

# G8 pledges \$60b to fight disease in Africa

AFP, Heiligendamm

The Group of Eight industrial powers yesterday pledged 60 billion dollars to fight AIDS and other diseases in Africa on the final day of their annual summit.

The G8 also renewed a commitment made two years ago to increase other aid to Africa by 50 billion dollars a year by 2010. Aid groups had strongly criticised the world's wealthy nations for not following up promises made at their 2005 summit in Gleneagles.

South African President Thabo Mbeki and Chinese President Hu Jintao were among leaders from emerging nations who were in the Baltic resort of Heiligendamm for talks with G8 leaders expected to focus on aid for the developing world.

Summit host German Chancellor Angela Merkel announced the plan to give 60 billion dollars (44.8 billion euros) to Africa to combat AIDS, malaria and tuberculosis.

"We are aware of our obligations and would like to fulfil promises," Merkel said as she announced the G8 health aid package and the renewed commitment to find general aid.

Ghana's President John Kufuor said: "Africa expects the G8 to deliver on promises. And on Africa's part we are committed to also deliver so that we can be real partners."

Celebrity campaigners led by U2 rock singer Bono have been in Heiligendamm to lobby the leaders of Britain, Canada, France, Germany, Italy, Japan, Russia and the United States over Africa.

US President George W. Bush, who was sick and missed the morning session, unveiled the main thrust of the AIDS initiative in May and the figure included 30 billion dollars already earmarked by Washington.

Bush was laid low by a suspected stomach virus. He held one morning meeting with France's President Nicolas Sarkozy in his hotel suite. But the White House said his condition was "not serious" and that he would go ahead with plans to head for Poland later in the day.

"President Bush is slightly indisposed this morning and will rejoin the working meeting as soon as he can," Sarkozy said after an hour-long discussion with Bush.

After the G8 leaders struck a peace-saving deal on climate change Thursday, attention on the final day of the summit turned to how the richest nations can assist Africa and work with emerging powers from the so-called "Plus Five" group -- Brazil, China, India, Mexico and South Africa.

Leaders of the five nations held talks in Berlin on Thursday and

## MCCI: Budget

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depositing tax deducted at source from one week to three weeks is appreciated," read the statement signed by MCCI President Latifur Rahman.

The MCCI hailed the withdrawal of advance income tax on credit cards but expressed disappointment at the stipulation that directors of companies cannot make more than four business visits per year.

"In this age of globalisation and with our dynamic export base, businessmen will need to undertake trips abroad depending on the exigencies of the business."

The chamber appreciated the withdrawal of the turnover tax facility on sectors such as soft drinks, insurance companies, restaurants and WASA and the imposition of VAT on these sectors, as some of these are already under the VAT net.

"Bangladesh is reeling from severe power shortage which is holding back growth of the economy. Although measures have been proposed for building power generation capacity within the next three years, much more needs to be done on an emergency basis to resolve this crisis."

"There is a mood of optimism in the country with governance measures pervading all sectors including administration and the economy."

The chamber said the measures planned to rein in inflation are welcome and the government needs to remain vigilant that the price of essential commodities remain within the reach of the common people. "In this context, the increase of certain social security measures, though meagre due to resource constraints, is also highly commendable," it said.

"The withdrawal of the provision for whitening black money has been a constant refrain of the MCCI and we welcome its abolition," the chamber said.

It said the much-needed step taken to isolate the mammoth burden of the BPC (Bangladesh Petroleum Corporation), which was affecting the financial liquidity of the public sector banks, is appreciated. The chamber strongly welcomed the subsidy earmarked for providing diesel and fertiliser inputs to the agriculture sector.

## US immigration

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counsellor Dan Bartlett said of Bush. "But based on the latest information we have, there still is a good chance this bill could go forward."

Bartlett said the president did not call any lawmakers from Germany to lobby for the measure.

Whether Bush can revive the legislation may depend largely on whether he can soften some of the differences between key components of his party's base, including the corporate community and social conservatives.

They clashed on matters such as the immigration bill's proposal for a new temporary worker programme. Businesses that crave immigrant workers were furious when senators in May set the limit for incoming temporary workers at 200,000 a year instead of the original plan for 400,000. They were even more dismayed when the Senate narrowly voted to end the programme altogether after five years.

