-scale lay-off, and allowing alternative work arrangements. As is observed in the SANEM's survey, SMEs are least successful in availing stimulus packages compared to larger counterparts. Therefore, the barriers to access to stimulus packages by the small and medium firms need to be identified and solved.

THE DAILY STAR, DHAKA 5-8-2021

Govt to import 50,000 tonnes of rice from India

Star Business Report

The government is going to import 50,000 tonnes of rice from India at Tk 32 per kilogramme, which is 32 per cent below the wholesale prices of coarse grain in the local

markets of Dhaka. The cabinet committee on purchase yesterday approved a proposal of the food department to purchase 50,000 tonnes of non-basmati boiled rice from Bagadia Brothers Pvt at a cost of Tk 160.22 crore. The price per tonne is \$377, according to a post-meeting briefing. Coarse rice is going for Tk 47 per kg at wholesale in Dhaka. At retail, it was Tk 50 a kg on August 3, according to food traders. The country's food stock stood at 15.64 lakh tonnes as of August 2, including 12 lakh tonnes of rice. Rice prices are going up despite a bumper yield of Boro paddy in the just concluded season. Market players said the hike was for a slow release by farmers from holdings and stocking of middlemen and millers as uncertainty over the Covid-19 crisis lingers. Due to the uncertainty amidst the pandemic, farmers are unwilling to sell paddy right now, unless they are being compelled to do it, said several farmers. It is also alleged that a section of seasonal traders and some millers stocked a good amount of rice and paddy this year to make a profit from the lean season. This was why the supply of paddy at the wholesale markets has been very low. The committee also decided to buy 30 oxygen generator plants through the direct purchase method in order to fast address shortages for rising coronavirus cases. At a virtual press briefing following the meeting, Finance Minister AHM Mustafa Kamal raised questions about the opposition of the Centre for Policy Dialogue (CPD) on the increased inflow of remittance through legal channels. A journalist had sought his comment on a CPD remark at a programme on Tuesday that the government should enhance monitoring on the inflow of remittance of over \$5,000. "We want remittance to come in a legal way. Previously, remittance used to come in both legal and illegal ways," said the minister. Mentioning that currently remittance inflow through legal ways has increased, he said, "I don't know why they are objecting over inflow of remittance through legal way. "It is good for the country if anyone sends money following the rules, he said. Regarding Bangladesh Bank's proposal on increasing the incentive on anything less than \$500 sent as remittance, the minister said they have no such plan.

THE DAILY STAR, DHAKA 6-8-2021

Economy hit harder than thought

Rejaul Karim Byron, Sohel Parvez

The economy grew 3.51 per cent in the fiscal year 2019-20, the slowest pace of expansion in three decades, as the pandemic wreaked havoc across the country, according to the final figure of state-run Bangladesh Bureau of

Statistics (BBS). This is nearly two percentage points lower than the growth estimate of the gross domestic product (GDP) the government has until recently maintained. Economic activities began to recover in 2020-21 following the lifting of the more than two-month-long countrywide shutdown, aided by a steady flow of remittance and a rebound in exports.

