



A view across the torched landscape and burnout house in Pheasant Creek some 100km north of Melbourne yesterday. Arsonists lit a wildfire that killed 21 people in Australia and are suspected of starting another that razed a whole town and may have left up to 100 dead, police said Thursday.

## Australia feels urgency for fire alert system

Two arson suspects detained

AP, YEA, Australia

Australian police detained two suspects Thursday in connection with the country's worst-ever wildfires, as the government pledged to push through a national fire alert system after thousands were caught off-guard by the infernos.

The two suspects were taken in after they were reported acting suspiciously in an area burned out by last weekend's fires, but it was unclear if the two are suspected of setting fires, or of some other wrongdoing after the fires started.

Authorities say some of the fires that ravaged Victoria state last weekend and killed at least 181 people were the result of

arson. Officials said the death toll could exceed 200.

Detectives responding to a tip found the men near Yea, which is about 20km north of Marysville, a town utterly wrecked by a blaze Saturday and where officials say up to 100 people were killed.

"We've picked them up and it will now take us a little bit of time just to work through and establish what's been going on," Deputy Police Commissioner Simon Overland told Australian Broadcasting Corp. radio.

Meanwhile, privacy laws and bickering between state officials over funding had snarled the plan for an alert system for years. But the country's worst fires in history have added new urgency.

## No arrest warrant for Sudan's Beshir: ICC

AFP, The Hague

The International Criminal Court (ICC) said Thursday it has not issued an arrest warrant for Sudanese President Omar al-Beshir for crimes in Darfur.

"At this moment, there is no arrest warrant," spokeswoman Laurence Blairon told AFP after the New York Times reported that judges had decided to issue a warrant as requested last July by chief prosecutor Luis Moreno-Ocampo.

"When we have something to announce, we will announce it. For now, there is nothing to announce."

## Mugabe rival takes oath as Zimbabwe PM

AP, Harare

President Robert Mugabe swore in his longtime rival as prime minister Wednesday, cracking his nearly three-decade stranglehold on power and conceding they must work together to rescue Zimbabwe from economic and humanitarian disaster.

The image of Mugabe administering the oath of office to Morgan Tsvangirai was extraordinary given the history of state-sponsored violence against opponents. The opposition leader has been beaten and was once nearly thrown from a 10th floor window by suspected government thugs.

Tsvangirai acknowledged in a speech after the ceremony that many Zimbabweans don't think the partnership will work, but he said it is the "only viable arrange-

# Obama, Zardari agree on 'active engagement'

Says Pakistan

AFP, Islamabad

US President Barack Obama and his Pakistani counterpart Asif Ali Zardari agreed Wednesday to embark on a policy of "active engagement" to turn the tide in the war on extremism in South Asia.

The new US president, who has called for a joint effort to eradicate al-Qaeda safe havens in both Afghanistan and the border region with Pakistan, telephoned Zardari on Wednesday for the first time since taking office.

The two leaders conferred as Obama's regional troubleshooter, Richard Holbrooke, pressed talks with Pakistan's military and civilian leaders as part of a major US policy review, seven years into the US-led "war on terror".

Obama and Zardari "agreed to start an active engagement for the resolution of problems facing our region through a holistic strategy," Pakistan's foreign

ministry said in a statement.

Pakistan has called for a new strategy to combat extremism based on dialogue with Washington and urged a rethink of US military action on its soil.

Zardari's weak civilian government has voiced fierce opposition to suspected US missile strikes against militant hideouts here, saying they are a violation of sovereignty that could spark a backlash in the nuclear-armed Muslim nation.

Cash-strapped Pakistan, which has been a key US ally since the September 11, 2001 attacks, wants military and civilian aid to combat Islamist militants who have killed more than 1,500 people in the last 20 months.

"Both leaders underscored a need for a joint strategy to bring peace and security to the region," said the foreign ministry.

