

Take to streets with sacrificing mentality

Fakhrul urges BNP leaders, activists

UNB, Dhaka

The BNP yesterday called upon its leaders and activists to be active on the streets with a sacrificing mentality to restore democracy and free party chairperson Khaleda Zia from jail.

BNP Secretary General Mirza Fakhrul Islam Alamgir made the call at a rally of the party organised to mark BNP's 41st founding anniversary.

Hundreds of leaders and activists of the party and its associate bodies chanted various slogans during the rally seeking Khaleda's release.

In a brief speech, Fakhrul said the current government had taken a stance against the country's people.

He said the Awami League wanted to hang onto power by keeping Khaleda in jail and resorting to killing and repressive acts.

"If we want to free Khaleda Zia, ensure the homecoming of Tarique Rahman and restore democracy, we

must make sacrifices and be vocal on the streets against the current autocratic and fascist regime," the BNP leader added.

He said the government will not be able to cling to power for a long time with repressive acts as no autocratic regime could do it in the past.

The BNP secretary general called upon party leaders and activists to end the rally peacefully maintaining discipline.

BNP standing committee member Khandaker Mosharrar Hossain said they had joined the rally with a heavy heart as their chairperson had been in jail "unlawfully" for the last 18 months.

He said the government took Khaleda to jail with a motive to destroy the BNP and restore one-party Baksal rule. "We would like to tell the government that your all games are over."



Forest Department officials release seized birds at National Botanical Garden in the capital's Mirpur yesterday. Earlier in the day, 651 birds, including parakeets and doves, were found inside a bus in Savar when the vehicle was on its way to Dhaka from Chapainawabganj. Wildlife Conservation Act, 2010 prohibits capture and sale of such birds.

PHOTO: PRABIR DAS

IOCs can now export gas

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The price of gas, in terms of per thousand cubic feet, has been increased from \$6.50 to \$7.25. But the annual increase of the price has been brought down to 1.5 percent from 2 percent previously, said a senior official of Petrobangla.

Other major changes include removal of the mandatory drilling obligation in case of shallow sea blocks and deep-sea blocks and contractors have been exempted from paying 1 percent tariff for transmission service as they will already pay 4 percent of their share to cover tariffs and losses, he added.

Because of the price hike, the contractor would be able to recoup investment quickly but in the long-run the country does not lose much, observed the Petrobangla official.

On July 29, Nasrul Hamid, state minister for power and energy, in a statement said the exploration activities will accelerate if the PSCs are approved.

Another document says the new PSCs are investment-friendly, time-benefiting and protect the country's interest, and if approved, the contracts would create opportunities to explore oil and gas onshore and offshore in a bigger way.

M Tamim, a professor of petroleum and mineral resources engineering at Bangladesh University of Engineering and Technology, endorsed the new PSCs.

"Definitely, the country should be able to attract more interested bidders because the new Model PSC is relatively rational. The PSC protects both the country's interest and that of international companies."

He said it is okay that the country is going to offer a little bit higher prices for offshore gas because the investment in the deep sea is high and the use of technology is extensive and risks are more.

"I don't think that the country's interest has been thrown away by keeping the export provision. I think there is enough protection for Bangladesh's interest," the energy expert said, after analysing the terms and conditions.

Of the 26 blocks in the Bay, 15 are deep-sea blocks and 11 are in shallow waters. Currently, IOCs are active in four blocks. So, when the new bidding is called, the rest 22 blocks will be up for grab, said the Petrobangla official.

ONGC Videsh Ltd and Oil India Ltd are jointly exploring shallow water blocks SS-04 and SS-09, contracts for which were awarded in 2014. The joint venture of Santos and Kris Energy is exploring shallow water block SS-11, contract for which was awarded in the same year.

With the contract awarded in 2017, POSCO Daewoo Corporation of South Korea is exploring in deep water block DS-12.

been settled more or less through a number of agreements, the export provision has now been revived, said Anu Muhammad, also a professor of economics at Jahangirnagar University.

"This [gas export issue] has been moving as per a design, not by accident," he said, adding that the steps have been prepared by the collective decision of lobbyists within and outside the country.

Had Bangladesh explored its gas at the right time, the country would have got it at lower price and the economy would have benefited, he said.