But slapping tighter limits on immigration is a priority for many conservatives. When it came to the temporary worker programme, their interests overlapped with those of pro-labour groups concerned about a flood of low-wage workers.

Top US Chamber of Commerce lobbyist R. Bruce Josten told The Associated Press this week that the immigration issue is "divisive in the Republican base, it's divisive in the Democratic base, it's divisive in the business community. It splits organised labour, it splits the immigration community."

Republican senators who backed the immigration bill felt particularly exposed to fierce attacks from conservative activists in their home states, including talk show hosts and local GOP officials. Sen Trent Lott, R-Mississippi, said in a floor speech Thursday that he disliked many aspects of the bill but felt it would be irresponsible to kill it.

"I am getting calls, but I would say to my constituents: Do you have no faith in me after 35 years that I am just going to buy a pig in a poke here, or be for something that is bad?" Lott said.

In a recent poll by the nonpartisan Pew Research Centre, 55 percent of the respondents said penalising employers who hire illegals is the best way to reduce illegal immigration. One in four said more border agents is the best answer, and 7 percent favoured more border fences.

When the word "amnesty" was not invoked, 62 percent of Republicans said they favoured letting illegal immigrants now in the country obtain citizenship if they have jobs, pass background checks and pay fines. But only 47 percent of Republicans said they favoured giving amnesty to illegal immigrants if they met those same conditions.

Democrats, independents and moderate and liberal Republicans were most concerned about jobs, but conservative Republicans were about equally concerned with jobs and terrorism.

## EU

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said they achieved an "important result" by the CEC's assurance to announce a "key roadmap" for the elections by July 15.

Michaelis said from the meetings he had with the law adviser, army chief, and select members of the civil society, he understands that a practical set of reforms, such as political party reforms, need to be "finished and accomplished."

The European Union is ready to politically and financially support the Bangladesh government to ensure these reforms are undertaken, Michaelis said.

He added that the foreign adviser reassured him that Bangladesh is ready and willing to meet international standards while the interim government is in place.

The five-member EU Troika delegation is set to meet Chief Adviser Fakhruddin Ahmed tomorrow and later hold a press conference.

## Mohiuddin case

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members of his family and some security officers were killed on August 15. His two daughters--Sheikh Hasina and Sheikh Rehana--survived the massacre as they were outside the country on that fateful night.

Media reports in US and Canada said the seven-day stay of proceedings is an opening that allows Mohiuddin's family in Nova Scotia and the Canadian government--if it has the will--to argue that Ahmed be sent to Canada instead as a refugee.

His (Mohiuddin) supporters in Congress want the Bush administration to allow him deported to Canada, where he would not face a return to Bangladesh. Canada does not deport people to countries where they may face death penalty. There are indications that Canadian officials will accept a refugee appeal for Mohiuddin, but only if the US Department of Homeland Security or the White House approves his deportation to Canada. Ottawa does not want to interfere with American court decisions or offend Washington directly on this issue.

## Budget unique

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significant fall soon due to international market pressure.

However, measures have been taken to safeguard the poor.

If the government can retrieve the ill-gotten money believed to be stashed away at home and abroad, a portion might be used to reduce deficit financing or enlarge the Annual Development Programme (ADP), he said.

Explaining the "three reasons that have made the budget unique", he said efforts have been put to make the budget transparent and accountable. "For the first time, contingent liabilities have been set in the budget," he added.

The government will take feedback from the people and organisations on how to develop the projects and ensure quality of the implementation process. The ministry concerned and the Implementation Monitoring and Evaluation Division (IMED) of the planning ministry will receive the public input online.

A secretary-level committee will put forward a set of proposals identifying obstacles to project implementation and potential ways to get rid of those, and the government will take decisions in the light of those proposals.

The Tk 87,137-crore budget unveiled Thursday proposes limiting the taxmen's powers and introducing a universal self-assessment system for the taxpayers.

"I myself at a discussion last year termed the budget of my predecessor ambitious, and so I was careful so that this year's does not become an ambitious one," the finance adviser said.

