The Daily Star
FOUNDER EDITOR: **LATE S. M. ALI**

Include private sector in tariff talks

Step up diplomatic efforts, domestic productivity to counter US tariff impacts

We share experts' and businesspeople's concerns about the urgent need for measures not just to counter the likely impact of the Donald Trump administration's tariffs but also to ensure that our economic engine runs at a better pace in a changing market reality. A little over two months remain before the 37 percent additional tariff on all Bangladeshi goods exported to the US takes effect. Unless reversed or delayed again by Trump, Bangladeshi garments—our main export to the US—will become more expensive in American markets. In fact, one exporter at a recent roundtable has said they are already receiving pressure for discounts from buyers to absorb the tariff burden.

While the government has taken some steps in this regard—including offering duty-free benefits to more US imports and sending a delegation to negotiate with the US trade office—several experts and exporters have stressed the need for broader and more strategic actions. This daily, too, has previously emphasised the need to diversify our export markets and reduce our overreliance on a single sector, while improving productivity and addressing internal inefficiencies. Even within the RMG sector, there is a need to move towards high-end products and further explore regional markets. Strengthening our "Look East" policy by considering markets like China and Korea could also serve as an alternative strategy.

We must also intensify diplomatic efforts, including by appointing experienced US-based lobbyists. While past governments often used lobbyists primarily for promotional purposes, the interim government must consider appointing a lobbyist group with expertise in trade and business as well as connections with the Trump administration. Moreover, any delegation negotiating trade and tariff issues must include private sector leaders and economists with sound trade knowledge—not just government officials or diplomats.

On the domestic front, we should focus on reducing production costs, but not by slashing wages. Exporters have rightly pointed out the burden of high gas and electricity prices as well as the lack of uninterrupted supply. Proper energy and power policy interventions are needed to address this crisis. Removing logistical bottlenecks and improving cargo-handling efficiency at sea and airports will also help exporters ensure timely deliveries, giving them a competitive edge.

However, policy recommendations such as increasing imports from the US, devaluing currency, or offering more subsidies and incentives to RMG exporters should be pursued only if they serve the broader economy. Instead of taking ad hoc measures driven by narrow interests, the government should consider forming a committee composed of both public and private sector representatives to formulate cohesive strategies. No commitments should be made at international forums without consulting such a committee. Ultimately, we must not enter into disadvantageous deals just to avoid short-term losses.

Change overdue to address student woes

Continued turmoil highlights the need of an education reform commission

We agree with the Centre for Policy Dialogue's (CPD) observation that the government's failure to form an education reform commission has been a significant misstep—one that is proving costlier amid persistent turmoil in many colleges and universities, driven largely by student grievances. The latest unrest involves polytechnic students, who have been protesting for months and are now enforcing a "complete shutdown" of their institutions until a roadmap for implementing their six-point demand is formulated. Earlier, it was the turn of KUET, which has remained closed since a violent clash broke out on February 18, leading to huge academic disruptions, student suspensions, dormitory break-ins, and even face-offs between students and teachers over the former's demand for the VC's removal, which has been subsequently met. This pattern has been repeated on many other campuses since the July uprising.

While it is true that the continued turmoil over student grievances has a lot to do with their newfound power of mobilisation, shrinking the space for negotiation and compromise, a reform commission could have given all involved a sense of direction away from reactive policies. It could have helped address many of the systemic issues plaguing our educational institutions, providing a new, modern vision for the sector. The question is, why hasn't the interim government formed it even after being in power for nearly nine months? At a media briefing on Tuesday, the CPD's Debapriya Bhattacharya claimed to have proposed forming a high-level reform committee to the education adviser in March. This newspaper, too, has published a number of commentaries advocating for such a commission. But for reasons unknown to us, the government decided against it, even though it set up 11 other commissions.

