

SAB

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WHAT'S INSIDE ?

- **South Asian countries geared efforts to repatriate their nationals from Sudan**
- **India surpassed China as the most populous country**
- **Nepal plunged into its first recession in six decades**
- **Chinese yuan surpassed the dollar for the first time in China**
- **Pakistan's foreign minister to visit India for the first time since 2011.**

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Editors Note

Sudan is on the cusp of collapse as conflict erupted between the Sudanese Armed Forces and the paramilitary Rapid Support Forces (RSF), which together planned a military coup in 2021 that dissolved the power-sharing government and halted its brief transition to democracy, following the removal of long-time dictator Omar al-Bashir in 2019.

The ongoing intense military clashes have left hundreds of innocent people dead, wounded, and displaced, causing a severe humanitarian crisis. The seriousness of the situation compelled several countries, including those in South Asia, to evacuate their citizens from Sudan.

India initiated 'Operation Kaveri' to rescue approximately 3,000 Indian citizens stranded in Sudan. More than 300 people were successfully evacuated as part of this operation, and more than 1200 of them were relocated to Jeddah, Saudi Arabia, before being returned to India. China evacuated 1,171 people, including 940 Chinese nationals, to the Saudi Arabian port of Jeddah from Sudan.

Similarly, Pakistan also conducted a successful evacuation, bringing back approximately 700 Pakistani nationals. Sri Lanka, with India's and Saudi Arabia's assistance, has effectively evacuated 19 Sri Lankans since the start of the conflict.

Meanwhile, Bangladesh and Nepal adopted significant measures to return their citizens. Nepal contacted 30 individuals, excluding security personnel deployed for UN peacekeeping missions, and coordinated with Saudi Arabia to bring 19 Nepali citizens to Jeddah. Bangladesh coordinated with its embassy in Sudan and made arrangements, such as temporary accommodation in Jeddah, Saudi Arabia, for returning nationals. Bhutan, the Maldives, and Afghanistan have yet to develop plans for the repatriation of their citizens.

These substantial evacuation efforts by South Asian nations demonstrate their commitment to the safety and well-being of their citizens. So far, Saudi Arabia's assistance has been instrumental in guaranteeing the safe return of South Asians to their home countries.

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Afghanistan

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Domestic Updates

Afghanistan's ban on education and employment in foreign agencies for women, which has yet to be lifted, has continued drawing criticism from the international community, including from United Nations (UN) [agencies](#) such as the United Nations Assistance Mission in Afghanistan (UNAMA). As a way to protest the decision, the UN offices currently operating in Afghanistan have [instructed](#) UN personnel (men and women) not to report to their offices unless there are critical tasks. The UN Security Council (UNSC) also [adopted](#) a resolution condemning the ban. Other countries, including Iran and China, have also urged the government to reverse the ban. In response, the Taliban government has [said](#) that the ban on women working for UN agencies is an internal issue and that the policy should be respected.

The Taliban government has [allocated](#) the largest share of the budget to defense, with the aim of increasing its military by a third and building anti-aircraft missile capacity. Meanwhile, international aid organizations working in Afghanistan have been raising alarms about the aid required to combat poverty and famine in the country. The United Nations Office for the Coordination of Humanitarian Affairs (OCHA) has [said](#) that USD 4.62 billion in humanitarian aid is required to support the Afghan people in 2023. The International Organization for Migration (IOM) [published](#) a report stating

that two-thirds of the country's population required urgent humanitarian assistance in 2023. The UN has [reported](#) that if the aid drops by 30 percent as predicted, the Afghan economy will contract and inflation will rise.

The writing process of Afghanistan's constitution based on Sharia law is [ongoing](#), given the government's priority placed on having a constitution. Likewise, the Ministry of Higher Education has [said](#) that the curriculum revision has been completed by 50 percent. Government officials have said in the past that the ban on women's education would be lifted once the curriculum was reviewed and updated (see past SAB issues), which the Islamic Emirate started evaluating roughly two years ago.

The White House [stated](#) in a statement that the Taliban government had killed the Daesh (ISIS) member who was responsible for the 2021 Kabul Airport blast that killed 170 Afghans and 13 US soldiers. While the Taliban government has not confirmed the statement, the government has been actively fighting against Daesh cells in the country since it took power. The Afghan government also [denied](#) the reports that claimed an active Daesh group in Afghanistan was planning attacks across Europe and Asia.

Regional Engagement

Shanghai Cooperation Organization (SCO) held its meeting in New Delhi, India. During the [meeting](#), Russian Defense Minister Sergei Shoigu mentioned that the existence of terrorist groups in Afghanistan posed a threat to neighboring

countries in central Asia. Other member countries including India second his view. Afghanistan has an observer status at SCO but the meeting was held in its absence.

Construction of fences in the Durand line, the border point along Pakistan and Afghanistan's border, has been **completed** by 98 percent. The security issues between the two countries have been a point of contention with Pakistan accusing Afghanistan of providing support to Tehreek-e-Taliban (see previous SAB issues for details). While Pakistan has cited the prevention of the movement of terrorists as a major reason for the fencing, the Afghan government has expressed disagreement with the decision to create the fencing.

A delegation from Kazakhstan, including the deputy prime minister and Minister of Trade and Integration Serik Zhumangarin **visited** Afghanistan and held meetings with several senior officials in the country. Afghanistan's first deputy of the Prime Minister, Mullah Abdul Ghani Baradar met with the delegation and requested Kazakhstan to reopen its consulate and embassy in Afghanistan.

The acting Foreign Minister Amir Khan Muttaqi and the head of Pakistan's Diplomatic mission to Afghanistan Obaid Rahman Nizmani **held** a meeting to discuss bilateral issues between the two countries. Muttaqi also requested the Pakistani government to release the Afghan prisoners in Pakistani prisons.

Global Engagement

Gillain Triggs, the Assistant High Commissioner for Protection of the United Nations High Commissions for Refugees (UNHCR) **traveled** to Kabul on 30 April. Issues including the ban on Afghan women working for aid agencies and the humanitarian response required for the country are set to be discussed.

