



SIPG Policy Brief - 52

**BANGLADESH-CHINA RELATIONS:
ENHANCED TRUST AND A NEW DIRECTION**

**REALISING COMMITMENTS MADE
DURING THE JUNE 2026 VISIT**



SIPG



Executive Summary

Prime Minister Tarique Rahman's 22-26 June 2026 visit to China elevated an already broad bilateral relationship into a more politically ambitious framework centred on a "China-Bangladesh community with a shared future in the new era." The visit reaffirmed existing tariff-free market access and advanced commitments or understandings concerning trade and investment, Mongla Port, the Chinese Economic and Industrial Zone in Chattogram, regional connectivity, green energy, digital technology, education, vocational training, health cooperation, water-resource management and strategic dialogue. However, these commitments require sustained political commitment and effective delivery mechanisms for realisation.

Trade access may produce limited benefits without export readiness; connectivity may remain aspirational without commercially viable corridors and stability in Myanmar; infrastructure financing may not generate structural transformation without local sourcing, skills transfer and accountable procurement. In the medium term, it means tying Chinese investment to industrial upgrading, local sourcing, technology transfer, and transparent procurement. In the long term, it means embedding the China relationship inside a broader diversification strategy that includes India, Japan, ASEAN, the EU, the United States, and multilateral forums, so that strategic autonomy remains a policy instrument rather than a slogan. Chinese engagement on the Rohingya crisis will remain inadequate unless it addresses the realities of Rakhine State and includes all relevant actors.

Background and Strategic Context of Enhanced Trust

Modern diplomatic relations between Bangladesh and China were established in 1975. The relationship was upgraded to a strategic partnership of cooperation during President Xi Jinping's October 2016 visit to Dhaka and elevated again to a comprehensive strategic cooperative partnership through the July 2024 joint statement. Following Chief Adviser Muhammad Yunus's meeting with President Xi Jinping in Beijing, Prime Minister Tarique Rahman's June 2026 visit represented the first major high-level bilateral engagement of Bangladesh's new government and added new momentum to the relationship.

The June 2026 communiqué contains several institutional and political commitments. The parties agreed to establish a foreign-minister-level strategic dialogue and explore a "2+2" diplomacy-and-defence mechanism. Bangladesh reiterated the one-China principle, while China expressed support for Bangladesh's participation in BRICS and its application to become a partner of the Shanghai Cooperation Organisation. The two sides also committed to high-quality Belt and Road cooperation and to strengthening interactions among governments, legislatures and political parties.

Economically, Bangladesh welcomed China's existing zero-tariff treatment for 100 percent of tariff lines, while the two sides agreed to advance the Mongla Port Facilities Modernization and Expansion Project and the Chinese Economic and Industrial Zone in Chattogram. The communiqué also identified trade, e-commerce, industrial and supply chains, investment, connectivity, scientific innovation, ICT, green energy, photovoltaic technology, disaster management and climate cooperation.

Human-development commitments included university and vocational-college cooperation, scholarships, public health, traditional medicine and subnational health cooperation involving Yunnan. Water-related understandings covered integrated water-resource management, hydrological forecasting, flood prevention, dredging and continued technical work on the Teesta River Comprehensive Management and Restoration Project.

The communiqué was less conclusive on the Rohingya crisis. China supported a mutually acceptable Bangladesh-Myanmar solution through friendly consultation and undertook to facilitate the process “to the best of its capabilities,” but it did not set out a new mechanism, timetable or enforceable pathway for safe and dignified return.



Key Findings and Analysis

The relationship now places greater emphasis on implementation. The most consistent message across the seminar was that the principal challenge is no longer obtaining broad expressions of cooperation. It is creating a credible domestic process for translating them into financed projects, export contracts, technical partnerships, institutional reforms and public benefits. The core challenge is converting diplomatic understandings into visible outcomes while protecting national interest, economic sovereignty and strategic autonomy. The Foreign Secretary similarly stressed high-impact implementation, institutional accountability and alignment with national priorities.

