

UN averts financial crisis with vote

REUTERS, United Nations

The UN General Assembly late on Friday passed a budget with an unprecedented spending cap aimed at pressuring countries into approving management and other reforms within six months.

Under the deal between wealthy and developing nations, the assembly adopted a resolution for a two-year, \$3.8 billion (2.2 billion pounds) administrative budget, thereby averting a financial crisis.

But the resolution capped UN spending at \$950 million -- enough only for the first six months of 2006 -- after which Secretary-General Kofi Annan has to ask the assembly for more funds to pay staff.

The 191-nation General Assembly's decision, after months of arduous negotiations, was taken by consensus, without a vote.

Several nations, including Egypt, India and Jamaica, refused to link reforms to the budget. But U.S. Ambassador John Bolton said this was implicit since the assembly would have to approve additional funding in six months time.

Bolton called the pact a victory for the United States. He said Washington "obtained something it had been striving for the last three months -- clear linkage between management reform and the budget process at the United Nations."

But in a rare public disagreement, the European Union, headed by Britain, took credit for the compromise.

British Ambassador Emyr Jones Parry told reporters that for "95 percent of the time, it has been us (the EU) who have been building a bridge with the G-77," the UN grouping representing 133 developing nations.

The EU objective, he said, was to "avoid confrontation but give an impetus to the reform process."

France was even blunter. Its UN ambassador, Jean-Marc de la Sabliere, said: "The European Union was at the centre of the game. The United States, Japan and the G-77 were compelled to make compromises."

But Jamaican Ambassador Stafford Neil, representing the G-77 nations, said he had fought hard

against the spending cap. But his group had reluctantly gone along after receiving assurances that the tactic was a one-time measure that would not be repeated in future years.

Neil insisted there was no linkage between implementing reforms and UN funding for the second half of 2006 because the additional monies would depend on Annan's recommendation.

Negotiators had been working against a midnight December 31 deadline for the General Assembly to either approve a budget plan or trigger a shutdown of the United Nations.

Rich countries as well as Annan have been pushing hard for management reforms following allegations of corruption and mismanagement at the world body, particularly in its handling of the oil-for-food program for Iraq.

Included among the reforms that the General Assembly must approve are a new human rights body, new international accounting standards, a review of programs older than five years and a beefed-up internal watchdog office.

Bolton at one time proposed a three- or four-month interim budget until reforms were approved but received little support from the European Union, Japan, Canada, Australia and New Zealand, which, together with the United States, collectively pay 85 percent of the budget.

Until Friday, developing nations dug in their heels, fearing the changes would dilute their influence over UN programs and priorities by weakening the role of the General Assembly, where each member has a vote and no nation has a veto. Several argued that the dues they paid represented a large sum for their country.

Some U.S. lawmakers have threatened to slash Washington's UN dues payments, which alone make up some 22 percent of the administrative budget, excluding peacekeeping, if reforms were not enacted. Japan pays nearly 20 percent.

UGC for uniform

FROM PAGE 1
Professor SMA Faiz, VC of Dhaka University.

He also expressed his doubts about the merit of the UGC recommended uniform grade chart.

"The recommendations of the UGC regarding the grade chart may become a sensitive issue for the students," he said adding that it is really not clear how a student deserves the lowest grade D or GPA 1.0 despite securing above 50 marks.

In a number of meeting of the Dhaka University Academic Council, the matter of introducing a uniform grading system were discussed where the teachers preferred above 80 marks for grade A and wanted to qualify above 50 marks as GPA 2.0, Prof Faiz mentioned.

He also thanked the UGC for taking the initiative to introduce a uniform grading system.

UGC Chairman Prof M Asaduzzaman hoped that the uniform grading system would be introduced in 2006 with the consent of all private and public universities.

"With a view to eliminating the present imbalance created by independent grading systems in private as well as public universities, the University Grants Commission is going to introduce a common grading system for all," Asaduzzaman said.

The recommendations of the

UGC is not final, many changes may come as per the views of different universities, the UGC chairman said.

"Some people always prefer to oppose anything new, but we cannot retreat from the initiative," he said.

