

Donors pin good governance

FROM PAGE 1 recognised by the Paris Declaration," he hit back at them. Earlier, speaking at the workshop in the city's Palli Karma Sahayak Foundation auditorium, WB Country Director Christine I Walich said, "Progress in improving PFM, as reflected in key ratings, will thus be an important indicator in judging the appropriateness of future development policy lending to Bangladesh." She also announced that Bangladesh's "access to such credits will be conditioned on such governance-related benchmarks that are key to creating an enabling environment for more effective use of Government's budgetary resources."

Walich said, for the sake of transparency in the PFM, "the Comptroller and Auditor General of Accounts (CAG) – a key institution (and watchdog) of financial accountability" will have to be separated from the executive. The separation, she argued, is essential to avoid any "major conflict of interest between those that execute and record budgetary transactions, and

those that audit their execution". According to the WB prescription, the CAG should not rely on the government for its budgetary allocations and have government influence on its administrative decisions. It should be parliament rather than the government that should decide the CAG's annual budget allocations and the CAG should be able to decide its own organisational structure and staffing.

David Wood, DFID country head, said it would be harder for donors in future to escape their responsibility for aid effectiveness, as they are under pressure to demonstrate better results from aid.

Referring to the increased aid commitment made by the EU countries and the G8, Wood said, "The process of translating these commitments into increased spending in certain countries in Asia is known as 'Scaling up'. UK DFID wants to see Bangladesh included in this list."

But, at the same time, "Parliaments and the public in the donor countries will increasingly require evidence that donor flows deliver reduced poverty efficiently and are

not leaked through corrupt practices particularly in countries with a poor reputation for fiscal integrity," he pointed out.

Responding to the donors' argument that they have to answer to their parliaments and people, Saifur said the same is true for his government too. "We're a parliamentary democracy and are accountable to parliament and the people. If the parliamentary standing committee rejects a proposal of mine, I can do nothing," he explained.

Pointing out a number of difficulties in governance, Saifur told the workshop that most of the project directors in health and education sectors are either doctors or teachers, who have no clue about the technicalities of budgeting or procurement. "Consequently, the projects can't get their funds released in time," he observed.

Country reels at fuel

FROM PAGE 1 While the crises of power and diesel put a heavy blow on this year's farm production, poor gas supply to the industrial units has taken a heavy toll on the country's biggest export earner, the readymade garment (RMG) sector.

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) called on Energy Advisor Mahmudur Rahman on Monday to convey its concern that RMG production has drastically gone down due to the inadequate gas supply.

BGMEA President Tipu Munshi said the RMG factories in Gazipur, Savar, Tongi and Kaliakoir were the worst sufferers of the poor gas supply.

Immediate past BGMEA president Annisul Haq told The Daily Star that the garment sector expects the government to immediately resolve the gas crisis for the greater interest of the country's economy.

Farmers found it a cruel prank that while the government in parliament yesterday denied any petroleum price hike, the office of the energy advisor decided to raise the diesel, petrol and octane prices by Tk 1.

The reality is yet harsher for the poor boro growers who had to invest a lot more than usual cost to irrigate the boro fields to save the country from a looming food shortfall in the election year.

The energy ministry, meanwhile, gave hints that it might come up with a new formula of the Bangladesh Petroleum Corporation (BPC) absorbing the extra cost of trans-

porting fuel from Khulna and Dhaka by road due to losing navigability of the Jamuna channels and closure of the Baghabari depot. A meeting has been convened today to discuss the issue.

This latest development comes hard on the heels of nationwide outcry by farmers, farming organisations and political parties against Monday's surprising decision of dealers charging an extra Tk 1 on diesel, petrol and octane on the pretext of extra carrying cost.

The farmers' organisations across the country yesterday raised voices against the current chaotic situation over diesel and power. A memorandum was submitted to the Rural Electrification Board headquarters in Dhaka.

Various farming neighbourhoods in the northern districts also witnessed protest rallies and processions demanding uninterrupted power supply and availability of diesel at just price.