Pakistan's rugged tribal regions have been wracked by violence since becom-

ing a stronghold for hundreds of Taliban and al-Qaeda rebels who fled across the border to escape the US-led invasion of Afghanistan in late 2001.

The area has been at the heart of strained relations between Islamabad and Washington, which has accused ally Pakistan of not doing enough to stop militants from attacking international troops across the border.

Holbrooke, who has been tasked with recrafting US policy in South Asia, was briefed by military commanders Wednesday on the fight against extremists in the border areas with Afghanistan during a visit to northwest Pakistan.

"Holbrooke met the top military commander for the northwestern region, Lieutenant General Masood Aslam, and attended a briefing on security issues after arrival in Peshawar," a military official said, requesting anonymity.



This handout photograph released by the Pakistan Muslim League-Nawaz shows Pakistani former premier Nawaz Sharif (R) speaking with Richard Holbrooke (L), new US special envoy to Afghanistan and Pakistan, during a meeting in Lahore yesterday. US President Barack Obama telephoned his Pakistani counterpart Asif Ali Zardari on February 11, with the two leaders agreeing to an "active engagement" to resolve regional problems.

## NBR sitting on PSI auditor bid

FROM PAGE 16 government wants, we will go ahead."

This appointment would have taken place last year had the vested interest groups not planted negative news stories in different newspapers to shake the confidence of the caretaker government's cabinet. The reports say that the Bangladesh Chemical and Industries Corporation (BCIC) had earlier blacklisted NMCI. Later it was found that a taskforce made such a recommendation and the BCIC had not blacklisted it.

Though the caretaker government's cabinet was convinced that the negative news lacked substance, it refrained from making any decision to stay out of controversy.

Now the finance minister has sought the NBR's status report on the appointment of NMCI and the board is working on it, sources said.

If appointed, the auditor will audit 20 percent random samples of goods that received Clean Report Finding (CRF) from the PSI companies and the customs department.

"When the PSI system was introduced in 2000, it had a provision of an auditor. It was an odd idea as the PSI companies themselves are supposed to work as auditors," said a top official. The government appointed three PSI companies for a five-year term.

But from the beginning the PSI companies themselves wanted to become the auditor. When the government through a tender selected a company, one of the PSI companies, Cotecna resorted to the High Court challenging the selection in 2002.

Cotecna was not a government appointed PSI company back then. The government did not pursue the case seriously and the appointment remained shelved.

In 2005, when the government reappointed four PSI companies Cotecna was included. The company then dropped the High Court writ petition.

In 2006, the NBR once again moved to appoint the auditor. With only one or two candidates, the tender process lacked competition. In that tender, only one foreign company, NMCI, qualified. However, as it did not provide the NBR with sufficient documents, NMCI lacked sufficient evaluation score for the job.

The NBR again floated a tender for the same job. This time NMCI supplied adequate documents required to get the job. When the NBR was preparing to seek the cabinet approval in mid 2008, some newspapers started negative reporting against the selection.

Finally in late 2008, the proposal for the appointment was tabled before the cabinet with clarification on the issues raised by the reports. The then finance adviser observed that the appointment might not be as useful as it would have been, if it was done earlier. Rather, the government would have to spend a lot for the appointment.

"Since we shall stop using the PSI services, we are taking a different plan for future inspection of imports. We are automating the ports. We are now using international information system from Bloomberg and others for valuations. We have to increase the manpower base of the customs department," said a source.

Ultimately we shall have to do this job ourselves," the source said ruling out the future of PSI in the country.

**CHEATING THE EXCHEQUER** Evasion and pilferage of import duties in large scale deprives the national exchequer of thousands of crores of taka in revenue. A section of unscrupulous customs

officials joined hands with some PSI companies in such corrupt practices and much of it go unnoticed.

For instance, a team of the duties evaluation and internal review commissioner reviewed the activities of the Custom House of Dhaka Group-4 and detected evasion of duty and excise worth of Tk 319.71 crore between January, 2006, and December, 2007. The team filed its report November 20 last year. The commissioner asked the commissioner of Dhaka Group-4 to take appropriate legal action in this regard.

