

## Second phase of municipal elections

*More violence, coercion and rules violation*

THE second phase of the four-stage local elections was held on Saturday in a total of 60 municipalities in the country, amidst reports of sporadic clashes, violation of rules and not-so-free and open vote casting. While it was good to see people's undiminished interest in the local polls, one cannot say the same about the fairness of the elections. Although the campaign period was relatively free from violence, compared to previous years, it was sad to see an elected councillor of the BNP killed, allegedly, by the supporters of his opponent. The reports suggest that polling agents of the opposition BNP were almost invisible in the polling stations. The reason is very obvious.

We have, however, two different versions of what happened on election day. If we are to believe the version by the Election Commission Senior Secretary, it was a peaceful election with 60-70 of votes cast. But one of the Election Commissioners does not see it as being participatory or peaceful. Opposition agents were few and far between in the polling stations, according to him, and the votes cast in the stations that he visited were much less than what the EC Secretary has suggested. We believe the statement given by the Election Commissioner is borne out by reports in both electronic and print media.

There are reports of electoral rules violation, coercion and intimidation of opposition candidates and voters. Reportedly, BNP agents were prevented from entering the booths; in fact, inside many centres, supporters and activists of the ruling party were reportedly found to be involved in politicking for the party's candidates, and forcing the voters to cast their vote for the "boat" symbol. In short, violation of the rules was the order of the day. What we saw on Saturday in most of the 60 municipalities was a repetition of the same old story. It was a sham in the name of election, and the results were foregone conclusions. Most of the mayoral posts were won by the ruling party candidates as predicted.

It is evident that the level playing field is missing. Coercion and intimidation, on the election day in particular, continue as before. Unless the members of the EC is prepared to see the reality on the ground and act honestly to live up to their oath of office, elections will lose any relevance to the people, and come to be a mere meaningless formality.

## Dhaka circular rail on the horizon

*Once finished, it will ease movement for Dhaka-bound commuters*

IT'S encouraging to learn from a recent report published by this paper that Bangladesh Railway (BR) has carried out a feasibility study to build a circular rail network around Dhaka to ease traffic congestion on the city roads. The government proposed establishing the circular rail network to facilitate the daily influx of Dhaka-bound workers and traders from neighbouring districts like Gazipur, Manikganj, Munshiganj, Narayanganj, Narsingdi, and Tangail. Using the network, people will be able to go from one end of the capital to another without having to enter the city. The rail network will have a total of 24 stations, 11 of which will have interchange facilities with the metro rail, dedicated bus services, and Sadarghat launch terminal.

The circular rail along the existing inner ring road of the capital and part of Narayanganj district will be 80.89 km long, and will take approximately six years to complete at an estimated cost of USD 8.37 billion. A China-Bangladesh joint venture firm conducted the feasibility study and submitted the draft report to the project authorities, who then sent copies of the report to various agencies including the Roads and Highways Department (RHD), Dhaka Transport Coordination Authority (DTCA), Bangladesh Inland Water Transport Authority (BIWTA), and Dhaka Mass Transit Company Ltd (DMTCL) for their opinions.

While it is encouraging to know that the circular rail network will greatly reduce traffic congestion in Dhaka, which causes an annual estimated loss of between Tk 20,000 crore and Tk 55,000 crore, it must be noted that the effectiveness of such a project depends on many other factors including integrated services. Severe problems may arise if the authorities proceed without proper coordination among the different agencies involved. Given the previous history of BR, one is unsure of its ability to operate the circular rail network efficiently, so the onus is on BR to dispel such misgivings. As the project will be highly costly, it may be practical to implement it under a public-private partnership (PPP). Also, given the magnitude of such a project, the government must be careful so that funds are not mismanaged or misappropriated in any way. We hope the new network will help ease movement for the Dhaka-bound commuters.

## LETTERS TO THE EDITOR

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### Drive responsibly

As of recently, there has been an increase in the number of motorcycle related accidents on our roads and highways. Unfortunately, many of the victims passed away on the spot or lost the battle for their life on the way to the hospital.

I myself am a victim of a terrible road accident, and can say that I looked death straight in the eye. And yes, it is not pleasant. It was my good fortune that the Almighty gave me another chance. I request all drivers to be careful no matter what. Life is a precious gift that we must learn to cherish.

Malcolm D'Souza, by email

# Project implementation during the pandemic discouragingly poor

### MACRO MIRROR



FAHMIDA KHATUN

THE first six months of the fiscal year 2020-21 saw very slow implementation of the Annual Development Programme (ADP) of Bangladesh. Data of the Monitoring and Evaluation Division (IMED) of the Ministry of Planning reveals that during the first six months of the current fiscal year, that is from July to December of 2020, only 23.9 percent has been implemented. This implies that in order to spend the allocated ADP, the speed of ADP implementation will have to be expedited by almost 3.2 times that of the past six months in the next six months. It is also observed that ADP implementation is lowest in the last five fiscal years. This year, spending by 22 ministries is less than 20 percent of their allocation, according to the IMED. Moreover, seven ministries and divisions could spend less than 10 percent of their allocations over a period of six months.

