

# **LEGAL INSIGHTS**

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# **Bangladesh Economy to be 24th Biggest in 2036.** - predicts The Centre for Economics and Business Research

Bangladesh is set to become the 24th largest economy out of 191 countries by 2036, owing to its ability to attract large foreign investments, the rising RMG demand, and macroeconomic stability. The Centre for Economics and Business Research (CEBR) disclosed the findings recently in its annual World Economic League Table (WELT 2022) report, stating that Bangladesh has been among the world's fastest growing economies over the last decade.



The country is forecast to place 41st in 2022 up from its current position of 42, reaching the 34th place in 2026, before eventually jumping to 24th in 2036. This represents an economic boom during the ongoing, as well as, the next decade. Previously, the nation held 58th, 59th, and 46th positions in 2006, 2011, and 2016 respectively, indicating an upward trend in economic performance and consistency in growth. As of 2021, the think tank classifies Bangladesh as a lower middle-income country. In the report, the Bangladesh Government's efforts to maintain a low debt-to-GDP ratio and operate a fiscal deficit of 5.9% in FY21 was mentioned in glowing terms.

On the other hand, the Covid-19 mortality rate was observed to be comparatively lower than most countries worldwide – as of mid-December 2021 – with more than half of the residents vaccinated with at least one dose. It stated that the nation's vaccination drive was in line with global standards.

Apart from rising international demand for ready-made garments (RMG), which ensures a hefty amount of income from exports, the report mentioned that a large volume of foreign investments is entering the country's telecommunication industry driven by a competent workforce skilled in information and communication technology. Over the last few years, China has invested heavily in Bangladesh's economy as its strategic location provides an ease of trade accessibility via the Indian Ocean.

The report also mentioned that despite the coronavirus pandemic, the country's economy expanded by 3.5% in 2020, a rare achievement compared to international standards. This was due to the strong remittance inflows and rebound of exports. The CEBR expects Bangladesh to have 4.6% economic growth this year.

However, the report mentioned that the economy might face multiple hurdles while achieving a medium to long term outlook as it is yet to diversify exports beyond RMG, incorporate sustainable production processes for zero net emissions, and address infrastructural gaps for reducing disparities across geographical regions. India has been holding the top position in the South Asian region since the first edition of the report came out in 2009, and is forecasted to become the 3rd largest economy by 2031.

Bangladesh is currently the second largest economy in the region, says the report, and will continue to keep its position till 2036 with a GDP size of \$884 billion at constant prices (currently \$325 billion). Pakistan (46th) holds the third position followed by Sri Lanka (69th), Nepal (99th), Maldives (154th), and Bhutan (164th) in South Asia. The United States (1st), China (2nd), and Japan (3rd) are currently the top three economies in the world, and it is forecasted that China will become the largest within the next decade.



Md. Khalid Ahammed Khan and Others - v/s -The Government of Bangladesh and Others. WRIT PETITION NO. 7443 of 2020 High Court Division

### **Background Facts:**

The 05 (five) petitioners were appointed by Bangladesh Petroleum Exploration and Production Company Limited (hereinafter referred to as BAPEX) after qualifying in the examination both written and viva voce. Thereafter, they joined their per direction of the respective posts as respondents. In various times they were promoted after their juniors which was contrary to the Employees' Service Regulations of 'BAPEX', 2002 (amended- 2010). Regulation 13(2) states that where several employees are appointed, the appointing authority shall fix the date of their seniority according to the merit list prepared by the selection committee. In this case, seniority was fixed on the basis of date of joining despite the employees being of the same batch appointed on the same day.

## Issues before the Court:

The issue before the court was whether the BAPEX authority should be directed to cancel the existing graduation list of its employees based on seniority of joining date and modify the seniority of such based on the merit list prepared by the Selection Committee in case of employees having same appointment date and being in the same batch.

## Reasoning of the court:

The court observed that there are two provisions directing the rule of seniority among employees in the BAPEX Employees' Service Regulations, 2002. The first provision stipulates seniority of employees in a post on the basis of their joining date. The second provision stipulates that, in case the employees of same batch are appointed on the same day, there seniority should be determined by the merit list prepared by the Selection Committee.