He also said usually the budget is prepared taking into account the expenditure, not the funds to be made available, but this year's has an eye on the funds first and then fixed the expenditure.

## CPD: No breakthrough

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some yearly break up for proper implementation of projects, he said.

Emphasising efficient financing mechanism, Debapriya suggested increasing the revenue earning and speedy release of \$7 billion foreign aid in the pipeline. If necessary, a taskforce can be formed for continuous efforts for foreign aid, he said.

GDP (gross domestic product) growth is on track now but seven percent growth target as proposed in the budget for fiscal 2007-08 is a challenging one. Moreover, investment target is unrealistic, the CPD noted.

Analysing the proposed duty structure, Debapriya said duty on raw materials should not be more than on finished products. Computer import should be duty-free for continued growth of information technology but logical duty can be imposed on accessories.

The CPD pointed out that achieving seven percent GDP growth in the next fiscal year would be tough without massive investments.

The CPD suggested 'continuing the momentum in revenue collection', introduction of universal self-assessment system and simplification of VAT registration. It also suggested avoiding volatility in bank borrowing to avoid pressure on private borrowing.

On implementation of annual development programme (ADP), the think tank observed that implementation process should start from the first quarter of a fiscal year. Besides, quality of projects must be ensured while including those in the ADP.

Replying to a question, the CPD said it does not find any constitutional barrier to announcement of budget by the caretaker government as constitutional provisions allow the president to implement decisions through ordinance.

Debapriya was critical about foreign aid for the Election Commission's job saying, "Free and fair election should be ensured with our own money, and not with any

The target of revenue collection has been increased by only 0.2 percentage point of the GDP (Gross Domestic Product) and in no way can it be termed ambitious, he maintained.

The estimated foreign aid in the budget is also very realistic as the figure has been set on the basis of the assurance made by the donors. Besides, a substantial amount of foreign aid is already in the pipeline and steps are there to have the funds disbursed quickly, he said.

The bank borrowing to meet the deficit is 1.6 percent of the GDP, which too is not that high, he notes.

The adviser said the money the government will borrow from banks will be spent on development projects that will result in a positive impact on supply side, and ultimately contain the inflation.

Asked, he said the ill-gained money to be recovered will be deposited in the government's consolidated fund. He however could not give an estimate of how much money of this kind will come over the next fiscal.

Mirza Aziz dismissed as baseless the worries that the increase of duty on industrial raw materials from 5 percent to 10 percent may adversely affect the local industry.

An official of the NBR (National Board of Revenue) at the press conference said the customs duties on raw materials for leather, pharmaceuticals and textiles will remain unchanged, and a separate statutory regulatory order will be issued on July 1 to that effect.

Cabinet Secretary Ali Imam Majumder, Bangladesh Bank Governor Salehuddin Ahmed, secretaries and high-profile government officials, among others, were present at the press meet.

donor fund, for keeping our decision-making process independent."

He also criticised the proposed budget for what he said was lacking adequate emphasis on employment generation as around 12 lakh youths enter the job market every year. The existing economy cannot absorb the unemployed youths in the job market while they will increase in future, he mentioned.

Among the other areas that should get emphasis, Debapriya said, are increasing revenue from non-NBR sectors, resource mobilisation before planning for expenditure and transparency in defence expenditure.

Responding to a question Debapriya categorically denied making any black money white. Unscrupulous people hurt by his stand against black money spread such rumours about him, he said.

Stabilising market prices particularly food prices, achieving pro-poor growth, addressing inequality, increasing investment, proper utilisation of funds allocated for power, education and health sectors, raising domestic savings, greater foreign aid flow, improving ADP implementation and pursuing structural reforms are major challenges for the government in the coming fiscal year, according to CPD analysis.

The CPD criticised integration of education and religion in one sector and showing it to have the highest allocation in the budget.

It pointed out that no allocation was made for some crucial projects like Padma bridge, Dhaka elevated highway, Dhaka-Chittagong express way, deep sea port and projects concerning Chittagong port Mongla port.

Uttam Kumar Deb, Anisatul Fatema Yousuf, Fahmida Khatun and other CPD officials were also present at the press briefing.

