Punishment

to killers of

demanded

RU CORRESPONDENT

Several hundred freedom fighters

submitted a memorandum to the

deputy commissioner of Rajshahi

yesterday demanding immediate

arrest and punishment to the killers

Islami and its student wing Shibir

beat the freedom fighter to death

when he was distributing zakat and

fitra money among the poor on

Jamaat-Shibir cadres for not donat-

ing the money to an institution run

the memorandum to Shefaul Karim.

Sajjad's killing is not a sudden inci-

dent, it was a pre-planned one,

The freedom fighters said the

He fell victim to the wrath of

Freedom fighters of different

Identified cadres of Jamaat-e-

offreedom fighter Sajjad Hossain.

FF Sajjad

# US, EC sign MoU to protect Sundarbans environment

BSS, Dhaka

The United States government, through the United States Agency for International Development (USAID), and the European Commission (EC) signed a memorandum of understanding (MoU) yesterday to continue joint activities in the natural resources and protected area management sector in Bangladesh.

At a signing ceremony at the European Commission office, Ambassador Stefan Frowein, head of Delegation of the EC to Bangladesh and Denise Rollins, Mission Director of USAID Bangladesh, signed the MoU to facilitate work on collaborative natural resource and protected area management programmes in Bangladesh, particularly in the Sundarbans, in line with the government of Bangladesh's policy and programmes.

as mayoral candidate

STAFF CORRESPONDENT

City Corporation.

away

Sadar.

UNB, Chandpur

night at the age of 68.

yesterday morning.

METRO DESK

Business community of Dhaka city at

a view exchange meeting yesterday

proposed the name of former presi-

dent of Federation of Bangladesh

Chambers of Commerce and

Industry (FBCCI) Abdul Awal Mintoo

as the mayoral candidate for Dhaka

'What kind of Dhaka we want'

organised by the local businessmen

at Biam auditorium in the city, the

business leaders urged their com-

munity to be united to elect their

candidate in order to make the city

460 mohallas of Dhaka city, out of

690 ones in the last 10 years and

found the places unlivable, adding

that, "I will work to make the city

Ex-AL lawmaker

Shafiullah passes

M Shafiullah, former Awami

League lawmaker and freedom

fighter, passed away at his Koralia

residence in the town on Saturday

Awami League, was elected mem-

ber of parliament from Chandpur-

and three daughters and a host of

Shafiulla was held in the town and

second one in Faridganj upazila

at his family graveyard in Barapaika

village in Faridganj upazila after

third janaza at his native village

AL presidium member Abdur

Khan, founder

president of

Shariatpur

Chamber of

Commerce and

Razzaque attended the janaza.

Industry, says a press release.

prayers on Friday.

Seminar

10:30am.

Lecture

Time: 7:30pm.

On the occasion, a doa and

milad mahfil will be held at his Wari

residence in the city after Asr

DHAKA

ODAY

A seminar will be held on 'Natural gas in

Bangladesh: Demand and supply spec-

trum'. Venue: Sheraton Hotel. Time:

View exchange meeting

Steps Towards Development organises

a view exchange meeting on equal rights

of women in politics. Venue: Cirdap

Bangladesh Enterprise Institute (BEI)

organises a talk on The Commonwealth:

Current priorities, future directions'. Venue:

Nobel laureates Prof Richard R Ernst will

deliver a lecture on 'My pathway into

science and beyond'. Venue:

Bangladesh-China Friendship

Asiatic MCL organises a two-day pho-

tography exhibition depicting moments

of everyday life. Venue: Bay Galleria.

Conference Centre. Time: 3:15pm.

Photo exhibition

BEI conference room. Time: 5:00pm.

auditorium. Time: 9:30am.

5 (Faridganj) constituency.

relatives to mourn his death.

Shafiulla, president of District

He left behind his wife, two sons

The first namaz-e-janaza for

He was buried with state honour

Mintoo said he has been visiting

livable, planned and modern.

Addressing the meeting on

USAID and the EC will work climate change. together to implement and monitor progress of the Sundarbans Environmental and Livelihood Security Project (SEALS), with 7.5 million euro from the EC, and the Integrated Protected Area Comanagement Project (IPAC), with a USAID project grant of US\$15.5

These five-year projects include the creation of various alternate income generation opportunities for people living in and around the Sundarbans and infrastructure rehabilitation in the cyclone Sidraffected areas.