"We can support UGC's initiative to introduce a uniform grading system, but we cannot accept it without consulting with the academic council," said Prof M Ershadul Bari, VC of Bangladesh Open University.

The University of Development Alternative (UDA) VC Emaj Uddin Ahmed said there is no alternative to introducing a uniform grading system in the present context.

Rajshahi University VC Altaf Hossain, Chittagong University VC AZM Nuruddin Chowdhury, Jahangirnagar University VC Prof Khandaker Mustahidur Rahman, National University VC Wakil Ahmed, BUET VC Dr Ali Murtaza, Independent University VC Dr Bazlur Mobin Chowdhury, BRAC University VC Professor Zamilur Reza Chowdhury, North South University VC Professor Hafiz GA Siddiqi, UGC members Monirul Haque, Dr KM Mohsin, and Prof Mahfuzul Haque also spoke.

Politics again

FROM PAGE 1
upcoming street agitation. Chances are very slim to join parliament for a day to save membership of the party lawmakers as they did in the past, he said.

Most of the lawmakers of the main opposition party are now on the verge of losing membership of parliament due to consecutive 90 days' absence from the House.

Leader of the Opposition in Parliament and Awami League President Sheikh Hasina has been abstaining from the House proceedings for 77 days and if her absence continues for another 13 days she will lose the membership as per rules.

The next session of parliament is likely to begin in the third week of January and it may be a long session running for several weeks.

OPPOSITION PLAN

The success of two divisional grand rallies in Khulna and Rajshahi has encouraged the opposition to stage similar showdown in other big cities. Opposition leaders said they are planning to hold rallies in Sylhet, Barisal, Chittagong, Rangpur or Dinajpur and Mymensingh which top leaders of the opposition will address.

About the January 22 'long march' towards Dhaka, an opposition leader said: "It will turn into a 'Dhaka blockade' and if the government tries to foil the programme as they did earlier, we will enforce

tougher programmes including non-stop hartals."

When the opposition is planning to take the antigovernment movement to the peak by February, the government side is firm to face the opposition in the streets.

"We will not give any chance to Awami League and other opposition parties to take control of streets," said a senior BNP leader. He said BNP and other parties in the government will go for more street programmes to face the opposition.

About the government stance on caretaker government and electoral rules reforms, AL General Secretary Abdul Jalil said: "We will not allow anyone to hold the elections without carrying out the reforms that we have proposed."

"We will ensure people's right to vote and after that the national election will be held," said Jalil, also co-ordinator of the 14-party alliance.

Jatiya Samajtantrik Dal (JSD) President Hasanul Haq Inu said the next course of opposition movement will focus on resisting any "election of blueprint" by the BNP-Jamaat coalition government. "Opposition leaders will sit shortly to chalk out plans to mobilise people in the Dhaka long march programme," he said.

Qureia won't run in polls

AP, Ramallah, West Bank

Palestinian Prime Minister Ahmed Qureia said yesterday he will not run in next month's parliamentary elections because of an Israeli threat to ban voting in east Jerusalem.

Qureia, who lives on the outskirts of east Jerusalem, also said he thinks the Jan. 25 vote should be postponed because of Israel's move.

"It is the main issue. We must not go to elections without Jerusalem," he said at a news conference.

Control of Jerusalem is one of the central disputes in the Israel-Palestinian conflict. The Palestinians claim predominantly Arab east Jerusalem as the capital of a future state. Israel, which captured east Jerusalem in the 1967 Mideast war, considers the entire city its capital.

Israel has allowed east Jerusalem Arabs to participate in past Palestinian elections. But it is threatening to ban voting in the parliamentary election if the Palestinian Authority does not prevent the militant Islamic group Hamas from running.

Hamas, which has killed hundreds of Israelis in suicide bombings and remains committed to Israel's destruction, appears poised to make a strong showing against the Palestinians' long-ruling Fatah Party in the election.

Qureia said his decision not to run was not related to infighting within Fatah between party veterans and a disgruntled "young guard" that has formed a breakaway party and entered a separate list of candidates.

