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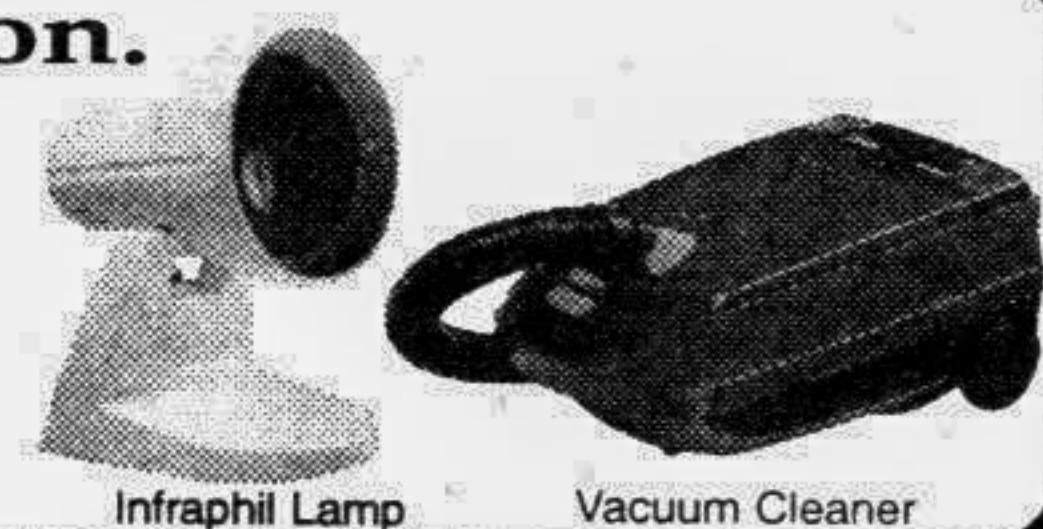
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Second Round Block Bidding

Chevron-Texaco for fresh talks if their 'final offer' considered

By Sharier Khan

US oil giants Chevron-Texaco, which apparently walked out of the Second Round Block Bidding on Block 9 early last year following "frustrating results", has reiterated their willingness to resume talks if Bangladesh is interested in their "final offer".

In a message faxed to The Daily Star responding to a recent report that foreign companies' interest in Bangladesh was dying down, Chevron-Texaco executives said they did not withdraw from the Second Round Block Bidding.

"We, along with other participants in the Second Round, have been frustrated by the license awarding process and duration, but we are hopeful that the process will move forward with the best interests of Bangladesh in mind", the faxed message said.

The message was signed by Rob A. Lagay, Managing Director of Chevron Overseas Petroleum Inc for Asia and William V. Maloney, Vice-President, Worldwide Growth of Texaco Britain Ltd.

They reiterated the proposal made by the Chevron-Texaco joint venture prior to its apparent departure. The proposal had said that it would accept the responsibility of creating new markets for the gas it developed if Petrobangla chose not to buy the gas under the terms of the Production Sharing Contract (PSC).

The message said: "Unlike many of the bidders in the Second Round Bidding, Chevron and Texaco have not asked

Bangladesh to amend the PSC terms to permit gas export via pipeline. Bangladesh will know when it has sufficient gas to justify sale to other countries without jeopardising its own supply security.

"The people of Bangladesh stand to benefit from the award of Block 9 to Chevron and Texaco. Chevron and Texaco have offered a generous work programme and completely guaranteed its performance. Many jobs will be created during the exploration phase and more will accompany our development of any commercial discoveries," they pointed out.

In the middle of last year, the government announced results of the bidding on blocks 3, 5, 6, 7, 8 and 10. But it suspended the results of blocks 9 and 11, the most-sought-after blocks. The results were actually intended to be announced in December 1997 but the government could not handle the negotiations properly as it leaned heavily towards awarding blocks 9 and 11 to Tullow along with a big and solvent partner.

The government had invited Chevron-Texaco and Mobil-Petronas to hold talks with Tullow on the basis of partnership in these two blocks. Seeing the government's clear preference for Tullow, Mobil-Petronas proceeded with the talks somewhat reluctantly. Chevron-Texaco accepted Tullow's work programme but could not agree on the partnership equity.

