

## A waterlogged Dhaka is a policy failure

Sincere efforts by relevant authorities vital to address this issue

Monsoon brings new images and stories of sufferings every year, as did Friday's heavy rains in Dhaka. Two particular stories that seem to have stuck with many social media users involve the deaths of four individuals in electrocution and how several areas in DSCC remained submerged even 36 hours after the rain had stopped. For many, the first was a painful reminder of a similar tragedy in Mirpur last year. It too involved four people, including three of a family who died after being electrocuted on a waterlogged street. The second story comes with a side dish of irony, as it reminded many of a lofty promise by the DSAC mayor about ensuring swift drainage of rainwater—within 15 minutes no less. Promises, as one quipped, do die fast in Bangladesh.

But these are not just stories of sufferings but also of persistent policy failure. Unfortunately, those in charge of making sure these sufferings and disruptions do not occur can apparently say or do anything and get away without facing consequences. Over the past four years, more than Tk 730 crore has been spent by the two city corporations of Dhaka—Tk 370 crore by DNCC and Tk 360 crore by DSAC—to address this waterlogging problem. But despite the spectacular lack of effects of their initiatives, there has been no accountability whatsoever for the authorities and officials concerned.

The city corporations officially took over canal and drain management from Dhaka WASA on December 31, 2020. It was meant to streamline efforts to mitigate waterlogging. It did not happen, and as a result, the situation remains as dire as before. The city's drainage system continues to be weakened by poor design, weak maintenance, and ongoing road construction activities. Much of the drainage network remains clogged by waste, making it very hard for the rainwater to flow into rivers. Two city corporation officials, speaking anonymously, also acknowledged the failure of efforts to declutter the canals, canal-drains, and box culverts.

Dhaka currently has a network of 2,211 kilometres of drains, with 961km in the south and 1,250km in the north. True, ensuring the smooth function of such a big network is a big task, but there is no alternative to improving the capacities of the city corporations to properly maintain it. But even that will not be enough. Given the unregulated growth of Dhaka, experts have stressed the importance of a master plan to restore all the canals and waterbodies, and preventing their encroachment by unscrupulous entities. Addressing improper waste disposal is also critical. But most importantly, Dhaka's persistent waterlogging problem cannot be resolved without the sincerity of the relevant authorities.

## Why are students still dying on roads?

RSF data paints alarming picture of road safety

Six years after the nationwide road safety movement that was sparked by the deaths of two high schoolers, nothing seems to have changed in terms of the safety of commuters, including students. According to the Road Safety Foundation (RSF), in the last five and a half years since 2019, some 34,478 people were killed in road crashes. Of them, 5,619 were students—making up 16.29 percent of all victims. While all such avoidable deaths are tragic, student fatalities are of particular concern considering their young age, their importance for the nation's future, and their starring role in the 2018 movement and subsequent acquiescence by the government. But as statistics show, they continue to be victimised as before.

Following the movement, we heard the authorities make numerous promises about improving road safety. Committees were formed, new laws and regulations were passed, and many crores of taka were spent in various projects. All of that evidently came to naught, with thousands perishing on roads every year. As per RSF data, 2,641 (47 percent) student victims were between the ages of 5-17, while 2,978 (53 percent) were between 18-25. Moreover, 1,534 (27.3 percent) of them were pedestrians. The fact that vehicle drivers were often reluctant to aid victims even after having hit them is another worrying sign.

The reasons RSF has identified as responsible for these incidents—including faulty roads and vehicles, lack of knowledge about safe road use, and reckless driving, including by student bikers—are well-known, which makes the glaring lack of results from government initiatives that much painful. According to a *Prothom Alo* report, over 600,000 vehicles are still operating without fitness certificates. One of the promises made after the 2018 movement was the removal of such vehicles from roads. How are so many of them still operating, then?

