**Virtual Meeting between Bangladesh and Nepal**
**on LDC Graduation**
**9 July 2026**
**01:15 PM Dhaka Time 01:00 PM Kathmandu Time**

## Record of Discussion

A virtual meeting between Bangladesh and Nepal on LDC Graduation took place on 9 July 2026 at 01:15 PM Dhaka Time and 01:00 PM Kathmandu Time. Hon'ble Minister of the Ministry of Commerce, Mr. Khandakar Abdul Muktadir led the Bangladesh Delegation in the meeting. The Nepalese delegation in the meeting was led by Hon'ble Vice Chairman of the Planning Commission of Nepal, Dr. Gunakar Bhatta. The major discussions and proposals presented during the meeting are summarized below:

**Opening Remarks from Mr. Khandakar Abdul Muktadir, Hon'ble Minister, Ministry of Commerce and the Head of Bangladesh Delegation:**

At the outset, the hon'ble Commerce Minister welcomed all the participants in the meeting. He thanked the Hon'ble Vice Chairman of the Planning Commission of Nepal, Dr. Gunakar Bhatta and other members of the Nepalese delegation for their kind participation. He observed that as members of the 2021 LDC Graduation Cohort, Bangladesh and Nepal share a unique milestone in their development journeys. The Hon'ble Commerce Minister also noted that the two countries had encountered similar challenges in implementing their graduation preparedness measures. Pointing out that both Bangladesh and Nepal had sought additional preparatory time for graduation, he said that Bangladesh highly value Nepal's leadership as the current President of ECOSOC and look forward to Nepal's continued understanding and support during the forthcoming deliberations. He opined that the meeting provides an excellent opportunity for the two countries to strengthen cooperation on graduation issues. He also observed that the meeting had provided a platform for sharing experiences, exchanging best practices, and working together on areas such as market access, trade competitiveness, investment promotion, institutional reforms, and post-graduation transition strategies.

**Opening Remarks from Dr. Gunakar Bhatta, Hon'ble Vice Chairman, Planning Commission of Nepal and the Head of Nepalese Delegation:**

Dr. Gunakar Bhatta, in his opening remarks, commended the Government of Bangladesh for taking the lead in requesting an additional preparatory period. He recalled that Nepal had also submitted a request for an additional preparatory period in May 2026 which is currently being considered by the CDP under the Crisis Response Process within the Enhanced

Monitoring Mechanism. In this context, he stressed that the two countries should work closely in advancing their shared interests. Highlighting the implications of premature graduation on the economies of both countries, Dr. Bhatta observed that the erosion of international support measures and preferential market access could affect the competitiveness of the two countries' export sectors—particularly labor-intensive industries and SMEs. He pointed out that this could have adverse implications on employment generation as well as structural transformation at a time when both countries continue to recover from successive global crises. He also noted that both countries need to confront climate-related vulnerabilities and growing development financing gaps. In this context, he observed that ensuring adequate preparedness for LDC graduation is both prudent and necessary.

**Open Discussion:**

At this stage, the floor was opened for feedback and observations from participants. Joining in the discussion, representative from the Ministry of Foreign Affairs of Nepal enquired about the progress made by Bangladesh regarding the extension of preparatory period. He further sought views on how the two countries could work together during the subsequent processes that would take place at the ECOSOC and the UNGA.

Responding to the above queries, Secretary of the Economic Relations Division (ERD) of the Government of Bangladesh Mr. Md. Shahriar Kader Siddiky recalled that the Government of Bangladesh had submitted a request to the CDP seeking a three-year extension of the preparatory period. He mentioned that the UNCDP had recognized the merit of Bangladesh's case and had expressed the view that an extension of the preparatory period would be appropriate. He affirmed that the final decision now rests with ECOSOC and, subsequently, the United Nations General Assembly. In this context, he said that the government is putting emphasis on gaining support from the international community. He recalled that a seminar was organized in Dhaka on 02 July to sensitize the members of the diplomatic corps and development partners working in Bangladesh. He informed that a series of consultations would take place with the representatives of the Permanent Missions of the UN member states in New York from 15 to 17 July 2026. Afterwards, the ERD Secretary highlighted some major initiatives taken by the Government of Bangladesh in the spheres of health, education, domestic resource mobilization, service delivery, banking and capital market as well as public financial management. He also reflected on the government initiatives for ensuring reliable and affordable energy supply, strengthening institutional capacities, undertaking IP related legal reforms, strengthening IP enforcement, ensuring ESG compliance, improving trade competitiveness through enhancing port efficiency and logistical development as well as strengthening human capital. He informed that the government is looking for negotiating

Free Trade Agreements (FTAs) and Comprehensive Economic Partnership Agreements (CEPA) with major trading partners. He also recalled that the government is in discussion with the UN regarding their support for the recalibration of Smooth Transition Strategy (STS). He mentioned that the government had formed a high-level National Graduation Monitoring and Coordination Committee headed by the Hon'ble Finance and Planning Minister while a high-level public-private sector task force would also be formed for ensuring a swift and proper implementation of the deregulation measures. He said that a dedicated online tracker will be established to intensely monitor the implementation of the STS action plan.

Ambassador of Nepal to Bangladesh H. E. Mr. Ghanshyam Bhandari recalled that it was mentioned in the UNGA resolution on the LDC Graduation of Bangladesh, the Lao PDR and Nepal, adopted on 24 November 2021, that the CDP would analyze at its 2024 triennial review whether the five-year preparatory period had been adequate to manage the effects of COVID-19 and would make any recommendation, including on whether a further extension would be necessary. He observed that based on that clause, the two countries can lobby with the development partners and other UN member states for further extension of the preparatory period. Afterwards, he identified the following areas of mutual cooperation between Bangladesh and Nepal with regard to LDC graduation.