Chevron-Texaco had proposed 30 per cent equity each for Chevron, Texaco and Tullow

and 10 per cent carried over interest for BAPEX. But Tullow proposed that it deserved 45 per cent equity, Chevron-Texaco 45 per cent and BAPEX 10 per cent. Chevron-Texaco then closed the talks saying that it was not economically meaningful for them.

They proposed that they would develop Block 9 and also the local market for gas if the government wanted and that they were not seeking a mandatory option for gas export.

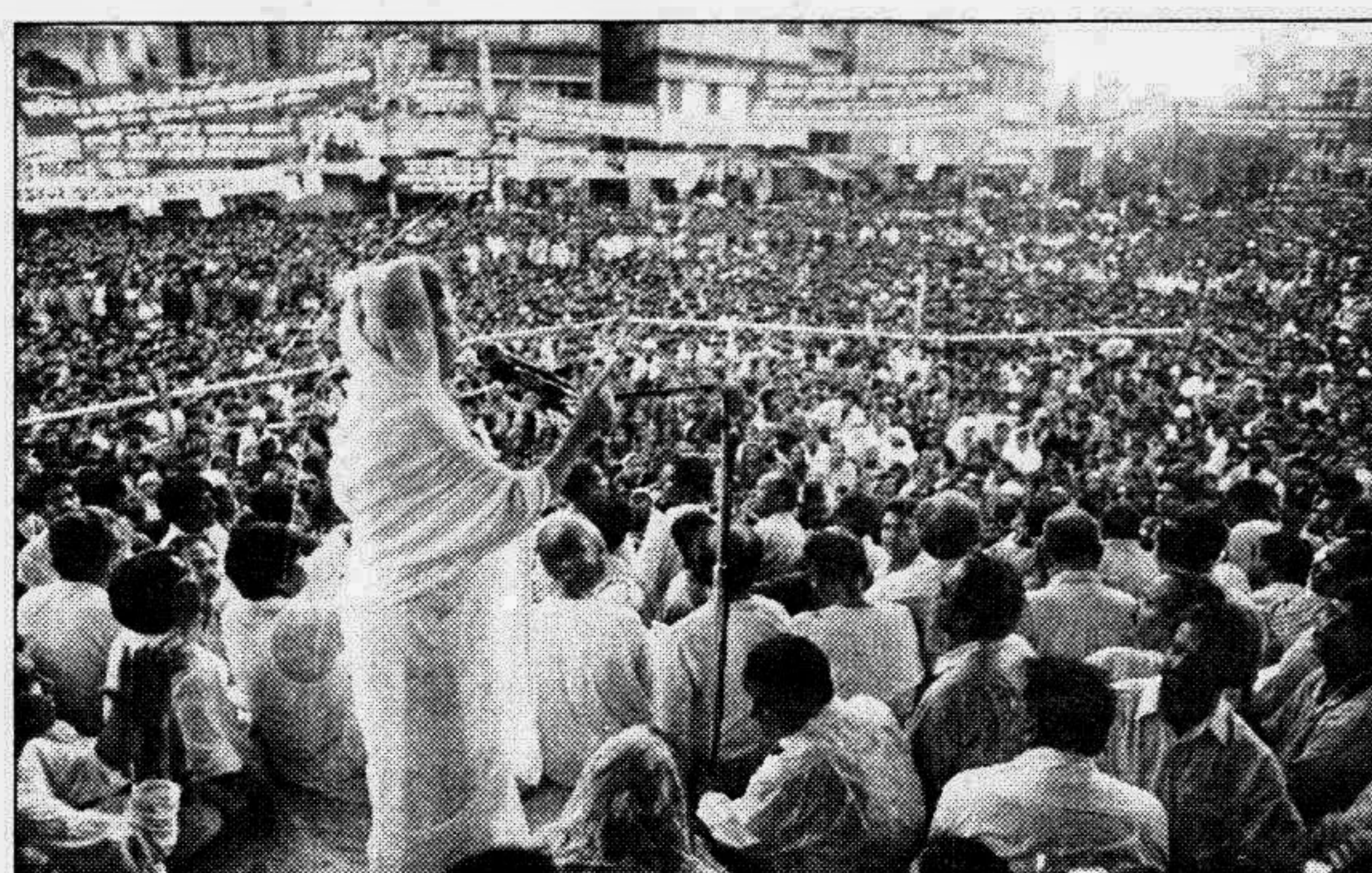
The government did not bother to consider the offer and the joint venture remained silent since then.