Other project activities include promoting conservation of the Sundarbans Reserve Forest, including the Sundarbans East, Sundarbans South, and Sundarbans West Wildlife Sanctuaries, and helping people living in these areas adapt to the impact of global

'Make Dhaka modern, livable'

FBCCI President Annisul Haq

said the people of Dhaka city will be

around 40 million, but the city since

the beginning has been growing in

an unplanned way but it did not get

a leader so far who had a prudence

new and innovative vision and has

a plan to make the city modern," he

Mintoo, Anis said he has 100 per-

cent support personally for Mintoo

as a candidate of Dhaka mayor, not

munity to keep the politicians away

from the race of mayoral election

and also urged the two major polit-

ical parties not to give nominations

He called on the business com-

as the president of FBCCI.

to any politicians.

"We want a leader who has a

Expressing his support for

to make the city in a planned way.

Business leaders support Abdul Awal Mintoo

modern and livable."

The US government has a long commitment to helping Bangladesh recover from disasters, escape from the unending cycle of poverty, and to strengthen its democracy, said a release. Through USAID, the US government's assistance to Bangladesh includes support for a return to democracy through free, fair and credible elections and more transparent and accountable governance, the release said.

US assistance to Bangladesh also helps to foster a better educated, healthier and more productive population, increase economic opportunities through equitable economic growth (including energy, private sector competitiveness and conservation), and enhance food security and improved disaster preparation and mitigation.

The business leaders placed a 30-

point demand to the government

including ensuring pure drinking

water and sewerage system, clean

Dhaka, clean drains, manhole with

lids, sufficient public toilets, field in

every school, sufficient flyovers and

underground railways to ease grid-

lock, modern communication

system and traffic management to

by Abdus Salam of Bangladesh

Paint Design and Chemical

Hossain, former director FBCCI

Enayet Hossain Chowdhury, for

mer directors ASM Kamal Uddin

and Shafiullah Chowdhury and

Bangladesh Dokan Malik Samity

Chairman Amir Hossain Khan also

Director of FBCCI Anoway

The meeting was presided over

reduce the traffic congestion.

Merchant Association.

addressed the meeting.

व्यवस्था प्रदेश

### DU SM HALL 5 BCL activists hurt in intra-

METROPOLITAN/NEWS

DU CORRESPONDENT

party clash

Five activists of Bangladesh Chhatra League (BCL), student wing of Awami League (AL), were injured in a factional clash at Salimullah Muslim (SM) Hall of Dhaka University (DU) yesterday.

Of them, two activists Saikat and. Shafin were critically injured and rushed to Dhaka Medical College and Hospital.

Later, Saikat was shifted to Orthopedic Hospital in the city.

Sources said Sumon and his group attacked Saikat and his men with iron rods, wood sticks and machete in front of the hall gate at around 7.00pm.

Sumon, an alleged fake student of the university, and his men brutally beat Saikat with machete. They cut the veins of Saikat's leg

and left hand with machete, sources added. A conflict between Sumon, known as a supporter of BCL DU unit President Sohel Rana Tipu, and Saikat, a fellow of DU unit General Secretary Sajjad Saqib Badsha, had been continuing over

Last week, fellows of Sumon and Saikat were engaged in a clash over the allocation of rooms among their supporters in the hall.

the hegemony of the hall com-

Four bombs also exploded after the clash.

Tension was prevailing on the hall compound as of filing this report at 9.30 last night.

#### ACC boss

FROM PAGE 1

Mahmudur Rahman may have resulted from complaints about anti-graft drives.

Rejecting the allegations, he said he would not file any defamation case at this moment but would fight if the matter goes to legal stage.

Hasan Mashhud denied Mahmudur's allegation of illegally legalising establishments a Defence Officers' Housing Society (DOHS) in Mohakhali, saying every thing was done in accordance with the rules of cantonment.