Reports from Rangpur, Dinajpur, Chapainawabganj, Satkhira, Bogra and other places suggested that farmers were getting less than two hours of power supply at a stretch against a daily requirement of at least eight-hour of uninterrupted power supply for irrigating the boro fields.

The opposition deputies also walked out of parliament last night protesting the government's indifference over the fuel situation.

Deploy army

FROM PAGE 1 in the fuel crisis prone northern region sometimes goes beyond control and deployment of additional law enforcers is needed to keep the situation stable," BFDA Secretary General Sayed Sazzadul Karim Kabul said at a press conference at the National Press Club yesterday.

As a solution to the crisis, the association leaders also proposed that the government allows, in addition to Bangladesh Petroleum Corporation (BPC), individual businessmen to import and market fuel directly.

They called upon the government to ensure necessary fuel supply across the country to meet growing demand in the peak boro season to avert a famine like situation in future.

The fuel stock situation in Dhaka depot has slightly improved but that in Daulatpur depot in Khulna remains unchanged as it runs with poor supply of fuel, they said.

"The energy ministry has claimed that it has enough stock of fuel. But the ministry has to ensure the fuel supply chain as the demand is growing day by day," Sazzadul Karim Kabul said in his written statement.

Against an average daily requirement of around 15,000 tons of fuel across the country, the government is supplying only 10 to 12 thousand tons, he said.

The government or any other agency has no assessment or data on how the fuel demand is increasing and for this distributors are facing problem to meet day-to-day demand, the BFDA secretary general said.

He urged the government to establish more fuel supply infrastructure as the existing infrastructure has failed to bridge the gap between demand and supply.

The BFDA also suggested that the government introduce area-based alternative depots instead of traditional central storage depot system in order to ensure easy and uninterrupted fuel supply.

BFDA leaders Abdur Rahman, Shahajada Anwarul Kadir, Mohammad Walid Komal, AKM Azizul Haque, Mohammad Selim, Mahbubur Rahman Choudhury, Gazi Hafizur Rahman, Tofazzal Hossain Butta and Abdul Malek attended the press conference.

Musharraf, Khaleda

FROM PAGE 1 on the concluding day of her three-day visit to Pakistan.

Referring to the increase of the Pakistan government's scholarship for Bangladesh students to study in Pakistan from the present 75 to 100, Musharraf hoped that this would help increase cooperation in education sectors between the two countries.

Apart from student scholarship, student exchange visits can be arranged to enhance cooperation in the education sector, he said and added that if there are more specific areas of bilateral cooperation between the two countries that should be utilised.

Welcoming Prime Minister Khaleda Zia and her entourage to Pakistan, the Pak president hoped that official talks and other meetings between the Pakistani leaders and Prime Minister Khaleda Zia were fruitful.

The prime minister thanked the Pak president for according warm reception and hospitality to her and to her entourage by the Pakistan government. This shows the excellent friendship of the people of Pakistan towards the people of Bangladesh, she said.

Thanking and congratulating Khaleda Zia for successfully holding the 13th Saarc Summit and on her election as Saarc chairperson, the Pak president hoped that under her dynamic leadership, the potentiality of Saarc would be utilised for making the member countries prosperous.

Apart from bilateral cooperation, regional issues of common concern were also discussed during the meeting.

President Musharraf once again expressed gratitude to Khaleda Zia for her government's support and help provided for the victims of the massive earthquake in Pakistan.

Khaleda also thanked the president for successfully tackling the post-earthquake rehabilitation process.

Health and Family Welfare Minister Khandaker Mosharrar Hossain, Foreign Minister M Yassin Ramadan.

Morshed Khan and Agriculture Minister MK Anwar, and Pakistan Foreign Minister Khurshid Mahmud Kasuri were present at the meeting.

Earlier, Prime Minister Khaleda and President Musharraf had another exclusive meeting for over half an hour.

President Musharraf hosted a luncheon in honour of Prime Minister Khaleda Zia at the president's house. Pakistan Prime Minister Shaukat Aziz, Pakistani ministers and the members of Bangladesh delegation attended the luncheon.

Meanwhile, Chairman of Pakistan Senate Mohammad Mian Soomro and President of Pakistan Muslim League (PML) Chaudhury Shujaat Hussain called on Prime Minister Khaleda Zia separately at her Serena Hotel suite yesterday.

