to its own will. The executive will have

Thirdly, procurement is the major

area of corruption in Bangladesh. It is a

meeting point of the vested interest

groups composed of corrupt political

masters, bureaucrats and suppliers.

Although it is not a new phenomenon,

yet in the recent years it has reached a

new height. Our development partners

have been very critical about the lack of

transparency in our procurement

system. We have recently seen how the

WB Country Director of Bangladesh

to go to parliament to make any

amendment to the act

**DHAKA MONDAY NOVEMBER 14, 2005** 

### Dhaka Declaration sounds visionary

A new sense of direction unfurled

eal RUE, the 13th summitry exercise of Saarc in Dhaka took place at an auspicious stage in the evolution of the regional economic cooperation grouping. Saarc after a roller-coaster ride through its first two decades, stood in need of consolidating the gains so far made as well as to chart a new strategy for effective and constructive regional cooperation in the decade ahead. Its third decade coincides with the UN time-frame for the fulfillment of the Millennium Development Goals that envision halving the number of poor in the world by 2015. So the resonance between the goals is at once recog-

At the same time, there has been a motivational spring-board from which Saarc takes a plunge into the new decade. First of all, the new surge of terrorism experienced in the region together with the unprecedented catastrophe visiting it in the shape of tsunami and earthquake has instilled a great sense of togetherness in the face of tragic circumstances. South Asians rose in unison and stood by each other in an empathetic bond that seemed God-sent. If such motivational flair could not bring them closer together, what else would have!

Politically, even before the natural disasters hit, India and Pakistan burying their hatchets of rancorous relations, moved closer to each other, creating an extended environment within the region that proved congenial to a furtherance of the Saarc spirit.

It is in this overall light that the forward-looking decisions of the summit documented in the Dhaka Declaration must be viewed, evaluated and greeted for what they are worth. Significantly, the decade is being devoted to implementation of the Saarc accords.

The Heads of State or Government decided have declared 2006-2015 as the Saarc Decade of Poverty Alleviation. A full-fledged Saarc Development Fund as the umbrella financial institution for all Saarc projects and programmes will be set up. This will comprise social window, infrastructure window, and economic window, with a permanent secretariat. The Heads of State or Government seemed determined to operationalise Safta beginning January 1, 2006. They have decided to take parallel initiatives for dismantling non-tariff and paratariff barriers with expeditious agreement presaged on mutual recognition of standards, testing, and measurements.

The ideas of South Asian energy dialogue process and establishment of regional food bank, a civil society resource centre, and South Asian university commend themselves.

To our mind, ratification of Saarc convention relating to trafficking in women and children and promotion of child welfare by all member states must be followed by concrete measures to implement them.

A special mention must be made of the urgency underscored by all members to set up a permanent regional response mechanism devoted to disaster preparedness, emergency relief, and rehabilita-

On terrorism, the significant change in the conventional concept appears to be eschewal of double standards in combating the menace. Protection of small states has been predicated on scrupulous adherence to the UN charter, rule of law, and the strict adherence to universally accepted principles and norms.

The crowning aspect of the Declaration, of course, is the concerted commitment to the realisation of the vision for South Asian economic union. Never before in the history of Saarc has such a high premium been placed as on the implementation of the decisions of the 13th

### **De-linking trade from politics**

Good counsel from Bangladesh

OR those like us who have been stressing the need for economics to drive our politics and not the other way round, the Prime Minister's call at the Saarc banquet to de-link trade from politics, must strike not only a satisfactory, but also a timely note.

What she has articulated is of enormous significance and which one hopes will become the watchword on which to peg the future progress of not only Saarc but also many aspects of our bilateral relations.

All too often we are namstrung by policies predominated by political considerations. If Saarc has been plagued by any one single factor it must be politics prevailing upon the policy planners and the leadership of the region. And it is not just in the realm of trade that one needs to keep politics away from our policy formulations. All other matters that have bedeviled the organisation since its nascence must be seen in an objective manner, bereft of petty political thoughts.