Diplomats from Russia, China, Iran, and Pakistan **attended** a conference held in Samarkand, Uzbekistan regarding regional security based on the situation in Afghanistan. The issues discussed included cooperation with Afghan authorities to maintain political stability and prevent the humanitarian crisis in Afghanistan.

The European Union (EU) parliament **adopted** three resolutions regarding human rights in Afghanistan, Russia, and Nigeria. The resolution on Afghanistan denounced the ban on women's education and right to work for non-governmental organizations and UN offices and called for diplomatic pressure to be exerted on the Taliban government to release prisoners who have been detained arbitrarily.

The US government has **published** a new report blaming the chaotic withdrawal from Afghanistan on the Trump administration's deal to end the war with the Taliban. The US House of Representatives has been investigating the US withdrawal from Afghanistan.

The UN is **convening** a meeting in Doha with special envoys from various countries to reinvigorate engagement on the way forward with Afghanistan. The Taliban government has not been invited to the meeting.

Bangladesh

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Domestic Updates

Bangladesh has had a tranquil period of political stillness as the main opposition Bangladesh National Party (BNP) decided to halt its rallies against the government during the Islamic fasting month of Ramadan. However, the repeated fire events in different markets dragged both the government and the opposition into a blame game. The BNP called the fire incident mysterious and demanded a fair and impartial investigation. BNP Secretary General Mirza Fakhrul Islam Alamgir criticized the government's [indifference](#) and lack of accountability and called for adequate compensation for the affected businessmen. Meanwhile, the governing party Awami League (AL) General Secretary Obaidul Quader said that the government is investigating whether the opposition BNP is [involved](#) in the major fire that occurred in Dhaka's Bangabazar.

The BNP has reiterated its stance [against](#) participating in the upcoming local government elections in the five cities. "We will not join any local government elections", said Fakhrul. He further called on the government to resign and meet the demands of opposition parties to [avoid](#) confrontation. Road Transport and Bridges Minister Obaidul Quader, who is also the General Secretary of the AL, responded that the BNP will not gain anything by threatening to disrupt the national elections, as they will be [conducted](#) as per the constitution.

According to the Bangladesh Bureau of Statistics (BBS), the country's consumer prices [rose](#) by 9.33 percent, the highest in seven months. Planning Minister MA Mannan expressed concerns about the potential for even higher inflation in the future, with the consumer price index possibly reaching double digits amid increased spending during the Eid-ul-Fitr holiday. Analysts have criticized the BBS data, claiming that inflation has been increasing at an even faster rate than reported. Despite these criticisms, the minister defended the statistics, asserting that the government was transparently publishing the data.

Regional Engagement

The National Board of Revenue (NBR) in Bangladesh has issued a permanent standing order to allow India to use [Chattogram and Mongla ports](#) for the transit and transshipment of cargo vessels. This is expected to reduce time and costs for transporting goods to India's north-eastern states and West Bengal while promoting regional connectivity in the Bay of Bengal. The NBR, customs, and other taxation parties involved will impose certain charges in line with Bangladesh's tax and VAT laws. Some reports suggest that this development has a link to elections, as India has leverage over the Hasina government.

General SM Shafiuddin Ahmed, Bangladesh's army chief, [visited](#) India and discussed with his counterpart enhancing and strengthening interoperability, training, anti-terrorism collaboration, and overall bilateral cooperation as part of the comprehensive strategic partnership

between the two nations. He also signed an ‘Implementing Arrangement’ for UN Peacekeeping Operations and Training Cooperation between the Centre for United Nations Peacekeeping (CUNPK), India, and the Bangladesh Institute of Peace Support Operations Training (BIPSOT). India and Bangladesh share the historical legacy of cooperation during the Liberation War of 1971, and active engagement on the defense side.

Global Engagement

Bangladesh has finally declared its “Indo-Pacific Outlook (IPO). It appears that Bangladesh’s newly unveiled “[Indo-Pacific Outlook \(IPO\)](#)” shares many similarities with the United States Indo-Pacific Strategy (IPS), which the US has been urging Bangladesh to join. While Bangladesh doesn’t use the term “strategy” or “IPS,” its vision for a free, open, peaceful, secure, and inclusive Indo-Pacific region for shared prosperity is remarkably similar to that of the IPS.

Japan is considering the development of an industrial [hub](#) in Bangladesh. The proposal involves establishing supply chains to India’s landlocked northeastern states, as well as Nepal and Bhutan, by creating a port and transportation infrastructure in the region. This proposal was put forward following Japanese Prime Minister Fumio Kishida’s recent visit to India, during which he highlighted the potential for a new industrial hub in the Bay of Bengal and northeast India that could contribute to the development of the region’s 300 million inhabitants, many of whom live in poverty.

During Prime Minister Sheikh Hasina’s visit to Japan this month, Bangladesh and Japan [signed](#) several bilateral agreements ranging from trade and agriculture to defense and technology. Also, the private enterprises from the two nations signed a number of Memoranda of Understanding (MOUs) to increase trade and commerce in energy, power, and other sectors.

Bangladesh has [approved](#) the payment of USD 318 million to Russia for the construction of the Rooppur nuclear power plant in Chinese yuan. The decision to repay the loan in Chinese currency was made at a recent meeting between the Economic Relations Division and Russian officials. This decision has resolved the US dollar payment problem to sanctions-hit Russia. Bangladesh is building the Rooppur nuclear power project with a loan from Russia.

Bangladeshis living and working in Sudan are finally being brought [back](#) home through the efforts of the Bangladesh Embassy in Sudan. The embassy has arranged for buses to transport the stranded Bangladeshis to the port city, from where they will sail to Saudi Arabia and then return to Bangladesh. The Bangladesh embassy has also made arrangements for food, water, medicine, and temporary accommodation for the returning nationals in Jeddah, Saudi Arabia.

Bhutan

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Domestic Updates

Bhutan [held](#) its fourth National Council (NC) elections on 20 April. Twenty candidates have been successfully elected in 20 Dzongkhags to represent their respective districts out of the 89 who contested the elections. Out of 485,811 total registered voters, 265,441 (130,636 male and 134,805 female) voted in the elections, marking a record for the highest voter turnout (54.64 percent) in the history of NC elections to date.