During the meeting, Prime Minister Khaleda and Soomro stressed the need for exchange of parliamentary delegations between Bangladesh and Pakistan for strengthening democracy as well as to enhance people-to-people contact.

PML President Chaudhury Shujaat Hussain, during his meeting with Khaleda Zia, emphasised enhancing party-to-party contact for the benefits of the two peoples.

Welcoming the PML chief's idea, the prime minister said steps will be taken to increase the party-to-party contact.

Chaudhury Shujaat proposed for holding a meeting of the political leaders of the Saarc member countries to establish peace and prosperity in South Asia and requested current Saarc chairperson Khaleda Zia to take initiative in this regard.

Khaleda also welcomed the proposal.

Devaluation of taka

FROM PAGE 1 Bangladesh Sugar and Food Industries Corporation (BSFIC) produce only 1.3 lakh MT. So, roughly 90 percent of the total domestic demand for sugar is met by imports.

According to the National Board of Revenue (NBR), around 6 lakh MT sugar was imported in fiscal year 2003-04. In FY05, nearly 10 lakh MT sugar was unloaded at Chittagong Port alone.

In the face of a sharp price hike, the state-run Trading Corporation of Bangladesh (TCB) on Monday launched open market sales (OMS) of sugar at Tk 42 a kg and lentil at Tk 40 at 31 points in the capital.

Sugar was selling at Tk 54 and lentil Tk 52 a kg in the city markets yesterday.

According to the TCB, in FY05 the total demand for lentil was around 3.20 lakh MT compared to a total domestic production below 1.20 lakh MT. The country imports lentil mostly from Turkey and Syria.

Around 11 lakh MT crude palm and soybean oil was imported in FY05, in which the local edible oil production was only 3 lakh MT.

The total domestic demand for wheat was 28 lakh MT in FY05

against a total local production of only 12 lakh MT. In that year, rice import was around 11 lakh MT.

Bangladesh also imports 3 lakh MT onion, over 2 lakh MT ginger and 3 lakh MT garlic a year.

Prices of some other essential commodities were also on the rise in the city markets yesterday. Eggs were selling at Tk 48 a dozen yesterday, up from Tk 42 a week ago.

"Mug Dal" was selling at Tk 70 a kg, up from Tk 60 two weeks back. The price of garlic was Tk 70 a kg yesterday, flour Tk 20, ginger Tk 48, local onion Tk 12 and imported onion Tk 14.

Price of a can of condensed milk that had been Tk 28 one month ago was selling at Tk 35 yesterday.

According to the TCB, the price of potato ranged between Tk 8 and Tk 9 a kg yesterday, 33 percent more than its price in last year.

"Potato price was as low as Tk 5 a kg during the post-harvest period last year. Hoarders are manipulating the market, though the domestic potato production was adequate," said Abdus Salam, a wholesaler at a kitchen market in Mirpur, yesterday.

Judge Chunnu

FROM PAGE 1 The High Court bench also issued a rule upon the government asking it to show cause in two weeks why it should not be asked to take action against the divisional judge for his alleged participation in political activities.

Advocate TH Khan moved Chunnu's petition yesterday while advocate Abdul Baset Majumder, Barrister Shafiq Ahmed, advocates Ozaer Faruq, Mahbubey Alam, Abdul Matin Khasru and Enayetur Rahim moved for the writ petitioner.

Meantime, a number of BNP-backed lawyers from the lower court including government prosecutors and assistant public prosecutors, who are not enrolled to enter the SC chamber judge's court, were present during hearing of the appeal yesterday.

As Advocate M Enayetur Rahim drew the attention of the chamber judge to their presence, Justice Amirul Kabir Chowdhury asked them to vacate the courtroom.

Shibir leader

FROM PAGE 16 Jamaat leaders, in a rally, asked them not to do anything against him.

The three arrested suspects and Prof Mohiuddin confirmed, on police interrogation, the involvement of ICS leader Shalehi in the murder but police did not arrest him in fear of displeasing the ruling alliance leaders, a source said.

