# REVAMPING BANGLADESH – MYANMAR RELATION: CHALLENGES AND OPPORTUNITIES IN ECONOMIC AND MILITARY DOMAIN

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#### Introduction

Myanmar is the next door neighbour of Bangladesh with whom Bangladesh shares border beside India. The other two neighbours of Myanmar are Laos and Thailand on the Southeast. It has a total coastline of 2832 km with Bay of Bengal. Myanmar covers an area of 678000 square km (Najeeb, 2003).

As a result of the first Anglo-Burmese War (1824-1826), Arakan became the first territory of the old Burmese Kingdom which came under British rule. Bangladesh-Myanmar official relation began on 13 January 1972 (Shah Alam, 1999). Myanmar is the only potential gateway for Bangladesh, an alternative land route opening towards China and South-East Asia other than the Sea. Such road link has the potentiality for a greater communication network between Bangladesh and South-East Asian countries including China, Thailand, Malaysia and Singapore.

After five decades of isolation, in April 2011, Myanmar has opened the door to work with all investors and development partner. Moreover, 2015 election has made a dramatic change in the political and economic system of Myanmar (Moeen, 2016). According to different sources, there are more than 500,000 unregistered Rohingyas living among the local population, in slums and villages mostly inCox'sBazar and a smaller numbers in Bandarban hill district. Myanmar is reluctant to accept these Rohingyas as their citizens and it is a major concern for Bangladesh (Saber, 2017). The smuggling of narcotics in the Bangladesh-Myanmar border is another critical issue between the two countries. Given the existing bilateral problems between the two countries, it would be a challenge



for Bangladesh to revamp it's relationship with Myanmar. However, Bangladesh should earn the trust of the present government of Myanmar that unresolved longstanding issues would no longer create hindrances in promoting economic prosperity between the two countries. The policy makers in Bangladesh should address common areas of concern where both the countries can strengthen their cooperation.

# Geo-Political Realities and An Overiew of Bangladesh-Myanmar Relation

#### Geo-Political Realities

Myanmar is a country of 135 ethnic groups, located in the South-East of Bangladesh sharing 271 km border. Both the countries almost stand on same geo-political state, but surprisingly the trade and other bilateral issues have never been addressed seriously. Myanmar maintains a moderate Military like Bangladesh with more of a defensive posture. But in the recent past Myanmar has advanced very fast in procuring modern weaponry from different countries specially from China to make a strong military. In the past few years, the Rohingya crisis in the Rakhaine state of Myanmar has deteriorated the relation of these two countries to a certain extent.

Historically Myanmar has more differences than common interest with India since the colonial period when British used the Indians to run Myanmar as a colony. 'Myanmar had to cede Manipur to British after the first Anglo-Burma war in 1824. The British continuously fought the Myanmar nationals from 1852 and finally declared Myanmar as a part of the British Empire on 01 January 1886. From 1905 Myanmar nationals resisted the colonialists. Indian congress disapproved separation of Myanmar from India in 1927. However, Indians ran the administration of the capital Yangon, dominated trade and commerce and owned 25% of agricultural land since 1939. Myanmar got independence in 1948. Although the present relationship is appeared to be warm but Myanmar looks east to ASEAN.

# Overview of Bangladesh-Myanmar Relation

#### The Present Context

#### **Trade Flow**

Bangladesh-Myanmar bilateral trade is not increasing significantly despite the 7th Joint Trade Commission meeting at Nay pyidaw in January 2014. Bilateral trade figures and major items of imports and exports with latest available data are given in the table below. Exports to Myanmar recorded USD 38.23 million, which is less than 1% of Bangladesh's total exports to the world. In January 2012, opening of letters of credit (LCs) was initiated between Bangladesh and Myanmar.