EXPORT PROVISION

In case of offshore discovery, if gas is brought to the mainland, Petrobangla has the scope to exercise the right of first refusal.

The right of first refusal is a contractual right to enter a business transaction with a person or company before anyone else can.

If Petrobangla refuses to buy the gas, the contractors would have to find local buyers. Once the first two options were exhausted, the contractors could look for buyers outside the country.

The volume of exports will consist of contractors' cost recovery part and profit parts of the contractor and Petrobangla.

For gas from shallow sea blocks, the contractor would get a maximum 55 percent, like in the current practice, of available oil, gas or condensate per calendar year, in order to recover cost. It will be 70 percent for the offshore gas from deep sea blocks.

The profit sharing will be fixed during the negotiation.

NO MULTI-CLIENT SURVEY YET

The objective of the survey is to provide oil and gas industry with 2D non-exclusive multi-client seismic data of the offshore areas in order to help with basin evaluation, prospect generation and robust bid round participation.

Bangladesh decided to carry out the survey in 2014. But it has not been done yet. As a result, the country does not have any idea or data about an area whether it holds any hydrocarbon potential.

A joint venture of TGS of Norway and Schlumberger of the US has been selected for the survey but the contract awarding has not taken place yet.

Had there been the multi-client survey, Bangladesh would have got better prices and more favourable terms in the contract, Prof Tamim says.

ENERGY SECURITY

Bangladesh needs to go for hydrocarbon exploration massively to meet its rising energy demand, as the current gas reserves of 11.47 trillion cubic feet will run out by the next decade at the current rate of consumption.

Prof Tamim said the policy of Bangladesh Petroleum Exploration and Production Company (Bapex) has not borne fruit as the state-run agency has been able to add less than 0.4 trillion cubic feet of gas onshore.

Bangladesh has not offered any onshore oil and gas blocks to international oil companies since 1997. Rather, seven new onshore blocks have been awarded to Bapex recently, according to Bapex's annual report for 2018.

There are 22 onshore blocks in Bangladesh and most of them have been earmarked for Bapex to explore. There are still nine onshore blocks that have not been awarded, according to Petrobangla's annual report for 2017.

The country's opportunity to explore hydrocarbon resources in the Bay of Bengal widened after it resolved its longstanding maritime boundary disputes with Myanmar in 2012 and with India in 2014.

Govt to utilise 'idle money'

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The cabinet secretary said once the law is enacted, the 68 organisations would deposit their excess funds to the exchequer. They would, however, keep their operational costs, unforeseen expenditure which would be no more than 25 percent of their operational cost, and money for pension and provident funds.

The draft mentioned that the government needed the money to finance ongoing development projects and that the money belonged to the people and should be spent on their welfare.

The cabinet decision, however, evoked reaction from bankers who fear the law would hit the cash-starved banking sector hard.

Syed Mahbubur Rahman, chairman of the Association of Bankers, a platform of the managing directors of private banks, said the ongoing liquidity crisis would worsen if the government transferred the money from banks to the national exchequer.

State-owned banks would be hit hard as most of the money was with them, he said.

"State banks are now lending at 9 percent. But they may be unable to offer this rate as they will have fund shortages following the withdrawal of so much money," said Mahbubur, also managing director of Dhaka Bank.

Zahid Hossain, former lead economist at the World Bank Dhaka office, said, "The draft law has pros and cons. On the positive side ... The SOEs [state-owned enterprises] are not known for their efficiency in managing idle funds. There are also allegations of abuse of authority over idle funds as banks compete for getting deposits.

"If the government used this idle money to finance high-priority development projects, which would have otherwise been financed from expensive domestic sources, such as National Savings Certificates, it will be able to create fiscal space without cutting essential expenditures.

"However, if this idle money is used for taking up politically motivated low value projects or say vanity projects, it could be wasteful.

"Also, the government will have to define clearly what is idle money. After all, the SOEs need to have some cash for their day-to-day operational needs and this balance cannot be the same irrespective of the type of SOEs."

He said which state-owned enterprise would be allowed to keep how much must be well defined.

A senior official of the finance division said the government decided to spend the idle money of enterprises that are making profits.

For instance, the BPC used to incur

huge losses. Every year the government paid to cover the losses. Now the BPC is making profits but it is depositing the money in banks, the official said.

