

Md Ali Siddiquee
Saddam Hosen

ASSESSING BANGLADESH-GERMANY RELATIONS: EXPLORING DYNAMICS, CHALLENGES AND OPPORTUNITIES

Abstract

Bangladesh has a longstanding relationship with Germany, including with the former East Germany, which was the first European nation to formally recognise the country as an independent state on 11 January 1972. Since then, Germany has been one of its largest trade and development partners of Bangladesh, contributing significantly to its socio-economic development. Given this, the paper examines different nuances of Bangladesh-Germany bilateral relations on some specific issues based on qualitative analysis of secondary literature. The article moves away from the realist explanation and instead focuses mainly on how and why bilateral relations have a deeper linkage closely aligned with the theoretical lenses of neoliberalism. The article also explores the emerging possibilities and challenges of Bangladesh's relations with Germany. It identifies that despite numerous obstacles, for instance, trade deficits, weak infrastructures, social and political instabilities, governance challenges, and limited technological developments in Bangladesh, bilateral relations have improved gradually as it is today. This partnership, built on friendship, trust, and mutual cooperation has fostered political, economic, and socio-cultural engagements and developments in recent years. Mostly, Bangladesh-Germany relations have seen a revival, with increased collaboration in energy, trade, education, technical assistance, human rights, climate, and environmental initiatives to name a few. As Bangladesh nears graduation from Least Developed Country (LDC) status, Germany is becoming increasingly relevant in its national and foreign policy. Thus, to outline the future outlook of this partnership, the article has attempted to analyse the last 50-year history of Bangladesh-Germany relations.

Keywords: Bangladesh-Germany Relations, Bangladesh's Foreign Policy, Neoliberalism, Development Partnership, LDC Graduation

1. Introduction

Since the beginning of diplomatic relations on 04 February 1972, Bangladesh and Germany have developed a strong bilateral relationship rooted in mutual understanding, trust, and shared interests. Germany has a pivotal role in aiding Bangladesh's growth and assimilating into the international community.¹ During

Md Ali Siddiquee is Assistant Professor, Department of International Relations, University of Dhaka. His e-mail address is: ali.ir@du.ac.bd; **Saddam Hosen** is Lecturer, Department of International Relations, University of Dhaka. His e-mail address is: h.saddam.ir@du.ac.bd

© Bangladesh Institute of International and Strategic Studies (BIISS), 2025

¹ Dr. Niloy Ranjan Biswas, Professor, Department of International Relations, University of Dhaka, interview with the authors, December 23, 2024.

Bangladesh's Liberation War in 1971, the German government as well as its citizens provided significant moral and diplomatic support. The country continued its contributions in the post-war period through various developmental efforts to aid in Bangladesh's reconstruction.² Bangladesh regards Germany as a key development partner, with a longstanding history of cooperation in certain areas such as higher education, energy collaboration, infrastructure development, healthcare advancement, good governance, sustainable supply chains, and climate adaptation. The strong partnership between the two countries has fostered significant progress in political, economic, and socio-cultural cooperation. The foundation of this development partnership was laid in 1972 with the signing of the Technical Cooperation Agreement between the two countries.³

Many observers believe that both Bangladesh and Germany are gaining momentum in developing comprehensive partnerships through political, economic, and socio-cultural cooperation. However, they also face challenges, including a trade deficit, inadequate infrastructure development, political instability in Bangladesh, and a lack of good governance, innovation, and robust academic exchanges. As these nations mark the fifty-year milestone of their bilateral relations, it is an opportune moment to reflect on and evaluate the progress of their partnership. This article, thus, represents a modest effort to assess the state of their bilateral relations and explore areas for further cooperation.

An analysis of the existing literature reveals a notable scarcity of scholarly research on Bangladesh-Germany relations, despite Germany's significant role as one of Bangladesh's key development partners and steadfast allies. This article seeks to address this gap, offering a critical contribution to the academic discourse surrounding this important bilateral relationship. By identifying and examining the primary challenges that hinder deeper cooperation between the two nations, the article provides actionable insights for policymakers and stakeholders. It also explores Germany's role as a reliable trading and development partner, placing the partnership in the broader context of global diplomacy. The study not only enhances a comprehensive understanding of Bangladesh's engagement with Germany but also broadens the scope of international relations studies. It provides fresh perspectives that are invaluable for academics, policymakers, and practitioners navigating the complexities of international partnerships in a rapidly evolving global landscape.

² UNB, "German Delegation Lauds Bangladesh's Achievements in RMG Industry," *Dhaka Tribune*, February 25, 2023.

³ Md. Touhid Hossain, *Prospects and Challenges in Bangladesh's Relationship with Germany and the European Union, on its 50th Anniversary of Independence* (Dhaka: Friedrich-Ebert-Stiftung, 2022), 6.

The primary goal of the article is to explain the existing bilateral relations between Bangladesh and Germany. The article also, modestly, aims to identify new opportunities for collaboration across political, economic, strategic, and sociocultural dimensions, which will be crucial for policymakers. Given the context, the article aims to respond to two crucial questions: first, what are the major challenges facing Bangladesh-Germany relations? Second, what potential areas of partnership might emerge between these two countries? To address these questions, the article provides an overview of the Bangladesh-Germany relationship across various selective areas. Furthermore, it seeks to analyse bilateral ties through a neoliberal theoretical lens.

This article assesses both primary and secondary data to understand selective issue areas of Bangladesh-Germany relations. Data are collected mostly from secondary sources including books, newspaper reports, articles, and policy briefs, with a focus on exploratory research primarily based on qualitative analysis. For the purpose of triangulation and a more rounded discussion, the article also relied on interviews of relevant academicians and practitioners on the subject matter.

The article is organised into several subsections. The very first section provides a general overview of the paper. Section two outlines the literature review, methodology, and theoretical framework of the paper. The third section offers a concise historical overview of the political, economic, strategic, socio-cultural, and other relevant aspects of the bilateral relations between Bangladesh and Germany. The fourth section examines the major challenges faced by the two countries while maintaining mutual interests. Section five identifies prospective areas for further cooperation between the two countries. Lastly, section six concludes the paper.

2. Literature Review and Conceptual Framework: A Neoliberal Explanation of Bangladesh-Germany Relations

2.1 Literature Review

Despite a plethora of literature on Germany's foreign policy, Bangladesh's relations with the Middle East, and major powers, shifts in global power dynamics, and its interactions with international institutions, there is a noticeable lack of scholarly work specifically focused on the bilateral relations between Bangladesh and Germany. Existing literature tends to emphasise Bangladesh's relationships with nations including the United States (US), the European Union (EU), the Middle East, Japan, India, and China. Furthermore, current scholarship falls short in analysing Bangladesh-Germany bilateral relations through the lens of neoliberalism.

In this context, Hossain pointed out that, over the past fifty years, Bangladesh and Germany have successfully identified common interests and collaborated effectively

to pursue them.⁴ Islam, on the other hand, identifies East Germany as the first among the European nations to render an early declaration to the newly independent Bangladesh.⁵ He further noted that there has been a robust history between these two nations since 1971, which was “further consolidated by bilateral diplomatic consultations and political dialogues”.⁶ There have been at least seven important agreements signed between Bangladesh and Germany, he further identified.⁷ The latter is a major development partner of Bangladesh and disbursed more than US\$ 21 billion in development assistance, coming mostly through two German institutions, Kreditanstalt für Wiederaufbau (KfW) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), in the years 1972-2020.⁸ German development assistances to Bangladesh are concentrated in education, good governance, green energy, environmental adaptation, food security and nutrition, skill development, sustainable urban development, water and sanitation, migration and displacement. Rashid emphasises that both Bangladesh and Germany are moving in the right direction to expand their bilateral relations.⁹ Islam noted that Germany also rendered valuable support to the Rohingya crisis by taking “diplomatic and political action against Myanmar through raising voices in the international fora, imposing sanctions on Myanmar military”.¹⁰

The review above highlights the limited academic work addressing Bangladesh-Germany bilateral relations, with existing studies covering only sporadic areas. This paper, thus, aims to explore the underexplored discourse by expanding the existing body of literature and providing a more comprehensive analysis of this important bilateral relationship.

