

# Unmasking the systemic crisis behind our deadly roads



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Bangladesh stands at a crossroads where our economic progress is being held back by profound structural failures, and nowhere is this more starkly visible than in the transport sector. When a bus loses control and plunges into the depths of the Padma River while waiting to board a ferry, as it happened recently, it is not just an accident; it stands as a harrowing symbol of our fragile transport system that frequently allows for such tragedies. According to the Bangladesh Jatri Kalyan Samity, the death toll from road accidents in 2025 was 9,111, averaging 25 lives lost every day. But such annual or monthly figures are often a fraction of the reality, as they mostly account only for those who die on the spot. For example, according to the WHO, the actual death toll in 2021 was 31,578, whereas local estimates cited only 7,809.

In public health, the severity of a crisis is measured by the case fatality rate. For Covid-19, this rate was 1.45 percent; for dengue, it is 0.45 percent. But for road accidents, this rate has consistently hovered between 18 and 36 percent over the last decade. Another statistic underscores this horror: Bangladesh is among the countries with the highest fatalities per vehicle. It records 102 deaths per 10,000 vehicles, compared to just 13 in neighbouring India and seven in Sri Lanka. So, every time a vehicle hits the road here, it is significantly more dangerous than in most countries.

The reasons behind this relentless procession of deaths in Bangladesh are manifold. Among them, one factor that is seldom discussed is the role of fiscal policy. Import duties on new, safety-equipped vehicles range from 100 to 300 percent. This high tariff is not limited to private cars; it extends heavily

to public transport. The total tax incidence on passenger buses averages 36 to 59 percent, while for minibuses, it ranges from 89 to 127 percent. For large air-conditioned buses, the burden is even higher. These exorbitant rates do not just prevent individuals from buying safer vehicles; they also stifle the import of modern public transport, effectively serving as a state "incentive" to keep aged, unfit vehicles on the road.

Safety is further compromised through steep duties on life-saving equipment. Tariffs on high-quality helmets range from 58 to 90 percent; airbags and sensors face tariffs of 59 to 107 percent; and brake pads or linings incur tariffs of 58 to 89 percent. On average, anyone seeking to repair a vehicle with new parts faces a tax burden of 58 to 107 percent. Consequently, most mechanics in Bangladesh resort to using substandard or second-hand parts, further escalating the risk of accidents. Our roads thus remain haunted by dilapidated vehicles with zero crash-test ratings; in other words, "mobile death traps" devoid of basic safety features, such as airbags or advanced braking systems.

The scarcity of public transport is another driver of this crisis. Bangladesh has one of the lowest rates of motorisation globally, a shortage that forces the repeated repair of old vehicles and encourages chronic overloading. A big part of the problem here is the corruption festering within the Bangladesh Road Transport Authority (BRTA). It is an open secret that vehicle fitness certificates are often provided without inspection, while "contract" licences are handed to unskilled drivers for a price.

A 2025 survey revealed that 63.29 percent of

BRTA service recipients had to pay bribes. This is compounded by powerful syndicates and "token systems," where unfit vehicles ply the roads under the very nose of the administration in exchange for fixed extortion. Currently, over 600,000 vehicles are unfit or without updated fitness certificates, and many drivers are either unskilled or unlicensed. According to Transparency International Bangladesh, annual corruption and extortion in the road

rarely permanently fixed. As a result, tragedies keep recurring in the same locations, year after year. Furthermore, pedestrian safety is virtually non-existent. While overpasses exist in considerable numbers, pedestrians rarely use them. Unlike in many other countries, Bangladesh also does not have enough signalled zebra crossings. Pedestrians now account for nearly one-third of all road fatalities.

passengers remain perpetually at risk.

Finally, our grasp of post-accident management—the "golden hour"—is negligible. The persistent lack of skilled paramedics and modern trauma centres on our highways means that many who survive the initial impact die en route to the hospital. The uncontrolled surge of motorcycles and reckless speeding by young riders has further worsened the crisis. The lack of medians and faulty road signs also continues to confuse drivers, with fog or rain often leading to disastrous consequences.

To cure these system-wide issues, we must adopt the following strategic measures immediately.

First, fiscal reform is essential: high import duties on safe, modern vehicles should be reduced to the extent possible, and taxes on public transport and essential spare parts (helmets, brake pads, etc.) eliminated. Second, the BRTA must be reformed: it must be fully depoliticised, and the licensing and fitness processes digitised to ensure complete transparency. Corruption must be met with swift, proper punishment. Third, the emergency response system should be strengthened by establishing modern trauma centres and paramedic units at regular intervals along highways. Fourth, traffic laws must be strictly enforced, with driving hours properly regulated and regular drug tests mandated.

