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Poor aid utilisation is major hurdle to development

By Moazzem Hossain

Poor aid utilisation or absorption capacity, not aid fatigued international climate, remains the major constraint to development in Bangladesh.

The two key multilateral development banks — the Asian Development Bank (ADB) and the World Bank (WB) — have still over three billion US dollars as committed aid funds to Bangladesh. The country has not been able to utilise the aid because of its acute shortage of local currency, poor implementation capacity, procurement delays and other procedural delays.

The project aid pipeline has therefore been bulging. The amount in the pipeline (including all kinds of aid — project, sector credit or programme and food) stands now at over five billion dollars.

The concerned ADB officials at the Bank's headquarters told me in late October in Manila that "poor aid utilisation" performance particularly in areas of development projects was a matter of concern. Had the utilisation of aid been more effective and speedier, Bangladesh's economic performance would have been better and prospects for availability of fresh funds from the Bank would have been brighter, they observed.

As a member of the 13-member ADB Press Study

Team 1991, I had the opportunity to review the Bank's operational activities in Bangladesh and to discuss major development issues in the Asia Pacific region with the ADB officials in Manila.

The discussions with the Executive Director and other senior Bank officials connected with ADB's operations in Bangladesh and some other South Asian officials made it amply clear that the low savings and investment performances were the major hurdles to Dhaka's graduation onto higher stages of economic growth. The fast growing South East Asian countries have all opened up their economies, dismantled bureaucratic controls, and achieved commendable success in making good use of available investable resources and promoting human resources and entrepreneurial development, the concerned ADB officials said. But the situation in Bangladesh still remains largely unchanged, they noted.

Replying to a question on next replenishment of ADB's concessional resources under Asian Development Funds (ADF) which has been the sole source of ADB assistance to Bangladesh, the senior ADB officials said that the next round of negotiations for three-year ADF-VI funds, to be operational

in 1992, would be held in December this year.

The Bank has earlier set the target of ADF-VI replenishment at the level of 7.5 billion US dollars compared to 3.6 billion dollar ADF-V. The higher target for ADF-VI resources is because of new major claimants like China to its funds, the ADB officials explained.

Reviewing the prospects for ADF-VI replenishments at the projected level, the ADB officials admitted that the international aid climate particularly for official development funds was not as good as before. However, the prospects for ADF-VI replenishment should not affect aid flows to Bangladesh for the immediate future, they said.

Total ADB commitments to Bangladesh from 1973 to September 1991 stood at 3.1777 billion dollars. Disbursements during the same period totalled 1.310 billion dollars.

Poor aid utilisation remains also a drag on the national exchequer. Because, the country has to bear the service charges for the committed ADF resources, irrespective of their utilisation, from the time the specific loan agreements become effective.

The aid absorption at low levels has not been

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British Overseas Development Minister Mrs Lynda Chalker called on Prime Minister Begum Khaleda Zia at her office Sunday. — PID photo



Awami League chief Sheikh Hasina addressing a rally held in observance of the jail killing day yesterday at the Bangabandhu Avenue in the city. — Star photo

Engineers' report on cyclone presented to Khaleda

A delegation from the Engineers Institution, Bangladesh, led by its President Dr. Mohammad Anwar Hossain, called on Prime Minister Begum Khaleda Zia at her Sugandha office on Sunday evening, reports BSS.

The Institution, which had constituted a task force following the devastating cyclone and storm surge to Begum Zia. The convenor of the Task

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Mostafiz will visit Burma to discuss Rohingya issue

By Staff Correspondent

Foreign Minister A S M Mostafizur Rahman told the Jatiya Sangsad (Parliament) Sunday night that Bangladesh was trying for a peaceful solution of the Rohingya Muslim problem. The minister said that he would pay a three-day visit to Rangoon from November 21 to discuss the issue with the government of Myanmar (Burma).

