

## **Focus writing for bank job**

### **Day 04 (development related topics)**

*Prepared by M Mostafa Kamal*

#### **(11) Vision 2041**

Who does not dream to live in ease and comfort with high social safety net and free healthcare facilities in old age? The plain answer is this is the lifelong dream and desire of all the people from Bangladesh to Barbados and from Peru to Portugal. It is needless to say, only a developed and prosperous country can make a peaceful abode for its citizens not only ensuring all basic and fundamental needs but also providing the taste of prosperous life. Bangladesh, a country of huge population and minimal natural resources, is marching towards economic progress at an unstoppable speed. As a part of its long term vision, Bangladesh dreams to be a developed country by 2041.

##### **What vision 2041 is**

Vision 2041 is a charter for moving towards a prosperous future earmarked by the government under the leadership of Sheikh Hasina soon after assuming power in 2008. It is a national strategic plan to farther develop the socio-economic standing of the country. To convert vision 2041 into a development strategy, the government is formulating the Perspective Plan 2022—2041 (PP 2041) with required policies and programmes with a view to bringing changes in agriculture, industry, trade, education, health-care and communication. Bangladesh's goal is to become an Upper Middle Income Country (UMIC) by 2030 and High Income Country (HIC) by 2041.

##### **Objectives of vision 2041**

The objectives of vision 2041 are as follows-

- (i) Reducing poverty level to zero ( extreme poverty level to 0.68 per cent)
- (ii) Making hunger free country
- (iii) Raising per capita income upto \$ 12,500
- (iv) Increasing GDP growth upto 9.9 per cent
- (v) Increasing tax collection to 15 per cent of GDP
- (vi) Reaching 100 per cent literacy rate
- (vii) Reducing population growth to less than 1 per cent
- (viii) Increasing investment ratio 46.9 per cent
- (ix) Raising average life expectancy to 80 years
- (x) Growing export earnings to \$30 billion annually
- (xi) Raising power generation to about 60,000 MW
- (xii) Decentralization of economic and administrative power

##### **Key drivers for changing economic status by 2041**

To be a developed country we need high economic growth, and the following key drivers are expected to play determining role—

##### **(i) Padma Multipurpose Bridge**

The Padma Bridge is expected to transform the lives of 30 million Bangladeshis through increased trade and connectivity. According to the survey report, the economic impact of the bridge will help increase the annual GDP of the south by 2.0 per cent and the overall GDP of the country by more than 1.0 per cent.

### **(ii) Dhaka Metro Rail**

Dhaka Metro Rail (MRT Line 6) is projected to serve more than 60,000 passengers per hour, with wait time approximately 4 minutes, and travel time less than 40 minutes (the entire route from Uttara to Motijheel, distance 20.1 km) at a speed of 100 km/h. It is expected that Savar and Tongi will come under the coverage of Metro Rail by the year 2035.

### **(iii) Atomic Power Plant**

The nuclear power plant under construction at Rooppur in Pabna includes two units, Rooppur Unit-1 and Rooppur Unit-2 with a capacity of 1.2 GW each. Rooppur Unit-1 is scheduled to commence operation in 2023, while Rooppur Unit-2 is due to come online in 2024.

### **(iv) Special Economic Zones (SEZs)**

Bangladesh has decided to establish a total of 100 SEZs over the next 15 years. These zones would mobilize private investments from home and foreign sources, create employments, raise the rate of exports greatly.

### **(v) Matarbari Deep Sea Port**

Matarbari deep sea port, the first deep sea port of the country, is under construction where ships with the capacity of 8000 TEU containers will be able to dock. When the ship starts commercial operation in 2026, transportation cost will reduce by 15 per cent.

### **(vi) Blue economy**

Bangladesh's marine resources are blessed with rich aquatic ecosystems that accommodate a wide range of biodiversity, including fish, shrimp, molluscs, crabs, mammals, marine algae etc. One of the most different countries of Bangladesh's economy is the Bay of Bengal and the maritime Belt.

Other key drivers are Rampal Power Plant, Payra Sea Port, Hi-tech Park, Free Lancing, Modernization of agriculture for food security and nutrition, Human capital development, Institutional development (governance, democratization, capacity building) and so on.

In conclusion, it can be said that the road to transform Bangladesh into a developed country over the next two decades will not be smooth as we will have to overcome some tougher challenges including making corruption free and people friendly civil administration, creating millions of employment opportunities for increasing number of unemployed people, reducing the barriers to the smooth functioning of trade and commerce, transforming the economy into industry based from agricultural one, removing the economic stagnation caused by Covid-19, improving power generation and distribution, and making the masses technology canny. However, Bangladesh has already proved its capacity in overcoming different man-made and natural disasters. Thus, we can say with confidence that Bangladesh will successfully overcome the barriers and be a developed country by 2041.

