

## ASIAN SECURITY MEETING

## US, China set to clash over Ukraine, Taiwan

REUTERS, Singapore

The United States and China are expected to use Asia's top security meeting this week to trade blows over everything from Taiwan's sovereignty to the war in Ukraine, although both sides have indicated a willingness to discuss managing differences.

The Shangri-La Dialogue, which attracts top-level military officials, diplomats and weapons makers from around the globe, will take place June 10-12 in Singapore, the first time the event has been held since 2019 after it was postponed twice because of Covid-19.

Ukraine's President Volodymyr Zelensky will address the meeting in a virtual session today, organisers said.

On the sidelines of the summit, US

Defense Secretary Lloyd Austin and Chinese Minister of National Defence General Wei Fenghe are expected to hold their first face-to-face meeting since President Joe Biden took office.

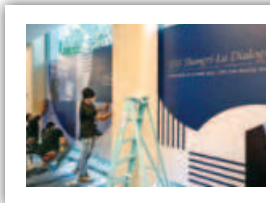
"We expect, from our perspective, the substance of that meeting to be focused on managing competition in regional and global issues," a senior US official said.

The official said the focus would be on trying to set guard rails in the tense relationship between the two countries and ensure that issues would not spill over into some sort of military misunderstanding or miscommunication.

"We are taking every effort to ensure that it is a professional, substantive meeting and we are going to be talking about some very serious issues, but no desire on the part of the United States to make a public spectacle," the official said.

Chinese media have also said Beijing will use the meeting to discuss cooperation with the United States.

Austin and Wei are likely to then use speeches over the weekend to re-affirm their commitment to the Asia-Pacific region, while delivering some pointed remarks in the direction of the other.



People attend the funeral of Palestinian Mahmoud Abu Ayhour, who was killed by Israeli forces during clashes in Halhul, near Hebron, in the Israeli-occupied West Bank yesterday.

PHOTO: REUTERS

## FIERCE BATTLE FOR SEVERODONETSK

## Troops holding onto key city

Says Ukraine, claims advances in southern Kherson region

REUTERS, Kyiv

Ukrainian forces yesterday claimed to have pushed forward in intense street fighting in the eastern city of Severodonetsk, but said their only hope to turn the tide was more artillery to offset Russia's massive firepower.

In the south, Ukraine's defence ministry said it had captured new ground in a counter-attack in Kherson province, targeting the biggest swathe of territory Russia has seized since its invasion in February.

The battle amid the ruins of Severodonetsk, a small industrial city, has become one of the war's bloodiest, with Russia concentrating its invasion force there. Both sides say they have inflicted massive casualties.

Severodonetsk and its twin city Iysychansk on the opposite bank

of the Siverskyi Donets river are the last Ukrainian-controlled parts of Luhansk province, which Moscow is determined to seize as one of its principal war objectives.



Russian forces are focusing all of their might in the area, Ukraine's Security Council Secretary Oleksiy Danilov told Reuters in an interview yesterday.

"They don't spare their people, they're just sending men like cannon fodder," he said. "They are shelling

our military day and night."

In a rare update from Severodonetsk, the commander of Ukraine's Svyoboda National Guard Battalion, Petro Kusyik, said Ukrainians were drawing the Russians into street fighting to neutralise Russia's artillery advantage.

But he said his forces were suffering from a "catastrophic" lack of counter-battery artillery to fire back at Russia's guns, and getting such weapons would transform the battlefield.

President Volodymyr Zelensky said the battle for the city was "very fierce... very difficult. Probably one of the most difficult throughout this war. "In many ways, the fate of our Donbas is being decided there."

He also warned: "Millions of people may starve if the Russian blockade of the Black Sea continues."

## Not for respite, but for restraints

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such that the prices of fuel, gas, electricity and fertiliser do not increase too much at the consumer level, this expenditure would have been better used as targeted support to those who need it the most: the middle-class and below.

