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King Hassan buried

RABAT, July 25: The remains of Morocco's King Hassan II were buried at King Mohammed V mausoleum today after being transported in state through the centre of the capital Rabat, reports AFP.

US President Bill Clinton, French President Jacques Chirac, Spain's King Juan Carlos and Jordan's King Abdullah II walked the full three kilometres behind the coffin.

Others, like Palestinian leader Yasser Arafat, joined the procession when it arrived at the mausoleum.

The closest male members of Hassan's family, dressed in white gowns and red fez hats, were seen kneeling to pray at the side of the coffin outside the mausoleum. Chief among them was Hassan's eldest son, the new King Mohammed VI.

The coffin was then carried inside, where only the closest male kin lowered it -- to the sound of mournful recitations from the holy Quran -- into the northeast corner of the mosaic-walled chamber in which Mohammed V, who died in 1961, also lies.

State television broadcast the ceremony live to the nation. Hassan, Morocco's leader for 35 years, died Friday of a heart attack after coming down with an acute lung infection. He was 70.

Hasina attends funeral

BSS adds: Prime Minister Sheikh Hasina was among the heads of state and government, kings and princes, who attended the funeral of King Hassan II. Sheikh Hasina took part in the funeral procession from the royal palace to the mausoleum, some 2 km away, which took place after afternoon prayers.

Inside Today

Article

An Igominious Defeat against Corruption

Column: Perspectives by Brig (Rtd) M Abdul Hafiz
Page 4

Prayer Timings

July 26		
	Azan	Jamaat
Fajr	4:10	4:15
Johr	12:50	1:25
Asr	4:55	5:05
Maghrib	6:55	7:00
Esha	7:55	8:15

Source: Islamic Foundation



BANGLADESH BANK Public Notice

Consequent to the Government's policy of attracting foreign investments (equity and loans) in the private sector with a view to attaining faster rates of economic growth, the country's payment liabilities abroad are increasing side by side with increasing foreign investment inflows. Dependable, correct data on foreign debt and equity liabilities are important for making provision of foreign exchange to meet these foreign liabilities.

Bangladesh Bank has put in place a regular survey to collect, compile and update data on foreign debt and equity liabilities in the private sector on a quarterly basis. Survey questionnaires have been sent to all private sector firms/companies with approval/registration listing of foreign borrowing/equity with the Board of Investment. Bangladesh Bank officials associated with the survey may in some instances visit in person the concerned enterprises with survey questionnaires (particularly those enterprises that are first time respondents).

Enterprises having foreign debt/equity are requested to promptly furnish full and correct information in these questionnaires, in their own interest as also in the interest of maintaining confidence of foreigners for investment in Bangladesh. Questionnaires received by mail/courier should be filled in and returned to Bangladesh Bank within two weeks of receipt. Statistics Department, Head Office, Dhaka may if necessary be contacted for any clarification/ explanation about the survey questions. Where Bangladesh Bank officials call personally at the premises of the enterprise, the questionnaire should be filled in immediately with their assistance.

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The Daily Star

There is local market for gas

Facts emerge to refute foreign oil companies' claims of cash crisis

By Sharier Khan

Although foreign oil companies are loudly claiming that Bangladesh would run into a cash crisis by paying for gas produced by them, facts show that the country would be able to keep a profit margin by selling the gas to private sector power companies at a lucrative rate.

The price of gas produced under Production Sharing Contracts (PSCs) is much higher than local sale rate, causing loss to Petrobangla which purchases gas from PSC operators like Shell/Cairn or Unocal/Occidental and sells that in the local market.

"But we will not incur loss when gas-based private sector power plants will start operation," said a source. The gas purchase rate agreed by major power companies is much higher than the local sale rate and the price of gas produced under PSC, he said.

Private sector power plants will consume at least 250 million cubic feet of gas per day (mmcf) in the next five years to add 1330 MW gas-fired power to the National Grid from 2003.

Now, Shell/Cairn is supplying 60 to 100 mmcf of gas from off-shore Sangu field and Unocal/Occidental is supplying another 60 to 100 mmcf from Jalalabad field.

Talking to The Daily Star recently, a high official of Shell claimed that no Bangladeshi official or leader he met could say how the country would optimally utilise gas to be produced under PSCs and pay in dollars without affecting the foreign currency reserve.

The same argument was given by a World Bank high official a couple of weeks ago at a press conference.

But facts show that if the private sector power projects are implemented properly, PSC

gas will not be a losing concern for the country.

Gas tariffs under PSCs are fixed taking into consideration the quarterly average price of high sulphur fuel oil (HSFO) in Singapore. Bangladesh pays 93.75 per cent of the HSFO price for one unit of Sangu gas and 75 per cent for Jalalabad gas. As HSFO prices frequently fluctuate, there is a highest and a lowest ceiling, ensuring profitability for the PSC operators.