Eager to bring the rebels back, Palestinian leader Mahmoud Abbas is seeking to redraw his party's list of candidates, giving top positions to younger activists. That move has upset party veterans, including Qureia, who would have their chances of election lessened.

Although Qureia now says he will not run for a parliamentary seat, he is widely expected to be appointed to a top ministerial position in the next government.

With Fatah appearing to be in disarray, party officials have increasingly urged Abbas to delay the election. Abbas has so far rejected such calls, fearing it would make the party look even weaker.

Qureia said he would continue with his duties as prime minister. Ministers running as parliamentary candidates had been required to resign their positions for the duration of the campaign.

Rahman brothers

FROM PAGE 16
Masum Billah, Shahidul Islam alias Shahid, Abdul Haque Abbasi and Hafez Abdur Rahman.

Sub-inspector (SI) of Detective Branch (DB) Md Daud Hossain of Barguna submitted the charge sheet before the Cognisance Court-1. Among the accused, Mustafa Hasan and Al Amin are now in jail while the others are absconding.

On June 30, 33 suspected militants were arrested at a mosque of village

Sialia in sadar upazila allegedly for taking part in arms training. They were later discharged from that case due to 'lack of evidence'.

They are accused of participating in the August 17 bombings. Six of them were present in seven blast spots of the district on August 17, police said.

2,000 tourists

FROM PAGE 1
away from Thursday night in the sea due to the stormy weather and they could not manage to set it again till yesterday.

The tourist ship Keary Sindbad had gone to the St Martins yesterday to bring back the trapped tourists from the island, he added. The ship will bring back as many tourists as possible from the island.

Tk 67 lakh

FROM PAGE 1
cashied, as they have already given the serial numbers of the cheques to the bank.

Before decamping with the booty, the robbers tied up Wazlur Haque, supervisor of the firm, who appeared at the scene from Dhaka at around 4:00am.

Macro Hunts Ltd General Manager Nikhil Chandra Sikder filed a case with the Khulshi Police Station. He expressed the suspicion that the Ansars on duty might have been involved in the robbery, police sources said.

Two robbers first entered the building and tied the Ansars up, making it easy for the rest of the gang to follow, Nikhil told The Daily Star quoting the Ansars.

The police detained eight Ansars manning the building for questioning. They later released five of them and kept the three, who had been on duty during the robbery, for further quizzing.

Indian firm

FROM PAGE 1
It is a sign that Roche is responding to intense pressure from poor countries.

They have been worried that Roche on its own cannot make enough of the drug to meet demand - and that the prices it charges Western governments are too high for developing nations.

Roche meanwhile has claimed that most other drugs firms do not have the skills to make Tamiflu, a year-long process involving fermentation of feci bacteria.

The company says Hetero Drugs is among the first to demonstrate that it is technically capable of making a reliable generic version of Tamiflu.

EC still in strife

FROM PAGE 1
Secretariat will complete the preparatory work including training a 3 lakh strong manpower by this week. The enumeration will be kicked off on January 1 across the country with an aim to publish the final voter list on June 1.

However, if the voter list preparation activities face any legal complexities, it might be difficult for the EC to enumerate all voters in time, as it has only 10 months before the next general elections.

The previous voter lists were prepared about one year before the general elections took place. The last voter list was published in October 2000 and the election was held on October 1, 2001.

For the seventh parliamentary election on June 12, 1996, the voter list was published in October 1995.

Compared with the previous timetables, the EC has a very short time as the tenure of the government expires on October 27 next year and the election will be held within the next 90 days.

However, officials at the EC Secretariat said if the preparation of the voter list faces legal complexities, the election will not be held in time. "The High Court will decide the matter," said a senior official.

The CEC on August 6 decided unilaterally to prepare a fresh voter roll, ignoring the opinions of the other election commissioners.

Since then, CEC Aziz has not convened a meeting of the EC.

He sometimes forwarded files to the election commissioners, seeking their opinions on different matters pertaining to preparation of a fresh roll. In reply, the two gave note of dissent in each of those files, sources said.

Bypassing the objections from the two election commissioners, the EC Secretariat on orders of the CEC has appointed 83 registration officers, 6,270 assistant registration officers, 55,684 supervisors and 216,722 enumerators.