2.2 Conceptual Framework

Bangladesh-Germany bilateral relations can be analysed using traditional International Relations (IR) theories. For instance, from a traditional realist perspective, this relation signifies an asymmetry in terms of the balance of power. However, given that, these two countries do not share a physical border and their mutual threat perception is relatively low and the likelihood of large-scale organised

⁴ Hossain, *Prospects and Challenges in Bangladesh's Relationship*, 4–31.

⁵ Saiful Islam, “Fifty Years of Bangladesh's Relations with Europe: Changes and Continuity,” *Journal of Bangladesh and Global Affairs* 1, no. 2 (2022): 119.

⁶ Islam, “Fifty Years of Bangladesh's Relations with Europe: Changes and Continuity,” 124.

⁷ Islam, “Fifty Years of Bangladesh's Relations with Europe: Changes and Continuity,” 124.

⁸ Islam, “Fifty Years of Bangladesh's Relations with Europe: Changes and Continuity,” 129.

⁹ Mufassir Rashid, “50 Years of Germany-Bangladesh Relations: Ties between the Two Nations Are Expected to Grow Even Stronger,” *Asian Times*, February 5, 2022, <https://asiatimes.com/2022/02/50-years-of-germany-bangladesh-relations/>.

¹⁰ Islam, “Fifty Years of Bangladesh's Relations with Europe: Changes and Continuity,” 136.

violence or conflict between them is minimal. The power imbalance is substantial, meaning that any gradual increase in military capabilities is unlikely to trigger a security dilemma that could lead to an arms race or further cycles of arms proliferation. Therefore, realism, as a broad theoretical framework, may not be the most suitable lens for examining the amicable relations between Bangladesh and Germany. Nonetheless, some offensive and defensive realists may be tempted to view the asymmetry in Bangladesh-Germany relations through the binary lens of the “smaller power vs bigger power” framework.

Nonetheless, this paper moves away from the realist perspective and employs a liberal framework, specifically neoliberalism, to assess Bangladesh-Germany relations. Neoliberalism asserts that increased international economic exchange—such as robust trade and development partnerships—reduces the likelihood of conflict and war.¹¹ Consequently, neoliberalism retains a positive perspective of international economic ties among states. Mutual socioeconomic growth and efficiency have been fostered by well-known global financial institutions including the World Bank, the International Monetary Fund (IMF), and the World Trade Organization (WTO). Despite the power asymmetry that may exist in their bilateral relations, both actors can benefit from open international economic exchanges. While the gains from such exchanges may not be equal, they yield mutually beneficial outcomes, creating a positive-sum game in their relationship. Neoliberals, therefore, focus less on distributional issues and more on the overall economic interactions between actors.¹²

The hallmark values of the West—such as a free market economy, individualism, good governance, and human rights—have provided a normative foundation for the flourishing of neoliberal philosophy, which has taken root across the globe. Neoliberals attribute this development to globalisation, which has ushered in a ‘third wave’ of democratisation and endless potential for advancing the philosophy of a liberal market economy.¹³ From a broader liberal perspective, globalisation is generally viewed positively. The paper consciously avoids delving into the debated nuances of different traditions of liberalism to assess the degrees of globalisation’s impacts. However, liberals often explain globalisation as the result of rapid

¹¹ Theodore H. Cohn and Anil Hira, *Global Political Economy: Theory and Practice* (New York: Routledge, 2020), 74–101; Dale C Copeland, “Economic interdependence and war: A theory of trade expectations,” *International security* 20, no. 4 (1996): 5–41; David N. Balaam and Bradford Dillman, *Introduction to International Political Economy* (New York: Routledge, 2019), 25–48.

¹² Robert O’Brien and Marc Williams, *Global Political Economy: Evolution and Dynamics* (London: Bloomsbury Publishing, 2024), 5–22; Balaam and Dillman, *Introduction to International Political Economy*, 25–48.

¹³ Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Oklahoma: University of Oklahoma Press, 1993); F Fukuyama, “The end of History?” *The National Interest* 16 (1989): 3–18.

technological advancements, market dynamics, and the influence of international institutions.¹⁴ Many contend that globalisation is largely unstoppable; innovations in transportation and communication continually shrink distances and time, making the world more interconnected.¹⁵ According to this viewpoint, governments have limited control over these forces, as technology drives global integration at a pace that exceeds political intervention. Essentially, liberals interpret globalisation as an inevitable outcome of progress, rather than something that can be fully regulated or halted by national policies.

In addition, neoliberalism offers a lens through which to evaluate how the two countries interact as they navigate the challenges of globalisation, with an emphasis on economic ties, trade, economic policy, and the role of global institutions. The foundation of Bangladesh and Germany's bilateral relations demonstrates a neoliberalism framework based on the notion of globalisation, free market economy, the rule of law, democracy, good governance, and liberal bilateral economic relations in the post-independence and post-Cold War eras. The two countries have a robust economic relationship. As one of the largest economic partners of Bangladesh, Germany imports the majority of its textile products, particularly clothes, from Bangladesh. In terms of trade relations, both Bangladesh and Germany are accelerating the notion of neo-liberalism as the former has consolidated with global supply chains by exploiting its edge in labour at low prices. Bangladesh provides quality products at low rates in response to Germany's desire for low-cost clothing, thereby boosting Bangladesh's financial development, export earnings, and Gross domestic product (GDP). As a result, this economic partnership enhances the neoliberal concepts because the two countries look at the sectors where both have comparative advantages. Furthermore, Germany's push for ethical consideration and ecologically responsible procurement has not only pushed Bangladesh's sector to follow the new rules but also ensured compliance with social, environmental, and corporate legislation. Furthermore, Germany's motivation, based on the neoliberal norm of capital mobility, has accelerated the economic investment in Bangladesh, and the Bangladesh government has enhanced the investment opportunity through a variety of economic policies, such as tax reductions and special economic zones. The aforementioned policies are closely related to neoliberalism, which stands for a free-market economy and unrestricted investment for financial prosperity. German investments also demonstrate the potential for reciprocal benefits in certain fields such

¹⁴ Balaam and Dillman, *Introduction to International Political Economy*, 25–48; Cohn and Hira, *Global Political Economy*, 74–101.

¹⁵ Cohn and Hira, *Global Political Economy*, 74–101.

as technology, medicine, and renewable energy in order to enhance mutual cooperation and institutional mechanisms.

Additionally, Germany's development aid to Bangladesh is another example of neoliberal dynamics. The German government prioritises good governance, sustainable development, and capacity building through agencies such as GIZ and KfW. This collaboration promotes effective institutional management and competent organisational governance. Likewise, neo-liberal influences have been seen in the migration of Bangladeshi labourers to Germany and the larger European setting. Germany is looking for skilled employees from nations like Bangladesh due to employment shortages and an aging population. The neoliberal perspective of human capital, which emphasises human mobility as a strategy for optimising labour resources around the world, is closely related to understanding Bangladesh-Germany relationships. Moreover, as a major EU member, Germany also influences trade policies that have a substantial impact on Bangladesh. Favourable trade conditions offered by the EU's Generalised Scheme of Preferences (GSP) have encouraged Bangladesh's exports and are consistent with neoliberal ideals of lowering trade barriers. These advantages do, however, come with restrictions, highlighting the significance of environmental regulations and labour rights and demonstrating the intricate relationship between neoliberalism and social responsibility.

