

The air is so bad it is killing us

Govt can reduce the toxicity through decisive steps

Air pollution has been a major source of ill health for Dhaka's dwellers for many years, with its air ranked as one of the worst globally more times than perhaps we can count. Now a study, as per a report by this paper, has found that the concentration of carcinogenic elements such as arsenic, lead and cadmium in Dhaka's air is almost double the limit set by the World Health Organization (WHO). There are also high concentrations of cancer-causing cobalt there. This is quite frightening, to say the least.

The WHO estimates that by 2050 the number of cancer patients may more than double. Lung cancer is one of the most common forms of the disease in the country, and we can understand from the above study that Dhaka's toxic air has been a major contributing factor behind this. These carcinogenic elements come from lead-acid battery and e-waste recycling industries, coal-fired brick kilns, as well as high-emitting unfit vehicles. The blood lead levels in children particularly are very high, with around 35 million children in Bangladesh being affected. We can assume that for the children in Dhaka and other areas where industrial processes are concentrated and traffic is heavy, the health risks will be quite high.

We have seen the air quality in Dhaka and other busy hubs deteriorate in front of our own eyes. This paper, for example, has constantly reported on industries and vehicle emissions that have contributed to this disastrous situation. But what has the government done to prevent it? Why do we still see so many unfit vehicles spewing out black smoke into the faces of adults and children while they navigate the horrific traffic? Why do we still have so many brick kilns near schools and residential settlements? Why are there so many battery-operated three-wheelers everywhere, despite the obvious threats they pose?

When contacted, the concerned minister said they would look into the findings of the report. It is surprising that so little has been done in terms of enforcing environmental laws to stop the air from being so polluted in the first place. The government should realise that this is an emergency situation, and that drastic steps have to be taken to address it. This includes closing environmentally harmful brick kilns, especially those operating near residential areas and schools, managing e-waste safely, reducing the number of battery-operated three-wheelers, and properly enforcing fitness and traffic laws for all vehicles.

In a densely populated city such as Dhaka, these steps are challenging but not impossible to implement. It requires the relevant government agencies to get serious about protecting the air in the first place. With the lives of both adults and children at stake because of its toxic air, they must do everything necessary to protect them.

A symbolic gesture of support for Palestine

The US must shed its pro-Israel bias to welcome peace

As the world tries to process the continued horrors and injustices facing the Palestinians, the United Nations General Assembly (UNGA) on Friday voted overwhelmingly to grant them additional rights in the global body and backed their drive for full membership. We commend UNGA members for their effort. However, it's important to remember that this is only a symbolic gesture as the UNGA cannot enforce membership decisions. Therefore, it has suggested that the UN Security Council (UNSC), which has the authority in this regard, considers the matter "favourably".

Unfortunately, this is where the celebration ends. For as long as the United States—one of five veto-holding members on the Security Council and Israel's closest ally—resists Palestine's admittance as a state, any resolution will remain incomplete. On Friday, 143 UNGA members voted in favour of the resolution, but they remain powerless against the US, which recently vetoed another Palestinian bid for full membership. This is nothing new. The US has always turned down pro-Palestine proposals at UNSC, and this "diplomatic doom loop," as stated by an analyst, has been going on for a long time.

Against this backdrop, the latest UNGA vote should be seen more as a gesture of support for the Palestinians' quest for peace and self-determination amid a devastating war by Israel. The global outpouring of support and mass protests in favour of Palestine all point to the fact that nations are no longer buying Israel's narrative. "We want peace, we want freedom," Palestinian UN Ambassador Riyad Mansour told the General Assembly before the vote. Under the founding UN Charter, membership is open to "peace-loving states." It's ironic that a number of full members are facilitating wars, with Israel committing war crimes and genocide, and yet little is being done to make them accountable.

More than 34,000 have been killed during Israel's brutal seven-month-long war on Gaza. It has recently started its ground invasion in Rafah, in another potentially bloody campaign. Unless the US government acknowledges that it is actively facilitating this genocide, changes its stance, and stops vetoing pro-Palestine resolutions, Palestinians may see no peace. We hope that the increasing support across the globe—with several European countries planning to recognise a Palestinian state—forces the superpower to do just that, before Israel wipes out any semblance of this long persecuted community.

New Message

To

Subject

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Without effective measures, there is no saving the poor



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For the last couple of years, the rate of inflation projected by the Bangladesh Bureau of Statistics (BBS) has hovered within the range between 8.5 to 9.5 percent. This soaring inflation has further accentuated the agony of people following the shock of the Covid-19 pandemic, which had serious negative implications on the livelihoods of people, thereby affecting the consistent poverty reduction effort of the government.

