

Uncertainty over Haripur plant

PDB attempt to open technical bid documents irks JBIC

Star Report

The 109 MW Haripur power project has once again become uncertain as its financier Japan Bank of International Cooperation (JBIC) threatened to withdraw as the Power Development Board (PDB) tried to open, without JBIC's prior concurrence, technical bid documents of three bidders.

The JBIC hinted that if PDB tried to do so, not only it would withdraw from financing Haripur project but also its overall activities in Bangladesh might be affected.

This forced the Energy Ministry to ask PDB to cancel the technical bid opening on December 26. The authorities are now holding talks with JBIC. In a hand-written letter told the Secretary of Economic Relations Division (ERD) on December 21, JBIC said, "To our surprise we have learnt that BPDB has issued notice to open the bids of three

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Truck drivers go on rampage in city

34 sued under PSA

By Staff Correspondent

Truckers went on the rampage in the city yesterday protesting the ban on plying of their vehicles in daytime.

They damaged over 20 vehicles at Satrasta crossing, tried to put up a barricade on the road and clashed with police. The ban came into force from Wednesday last.

Tejgaon police filed a case under Public Safety Act (PSA) against 34 truck workers and arrested 23 of them from the spot during the violence that lasted several hours till 3pm, police said.

The agitating truckers allegedly attacked the offices of the Truck Workers Union and Truck Owners Association near Tejgaon rail crossing. Four unions of trucks and other goods-carrying transports had earlier called for stoppage of truck movement at night to protest the ban imposed on them. However, they withdrew the decision at last moment. Tejgaon-based truckers went on the rampage as their business would suffer due to the ban, leaders of different truck unions said.

Industrial sector grows slower than target

Growth rate 6.6 in first half of fifth 5yr plan

By Staff Correspondent

The industrial sector has failed to achieve its targeted growth during the first two and a half years of the current Fifth Five-Year Plan.

Against the targeted annual growth rate of 12.46 per cent in the sector during the period, the achievement was 6.6 per cent.

This was disclosed by State Minister for Planning Dr Mohiuddin Khan Alamgir while talking to a group of newsmen yesterday.

Giving a mid-term review of the plan launched in July 1997, the state minister however said that the average growth was satisfactory. In some sectors like food production, growth rate even crossed the target.

The review mentioned that export earning, foreign aid and remittance fell marginally short of target during the first two years of the plan. Consequently, projected improvement in balance of payment and current account did not materialise. Average export growth during the two years was projected at 12 per cent but actual growth stood at 6.2 per cent. During the same period, the current account deficit stood at 3.24 per cent of the GDP, compared to projected deficit of 2.79 per cent of the GDP, the review said.

Export growth target could not be achieved mainly due to 1998 flood, low industrial growth, constraints in speedy unloading and temporary work stoppage at the ports, it noted.

The state minister said industrial sector grew but growth rate was not satisfactory. Lack of financial support to new entrepreneurs and indiscipline in the financial sector were the main reasons for this, he added. He however said average GDP growth was satisfactory during the period. In spite of the devastating flood and declining inflow of external assistance, average annual growth of GDP for the first two years of the plan stood at 5.92



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GP launches Voice News Service

By Staff Correspondent

The Daily Star and the Prothom Alo in association with GrameenPhone introduce the Voice News Service today, the first of its kind in the country. GrameenPhone mobile users will be able to get news highlights five times a day.

The GP mobile users have to dial 222 to access the latest news highlights both in English and Bangla beginning from 8 am today. To get the English version, one has to tune to The Daily Star by dialling 2 and for Bangla to Prothom Alo by dialling 1, respectively, after dialling 222. Each caller will hear a two-minute news flash on latest national and international events. The news items will be chosen and presented by The Daily Star and the Prothom Alo teams.

GrameenPhone provides technical support to this groundbreaking venture.

Situation on Myanmar border being monitored: FM

By Diplomatic Correspondent

Foreign Minister Abdus Samad Azad yesterday said that Dhaka was monitoring the situation on its north-eastern border and maintaining contacts with Yangon authorities over developments across the Naf river following attempts to construct an embankment and subsequent trading of fire between BDR and Nasaka. He said the Myanmar ambassador was summoned to the Foreign Office on the same day and constant contacts are being made so that such incidents do not recur again. He said the Foreign Ministry contacted the Myanmar embassy yesterday. Asked if any definite assurance was received from the Myanmar authorities, Azad evaded direct reply and said, "We hope that such untoward incident will not be repeated. We also hope that they will abide by Article 5 of the 1966 Maritime Boundary Agreement that refrained either countries from carrying out any sort of constructions or river training works. Meanwhile, it was learnt that tension was prevailing in the bordering region and both sides were amassing forces.

