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Pvt infrastructure investment rule rejected again

Cabinet committee also turns down tariff proposal for Jatrabari-Gulistan flyover

STAFF CORRESPONDENT

The Cabinet Committee on Economic Affairs yesterday rejected for the second time a guideline for private investment in infrastructure saying many issues in it concern national interests and therefore need wider discussion by the full cabinet.

The guideline proposes a 40-year Build, Own, Operate and Transfer (BOOT) tenure for private investors with a 15-year tax holiday.

As the guideline was tabled yesterday, Finance Minister M Saifur Rahman promptly asked if it would raise any demand for foreign exchange and whether it is a good idea to give private investors 15 years of tax holiday.

The meeting felt the BOOT duration should be determined case by case instead of a fixed tenure. Tax holiday also should not be given for such a long period, Saifur maintained and asked the authorities to revise the guideline and present it within the next 10 days.

A seven-member team headed by Prime Minister's Principal Secretary Kamaluddin Siddiqui had prepared the draft guideline, which was submitted to the Cabinet Committee first in February last. That time, too, the Cabinet Committee had rejected it asking for its revision, as the committee felt it contained some aspects that could hurt national interests.

The guideline also suggests forming a private infrastructure

committee (Picom) with the PM's principal secretary at its lead. The Picom is envisaged to play a key role in monitoring and co-ordinating private investment in infrastructure.

Besides the guideline, the Cabinet Committee yesterday discussed a tariff proposal sent by the local government ministry for the proposed 5km Jatrabari to Gulistan flyover to be constructed by a private company. The local government ministry and Dhaka City Corporation (DCC) are implementing the scheme.

Though flyovers in cities do not require tariff in any other country, the local government ministry proposes tolls ranging from Tk 5 to Tk 200 depending on the type of

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A woman walks on the concrete railing to avoid trudging through rainwater and rubbish littering the footbridge linking Ramna Park to Suhrawardy Udyan yesterday. The footbridge has no system to drain out rainwater.

7 shot dead in Israel's Gaza raid

AFP, Beit Hanun

At least seven Palestinians were shot dead and an Israeli officer was critically wounded during heavy clashes in this northern Gaza town yesterday, while Israeli troops also carried out a series of raids in the West Bank.

Medical and security sources said that at least five of the Palestinian victims were armed militants, four of them from the Al Aqsa Martyrs Brigades and a fifth from the armed wing of the Islamist movement Hamas.

Dr Mahmud al-Asali, head of the Kamal Adwan hospital in Jabalya refugee camp, named the Brigades fighters as Yussuf al-Zaani, Nasser

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Prices of essentials skyrocket

STAFF CORRESPONDENT

Amid skyrocketing prices of essentials, city dwellers have started to feel the pinch.

Over the last week, prices of vegetables, fish, meat, eggs and spices all have further hiked up, said traders and consumers at different city markets.

Though the new budget has cut the duty on sugar, its price has risen by Tk 1 per kilogram. And despite a decreasing price of edible oil in the international market, there was no let up in its high price in the local market.

"Prices are escalating day-by-day, but our income is constant. What is the benefit of your writing about it?" said a visibly frustrated

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2 US soldiers seek asylum in Canada over Iraq war

AFP, Toronto

Two US soldiers who are pleading for asylum in Canada after walking out on their units over fierce objections to the Iraq war appeared side-by-side in a Toronto courtroom for the first time.

Jeremy Hinzman, 25, attended a technical pre-hearing at Canada's

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Rajuk removes 'demarcation' poles from Banani lake

STAFF CORRESPONDENCE

Rajuk officials have removed the bamboo poles in the Gulshan-Baridhara-Banani Lake along Banani Road No. 23/C posted by individuals to demarcate plots they claim to own.

"We took immediate action to remove all the demarcation pillars

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Desa to become holding company this year

STAFF CORRESPONDENT

The government yesterday decided to convert Dhaka Electric Supply Authority (Desa), a loss making and union-dominated state owned enterprise, into a holding company like Desco within this year.

The board of directors of the new company will have representation of the finance ministry, the power division, Federation of Bangladesh Chambers of Commerce and Industry and a distinguished power consumer.