The recovery continued until the beginning of the second wave of coronavirus in March 2021. As such, the BBS has come up with a provisional estimate of 5.47 per cent GDP growth for FY21 based on March-April data. Economists say the BBS's FY20 GDP estimate was close to reality. However, the provisional estimate of FY21 is likely to decline in the final revision due to recurrent hiccups in economic activities amid lockdowns in place since April. The BBS FY20 figures are in line with the International Monetary Fund's projection of 3.8 per cent growth for 2020 and the World Bank's 2 per cent for FY20. The WB, however, estimated the growth to be 3.6 per cent in FY21. The provisional estimates for FY21 were close to the growth projection of 5.5-6 per cent made by the Asian Development Bank in April. Economist Zahid Hussain said the GDP growth data was reflective of the state of the economy. "This has not been the case in recent years. The BBS deserves our kudos for doing this. The planning minister deserves thanks from the bottom of our hearts for letting the data speak. "The downward revision from the preliminary 5.24 per cent growth estimate for FY20 had bridged the gap between the reality experienced by the citizens and the growth reported by the government, said Hussain. "The new numbers for FY20 tell a consistent story." The pandemic hit hardest industrial and service activities while agriculture managed to grow at a higher rate than before the pandemic. The rural region was not ravaged by the pandemic last year the way it has been sweeping in the hinterland since March. Hussain credited the resilience of the rural economy for garnering 3.5 per cent growth in FY20. Only a handful of economies in the world could keep GDP growth in the positive territory in 2020. "The pandemic took its economic toll, nevertheless," said Hussain, citing the plummeting growth of industrial and services sectors. In FY20, industrial sector growth slowed to 3.25 per cent from 12.67 per cent the previous year. The growth rebounded to 6.12 per cent the next fiscal year. The expansion of the service sector, which accounts for 51 per cent of GDP, declined to 4.16 per cent in FY20, just half of the growth it posted in the previous fiscal year. The service sector growth edged up to 6.54 per cent in FY21, BBS data showed. Prof

Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue (CPD), said the BBS maintained its credibility with the growth estimate for the last two fiscal years. The CPD had projected up to 3.5 per cent GDP growth for FY20. "This is a reflection of the blow on almost all the sectors of the economy in the last quarter of FY20," Rahman said. With decreased mobility and assembly, private consumption demand hibernated, and the deep uncertainties about the future coupled with increases in un-utilised production capacity brought private investments to a halt. The estimate for FY21 indicates a recovery despite the destruction caused by the Delta variant of the virus in the last quarter. Yet, Hussain said, since the BBS estimate was based on the data for the first nine months of the last fiscal year, it did not capture the full impact of the second wave. Exports grew 15.1 per cent in FY21, rebounding from a 16.9 per cent decline a year ago. The collection of domestic value-added tax, an indicator of the private consumption expenditure, also grew reasonably well. Remittances through formal channels were the most buoyant with 36 per cent growth in FY21, compared with 11 per cent a year ago, despite grim forecasts. CPD's Rahman said there had been a reduction in income and a rise in poverty. "Unemployment has increased. The disparity has widened. Income distribution has also become more skewed. So, a targeted programme is needed for the new poor. "Investment, a key to productivity growth, remained subdued in FY21. The economic recovery achieved in FY21 can't be sustained if the community transmission is not drastically reduced from the current level, according to Hussain, also a former lead economist of the World Bank's Dhaka office. "A much better Covid-19 management will be key to accelerated and inclusive economic recovery in the days to come. Of course, this may not be sufficient, but it certainly is necessary to keep the recovery going. "The government has targeted 7.2 per cent GDP growth in the current fiscal year, way higher than the WB's projection of 5.1 per cent.

DAILY NEWS, COLOMBO 10-8-2021

Sri Lanka Tourism attracts over US\$ 950 mn investments despite pandemic

Over the last 15 months (March 2020-June 2021) the government has attracted over US\$ 950 million in investments, dedicated to revitalising the island's burgeoning tourism sector, a release from Sri Lanka Tourism Development Authority said. Of these 64 project proposals have currently been received and 38 projects, to

the value of \$102.38 million, have received approval. These ventures will be executed under the auspices of SLTDA. "The level of interest shown by global investors is a positive sign for things to come and indicative of the immense potential inherent to the local tourism sector," Sri Lanka Tourism Chairperson Kimarli Fernando said. To ensure a faster and more convenient process for all investors, numerous measures have been put in place. "This new era of strategic investment is like nothing the country has seen before and is set to launch Sri Lanka's tourism sector into a brave new future. We have taken great care to streamline the investment process, so it is more in line with what international investors expect. This includes a master document which merges the requirements of all government agencies into a single easy to use application for investors," she said.

