

How power and profit paralyse Dhaka's transport system



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Persistent traffic congestion, smog choked air, and a fleet of poorly maintained buses define Dhaka's transport reality. These conditions are often described as a functional crisis. Yet, despite decades of sophisticated, internationally supported planning, efforts to modernise the city's transport system have faced continuous setbacks. This chronic disorder is not merely a technical failure awaiting the right managerial fix; rather, it appears to be a stable, politically constructed equilibrium that generates significant private rents for an entrenched political-economic network.

Evidence from the past 15 years confirms the remarkable resilience of this system. A 2009 World Bank study identified a network of bus syndicates, politicians, police, and trade unions that successfully frustrated reform. Fifteen years later, a 2024 Transparency International Bangladesh (TIB) report identifies essentially the same network of challenges, suggesting that the system is not unstable; it is highly resilient. The immobility experienced by the public, in this view, is the external cost of a rigid and established stakeholder arrangement.

The core dynamic driving Dhaka's transport dysfunction is a consolidated private network that views public transport not primarily as a service, but as a private rent-generating asset. The bus sector is dominated by powerful owner-worker associations, which benefit from close affiliations with political parties. According to TIB's 2024 study of registered bus owners, nearly 92 percent of them are associated with political parties, with 80 percent affiliated with the then-ruling party. This level of integration gives the network the capacity to exercise influence over decision-making and to share in the resulting illicit gains.

The returns from this system are substantial and quantifiable. According to the TIB report, the economy of unregulated financial transactions linked to private bus and minibus operations amounts to nearly Tk 1,059.37 crore annually. This figure represents the price paid by operators to maintain operational flexibility, shielding them from strict safety regulations, traffic enforcement, and effective regulatory modernisation.

At the operational level, an estimated

Tk 2.21 crore is generated daily from buses and hauliers at terminals and street-level hotspots. This massive, decentralised cash flow ensures that on-the-ground agents—enforcement bodies and local political actors—become integral stakeholders in the revenue stream rather than neutral arbiters of the law. The persistence of the entire system derives from this alignment of interests: owners secure profits, political patrons gain resources, and enforcement channels receive revenue.

Furthermore, the macro-level arrangement is protected by an institutional landscape marked by complexity and fragmented authority. Dhaka's transport sector is overseen by a wide array of institutions, including seven ministries and 13 agencies. What is often perceived as administrative inefficiency can, from a political economy perspective, be understood as a structural condition that dilutes accountability. By dispersing regulatory oversight across numerous bodies, the system effectively shields politically powerful, rent-seeking networks from meaningful state-led reform.

The Dhaka Transport Coordination Authority (DTCA), intended to serve as the central coordinating body, remains limited in effectiveness and demonstrably lacks the capacity and empowerment to coordinate effectively. The repeated failure to strengthen the DTCA, despite decades of plans calling for such reform, is viewed by some analysts as a successful defence of the profitable, decentralised rent model.

For micro-scale operation, the network's private profits are translated into everyday practice on the streets through a common

contractual arrangement known as the "daily deposit basis." This practice is a central mechanism fuelling driver behaviour, congestion, and operational impunity. Under this system, the bus owner is guaranteed a fixed daily deposit, insulating them entirely from market volatility and risk. The full burden of operational costs—traffic congestion, fluctuating fuel prices, and crucially, the daily payments required to ensure operational flexibility—is transferred to low-wage drivers and conductors.

To survive financially by meeting the deposit target, covering external costs, and earning a personal income, drivers are structurally compelled to violate traffic laws, speed, and compete recklessly. This contractual transfer of risk creates an urgent pressure to maximise daily revenue. In effect, transport workers bear the operational costs while sustaining the wider political-economic apparatus through their daily earnings.

So-called "soft" reforms aimed at fixing the foundational bus service, which would directly threaten the existing daily deposit model, are consistently undermined. The 2021 Dhaka Nagar Paribahan pilot, under the Bus Route Rationalisation committee, was designed to consolidate fragmented operators into a unified franchise system, but it ultimately failed. It was defeated by significant resistance from bus operators and internal political influence.

In contrast, capital-intensive infrastructure projects, such as expressways, are actively championed because they create new opportunities for large-scale procurement and construction rents. This strategy of selective implementation allows

decision-makers to project an image of modernisation and problem-solving, while simultaneously creating space for financial overruns and opaque procurement practices. In effect, political pressure and donor funding are diverted away from fundamental bus reform—the politically sensitive solution that would disrupt the persistent and profitable mechanisms underpinning the existing network.

