

The Daily Star

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Civil admin issues must be resolved fast

Govt needs to act firmly but judiciously to restore order

We are concerned that the interim government is still struggling to restore normalcy at the top and lower tiers of the civil administration, despite being in power for over seven weeks. According to sources, the frequent turnovers of secretary-level officials has been a major contributor to this disarray. Currently, out of the 55 ministries and divisions, 34 have secretaries appointed during the Awami League's tenure, 15 have secretaries appointed by the current administration, while six have no secretary presently. However, as the secretaries appointed during the AL era are suffering from uncertainty about their future, the functioning of their offices is being impacted as well. The same goes for other top-level appointees from that period.

It goes without saying that the protracted chaos has left the new administration quite hamstrung, delaying or disrupting government initiatives, policies and services despite recent improvements. Previously, we saw how the absence of AL councillors and delays in replacing them with administrators caused major service breakdowns across various wards of Dhaka. We saw similar issues with regard to the appointment of deputy commissioners in 25 districts. These challenges reflect the consequences of the deep politicisation of the administration by the previous regime. For the smooth functioning of government and delivery of essential services, it was essential to resolve these issues as quickly as possible. The fact that the government has not yet been able to do so is a matter of concern.

As things stand, it is absolutely critical to restore order by clarifying the fate of top officials appointed during the previous regime. Decisions regarding whether they will stay on must be reached urgently. Another challenge the government needs to address is the controversy surrounding the appointment—or potential appointment—of new personnel in these positions. We have seen how those previously denied promotions are demanding they be given the positions, and how even retired officials are lobbying for appointments as secretaries. The government must carefully select the right individuals for these roles, prioritising public interests and keeping in mind that there may be people trying to exploit the situation (regime change) to advance their own interests.

The delay in decision making due to confusion over existing personnel and new appointments cannot be allowed to continue. We urge the government to put more emphasis on sorting out the chaos and confusion hampering the performance of the civil administration. This must be done firmly but judiciously, so that no further incidents—such as the fight that erupted over the appointment of 59 deputy commissioners at the Secretariat on September 10—tarnish civil service again. Otherwise, the functioning of the government will continue to experience bumps along the way.

Bullet not the answer to worker grievances

Full implementation of their 18-point demand vital to resolve unrest

It is outrageous that another garment worker's life has been lost in the ongoing unrest, despite the recent tripartite agreement among the government, RMG owners, and workers. Kawsar Ahmed Khan, a sewing operator at Mango Tex factory, was fatally shot on Monday during a workers' protest in Savar's Ashulia. According to a report in this daily, law enforcers opened fire while attempting to control agitated workers after they allegedly vandalised five law enforcement vehicles. *Prothom Alo* reported that at least four others with bullet wounds were hospitalised. The mayhem also left at least seven law enforcers injured.

It is worth noting that even though all 18 demands of the workers were accepted on September 24, several factories have yet to fulfil immediate obligations such as paying arrears, attendance bonuses, and tiffin money. This has led to renewed protests. Even on Tuesday, workers from several factories staged demonstrations over these issues, while a number of factories remained closed. While it is a fact that the recent political unrest in the country, global economic downturn, and ongoing Russia-Ukraine war are negatively impacting RMG exports, this cannot be used as an excuse for delaying workers' payments. The central bank has already offered soft loans to the apparel industry to pay August salaries. But further incentives to help ailing factories should be considered. Moreover, considering the potential consolidation of struggling factories under the present financial reality, an alternative plan should be devised to absorb the affected workforce.

But for now, the government must ensure that all commitments from the tripartite agreement are fully implemented, particularly the payment of outstanding bills and dismissal of cases intended to harass protesting workers. Besides, security in the industrial zones must be guaranteed, but never at the cost of workers' lives. The use of lethal force to quell protests is unacceptable. After what the country went through in July and early August, we expect law enforcement agencies to exercise greater restraint in managing protests. Labour leaders also have a crucial role to play in mediating discussions between workers and owners, ensuring that workers' grievances are properly addressed and that rumours do not further inflame tensions. It is imperative that all stakeholders come together to prevent further tragedy.

THIS DAY IN HISTORY

1977
Bangladesh Air Force mutiny



On this day in 1977, members of Bangladesh Air Force and the Signal Corps of Bangladesh Army attempted a coup. A number of air force and army men were killed during the mutiny and more than 1,000 mutineers were hanged to death after court-martial.