- Working together with ECOSOC and UN member states in terms of securing the extended preparatory period;
- Accelerating discussions on the proposed Preferential Trade Agreement (PTA) ahead of the next round of bilateral consultations scheduled for August this year.
- Intense sharing of experiences between the two countries on subsequent trade negotiations with EU, US and other major trading partners.

Ambassador of Bangladesh to Nepal H. E. Md. Shafiqur Rahman, in his remarks, stressed on initiating following measures for strengthening economic cooperation:

- Bangladesh and Nepal can consider establishing a regular mechanism for exchanging experiences, technical knowledge, and best practices on LDC graduation. The two countries' respective ministries and agencies dealing with trade, finance, planning and development can benefit greatly from structured dialogue and technical cooperation.
- Bangladesh and Nepal can work together in developing strategies for trade competitiveness, export diversification, compliance with international standards, and mobilization of investment to strengthen economic resilience.
- The two countries can promote greater collaboration in the areas that directly enhance productive capacities, bilateral trade, digital transformation, innovation,

climate resilience, clean energy, skills development, connectivity etc. In this context, finalization of the long-pending Preferential Trade Agreement would be crucial.

- There is merit in considering a structured Bangladesh-Nepal dialog on LDC graduation - bringing together government institutions, development partners, academia, and private sector.

**Proposals from Bangladesh Delegation:**

The ERD Secretary said that Bangladesh believes there is significant scope for closer collaboration between the two countries throughout the graduation process. In this context, he, on behalf of Bangladesh delegation, proposed the following:

Institutional Dialogue

- Establish a regular Bangladesh–Nepal dialogue on LDC graduation at the senior officials' level.
- Hold periodic virtual consultations to exchange updates on graduation preparations and transition strategies.

Exchange of Experiences

Bangladesh and Nepal may share experiences on graduation strategies; national transition plans; engagement with development partners; private sector preparedness; trade competitiveness; export diversification; investment promotion; social protection measures; and institutional reforms.

Exchange Visits

Both the countries may:

- Organize reciprocal visits of government officials to learn from each other's institutional arrangements and graduation preparedness.
- Encourage business-to-business interactions through exchanges of private sector delegations.

Joint Advocacy

- Explore opportunities for coordinated engagement in relevant UN forums and international development discussions on issues affecting graduating LDCs.
- Continue sharing perspectives on securing effective international support measures during the transition period.

Enhancing Bilateral Economic Cooperation

Noting that LDC graduation should serve as an opportunity to deepen bilateral economic relations, Bangladesh proposed exploring cooperation in the following areas:

- Expanding bilateral trade by identifying products with complementary market potential.
- Facilitating greater business-to-business engagement.
- Strengthening transport and connectivity to reduce trade costs.
- Exploring cooperation in tourism, energy, digital economy, agriculture, pharmaceuticals, ICT, and light manufacturing.
- Encouraging greater collaboration between the respective chambers of commerce and business associations.

Joining the discussion, former Secretary to the Government of Bangladesh and the Advisor of the Support to Sustainable Graduation Project (SSGP) of ERD, Mr. Abdul Baki proposed that Bangladesh and Nepal can form a Joint Working Group to enhance trade, investment, B2B engagement and other areas of corporation.

It was proposed by the Bangladesh delegation that the Wing Chief of the Development Effectiveness Wing of ERD would act as the focal point from Bangladesh side for engaging in further dialog and ensuring common understanding regarding the next steps on LDC graduation. Regarding the selection of focal point from Nepalese side, the Nepalese delegation informed that they would inform about it later after further discussions among the relevant ministries.

**Concluding Remarks from Dr. Gunakar Bhatta, Hon'ble Vice Chairman, Planning Commission of Nepal and the Head of Nepalese Delegation:**

Dr. Bhatta, in his concluding remarks, said that the meeting had paved the way for further collaboration and dialogue between the two countries in terms of LDC graduation as well as other areas of economic development. He also observed that such dialogues should be continued in the near future. Reflecting on Bangladesh's response, Dr. Bhatta said that his country's UN Permanent Mission in New York is working closely with their Bangladeshi counterpart regarding the submission of the CDP's recommendations to the ECOSOC. He also said that the Government of Nepal is hopeful that the recommendations would receive positive response during the upcoming ECOSOC meeting to be held in New York later this month. He hoped that the Permanent Missions of both the countries would work closely to receive support from all the ECOSOC members. Dr. Bhatta said that as the current President

of the ECOSOC, Nepal has been playing a constructive role in the United Nations with support from all the member states including Bangladesh. Lastly, he thanked the Government of Bangladesh for taking the initiative in organizing the meeting.

**Closing Remarks from Mr. Khandakar Abdul Muktadir, Hon'ble Minister, Ministry of Commerce and the Head of Bangladesh Delegation:**

Hon'ble Commerce Minister, in his concluding remarks, reiterated the proposal for forming a Joint Working Groups to enhance trade, investment and other areas of corporation. He also requested the Nepalese delegation to provide updates on the selection of a focal point from their side. He hoped that the diplomatic missions of both the countries would remain continuously engaged and would provide further updates on garnering support from members of the ECOSOC and UNGA regarding the extension of the preparatory period. He concluded the meeting by thanking all the participants.