## **(12) Bangladesh Delta Plan (BDP) 2100**

Killing thousands of lives in the hands of deadliest natural disasters, vanishing homelands within moments in riverbed owing to river erosion, salinity intrusion and water logging in the houses and cultivable land in coastal area, long lasting flood, cyclone, unavailability of drinking water, draught, ground water declination caused by climate change are pushing thousands of people of our country in distress and making them destitute every year. Isn't there any permanent solution to this? Yes, it is robust, adaptive and integrated Delta Plan and the implementation of the same.

### **What Bangladesh Delta Plan (BDP) 2100 is**

The Bangladesh Delta Plan (BDP) 2100 is a long term integrated techno-economic mega plan that integrates all delta related sector plans and policies, enveloping a Delta Vision and strategies that make it possible to integrate sector plans and policies for the long term and to present actionable interventions with a roadmap for realization. The government of Bangladesh has approved the Delta Plan 2100 in 2018 to secure the future of water resources and mitigate the likely effects of climate change and natural disasters.

BDP 2100 agenda are classified as short term ( 2018- 2030) SDGs, midterm ( 2031 – 2050) and long term ( 2051 – 2100)

### **BDP 2100 approach to long term goals**

The BDP 2100 proposes 3 high level national goals and 6 BDP 2100 specific goals that contribute to achieving these high level goals.

#### **Higher level goals**

Goal 1: Eliminate extreme poverty by 2030;

Goal 2: Achieve upper middle income status by 2030;

Goal 3: Being a prosperous country beyond 2041

#### **BDP 2100 specific goals**

Goal 1: Ensure safety from flood and climate change related disasters

Goal 2: Enhance water security and efficiency of water usages

Goal 3: Ensure sustainable and integrated river systems and estuaries management

Goal 4: Conserve and preserve wetlands and ecosystems and promote their wise use

Goal 5: Develop effective institutions and equitable governance for in-country and trans-boundary water resources

#### **Strategies**

Strategies developed at 3 levels

##### **National level**

- Flood Risk Management
- Fresh Water

##### **Hotspot level**

- Coastal zone ( 27,738 sq.km)
- Baring and Drought Prone Areas ( 22,848 sq. km)
- Haor and Flash Flood Areas 9 16,574 sq. km)
- Chottogram Hill Tracts ( 13,295 sq.km)
- River System and Estuaries ( 32,204 sq.km)
- Urban Areas (9 19,823 sq.km)

##### **Cross cutting issues**

- Sustainable Land Use and Spatial Planning
- Agriculture, Food Security and Livelihood
- Trans-boundary Water Resources Management
- Dynamic Inland Water Transport
- Blue Economy
- Renewable Energy
- Earthquakes

#### **Investment cost of BDP 2100 and Financing options**

BDP 2100 Investment Plan (IP) consists of a total of 80 projects: 65 are physical projects and 15 are institutional and knowledge development projects at the first phase up to 2030. Its total capital investment cost is BDT 2,978 billion(US \$ 37 billion). All projects are expected to start within the next eight years though given the scale and programmatic nature of some investments, construction in some cases will extend over decades.

- Total investment need for new projects and maintenance of new and old projects is about 2.5% of GDP per annum. Presently it is only 0.8% of GDP.
- Out of total required 2.5% of GDP, some 0.5% of GDP could be funded by private sector.
- About 2% of GDP would need to be executed through the public sector. Of which about 0.5% of GDP would need to be spent on O&M activities and the remaining 1.5% of GDP should come under the BDP 2100 IP. It may be noted that at present O&M is very much neglected and the actual amount may not even more than 0.1 % of GDP.

Bangladesh has undertaken a project of 4 years to support and follow-up implementation of BDP 2100 with assistance of the Government of the Netherlands. The following projects of BDP 2100 IP are being implemented by the GOB:

- Dredging and Excavation of Canals and Small Rivers in 64 districts (1<sup>st</sup> Phase): Total project cost- BDT 2279.55 crore( US \$ 268 million ). The project is being implemented by Bangladesh Water Development Board (BWDB).
- Dredging/ Re-excavation of Bangali- Karatoa- Hurasagor River System and Bank Protection Project: Total Project Cost- BDT 2335.60 crore (US\$ 275 million). BWDB has already started execution of the project.
- Urir Char Cross Dam in Noakhali project with total cost of BDT 533 crore (US\$ 63 million) is now awaiting for approval of the Planning Commission.

