

Inside Today

Article

**US-Bangladesh
Economic
Forum: PM
Redeeming
Commitment**

Column: Enchiridion
by Waliur Rahman
Page 4

Focus

**Indemnity Ordinance:
A rejoinder, and the
Indian budget —
a brief review**
Page 5

International

**Lanka plans to ban
LTTE**

**'Pakistan building
missile factory with
China's help'**
Page 8

Business

**Govt firm to expand
economic activities,
Tofael tells commerce
ministry officials**

**DSE index sets another
record**
Pages 6, 7

DSE MARKET

| | |
|---------------------------|------------|
| DSE price index: | 1151.81 |
| Market capital ft: | 8211.43 cr |
| Transactions in value: | 458337 |
| Transactions in value ft: | 13.61 cr |

Metropolitan

Dhaka Day by Day



How not to Care
about a Lake
Page 3

NEWS BRIEFS

Condition of Teresa improves slightly

CALCUTTA, Aug 25: The condition of Mother Teresa, in hospital with a weakening heart, has improved slightly, a spokeswoman for the 85-year-old Nobel Peace laureate's missionaries of charity order said today. The doctors say her general condition has improved slightly although she is not out of danger. Sister Pricilla told Reuters.

Chinese army team leaves Dhaka

The Deputy Chief of General Staff of the Chinese People's Liberation Army Lieutenant General Kui Fulin left Dhaka yesterday after a five-day goodwill visit to Bangladesh, an ISPR press release said. General Kui Fulin and members of his entourage were seen off at the Zia International Airport by Chief of Army Staff Lieutenant General Muhammad Mahbubur Rahman and other senior army officers, reports BSS.

Woman, 2 boys rescued from traffickers

AGARTALA, Aug 25: A Bangladeshi woman and two minor boys were rescued from the clutches of international racketeers here yesterday when they were being taken to Guwahati. The kidnapped were to be transported to Dubai via Delhi, police sources said. Three persons were arrested from the Motorstand area of the state capital. Some American currency and fake passports were recovered from their possession, reports PTI.

Sardar Ibrahim Azad Kashmir's president

MUZAFFARABAD, Pakistan, Aug 25: A two-chamber parliament in Pakistani-ruled Azad (free) Kashmir elected an 81-year-old politician as the state's figurehead president today amid an opposition boycott. Sardar Muhammad Ibrahim, nominated by a coalition led by Prime Minister Benazir Bhutto's Pakistan People's Party (PPP), was the sole candidate. All 39 members present in the 55-seat House voted for him, reports Reuters.

Sadar OC, two SIs suspended Stern action for police firing in Bogra: PM

BOGRA, Aug 25: The Prime Minister today said stern action would be taken against those involved in firing on the mob during police-people clashes in the town, which left several dead, reports UNB.

"Action will be taken after investigation of the incidents of firing," Sheikh Hasina said asking why fire was opened without permission of the magistrate.

She, however, alleged that a political party was provoking political unrest in the region.

Sheikh Hasina, the Awami League chief, perhaps made a veiled reference to the arch rival BNP of former Prime Minister Begum Khaleda Zia which won all the seven JS seats in

Bogra district in the last general election.

The Prime Minister, during a tour of the troubled town, was addressing district administration and police officials, local elite, and leaders of different political parties, excluding the opposition BNP, and trade unions at Police Line.

She stayed at the Police Line on the outskirts of the town and didn't go to the Circuit House inside the town which remained under a shutdown enforced by protesters.

Blasting her political opponents, Hasina said the townsmen raised their voice for restoring peace, but a certain party was giving instigation for destabilising the situation.

Referring to an accord for joining a peace rally in the morning by all parties, which was boycotted by the BNP, the Prime Minister regretted that they stayed off although earlier they agreed to take part in the rally.

About various demands of the town dwellers, she said: "We have accepted the demands before their utterance, we have withdrawn the SP and the OC and declared compensation for those affected."