"I want to state it plainly that the allegations brought against me are not true in any way. You can get information from Trust Bank Ltd on the matter that took place four years ago," he said at a press briefing at the ACCheadquarters yesterday,

On Saturday, Mahmudur Rahman attempted to file a case against the ACC chief on charge of laundering Tk 20.29 crore from Trust

Ramna police refused to record the case, saying they are not the appropriate police station to do it while Motijheel police also refused Mahmudur Rahman, saying his complaint lacks Bangladesh Bank approval.

"Somebody might have complaints about our drives against corruption. And the allegation might have resulted out of it," he told reporters when asked why such an allegation was brought against

"The allegation is one-sided. Time has not come yet to look into the matter or think about it deeply," he said in reply to a question about the possibility of filing any defama-

Asked if the allegation will make his position as the ACC chief untenable, Hasan Mashhud said, "Not at all. The fight against graft is not supposed to end so easily. Anybody can bring allegation against anyone If you do not refute the allegations, it might be taken for granted that they are true. But the chance should not

He also brushed aside any allegation regarding his influence over police for not recording the case.

be given...And definitely I will fight

"The bank incurred the loss at that time following mistakes o some bank officials in the foreign currency exchange sector," he said adding that an investigation was conducted and two cases were filed

in this connection. Asked if any responsibility lies upon him for the loss, he said, "Trust Bank has to take the responsibility. You can check Bangladesh Bank rules and regulations to see what the responsibilities of a chairman or a

managing director of a bank are." The ACC chief, however, mentioned that if the matter of money laundering were taken before the commission, it would look into the allegations. "But it has to be confirmed earlier whether money laundering has taken place or not,

"There is nothing to hide regarding this matter because a few newspapers carried reports on it at that time," he said.

he added.

Replying to a question on his role, as reported by a newspaper, in legal ising illegal establishments at DOHS Hasan Mashhud said, "The DOHS committee took a decision regarding the houses built in that area violating rules...It is better to have compensation to regularise an illegal matter rather than accepting it perma nently." The cantonment has its official system to regularise such

Asked if it was right to legalise illegal establishments for compensation and if there should be different laws in a country for different quarters, he said, "I do not think our rule should be maintained every where. Authorities concerned can take decision in this regard."

activities, he added.



Awami League presidium member Motia Chowdhury speaks at a meeting of Chittagong north unit of the party at Muslim Hall in the port city yesterday.

#### Cops identify 19 DU students units of Muktijoddha Sangsad and Muktijoddha Mancho gathered in front of the DC office and submitted

FROM PAGE 16

office, demanding cancellation of the new admission conditions introduced by university's seven departments that made madrasa students ineligible for admission to iose departments.

When asked why they are not arresting them, OC Rezaul said, "We cannot arrest any student at the university without permission of the university authorities and the police high-ups."

"High police officials are discussing the issue with the university authorities. We shall go for action after receiving directives from our high-ups", Rezaul said adding that the process of arresting the students involved in the vandalism is underway.

However, DU Proctor Prof AK Feroz Ahmed told reporters that they do not know anything about the police naming 19 DU students as involved in the vandalism.

Eminent writer and columnist

Syed Abul Maksud, academician

Prof Ajoy Roy, politician Ajoy Roy,

human rights activist Hamida

Hossain, former MP Col (retd)

Shawkat Ali and representatives of

left leaning parties and student

"We are fighting against the evil

force that are trying to destroy our

culture and heritage... we cannot let

it happen, we cannot let them

destroy the thousand-year-old

heritage of the nation," said Prof

sculptures was not an isolated inci-

dent, rather it was part of a long-term

conspiracy of the communal evil

force, who use religion to achieve

political gains, against our culture

composite culture of the Muslims,

Hindus, Buddhists and Christians in

the country and their motive is to

make the country a theocratic and

He said they will continue with

A number of academicians,

their movement and will declare

programmes within two to three

fundamentalist state," he said.

"They (the communal evil force)

are deliberately trying to destroy the ics, they are using religion in political

Maksud said, "The removal of the

FROM PAGE 16

bodies also took part.

and achievements."

He also said police would conduct investigation their own way.

After the incident, the DU authorities filed a case with Shahbagh Police Station against 150-160 people. The authorities also formed a four-member probe committee to identify the people responsible and expelled two DU students on charge of vandalising the VC office.

Meanwhile, Madrasa Chhatra Odhikar Sangrakkhan Committee at a rally on DU campus yesterday threatened to paralyse all universities including the DU if the new admission conditions in seven departments are not cancelled by November 1.

