Raising Savings Certificate Rates Will Hit Bank Liquidity: Adviser Salehuddin

Adviser Salauddin Ahmed: Collected

Finance Adviser Salehuddin Ahmed has warned that increasing profit rates on savings certificates could hurt the country's banking sector by discouraging deposits and tightening liquidity.

"If the profit rate of savings certificates is increased, everyone will buy them instead of depositing in banks," he told reporters after a meeting with government officials in Nabinagar Upazila on Saturday. "Banks also need to maintain liquidity. There must be a balance. If savings certificates are sold excessively, where will banks get their money from?"

Touching on the health of the financial sector, the adviser said Bangladesh Bank is actively working to rehabilitate troubled institutions. "Islami Bank is one such example. Confidence is returning. The government has enacted the Bank Resolution Act, and its first priority is to protect depositors' money. No one's money will be lost — though it may take time, as many have taken money and fled. Such incidents are rare globally."

Salehuddin also addressed the unrest within the National Board of Revenue (NBR), saying, "We're working to resolve the issue through discussions. A powerful five-member committee has been formed to look into it."

On foreign investment, he noted the government's efforts to streamline the process for international investors. "We are trying to ensure they don't have to visit 10–12 offices for approvals. The aim is to centralise all clearances and make investment smoother."

The meeting in Nabinagar was attended by Brahmanbaria Deputy Commissioner Mohammad Didarul Alam, Nabinagar Upazila Nirbahi Officer Rajib Chowdhury, and Additional Superintendent of Police (Nabinagar Circle) Pias Basak, among others.