Meanwhile, Sadar Thana OC Farooq Ahmed and two Sub-inspectors were suspended today in the wake of protracted demonstration against the killings.

See Page 12 Col 3

BNP stages brief walkout Fiery debate on DU, Bogra situation

Parliament heard a fiery debate last night on the law and order situation at Dhaka University and at Bogra, with the ruling party and the opposition blaming each other for it, reports UNB.

Bangladesh Nationalist Party (BNP) and Jamaat-e-Islami members blasted the government of Prime Minister Sheikh Hasina for 'sharp deterioration of law and order in the country.'

Earlier in the afternoon Opposition BNP members walked out of the House alleging failure of Education and Home ministers in tackling situation in the Dhaka University.

During the debate, the treasury bench members accused BNP of creating a situation in a planned way to discredit the government and fish in the troubled water.

The one-hour debate, in a charged atmosphere, was marked by heated accusations and counter-accusations by the opposition BNP and the ruling Awami League participants.

The debate was joined from the ruling party by Home Minister Rafiqul Islam, Telecommunications Minister Mohammad Nasim and Akhtaruzzaman and from the opposition by K M Obaidur Rahman, Col (ret) Akbar Hossain, Alamgir Kabir, Mashur Rahman and Abu Yusuf Mohammad Khalilur Rahman of BNP, and Moulana Delwar Hossain Saidee of Jamaat-e-Islami.

As the debate began, the opposition MPs in an unusual move, stood up and prayed for.

See Page 12 Col 1

Draft bill for pvt EPZ may be okayed today

By R M Titumir

The cabinet in its meeting today is likely to approve the draft bill for setting up of Special Export Processing Zones (SEPZs) by the private sector, according to official sources.

Commerce and Industries Minister, Tofael Ahmed had earlier said that the government agreed in principle to the proposals of exclusive EPZs for Korean and Japanese investors.

For setting up of the pro-

posed EPZs, the investors had sought from the government enactment of laws allowing private sector-managed EPZs, allotment of khash land to investors, availability of utility services, improved access roads to the EPZs and efficient port facilities.

The draft bill would give the sponsor company the authority and right to establish, develop, operate, manage and control the particular Special EPZ, official sources said.

It will allow the sponsor company to have the 'perpetual succession and a common seal with power to acquire, hold and dispose of property both movable and immovable for and within the zone and shall enter into any contract or agreement, sue and be sued by its name,' the sources added.

The special EPZ authority would constitute a two tier set-up, one to be known as Board of Governors and the other as the Executive Board. The Board of Governors would consist of the same persons who represent in the government owned EPZs. The Board of Directors of the sponsor company shall act as the Executive Board for the said SPEZ.

There shall be a SPEZ Cell for assisting the Board of Governors for the purpose of supervision, control and monitoring the activities of the SEPZs.

See Page 12 Col 4

Gazipur EPZ to be completed within year

By Staff Correspondent

The Bangladesh Export Processing Zone Authority (BEPZA) would complete the development work of the Tk 70 crore Gazipur Export Processing Zone (GEPZ) covering 500 acres of land with total of 560 industrial plots within a year, officials said.

The proposed Dhaka EPZ (DEPZ) extension, spreading over an area of 214 acres of land with an expenditure outlay of Tk 59.9 crore is also expected to be completed by this year, they added.

The export earnings from the units located in the export processing zones is estimated to

See Page 12 col 6

Khaleda demands resignation of Home Minister

From Reaz Ahmed

BOGRA, Aug 25: BNP Chairperson Begum Khaleda Zia today demanded immediate resignation of the Home Minister for his alleged failure in checking the deteriorating law and order throughout the country.

Referring to the last four days' incidents which took place in this northern district town, the Leader of the Opposition in parliament Begum Zia said "the Home Minister has totally failed to tackle the situation here."