Policies that can mend power and energy sectors



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In the 15-plus years of the last government, the energy and power sectors of Bangladesh have been all but destroyed. It would not only require a long time to recover, but would also need many unpleasant and difficult decisions. The country has been made heavily dependent on imported fuels as well as power. Capacity charges for private power plants and payment to international oil companies (IOCs) for gas production have to be paid in hard currency. There are numerous other hard currency requirements, such as building transmission and distribution infrastructure, regasification charges, and gas exploration. To satisfy all energy and electricity demands in the country, more than \$20 billion would be required annually, which will keep increasing as demand rises and gas production drops and is expected to exceed \$30 billion by the end of the decade.

Wrong planning, bad management and corrupt practices by the last government have distorted the energy and power sectors, which may be linked to: i) the enactment of the special provisions law in 2010; ii) overcapacity in power generation and the oil-fired power plants; iii) arbitrary slowdown in gas exploration; iv) failure to control losses in gas transmission and distribution; and v) failure to increase renewable energy penetration.

The Quick Enhancement of Electricity and Energy Supply (Special Provisions) Act, 2010 was meant to expedite the construction of oil-fired power plants and to supply liquid fuels (diesel and furnace oil) to these power plants to overcome the severe electricity shortage then. It was supposed to be a short-term measure to bypass the strict and time-consuming tendering process for public sector procurement. But the act was indiscriminately used for all significant procurements in the power and energy sectors. Using this law, the government started building power plant after power plant without regard to fuel availability or the actual demand for electricity. A decision that should have been technical in nature, made by engineers, was made by bureaucrats and politicians. Even though the country required a combination of different types

(baseload, intermediate and peaking) of power plants, it was considered more profitable for politicians and their friends to build large baseload, combined-cycle, gas- and coal-based power plants, rather than the much-needed small or single-cycle gas-fired peaking power plants that can replace the very expensive oil-fuelled ones. The new megaprojects obviously meant hefty kickbacks and other benefits.

Construction of oil-fired power plants amounting to nearly 25 percent of the total power generation capacity was a grave offence made possible by the act. These additions caused the electricity price to go up



VISUAL: ANWAR SOHEL

and put enormous pressure on our foreign currency reserves. The grid was made to always be dependent on these oil-fired power plants. The fuel mix was designed in such a way that removing these power plants would lead to load-shedding and thus great public suffering. No effort was made to remove these expensive power plants, which were being used throughout the day, even at times when solar electricity was available. A calculation shows that strategic integration of solar power plants to the grid could have prevented the use of \$500 million worth of liquid fuel annually.

Natural gas theft was always a significant issue in the energy sector of Bangladesh, but grew to gigantic proportions under the last government's rule of over 15

years. The Bangladesh Oil, Gas and Mineral Corporation, also known as Petrobangla, came up with a new term for the gas sector system loss called Unaccounted for Gas (UFG); the gas lost due to pilferage and leakages in the transmission and distribution lines. The UFG has grown in recent years: the average of the years 2020, 2021 and 2022 has been 9.8 percent. International good practices stipulate that this loss be below two percent. A gas network that has a technical system loss above three percent demands immediate remedial action. Non-technical system loss has been a problem because of gas theft in the industrial and domestic sectors. Domestic consumption is shown to be 11 percent, but no one knows the real amount, because most domestic connections are unmetered. Experts and sector insiders claim it cannot be more than six percent. Illegal lines and connections exist all over the country. Therefore, as much as five percent of the total gas is pilfered in the domestic sector. When we add this to the non-

(BERC), composed of competent technical persons.

* Least-cost planning must be followed
* Reserve margin (excess generation capacity over peak demand) should only be allowed to exceed 15 percent if sufficient justification is provided that it is required for accommodating intermittent renewables.

* Fuel supply must be ensured by the relevant authority before approval by BERC.

* Liquid fuel-based power plants can only be used as peaking power plants (maximum daily use must be less than four hours).

* During daylight hours, solar power plants must be used backed by either batteries or gas-fired simple-cycle power plants.

Gas exploration policy

Adequate funds must be provided to fully resume and continue gas exploration without hindrance until the point where experts and BERC are convinced that further exploration won't be cost-effective. This point may be reached when the exploration success ratio falls below 1:10, i.e., when more than 10 exploratory wells need to be drilled to yield one success.

