

TRANSBOUNDARY RIVERS

No country should be denied its due share

Says Momen in his lecture in New Delhi

OUR CORRESPONDENT, New Delhi

Foreign Minister AK Abdul Momen yesterday said no country should be deprived of its due share of water from transboundary rivers, as he pushed forward his five-point plan for long-lasting friendship and peace among South Asian countries.

He also said issues of domestic politics in one country should not hurt the sentiments of the majority of the people in another, reports our New Delhi correspondent.

He also opposed sudden imposition of tariff and non-tariff barriers to trade, and urged all countries in the region to remove restrictions on cross-border investment.

The minister, who is in Delhi to attend the G20 foreign ministers' meeting, was delivering a lecture on "Promoting Culture of Peace for Shared Prosperity: A Vision for South Asia", organised by the Vivekananda International Foundation in New Delhi.

In an apparent reference to the pending issues of the sharing of water of the Teesta and other common rivers with India, he said "geography has destined South Asian countries to take the benefit of nature including rivers and one country should not be deprived of its due share."

Momen is scheduled to address today the G20 meeting that will be attended by foreign ministers or delegations of 40 countries, including US Secretary of State Antony Blinken, Chinese Foreign Minister Qin Gang and Russian Foreign Minister Sergei Lavrov.

SEE PAGE 6 COL 4



Rescue crews operate at the site of a crash, where two trains collided, near the city of Larissa, Greece, yesterday. PHOTO: REUTERS

36 killed in Greece train crash

Dozens hurt after passenger, cargo trains collide head-on; station master arrested; transport minister resigns

REUTERS, Larissa

A Greek passenger train collided head-on with a cargo train late on Tuesday, throwing entire carriages off the tracks and killing at least 36 people in the country's deadliest rail crash in living memory.

Dozens were injured in the crash and the fire that followed. Officials said the death toll was expected to rise further as temperatures in one carriage rose to 1,300 Celsius after it was engulfed in flames.

A station master was arrested as investigators tried to understand why the two trains had been on the same track.

Greek Transport Minister Kostas Karamanlis submitted his resignation.

Karamanlis said in a statement that resigning was his duty and "the least he could do to honour the memory of the victims", adding that he was undertaking the responsibility for the state's "long-standing failures."

The collision occurred as the passenger train, heading to the northern Greek city of Thessaloniki from the capital Athens, emerged from a tunnel near the central town of Larissa.

"There was panic ... the fire was immediate, as we were turning over we were

being burned, fire was right and left," said Stergios Minenis, a 28-year-old passenger who jumped to safety from the wreckage.

A passenger who escaped from the fifth carriage told Skai TV: "Windows were being smashed and people were screaming ... One of the windows caved in from the impact of iron from the other train."

Rescuers scoured through the smouldering mangled mass of steel in the morning, and cranes lifted derailed passenger carriages, their windows blown out. One carriage stood on its side at almost 90 degrees from the rest of the wrecked train, with others tilting precariously.

NIKO GRAFT CASE

Hearing to go on with or without Khaleda's lawyers

COURT CORRESPONDENT

The hearing on charge framing in the Niko graft case will proceed on March 9 even if the defence does not take part, a court told BNP Chairperson Khaleda Zia's lawyers yesterday.

Judge Sheikh Hafizur Rahman of Dhaka's Special Judge's Court-9 said this after Khaleda's lawyers said they would not take part in the hearing unless the prosecution gave them certified copies of documents seized during the investigation. They also filed a petition seeking adjournment of the hearing.

The prosecution and the defence also got involved in an argument over the matter.

On February 26, Khaleda's lawyer Masud Ahmed Talukder sought certified copies of the documents. Following his request, the prosecution supplied him with photocopies.

The defence yesterday again submitted a petition for certified copies.

Opposing this petition, ACC Public Prosecutor Mosharraf Hossain Kajoil told the court that they have given photocopies of all documents to the defence but the defence has been submitting petitions over the last four years only to delay the process.