The merit list is prepared by the Selection Committee on the basis of the employees' performance in their written and viva voce examination for the job in BAPEX. And the petitioners successfully showed the court that in all the cases, lower score holders as per the merit list had been considered senior on the basis of joining date and promoted prior to them. The court cited several similar matters previously addressed by the same court and also relied on the Appellate Division judgment on Jibon Bima Corporation and others vs. Mohammad Abu Kawser Jalil and others in Civil Appeal No. 281 of 2010. Where similar provision of service rules were discussed and interpreted. And on the basis of the consistent decisions of the both Divisions regarding the interpretation of regulation in question the court was of the view that Regulation 13 of the BAPEX would also be interpreted accordingly.

## Decision:

The respondents were directed to amend/modify the seniority list and fix seniority of the service of the petitioners in view of Regulation 13(2) of the BAPEX employees service Regulations, 2002 with all its trappings seniority, arrear of pay and other benefits forthwith so far as it relates to the petitioners only.



# **Legislative Updates**

## Synopsis of the Highways Act, 2021

The National Parliament of Bangladesh has repealed the Highways Act, 1925 for the purpose of developing a modern, improved, and efficient transport highway system, infrastructural development, safe and dynamic traffic, construction, development, operation, management, and maintenance of necessary highways as wells as to ensure safety on highways. The official gazette notification was published on 7th December 2021. Few major definitions can be sought to understand the new Act.

### **Definitions:**

#### - Interchange:

Interchange means infrastructure with smooth access and exit from one road to another at the junction of multiple roads.

#### - Expressway:

Expressway means a controlled access highway for uninterrupted vehicular traffic.

#### - Strategic Highways:

Strategic highways means strategic highways declared by the government for use in the interests of national security or for emergency, wartime or disaster use.

#### - National Highways:

National highways are the divisional headquarters, seaports, airports, land ports, major river ports, economic zones, export processing zones, roads connecting container terminal depots with Dhaka or a circuit connecting other divisional headquarters with one divisional headquarters and circular ring.

#### - Highways:

In the case of highways, in addition to the national, regional and district highways, which are part of the road network of the Department of Roads and Urban Development, inter-country, inter-regional and continental highways located within the geographical boundaries of Bangladesh –

(a) Land included in the right of way of the wrapper.

(b) slopes, sidewalks, eyebrows, borough-pit and adjoining ditches of highways;

(c) all lands and highway embankments adjacent to highways under the control of the Department;

(d) any installation or structure underground or built on the highway; etc.

Under the new Act the Government have the power to control the access to highways including temporary closure of highways and using the highways for utilities subject to certain conditions provided in sections 6, 7 & 8. If the government need to acquire any land for expressway or highway(s), they shall be abide by the Immovable Property Acquisition and Occupancy Act, 2017.

Additionally under section 11 of the said Act, the relevant persons vested with the power to construction. enter and inspect the development or other related matters, shall conduct such activities in accordance with the provisions of the Act. Furthermore, the Department of Roads and Highways shall be responsible for the safety of the Highways by ensuring adequate measures laid down in the Act and other relevant laws thereto to reduce the possibility of accidents and safeguarding necessary steps and procedures. lt is mentionable to insert that, certain rules and restrictions has been imposed by the Act through section 9 and they are as follows -

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# **Legislative Updates**

#### Prohibitions and Restrictions on the Use of Highways

- Highways shall not be used for drying crops or any other commodities such as crops, hay or any other such
- No pedestrian shall be allowed on any place other than the designated place on the highway or in any place on the highway for any purpose other than the purpose permitted under this Act.
- No billboards, signboards, arches or anything similar may be hung or placed on the highway without the permission of the Department of Roads and Highways.
- No one other lane except for the designated lane of the highway should be used for slow moving vehicles
- No other vehicle shall be allowed to run on the highway except the for the vehicles prescribed by the Government by notification in the Official Gazette.
- Cattle may not enter, cross, graze, walk or stand on the highway through any place other than the place designated by the Department of Roads and Highways.
- Vehicles that drop or emit harmful substances may not be driven on the highway
- U-turns may not be constructed in any place other than those designated by the Government
- No damage can be done to the divider on the highway
- The height of any infrastructure altar along the designated boundary of the highway shall not in any way be higher than the surface of the highway.
- No installations may be constructed within the protection line of the highway

