

The Daily Star

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Don't rush through education decisions

College students demanding new university must show restraint

The renewed controversy over the affiliation of seven Dhaka-based government colleges with Dhaka University, nearly eight years after that ill-conceived decision was imposed, shows the pitfalls of a top-down approach in critical education matters overlooking their nuances. Since the affiliation, these colleges have had to grapple with significant operational hurdles and academic inequities, a far cry from what was promised initially. Thus, it's understandable that the students now protesting in the streets feel aggrieved and demand a decoupling from DU.

According to media reports, the students staged sit-ins at several locations in the capital, including Science Laboratory, on Wednesday, leading to widespread traffic congestion across key parts of the city. Many commuters were seen walking to their destinations as traffic from blocked routes spilled over to surrounding areas. The students also held similar demonstrations on Tuesday after a three-day ultimatum issued to the government expired. However, while their grievances are legitimate, their proposed solution and their refusal to postpone protests, despite the government's formation of a committee to address these issues, have raised reasonable concerns.

The issue of DU affiliation could have been easy to fix had students sought only to break free from it. But they are also demanding a separate university comprising the seven colleges, having previously rejected the idea of reintegration with the National University, which used to oversee these colleges before. Clearly, this is a complex issue that cannot be rushed. The fact is, creating a new university in the face of protests, and without thorough consideration, would not only be unprecedented but also be hugely impactful for an overcrowded city with multiple public universities (general/specialised). Do we really need another one? Can we even afford it? The founding of a public university requires new legislation, land acquisition, significant infrastructural development, and meticulous educational and financial planning; it's an undertaking that will span several years—time that the current students do not have.

Therefore, we believe they should reconsider their demand for a new university and instead focus on having their immediate grievances addressed. It is vital that the academic, administrative, logistical and affiliation-related issues plaguing these colleges are resolved, and we hope that the government committee of experts will soon outline a comprehensive plan for solutions. The education adviser has already expressed his commitment to resolving these issues. So, the right course of action for the protesting students would be to call off their demonstrations, sparing commuters further trouble. On their part, the authorities should ensure proper collaboration with the students and teachers to make sure that they feel included in decisions regarding their educational life.

BRTA licence-seekers deserve better

It needs to get its act together, start operating efficiently

The saga of Bangladesh Road Transport Authority's (BRTA) irregularities continues, as does the suffering of citizens who need its services. According to a recent report by Prothom Alo, more than six lakh applicants have yet to receive their driving licences because the road transport authorities are unable to complete the simple task of getting the smart cards printed. As a result, many applicants have been waiting for months—some even for three years—for their licence documents.

The crisis reportedly began when the state agency invited tenders from companies to print smart cards for driving licences. Insiders say that the road transport ministry along with some top BRTA officials at the time actively tried to award the job to their favoured company, Madras Security Printers (MSP). In doing so, they prolonged the tender bidding process until MSP eventually won. Because of this delay, more than 12 lakh licence applications got stuck in limbo. Moreover, MSP, which signed a five-year contract in July 2021, has been unable to keep up with demand since then. It was supposed to start delivering smart cards within three months, but didn't begin until six months later. By July 2026, MSP is supposed to deliver 40 lakh smart cards, but has only managed to deliver 20 lakh so far. In the meantime, applications for new licences, corrections, and renewals keep piling up.

What boggles the mind is the previous administration's insistence on awarding the contract to MSP, to the extent that it did not mind leaving licence-seekers in the lurch. To speed up the process, the interim government has decided to replace smart cards with PVC cards for new applicants, which will take less time to print. This ought to relieve some of the pressure, but it's not a good solution for the long term. For one, older applicants will still be issued smart cards. Secondly, smart cards are used worldwide; even our neighbouring countries no longer rely on PVC cards. This situation particularly affects those who are going abroad for employment and need smart cards. Taking advantage of the situation, a "syndicate" has reportedly been taking extra money from licence applicants in the name of expediting the process.