3. A Brief Historical Overview of Bangladesh-Germany Relations

Bangladesh and Germany have maintained a strong and trustworthy relationship since the establishment of their diplomatic ties on 11 January, 1972. This relationship is founded on mutual cooperation in economic, political, strategic, socio-cultural, and development areas. This recognition marked the first acknowledgment of Bangladesh by any country outside the Indian subcontinent and was made by Foreign Minister Otto Winzer.¹⁶ So far, Germany has provided over € 3.5 billion to Bangladesh for bilateral development cooperation projects.¹⁷ The key areas of cooperation in bilateral development projects between these two countries include sustainable economic development, climate and energy efficiency, biodiversity, civil society, and feminist development policy—all of which are crucial for Bangladesh's socio-economic

¹⁶ Sydney H. Schanberg, "Bangladesh Gains Recognition by 2," *The New York Times*, January 12, 1972, <https://www.nytimes.com/1972/01/12/archives/bangladesh-gains-recognition-by-2-move-by-east-germany-and-bulgaria.html>.

¹⁷ "Areas of Cooperation," Embassy of the Federal Republic of Germany Dhaka, accessed September 17, 2024, <https://dhaka.diplo.de/bd-en/topics/-/2077306>.

progress. Over time, Bangladesh and Germany have expanded their bilateral relations through various contacts, visits, agreements, and engagements at multiple levels.¹⁸

In 1972, both countries signed a Technical and Economic Cooperation Agreement aimed at enhancing technical and economic development, which entered into force in January 1982.¹⁹ The relationship further strengthened when former Bangladeshi President Ziaur Rahman made an official visit to West Germany in 1981. Two important agreements were signed between the two nations during this visit: one pertaining to the “Protection and Promotion of Investment”, which became functional in 1986, and another involving a DM 10 million loan from the KfW development bank.²⁰ After signing the contract on the “Promotion and Protection of Investment”, both countries affirmed that:

“Each Contracting Party shall in its territory promote as far as possible the investment of capital by nationals or companies of the other Contracting Party and admit such investments in accordance with its legislation. It shall in any case accord such investments fair and equitable treatment.”²¹

In 1985, Bangladesh and Germany signed the “Administrative Agreement for the Training of Bangladesh Armed Forces” marking the beginning of their military cooperation. In terms of cooperation in this sector, this deal offered the two countries’ bilateral ties an additional perspective. Diplomatic relations between the two nations were further strengthened in February 1986 with the historic visit of German President Richard von Weizsäcker.²²

From 1972 to 1990, both Bangladesh and Germany gradually strengthened their financial, technical, and economic ties, despite the former facing a significant trade deficit with the latter. An analysis since 1973 (see Figure 1) shows that the total trade volume hit the bottom in 1976 and its highest in 1990. Throughout this period, both countries exhibited low trends in imports and exports, particularly in Bangladesh’s exports to Germany. Conversely, Germany’s exports to Bangladesh hit their lowest point in 1988.

¹⁸ Dr. Delwar Hossain, Professor, Department of International Relations, University of Dhaka, interview with the authors, December 24, 2024.

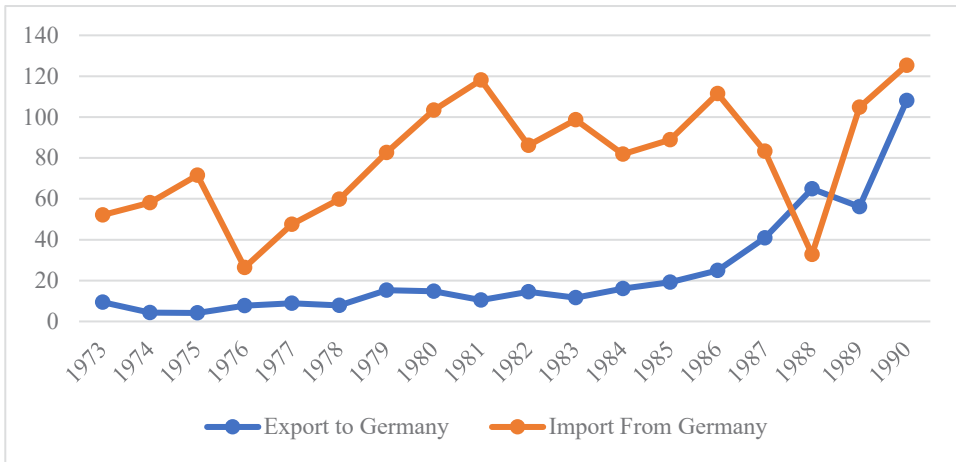
¹⁹ United Nations, “Agreement between the Government of the Federal Republic of Germany and the Government of the People’s Republic of Bangladesh,” UN-iLibrary, No. 36480, July 15, 1972, <https://doi.org/10.18356/6cd4f49e-en-fr>.

²⁰ Hossain, “Prospects and Challenges in Bangladesh’s Relationship with Germany,” 6.

²¹ “Agreement Between the Federal Republic of Germany and the People’s Republic of Bangladesh Concerning the Promotion and Reciprocal Protection of Investments,” *Article-1*, May 6, 1981, UNCTAD Investment Policy Hub, accessed November 17, 2024, <https://investmentpolicy.unctad.org/international-investment-agreements/treaty-files/264/download>.

²² “Agreement Protection of Investments.”

Figure 1: Bangladesh's Trade with Germany, 1973–90 (in million US\$)²³



As a result of increased political engagement, over time, Bangladesh and Germany have expanded their economic collaboration. On 29 May 1990, both countries signed an “Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income between Bangladesh and Germany.”²⁴ This contract aimed to prevent double taxation and enhance economic collaboration.²⁵ It officially came into force in 1993.²⁶ To further strengthen economic and development cooperation in alignment with Bangladesh’s foreign policy objectives, both the countries signed an additional agreement concerning financial cooperation in 1995, which took effect in 1996.²⁷ To strengthen bilateral ties, a nine-member delegation from the German parliament made a high-level visit to Bangladesh in February 2004.²⁸ The visit of high-ranking officials in May 2004 significantly advanced Bangladesh’s development cooperation with the GIZ, focusing on renewable energy, healthcare, economic reform, and market system development. This visit also contributed to an increase in the volume of bilateral trade between Bangladesh and Germany, enhancing their import and export patterns. From 1991 to 2008, bilateral trade rose compared to the previous period, despite Germany

²³ Prepared by the authors based on data collected from IMF Direction of Trade Statistics 1973–1990.

²⁴ “Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income between Bangladesh and Germany,” ACE Advisory, accessed September 20, 2024, <https://aceadvisory.biz/wp-content/uploads/2022/04/10.-DTAA-Germany.pdf>.

²⁵ “Agreement for the Avoidance of Double Taxation”.

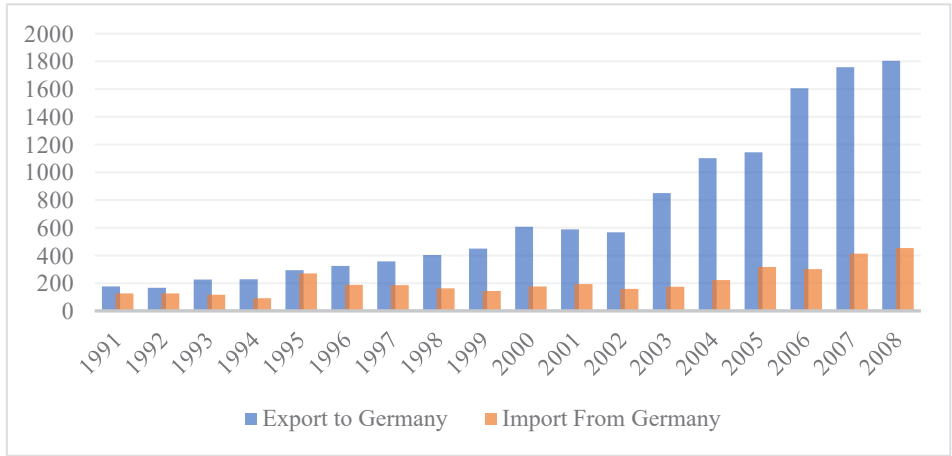
²⁶ Harun ur Rashid, “Bilateral relations between Bangladesh and Germany,” *The Daily Star*, July 16, 2009.