A break-down of this evasion shows that Dhaka Group-4 did not collect duty-excise worth Tk 40.35 crore, incurred revenue loss worth Tk 2.06 crore due to depreciation and inflicted excise loss of Tk 277.29 crore as the department did not collect duties under the appropriate Harmonised System (HS) code.

This particular corruption befitted some mobile phone companies as the imported equipment includes GPRS, MMSC, SMSC, CRBT etc. The customs department, for example, taxed the GPRS equipment under a HS Code of 8525.20.90 on September 28, 2006, and collected a tax of Tk 10,79,266. But the actual code is 8517.50.90 which demands an additional duty of Tk 68,64,134.

Due to the lack of an auditor, such malpractices remain rampant. Again, when the customs department detect such anomalies and served notice to the importer to pay the penalty, they just quote the relevant PSI law that says as per the law the NBR is supposed to have an auditor who would give the final verdict if the tax was evaded or if it was the tax authority that made a mistake in assessing the right duty.

## US frees scores from Abu Ghraib prison

Four Iraqi cops killed by car bomb

AFP, Baghdad/Mosul

The US military has released more than 100 prisoners from Abu Ghraib jail, which has been renamed Baghdad Central Prison, Iraqi officials said yesterday.

The human rights ministry told AFP the 107 Iraqis were freed from the prison in west Baghdad on Wednesday under the US-Iraqi security pact that calls for American soldiers to withdraw from Iraq by the end of 2011.

A series of releases started on February 3 as a key part of the deal signed in November that provides for a gradual return of Iraqi sovereignty and a handover of security responsibilities.

Under the agreement, prisoners must either be set free or handed over to the Iraqi authorities.

Detainees are being released "who the US and the government of Iraq think no longer pose a threat to the security or stability of Iraq," US Brigadier General David Quantock, who is in charge of the prisoners, said last week.

The US-led coalition currently has about 15,000 prisoners in custody after six years of insurgency and sectarian warfare since the March 2003 invasion that toppled Saddam Hussein from power.

Meanwhile, four Iraqi policemen were killed in a car bombing in Mosul yesterday, police said, the day after a string of deadly attacks in the restive northern city.

A spokesman for a Sunni political party was also killed by armed men close to his house near his home in Mosul, a hotbed of insurgents and ethnic tensions.

## Satellite collision raises concern over space traffic, debris

AFP, Paris

An unprecedented collision between a Russian and US satellite will fuel concern over the lack of traffic controls in space and the rising volumes of junk that endanger vital satellites and manned flight.

A disused Russian military satellite, Cosmos 2251, collided on Tuesday with a US communications satellite owned by the Iridium company, some 800 kilometres (500 miles) above the Earth, Russian officials said.

The incident raises grave questions over how it was

allowed to happen and what will become of the cloud of orbital debris, which adds to one of the biggest headaches in space, experts say.

Philippe Goudy, deputy director of France's space centre in Toulouse, explained that more than 50 years after the start of the space age there is still no globally recognised arrangements for orbital tracks, as there are flight paths for aircraft.

"The US army and NASA have radars that can track satellites and the biggest debris, measuring more than 10 centimetres (four inches) across," he told AFP.



A computer-generated artists impression released by the European Space Agency (ESA) depicts an approximation of 12,000 objects in orbit around the Earth. A communications satellite belonging to US company Iridium has collided with a disused Russian military satellite on February 10.

## N Korea faces sanctions for any missile test: Seoul

AFP, Seoul

Seoul warned North Korea Thursday to drop any plans to fire its longest-range missile, saying a launch would mean increased isolation and more sanctions for the communist state.

The North is apparently pushing ahead with preparations to launch its Taepodong-2, a South Korean news report has said, despite international appeals for restraint.

