

## FOCUS

## Tower Collapse in the Power Sector

THE Daily Star's front page news item of eighth June regarding 132KV tower collapse near Ishwardi instantaneously reminded me of a similar but more acute incident during my tenure in the Power Development Board, the memory of which frightens me even today. It was mid March 1997, when two 230 KV towers of the East-West Interconnector collapsed at Maligacha in the Pabna district (near Ishwardi) and the entire western zone of the country across the river Jamuna was faced with the grid-failure. However, if my memory does not fail me, during the 1990s, as many as 11 such full or partial grid-failures and power cuts were experienced. And the civic life of an insignificant percentage of citizens of the total population of this poor country, who enjoy the privilege of electricity, were disrupted for about seventy-two hours. Power supply was restored quickly.

However, on the current incident, on further enquiry, it has been learnt that this was not a case of tower collapse rather the top of the tower for some strange reason burnt out and the power supply was disrupted for a brief period. The incident of 1997 was very serious. Some nuts and bolts were removed earlier by unknown miscreants and the towers collapsed. In a sense, when people are in perpetual anxiety for their own security in a state of near lawlessness, the situation gets aggravated more in the towns and cities if electricity goes out without any notice, particularly in the night. The traders, businessmen, bureaucrats, politicians, even ordinary city dwellers feel unsafe with the extortionists stalking in their midst and the law breakers making a hay out of the darkness.

The unpredictable load-shedding by the power system remains a constant irritant to the public, and the spectre of a

total power system collapse haunts both the government and the consumers of electricity, whose number is about 4.35 million out of an estimated population of 128 million in 1999 in Bangladesh. In the late 1990s, there was a ray of hope at the end of the semi-dark tunnel about improvement of the system through systematic implementation of reforms and unprecedented response from the foreign private investments, but the forward movement was halted by the abnormal delays and slippage in implementation of reforms and transmission projects, and the opening up of the uncalled for debate within the management of the power system on the specifics of the reform process during mid 1999 to mid 2000. Furthermore, the process of corporatisation, which began under the Companies Law 1994, faced road blocks and the entities such as the Power Grid Company of Bangladesh (PGCB) and Dhaka Electric Supply Company (DESCO) were constrained by their respective parent organizations, BPDB and DESA, from functioning as self-contained companies. The government had introduced a commercially-oriented pay structure keeping corporatised entities outside the government pay structure (e.g. PGCB and DESCO).

On the other hand, the Rural Electrification Board (REB)/Palli Bidyut Samities (PBSs) had introduced completely commercially-oriented service conditions but with no trade union rights for employees which contributed to the

successful operation of the PBSs. In the BPDB, some strange things were happening. On the one hand a dual control on the operation of the transmission sector was prevailing, almost denying the PGCB to undertake any new development projects including the very critical National Load Despatch Centre project being funded by a major multilateral donor. The work on the Kaptipur-Tangail transmission project in connection with the second interconnector was stalled and the conversion of Baghabari 71 MW gas turbine plant was unnecessarily delayed. On the other hand some 'informal' corporatisation effort was allowed to proceed in the recent months. A number of companies are reported to have been floated without due regard to the Companies Law, 1994. These experiments may serve short term expediencies and private gains for some but in the long run might create more problems than they solve.

Problems in the power system are legion. Already high system loss, low plant efficiencies, erratic power supply, shortage of funds for maintenance of power infrastructures, unwillingness of the customers to pay utility bills, illegal connections, faulty meters, the unholy alliance between employees and customers, and above all serious management deficiencies of the sector entities have crippled the sector. The need for low cost distributed power to improve the quality of life is urgent, in part, to assure balanced economic developments as well as to help stem the tide of migration from the villages into the emerging and increasingly unmanageable towns and cities.