²⁷ “Agreement between the Government of the Federal Republic of Germany and the Government of the People’s Republic of Bangladesh concerning financial cooperation in 1995,” No. 43020, United Nations Library, accessed September 20, 2024, <https://www.un-ilibrary.org/content/books/9789210542524s002-c001/read>.

²⁸ Rashid, “50 Years of Germany-Bangladesh Relations”.

experiencing a notable trade deficit in terms of import and export volumes (see Figure 2). The two nations’ trade reached a height of a little over US\$ 2 billion in 2008, with Bangladesh reaping the vast majority of the benefits. Collectively, these agreements, visits, trade activities, and interactions from 1991 to 2008 underscore a vital bilateral development partnership between the two countries.

Figure 2: Bangladesh’s Trade with Germany, 1991–2008 (in million US\$)²⁹



Since 2009, the relationship between Bangladesh and Germany has significantly improved, marked by increased cooperation in commerce, energy, development, climate adaptation, education, health, investment, and sustainable development. Notably, during 2009’s first four months, Bangladesh’s exports to Germany rose by 27.5 per cent compared to the similar time in 2008.³⁰ Most of Bangladesh’s exports to Germany consist of ready-made garments, while the majority of its imports include chemicals, electronics, and pharmaceuticals. In 2011, the then Prime Minister visited Germany to enhance economic and development cooperation in line with Bangladesh’s foreign policy objectives. The same year, German President Christian Wulff made his first official visit to Bangladesh, aiming to strengthen bilateral economic and energy cooperation. During these significant meetings, both nations reaffirmed their commitment to enhancing economic collaboration based on mutual benefits. As a result, Bangladesh’s exports experienced substantial growth, with bilateral trade reaching approximately US\$ 6 billion in 2018 (see, Figure 3). Notably, Germany has become Bangladesh’s second-largest export destination for ready-made garments, after the USA.

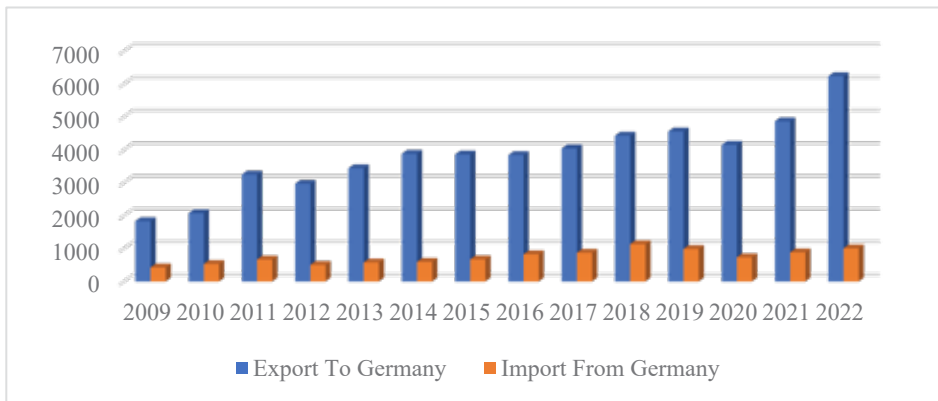
²⁹ Prepared by the authors based on data collected from IMF Direction of Trade Statistics 1991–2008.

³⁰ Rashid, “Bilateral relations between Bangladesh and Germany”.

From 2009 to 2022, bilateral trade demonstrated an upward trend, further solidifying relations between the two countries. In 2022, two-way trade reached its peak at around US\$ 7.5 billion, although the trade deficit for Germany in relation to Bangladesh increased. In 2018, both countries signed a € 327.2 million agreement aimed at enhancing technical and financial cooperation, a critical step in advancing the bilateral development between the two nations.³¹ In 2019, Bangladesh and Germany signed two bilateral development cooperation agreements, with Germany providing € 200 million in funding to support a range of development projects.³² Moreover, in November 2024, Germany committed to provide Bangladesh with € 180.807 million in financial and technical support, with an emphasis on trade infrastructure, technical education, renewable energy, and initiatives to stop domestic abuse against women and children.

There has been significant progress in bilateral trade between Bangladesh and Germany in recent years, with both countries collaborating faithfully to further enhance these ties. The German Academic Exchange Service (DAAD) and other organisations have also provided numerous scholarships annually to Bangladeshi students and young researchers for promoting socio-cultural development through interpersonal interactions. Consequently, Germany views Bangladesh as a key political, social, and economic partner that has fostered strong bilateral ties.

Figure 3: Bangladesh-Germany Bilateral Trade, 2009–2022 (in million US\$)³³



Moreover, Germany is assisting Bangladesh in restructuring its energy sector, particularly by enhancing the utilisation of renewable energy sources. KfW and GIZ,

³¹ “Bangladesh-Germany Sign Agreements worth €337.2m,” *Dhaka Tribune*, January 14, 2018.

³² “Germany to provide 200m Euro for development projects,” *Financial Express*, July 31, 2019.

³³ Prepared by the authors based on data collected from IMF Direction of Trade Statistics 2009–2022.

both mandated by the German Federal Government, are providing financial resources for photovoltaic systems for businesses, solar-powered irrigation pumps, and biogas facilities. Advancing the energy sector is a paramount priority for Bangladesh to harness its untapped economic, financial, and industrial potential. In this context, the German Federal Government is supporting Bangladesh in achieving its target of reducing carbon emissions by 10 per cent and transitioning to more sustainable energy sources.³⁴ Both countries have developed a variety of projects aimed at expanding sustainable energy cooperation. These initiatives are being implemented at different times by KfW and GIZ, in collaboration with various organisations, including the Infrastructure Development Company (IDCOL), West Zone Power Distribution Company Limited (WZPDCL), Bangladesh Rural Electrification Board (BREB), Bangladesh Bondhu Foundation (BBF), Sustainable and Renewable Energy Development Authority (SREDA), Bangladesh Solar & Renewable Energy Association (BSREA), Bangladesh Garment Manufacturers & Exporters Association (BGMEA), Consumers Association of Bangladesh (CAB), and the Power Division of the Ministry of Power, Energy, and Mineral Resources (MoPEMR).

The primary goals of these crucial development projects are to increase access to sustainable electricity, create environmentally friendly energy sources, enhance reliable transmission, improve people's quality of life, ensure the efficient use of solar energy technology, provide technical support, and foster public-private cooperation in the power sector. In July 2021, agreements totalling € 339.54 million were signed between Germany and Bangladesh, which included € 292.5 million for financial cooperation and € 47.04 million aimed at technical collaboration, with € 237.5 million specifically allocated for expanding energy collaboration under financial cooperation.³⁵

Following the commitments made during the most recent governmental negotiations in 2022, both countries signed two bilateral agreements on 03 September 2023, totalling € 191–136 million aimed at financial cooperation and € 55 million aimed at technical cooperation.³⁶ In a recent dialogue between the two countries in September 2024, Germany pledged to provide € 1 billion in support to Bangladesh for renewable energy collaboration, with € 15 million allocated for this year. This commitment is expected to further strengthen development cooperation between the

³⁴ "German Development Cooperation with Bangladesh," Embassy of the Federal Republic of Germany Dhaka, accessed September 21, 2024, <https://dhaka.diplo.de/blob/2507808/32a83621e9b7fc954487e2540f6f7665/german-development-cooperation-with-bangladesh-data.pdf>.