The government is planning to spend the surplus money of such enterprises for development projects. In many countries, laws do not allow government-owned enterprises to keep their own additional funds.

The government would be making rules, after the law is enacted, specifying the operational expenses and other matters, the finance division official said.

Ahsan H Mansur, executive director of the Policy Research Institute Bangladesh, said some banks, which depend on government funds to operate, would be in trouble if the government transferred the money suddenly.

He suggested that the government implement the decision gradually, allowing the banks time to adjust their liquidity position.

Mansur said the organisations might also face problems in expanding their activities. For instance, Chittagong Port Authority usually carries out its expansion programme with its own money, he said.

Some organisations might spend money unnecessarily fearing that their money would be going to the government, he added.

GRADUATION FROM LDC Taskforce slams economics division report

STAR REPORT

The national taskforce, working to implement the roadmap for Bangladesh's graduation from a Least Developed Country status to a developed one, yesterday criticised a planning commission impact assessment report saying it "portrays only the negative side of graduation".

The General Economics Division (GED) of the planning commission in the report said that Bangladesh stands to lose \$7 billion in export earnings every year once it graduates to the developing country bracket in 2027 as the trade benefits it currently enjoys will then be phased out. GED member and Senior Secretary Shamsul Alam placed the report, titled "Impact Assessment and Coping up Strategies of Graduation from LDC Status for Bangladesh", in a taskforce meeting.

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Commissioner for refugees made OSD

Step follows Rohingyas' unscheduled rally at Kutupalong

STAFF CORRESPONDENT

The government yesterday made Refugee, Relief and Repatriation Commissioner (RRRC) Mohammad Abul Kalam officer on special duty and attached him to the textiles and jute ministry, according to a circular of the public administration ministry.

The Refugee, Relief and Repatriation Commission under the disaster management and relief ministry is responsible for providing humanitarian assistance to Rohingya refugees in Cox's Bazar, with support from the United Nations and the international community.

Speaking to The Daily Star, Kalam

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No SIM card for Rohingyas

FROM PAGE 1

The commission in a letter sent to the country's four cell phone carriers asked them to inform the commission after implementing its directives in seven days.

The move comes after three teams of BTRC officials recently visited several refugee camps in Cox's Bazar and found many Rohingyas using Bangladeshi SIM cards even though the companies are not allowed to sell mobile connections to anyone who doesn't have an authentic national identity card.

However, through obtaining NID cards or even smart cards, the refugees were becoming eligible to buy SIM cards, officials of cell phone carriers said.

They also urged the government to check the issuance of NID cards to Rohingyas.

"It is not possible for anyone to avail a new SIM connection without proper biometric verification of an individual's identity with the NID database. In this context, we believe that the solution to this problem lies in the proper registration and usage of individuals in the NID database," said Shahed Alam, chief corporate and regulatory officer at Robi Axiata Ltd.