The limited success of technical transport plans in Dhaka is a predictable outcome of deep-seated political-economic dynamics. Moving beyond this profitable equilibrium requires reform that is not merely administrative, but politically determined. Any viable path forward must confront the underlying political economy by directly challenging regulatory vulnerabilities through targeted scrutiny and enforcement of illicit transactions within key regulatory bodies. It must also establish a genuinely empowered and unified transport authority with clear executive authority to integrate planning and enforcement across the metropolitan area, overcoming institutional fragmentation. Finally, it requires reforming operational incentives by legally abolishing the structural risk-transfer model and enforcing a transparent and stable wage structure for transport workers.

Until the political and economic costs of maintaining this organised disorder outweigh the immense private benefits it generates, Dhaka's paradox of immobility will persist. The challenge is not one of finding the right technology, but of generating the political will to confront a deeply entrenched system.

COP30's outcome: A diplomatic setback



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The 30th Conference of the Parties (COP30) to the UN Framework Convention on Climate Change (UNFCCC) produced a lackluster outcome by any measure, as reflected in many post-COP analyses. This remains significant because COP outcomes continue to shape the direction, pace, and credibility of global climate diplomacy, even when they fall short.

The COP presidency undertook extensive year-round preparations, circulating a series of letters, appointing around two dozen foreign and national envoys, and establishing four high-level leadership circles, including one of finance ministers. These initiatives were meant to mobilise global support to uphold multilateralism and align climate negotiations with people's lives. The presidency even decried the "banality of inaction" and pledged to avoid the "brutality of inaction" seen at previous COPs.

Despite such resolve, the Political Package largely represents non-substantive and non-effective decisions. This matters because weak outcomes at one COP often lower ambition in subsequent negotiations. The two cardinal issues of climate diplomacy—ambitious mitigation and climate finance—failed to pass even a minimum test.

Aspirations for ambitious mitigation are not backed by real commitments, as reflected in more than 60 formally recorded new Nationally Determined Contributions (NDCs), with slightly higher unofficial counts cited during COP30. Even the word "fossil fuel," or a reference to the previously agreed "transition away," was absent from the text. This avoidance points to a troubling alliance of major emitters from both developed and developing countries, to which the presidency itself appeared complicit.

Alongside being the largest producer of petroleum and other liquid fuels in South America, reports suggest that vast stretches of the Amazonian coastline hold a major share of newly discovered reserves. Even weeks before the COP, the host government commissioned offshore drilling, ignoring strong opposition from global advocacy groups. A report by the Stockholm Environment Institute further notes that by 2030, fossil fuel production will be double the level compatible with emissions reductions needed to keep the 1.5 degrees Celsius target under the Paris Agreement within reach.

Although climate finance was not a prominent agenda item, adaptation

finance was promoted under the banner of a "COP of Adaptation and Implementation." There was a "call for efforts to at least triple adaptation finance by 2035," without specifying any baseline. Based on the Glasgow COP26 decision to double adaptation finance by 2025 compared to the 2019 level of \$20 billion a year, the least developed countries (LDCs) have called for \$120 billion annually by 2030.

A "call" is a weak operative verb, and a call for "efforts" does not amount to a commitment. Once again, there is a blatant use of constructed ambiguity in the decision text, allowing rich countries a wide scope for subjective interpretation. If UNEP's latest



FILE PHOTO: REUTERS

estimate of \$26 billion for adaptation finance in 2023—down from \$28 billion in 2022—is any indication, the tripling target is unlikely to be met by 2035.

Brazil did, however, succeed in launching its flagship initiative, the Tropical Forest Forever Facility (TFFF), with an initial capitalisation target of \$25 billion and pledges amounting to \$6.7 billion. A key reason for holding COP30 in Belém, a relatively small city in the Amazon, was to mobilise resources for the TFFF, even though the city was arguably ill-equipped to host an event of this scale.

This raises a recurring question: what is the utility of continuing the COP process when even minimal agreed outcomes fail to justify such hugely expensive annual gatherings? Yet, no viable alternative exists for a universal climate negotiation platform. The frequent extension of COPs beyond the stipulated two weeks itself signals dysfunction. Many negotiators from small countries are

cohesive group, leads the process. Ozone diplomacy under the Montreal Protocol succeeded largely due to US leadership, supported by European countries. A genuine global crisis like climate change cannot be resolved without similar strong leadership.

However, current global trends—including a fraught geopolitical and geo-economic environment, the US withdrawal from the Paris process, the rise of right-wing politics in rich countries, sharp cuts in foreign aid by major European governments, and renewed emphasis on military security at the expense of climate security—do not bode well.

Western European countries, historically the most progressive bloc, remained largely muted, perhaps due to President Trump's distancing from their economic and security concerns. China, too, maintained a low-key presence, unlike in previous COPs. Yet, as the largest emitter and the global leader in green technology, China retains the capacity to fill this leadership vacuum.

China is no warmonger, historically

forced to leave early, while those who remain are exhausted by late-night, non-stop negotiations. Decisions are then hastily gavelled through, often overlooking dissenting voices, on the argument that consensus does not mean unanimity.