Trade access is necessary but insufficient to create conditions for vibrant trade. China’s existing zero-tariff treatment for 100 percent of tariff lines provides broad market access for Bangladeshi products, but tariff preferences alone cannot correct the trade imbalance. Bangladesh’s exports to China remain concentrated in a relatively limited range of products, including garments, jute and jute products, leather, footwear, fishery products, oilseeds and agricultural products. Bangladesh identifies export-basket diversification, removal of non-tariff barriers, and sanitary and phytosanitary (SPS) compliance as necessary conditions for addressing trade imbalance. These issues involve measures on trade facilitation, standards, food safety, certification, and logistics. The keynote presentation particularly identified trade costs as a major problem.

Investment should be judged by productive transformation, not headline value. Speakers emphasised Chattogram, Mongla, manufacturing relocation, supply-chain integration and industrial upgrading. The policy test is whether Chinese investment creates domestic value addition, employment, export capacity and technological learning. Investment that relies heavily on imported machinery, imported intermediate goods and isolated project enclaves could increase activity without significantly strengthening the capacity of Bangladeshi firms. Dr. Titumir stressed that Bangladesh’s engagement with China should not remain limited to infrastructure or project financing; rather, it should support production-oriented investment, manufacturing relocation, industrial-zone development, and Bangladesh’s deeper integration into regional and global value chains.

Connectivity must be economically and politically viable. The official communiqué calls for exploration of newer regional-connectivity options, including direct Bangladesh-China connectivity. The seminar examined a Bangladesh-China-Myanmar corridor, BCM+I formulations and possible links involving Kunming, Kyaukphyu, Chattogram and the Cox’s Bazar area. Such links could connect Bangladesh more deeply with China’s southwest, Myanmar and Bay of Bengal maritime routes.

However, the keynote identified major constraints: conflict and fragmented authority in Myanmar, insurgency and political sensitivity along possible overland routes, insufficient trade and production nodes on the way, border-management challenges and India's strategic concerns. A corridor without viable freight volumes, adequate security arrangements and industrial clusters, and with unresolved political risks, may remain a map-based aspiration.

Energy and technology cooperation. The official visit outcomes identified green energy, photovoltaic technology, digital economy, AI, information and communications technology, climate adaptation and disaster management. These sectors match Bangladesh's need for more reliable power, lower-carbon industrial production, digital productivity and climate resilience.

Green-energy cooperation should be evaluated through lifecycle cost, grid compatibility, land requirements and environmental impact, not merely installed capacity.

Education, health and people-to-people cooperation may create more durable bilateral value than infrastructure. Li Shaopeng's emphasis on vocational education, language learning, culture and long-term social ties aligned with the official commitment to university, vocational, scholarship and health cooperation. The keynote additionally identified nursing, medical services, curriculum development, quality assurance and digital education as possible areas of partnership.

Such cooperation can directly support Bangladesh's industrialisation by addressing shortages of technicians, nurses, health technologists, renewable-energy specialists, logistics personnel and digitally capable workers. Nevertheless, memoranda of understanding often remain symbolic unless backed by accredited curricula, faculty development, language preparation, sustainable funding and pathways into employment.

Water cooperation should move from political symbolism to basin-sensitive technical planning. The official communiqué provides a basis for cooperation in forecasting, flood management, river dredging, disaster reduction and the Teesta project's feasibility work. These are potentially high-benefit areas because Bangladesh faces recurring flooding, sedimentation, erosion and dry-season water stress in northern Bangladesh.

The keynote presentation nevertheless distinguished between flood protection, canal restoration and more ambitious reservoir or storage concepts on flat terrain. It also noted the technical difficulty of large storage infrastructure in densely populated border areas and proposed consideration of a broader basin involving the Teesta, Dharla, Dudhkumar, Torsa, Korotoa and Mahananda river systems. It also acknowledged that a genuinely effective basin approach would require consultation with other riparian states, particularly India and Bhutan.

The Rohingya crisis remains the greatest gap between strategic rhetoric and concrete delivery. China has influence in Myanmar, strong relations with central authorities and substantial interests in Rakhine State, including access to the Indian Ocean. Yet the June communiqué did not move materially beyond facilitation and friendly consultation between Bangladesh and Myanmar. The keynote presentation argued that the rise of the Arakan Army as a de facto authority in much of Rakhine makes earlier state-to-state repatriation arrangements increasingly difficult to operationalise without a wider political process including all stakeholders.