Lyonpo Karma Donnen, the Minister of Information and Communications, has voluntarily [resigned](#) in accordance with the reduction of the ten ministries to nine as part of the ongoing reformation required by the Civil Service Reform Bill 2022. The Royal Civil Service Commission (RCSC) has [raised](#) the retirement age for civil servants as part of the same ongoing restructuring, taking into account the significant increase in life expectancy to 70.2 years, the anticipation of higher returns on human capital investments, and the current human resource gaps caused by attrition. Bhutan is facing an [alarming](#) pattern of high attrition rates among health and education professionals.

On 4 April, the Asian Development Bank (ADB) [released](#) the Bhutan-ADB Outlook, which provides an overview of Bhutan's economy, including growth projections, inflation forecasts, and assessments of

various sectors such as agriculture, industry, and services. The outlook predicts that Bhutan's gross domestic product (GDP) will expand at a slower rate between 2022 and 2024, from 4.7 percent to 4.6 percent and 4.2 percent, respectively. Furthermore, the gross international reserves declined by 20 percent to USD 755 million to cover 4.7 months of merchandise and service imports in 2022. The agriculture sector's growth is forecast at 3.2 percent in 2023 and 2.6 percent in 2024. The United Nations in Bhutan also [launched](#) its annual country results report for 2022.

Water sources in Bhutan are running [out](#). 0.9 percent (69) of the 7,399 water sources in the nation have dried up, and 25.1 percent (1,856) are in the process of drying up. Along with climate change and forest degradation, road construction, forest fires, overgrazing, changes in land use and land cover, the building of power lines and other infrastructure, and unstable geology, among others, are considered factors causing the drying of water resources.

The Bhutan Finance Ministry and UNDP [signed](#) an agreement for a project titled "Promoting Technologically Enabled Agriculture for the Vulnerable Farming Population in Bhutan" to support 2,000 smallholder farmers in adopting technology-enabled agriculture. The one-year, USD 1.54 million projects will support Bhutan's efforts to restructure its agri-food system for climate change resilience, which is a priority for the country as it works toward economic and food self-sufficiency. The Japan International Cooperation Agency (JICA) has [also given](#)

Bhutan's two organic centers an excavator and tractor. This will help Bhutan achieve its agricultural goal of converting to 100 percent organic farming by 2035.

Bhutan is working towards [joining](#) the World Trade Organization (WTO) after its graduation from the Least Developed Countries (LDC) status by the end of this year. As per the Minister of Industry, Commerce, and Employment, Bhutan is studying its accession to the WTO as it would bring significant advantages to the country, including foreign direct investment and secured international trading. Bhutan, which received WTO observer status in 1998, submitted its membership application in 1999.

Regional Engagement

From 3 to 5 April 2023, Bhutan's King Jigme Khesar Namgyel Wangchuck [visited](#) India on a state visit. During his visit, he met with the Prime Minister and President of India, among other senior government officials. The two countries discussed bilateral cooperation, including trade, technology, cross-border connectivity, hydropower cooperation, non-hydro renewables, space, businesses, and STEM education.

India promised to support Bhutan's 13th Five-Year Plan, and Bhutan expressed gratitude for India's assistance during the 12th Five-Year Plan. India also pledged to amp up its support for Bhutan. India has also agreed to take into account Bhutan's proposal to extend a second Standby Credit Facility (SCF) for a five-year term. Jigme's interview in Europe from last month brought this visit into the spotlight (see SAB 10 for more). Contrary to expectations, there were no conversations on border issues. Nevertheless, India's Foreign Secretary emphasized that New Delhi stands by its [past](#) pronouncements on trijunction boundary issues.

Global Engagement

The Under-Secretary-General for Peace Operations of the United Nations, Jean-Pierre Lacroix, [appreciated](#) Bhutan for the strong support, service, and sacrifice of military and police personnel deployed for United Nations peacekeeping. 'The UN appreciates the service and sacrifice of the men and women from Bhutan and counts on their continued support to create more agile, effective, and accountable UN peacekeeping operations that deliver results.' said Lacroix. Bhutan, which began deploying troops in 2014, is now the 53rd largest contributor, with 242 peacekeepers serving in 14 UN peacekeeping missions.

China

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Domestic Updates

The Chinese yuan has become the most **widely-used** currency for cross-border transactions in China and has overtaken the dollar for the first time, as recorded in March. The yuan was used in 48.4 percent of all cross-border transactions, while the dollar's share declined to 46.7 percent from 48.6 percent a month earlier. According to exchange rate strategists, the internal use of the yuan increased owing to China's capital account opening, with rising inflows for Chinese bonds and outflows for Hong Kong equities. Despite China's efforts to increase the use of the yuan internationally, the yuan remains underutilized in global trade finance. Society for Worldwide Interbank Financial Telecommunications (SWIFT) data indicates that the yuan's share of global currency transactions in March was 4.5 percent, while the dollar's share was 83.71 percent.

Forest fires and heatwaves resulted in fatalities and decreased air quality all across China. One of the **worst** heatwaves was experienced in April, as Changsha and Fuzhou set the earliest local records for summer, and several cities in Zhejiang Province broke their records for the highest daily temperature. A forest fire **broke** out on a hillside in Xichang City, Liangshan Yi Autonomous Prefecture, southwest China's Sichuan Province. At the end of March, thousands battled a forest **fire** in Sichuan that killed 18 firefighters and a local guide.

China **passed** a landmark law to protect the Qinghai-Tibet Plateau ecosystem. The law will take effect in September 2023. The law on ecological conservation on the Qinghai-Tibet Plateau is a new addition to China's laws for special regions, following the enactment of the Yangtze River Protection Law, the Yellow River Protection Law, and the Black Soil Protection Law.

China has **launched** the first trans-regional hydrogen pipeline project from Inner Mongolia to Beijing, which has been included in the national fuel transmission network development blueprint, marking a new phase for the green fuel to be transported from the country's vast west to the coastal east, where more energy is consumed.

