

## Power sector in mess

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"But now there is no coherent leadership. There is a confusing signal in the market. The confidence and team spirit (of power sector staffs) are lacking, and structural problems have become deeper," he pointed out.

Former chairman of the PDB Shamsul Islam presented the keynote paper.

CPD Executive Director Dr Debapriya Bhattacharya mentioned a CPD 2004 study saying, "The study found that the economy incurred a loss of Tk 6,850 crore in 2004 due to power outage. This is equal to 2 percent of the GDP. The major affected sector is the commercial and industrial sector. This scenario is worst now."

Leading multinational executives feel that Bangladesh power situation is the worst in the world, he added.

President of Bangladesh Chamber of Industries (BCI) AK Azad said why didn't the government approve the 450 MW Sirajganj bid by Summi? "Was it driven by any political bias?"

He mentioned the bids for small power schemes, saying, "We hear these schemes are being given to ministers and MPs. Is this how the sector will improve?"

Power Secretary MM Nasiruddin asked the forum if they were sacrificing all procurement in the name of transparency.

"Once we select a bidder in a tender, the other bidder files complaint to us or the World Bank. Then we come up explaining. If we then switch to another bidder, there will be complaint again. What are we going to do? How best can we ensure transparency?"

World Bank Country Director Christine I Wallich said non-transparency in procurement cannot be defended as transparency ensures value of money.

Expressing her shock at the remarks of the power secretary, she said it is inappropriate to weigh transparency versus procurement.

"I did not like what I heard. Transparency is not the goal, it's the means to ensure value of money," she said.

Turning to concern expressed by the power secretary that independent power projects (IPPs) are draining out foreign exchange, Wallich said, "It is naive to think that payment for power projects can be made avoiding foreign exchange. Whoever buys a plant from whoever supplier, you will need to pay in foreign exchange. It is not the fault of the IPPs."

She observed that as donor, the WB is committed to helping Bangladesh improve its power sector. But to handle the crisis, the government must ensure better procurement and take some effective measures.

"There is a simple solution which is well within the grasp of the donors or other financiers. But simple things turn complex. We need to find a long term and a short term solution," she said.

In the short term covering 12 to 18 months, the government may go for 100 MW small power plants after fixing how the payment will be made. The government may also go for one or two large-mounted plants in the short term, she said. "If there is will and leadership, it is not difficult to achieve this."

The WB will provide support for small plant schemes. "But the government must award the large power projects of Sirajganj, Meghnaghat 2 and 3 as per the guidelines of the Public Procurement Regulation 2003, which is set to become a law soon," Wallich noted.

There is a question about leadership problem being responsible for the current scenario in the power sector, she said.

"Do we have financial problems in the power sector? No. The donors are willing to finance. Sector coordination is a problem but it is not the number 1 problem. Policy is good but implementation is in question. Is there any problem induced by the PPR? No," she said.

Former energy minister Nuruddin Khan, Shakhawat Hossain Bakul MP, former PDB chairman Nuruddin Kamal Mahmud, President of Energy Association of Bangladesh Moazzem Hossain, Former president of Foreign Chamber of Commerce and Industry (FICCI) AK M Shamsuddin, PDB

Chairman Akhter Hossain, Zafrul Hasan, Prof Shamsul Alam, Aziz Khan of Summit Group and Prof Dil Afroz of BUET also took part in the dialogue.

Nuruddin Khan stressed decentralisation of power generation system, consideration of coal-based power and resumption of Rooppur power plant to increase power generation.

Nuruddin Kamal opposed the view that there is no power crisis in the country, rather it is a power shortfall. "If a shortfall of 1100-1200 MW is not a crisis, then what is a crisis?" he asked.

The present crisis is due to lack of foresight among the policy makers, he thought.

He stressed political will to solve the crisis.

The former PDB chairman suggested setting up power plants of 100 MW capacity each at six places to meet the immediate need.

Zafrul Hasan said the present situation is the result of frequent policy changes.

**FUTURE PLAN**  
State Minister for Power Iqbal Hasan Mahmud claimed the government has the political will to improve the situation but there are some lapses which are impeding desired progress.

Explaining the government's plan to increase power generation, he said at least 300-500 MW power would be added to the national grid by implementing short term measures.

He also emphasised rehabilitation of existing power plants to increase generation.

In the next six months, the demand for power would be around 4300-4500 MW while the generation would reach 3,700 MW, according to his prediction. "Still there would be a shortage of around 700-800 MW," he said.

The ministry needs at least Tk 4,000 crore annual allocation from the budget to meet the demand for power, the state minister said. "The current allocation is not enough for this".