- No part of the highway may be used for construction of infrastructure, setting up of bazaars or for commercial purposes without prior approval of the Government.
- No soil, sand, rocks, or anything related to the highway may be removed from the highway or any part of the highway.
- No object or obstruction shall be placed on the highway which may cause danger or damage to any person or vehicle.
- Construction materials may not be placed on highways or any part of highways
- No litter, rubbish or other objects may be dumped or piled up on the highway, sidewalk or any part of the highway.
- No person shall remove, damage, destroy, alter or cover any traffic sign, sign post, road marking, street light, road safety material, road safety fence, road demarcation post, kilometer post etc. on the highway.
- No person shall, without the prior approval of the Department, change the direction of the reservoir near the highway or obstruct the normal flow of the reservoir.

Penalty for violating relevant provisions of the Act may ranges from BDT 5,000.00, 10,000.00, 25,000.00, 50,000.00, 1,00,000.00 to BDT 5,00,000.00. Also, for violating the provisions of section 9(11) – no installation may be constructed within the protection line of the highway & 9(12) - No part of the highway may be used for construction of infrastructure, setting up of bazaars or for commercial purposes without prior approval of the Government.

Therefore, the person(s) so committing may be punished with an imprisonment for maximum of two (2) years including fines.

# National Skills Development Authority and Establishing Skill Development Institutions in Bangladesh

In this age of industrial and socio-economic boom, there is a necessity to catapult the mass population of Bangladesh to a skilled workforce, both in the domestic and overseas realm. According to BMET (Bureau of Manpower, Employment and Training), more than 55% of the Bangladeshi expatriates are semi-skilled or low skilled resulting in low-wage earnings.



In 2012 a National Skill Development policy was approved by the cabinet with the common goal of reforming Bangladesh's skills development system. The policy factored in the views of ensuring a focus on demand driven, flexible and responsible training provision, nationally recognized qualifications with international standard, competency-based training and assessment, industry and private sector involvement, flexible institutional management, promotion of workplace learning and recognition of prior learning.

With these aims of the policy in the table, the government enacted National Skills Development Authority Act 2018 (Hereinafter 'NSDA Act 2018'), to basically establish a National Skills Development Authority (Hereinafter 'NSDA') who will be the torchbearers of the above-mentioned goals.

## **Basics of Registration**

The NSDA is empowered by the NSDA Act to register institutes which intend to provide skill development training and award certificates at national level. As per section 16(1) of the NSDA Act 2018, the institute which intends to provide skill development training and award certificate at national level shall be registered in such manner as may be prescribed by the NSDA. The registration process shall be governed as per the requirements stated in the Skill Development Institute Registration Guideline. The application to form a skill development institute will be made addressing the Executive Chairman, Bangladesh Skill Development Authority appointed under section 5(2) of the NSDA Act. The application shall be made along with the required documents as per the Registration Guideline. The establishment and functions of such Institutes shall primarily be governed by NSDA Act 2018 and rules, regulations, notifications made in these behalf, including the National Skill development Authority Rules 2020 (NSDA Rules), Skill Development Institute Registration Guideline 2019 (Registration Guideline), Course Accreditation Guideline 2020, Assessment Centre Accreditation Guideline 2020, Course Accreditation Documents by National Training and Vocational Qualifications Framework (NTVQF).

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### **Certain Requirements for Registration**

For registration of the Institute, along with the application all requirements to provide skills training for at least one occupation and 100 sqm space for the provision of that training must be ensured. The proposed institute must have an electricity connection and in case there is no electricity connection, it must be provided by solar power or generator or any other form of source. The institute also must have fire extinguishment facilities in the premises. The classrooms (lecture area) and labs (practice area) for every occupation must have necessary furniture/sitting arrangement for at least 30 trainees.

### **On Funds**

In case of Institutes under private ownership, a running fund of minimum BDT 2,00,000 (taka two lac) must be kept, and an up-to-date attested bank statement must be submitted along with the application. Moreover, a permanent reserve fund in the form of Fixed Deposit Receipt (FDR) of minimum BDT 3,00,000 (taka three lac) must be kept and a bank statement for proof must be submitted along with the application. It is to be noted that money from the permanent reserve cannot be withdrawn without the approval of the Authority.