Regional Engagement

The month of April saw a series of cargo openings and land port passenger clearances from China. Impacted by the COVID-19 pandemic, the land ports and border passages were closed between Nepal and China. While two-way cargo transport at the port resumed on December last year, the Kerung port, one of the largest ports between the two countries, **resumed** passenger clearance on 1 April. Subsequently, the Khunjerab Pass, a major land port on the China-Pakistan border, resumed passenger customs **clearance** on 4 April.

On 21 April, Ezhou Huahu Airport, China's first dedicated freight airport, officially opened an air cargo **route** from Ezhou in China's Hubei

Province to Delhi, India. The cargo route is expected to have a capacity of 300 tonnes of goods between China and India each week.

Chinese Premier Li Qiang and Pakistani Prime Minister Shehbaz Sharif [exchanged](#) a courtesy call on 4 April expressing mutual willingness to cooperate on various aspects while acknowledging the 10th anniversary of Chinese President Xi Jinping's proposal of the Belt and Road Initiative (BRI) and the 10th anniversary of the launch of the China-Pakistan Economic Corridor (CPEC).

Chinese State Councilor and Foreign Minister Qin Gang [attended](#) the fourth foreign ministers' meeting among neighboring countries of Afghanistan in Samarkand, Uzbekistan. Qin put forward a four-point proposal; first, to crack down on the terrorist forces in Afghanistan; second, to call out the United States, urging the US to take responsibility and lift unilateral sanctions on Afghanistan; third, to encourage the Afghan Taliban to build inclusive governance; and fourth, to carry out practical cooperation related to Afghanistan.

In a joint [statement](#) from the meeting attended by the foreign ministers of China, Russia, Pakistan, and Iran, the countries shared concern about Afghanistan's stability and expressed a common interest in ensuring neighborhood peace and safety.

Global Engagement

China and Singapore [signed](#) a Memorandum of Understanding (MOU) to announce the conclusion of negotiations on an upgraded bilateral free trade agreement (FTA). The two countries signed the FTA in 2008 and have upgraded it twice, in 2018 and 2020. The recent upgrade confirms no rollback of opening-up measures in the service trade and investment sectors.

The Chinese Foreign Minister, Qin Gang, [held](#) talks with his Japanese counterpart, Yoshimasa Hayashi, on 2 April. Acknowledging the 45th anniversary of the signing of the China-Japan Treaty of Peace and Friendship, Qin highlighted the treaty's spirit and encouraged advancing bilateral ties. On the discharge of nuclear-contaminated water from the Fukushima Daiichi nuclear power plant into the Pacific Ocean, Qin urged Japan to handle the issue responsibly while considering its impact on public health and safety. Qin also reminded the Japanese side of China's strict stance on the Taiwan question and discouraged any undermining of China's sovereignty in any manner.

On the invitation of Chinese President Xi Jinping, French President Emmanuel Macron visited Beijing. Xi and Macron held a series of talks on both bilateral and international affairs. Taking note of the 60th anniversary of diplomatic relations, Xi ensured stepping up cooperation with France in relevant fields. The highlight of their talks remains each other's expression of their role in [resolving](#) the Ukraine crisis. A [trilateral](#) meeting between Chinese President Xi, French President Macron, and European Commission President Ursula von der Leyen was also held in Beijing. Noting this year marks the 20th anniversary of the China-EU comprehensive strategic partnership, Xi conveyed China's willingness to

work with the EU to completely resume exchanges at all levels.

The Chinese military [evacuated](#) 1,171 people, including 940 Chinese citizens and 231 foreigners, and vessels out of Sudan to the Saudi Arabian port of Jeddah in two evacuation operations from 26-29 April.

Following an incident during a Philippine coast guard patrol close to the Philippines-held Second Thomas Shoal, a flashpoint for previous altercations located 105 nautical miles off its coast, the Philippines [accused](#) China's coast guard of "aggressive tactics". While the US has also urged China to stop harassing Philippine vessels in the South China Sea, China replied that it is willing to handle maritime differences with countries of concern through friendly consultations and warned the US not to interfere.

India

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Domestic Updates

India has [surpassed](#) China as the world's most populous nation. India now has 1.43 billion people. India's population is younger than China's. India could benefit from the 'population dividend,' but it will be difficult for India to provide for and manage its large, aspirational, and youthful population.

Karnataka, the IT capital of India, has geared up for elections in May, and the campaigning is in full swing. Prime Minister Narendra Modi has attended several rallies, leading the campaigning. The ruling Bharatiya Janata Party (BJP) faces a challenge from the Indian National Congress (INC). Karnataka is the BJP's last bastion in southern India. Analysts are keenly watching the elections for hints to project the BJP's performance in the national elections next year. Karnataka, which formed a key part of INC's Rahul Gandhi's 'Bharat Jogo Yatra', will also show the effectiveness of Gandhi's yatra.

Meanwhile, Gandhi's appeal seeking a stay on his conviction in a criminal defamation case got [rejected](#) by a higher court. Gandhi was convicted of defaming the Modi community in a speech in 2019 and was sentenced to two years (for more, see SAB 10). He lost his status as a member of parliament, and it is unclear if he can stand for elections in the next national elections due next year.

Police [arrested](#) Amritpal Singh, the Sikh

separatist leader calling for an independent Khalistani state for Sikhs. He had been on the run since March. He was imprisoned under the National Security Act, which allows for a year of detention without prosecution. His supporters attacked a police station and vandalized the Indian embassy in London as well as the US (for more, see SAB 10). Furthermore, two gunmen shot and killed Atiq Mohammad, a mafia don and convicted criminal, along with his brother in broad daylight. They were shot point blank in the presence of police and while being live on TV. The gunmen pretended to be journalists and promptly surrendered after the killing. It caused a huge backlash, with many calling it a murder of law and order. Uttar Pradesh Chief Minister Yogi Adityanath doubled down, [saying](#) that 'nature settled the score'.