Desa has been in a financial mess for long due to rampant theft of power revenue by a nexus between meter readers, ledger writers and officials allegedly with political backing. It buys Tk 100 crore worth of power a month from Power Development Board (PDB) and is supposed to earn at least Tk 125 crore selling that. But, in reality, it never could collect more than Tk 70 to 75 crore a month due to the all-pervasive graft.

On June 5, a secretary level committee first made the move amid two

notes of dissent to convert Desa into a holding company -- a measure that donors have been hammering at for several years. The committee then sent the proposal to the Cabinet Committee on Economic Affairs, which took the decision yesterday.

Earlier, a parliamentary body also recommended dissolving Desa for its poor performance and lack of accountability to public.

According to the Cabinet Committee decision, the new company will sell power and collect proceeds from all existing Desa areas including Narayanganj but excepting Tongi. Tongi will be placed under Dhaka Electric Supply Company (Desco).

The decision now requires the prime minister's approval for implementation.

With the conversion of Desa into a holding company, its management structure also will undergo radical changes in order to bring in a system of accountability, besides computerising the billing system and providing fresh training to its employees.

SEE PAGE 11 COL 4

Ex-Enron chairman indicted in accounting fraud

AFP, Houston

Former Enron Corp. chairman Kenneth Lay was formally indicted for his role in the massive accounting fraud that brought the energy trading titan to its knees in late 2001.

Lay turned himself into the FBI early yesterday and was taken away in handcuffs to a Houston court where he pleaded not guilty to 11 counts of conspiracy to commit fraud, and of making false statements.

The 62-year-old Lay, who was chairman and at times chief executive of what had been the seventh largest US corporation, could face a maximum of 175 years in prison if convicted on all counts, prosecutors said.

After being released on a \$500,000-dollar bond, Lay immediately gave a press conference protesting his innocence.

"As CEO, I accept responsibility for Enron's collapse," he told reporters. "However, that does not mean that I knew everything that happened at Enron. I firmly reject the notion that I engaged in any wrongful

SEE PAGE 11 COL 6

5 GIs killed in Iraq mortar attack

National guard HQ bombarded

AFP, Samarra

A mortar attack on an Iraqi national guard post in the hotbed city of Samarra on Thursday resulted in a bloodbath that left at least 10 people dead, including five US troops, and scores wounded, officials said.

The violence flared just one day after Prime Minister Iyad Allawi was granted wide powers to impose emergency measures to fight the insurgency that has left thousands dead since last year's US-led invasion.

Adding to the pressure on the interim government to gain control of security, a Filipino was abducted and threatened with decapitation.

Insurgents fired up to 38 mortar rounds at the Iraqi national guard headquarters in Samarra, which was being guarded by US 1st Infantry Division troops, said military spokesman Major Neal O'Brien.

Five of the division's soldiers were killed and 20 wounded, while one national guardsman died and three were injured in the onslaught

that started just before 11 am (0700 GMT), he said.

After the shelling, fighting raged as US troops and Iraqi guardsmen sought to lure out their enemy and an Apache helicopter fired Hellfire missiles at a building, killing four insurgents, O'Brien told AFP.

"US army and Iraqi national guard are actively patrolling Samarra to gain contact with anti-Iraqi forces."

Medics in the city, 125km north of Baghdad, reported civilian casualties from the exchange of fire.

"The hospital received four bodies and 30 injuries, and residents have started giving blood," said Dr Mohammed Fadel at Samarra General Hospital.

It was not clear if the four dead were the same men the military said it had killed.

Dozens of masked fighters armed with machine guns and rocket-propelled grenade launchers later fanned out around the city's streets, leaving residents -- many of whom blame the US military for the

unrest -- to cover in their homes.

"The Americans are barbaric," Mohammed al-Samarrai, a 45-year-old hotel owner, told AFP by telephone from his home, where he had been holed up since the morning.

"The sound of explosions and shelling was going on nonstop from about 11:30 am (0730 GMT) until about 3:00 pm (1100 GMT) and only stopped briefly now."

Samarra, a bastion of the Sunni Muslim insurgency that dogged the 14-month US-led occupation, is one of several flashpoints that are seen as likely testing grounds for the premier to invoke his new emergency powers.

Underscoring the bloodshed, health ministry figures revealed that 388 Iraqis have been killed and 1,680 wounded in the violence in June alone.

Allawi's government was set up on June 1, four weeks before the return of sovereignty by the US-led coalition, and made tackling the insurgency its top priority.