Begum Zia was addressing a press conference at Bogra Circuit House tonight. In the last leg of her North Bengal electioneering tour the BNP chief came to Bogra early today. She canceled her campaign rallies at Gabtali Thana and Bogra town which were earlier scheduled to be held today and tomorrow.

Begum Zia came down heavily on the ruling Awami League alleging that the government was trying to rule the country the same way the BKSAL did

See Page 12 Col 7

JS tidbits

By Nazmul Ashraf

The Opposition lawmakers apparently failed to use their new lighter plastic files for creating much noise while disrupting the Jatiya Sangsad proceedings through shouts yesterday.

Only a few of the agitated legislators were seen hitting their desks with the new files during disruptions in the House. However, they stopped doing so after they visibly found the new files non-suitable for the purpose.

Some of the Opposition MPs were seen using their files in innovative ways. They held the files high and forcefully throwing them on the desk while others used extra papers with the easy-curling files.

Mashur Rahman of the BNP, given the floor to discuss on the prevailing law and order situation in the country, urged Speaker Humayun Rashid Chowdhury to offer a *munajat* in the House to pray for the salvation of those killed in Bogra.

Without giving any chance to the Chair to respond to his proposal, a prompt Mashur raised his hands and started offering 'Doa'. All the BNP and Jamaat MPs sprang on their feet and followed Mashur to offer the *munajat*. After uttering a few sentences, Mashur urged Delwar Hossain Saidee of Jamaat to lead the *munajat*. Saidee was then seen complying with the request although his microphone was not on.

The Treasury bench mem-

See Page 12 col 8

BGMEA firm to eliminate child labour by Oct this year

By Staff Correspondent

The Bangladesh Garments Manufacturers and Exporters Association is determined to eliminate by October 31 this year the child labour from its member garments factories, BGMEA president Redwan Ahmed said here yesterday.

Punitive action will be taken if any factory owner violates the Memorandum of Understanding (MOU) among the BGMEA, UNICEF and the ILO that prohibits fresh recruitment of child workers, he said at a press conference at a local hotel yesterday. The MOU which was signed in July 4 last year also provided for education and training of the displaced workers.

"We wanted to terminate child workers from our factories by October 31, 1994, but UNICEF and ILO had suggested phased elimination and education and training for the dis-

placed ones," Redwan said. A total of 130 schools have been set up in Dhaka, Narayanganj and Chittagong with 2015 students to absorb the terminated child workers, he said.

Each student will get Tk 300 stipend per month, he said. Seventy more schools are expected to be opened by October 31 next, he said while describing the latest developments relating to elimination of child labour from the garment sector after an awareness meeting for manufacturers and exporters.

The press conference was also attended by BGMEA leaders Khalilur Rahman Chowdhury, Mahfuzur Rahman, Md Sirajul Haque and Mostafa Gollam Quddus.

Redwan informed that a joint team of BGMEA, UNICEF and ILO had identified 10,547 child workers surveying a total of 1,821 garment factories in

Dhaka, Narayanganj and Khulna.

According to him, the number of total child workers is less than one per cent of the total 120 lakh workforce in this sector.

UNICEF had undertaken the education programme by opening the first school on January 31 this year. Its contribution in 1995 was 1.75 lakh US dollars along with additional support. BGMEA will give 50,000 US dollars per year towards the costs of the programme.

ILO will provide a portion of the funds for payments — Tk 300 to each displaced child worker under the expanded IPEC action programme.

BGMEA will contribute 50 per cent of the cost of such stipends up to a maximum of 2.5 lakh US dollars per year for three years.

See Page 12 col 5

Hartal observed, clashes with police in Bogra

From Staff Correspondent

BOGRA, Aug 25: A dawn-to-dusk hartal was observed in the town for the second day today protesting killings in police firing in last three days.

Agitated people clashed with police several times at Sathma Crossing during hartal hours. Police lobbed teargas shells and resorted to lathi-charge leaving over a dozen injured.