After the incident, madrasa students under the banners of Madrasa Chhatra Odhikar Sangrakkhan Committee and Bangladesh Madrasa Chhatra Andolon Parishad at several rallies

Human chain protests removal

students of Dhaka University and

activists of cultural organisations

under the banner of Bhashkarja

Rakhya Andolan, a movement to

protect sculptures, will march

towards the Airport intersection on

October 30. They, during a press

conference yesterday, demand

installation of better-quality statues

at the intersection roundabout that

reflect the Liberation War and the

demands trial of war criminals,

modernisation of the madrasa cur-

riculum and a ban on religion-based

installed at the roundabout but

removed on October 15 following

Islam Choudhury at the press confer-

does not require capital, people of the

country are pious and the evil forces are

trying to capitalise their sentiment to

gain their political interest by distorting

General Secretary of Dhaka

University Teachers Association

(Duta) Prof Anwar Hossain said the

ence said those people are not fanat-

pressure from an Islamist group.

Five sculptures of Bauls were

Eminent educationist Prof Serajul

"Religion trade is a business that

Bhashkarja Rakhya Andolan also

folk culture of the country.

on the DU campus demanded removal of VC Prof SMA Faiz and cancellation of the new admission conditions.

Leaders of various progressive student bodies alleged that Chhatra Shibir cadres from various DU halls including Ziaur Rahman Hall, Sir AF Rahman Hall and Salimullah Muslim Hall participated in the agitations.

The university's pro-BNP and Jamaat teachers at a meeting with the VC on Thursday said they would not participate in any admission activities if the issue of relaxing the admission criteria is not resolved immediately.

Progressive teachers of the university at a press conference on Saturday alleged that the pro-BNP and Jamaat teachers are putting pressure on university authorities to relax the admission criteria to establish Islami Chhatra Shibir's supremacy on the university campus.

removal of the sculptures was not a

stray incident; vandalism of DUVice-

Chancellor's Office by madrasa

students, open movement of "fugi-

tive" Ali Ahsan Mohammad Mojahid

and his taking part in the govern-

ment dialogue were the audacities of

He accused the two large political

anti-liberation war forces.

adding that the investigation officer (IO) of the case showed his mysterious behaviour as he mentioned in his post mortem report that Sajjad was killed for another reason.

October 5.

They urged the DC to immediately remove the IO from the case and re-investigate the report. They threatened to go for a tougher movement if the killers of Sajjad go unpunished. Later, the freedom fighters held a

protest rally at central Shaheed Minar in Rajshahi court area and demanded punishment to the killers and trial of war criminals under a speedy trial tribunal.

The fundamentalist forces are making a fresh blueprint to kill freedom fighters and progressiveminded people in the country, speakers said.

Rajshahi district unit of Bangladesh Muktijoddha Sangsad Commander Nazrul Islam Khoka, City unit Commander Shafiqur Rahman Raja, Muktijoddha Oikya Parishad Divisional Coordinator Saidur Rahman, Muktijoddha Mancho Convener Abdul Matin and Muktijoddha Rajshahi Research Centre President Mahtab Uddin addressed the rally.

Freedom fighter Mahtab Uddin told newsman that the DC assured them to taking necessary steps in

Sammilito Sangskritik Jote General Secretary Golam Kuddus at the conference said they would hold a convention on October 8 and bring in cultural activists from across the

Dhaka University Prof MM Akash Prof Saiful Islam, Hafizur Rahman Karzon, Group Theatre Federation Secretary General Jhuna Chowdhury, Sculptor Rassha, Bangladesh Chhatra League Dhaka University unit President Sohel Rana Tipu, Bangladesh Chhatra Union General Secretary Manabendra Dev were also present at the press confer-

Cultural activists of Dinajpur yesterday protested the removal of Baul sculpture at Airport intersection by forming one-kilometre-long human chain in and around Dinajpur Government College.

parties of the country of not being clear in their stance regarding the this regard. Chinese women

## delegation due next month

BSS, Dhaka

A five-member Chinese women delegation from All China Women's Federation will pay a goodwill visit to Bangladesh from November 19 to 23 at the invitation of Bangladesh-China People's Friendship Association.

