

## CHT Accord implementation still incomplete

How much longer must the people of CHT wait?

Twenty-five years ago today, the Chittagong Hill Tracts Peace Accord was signed between the government and Parbatya Chattagram Jana Samhati Samiti, bringing an end to armed conflict in the region and ushering in what many considered to be a new chapter in the history of the country. The Accord was a milestone in Prime Minister Sheikh Hasina's first term at the helm of the nation, exemplifying the government's intention to steer the country towards fairer winds and generating confidence in the newly elected PM's ability to do so.

However, a quarter of a century since the Accord, we are pained to find that its implementation remains fundamentally incomplete. Of course, certain steps have been taken. Laws have been enacted in accordance with the CHT treaty, leading to the establishment of the CHT Regional Council, the reconstitution of Hill district councils, and crucially, to the formation of the CHT Land Dispute Resolution Commission. In 2016, an amendment to the Land Dispute Resolution Commission Act of 2001 finally recognised the customary rights of the Indigenous Jummas and confirmed that land disputes in the hills would be resolved "in consonance with the law, custom and practice in force in the Chittagong Hill Tracts."

Unfortunately, a lot of the reforms so far, while they are steps in the right direction, have stopped short of dealing with the fundamental issue of land, and failed to put power into the hands of Indigenous communities to ensure peace and stability in their region.

The effective functioning of the CHT Land Commission is one of the biggest concerns in this regard. It has been 21 years since it first came into being, but it is practically nonfunctional in the absence of rules of business from the Ministry of Land, which continues to drag its feet over the process. Experts have argued that the commission does not have the required budget and workforce to operate effectively, either.

On top of that, the region is still being plagued by recurring incidents of violence, and we continue to witness reports of land grabbing and environmental destruction in the name of development. The recent recommendation from eminent citizens to create a probe committee spearheaded by a higher court judge to probe these violent incidents, and to provide due authority to the regional council and district councils, should be taken seriously.

If the government does not act soon, it runs the risk of neutralising any of the good that has come from the CHT Accord so far. There have been many instances in history where such issues, left unaddressed, have festered in a community, turning hope into resentment and eventually becoming a major challenge for government. An incomplete implementation of the Accord will not just be a broken promise – it could create greater instability within the region and ultimately disillusion the Indigenous communities who have already waited 25 years to see its fruition.

## Why so reluctant to fund women?

SME loans to women entrepreneurs should be made easy to obtain

Although the number of women entrepreneurs has been growing in the country at an impressive rate, the share of total loans disbursed by banks and other financial institutions to women remains very low – at just 3.54 percent in the last fiscal year. It is disheartening that women entrepreneurs are lagging behind in terms of access to small and medium enterprise financing due to reluctance of the banks, despite the fact that the loan repayment rate of women entrepreneurs is almost 95 percent. Women report having to navigate myriad bureaucratic hurdles, stringent loan conditions, a cumbersome application process, and patriarchal attitudes of banks when accessing necessary finances.

We are disappointed that the positive initiatives of the Bangladesh Bank in recent times to facilitate the financial inclusion of women – including a circular issued in 2019 to banks to ensure 10 percent of the banks' total disbursements for cottage, micro, small and medium entrepreneurs (CMSME) to women – have not brought about the desired results. Many entrepreneurs complain that banks are only willing to lend to those who are already financially well-off. The application procedure itself is too convoluted and banks often ask for so many different documents that it is difficult, if not impossible, for many budding entrepreneurs to complete the process.

Providing collateral against loans has been identified as a major challenge, given the prevailing socio-economic situation of the country in which women already lack access to property and finances. It was highlighted in a recent seminar that as many as 75 percent of women have not applied for loans because of their inability to manage a loan guarantor. Yet others do not have the necessary knowledge or confidence to initiate the loan process.

Although the central bank has instructed all banks to give out Tk 25 lakh in SME loans to women entrepreneurs without any collateral, this has hardly been followed. Banks are also supposed to dedicate a desk to support women entrepreneurs in each of their branches and take proactive steps to fund women entrepreneurs who have not taken out loans from banks or financial institutions previously. The Bangladesh Bank must monitor and follow up with the banks to ensure that their instructions are being implemented.