Prime Minister Sheikh Hasina could not hold her scheduled meeting at the Circuit House due to road barricade. She, however, addressed the members of the local administration and representatives of the political parties at Police Line here.

Earlier in the morning a peace rally at Sathma in the town ended up in a chaos as neither DC nor the new SP could give assurance of arresting the policemen of Kotwali Thana.

See Page 12 col 6

6-hr raid on 11 DU halls: 37 arrested

By DU Correspondent

Police and BDR raided all the eleven male students' dormitories of the violence-torn Dhaka University (DU) yesterday and recovered some arms and arrested 37 students and outsiders.

The massive raid followed a series of armed clashes between the activists of Awami League backed Chhatra League and BNP backed Jatiyatabadi Chhatra Dal in the last few days for gaining control of the residential halls.

During the six-hour raids from 8:30am, two cut-rifles, a foreign made knife, a sawed off barrel of a gun, one toy pistol, 16 bullets, and three cocktails were recovered, police said.

A laundry shop worker was arrested with a cut-rifle from Jagannath Hall. The other cut-rifle was found in an abandoned position on the campus.

Some residents of different

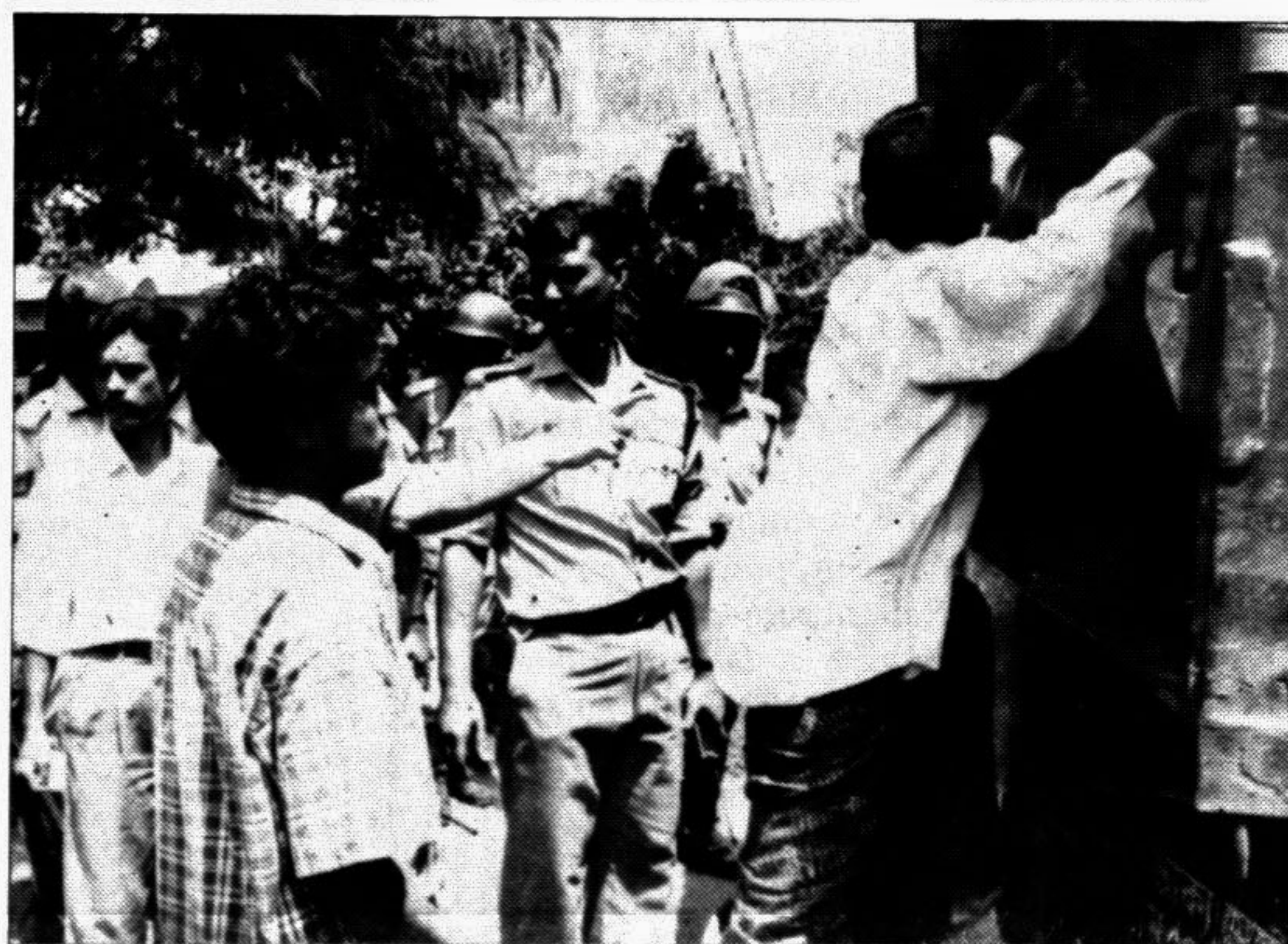
halls alleged that police picked up some students from the halls even after they showed their identity cards. Some resident students who were in other halls during the raid were also arrested even after they showed identity cards of their respective halls, they said.