The Indian government [introduced](#) the Information Technology Rule, which gave it the power to declare news related to it as fake, false, or misleading through a government fact-checking unit. The government introduced the rules in the 'larger public interest' to deal with fake news. However, critics fear the amendment will have a chilling effect on free speech. The rule is being challenged in court.

Apple [launched](#) its first stores in Mumbai and New Delhi. Apple aims to make inroads in the burgeoning Indian market, where lower-priced Android smartphones dominate the market. At the same time, Apple has started manufacturing the iPhone in India as it diversifies its supply chain away from China. India now accounts for 5 percent of total iPhone production.

India's Monetary Policy Committee **decided** to keep the repo rate unchanged at 6.5 percent in April over inflation concerns. The Reserve Bank of India (RBI) has kept the inflation target at 5.2 percent for the upcoming fiscal year. The government has mandated the RBI to keep inflation at 4 percent with a band of 2 percent in either direction. Besides, the International Monetary Fund (IMF) **expects** India to grow at 5.9 percent in 2023. The IMF predicts India and China will contribute half of global growth this year.

Regional Engagement

India is to hand over a fast patrol vessel and a landing craft to the Maldives. They will be handed over during Indian Defense Minister Rajnath Singh's visit in early May. Singh **said** the visit will be an 'important landmark' in building strong bonds of friendship between the two countries. An India-Maldives relationship has scaled new heights since President Mohammad Solih came to power. His visit comes a few months ahead of the presidential elections in the Maldives.

Sino-Indian relations continue their ups and downs. Indian Foreign Minister S. Jaishankar **repeated** that the relations are not 'abnormal'. Chinese defense minister, Li Shangfu made his maiden trip to India post-Galwan. He met his Indian counterpart for a bilateral meeting, but the meeting started on a sour note as they did not exchange a **handshake** before the meeting. Before the meeting, India launched a village program in Arunachal despite Chinese protestations. India has insisted that relations with China will not normalize unless China disengages and de-escalates from the Galwan region. Meanwhile, China also renamed 11 villages in the territory claimed by both countries. With an eye on China's cyber warfare capabilities, the Indian Army **decided** to have a dedicated cyber agency in each of its six operational and regional commands.

The Shanghai Cooperation Organization (SCO) Defense Ministers' Meeting was chaired by Singh on 28 April. Singh emphasized the civilizational ties of the region. Regional security, development in Afghanistan, energy security, and terrorism were the core focus of the meeting. Pakistan's defense minister attended the meeting virtually.

Global Engagement

The Indian defense minister and his Russian counterpart, in a meeting on the sidelines of the Shanghai Cooperation Organization (SCO) Defense Ministers' meeting, **reiterated** their commitment to strengthening their defense partnership. Indo-Russian oil trade has skyrocketed after the Russian invasion of Ukraine. In April, India bought Russian oil above USD 60, a price cap set by the West (EU and G7 countries). India **imported** around 45,000 barrels per day from Russia before the Ukraine invasion, but now imports around 2 million barrels per day.

In a phone call with his British counterpart, Modi **raised** the issue of embassy security. Last month, Khalistani supporters vandalized the Indian embassy in London. They agreed on the need to speed

up negotiations for a free trade agreement. Britain seeks to deepen economic, defense, and security ties with India while casting China as an 'epoch-defining challenge' to the world order. In addition, the British defense companies [plan](#) to boost tie-ups with Indian companies to diversify supply chains. Currently, 11 British defense companies have established joint ventures or subsidiaries in India, with more looking to join the fray.

The WHO issued an [alert](#) over a batch of contaminated India-made cough syrup found in the Marshall Islands and Micronesia. It found unacceptable amounts of two glycol compounds, which are toxic to humans and could be fatal if consumed. This comes after WHO issued a similar alert over multiple deaths because of cough syrup produced by Indian companies and sold in Gambia and Uzbekistan (see previous SABs). India is the world's medicine factory.

Maldives

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Domestic Updates

The Maldives Meteorological Service (MMS) urged the public to take necessary precautions against the heat as it experienced an extreme rise in its [temperature](#) across the country. The meteorological department recorded 32°C in different parts of the Maldives. Extreme heat events are associated with climate change, and the Maldives is one of the nations most susceptible to its effects.

Preparations are underway for the presidential election [scheduled](#) for 9 September. The election commission of the Maldives is seeking more than 5,000 people to work as officials during the election. According to a monthly survey by a nonpartisan think tank, none of the candidates has a sizable lead. And 43 percent of voters are still undecided about their preferred candidate. The governing party, the Maldivian Democratic Party (MDP), won the most recent [by-election](#) held for the vacant seat of the Guraidhoo constituency.

The most recent [census](#) conducted in Maldives shows a growth of 1.5 percent in its population since 2014. The Maldives Population and Housing Census 2022 showed that the total population of the Maldives is now 515,122, of which 382,751 are Maldivian citizens and 132,371 are foreigners living in the country. The study indicates that 69 percent of the population

is of working age, and there has been a decrease in the number of children due to low birth rates.

President Ibrahim Mohamed Solih announced salary [increments](#) for the health sector, effective from 01 May 2023. The new structure would differentiate the staff's pay based on qualifications. This new framework aims to encourage professional development and cater to the requirements in areas where it is more challenging to recruit trained locals.

The Sovereign Development Fund (SDF) saw an [increase](#) of 28 percent compared to the same period in 2022 (January to April). A total of MVR 301 million (approx USD 19 million) has been collected so far as SDF, a fund established to repay the government's debts.

As of April 2023, Maldives had welcomed 626,392 tourists, an increase of 18.8 percent compared to the corresponding period in 2022. Russia topped the top ten tourist [market](#) spots, followed by India, the UK, Italy, Germany, the USA, France, China, Switzerland, and South Korea. The increase in the number of tourists has piqued the interest of international investors in the Maldives. Thanks to the 2020 revision of the Maldives' Foreign Direct Investment (FDI) policy. Other factors include the country's priorities toward environmental preservation, sustainable tourism, and investor safety.

