Brief Embassy Report on Bilateral Relations – ITJ Division, DGCI&S, Kolkata.

<u>India – Bangladesh Bilateral Relations</u>

A. Introduction

- 1. Indian Trade Journal (ITJ) division of the Directorate General of Commercial Intelligence and Statistics (DGCIS) brings out weekly publication on Embassy Profile Report providing information on recent policy changes and happenings in other countries that may be of interest to the Indian trading community. This is the Embassy Profile Report for 20.08.2025 depicting the Embassy of Bangladesh.
- 2. India and Bangladesh share deep-rooted bonds of history, language, culture, and multitude of other commonalities. The outstanding nature of bilateral ties is reflected in an all-encompassing partnership based on sovereignty, equality, trust, and understanding. This partnership has evolved as a model for bilateral relations for the entire region and beyond.
- 3. The first half of year 2024 witnessed a spur of bilateral interactions between the two countries as a testament to the enduring nature of this partnership. Prime Minister Sheikh Hasina assumed office in January 2024 after her historic consecutive 4th term victory. Prime Minister Modi held a telephonic conversation on 8th January 2024 after her re-election as the Prime Minister of Bangladesh and reaffirmed the people- centric cooperation between the two countries. The newly appointed Bangladesh Foreign Minister Dr. Hasan Mahmud paid an official visit to India from 7-9 February 2024. This was his first bilateral official visit abroad after assuming charge as Bangladesh Foreign Minister in January 2024. During his visit, he called on Hon'ble President of India Smt. Droupadi Murmu and held bilateral meetings with EAM and Commerce and Industries Minister.
- 4. PM Sheikh Hasina participated in the Munich Security Conclave as her first official visit abroad after assuming charge. External Affairs Minister Dr. S. Jaishankar called on her on the sidelines of the Munich Security Conclave. Foreign Secretary of India visited Dhaka from 8-9 May, 2024 to sustain the ongoing momentum of visits and exchanges between both countries. Prime Minister Sheikh Hasina held a telephonic conversation with Prime Minister Narendra Modi after the victory of NDA in the 18th Lok Sabha elections in June 2024. She attended the swearing in ceremony of Prime Minister Shri Narendra Modi and the Council of Ministers in Rashtrapati Bhavan on 9th June 2024 along with other Indian Ocean Region leaders.

B. Commercial Relations (Trade and Foreign Investment) – Recent facts & figures

5. Bangladesh is India's biggest trade partner in South Asia and India is the second biggest trade partner of Bangladesh in Asia. As a trading country partner of India, and as per latest compiled and available statistics with DGCI&S, India's exports to Bangladesh during 2024-25 have been recorded at 11377.68 million USD and India's imports from Bangladesh during the same reference period stands at 2327.77 million USD. An account of Bilateral commodities trade in goods from 2020-21 to 2024-25 are as under.

Export-Import statistics from 2020-21 to 2024-25

(USD Million)

Year	Total trade	Import	Export
2020-21	10783.37	1091.66	9691.71
2021-22	17134.36	1977.93	16156.43
2022-23	14237.27	2021.24	12216.03
2023-24	12905.87	1844.59	11061.28
2024-25	13705.45	2327.77	11377.68

(Source: Department of Commerce, India)

- 6. India's main exports to Bangladesh are Cotton yarn, Fresh Vegetables, Manmade yarn, fabrics made ups etc., Spices and Two & Three wheelers etc., while India's major imports are Cotton fabrics, made ups, Footwear of leather, jute yarn, Raw jute, RMG cotton including accessories, and spices etc.
- 7. New areas of commercial cooperation such as cooperation in the Startup Sector have emerged over the years. Prime Minister Sheikh Hasina inaugurated the India-Bangladesh Startup Bridge in March 2021. The first Start Up delegation from Bangladesh visited India in May 2023 which was followed by a reciprocal visit from India to Bangladesh in July 2023 to the first Bangladesh Startup Summit, 2023.