Fifth, all "black spots" must be permanently fixed; ferry and launch boarding platforms and pontoons must be modernised; and regular zebra crossings, traffic signals, and automated railway gates must be ensured. Sixth, there must be zero tolerance for extortion: the "token system" and syndicates must be abolished, and sufficient traffic cameras installed for automated enforcement. Finally, the government should establish a high-powered commission for the transport sector to ensure direct accountability.

Undertaking all this will be a big challenge, of course, but it still must be done given the ever-increasing human toll. The new government must act decisively to deliver meaningful results.



Rescue efforts are underway following the plunge of a bus into the Padma River at the Daulatdia ferry terminal, March 26, 2026.

PHOTO: SUZIT KUMAR DAS

transport sector amount to approximately Tk 1,060 crore. Moreover, most transport owners are directly involved in politics, contributing to political criminalisation of our roads and highways.

The quality of roads is also to blame. Some surveys suggest that 80 percent of Bangladesh's roads are "1-star" rated, largely due to rampant engineering flaws and the lack of pedestrian access. While "black spots" or accident-prone areas are identified, they are

Added to this are the inhumane working hours of drivers. Long-haul drivers operate for days without adequate sleep, often handing the steering wheel to unskilled assistants. Unlike in many countries, where driving hours are strictly regulated and violations carry severe penalties for both the owner and the driver, our system remains largely lawless. Furthermore, nearly 22 percent of drivers reportedly use narcotics while on duty. Without professional training or mandatory drug testing, the lives of

# Our LDC graduation strategy needs revision, regardless of deferral outcome

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Bangladesh's graduation from a Least Developed Country (LDC) status is no longer a distant milestone; it is an immediate test of readiness and economic resilience. With graduation set for November 2026 and a possible extension under consideration, the real issue is not timing, but preparedness.

The country first met all graduation criteria in 2018 and in June 2021, the recommendation for graduation from LDC was endorsed with a five-year preparatory period. In early 2025, the Smooth Transition Strategy (STS) to ensure a sustainable graduation was released, providing a sound framework. It is organised around five strategic pillars: ensuring macroeconomic stability; exploring and securing trade preferences and favourable transition measures; promoting export diversification and competitiveness; building productive capacity (including technological upgrading and innovation); and building partnerships and international cooperation. Although it is structurally sound, the context it was prepared in has shifted.

While the UN's enhanced monitoring

process allows for crisis-based review, including deferment, the uncertainty surrounding it carries real costs: delayed compliance, postponed investment, and weakened policy momentum. Bangladesh must be "graduation-ready" regardless of the outcome of this process. The urgency is reinforced by economic realities. Exports fell by nearly five percent to \$47.74 billion in 2025 compared to 2024, and RMG, accounting for 84 percent of exports, took a hit due to weak global demand. Meanwhile, the World Bank and several think tanks estimate that poverty has risen above 20 percent since the last Household Income and Expenditure Survey in 2022. GDP growth has slowed to 3.49 percent in the fiscal year 2024–25, and inflation remains elevated, leaving little room for poorly sequenced transition measures.

In this context, what the STS requires is execution clarity. A strategy becomes credible when it makes tough choices, assigns owners and relevant actors for the specific deliverables, clarifies financing, and includes contingency planning for shocks. The update should therefore focus less on adding more "actions" and more on making the existing actions implementable and measurable so that the STS remains credible whether graduation occurs in 2026 or later.

The preparation timeline itself explains the gap. The STS was drafted in a global environment shaped by expectations of post-pandemic recovery and economic stabilisation. Those assumptions no longer hold. The global economic environment has shifted dramatically. Ongoing wars in Eastern Europe and the Middle East have triggered severe energy market volatility. These shocks directly affect the economic

resilience required for a smooth graduation process. Besides, domestic macroeconomic pressures have also intensified. Bangladesh is confronting liquidity constraints, slowing revenue growth, and persistent inflation. At the same time, the country continues to bear major fiscal and humanitarian responsibilities, including hosting over a million displaced Rohingya refugees.

Moreover, trade and investment are increasingly shaped by sustainability, labour, and governance standards. Without aligning the STS with Environmental and Social Governance (ESG) priorities, such as green finance, renewable energy, social inclusion, and governance reforms, Bangladesh risks losing competitiveness in sustainability-linked trade regimes. The policy landscape has also changed following the 2024 political transition, with a new government pursuing stabilisation and structural reforms. The committees formed under the STS in early 2025 also need to be revisited due to massive changes in the political leadership and bureaucracy. This will help address any knowledge gap and hidden pitfalls. Therefore, it is both logical and necessary to reassess whether the existing graduation roadmap aligns with current economic priorities and policy commitments. The following can help recalibrate the STS.