Regional Engagement

The Maldives and China [entered](#) into several agreements during the Chinese International

Development Cooperation Agency's (CIDCA) Vice Chairman's visit to the Maldives. These agreements include a Memorandum of Understanding between the China International Development Cooperation Agency of the Government of the People's Republic of China and the Ministry of Foreign Affairs of the Republic of Maldives on the Development Cooperation Plan (2023-2025), Letters of Exchange on the Feasibility Study on Hospitals in the Maldives, Letters of Exchange on the Renovation of the Maldives National Museum, and Letters of Exchange on the Maintenance of the China-Maldives Friendship Bridge.

The Maldives won the larger share of the disputed waters with Mauritius. The International Tribunal for the Law of the Sea (ITLOS) ruled out that the Maldives would acquire a [major sea region](#), [defining](#) a maritime boundary on the southern side of the country. Of the 95,000 square kilometers of the overlapping disputed territory, ITLOS allotted 47,232 square kilometers to the Maldives and 45,331 square kilometers to Mauritius.

Global Engagement

Male' expressed its [strong support](#) for the continuous efforts made by Saudi Arabia for a comprehensive political solution to end the ongoing crisis in Yemen. The Maldives especially welcomed Saudi Arabia's meeting in Sanaa from 8-13 April 2023. The Maldives called upon Yemeni parties (the legitimate government and the Houthis) for a positive response concerning these efforts to achieve the aspirations of the Yemeni people.

Male' released a [statement](#) condemning the storming of Al-Aqsa Mosque by Israeli forces, attacking the Palestinian worshippers, and destroying the mosque. It highlighted the solidarity of the government of the Maldives and its people with the people of Palestine.

The Maldives and Japan held their fourth round of [policy dialogue](#) at the Ministry of Foreign Affairs of Japan. The discussion focused on enhancing the existing bilateral relationship between both countries through economic and development cooperation, trade and investment, cultural exchanges, and regional and maritime cooperation.

The Maldives and Burundi signed an agreement on mutual exemption of visa requirements. This arrangement would allow the exemption of visas for single or multiple entry, exit, or transit for both countries' nationals for thirty days.

Nepal

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Domestic Updates

Nepal **entered** its first recession in sixty years as it observed two consecutive quarters of negative economic growth. According to the government number cruncher, the economy in the first quarter of this fiscal year grew by 1.7 percent year-on-year. However, when contrasted with the fourth quarter growth rate of the previous fiscal year, the first quarter growth rate of the current fiscal year is negative. The growth rate was likewise negative by 0.24 percent in the last quarter of the previous fiscal year. Furthermore, the government collected NPR 693.75 billion (about \$5 billion) as of 20 April, down from NPR 800.51 billion (around \$6 billion) at the same time the year before. Foreign direct investment (FDI) also plummeted to a new low.

Similarly, the World Bank (WB) and the Asian Development Bank (ADB), in separate reports, **decreased** their economic growth forecasts for Nepal to 4.1 percent. The projection, which is significantly lower than the estimated GDP growth, has cited tight monetary policy, the impacts of import restrictions, and higher inflation for the decreased forecast.

The Nepal Tourism Board (NTB) has revised the **procedures** of the Trekking Information Management System (TIMS), requiring all tourists to hire a guide and obtain a TIMS card before trekking to 14 different areas

of Nepal. The new provisions seek to mitigate adverse incidents like getting lost, health issues, and natural disasters. There are concerns, however, that the new rule might have some adverse impacts on arrivals. Nepal has **issued** permits to a record number of 463 climbers for Mount Everest expeditions this spring, despite experts' concerns about hazardous overload at the summit.

The 10-party ruling coalition **unveiled** its Common Minimum Programme (CMP), pledging to end all kinds of discrimination, defend the constitution, implement federalism, pass the federal civil service bill and citizenship bill, and build a society based on equity, liberty, and justice. The CMP also reiterates commitments to a balanced foreign policy and principles of non-intervention.

Nepal **held** its by-elections for the House of Representatives on 23 April. Rabi Lamichhane and Swarnim Wagle took oath as members of the House of Representatives after **winning** in the latest by-elections from Chitwan-2 and Tanahun-1 respectively. Upendra Yadav, the third winner and chairman of the Janata Samajbadi Party Nepal was elected from Bara-2.

Narayan Prakash Saud has been **appointed** Nepal's foreign minister by PM Pushpa Kamal Dahal. The Nepali Congress leader is expected to expedite preparations for Dahal's visit to India. Nanda Chapai of the CPN-Unified Socialist has been appointed as the minister of state at the Ministry of Physical Infrastructure and Transport. Dahal's cabinet expansion meanwhile remains incomplete with Dahal still **holding** six ministries.

Regional Engagement

Nepal [hosted](#) the second dialogue event of the South Asian Policy Leadership for Improved Nutrition and Growth in Kathmandu. The SAPLING initiative, launched in 2019, aims to drive a ‘food systems approach’ to combat malnutrition in South Asia. The event was co-hosted by the National Planning Commission, BRAC Bangladesh, SAPLING Secretariat, IPE Global Limited, and Institute for Integrated Development Studies.

The 15th meeting of the Bilateral Diplomatic Consultation Mechanism between the Foreign Ministries of Nepal and the People’s Republic of China was [held](#) on 7 April 2023. The meeting took place just ahead of the sixth anniversary of Nepal signing the Chinese Belt and Road Initiative (BRI). The meeting discussed upcoming high-level visits from both sides. Chinese Ambassador to Nepal Chen Song also [met](#) with Foreign Secretary Bharat Raj Paudyal ahead of the consultation meeting and discussed the scheduled resumption of bilateral trade and movement of people from the Rasuwagadi/Kerung exit point.

Global Engagement

Armida Salsiah Alisjahbana, the Under-Secretary-General of the United Nations and Executive Secretary of the Economic and Social Commission for Asia and the Pacific (ESCAP) had a [two-day](#) visit to Nepal. The UN official called on PM Dahal, and also held meetings with Deputy Prime Minister Narayan Kaji Shrestha, Minister of Finance Prakash Sharan Mahat, Minister of Energy, Water Resources and Irrigation Shakti Bahadur Basnet, and Minister of Physical Infrastructure and Transport Prakash Jwala. Alisjahbana during her visit highlighted ESCAP’s cooperation with the Government of Nepal in supporting Nepal’s smooth and sustainable graduation, sustainable transport, energy connectivity, and disaster risk resilience.