Bangladesh should leverage this connectivity agenda to help resolve the Rohingya issue. Any corridor or economic initiative involving Rakhine has humanitarian, security and political implications. China should be encouraged to support access for humanitarian assistance, consultations involving all relevant authorities on stability in Rakhine, conditions for voluntary and safe return, monitoring arrangements and meaningful guarantees of rights, particularly citizenship rights.

Strategic autonomy requires diversification, not equidistance. The seminar advocated deeper engagement with China pursued through Bangladesh's own developmental priorities and complemented by relations with other partners. Bangladesh should seek complementarities among China's BRI, Japan's Bay of Bengal Industrial Growth Belt, ASEAN connectivity, partnerships with European economies, and cooperation with the United States, India and middle powers in the extended neighbourhood.

Strategic autonomy does not require identical relationships with every power. It requires sufficient domestic capability and external options to prevent overdependence. Adviser Titumir's formulation of an "inclusive, not exclusive" foreign policy captures this approach, provided inclusiveness is supported by transparent project selection and nationally agreed priorities.

Additional Insights: From Diplomatic Commitments to Implementation Imperatives

Ambassador Mohammad Sufiur Rahman's keynote presentation framed Prime Minister Tarique Rahman's June 2026 visit to China as a moment of enhanced trust, but also as a test of Bangladesh's capacity to convert diplomatic understandings into concrete national gains.

A central policy message of the keynote was that Bangladesh should treat the bilateral commitments not as symbolic achievements, but as deliverable policy opportunities. The presentation highlighted the existing zero-tariff treatment for 100 percent of tariff lines, newer regional-connectivity options, and the proposed Bangladesh-China-Myanmar corridor as important policy opportunities. It also identified key project-level areas, including the feasibility of "Mongla Port Facilities Modernization and Expansion Project," the development of the Chinese Economic and Industrial Zone in Chattogram, water-resource management, hydrological forecasting, flood prevention, river dredging, and the Teesta River Comprehensive Management and Restoration Project as practicable projects.

The keynote also urged careful thinking on connectivity. While the BCM corridor and newer connectivity options were presented as important opportunities, Ambassador Rahman noted that instability in Myanmar and practical implementation challenges could inhibit realisation. The presentation stressed that connectivity initiatives would fall short if they were not supported by trade, enhanced economic activities, community-level benefits and advanced growth centres along the path.

Overall, the keynote's strongest policy implication was that Bangladesh should prioritize geoeconomics over geopolitical tension. Ambassador Rahman argued that Bangladesh should seek complementarities rather than competition, avoid hard alignment or bandwagoning, and preserve foreign policy space while deepening cooperation with China. The presentation further emphasized that durable Bangladesh-China relations should move beyond infrastructure, trade and defence into health, education, agriculture, research, technology, vocational training, food security and areas of people's priorities.

Quotes from Key Speakers

The quotations below reproduce wording preserved in the final press release, keynote presentation or corroborating media coverage. Where a source contained only a summary, the speaker's position is discussed elsewhere in the brief but is not presented as a direct quotation.

“Partnerships are most meaningful when they reinforce national priorities—placing Bangladesh's development, economic sovereignty, and people's welfare at the center of every collaboration.”

Dr. Rashed Al Mahmud Titumir, *Adviser (status of Minister), Ministry of Finance & Ministry of Planning.*



“Our foreign policy is inclusive, not exclusive.”

Dr. Rashed Al Mahmud Titumir, *Adviser (status of Minister), Ministry of Finance & Ministry of Planning.*

“Commitments and investments must be converted into high-impact projects backed by strong institutional accountability and aligned with Bangladesh's national interest.”

H.E. Mr. Asad Alam Siam, *Foreign Secretary, Ministry of Foreign Affairs, Government of Bangladesh.*



“People matter more than infrastructure. Long-term people-to-people bonds matter more than physical connectivity.”

Mr. Li Shaopeng, *Cultural Counsellor, Embassy of China in Bangladesh.*



“For Bangladesh, geo-economics ought to be the priority, not tensions of geopolitics.”

Ambassador Mohammad Sufiur Rahman, *Senior Research Fellow, SIPG, NSU.*



“Move beyond infrastructure projects, trade and defence into partnership in health, education, agriculture to deepen people level connections, for durable relations.”