The Rohingya issue was briefly discussed in the House as a matter of urgent public importance. The issue was raised by NDP MP Salahuddin Kader Chowdhury who narrated the plight of the Rohingya refugees from Arakan of Burma.

Chowdhury said that over 30 thousand Rohingya Muslims

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Enclave people fear violence, move to safer places

BJP calls 'bandh' in Mekhliganj

RANGPUR, Nov 3: The leader of the Indian extremist Bharatiya Janata Party (BJP) LK Advani and leaders of other Indian political parties have begun mobilising support in West Bengal against the transfer of the Tinbigha corridor to Bangladesh since Saturday.

As part of the mobilisation a bandh (general strike) has been called by the BJP in Mekhliganj, Dhaparhat and the Tinbigha corridor from dawn to dusk tomorrow (Monday).

Reports from across the border said that the Advani-led group of fundamentalists was holding meeting in different places close to the enclaves of Dahagram and Angarpota in a

From Our Correspondent

bid to draw public support against the transfer.

Since last Wednesday vehement demonstrations were being held round the clock and last Thursday a procession of about 100 trucks on the Dhaparhat-Mekhliganj road passed close to the enclaves chanting slogans against the transfer.

Activists of Komol Ouhai's Forward Bloc have launched a separate anti-Tinbigha transfer movement which is continuing over the past few weeks.

These continuous agitations have rendered over 20,000 inhabitants of the Dahagram and Angarpota enclaves virtual captives as they cannot move

to the Bangladesh mainland to collect relief and other essentials.

Meanwhile, villagers from Munshipara near the enclaves have started moving out of their houses to safer places because of fears of an outbreak of an outbreak of violence along the border during the transfer of the Tinbigha corridor to Bangladesh in December which Indian extremists were now out to resist with all their might and to shed their last drop of blood in doing so.

Meanwhile, a BSS report says, the West Bengal government is prepared to meet any

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Babri Mosque issue None will be allowed to break peace, JS told

Home Minister Abdul Matin Chowdhury on Sunday said none will be allowed to break peace in the country by capitalising on the Babri Mosque issue of India, reports UNB.

Making a statement in Jatiya Sangsad (Parliament) on Sunday night, he said certain quarters here want to fish in troubled waters but the government will not allow it.

"As Muslims, we can peacefully protest the incidents over the Babri Mosque but we cannot break peace on any pretext," the Home Minister said. He added that many untoward incidents took place in the past over this issue.

"As long as I remain the Home Minister of this government, my responsibility is to maintain law and order in the country," Chowdhury said.

Earlier, NDP member Salahuddin Quader Chowdhury pointed to the arrest of some people during Friday's demonstration in Dhaka over the Babri Mosque incident and sarcastically said the Home Minister is more prompt in arresting the Muslims than maintaining order on the campuses.

CPB member Shamsuddoha, rising on a point of order, said terrorists from Kashmir and Afghanistan entered Bangladesh and were engaged in conspiracy against the country.

The Home Minister rejected Shamsuddoha's contention calling it "imaginary". He said that no terrorist, either from Kashmir or from Afghanistan had intruded into the country.

Hasina tells jail killing day rally Movement if Indemnity Ordn is not repealed

By Staff Correspondent

Awami League President Sheikh Hasina Sunday called upon the government to pass the Indemnity Repeal Bill in the Parliament to help establish rule of law and consolidate democracy.

"Democracy will falter if rule of law is not established by trying the killers of Bangabandhu Sheikh Mujibur Rahman and four national leaders," she told a public meeting at Bangabandhu Avenue in observance of jail killing day by the party.

"Otherwise, we have reasons to believe that Khaleda

Zia does not want democracy and rule of law. Rather, she wants to rule the country in an autocratic manner," Hasina said.

Awami League has placed the Indemnity (repeal) Bill in the Parliament to repeal the Indemnity Ordinance that bars trial of the August 15 killers.

