



## OFFSHORE GAS EXPLORATION Cabinet approves new guidelines

REJAUL KARIM BYRON

The cabinet committee on economic affairs yesterday approved the draft of the production sharing contract (PSC) for offshore gas exploration that Petrobangla insists ensures a fair deal for both the government and the international oil companies (IOCs).

The draft was designed to make offshore gas exploration attractive to IOCs and prepared in consultation with Wood Mackenzie, a UK based global insight business for renewables, energy and natural resources.

Wood Mackenzie studied the PSCs of eight peer countries —India, Myanmar, Bulgaria, the Philippines, Malaysia, Vietnam, Sierra Leone and Papua New Guinea — and made suggestions to the initial draft prepared by Petrobangla.

The new PSC is based on the sliding scale R-factor profit-sharing model. The R-factor is calculated by dividing total contractor receipts by total contractor expenditures.

The government's profit share can be a minimum of 40 percent and a maximum of 65 percent in the case of

**This R-FACTOR-based production sharing contract is win-win for both the government and international oil companies.**

shallow blocks. For deep blocks, it would be a minimum of 35 percent and a maximum of 60 percent.

In the previous PSCs, which were based on gas production, the government's profit share was a minimum of 55 percent for shallow blocks and a maximum of 80 percent. For deep sea blocks, it was a minimum of 50 percent and a maximum of 75 percent.

Due to the prolonged nature of cost recovery, the IOCs' profit share progressively declined under the previous models. This discouraged them from investing adequately, The Daily Star has learnt from Petrobangla officials with knowledge of the matter.

Subsequently, Petrobangla's invitation for gas exploration in the maritime territories gained in 2012 and 2014 from Myanmar and India respectively barely found any takers despite floating the tender three times.

Contracts were signed with a handful of IOCs but they abandoned the project after just the seismic survey as they did not find the terms of the PSC attractive, Petrobangla officials said.

In the new PSC, the cost recovery ceiling for IOCs is 75 percent per year for both shallow and deep-sea wells. The ceiling was 55 percent for shallow wells in PSC 2012 and 70 percent for deep wells in PSC 2012 and 2019.

"In determining the profit share between the government and the IOC through R-FACTOR, all revenue and expenses of the IOC are considered after the signing of the contract," Petrobangla officials said.

In the case of new investment by IOC, the R factor is reduced, so it is possible to quickly recover the invested money of IOC.

"Due to fast cost recovery, the government's profit share also increases."

Since the new PSC has been designed to be gainful for IOCs, they would be more interested in exploring Bangladesh's offshore resources and there is an opportunity to discover new gas fields.

"This is why the R-factor is considered a win-win for both parties," said a Petrobangla official preferring to remain unnamed.

Another attractive feature of the new PSC is the gas price at well head, which would be 10 percent of Brent.



PHOTO: ANISUR RAHMAN

Ten-month-old Ayra's mother holds tightly onto her daughter on their third day in the capital's Mugda Medical College Hospital yesterday. Ayra has been suffering from a fever for five days and was found to be dengue positive before being admitted to hospital. As dengue cases keep rising, health facilities across the city are facing more and more child patients every day.

## ADMITTING DENGUE PATIENT TO HOSPITAL Father held over assault on a doctor

STAFF CORRESPONDENT

Police yesterday arrested a man for assaulting a doctor over admitting his seven-year-old daughter, a dengue patient, to Mugda Medical College Hospital in the capital.

Habibur Rahman, 33, an electrician, was held in the afternoon after the physician filed a case against him with Mugda Police Station, Abdul Majid, officer-in-charge of the police station, told The Daily Star.

Habibur went to the hospital in the morning to get his daughter admitted. He scuffled with the physician after a heated argument. The doctor sustained injuries to his two fingers, the OC added.

The arrestee will be produced before a Dhaka court today.

Habibur's wife Sathi Akter said their child was admitted to the hospital following the incident, but she later took the child home.

She said her child's health was not good.

## Politics can't be a money-making tool

HC observes in full text of verdict, affirms 9yrs' imprisonment for BNP leader Tuku for graft

ASHUTOSH SARKAR

Politics cannot be a tool to make money and amass properties, and if the politicians indulge in corruption, the entire society will plunge into darkness, the High Court said in the full text of a verdict.

"Being protectors, the politicians cannot be the predators.... This court wishes that those involved and engaged in politics should not run after money and properties."

"If the politicians own a huge amount of properties and money, they have to spend a lot of time of their life to sustain them and in that case, they would have little time to work for the people's welfare and the country as well," the bench of Justice Md Nazrul Islam Talukder and Justice Khizir Hayat Lizu said in the 273-page full text of the judgment released yesterday.

On May 30, the bench delivered the verdict affirming the trial court judgement that on November 15, 2007, convicted and sentenced BNP leader and former state minister Iqbal Hassan Mahmood Tuku to nine years' imprisonment for amassing wealth illegally and concealing information in his wealth statement.