Clearly, the first thing we need at this stage is accountability for the failure of those behind such promises and initiatives. When a person dies in a road crash, it is not just the driver or vehicle owner who shares responsibility for it, but the system that protects or enables them is responsible, too. Over the years, we have seen how undue benefits and exemptions have been extended to transport associations. This needs to change. The authorities must go tough on those allowing unsafe vehicles and breaching other rules. They should also run awareness campaigns in educational institutions considering the vulnerability of students.

## THIS DAY IN HISTORY



### Twitter publicly launched

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## AUTOMATIC PRICING FORMULA FOR DIESEL

# BPC can no longer cry wolf about losses



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Until very recently, the prices of liquid fuels such as diesel, octane, petrol and kerosene were fixed administratively by the government. There were always misgivings among the general public that the government is arbitrarily fixing the prices. Even though there was a formula of sorts, it was never revealed to the public. What transpired was that the administratively set prices for a long period were in favour of Bangladesh Petroleum Corporation (BPC), the state-run company that imports, distributes and markets oil. During this period, the international crude oil price was very low, so the BPC made a hefty profit. Consumers felt they were being deprived of the benefits of low oil prices.

For a long, long time, the pricing principle was that diesel, being a common person's fuel, must be subsidised, while petrol/octane, being a rich person's fuel, must be taxed. As a result, for a long time, diesel was much cheaper than petrol. The BPC used this cross-subsidy to manage its books. The problem started when compressed natural gas (CNG) was introduced and thousands of vehicles moved away from petrol. Moreover, the low price of diesel prompted consumers to opt for diesel vehicles. The cross-subsidy was no longer working for BPC as demand for petrol started to fall and the consumption of diesel started to increase at a rapid pace.

The situation became untenable for the BPC when oil prices skyrocketed as a result of the Ukraine-Russia war. The financial burden became so heavy that huge subsidies had to be provided by the government to balance BPC's books. The government finally decided that it would no longer subsidise diesel, so the diesel price was increased from Tk 80 to Tk 110. This had an immediate negative impact on economic activities. Consumer prices of foodstuff shot up, leading to an inflation rate of over nine percent that hasn't come down.

Soon after the massive diesel price hike, the global oil price started to fall, but the government did not bother to reduce the domestic oil price. When consumers started clamouring for a reduction in energy prices, it responded by a nominal reduction, which angered the public further.

The government understood it had to do something, and after much dilly-dallying, it introduced the so-called "automatic pricing formula" for petroleum products in March this year.

A comparison of diesel prices in six South Asian countries—Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka—reveals that Bangladesh has the second cheapest diesel price (Bhutan has the cheapest). However, a nearly Tk 108/litre price is a break from the old philosophy that diesel, the most important liquid fuel for developing countries, needs to be subsidised to foster the country's economic growth. India introduced the market-based pricing mechanism a long time back. Diesel price in India is high because of two taxes imposed on it: first, the federal government's excise duty, and second, the state government's VAT.

Whether diesel should be taxed or subsidised is a contentious issue. Some economists believe that since it is imported, it should not be subsidised, while another group believes it should be subsidised especially for irrigation. After the initiation of automatic

pricing, diesel has become a taxed product, the impact of which has already been felt with rising inflation. The argument often furthered by the energy ministry in support of keeping the diesel price high is to prevent smuggling to India. At one time, the price differential was so high that a substantial quantity of diesel got smuggled to India. With the new

It is customary for the government to provide funding as loans, which the BPC has to pay back. Therefore, in the annual accounting, debt servicing will show up as an expense. These projects are justified with the reason that they would help the BPC manage its operations better and thus save money, or at least the costs would be fully recovered. There



VISUAL: SHAIKH SULTANA JAHAN BADHON

are, however, situations where these projects are inordinately delayed or face bottlenecks; the second refinery is a case in point. In such cases, the investment cost becomes a burden for the BPC.

Another oft-raised issue is the subsidy provided to the BPC when diesel was sold at a price lower than the international price. It is important to note that if a subsidy has been provided, there is no justification for that expense to be shown in the BPC's books as an outstanding amount.