By removing previous hurdles, streamlining the entire process for greater efficiency, and ensuring absolute transparency, the government has given investors a clear route. This provides interested parties with the guarantee they need when considering the long-term viability of their investment. SLTDA has also established an Investment Relations Unit (IRU) to expedite the approval of all tourism investments. This provides greater clarity on regulatory issues and allows investors to form a direct partnership with the administrative body. As Sri Lanka positions itself as the ideal destination for post covid travel, these investments, and the subsequent revenue they generate will empower communities and benefit local economies all across the island.

DAILY NEWS, COLOMBO 12-8-2021

Private sector credit surges by Rs. 83 bn

Private sector credit surged by LKR 83 billion in Jun 2021 sustaining the positive growth momentum for the 11th consecutive month according to First Capital Monthly Economic Watch. State credit reflected a net borrowing of LKR 190 billion.

Foreign Reserves slightly improved to USD 4.1 billion in June 2021 relative to USD 4 billion in May 2021. Market liquidity witnessed a significant contraction during July 2021 while recording a modest recovery towards the latter part of the month closing at LKR 8.7 billion.

The overnight liquidity dipped to LKR 0.03 million on July 22, 2021 recording the lowest since September 10,

2019. Despite the continuation of the import restriction measures, import expenditure increased by 61.7% YoY to USD 1.6 billion in May 2021 compared to May 2020 driven by the increase in imports of intermediate and investment goods. However, import expenditure in May 2021 was lower (by 6.2%) compared to Apr 2021 (USD 1.7 billion) aided by the lower expenditure values in major import sectors. With declines recorded in both food & beverages and non-food consumer good categories, expenditure on the importation of consumer goods in May 2021 declined by 0.2% YoY and 4.1% MoM. Import expenditure on intermediate goods increased by 115.0% YoY in May 2021, led by the increase in base metals, chemical products, plastics and articles, textiles & textile articles, etc. but declined by 2.8% over the previous month.

During the month of July, the secondary bond market yields steered upwards primarily from the mid to long tenor maturities, thereby steepening the yield curve as a result of the increased selling pressure in the market amidst rising uncertainty. Only one bill auction and one bond auction out of all four bill auctions and two bond auctions held during the month got fully accepted. Yields of short tenors increased by 0-5 bps, mid tenors by 5-35 bps and long tenors by 30-50 bps.

SPOTLIGHT, KATHMANDU 10-8-2021

White Paper Projected A Bleak Economic Scenario

The white paper presented by the government painted a bleak scenario of the national economy. Presenting the white paper at the Federal Parliament, Minister for Finance, Janardan Sharma said that the national coffer has a deficit of Rs 143 billion. Addressing the parliament, finance minister has also announced that this government would present a new budget. Nepal's balance of payment (BoP) went deficit in the last fiscal year 2021/21 by Rs. 15.25 billion as imports surge while the BoP in the preceding fiscal year of 2019/20 was surplus by Rs. 282 billion.

SPOTLIGHT, KATHMANDU 13-8-2021

NRB Unveiled Monetary Policy For Fiscal Year 2021/22

Nepal Rastra Bank Governor Maha Prasad Adhikari unveiled The Monetary Policy for the fiscal year 2021/22 projecting that inflation would be contained at 6.50

percent. Unveiling the monetary policy, Governor Adhikari announced the monetary policy is focused on increasing the broad money by 18 percent on the basis of the nominal GDP growth target. He also said that the policy to support the economic growth target also announced plans to maintain records of digital transactions and settle digital transactions that take place within the country by interlinking digital payment tools. The central bank has also announced plans to establish a national payment gateway to introduce payment cards.

The cash reserve ratio is to be maintained the same as in the past fiscal year, at 3 per cent. He also announced a number of incentives for banks and financial institutions going for merger. It has also set a ceiling of Rs 120 million from banks against the deposit of shares.

SPOTLIGHT, KATHMANDU 8-8-2021

NEPAL-INDIA Partnership Summit 2021

PHDCCI's India-Nepal Centre Hosted India-Nepal Investment And Development Partnership

As the economic rebounding is the need of the hour to brave a new world in post-pandemic times, under the aegis of its India-Nepal Centre (INC) and in association with the Confederation of Nepalese Industries (CNI), Investment Board Nepal (IBN) and State Bank of India (SBI), PHD Chamber of Commerce and Industry (PHDCCI) has hosted India-Nepal Investment & Development Partnership Summit 2021.