Hasina, also Leader of the Opposition in Parliament, warned that if the government of Khaleda Zia followed the path of the past autocratic regime, then her party (AL)

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KAFCO talks going on, clarifies Govt

The government has been examining various aspects of the Karnaphuli Fertilizer Company (KAFCO) as it has been asked to provide guarantee for export credit, reports UNB.

Clarifying the actual position, an official handout Sunday said there is no agreement between the government of Bangladesh and Japan and hence there is no question of scrapping the agreement.

The official clarification came following publication in a section of the press a UNB report which said the KAFCO agreement has been scrapped as certain provisions in it were found against the interest of the country.

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River erosion root cause of crisis in northern districts

By Moinuddin Naser

The root cause of the crisis in the northern districts is the random river erosion. Hundreds of thousands of people have been rendered homeless and destitute because of erosion by the Ganges, Jamuna, Teesta and other rivers and their tributaries.

The 'hot spots' in the Rangpur district Naohali and Alambidhor under Gangachara upazila were probably the worst affected areas noticed by this correspondent during his last week's visit to the northern part of the country.

The Teesta, divided into two parts at Potmarri Point just above Naohali, eroded about three miles during the last

three years rendering about 5444 families under Alambidhor and 4300 families under Naohali homeless.

Most of the families in these two unions are now living on the embankment from Gangachara to Naohali. Many of them had to leave their forefathers' homesteads due to the unruly Teesta.

According to local administration sources, the Teesta is gradually becoming a dry river following the construction of a dam in the upper catchment area in India.

During the floods, this year the people in these inaccessible areas could not get the expected assistance from the local administration in time. The

last flood occurred from September 9, but test relief work scheduled to begin from the second week of September could not be started and the local administration, which could not foresee the post-flood situation remained silent.

Moreover in that period the administration was much engaged with the by-elections.

The project implementation officer of Gangachara upazila Motalib told this correspondent that a groin on the northern side of the Teesta could have prevented the erosion. He said it could be an effective measure to close the flow of the new stream to stop erosion.

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UK will help maintain democracy: Chalker

British Overseas Development Minister Lynda Chalker called her visit to Bangladesh as "meaningful" and said Britain would do everything possible to help it maintain democracy and develop the economy, reports BSS.

"My visit to cyclone-battered areas in the south and discussions with the democratic government on different matters made the visit thoroughly enjoyable" she told a press conference period to her departure after a three-day visit. She had talks with the government on British aid she said.

The minister, who visited reconstruction work at the islands affected by April cyclone expressed satisfaction that British assistance for the purpose was being properly utilised.

Mrs Chalker referred to her "detailed, frank and useful discussions with the Prime Minister Begum Khaleda Zia and said that she was impressed at the work by the new democratic government in meeting the challenges in the economic and other fronts.

About discussions on the economic matters, Mrs Chalker said she was convinced after talks with the Prime Minister and Finance Minister Saifur Rahman that the government was keen for taking financial measures for greater good of the nation and the people.

The British Minister emphasised that stability was necessary for sound democracy.

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Malaysia cracks down on illegal Bangladeshis

KUALA LUMPUR, Nov 3: Malaysia, which recently announced an amnesty for illegal foreign workers to ease its labour shortage, is now cracking down on some 40,000 foreigners, Bernama news agency reported Sunday, according to AFP.

The report said most of the workers were Bangladeshis who have overstayed their visas.

Megat Junid Ayob, the Deputy Home Minister, told reporters in the northern Malaysian state of Perak that most of the illegals were working as dishwashers in restaurants and shops.

Megat Junid warned that it was an offence to harbour foreigners who remained in the country illegally. Offenders

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Israelis, Palestinians agree to discuss self-rule

MADRID, Nov 3: Israel and Jordanian-Palestinian delegates in the first face-to-face peace talks agreed Sunday to pursue talks on an interim self-government in the Israeli-occupied West Bank and Gaza Strip in further meetings, they announced, reports AP.

