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Power price to go up four times a year

Govt moves to withdraw subsidies in 3 years following IMF advice

REJAUL KARIM BYRON

The government has drawn up a plan to increase the price of electricity four times a year for the next three years to withdraw all subsidies in the power sector, which the IMF recommends.

The plan was placed before a meeting between the visiting International Monetary Fund (IMF) mission and officials of the power and energy division yesterday.

The power price would be hiked in small amounts so that the consumers do not get a shock, power division officials told The Daily Star, adding that subsidy on gas would also be withdrawn gradually.

According to the officials, the IMF mission, led by Chris Papageorgiou, wanted to know the outstanding bills of the Independent Power Plants and how much had they been paid in bonds.

Meanwhile, the Consumers Association of Bangladesh (CAB) yesterday alleged that the government was hiking power and fuel prices to protect

The Consumers Association of Bangladesh has alleged that the government is hiking power and fuel prices to protect the interest of some dishonest businesspeople.

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It said the sector would not need subsidies had the government stopped irregularities and corruption.

CAB made 13 recommendations, including a ban on non-competitive investments, so that the government does not have to raise the price.

The IMF mission arrived in Dhaka on April 23 for its second review of the \$4.7 billion loan programme. The third tranche of the loan would be released following the review.

During meetings with finance ministry officials earlier, the IMF team asked the government to gradually reduce subsidies for power, gas, and fertiliser.

After entering into the IMF's \$4.7 billion loan programme in January last year, the government hiked the prices of electricity and gas several times.

After 2022-23 fiscal year, the government subsidies for electricity, gas and fertiliser nearly doubled.

In the current fiscal year, the subsidy allocation is Tk 84,542 crore and the figure could be about the same in next year's budget.

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Nazma Begum weeps as she holds on to the box carrying the body of her husband Kaiser. After getting married around 2 yrs ago, he went abroad in search of a better life for his family. On February 14, he and seven other Bangladeshi migrants died in a boat capsized in the Mediterranean Sea after setting sail from Libya. Their bodies arrived at the Hazrat Shahjalal International Airport in the capital yesterday afternoon.

PHOTO: AMRAN HOSSAIN

Climate of fear stifling media in South Asia

Speakers tell Dhaka event

STAR REPORT

A climate of fear, intolerance, clampdown, and stifling of independent voices persists in South Asia, said speakers at World Press Freedom Day events in the capital yesterday.

PRESS FREEDOM DAY

Transparency International Bangladesh organised the events in association with UNESCO and Article 19 at TIB's Dhanmondi office.

Speaking at a discussion titled

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Stuck inside the boat hull, they suffocated

Says a survivor of disaster in the Mediterranean in which 8 Bangladeshis died; a pall of gloom descends as bodies reach their homes

ZYMA ISLAM

"We could hear them struggling to breathe and dying slowly and there was nothing we could do," said 45-year-old Gurudas Mondol, who had survived the horrifying boat accident in the Mediterranean Sea on February 14.

He was describing how eight of his companions died aboard the tiny boat.

Their bodies reached Dhaka yesterday.

"Fifty-three of us were made to board the tiny boat barely 10 feet in length. To fit everybody in, they made us climb inside the hull where the fuel was stored," said Gurudas.

The eight deceased Bangladeshis were among those inside the hull.

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The left wants to oust me but whom will they bring in?

PM questions

STAR REPORT

Prime Minister Sheikh Hasina has said the leftist parties now want to oust Awami League from power.



"Well, they want to oust me. But can they specify who will come next? Who would come to power to work for the country? It is not clear whom they want to bring to power," she said.

Since it is not clear whom the leftist parties want to be in power, they do not have any response from the people, the PM said.

Hasina, also the Awami League president, was briefing the media at the Gono Bhaban yesterday about the outcome of her recent six-day visit to Thailand, report BSS and UNB.

"Staying abroad as a fugitive, someone is carrying out a movement and giving orders online everyday, thanks to Digital Bangladesh made by our government," she said.

Talking about the January 7 national election, the AL chief said efforts were made at home and abroad to foil the election, but those efforts failed as the people were in favour of the AL.

The AL chief came down heavily on some political parties who asked the people to boycott polls.

She criticised a section of people who are always busy with spreading propaganda at home and abroad against the country's advancement.

"Foreigners and some local people were influenced by the propaganda. But the ordinary people never pay heed to them as they have faith in Awami League."

Responding to a query, Hasina said her government's goal is to make the upcoming upazila polls, to be held in

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After weeks of scorching heat, parts of Dhaka finally received some rain early today, which a group of locals rushed out of their homes to enjoy. The photo was taken on Nurjahan Road in Mohammadpur. PHOTO: PRABIR DAS

BUSINESS

Mixed messages on economy

Bangladesh's exports dipped in April, the first decline in four months, while remittance inflow rose 21.31 percent, delivering mixed messages for an economy looking to recover from the lingering crisis.

Export and remittance are the two biggest sources of foreign currencies for the country, so their concurrent growth at a healthy clip is vital for the economy's turnaround from one of its worst economic crises.

Exporters shipped goods worth \$3.91 billion last month, down 0.99 percent from \$3.95 billion a year ago.

STORY ON BI

Forceful merger of banks not the right step

Says ex-BB governor Farashuddin; repeated rescheduling of loans deepening liquidity crisis

STAFF CORRESPONDENT

Merger is an international method for absorption of a weak bank by a good one, but forceful mergers cannot be the right solution, said former Bangladesh Bank governor Mohammed Farashuddin.

Banks should agree for the merger in the first place, he told an event titled "Conversation with ERF members" yesterday. The Economic Reporters' Forum (ERF) hosted the programme at its auditorium in Dhaka.

Farashuddin said merger is not the only way to turn around a weak bank, there are other ways to make it happen.

"Hasty mergers of banks is not right," he said. Farashuddin said it would not be right to merge Rajshahi Krishi Unnayan Bank and it should be allowed to continue its operations for the betterment of agriculture in the country's north.



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Rain, at last, in some parts of Dhaka

STAFF CORRESPONDENT

After a month-long severe heatwave, Dhaka experienced rain and thundershowers in parts of the capital early today.

There were reports of rain in Mirpur, Karwan Bazar, Kamalapur, Uttara, Agargaon, Gulshan, Banani, Niketan, Khilgaon, and Nakhhalpara, among other areas, Monowar Hossain, a meteorologist at the Bangladesh Meteorological Department, told The Daily Star.

According to the BMD, the average maximum temperature in April was 36.2 degrees Celsius, three degrees more than the average April temperatures recorded in 76 years.

The country has already experienced the longest heatwave ever.

Not only the hottest, but this April was the driest

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Advertisement for Mercedes-Benz EQ electric cars, featuring a Maybach EQ and text: Welcome to Electric Luxury. The future of driving begins on 4th May, 2024. Venue: ICCB Hall-3. Only for pre-registered guests. RANCON MOTORS. General distributor of Mercedes-Benz AG in Bangladesh.