

## Bold banking reforms on the cards

### Govt must get all stakeholders on board to ensure full implementation

We welcome the government's decision to undertake a sweeping overhaul of the country's financial sector, as outlined in its latest agreement with the IMF. This includes a detailed three-year roadmap aimed at undertaking comprehensive banking reforms. The plan, also supported by the World Bank and the Asian Development Bank, reportedly comprises a package of legislative, supervisory, and institutional changes designed to restore stability, recover bad loans, and shield taxpayers from future bank failures. Its objective is to establish a long-overdue, government-wide strategy for a banking sector that has been devastated by corruption and a lack of regulatory enforcement over the years.

As of the end of March this year, bad loans in the banking sector soared to a record Tk 420,335 crore. Of this, Tk 300,028 crore was concentrated in just 10 banks, according to data from Bangladesh Bank. Some of these now-underperforming banks were once respected institutions, whose standards of governance deteriorated drastically under the Awami League regime, largely due to political interference. A few were even forcibly taken over, reportedly at gunpoint, by individuals favoured by the former government. Regulators became totally ineffective, often facilitating rule-breaking and corruption, which pushed the sector nearly to its breaking point.

In this context, the introduction of the reform plan—and particularly its substance—sends a positive signal. For instance, the series of laws the government has committed to enacting or amending by the first quarter of FY2026 address several of the sector's most pressing problems. These include a Bankruptcy Act, a Money Loan Court Act, a Distressed Asset Management Act, a Bank Resolution Ordinance, and a Deposit Protection Ordinance. To enhance transparency, the central bank has issued a new rule requiring banks to identify and report their true owners. Furthermore, by amending the Bank Company Act, the government aims to ensure that bank owners and board members are selected based on qualifications rather than political affiliations. For asset recovery, it has reconstituted a special task force, whose performance will be particularly important given the vast sums of money that have been looted from the country.

While such reforms are clearly necessary, it is their implementation that may prove to be more challenging, however. It remains to be seen how much the interim government will be able to achieve, given its limited tenure. The next elected government is expected to oversee the latter phases of the roadmap, so it is essential for the interim administration to bring political parties on board. Considering how such reform plans often fell by the wayside in the past, ensuring strict implementation is key—and that is where the government needs to most focus on.

## Don't lower the bar for name-only parties

### Many parties seeking registration fail to meet basic requirements

We're concerned about the ongoing trend of political parties mushrooming across the country, many of which appear to exist on paper only. While this is nothing new—with elections under the now-ousted Awami League regime similarly attracting many parties, some of which even secured registration for election—what we're seeing under the new dispensation only reinforces the need for proper verification by the Election Commission (EC). According to a report, some 147 parties applied to the EC for registration between March 10 and June 22. Our correspondents recently visited the addresses of 13 applicants in the Paltan area. Strikingly, nine were found to have no central offices or even signboards at those locations, while the remaining four were found huddled on the rooftop of a 15-storey building, sharing addresses in a dubious arrangement. What does this say about the motives of these organisations?

The Representation of the People Order, 1972 lays out clear criteria for registration: a functional central office and committee, offices in at least one-third of the districts or 100 upazilas, proof of at least 200 enrolled voters per office, etc. Although the Election Reform Commission formed after the 2024 uprising recommended relaxing some of the conditions, any changes have yet to be approved, meaning that the EC issued its call for applications based on the existing rules. However, these requirements, even in their current form, are not arbitrary—they are meant to ensure that political parties are rooted in the electorate and capable of sustained political activities. It is vital that the EC strictly enforces these rules before granting party registration and symbols.

In the past, we've seen how name-only parties with no real political base have disrupted electoral environments or become tools for ulterior motives. As experts have observed, many such parties do not even bother contesting elections seriously and seem to exist primarily for financial gains or political leverages. Some vanish after their launch, while others linger around waiting for opportunities. Worse still, too many parties today see politics as an electoral project only, reappearing briefly every five years with grand declarations. But politics is not just about elections. It's about consistent public engagement, ideology-driven activism, and building institutions that outlast individual leaders.