Fuel price hike

FROM PAGE 1
point basis in August, dropped to 7.01 percent in September, much to people's relief, but then soared again to 7.28 percent in October.

In October, the rate of inflation in non-food items was 7.12 percent, up by .46 percentage points from the previous month's, while the rate in food items was 7.42 percent, 0.22 percentage points higher than that of September.

The inflation scenario in September was the opposite, when the rate dropped in case of food items but rose in non-food ones from August.

FACTORS FUELLING INFLATION

In the first week of September, the domestic retail prices of diesel and kerosene were raised by 15 percent, petrol by 17 percent and octane by 18 percent a litre.

According to the Bangladesh Bank (BB) statistics, from July to October taka lost 3 percent value against US dollar.

A Bangladesh Bureau of Statistics (BBS) source said these two factors have been negatively affecting the inflation rates of both food and non-food items.

A BB policy analysis review released last week said globally inflation in 2005 has been showing an increasing tendency mainly due to higher energy prices in the international market. But, it said, "Direct inflationary effects of the oil price increase have been limited due to the incomplete pass-through in view of the government's policy on administered retail price of petroleum products in the domestic market."

Bigots asks

FROM PAGE 1
countrywide anti-Ahmadiyya campaigns for over two years, was addressing a rally in protest against Friday's incidents at Baitul Mukarram National Mosque's north gate in the city.

At least 57 people including seven policemen were injured in the city on Friday as IKNMB bigots locked in sporadic clashes with the cops. The stretch between the mosque's north gate and south gate turned into a battlefield for over an hour.

Nazmul Haq, secretary general of the organisation, said nothing can be expected of State Minister of Religious Affairs Mosharref Hossain Shajahan, who "used to act in theatres."

Neither the BNP nor the Awami League wants a solution to the Ahmadiyya issue, fearing an end to the political benefits being gained from the crisis, he added.

He said Babar is only serving the interests of the Ahmadiyyas by betraying the "toughidi janata" [agitating people], who voted them to power. He demanded that Babar be replaced by someone, who will look after the interests of the "true Muslims".

Termining Friday's attacks heinous, Mamtazi vowed to resist any further attacks on anti-Ahmadiyya activists. "The attacks prove we must carry sticks to counter such attacks," he said.

The EC Secretariat on December 6 under the directives of the CEC declared a timetable, which the election commissioners termed unlawful.

"The EC has decided not to prepare the new voter list but to revise the existing list. The orders for recruitment of assistant registration officers have been passed ignoring the law," an official quoted the opinion of Election Commissioner AK Mohammad Ali forwarded in the recruitment file.

"All necessary appointments may be made for revising the existing voter list," the election commissioner suggested in the file that was sent to him on October 12.

Meanwhile, Awami League General Secretary Abdul Jalil and two party lawmakers Rahmat Ali and Asaduzzaman Noor on December 12 filed two writ petitions with the HC. The petitions challenged the CEC's unilateral decisions of preparing the voter list and recruitment of manpower.

After hearing both sides, the Division bench of Justice MA Matin and Justice M Rezaul Haque on December 15 re-fixed the hearing date on January 2.

According to the schedule declared yesterday, the process of collecting information and scrutiny will end by January 31 and a draft voter list will be published on February 28.

The enumerators will start door-to-door visit for information about the people eligible to be a voter on January 1 and the supervisors will start checking their information on January 8.

The assistant registration officers will begin re-checking the information on January 22.

Any complaint about the draft voter list will have to be submitted by March 16 and the revising authorities will resolve the complaints by April 1.

"However, increased prices of imported goods combined with the rise in import prices due to the Taka depreciation also fuelled inflationary pressures in the economy," the BB maintained.

The BB review warned of a further rise in the inflation rate, saying, "The continuing risk elements include the possible consequences of excess public borrowing in view of the sustained historically high oil price and delays in the disbursement of donor fund component of ADP." This review also assesses the currency markets to remain weak for the balance of FY06, which adds another dimension to the inflation build-up."