Table 1: Trade Statistics between Bangladesh and Myanmar since 2006										
(Million US\$)	(Million US\$)									
	Bangladesh	Bangladesh	Balance of	Total						
FY	Imports from	Exports to								
	Myanmar	Myanmar	trade	Trade						
2006-2007	20.55	6.31	-14.24	26.86						
2007-2008	114.59	9.58	-105.01	124.17						
2008-2009	66.60	9.17	-57.43	75.77						
2009-2010	69.61	10.04	-59.57	79.65						
2010-2011	179.00	9.65	-169.35	188.65						
2011-2012	64.99	13.45	-51.54	78.44						
2012-2013	84.06	13.67	-70.39	97.73						
2013-2014	92.17	16.10	-76.07	108.27						
2014-2015	31.49	25.80	-5.69	57.29						
2015-2016	32.89	38.23	+5.34	71.12						
(jul to May)	34.09	36.23	1 3.34	/1.12						
Source: Minist	ry of Commerce	2017								

# Bangladesh-Myanmar Two-way Investment

The Rakhine and Chin states bordering Bangladesh possess abundant natural resources which include limestone, timber, bamboo, marine products



and variety of valuable minerals. A Memorandum of Understanding (MoU) was signed on the establishment of a joint business council involving the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the Union of Myanmar Chambers of Commerce and Industry (UMCCI).

# **Agricultural Cooperation**

In 2007, Myanmar showed interest to lease land for agricultural cultivation to Bangladesh. Consent was given by both counterparties to the proposal that Bangladesh would be taking lease of 50,000 acres of land in the state of Rakhine for contract farming. In JTC- 2016 Bangladesh reiterated its proposal to form a Joint working Group on this issue (Minutes of JTC-2016).

## **Energy Cooperation**

In 2005, Myanmar has already come to an agreement with China regarding export of gas from the existing gas fields. The then Myanmar President U Thien Sein assured Bangladesh that Myanmar would export gas latter given that new gas fields in the territory are discovered. In 8th JTC-2016, Bangladesh side reiterated its earlier proposal of joint collaboration for gas and other minerals exploration in the Myanmar maritime territory of the Bay of Bengal.

# **Transport Connectivity**

At present, there is no road, rail or sea link connecting Bangladesh and Myanmar. Presently, Bangladesh Biman and Novo air are operating six flights every week between Dhaka and Yangon. The Asian Land Transport Infrastructure Development (ALTID) project comprises of the Trans-Asian Railway (TAR) network, the Asian Highway Network (AHN), and the facilitation of land transport where Bangladesh, India and Myanmar are member states. Construction of 2.5 km 4-lane Bangladesh-Myanmar Friendship Road (Balukhali-Gundum Border Road) is going on in the mentioned route of the Agreement.

# The Challenges between Bangladesh - Myanmar Relation

### Cross Border Terrorism and Trafficking in Arms and Narcotics

Illegal small arms trade is a flourishing business along Bangladesh-Myanmar border despite all the efforts by Border Guard Bangladesh to curb such activities. It is alleged that Myanmar security forces are involved in this illegal Arms and Drug trafficking (Saber 2017)

### Rohingya Issue

The major irritant in relations between Bangladesh and Myanmar is Rohingya issue. Local authority says more than 5,00,000 lac Rohingyas are living in different parts of Cox's Bazar. However, in 2016 about 70,000 Rohingyas entered in Bngladesh because of the atrocities by Myanmar security forces (Nurul 2017). Again in 2017, another 5,50,000 Rohingyas entered into Bangladesh because of the ethnic cleansing by Myanmar security forces (BD News 24.com)

# The Opportunities and Challenges in Economic and Military Domain

## Economic Prospect and Opportunities for Bangladesh

Myanmar, already started opening its doors and coming out from its conservative behaviors. Every year FDI is increasing in Myanmar. Bangladesh being a close neighbor has huge potential to exploit any of the sectors shown in the table.



Tabl	Table 2: FDI in Myanmar by Sector								
Sr.	Sector	No. of	Amount	% of					
No		Projects	(USD Mil)	Total					
1	Oil and Gas	93	18,718.361	40.40					
2	Power	8	13,341.542	27.30					
3	Manufacturing	493	5,012.276	10.26					
4	Transport & Communication	20	4,576.992	9.37					
5	Mining	10	2,341.218	4.79					
6	Hotel and Tourism	42	2,010.464	4.11					
7	Real Estate	20	1,735.958	3.55					
8	Agriculture	14	214.005	0.44					
9	Livestock & Fisheries	16	193.423	0.40					
10	Industrial Estate	3	189.113	0.39					
11	Other Services	40	529.291	1.08					
	Total	759	48,862.643	100.00					
Sour	ce: Bangladesh –Myanmar Char	nber of Co	ommerce office	. Dhaka					

Source: Bangladesh – Myanmar Chamber of Commerce office, Dhaka on 28 August 2017.