That is why the RPO's provisions around inter-party democracy—elected committees, gender representation, and structural transparency—should be taken seriously. These and other requirements, if enforced properly, can help build a democratic culture in the country. A party that cannot uphold democracy within cannot be expected to champion it for others. Thanks to the sacrifices made during the July uprising, we now have a rare opportunity to reset how politics is practiced. Both established and newly emerging parties, therefore, must prove themselves worthy of the role they seek.

## THIS DAY IN HISTORY

### Vasco da Gama's first voyage to India

On this day in 1497, Vasco da Gama sailed from Lisbon with a fleet of four vessels, and ultimately opened a sea route from western Europe to Asia by way of the Cape of Good Hope, ushering in a new era in world history.



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Not long ago, I heard a story about a friend who went to renew his passport. At the passport office, frustrated citizens stood under the sun, in a long queue, waiting for their turn. Yet, my friend, without hesitation, dialled a number. Within minutes, an officer waved him through a side door. No forms, no lines, just a quiet exchange and swift processing. This wasn't a one-off. In Bangladesh, such shortcuts have become normal. Whether it's renewing a passport, getting a driving license, or transferring a school posting, many use their networks (or money) to bypass the system meant to serve all equally.

This everyday reality is echoed in hard data. The latest survey by the Bangladesh Bureau of Statistics (BBS) reveals a troubling truth: nearly one in three people reported paying bribes to access essential public services. With a sample of over 84,000 individuals from across the country, this is not a fringe issue but a national crisis. Among the most corrupt institutions, the Bangladesh Road Transport Authority (BRTA) tops the list, with more than 63 percent of citizens reporting that they were forced to pay bribes. Close behind are law enforcement agencies, the Department of Immigration and Passports, and the Directorate of Registration. These are not just numbers; they reflect the experience of countless citizens trying to do the right thing but finding the system stacked against them.

The education sector is also deeply affected. Bribes for teacher transfers or school admissions are common, eroding faith in a system meant to uplift the next generation. According to a separate Transparency International Bangladesh (TIB) assessment, during the last decade, citizens paid an estimated Tk 1.46 lakh crore in bribes for basic services. That's not just a statistic; it's money taken from families who often have little to spare.

It is easy to blame corrupt officials or inefficient institutions, but the roots go deeper. Why do people offer bribes in the first place? Because they believe it's the only way to get things done. We accept, and even expect, corruption.



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Water is vital to any city's development, shaping its identity, culture, and future. Dhaka, once intricately linked by its canals, rivers, and wetlands, has lost the natural connection. Rapid and unplanned urban growth, illegal occupation, and neglect have led to the disappearance of many water bodies, making the city prone to flooding, waterlogging, and environmental issues.

The book, *Dhaka's Canals on Their Dying Breath*, by journalist Helemul Alam, is more than just a historical account; it's a passionate appeal for change. With a thorough investigation and a deep appreciation for nature, Alam uncovers the stories behind the disappearance of Dhaka's canals, highlighting the severe consequences of their loss.

His detailed reporting, combined with personal insights, offers a vivid portrayal of the past, present, and potential future of these water systems. The book emphasises the urgency of protecting and restoring canals through environmentally conscious urban planning, making it an essential read for planners, policymakers, environmentalists, and concerned citizens alike.



VISUAL: SIFAT AFRINS SHAMS

It becomes a tool, not just for the powerful, but for ordinary people trying to survive a broken system. And this normalisation is perhaps the most dangerous part of all.

Other countries, despite challenges, offer lessons. Rwanda has made huge strides through digitalisation and strict enforcement. Estonia rebuilt itself after Soviet rule with a foundation in transparency and e-governance. Uruguay, surrounded by more corrupt neighbours, stands out for its institutional strength. Yet none of these countries shares Bangladesh's exact profile: our population, poverty levels, and political landscape are unique. Still, the direction is clear. For Bangladesh to move forward, we need deep institutional reform, starting with empowered, truly independent watchdog agencies. We need to digitise services so that middlemen and gatekeepers can't extort money for what should be simple procedures. We must enforce the law equally, regardless of someone's rank or political affiliation.