The time and place of additional meetings was not set.

The announcement followed declarations by Syria and Lebanon that they, too, would continue with the peace process.

"This was a good beginning... a good atmosphere, a positive atmosphere," Israeli delegation leader Elyakim Rubinstein said when talks with a joint Jordanian-Palestinian delegation at the Rococo Palace broke for lunch after more than two hours.

It was the first time Israel had held formal peace talks with Palestinians since the Jewish state captured the West Bank and Gaza Strip in the 1967 Middle East war.

A Syrian spokesman accused Israel of raising unacceptable demands by insisting the talks should focus on its demands to switch the venue to the Middle East.

Syria said the time and place had not been agreed and it had every intention of attending the bilateral talks with Israel.

Israeli artillery shells hit south Lebanon villages for the sixth day running today but Lebanese security sources said the bombardment had eased.

A military showdown between guerrillas and Israeli troops and their Lebanese militia allies remained only a trigger squeeze away, with both sides keeping their forces in combat positions.

No casualties were reported in the shelling of villages in the Iqlim Al-Toufah and Nabatiyeh districts, used by pro-Iranian Hezbollah guerrillas as a springboard for hit-and-run attacks on Israel's self-proclaimed border security zone.

Fears of an Israeli armoured push out of the zone reached a peak on Saturday. Hundreds of people fled the village of Kfar Rouman after loudspeakers in the buffer strip, two km (one mile) away, blared warnings they should leave their homes within 12 hours.

Many returned during the night after the expiry of the deadline and an official announcement in Beirut that the United States had told Israel to stop the shelling.

Inside the peach-coloured palace the Israelis led by Cabinet Secretary Rubinstein sat opposite a team of Palestinians from the occupied West Bank and Gaza Strip and Jordanians.

Gaza doctor Haidar Abdel-Shafi and an adviser to King Hussein, Abdel-Salam Al-Majali, headed the Arab side.

There were no public handshakes but Israeli officials said delegates did shake hands out of view of the cameras.

"It was good and business-

like. There was no tension, Jordanian spokesman Marwan Muasher told reporters.

Earlier report adds: After intense lobbying involving Baker and the rulers of Egypt, Saudi Arabia and Jordan, the Syrian sources said Damascus had instructed its negotiators to attend the talks but discuss only the substance of peace and not a change of venue.

The unprecedented Israeli-Palestinian talks began two days after a superpower-sponsored, televised peace conference ended in recrimination between Israel and Syria.

Tk 53,532.20 cr aid received so far

Bangladesh has so far received Tk 53,532.20 crore equivalent to about 22,460.126 million US dollars in foreign aid, reports UNB.

State Minister for Finance Mujibur Rahman disclosed this in Parliament Sunday replying to a question from Al-Haj Syed Abul Hossain of Awami League.

The amount includes grants amounting to Tk 25,569.10 crore (10,932.849 million dollar).

The Minister informed the House that the country had spent Tk 429.74 crore (120.04 million dollar) in debt servicing till 1990-91.

NEWS BRIEFS

Gunshots rock DU

The Dhaka University campus was rocked again by gunshots around midnight Sunday night, reports UNB.

Campus sources said they heard 10 to 12 gunshots from the direction of TSC, Jagannath Hall and Salmullah Hall areas.

Several rounds of gunshot were also heard from the direction of Ziaur Rahman, Mohsin, Zahurul Huq and Jagannath Hall areas.

Pirates flee with 4 trawlers

BARISAL, Nov 3: Pirates swooped on four trawlers fishing in the Bay of Bengal Saturday, shot three fishermen and fled away in their boats with another 13 injured on board, police said, reports UNB.

Imelda flies for home

HONOLULU, Nov 3: Former Philippines First Lady Imelda Marcos left here for Manila before dawn Sunday after nearly six years in exile to face criminal charges at home and explore a possible new political future, reports AFP.