Afterwards, Mobil officially withdrew from the Second Round Bidding due to various reasons, leaving Petronas and BAPEX as candidates for blocks 9 and 11.

Recently, there was a move in the high level of the government to award Block 9 to Tullow alone. But Tullow's poor financial health became a problem for the decision makers.

Meanwhile, Petronas reiterated its interest for blocks 9 and 11, along with BAPEX. Petrobangla, proposed to Petronas to increase BAPEX's equity to 30 per cent from 20 per cent, which it had proposed to Mobil. Nothing has matured yet.

Insiders believe that Chevron-Texaco's interest would have a positive impact on the dull Second Round Bidding if the government responds positively.



BNP Chairperson Begum Khaleda Zia addressing a public meeting at Dolai Khal in the city yesterday. —Star photo

Alleged floor-crossing by 2 MPs

EC refixes Sept 27 for hearing

By Staff Correspondent

The Election Commission has re-fixed September 27 for hearing on the alleged floor-crossing case by two opposition lawmakers, the EC's additional secretary Aziz Ahmed Chowdhury said yesterday.

The Commission was scheduled to start the hearing on September 8. But it shifted the date as the petitioner, main opposition BNP, sought time to provide the accused lawmakers with certain documents.

The lawyers for the accused had asked for the documents on September 6. The same day Election Commissioner Mosh-taque Ahmed Chowdhury heard the lawyers of the petitioner who agreed to provide the documents on September 16, the additional secretary also said.

However, the case will be heard by the 'full bench' of the three-member Election Commission headed by Chief Election Commissioner Mohammad Abu Hena. The two other members of the Commission are Mostaque Ahmed Chowdhury and Abdur Rahman.

Two BNP lawmakers, Dr Mohammad Alauddin and Hasibur Rahman on August 16 sought one month's time from the EC for preparing legal arguments. The Commission extended the deadline for them to August 24. Accordingly, the MPs submitted their replies on Tuesday last. They also maintained their previous position that joining the government did not amount to the violation of the constitutional provision in question.

The Commission is legally obliged to pass its verdict on the controversial case in 120 days from August 8, the day the Speaker had referred the matter to it.

be declared vacant under the dictates of the article concerned.

But the MPs in question have been arguing that their conduct does not amount to violation of the Constitution. Speaker Humayun Rashid Chowdhury holds the same view.

However, the controversy went to the Election Commission on August 8 after the Supreme Court had ordered the Speaker to refer the matter to the Commission for a verdict.

The EC had asked the contending parties on August 10 to defend their positions in black and white in a week from the date of receipt of the letters. Replying to the EC on August 17, BNP re-iterating its original position, argued that the MPs should lose their seats in parliament from the day they had joined the AL government.

But Mohammad Alauddin and Hasibur Rahman on August 16 sought one month's time from the EC for preparing legal arguments. The Commission extended the deadline for them to August 24. Accordingly, the MPs submitted their replies on Tuesday last. They also maintained their previous position that joining the government did not amount to the violation of the constitutional provision in question.

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4 shops gutted

at Nilkhet

By Staff Correspondent

At least four shops were gutted in a fire at Nilkhet in the city's New Market area yesterday afternoon.

Fire brigade sources said the fire originated from an electric short circuit inside Firoza Bedding at around 1 pm and soon engulfed the nearby shops.

Four fire fighting units from fire brigade headquarters and Palashi station rushed to the spot and extinguished the blaze after half an hour. Three other shops which were damaged by fire were Bismillah Bedding, King Bedding and Farooq Bedding Centre.

Fire brigade sources could not estimate the loss of property till filing of this report last night.

Six alleged

terrorists held with arms in Ctg

By Staff Correspondent

CHITTAGONG, Sept 7: Six alleged terrorists were arrested in the city today.