Shalehi was leading the students' movement after Prof Taher's body was found in sewer. He stopped Taher's body from being taken away until RU authority assured him a proper investigation.

He disappeared soon after Mohiuddin was arrested on February 7. Jamaat and ICS leaders on February 10 threatened police of unrest if Shalehi was arrested.

Central bank

FROM PAGE 1 "We are going to make some specific recommendations regarding the modality of the funds," Ahmed said. A decision to create the two funds was made during the last Saarc summit.

There is possibility of a Saarc finance ministers' meeting in Pakistan next month, the governor said, adding that the set of recommendation prepared by Saarc Finance will be sent to the finance ministers of Saarc countries.

Since Bangladesh is the pioneer of microcredit, the visiting central bank representatives will also get an idea about microcredit programme, the governor said adding that the microcredit can play a vital role in eliminating poverty.

The central bank representatives have already arrived. They are Noorullah Delawari, governor of Da Afghanistan Bank, Daw Tenzin, managing director of Royal Monetary Authority of Bhutan, Khadeeja Hassan, managing director of the Maldives Monetary Authority, Das Vishwavar Sarkan, executive director of Reserve Bank of India, Bir Bikram Rayamajhi, deputy-governor of Nepal Rashtra Bank, Tawfiq A Husain, deputy-governor of State Bank of Pakistan, W A Wijewardena, deputy-governor of Central Bank of Sri Lanka.

Professor Muhammad Yunus, managing director of Grameen Bank, the pioneer of microcredit programme, will present the keynote paper in the symposium which is expected to be inaugurated by Finance and Planning Minister M Saifur Rahman.

Eminent economist Professor Wahiduddin Mahmud and Dr Fakhruddin Ahmed, managing director of Palli Karma-Sahayak Foundation (PKSF), also the former governor of the central bank, will chair two sessions of the symposium.

The central bank representatives will go to Savar on a field trip to see microcredit activities tomorrow.

War hero

FROM PAGE 16 another unidentified decapitated body from Baliashisha field Monday night. Police suspect criminals had abducted the person.

Kushtia police began a special drive to capture criminals in the district. Superintendent of Police (SP) Masud-ul-Hassan informed.

Fuel price not hiked

FROM PAGE 1 The government on Monday hiked prices of diesel, petrol and octane by Tk 1 a litre in the fuel-hungry northern region to compensate traders for loss due to increased carrying cost.

The decision was taken against the backdrop of the traders transporting the petroleum products from Dhaka and Khulna instead of Baghabari in Sirajganj to the northern districts during the peak irrigation season.

The fresh hike will remain in force for 15 days and the government will then review the situation.

"There is no scarcity of kerosene. But bring diesel, petrol and octane to the northern region from wherever you can and charge additional Tk 1 for fuel per litre," Energy Adviser Mahmudur Rahman asked fuel traders at an emergency meeting at his office recently.

Raising a point of order, Jatiya Party (Ershad) lawmaker Hafizuddin Ahmed, whose constituency in the north, said the prices of fuel have already shot up following the newspaper reports.

As the main opposition members walked out of the House, Shipping Minister Akbar Hossain took the floor. Speaking in support of the LGRD minister's statement, he said there is no instance of increasing fuel price without the cabinet's approval. "The cabinet has not approved any such move. The opposition lawmakers are raising a hue and cry merely on newspaper reports," he observed.

Ruling BNP lawmaker Shahidul Islam and Mashior Rahman standing on points of order criticised the opposition's walking out.

Staging the walkout, the AL chief said there will be no compromise on the issue of fuel price as it is a matter of concern for hundreds of thousands of poor farmers.

"We will raise the issue and continue to protest in and outside parliament until the government cancels the decision of fuel price increase," Hasina said, adding that her party deputies will join the House today after the hartal hours and raise the issue again.

The opposition leader rejected the energy adviser's rationale for increasing the fuel price.

The government should bear the additional cost instead of making the poor farmers suffer, she said.

Earlier as the House resumed after the Maghrib break, several AL lawmakers taking the floor launched a blistering attack on the government for increasing prices of fuel.