# The Bridge between South and South-East Asia

Bangladesh and Myanmar should step forward in regional arrangements to capitalize their geographic setting. With ASEAN and SAARC playing more active roles to engage countries in regional cooperation, it is expected that the BCIM framework will complement the process.

# ${\bf Opportunity}\ to\ Explore\ Myanmar's\ Economic\ Interests\ and\ Potentials$

Bangladesh has huge potential of exporting of building materials including GI sheet (TIN), cement, rod, aluminum sections, plastic windows/ doors, plastic pipes and fittings etc, especially for the eastern region of Myanmar. Bangladesh has potential of exporting Pharmaceutical products, Electrical and Electronic items, ceramic wares, export of services, consultancy and infrastructure setup like in telecom, ICT, promotional/marketing

activities, Financial institutes etc. Agro-fishery production in Myanmar and import to Bangladesh would provide advantage to Bangladesh. Furniture manufacturers can have the advantage of low cost of material beside mentioned market penetration advantage (Mosleh-uzzaman-2017).

## Scope of Agricultural Cooperation

Myanmar's liberal policy on leasing out land for agro-based industries is attractive to foreign investors. Contract farming can be initiated in the Myanmar states bordering Bangladesh (Rezwan 2017). However, present relation between the two countries because of Rohingya crisis may not allow to exploit this opportunity but in future this opportunity can be exploited once the relation becomes friendly between the two nations.

## **Enhancing Connectivity with Myanmar**

Bangladesh perceives itself as a prospective Singapore provided that it can enjoy market access and physical linkages with Nepal, Bhutan, India, Myanmar, Thailand and China. The ongoing discussion on Tri-Nation Road Link connecting Bangladesh, Myanmar and China should be given due consideration, in particular by Bangladesh (Siddique 2017).

# Establishment of Special Economic Zones (SEZs)

For attracting FDI, Myanmar is working very hard to develop SEZs. Alongside the SEZs, Bangladesh can explore cooperation in the bio-gas and solar energy projects (Mosleh-Uzzaman).

# **Energy Sharing**

The cross-border power trading will greatly assist in solving the electricity shortage of the nation. A private Myanmar company has already leased land for setup of power plant and another firm already expressed interest in setting up hydro-electric power plant in Rakhaine state. Bangladesh can offer the same to Myanmar, thereby, both the countries would be benefitted (Mosleh-Uzzaman).



## Cooperation in the Field of Trade and Commerce

Today our bilateral trade is only USD 71 million with Bangladesh exporting only USD 38 million. Bangladesh has huge potential to capture Myanmar market.

Bangladesh may import food grains, agro products, timber, gas etc. Bangladesh has lot of scope to do more business with Myanmar; thereby both the countries would be economically benefitted.

# The Areas of Confidence Building in Military Domain

## Military Delegation Exchange between Bangladesh and Myanmar

Though the military relations between BD and Myanmar are not very significant but cordial in general except the incident of Rejupara camp in 1991 and the oil rigging in the disputed territory in the Bay of Bengal in 2008. A comparative figure of high level military delegation exchange is shown in Table 3.

Tabl	Table 3: Indian, China and Myanmar Army Delegation Visit to BD								
		No of	Delegatio	n	Rmks				
ser	year	India	China	Myanmar					
1.	2013	49	0	0					
2.	2014	48	21	57	Army Medical, Football, Volleyball team visited				
3.	2015	97	6	0					
4.	2016	65	39	0					
5.	2017			6					
Sour	ce: SD	Dte, GS	Br, Army	HQ					

Tab	Table 4: Bangladesh Army Delegation Visit to India, China and Myanmar								
204	****	No of	Delega	tion	Rmks				
ser	year India China Myanmar		Myanmar						
1.	2013	29	0	0					
					Beside these delegations a good no				
2.	2014	27	1	8	also visited India for staff talk and				
					exchange of special children visit				
					Beside these delegations a good				
3.	2015	16	1	0	no also visited India for attending				
					Vijaw Diwas prog				
					Beside these delegations a good				
4.	2016	18	4	0	no also visited India for staff talk,				
					and DRDO visit				
					CGS of BD Army along with six				
5.	2017	16	7	0	other offrs visited China from 10				
					to 19 August 2017				
Sou	rce: SD	Dte, C	SS Br, A	rmy HQ					