### **Investment Priorities**

Priority areas of investment are flood protection, river erosion control, river management including river training and navigability (likely to absorb 35% of total Delta investments). Besides, the investments in urban water supply, sanitation, waste management, and drainage in major cities coupled with rapidly growing concentration of population and economic density in these areas suggest that this category will absorb at least 25% of delta investment. Apart from this, the lack of water and sanitation services in small towns and rural areas suggest that these areas will call for massive investments in these services. This category may absorb as much as 20 % of total BDP 2100 investment up to FY2031.

In conclusion it can be said that Bangladesh Delta Plan 2100 is a century long plan to ensure safe, climate resilient and prosperous delta. This is undoubtedly a mounting and massive task, and thus it requires not only huge investment from home and abroad but also commitment and endeavour from the major political parties of the country. At the same time, co-operation from all walks of people is a must to walk through this long and tiresome path.

## ***(13) Affordable and clean energy***

The resources and energy of this world are scarce but the demand for the same is sky high as the world we live in is the abode of about 8 billion people. To ensure maximum benefit with using limited energy and without harming the environment, we have no viable alternative to clean energy with affordable price. The earlier we can ensure affordable and clean energy for the increasing number of population, the sooner we can make a liveable earth for our future generation.

### **What affordable and clean energy means**

Sustainable Development Goal 7 is one of 17 Sustainable Development Goals established by the United Nations General Assembly in 2015. It aims to ensure access to affordable, reliable, sustainable and modern energy for all. As energy supply accounts for around 60% of global greenhouse gas emissions, it has to be clean but affordable. While some 17% of energy consumption is now met with renewables, the Intergovernmental Panel on Climate Change warns this needs to hit around 85% by 2050 to avoid the worst impacts of climate change.

### **How to ensure affordable and clean energy**

Ensuring universal access to affordable electricity by 2030 means investing in clean energy sources such as solar, wind and thermal. Adopting cost-effective standards for wider range technologies could also reduce the global electricity consumption by buildings and industry by 14 per cent. This means avoiding roughly 1,300 mid-size power plants. Expanding infrastructure and upgrading technology to provide clean energy in all developing countries is a crucial goal that both encourage growth and help the environment.

## **Present scenario in affordable and clean energy in Bangladesh**

Bangladesh has national target of increasing the share of renewable energy by 20 per cent of total energy consumption within 2030. However, according to the Sustainable Development Goal (SDG) tracker, only 3.5 per cent of the total energy was produced by renewable energy sources till 2018. According to Sustainable & Renewable Energy Development Authority (SREDA), the share of renewable energy was 3.25 per cent including off-grid in 2019. The SDG goal number seven is to ensure access to affordable, reliable, sustainable and modern energy for all. Under this goal, Bangladesh prioritizes two targets:

1. Ensure access to electricity for 100 percent population
2. Increase renewable energy share in total final energy consumption to 20 percent.

Bangladesh is quite ahead in terms of the first target, according to Bangladesh Power Development Board (BPDB), about 99 per cent of people have access to electricity. Whereas, in case of the second target, the country is hugely lagging as it only consumes 3.25 per cent renewable of total consumption including off-grid. Bangladesh mostly started emphasizing on solar power in recent years, and 61.5 per cent renewable energy has been measured from solar sources. Currently, solar power production capacity is 393MW including off-grid. Hydropower has been considered the second highest renewable source of power in terms of generation of capacity. Sadly, since 1988 no hydropower plant was established in Bangladesh. The only hydro power-plant “Karnafuli Hydro Power Station” has the capacity of 230 MW. Except Feni Wind Power Plant, since 2006, Bangladesh has not been able to run any other grid wind power plant, though there are four ongoing wind power projects. Currently, very little amount of electricity is produced from bio-gas and bio-mass, but those are off-grid. The government has targeted to generate 1370 MW of electricity from wind energy by 2021. To achieve the target, the government started wind resource mapping in nine places. Data were collected but any other progress is yet to be observed. Besides the on-grid plant, there are two other off-grid wind power plants in Kutubdia of Cox’sBazar. These plants have been operating before the wind mapping projects were launched. There are four other on-grid projects including the Feni Wind Power Plant with target capacity of 72.9MW. The other two were supposed to be operating by 2019 but those are still under the planning phase.