The tariff in power sector is not cost effective because the PDB sells power to various distribution agencies at a price lower than it gives for procurement from the generators, he mentioned.

Around Tk 2,000 crore was lost after the formation of Desa on the donors' prescription. Donors often commit funds but delay disbursement.

## 'Hawa Bhaban'

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His observations instantly sparked an argument with BNP lawmaker Shakhawat Hossain Bokul who, in reference to the mentioned Mamun, asked Selim, "Tell me who was (Sheikh) Helal [who used to interfere with the ministry during the (AL) regime]?"

The state minister for power who chaired the seminar asked Selim if he had any proof of Hawa Bhaban's interference.

To this Selim pointed out that the power sector problems stem from the interference and lack of leadership. He said the state minister for power could not take a decision in four years and resorted to re-tendering the same project over and over again.

## \$1.8b ADB

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assistance grant program amounting to about \$1.8 billion.

The new results-based CSP is part of a joint strategy worked out with the UK's Department for International Development, government of Japan, and the World Bank, which together provide about 80% of development assistance to Bangladesh.

ADB Country Director in Bangladesh Hua Du said: "The ADB will now strengthen its engagement in sectors where reforms are difficult but are of fundamental importance to the growth of the national economy."

ADB will increase its assistance to improve local governance by helping to boost local governments' planning and delivery of services through partnerships with the private sector and civil society. These will be complemented by support to address critical constraints to good governance, including measures to combat corruption, improve access to justice, and build management skills.

## Banks face heavy

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individual clients on Wednesday, the last working day before Eid," said M Tahmilur Rahman, managing director of Sonali Bank.

There were long queues in the nationalised commercial banks (NCBs) as they do not have automated teller machines (ATMs) like the private and foreign banks.

"In some cases, clients locked in quarrels with the bankers over delay. But we were really under pressure and overburdened," said a bank manager at an NCB in the city's Mirpur.

All banks will remain closed today on the occasion of Shab-e-Qadr.

Meantime, call money rate yesterday hit as high as 12.5 percent for meeting the liquidity demand of the leasing companies. Bank-to-bank call money rate remained comparatively lower at eight percent.

Banks have adequate liquidity, amounting roughly Tk 8,000 crore, which is the main reason the call money rate did not increase for this year. As demand for liquidity is less, banks invested Tk 215 crore in the central bank's reverse repo yesterday and Tk 300 crore on Sunday.

"Despite sanctioning loans, some

of the banks could not disburse loans as the borrowers are shy to invest money because of unstable global market and political uncertainty at home, which is another reason behind the adequate deposit in the banks," said a high official of a private bank.

A couple of months ago, the Bangladesh Bank raised the margin for statutory liquidity reserve (SLR) and cash reserve requirement (CRR) in a bid to rein in inflation and ease pressure on imports.

Besides, new generation small banks have also improved their efficiency in fund management that helped them not to borrow money at higher rates from other banks.

"Fund management in the small banks improved significantly as Bangladesh Bank issued guidelines and took other measures to help them in this regard," Khondaker Ibrahim Khaled, managing director of the Pubali Bank Ltd, told The Daily Star yesterday.

The Bangladesh Bank issued 16 crore pieces of different currency, including Tk 2 and Tk 10 notes, on the occasion of Eid-ul-Fitr.

## 6 GIs

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Saturday "of wounds sustained from an enemy improvised explosive device attack on his vehicle," the military said.

The attack took place in a town near Fallujah, some 50km west of Baghdad. The latest death brought to 2,014 the number of US military personnel killed in the Iraq operation since the March 2003 invasion, according to an AFP tally.

The Iraqi deputy trade minister, Kais Dawud Hassan, was wounded when gunmen opened fire on his convoy in western Baghdad. He was rushed to hospital after the attack, and an interior ministry official said.

Two bodyguards were killed and six injured in the attack.

Earlier in the day cabinet advisor Ghaleb Abdel Mehdi, brother to Vice President Adel Abdel Mehdi, died of wounds after being ambushed in his car in Baghdad. His driver was also killed.

The attacks came one day after a bomb hidden in a truck packed with dates exploded in the Shiite village of Huwaidar, some 60km north of Baghdad, killing at least 26 and wounding at least 45.

The bombing was apparently the work of Sunni extremists bent on sparking a sectarian war in the run-up to the December legislative elections.

## Massive

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"We are going through calls originating from 18 cellular towers at the three blast sites because we believe the attacks were coordinated with the help of mobile phones," the commissioner said.

"It's hard work but at the end we will get what we want," he said.

Police guarded Delhi's 18 exit points and prowled airports, rail and inter-city bus stations for suspects in what a police spokesman said was one of the biggest ever manhunts in the capital.

