$500M INDIAN LOAN

Dhaka moves to buy defence equipment five years after deal

PORIMOL PALMA

Five years after India and Bangladesh signed an agreement of $500 million line of credit (LOC) for defence purchase, Dhaka is moving towards buying defence equipment from the neighbour.

Bangladesh's Armed Forces Division (AFD) is preparing the list of equipment that it wants to import from India, said foreign ministry officials.

"Initially, armoured personnel carriers and large trucks are on the list," an official told The Daily Star.

India-Bangladesh Defence Dialogue will be held today in New Delhi, three days after a technical-level meeting of officials from both the countries. It will finalise the list of equipment and areas of cooperation.

AFD Principal Staff Officer Lt Gen Waker-Uz-Zaman will be leading the Bangladesh delegation at the dialogue.

Earlier on August 4, the issue

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'LABOUR ABUSE'

Former Bangladeshi workers at Malaysian supplier sue 2 firms

REUTERS, *Kuala Lumpur*

Former Bangladeshi workers at Malaysian rubber glove maker Brightway Holdings filed a lawsuit in the United States against Kimberly-Clark Corp KMB.N and Ansell Ltd ANN.AX, accusing them of "knowingly profiting" from the alleged use of forced labour at the supplier, according to the complaint seen by Reuters.

The workers - all Bangladeshi citizens - say Kimberly-Clark and Ansell were aware of the alleged labour abuses through public reports on Brightway and other Malaysian glove makers, and violations found by labour audits, according to the complaint filed late on Tuesday in the United States.

Kimberly-Clark did not immediately respond to a request for comment outside of regular US business hours. Ansell and Brightway said they did not have an immediate comment.

Malaysia, which depends on millions of migrant workers from South Asian countries, has faced allegations of exploitation across key

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A Ukrainian expert climbs the stairs of the damaged building of a clinical medical laboratory following a Russian rocket strike in the second largest Ukrainian city of Kharkiv on Tuesday amid the Russian invasion of Ukraine.

PHOTO: AFP

13 killed in Russian rocket attack

Says Ukraine, accuses Moscow of using Zaporizhzhia power plant as 'nuclear shield'; IAEA warns of 'very real risk of disaster'

AGENCIES

Ukraine yesterday accused Russia of exploiting its position in a nuclear power plant it had seized to target a nearby town in a rocket attack that killed at least 13 people and left many others seriously wounded.

The town Ukraine says Russia targeted - Marhanets - is one that Russia has alleged Ukrainian forces have used in the past to shell Russian forces who are holed up at the Zaporizhzhia nuclear power plant which they took over in March.

Ukraine and Russia have accused each other of imperilling the safety of the vast plant - Europe's largest - by attacking one another in its vicinity.

Rafael Grossi, head of the International Atomic Energy Agency (IAEA), has urged both sides to exercise restraint, warning of the "very real risk of a nuclear disaster."

And foreign ministers from the Group of Seven leading industrialised countries yesterday condemned Russia's occupation of the power plant and called on Moscow to immediately hand back full control of the plant to Ukraine, something Moscow seems unlikely to do.

Moscow says it does not deliberately target civilians in what it calls its "special military operation" in Ukraine aimed at preemptively safeguarding its own security against expansion of the Nato military alliance.

Andriy Yermak, President Volodymyr Zelensky's chief of staff, accused Russia of launching attacks on Ukrainian towns with impunity from the Zaporizhzhia nuclear power plant in the knowledge that it was risky for Ukraine to fight back.

G7 calls on Moscow to immediately hand back full control of the plant to Ukraine.

"Eighty reactive rockets fired at residential buildings," Yermak wrote on the Telegram messaging service, referring to the attack on Marhanets.

"The terrorist nation is continuing to fight against civilians. The cowardly Russians can't do anything more so they strike towns ignobly hiding at the Zaporizhzhia atomic power station", he wrote.

Ukraine says around 500 Russian troops with heavy vehicles and weapons are stationed at the plant, where Ukrainian technicians continue to work, reports Reuters.