We call upon financial institutions to ease women's access to loans, curtailing bureaucratic hurdles and simplifying the application process. Why must they insist on being so stringent when it comes to women, while lending out tens of thousands of crores, year after year, to known defaulters?

The government should also aim to increase financial literacy among women entrepreneurs through low-cost or cost-free literacy programmes. This support should not be confined to just two or three days of training, but should instead involve their business promotion and capacity building as well.

# Big Budget, Bigger Corruption

Lack of accountability and the culture of impunity destroyed governance from within



THE THIRD VIEW

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In democracy, there are two types of accountability of the government: first, to the people who elect them, and second, to itself so that it can survive the wrath of public judgement.

This it does by knowing and monitoring whether it is fulfilling its election pledges and whether its own policies and projects are being implemented properly. This happens when the political forces it represents and the government institutions it runs work honestly, efficiently and for the public good. This is otherwise known as "governance," which can principally be assured by institutionalising "accountability."

This is where the present government has mostly failed, resulting in severely discrediting itself, crippling most institutions – through corruption and cronyism – and demoralising the youth by practising a culture of impunity.

Let's start with a small example of accountability failure – but one that is highly symbolic.

On November 28, the newly launched *Dainik Bangla* published a report titled "Taka thakley jail o mukto jiboner moto (If you have money, life in jail is as good as life outside)." The story details how bribery starts the moment one enters the four principal prisons in Bangladesh, and how money can ensure better accommodation, better diet, better living facilities including access to TV and a mobile phone – the latter often used for running illegal business, and even terrorist activities. While going for obligatory court appearances, arrangements can be made for a family visit. Like hotels, you can book hospital accommodation priced at Tk 10,000 for the first week, and half that amount for subsequent weeks. Yaba and other narcotics are also available. Officials know all this, but cannot or will not do anything about it.

Prisons are supposedly under full control of the authorities. If criminal activities cannot be controlled inside, how can the public trust the same authorities to control it outside?

A second example of accountability failure deals with delays in project implementation and the enormous cost escalation, with no one being questioned as to why. According to *Jugantor* of November 28, there was an additional cost of more than Tk 52,000 crore for 10 megaprojects caused by faulty designs, lack of proper feasibility study, additional work, lack of proper leadership and supervision, delay in release of funds, and other reasons. Not a single project was finished on schedule and the time extensions ranged from two to nine years, and still counting. Total funds allocated for these 10 projects amounted to Tk 63,757 crore. These are now estimated to cost Tk 116,198 crore.

A saying prevalent from the colonial days goes like this, "Sarkar ka maal, dariya mey dhal (If it is government money, it is okay to throw it in the sea)." Only now, instead of throwing it into the sea, we put it in our pockets. The Office of the Comptroller and Auditor General (CAG) may raise audit

Ltd (IBBL) has shaken the financial sector and have raised serious questions about the monitoring and oversight role of the Bangladesh Bank (BB). The IBBL disbursed Tk 7,246 crore this year to nine companies that were sister concerns of Rajshahi-based Nabil Group, of which Tk 2,460 crore were issued during 17 days of

Lack of accountability created the environment for this to happen.

At the very moment, banks have become burdened with so much mismanagement and loan defaults that the government amended the law to allow members of the same family to have a larger number of seats in banks' boards and for longer periods than before. This greatly increased



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objections, but who has the time to look into them? And it does not pay to do so.

Here again, we raise the point of why no one has been held accountable for such an enormous waste of money. With Tk 52,000 crore, probably every nook and corner of Dhaka city's roads and its essential water supply could have been modernised. Not to be forgotten that the aforementioned amount is for only the 10 projects in question. Literally, there are a hundred others like them.

As for monitoring, there is a body called the Implementation, Monitoring and Evaluation Division (IMED) under the planning ministry. We occasionally hear about their reports, but without much impact as both time extension and cost escalation continue unabated.