## 7 die

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The victims--Halima, 4, daughter of Md Ishaq, and Nargis, 5, and Bilkis, 3, daughters of Abul Bashar--died instantly. Another child named Rehena Begum was slightly injured.

Police recovered the bodies at around 11.00am and sent those to Chittagong Medical College and Hospital (CMCH) morgue for autopsy. An unnatural death case was filed.

In another incident, three women on a CNG-run autorickshaw and its driver died as a speeding truck hit the vehicle near Amin Centre Shopping Mall in Lal Khan Bazar area at around 7:30am.

One of the passengers was identified as Shammil Akhter.

A case was filed in this regard with the Doublemooring Police Station.

## HC verdict

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issued to legalise all acts of the martial law government prior to that time.

Maksud Alam, owner of the Moon cinema at Waizghat in Dhaka and now managing director of Bangladesh Italian Marble Works Limited, filed the petition.

Chamber Judge of the Appellate Division Justice Amirul Kabir Chowdhury stayed the High Court judgement at midnight on the same day after the government filed a petition.

On August 31, the full bench of the Appellate Division extended for two months the stay order. The tenure of this order ended on Sunday.

Counsels for the writ petitioner were not present in the court yesterday.

## Labour wings

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will be vacant as present Counsellor Abdul Hamid, a deputy secretary recently promoted to joint secretary, had been asked to return home by last month.

First Secretary (labour) ABM Rashedul Islam in Kuala Lumpur is also returning to the country on completion of his tenure.

Expatriate ministry officials said a total of eight officials--two for each of the four posts--were selected for consideration on the basis of their previous records and formal interviews.

Of the eight Harunur Rashid, private secretary to Shipping Minister Akbar Hossain, was selected for the post in Riyadh, Abdus Sobhan Sikder, former deputy secretary of the expatriate ministry, for Kuala Lumpur, and Aftab Hossain Pramanik, private secretary to Communication Secretary Shafiqul Islam, for Singapore.

The process of selecting a labour counsellor for Jeddah and first secretary (labour) for Kuala Lumpur will start very soon, sources said.

The appointments will be given for a four-year term each.

Manpower export from the country has declined 19 percent this year compared to previous year. According to sources, a total of 91,447 Bangladeshis went abroad for job during January-May this year against 1,13,056 in the same period last year.

Reluctance of many countries to recruit foreign workers, trade union activities of Bangladesh labourers abroad and the government's restriction on workers without documents were cited as the main reasons behind the decline in manpower export.

Non-cooperation of the Bangladesh embassies and lack of initiative and efficient manpower in the labour wings have also caused this decline, sources pointed out.

## Altaf proves failure

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marshals have to give in to reality at some point. So did Altaf. At a recent press briefing, he at last admitted that his ministry does not have the tools required to contain the soaring market prices of essentials. Then, in an obvious attempt to excuse his office, he said, "We do sit at inter-ministerial meetings to build coordination among the agencies concerned. But, as different market regulating agencies lie with different ministries, it often hampers our coordination measures."

So far so good, but the press was amazed when, in a childish contradiction to his own foregoing statements, Altaf 'dutifully' added the refrain that the four-party alliance government in the last four years of its tenure has been quite successful in reining in the market prices of essentials.

**PLANNED WATCHDOGS PUT ON ICE**

Two new market regulators -- a 'consumer bureau' for monitoring the domestic market and a 'consumer council' for protecting consumers' interests -- were supposed to start functioning by 2004 to help the government control the market of essential goods.

Though his predecessor, Amir Khosru Mahmud Chowdhury, left behind the draft documents for the twin regulators ready to be tabled before the Cabinet, Altaf could make no visible progress in this regard. He also failed to push ahead with the proposed Consumer Rights Protection Act lying for long with the law ministry for vetting.

**FAILED TCB DRIVE**  
After keeping the TCB dormant for some three and a half years, Altaf this year engaged it again in import and sales of essential commodities, expressly to check the price spiral.

The state-owned trading agency imported a good quantity of onions, grams, sugar and pulses ahead of Ramadan to keep their prices under control during the month of fasting. It launched a sales programme of those goods at 40 places across the country outside Dhaka and engaged 10 mobile teams to sell the items at 33 points in the city.

But, a mass of irregularities has rendered the move a failure and the consumers have not seen any positive impact of it on the soaring essentials prices in Ramadan.

**THOUGHTLESS NEGLECT OF TRADE THINK-TANK**

The commerce minister's lack of leadership skills has clearly been demonstrated in the case of Bangladesh Foreign Trade Institute (BFTI), which he heads as the chair of its board of governors.