### **Administrative Requirements**

The proposed institute must hire permanent teachers, trainers, ensure necessary infrastructure, and active labs or workshops as per the requirements provided in the Registration Guideline and Course Accreditation Documents for the preferred course(s). After complying with all the prerequisites to run an institute and duly provide training for at least one trade, an application for the registration of such institute along with application for course accreditation for relevant courses should be made to the Executive Chairman of the NDSA.

### The Entity type of a Skill development Institute

Apart from government institutions, such skills development institutions can be formed and run by individual ownership or joint ownership or a registered Company, Voluntary Organization, Trust or Manufacturing or Service Industries, NGO etc. After the formation, it will be an autonomous body under the supervision of NSDA. There is no standard format of governing board provided by NSDA. The owner of the Institute has total discretion on formation of the governing board.

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## **On Certification, Curriculum and Courses**

This Act opens the gate for private institutes to provide training and certification based on nationally recognized curriculum devised by Bangladesh Technical Education Board through its NTVQF. NTVQF is an initiative of the Government of Bangladesh funded by the European Union and supported by the International Labour Organization for improvement of the technical skills set of Bangladeshi workers in the international labour market. Therefore, certification based on this standard is to be highly regarded by the international community while assessing the quality of our labour force.

The proposed institute will provide training for different trades and occupations as per the Competency Based Training & Assessment (CBT&A) under NTVQF. The courses and relevant curriculum can be found on the website of Bangladesh Technical Education Board <a href="http://www.btebcbt.gov.bd/login/auth">http://www.btebcbt.gov.bd/login/auth</a>. There are 96 different courses in different levels which vary from Welding, Plumbing, Automotive Mechanics, Sewing Machine Operation, Cooking, Ceramic Glazing, Poultry Meat Processing, Pharmaceutical Packing, Foundry Works etc. to Graphic Designing, Web Designing, Ticketing and Reservation etc. in 10 different sectors like Construction, RMG, Pharmaceuticals, Agro Food Processing, Tourism and Hospitality, ICT, Ceramics etc. The trainees shall be certified after being assessed by NSDA as per the Assessment Guideline. Assessment is done by accredited assessors following the central standard of NSDA.

### **The Registration Process**

Usually, the registration process takes at least 45 days as provided in the citizen charter of the Authority. As per the Registration Guideline and meeting with the authority we gathered the information that once an application is made for registration, the recommendation committee will scrutinize all submitted papers and information to fulfills verify whether the application requirements as per the Registration Guideline. They normally convene a meeting once in a month for this purpose. Once the recommendation committee is satisfied, they will set a date for inspection of the proposed institution.



In their visit, they will check the validity of the information provided and the proposed institute's capability to provide proper training as per NSDA requirements. After physical inspection, both the Recommendation Committee and Inspection Committee will submit a report and proposal to the Executive Chairman for registration of the Institute.

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Based on that proposal, the Executive Chairman will register the Institute under the NSDA for 5 (five) years. Before 3 (three) months of completion of the said 5 (five) years, the institute will have to apply for registration renewal with updated information in the provided format to the NSDA. It is pertinent to mention here that training can only be provided using the premise mentioned in the registration documents and which is authorized by NSDA. To provide training in a different premise, the intended party must obtain another registration from NSDA. Government fee for registration of the institute is BDT 5,000 and accreditation of each course in the institute's framework requires course accreditation fee of BDT 5,000 in addition to fulfilling the material and administrative requirements for the relevant courses.

### A note from the Authorities

From discussion with the Authority officials, it is viewed that they are moving forward with a positive attitude and eager to entertain interested and competent institutes to enhance the quality of our labour force. NSDA is working on building a central database, National Skills Portal (NSP) containing all its services and information along with the information of the competent labour pool and live job information worldwide for better and smooth communication with the international labour demand. The NSP is regulated centrally and captures the whole skills ecosystem of the country ensuring effectiveness, transparency, and accountability of all related stakeholders. However, success of this endeavor will only be ensured in effective co-operation between the government and the private sector investors with a view to turn the population load into a skilled human capital.



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