3 killed in Tangail road accident

OUR CORRESPONDENT, Tangail

Three people died, while 15 others were injured after a pickup overturned on a connecting road of the Bangabandhu Bridge East in Tangail yesterday.

The dead were identified as Sahera Khatun, 60, Noor Jahan, 50, and Firoza Begum, 60.

Police and witnesses said that around 30-35 people from Jamalpur Sadar were on their way to Sirajganj's Enayetpur on the pickup. The driver at one point lost control of the steering near Analiabari area in Tangail's Kalihati upazila around 1:00pm. Two passengers died on the spot.

Police and fire service officials rushed to the spot and, with the help of locals, rescued the injured and sent them to Tangail General Hospital. One of the injured succumbed to her injuries on the way.

Shafiqul Islam, officer-in-charge of Bangabandhu Bridge East Police Station, said that one of the bodies was taken to the police station, while the two others remained at the hospital morgue.

Moody's sounds alarm bells on banking sector

FROM PAGE 1

"Outlook changed to negative as asset risks grow and liquidity tightens amid deteriorating economic conditions," Moody's said in its latest report.

The negative outlook also reflects the government's diminishing capacity to provide support for banks because of its deteriorating external position and growing liquidity risk.

Moody's forecast GDP growth will slow to 5 percent this fiscal year and 5.5 percent next fiscal year on the back of a weakening of export growth, high import prices and inflation.

"As a result, the country's current account deficit will widen, and its foreign exchange reserves will decrease, weakening its external position."

Foreign currency liquidity in the system will remain tight as the outflows of dollars for settlement of import bills will outpace inflows from export receipts and remittances.

Further, high inflation will hamper deposit growth as rising costs of living erode households' savings.

The tightened liquidity conditions will intensify competition for funding among banks, which in turn will impact banks' profitability.

Stressed assets will increase as businesses, to which banks have large exposures, face slowing external demand as a result of inflation in key

export markets and rising costs due to high import prices.

Compounding matters are structural weaknesses such as lax regulations and poor corporate governance.

"As a result, we expect that stressed loans, which include performing loans with modified payment terms, in addition to nonperforming loans (NPLs), will increase."

At the same time, systemwide loan-loss reserves as a proportion of NPLs is low at 56 percent as of the end of September 2022 and will provide limited buffers against rising loan losses.

Loan-loss provisions will increase as asset risks grow.

"Banks' current capital levels, however, are modest, providing limited buffer against large, unexpected loan losses."

State-owned banks will remain undercapitalised because of their weak earnings capacity resulting from high levels of NPLs and the absence of government capital infusions, Moody's added.

"We need to improve on our overall practices. If we can't bring any changes, it will be very difficult to become positive again," said Rahman, who served as the chairman of the Association of Bankers, Bangladesh for 2018 and 2019.

The rating agencies' outlook will continue to get worse if the macroeconomic situation is not stabilised and the dollar crisis is not solved at the earliest, said Mansur, a former economist of the International Monetary Fund.

Moody's has also put Bangladesh's yearslong Ba3 rating under review. Should the country's sovereign rating be downgraded too, it would take the Bangladesh economy back by decades.

"Our problems will be solved if we faithfully implement IMF's conditions."

That would improve banks' financial strength and increase the dollar flow.

"It will take at least 2-3 years to come out of this. We already got a bad name. We have to go to the right path but we are not that way," said Mansur, also the executive director of the Policy Research Institute.

The central bank is working on implementing all the IMF reform prescriptions for the banking sector, said its spokesman Md. Mezbaul Haque.

"There will be institutional reforms, there will be some amendment to the laws. We are hopeful we would be able to carry out all the reforms -- for our own interests."

Talks needed, open minds too

FROM PAGE 1

According to his formula, an 11-member interim cabinet would be formed with the incumbent prime minister in the chair. Five cabinet members would be from the ruling and five others from the opposition parties.

And the interim cabinet would give all-out support to the Election Commission for holding free and fair parliamentary polls.