A good example before us are India and China whose desire for economic development has motivated them to keep politico-strategic issues from dictating their economic plans. We only have to look across our frontiers to see how China and India have, in their economic wisdom, decided to keep at bay those intractable issues that had so far stood in the way of their forging commercial and economic relationship. And if Pakistan and India can increase their volume of trade, in spite of severe political differences, and if pragmatism can drive Pakistan to engage in a dialogue with Israel in the way it has recently, it seems odious that South Asian nations as an entity would have anything but economics dominating their thought process. We must realise that one of our keys to progress is through Saarc, which can deliver only if the virtuous thoughts are effected on the ground through demonstration of primacy of economics over politics to benefit our

Once again we welcome the PM's counsel, and as the new Chairperson of Saarc, she must lead by example.

# **Enacting public procurement law**

NACTMENT of a law on public procurement to replace the Public Procurement Regulations (PPR) 2003 has been in the news for over a month. Transforming the PPR into a law is one of the preconditions of the World Bank (WB) for releasing the Development Support Credit (DSC) third phase amounting to \$200

seeking to pass the PPR 2003 into law.

Now, let us have a look into the contents of the PPR 2003. The PPR formulated on the advice of the WB. came into force on September 30. 2003, the date of notification in the Bangladesh gazette. The salient

Procuring entities must maintain records and documents regarding their public procurement for a minimum period of five years, or for longer periods as required in special

 Tenderers shall not be excluded from participation in public procurement on the basis of

criterion. Communications between tenderers and procuring entities

procurement, tenderers must qualify by meeting the required criteria which include (a) possessing the necessary professional and

technical qualifications and

competence; (b) having the legal

capacity to enter into the contract;

(c) not being insolvent or bankrupt:

(d) fulfilling obligations to pay taxes

and social security contributions

under the relevant national

Rejection of all tenders, proposals

and quotations by the procuring

entities when they are not

substantially responsive, or where

there is evidence of lack of

competition, or where quoted prices

substantially exceed the official

Observance of the highest

standards of ethics by the procuring

entities as well as the tenders

suppliers during the

implementation of procurement

proceedings and the execution of

A procuring entity shall use open

tendering as the preferred method of

procurement for goods and related

services, works and physical

services. Excep-tionally, and only

when justified on sound technical

and/or economic grounds the head

of a procuring entity, which will

mean the secretary of a ministry/

divi-sion, the head of a government

department/directorate, or the chief

executive of an autonomous or

semi-autonomous body or

corporation, may authorise

procurement using restricted

tendering method, or direct

procurement method or request for

• A procuring entity may engage in

quotations method.

regulations.

tendering method in the case of large or complex contracts, such as turnkey contracts for process plants or procurement of major computer and communications systems, for which it may be impractical to prepare complete technical specifications in advance and where alternative technical approaches

Invitations to pre-qualify and invitations to tender shall be advertised in at least one Bengali-

tenderer with the lowest evaluated tender cost ascertained on the basis of factors affecting the economic performance shall be selected.

selected through lottery.

 No negotiations shall be held with the lowest or any other tenderer.

• There shall be a standing consultative committee on public procurement consisting of a chairperson and a maximum of eleven other members to aid and advise the government in bringing improvement to the public procurement process and to make recommendations to achieve that

• The PPR 2003 supersede all existing orders/instructions/ directives on the subject by whatsoever name they are called.

Some members of the cabinet

including the members in the inner

cabinet have reportedly raised

objections to the transfor-mation of

openly questioned the nontransparency in the procurement system in power sector. However, some ministers who are better known for their honesty and integrity have supported enactment of the PPR Further, in the first week of this month, the WB cancelled loans worth into law in order to bring transparency in the procurement system. The importance of enactment of a tough law on public procurement system can hardly be over-emphasised. People's expectation is that in the enactment of the law,

TK 6. 8 crore against three projects in health and local government sectors on grounds of corruption and asked the government to refund the money already spent against these loans. The Bank's unprecedented decision followed its investigation that found evidence of inappropriate and collusive bidding practices that violated the procurement norms agreed on between the WB and

Corruption in our procurement system and in other areas has reached such a height that in Transparency International's corruption perception index (CPI) Bangladesh has been ranked as the most corrupt country for five consecutive years beginning from