The BB also cautioned about the "spectre of rising real interest rate in the global economy and the associated increase in the inflationary expectations in the industrial countries, which are the source of most of Bangladesh imports." It also noted that "In the domestic scene, the possibility of another round of upward revision in the set of administered energy tariffs cannot be ruled out."

On the positive side, the review predicted that the 12-month average inflation in the current fiscal year is unlikely to exceed 7.00 percent in view of the bumper aman harvest and on the assumption that the tightened monetary policy stance will be maintained.

5 killed in fresh SL trouble

AFP, Colombo

At least five people were killed in two gun battles in Sri Lanka yesterday in the troubled northern Jaffna peninsula, officials said.

An army major from the military intelligence corps and another soldier were seriously wounded when gunmen opened fire on them Saturday evening, a defence ministry official said.

"Troops returned fire and soldiers have managed to kill four of the attackers, including a woman," the official said. "Troops recovered a grenade launcher and a micro-pistol."

In the second incident, suspected Tiger gunmen opened fire at an army checkpoint on the peninsula, killing one soldier and wounding another, the defence official said.

The clashes came as diplomats from countries supporting Sri Lanka's peace bid travelled to the island's north for talks with Tiger rebels, a day after 18 people were killed in a fresh wave of violence.

Diplomatic efforts to salvage the island's troubled peace process remain inconclusive in a country where more than 60,000 people have been killed in three decades of ethnic bloodshed.

Bimstec experts

FROM PAGE 1
meeting also decided to intensify economic integration by relaxing visa rules and enhancing cooperation in combating terrorism and transnational crime.

The free trade agreement will be signed at the trade and economic ministers' meeting in Dhaka early next year.

Officials said regional groupings like Saarc and Bimstec offer greater opportunities to attract foreign investment, a wider market for Bangladeshi products, and an environment for rapid economic growth.

They said that the implementation of South Asia Free Trade Area (Safta) from January 1, 2006 and Bimstec FTA from July 1, 2006 would definitely promote investment and trade among the member countries as well as help accelerate socio-economic growth in the South and South-East Asian region.

At present, regional trade in South Asia accounts for less than six percent of the total trade in the region compared to 22 percent within the Association of Southeast Asian Nations (Asean) free trade and 65 percent within EU.

Foreign ministry officials quoting a study conducted by the trade experts in the region said that once the trade liberalisation takes place under Bimstec FTA, the volume of intra-regional trade will increase to between \$ 40 and \$ 60 billion every year.

Bimstec was established in 1997 to promote economic and trade relations between the nations in South Asia and South East Asia.

Azerbaijan plane

FROM PAGE 16
teams picked through the debris and retrieved bodies.

Authorities announced that they had formed a special investigation commission but an official from the prosecutor's office said it was too early to determine the cause of the accident.

"Fragments of the plane and the 'black box' have not been studied yet," Deputy Prosecutor General Rustam Usubov told the official AZTV network. The black box, an onboard automatic recording device, had not been recovered as of Saturday afternoon.

The Antonov was one of four new Ukrainian turbo-props AZAL purchased for 36.5 million dollars in late 2004 and the start of 2005.

The plane crashed near the town of Nardaran, about 40km north of Baku, the site of an important Shiite shrine which thousands of pilgrims from around the Shiite world visit every year.

Fights between Azerbaijan and Kazakhstan have increased over the last decade as both former Soviet republics assert themselves as burgeoning Caspian energy exporters.

Services between Baku and Aktau, Kazakhstan's oil capital, are often used by Western and local oil executives.

It was not immediately clear if anyone aboard the flight was from an oil company.

More than 50 people died when one of AZAL's Tu-134 Russian airliners crashed during an internal flight in 1995. In 2002 a Ukrainian-owned An-140 crashed in Iran killing 45.

Rivers of poison

FROM PAGE 16
children were seen catching small fish with their bare hands yesterday. The water looked black and smelt foul.

Locals at Shoulmachi on the bank of the Turag said the river water would remain highly contaminated until fresh water starts coming in the rainy season.

"Tannery wastes have taken away our livelihood. We can supply the city market with enough fish every day if the river water is pollution-free," said one local, Abu Musa.