To accommodate inflationary pressure, households are reducing expenditure on food and non-food items, changing their patterns of food consumption, acquiring second jobs, drawing from their savings, and borrowing from formal and informal sources, among other emergency measures. It is therefore not surprising that inflationary pressure may push some "vulnerable" households below the poverty line.

In this context, the recent Macro Poverty Outlook of the World Bank estimated that between fiscal year 2022-2023 and 2023-2024, price hikes may have pushed as many as five lakh Bangladeshis into extreme poverty, defined as sustenance on less than \$2.15 a day (purchasing power adjusted), also known as the international poverty line. It was also projected that 8.4 lakh people will become moderately poor, living on less than \$3.65 a day (purchasing power adjusted). According to the World Bank, both inflation and foreign exchange crises, on one hand, will contain private demand and on the other hand, will constrain private investment and job creation. Both are expected to put pressure on low-income people, leading to a higher rate of poverty.

A close analysis of the poverty statistics of the BBS shows a consistent reduction in poverty over the years with a fall in upper poverty

rate from 24.3 percent in 2016 (lower poverty rate 12.9 percent) to 18.7 percent in 2022 (lower poverty rate 5.6 percent), despite the effect of the pandemic. Besides, the fall in the rural poverty rate was a bit steeper from 26.4 percent to 20.5 percent for the upper poverty line in comparison to a moderate decline in the urban poverty rate from 18.9 percent to 14.7 percent. A survey conducted by the South Asian Network on Economic Modelling in collaboration with the University of Manchester, however, found that between 2018 and 2023, though there has been a marginal reduction in upper poverty from 21.6 percent to 20.7 percent (lower poverty rate fell from 9.4 percent to 7.9 percent), there has been a rise in the upper poverty rate in urban areas,

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from 16.3 percent to 18.7 percent. The study also shows that, as part of their major coping strategy in the face of inflation, as many as 31 percent households changed their food habits, 24 percent drew savings,

and 15 percent reduced non-food expenditure. The survey revealed that, in comparison to the earlier part of 2023 (April 2023), food insecurity has deteriorated in the later part of the year (October-November 2023), with urban households being in a worse position than their rural counterparts. The findings from this survey therefore strengthen the

down, putting more pressure on those households with potential job applicants. The government in this case can incentivise the private sector through small tax rebates to safeguard the interests of the existing workers through programs including monthly rations and subsidised midday-meals.

The safety net program of the government needs to be expanded by



VISUAL: SHAIKH SULTANA JAHAN BADHON

prediction about the deterioration of the country's poverty scenario.

While understanding the impact of inflationary pressure on household-level poverty, it is noteworthy that as people from low-income groups tend to spend a greater proportion of their income on food items, in the face of high food inflation, they could be the worst sufferers. As a consequence, their level of deprivation can worsen while some non-poor might fall below the poverty line. The current food inflation rate of 9.87 percent in March (non-food inflation rate being 9.64 percent) with the urban food inflation of 9.98 percent and rural 9.86 percent, therefore indicates that poor households in urban areas could be the worst victims of high inflation.

With the twin macro concerns of the government, that is, the depletion of foreign exchange reserve and the falling value of taka over US dollar, the central bank has taken different contractionary policy stances to tame the soaring inflation rate. As a result, the pace of job creation has slowed

several folds to comfort not only those at the bottom of the distribution but also the middle-income households. In this regard, the number of trucks for Open Market Sales needs to be increased by a significant margin and the sale price should be further subsidised. Besides, initiatives like rationing and fair-price shops need to be introduced and operated in both rural and urban areas.

The regular safety net allowances for those at the grassroots need to be expanded to urban areas too with a higher amount for per capita allocation. Besides, there is no denying that for countries like Bangladesh, efficient market management to have smooth operation along the supply chain can play a crucial role in maintaining a stable market-driven price level. Finally, in order to contain the inflationary pressure at the household level, particularly that generated by high import prices, it is extremely crucial to correct the macro scenario through effective fiscal and monetary policy tools.

Next budget should push for clean and secure energy



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Bangladesh's drive to fulfil energy demand, riding on quick-fix strategies and relying on imports, has helped in the short-run but exacerbated the country's financial health. While fixing the problems will require long-term efforts, the upcoming national budget, to be unveiled in June 2024, will provide an opportunity to address some of the key challenges of the energy and power sectors.

The forthcoming national budget could create a renewable energy fund to further stimulate the renewable energy sector's progress, which has seen increased interest on the back of high energy prices and energy security concerns. Additionally, the budget may allocate more to the energy sector, to explore domestic gas resources and reduce reliance on imported liquefied natural gas (LNG).