The Summit was organized with an aim to bring the important stakeholders of bilateral economic cooperation on a common idea platform from both India and Nepal to discuss some of the most crucial aspects concerning investment and development partnership between two countries.

The session was attended by the key policymakers from both the government and industry to ideate the way forward for an ever closer cooperation between India and Nepal on the key issues including: Indian Investment and Development Partnership in Nepal: Are they game changers in the long run?; Covid-19 & changing scenario of Investment and Development Partnership in Nepal; Strategizing Nepal's economic development with Investment and Development Partnership from India; Re-prioritising production, employment and inclusive

development; Finding an alternative development paradigm for Nepal

“Nepal is on the path of generating economic prosperity by creating robust legal and policy framework aimed at providing a conducive business environment for the private sector as one of the main pillars of economic development,” said Sushil Bhatta, CEO, Investment Board Nepal and Chief Guest/Keynote Speaker of the Summit. He added that the pandemic has changed the fundamentals of investment priorities; however, the cooperation between India and Nepal is still robust and promising. He laid stress on the energy and infrastructure as two main areas where Indian investment in Nepal has created a very positive developmental momentum in Nepal, and for making South Asia a “Growth Hub”, the unique investment and development partnership between two countries should stay on the path of progression.

K V Rajan, Chair, India-Nepal Centre, PHDCCI & India’s Former Ambassador to Nepal reflected on the needs for closer cooperation with India and Nepal, so the youth of the region should get fair career opportunities at their homeland. For making it happen, he cited the critically important role of liberal trade regime and active interface between the government and industry. Nirvana Chaudhary, Chair, India-Nepal Centre (Nepal), PHDCCI-CNI has said that India continues to be the most important trade and development partner of Nepal. Such economy of scale is hard to find in any other bilateral economic relations with Nepal, he said that startup ecosystems, fintech and remittance are the areas where the India-Nepal Centre will work with the partners like industry chambers, IBN and other government institutions.

Ram Prasad Subedi, Deputy Chief of Mission, Embassy of Nepal in India has counted stakeholder’s role as decisive in both investment and development partnership. He said that India has been and will be a formidable investment and development partner of Nepal, and together, both countries should explore tapping the low-hanging fruits in Nepal. This will be a win-win situation for both countries.

Abhishek Upadhyay, First Secretary & Commercial Representative, Embassy of India in Nepal lauded the theme of the Summit and reassured about India’s unwavering commitment for the development of Nepal through investment and development partnership assistance.

He said that India continues to be the largest trading partner of Nepal, despite the unprecedented disruption with Covid-19 pandemic and lockdown, trade flow has

gone up between India and Nepal. He appreciated the pioneering works of SBI in Nepal and now opening of its “Nepal Help Desk” that should help the businesses on both sides, he acknowledged a vital role of PHDCCI’s India-Nepal Centre, CNI and IBN in fostering such business initiatives.

Anukool Bhatnagar, CGM, SBI & Former MD & CEO, Nepal SBI Bank Ltd (NSBL) has shared about the recently-launched “SBI Nepal Desk” and with a mission to support businesses to expand in both countries. He said, “We greatly value our ties with the institution like PHDCCI’s India-Nepal Centre and the industry chambers in Nepal and I am inviting them to engage with us and avail our services in Nepal. In a bid to strengthen the universe of bilateral business partnership, we have started the SBI Nepal Nepal Desk that should cater the businesses as well as the Nepali Diaspora living in different parts of the country including in India’s northern states. He said that despite the major disruption with Covid-19, the development works have been in full swing and this will help the economy to bounce back.”

