

ECNEC approves 10 projects worth Tk 14,468 crore

UNB, Dhaka

Executive Committee of the National Economic Council (ECNEC) yesterday approved 10 development projects involving over Tk 14,468.39 crore, including Tk 4,904.20 crore in project aid.

The projects include a Tk 11,419.80 crore scheme, including Tk 4,425.40 crore in project aid, for the revised Programme Implementation Plan (PIP) of Health and Population Sector Programme (HPSP) of the Health and Family Welfare Ministry.

The approval came from a meeting of the ECNEC at Sher-e-Bangla Nagar held with the Prime Minister and ECNEC chairperson Khaleida

Zia, in the chair.

Nine other approved projects are Ultra High Temperature (UHT) Treated Milk Plant at the factories of Milk Vita at Baghabari and Dhaka, Rural Infrastructure Development Project, Rural Development Project-20: Greater Comilla Infrastructure Project of Local Government Division, Operation Capability Strengthening Project and Nalka-Bogra Gas Transmission Line Construction Project of Energy and Mineral Resources Division, Deep Tubewell project in Barendra Region of Agriculture Ministry, three women's polytechnics at the divisional HQs of the Education Ministry, reconstruction and renovation of government primary schools

project of the Primary and Mass Education Department, and expansion of power distribution system project of the Power division.

Besides, the meeting also approved in principle six development projects, which will be implemented from the revenue budget instead of the annual development programme (ADP).

The projects are strengthening of the Coastguard, Infrastructure development of Benapole customs station, integrated 'Ufsi' (HYV) jute and jute seed production, goat development for poverty eradication, Child Development Programme and implementation of the UN Sea Law Convention 1982.



Prime Minister Khaleida Zia presides over a meeting of the Executive Committee of the National Economic Council at the NEC in Sher-e-Bangla Nagar yesterday.

Economic finesse

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the floating exchange rate, one needs to be careful that such exchange inflows do not create a "Dutch disease", that is, a real appreciation of exchange rate that will adversely affect our export competitiveness," he warns. "The Bangladesh Bank can take this opportunity to bolster its foreign reserves, but that will put indirect limitations on the way these foreign funds can be used for budgetary support as well. Simply put, you can have your cake and eat it too."

But the "Dutch Disease" may spread to the realm of policymaking too.

"Although the arithmetic of the proposed budget's balance sheet is not known yet, (and) the revenue surplus available for financing the development budget sheet is not known yet, the revenue surplus available for financing the development budget is reportedly projected to remain almost unchanged in nominal terms compared to the current fiscal's revised budget," he says.

It means a lower revenue surplus both in real terms and as a proportion of GDP -- certainly an adverse development so far as self-reliance is concerned.

"The Bank-Fund assistance is not a grant but a loan, even though in confessional terms. There must be enough absorptive capacity to utilise this assistance productively. Apart from increased development spending and a possible foreign reserve build-up, the assistance should also be used to reduce the government's domestic public debt and current borrowing, thus making more room for credit creation for private sector investment."

Dr Mahmud points out that the recently announced development budget projects a 20 per cent growth in development spending for the next fiscal. This is based on an optimistic assessment of aid availability that may well be justified.

"The question is whether project implementation can be sufficiently strengthened to achieve this high target. The other more important concern is whether, in implementing a large development programme, there will be enough restraint on corruption and resource waste that characterise the government's development spending. The prime minister has reportedly expressed concern on both issues. Now we have to wait and see how far this concern is backed by political will."

The government's optimistic expectations regarding increased project aid disbursements will again depend on the quality of project implementation. In the education sector, for example, while the ADP allocations from domestic resources have sharply risen over the past years, the proportion of project aid financing has steadily declined to

less than a third of development spending in this sector.

The ADP, in Debapriya's view, is also a kingpin to prop up investment. "The fiscal situation is under control because of satisfactory revenue collection and the fiscal deficit is also under control at around 4 per cent of GDP because of cut in ADP," he says. "And as more aid will pour in, deficit financing would become easier. Here, the major challenge would be implementation of the ADP I quality projects."

"If exports fail to pick up then the key strategy would be to prop up domestic demand and here public expenditure is going to have a crowding in effect for private investment," he points out.

But if investment picks up, this will lead to import pressure, posing the real challenge for macroeconomic management.

Inflation -- now at 6 per cent -- is already creeping up and the moderately expansionary policy could fuel that further. Secondly, a wage growth is already in view and that could lead to erosion of competitiveness. At the same time, the possibility of an exchange rate backlash is also real.