Indeed the idea of installing small power units (10 MW each in each PBS) came round the

same thought process of 100 MW Barge Mounted Power Plants installed and commissioned earlier through the Independent Power Producers (IPPs) as a part of the reform process. It would be very interesting to note that because of competitive and transparent bidding process, pre-selection of sites and fuels and lands etc., the per unit tariff was only 5.1 cents per kilowatt hour compared to their prevailing tariffs in Philippines, Pakistan and India (between 6.5 and 7.2 cent/kilowatt hour) in case of BMPP. In the second and third stage, the tariff has been much more competitive, between 2.79 cents and 2.73 cents/kwh, a record lowest tariff in the private power market in the world. Through this process a mutual trust was built in a win-win situation, which should not have been disturbed by the BPDB management in late 1999.

Unfortunately, the top management of BPDB came out with some disagreements over power sector policy, which almost created mistrust between the concerned parties on agreed (earlier) restructuring plans. Despite desperate efforts by the government to mobilise funds from all conceivable sources through positive indications on reform actions, these initiatives were being floated by the top management of BPDB which made the sector more vulnerable. The confidence of the private sector investors, which peaked in 1998, was also pushed aside by the same authorities. Those who know the power sector say that had the

300 MW power-boats not been commissioned, the country would have suffered at least 500 MW load-shedding now.

Thus having witnessed what has been happening in the recent months one might observe that the long suffering power sector reached a stage of desperation of another kind, when near despotism in sector unit was about to take the power system to a desultory path. The authorities in the government were watchful. They took quick action and the atmosphere of near despondency has been calmed. The post-analysis of the drama, which ended quickly, was that the period would perhaps be identified for gross violation of the rules of business of the government and an utter defiance of the reform measures adopted by consensus in the 1990s. The media reported serious indiscipline in procurement of goods and services, which had threatened the fabric of management. The print media splashed the news and views on the subject, particularly after the 'cow was sacrificed'. The media perhaps smell rat, but they waited for an opportune moment to take the cat out of their bag. Now a plethora of arguments and counter arguments are being initiated perhaps to turn the case into a 'martyr'. The tower has collapsed, but that is not the end of the world. To get over our chronic inability to catch up with the global bus we have to have a fresh outlook, a changed world view and a new and refreshing thought process.

Our anxiety and alacrity should centre on how to replace the tarnished image with a more credible one. Need be, we should introspect on the issues and initiate an intense debate on how to achieve the right kind of leadership.

The author is former Chairman of PDB.

## Cutting and Razing of Hills Continue in spite of Ban

by Syed Abu Royhan



razing before the government approval is obtained.

Of course, in some cases, as per satisfaction of the government, there exist some provisions for giving approval by the government regarding hill-cutting or razing:

a) the cutting or razing of the hill shall not cause any serious damage to any hill, building, structure or land adjacent to or in the vicinity of the hill, or

b) the cutting or razing of the hill shall not cause any silting of or obstruction to any drain, stream or river, or

c) the cutting or razing of the hill is necessary in order to prevent the loss of life or property, or

d) the cutting of the hill is such as is normally necessary for construction of dwelling house without causing any major damage to the hill, or

e) the cutting or razing of the hill is necessary in the public interest.

The implementation of the above rules, in the light of the existing law, is not at all complicated. In comparison to the hill oriented districts like greater Sylhet, Comilla, Cox's Bazar, Mymensingh, Tangail, Jamalpur and Netrakona, the districts of Bandarban, Khagrachari, Rangamati and part of Chittagong Hill Tracts area blessed with scenic beauty and rich in natural resources has contributed greatly to the geographical variety of Bangladesh. Its originality and serenity are something of an asset. Government has undertaken extensive plans to make this area more and more attractive.

This allegedly would be used to raise funding from bonds which were to be issued abroad and the company was said to be unwilling to put any money up-front.

Unfortunately, the tendency of hill cutting and hill razing in these areas has multiplied. For establishment of markets on commercial basis, shops, godowns, brick fields, new institutions, construction of new roads and buildings, setting up of horticulture gardens and for many other reasons, hill cutting or razing often become necessary. In spite of that, hill cutting or razing must not be allowed to go on rampantly. The memo also ordered all concerned for enforcing this law in all possible fields.