Following the introduction of the new pricing formula for petroleum products, there is no way that the BPC can lose money, because it is a cost-plus formula. The imported costs of petroleum products as well as the cost of delivery borne by the distribution companies as well as the BPC's financing and operation costs are all fully recovered. On top of that, there is the BPC's margin, which should cover development costs.

A longer version of this article is available on our website.

## How our RMG industry empowered women



### RMG NOTES

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MOSTAFIZ UDDIN

Over the past few decades, Bangladesh has emerged as a global hub for the ready-made garment (RMG) industry. The sector has played a pivotal role in transforming the socioeconomic landscape of the country. At the heart of this transformation is the empowerment of women, who make up the vast majority of the RMG workforce. A report by the International Labour Organisation (ILO) reveals that, as of 2020, our RMG sector employs around 32 lakh women. This sector's growth has created numerous job opportunities for Bangladeshi women, contributing to their economic empowerment while also playing a vital role in the growth of the economy.

The RMG industry has provided lakhs of women, particularly from rural areas, with their first formal employment opportunities. This shift from informal, often agricultural work, to formal employment in garment factories has had profound implications for their economic status and independence.

Earning a regular income has allowed women RMG workers to contribute to their household finances, often making them primary breadwinners. This financial independence has given

them decision-making power within their families and communities. These women now have the means to invest in their children's education, healthcare, and better living conditions, leading to a positive cycle of development and improved quality of life.

Employment in the garment sector has also facilitated skills development. Many women enter the industry with little or no formal education. Through on-the-job training and experience, they acquire valuable skills in sewing, quality control, and production management. Some factories also offer literacy programmes and vocational training, further improving their capabilities and future employment prospects.

Beyond economic benefits, the RMG industry has been instrumental in fostering social empowerment of women in Bangladesh. By stepping into the workforce, women have challenged traditional gender roles and norms that often confined them to domestic duties. The presence of women in factories has gradually shifted societal perceptions of women's roles as well. As more women work outside home, the acceptance of women as economic contributors has increased.

Working in the garment industry has also facilitated greater social mobility for women. Employment has enabled women to move from rural areas to urban centres, exposing them to diverse cultures and ideas. This exposure has broadened their horizons, increased their awareness of rights and opportunities, and inspired many to pursue further education and

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career advancements.

However, this growth is not without challenges. Workers often face issues such as stagnated wages, long working hours, and challenging working conditions. These challenges have also sparked advocacy and efforts to improve labour rights and working conditions in the industry. Indeed,

the rise of the garment sector has led to the growth of labour unions and advocacy groups fighting for workers' rights. These organisations have been instrumental in negotiating better wages, improving working conditions, and ensuring compliance with the labour law. Women workers have played a crucial role in these

movements, often leading protests and strikes to demand fair treatment.

The Bangladesh government, along with international bodies and NGOs, has taken steps to address these challenges. The government had to take initiatives such as the Accord on Fire and Building Safety in Bangladesh and the Alliance for Bangladesh Worker Safety to improve factory safety standards following the Rana Plaza disaster in 2013. Additionally, programmes aimed at promoting fair wages and gender equality in the workplace have been introduced, further supporting the rights of female garment workers.

Women's increased economic participation has contributed to community development. As women invest in their families and communities, there is a noticeable improvement in areas such as health, education, and infrastructure. Empowered women are more likely to participate in community decision-making processes, advocating for issues such as clean water, sanitation, and better schools.

I truly believe that Bangladesh's RMG industry is a testament to the transformative power of employment in empowering women and lifting them out of poverty. While challenges remain, the strides made in economic and social empowerment, skills development, and advocacy for rights are undeniable. As the industry continues to evolve, it holds the potential to further enhance the lives of crores of women, driving not only the economic growth, but also social progress and gender equality in Bangladesh.



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