Fourthly, The Daily Star has carried a report which says that "most of the ministers and ruling coalition lawmakers as well as a quarter of bureaucrats do not want the legislation ahead of the next parliamentary election, as it would restrict their authority over projects involving billions of taka." However, some ministers who are

better known for their honesty and integrity have supported enactment of the PPR into law in order to bring transparency in the procurement To conclude, the importance of

enactment of a tough law on public procurement system can hardly be over-emphasised. People's expectation is that in the enactment of the law, national interest shall get priority over the interest of the ruling

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M. ABDUL LATIF MONDAL

However, the WB is known to have agreed to accept the cabinet approval for transforming the PPR into a law for releasing the aforesaid DSC. The cabinet, therefore, in its meeting held on November 2 approved in principle the draft Public Procurement Bill

Since a number of ministers raised bjections to certain provisions of the PPR, a five-member cabinet subreceived from the ministries and suggest amendments to "contentious provisions of the draft law" that might hamper or slow down the government activities. The sub-committee is expected to finalise its report by November 20 and forward the same to the law ministry. The draft bill vetted by the law ministry will then be placed before the cabinet to accord its approval for placing it in parliament for

points of the PPR 2003 are as follows:

- The PPR shall apply to all public procurement made by procuring entities, namely ministries, divisions, government departments or other unit or sub-division thereof, local government agencies and public corporations or other public bodies created by the government, except in the cases where the government decides that it is in the interest of national security or national defence to use a different method, or where the PPR conflict with an obligation of the government under or arising out of an agreement with one or more other countries or with international organisation(s), and in such a case(s) the provisions of that agreement shall

nationality, race, or any other

shall be in writing. • In order to participate in public may be available to meet a procuring

language newspaper and in one

English-language newspaper, both

of wide daily circulation in the

country, and on the central

procurement technical unit (CPTU)

website located in the

implementation monitoring and

evaluation division (IMED) of

planning ministry for procure-ment

exceeding taka one crore and above.

• The tender documents shall follow

the format of the standard tender

document produced by the CPTU.

• Tenders shall be in writing, signed

and submitted in a sealed envelope,

to the place(s) and before the

deadline stated in the invitation for

tender. Tenders received after the

deadline for submission shall be

returned unopened to the tenderers.

• A procuring entity shall appoint

only one tender evaluation

committee (TEC) consisting of at

least five members, of whom two

shall be experienced in

procurement and from outside of

the procuring entity to open,

examine, evaluate and prepare a

report with recommendations for

award for submission directly to the

approving authority as determined

in the approval procedure and

delegation of financial powers. The

TEC shall certify in the evaluation

report that "the evaluation has

followed the requirements of the

regulations, procedures and tender

documents, that all facts and

information have been correctly

reflected in the evaluation report

and that no substantial or important

information has been omitted."

value of the tender which have been specified in the tender documents. If there is a tie for the lowest price, the tenderer with the superior past • The successful tenderer shall not be

• All contract awards of taka one crore and above shall be notified to CPTU

national interest shall get priority over the interest of the ruling alliance. for publication on their website.

• A procuring entity may resort to

open tendering with international competition when in the absence of domestic capacity, effective competition cannot be obtained unless special efforts are made to attract foreign competition. In such a case(s), the tender documents and the invitation to tender shall be in the English language to be placed in a newspaper of sufficient circulation to attract foreign competition. In addition, a procuring entity may transmit such invitations to embassies and trade representatives of potential supplier countries. Time allowed for submission of tenders shall in no case be less than 42 days.

 Technical specifications shall, to the extent compatible with national requirements, be based on international standards or standards widely used in international trade.