Police were interrogating the arrested persons till filing of the report last night.

During the raids, Shamim Ahmed, reportedly a leader of the Faridpur faction of Chhatra League (BCL), was picked up by police from Mohsin hall and was taken to the Detective Branch office, sources said.

After sometime he was taken back to the hall and was kept there under police protection. But he reportedly escaped when some BCL activists brought out a procession in front of the Mohsin hall at

See Page 12 col 6



Students being picked up by police after the raid of residential halls of the Dhaka University yesterday.

WB suggests drastic action against BKB, RAKUB

Suggesting comprehensive reforms in the two agricultural banks, the World Bank has said that drastic actions, including closure, will have to be considered if they are not found to be financially viable, reports UNB.

A recent report, titled "Bangladesh Rural Finance," the Bank observed that Bangladesh Krishi Bank (BKB) and Rajshahi Krishi Unnayan Bank (RAKUB) were both currently making losses and were technically insolvent.

The Bank observed that the two banks is to undertake a comprehensive external portfolio audit, including an in-depth analysis of their management systems, accounting practices and corporate policies affecting the quality of their portfolio.

The next steps would have to be worked out based on the results of the audit, the report said. "If it is not possible for these institutions to become financially viable, drastic actions, including closure, would have to be considered."

But if financial viability after appropriate restructuring is possible, fundamental reforms would have to be undertaken to ensure that the risk of similar problems from re-surfacing in the future are minimised.

At the minimum, the report said, these reforms would have to address the issue of potential

interference by establishing an independent and commercially-oriented governance structure.

Identifying the rural sector as central to Bangladesh's development strategy, the World Bank observed that the performance of the public sector banks in rural financing has been very poor.

An efficient delivery mechanism has limited their outreach, and overwhelming arrears have made them unus-

tainable while the Grameen Bank and some other NGOs have achieved remarkable success in terms of outreach, and they continue to grow.

The public sector has failed to appreciably expand savings mobilisation, reflecting its orientation towards credit disbursement rather than financial intermediation, said the report.

It said the informal lenders continue to dominate rural financial markets, although the member-based institutions (MBIs), comprising the Grameen Bank and the NGOs, disburse more than the public sector financial institutions (PSIs).

As demand grows for the services of the MBIs, an important issue is their sustainability, the report said, noting that the Grameen Bank and some 'minimalist' NGOs have reached operational self-sufficiency, and appear to be on the way to full-sufficiency.