Low-key Rajnath

FROM PAGE 16
"I have nothing to say because no decision has been taken," Advani, who is scheduled to step down after the party's silver jubilee national conference in Mumbai next week, said when asked about his reaction on news that Rajnath Singh was all set to become the next president.

Advani announced his intention to step down in September, months after comments he made on a trip to Pakistan caused an outcry in the BJP and alienated its hardline Hindu backers.

Singh, a former chief minister of Uttar Pradesh, the country's most populous state, is perceived within the party as being on good terms with the Rashtriya Swayamsevak Sangh (RSS), the BJP's staunchly Hindu allies.

"It's a choice blessed by the RSS," said political analyst Mahesh Rangarajan on Saturday.

"The main reason (for choosing him) is he's someone you can get along with," he said. "He's a team leader."

Compared to other BJP leaders, Singh appears to be a more low-key figure, a quintessential party man.

Rangarajan also said the party chose the upper-caste Singh with an eye to gearing up for state assembly elections to be held in 2007 in Uttar Pradesh.

The Hindi-speaking state used to be a BJP stronghold but the party has slipped there in recent years.

"Uttar Pradesh is a key battleground state and within Uttar Pradesh, the upper-castes are a key

battleground," said Rangarajan.

Although the ancient Hindu caste system is supposed to have been abolished it continues to be observed in much of the country, with many people voting along caste lines in political elections.

The Times of India daily said Singh's "combination of organisational skills and facility with Hindi" would help the party in northern India.

Party members are also hoping Singh will be able to rescue the BJP from the turmoil in which it has been mired since its shock election defeat by the Congress party last year.

Since its May 2004 election loss, the BJP has become polarised between moderates wanting the party to move to the centre, and hardliners who feel a return to the core values of hardline Hindutva (Hinduness) will win more votes.

The divisions within the party came to a fore in June, in the fire-storm that surrounded Advani after he lauded archrival Pakistan's founder as a "great man" during a trip there.

Analysts said at the time Advani's praise for Muhammad Ali Jinnah as a man who "created history" was a bid to steer the BJP toward the mainstream and reach out to secular allies.

But the attempt backfired spectacularly on 77-year-old Advani, who spearheaded the ascent of Hindu right-wing politics in India.

ADB offers \$315m

FROM PAGE 16
the loan, the ADB maintained.

Besides, the policy and institutional reforms associated with the ADB borrowing will make a positive and long-run contribution to the overall performance of the economy, which would not happen if the money were borrowed from other sources.

According to the ERD source, Bangladesh has been increasingly becoming dependent on high-cost domestic borrowing and supplier's credit, while receiving less and less concessional foreign aids.

An ADB analysis shows the country's outstanding foreign aid was \$16.8 billion in 1995, which increased only by \$1.7 billion to reach \$18.5 billion in 2004. In contrast, its outstanding domestic debt tripled from \$3.1 billion in 1995 to \$9.5 billion in 2004.

According to ERD statistics, the government took supplier's credit worth \$535 million in FY02-04. In the previous three years, FY99-FY01, the amount was \$158 million.

Recently, the International Monetary Fund (IMF) set a \$250 million supplier's credit limit for Bangladesh.

The ERD source said the ADB

has offered the OCR loan also to make sure that Bangladesh does not slip into a condition of inability to pay off its debts.

Until 1999, the ADB used to categorise Bangladesh as a Group-A borrower due to its low level of income and weak debt-repayment capacity. So, the country was eligible to borrow only from the concessional Asian Development Fund (ADF). After 1999, Bangladesh's status was upgraded to a Group B1 country, making it eligible also for the OCR loans.

Typically the interest rate on an ADF loan is less than 1 percent and the loan can be paid off over a 50-year period.

The ADB proposal said though the terms of OCR borrowing are harder than what Bangladesh is used to, they are still softer than the pure commercial loans. An OCR loan is refundable over a period of 20 years, with a provision for another five years as a grace period, while its interest rate is usually less than 4.2 percent.

Sources said half of the ADB's planned \$1.8 billion loan for Bangladesh over the next three years is OCR.

US monitors

FROM PAGE 16
on people in the United States. US President George W. Bush has defended that covert