C. Other Major Areas of Co-operation:

- > Several bilateral agreements/MoUs have been signed with Bangladesh both at inter-government level as well as between institutions, providing the framework for wide-ranging cooperation.
- ➤ There is active cooperation between various agencies of both countries working together to cooperate on police matters, anti-corruption activities and combat the issues of illicit drug trafficking, fake currency, human trafficking, among others. Peaceful and cooperative management mechanisms for the security of 4,096 kms long international border are actively focused on border fencing, joint inspection of boundary pillars, joint boundary demarcation, including of riverine boundaries, among others. Other bilateral mechanisms such as the DG Level talks between Border Guarding Forces, DG Level talks between nodal Drugs Control Agencies, including at working level, among other tracks are held regularly to discuss, exchange information and engage in better coordination.
- ➤ In the defence sector, significant bilateral exchanges took place in 2023-2024 with incoming and outgoing visits of the Chiefs of the Indian and Bangladesh Armed Forces. Indian Air Chief Marshall Vivek Ram Chaudhari visited Dhaka on a three-day visit from 26th February-1st March 2024, at the invitation of Air Chief Marshall Shaikh Abdul Hannan, Chief of Air Staff where he also visited Bangladesh Air Force Academy (BAFA) Jessore and NDC Mirpur. A three-member delegation of National Defence College, Bangladesh led by Lt Gen Md. Saiful Alam, Commandant NDC, Bangladesh visited National Defence College, New Delhi in May 2024. Bangladesh Chief of Army Staff visited New Delhi from 27-29 April 2023 and on his invitation, Chief of Staff, Indian Army paid a visit to Bangladesh in June 2023 as presiding officer for Passing out Parade at Bangladesh Military Academy. The 5th Annual Defence Dialogue and 4th Tri-Services Talks were held from 20-21 August 2023 in Dhaka to

comprehensively review ongoing defence cooperation. Bangladesh Chief of Naval Staff visited India from 12-15 September 2023 in series of exchanges under defence cooperation. The exchanges between armed forces continue to strengthen the cooperation between armed forces.

- Muktijoddha related engagements and annual visit of Muktijoddha's on the occasion of Victory Day were undertaken and scholarships distributed to the heirs of Muktijoddhas in March 2022. The Scholarship scheme stands renewed for a further period of five years from 2022-23 onwards. Also, Muktijoddha Medical Scheme for Muktijoddha to avail medical treatment in India was implemented for the first time in 2020. In December 2023, a delegation of 30 Muktijoddhas and 6 serving officers of BDAF participated in 'Vijay Diwas 2023' celebration at Kolkata. On reciprocity, delegation comprising of 30 War Veterans and 6 serving officers of Indian Armed Forces participated in Victory Day celebrations.
- ➤ Efforts for greater connectivity to forge enduring people-centric partnership have resulted in rehabilitation of 6 pre-1965 rail links between India and Bangladesh. Prime Minister Narendra Modi and Prime Minister Sheikh Hasina inaugurated the 6th cross-border rail link between Agartala station in India and Akhaura in Bangladesh on 1st November 2023. The rail link will provide an alternate route to India's North-East. Operationalisation of the Haldibari (India)-Chilahati (Bangladesh) rail link, the fifth such renovated rail line between India and Bangladesh took place on 1st August 2021 and paved way for greater sub-regional connectivity.
- India and Bangladesh have consistently stepped up their cooperation in railways sector. The Lines of credit Program of India for Bangladesh also aims at strengthening the railway infrastructure of Bangladesh aiming for capacity building as well.
- ➤ Currently five bus services routes are operational between India and Bangladesh connecting cities of Kolkata, Agartala and Guwahati to Dhaka and further up to Khulna. India and Bangladesh have a Protocol on Inland Waterways Trade and Transit (PIWTT) that has been operational since 1972, for facilitating trade and transit between the two countries through the inland water ways. PIWTT permits movement of goods for inter-country trade as well as transit over barges/vessels through the river systems of India and Bangladesh. Cruise services between both countries through usage of PIWTT routes have also been operational.
- ➤ Both countries have operationalized the Agreement for the usage of Chittagong and Mongla Ports in 2023. This will allow India to avail the services of these ports in Bangladesh for transit cargo between Northeast and mainland India. This will significantly reduce the cost and time of transportation.
- ➤ Cooperation in power and energy sector has become one of the crucial pillars of India-Bangladesh relations. Bangladesh is currently importing 1160 MW of power from India. The Joint Working Group (JWG)/Joint Steering Committee (JSC) on Power provides an institutional frame work to promote bilateral cooperation in cross border trade of electricity. The Maitree Super Thermal Power Plant has been made operational in supplying electricity to Bangladesh grid.
- India-Bangladesh Friendship Pipeline between both countries for carriage of High Speed Diesel