A mobile police team of Chandagang thana seized two autorickshaws carrying four alleged terrorists in Ishaiyager area at around 6 pm. Police arrested the four and recovered one sawed-off rifle, two LGs and nine bullets from them.

In another drive, Panch-lash thana police with the help of local people arrested two alleged terrorists while they were hijacking a microbus from Muradpur bus stand at around 8 pm. Two rifles and eight bullets were recovered from their possession.

Of the arrested, four were identified as Amin, Masum, Zahidul and Mongal.

25 hurt as AL

factions clash in Barisal

By Staff Correspondent

BARISAL, Sept 7: At least 25 people were injured, two with bullet, in a gunfight between two rival groups of ruling Awami League in Sagardi area on the outskirts of the town this afternoon.

According to witnesses, the clash was a sequel to previous enmity between Azim and Bashir groups. Both the groups exploded crackers and fired gunshots during the clash.

They also put up barricade on the inter-district highway disrupting traffic.

Bullet-injured Raju Ahmed, 17, and Sultan, 40, were admitted to Barisal Sher-e-Bangla Medical College Hospital.

A tense situation is prevailing in the area. Additional police force has been deployed there to avoid further clash.

2 schoolgirls

drown

By Staff Correspondent

MYMENSINGH, Sept 7: Two schoolgirls drowned when a boat capsized in the river Kanchamatia under Ishwarganj Thana of the district yesterday.

Witnesses said, the country-made boat with about 15 students of a local school onboard sank in the middle of the river at around 5 pm.

All the passengers except Momota, 12 and Papy, 14, swam ashore.

Manzoor murder

Trial of case shifted to special court

The trial of the Major General Abul Manzor Murder Case was shifted yesterday to Special Court at Najimuddin road near the Dhaka District Jail from Dhaka District and Sessions Judge's Court, reports BSS.

The additional District and Sessions Judge Sheikh Rowknol Islam passed an order yesterday regarding the matter.

Nomination filed for Lucknow

Vajpayee for 'firm commitment' to secularism

From Pallab Bhattacharya

NEW DELHI, Sept 7: India's Prime Minister Atal Behari Vajpayee, seeking to steer the BJP-led combine back to power, today filed his nomination for Lucknow parliamentary constituency.

Vajpayee submitted four sets of nomination papers to the Returning Officer in Lucknow constituency which constitutes the capital of India's most populous and politically key state of Uttar Pradesh.

Uttar Pradesh sends the highest number of elected representatives to Lok Sabha (85). The main contenders in this state are Congress, BJP, Samajwadi Party led by Mulayam Singh Yadav and Bahujan Samaj Party headed by Kanshi Ram.

Vajpayee is contesting from Lucknow for the seventh time. He had lost in this constituency three times in 1953, 1957 and 1962 and won the seat in 1991, 1996 and 1998.

In 1962, he had won from Balrampur, another constituency in Uttar Pradesh.

Meanwhile, in an election broadcast to the nation, Vajpayee attacked the opposition for bringing down the government and force the elections on the country saying India cannot afford to have frequent general elections.

"Why are we having these elections 7 Parliamentary elections ought to take place every five years. Why then have we had three elections within three years?", the Prime Minister

said. The opposition, Vajpayee said, got together to topple the BJP-led government but could not remain together to provide an alternative.

The opposition's "irresponsible action" has once again imposed an "untimely and costly election," he said asking "can the nation's security and development and people's welfare be ensured in an atmosphere of engineered instability?"

Asserting that national security without a firm commitment to secularism was "unthinkable," Vajpayee said that "contrary to the propaganda of our adversaries, the past 17 months (of his government rule) have been free from communal tension."

"My message to our sisters and brothers belonging to minority communities is: Your welfare and the protection of all your legitimate interests is our responsibility."

In the 1998 general elections, Vajpayee had defeated his nearest rival Muzaffar Ali, eminent film director and a candidate of Samajwadi Party. Ali is contesting this time in Nainital constituency.

The Congress is yet to select its candidate against Vajpayee. Meanwhile, a total of 892 candidates are contesting in 123 constituencies spread over eight states in the second phase of Lok Sabha election to be held on September 11.