“Indeed, in the wake of Covid-19 outbreak, lives and livelihoods have been adversely impacted in an unprecedented manner. As the crisis has global nature, India and Nepal are severely impacted as well with the crisis created by global pandemic. To mitigate the economic losses and ensure rebounding, PHDCCI’s India-Nepal Centre has been relentlessly working and making positive outcomes for the greater common goods,” said Pradeep Multani, Senior Vice President, PHDCCI.

“For making a robust startup ecosystem, Nepal should work closely with the industry counterparts in India where the startups are playing a major role in the economic development of the country. He said that PHDCCI can be a partner for making positive entrepreneurial changes and welcomes collaborations with counterparts like CNI,” Anil Khaitan, Former President, PHDCCI.

“Even when the emerging scenario is full of uncertainties, it is surely a matter of great satisfaction how people are helping each other and the government and industry playing their roles in mitigating the unprecedented risk and challenges. Moving forward, we are trying our level best to keep India’s inclusive growth momentum on. In the process, we are very much open to engage with the industry fraternity in Nepal to carry forward the mission of creating “Shared Prosperity” in the South Asian region,” said Saurabh Sanyal, Secretary General, PHDCCI while summing up the proceedings.

In partnership with the Embassies on both sides, industry associations like CNI and other industry stakeholders, PHDCCI's Bilateral Economic Think Tank "India-Nepal Centre" has been working as an Apex Industry Chamber of India with a very deep presence in Nepal. Both at policy and grassroots levels, India-Nepal Centre have been working for fostering economic cooperation and development partnership between India and Nepal.

The Summit was curated and coordinated by Atul K Thakur, Nodal Coordinator, India-Nepal Centre, PHDCCI, and attended by among others, Praveena Kala, Director, Paramount Cables Ltd; O P Choudhary, DGM (SME), SBI; Vivek Gupta, Chief Manager, SBI; Aditya Tripathi, Joint Secretary, PHDCCI.

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WB urges Pakistan to 'stay course' on reforms

By Shahbaz Rana

Calls for accelerating pace of power sector reforms, critical for achieving higher economic growth. The World Bank (WB) on Sunday publicly urged Pakistan to "stay the course on the structural reforms" after telling in private that any future budget support loans will be conditioned to revival of the International Monetary Fund (IMF) programme. The WB local office released a detailed statement at the conclusion of the week-long visit of its vice president for South Asia, Hartwig Schafer. He was on a reconnaissance mission to gauge whether Pakistan is still committed to put the economy on a sustainable path.

"Mr Schafer emphasized the importance of staying the course on the structural reform programme launched by the government, particularly in the power sector and with respect to fiscal sustainability," said the WB statement.

It said the vice president gave this message during his meetings with Minister for Finance Shaukat Tarin, Minister for Economic Affairs Omar Ayub Khan and Minister for Energy Hammad Azhar. The WB's words of caution came amid an ongoing dissension in the Ministry of Finance on the issue of whether to stay on the course of fiscal prudence or follow an irrational path in pursuit of the government's bid to enter the next general elections on the back of a Rs1.6 trillion package. "We urge the government

to accelerate the pace of power sector reforms as these are critical for Pakistan to achieve higher economic growth and resilient recovery from the Covid-19 pandemic," said Hartwig Schafer.

The vice president further said: "The key issue for the power sector is to be on a financially viable footing to support the country's green, resilient, and more inclusive development." The WB's advice about power sector reforms came days after Special Assistant to the Prime Minister on Energy Tabish Gohar too showed his frustration with no reforms in the sector in a letter written to energy minister and sent to all top government functionaries. Due to disagreement on the set of reforms in the energy and fiscal sectors, Pakistan and the IMF could not complete the 6th review of the programme in June. The sources said Schafer plainly told the Pakistani authorities that any future budget support and balance of payments loans by the WB would be conditioned with the revival of the IMF programme. Pakistan's external sector may also now face troubles as its imports remain over \$5 billion, which may now again cause ballooning of the current account deficit to double-digits. The WB said the vice president's visit was aimed at discussing "the country's development priorities and how the bank can continue to support the government's reform agenda". Mr Schafer was joined in his meetings by the Country Director for Pakistan Najy Benhassine, and the Pakistan Alternate Executive Director for the World Bank, Naveed Kamran Baloch. The PTI government had committed to bring the circular debt to zero by December 2020 but it still remains over Rs2.3 trillion despite massively increasing the electricity prices. Minister for Finance Shaukat Tarin had said a few weeks ago that the IMF was demanding increasing electricity prices by Rs4.95 per unit, which the government would not allow to happen. The WB's public statement suggests that Pakistan is drifting from the path of reforms and also indicates its frustration with the Pakistani authorities amid serious issues surfacing in the Q Block – the seat of the finance ministry.