Russia says its forces are behaving responsibly and doing everything they can to ensure the facility's safety. Moscow has accused Ukrainian forces of shelling the plant, something Kyiv denies.

A senior Ukrainian official suggested a series of explosions at a Russian air base in Crimea on Tuesday could have been the work of partisan saboteurs, as Ukraine denied responsibility for the incident deep in Russian-occupied territory.

Zelensky did not directly mention the blasts in his daily video address but said it was right that people were focusing on Crimea.

"We will never give it up ... the Black Sea region cannot be safe while Crimea is occupied," he said, repeating his government's position that Crimea would have to one day be returned to Ukraine.

Husband hacks wife to death in Jhenidah

OUR CORRESPONDENT, *Jhenidah*

A woman was hacked to death at home by her husband in Jhenidah's Kaliganj upazila on Tuesday.

Matiur Rahman, of Chandbapur village, hacked his wife Parul Khatun, 45, indiscriminately, police said quoting their eight-year-old daughter.

"The daughter is a witness to the murder," said police.

Parul and Matiur had frequently fought over trivial matters. On Tuesday, Matiur beat up Parul, said locals.

Hearing Parul scream, their neighbours rushed to her home when Matiur fled. Later, Matiur returned home and hacked Parul, said Parul's brother Mizanur Rahman.

Police recovered the body yesterday and sent it to Jhenidah Sadar Hospital morgue for an autopsy, said Abdur Rahim Mollah, officer-in-charge of Kaliganj Police Station.

Run over by train, passenger dies

OUR CORRESPONDENT, *Thakurgaon*

A passenger died after being run over by Panchagarh-bound Drutajan Express while getting off at Thakurgaon Railway Station yesterday morning.

The dead, Arman Ali, 34, was a resident of Railway colony in Dinajpur.

Station Master Akhter Hossain said the train reached Thakurgaon Railway Station around 8:30am yesterday.

As the passenger tried to disembark hurriedly before the loco master pulled off, he slipped onto the railway track and was run over by the train, Akhter told The Daily Star.

Fire service rescuers later recovered the body from the spot.

Md Ershadul Haque, OC of Dinajpur Railway Police Station, said an unnatural death case was filed with the police station.

Doctor's body recovered in Dinajpur

OUR CORRESPONDENT, *Dinajpur*

Police recovered the body of a female doctor from her house in Dinajpur's Nawabganj upazila on Tuesday night.

The deceased, Rokeya Khatun, 27, was from Uttar Krishnapur village in the district's Phulbari upazila. She was employed at KH Memorial Hospital in Dalardargah village of Nawabganj.

Rokeya's family members alleged that she was strangled by her husband Dr Arifuzzaman following an altercation.

The husband, however, denied the allegation and said his wife died by suicide.

Police recovered the body from Rokeya's house, picked up her husband and sent the body to Dinajpur M Abdur Rahim Medical College morgue for an autopsy.

Arifuzzaman is a physician at Shaheed Ziaur Rahman Medical College Hospital in Bogura. He went to Nawabganj on Tuesday.

Ferdous Wahid, OC of Nawabganj Police Station, said Rokeya's father Sirajul Islam lodged a case on Tuesday night accusing her husband over the death.

BPC may now profit Tk 205cr a month

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diesel. But it is making a profit of Tk 25 per litre in octane, and about Tk 20 in petrol.

On the other hand, he said, the BPC is paying a tax of Tk 20.70 per litre for diesel import and Tk 23.5 per litre for octane import.

He also informed that the BPC has a 30 days' consumption equivalent stock of diesel (2,94,319 tonnes), 19 days stock of octane (22,827 tonnes), 18 days stock of petrol (19,174 tonnes) and jet fuel of 32 days (35,780 tonnes).

The government hiked the fuel prices by a large margin with effect from August 6. Diesel price has been increased by Tk 34 to Tk 114 per litre while octane price hiked by Tk 46 to Tk 135 and petrol by Tk 44 to Tk 130.