• Requests for proposals (REP) shall be used for procurement of intellectual and professional services. An expression of interest (EOI) shall be advertised in the manner that is similar to procuring goods, works etc. mentioned earlier. A procuring entity shall appoint one

proposal evaluation committee  $(PEC)\ in\ the\ manner\ it\ appointed\ the$ TEC to examine, evaluate and recommendations for award for submission directly to the approving authority following the approved guidelines. The PEC shall furnish in the evaluation report a certificate that is similar to one furnished by the

the PPR into an act. The objections raised by some ministers in the cabinet meeting are: (a) enactment of the PPR into an act would handicap the government and hamper development programmes; (b) transformation of the PPR into an Act would impede emergency purchase of items like food and fertiliser; (c) overemphasis on open tender for every purchase would stop the possibility of receiving foreign grants and soft loans on the basis of bilateral negotiations; (d) the provision in the PPR for constitution of the TEC with two experts from outside of the procuring entity is already delaying disposal of cases as those experts are not always available for the meetings; (e) only bureaucrats, not politicians would be needed to decide on procurement; (f) the move is a way to legitimise the jobs of foreign consultants in large projects; (g) rules are enough to guide public purchase; and (h) transformation of the PPR into an Act will require the government to go to parliament for bringing even a minor mendment to it. A closer look into the provisions of the PPR will, however, reveal that care

has been taken to meet any eventuality that may arise in purchasing, hiring or obtaining goods, works and services by a procuring entity. Secondly, transforming the PPR

into an act will make it difficult for the

executive to make changes according

# MDGs and poverty reduction

MD. KAMRUZZAMAN

am very pleased to see the recent articles published in national dailies about poverty and poverty reduction. For me, this is clearly indicative that we are now thinking more about how to get rid of this fierce reality. Not surprisingly, recently, poverty reduction we refer to or measure our success in comparison to the Millennium Development Goals (MDGs). I should mention it very clearly at the beginning that my proposition is not to portray the MDGs as irrelevant, rather I wish to draw the attention of the reader to see things from our own perspective.

Notwithstanding, if we do not enter into the debate but rather concentrate on the first goal of MDGs (as first things should come first) we may realise why it can be problematic for our national strategy of poverty reduction. The first goal of MDGs is to cut poverty on half by 2015 (from the estimate of 1990). No doubt, this sounds like an attractive and worthwhile goal. But do we know what the actual number of poor in Bangladesh was in 1990?

I am sure someone would refer me to the information of Bangladesh Bureau of Statistics. BBS is the key

source of information for the government and supposedly used by other national and international organisations. The information available in BBS, however, is only published a minimum of 3 to 5 years later after actual data collection. Being familiar with the survey trend in Bangladesh, I reckon I am not the only person to be sceptical of seven percent till 2015 it will be able to reduce absolute income poverty from the current level to half -- one of the MDGs. But if its growth performance would continue to remain the same (i.e. two percent per-capita income growth) then the number of poor people would rather increase to 64 million by 2015. So, should we

the situation in Bangladesh. Neither is the deadliest form of poverty which exists in few a African countries an appropriate measure in this vein. The faces of poverty in Eastern Europe. Africa, and South Asia are not the same. Even the characteristics of poverty are not homogenous within South Asia. Poverty as a concept can

local forms of poverty we have taken for granted the idea of \$1 a day for measuring poverty. The reason I am proposing the measurement or identification of local poverty is that it is unclear whether the income of an individual of \$1 a day (or less) represents the actual poor. What did \$1

It is a shame that there is not a slightest intimation in the PRSP that helps us to understand what should be counted as poverty in Bangladesh's context. Perhaps the time has come to realise and perceive our own role, not to create artificial success stories, but rather join together in a true effort to fight against poverty that is realistic and not

Do we have any idea or accurate forecast for what would be the number of poor in 2015? In the year 1983-1984 the head count ratio of income poverty in Bangladesh was 52.3 per cent and by 2000 it had declined to 39.8 percent. But due to population growth, this actually implies that in 1983-84 there were 38.7 million poor people in the country, but by 2000 the total number of poor has actually become almost 50 If Bangladesh can achieve the

projected target of average growth rate

cess or poverty reduction while there will be 64 million poor by 2015, even if we can achieve a nearly impossible rate of poverty reduction, as this is 2005 and we have only ten more years to reach in that level?