³⁵ "Germany to provide EUR 340m to Bangladesh for development projects," *Prothom Alo*, June 22, 2021.

³⁶ "Germany to provide €191m for sustainable development of Bangladesh," *The Financial Express*, September 4, 2023.

two countries.³⁷ Additionally, in 2024, Germany allocated € 22.17 million for five projects in Bangladesh, focusing primarily on energy solutions and solar energy cooperation, with both countries signing five crucial agreements related to these initiatives.³⁸

Moving forward, Germany is also supporting Bangladesh in sustainable urban development through various programmes aimed at enhancing migrant resilience and climate adaptation.³⁹ These projects involve collaboration among several organisations, including the Bangladesh Rural Advancement Committee (BRAC), Barishal City Corporation, the Local Government Engineering Department (LGED), the Dhaka Water Supply and Sewerage Authority (DWASA), the Bangladesh Planning Commission (BPC), and both governmental and non-governmental actors in five partner cities: Khulna, Barishal, Sathkira, Rajshahi, and Sirajganj. The Ministry of Environment, Forest and Climate Change (MoEFCC), the Department of Agricultural Extension (DAE), the Ministry of Agriculture (MoA), the Ministry of Local Government, Rural Development, and Cooperatives (MoLGRDC) of the People's Republic of Bangladesh, and the Geological Survey of Bangladesh (GSB) are also involved. These initiatives are financially supported by KfW, GIZ, and BGR. The primary objectives of these important projects include ensuring reliable geological knowledge, climate adaptation, water resource management, migration management, urban development, and livelihood improvement. Both countries signed three agreements worth € 25.5 million to further improve their relationship. These agreements addressed local governance, women's access to justice, and climate change, and they represent important development collaborations between the two nations.⁴⁰

Bangladesh and Germany signed two agreements in 2024 to manage the Sundarbans and conserve its ecosystem sustainably.⁴¹ Additionally, in a significant step towards environmental management, they initiated the "Good Working Conditions in Tanneries (GOTAN)" Project, with a total budget of € 4 million, which is expected to be completed by 2025. Thus, it can be said that Bangladesh and

³⁷ "Germany to provide €1bn support to Bangladesh for renewable energy," *Dhaka Tribune*, September 17, 2024.

³⁸ "Germany to provide €22m for 5 projects," *The Business Standard*, February 14, 2024.

³⁹ "German Development Cooperation with Bangladesh," Embassy of the Federal Republic of Germany Dhaka.

⁴⁰ "Germany to provide 25.5m Euros to Bangladesh in 3 projects; deals signed," *Bangladesh Sangbad Sangstha*, November 16, 2023, <https://www.bssnews.net/business/158617>.

⁴¹ "Bangladesh and Germany sign two agreements for Sundarban Management & Environmental Conservation," *United News of Bangladesh*, July 9, 2024, <https://www.unb.com.bd/category/Bangladesh/bangladesh-and-germany-sign-two-agreements-for-sundarban-management-environmental-conservation/139016>.

Germany are working together to elevate their bilateral development partnership to a new level, focusing on collaboration and sustainable development.

To ensure a peaceful and inclusive society, both countries are collaborating on a variety of programmes in partnership with numerous national and international institutions.⁴² The primary objectives of these initiatives focus on enhancing the quality of the justice system, developing institutions, increasing service utilisation, bolstering disaster resilience, guaranteeing equitable access to sanitation, ensuring the resilience of the Rohingya community, and providing access to quality education for Rohingyas. Additionally, Germany is involved in various projects related to sustainable textiles, reintegration of injured workers, electrical safety systems, higher education, and leadership development, totalling approximately € 90 million in development projects from 2017 to 2023 that demonstrate significant cooperation between the two countries.⁴³ GIZ expressed interest in providing Bangladesh with more technical assistance throughout February 2021 so that the country may develop competent human capital in textile education.⁴⁴ As a result, the Ministry of Education (MoE), Government of the People's Republic of Bangladesh, and the German Federal Ministry for Economic Cooperation and Development (BMZ) have jointly implemented a project, "Higher Education and Leadership Development for Sustainable Textiles in Bangladesh (HELD)", with a duration between January 2021 and December 2024. The project had a budget of € 7.78 million, which was allocated to implement sustainability curricula, conduct capacity-building training and leadership activities within the tertiary-level education, and leather industries sectors of Bangladesh. Four specific areas were targeted by this project: higher education, technical and vocational education and training, on-the-job leadership training, and academia-industry nexus. The project was designed with the hope that upon completion, the target individuals would translate their acquired knowledge of sustainability into action, leading to the creation of a decent work environment that would benefit the performance and global competitiveness of Bangladesh's textile industry and contribute to overall prosperity.

In summary, an examination of the historical context between Bangladesh and Germany reveals that both nations have established themselves as reliable and trustworthy development partners across various sectors. The economic interactions indicate that Bangladesh has maintained a positive trade balance since the 1990s.

⁴² "German Development Cooperation with Bangladesh," Embassy of the Federal Republic of Germany Dhaka.

⁴³ "German Development Cooperation with Bangladesh," Embassy of the Federal Republic of Germany Dhaka.

⁴⁴ Sheikh Abdur Rahman, "Bangladesh-German Relations: Current Trends and Prospects," *Modern Diplomacy*, July 09, 2021, <https://moderndiplomacy.eu/2021/07/09/bangladesh-german-relations-current-trends-and-prospects/>.

However, despite their extensive bilateral collaboration, both countries face several challenges that require proper attention.

4. Challenges in Bangladesh-Germany Relations

Although Bangladesh and Germany have increased their bilateral partnerships, both countries face significant obstacles. To accelerate bilateral relations, a number of issues must be addressed, including insufficient academic collaboration, trade imbalance, limited technological development and innovation in Bangladesh, a lack of infrastructure, political instability, language and distance barriers, and other mutual issues. The aforementioned challenges can be categorised as political, economic, social, and structural challenges that affect the two countries' bilateral relations.

4.1 Political Challenges

Due to the distinct political culture and system, the political cooperation may appear unusual between Bangladesh and Germany. As a developing nation, Bangladesh follows parliamentary democracy with a high degree of political instability and lack of good governance. On the contrary, Germany as a European developed country follows federal parliamentary republic with a high degree of democratic political culture and lasting political system. Despite supporting human rights and good governance in Bangladesh, the political environment, lack of democratic practice, and violations of human rights could strain the political cooperation between the countries.⁴⁵ Moreover, the fragile economy of Bangladesh, due to political upheaval, are affecting the small traders and foreign investors.⁴⁶ Political turbulence in Bangladesh creates uncertainty about smart investment and causes significant discomfort for business partners, both of which have a detrimental impact on financial investment and economic progress.⁴⁷ Political instability clearly results in major infrastructural bottlenecks, delayed decision-making, inefficiency, low human resource expertise, and corruption, all of which have lowered foreign investment in Bangladesh. Therefore, in order to strengthen its bilateral ties with Germany, Bangladesh must ensure its political stability through democratic means. Similarly, the problem of poor governance, inadequate rule of law, and abuses of civilian rights in Bangladesh raises severe concerns for the country's relations with Germany. After the July Mass Uprising in Bangladesh in 2024, the hopes and expectations from Germany in improving political situations and reconciliation in

⁴⁵ Dr. Muhammad Shafiul Azam, Director, West Europe and EU, Ministry of Foreign Affairs, Bangladesh, interview with the authors, December 22, 2024.