The BPC made the recent upward adjustment in the fuel prices when the downward trend continues in the international market.

A document provided by the Centre for Policy Dialogue shows that the price of Brent crude has declined to $93.9 per barrel on August 8 from $100 per barrel on August 1.

The BPC chairman said it has cash plus deposits of Tk 19,000 crore, which will be needed to pay import bills for two months' consumption of fuel.

He also claimed that misleading information is being spread by different quarters about the BPC's deposits and profits and also disagreed with the report that it had made a profit of Tk 48,000 crore from 2014-15 to 2020-21 fiscal years.

He said the BPC had made a profit of about Tk 42,000 crore in those years, but half of the profits had to be spent to import at higher prices from the international market.

Fuel price hike was avoidable

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It had lost Tk 8,000 crore over the last six months, the energy ministry had said.

Moazzem said, "We've learnt from the media that the BPC has at least Tk 25,254 crore in different government and private banks as Fixed Deposit Receipts (FDRs).

"The BPC claims that it invested the money in development projects of the organisation. Is FDR an investment?"

CPD Executive Director Fahmida Khatun said the government could have avoided the unprecedented hike in the fuel prices by checking corruption, theft and mismanagement at the BPC.

She said the government gets up to 34 percent in taxes -- in the name of customs duty, VAT and advance income tax -- from the BPC. The burden of the duties and taxes levied upon the BPC is passed onto the consumers.

"The government earned Tk 8,540 crore in duty and taxes from the BPC in the last fiscal year and is expecting to get tax revenue worth Tk 9,251 crore this year. If it had reduced these taxes, it could have avoided the price hike."

In her keynote, Fahmida said that in addition to the revenue from VAT and other taxes, the government realised Tk 10,000 crore from the BPC in FY20 and FY21. The money was a surplus held by the BPC.

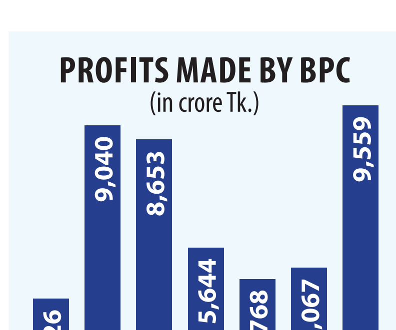
"If the government wanted to keep the fuel prices unchanged, it could have either slashed the taxes or used the profits as a subsidy. But they passed the burden onto the consumers, by impacting transportation cost, agricultural, industrial and electricity production cost ... ," she added.

Terming the subsidies an inefficient economic tool, she said, "It was, however, supposed to be withdrawn but in phases."

Fahmida compared the new fuel prices with those in Nepal, Pakistan, India, Bhutan, Vietnam, Sri Lanka, Thailand, the Maldives, Hong Kong, Germany, the US and Singapore.

"Of the countries, Hong Kong, Singapore and Germany have prices higher than those in Bangladesh. But the GDP per capita of all of those countries is higher than ours.

"Even the diesel price in Vietnam -- one of the major competitors in the global RMG market -- is much less than ours. Diesel per litre costs them Tk 97 and Tk 106 octane. This will result in a huge difference in the cost of production between the two countries and could affect the garment industries."



Fahmida also said the decision has increased inflationary pressure and the cost of living. "The fuel price hike will push up the current 7.5 percent inflation and force people to use their savings".

Energy expert Ijaz Hossain said it would be wise to introduce a pricing policy and adjust the fuel price through Bangladesh Energy Regulatory Commission.

The energy regulator is entrusted with the responsibility and the consumers would be prepared to pay higher prices when prices go up globally.

Similarly, they would get the benefit of lower prices when the global prices come down, he said.

"If India can adjust fuel prices depending on the global market, why can't Bangladesh? he said.

Ijaz also spoke in favour of withdrawing the subsidies.

"But withdrawing subsidies at a time when the prices of all other necessary products are hiked? The government has no logic and it did not even mention with which international price it had adjusted the new price."