The CPD's proposal was more in line with the demands of polytechnic students as it envisioned a reform committee to overhaul the technical education sector and align it better with market needs. Despite the sector's potential for leveraging our economic transformation, poor planning and monitoring as well as a lingering bias towards general education have meant that Bangladesh is lagging behind its SDG target of ensuring wider and fairer access to quality technical education by 2030. Thus, we are also failing our technical graduates as many of them remain unprepared for the job market, thanks to outdated training, curriculum mismatches, etc.

We, therefore, urge the government to take immediate steps to form an education reform commission, or separate, subject-specific committees, especially focused on higher education. Given the turbulence our educational landscape has witnessed and the course correction it requires amid changing realities globally, the authorities must go for significant reforms instead of always acting under pressure, which may cause further damage in the long term.

DRAFT PUBLIC AUDIT ORDINANCE, 2025

Undermining the CAG's constitutional independence

Mohammad Muslim Chowdhury
is former comptroller and auditor general of Bangladesh.

MOHAMMAD MUSLIM CHOWDHURY

Following the historic mass uprising of 2024 and the subsequent establishment of the interim government, the people of Bangladesh found renewed optimism in the promise of restoring constitutionalism, transparency, and institutional integrity. Years of systemic erosion had left foundational state institutions, particularly those tasked with oversight and accountability, in a state of near collapse. The interim administration was widely expected to reverse this decline by strengthening the very institutions that uphold democratic governance.

Against this backdrop, the approval of the Public Audit Ordinance, 2025 earlier this month has come as a jarring setback. By introducing executive interference into the constitutional domain of the Office of Comptroller and Auditor General (CAG), the ordinance threatens to undermine the very independence that Article 128 of the constitution so clearly protects. At a time when the nation is striving to rebuild trust in state mechanisms, this move not only risks politicising the audit office but also sends a troubling signal about the interim government's commitment to genuine reform. At a time when the people of the country are looking to the interim government to rebuild the corroded institutions and restore their autonomy and independence, such lawmaking is deeply disappointing.

The CAG's authority in Bangladesh is rooted in the country's constitution. Articles 127-129 establish the CAG's office; Article 128(4) expressly enshrines the CAG's functional independence by saying that the auditor general "shall not be subject to the direction or control of any other person or authority" in performing audit duties . This clause is no mere formality; in his authoritative work *Constitutional Law of Bangladesh*, Mahmudul Islam underscores the CAG's constitutional independence, "The nature of the job demands independence of the office and integrity of the holder of office... In order to maintain his independence and immunity from interference of the executive, art. 147(2) provides that his remuneration, privileges and other terms and conditions of service cannot, during his term of office, be varied to his disadvantages." As per Article 129(2), the CAG cannot be removed from their office except in the manner a judge of the Supreme Court may be removed, insulating the office from arbitrary dismissal by the executive.

India's constitution creates the Comptroller and Auditor General of India (CAG-India) under Article 148(1), removable only in the same way as a Supreme Court judge. The Indian Supreme Court recently observed in *Centre for Public Interest Litigation vs Union of India, WP(C) No 194/2025,* "India's constitutional structure gives the CAG both security of tenure and a guaranteed consultative role, resulting in what the court called an 'inbuilt' independence." Even though India's constitution doesn't expressly declare the same which is expressly contained in Article 128(4) of the Constitution of Bangladesh, in this case, Justice Surya Kant noted that because the CAG "can be removed only through a removal motion in Parliament... the provisions have ensured CAG's independence."

These constitutional safeguards ensure that the audit office can operate free from executive interference. It was held in *Supreme Court Advocates-on-Record Association and Ors vs Union of India (UOI) (16.10.2015 – SC)* that "even though the appointment of the Comptroller and Auditor General of India, was exclusively vested with the executive, there had never been an adverse murmur with reference to his being influenced by the executive. The inference sought to be drawn was, that the manner of 'appointment' is irrelevant, to the question of independence. Independence of an authority emerged from the protection of the conditions of the incumbent's service, after the appointment had been made," which includes rulemaking power. Despite the fact that India's constitution lacks a clear provision like Article 128(4) of Bangladesh's constitution, CAG's independence in its operation is upheld by the Indian Supreme Court. Supreme Court Justice P.S. Narasimha recently lauded India's constitution framers for creating strong "Fourth Branch" institutions—including the CAG—to uphold democracy. Such statements reflect a principle shared across democracies: audit institutions must be politically neutral guardians of the public purse.