Quake hits Athens:13

killed, many trapped

By Staff Correspondent

ATHENS, Sept 7: A strong earthquake shook Athens today, killing at least 13 people — three of them children — and leaving more than 100 people trapped in the rubble of collapsed factories and apartment blocks, reports Reuters.

State television said the children, the youngest of them only five years old, had been at a nursery school in one of the collapsed buildings.

Police told NET television that emergency services were working to free an estimated 70 workers from a factory in the Metamorphosis suburb, one of the worst hit areas. So far two people had been brought out

unharmed, they said. Nearby, the showrooms of household appliance firm Fourlis were wrecked, trapping as many as 50 workers under the rubble, the television said.

In all, more than 100 buildings were reported seriously damaged. A Reuters reporter in the same area watched as sniffer dogs searched the rubble of a five-storey building, and police said there were people alive underneath.

But amid widespread damage, the historic buildings on and around the Acropolis escaped unscathed.

"Everything is fine and dandy," one guard told Reuters by telephone from the high plateau that dominates the city of four million people. "The Acropolis has survived worse earthquakes than this."

Prime Minister Costas Simitis was chairing an emergency cabinet meeting to deal with the situation following the quake, which measured 5.9 on the open-ended Richter scale and hit at 2.56 pm (1.56 GMT), shaking buildings for about 10 seconds.

Thousands of people fled into the streets, and many of them then spent the day in the open air for fear that the tremor might presage a worse one to come.

But a scientist at the Athens Seismological Centre told Reuters: "We think there is a 99 per cent probability that we have experienced the main quake."

But as minor tremors continued every few minutes, he added: "There will be a series of aftershocks — we expect them to last through the evening."

Greek scientists told local media that the quake was the strongest to hit the country since 1981, when it was rocked by a tremor measuring 6.6 on the Richter scale.

30 hurt as JCD

BCL clash at Mohanpur College

By Staff Correspondent

RAJSHAH, Sept 7: At least 30 students were injured in a clash between the activists of Bangladesh Chhatra League (BCL) and Jatiyatabadi Chhatra Dal (JCD) at Mohanpur College here today.

The clash erupted when JCD worker Shaokat beat up a BCL activist yesterday morning. In retaliation, the BCL activists beat Shaokat mercilessly. Shaokat was admitted to Rajshahi Medical College Hospital.

Both the groups took position on the college campus this morning and were locked in a pitched battle as the news of attack and counter attack spread in the area.

The feuding groups used arms and exploded crackers during the clash. The clash also spread to local thana parishad areas.

The general students including girls ran helter-skelter on the campus for safety during the clash.

Six vehicles were also damaged during the clash. Later police rushed to the spot and brought the situation under control.

PM tells Jatiya Sangsad

No decision yet on transshipment

By Staff Correspondent

Prime Minister Sheikh Hasina told the Jatiya Sangsad yesterday that the government was yet to decide on whether to give transshipment facility to India.

However, she said, her government has agreed in principle to discuss with India the proposal for transshipment of Indian goods through Bangladesh's land using Bangladeshi transports.

Replying to a question by Awami League MP Abdul Latif Mirza, the prime minister said Bangladesh is expected to gain economic benefits if the proposed transshipment facility was given to India. The country would earn royalty and levy apart from employing its transports and manpower in such an arrangement.

"Country's annual earning from the proposed transshipment will depend on the amount of transportation of goods, which can be estimated by the joint experts committee (of the two countries)," she said. The government had appointed consultants to examine economic and other aspects of the transshipment before any discussion with India, she added.

Hasina said the Bangladesh-India trade agreement of 1980 provided transit to India while her government had agreed to discuss transshipment to that country.

Haltals during AL govt

The prime minister told another questioner, Kazi Sirajul Islam (AL), that 35 people were killed and 392 vehicles damaged due to anti-government campaign including hartal since Awami League came to power in June 1996.

According to a list she produced in the House, the highest 21 people were killed in the capital, followed by three in Jessore, two in Feni and one each in Khulna city, Bhola, Sunamganj, Natore, Chittagong, Laxmipur, Noakhali, Rangpur and Bogra.

The capital also had the highest number of damaged vehicles — 208, followed by Chittagong, 87.