The 2.5 percent cash incentive for sending in remittance through the official channel is absolutely not necessary given the Bangladesh Bank's decision to let the taka float, which has effectively brought parity to the official exchange rate for dollar to those in the kerb market.

For the same reason, the cash incentive for exports is no longer necessary.

Austerity could also start at home: the allocation for government employees' pay and allowances could have stayed the same and the slow-moving development projects could have been put on hold.

If Kamal is not one for short-term political fixes, he is not one for effective, long-term policies, either.

He spoke of preparation for Bangladesh's graduation from the least-developed country bracket in 2026 and yet did not provide a roadmap.

He made human resource development one

of his priorities and yet, the allocation for education as a share of GDP was down to 1.53 percent in the budget for fiscal 2022-23.

This is lower than this fiscal year's 2.08 percent and lagging far behind Unesco's recommended spending of 4-6 percent of GDP.

When the need for the hour was more allocation to make up for the learning losses for the pandemic and to prepare the youth for the fourth industrial revolution, he went with the shears to this sector.

He earmarked the agriculture sector as another priority and yet did not have a definitive plan to increase its productivity and ensure food security.

When food security is not guaranteed, the logic to provide a 20 percent cash incentive for agricultural exports is rather baffling.

The 20 percent rebate on electricity bill for irrigation pumps and the concessional import facility for combined harvesters and threshers are a step in the right direction.

And so is the proposal to no longer extend tax exemptions on project implementation or maintenance work as it will bring transparency to revenue administration

and help manage the budget deficit.

The need to show proof of returns filing to get many services and the snapping of utility connections for failure to pay the government's undisputed revenue are indeed bold strides.

On paper, they would surely widen the tax net and improve tax compliance. Whether it pans out that way in the absence of full automation of the tax administration remains to be seen.

The slash in corporate tax for both listed and non-listed companies in some sectors was a much-needed step to bring parity with Asian peers.

Extending the lower corporate income tax, which has so far been the preserve for garment manufacturers, to the other exporting sectors is a long-sighted move that can go on to expand the country's narrow export basket.

The proposal to increase the applicable duty on the import of some finished products made by the small and medium enterprises, which contribute at least 25 percent to Bangladesh's GDP and generate as much as 90 percent of the private sector jobs, is

another significant move.

The slash in import duty from 25 percent to 5 percent on sewage treatment plants can lead to cleaner water bodies, which is much-needed for sustainability.

The push for import substitution for motorcycles and cut in import duty for hot-rolled stainless steel sheets to encourage domestic stainless steel product manufacturing can go on to boost the 'Made in Bangladesh' agenda.

The increased total tax incidence by imposing a supplementary duty on high-end luxury motor vehicles and jeeps along with chandeliers and light fittings at the import stage should bring in easy money to the state coffers.

And yet, there are doubts in Kamal's mind that all his tax measures would not be enough to mobilise adequate revenue.

Which is why, he has proposed to increase the stamp duty that has remained unchanged since 2012.

All said and done, what is absolutely essential is the implementation of whatever is laid out in the budget. This is where the government is found lacking every year. Let's hope next year is different.

documents.

The Bangabandhu Tunnel under the Karnaphuli in Chattogram are expected to open this December. These two projects will get large sums.

But, two major projects of Bangladesh Railway – Joydebpur-Ishwardi double line and Akhaura-Sylhet rail expansion – involving around Tk 30,000 crore were approved more than three years ago. But the projects fell into uncertainty over funding. The Joydebpur-Ishwardi project will get only Tk 47 crore while the other will not get any allocation.

## Ensuring

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He said ill-treatment of migrant workers at the local airports, the Bangladeshi embassies and remittance houses abroad push them to adopt illegal means.

"Migrant workers are very emotional. When they don't find good services from the government, they tend not to remit through banking channels," Anisur Rahman, who himself was once a migrant in Saudi Arabia, told The Daily Star.

He said incentive to migrants is a way of increasing remittance but improving the services, their protection and skills are the most important steps the government can take.

