

Bangladesh, India seek fresh momentum in economic partnership

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Online Desk : Bangladesh and India have stressed the need for greater trade and investment cooperation by removing commercial barriers, easing visa procedures and promoting joint initiatives in infrastructure and emerging technologies. Commerce Minister Khandakar Abdul Muktadir made the remarks at a meeting with a delegation of the Confederation of Indian Industry (CII), led by its Director General Chandrajit Banerjee, at the Secretariat here today, said a press release.

The meeting discussed bilateral trade and investment relations, existing challenges and potential areas of future cooperation. The commerce minister said the geographical proximity of Bangladesh and India offers significant opportunities to transform connectivity into economic benefits through increased trade, investment and industrial cooperation. Despite differences in size, population and economic strength, the two countries can benefit from their geographical realities, particularly by expanding trade, connectivity and investment involving Bangladesh and India's northeastern region, he said.

Muktadir also stressed the importance of increasing economic connectivity in South Asia, saying that although the region has a large combined economy, intra-regional trade remains relatively low. He said stronger economic integration could create new opportunities for industrialisation, investment and employment. Regarding recent trade restrictions between Bangladesh and India, the commerce minister called for discussions to restore bilateral trade to a normal footing.

He expressed hope that positive progress would be achieved within the next few months. Visa-related difficulties faced by business people and professionals also came up for discussion. Muktadir said it was not practical for people who regularly travel for business, medical treatment and other purposes to apply for new visas every few months. He stressed the need for cooperation between the two countries to introduce longer-term visa arrangements for regular travellers.

The CII delegation proposed forming two joint task forces to enhance cooperation in infrastructure and high-technology sectors. One task force would focus on promoting private investment and public-private partnerships (PPPs) in infrastructure, while the other would work on future-oriented industries such as semiconductors, green hydrogen, battery storage and data centres. The CII said around Rs 25 lakh crore was invested in India's infrastructure sector last year, with a significant portion coming from the private sector.

It said Bangladesh could also attract domestic and foreign institutional investment by drawing on India's experience. The meeting also highlighted the importance of utilising the capacity of local manufacturing industries. Indian business representatives said many local enterprises have the capability to manufacture products domestically but have weakened due to various challenges. They said strengthening local production could reduce import dependence and accelerate project implementation.

Citing the example of a joint initiative with Energypac, a CII representative said Bangladesh still imports many products despite having the capacity to manufacture them locally. Imports through land ports can take as long as 40-45 days, he said, adding that revitalising local industries could significantly reduce such delays. The CII also expressed interest in investing in the fast-moving consumer goods (FMCG) sector. It proposed establishing a modern integrated manufacturing facility near Dhaka for products including soap, home-care insecticides and fragrances.

The delegation also stressed the need for an effective regulatory framework to ensure quality control of unregistered products. The CII representatives further called for adjustments to the tariff structure to

encourage the use of energy-efficient technologies in industries. They said their steam-related technologies could reduce gas consumption by 10-35 percent in the textile, readymade garment and food industries, but tariff discrimination was discouraging their adoption.

The Indian industry body also proposed creating internship opportunities for Bangladeshi youth in Indian companies and extending cooperation to resolve visa-related difficulties faced by Bangladeshi engineers seeking employment in third countries. Both sides emphasised the importance of moving beyond formal discussions by undertaking specific initiatives, increasing private-sector engagement and establishing institutional mechanisms to make Bangladesh-India economic relations more effective and result-oriented.