Perhaps the most dangerous lapse of accountability is in the financial sector. This writer, in his column of November 17, drew attention to the rise of default loans from Tk 4,646 crore in 1990 to Tk 134,396 crore today – a growth of 29 times in nearly as many years. Here again, the truth is nothing has been done to remedy the situation except to pander to the culprits, which defies all logic and national interest. An exasperated High Court judge reprimanded, just a few days ago, an Anti-Corruption Commission (ACC) lawyer, saying, "Will the big loan defaulters remain untouched? They are misappropriating thousands of crores. The commission is busy catching small-time loan defaulters, but not the big ones."

News of the last few days dealing with loan disbursement of Tk 7,246 crore by the Islami Bank Bangladesh

November. The bank officials told this newspaper that most of the companies gave fake addresses in their loan applications. How can that be? An address is one of the first things that banks check before considering any loan application – and that, too, one amounting to thousands of crores.

There are many more lapses that are unthinkable in the case of large loan disbursement. Either the IBBL staff have forgotten their trade, or its high-ups are more eager to loot it than to run it properly.

It must be mentioned here that the Islami Bank was once among the best banks run in the country. A few years back, it was suddenly taken over and a new board of directors, with a majority of new members and a new chair, was put in charge along with a new MD and some senior officials. How the changeover took place remains a mystery, but its effect is clear now. Surprisingly, the BB, which now monitors even the personal travels of bank MDs, did not take any serious note of this sudden and unexplained – to the public and especially to its depositors – takeover of the biggest private bank of the country.

What the accountability of BB or the finance ministry on this score is, remains a question.

The LC-related story of the Social Islami Bank Ltd (SIBL), which is currently making the rounds, is equally – if not more – horrendous if the BB investigation proves so. Sharpe Knitting and Dyeing Ltd has been using a bonded warehouse facility without exporting a single item. In the process, it has reportedly misappropriated about Tk 16,500 crore over a period of seven years.

family control of banks and weakened professional managers' power to enforce compliance and financial discipline.

Another nail in the accountability requirements.

Bigger budgets, bigger projects, bigger funding, bigger loans being defaulted, bigger corruption, bigger siphoning of project money, bigger amounts of laundered money, bigger houses in Malaysia and Canada, and lesser and lesser accountability.

A role model, indeed.

### Post-script

This week, the finance minister asked the press, "How is the state of the banking sector bad? Let us know in writing and we will look into it." Obviously, he doesn't read the newspapers. Doesn't he have a huge staff to keep him informed? The minister does not know, so does it mean that his ministry does not know either? If they don't, then what are they doing, and do they deserve the salary and perks for which the public pay? If they do know, then why doesn't their minister know? There were numerous media reports recently on mega loans to dubious business houses. The Bangladesh Bank has initiated inquiries of its own on some loan disbursements by Sonali Bank Ltd, asking it to be stopped for now. The Parliamentary Committee on Estimates recently issued a report stating, "Sonali Bank's loan situation is frightening."

Yet, the finance minister knows nothing. His ignorance is highly irresponsible, extremely dangerous and totally unacceptable, especially at this critical time.

## LETTERS TO THE EDITOR

Send us your letters to [letters@thedailystar.net](mailto:letters@thedailystar.net)

### Stop driving on the wrong side!

One thing that becomes clear as soon as you hit the streets of Dhaka is that people in this city have no sense of discipline. Our economic capacity has increased a lot. But our civic sense has all but disappeared. Rather, we are becoming more chaotic day by day.

You can see cars plying on the wrong side of the road everywhere in

the city on a regular basis. Many try to drive on the wrong side to avoid traffic and/or to take shortcuts. But they don't realise that doing so often creates more traffic congestion, and hundreds of people then suffer due to one person.

Motorcycles, rickshaws, CNG-run autorickshaws and rickshaw vans are vehicles that are seen doing this

the most. Besides them, one can see cars with press stickers, police cars, cars carrying government officials, educational institution cars, lawyers' cars, MPs' cars, ministers' cars moving on the wrong side of the road without much care. Impatient, powerful people tend to do what they want. This is not only breaking the law, but is also quite dangerous

and this could lead to road crashes. So people need to stop driving on the wrong side. This will bring order to our roads and reduce the chances of accidents to a large extent.

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