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A NEW HURDLE

Mobile companies face problems in sharing their infrastructure

PAGE B1

BCB'S MIXED PRIORITIES

Are one-day cricket leagues more important than four-day competition?

PAGE 16

CUBA TO FREE 2,900 PRISONERS

President Raul Castro says they will be released as goodwill gesture

PAGE 7

ENERGY SECTOR REVIEW

Short-term achievements; hope for long-term gains

Large projects might take years to produce results

SHARIER KHAN

While the government has reduced load shedding by implementing costly rental power projects as a temporary solution, it might not see within its term completion of any large cheaper gas or coal-based power plants.

On the other hand, the abysmal progress in the gas sector in the last three years has failed to address the country's gas crisis. This is forcing the nation to spend a huge amount of foreign currency to import oil to generate power.

The country's energy security remains uncertain also because the government has failed to make any progress on tapping its coal resources.

Sources said the prime minister decided not to proceed with developing coal fields during her present term considering political resistance by various groups.

But the government has drafted a long term energy plan in which future power generation will



3 YEARS OF GOVERNMENT

POSITIVES

- Reduction of load shedding
- Drafting of a long-term energy plan
- Adding 2,500 MW power generation
- Awarding of 6 major power project contracts

NEGATIVES

- Failure to address gas crisis
- Failure to develop coal fields
- Losing 1,500 MW power generation
- Increasing dependency on imported fuel oil

increasingly use more coal and reduce dependency on gas. The country has enough coal to meet its power demands for several decades. Yet the inaction over tapping the coal is pushing the nation to a dangerous dependency on imported fuel.

Import of fuel has doubled in the

last two years for power generation and it is putting heavy pressure on the economy. This pressure will intensify in 2012 as there will be no respite in the gas sector. But in 2013, if the government can install a country-wide gas pipeline to bring additional gas from Bibiyana and Moulvibazar fields, the gas crisis

may ease for the next few years. That would save the economy and lower power generation cost.

After creating a hype over import of power from India and substantially investing in the necessary infrastructure for that, the government has so far failed to pen a deal with the neighbouring country. Delhi is offering a power tariff which is much higher than Dhaka's expectation.

Since the Awami League assumed power in January 2009, it has implemented more than two dozen fuel-based small power projects to add 2,500 MW power and thus drastically reduce load shedding. But at the same time, many old power plants went out of order or lost their efficiency due to technical glitches or gas shortage. As a result, the country lost around 1,500 MW of power generation.

To run the rental plants, most of which have three to five-year contracts, the Power Development

SEE PAGE 19 COL 2

Economy bleeds

Govt grapples with big import bill, subsidies, dip in foreign aid

REJAUL KARIM BYRON and RIZANUZZAMAN LASKAR

Bangladesh's present economic downturn centres round soaring imports of fuel and fertiliser, rise in government subsidies and a fall in foreign aid, say experts.

According to the International Monetary Fund (IMF), the country's GDP growth fell in December, while national statistics say the inflation rate and depreciation of local currency against the US Dollar are at an all-time high.

The developments prompted the IMF to ask Bangladesh to reduce its budgetary expenditure by over Tk 20,000 crore, and tighten fiscal and monetary policies.

The IMF this month said the country's GDP growth went down to 6 percent from 6.3 in September against the government's target of 7 percent.

The finance minister recently said the country may not achieve its growth target. He, however, did not mention to what

FACTORS BEHIND STRAIN

Rising imports of fuel, fertiliser

Govt's heavy borrowing from central bank

Low foreign aid

Subsidy miscalculation by govt

Exports depressed by European slowdown

point the growth rate may fall.

The IMF projected that the inflation rate is likely to exceed 11 percent in the current fiscal year against the government's prediction of 7.5 percent.

On a point-to-point basis, double-digit inflation has also persisted for exactly a year now -- a rare phenomenon in Bangladesh's history since the early eighties.

A major reason behind the galloping inflation rate is depreciation of local currency against the dollar. On December 21, inter-bank exchange rate crossed Tk 81 with a 15 percent increase since last year.

Imports of fuel and fertiliser are on the rise, while the overall import growth has slowed down over the last four months.

Food import has also declined during the period. The food ministry decided not to import any more rice in the current fiscal year. Besides, opening of Letters of

SEE PAGE 19 COL 2

Cold spell claims 13 more lives

STAR REPORT

At least 11 elderly people and two children died of cold-related afflictions yesterday as the first spell of cold wave with dense fog continues to sweep through most parts of the country.

In four upazilas of Rangpur, at least nine people died yesterday, hospital sources said.

Pirgachha Upazila Health Complex sources said Abu Bakar, 75, and Sagir Uddin, 70, died in the morning.