And we need to ask ourselves some uncomfortable questions. Every time we slip a note to an officer to speed up our file, every time we call someone for a favour, we are reinforcing the very system we claim to hate. We complain about corruption, but willingly participate in it when it suits us because real change won't come from a few anti-graft raids or the transfer

of a corrupt official. It will come when we stop seeing bribery as a shortcut and start seeing it as a betrayal of our rights and responsibilities. It will come when citizens demand better and refuse to pay for what they are entitled to. So, who is sponsoring the corruption? It's you, me, and us, but that is also a source of power since it is in our hands. But what do we do with that power?

First, let's talk about technology. It's not a magic fix, but a serious enabler. Countries like India have reduced leakages in welfare and ration distribution simply by using biometric IDs and direct cash transfers. In Bangladesh, too, expanding digital platforms like "MyGov", mobile banking, and online service applications can cut out the need for personal contacts or unofficial payments. When you don't have to queue in front of an office or deal with an officer at all, the chances of bribery fall dramatically. Digital footprints also make it easier to track irregularities and hold people accountable.

stronger institutions respond to that pressure.

Third, we need leadership by example. When high-ranking officials or public figures are seen using influence or dodging accountability, it sends a loud message. But when the opposite happens, when someone faces consequences despite their connections, it begins to restore faith. That's not just good governance; that's nation-building.

At the end of the day, this isn't about blaming others. It's about looking in the mirror and asking: What am I doing to change the system? Am I standing in line like everyone else, or am I making a call to skip ahead? The system survives because we feed it. But the moment we stop feeding it, it starts to collapse.

We can be hopeful because real change will come not when we wait for someone else to fix things, but when we decide, as individuals and as a society, to stop sponsoring bribery and start demanding integrity. That is our responsibility. And our power.

# Reversing the decline of Dhaka's canals

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shadows of their former selves—clogged with pollution, suffocated by encroachment, and neglected due to flawed urban planning.

Alam also pointed out that the water retention ponds, originally designed to rescue Dhaka from floods, are now in need of rescue themselves. These basins, meant for stormwater management, are shrinking rapidly

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due to encroachments, unplanned urbanisation, and government neglect.

The book reveals that the efforts of the Dhaka Water Supply and Sewerage Authority (Wasa) to reinforce canals with concrete U-channels have made things worse. These structures have narrowed the canals, therefore reducing their capacity to carry water. Additionally, the original canal boundaries were not maintained, encouraging further encroachment. Additionally, the construction of embankments has cut natural connections between canals and rivers, including the Buriganga and Turag. This separation has disrupted the natural water flow and damaged the city's drainage system. The

author warns that without immediate and sustained intervention, the waterlogging crisis will worsen, as climate change means the city may experience unusually high rainfall at any time.

To reverse this crisis, any flood flow and sub-flood flow zones must be protected. Box culverts should be turned back into open canals where possible. And reviving Dhaka's canals will require restoring their connectivity with rivers, the book argues. Once linked to the Buriganga, Turag, Balu, and Shitalakhya rivers, the canals seamlessly transported excess water.

Protecting retention ponds, recovering canals, and maintaining drainage networks—both surface and stormwater—are crucial to reducing waterlogging. By and large, Alam urges us to take a holistic approach to recover our water channels and waterbodies.

As the city continues to grow, this book stands as both a warning and a guide. It calls on citizens, planners, and decision-makers to reconsider how waterbodies fit into urban life. By adopting greener strategies, Dhaka can reclaim its waterways and build a healthier future in harmony with nature. In a time when cities around the world are learning to live with water rather than fight it, Helemul Alam's work reminds us of what's possible. It encourages us to reflect on our relationship with water and inspires hope that, through collective will and smart planning, Dhaka can move toward a more water-sensitive future.