



COAST Foundation Press Release

Include income taxpayers in the proposed “Universal Pension Scheme 2022”, civil society demand

01 June 2022: the civil society representatives have demanded to include the income taxpayers directly in the proposed Universal Pension Scheme [UPS] that is going to announce in the upcoming national budget for 2022-23 fiscal years. They also recommended to the government to hold mass participation and take their opinion to design an effective and sustainable pension scheme. The seminar is organized by the COAST foundation in Dhaka national press club.

Dr. Quazi Kholiquzzaman Ahmed has chaired the event. The seminar is moderated by Dr. Tofail Ahmed, Chairman of COAST Foundation. Barrister Shamim Haider Patwari-Member of Parliament (MP), Md. Abdul Majid-Ex Chairman of NBR, Mr. Mahabubul Hoque, Additional Secretary of General Economic Division (GED), Dr. Nilufar Banu-ED Bangladesh Unayan Parishad, Dr. Mesbahuddin Ahmed-Jatiya Sramik Jote, Mr. Fazlul Hoque- Executive Vice President ASA, Mr. Asgor Ali Sabri, Executive Director-SBF and many others have participated and spoke. The keynote was presented by Md. Ahsanul Karim from COAST.

In a keynote presentation, Ahsanul Karim said that our PM [Prime Minister] has announced the UPS which is welcome and seen as a flickering light in the future for our senior citizens. But the approach of UPS is somehow commercial instead of focusing on right based approach, while Bangladesh is a welfare state constitutionally. Apart from the draft “Pension Authority Act-2022” is denied an inclusive process and has provided infrangible leverage for bureaucrats to design and implement which is fact question of effectiveness and sustainability. He put a few demands those are (i). The income taxpayers will be included directly as they are key resource mobilizer to develop the country and has the right to get the benefit, (ii). The government will have to allocate a portion of the amount from tax resource mobilization through the national budget every year, (iii) Provide a sovereign guarantee of the pension fund security by govt. and (iv). Introduce inclusive participation and mass opinion will be taken to design the pension scheme for its effectiveness and long-term sustainability.

Md. Abdul Majid, ex-chairman of NBR, our tax system is not working with welfare focused, that’s why it hardly serves the people’s rights. The government has introduced the UPS that’s good but needs deep analysis to make it effective and with proper structuring. He also opines the existing tax system needs revision to address directly benefit the people then they will encourage to pay more tax.

Barrister Shamim Haider MP said the proposed UPS is like an investing instrument scheme that needs to revise for shaping an institutional frame to serve all levels of people based on their economic status. The revision must be done before submitting it to the cabinet meeting.

Dr. Tofail opined that government employees get their benefits more quickly than in people-centered welfare schemes as they are controlling the policy frame. The UPS is now one of the options that can benefit the people who pay taxes both direct and indirectly. He recommended govt. to bring the “Zakat Fund” under a regulatory frame in mobilizing substantial resources for UPS through paying tax incentives.

Mr. Mahabul Hoque says the 8th Five-Year Plan has adopted the UPS where 50% will be from tax financing. We have a plan to increase the Tax-GDP ratio by at least 12%. If we can be successful on it then additional money will support us to finance the UPS.



Dr. Mesbah focused on the issue of accountability and good governance as a burning question of proposed UPS and its process of implementation. Since there is a lot of evidence of misappropriation of resources and people's money. As here a billion amount of funds is involved, where only bureaucratic dependency is doubt of its success instead of inclusiveness and multistakeholder participation.

Dr. Quazi Koliqzaman said the Awami League political manifesto is to make the country a welfare state. All initiatives of our government are to be focused on ensuring justice and the welfare of the people. Poor people must be supported through the pension scheme. So make the pension scheme people-focused within the quickest time.

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