With fiscal challenges eroding the country's capacity to clear full payments against imported fossil fuels and electricity produced by private power producers in the last couple of years, investment in clean energy is taking centre stage. Other factors, such as high and volatile fossil fuel prices and concerns about energy security, tempted the government to sign contracts with private investors for renewable energy projects of several thousand megawatts (MW) capacity in the last two years.

However, prior experience points to a gloomy picture. Although new renewable energy projects have come online in the last two years, the pace and scale seem slow and inadequate.

Difficulty arranging expensive land,

where ownership is fragmented, limits the country's accelerated deployment of renewable energy. Furthermore, private project developers shoulder the cost of long transmission lines, increasing the overall project cost.

Against this backdrop, the Bangladesh government may create a dedicated fund to turbo-charge the renewable energy sector amid the country's heightened exposure to the international fossil fuel market. Allocating through the fiscal year (FY) 2024-25 budget, the government may aim to support at least three areas of renewable energy.

It may cover the transmission costs of selected renewable energy projects. Likewise, it may allocate land to some renewable energy projects through the renewable energy fund, which can support land acquisition costs. Shouldering such costs, the government may introduce reverse auctions in carefully selected projects to reduce tariffs. The government can further utilise the fund to pilot renewable energy projects with battery energy storage systems.

Bangladesh can take inspiration from its past support for private-public-partnership (PPP) projects to create such a fund. Notably, the country allocated Tk 25 billion (\$22.5 million) to PPP projects in FY2009-10 to bridge the infrastructure investment gap. This fund included PPP technical assistance worth Tk 1 billion (\$9.1 million), a viability gap funding of Tk 3 billion (\$2.7 million) and an Infrastructure Investment Fund of Tk 21 billion (\$19.1 million).

A similarly bold and landmark ambition, if translated through a budgetary allocation, will help transform the country's energy sector while containing costs and improving reliability.

The Annual Development Plan (ADP) 2023-24 already considered that nine renewable energy projects planned within its framework were "insufficient". Therefore, the ADP, in the upcoming fiscal year, may strategically take up more renewable energy projects. This will be pragmatic as some of the power plants commissioned in the last year or so have not received sufficient gas to operate at their optimum capacities.

As new nuclear facilities will likely be online during FY 2024-25, Bangladesh will have significant baseload capacity. Based on allocation in the forthcoming national budget, the ADP may turn the tide towards renewable energy.

However, Bangladesh continues to allocate more of its budget to the power sector instead of the energy sector. For instance, the Power Division, which takes care of the power sector's development, received around 90 percent of the total budget allocated for Energy and Power Divisions from FY 2016-17 to FY 2022-23. Notably, it received a massive 97.1 percent of the allocated Tk 348.2 billion (\$3.17 billion) in FY 2023-24, leaving the Energy Division with a paltry Tk 9.9 billion (\$89.5 million).

A decade ago, Bangladesh's lagging power system capacity influenced massive investment in power infrastructure, but the need and outlook appear quite different now. Allocations of hefty budgets to the power sector on a yearly basis have already thrown up several challenges for the Energy and Mineral Resources Division, which has become increasingly import-dependent.

The national budget may consider allocating more funds to the latter to strengthen Bangladesh Petroleum and Exploration Company (BAPEX),

to enhance the company's ongoing onshore gas exploration efforts and limit the reliance on imported LNG.

An important step in driving Bangladesh away from fossil fuels towards a renewable energy future is the rationalisation of duties on electric vehicles and renewable energy. Following approval of the budget of FY 2023-24, any individual willing to buy a second personal transport—be it an electric vehicle (EV) or an internal combustion engine (ICE) based one—needs to pay an environmental surcharge ranging from Tk 25,000 (\$228) to Tk 3,50,000 (\$3,187). As EVs are environment-friendly, and interested buyers may already have an ICE car, the government should waive this environmental surcharge on EVs.

Furthermore, total tax incidences on EVs at the import stage are 89.2 percent, including a supplementary duty of 20 percent. A similar supplementary duty is also applicable for hybrid cars. As the government envisages reducing 3.39 million tonnes of carbon dioxide (CO₂) emissions from the transport sector by 2030, such import duties on EVs will limit the country's ambition. Instead, the government may increase the duties for second ICE cars and channel part of the revenue to build charging stations for electric and hybrid vehicles.

Additionally, rooftop solar accessories are subject to import duties ranging from 11.2 to 58.6 percent. As rooftop solar can help generate clean energy without affecting land, the government may revisit the tax structure and bring it down.

The current reality reinforces the urgency of frontloading efforts for renewables, creating a conducive ecosystem for EVs and reducing demand growth in imported fuels like LNG. By creating a renewable energy fund and increasing budgetary allocation to the energy sector, the upcoming budget can help attract more private capital and improve Bangladesh's overall energy security.