Many ruling party leaders were about to agree on the formula. But the opposition parties, including the Awami League, Jatiya Party and Jamaat-e-Islami, outright rejected it and continued agitation for the caretaker government system.

The efforts of Sir Ninian along with some eminent citizens and diplomats failed to resolve the crisis. And 147 opposition lawmakers resigned from parliament on December 28, 1994, to gear up for the anti-government movement.

This resulted in a questionable election on February 15, 1996, boycotted by most of the parties. Khaleda Zia became prime minister once again, but the government lasted only 12 days in the face of an intensified mass movement of opposition parties.

The sixth Jatiya Sangsad introduced the caretaker government system in a haste by amending the constitution. The caretaker government led by Chief Justice Habibur Rahman took office at the end of March and oversaw the seventh parliamentary election held on June 12, 1996.

2001: JIMMY CARTER'S MEDIATION

In 2001, the Awami League government handed over power to the caretaker administration led by immediate-past chief justice Latifur Rahman.

Before the eighth national election that year, former US president Jimmy Carter tried to mediate a dialogue between the two main political parties. But that talks could not play any important role in the political history of Bangladesh.

In the election, the BNP-led four-party alliance won a landslide. Later, AL President Sheikh Hasina several

times alleged that her party lost the election because she refused to allow the gas extraction from Bangladesh by a US company and sale to India.

2006: MANNAN-JALIL MEET

In October 2006, BNP Secretary General Abdul Mannan Bhuiyan and Awami League General Secretary Abdul Jalil sat in a dialogue that went on for about three weeks on the issue of the election-time government.

The opposition Awami League formally presented 29 points to the ruling BNP. But there was no agreement between Bhuiyan and Jalil even after six rounds of meetings.

Finally, both ended the dialogue leaving the final decision for the shoulders of the top leaders of their parties.

The top political leaderships failed to reach any consensus, resulting in violent street fights and ultimately the political changeover of January 11, 2007.

Both Hasina and Khaleda were sent to jail during the caretaker government led by former Bangladesh Bank governor Fakhruddin Ahmed, who was sworn in as the chief adviser on January 12, 2007.

2014: TARANCO'S TALKS

Before the 10th parliamentary election on January 5, 2014, the BNP sat with the ruling Awami League on the issue of the election-time government at the end of 2013.

But that meeting could not yield any result.

After the formation of the Awami League government in 2009, the non-party caretaker government system was abolished, triggering a strong reaction from the BNP-led opposition.

At the beginning of 2013, the BNP-sponsored movement gained momentum as the party enforced frequent shutdowns and blockades accompanied by violence across the country.

In this context, UN's assistant secretary general for political affairs Oscar Fernandez-Taranco visited Bangladesh in early December 2013.

By then the election date was announced.

Taranco held meetings with

then opposition leader Khaleda Zia and Prime Minister Sheikh Hasina. Besides, he sat with senior leaders of the two parties, including the then AL general secretary and BNP secretary general.

But as both the parties stayed rigid on their positions, Taranco finally left the country without seeing any solution.

However, at a press conference at Sonargaon Hotel before leaving, he said both sides had agreed to continue the talks.

Amid the political standoff, the national election was held on January 5, 2014, which saw a total 153 candidates win uncontested -- 127 of them from the ruling party. The election was boycotted by some major political parties, including the BNP and the Jamaat.

2018: RULLING ALLIANCE VS OIKYAFRONT

The weeklong talks between the ruling alliance and opposition parties in November 2018 ended with all the major contentious issues remaining unsettled.

During the talks with Jatiya Oikyafront led by eminent jurist and Gono Forum President Dr Kamal Hossain, the Awami League-led combine outright rejected the former's proposals for formation of a polls-time neutral government led by a chief adviser; dissolution of parliament before the announcement of election schedule; and deferment of the election by a month.

The ruling combine termed the proposals unconstitutional and said there was no scope for going beyond the constitution.

The Oikyafront, an alliance of the BNP and several other parties, had placed the proposals in writing "for the sake of a free, fair and participatory election".