The BFTI came into being in 2003 with an aim to fortify the country's international trade and investment capacity. It was meant to act as a think-tank, do research on trade issues and prepare position papers for Bangladesh on bilateral and multilateral trade negotiations, particularly at the World Trade Organisation (WTO).

But the institute has not been able to make any notable contribution in any of those fields due to a shocking dearth of manpower and finance that Altaf has done nothing to address or assuage. He simply has failed to lead and mould the newly established body into a definite shape.

Although the BFTI memorandum of articles allots it a 28-strong staff, it has been running since inception with a skeleton three-member staff comprising a junior administrative-cum-finance officer, a computer operator and a messenger. Its board of governors over six months ago formed an eight-member search committee to recruit a chief executive officer (CEO) within the 'shortest possible' time. But the BFTI still lacks a CEO.

The government also has not disbursed the fund pledged to it. And so it needs no more explanation why the institute is yet to start any research work. A few researchers who had become affiliated with the institute in the beginning eventually became frustrated with the situation and finally abandoned it.

**EXPORT DIVERSIFICATION REMAINS A FAR CRY**

No significant progress has been made in diversifying the country's export basket and markets, though Bangladesh has been able to increase its export income by more than \$1 billion over the last fiscal year, thanks solely to the burgeoning apparel sector.

With a single sector, readymade garments, accounting for around 75 percent of export proceeds, the degree of vulnerability of the country's export sector remains very high. The risk is so high also because the buyers, particularly of the US and the European Union,

have been increasingly raising different compliance issues, prompting the country's leading exporters apprehend that the RMG sector is going to see a bad time ahead.

The exporters said most of the commercial counsellors at Bangladesh missions abroad have been appointed on political considerations and typically are not trained on how best to promote the country's exports to prospective buyers. The commerce minister also failed to chalk out any specific plan for promoting Bangladesh's products in the global market.

However, the ministry last year took a decision to call back some of the under-performing commercial counsellors. But, bowing to political pressures it later shelved the decision. No action has so far been taken against any poorly performing counsellor, although almost half of the 46 missions have been failing to achieve their export targets.

**ANEQUALLY INEPT HOME MINISTER**

As the minister for home affairs, too, Altaf had been widely criticised for his failure to maintain law and order.

Crime statistics of the first three years of the coalition government's tenure indicate the performance of the home ministry headed by Altaf was not satisfactory, as its anticrime measures had little impact on the widespread criminal incidents prevailing across the country.

Grenade attacks on political rallies, religious shrines and cinemas, killings of political leaders and journalists in broad daylight, increased activities of communist outlaws, religious bigots and militants, and abductions of businesspeople were a few of the criminal acts and trends that outflanked the ministry's anticrime steps.

It was the period when people in the northwest saw the frightening rise of Bangla Bhai, the self-styled operations commander of Jagrata Muslim Janata Bangladesh, whose operatives killed at least 15 people, brutally tortured hundreds, sending a terror wave across the region.

According to press reports and human rights watchdogs, about 4,500 people were killed in 2003, up from 4,000 in the previous year. Home ministry statistics however show 3,550 people killed in 2003 and 3,503 in 2002. The ministry records also show a total of 127,616 crime incidents in 2002 and 125,639 in 2003.

**PROTECTOR OF LINCHPINS**

Altaf hit newspaper headlines this month following the arrest of a top Islamist militant leader, Mufti Abdul Hannan, by Rapid Action Battalion (Rab) on October 1 in Dhaka.

Hannan, the prime accused in the plot to assassinate the then prime minister Sheikh Hasina on July 20, 2000 at Kotlajpara in Gopalganj, is the operations commander of the recently banned Islamist militant organisation Harkatul Jihad's Bangladesh chapter and is also linked with different international militant groups.

At the Rab office, Hannan told the press that he has not fled the country as Altaf, who was then the home minister, assured him of "nothing to fear" if he stayed on.

Hannan submitted a mercy petition to Altaf to drop charges against him for the attempt to assassinate Hasina, as he admitted, "After this government had come to power, I appealed to the then home minister Altaf Hossain for mercy."

"It was Moulana Mohiuddin [editor of monthly Madina] who mediated between me and the home minister and I submitted a petition through him to drop my name from the case on the attempt on Sheikh Hasina's life," he went on.

Asked what the then home minister had assured him of, he said, "He told me to stay on in Dhaka, not to get frightened and to move freely until the situation normalises. It was because of his assurance that I did not consider fleeing the country."

But before Altaf could take any move for his mercy, he was made the commerce minister, Hannan said, adding he has been staying at Badda in the Dhaka suburb since then.