### Perpetual problem

Slow ADP implementation during the first half or even first three quarters of the fiscal year is not new in Bangladesh. The cycle follows almost similar pattern every year. ADP implementation is slow during the first half of the fiscal year, the size is then readjusted downward and finally, the implementation process gets expedited towards the end of the fiscal year to fulfil the target. This process lowers the efficiency of project implementation.

Lack of institutional capacity and other bureaucratic complexities make the full and timely implementation of development programmes difficult. In Bangladesh, attempts have been made to improve ADP performance through a number of initiatives. These include regular meetings with the project directors and mid-term review of implementation status. The concerned ministry is aware of challenges of ADP implementation and has the willingness to remove associated bottlenecks. It was emphasised by the policymakers that project directors would be appointed through interviews and proper training would be imparted so that they can do their tasks efficiently. In the past it was also declared that projects which got extended once, would not be

extended for the second time, and a project director cannot be the project director of more than one project. Besides, there was discussion on setting implementation targets for every three months. These initiatives are yet to see any result.

### Addressing the core issues

The success of any initiative towards improving ADP performance will require addressing the inherent problems of structural issues and implementation of reform measures. Time and again, the issue of improving institutional capacity of the line ministries to implement ADP and of the IMED to monitor and evaluate effectively has been pointed out. Implementation of projects is linked to the initiation of projects. The timeline of project implementation is affected by its

private investment which is essential for job creation. If ADP is not fully implemented and quality is not ensured, private investment suffers.

Understandably, when implementation of the bulk of the development programmes are to be completed during the last few months of the fiscal year within the same administrative structure and with the same level of capacity, one cannot guarantee the quality. Development projects, particularly the mega ones involve huge investment. Efficient utilisation of such large amount of money in a resource constraint country such as Bangladesh is critical. But it is not about spending the money and making structures only. Implementation of development projects

individuals. Lower production, increased unemployment, and higher poverty have been observed in all economies including Bangladesh.

Depressed individual and business incomes have also had an impact on the revenue mobilisation effort of the government which is perennially low in Bangladesh. But dealing with the pandemic requires a large amount of resources. So, with limited fiscal space, the government has to restrain expenditure and prioritise its investments. Except for the high priority projects, spending on other projects under the ADP had to be reduced during the current fiscal year. This has decreased government expenditures significantly. But this is not an ideal situation during economic crisis characterised by both demand and supply shocks.

Despite low private investment, Bangladesh has seen high economic growth during the last few years. The major impetus for this growth came from higher government expenditures. Private investment has declined further during the ongoing pandemic. Therefore, slow pace of ADP implementation will have negative impact on the economy. This will also slow down the recovery of the pandemic affected economy.

In view of the damages caused by the pandemic the immediate need is to control the pandemic and boost economic activities and production. Enhanced aggregate demand and consumption will help in bringing vibrancy to the economy. However, in the absence of income, demand cannot be increased. Hence the government has to spend more on development programmes and create employment for those who lost jobs and who are waiting to enter the labour market.

The government will also have to provide cash support to the poor and scale up social safety programmes for the survival of the poor. These initiatives could increase budget deficit. However, this is a crisis when maintaining budget deficit should not be the objective—but to increase people's purchasing power so that their spending can in turn boost production and the economy. This, of course does not undermine the importance of higher and efficient public expenditure during the pandemic.

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Views expressed in this article are those of the author and do not necessarily reflect the position of the organisation she works for.



delayed take-off. At the very early stage, problems related to completion of project proposal, setting expenditure targets and preparing a good feasibility study take away a lot of time before the approval of projects. Tendering, appointment of project staff, land acquisition and procurement are always the difficult part for timely launching of projects. Because of this delay, the absorption capacity of projects reduces significantly.

As there is an urge to fulfil the quantitative targets in a short period of time, qualitative aspects of ADP get less attention. This results in poor project outcome. Delay also escalates the cost of projects. So, the cost of services received by the people goes up and the intended benefits are minimised.

Public expenditures on development programmes also create avenues for

is also about achieving medium and long-term development objectives. The immediate objective of infrastructures may be achieving higher growth, but the ultimate objective is to fulfil the need of the citizens and create long term welfare for them. Effective delivery mechanism of ADP is thus very important.

### Critical role of public expenditure during crisis

Low public investment on development programmes in the time of pandemic is not encouraging. During the past global recessions, higher public investment played a key role in reviving the economy. At present, the ramifications of depressed economic activities due to Covid-19 have been felt in multiple ways. Shut down of the economy and limited activities have led to lower production and loss of income by businesses and

## Key sustainability issues for 2021

### Emissions, circularity and renewables

### RMG NOTES



MOSTAFIZ UDDIN

ISSUES around sustainability come and go, but some topics will remain as important now as they were before the current global pandemic began. Three issues I am confident will remain prominent in 2021—and in years to come—are carbon emissions, circular economy, and renewable energy. I follow the global fashion industry very closely and these are subjects which brands of all sizes and types are coming back to time and again.

The first and third of these issues are linked—as I will point out below—while the second, circular economy, is quite specific. Some thought circularity might be a passing fad in our industry, but evidence suggests it is not going away.