Tab	Table 5: State of Navy Ship Visit to MN							
	BD Navy Ship Visit to MN Since 2010							
Ser	Name of the Ship	Duration	Remarks					
1.	Bns Umar Farooq	25/12/10 to 28/12/10	Good will visit					
2.	Bns Dhaleswari	16/3/13 to 8/4/13	Ex					
3.	Bns Sangu	1/2/14 to 16/2/14	Good will visit					
4.	Bns Abu Bakar	12/3/2015 to 31/3/2015	Do					
5.	Do	15/10/2015 to 3/11/2015	Do					
6.	Bns Prottoy	15/3/2017 to 18/3/2017	Do					
MN	Navy Ship Visit To I	BD Since 2010						
1	UMS MAHA	7/6/2013 to 10/6/2013	Good will visit					
1.	THATHURA	//0/2013 to 10/0/2013	Good will visit					
Sou	rce: BD Navy HQ							



Myanmar Air Force (MAF) has been found friendly in providing support to BD Air Force (BAF) while ferrying her fighter aircraft to BD from China.

Table	Table 6: State of Air Force Delegation Visit of BD and MN								
	MN TO BD								
Ser	Delegation	Duration	Rmk						
1.	Lt Gen Myat Hein and Spouse	23 to 28 Apr 2011							
2	Gen Khin Aung Myint	06 to 10 Nov 2016							
	I	BD TO MN							
1.	A M Emamul Bari with Spouse	27 Jan to 31 Jan 2014							
Source	Source: BD Air Force HQ								

# Military Training Exchange between the Two Armed Forces

Myanmar Armed Forces officers sometimes participate in different training institutes of BD Armed Forces especially in National Defence College (NDC) and Defence Services Command & Staff College (DSCSC). Following tables show the state of military training or course exchange between the two countries.

<b>Table 7:</b> State of Completed Course of Myanmar Armed Forces personnel in Bangladesh							
Ser	Yr	Name of Courses	Participants	Inst/Org			
1.	2010	1 x UCSC 2 x OWC 1 x IOBC 2 x OMPC 1 x JOAC 2 x UNMOC	09	SI&T CMPC&S ASEA BIPSOT			
2.	2013	English Language Course	20	BIPSOT			
3.	2014	Intermediate Level English Course	20	BIPSOT			

<b>Table 7:</b> State of Completed Course of Myanmar Armed Forces personnel in Bangladesh							
Ser	Yr	Name of C	ourses	5	Participants		Inst/Org
Joint	Training	g Institution					
DSCS	SC		NDO				
Ser	Yr	Atnd	Ser	Yr		Atnd	
1.	1998	01	1.	2006		01	
2.	2005	01	2.	2007		01	
3.	2008	01	3.	2008		01	
4.	2013	02	4.	2012		01	
5.	2014	03	5.	2013		01	
6.	2015	03	6.	2015		01	
7.	2016	03	7.	2016		01	
Total: 14			Total:		07		
Sourc	e: SD I	Ote, GS Br, A	Army I	HQ, Navy H0	Q, Air	HQ	

Tab	<b>Table 8:</b> State of Military Training of BD Armed Forces Members in MN								
Ser	Course	Year	Army	Navy	Air Force	Remarks			
1.	MN Language Diploma Course	2006-2007	02	-	-				
		2012-2013	_	02	-				
	MNI I anguaga	2013-2014	-	06	-				
2.	MN Language	2014-2015	01	02	-				
	Course	2015-2016	01	01	-				
		2016-2017	02	-	-				
Sou	rce: SD Dte, GS B	r, Army HQ,	Navy H	IQ, Air	Force HQ				



The figure mentioned in above tables clearly shows the minimum engagement of both Armed Forces in military training exchang program. Therefore, Bangladesh Armed forces should proactively offer more no of training courses for Myanmar Armed Forces personnel in Bangladesh.

# Areas of Engagement in Military Domain

# Combined Military Exercise, UN Peace Keeping Operation (UNPKO) Training and Disaster Management Cooperation

BD Armed Forces may propose to conduct joint Exercise focusing on Counter Terrorism (CT) and Peace Keeping Operation (PKO). Joint Exercise may be held in Bangladesh and Myanmar in each alternative years. In first AAST (12-16 June 2017 Dhaka) and NNST (27-29 July 2017 MN) both side agreed to conduct Joint Exercise, seminars and workshop related to UNPKO training; Bangladesh may render material support and sending quick response team in case of cyclone, flood or any other disaster to Myanmar.