Altaf again became news on October 14, when Mashuri, a Jubo Dal leader who had escaped a Rab raid on his house to arrest him just four days back, was seen travelling in the same car with the commerce minister in Patuakhali, Altaf's home town.

The elite crime-busting force has been on a hunt for Mashuri, against whom there are many allegations of extortion and other criminal activities. Mashuri, known as a close aide to Altaf, went into hiding after the Rab raid.

## Three killed in 'crossfire'

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city's Mouchak area on Friday. Accused in several cases including five for murder, he had long been on the run from police. He was a member of sadar upazila unit Jubo Dal.

He was handed over to Rab-8 in Faridpur on Saturday.

Taking Biswajit with them, as a Rab-8 team reached Munshibazar Ghat to recover firearms at about 3.30am, his accomplices opened fire on them. Rab men returned fire and a gunfight followed. While trying to escape during the shootout, Biswajit got shot and died, said Rab sources.

Rab recovered three shutter guns and 12 bullets from the scene.

Faridpur sadar police said the slain was accused in nine cases filed with different police stations in Gopalganj and Faridpur districts.

**KUSHITIA**  
Police said Rab-6 in Kushitia arrested top Janajuddho man Mazed at Katchubaria village in Mirpur upazila on Saturday and recovered a shutter gun from his possession.

During interrogation, Mazed admitted to having more firearms hidden in different places across Balidapara village.

Rab handed over Mazed to Mirpur police on Sunday evening.

## 14-party

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democratic forces against the rising communal politics in the country.

In the national programme the combined opposition may pledge that the components will not keep any person having criminal records in the party, meeting sources said.

Besides, they are discussing the proposal to make pledges to reopen state-owned mills and factories and reinstate the workers in their previous jobs.

Yesterday's meeting also discussed the price hike of essentials and decided that the opposition will identify the reasons behind the price spiral and find out ways to contain it.

"We are in a process of formulating the minimum common programme for not only change of power, but for a qualitative change in state functioning," Menon said after the meeting.

Members of the committee and AL leaders Abdul Jalil, Suranjit Sengupta, Sanyabadi Dal leader Dilip Barua, Gono Forum leader Saifuddin Ahmed Manik and Pankaj Bhattacharya, JSD leader Hasanul Haq Inu, Sharif Nurul Ambia and Workers Party leader Bimal Biswas were present at the meeting held at the Workers' Party office.

Meanwhile, the subcommittee has started discussion with professional bodies to incorporate their suggestions into the common national programme. A meeting with women leaders was held on Sunday and more such meetings will be held after the Eid.

## 302 die

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the need for holding trial for each killing by law enforcers through proper investigation.

A report by Bangladesh Institute of Human Rights (BIHR) said law enforcers physically assaulted 2,127 people during the ten-month period.

The BIHR report said 99 political leaders and workers, including 44 of the main opposition Awami League and its wings, 36 of the ruling BNP and its wings and 19 of other political parties, were killed during the period.

Human rights organisation Odhakar said 25 people were killed, of them 19 in "crossfire" and seven in custody, across the country in last month while Bangladesh Society for the Enforcement of Human Rights put the number at 31 for the same month.

Of them, 13 people were killed by Rab, 10 by the police, one by Cheetah-Cobra and another by Detective Branch of police in October, said an Odhakar report based on information published in different national dailies.

Political violence left 21 killed and 1005 injured and police arrested 56 for their alleged involvement in the violence, the Odhakar report added.

Thirty-eight women and children were raped in October and of them three were killed after rape. During this month, 21 people including five children, 10 women and six men received acid burns, the report said.

Twenty-six women were reportedly victimised for dowry and of them 15 were killed while nine were tortured, one was acid-burnt and another committed suicide, the report mentioned.

The Odhakar report also said twenty-four children were killed, 12 raped, 31 smuggled out, 13 abducted and five suffered acid burns in last month.

Four journalists were injured in last month while five were assaulted, 14 were given death threat and seven others implicated in cases, it added.

Bangladesh Mahila Parishad, a women organisation, in its press release said 702 women were tortured in October while Bangladesh Nari Pragati Sangha's press release put it at 144 for the same month.

## Nepal king

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which was scheduled for February 9-11 in Dhaka, following the February 1 royal move for which the king is expected to garner additional support from the South Asian nations.

According to Nepal News, the late King Birendra Bir Bikram Shah Dev, one of the founders of Saarc, attended the first four Saarc summits before the establishment of democracy in the kingdom.

The then prime minister of the interim government Krishna Prasad Bhattarai attended the fifth summit, while former prime minister Girija Prasad Koirala attended the sixth and seventh summit as the head of