Amendments to decision-making are technically allowed under Article 15 of the UNFCCC and Article 22 of the Paris Agreement, based on a three-fourths majority vote, but only as a "last resort." This option is unlikely to be exercised, as developing countries command more than three-fourths of the majority.

Consequently, negotiators repeatedly defer unresolved issues to future meetings or settle for innocuous work plans. Despite climate change affecting all countries, vulnerability and interdependence have failed to anchor negotiations in pragmatic realpolitik. The raw pursuit of national interests by major emitters continues to prevail, even within climate diplomacy.

The persistent intractability of fundamental issues reflects a dire lack of leadership. History shows that multilateral negotiations succeed when a powerful country, or a

or in modern times. It possesses unparalleled liquidity, enabling it to establish two development banks operating across continents. After the Paris Agreement, it also created the South-South Solidarity Fund to support climate action in developing countries. With greater transparency, high concessionality,

and easier accessibility, this fund could meaningfully address the needs of climate-vulnerable nations. The institutional foundations for leadership are already in place.

Perhaps the world must wait and observe China's tradition of reflection before action. Yet, one thing is clear: no other country

currently has the potential to assume leadership in addressing this extraordinarily complex global commons challenge. One can only hope that when the Asian turn comes in 2027, China hosts COP32 and demonstrates such leadership in confronting the defining global crisis of our time.

Government of the People's Republic of Bangladesh

Department of Social Services
Samajseba Bhaban, E-8/B-1
Agargaon, Dhaka-1207

Date: 15.12.2025

Invitation for Tenders

1	Ministry/Division	Ministry of Social Welfare		
2	Agency/Department	Department of Social Services, Agargaon, Dhaka-1207		
3	Procuring entity name	Director (Admin & Finance), Department of Social Services (DSS), E-8/B-1, Agargaon, Dhaka-1207.		
4	Procuring entity code	Not used at present		
5	Procuring entity district	Dhaka.		
6	Invitation for	Procurement of Training and Training Materials (Event Management)		
7	Invitation Ref No.	41.01.0000.013.07.05.25-		
8	Date	15.12.2025		
KEY INFORMATION				
9	Procurement method	(OTM) Open Tendering Method		
FUNDING INFORMATION				
10	Budget and source of funds	Revenue Budget, GOB		
11	Development partners (if applicable)	Not applicable		
PARTICULAR INFORMATION				
12	Tender Package No.	DSS/2025-26 SRO-03		
13	Tender package name	Procurement of Training and Training Materials (Event Management)		
14	Tender publication date	15.12.2025		
15	Start of tender document selling date	21.12.2025		
16	Tender last selling date	28.12.2025 (office working time)		
17	Tender closing date and time	29.12.2025 Time: 12:00pm		
18	Tender opening date and time	29.12.2025 Time: 12:30pm		
19	No conditions apply for sale, purchase or distribution of tender documents			
Receiving tender document	1st Floor, Department of Social Services (DSS), E-8/B-1, Agargaon, Dhaka-1207.			
Opening tender document	1st Floor, Department of Social Services (DSS), E-8/B-1, Agargaon, Dhaka-1207.			
20	Place/date/time of	1st Floor, Department of Social Services (DSS), E-8/B-1, Agargaon, Dhaka-1207.		
	Pre-tender meeting (optional)	Date: 24/12/2025, Time: 12:30pm		
INFORMATION OF TENDERER				
21	Brief eligibility and qualification of tenderer	Upgrade trade license, current income tax certificate, VAT registration, related experiences and other requirements described in the tender document, as per tender		
22	Brief description of goods	Package No. 1, Lot-1: Event Management		
23	Brief description of related services	As specified in the Tender Document		
24	Price of tender document (Tk) (each lot)	As deposit of 2000.00 Taka (non-refundable) for Lot 1 must be deposited in the Government Treasury through online Challan Code: 1422328		
Lot No.	Identification of lot	Location	Tender security amount (Taka)	Completion time in weeks/months
1	Procurement of Training and Training Materials (Event Management)	Dhaka	3,90,000.00 (three lac ninety thousand Taka only Pay Order/Bank Draft/Bank Grantee from any schedule bank of Bangladesh Bank.	30 June 2026 (Contract may extend for the fiscal year 2026-27 as per conditions mentioned in tender documents)
PROCURING ENTITY DETAILS				
25	Name of official inviting tender			
26	Designation of official inviting tender	Director (Admin & Finance)		
27	Address of official inviting tender	Head Office, Department of Social Services, E-8/B-1, Agargaon, Dhaka		
28	Contact details of official inviting tender	Phone: +8802 55007022 (office working time)		
29	The procuring entity reserves the right to reject all tenders or annul the tender proceedings.			

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