During their visit, the delegation will meet the leaders of the women release said yesterday.

# not so black'

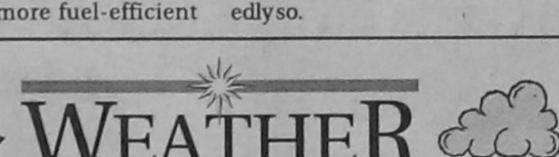
Death anniversary Today is the 1st death annivera time of opportunity. 0 1 Hafizuddin

The conventional view is this: willingness to protect the environment is wedded to prosperity.

tighten their belts -- so their eagerness to switch to renewable energy, buy a more fuel-efficient edlyso.

car or promote forest conservation melts faster than organic ice

But these voices also say that conventional wisdom is flawed in many ways, sometimes unexpect-





UNB, Dhaka

Moderate rain or thundershowers accompanied by temporarily gusty or squally wind is likely at most places over all the six divisions with heavy to very heavy rainfalls at a few places in the next 12 hours until 6:00pm today.

Under the influence of deep depression over northwest bay and adjoining area heavy to very heavy rainfalls may occur at places over Rajshahi, Sylhet, Chittagong, Barial, Khulna and Dhaka divisions during next 12hours.

day at Teknaf and lowest 19.0 degrees Celsius at Srimongal. The sun sets in the capital at 5:22pm today and rises at 6:02am

tomorrow. Highest and lowest temperature and humidity recorded in some

Celsius percentage Morning Evening Max Min 21.3 20.5 Dhaka 28.2 21.0 Chittagong 20.2 99 22.3 Rajshahi 98 22.6 21.8 Khulna 96 22.8 20.8 100 Barisal 83 19.5 Sylhet 20.8 24.2 73 30.8 Cox's Bazar



AFP, Paris

The deepening economic crisis may appear to be the perfect storm for environmentalism, but many in and around the green movement contend the opposite, seeing in it

When times get tough, people

cream in the Sahara.

Environmentalists and observers of green issues are not deaf to this argument. Indeed, many fear backtracking on a colossal scale at the upcoming UN talks on global warming, unfolding in Poznan, Poland, in December.



## Moderate rain likely

Day temperature may remain nearly unchanged over the country, Met Office said in a forecast.

Highest temperature 31.2 degrees Celsius was recorded yester-

major cities and towns yesterday were: Humidityin Temperature in City/Town

# Trust Bank story twisted

religion,"hesaid.

FROM PAGE 1 state-owned banks had faced a few hundred crore taka loss through cross currency dealings.

For the sake of public accountability and for the fact that Mashhud holds a key post in the fight against corruption, this newspaper once again looked into the case, talked to a number of people ranging from central bank officials to chartered accountants to private bankers.

The Daily Star findings confirm that the accusations, as were mentioned in a Bangla daily Amar Desh and levelled against the ACC chief, are incorrect. The losses that Trust Bank

incurred, as did other banks such as AB Bank, Shahjalal Bank, and Sonali Bank, were purely transactional losses. The money was not laundered, nor did any one personally benefit from the deals. Shahjalal faced a loss of Tk 110

crore, AB Tk 65 crore, and Sonali Tk 86 crore. "Such deals are done worldwide," said a top central bank offi-

cial. "These are not illegal, not

money laundering. CASEOFTRUSTBANK Trust Bank lost about Tk 22.41 crore in 2002 and 2003 when it ventured into interbank foreign exchange deals. It was purely the bank's management decision to delve into such transactions and the board had nothing to do

When the first dealing started in January 2002, General Harunur Rashid was the chairman of the bank as the then army chief. Hasan Mashhud became its chairman in June 2002.

with such day to day affairs.

A short time later, Bangladesh Bank auditors first traced a huge amount of unreconciled money in many of the private sector banks including Trust Bank. Later, the money was traced back to foreign exchange deal losses.

When the matter came to and devoid of any supply and Mashhud's notice, he took several demand mechanism. quick actions including forming an inquiry committee appointed by the board. After the probe report, the board held three persons responsible -- the erstwhile manag-

ing director Zsahid Hossain Chowdhury, international division head Sabbir Ahmed, and dealer Mozammel Hossain.