But most, specially the "holistic" organisation, continue to be heavily dependent on donor funds. While subsidising "social intermediation" is justifiable for poverty reduction, the reality of declining grants will have to be faced.

Saying that efficient and cost-effective financial services are essential for agricultural growth and diversification, the

See Page 12 col 8

WB assures full support to govt policy

The World Bank has assured its full support to the government's policy of poverty alleviation, private sector development and strengthening the public sector management, reports UNB.

The assurance came while the visiting World Bank Vice President Joseph Wood called on Finance Minister Shah AMS Kibria at his office here yesterday.

The World Bank Vice President said that the NGOs can supplement the government's efforts in developing the economic condition of the rural people.

In this context, he referred to

See Page 12 Col 2

UN SC seat

Dhaka's dilemma over choosing contender

By M Anwarul Haq

Bangladesh would take more time to decide as to whom it would extend support for the Asian seat of non-permanent member of the United Nations Security Council (UNSC), according to sources concerned.

India and Japan are contesting for the seat. Election to the seat will be held shortly after the UN General Assembly (UNGA) goes into session in the third week of September. Philippines, which was also a contender, had already withdrawn from the contest.

Voting to the position like other non-permanent seats that are filled up for two years in the 15-member Security Council, would be held through secret ballot among the 185 member states of the United Nations.

Political and diplomatic observers in Dhaka feel that both the countries have laid strong

See Page 12 Col 3

Srimongal AL leader beaten to death

From Our Correspondent
MOULVIBAZAR, Aug 25: A local leader of the Awami League (AL) was beaten to death by some criminals at Srimongal today.

According to police, Tuta Miah, 43, a leader of the Srimongal thana AL and Chairman of the Mirzapur union parishad was going to Srimongal town by a tempo in the morning. All of a sudden, a group of 5 to 6 terrorists stopped the vehicle at Khligan bridge on the Srimongal-Mirzapur Road and attack him with weapons. The other passenger of the tempo sent him to Srimongal thana health complex immediately. As his condition worsened he was shifted to Moulvibazar Sadar Hospital where he breathed his last at 10:30 am.

JCD-BCL clash in Sylhet medical college: 40 hurt

From Staff Correspondent

SYLHET, Aug 25: About 40 students were injured in a clash between the activists of the Bangladesh Chhatra League (S-P) and the Jatiyatabadi Chhatra Dal (JCD) in three hostels of the Sylhet Osmani Medical College today.

Of them, three were admitted to the medical college hospital. Fifteen rooms were also ransacked during the clash.

Police later recovered 2 pipeguns, 40 rounds of ammunition and some explosives from the hostels. They also arrested three JCD activists from Zia Hall.

According to UNB, the college authorities have set up a 4-member inquiry committee to find out the reasons behind violence on the campus.

Foreign missions invited to monitor by-polls

By Staff Correspondent

The Ministry of Foreign Affairs is awaiting response from foreign observers and the diplomatic missions in Dhaka regarding monitoring the by-elections to 15 Jatiya Sangsad seats on September 5, official sources said yesterday.

Earlier, acting on the advice of the Election Commission, the Ministry of Foreign Affairs wrote to the foreign embassies in Dhaka and overseas missions that they could send observers to monitor the coming by-polls if they so desired. They were also informed that the foreign observers could monitor the polls as per the previous code of conduct outlined before the June 12 general elections.

AN APPEAL

We humbly approach to the public, press and the law enforcing agencies to use everything in their capacity to trace Mohammad Moinuddin Kashem alias Tariq who is a brilliant student of North South University and is a computer specialist in the field of Internet Technology in Bangladesh.

Tariq has been missing since the night of August 14, 1996 (Wednesday).

He is the only son of Mr. Mohammad Abul Kashem, Chairman of Southeast Bank Limited.

We appeal to all to extend their help to trace out the whereabouts of Tariq.

Employees of Southeast Bank Limited
Phone : 9550081-85