Hasina gets Ceres Award '98. Prime Minister Sheikh Hasina told the House that she had been nominated for the Ceres Award 1998.

The FAO director general had recently informed her of the nomination, she said in response to a question by Haji Mohammad Selim (AL).

"Let me express my gratitude to almighty Allah for the rare honour of being awarded with the Ceres Award. I also thank the Food and Agriculture Organisation (FAO) for recognising the active role of the women in augmenting world food production."

Submit income tax returns by Sept 15: NBR. The National Board of Revenue (NBR) yesterday asked all concerned to submit their general and self-assessed income tax returns by September 15, reports BSS.

An NBR press release said besides the normal taxpayers, the people whose annual income exceeded Taka 75,000 must submit their income tax returns and pay the taxes.

ALPP meets tomorrow

A meeting of the Awami League Parliamentary Party (ALPP) will be held at the Jatiya Sangsad Bhavan at 9 am tomorrow, reports UNB.

Leader of the House and Prime Minister Sheikh Hasina will preside over the meeting.

Task force

By Staff Correspondent

The FBCCI president said capital market needed to be strengthened to finance industrialisation as foreign aid shrank and two state-run DFIs (BSB and BSRS) were in bad shape.

UNB adds: No other country in the world except for Japan could bring industrial development depending on commercial banks, the FBCCI president said, stressing the need for energising the capital market.

In the private sector-oriented economy, capital has to come from private sources and capital market can be the best source of industrial finance.

He felt the urgency of removing the deterrents to restore confidence among investors and enliven the capital market. Institutional supports, like insurance, bank, merchant bank and private mutual funds, need to be enhanced for the bourse to recover from its lull.

Automated On-line trading system, which is already in force, will provide an international-standard trading service and ensure transparency in share market, which will attract foreign investment.

The FBCCI chief proposed lucrative areas in the public sector, like petroleum, gas, telecommunications and Sadharan Bima, should be put on the stake on the share market to encourage investors.

Highlighting the role of capital market in industrial financing, DSE Chairman Rakibur Rahman said a total of 74 companies drew Tk 618.48 crore from stock market through IPOs between 1994 and 1996. Another 23 companies have collected Tk 113.73 crore since 1997 to date, he added.

Rahman said the DSE introduced computerised On-line trading on August 10 last year replacing the 44-year-old outcry system to make the trading transparent and accountable.

Dhaka Chamber of Commerce and Industry (DCCI) president MH Rahman attributed to overall economic dullness the present crisis of capital market.

He said commercial banks, the traditional source of industrial finance, are reluctant to provide term lending while two state-run Development Finance Institutions are practically inactive.

Capital market, the next source of finances for industries, is playing an insignificant role.

"Sense of security has to be restored to bring more investors in the capital market," he said.