## Tarique's assets

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president Ziaur Rahman.

Besides, he has a 2.01-acre land (100% owner) at Sailakandi in Bogra. He bought the land in 2003 for Tk 3,45,000 that he earned through business.

Tarique Rahman has debentures valued at Tk 20,000 and an FDR worth Tk 1 lakh with the Cantonment Branch of Rupali Bank. He earned the deposits through government grant received after his father's death in 1981.

Tarique has a business capital at TM Enterprise amounting to Tk 2.70 lakh.

He owns shares worth 50 lakh in Dandy Dying and Tk 18.50 lakh in Rahman Group. He claimed that he has handed on the Dandy Dying shares to his uncle Syed Iskandar.

As of December 31 last year, he had Tk 40,107 in cash. He owns five tolas of gold that he had got in gift on his wedding and birthdays.

His furniture and electronic appliances at cantonment residence are worth Tk 1,79,500.

Besides, Tarique possesses four credit cards, two from National Bank and two from Dhaka Bank.

Zubaida owns 72 tolas of gold some of which she inherited and

some she got as gift at her marriage ceremony.

In the two bedrooms at cantonment residence, she has two sets of sofa, one dining table, four chairs and an air-conditioner. All these she had from her mother again on her wedding.

She also owns two refrigerators, a colour television, a computer, a microwave oven and two air conditioners. She bought those with her salary.

She has inherited from his father five houses (7/16 owner) in the capital. She also owns a one-bigha land at Joydevpur.

Zubaida has two FDRs--one of Tk 25,00,000 and the other of Tk 10,00,000--with the prime bank. She received the money from her mother.

Tarique's daughter Zaima Zarnaz Rahman has an FDR totaling Tk 20,000. She got that from his father's business organisation Rahman Group.

In his statement, Tarique maintained that he doesn't own any property in any foreign country.

## Bush returns

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a luxury resort here.

Bush stayed in bed for several hours to rest and recuperate. He missed one session with African leaders and another with leaders from China, India, Brazil, Mexico and South Africa, all developing nations not G-8 members.

Members of the Group of Eight agreed on a program worth more than \$60 billion to combat the spread of HIV/ AIDS and fight malaria and tuberculosis in Africa. Critics have said all the G-8 nations are lagging on the promises they made two years ago, at the British-hosted summit, to double assistance to the troubled continent by 2010.

The leaders also worked on a possible deal with Russia over the future of the Serbian province of Kosovo.

Bush returned to the talks in time for the closing lunch. The president was "fully expected" to keep to his original travel itinerary, Bartlett said. Bush was scheduled to fly from Germany to Poland to meet and have dinner with Polish President Lech Kaczynski and then on to Rome.

His sit-down with French President Nicolas Sarkozy on the sidelines of the summit meetings went ahead in the morning in Bush's private chambers instead of a meeting room.

Bartlett joked that Bush's decision to steer clear of the other leaders for a while was a "precautionary step" to avoid following in the footsteps of his father, former President George H. W. Bush.

The elder Bush fell ill, fainting and vomiting, in January 1992 at a state dinner in Tokyo. The first sign that something was amiss with the current president came when Sarkozy appeared alone before reporters after their meeting. Speaking in French, he said only that Bush was in his bedroom and that Bush's spokesmen would have to explain further.

Bartlett said the two leaders discussed a myriad of issues, including Iran, Syria, Lebanon, Iraq, Afghanistan, Darfur, trade and missile defence. It was their first meeting since Sarkozy took office less than a month ago and only their second overall; the first was September in Washington.

Sarkozy said Bush had invited him to come to the United States.

## Rain likely

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of the country and it will spread throughout the country within 48 hours, the met office said.

As in other years, thundershowers accompanied by temporary gusty or squally wind are likely to occur till September, it said.

According to their forecast, rain or thundershower accompanied by temporary gusty wind is likely in a few places of Rajshahi and Khulna divisions, and many places in Dhaka, Sylhet, Barisal and Chittagong divisions.

The day temperature will, however, remain unchanged.

The Met office yesterday recorded the highest 41-millimetre rainfall in Bogra.