The sources told The THE EXPRESS TRIBUNE that the recently appointed secretary finance has informally requested the government to transfer him due to differences over the Kamyab Pakistan Programme.

After the secretary finance's objections, the government has postponed the launching of the programme that was scheduled for today (Monday)

Special Assistant to the PM on Finance Dr Waqar Masood Khan confirmed on Saturday in Express News programme The Review that launching of the Naya Pakistan Programme had been delayed. When asked why the secretary finance had to ask to be relieved, Dr Waqar said when you hold consultations a decision is taken when you meet next time some changes are made. And the finance minister did not have any hesitation to say to the prime minister that we are not ready to launch the programme and need time to settle the outstanding issues. But he did not directly answer the secretary's request for transfer. The WB said Schafer also met with Prime Minister Imran Khan to discuss these key reforms. The government's ambitious plans for investing in human capital, social protection and job creation were also discussed. "The bank offered its support to ensure that new initiatives like 'Kamyab Pakistan' benefit from international experience, global knowledge and are implemented in a targeted, impactful and fiscally sustainable way," it added. The government wanted to launch the Rs1.6 trillion Kamyab Pakistan Programme on Monday that involved Rs260 billion minimum subsidies. There are issues about the selection of banks and the service charges being paid to them. According to the sources, the central bank and the finance ministry also have reservations over giving 100% guarantees to the banks against losses of the programme. Initially, the idea was that the banks would give interest-free loans against their balance sheets but after their refusal the government decided to provide them money at Kibor plus 0.5% interest rate, they said. The WB said Schafer's meetings also focused on the importance of building fiscal resilience through harmonizing the General Sales Tax nationwide, establishing an integrated debt management office, and ensuring a sustainable macroeconomic framework that encourages private investment and growth. The lender had delayed approval of the \$400 million loan due to the federal and provincial governments inability to integrate their tax laws to reduce cost of doing business.

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**Pakistan to get \$2.77 billion from
 IMF on August 23**

Pakistan working on reform programme to bring stability and sustainability under IMF programme, says finance minister.

Federal Minister for Finance and Revenue Shukat Tarin has said that Pakistan will get \$2.77 billion on August 23 from the International Monetary Fund's (IMF) general allocations of \$650 billion it had approved to boost global liquidity amid coronavirus pandemic across the globe.

Addressing a press conference in Islamabad on Thursday, the finance minister said that the fund would directly transfer the amount to the State Bank of Pakistan (SBP), which, he said, would help further improve the country's foreign exchange reserves, hence have "a very good impact on the economy".

The minister said that it was unconditional allocations from the IMF and would be used in a productive manner. He said that Pakistan had been already working on a reform programme to bring stability and sustainability under the IMF programme.

He said that the measures taken by the government had been bearing fruits as was shown by the growth in revenue collection, adding that the increase in revenues was indicative of economic growth.

The minister thanked the IMF for the measures to promote global liquidity, particularly in countries facing challenges amid the Covid-19 pandemic.

The Board of Governors of the IMF had approved a general allocation of Special Drawing Rights (SDRs) equivalent to \$650 billion (about SDR 456 billion) on August 2, 2021, to boost global liquidity. The allocation would benefit all members, address the long-term global need for reserves, build confidence, and foster the resilience and stability of the global economy. It would particularly help the most vulnerable countries struggling to cope with the impact of the Covid-19 crisis.

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