United States Agency for International Development (USAID) in [partnership](#) with the Ministry of Health Population (MoHP) Nepal launched the USD 25 million Health Direct Financing Project. The project will support the Ministry of Social Development, Karnali Province, and three local governments in Karnali to improve the health of millions of Nepalis.

Nepal [took](#) over as the Chair of the Global Coordination Bureau of the Least Developed Countries (LDCs) after five years of stewardship by Malawi at a ceremony at the UN Headquarters on 5 April. The Bureau is mandated to promote and protect the interests of LDCs. It advocates for LDCs’ interests and the implementation of the Doha Programme of Action and the 2030 Agenda for Sustainable Development.

Pakistan

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Domestic Updates

Pakistan faced three major threats; economic meltdown, terrorism, and political turmoil. The province of Punjab's Anti-Corruption Department **raided** the residence of Pakistan Tehreek-e-Insaf's President Chaudhry Pervaiz Elahi, citing corruption charges against him and his son Chaudhry Moonis Elahi. Pervaiz, however, evaded capture with the help of his guards. His son, Moonis, aware of the impending arrest, fled to Spain almost three months ago.

The country is witnessing a resurgence in terrorism after the government's decision to launch a decisive military operation against the banned terrorist organization, Tehrik-i-Taliban Pakistan, and other affiliated groups. A suicide bomber **blew** himself up in the district of Lakki Marwat in Khyber Pakhtunkhwa, killing three soldiers. No terrorist group took responsibility for the attack; however, a relatively new group, Tehreek-e-Jihad Pakistan, is believed to be involved in the unfortunate incident. In a separate incident, two policemen were **shot** dead in the Kohat district while on duty. Strong explosions caused by an electrical short circuit at a counterterrorism center in Swat killed at least 12 people and injured several others, but authorities did not confirm it to be a terror incident. In Balochistan, the security forces **arrested** a high-value target named Gulzar Imam, who founded the terrorist Baloch National

Army and launched numerous attacks with the help of foreign aid. However, days later, two bombs targeted security officials, killing four as a reprisal. Reports say the militant attacks have **dropped** by 36 percent; however, the death toll remains the same.

Prime Minister Shehbaz Sharif presided over the meeting of Pakistan's National Security Committee and other highest-ranking decision-makers. The committee **approved** an all-out military operation against terrorists to root out terrorism of all sorts. Later, the Army Chief and the Director General of ISI **attended** an in-camera session of the National Assembly and briefed the lawmakers about the security situation

Pakistan's economic situation remains critical, and concerns about the country going bankrupt remain. The inflation rate **reached** somewhere between 36 and 38 percent in April, compared to 34.8 percent in March. The country is still struggling to recover from the damages of USD 40 billion caused by the massive floods in 2022. Due to such inflation, Pakistan's State Bank has increased its benchmark interest rate by 00 basis points to 21 percent. The rate of inflation is likely to rise in the months to come. The country is striving hard to revive the 6.5 billion USD bailout program of the IMF and has raised taxes, resulting in a price hike. However, the Chief of the International Monetary Fund (IMF), Kristalina Georgieva, **said** that Pakistan won't default as it is not Sri Lanka or Ghana.

Regional Engagement

Pakistan's Ministry of Foreign Affairs [confirmed](#) that Foreign Minister Bilawal Bhutto Zardari will visit Goa, India, to attend the Shanghai Cooperation Organization (SCO) Council of Foreign Ministers (CFM) meeting. There were mixed [expectations](#) in India and Pakistan that Bhutto would likely meet Indian Prime Minister Narendra Modi or his counterpart, S. Jaishankar. However, Minister of State for Foreign Affairs Hina Rabbani Khar clarified, "It's not an India visit, but rather a SCO visit." Since the air battle in February 2019 and the Modi government's revocation of Jammu and Kashmir's special status in August 2019, Indo-Pakistani relations have been at their lowest.

A Chinese national was [arrested](#) and later released on bail in an unusual move by the Khyber Pakhtunkhwa Police. He was accused of blasphemy and reportedly used derogatory remarks against the Prophet of Islam. The latter is punishable by death as per the laws and legislation of Pakistan. The accused could be repatriated and sent back to China without trial since such a case could harm Pakistan-China bilateral relations.

Pakistan's Ministry of Foreign Affairs has [expressed](#) deep concerns over the human rights violations in Indian-Occupied Jammu and Kashmir (IOJK). In the media briefing, Pakistan voiced indignation over India's decision to hold the G-20 Tourism Working Group meeting in Srinagar. Pakistan has also [condemned](#) the anti-Muslim violence at the Hindu festival Ram Navami in eight different states of India, where mosques and Muslim properties were attacked.

Global Engagement

Khar and her Russian counterpart, Sergey Lavrov, met on the sidelines of the 4th meeting of the Foreign Ministers of Neighboring Countries of Afghanistan held in Samarkand and vowed to strengthen Pak-Russia relations, especially in the energy sector. Previously, 'Discord Leaks' [made](#) public the conversations of Khar and Prime Minister Shehbaz Sharif in which Khar hoped to avoid appeasing the West on the Russia-Ukraine War and to maintain balance in Pakistan's relations with China and Russia. The Russian oil could likely arrive in Pakistan in the coming weeks, and Islamabad could pay in Renminbi Yuan or the Russian Ruble, minimizing the country's vulnerability in USD.

Pakistan has successfully [evacuated](#) almost 700 of its citizens from besieged Sudan, thanks to the special attention paid to the matter by Foreign Minister Bilawal Bhutto Zardari. Pakistan's Ambassador Meer Bahrose Regi in Sudan and his team are working diligently to ensure the safety and well-being of Pakistanis living in Sudan and are in constant contact with them.