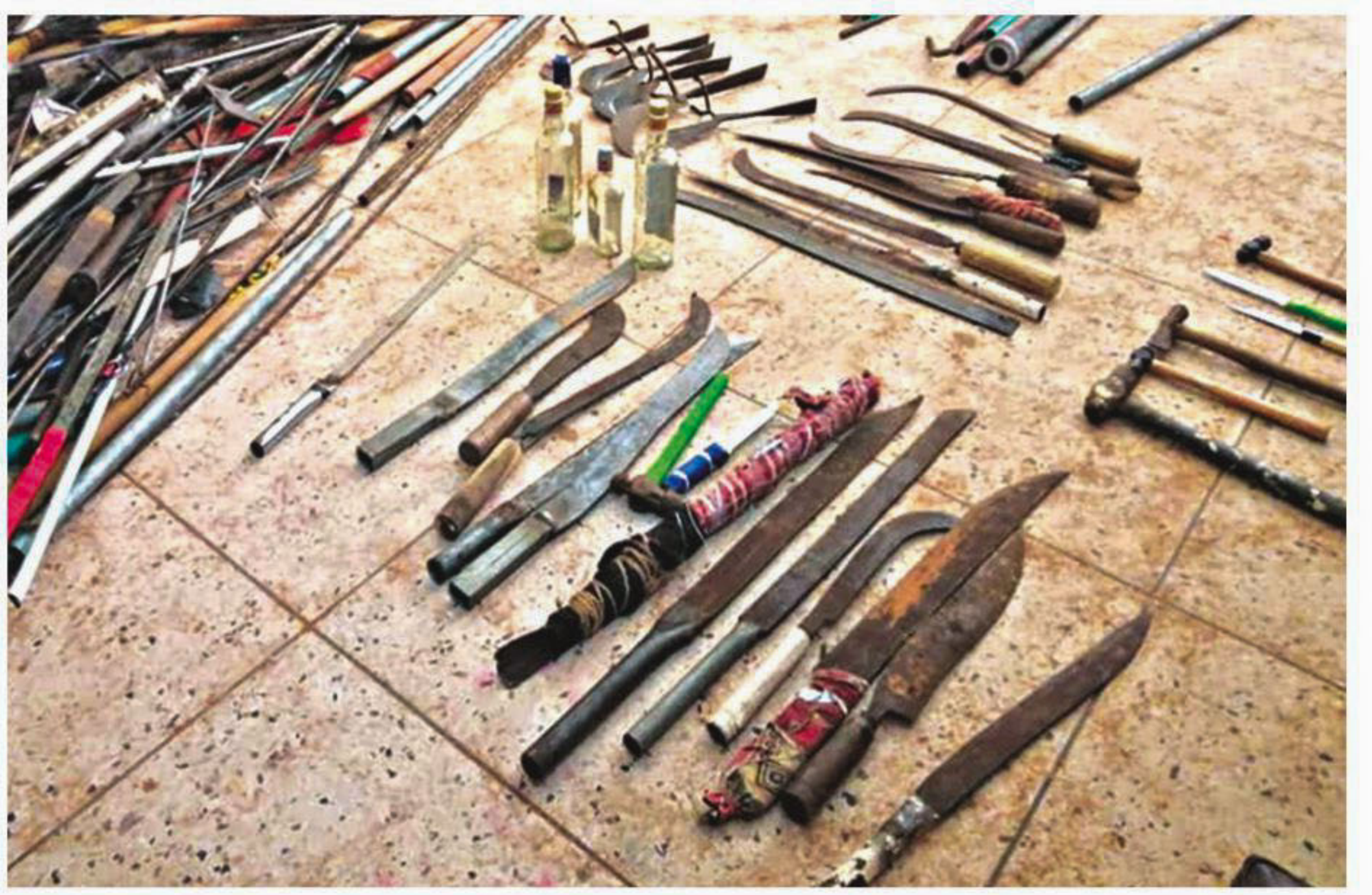
Meanwhile, government officials, requesting anonymity, said different intelligence agencies had warned the government about Rohingyas engaging in crimes using mobile phones.

BTRC Chairman Jahirul Haque told The Daily Star that mobile phone carriers would be fined if they failed to comply with the directives.

He added that the BTRC teams had collected some SIMs from the camps during their visits and found evidence that the connections were sold without proper verification.

Following directives from the telecom regulator in October, mobile carriers weakened their networks in the border areas. But that situation didn't last long, officials said.

According to rules, mobile operators will have to pay a fine of Tk 5,000 for each SIM unregistered or registered with wrong information.



Law enforcers yesterday raided Shaheed Abdus Salam Hall of Noakhali Science and Technology University and recovered some sharp weapons. The dorm was closed and students were asked to leave by 10:00am yesterday. The move came after consecutive days of infighting of Chhatra League factions in which 10 people, including two teachers, were hurt.

PHOTO: NURUL AMIN

2 killed in 'gunfights' with cops

STAR REPORT

An alleged drug peddler and a suspected auto-rickshaw thief were killed in so-called gunfights with Rapid Action Battalion and detectives in Sylhet and Mymensingh yesterday.

The deceased were Fajar Ali, 34, of Companiganj in Sylhet and Mohammad Khalil, 35, of Phulbaria in Mymensingh.

Fajar was a listed drug trader and an accused in 20-22 cases for drug peddling, smuggling and other crimes, said Rab-9's operations officer and Additional Superintendent of Police Satyajit Ghosh.

He said Rab detained Fajar at his village home in Goukhalerpar under Companiganj upazila on Sunday and quizzed him about his hideout.

Around 12:30am yesterday, a Rab team reached Mitrimahal village in Gowainghat upazila to find out the hideout, he said.

Sensing presence of law enforcers, a group of drug peddlers opened fire, a

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