The BNP-led 20-party alliance and the Oikyafront, however, decided to participate in the polls saying it was part of their movement.

The BNP bagged only seven seats in the national polls held on December 31, 2018, marred by allegations of widespread irregularities that drew condemnation at home and abroad.

No more austerity

FROM PAGE 1

the economy has somewhat improved, so we relaxed the policy a bit," said Satyajit Karmaker, secretary of the planning division.

As part of the belt-tightening measures, the finance division in a notice on July 3 last year pared back the ADP.

Projects were classified into A, B and C categories. The A-category projects would go on as normal, while up to 75 percent of the allocation for the B-category projects could be spent. All C-category projects were put on hold.

Now, the C-category projects that are nearing completion are being given funds to wrap them up at the earliest.

Projects that are going on in full swing are getting funds as per their requirements, while those that don't need to be implemented now are on hold, Karmaker said.

"With much fanfare, the government gave that circular but nothing came of it," said Ahsan H Mansur, executive director of the Policy Research Institute.

There was no further announcement of how much money was saved as a result of the austerity measures.

"From where did they save the money? We want to know," said Mansur, a former economist of the

International Monetary Fund.

Of the 58 ministries and divisions, 21 saw their allocations increase in the revised ADP while 37 saw their budgets slashed.

"This was done on the assessment of their demands," Karmaker said.

Health services and secondary and higher education divisions and the ministries of primary and mass education, science and technology, agriculture, food and expatriates' welfare and overseas employment are seeing their allocations sheared.

The ministries of local government, rural development and co-operatives; water resources; religious affairs; and housing and public works are seeing their kitties topped up.

"These will only create demand in the economy and fuel inflation further," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

The opposite was needed to bring down inflation, which averaged 8.7 percent in the first seven months of the fiscal year, much higher than the budgetary target of 5.6 percent.

"Because of the high inflation, people are unable to buy goods -- their purchasing power has reduced. If you bring it down, people would be able to buy more with their same income and the economy will stage a recovery," Hussain added.

The trim was done by scaling back ambitions to fund the development works through foreign aid. Foreign fund in ADP was slashed by 19.9 percent to Tk 74,500 crore.

"This shows the reality on the ground -- we can't use foreign funds effectively and speedily. Unfortunately, this year we needed to use foreign funds the most as our reserves would prop up and the pressure on imports would go down. But we couldn't," said Mansur, also the chairman of Brac Bank.

Asked why foreign funds were pared back from the ADP at a time when it would have eased the ongoing dollar crisis, Karmaker said: "The ministries' capacity to use foreign funds is less."

And that is not because of the project directors' incapacity.

"Our development partners' rules and compliance are very strict. They view issues related to implementation from their viewpoint and that is a time-consuming process."

As a result, foreign-funded projects invariably get delayed.

"But we are taking steps. The PM has tasked the principal secretary to sit with the ministries and divisions and come up with a solution."

At present, \$52 billion of foreign aid is sitting in the pipeline. "We want to use this as soon as possible," Karmaker added.

'I want to go home'

FROM PAGE 1

On October 26, 2018, the court of the first class judicial magistrate, DG Kharshing, acquitted Salahuddin in the case and asked the state government to repatriate him immediately. An appeal by the prosecutors against the verdict was disposed of on Tuesday.

"The thought of returning to my motherland was on my mind every moment in the last eight years... I got justice after eight years."

Asked where he wanted to go after returning to Bangladesh, Salahuddin said, "I want to go home, but it seems the government will send me to jail. Despite that, I want to return home as soon as possible."

was blindfolded when he was dropped off in the Golf Link area of Shillong.

After he went missing, the authorities refuted the allegations of detaining him and many wondered whether he was alive.

Meanwhile, State Minister for Foreign Affairs Md Shahriar Alam yesterday said the ministry will seek decisions from the home and law ministries regarding the matter, UNB reports.

"A person needs to have valid documents to travel from one country to another. I don't know whether he has proper documents. If he doesn't have, he'll have to apply through the Bangladesh mission," he told a small group of reporters.