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Robbers choke shop owner in Cox's Bazar

Loot Tk 2 crore from market

OUR CORRESPONDENT, Cox's Bazar

Armed robbers yesterday strangled a shop owner before looting cash and other valuables reportedly worth Tk 2 crore from a kitchen market in Cox's Bazar.

The gang of 35 robbers choked Syed Karim, 20, to death at Noor Mohammad Chowdhury Bazar in Sadar upazila and fetched cash and valuables from 35 market shops at about 4:30 am. They left the spot firing blank gunshots, sources said.

Local police retrieved the body in the morning and sent it for autopsy, they added.

A case was lodged with Cox's Bazar Sadar Police Station.

2pc cancer patients get treatment, 2 lakh get affected a year

STAFF CORRESPONDENT

Only two percent of the cancer patients in Bangladesh receive treatment, while two lakh people every year get affected by the deadly disease, experts said at a press conference yesterday.

Dhaka Ahsania Mission (Dam) organised the press briefing at its Dhanmondi office and called upon the public for donations to raise funds for a proposed cancer hospital in the city.

Prime Minister Khaleda Zia is expected to lay the foundation stone of the 10-storey hospital in Uttara tomorrow.

Doctors treating cancer patients said there are about 10 lakh cancer patients in the country, mostly suffering from lung and blood cancer, but only 20,000 of them get treatment with the existing facilities.

Cancer patients have 10 hospitals in the country to receive treatment at but experts think there should be at least 60 more.

"We've taken up a special programme to set up a hospital only for the cancer patients. Please help us so that poor people can get the benefit from this noble mission," Kazi Rafiqul Alam, executive direc-

tor of Dam, told the press briefing. Alam mentioned names of the individuals and organisations who have generously contributed to the project. Among the list are the Dutch-Bangla Bank, Meghna Ghat Power Ltd., Dhaka Bank Ltd, Grand Azad Hotel, Hafizur Rahman Memorial Trust, Zeba Ali, Rotarian Iftekharul Alam, QA Hakim and MA Haque.

The Dam is aiming to launch the 160-bed cancer hospital at a cost of Tk 85.28 crore by 2008. The hospital will eventually be made a 500-bed facility, a scheme that will require Tk 108.37 crore.

Currently the Dam runs a 42-bed cancer hospital in Mirpur in the city, which is inadequate to accommodate the increasing number of cancer patients. Since 2001, this hospital treated about 3,000 patients until May this year.

The proposed hospital will have the latest technological facilities including medical oncology, surgical oncology and radiation oncology. Besides, it will have its own diagnostic centre for histo-pathology, endoscopy, colonoscopy and bronchoscopy. It will also offer palliative care and counselling to the patients.

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8 killed, 25 hurt in road crashes

STAFF CORRESPONDENT

At least eight people were killed and 25 others injured in road accidents in Cox's Bazar and Laxmipur yesterday.

Of them, six were killed in Cox's Bazar and the rest in Laxmipur.

Our Cox's Bazar Correspondent reported that a Chittagong bound fish-laden truck from Teknaf ran over the pedestrians and vendors at Hoikong Bazar on Cox's Bazar-Teknaf highway in the evening as the driver lost his control over the vehicle.

Four people died on the spot and two on the way to a nearby hospital. The dead are Abdur Rahman, 65, Abdullah, 24, Anwar Hossain, 22, Abdus Sukkar, 30, Haji Firoz, 40, and Mohammad Kalu, 22.

The injured were admitted to different health complexes and hospitals. Police seized the truck, but its driver managed to flee.

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Prayer Timing

July 9

	Azan	Jamaat
Fajr	4-10	4-45
Dhuhr	12-30	1-15
Asr	5-00	5-15
Maghrib	6-55	7-00
Esha	8-17	8-45

Source: Islamic Foundation

N Korea gears up for war against US

AFP, Seoul

North Korea's defence chief urged soldiers yesterday to step up combat preparations, denouncing the United States for plotting an attack on the communist country.

The order was contained in a speech made by Defence Minister Kim Il-Chol to mark the 10th anniversary of the death of former North Korean president Kim Il-Sung.

"The service-persons will increase the combat capability and step up the combat preparations in every way under the uplifted slogan of a match-for-a-hundred (a soldier capable of beating 100 enemy soldiers) to defend as firm as an iron wall the socialist motherland," he said.