"The government has divided the country in segments which is absolutely unconstitutional," Senior AL

lawmaker Suranjit Sengupta said, referring to the government's decision to raise the fuel prices in the northern districts.

He demanded the government cancel the decision immediately for the interest of the poor farmers.

"Hundreds of thousands of farmers switched off to diesel-run pumps due to acute crisis of power, but the recent hike in the price of diesel has made them totally helpless," the AL lawmaker added.

He said price of diesel has been raised to Tk 45 per litre when it was only Tk 15 per litre during the AL rule.

After Sunjiti, Mohammad Nasim took the floor and supported his colleague's statement.

"On the one hand, the energy advisor is claiming there is no shortage of fuel in the country but on the other, he is hiking the prices of fuel," AL lawmaker Sheikh Fazul Karim Selim said.

He apprehended an immense food crisis in the coming days as the farmers are facing trouble in the peak season of harvest.

Chief Whip of the Opposition Abdus Shahid also joined the unscheduled debate in the zero hour and said the country cannot run with two types of law for the common people.

Iran's nuke

FROM PAGE 16 Iran, which insists its nuclear work is purely for energy generation, had warned on Monday it would not wait for a crucial meeting of the International Atomic Energy Agency on March 6 to restart enrichment.

The IAEA had voted on February 4 to report Iran to the Security Council, but left a one-month window for diplomacy, for Iran to return to a full suspension of enrichment-related work and cooperate more with IAEA inspectors.

So far Iran has reacted by doing the opposite, setting the scene for a major showdown.

But Vaidi said an Iranian delegation will head to Russia on February 20 for talks on a compromise proposal which could help resolve the standoff, which has escalated since hardline President Mahmoud Ahmadinejad took office in August.

The two sides had been due to hold talks on Thursday to develop Moscow's proposal for uranium enrichment to be carried out in Russian soil.

Russia's idea is to guarantee Iranian access to nuclear fuel needed to generate electricity but at the same time prevent the country from developing fuel cycle technology by itself and therefore the capacity to make a bomb.

The Russian plan has received conditional and cautious support from the Western powers.

But Iran, which says it only wants to generate electricity and denies any plans to develop weapons, has been reluctant to give up what it sees as a right to enrich on its soil.

"We are ready to conduct negotiations and reach an understanding with the international community to find a solution guaranteeing that our enrichment programme on our own soil will not be diverted," Vaidi said.

The Natanz plant has two enrichment units – one a pilot research project and the second for industrial-scale enrichment which is currently under construction.

Saddam

FROM PAGE 16 anywhere – is there a trial like this anywhere else in the world," shouted former vice president Taha Yassin Ramadan.

As the judge pounded his gavel to restore order, Saddam told him to "take that hammer and knock yourself on the head."

Altaf faces

FROM PAGE 16 price increase of sugar blaming the international market price. He however claimed that prices of other commodities are normal.

Altaf also rejected the allegation on his ministry's failure and incompetence in the WTO meeting and said Bangladesh earned huge benefits from the meeting. "We have got duty free access of 97 percent products to the US market," he said.

As the proceedings began yesterday with the question-answer session, BNP lawmaker Nurul Huda making a supplementary on his written question to the commerce minister said the price of sugar has doubled in recent days.

"Sugar is no more sweet. It is as sour as tamarind," he said.

In separate supplementary questions following two other written questions, AL lawmakers Delwar Hossain and Atiur Rahman Atiq severely criticised the minister for failure and asked for measures to control the situation.

Two other AL lawmakers Mustafizur Rahman and Serajul Akbar also attacked the commerce minister for his ministry's incompetence in the WTO meeting from where, they said, Bangladesh returned without gaining any benefit.

The commerce minister responded to four written questions and 10 supplementary ones despite huge demands from the opposition bench to raise questions to him. The speaker did not allow more questions on the price hike issue.

One killed

FROM PAGE 1 Sensing presence of the elite force, the robbers opened fire triggering a gunfight that lasted for three hours, says a Rab press release.

At one stage the robbers gave in and began fleeing the scene. Afterwards, the Rab members found the body of Zamir and arrested the other 14.