Pakistan has [denied](#) having trade and business relations with Israel. A video of a Pakistani Jew named Fishel Benkhald from Karachi claiming to have exported Pakistani culinary products to Israel went viral on social media. There were rumors on social media that Israelis enjoyed the Pakistani seasonings that were already in Haifa and Tel Aviv. Pakistan and Israel have no diplomatic relations, and Islamabad made it clear that this will not change.

Sri Lanka

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Domestic Updates

Sri Lanka's parliament is presently considering adopting an anti-terrorism bill. The Human Rights Commission of Sri Lanka has [requested](#) that the President not table it in parliament until a national dialogue is concluded encompassing a cross-section of society. Some [scholars](#) argue that the act is being introduced to curtail future public protests in the country, given the measures Sri Lanka needs to adopt to revive its economy. Thus far, however, the tabling of the Anti-Terrorism Bill in parliament has been postponed as the government granted the public the [opportunity](#) to make suggestions to amend the bill.

President Ranil Wickremesinghe also placed the military on [standby](#) to maintain law and order if protests break out on the island. Sri Lanka's parliament debated the extended fund facility of the International Monetary Fund (IMF). 120 votes in favor and 25 against the resolution approving the program's implementation.

The Federation of University Teachers' Associations decided to [call off](#) their nationwide strike given the government's intransigent decision to proceed with its tax reforms. The strike was launched in March 2023. Sri Lanka's Elections Commission also reiterated its inability to conduct local government elections in April given the lack of adequate funds.

The Central Bank [projects](#) that Sri Lanka's economy will shrink by 3 percent in 2023 but grow by 3.3 percent in 2024. The economy had previously [shrunk](#) by 7.8 percent in 2022. President Ranil Wickremesinghe informed parliament that Sri Lanka intends to conduct debt restructuring talks with India and the Paris Club of creditors on one platform and with China [separately](#). Sri Lanka's Health Ministry [informed](#) all hospitals to suspend the use of eye drops imported from India after patients reported serious complications following their use.

Regional Engagement

The Governor of the Central Bank of Sri Lanka decided to [allow](#) Indian tourists to make payments in Indian rupees. The island's navy also [completed](#) the Sri Lanka-India Naval Exercise (SLINEX) in April.

Sri Lanka's Ministry of Agriculture went on record [stating](#) that China has requested to import 100,000 endangered toque macaque monkeys from Sri Lanka. The Chinese embassy in Sri Lanka, having consulted the Chinese National Forestry and Grassland Administration, [stated](#) that no such request was made. Rumors of this development sparked protests among conservationists on the island.

Chinese Foreign Ministry Spokesperson Wang Wenbin [confirmed](#) that China will work with other international creditors and agencies to play a positive role in Sri Lanka's debt negotiation discussions. He went on to state that China [expects](#) all creditors to ensure a fair burden-

sharing mechanism. The Export-Import Bank of China had previously [approved](#) the extension of debt service due in 2022 and 2023 to relieve Sri Lanka's short-term debt repayment pressures.

China Merchants Group Chairman Miao Jianmin met with the Sri Lankan president to discuss several undisclosed investment proposals. The company had already [invested](#) 2 billion dollars in Sri Lanka. Undisclosed [reports](#) also claim that China has proposed setting up a radar base in Sri Lanka. The radar base, if established, would monitor Indian naval activities in the region.

Bangladesh [extended](#) the repayment period for a loan it offered six months ago. Both parties agreed to the extension, and Sri Lanka will pay its first installment this year in August.

Global Engagement

Sri Lanka's State Minister of Finance met with the US Assistant Secretary of the Bureau of South and Central Asian Affairs and the Assistant Secretary for the Bureau of Economic and Business Affairs in Washington. Both US officials [reiterated](#) the USA's commitment to support Sri Lanka's debt negotiation efforts.

A parliamentarian closely aligned with the Sri Lanka Podujana Peramuna (SLPP), which still maintains dominance in the parliament, penned a book [accusing](#) the US and India of requesting former President Gotabaya Rajapaksa fire Ranil Wickremesinghe. The US ambassador has refuted these claims.

The United States [banned](#) the former Sri Lankan Navy Commander and Governor of Northwestern Province from entering the US for "gross violations of human rights" during his tenure as a naval commander.

Sri Lanka is engaged in [close communication](#) with India and Saudi Arabia to evacuate any stranded Sri Lankans from Sudan. Thus far, [two batches](#) of Sri Lankans have been evacuated from Sudan following the conflict's eruption.

The Government of Japan intends to [provide](#) USD 3.8 million worth of assistance to vulnerable smallholder farming families in the Dry Zone districts of Sri Lanka. The European Union has also [shipped](#) 3820 tons of fertilizer to Sri Lanka's Ministry of Agriculture to distribute among paddy farmers in the country.

Japanese Finance Minister Shunichi Suzuki, speaking at a briefing, commented that Sri Lanka's debt negotiation process is open to all creditors. Japan, India, and France have already developed a [common platform](#) for discussions among Sri Lanka's bilateral creditors to coordinate debt restructuring efforts. The IMF, on the other hand, emphasized that it will not take part in these [negotiations](#) because Sri Lanka and its respective creditors must carry them out jointly. Sri Lanka also approved plans to obtain financial and technical support from the Asian Development Bank to assist ongoing economic recovery efforts. Accordingly, the bank has [agreed](#) to provide a special loan facility of USD 350 million and a loan grant of USD 1.5 million as technical assistance.

About Publishers

Nepal Institute for Policy Research (NIPoRe)

Nepal Institute for Policy Research (NIPoRe) is an independent and non-partisan research institute based in Kathmandu, Nepal. It works to generate evidence-based debates among citizens and critical stakeholders of development in both the public and private sectors on contemporary policy issues from Nepal and Asia. The institution currently works on high policy priority areas through four research centers - Center for New Economy and Inequality (CNEI), Center for Strategic Affairs (CSA), Center for Governance Studies (CGS), and Center for Human Development (CHD). NIPoRe's team members represent the diversity of academic disciplines, professional backgrounds, and geography. The institute adopts a multi-disciplinary approach in its analysis of policies and research, supported by researchers trained at universities and professional environments (from) across the globe.

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