My second point is about identifying poverty. Notwithstanding the fact that poverty is multi-faceted in different social dimensions -- do we have any clear understanding of our poverty. Because it is obvious that the way the West identifies poverty or social exclusion does not fit to explain ity, social exclusion and participatory framework. Moreover, poverty can be absolute or relative. But we are yet to develop a framework which will portray our reality that could provide a genuine and effective pathway to overcome it. In recent times, as soon as we start talking about MDGs and poverty reduction it automatically inter-links with Poverty Reduction Strategy Paper (PRSP). It is a shame that there is not a slightest intimation in the PRSP that helps us to understand what should be counted as  $poverty in Bangladesh's \, context.$ 

meaning at present and would it remain similar by 2015?

Is it methodologically correct to bypass the inter-connected relationships of devaluation of Taka, changing perceptions of well-being and living standard, frequent amendments in the price of essential commodities for daily lives and increase/decline of income (of the poor in particular)? These questions lead us into further complexities. That is, if our policy makers, poverty experts and consultants as well as the civil society do not emphasise on identifying local metrics of poverty it

As there is no metric to identify would be like an endeavour of healing a disease without proper or correct diagnosis. It is a very good omen to see com-

paratively more discussions on poverty in public forums like newspapers which ultimately produce greater awareness and hence creates moral pressure on the government. My final point is that it is not only the government who can reduce poverty in Bangladesh. We should revisit and evaluate the efforts and performance of all relevant stakeholder of this To illustrate, the registered NGOs

in Bangladesh have received \$17,568,223,344,99 altogether from 1990 to June 2004 through the NGO Affair Bureau while \$27,660,400,108.22 was approved for their programmes during this period It will not be an exaggeration to say that except for a small number of case studies of a few of the luckiest people, these moneys have created very little impact on the national poverty level.

Perhaps the time has come to realise and perceive our own role, not to create artificial success stories, but rather join together in a true effort to fight against poverty that is realistic and not over-ambitious.

The author is a freelance contributor to The Daily Star.

## Bird flu: Not just a flu

**DR. RIFFAT HOSSAIN LUCY** 

OR more than a century, bird flu has circulated among birds, particularly domesticated fowl, but recent attention has been called to avian influenza, since some strains have infected humans. Human cases of bird flu have caused infections and death across the globe as scientists struggle to identify the dangerous strains and prevent a fatal pandemic. We have long known that avian influenza existed in animals, often killing wild and domestic populations. These viruses belong to related kinds of influenza that evolve and mutate just like any virus. We used to be primarily concerned with losing valuable birds that were providing eggs or meat to poultry farmers. However, in 1997 that changed when bird flu appeared to prove fatal for people in Hong Kong. A pathogenic, or active, strain of bird flu will kill birds quickly and spread rapidly through a population. If a wild, migratory bird catches the flu, it can carry it many miles to other wild or domesticated groups.

Influenza or more simply flu, is a respiratory disease caused by a group of viruses. It can attack human beings

and certain animals. Normally, people are infected only by the human influenza viruses, not by the animal or avian (bird) influenza viruses. Although avian influenza viruses usually do not infect human beings, several instances of human infections have been reported since 1997. On some occasions, animal influenza viruses, or viruses containing genes  $from\,animal\,influenza\,viruses\,can\,start$ infecting people. The bird flu is especially dangerous because our immune systems don't have any antibodies to handle something that used to be relegated to animals. Thus, it takes hold with unprecedented force, settles in the lungs, and resists anti-viral and anti-bacterial medication These viruses evolve in two ways,

through drift and through shift. Drift refers to inexact replication, such that newer viruses are further from the original genetic material, but share enough DNA that they are still only spread amongst a single species. When a virus shifts, it means that the genes of one virus mix, or breed, with a different virus, usually inside a carrier. Due to shift, bird flu mixed with a human kind of flu, and was thus able to infect

When a completely new strain of

influenza virus emerges among human populations with the ability to spread easily from person to person, the virus can spread world wide within months and even weeks, leading to a higher level than usual of mortality and severe illness. In this situation, all age groups are vulnerable to infection, and there can be disruption of all sectors of the society. Such a situation is called influenza "pandemic." Pandemics are different from usual influenza seasons and happen relatively infrequently.