Future projects suggest that total amount of renewable energy use will increase, however, the share of renewable energy of total consumption may not be improved. There are some big projects which will increase renewable energy such as the 500 MW solar energy programme, 1 MW Grid Connected Power Plant Based on Municipal Solid Waste and 4 wind power projects. However, the large projects are not from renewable energy sources such as the Rooppur Nuclear Power Plant, 2x660 MW Moitri Super Thermal Power Project (Rampal), Matarbari Ultra Super Critical Coal –Fired Power Project.

In conclusion, it can be said that the steps taken by Bangladesh to ensure affordable and clean energy are praiseworthy as the houses of the people living up to remote areas are lit by electricity. Solar energy is surely a big source of electricity not only in remote villages but also in urban areas. It has to be acknowledged that in comparison with the target of 20 per cent energy share from renewable sources of total consumption, the production of renewable energy is losing the race. The production in renewable energy source is going in an arithmetic rate, while the same of non-renewable energy source is going in a geometric rate. Without adopting new sources or technology, it is very hard path to reach the target. Nevertheless, we are hopeful that Bangladesh will gradually overcome all the challenges and ensure affordable and clean energy for all.

## (14) E-governance

Boredom, harassment, procrastination and even misbehavior are quite common in many of the government offices of most of the third world countries. The sufferings and resentment of the service seeking citizens can hardly be minimized without ensuring transparency and accountability of the departments providing services to the masses. E-governance is such a tool that can play magical role in ensuring transparency, equitability and accountability in service delivery to the citizens.

### **What e-governance is**

Electronic governance (e-governance in short) involves the use of Information and Communication Technology (ICT) and its numerous applications to the processes of government functioning in order to bring about 'Simple, Moral, Accountable, Responsible and Transparent ( SMART) governance. In a broad sense, e-governance means applications of ICT in public administration to conduct processes to effectively manage data and information to enhance public service delivery for empowerment of the citizens.

### **Types of e-governance**

G2G (Government to Government), example includes e-secretariat, e-police, e-court etc.

G2C (Government to Citizens) vis-à-vis C2G Citizen to Government), example includes land searches, vehicle registration.

G2B (Government to Business) vis-à-vis (Business to Government), example includes e-taxation of the employees working in the corporate sector, e-license to the business organizations.

G2E (Government to Employee) vis-à-vis (Employee to Government), example includes e-training of employees, providing employees information about pay and benefit policies.

### **Popular examples of available e-services**

Registration for Covid-19 vaccine through Surokkha App, registration for e-passport, application for birth registration certificate, registration for admission to academic institutions, publication of results of examinations, registration for pilgrimage, online submission of tax returns, online tendering, online banking, online bill payments, and many more are example of popular e-services in our country. Besides, telemedicine services, video conferencing for the treatment of diseases and video conferencing for administrative activities are special examples of e-services available for rural development.

### **Benefits of e-governance**

The benefits of e-governance include but not limited to the followings-

- Making public administration fast and effective (for the digitalization of information, time in decision making is reduced by 80 to 90 per cent)
- Providing transparent, equitable and accountable service delivery to the citizens
- Stimulating economic growth and promoting social inclusion of disabled and vulnerable section of the society
- Providing benefits in the form of new employment, better health, better education, knowledge sharing, skill development and capacity building for sustainable development
- Eliminating middlemen
- Saving both time and money (almost all the information can be obtained in two to five days instead of two to three weeks in traditional system from District Information Cells)
- Rising capacity of various departments of the government (capacity of the departments providing land related papers has increased by 40%)
- Helping boost in private sector ( through establishing Hi-tech Parks and Startup business)
- Ensuring scope for integration and analysis past data
- Developing effective link between the government and the citizens
- Reducing corruption and harassment

## Government's initiative to e-governance

The government of Bangladesh is working relentlessly to make the path of e-governance smooth and effective for the citizens of the country. The government has set up five thousand Union Information Service centres which are surely a great boost for e-service delivery, especially for rural arrears. Turning eight thousand village post offices and approximately five hundred upazila post offices into e-centres and the introduction of mobile money order and postal cash cards are significant endeavour taken by the government. Apart from this, District Information Cells, National Information Cells are also revolutionary additions for e-services for the citizens. Positions of Bangladesh as per UN E-government Development Index (EGDI) is as follows-

Year	Rank	Score
2016	124	.3800
2018	115	.4862
2020	119	.5189

In conclusion, it can be said that the citizens of Bangladesh have already started deriving the benefits of e-governance in their everyday life. By bringing all the service departments of the government under e-governance platform, the government can make people friendly public administration on the days coming ahead and can send corruption, irregularities and mismanagement to museum.