from India into Bangladesh was inaugurated by both Prime Ministers in March 2023. Further, ONGC Videsh Limited (OVL), in a consortium with Oil India Limited, is present in off-shore oil exploration. IOCL has also been registered as a G2G supplier in 2023 and is supplying POL products to Bangladesh.

- ➤ Bangladesh is the largest development partner of India today. India has extended 3 Lines of Credits (LOC) to Bangladesh in the last 8 years amounting to around US\$ 8 billion for development of infrastructure in various sectors including roads, railways, shipping and ports. In addition to LOCs, the Government of India has also been providing grant assistance to Bangladesh for various infrastructure projects including, construction of Akhaura-Agartala rail link, dredging of inland waterways in Bangladesh and construction of India-Bangladesh Friendship Pipeline.
- ➤ High Impact Community Development Projects (HICDPs) constitute an active pillar of India's development assistance. Government of India has funded 77 HICDPs including construction of student hostels, academic buildings, skill development and training institutions, cultural centers, and orphanages etc. in Bangladesh and another 16 HICDPs are being implemented, with all the 93 projects amounting to over USD 50 million. Human resource development and capacity building is a key component of India's development cooperation efforts in Bangladesh through its several ongoing training programs and scholarships. The Government of India has been providing training to Bangladesh Civil Service officials, police officials, judicial officials and judges, professionals, among others, at various premier training institutes in India.
- ➤ The Indira Gandhi Cultural Centre and the Indian Cultural Centre in Dhaka both play an important role in celebration of common cultural links between the two countries. Its training programs including Yoga, Kathak, Manipuri dance, Hindi language, Hindustani classical music and the cultural programs of renowned artists of India and Bangladesh contribute in promotion of people-to-people contacts.
- ➤ India launched a revamped version of the Bangladesh Youth Delegation 2022 campaign to attract the best of Bangladeshi talent in June 2022 as an important youth connect initiative. Youth from diverse disciplines were invited to visit India as part of the delegation, for which the auditions were conducted in major cities of Dhaka, Chattogram and Rajshahi. A 100-member delegation visited India in February 2024, wherein they toured prominent sites of academic/cultural interest in New Delhi and other Indian cities, as well as called on Hon'ble President of India.
- ➤ Bangladesh is an important ITEC partner country and annually around 800 participants avail benefits of the ITEC training courses. In March 2021, India announced 1000 "Suborno Jayanti Scholarships" for Bangladeshi students and in February 2022, a dedicated website was launched for desirous Bangladeshi students wanting to study in premier Govt of India educational institutes, including the IITs and NIITs, and pursue under-graduation, post-graduation and M.Phil/PhD courses. Around 1000 student visas have been issued till date this year to Bangladeshi students, who have the aspirations to study in India as Self- financing Scheme Students.

Pursuant to the policy of Government of India to further liberalise the Indian visa application process and strengthen people-to-people ties between India and Bangladesh, services across the 16 IVAC centres nationwide have been augmented to cater to the rising demand for Indian visa. The demand for Indian medical visa remains the highest, with India issuing medical attendant visa to three persons to accompany one medical patient - a highly liberalised process uniquely extended to Bangladesh. Indian visas issued in Bangladesh constitute the largest visa operations India conducts worldwide, both in terms of application centres present across the host country, the volume of applications received per day as well as number of visas processed and issued.

Source: www.mea.gov.in