⁴⁶ Faisal Mahmud, "Bangladesh's ongoing political crisis is 'high risk' for fragile economy," *Aljazeera*, November 15, 2023, <https://www.aljazeera.com/economy/2023/11/15/bangladeshs-ongoing-political-crisis-is-high-risk-for-fragile-economy>.

⁴⁷ Dr. Muhammad Shafiul Azam, interview with the authors.

Bangladesh has increased, which is evident in the words of German Ambassador to Bangladesh Achim Tröster. He noted in this regard,

“The German government assumes that with the establishment of the Interim government, the common basis for cooperation – bilaterally as well as in the framework of its cooperation with the European Union – has broadened... now Germany can share more democratic values and principles with Dhaka than before and hoped to jointly seize the opportunity for the benefit of the people of Bangladesh, advancing freedom, participatory democracy, and broader prosperity... Being a democracy, we believe in these values, and we have seen that large parts of the society in Bangladesh were willing to assume enormous personal sacrifices, up to the ultimate, for these aspirations”.⁴⁸

The emerging aspirations that emerged from the newer political realities will be met by German commitment to stand beside Bangladesh in building a new future. In this aspect, Ambassador Erik Kurzweil, the German Federal Commissioner for Indo-Pacific, South Asia, and Afghanistan, has promised that Germany will investigate ways to expand dialogue on a sustainable transition.⁴⁹

Furthermore, geopolitics in the Bay of Bengal (BoB) and Indo-Pacific regions may pose substantial challenges to Bangladesh-Germany relations. Maintaining balanced relations with China and Germany or the Western Bloc will be challenging for Bangladesh since Germany promotes the broader Western and EU principles and strategic goals that are diametrically opposed to China’s ambitions in the Indo-Pacific and BoB regions.⁵⁰ As a result, this entails negotiating a foreign policy landscape in which Germany’s strategic ambitions may not always coincide with Bangladesh’s national interests.⁵¹ Additionally, South Asian regional conflicts, especially those involving India and Myanmar, can occasionally impact Bangladesh’s diplomatic ties, making it more difficult for Germany to fully participate in discussions of shared concern.⁵² Last but not least, the German government’s migration policy could represent a significant challenge to bilateral relations between these two countries. Germany does not follow the liberal policy of the EU, and its political parties, whether left or right, do not embrace liberal immigration policies.⁵³ Recent data indicates that

⁴⁸ “Interim govt broadens collaboration with Germany, EU: German envoy,” BSS News, November 05, 2024, <https://www.bssnews.net/news-flash/221059>.

⁴⁹ “Germany to stand by aspirations for a new Bangladesh: Federal Commissioner,” TBS News, October 24, 2024, <https://www.tbsnews.net/bangladesh/germany-stand-aspirations-new-bangladesh-federal-commissioner-974966>.

⁵⁰ Dr. Delwar Hossain, interview with the authors.

⁵¹ Dr. Niloy Ranjan Biswas, interview with authors.

⁵² Dr. Niloy Ranjan Biswas, interview with authors.

⁵³ Dr. Delwar Hossain, interview with the authors.

more than 56,000 Bangladeshi visas are pending in the German Embassy in Dhaka due to the complex visa processing procedures.⁵⁴

4.2 Economic Challenges

As Bangladesh prepares to cross the status of the least developed country in 2026, it will face several economic challenges. Although this point shows the nation's economic development and progress, it will also indicate numerous concerns regarding the durability and the possible impacts on trade and foreign direct investment. An Analysis estimates that the LDC graduation for Bangladesh will decline 11.8 per cent in readymade garment (RMG) exports and a 1.53 per cent decline in GDP.⁵⁵ At present, Bangladesh gets preferential access benefits to the market for textiles and clothing in the industrialised countries through GSP, but the country will face more tariff and non-tariff barriers and other challenges after the LDC graduation that would hamper competitive exports. Besides, the economic sectors such as leather and food items may suffer due to this status. As a result, the ability of global competition could be lowered if the benefits are lost.⁵⁶ Bangladesh could also find it more difficult to enjoy preferential access to key markets that presently allow for reduced tariffs and duty-free access for imports.⁵⁷ The aforementioned reasons will pose severe challenges for Bangladesh if Germany does not allow preferential access after the LDC graduation. The majority of Bangladeshi goods are currently qualified for duty-free entry under the EU's 'Everything but Arms' (EBA) programme. However, Bangladesh can face increased trade restrictions and taxes after graduation, which could reduce its competitive advantage with Germany.⁵⁸ Germany may have higher standards for openness and regulatory compliance since it is a major partner in foreign investment. Bangladesh's economic situation could become more complex if these expectations are not met, as it may discourage potential German investors from engaging in the vast market.

Infrastructure is consistently recognised as a key factor in economic growth, development, and investment opportunities, attracting significant attention from policymakers in recent years. Poor infrastructure adversely affects economies by hindering access to markets and opportunities, increasing operational costs, and

⁵⁴ Uttam Kumar Karmaker, Additional Secretary, Economic Relations Division, Ministry of Finance, Bangladesh, interview with the authors, December 23, 2024.

⁵⁵ Ahasan Ahmed, "Bangladesh's LDC graduation: challenges and opportunities," *New Age*, January 16, 2024.

⁵⁶ Ahmed, "Bangladesh's LDC graduation".

⁵⁷ Rashedul Kabir, "Trade Agreements: A Strategic Approach to Overcome Graduation Challenges," Bangladesh Foreign Trade Institution, October 12, 2024, <https://www.bfti.org.bd/blog-details/13>.

⁵⁸ Dr. Delwar Hossain, interview with the authors.

amplifying risks and uncertainties for both individuals and businesses.⁵⁹ While industrial growth paves the way for enhanced access to neighbouring nations and stronger trade linkages—potentially yielding greater financial benefits in an increasingly competitive arena—key infrastructure assets can drive economic gains by fostering urbanisation.⁶⁰ While analysing Bangladesh-Germany relations, it is evident that weak infrastructure, particularly electricity and gas shortages, poses a significant challenge. Investors are unlikely to focus on Bangladesh—a developing nation in South Asia—unless the country improves its overall infrastructure, including its roads, and expands its gas and power supply.

Achim Tröster, the German Ambassador to Bangladesh, has urged Bangladeshi businesses to prepare for possible challenges arising from a new law that Germany enacted for assessing human rights practices within supplier networks.⁶¹ Consequently, Bangladeshi exporters that serve German businesses now have a great deal of responsibility to get ready, especially in light of the supply chain law's approval.⁶² Bangladesh's reputation might be gained if living standards and working conditions for workers in the RMG and other economic sectors improved. Hence, Bangladesh must also uphold human rights, labour rights, climate resilience, and good governance to be eligible for GSP plus future preferential trade privileges. Germany places a strong focus on labour standards and human rights in its international dealings being a major member of the EU.⁶³ On the contrary, Bangladesh's labour rights have drawn international criticism, especially in the apparel industry, where poor working conditions, inadequate wages, and safety regulations are concerns. Following the Rana Plaza catastrophe in 2013, Bangladesh was under pressure to enhance overall working conditions for the labourers.⁶⁴ Despite improvements, ongoing scrutiny from Germany and other EU countries may pose obstacles for Bangladesh to achieve expectations.⁶⁵

Besides, the criteria used to identify the nation of origin of a product are known as rules of origin. They are significant because the source of imports dictates

⁵⁹ Xuehui Han, Jiaqi Su and Jang Ping Thia, "Impact of Infrastructure Investment on Developed and Developing Economies," *Economic Change and Restructuring* 54, no. 4 (2021): 995–1024.