A ceasefire that is in place will end on Sunday.

Hearing of Jalal Murder Case adjourned till March 12

By Staff Correspondent

The hearing of Jalal Ahmed Shafi Murder Case was again adjourned yesterday. Judge Sheikh Mohammad Jahangir Hussain adjourned the proceedings till March 12 following a time petition by the prosecution side. Charges were framed against the accused in 1999 and summons were issued upon the prosecution witnesses including the complainant in the case. But no witness was produced before the court in more than a year. The decomposed body of Jalal Ahmed Shafi, a DB informer, was recovered from rooftop water tank of the Detective Branch (DB) Office at Minto Road in the

	Sun Rises	Sun Sets
Jan 12		5.30 pm
Jan 13	6-44 am	

Prayer Timings		
January 12		
	Azan	Jamaat
Fajr	5-45	6-00
Juma	12-15	1-20
Asr	3-55	4-10
Maghrib	5-33	5-40
Esha	7-15	7-45

Nepal wants to involve Bangladesh in hydroelectric project

Samad Azad tells press

By Diplomatic Correspondent

Nepal has said it is willing to involve Bangladesh in the Indo-Nepal hydroelectric projects.

The Himalayan kingdom has also said that it is interested to help Bangladesh to harness water resources and that modalities could be evolved for flood mitigation.

Foreign Minister Abdus Samad Azad said this as a press briefing yesterday at the end of the four-day visit by Nepalese Foreign Minister Chakra Prasad Bastala.

A joint statement was issued at the end of the visit. Dhaka and Kathmandu have agreed that steps should be taken immediately to reactivate the SAARC process for the economic benefit of the region.

Reads the joint statement: "During the official talks, the two sides reviewed the current status of the activities of SAARC and agreed that steps need to be taken to fully reactivate the SAARC process for the overall socio-economic progress of the peoples of the South Asian Region. The two foreign ministers expressed satisfaction at the recent decisions of the member countries to hold meetings at the Technical level and expressed the hope that meetings at higher levels would take place in the near future."

Azad said that the visit of the Nepalese foreign minister was very "productive and fruitful," and that matters relating to transit routes by rail as well as road and modalities for improving the present transit arrangements were agreed.

Bangladesh has offered Nepal increased facilities, including special tariff for port handling, longer storage, concessional warehousing and larger number of railway wagons for lifting increased cargo at Mongla Port for bilateral as well as transit trade.

The official talks also covered issues relating to improved infrastructure including customs, immigration, banking and telecommunication links at Banglabandh to further facilitate trade and transit between the two countries. Kathmandu and Dhaka also agreed to bolster tourism and offer packages for marketing the Himalayan hills and the Cox's Bazar beach in a bid to attract domestic and international tourists.

BB warned against risk-free lending

It may prove equity fund counter-productive: MCCI

Star Business Report

The Metropolitan Chamber of Commerce and Industry (MCCI) yesterday said that a 100-crore-taka equity fund for three promising thrust areas might prove to be counter-productive if the central bank takes a risk-free lender's approach.

In a meeting with Commerce Minister Md Abdul Jalil, the MCCI President Latifur Rahman said that the Finance Ministry recently decided that the 100-crore-taka equity fund will be channelled through Bangladesh Bank (BB) for software, food processing and agricultural sectors in order to encourage new investment in these areas.

"Since the purpose of the scheme is to provide equity support to promising export-oriented sectors, Bangladesh Bank's approach should be that of an equity holder rather than that of a risk-free lender," Rahman said. He said that the central bank's scheme through a circular issued on December 30, 2000 laid out such condition that sponsors' share of their equity and the full amount of loan must be invested in the project before actual disbursement of the equity support can be made. Also the bank or the institution financing the development must find the physical progress of the project satisfactory. Such conditions and project viability tests might actually prove to be counter-productive in the long run. Any equity-holder is not expected to wait for full utilisation of bank loan before disbursing its share. Similarly, project viability tests should be done by individual banks instead of following Bangladesh Bank's criteria, which are unnecessarily

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