### (15) Good governance in banking sector

Banking sector is regarded as an integral part of blood circulation of any nation. The role of banking sector in making a country prosperous in economy is undeniable. Bangladesh which is in the highway of development cannot ensure sustainable development if banking sector fails to keep with overall growth and development because of lack of good governance.

**What good governance means:** Good governance, in general, means an ideal governing system free from corruption, forgery, mismanagement. It ensures accountability and transparency. Examples of banks where good governance exist include Federal Reserve Bank of Canada, European Central Bank etc. Lack of good governance in both state owned banks and private banks of Bangladesh is not only inviting growing incidents of various irregularities, corruption and plundering in the banking sector but also obstructing the country's desired development. Though the proportion of non-performing loan (doubtful debt) is 3 or 3.5 per cent considered standard globally, it is about 20 per cent in the country's state owned banks for lack of good governance. If the financial sector lacks discipline, the other sectors will badly be affected and the nation will not be able to get proper benefit from the GDP growth.

**Why good governance is needed:** Good governance in banking sector is crying need for myriad reasons. First and foremost, loan forgery has been very frequent in banking sector. If good governance is ensured, loan forgery can fully be controlled. Besides, classified loan is abnormally high in many banks in our country. By ensuring good governance, bank's credit risk and management system can largely be improved. In addition, ensuring transparency, internal audit, monitoring, supervising and ensuring prompt trial instead of the culture of impunity are very crucial, and good governance is a must for this. Moreover, good governance in banking sector prevents money laundering, corruption, scams and irregularities. Last but not least, it ensures regulations, compliance as well as confidence of the depositors and clients.

### **Steps to be taken to ensure good governance in banking sector:**

- i) The bank authorities should be strict in scrutinizing applications for loans, assessing qualifications of the applicants before approving any loan.
- ii) The corrupt bank directors and officials should be brought to justice for approving clandestine loans and misappropriating funds.
- iii) The loan defaulters should be brought under punishment.
- iv) Strict action should be taken against employee theft.
- v) Effective monitoring should be maintained by Bangladesh Bank.
- vi) Integrity in policy making should be ensured.

Finally, it can be said that the rules and norms of the country's banking sector are highly standard but lack of proper enforcement and culture of impunity has been working as incentive for those involved in the swindling in the sector. Thus Bangladesh Bank should properly use its power of autonomy without bowing down to any political pressure and interference to bring back discipline and to establish its strong monitoring in the banking sector.

## **(16) Green Banking**

The growing concern for environment sustainability throughout the world has given rise to some new concepts. Green banking is one of them. Green banking means promoting environmental friendly practices and reduction of carbon footprints from everyday banking activities. It aims at improving the operations and technology along with making the client habits environment friendly in the banking business. Green banking will be mutually beneficial to the banks, industries and the economy. Like many countries of the world, banking sector in Bangladesh has started to adopt green banking.

**Green banking in mitigating risks:** Green banking is very important in mitigating the following risks involving in banks.

**i) Credit risk:** Due to climate change and global warming there will be direct as well as indirect costs to banks. It has been observed that due to global warming there has been extreme weather condition which affects the economic assets financed by the banks thus leading to high incidence of credit default. Credit risk can also arise indirectly when banks lend to companies whose businesses were affected due to changes in environmental regulation.

**ii) Legal risk:** Banks like other business entities face legal risk if they do not comply with relevant environmental regulation. They also face the risk of direct lender liability for cleanup cost for damages in case they actually take possession of pollution causing assets.

**iii) Reputation risk:** Due to increasing environmental awareness banks are prone for reputation risk if their direct or indirect actions are viewed as socially and environmentally damaging. Reputation risks emerge from the financing of environmentally objectionable projects.

### **Strategies:**

To respond green banking, banking sector is adopting a number of strategies which include but not limited to the followings –

**i) Carbon Credit Business (CCB):** All nations must reduce greenhouse gases emission and reduce carbon to protect our environment.



**ii) Green banking financial products:** Banks can develop innovative green based products or may offer green loans on low rate of interest.

**iii) Paperless banking:** All banks are shifting on CBS or ATM platform providing electronic banking products and services. So there is a scope for banks to adopt paperless banking.

**iv) Energy consciousness:** Banks have to install energy efficient equipment in their offices. Banks have to transform this green banking in hardware, waste management, energy efficient technology products. Banks can donate energy saving equipment to schools and hospitals.

**v) Mass transportation system:** Banks have to provide common transport for groups of officials posted at one office.