⁶⁰ Syed Naimul Abedin, "Infrastructure development in BD: sights set on endgame," *The Financial Express*, November 24, 2021.

⁶¹ "Germany to assess human rights in supply chain: Bangladeshi exporters should be ready, says ambassador," *The Daily Star*, March 14, 2022.

⁶² "Germany to assess human rights in supply chain," *The Daily Star*.

⁶³ Dr. Niloy Ranjan Biswas, interview with authors.

⁶⁴ Dr. Niloy Ranjan Biswas, interview with authors

⁶⁵ Dr. Niloy Ranjan Biswas, interview with authors

applicable duties and specifications.⁶⁶ The primary objectives of rules of origin include the implementation of anti-dumping duties, applying safeguard measures, and determining whether an imported product qualifies for quota-free access. Stringent rules of origin, which create barriers such as high entry costs or duties, present significant economic challenges for countries like Bangladesh and Germany.⁶⁷ For instance, products such as bicycles, e-bikes, and agricultural exports from Bangladesh face strict rules of origin in developed markets like the EU, the US, Germany, and Japan. As a result, during the 10th Ministerial Summit, Bangladesh, serving as the WTO coordinator for the LDCs, advocated for an easing of these stringent regulations to allow more commodities from LDCs to qualify for duty-free status.⁶⁸

Currently, anti-dumping taxes and other levies, together with concerns regarding the country of origin of the items, are affecting Bangladesh's bicycle exports to Germany, its biggest market.⁶⁹ To address these uncertainties, the German government has been pressuring Bangladesh to permit inspections of its bicycle manufacturing facilities. According to the Bangladesh Bicycle and Parts Manufacturers and Exporters Association (BBPMEA), German regulations are unnecessarily disputing the bicycles' Bangladeshi origins which could impact negatively both German importers and Bangladeshi bicycle exports to Germany. This can cause an estimated US\$ 30–40 million loss annually.⁷⁰ Strict country-of-origin regulations remain as a significant barrier to Bangladesh's relationship with Germany that needs to be addressed. Conversely, Germany has faced substantial trade deficit challenges, particularly from 1990 to the present, despite Bangladesh experiencing trade deficit issues since the establishment of diplomatic relations. The relationship is heavily lopsided in favour of Bangladesh's exports, particularly those from the textile industry. This over-reliance on a single industry makes it vulnerable, especially if global textile demand shifts or the EU trade restrictions change significantly.⁷¹ Both countries continue to encounter challenges in growing Bangladesh's industrial

⁶⁶ "Technical Information on Rules of Origin," World Trade Organization, accessed September 24, 2024, https://www.wto.org/english/tratop_e/roi_e/roi_info_e.htm#:~:text=Definition,to%20the%20rules%20of%20origin.

⁶⁷ Mohammad Abdur Razzaque, Jilur Rahman, Rakin-Uz-Zaman, Sumaeya Akhter, Deen Islam and Abu Eusuf, *Bangladeshi Exports to the European Union: Exploring Opportunities for Diversification* (Dhaka: Research and Policy Integration for Development (RAPID), 2024), https://bangladesh.fes.de/fileadmin/user_upload/images/publications/Bangladeshi-exports-to-the-EU-RAPID.pdf.

⁶⁸ Refayet Ullah Mirdha, "Bangladesh leads calls for easy rules of origin," *The Daily Star*, October 01, 2015.

⁶⁹ Rezaul Karim, "Germany demands BD factory visit to validate bicycle origin," *The Financial Express*, June 19, 2023.

⁷⁰ Karim, "Germany demands BD factory visit."

⁷¹ Dr. Niloy Ranjan Biswas, interview with authors.

capacity and diversifying its export base. Thus, maintaining a balanced trade with Bangladesh presents a major challenge for Germany today.⁷²

4.3 *Social Challenges*

In the past few decades, the percentage of Bangladeshi students studying abroad has significantly increased around the world, including in the US, United Kingdom (UK), Japan, Australia, New Zealand, Netherlands, Belgium, South Korea, and Malaysia. This growing inclination is determined by several reasons, such as high-quality education, access to worldwide service marketplaces, better-quality living environments, and chances for expertise attainment and training.⁷³ Though Bangladesh enjoys a sizable and young human resource poor quality of education, skills, and training hampers the mutual advancement of people-to-people interaction.⁷⁴ Furthermore, the German language poses a significant barrier for Bangladeshi students, businesspeople, and migrants.⁷⁵

4.4 *Structural Challenges*

For the development of climate resilience, adaptation, inclusive societies, economic growth, technical cooperation, and sustainable growth, both of the two countries have engaged in a variety of development projects and initiatives. The government of Germany has enhanced the notion of moving forward about mitigating climate change and accelerating development initiatives in Bangladesh.⁷⁶ Nevertheless, more than 70 per cent of projects are not carried on period due to inadequate liability, transparency, governance, dishonesty, and weak supervision.⁷⁷ These issues may also distress the two countries' bilateral development projects. In addition, the Bangladeshi lateral proclaims that over 60 to 70 per cent of a development project's cost is disbursed on consulting charges, with Bangladeshi consultants having less access than Germans due to Germany's disproportionate control over the project's operation.⁷⁸ Consequently, operation challenges will continue to pose a crucial barrier to cultivating relations between the countries.

⁷² Dr. Niloy Ranjan Biswas, interview with authors.

⁷³ Kamrul Islam, "Global Pursuit of Knowledge: Unraveling the Surge of Bangladeshi Students Studying Abroad," *Perspective*, March 03, 2024, <https://www.perspectivebd.com/article/global-pursuit-of-knowledge:-unraveling-the-surge-of-bangladeshi-students-studying-abroad>.

⁷⁴ Dr. Delwar Hossain, interview with the authors.

⁷⁵ Uttam Kumar Karmaker, interview with the authors.

⁷⁶ "Bangladesh seeks German support to implement NAP on climate change," *The Financial Express*, February 26, 2023.

⁷⁷ "Over 70% public projects not completed on time," *The Daily Star*, May 13, 2024.

⁷⁸ Uttam Kumar Karmaker, interview with the authors.

5. Future Outlook: Prospective Areas of Cooperation

In terms of future relations between Bangladesh and Germany, it can be said that the two countries may uphold their relationships to a new height. Their economic relations are likely to be increased in the future, especially in the fields of trade, investment, people-to-people contact and technology transfer.⁷⁹ Due to Germany's high-quality technology and Bangladesh's amplifying position as an investment hub, both countries can enhance their bilateral relations in the areas of manufacturing and renewable energy. Germany's commitment to sustainable development can help Bangladesh mitigate climate change and boost green growth, potentially strengthening the two nations' relationship.⁸⁰ Furthermore, Bangladesh's mission to diversify its economy and reduce its dependence on the garments sector could benefit through the German investment in information technology, engineering and information and communication technology (ICT).⁸¹ The relationship regarding people-to-people contact will be increased through numerous initiatives, including academic exchanges and skill development programmes. Nevertheless, dealing with challenges like human rights, labour rights, lack of political stability, climate change, and geopolitics would take thoughtful consideration. The future relationship between the two countries is expected to increase through reform initiatives, including labour standards and sustainable environmental policy.⁸² In the future, there are many sectors where the two countries could increase their bilateral relations.

5.1 New Trade Areas: Shipping, Vaccine, Leather and Electronics

Bangladesh holds a favourable position compared to Germany when it comes to exporting a diverse range of products while ensuring quality and effective production management. The shipping industry and vaccine production can be two new areas of cooperation in order to expand export collaboration. In this context, Bangladesh must create a sustainable environment and maintain a labour-friendly production process. While Bangladesh primarily emphasises the textile industry in its trade with Germany, there is significant potential for growth in exports of leather goods, frozen seafood, electronics, and engineering products.⁸³ Additionally, Germany could provide Bangladesh access to advanced agricultural machinery, which would support the growth of Bangladesh's agricultural sector in the future.