The provisions in the draft Public Audit Ordinance, as discussed here, are thus at odds with Bangladesh's constitutional design.

First, the draft ordinance, under Section 19, empowers the government to frame audit rules after consulting with the CAG. In effect, it would allow the executive to dictate audit procedures, which is a direct violation of Article 128(4). The draft ordinance's provision conferring the government to make rules is alien to Bangladesh's constitution scheme and contravenes Article 128(4) by making the CAG subservient to the government.

Second, Section 17 of the draft ordinance would oblige the CAG to get prior government approval before entering into a contract or agreement with foreign or regional entities. Such contracts or agreements by the CAG are essential for efficient and effective discharge of his auditorial duties. This section effectively subjects the CAG's activities to executive control, and is thereby contrary to Article 128(4). The requirement for approval from the government in this case would tantamount to the insertion of the constitutionally prohibited "direction and control."

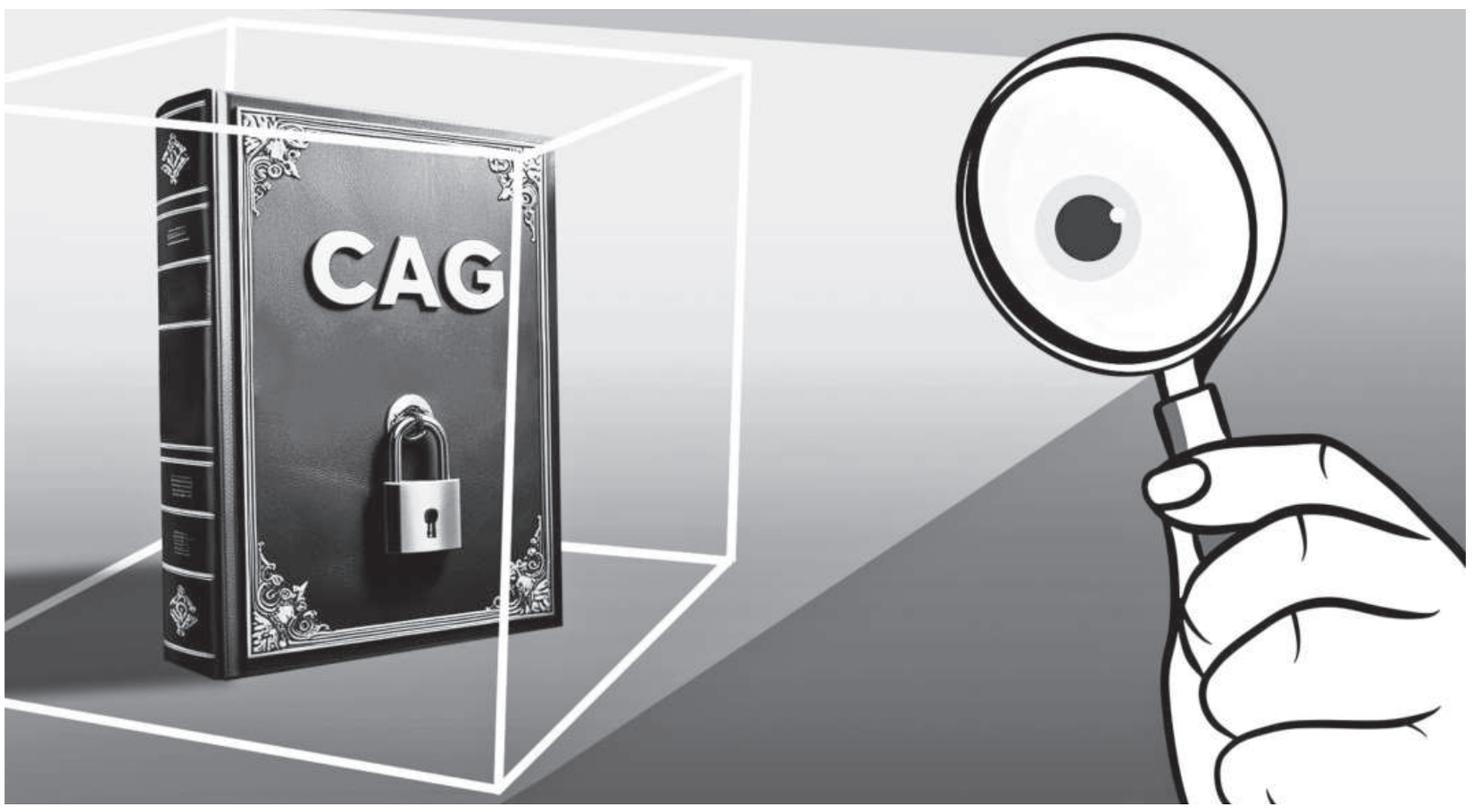
Third, by not including provisions for auditing revenue assessment and collection under Section 6, the draft ordinance completely disregarded the decision by the Appellate Division of the Supreme Court in *Bangladesh and Ors vs Radiant Pharmaceuticals Ltd.* In a 2022 ruling following a writ petition filed by Radiant Pharmaceuticals, the Supreme Court held that "wherever income and expenditure of public money are involved, the Comptroller and Auditor General... has the authority to audit" and report on its propriety. The court explicitly found that the audit department's power to inspect revenue accounts derives from Article 128. It reaffirmed that Section 163(3)(g) of the Income Tax Ordinance, which empowers the CAG to audit tax receipts, must be given full effect. Strikingly, the court warned that if audit findings could not lead to any action, "auditing itself becomes unnecessary." This decision of the Appellate Division is binding as the "law of the land" as per Article 111, and disregarding the same without cogent reasons through a highly compelling, rational, and constitutionally sound explanation is in clear violation of articles 111 and 128(4). This judgment by the apex court underscores why an unfettered CAG is vital: any interference that hampers follow-up on audit findings would render the institution toothless.