# Exchange Program, Senior Level Visits and Medical Cooperation

Instructor and cadet from various institutions of both the Armed Forces may visit to observe the training. Both the Armed Forces may conduct visit by two/three star rank officers on reciprocal basis in every year. BD Armed Forces may propose to exchange Medical courses, seminars, workshop and medical treatment of patients.

# **Sports Event and Adventure Activities**

Both the Armed Forces may conduct sports competition between teams of Golf, Tennis, Shooting, Football, Volleyball and Swimming.Moreover, both the Armed Forces may conduct adventure activities in MN and BD on Trekking, Cycling, Mountain expedition and Para gliding.

## Military Tourism, Joint Cycling Expedition and Adventure Training

Both the Armed Forces may propose to visit various tourist interest places of MN and BD on reciprocal basis, may conduct jt Cycling Expedition and Adventure training between MN and BD.

# Challenges in Tapping Economic and Military Opportunities

There are many challenges in respect to Bangladesh-Myanmar relation. Some of these challenges are domestic in nature which exist in Myanmar, some are bilateral challenges which act as a barrier for improving the relation of both the countries.

# Domestic Challenges of Myanmar

#### Hatred Towards Muslim

The majority of Myanmar population are Buddhist. Therefore, Myanmar Buddhist believes that someday Muslim would become majority in Myanmar and would capture Whole Myanmar (Helal 2017). Therefore, they are in a skeptic mind set up in regards to Bangladesh as Bangladesh is a Muslim majority country (Mosleh-Uzzaman 2017).

#### Mistrust

Mass people and Armed Forces Personnel of Myanmar strongly believe that insurgent group like: Arakan Army and Rohingya Solidarity organization are supported by Bangladesh in terms of Arms, ammunition, and training. Bangladesh has to make Myanmar believe that our land is not used by any separatist group of Myanmar.



# **Bilateral Challenges**

## Illegal Trade

Bangladesh is an attractive transit point for narcotics in international markets. Drug trafficking like: heroin, hashish, opium, phensidyl, pathedine or other psychotropic substances poses a real challenge to the nation. Currently 'Yaba' enters Bangladesh mainly through Myanmar.

### The Rohingya Issue

Because of Rohingya refugee, Bangladesh faces security threat (economical security, food security, health security etc.) on its national life, culture and image building. Siddiq (2017) opined that without solving Rohingya issue, it will not be possible to establish better relation with Myanmar.

### Infrastructure and Energy

The infrastructure set up and energy supply assurance in Myanmar is very poor. Therefore, the industries like: garment sector cannot be established overnight in Myanmar, and many of the challenges that plague Bangladeshi manufacturers, similarly plague Myanmar (Rezwan 2017).

#### **Cultural Barrier**

Myanmar is a Buddhist majority country, hence their culture is dominated by Buddhism (Helal 2017). On the other hand, Bangladesh is a Muslim majority country where minority people of other religion co-exist peacefully. Therefore, this cultural barrier sometimes act as a barrier to establish a better relation between the two countries.

# Language Barrier

Language is a major barrier for communicating with the Myanmar citizens. Moreover, Myanmar's mass population are not well conversant with English as well (Mahbub 2017). As such it affects the trade and commerce in root level.

## **Factors Affecting Trade**

Bangladesh-Myanmar bi-lateral trade is very important for the improvement of relations of both the countries. The following issues are in focus in bilateral trade relations:

#### **BCIM Economic Corridor**

As BCIM corridor connects Bangladesh, China, India and Myanmar, therefore BCIM corridor would play a vital role for both the countries to enhance the bilateral trades in manifold.

## Infrastructure Development

One of the important drawbacks for Bangladesh-Myanmar trade relation is the poor infrastructure system of both countries. There can be better road connection from Myanmar side up to the border with Bangladesh.

# Visa process for Businessmen

Myanmar should take initiative to simplify and ease the visa processing for Bangladesh businessman under Border Trade Agreement.

# Connectivity

Hardly there is any connectivity with Myanmar. For trade and commerce better connectivity is a must. Air connectivity has already been established between Bangladesh and Myanmar. The Standard Operating Procedures (SOP) and Agreement on Coastal and Maritime Shipping have been finalized and waiting to be signed (Mosleh-Uzzaman 2017).

#### **Border Trade**

A joint working group of Border Trade Officials (JWG-BTO) was formed and seven meetings of the group were held in border town/cities (Rezwan 2017). Border trade would increase the trade between the countries to a greater extent (Rezwan 2017).