The special anti-graft court also fined him Tk 50 lakh and directed the government to confiscate his wealth worth over Tk 2.24 crore which is disproportionate to his known sources of income. In default, Tuku will have to spend another one year behind bars, the court said.

ACC lawyer Khurshid Alam Khan told The Daily Star that Tuku, who had been on bail till the delivery of the HC judgment, cannot take part in elections as per article 66(2) (d) of the constitution following the HC verdict.

In the full text of the verdict, the HC directed Tuku to surrender

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## Labourer, wife found dead in capital

Relatives say death of child, financial hardship weighed heavily on them

STAFF CORRESPONDENT

The bodies of a couple were recovered from a tin shed room in the capital's East Rampura in early hours yesterday.

They were found hanging from a ceiling fan in the room, said Rafiqul Islam, officer-in-charge of Rampura Police Station.

The husband Jewel Mia, 28, was a day labourer while his wife Nasrin, 22, was a domestic help.

The deceased couple were depressed after the loss of their child eight months ago. Married for around four years, the couple were expecting their first child, but Nasrin, who was from Kishoreganj, gave birth to a stillborn baby, said relatives.

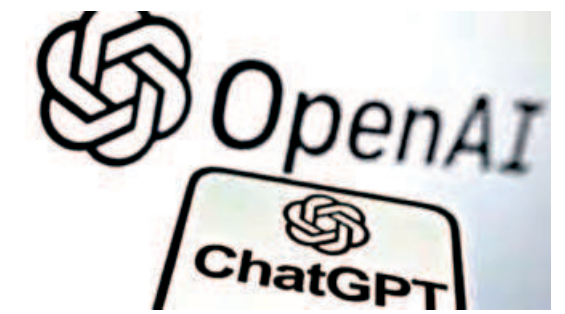
Things went from bad to worse for them as their financial problems increased after the incident. Financial hardship might have led them to take their own lives, they added.

Nasrin's brother Titu Mia said Jewel had to take a loan of Tk 30,000 to meet the hospital expenses during his wife's stillbirth.

"Every month, Jewel had to pay Tk 3,000 as loan instalment and Tk 3,500 as room rent besides their daily expenses. But he didn't have a regular

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## Bangladesh among first 4 countries to get ChatGPT Android version



STAR REPORT

OpenAI has launched the android version of its popular artificial intelligence chatbot ChatGPT.

It made ChatGPT available for android users to download in four countries of the world: the USA, India, Bangladesh and Brazil.

The American AI research and deployment company said it plans to expand the rollout to additional countries over the next week, according to the company's website.

OpenAI released the iOS version of ChatGPT in May 2023.

ChatGPT is estimated to have reached 100 million monthly active users in January, just two months after launch, making it the fastest growing consumer application in history, according to a UBS study.

The report, citing data from analytics firm Similarweb, said an average of about 13 million unique visitors had used ChatGPT per day in January, more than double the levels of December, according to Reuters.

## China refuses to say why foreign minister Qin was removed

AFP, Beijing

China refused to disclose yesterday why Qin Gang had been sacked as foreign minister, insisting it was releasing information "normally" despite him having not been seen publicly for more than a month.

Qin was removed from office by Beijing's top lawmaking body on Tuesday after just 207 days in the job, following weeks of speculation that the former ambassador to the United States and confidant of President Xi Jinping had fallen out of favour.

Asked at a regular briefing about his removal,

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Qin Gang



PHOTO: HABIBUR RAHMAN

As water levels have gone down in the Shoilmari river, a man attempts to catch fish from the mud in Khulna's Batiaghata upazila yesterday. During low tide, locals prefer catching their own fish due to high prices at the market, as it is an easier and cheaper option for them.

## Modi's govt faces no-confidence vote over ethnic clashes

REUTERS, New Delhi

India's parliament yesterday authorised a no-confidence vote against Narendra Modi's government by an alliance of opposition parties, to force the prime minister to address in detail concerns about ethnic clashes in a northeastern state.

Modi's Bharatiya Janata Party (BJP) has a clear majority of 301 members in the 542-seat lower house of parliament, so the no-confidence vote will not affect its stability.

The opposition instead wants to trigger a debate about violence in the remote, BJP-ruled Manipur state, where more than 130 people have been killed and 60,000 displaced since it began in early May.

Approving the opposition motion, lower house speaker Om Birla said he would soon decide when the debate and vote would take place.

The ethnic tensions in the small state of 3.2 million people are seen as a rare security and political failure by Modi's government, which will face a national election by May 2024.

Further incidents of arson and the destruction of some abandoned houses, government offices and vehicles by armed mobs were reported from at least two districts of Manipur on Wednesday, a local police official said, asking not to be named.

Modi had not commented in public about the violence until last week, when videos showing two women being paraded naked and molested by a mob in Manipur sparked national outrage.

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