Lastly, to truly give effect to the operational independence of the auditor general, as envisaged under Article 128(4) of the constitution, it is essential that greater administrative authority be vested in the CAG office. However, rather than strengthening this independence, Section 16(3) and 16(4) of the draft ordinance curtail it, further undermining the constitutional autonomy of the CAG.

Independence is not a theoretical luxury for the CAG; it is the very foundation of effective public auditing. By constitutional design, the CAG's reports go directly to the president and thence to parliament, bypassing ministers. This unique channel exists so that elected officials cannot alter or suppress audit findings. The Supreme Court of India has remarked that the constitution "provides for unbridled power to the executive to appoint [the] CAG" but then protects the office by requiring removal through parliament, ensuring independence. Diluting this autonomy risks undermining accountability. As the Supreme Court of Bangladesh cautioned, if no action can flow from audit irregularities, then "auditing itself becomes unnecessary."

In other words, a compromised CAG allows mismanagement and corruption to escape scrutiny. Civil society analysts echo this view: the Transparency International Bangladesh (TIB) observed that weakening the CAG's powers could open the door to tax evasion and corruption. The constitutional safeguards of Supreme Court-style tenure and statutory rulemaking for the CAG exist precisely to prevent such outcomes.

In sum, the draft ordinance's contested sections stray far beyond any modicum of reasonable oversight and stray into outright control. They effectively erase the line drawn by Article 128(4), inviting the executive into the CAG's domain. Such a move appears clearly unconstitutional. If put to judicial review, the Supreme Court of Bangladesh would likely find that forcing executive permission for rulemaking and entering into contracts or agreements infringes the CAG's constitutionally protected independence. These provisions are antithetical to the founding vision of the framers of the constitution, who established the institution as an impartial watchdog. It is pertinent that these unconstitutional sections, namely sections 6, 16(3), 16(4), 17, and 19, be modified to fit into the scheme of the constitution before it is too late. May good sense prevail.



VISUAL: **ANWAR SOHEL**

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