"Thereby, going from the current low level equilibrium to a high gear growth activities will have its cascading effects which unless properly managed will have an adverse effect, Debapriya said.

Dr Mahmud agrees to some extent with donors' doubt that increased allocations in this sector will not produce results in terms of improving the quality of education, unless there is more accountability.

"On the other hand, project aid has accounted for about two-thirds of development spending in the health and population sector. But even in this sector, there is now a lack of overall direction and planning, so that the gains of the past years are now at risk. The challenge lies in an overhauling of the existing arrangements for screening and implementation of development projects," he says.

AL points finger

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convinced them to point their finger at the state minister, who is the member of parliament (MP) from Lalpur, Natore.

Jalil recalled the killing of the AL's student front leader Moazzem Haq in early 2002 at Natore allegedly by BNP-backed criminals, who, he claimed, were patronised by Rahman.

The AL general secretary went on to claim that the murder case was withdrawn at the influence of Rahman and Mamtaz Uddin Ahmed made himself an enemy of those 'criminals' and their godfather by protesting it.

In support of his claim, Jalil presented newsmen with copies of petition made by the alleged criminals, appealing to the home minister to withdraw the case terming themselves workers of Rahman. And, the case was withdrawn subsequently, Jalil said meaningfully.

When contacted, Rahman refuted all the allegations and said, "It's the dirty trend of Awami League politics to blame someone who did not commit the crime. I haven't had any association with criminals in my

whole political career."

He also advocated for judicial inquiry, if required. "Being the local MP, I will do whatever I can to help find the culprits."

The AL accusation followed a day after relatives of Mamtaz accused Rahman of the killing.

Advocate Abul Kalam Azad, also the organising secretary of the district AL, had alleged that BNP's hit men killed his brother at the instruction of their high command.

The AL general secretary meanwhile alleged that the BNP-led alliance government has so far withdrawn 53,405 cases on political consideration. "The way the government is releasing accused in various cases, it is putting the life of our leaders and workers has come under serious threat," he said.

Acting AL President Zillur Rahman, party chief Sheikh Hasina's Political Secretary Saber Hossain Chowdhury, senior AL leaders including Tofail Ahmed, Sajeda Chowdhury, Matia Chowdhury, Kazi Zafarullah, Suranjit Sengupta, Obaidul Kader, Bir Bahadur, Mahmudur Rahman Manna and Abdul Mannan were also present at the briefing.

Corruption cases

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accusing them of misuse of power which caused a loss of Tk 1.247 crore of public money.

In the case, the BAC official charged that the royalty was fixed at Tk 1,200 per hour for the ETV programmes within the telecast time of the Bangladesh Television (BTV), while Tk 1,800 per hour was fixed beyond the telecast time of the BTV at a meeting chaired by the then finance secretary on January 27, 1999.

The finance ministry informed it to the ETV chairman through a letter on February 16, 1999 but the ETV management informed the former finance minister that they were unable to pay the amount.

The ETV management did not pay Tk 1,200 per hour from March 8 to August 29, 2002, as charge to the BTV which caused loss of Tk 1.24 crore of public money.

In another case, former state minister for information Prof Abu Sayeed, former information secretary M Akmal Hossain and former chairman of the ETV AS Mahmud were charged with irregularities in the licensing process of the ETV, which did not participate in the tender within the stipulated time.

Violating the rules of the Private Television Channel and Management Policy 1998, the then four-member technical evaluation committee of the Ministry of Information in connivance with Prof Abu Sayeed, Akmal Hossain and AS Mahmud evaluated the ETV proposal responsive instead of non-responsive, according to the case.

Following the evaluation, they also left out the Multimedia Transport Consultant Limited which was earlier proved technically responsive by the technical evaluation committee, it said.

Besides, the BAC also accused the former secretary of destroying the necessary documents including the changed evaluation report of the committee which was a punishable offence under the Bangladesh Penal Code of 201.

Flag vessel

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Meanwhile, the Bangladesh Ocean Going Ship Owners Association (BOGSOA) is opposing the government move to amend the ordinance, saying it would bring the whole shipping business under the control of a few foreign companies.

"If the ordinance is amended according to the shipping ministry's proposal, the local shipping companies (ocean-going) will not survive," said Sayeed Hossain Chowdhury, chairman of BOGSOA.

The foreign currency reserves will face serious pressure as Tk 240 crore will have to be paid annually in cargo freight.