# Challenges because of Regional and Extra Regional Countries Interest in Myanmar

As Myanmar is coming out from decade of isolation, therefore many regional and extra regional countries are showing interest in Myanmar. Therefore, this is also creating lot of challenges for Bangladesh.

## India's Interest in Myanmar

Myanmar is important for both India and China. Myanmar is India's land connection to the ASEAN region. India's Look East Policy" and its success largely depends on closer relations between the two countries. Table below shows that how fast bilateral trade between India and Myanmar is increasing.

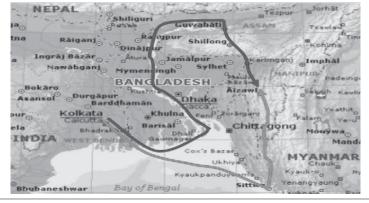
Table 9:	Table 9: Bilateral Trade between India and Myanmar								
Year	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 Apr- Nov			
India Exports	207.97 (6.17%)	320.62 (54.17%)	545.38 (70.1%)	544.66 (-0.13%)	787.10 (44.5%)	483.81			
India Imports	1289.80 (38.84%)	1017.67 (-21.1%)	1381.15 (35.72%)	1412.69 (2.28%)	1395.67 (-1.20%)	951.78			
Total trade	1497.77 (30.17%)	1338.29 (-10.65%)	1870.20 (39.75%)	1957.35 (1.6%)	2182.68 (11.5%)	1135.59			

Figures in brackets indicate variation from previous year(s)

Source: DGFT, Dept of Commerce, India) 2015

Map 1 shows how India is connecting with Sitwee port of Myanmar and from there road connecting Mizoram of India. Indian goods will have an easy access to its North-Eastern part and also to Myanmar and this will pose a serious challenge to Bangladesh's market in Northern part of India and also in Myanmar.

**Map 1:** India- Myanmar Kaladan Multi –Modal Transit Transport Connectivity



Source: www.isparliament.com/current-affairs/india-myanmar-joint-trade-committee-meeting

## China's Interest in Myanmar

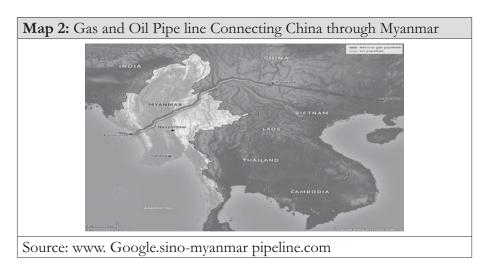
China has enormous interest in Myanmar. There are over five million Chinese people lives in Myanmar, i.e. almost 10% of its population. China built the state of the art airport in Naypitaw. China views Myanmar as a huge market for Chinese goods. Yunnan province of China is the nearest region to Myanmar. The Myanmar-Yunnan border trade accounted for about 55 per cent of Myanmar's total trade value; and Myanmar is the largest trading partner of Yunnan.

Table 10	Table 10: China's Goods Trade with Myanmar (In US\$ million)										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Export	908	939	935	1207	1692	1979	2279	3481	4825	5675	7349
Import	170	207	274	253	371	645	646	963	1677	1299	2810
Balance	738	732	660	955	1321	1335	1634	2518	3184	4376	4540
Source:www.or/online.org/wp-content/uploads/2015											

Myanmar's location between India and China give Myanmar a unique bridging role. Myanmar's long coast line provides control over Bay of



Bengal and Andaman Sea. China is heavily dependent on the Malacca Strait for her 60-70 percent oil shipment, a strategic waterway that connects the Persian Gulf with the South China Sea. Since Japan's defeat in the Second world War, coastal East and Southeast Asia including the Malacca Strait are controlled by the U.S Pacific Fleet. If Washington, in case of conflict with Beijing block the Malacca Strait, China would be cut off from its energy import. In this context China's strategic interest in Myanmar is clear. Therefore, China was eager to find a trading outlet to the Indian Ocean for its landlocked inland provinces of Yunnan and Sichuan, via Myanmar. Map below shows the gas and oil pipeline connectivity with China.