First, a "decision calendar" and scenario annex should be added to the STS. It should list time-critical decisions for 2026–27, such as market access pathways, rules-of-origin and compliance readiness, Trade-Related Aspects of Intellectual Property Rights (TRIPS)/Intellectual Property (IP) preparedness steps, and reform of incentives with deadlines and named owners. If deferment is granted, the

STS should also include a 2027–29 calendar, but the 2026 calendar should remain as a baseline to avoid complacency.

Second, a focused preference transition package centred on RMG but linked to diversification should be introduced. The STS should include a market-by-market map showing which preferences change when; a compliance and rules-of-origin readiness plan (at both factory-level and border-level); and a realistic trade-negotiation sequencing plan. This package should be paired with a "diversification shortlist" (a small set of non-RMG product clusters and service exports) and a trade-cost reduction checklist (ports, customs, standards).

Third, the STS should have a TRIPS/IP and pharmaceuticals readiness annex. World Trade Organization (WTO) decisions give LDCs a general TRIPS transition until July 1, 2034 (for pharmaceuticals, the deadline is January 1, 2033), or until a member ceases to be an LDC, whichever is earlier. Since these flexibilities are linked to LDC status, the STS should include a concrete post-graduation preparedness checklist.

Fourth, the financing pillar must be strengthened to ensure a clear transition financing strategy. The amended STS should outline how Bangladesh will fund competitiveness and resilience investments despite tight fiscal space. This includes near-term domestic revenue measures, smarter spending that protects social protection and productivity, and a pipeline of bankable projects to attract blended and climate finance.

Fifth, the government should deepen engagement with the UN, technical agencies, and development partners to secure targeted

capacity-building support. A core group of professionals from key sectors should be trained to manage the transition, while trade bodies and the private sector develop preparedness plans and strengthen capacity in negotiation, market positioning, and collective bargaining.

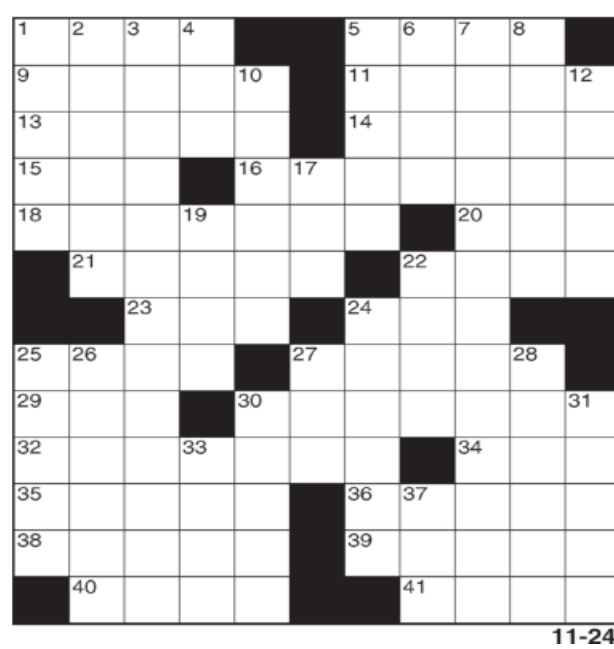
Sixth, shock-responsive social protection and stress testing must be embedded in the STS. Graduation will not be sustainable if adjustment costs fall on vulnerable groups. Therefore, those most exposed to graduation risk should be identified by sector, region, and gender and responses should be predefined, including temporary support, active labour market programmes, and targeted safety nets.

Seventh, the STS should mainstream green finance, renewable energy, labour standards, gender equity, and disability inclusion, while strengthening independent monitoring and accountability. Positioning export sectors as ESG-compliant will be essential to access premium markets and meet evolving trade requirements. Clear mechanisms should track macroeconomic performance, ESG indicators, and the business climate, supported by annual public reporting to build confidence and sustain reform momentum.

Revisiting the Smooth Transition Strategy now through clear timelines, preference transition, TRIPS and pharmaceutical preparedness, transition financing, and shock-responsive social protection would strengthen Bangladesh's position. By embedding ESG principles, improving the ease of doing business, and sequencing reforms with accountability, the STS can become a credible roadmap for a more sustainable and competitive economy, whether graduation occurs in 2026 or later.

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BY THOMAS JOSEPH

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