

Universal Pension: Ensuring Financial Security for All Citizens

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One of the conditions of sustainable development is to involve all citizens in the development process and establish a just society by creating equal opportunities for all. One of the responsibilities of a welfare state is to ensure the financial security of all citizens, especially the elderly population, in a non-discriminatory social structure. Article 14 and 15 of the Constitution of Bangladesh framed by Bangabandhu Sheikh Mujibur Rahman, the greatest ever father of the Bengali nation, have given instructions in this regard. To realize Bangabandhu's dream of establishing a non-discrimination society, his daughter Hon'ble Prime Minister took the first initiative to bring the elderly population under a sustainable and well-organized social security structure. To this end, he announced the introduction of a universal pension system in the budget session of 2022-23 fiscal year, along with a clear commitment to introduce a universal pension system on the eve of the 2008 parliamentary elections. In continuation of this, the Universal Pension Management Act, 2023 was enacted under which the Hon'ble Prime Minister announced the auspicious opening of the Universal Pension Program on 17 August 2023. This initiative of the Honorable Prime Minister is a landmark public welfare step in the history of Bangladesh, which will be considered as a certificate of retirement financial security for all citizens. Under the development philosophy of Hon'ble Prime Minister Jannetri Sheikh Hasina, the goal of building a middle income country by 2031 and a happy and prosperous developed smart Bangladesh by 2041 has been set. To implement this goal, a well-organized social security structure is being constructed under the strong leadership of the honorable PM to ensure the social and financial security of the elderly population of the society.

The average life expectancy of people in Bangladesh is currently 72.3 years, but the average life expectancy is likely to increase further in the future. The country is enjoying the benefits of demographic dividend. Currently about 62% of our total population is working. The number of people above 65 years is about 7% of the total population who are mainly dependent on the working population. By 2050 this number will increase to 25%. At the same time, the increase in the average life expectancy and the increase in the number of single households will increase the dependency ratio in the future, so it is necessary to build a sustainable social security structure. If it is possible to bring the population above 18 years under the universal pension scheme, they will be covered by a well-organized social security structure. The target has been set to bring 10 crore citizens of the country under the universal pension scheme. If this system is implemented, the social security of our elderly population will be ensured.

The government has already started its activities by establishing the National Pension Authority. The Universal Pension Management System has been developed on a complete IT platform in line with the implementation of the Hon'ble Prime Minister's goal of 'Smart Bangladesh'. Any person can easily perform automatic registration process in Universal Pension Scheme and make payment through Online Banking, Credit Card/Debit Card and Mobile Financial Service (MFS) by visiting the website www.upension.gov.bd. Once the registration process is completed, the subscriber is automatically provided with a unique pension ID and password from the upension system, through which a subscriber can directly view the amount deposited as his pension (corpus), dividends received etc. Any person with limited IT knowledge or no IT access can complete the registration with the help of Union Digital Center, Internet Cafe or anyone else. If one does not have online payment facility, he can easily deposit money by going to the counter of any branch of Sonali or Agrani Bank. Initiatives have been taken to make this service easier by increasing the reach of the bank in the future. It may be noted that till December 5, 2023, 16,600 people have registered in the public pension scheme, against which 19 crores have been deposited.

Features of Universal Pension

- **Eligibility:**
 - Citizens aged 18-50 will receive a lifetime pension after age 60.
 - Citizens above 50 will get a minimum of 10 years of benefits.
 - Bangladeshi workers abroad can also participate.

- **Death Benefits:**
 - Nominees will receive the pension if the subscriber dies before age 75.
 - If the subscriber dies before paying for 10 years, the deposit and profit will be returned to the nominee.
- **Loan and Tax Benefits:**
 - Subscribers can withdraw up to 50% of the deposited amount as a loan.
 - Contributions are treated as investments with tax concessions.
- **Inclusivity:** Provisions for indigent contributors and expatriates.
- **Government Employees:** Initially excluded but will gradually be included.

Pension Schemes

1. **Probash:** For expatriate Bangladeshi citizens.
 - Subscription: Tk.2000, Tk.5000, Tk.7500, Tk.10000 per month.
2. **Progoti:** For employees of privately-owned institutions.
 - Subscription: Tk.2000, Tk.3000, Tk.5000, Tk.10000 per month.
 - 50% contribution by employee and 50% by the organization.
3. **Surakkha:** For self-employed citizens in informal sectors.
 - Subscription: Tk.1000, Tk.2000, Tk.3000, Tk.5000 per month.
4. **Samata:** For low-income citizens below the poverty line.
 - Subscription: Tk.1000 per month (Tk.500 paid by the subscriber, Tk.500 by the government).
5. **Prottoy:** For new employees in self-governing, autonomous, and government institutions starting from July 1, 2025.
 - Subscription: 10% of basic salary or a maximum of Tk.5000.

A developed country cannot be defined only by GDP growth, GDP size and per capita income of people. Social and financial security of citizens is also considered as one of the determinants of a developed state. The concept of universal pension is gaining popularity day by day to ensure financial security of citizens in developing countries. Considering this global context, the universal pension scheme adopted by the present government will ensure financial security of the citizens in their old age.

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