Let's focus on carbon emissions to begin with. This is an interesting one as 2020 actually saw some of the most significant falls in carbon emissions since the Second World War. In the US, the most recent figures show that carbon emissions fell by more than 10 percent, and this enabled the country to meet long-standing carbon targets. The reason emissions fell is, of course, due to the global pandemic. The last major economic recession of 2008/09, for instance, saw global carbon emissions fall dramatically.

Regardless of this, the trajectory for carbon emissions is still decidedly upwards. Moreover, the fixation on emissions remains the same for fashion brands and retailers—the most significant customer base of Bangladesh. As far as brands and retailers are concerned, sourcing hubs such as ours are critical in enabling them to reduce carbon emissions, as most of these emissions occur in supply chains.

The RMG industry of Bangladesh is connected to the global supply chain and our exports are mostly destined for the EU, US and Canada. The EU aims to become carbon neutral by 2050 and building an economy of net-zero GHGs emission. The new democrat led US government is also supposed to be onboarded the Paris Agreement and Canada led by Trudeau is also opting for carbon neutrality by 2050. The apparel industry and our overall exports are heavily dependent on these countries and we mostly cater to brands from these regions. Therefore, to keep our foothold

in the global business landscape, we have to align our strategies to be in the business.

On this front, change is afoot right now. Brands and retailers are hopeful that countries such as ours will move away from dirty, high emission fuels—essentially coal. It's welcoming that Bangladesh recently announced it was set to review the number of coal-based power plants it is looking to build moving forwards as it looks to reduce its dependence on coal.

About 3 percent of Bangladesh's power currently comes from coal but the government has plans to build 29 new coal-fired power plants in the next two decades which would increase that figure to 35 percent.

However, reports suggest that our

interests of Bangladesh. Last year, global apparel brands including Adidas, Puma, Gap and H&M wrote to the Cambodian Government bemoaning the country's move towards fossil-fuelled power projects.

As indicated, many leading brands have set emission reduction targets in their supply chains in line with their Science-Based Targets goals. However, Cambodia has also in recent years approved a raft of coal-fired power plant projects in line with government plans for the development of additional power sources between 2020 and 2030. Local sources claim Cambodia plans to nearly triple the amount of power it generates from coal in the coming years, to the dismay of brands sourcing from the country.



**If we want to be a major player globally, if we want to remain relevant, we have to be thinking of a low carbon, renewable energy future.**

government officials are now thinking again. One of the reasons for that is that the price of coal has increased since the plan was first announced. Yet, perhaps the bigger reason is that building more coal plants is incompatible with achieving the goals of the Paris Agreement to limit planetary heating and carbon emissions.

A shift away from coal is in our own interests for several reasons. Bangladesh is often included on the list of countries which are at most risk from the impacts of rising global temperatures, from more extreme storms to floods and rising sea levels. And rising temperatures are caused by carbon emissions—of significant contributor to which is coal power.

There is another reason why shifting away from carbon-intensive coal is in the

Meanwhile, staying on this issue, another of our competitors, China, has announced in recent months that it intends its coal industry to play an increasingly important role in the production of synthetic fibres such as polyester. Last year, one of China's leading chemical companies announced it had developed a way to convert coal into polyester yarn, to be used in the production of clothing, among other products.

These are surprising developments given what I have written above about brands looking at how they can reduce their carbon emissions in supply chains. They also offer an understanding of the challenges countries like ours face in terms of balancing the needs of our own

power infrastructure with the requirement to also keep our customers happy regarding carbon emissions, renewable energy and so on.

As indicated, carbon emissions and renewable energy are two sides of the same coin. Renewable energy will remain high on the agenda for apparel brands and retailers. By this I mean the talk will be of them moving towards renewable energy in all their owned operations (stores and retail outlets). And also working with their suppliers to look at renewable energy options, of which there are a great many.

The message in all this is clear for Bangladesh: if we want to be a major player globally, if we want to remain relevant, we have to be thinking of a low carbon, renewable energy future. And I am not talking about in 10- or 20-years' time, I am talking about here and now. Our customers will not wait for us on this, and why should they?

Finally, to the third big issue of 2021: circular economy. A McKinsey & Co. report suggests that adoption of circular economy in the fashion industry would reduce carbon emission by 10 percent so there is a causal link of circular economy and climate change too. Circularity is not just recycling, it is about closing the linear economic loop to be sustainable. In its purest form circularity means taking old clothing, putting it through a chemical process to break down the fibres into their original building block monomers and then creating new fibres from these to be used for new clothing.

The above is the ideal. Yet the technology, infrastructure, and supply chains for the above are nowhere near maturity yet. The market is not ready, although it soon will be. To have a broader adaptability of circular economy we also need comprehensive policies.

In the meantime, we can focus on good old fashioned reduce, re-use and repair, all of which are important in reducing carbon emissions and our impact on the planet. We can all play an important role as individuals as far as this is concerned.

Our businesses must also be ready to step up to the plate here. Brands and retailers are looking to supply chains for solutions in recycling. A bright future awaits supply chains which can provide these solutions, enabling brands to meet their circularity goals and objectives.

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