## Electric train

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placed before the advisory council meeting for final approval, railway officials said.

The major donor agencies World Bank, Asian Development Bank and Japan Bank of International Cooperation have shown interest in financing the project, sources said.

The World Bank has examined the study report and a team led by its Dhaka mission chief visited the proposed chord line alignment between Laksam and Fatullah last month, sources said.

The feasibility study that began in May 2006 and ended on March 15, 2007 aimed at investigating options for capacity enhancement of the Dhaka-Chittagong railway and recommending a preferred option that is technically feasible, economically viable, socially responsible and environmentally sound.

The current Bangladesh Railway network was established during the British rule. Two separate operational systems were developed -- broad gauge mainly in the west of Jamuna River and metre gauge mainly in its east. That time the focal point for west portion was Kolkata and for east portion it was Chittagong keeping in view Assam and north-eastern Indian states. Then the links to Dhaka were not major considerations.

After the independence, the previous rail network failed to suit new national requirement as the Dhaka-Chittagong rail link via Tongi, Bhairab Bazar, Akhaura and Laksam is a circuitous one. Developing a shorter train line between Dhaka and Chittagong has been a long time necessity but none of the previous governments paid proper attention in this regard.

If the journey time reduces by half on the route, the number of train passengers will increase several times, and it will contribute to the railway's earnings, BR sources said.

## BNP's reaction

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He urged the government not to impose any more tax to cover the huge deficit in the proposed budget.

The BNP spokesman also urged for more allocation for the power sector and said, "The allocation for power sector should be increased even if it means cuts in other sectors."

"There are many good provisions in the budget as initiatives have been taken to develop human resources," he told reporters giving his reaction to the proposed budget yesterday evening in his Gulshan residence adding that the allocation for research as well as for scholarships for male students in primary schools are some good sides of the budget.

"Price hike of essentials is still going on. Steps have been taken to reduce the prices but I have doubts about the success of the steps, as tax reduction is not enough to control the price hike, monitoring is also important," he said adding that it is not possible to control prices without controlling the middlemen in the market.

He also said, "Earnings of the people should be increased and it is tough to curb the price hike of those few products, the prices of which have gone up in the international market."

He stressed the need for increasing the number of scholarships in colleges and universities and said allocation for research in the agriculture sector should be increased as there are many researchers in the country working in agricultural institutions.

Appreciating the provision for subsidy for farmers, the former local government and rural development minister said it is important to make sure that the farmers get the money without harassment.

"There are further scopes for expanding the social safety net programme," the BNP leader said adding that improving the lives of the poor is impossible without creating job opportunities for the unemployed.

Demanding an increase in the allocation for local governments, the former minister said the provisions in the budget for trainings for local government officials, and for bringing improvements to the drinking water situation, sanitation and birth registration are also some good things in the budget.

He said the fresh imposition of tax on computers is not a wise decision and the tax on newspapers should be reduced some more.

Mannan Bhuiyan said expansion of the VAT net and the income tax net is not bad but the authorities concerned should be updated so that nobody faces harassment.

**COMMUNIST PARTY OF BANGLADESH**

General Secretary of the Communist Party of Bangladesh (CPB) Mujahidul Islam Selim yesterday in a statement said the proposed budget is a traditional one and full of contradictions and inconsistencies.

"An anti-people, anti-nation reactionary philosophy was followed in the proposed budget," he said in his reaction to the budget.

## Accused bailed by 'proxy' held in Chittagong

STAFF CORRESPONDENT, Ctg

Police in Chittagong yesterday arrested a charge-sheeted accused in a criminal case who received bail from a court by producing his 10-year-old cousin posing as him on Wednesday.

Sources said Emon in collaboration with five other charge-sheeted accused, including his mother Rahima Begum and sister Sina Sultana, obtained bail in a case producing Faizur Rahman, his maternal aunt's son, before the court in his place.

A 10-year-old boy on his mother's lap being a charge-sheeted accused in connection with a theft and torture case created sensation and the story was run on several TV channels and newspapers.

It, however, prompted police to reinvestigate the case following directives from higher authorities.