This needs to stop. We urge the government to investigate the BRTA's lack of initiative to resolve the crisis sooner and take appropriate action. Also, rather than reverting to an outdated system, the government should explore options for printing smart cards locally to reduce hassle. Lastly, BRTA needs a major overhaul, as the road transport and bridges adviser has also acknowledged. This organisation has been mired in corruption and irregularities for years; it's time to make it truly service-oriented.

THIS DAY IN HISTORY



US stops bombing Vietnam

On this day in 1968, US President Lyndon B Johnson ordered an end to American bombing in North Vietnam.

An effective credit rating system could be a real game-changer



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FAIZ AHMAD TAIYEB

Bangladesh has one of the highest non-performing loan (NPL) rates globally, with unofficial estimates exceeding 33 percent, though official reports place it at around 11 percent. This discrepancy highlights a lack of transparency in the country's financial system. One key reason for this is the absence of a comprehensive credit bureau, leading to poor credit assessments and reckless lending, resulting in high default rates and instability in the banking sector. Successful models from Western and middle-income Asian countries demonstrate how credit bureaus help identify reliable borrowers and control high-risk lending.

The US has three major credit bureaus—Experian, Equifax and TransUnion—that track consumer credit information and generate credit scores based on debt repayment history, credit utilisation, and other factors. This helps lenders assess the borrowers' risk levels before extending credit. Regulatory oversight is provided by the Consumer Financial Protection Bureau (CFPB), ensuring transparency, data accuracy, and consumer rights protection. In the EU, credit bureaus are similarly well-established, but regulations are more stringent under the General Data Protection Regulation (GDPR). They must ensure data accuracy and provide consumers with rights to access and correct their information. The UK similarly follows strict rules under the Financial Conduct Authority (FCA).

Malaysia provides a good Asian example. Its Central Credit Reference Information System (CCRIS) and CTOS (a private credit reporting agency) provide comprehensive credit information. CCRIS, managed by the central bank, gives lenders a holistic view of borrowers' liabilities, supporting sound lending practices. India has four licensed credit information companies, including CIBIL, which provide credit scores to lenders. Implementing the Insolvency and Bankruptcy Code in 2016 further enabled India to more effectively manage NPLs, with improved borrower classification and debt resolution processes.

Bangladesh should establish a transparent and secure credit rating system, transforming the existing Credit Information Bureau (CIB) and Credit Rating Agency of Bangladesh (CRAB). This system should automate the collection, storage, and sharing of credit behaviour data on

individuals and businesses across the financial sector. Such data-based assessments would guide banks and financial institutions on appropriate behaviour with borrowers, relying on mathematical insights.

A robust, mandatory credit scoring system is vital. It would help banks and financial institutions better assess risks and make informed lending decisions. Credit scores would also streamline access to credit for small businesses and individuals with strong repayment histories.

A comprehensive legislation is needed to regulate credit bureau operations. Such a law should

the handling of distressed assets and improve NPL recovery rates.

In Bangladesh, there have been cases of loans being granted based on personal connections rather than creditworthiness. A transparent credit rating system would enforce accountability by making credit histories—of individuals and businesses—accessible to lenders, minimising opportunities for corruption. It would significantly improve the country's banking governance, promote a business- and employment-friendly lending environment, and reduce the high levels of NPLs.