The arrestees are Zafar Ahmad, 48, Md Monir Ahmad, 35, Md Selim, 15, Md Kamal, 25, Nurul Kader, 22, Fazal Kabir, 18, Azfarur Rahman, 47, Ali Ahmad, 35, Shafiqur Rahman, 14, Mahfuj Mia, 50, Mahmudul Islam, 18, Md Idris, 36, Nabi Alam, 24, and Ahmad Ullah, 35. All of them hail from the same village.

Rab said the arrestees were handed over to Banskhal police and two cases were filed.

However, some sources in Banskhal claimed that Zamir was killed during a clash of two groups feuding villagers over the control of a salt enclosure at the Sharal village. The Rab team actually went to the spot after the clash stopped and the elite force then arrested the people from there, they added.

2 cops sued

FROM PAGE 16 cell phone set from his mother at gunpoint.

Metropolitan Magistrate Nani Gopal Biswas recorded statement of the complainant and took him in cognisance. The magistrate also directed the deputy commissioner of police (North) to appoint an investigation officer to investigate the matter and take legal action against the accused.

Moderate tremor

FROM PAGE 16 people but there were no casualties or damage.

The earthquake was also felt in the port city of Chittagong, its adjoining areas and Pabna.

The epicentre of the quake was some 25 kilometres west of Gangtok, the capital of Sikkim, which is only 60 kilometres north of Pancharghar district.

NORTHEAST INDIA AFP reports from Guwahati: Two soldiers died in landslides triggered by an earthquake yesterday measuring 5.7 on the Richter scale that rocked India's remote northeast.

The soldiers were killed in the tiny state of Sikkim, the Press Trust of India news agency reported, quoting a senior police official.

The quake earlier Tuesday, whose epicentre was 25 kilometers west of Sikkim's capital Gangtok, also damaged roads and as many as 500 buildings, the agency said.

The damaged buildings included one of Sikkim's oldest monasteries, the agency said. The quake also disrupted water supplies and telecommunication networks.

The US Geological Survey said the tremor measured 5.7 on the Richter scale, and also shook the adjoining states of Assam, Meghalaya, Arunachal Pradesh and Manipur. The quake sent people fleeing from their homes in panic.

"Our concrete house began shaking. We ran out of our homes," said Pranjana Bordoloi, a housewife in Assam's main city of Guwahati.

Seismologists say India's northeastern region is the sixth most quake-prone belt in the world. Assam experienced a massive tremor measuring 8.5 on the Richter scale in 1950 that killed 1,500 lives.

Shrinking Kabadak

FROM PAGE 16 into Bangladesh at Mathabhanga to Jhapa in Manirampur upazila in Jessore and has lost navigability due to the massive silting up and encroachment.

The decrease in its depth also results in heavy flooding and waterlogging in the locality during the monsoon, causing huge loss of crops and properties every year.

Flooding recurs every year with spiraling ferocity as many points of the Kabadak, the only outlet for rainwater in these southwestern districts, have dried up reducing the river to mere water pockets.

The government has not taken up any effective measures to save the river despite mass demand under the banner of Kabadak Bachao Andolon, a committee comprising representatives from all classes of people, for dredging and evicting the encroachers since 2001.

The Bangladesh Water Development Board (BWDB) implemented a Tk 25 crore project to dredge the river last year, but that has not proved effective for bringing back the river's normal water flow. Experts said the river needs "continuous" dredging.

Dr Kazi Rabiul Haque, leader of the save-the-river committee, stressed the need for continued dredging and urged the government to stop earth-filling or encroachment by building structures on the river-banks. He demanded immediate demolition of all illegal structures to save the river from extinction.

The BWDB officials have warned that the river parts that have already turned into enclosed water pockets will dry up completely in a few years.

The BWDB officials said the vulnerable river once was connected with the major river system of the Padma. But decreasing water flow over the decades has dried the river, sealing up its connecting point with the Padma.

Meanwhile, agriculture, transportation, trade and commerce, socioeconomic development, environment and lifestyle of the people of this region are also changing accordingly. Farmers now cultivate crops on the dry riverbed during winter and spring. They also breed fish in these stagnated water pockets.