During the reinvestigation by Assistant Commissioner Abu Bakar Siddique of Kotwali circle and Officer-in-charge of Bakalia Police Station Alamgir Hossain, plaintiff of the case Zannatul Nahar was quizzed.

The plaintiff said the child produced before the court as Emon was actually Emon's cousin and the Emon she accused in her case was 17 years old.

It was also revealed during the reinvestigation that Faizur was taken to court from Chittagong General Hospital on Wednesday where he was undergoing treatment.

Police arrested the real Emon, 17, at Miahkhan Nagar in Bakalia and sent him to jail custody yesterday afternoon.

## Sugar price

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in the budget, said a wholesale sugar trader at Karwan Bazar in the capital.

"We are buying sugar at increased price and we will have to sell it at a higher price to make profit," said the trader.

But, though reduction of duty on lentils and edible oil has been proposed, no impact on their market prices is to be seen.

Price of lentil was Tk 70 in the wholesale market and Tk 75 in retail market yesterday while soya bean oil sold at Tk 75-78 per kg in retail market.

The price of lentil increased Tk 5 per kg two weeks ago and it might have increased further if the duty was not cut, traders said.

He also said the proposed budget is more or less just another traditional one although there was an opportunity for the caretaker government to show some greatness in it.

The proposed budget is destined to widen the disparity among classes as most of the money for the budget will come from indirect taxes to be collected from the general people, he said.

**WORKERS PARTY**

The Workers Party of Bangladesh in a news release expressing its reaction to the budget said it is a 'World Bank (WB) friendly budget' which does not take into consideration the sufferings of the masses.

WP expressed its deep resentment as no step has been taken in the budget to save the local jute industry.

"This budget did not say anything on the mechanism for controlling the spiralling of prices of essentials," the WP news release said.

"The caretaker government is ready to bring reforms to all sectors but it is not ready to go beyond the World Bank prescription regarding reforms in the economic sector," the release added.

The Workers Party however said some steps have been taken in the budget regarding price control, and reduction in import duties on food items.

The party also welcomed the provision in the budget for providing subsidies for diesel import.

It also said restructuring of duties and taxes will harm the local industry especially the peripheral industries of the garments sector.

## Garment workers

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representatives of the management in the morning. In the meeting, the management side agreed to pay the arrear wages of the garment workers on Wednesday.

He further said the workers returned to the factory and resumed their duties.

## Birds flu

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As the reports reached Dinajpur on Wednesday evening, a team led by Chirirbandar Upazila Nirbahi Officer Md Momtunul Islam along with three magistrates, officers and employees of district and upazila livestock offices, police and BDR went to the affected village the same night.

They started killing and burying the domestic chickens, ducks and pigeons at 12:30pm and it continued till Thursday morning.

The upazila administration told the poultry farmers that they would be compensated while the local union parishad arranged announcement through loudspeakers to make people aware of bird flu disease.

District administrative officials said the situation is under control and as a precautionary measure poultry farmers in those villages have been instructed not to rear chicken, duck and pigeon for the next three months.

## 53 more killed

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brother, while his three children were kidnapped.

"Several armed men attacked my house at 10:00 pm (1800 GMT) and killed 14 people, including my wife, brother and my 12 bodyguards," said a distraught Jurani.

"The attackers also kidnapped my three children -- two boys and a girl."

Diyala is the second most dangerous province in Iraq after Baghdad and insurgents have stepped up attacks in the region following a massive crackdown in the Iraqi capital since February.

The other 19 people who died on Thursday were killed in a series of attacks on the Iraqi security forces, including nine hit by a suicide truck bombing of a police station near the Syrian border in the northwest of the country.

The latest wave of violence comes as US President George W. Bush's new "war czar" acknowledged past misgivings about the surge of US troops into Iraq.

Lieutenant General Douglas Lute, who was nominated by Bush last month to oversee the conflicts in Iraq and Afghanistan, said Iraqi authorities and other US agencies needed to step up alongside the US military.

"I expressed concerns in the policy development phase... that this not be simply a one-dimensional surge," the three-star army general, 54, told his Senate confirmation hearing on Thursday.

The surge climaxing this month would "likely have only temporary and localised effects" unless it was accompanied by "counterpart