All three lost their jobs and crimi-

nal cases were filed against them, moreover, money suits were filed against seven persons including the managing director. The bank also decided to block disbursement of dividends as ear-

lier calculations had been based on erroneous figures. But that decision ultimately lowered the bank's losses to Tk 14 crore in 2002. The next year the bank's loss decreased further to Tk 5.66 crore. The now defunct Bureau of Anti-

corruption (Bac) asked Trust Bank in 2004 to hand over all documents relating to the transactions and losses. The investigation apparently did not find any wrong doing.

The Daily Star contacted Hoda Vasi Chowdhury and Co, the chartered accountant firm that audited Trust Bank. A company spokesperson said what happened to Trust Bank and many others was basically business transactions, and the loss was just part of the deals as profit would have been. Such deals are not money laundering, otherwise no foreign exchange deals would have occurred globally. None of the directors of the banks could have personally benefited from the transactions as any loss or profit would have been reflected on the balance sheet.

RISE AND FALL OF BANGLADESH'S INTERBANK

FOREIGN EXCHANGE MARKET Before 1993, practically there was no interbank market. The banks used to buy and sell foreign currency from the Bangladesh Bank to cover their clients' requirements.

As there was no interbank market, the banks would not have any transaction among themselves. As a result the market was highly illiquid

When taka was declared current account convertible in 1993, the situation started to change. The Bangladesh Bank stopped providing the foreign currency window and encouraged the banks to trade among themselves, sparking a rapid

growth of an interbank market. Banks found that the development of interbank foreign exchange market was helping them in providing their customers with market based foreign exchange (FX) rates. That created competition among the banks, which in turn generated tangible financial benefits for the clients. This development also provided the banks with a new way of generating revenue. Earlier, the banks were dependent upon the interest income from loans and deposits as major sources of revenue.

Such operations obviously should have been backed by risk management and internal control processes for foreign exchange operations. Global foreign exchange market is a 24-hour trading and can even be very volatile. To protect the foreign exchange operation of a bank from such volatility the foreign exchange and money market activities of the bank need to be centralised under an independent treasury.

The treasury would carry out the transactions. The settlement of these transactions would have to be done by a separate independent tors. unit called 'Treasury Operations' or 'Treasury Back Office'. The back office would not only settle the transactions, but also monitor whether the dealers are complying with various limits imposed by internal risk management and external regulators like the Bangladesh Bank.

There has to be strict adherence to the rules to counter party risk limit, dealer's individual limit, stoploss limit, net open position limit and many others. The internal auditor of the bank should regularly review the process as well as the actual transactions to make sure that all foreign exchange activities are being done in accordance with the bank's declared policies and rules and regulations of the Bangladesh Bank. Not only the internal auditor but also the exter-

nal auditors should verify those. What actually happened in the early part of 2000 was that some of

organisations and visit different places of Bangladesh, a press

the banks were trading in cross currencies with an expectation that the market would move favourably. However, the market moved against their expectations, and their positions went bad.

To make the matter worse, the

banks did not have sufficient con-

trol (both internal and external) mechanism to prevent the dealers from holding these positions for a prolonged period. As a result, the losses mounted up and severely damaged the capital of the banks. The unfolding of these events reflects problems at various levels. The banks did not have sufficient

internal control to thwart the poten-

tial risk involved in such trading activities. This also means that banks engaged in such activities without a proper understanding about the risk involved. The external controllers of the banks, like the auditors and various regulatory bodies, also failed to identify the problem and to

give cautionary signals. All these things lead to a major finding -- absence of clear understanding among dealers, internal and external auditors, and regula-

"Typical reaction to such crisis has been to vilify the trading activities and portray it as gambling. which is completely wrong," says banker Mamun Rashid. "Trading is like any other revenue generating activities of a commercial bank which involves taking a certain amount of risk. Just as by giving a loan to a client the bank takes risk, similarly by engaging in trading activities the bank also takes risk."

"The important issue is how to manage the risk. To manage the risk, the banks should have proper risk mitigating and internal control processes in place," he added. The central bank later formu-

lated a core risk guideline to reduce various risks of banks including that of foreign currency trading. The central bank also started annual auditing of dealers' rooms to detect any reckless transaction, and the dealers have been capped with limits of transactions.