Ambassador Mohammad Sufiur Rahman, *Senior Research Fellow, SIPG, NSU.*



“Not long ago, Bangladesh Prime Minister Tarique Rahman had a successful visit to China, opening a new chapter for bilateral relations.”

Dr. Liu Zongyi, *Senior Research Fellow and Director, Center for South Asia Studies, Shanghai Institutes for International Studies (SIIS), China.*



“Friendship builds trust, trust creates opportunity, and opportunity shapes the future.”

Mr. Benajir Ahmed, *Member, Board of Trustees, North South University.*



“Bangladesh should expand its export basket to China while strengthening academic collaboration, research exposure, health-related research, and student exchange.”

Professor Abdul Hannan Chowdhury, *Vice-Chancellor, North South University.*



“Bangladesh-China relations are grounded in deep historical and cultural ties, and recent diplomatic milestones have created renewed space for regional connectivity and policy cooperation.”

Professor Sk. Tawfique M. Haque, *Director, SIPG, NSU.*

Policy Recommendations Based on Post-Event Reflections & Analysis

Prioritise low-risk, high-public-value cooperation. Vocational education, nursing and medical training, public-health research, agricultural technology, seed and post-harvest systems, hydrological forecasting, renewable-energy skills and digital capability can deliver visible benefits without the strategic complications associated with major corridors or defence mechanisms. Each programme should have quantified targets for institutions, trainees, qualifications and employment.

Negotiate investment around domestic value creation. Incentives for Chinese investors should be tied to employment, local procurement, workforce development, environmental compliance, export generation, technology transfer and other measurable commitments. Major economic-zone or industrial projects should disclose the investor's obligations, land terms, utility arrangements, tax benefits, expected local linkages and dispute-settlement provisions.

Appraisal of Mongla, Chattogram and other infrastructure projects. Bangladesh should independently review project details, such as demand forecasts, debt-service implications, procurement terms, environmental and social impacts, climate resilience and expected logistics savings. The objective should be to integrate ports, economic zones, roads, railways, inland waterways and customs into a coherent production-and-logistics system.

Use a corridor-readiness test before making political commitments. Any BCM, BCM+I or Kunming-Chattogram corridor proposal should be assessed against freight volume, customs interoperability, financing, environmental impact as well as diplomatic feasibility and security. Domestic port improvements and direct maritime connectivity should proceed where economically justified, particularly where overland corridors are likely to face delays.

Reframe Teesta cooperation around evidence and feasible sequencing. Bangladesh should first complete transparent technical, environmental and social studies distinguishing flood control, erosion management, dredging, canal restoration, irrigation and reservoir options.

Make the Rohingya issue a benchmark of strategic partnership. Bangladesh should stress the value of concrete Chinese involvement in stabilising Rakhine and addressing the Rohingya issue. Such Chinese engagement should address humanitarian access, engagement with all actors exercising territorial control, conditions for voluntary return, rights and security guarantees, and independent monitoring. Bangladesh should simultaneously continue multilateral diplomacy through the United Nations, ASEAN partners and other influential states.

Complement the strategic partnership with China through diversified partnerships. Cooperation with China should be complemented by deeper economic, infrastructure, technology and security networks with regional stakeholders. Bangladesh should seek complementarity among initiatives instead of accepting a bloc-based interpretation of its foreign policy that limits strategic options.

Build domestic and cross-party consensus. A periodically reviewed national strategy should define Bangladesh's limits and priorities on external financing, ports, connectivity, defence cooperation, digital infrastructure, water projects and strategic dialogue. Parliamentary scrutiny, expert consultation and disclosure of major project terms would strengthen continuity and public approval.

Conclusion

The June 2026 visit created a wider and more ambitious framework for Bangladesh-China relations, but its long-term significance will depend on what Bangladesh does after the June 2026 visit. The seminar's most persuasive proposition was therefore not that Bangladesh should choose between China and other partners, but that it should engage China more strategically: prioritising geoeconomics, productive investment, human capability and public welfare while expanding external options. A relationship built on enhanced trust will be durable only when diplomatic commitments respond to people's needs and economic priorities while preserving Bangladesh's ability to manage both competition and cooperation among external partners.

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