Mustafa Kamal yesterday proposed Tk 990 crore allocation for the Ministry of Expatriates' Welfare and Overseas Employment, a rise from Tk 714 crore last year.

Is it enough?

Shakirul Islam Shakil, chairman at Oiybashi Karmi Unnayan Program, said this increase is nothing compared to the needs of the migrants if the government really means to ensure migrants' welfare and protection.

"You need a lot of welfare and protection staff for the migrants abroad. For example, there are some 25 lakh Bangladeshis working in Saudi Arabia, but there are only 10 to 15 officials in the labour wings there. This is simply inadequate," he said.

Adequate and trained officials should be appointed for addressing the migrants' complaints and pursuing the legal cases for abuses and checking the visas if they are genuine as visa trading is a huge issue, Shakil said. "Whatever allocation is required for this should be made available," he said.

Generally speaking, when the skill level of workers is higher, their income will be higher. The government has quite a number of training centers, but there is a question about their quality.

"So, if you ensure migrants' welfare, improve the facilities, the remittance will automatically come," Shakil said.

## Govt to invest

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Referring to the NDC (Nationally Determined Contribution), a non-binding national target to reduce greenhouse gas emissions, the minister said that the government has updated the NDC, setting the target to reduce carbon dioxide emissions by 6.73 percent by 2030 with the country's own financing and technological capabilities.

He said the country has a plan to reduce emissions by another 15.12 percent which is subjected to the availability of international funding and technical assistance.

Reaffirming Bangladesh's commitment to phase out fossil fuel, he said the government has revised its decision on ten coal-based power plants scrapping four and replacing others with renewable energy or gas.

The government is also proceeding with the plan to produce 40 percent of energy from renewable sources by 2041, he added.

Upholding the government initiatives taken to conserve the overall environment, Mostafa Kamal said 35

new protected areas have been declared in the last 13 years. They include nine national parks, 18 wildlife sanctuaries, three eco-parks, one botanical garden, two marine protected areas, and two special biodiversity areas. Total protected areas in Bangladesh now stand at 51.

Syeda Rizwana Hasan, chief executive of Bangladesh Environmental Lawyers Association (BELA), told The Daily Star that the \$80 billion fund will not be enough considering the challenges Bangladesh is facing. She also questioned how the fund will be allocated to different parts of the country.

"The question arises on which sectors government will invest in and how they will determine the priorities. Will the fund be allocated for sustainable dams in haor areas or will it go to Dakop of Satkhira?" she questioned.

Based on her past experiences, she added that the fund often doesn't reach the people most affected by natural catastrophes.

## ANTI-MUSLIM REMARKS

## Delhi police file FIRs against Sharma, others

THE HINDU ONLINE

Delhi Police registered FIRs against former BJP spokespersons Nupur Sharma and Naveen Kumar Jindal, AIMIM chief Asaduddin Owaisi, controversial priest Yati Narsinghanand and others for allegedly posting and sharing messages on social media against the maintenance of public tranquillity and inciting people on divisive lines, officials said yesterday. The FIRs were registered after an analysis of social media, they said. The cases have been registered under sections 153 (want only giving provocation with intent to cause riot), 295 (injuring or defiling place of worship with intent to insult the religion of any class), 505 (statements conducing to public mischief) of the Indian Penal Code, a senior police officer said. One case has been registered against Sharma and another against multiple social media entities, including Owaisi, Jindal, Narsinghanand, Shadab Chauhan, Saba Naqvi, Maulana Mufti Nadeem, Abdur Rehman and Gulzar Ansari, based on the analysis.