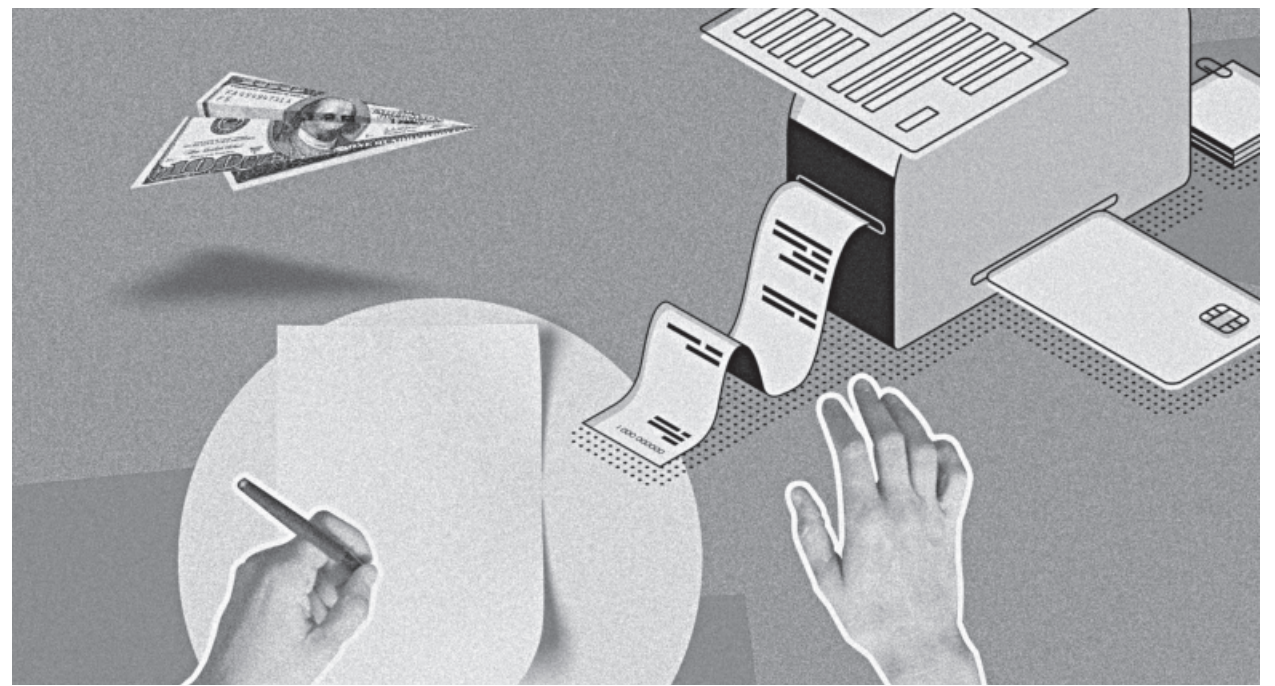
Advanced credit bureaus provide real-time updates on borrowers' credit profiles, enabling banks to monitor loan portfolios more effectively. This allows for early detection of potential defaults, reducing the risk of loans turning into NPLs.

Small businesses and startups often struggle to secure loans due to a lack of credit history or collateral. A credit bureau system can provide a nuanced view of their financial behaviour,

Risk-based lending ensures that banks set appropriate loan interest rates based on borrowers' creditworthiness. In cases of bad loans, credit bureau data helps banks identify patterns in borrower behaviour, informing recovery strategies; for instance, early borrower engagement and restructuring options could prevent loans from becoming NPLs. Additionally, a reliable credit scoring system motivates borrowers to maintain good credit through timely repayments, as a strong credit score facilitates access to favourable future credit terms.

Data privacy and cybersecurity are paramount when dealing with sensitive financial information. In Bangladesh, establishing a credit rating system must involve robust measures to protect consumer data. They should include:

Regulatory oversight: A dedicated regulatory framework, similar to the GDPR in Europe, should be established to govern the collection, storage, and use of credit data. Robust data privacy regulations will be critical in maintaining the integrity of the system



VISUAL: ANWER SOHEL

ensure data privacy, accuracy and transparency, similar to GDPR or the CFPB's mandates. A regulatory body must be tasked to oversee bureau activities and ensure that all financial institutions submit data to the bureau.

One reason for discrepancies in Bangladesh's reported NPL rates is data manipulation or inconsistent reporting standards. A credit bureau can enhance transparency by tracking borrower data in real time, reducing the potential for misreporting.

To support the credit bureau system, Bangladesh needs stronger laws around insolvency and debt recovery. A legal framework similar to India's Insolvency and Bankruptcy Code would streamline

enabling fairer assessments of their creditworthiness.

A credit rating system rewards businesses and individuals with strong credit histories through lower interest rates. This could encourage responsible financial behaviour and reduce borrowing costs, stimulating growth and employment. Meanwhile, a transparent lending environment, built on reliable credit data, can restore public confidence in the financial system. It would also incline businesses to seek financing for expansion based on merit rather than personal relationships.