The law is a just and suitable one. This law also empowers the authority to file a case against anybody who cuts or raze hills illegally without any prior approval of the Government. For this purpose a seven member committee has been formed with Deputy Commissioner as the chairman. The Additional Deputy Commissioner (Revenue), the Thana Nirbahi Officer concerned, Executive Engineer of Public Works Department, one representative of the Directorate of Environment, the Executive Officer of the concerned Municipality are the members and the Revenue Deputy Collector concerned is the member secretary of that committee.

As a district level committee, the above mentioned committee is quite authoritative and powerful as has been mentioned in section 3 C(1) of the Building Construction Act. This committee shall have to take prior approval of the government as per Proviso No 1 of Section 3 C(1) of the Act for giving approval to any hill cutting or razing. This law also states that this committee shall not approve any hill cutting or

law and social motivation.

## Timber's Role in the Fiji Insurrection

David Robie writes from Suva

## Fiji Islands

## Economy is largely agricultural:

## Annual value:

- Sugarcane: \$81m ● Other crops: \$40m
- Livestock products: \$20m ● Fishing: \$26m
- Forestry: \$21m ● Subsistence: \$299m
- Pop: 827,000 ● GNP per head: \$2,110
- Life expectancy: 73 ● Adult literacy: 92%
- Main cash crop and export: sugar
- Area: 18,000 sq km (spread over 3m sq km)



Armed forces commander: Commodore Bainimarama

As the political crisis in Fiji twisted and turned on an almost daily basis following the seizure of the Prime Minister and a group of other

hostages, a pre-coup controversy over millions of dollars' worth of mahogany was for-

gotten. A Gemini

News Service corre-

spondent looks at a

timber dispute that is

not yet over.

Admitting that he had close

family ties stretching back over

30 years, Ah Koy said: "What

the dissident group did was un-

constitutional and therefore il-

legal. But I can understand fully

their frustrations and anger

against the Chaudhry govern-

ment and the person of the

Prime Minister for not listening

to the sensitivities of the

indigenous Fijians."

While Speight was at the

head of Fiji Hardwood

Corporation, he was seen as the

most influential man in the

country's timber industry.

Forestry contributes about

1.5 per cent of gross domestic

product, and forest products are

the fifth most important export commodity, mainly in the form of pine chips and sawn timber.

The Trade and Investment

Bureau says that the forestry

sector "is about to enter a pe-

riod of rapid growth. The focus

is on processing, marketing and

exporting, as opposed to the

planting and forest develop-

ment operations of the early

1980s."

One of the most important

developments in the sector has

been the planting of mahogany,

which the Trade and

Investment Bureau believes

could become "the flagship of

Fiji's forest industry".

There are 45,000 hectares of

mahogany, and the plan is to

plant 4,500 ha a year.

The target is 85,000 ha, at

which point it could provide a major source of export dollars that would eclipse pine as the timber industry's top product. (There are around 40,000 ha of pine plantations.)

Before his attempted coup, Speight had been under scrutiny as a result of a ma-

hogany industry controversy. (He had also appeared in court a

week before the coup on unrelat-

ed exchange control and ex-

ortion charges, which he denied.) Speight had to issue a

statement to the Fiji Sun deny-

ing that he had been "on the take" over a deal that involved

plans to harvest part of the

maturing mahogany forests, claimed to be the largest in the

world and worth billions of dol-

lars. Opposition groups claimed

the government was selling a

medium-term solution to the

problem, created by the hood-

lum-mounted attack on demo-

cracy. Imagine a businessman,

upset by his failure to win a

contract, holding the demo-

cracy set-up to ransom!

The developments in Fiji are

cause for concern to Australia —

it cannot take lightly any tur-

moil or instability in its close

vicinity. India and Australia

could put their heads together

the latter concentrating on the

regional moves and the former

focusing on the broader effort

to find a partner for

harvesting and processing

intensive international bidding

by seven international compa-

nies followed. After protracted

negotiations the bidders were

reduced to two.

The government subse-

quently claimed there were

"fundamental shortcomings"

in the proposal by one of the

two short-listed groups —

Timber Resource Management

— and the deal was off.