Moreover, investment to the tune of Tk 400 crore in the sector would also be at risk, Chowdhury added.

Natore hartal

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Mamtaz was stabbed to death by masked assailants at Darapara in Lalpur upazila on Friday night.

Sayed Nazrul Islam, superintendent of Natore police, said his force was examining the evidence to find out the clues to the crime.

They are examining leads whether the killing stemmed from inter-party rivalry or intra-party conflict, he said.

Police yesterday sought a seven-day remand of BNP activist Arif Hossain at a magistrate's court for interrogating him and the court will hear the plea today.

Police claimed that primary investigation showed his involvement in the crime.

Abul Kalam Azad, brother of the victim and the district AL organising secretary, filed a case accusing 12 people.

He alleged a top local BNP leader hired the goons to kill his rival.

Local lawmaker and State Minister for Youth and Sports Fazlur Rahman Patal denied the allegations.

"I am rather shocked and upset at the death of the freedom fighter (Mamtaz) and asked everyone concerned to identify and arrest the killers," he said.

Deputy Minister for Land Ruhul Kuddus Talukdar claimed that the killing was a result of intra-party conflict.

But Hanif dismissed the charge. "Yes we have grouping in the party, but that cannot lead to killing," he said.

Robbers loot goods worth Tk 10 lakh in Chittagong

STAFF CORRESPONDENT, Ctg

Robbers looted goods and valuables worth over Tk 10 lakh and injured eight people including a woman in Banshkhali and Rangunia upazila in the district on Saturday.

About 22 robbers attacked two houses at Napora Mirpara of Puinchhari union under Banshkhali upazila during the downpour Saturday evening, police said.

Barricading the road, the robbers entered the houses of Noor Ahmad and Kabir Ahmad and looted goods said to be worth over Tk 6 lakh. Valuables include 60 tola of gold ornaments and Tk 1.5 lakh in cash.

Noor Ahmad was also injured when he tried to protest.

In another incident, a group of robbers, aboard four micro-buses, looted Kadamtoli area of Chandraghona under Rangunia upazila at around mid-night.

They attacked the houses of Shamsul Sawdagor, Abdul Monaf and Abdus Salam, taking gold ornaments and cash reportedly worth over Tk 5 lakh at gunpoint.

The robbers also fired on three brothers of a family when they tried to resist. The injured, Hasan Murad, Parvez and Rasul, were admitted to a city hospital.

Defence overtakes

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Of the Tk 334 crore food subsidy, the armed forces got Tk 208 crore, police Tk 48 crore, ansars Tk 23 crore and BDR Tk 14 crore. The finance division and the jail directorate together got around Tk 50 crore.

The PERC defines food subsidy as the difference between the economic price of food and its distribution price.

Using the definition, the PERC report showed that the economic price of a tonne of rice in the current fiscal was Tk 15,396 and a tonne of wheat Tk 12,551. But the defence sector has been given rice and wheat at a price of Tk 2,110 and Tk 1,776 a tonne.

Again, once various departments in the defence sector receive food at a subsidised rate, the same goes to the defence personnel at a further subsidised price through rationing. Therefore, the food subsidy for defence follows a two-tier system.

The PERC report separately raised questions about defence budget. It observed that there was a 20-year old clear-cut directive of the finance division about how the defence budget should be formulated, but it was not followed.

The PERC noted that while getting approval for allocation in the parliament, the defence budget offers no break-up of costs while all other sectors elaborate on their expenditure. As a result, the parliament never knows how the defence money is spent.

It noted that the defence budget has gone up by 48.99 per cent or Tk 1,275 crore from 1997-98 up to the

current fiscal. No other sector, excepting education and health, got such a raise in allocation.

Quoting an audit report, the PERC said that using public finances the defence establishments build, acquire and purchase various properties like land and cinema halls. But the revenues earned from these properties are not deposited with the public coffers.

In the 1999-2000 fiscal alone, the defence establishments did not deposit revenues worth Tk 64.97 crore coming from its assets.

The current revenue budget allocates Tk 3,938 crore for defence. It is followed by primary education and education ministry (Tk 3,802 crore), health (Tk 1,325 crore) and home ministry (Tk 1,669 crore). However, combining the revenue and development budgets, primary education and the education ministry get the highest allocation of Tk 6,710 crore, followed by communications (Tk 4,358 crore) and defence (Tk 3,947 crore).

Women traffic

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Huda said more women would be engaged in the service.