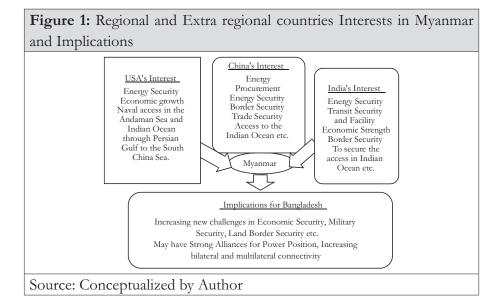


# USA's Interest in Myanmar

At the US-Burma economic relation seminar in Rangoon on 10 June 2016, John Goyer said, "Burma has an ambitious and daunting economic agenda". "The US business community fully supports [Burma's] efforts to modernize and open [its] economy and wants to be a partner in these efforts." In 2015, US exports to Burma were at US\$ 227 million while imports were at \$144 million, according to figures from Burma's Directorate of Investment and Companies Administration. The total approved US investment in Burma stands at US\$ 248 million. (The Irrawaddy, 10 June 2016, "US Investment in Burma").

## Implications for Bangladesh

Regional and extra regional countries interest in Myanmar and implications for Bangladesh is summarized in following figure.



# Ways Ahead to Revamp Bangladesh-Myanmar Relation

# Measures to Build Mutual Confidence and Trust Enhancing Diplomacy with Myanmar

Track I diplomacy in the form of exchange of visits between high level civil and military official, political leaders should be arranged to initiate talks, signing mutually beneficial MOUs etc. Track II diplomacy involving influential academic, religious, and NGO leaders and other civil society actors should also be organized to enhance trust between the states. Track III diplomacy increased in the form of tourism, medical treatment and pursuing higher education. Cultural, educational and business exchange programme need to be undertaken more frequently. Media can also play a very important role in establishing mutual confidence and trust between the two countries (Mosleh-Uzzaman 2017).



## Establishment of First Hand Information Exchange Mechanism

Myanmar and Bangladesh may establish 'Point of Contact' at different levels. The 'point of contact' should interact with each other and share required information allowing for greater "openness" with regard to each other activities.

#### Establishment of Hot Lines and Crisis Control Mechanism

Early notification of upcoming military/paramilitary activities or training exercises, might build confidence through the use of direct telephone lines between military/paramilitary commanders

### **Exchange of State Level Delegations Visits**

At present, Bangladesh has less number of visits with Myanmar. Bilateral state level visits conducted between Bangladesh and Myanmar is appended below. Exchange of visits from state, diplomatic, military, business and civil society should be organized at regular interval to know each other and explore the opportunities for mutual benefits.

## **Exchange of Other Delegations Visits**

When religion barrier, historical settlement issue has a negative impact, the changed scenario of open business mental acceptance has to be created towards the gate of East Asian doorway and huge market. Exchange of tourists, journalists and visits of business delegates are very important to implement.

# Exploring the Cooperation through Regional and Sub-Regional Forum

There are multiple sub-regional forums in the region such as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), South Asia Sub-regional Economic Cooperation (SASEC) and India Bangladesh Myanmar Sub-Regional Cooperation (IBM-SRC). Being the fulcrum of the sub-region and its window to Southeast Asia,

IBM countries, i.e. India, Bangladesh and Myanmar occupy primary importance in the efforts to integrate the region.

### Exploring Myanmar's Economic Interests and Potentials

The policy makers in Bangladesh need to address some common areas where both the countries can strengthen their cooperation. Relevant ministries in Bangladesh need to play focused role to give a planned boost to economic cooperation with Myanmar in the wider fields. Both countries need to ease visa formalities and deregulate currency restrictions.

### Cooperation in the Field of Trade and Investment

Establishment of a smooth channel of financial transactions and diversification of the export items of Bangladesh targeting the domestic market of Myanmar should be thought of. Following steps may be taken to improve the bilateral trade and investment:

- **BCIM Economic Corridor.** Arrangements of BCIM (Bangladesh, China, India & Myanmar) Economic Corridor may be expedited as early as possible to increase bi-lateral trade.
- Visa Process for Businessmen. Myanmar should take initiative to simplify and ease the visa processing for Bangladesh Businessman under Border Trade Agreement.
- Connectivity. As one of the major successes of JTC meeting, air connectivity has already been established between the two countries. The Standard Operating Procedures (SOP) and Agreement on Coastal and Maritime Shipping have been finalized and waiting to be signed (Rezwan 2017).
- **Border Trade.** A joint working group of Border Trade Officials (JWG-BTO) was formed and 7 meetings of the group were held in border town/cities. Steps may be taken to hold the meeting at the earliest to facilitate border trade mechanism.