With comprehensive credit reports, banks can avoid lending funds to high-risk borrowers, minimising defaults.

and ensuring that consumer rights are respected, fostering trust in the new financial infrastructure.

Data encryption and cybersecurity: Credit bureaus should employ state-of-the-art encryption methods to safeguard personal financial data against breaches or unauthorised access. Implementing strong cybersecurity practices, like regular audits and multi-factor authentication, will ensure the integrity of the system.

Consumer control over data: Borrowers must be able to access their credit reports and dispute inaccuracies. They must also have control over how their data is shared with financial institutions.

Bangladesh and the UN's 50 years of partnership



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GWYN LEWIS

In September 1974, at the United Nations General Assembly in New York, Bangladesh stepped onto the world stage as a UN member state for the first time. In the decades since, Bangladesh has progressed in the face of global challenges, including climate threats, economic turbulence, displacement, and the Covid pandemic. Throughout the country, the UN has supported this remarkable development journey from one of the poorest countries in the world to the graduation from the Least Developed Country (LDC) status.

Engaging young people and giving voice to their aspirations has long been a priority for the UN. This came together remarkably in August 2024 in a significant political change for Bangladesh. The wave of popular protest led by a vibrant student-led movement showed extraordinary hope for the future, though at a tragically high human cost.

On the margins of the UN General Assembly in September this year, almost exactly 50 years after the

young nation of Bangladesh first spoke with an international identity, we saw young Bangladeshis step forward at the side of the chief adviser. Young people worldwide have been inspired by the courage, leadership and sacrifice that young people of Bangladesh have shown as they stand together for democracy, freedom of expression and equality. Looking ahead, the UN family in Bangladesh is committed to its work supporting youth and is on hand to help the government uphold the promise for future generations.

In fact, Bangladesh's transformative shift this year, which young people have led mostly through social media, is abuzz with the phrase "Bangladesh 2.0," and it is making great strides to place human rights at the centre of its policies, echoes with the values of the UN Charter and the human rights of every individual. The people of Bangladesh have demonstrated remarkable resilience and courage in their quest for democracy and human

rights. The interim government's openness to reform is a testament to the people's determination. By embracing the principles of equality, justice and human dignity, Bangladesh can chart a new course that will benefit its citizens and the broader international community.

Moving ahead as a nation, reforms must be underpinned by a commitment to human dignity and justice. The UN in Bangladesh is committed to supporting institutions to strengthen their capacity and accountability, promote diversity, equity and gender equality, and eliminate gender-based violence in all walks of life. We are already working to leverage mechanisms from the UN system to help promote accountability, advance human rights, and facilitate dialogue and healing.

In his special message for United Nations Day 2024, UN Secretary-General António Guterres said that the United Nations was "built by the world, for the world." Bangladesh's significant contribution to building the UN is an example. The country's commitment to global peace and security is demonstrated through its long-standing contributions to UN Peacekeeping Missions, consistently ranking among the top troop contributors worldwide since 1988. Bangladesh's generosity to the Rohingya people stretches back to the 1970s.

The interim government's

articulation of its priorities at this year's General Assembly shows that the multilateral stage remains the place for countries to take stock and secure support from global leaders and partners to progress national priorities.

This year also showed the joint commitment to revitalising multilateralism through the Summit of the Future. In September, the General Assembly adopted the Pact for the Future, the Global Digital Compact, and the Declaration on Future Generations. In the words of the secretary general, "These milestone agreements will help ensure that the United Nations system adapts, reforms and rejuvenates, so it is fit for the changes and challenges around us and delivers solutions for all." The importance of UN reform was echoed in the message of Chief Adviser Prof Muhammad Yunus on UN Day, and we welcome the commitment of Bangladesh to work with the international community towards a stronger UN for a more just, peaceful and equitable world.

This has been a watershed year for Bangladesh. We reflect on the events that have unfolded this year and honour the memory of those who have lost their lives. We recognise Bangladesh's many contributions to the UN system. And we renew our commitment to working together towards a peaceful and prosperous future for all Bangladeshis.