In this manner, the highest price per unit of Sangu gas is set at 3.05 dollars and the lowest at 1.72 dollars. The highest price for Jalalabad gas is set at 2.84 dollars and the lowest at 1.38 dollars.

When production of gas started in Sangu in June last year, its unit price was 2.24 dollars because of soaring international oil price. Now, this price has come down to 1.72 dollar. Jalalabad gas has so far been

purchased at the lowest rate of 1.38 dollar.

The local rate is 1.1 dollar per unit.

In contrast, private sector power companies AES and Midland will purchase gas at 2.4 dollars for Meghnaghat, Haripur and Baghabari plants (totaling 910 MW). Three barge-mounted plants (totaling 320 MW) which have already started power generation by using imported fuel will use gas in future and pay at the rate of 1.117 dollar per unit.

The point is, the price of gas produced under PSCs will hopefully remain within grip, compared to private power companies' gas purchase rate," maintained an energy expert.

Besides, the gas produced under PSC is shared by foreign oil companies and Petrobangla. Petrobangla gets 15 to 30 per cent gas free as its share from both Sangu and Jalalabad gas

fields. In this way, the real gas tariff under PSCs will be much lower.

The government is also negotiating with Unocal for setting up of four power plants in the western region. These plants will add another 400 MW power, the source said, creating more demand for gas at lucrative prices.

In addition, there are 8 government gas-based power projects in the pipeline with a total generation capacity of 1059 MW.

These proposed plants are at Haripur (109 MW), Shahjibazar (60 MW), Baghabari (100 MW), Sirajganj (300 MW), Tongi (80 MW), Siddhirganj (two plants of 210 MW and 120 MW capacity) and at Fenchuganj (90 MW second phase power plant).

The Rural Electrification Board is pursuing two 60 MW

See Page 12 Col 1

Dhaka's defiant drug controllers

Disregarding mounting scientific evidence, they support saline bags that can cause cancer

By Naimul Haq

The Bangladesh Health Ministry despite repeated warnings of the hazardous effect of diethylhexyl-phthalate (DEHP) in polyvinyl chloride (PVC) by the Daily Star refuses to acknowledge the danger.

In a letter to The Daily Star following publishing of our June 26 report titled 'warning goes unheeded' Drug Administration claimed that PVC saline and blood bags are safe.

The DA also indicated that the government would continue to manufacture PVC intravenous Saline and blood bags

containing DEHP.

The Daily Star earlier published two stories on 6 April and 26 June this year on the toxic effect of DEHP present in saline and blood bags manufactured in the country.

More than 20,46,000 IV saline and blood bags are used annually in the country supplied by the government to treat sick and injured patients in hospitals. Two local pharmaceutical companies also manufacture IV saline bags in the country. Their production capacity is at least four times the

government plant located at city's Mahakhali area.

An increasing number of hospitals and medical equipment providers across America are phasing out use of PVC plastic, a chemical used in various medical products that may cause damage to vital human organs and the environment. Some of them have already announced that they would replace it with safer alternatives.

The Peer-Reviewed report, released last July 7 by the Lowell Centre for Sustainable Production of the University of

Massachusetts in US, evaluated more than 100 studies on the DEHP that is used to make plastics (PVC), soft and flexible.

The review confirmed that the toxic chemical leaches, potentially causing damage to the heart, liver, ovaries, testes, lungs and kidneys, and interfering with sperm production. The Lowell report was commissioned by the Washington-based Health Care Without Harm (HCWH).

The recent examples include Baxter International, Inc., United States' leading producer

of IV bags; Universal Health Services, Inc., America's third largest hospital management company; and Kaiser Permanente, America's largest non-profit health maintenance organization.

DA's claim supported by a document of European Council for Plasticiser and Intermediates said - during the last 20 years hundreds of studies have been conducted by independent researchers and reviews by numerous government agencies have provided no indication

See page 11 Col 7

Oxy told to settle damage deal

Star Report

Petrobangla has asked US oil company Occidental to resolve the issue of compensation for environmental damage at Magurchara with the Environment Ministry, sources concerned said.

In a letter to Occidental regarding its deal with Unocal, Petrobangla further suggested the American company to resolve, if it has, any dispute on See Page 12 Col 5

Bangabhaban refutes press reports

Bangabhaban yesterday refuted two press reports published in the Bangladesh Patrika on July 23 involving President Shahabuddin Ahmed and described those as 'baseless' and 'motivated', reports BSS.

A press release signed by the Press Secretary to the President yesterday said that Bangabhaban had issued an immediate corrigendum to the concerned daily contradicting its Friday's two reports saying 'Shahabuddin introduced Special Powers Act for the second time' and 'Shahabuddin's apology to Ershad' and gave a detailed clarification in this regard for publication.

As the corrigendum was not published in the issues of Bangladesh Patrika on July 24 and 25, Bangabhaban decided to circulate the corrigendum to all newspapers and news agencies to bring the matter to light.