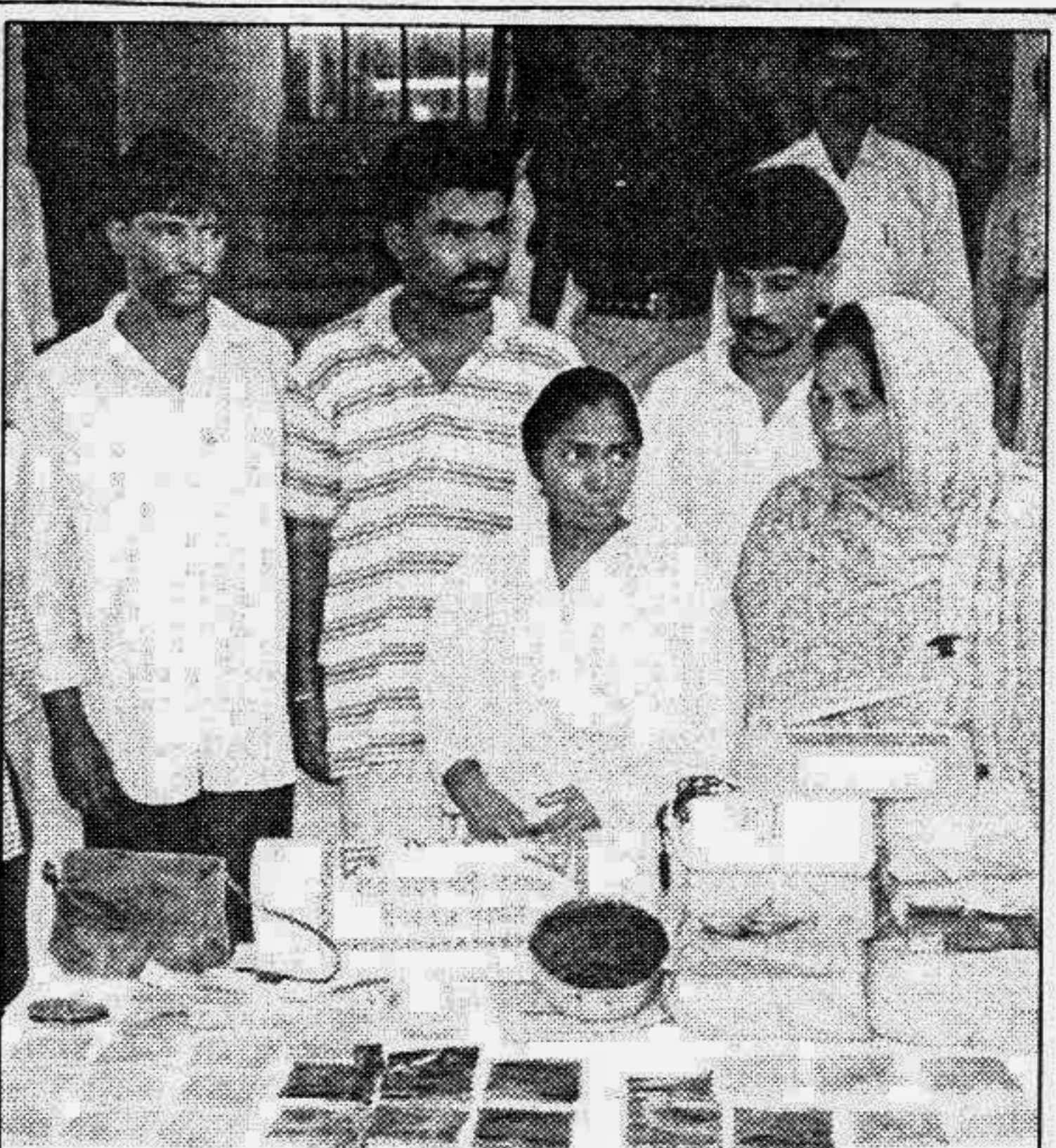
Mostafa Kamal MP, Foreign Investors' Chamber of Commerce and Industry (FICCI) president AKM Shamsuddin, Bangladesh Chamber of Industry president Khondaker Mosharrar Hossain, Chairman of Finance and Banking Department of Dhaka University Prof Khairul Hossain, former DSE chairman Hemayet Uddin, Khorsheed Alam and Intiaz Ahmed, DSE councillors Enayetur Rahman and Ehsanul Islam were among the speakers.

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Police arrested five persons and recovered 2.5 kg heroin from the city's Rampura and Mirpur areas yesterday. —Star photo

Monday's incident on campus

RU forms probe body

By Staff Correspondent

RAJSHAH, Sept 7: The students of the Departments of Management and the Finance and Banking of Rajshahi University today abstained from attending their classes following the clash that occurred between two rival group of students on the campus yesterday.

At least 50 students, including two teachers and four policemen were injured in the clash.

Meanwhile, the authorities of Rajshahi University have formed a three member committee comprising Professor Sayenuddin, of Chemistry Department, Professor Zehadul Karim, Chairman of the Department of Anthropology and Professor Obaidur Rahman of the Department of Accounting to probe the incident. The

committee has been asked to submit its report within next seven days.

The students of the Department of Management today staged a sit-in demonstration in front of the Rabindra Arts Building demanding removal of a teacher for his alleged misbehaviour with the students. The agitating students also set ablaze some copies of the "Promotion Act" for publishing 'false report' on the incident.

Over 200 students of Rajshahi University in a joint statement today demanded arrest and exemplary punishment of the teachers and students responsible for the incident. They also demanded compensation for the affected students.

Additional police force has been deployed on the campus.