BKMEA Vice President Fazle Shamim Ehsan said the fuel price hike will have an enormous impact on the industries as it would directly hit the workers' cost of living. If they leave their jobs due to the increased cost and go to the village, the industries will suffer the most, he said.

Bangladesh Jatri Kalayan Samity's Secretary General Mozammel Haque Chowdhury said a passenger's monthly expense for transport would go up by Tk 2,100-6,000.

On August 5, the power, energy and mineral resources ministry announced a record 42.5 to 51.7 percent hike in petroleum product prices.

Two police killed, 800 escape in DRC jailbreak

AFP, *Beni*

More than 800 inmates have escaped from a prison in eastern DR Congo after gunmen staged a jailbreak in which two policemen were killed, sources said yesterday.

Armed men "attacked Kakwangura central prison in the town of Mutembo" overnight Tuesday, Captain Antony Mualushayi, the military spokesman in the Beni region, said.

"The initial toll, which is still provisional, is two policemen killed," he said, adding that an assailant had also died.

Forex pressure may ease by Dec

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loan with the Asian Development Bank to aid with safety net offerings, economic recovery and mitigate the impacts of climate change.

The programme for the poor would be delivered through the existing channels based on the database prepared during the pandemic, the finance ministry official said.

It would most likely be in the form of cash support.

For the low-income demographic, the government would be running open-marker sales of essential commodities such that those could be purchased at low prices.

"These steps would, hopefully, provide some relief amid the high inflation," the finance ministry official added.

At the same time, the government is working to boost the reserves.

The government would be getting $1.7 billion this year from development partners as part of the financial assistance they had offered at the start of the pandemic to aid in economic recovery and for vaccine purchase.

The development partners such as the World Bank, ADB, Asian Infrastructure Investment Bank, Japan International Cooperation Agency, the European Union, the European Investment Bank and the French Development Agency had committed a total of $7.7 billion to Bangladesh.

Of the sum, about $6 billion were disbursed in the last three fiscal years; $1.7 billion from the WB, ADB, AIIB AND EIB remains to be released and that is expected by the end of the year.

Of the $1.7 billion, $1.17 billion is meant for vaccine purchase. The government would be using $550 million as reimbursement for vaccines it has already purchased and the remaining sum would be using as budget support for this fiscal year.

The government had prior discussions with the WB for a $700 million loan and it is expected this year.

Besides, the government has sought fresh loans of $4.5 billion from the International Monetary Fund, $1 billion each from the ADB and the WB, and $500 million from JICA.

"All in all, these would send reserves to a comfortable level," the finance ministry official said.

As of August 3, foreign currency reserves stood at $39.7 billion, according to data from the Bangladesh Bank.

The reserves take a hit every time payments are made to the Asian Clearing Union to settle bills for goods imported from Bhutan, Iran, India, Maldives, Nepal, Pakistan, Sri Lanka, and Myanmar.

The next ACU payment is due in the first week of September and it would be about $1.5-1.6 billion, which is lower than in recent months' bills, said a BB official.

Child killed

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school's head teacher later in the morning."

The family further blamed negligence in supervision by the LGED and the school management committee, and poor quality of work on the school's structure.

Fatema Meher Yesmin, district primary education officer, said, "We visited the spot after the accident and realised that the gate had been risky even before it collapsed. The school authorities didn't do anything to fix it or even inform us of the matter."

According to Jhinu Chakma, headteacher of the school, the gate became weak at the hinges when a truck lost control and hit it around 20 days ago.

"After that, we kept one side of the gate closed and the other open for entry and exit."

She added that they had informed a contractor to come and fix it but did not get any response.

Jinia Chakma, superintendent of Khagrachhari police, said, "It was the negligence of the authorities that resulted in the accident.

"We handed over the child's body to the family. We are now investigating the incident to see if there was any corruption over fixing of the gate."

No case was filed in this regard till the filing of this report at 7:00pm yesterday.