## LANKA ECONOMIC CRISIS

## President's brother quits public office

AFP, Colombo

Another member of Sri Lanka's ruling family quit public office yesterday, denying responsibility for an economic crisis that has caused severe hardship in the island nation. Basil Rajapaksa was once nicknamed "Mr. Ten Percent" in a BBC interview, in reference to commissions he allegedly skimmed from government contracts. He has insisted that he had committed no wrongdoing in office. The 71-year-old had until April served as finance minister under President Gotabaya Rajapaksa, his elder brother, who has stared down months of protests demanding his resignation for economic mismanagement. "I entered parliament to manage the economy, but since I am no longer the finance minister, there is no point in remaining an MP," Basil told reporters in Colombo.

## Erdogan

## says he will run in 2023 presidential election

AFP, ISTANBUL

Turkish President Recep Tayyip Erdogan yesterday said he would run in next year's presidential vote and brushed aside rumours of a snap poll in the economically-battered nation.

It was the first time that the strongman, who has been in power since 2003, officially announced his widely-expected candidacy.

"Let me say it here. Tayyip Erdogan is the candidate of the People's Alliance", Erdogan told a party rally in the western city of Izmir, referring to an alliance between his ruling conservative AKP party and the right-wing MHP party.

The opposition CHP party, the second largest in parliament, has not yet fielded a candidate and Erdogan tossed a challenge to its leader Kemal Kilicdaroglu.

## 'Ethically unacceptable'

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coronavirus outbreak and the ongoing unstable situation in certain parts of the world raise the fear of global recession.

The new move comes also when the country's forex reserve is under pressure due to the rising import payments amid global price hikes of commodities.

The economists, however, criticised the proposal.

Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, termed it a kind of opportunity for whitening black money.

"Whoever took the money abroad obviously did it by violating the existing law of the country through hundi or by other

means," he told The Daily Star.

They did it either by over-invoicing or under-invoicing, he added.

"Now by giving these people such an opportunity, what signal are we actually giving to those who work or invest honestly in the country and do not smuggle money?" he questioned.

"What signal are we sending about the issues like the rule of law in the country and zero tolerance to corruption?"

He added, "Such a move is ethically unacceptable."

Assuming that it won't yield expected results, the economist said the people mostly took the money abroad through corruption and they may not feel comfortable

bringing back that money since they might have to face questioning in the future.

Binayak Sen, director general of Bangladesh Institute of Development Studies, said with introducing this provision, it has been indirectly acknowledged that a huge amount of money is held up by Bangladeshis abroad.

In terms of growth, it is a good step since inflow of any sort of resource from abroad would be in the use for investment in the country, he said.

But, he added, it may encourage people to make black money to a great extent and send that abroad since they would have the opportunity to legalise the illegally earned money later.

## Debt repayment a worry

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While revealing the new budget at parliament, Finance Minister AHM Mustafa Kamal said, "Overall implementation progress of the mega projects until March 2022 stands at 68.60 percent."

The Padma Bridge, Metro Rail, Karnaphuli Tunnel, and elevated expressway from Dhaka Airport to Kutubkhali near Jatrabari will be open to traffic soon, he said.

"Completion of several other major projects, including Payra Seaport, Matarbari Deep Seaport and Rampal Power Station

will add a new dimension to the progress of the country," he added.

The implementation of the low-priority projects will slow down while high and medium priority projects will pick up the pace.

Seven of the eight fast-track projects – Padma Bridge, Padma Bridge Rail Link, MRT Line 6, Chattogram-Cox's Bazar rail link, Rooppur nuclear power plant, Matarbari 1,200MW coal-fired power plant and preparatory works for the Payra deep seaport – will get Tk 33,355 crore in FY23, Tk 2,434

crore less than the revised allocation this fiscal year.

Except for the Matarbari power project, allocation for all six projects declined in the next FY.

On the other hand, allocation for MRT Line-1, MRT-Line 5, Dhaka-Sylhet 4-lane project, Dhaka-Ashulia Elevated Expressway, Bangabandhu Sheikh Mujib Railway Bridge over the Jamuna, Expansion of Dhaka airport project will more than double compared to the current fiscal year.

These projects will get Tk 19,795 crore, up from Tk 8,411 crore, according to