In Mithapukur, three people died yesterday while two the previous day. The dead are Nuruzzaman Fakir, 65, Saleha Begum, 72, Abdul Jalil, 80, Aiyub Ali, 55, and Ansar Ali, 68.

Taraganj Hospital sources said two people died of cold-related complications yesterday and two others on Friday. They are Momena Khatun, 67, Solema Khatun, 72, Kakru Mian, 70, and Jomila Khatun, 65.

At least 11 people mainly children suffering from pneumonia, diarrhoea and other cold-related diseases were admitted to the hospital yesterday.

Meanwhile, Ohidul Haque, 68, and Eojina Begum, 70, died at Badarganj Upazila Health Complex yesterday.

In Lalmonirhat Sadar upazila, Budho Bala, 88, of Mostofi village died of cold-related ailments yesterday, while Shahider Rahman, 68, and Monjura Bewa, 70, died on Friday night, family members said.

The low-income people are the worst sufferers as they cannot go out for work and many of them do not have warm clothes to protect themselves from the biting cold.

Day labourer Shamsul Islam, 45, of Boruya village in Sadar upazila said, "I couldn't venture out in the field for work in the last 10 days due to heavy fog and cold."

SEE PAGE 6 COL 1



Seventy-year-old widow Aziran lives in a shanty next to the railway tracks close to the Khilgaon flyover in the capital. With her children and grandchildren refusing to take care of her, she has to beg in order to survive. When The Daily Star photographer asked why she was up so early in the morning, just after day break, Aziran, who did not have anything warm on, said she had not been able to sleep for days due to the cold weather.

PHOTO: SK ENAMUL HAQ



Xmas today

UNB, Dhaka

The Christian community in Bangladesh as elsewhere in the world will today celebrate Christmas commemorating the birth of Jesus Christ.

The biggest religious festival of the Christians, Christmas is also a celebration of rebirth, new beginning, forgiveness and peace, and renewing relationship with the God and humans.

According to Christian belief, Virgin Mary gave birth to Jesus Christ, the

SEE PAGE 19 COL 1

Padma bridge work to start in a year

Quader tells of alternative funding

STAFF CORRESPONDENT

Communications Minister Obaidul Quader yesterday said construction work of the Padma bridge will begin in a year even though the World Bank funding for it is uncertain.

He said talks have begun with interested local and international contractors to find alternative ways of funding in case the current impasse with the World Bank continues.

SEE PAGE 19 COL 5

COMILLA CITY ELECTION 2012



BNP leaders active ignoring party decision

RAKIB HASNET SUMAN, from Comilla

Though the main opposition BNP has not backed any candidate in the maiden Comilla City Corporation polls, many of its leaders are still active in campaigning.

Over 50 leaders of BNP and its key ally Jamaat-e-Islami are contesting the elections scheduled for January 5.

Besides former BNP leader Monirul Hoque Sakku has emerged as a frontrunner for the mayoral post.

Earlier BNP decided not to back any

candidate as the Election Commission turned down its demands for army deployment and not using the electronic voting machine (EVM).

Party leaders, however, hinted that BNP's ward councillor hopeful leaders may face disciplinary action for contesting the polls without backing from the party. But no action would be taken against Sakku as he has already resigned from the party.

"We have issued letters to the aspirant

SEE PAGE 19 COL 5

Razzak's body to arrive today

AL declares 2-day mourning

STAFF CORRESPONDENT

The body of veteran Awami League leader Abdur Razzak is expected to arrive in Dhaka today on a Biman Bangladesh Airlines flight.

Air Commodore (retd) Muhammad Zakiul Islam, managing director of Biman Bangladesh Airlines, told The Daily Star yesterday evening that a regular passenger aircraft from the United Kingdom would bring the

SEE PAGE 19 COL 8

SPEEDING UP WAR CRIMES TRIAL

Govt to set up another tribunal

ASHUTOSH SARKAR

The government is set to form another International Crimes Tribunal to speed up the trial of crimes against humanity committed during the Liberation War in 1971.

"We will form another three-judge tribunal very soon for disposal of war crimes-related cases," Law Minister Shafique Ahmed told The Daily Star yesterday.

The new tribunal will be housed at the Old High Court building in the capital, he said.

The Law Commission now has its office in that building.

"We have already started the process of shifting the office of the Law Commission to another place. We seek appointment of judges of the new tribunal immediately after arranging logistics and staffs for it," the minister said. He however did not specify when it will be formed.

Shafique mentioned that several cases relating to war crimes charges have been readied for hearing and disposal, and the present tribunal needs much time to dispose those cases.

The International Crimes Tribunal Act allows the government to form more than one tribunal for disposing war crimes cases.

SEE PAGE 19 COL 1