The defence minister accused Washington of stepping up "preparations for a war of aggression behind the curtain of the six-party talks."

North Korea is ready to mobilize its "military deterrent force built up for years ... and accomplish the historic cause of national reunification without fail," he said.

North Korea regularly accuses the United States of plotting a surprise attack on the Stalinist state.

The two countries have been locked in a stand-off since October in 2002 when Washington accused

Pyeonggang of running a banned nuclear program based on enriched uranium.

At six-party talks in Beijing last month, the United States offered Pyongyang three months to shut down and seal its nuclear weapons facilities in return for economic and diplomatic rewards.

It was the first significant overture to Pyongyang since US President George W. Bush took office in early 2001 and branded the North part of an "axis of evil" alongside Iran and pre-war Iraq.

North Korea's state media dismissed the US proposal as unrealistic.

Pyeonggang has accused the United States of fabricating evidence of its nuclear capabilities, drawing parallels with its failure to find weapons of mass destruction in Iraq.

North Korea beefed up its combat readiness after the US-led invasion of Iraq, fortifying military facilities and digging new tunnels, according to a South Korean report Wednesday.

The minister's speech came after North Korean leader Kim Jong-Il and top army officers made a midnight visit to a mausoleum where the embalmed body of Kim Il-Sung has been lying in state.

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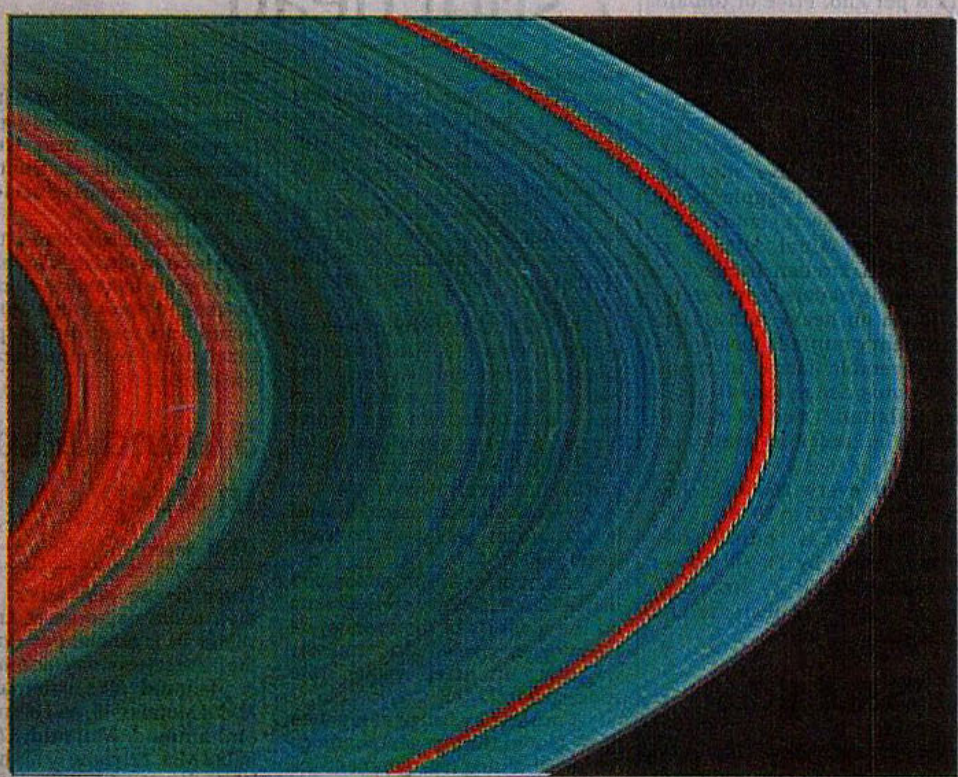


PHOTO: NASA

Rainbow rings

This ultraviolet image, released by Nasa Wednesday, of Saturn's rings taken by the International Cassini spacecraft may offer astronomers clues about the origin of the planet's shimmering halos of ice and debris. The images show more ice toward the outer part of the rings, possibly providing hints about how the rings have changed over time, according to mission scientists. Saturn's rings are mostly ice but also contain other "dirty" materials that astronomers want to investigate.