⁷⁹ Dr. Niloy Ranjan Biswas, interview with authors.

⁸⁰ Dr. Muhammad Shafiul Azam, interview with the authors.

⁸¹ Dr. Delwar Hossain, interview with the authors.

⁸² Uttam Kumar Karmaker, interview with the authors.

⁸³ Dr. Muhammad Shafiul Azam, interview with the authors.

5.2 Education, Training and Research

While Bangladesh and Germany collaborate on developing a peaceful and inclusive society through skill development programmes, prioritising education and research could open new avenues for cooperation in the future. Education is a crucial foundation for societal and economic progress as well as national advancement. Both the countries can enhance their bilateral academic cooperation in the field of research, through developing faculty collaborations and creating cooperative academic programmes.⁸⁴ This includes student skill development and exchange programmes for both teachers and students. By promoting job-oriented skill programmes, both countries can identify existing skill gaps in the labour market and improve employability to meet industry demands. Collaborative research projects, capacity-building efforts, and educational partnership agreements are noteworthy activities that can enhance cross-cultural understanding and establish long-term collaborations between educational institutions and businesses.

While it is evident that many Bangladeshi students are pursuing higher education in Germany through various programmes, particularly the DAAD scholarships, there is potential for more academic initiatives and public diplomacy efforts. These include seminars, conferences, and debates, as well as scholarly research and publications on Bangladesh-Germany relations at the national, regional, and international levels. To enhance bilateral relations, both the countries need to implement effective policies, strong leadership, measures, and initiatives in this regard.

5.3 Transforming Relations from Development to Comprehensive Partnership

From the above discussion, it can be said that Bangladesh and Germany have the potential to elevate the relationship to a comprehensive partnership centred on trade, development, strategic, economic cooperation, technology transfer, and sustainable development projects that reflect mutual national interests and benefits. Germany, one of the world's largest economies, can be critical to Bangladesh's continued development and modernisation, while the latter provides the former with a growing market and access to a qualified workforce.⁸⁵ Bangladesh already has a strong commercial tie with Germany, particularly in the textile and garment industries. Germany is one of Bangladesh's major customers and the second-largest apparel exporter in the world. Nonetheless, there is a strong possibility that this trading relationship will deepen in the years to come. Germany's requirement for sustainable and ethically manufactured goods provides a unique opportunity for Bangladesh to

⁸⁴ Dr. Delwar Hossain, interview with the authors.

⁸⁵ Dr. Niloy Ranjan Biswas, interview with authors.

shift towards more environment-friendly clothing production.⁸⁶ As the EU prioritises sustainability in trade deals, Bangladesh will gain from Germany's quest for greater environmental standards and fair-trade practices. Likewise, over the past few decades, it has become evident that Bangladesh relies heavily on China and India for military, defence, and security-related hardware purchases. Bangladesh has to broaden its military hardware supply sources, and European countries, particularly Germany, could play a crucial role in this regard. Germany possesses one of the most advanced military technological capabilities, which could provide Bangladesh with new opportunities to acquire high-quality military equipment. By exchanging advanced technologies, Germany can assist Bangladesh in developing its cooperative manufacturing capacity within the security and defence sectors.

5.4 *Healthcare and Pharmaceuticals Industry*

Collaboration in the healthcare sector is considered one of the significant sectors regarding the development of bilateral relations between Bangladesh and Germany. Germany has a high-quality healthcare institution and pharmaceutical industry which are globally recognised. On the other hand, Bangladesh's remarkable development in vaccination, medicine and cheap healthcare could accelerate the two countries cooperation in the healthcare and pharmaceutical areas and could open a new area of investment and trade.⁸⁷ Both of the two countries, therefore, can open joint ventures in this significant area.

5.5 *Innovation and Technology*

Worldwide, Germany is known as a country of advanced quality technologies. Although this country has not made large investments in the field of innovation and technology since the beginning of its relations with Bangladesh, this sector could be another promising area of further collaboration.⁸⁸ Bangladesh's demand for more German investment, along with its emerging hub for digital innovations and partnerships could enhance the collaboration between the two countries. Therefore, in this area, both countries can accelerate their collaboration for scientific research and technological exchange in the future.

5.6 *Urban Planning and Sustainable Development*

Recently, due to the notable infrastructure development and urbanisation, Bangladesh is grappling with numerous challenges, including pollution, environmental downfall, and climate change.⁸⁹ The adverse impacts due to these

⁸⁶ Dr. Niloy Ranjan Biswas, interview with authors.

⁸⁷ Dr. Muhammad Shafiqul Azam, interview with the authors.

⁸⁸ Uttam Kumar Karmaker, interview with the authors.

⁸⁹ Uttam Kumar Karmaker, interview with the authors.

concerns hinder the process of sustainable urban development and planning. Hence, it is not possible to ensure sustainable urban development without mitigating these challenges. Germany, as a developed nation, has enormous expertise in urban planning, development, and sustainable tactics, which can give fruitful insights and practical assistance to support the targets of Bangladesh's urban planning and development. As yet, Germany has not given noteworthy technical assistance in the field of sustainable urban development in Bangladesh, but there is a huge potential to increase bilateral collaboration in this field to mitigate climate change and ensure climate resilience.⁹⁰

5.7 Skilled Human Resource Recruitment

It is noticeable that Bangladesh has an enormous demographic dividend due to its sizable number of young people around the country, which has tremendous potential to enhance skilled human resources cooperation between Bangladesh and Germany. Both countries can enhance their collaboration, resulting in a strong partnership for expanding bilateral relations.⁹¹ To accomplish that, Bangladesh, on the one hand, needs to ensure quality and skilful human resources through training and quality education and on the other, Germany can assist in this area. Meanwhile, Germany should ensure proper health facilities, labour rights and standard salaries for Bangladeshi workers.

6. Conclusion

It can be argued from the above discussions that the relationship between Bangladesh and Germany has been thriving based on friendship and mutual cooperation. The relations can be termed as moving towards a comprehensive partnership, where ideational features converge between two actors. Even though spectators are shy of calling the Bangladesh-Germany relationship a strategic one, it is clear from the above analyses that these two nations have a relationship that can be characterised as a “trusted friendship” or “all-weather friendship”. Over the years, both the countries have strengthened their burgeoning relationships through agreements that encompass economic engagement, soft loans, cultural and academic exchanges, trade, climate change mitigation and adaptation efforts, and infrastructure development to name a few. This evolving partnership reflects a commitment to mutual growth and collaboration across various sectors, paving the way for transforming the existing enhanced bilateral cooperation into a comprehensive one.

⁹⁰ Uttam Kumar Karmaker, interview with the authors.

⁹¹ Dr. Muhammad Shafiul Azam, interview with the authors.

Despite the successes of collaboration in some key areas, challenges remain due to trade imbalances, infrastructure deficiencies, and political instability in Bangladesh among others. There is also a notable knowledge gap in scholarly literature analysing the nuanced aspects of Bangladesh-Germany relations. Addressing these gaps in research could provide a guideline for transforming mere bilateral cooperation into a deeper and more comprehensive partnership in certain areas like trade, education, and innovation among others. The ongoing collaboration holds promise for both nations, aiming for sustainable development and mutual prosperity in the years to come. Both nations, thus, may look for avenues to further strengthen their relations in some other potential sectors which could be but are not limited to: identifying newer trade items and increased foreign direct investments (FDIs), education, training and research, urban planning and sustainable development, ICTs, healthcare and pharmaceuticals, and skilled human resource development, etc.