"If North Korea goes ahead with launching the missile, it will pose a serious threat to stability in Northeast Asia as well as inter-Korean relations," South Korea's foreign minister Yu Myung-Hwan told reporters.

"Such an act would isolate it... given various restrictions and sanctions which North Korea would incur with the missile launch, it would never be in the North's interest."

US and South Korean officials said last week the North seems to be preparing another test of its Taepodong-2, which could theoretically reach Alaska. The missile failed after 40 seconds when it was first test-fired in 2006.

The 2006 test, which also included shorter-range rockets, led to UN Security Council sanctions banning the transfer of missiles or missile-related items or technology.

North Korea in recent weeks has intensified threats against the conservative South Korean government of President Lee Myung-Bak, who has taken a tougher line on cross-border relations than his liberal predecessors.

Pyeongyang has scrapped peace accords, nullified the sea border and warned of possible war.

The North has also staked out a tough stance in stalled nuclear disarmament negotia-

tions involving the United States and four regional powers.

Analysts say the aim is to frighten Lee into dropping his harder line and to persuade President Barack Obama's administration to make the North one of its priorities. Apparent plans for a missile test have the same purpose, they believe.

On Wednesday the North's leader Kim Jong-Il named a hawkish figure to the top military post in what observers said was a signal of a tougher policy towards the world.

Hillary Clinton, who Sunday starts her first Asia tour as US Secretary of State, warned Pyongyang this week against any provocation.

"We are making efforts to strengthen bilateral cooperation with the Obama administration to resolve the North Korean nuclear issue," foreign minister Yu said.

## Faruk now too critical of Tifa

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duty-free export of our goods," Khan told a meeting of the Economic Reporters' Forum (ERF) at the National Press Club.

The US's stringent restrictions on environment and labour standard issues in the draft would harm Bangladesh, added the minister.

As a least developed country (LDC) Bangladesh is exempted from the obligation of intellectual property rights till 2013. WTO also waived LDCs from obtaining patent for pharmaceuticals products until 2016.

"We will lose these advantages if we go for the Tifa agreement on the current draft proposal," the minister categorically said.

The US has been pushing Bangladesh since 2002 to sign a bilateral Tifa. There were three rounds of talks between 2003 and 2005 when the US prepared a draft. But there has been no breakthrough in the deal so far.

"The then BNP government declined to sign the deal as the US tagged the issues of corruption and bribery with it," Khan told reporters.

Again the US in April 2008 put

forward the proposal afresh, which the commerce minister said is detrimental to interests of Bangladesh.

"We will start a fresh negotiation," Khan said adding "I am happy that the US did not forward the deal this time for signing."

It was a hope that the US and Bangladesh would sign Tifa during an official visit of US Assistant Foreign Secretary Richard Boucher last week.

Economic reporters also grilled Faruk Khan about prices of essentials and two bilateral deals penned with India last week and on the much talked about issue of the transit.

"The trade deal which we renewed last week will not allow India transit through Bangladesh. There must be more talks and deals," the minister asserted.

He said the government is examining the transit issue involving experts to see if Bangladesh earns benefits from the transit deal or not.

"I requested the opposition not to capitalise upon the issue of transit to gain political benefit," he added.

He said the trade deal was signed in 1980 by the then government led by late president Ziaur Rahman. Begum Khaleda Zia-led government renewed it in March 2006.

On curbing prices of essentials the minister said a committee is working to finalise a report on how to strengthen the state-run Trading Corporation of Bangladesh (TCB).

"The committee is likely to submit the report this month and accordingly the government will set its course of actions," Khan said adding "I hope the businesses will perform its due responsibility. I asked them not to be profiteering."

The minister said the government had planned to set up four markets on the outskirts of the capital to help growers sell their goods at a reasonable price.

He also informed that Bangladesh Foreign Trade Institute and the Federation of Bangladesh Chambers of Commerce and Industry would conduct research works on the market situation.

ERF president Nazmul Ahsan chaired the discussion.