The story that Shahabuddin introduced Special Power Act for the second time which was published in the front page of the daily on July 23 was described by Bangabhaban as

'baseless, false and motivated.'

The Bangabhaban, in its rejoinder to the Daily, said former President General Ershad on December 6, 1990, just an hour before handing over power, had, in fact, basically signed the 'Government Employees Retirement Act (Act 12 of 1974) instead of the 'Special Powers Act Repeal Notification'. The decision (Act 12) was neither approved by the cabinet nor published as a gazette notification, it said, adding 'so the very act (Special Powers) still remains in force.'

Referring to the amendment of the 'Special Powers Act', Bangabhaban said it was an amendment of the Schedule 4C of the Special Powers Act (Rule 14 of 1974) on December 24, 1990 in which arrangements were made for the trial of the crimes under Articles 376, 385 and 387 of CrPc.

Referring to another report of the daily which quoted the then Attorney General Barrister Rafiqul Huq, Bangabhaban said the former President was See Page 12 Col 1

Notice slapped on Mosharraf Jamalpur AL drama takes new turn

By Nazmul Ashraf

The dispute between State Minister for Land Rashed Mosharraf and the Awami League unit in his home district Jamalpur has taken a new turn.

The Jamalpur AL unit yesterday issued a show cause notice asking Mosharraf to reply in four weeks why he will not be suspended from the district committee for anti-organisational activities, party sources said.

Meanwhile, the AL central committee has assigned a three-member committee to investigate the dispute between the state minister and Jamalpur AL leaders including four MPs.

The committee, comprising State Minister for Textiles AKM Jahangir Hussain, Shamsur Rahman Khan, Shahjahan and Fazlur Rahman, was given the assignment at Friday's meeting of the AL Central Working Committee in the city, the sources said. In the meeting,

some of the leaders were also critical of the Jamalpur AL leadership that decided the suspension last week.

The committee has already started its investigation into the allegations brought against Mosharraf and related problems in the Jamalpur AL unit. The committee has been asked to submit its report in the next meeting of the ALCWC, the sources said.

Talking to this correspondent last night, Mirza Azam MP, General Secretary of Jamalpur AL, confirmed issuance of the show cause notice against Mosharraf.

Asked about their plan to meet the party chief and Prime Minister Sheikh Hasina to discuss their action, Azam said it has now become redundant after the formation of the probe body. "Now we'll have to wait for the probe body report," he See Page 12 Col 6

Raw deal

Govt's grain procurement drive deprives growers

By Reaz Ahmad

System flaws, corruption, political influences and saturation of government silos have made the ongoing food procurement drive a total failure in giving any dividend to the resource-poor farmers.

Official sources could not outright reject the most disturbing reports from the field level that many farmers are not getting the benefit of price support because of the system and also the slowness of the programme.

'Marriage of convenience' between a section of procurement staff and middlemen reached a new height this time that deprived poor farmers leading to a fight with them in a northern district early this week.

Acknowledging the incident of violence over the procurement foul-play, food ministry officials told The Daily Star that steps were underway to investigate the incident.

However, occasional surprise visits by the food department officials have proved too little a measure to protect the rights of poor farmers who tolled a lot in the last boro season in recouping the 1998 flood-forced crop loss.

Big millers and middlemen having blessings of local political high-ups are selling in bulk at designated procurement centers while paddy brought by individual farmers are being rejected on lame excuses.

Encouraged by farmers hard job in reaping a boro bounty, government offered a higher price this year for paddy, rice and wheat to give price-support to the farmers.

"Procurement centers are buying paddy only from businessmen and millers," says a field report of Novartis, a multinational in pesticides business.

A highly placed source alleged that even people's elected representatives were also involved in food procurement

scandals at places. Many said that the parliamentary standing committee on food ministry should take up the issue for resolution when it sits on July 26.

Meanwhile, the government silos are already full of grain and as a result, there is very little scope to procure further.

The procurement season began with an all-time high food reserve of 12 lakh metric tons (MT) and now the load-capacity of the age-old government silos is down by four lakh MT from 18 lakh MTs, a few years back. The government is rushing for immediate off-loading of grains under various food-for-work programmes to make room for fresh procurement.

At present food department has five silos, 13 central storage depots (CSDs) and 662 local storage depots (LSDs) with an optimum grain-load capacity of 14 lakh MTs.

Building of new silos is long overdue. As the donors refused to provide funds for such installations, the government recently decided to set up 20 food godowns, nine of them in the current fiscal. Taka 100 crore has been allocated by the GoB from its own resources. The money will be available in a staggered manner, official sources confirmed.

At the July 17 meeting of the National Disaster Management Council, the prime minister had asked authorities concerned to ensure protection of godowns so that foodgrain stocks are not damaged by flood.

At least four food godowns have already been marked as key-point installation (KPIs) vulnerable to flood and protection walls were raised around them, said concerned officials adding that the number may rise with the deterioration of the flood situation.

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