- Energy Cooperation. Bangladesh may import gas from Myanmar. The import of gas in bulk can be cost-effective as well as strategically sound for Bangladesh. Energy cooperation in terms of establishing hydro-power plant can also be prepared to import electricity from Myanmar.
- Military Cooperation. Bangladesh and Myanmar Armed Forces should have frequent exchange of visits, training and joint exercises. These will reduce mistrust and enhance the confidence and understanding.
- Building Mutual Confidence and Trust. Significant political
  developments in Myanmar moved the country from the 'policy of
  isolation' towards a 'policy of engagement' (Banik 2015). Bangladesh
  has to make the Myanmar government believe that unresolved issues
  between the countries would not create hindrances for economic
  prosperity.

#### Recommendations

- Bangladesh –Myanmar relations are yet to blossom in full shape. However, following recommendations are made to revamp bilateral relations between Bangladesh and Myanmar in the light of thread bare discussion in this paper:
- People to people contact should be increased for building mutual confidence and trust. Frequent visits by business delegates, civil society, military and civil administration delegates may be organized to and from both the country.
- Myanmar and Bangladesh may develop shipping, air and improved road connectivity immediately to boost trade and economic co-operation. Coastal shipping specially cargo vessels should be operational between Chittagong and Sittwe to support trade and tourism.
- Bangladesh should negotiate with Myanmar to buy energy particularly gas and electricity from Myanmar. Bangladesh may also permit the construction of Myanmar-Bangladesh-India gas line project with the assurance of safety and supply of gas to Bangladesh.

- Bangladesh should coordinate with Myanmar authority for having contract farming in Myanmar. Bangladesh should explore the opportunities of exporting garments, pharmaceuticals and leather goods to Myanmar. Bangladesh should import timber, gas and agricultural products from Myanmar.
- Bangladesh Armed Forces should offer more number of military training courses for Myanmar Armed Forces personnel for enhancing the trust and mutual confidence. Bangladesh Armed Forces should continue to have regular staff talk with Myanmar Armed Forces.
- Being one of the closest neighbours of Myanmar, both the countries should maintain a friendly relation with each other. Bangladesh Armed Forces must take effective steps to improve the relation with Myanmar Armed Forces assuring the zero tolerance stand of our government in respect of not allowing any insurgent group using the land of Bangladesh.
- Both the countries border management and coastal headquarter should have frequent liaison with each other and a liaison headquarter may be established.

#### Conclusion

Myanmar is the only neighbor beside India with whom Bangladesh shares border. Bangladesh -Myanmar relations are mainly dominated by the influx of Rohingya refugees, illegal drug trafficking and alleged cross border movement of insurgents etc. Official bilateral relations between these two countries began in 1972, when Myanmar recognized Bangladesh as a sovereign state; but they have failed to establish a friendly bilateral relationship in the last four decades. Perhaps the issues that have hindered the process of building effective bilateral relations include the influx of Rohingya refugees, demarcation of land and maritime boundaries, illegal trafficking, and alleged cross-border movement of insurgents.

The major influxes of Rohingya people took place in Bangladesh in 1978, 1991 to 1992, 2012 and 2017. Many of the Rohingyas are responsible for



insurgency and militancy, drugs, arms and human trafficking, smuggling and illegal trades in the borders areas. After half a century of military rule and self-imposed isolation, the road to reform in Myanmar is never going to be smooth. Finally, after the general election in 2015, power was handed over to a democratic government. Economic reforms in the form of anti-corruption laws, currency exchange rates, foreign investment laws and taxation was also introduced.

Bangladesh should note that the reclusive and autocratic country has become a liberal and democratic one, with immense possibilities for growth and trade partnerships. Establishment of Special Exclusive Economic Zone, enhancing connectivity and cooperation in the field of trade and commerce will also remain as a matter of concern for Bangladesh to explore.

Bangladesh should build mutual confidence and trust through public and military diplomacy, establishment of information exchange mechanism, hot lines and crisis control mechanism, visit exchanges by different level dignitaries including the Armed forces personnel. BIMSTEC, ASEAN, BCIM, etc should be utilized for mutual benefit.

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- 19. Mr. Khurshid Alam, Secretary (Maritime Affairs) Ministry of Foreign Affairs, 01 April, 2017), NDC, Mirpur Cantonment.

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