Gas utilisation policy

One difficult issue that all governments in Bangladesh have faced is gas allocation to various sectors; the other issue they failed to tackle is to decide whether a sector should continue to exist. All sectors have been given equal priority. Prioritisation of supply to sectors critical to the economy has become an urgent issue. To ensure reliable supply of gas to the industrial sector, the possibility of the sector importing its own gas should be considered. Along with these policy reforms, rules and regulations to reduce system loss and to prevent theft are essential.

Renewable energy policy reform

The previous government failed miserably to increase the penetration of renewable energy. Even though there are several constraints in implementing renewable energy projects, most experts believe that 10 percent renewable energy in the fuel mix could have been achieved. The most blatant failure is the continuing use of fossil fuels in power generation during daylight hours; this could easily have been substituted by either rooftop solar PV installations or grid-tied solar PV power plants. A new policy must be formulated considering the realities of having to achieve net zero emission. Year-wise targets should be set for utilities, and fines must be imposed if the targets are not met.

technical UFG, the gas loss amounts to more than 10 percent of the total gas supplied. The fact that we don't have enough gas to meet the demand and have to import liquefied natural gas (LNG) implies that any gas loss should be accounted as LNG loss. At the LNG price of \$15 per MMBtu, this lost gas annually amounts to around \$1 billion. To prevent further occurrences of this kind of loss, a set of reforms and/or policy changes are needed.

Power plant building policy

To prevent overcapacity of power plants and wrong generation planning, the following are recommended:

* Construction of new power plants should be decided by a committee, housed preferably at the Bangladesh Energy Regulatory Commission

What to do to get back laundered wealth

the interim government. Although details of the discussions remain sparse, it was reported that the US government showed a willingness to aid Bangladesh in this respect, sparking cautious optimism among Bangladeshi analysts.

While some are hopeful about the prospect of repatriating the stolen money, others remain sceptical. Much of this uncertainty probably stems from a lack of awareness about previous cases where the US successfully helped other countries recover laundered funds. If Bangladesh is serious about bringing back the laundered wealth, it can learn from the experiences of countries like Malaysia, the Philippines, and most notably, Nigeria.

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Between 1993 and 1998, Nigerian dictator Sani Abacha and his associates stole an estimated \$5 billion, much of which was deposited in international banks across Switzerland, the US, the UK, and offshore accounts. After Abacha's death, Nigeria initiated efforts to recover the money. These efforts relied heavily on international legal frameworks such as the UN Convention Against Corruption (UNCAC), which enabled mutual legal assistance (MLA) agreements with other countries.

Switzerland was the first to cooperate, freezing Abacha's assets in 1999 after a formal request from Nigerian authorities. Following legal battles, the Swiss Federal Supreme Court ruled in 2002 in favour of returning \$500 million of the laundered funds, marking it one of the largest recoveries of stolen assets by a developing country. By 2006, Switzerland repatriated most of the frozen assets under the condition that the funds be used for public projects like infrastructure, health, and education. To ensure that the funds were not misappropriated again, international organisations like the World Bank closely monitored how Nigeria used them. This level of oversight was a key element of the negotiations, ensuring the funds directly benefited Nigerian citizens.

The United States also played a crucial role in Nigeria's recovery efforts. In 2014, the Nigerian government formally requested assistance from the Department of Justice (DOJ).

In response, the DOJ filed an asset forfeiture complaint in April 2014 to seize over \$500 million (traceable to the Abacha regime, under its Kleptocracy Asset Recovery Initiative). This led to the freezing of assets across several jurisdictions, including France, the UK, and the Crown Dependency of Jersey. By March 2020, the US, Jersey, and Nigeria signed a landmark agreement to repatriate over \$308 million laundered through Jersey's financial system. Similar to Switzerland's case, the US and Jersey required that Nigeria use the funds for specific public projects. More recently, in August 2022, the DOJ announced another agreement to return an additional \$23 million to Nigeria.

Nigeria's success in recovering stolen assets, with the help of Switzerland and the US, offers key lessons for Bangladesh. First, international cooperation is essential, with MLA treaties and global frameworks like UNCAC providing the legal basis for asset recovery. Second, partnerships with powerful nations like the US can be highly effective, as seen with the DOJ's role in freezing Nigeria's stolen assets. This underscores the importance for Bangladesh to work closely with global enforcement agencies and financial regulators.

Third, Bangladesh must ensure that any recovered funds are transparently managed and used for public projects. Finally, strong political will and patience are crucial, as asset recovery is often a complex and prolonged process. By embracing these strategies, Bangladesh can enhance its chances of recovering stolen wealth and directing it towards national development.