Though the DMP was launched with both male and female members in 1976, the female ones were kept from such works, he said.

"As women are at par with their male colleagues in all fields, there is no reason why they should lag behind in this department," Huda reasoned.

UK admits flaws

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dossier, published last September which has been the subject of allegations that it was 'sexed up' to make a stronger case for war.

Although officials will admit that there are some 'serious questions' about claims in the first dossier that Saddam was trying to procure nuclear material from Niger - the claims were based on crudely forged documents - they will say that the Number 10 relied on security analysis.

The committee inquiry will be given the original Joint Intelligence Committee report on Iraqi weapons which was wholly written by the security services so that it can be compared with the dossier published by Downing Street.

Number 10 will tell the inquiry that the JIC assessment was 're-ordered' and some sections 'slightly rewritten'. It will say that every fact that appeared in the first dossier also appeared in the JIC assessment.

'Some of the structure might have been changed, some of the writing, but every single fact that appears in the dossier is taken direct from the JIC assessment,' a Number 10 official said.

'What some of us find remarkable is that you have Labour MPs believing anonymous briefings from the security services over the word of the Prime Minister and the posi-

tion of the Government. Can you imagine saying the same thing 20 years ago?'

A growing number of government figures are becoming convinced the security services have been involved in a pincer movement against Downing Street. In an attempt to cover-up their own failures, brought into sharp focus by the failure to uncover any evidence of the weapons since the war, they briefed that the politicians tried to overplay what they were told.

One senior government source said that John Reid, the Leader of the House of Commons, was wrong to claim that it was 'rogue elements' in the security services behind the briefings.

Number 10 now believes that it was a far more concerted attempt to undermine Downing Street's position and keep the intelligence services out of the firing line.

Meanwhile, Robin Cook was last night accused by a senior minister of 'pomposity' over Iraq. Energy minister Brian Wilson, who previously worked with Cook in the Foreign Office, tore into his former boss's criticisms of the war, saying the debate had become 'surreal'.

Cook had had access to 'overwhelming evidence' of Saddam Hussein's mission to acquire weapons of mass destruction when he

One of Savar robbers beaten to death

STAFF CORRESPONDENT

One of the three robbers, caught in Savar after looting Tk 10.86 lakh from a factory, died the same day in mob beating.

The two others -- Joynal Abedin and Shaheen -- were handed to Savar police.

Locals chased the robbers who were suspiciously moving in a microbus at Gorat area in Savar at 11:30am Saturday. The robbers fired at the crowd before being caught.

They confessed their involvement in robbing Tk 10.86,000 from some employees of the Uttara Group Knitting and Dyeing Company at Joydevpur the same day.

Locals beat them up severely and handed them to Savar police who sent them to a local clinic. Kashem succumbed to his injuries there.

Police could not recover the looted amount.

Budget session

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following the return of the party chief from abroad."

"We want to go to parliament and speak for the people. But whether we will go there depends on the attitude of the government," he told The Daily Star.

Opposition Chief Whip Abdus Sahid said the AL deputies would attend the session to protest if the government places an anti-people budget.

Senior party leaders, however, hinted yesterday that most AL legislators favour joining the session as discussion on budget traditionally offers the opposition a chance to speak uninterrupted.

The Business Advisory Committee (BAC) of the Jatiya Sangsad will hold a meeting at 5:30pm tomorrow ahead of the beginning of the sitting at 7:00pm to fix the duration of the session, time for budget discussion and other relevant issues.

It was not clear whether any AL representative would join the BAC meeting. "It has not yet been decided. The party would seek advice from party chief and senior leaders to this end," Hamid said.

The first sitting of the budget session will nominate the panel chairmen and adopt an obituary reference.

As Speaker Jamir Uddin Sircar is undergoing treatment abroad, Deputy Speaker Akhtar Hamid Siddiqui will chair the session.

AL lawmakers boycotted the last session on the opening day on April 8, alleging the chair's bias in allowing floor to Hasina.

was Foreign Secretary, Wilson said, adding pointedly: 'I have no idea why Robin should believe that since he ceased to be Foreign Secretary, Saddam Hussein had given up on WMD.'

Shazneen case

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about 4:35am, he directed me to take her body to Dhaka Medical College Hospital (DMCH) for an autopsy. Then I took the body to the DMCH with the inquest report," the witness said.

The witness said he had gone to the victim's house and was present while the inquest report was being written.