### Symptoms of avian influenza

The reported symptoms of avian influenza in humans have ranged from no symptoms, typical influenza-like symp-

toms, e.g., fever, cough, sore throat, and muscle aches, to eye infections (coniunctivitis), pneumonia, acute respiratory distress, viral pneumonia, and other severe and life-threatening complica-Why bird flu is a threat

curative and preventive measures in tackling the disease effectively in the event of its occurrence.

Even though till date there is no reported case of Al in the country, Bangladesh is considered as at risk along with

### The bird flu is especially dangerous

because our immune systems don't have any antibodies to handle something that used to be relegated to animals. Thus, it takes hold with unprecedented force, settles in the lungs, and resists anti-viral and antibacterial medication. There is currently rising concern

that an avian or bird influenza virus,

known as avian influenza (AI), influ-

enza A (H5N1) or simply as H5N1. The

virus is circulating widely among birds,

primarily in Asia but now also in parts

and lead to the first influenza pandemic of the 21st century. Many of the prerequisites for the start of an influenza pandemic appear to be in place, but the virus still has not gained the ability to conduct efficient and sustained human-to-human transmission. The possibility that the H5N1 virus will gain this ability must be considered quite "real" but also is not certain. Once the virus has gained the ability to spread easily among people, then no country or region can be considered as a low risk area for infection. In essence, there will be no "safe havens" from potential exposure to the virus. It is impossible to predict where and when, or if at all, an outbreak of the AI may occur. However, the rising concern over the H5N1 virus requires

of Europe, and may gain the ability to

spread easily from person to person

#### prevention and preparedness Spread of bird flu

The situation of AI is rapidly evolving in Asia as well as globally. Several countries are now already infected, e.g. Cambodia, China, Croatia, Indonesia, Kazakhstan, Laos, Mongolia, Pakistan, Russia, Thailand, Vietnam, Rumania and Turkey. The list of infected countries is growing day by day, partly due to arrival of migratory birds or wild birds from infected countries. Even though till date there is no reported case of AI in the country, Bangladesh is considered as at risk along with other countries like India, Kyrghyzstan, Philippines, Morocco, Myanmar, Algeria, and Iran. Bangladesh is vulnerable to this disease as geographically the country lies on a major route of migratory birds. It is disease effectively in the event of its

#### Anti-viral agents for influenza

other countries like India, Kyrghyzstan, Philippines, Morocco, Myanmar, Algeria, and Iran. Bangladesh is vulnerable Four different influenza antiviral drugs to this disease as geographically the country lies on a major route of migratory birds. It is therefore crucial to take all (amantadine, rimantadine, oseltamivir, and zanamivir) are approved by the US Food and Drug Administration (FDA) for the treatment of influenza; three are approved for prophylaxis. All four have activity against influenza A viruses. However, sometimes influenza strains can become resistant to these drugs, and therefore the drugs may not always be effective. Monitoring of avian influenza A viruses for resistance to influenza antiviral medications is ongoing. If an influenza pandemic occurs,

the following are expected:

1. Given the geographical location of Bangladesh in a high-risk region, neighbouring countries Myanmar, Nepal and India, which were bordering China, Thailand, and Laos, the pandemic virus of H5N1 could spread rapidly, leaving little or no preparation

2. The spring migration of birds of 2006 therefore crucial to take all curative and may result in the spread of HPAI H5N1  $\,$ virus further across Europe since birds

migrating from southern zones will have intermingled with European Russia and Siberia-origin birds during the 2005-2006 winter nesting areas. 3. Given the high level of global travel,

the pandemic virus may spread to

much of the world within weeks to

months, leaving little or no time to

The health care workforce is likely to be reduced because health care workers also will become ill and will also stay home to care for ill family

members. 5. For weeks at a time, significant shortages of personnel may occur disrupting essential community

6. Vaccines and antiviral agents for

pandemic influenza, and antibiotics to treat secondary infections will be in short supply initially, while distribution of available supplies is likely to be unequal. It will take several months or longer before any effective pandemic vaccine becomes widely available. 7. Many if not most medical facilities

in Bangladesh will be overwhelmed by the overall response to the pan-

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