All the six accused -- Shahid, Hasan, Shaniram, Badal, Minu and Parvin -- were produced before the court yesterday.

Shazneen Tasnim Rahman, 15, the youngest daughter of chairman of Transcom Ltd. Chairman Latifur Rahman was raped and killed at their Gulshan residence on April 23, 1998.

Special public prosecutors (PPs) Mahbub Ahmed and Arfan Uddin Khan appeared for the prosecution, while advocates Mosharraf Hossani Kajol, M A Kamrul Hasan Khan and Mizanur Rahman defended the accused.

BDR firing

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the BDR fired on them directly and killed the boy who was watching the incident from the yard of his house.

The victim's father filed a case with Akhaura police.

The BDR also filed a case in this regard, said commanding officer of 7 Rifle battalion of the BDR.

A probe body headed by the deputy commanding officer of BDR was formed to investigate the incident.

Probe: Minorities

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Rights, with Barrister Shafiq Ahmed as its member and Advocate Tabarak Hossain as member secretary.

"It seemed that the attacks were carried out with a long-term motive to root out religious minorities -- socially and politically -- from the mainstream of society and to establish a monolithic social system and theocratic state like Afghanistan and Pakistan," Prof Siddiqui quoted from the report.

The incidents cannot be described as riot, as the repression was one-sided, he said with more to the point: it appeared that some people planned to cleanse the minorities.

"The affected people told the commission that they would not cast vote in future elections and urged the government to drop their names from the voters' list," he went on.

The commission accused law enforcers and members of the administration of not resisting the repression and demanded trial of those who did not carry out their duties to protect the vulnerable.

It also blamed political parties for

not protecting the rights of the minorities.

Newspaper reports on repression of the minorities had been based on facts, but the government denied such incidents, said the commission.

The report put Christians and indigenous people next to Hindus as victims and painted Barisal, Bhola and Bagerhat as the hardest-hit.

The commission came up with a set of recommendations in its report and asked the government to form an independent national human rights commission without delay. It also urged revival of the constitution of 1972.

The commission examined newspaper reports, editorials and articles of major dailies published between September and December, 2001 and reports of seven non-governmental organisations working on human rights. Its report was also based on statements of 42 minority people, experiences of three journalists, and visits to several affected places.

Prof Anisuzzaman, Prof Mosharraf Islam, Prof Ajay Roy, Prof Hayat Mamud, Dr Kazi Khalequzzaman Ahmed, Ajay Roy and Ziauddin Tareq Ali attended the press conference.

Muhuri river

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standing committee of Bangladesh-India Joint Rivers Commission to construct embankments on both Bangladesh and Indian sides of the river for the benefit of the two peoples.

But that decision could not be implemented as the "disputed" area of two kilometres at Belunia-Nijalkapur border is yet to be permanently demarcated.

Officials said though there is a provision to pursue a defensive policy in respect of common rivers to protect land, the Indian side often acted offensively.

The unilateral decisions to build embankments, they said, often led to river erosion in Bangladesh. River erosion is already taking place near Feni following construction of a spar on the Indian side.

As a result of the construction of the spar, about 50 acres of 'char land' (shoals) surfaced in India, while land in Bangladesh went underwater.

The Ministry of Foreign Affairs has been asked to take necessary steps to resolve the issue of disputed areas through permanent demarcation of the international boundary.

Ministers for land, home and water resources, state ministers for foreign affairs and water resources, high civil and BDR officials and experts concerned attended the inter-ministerial meeting.

Seven killed

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wing of Hamas), Mussa Sakhawil, 21, of Al-Aqsa Brigades (group linked to Fatah), and Rami el-Bek, 22, of Al-Quds Brigades (Islamic Jihad's armed wing)," the statement said.

The army closed all crossing points around the Gaza Strip following the attack, including the Rafah border with Egypt.

Another Palestinian militant was killed in an exchange of fire overnight near the Kissufim crossing between the territory and the Jewish state, sources on both sides said.

He was a member of the National Resistance Brigades, military wing of the Democratic Front for the Liberation of Palestine, the leftist group said in a statement.

The deaths brought to at least 3,288 the number of people killed since the September 2000 outbreak of the Palestinian uprising, including 2,482 Palestinians and 746 Israelis, according to an AFP count.

In the West Bank, a Palestinian shot and slightly wounded an Israeli border guard near the Tomb of the Patriarchs in the heart of the divided town of Hebron, Israeli medical sources said.

The site is holy to both Islam and Judaism.