

THE WEEK IN REVIEW

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I. COUNTRY REVIEWS

A. South Asia

Bangladesh

- **Indo-Bangladesh joint sub group on the proposed Tipaimukh Hydroelectric Project hold its first meeting in New Delhi; PM Sheikh Hasina attends 16th NAM Summit in Tehran; Bangladesh plans to make the current temporary transit to Bhutan permanent; UAE denies slapping any visa ban to Bangladeshis; USAID officials arrived in Bangladesh to promote food security**

According to reports, the Indo- Bangladesh-India joint sub group on the proposed Tipaimukh Hydroelectric Project on the Barak river met for the first time in New Delhi on August 27, 2012 in a bid to work out the Terms of Reference (ToR) over a joint study of the dam's impacts.¹ At the end of a two-day meeting, India handed over the five-volume Detailed Project Report (DPR) to Bangladesh to enable it carry out an impact study on the hydroelectric dam to be built on the Barak river in northeastern Indian state of Manipur. The meeting, after detailed discussions, finalised the ToR with a view to facilitating the conduct of the joint study. However, no timeline has been finalised to complete the study.²

Reports noted that Prime Minister Sheikh Hasina visited Iran to attend the 16th NAM summit held in Tehran on August 30-31, 2012. The Prime Minister was accompanied by Minister of Foreign Affairs Dipu Moni, Ambassador at Large M Ziauddin, Foreign Secretary Mijarul Quayes and Bangladesh Ambassador to Iran Khondker Abdus Sattar. During the visit, the Prime Minister delivered her speech at the plenary session of the summit on the opening day. Bangladesh was elected as one of the vice-chairs of the 16th Nam Summit. In this capacity, Hasina presided over the session previous to the closing session of the summit. On the sidelines of the summit, the Prime Minister held bilateral meetings with the heads of state or government of a number of countries including India, Iran, Sri Lanka and Nepal.³ During her meeting with Indian Prime Minister Manmohan Singh, Mr. Singh assured India's firm commitment to ink the proposed Teesta water-sharing deal and the land boundary agreement "as soon as feasible".⁴ Bangladesh and Iran emphasised making the Non-Aligned Movement more effective through a coordinated approach by its all member states, when Prime Minister Hasina called on Iranian President Dr Mahmoud

¹ "Tipaimukh Dam:Joint group's first meeting in Delhi today," *The Daily Star*, August 27, 2012 at <http://www.thedailystar.net/newDesign/news-details.php?nid=247243>

² "Tipaimukh Dam: Dhaka, Delhi finalise joint study terms", *The Daily Star*, August 29, 2012 at <http://www.thedailystar.net/newDesign/news-details.php?nid=247472>

³ "Strengthen Nam for lasting peace: Urges Hasina at summit plenary", *The Daily Star*, August 31, 2012 <http://www.thedailystar.net/newDesign/news-details.php?nid=247750>

⁴ "Deal 'as soon as feasible':Manmohan assures Hasina of Teesta waters; Nam summit starts today", *The Daily Star*, August 30, 2012 at <http://www.thedailystar.net/newDesign/news-details.php?nid=247636>.

Ahmadinejad at the OIC Convention Centre in Tehran on the sidelines of the 16th Nam Summit.⁵ PM also met Supreme leader of the Islamic Republic of Iran Ayatollah Ali Hoseini-Khamenei. Ms. Hasina reiterated Bangladesh's proposal for setting up a hydropower project with Nepal in joint venture, during her meeting with Nepalese Prime Minister Baburam Bhattarai.⁶

Reportedly, Bangladesh plans to make the current temporary transit to Bhutan permanent in order to expand trade between the two nations. At present, the two countries renew the transit deal through consultation under the Trade and Transit Protocol and a Technical Cooperation Agreement signed in 1984.⁷

Amid media reports that the UAE has slapped a ban on issuing new visas to Bangladeshis, a top UAE official confirmed that there is no Bangladeshi visa ban in place. The confirmation comes after the Bangladeshi Embassy in Abu Dhabi received complaints from its nationals they have not been granted new visas in the UAE.⁸

In other developments, two senior USAID officials arrived in Bangladesh on August 29, 2012 for a six-day tour to promote food security and further strengthen partnership between the US and Bangladesh.⁹

Sri Lanka

- **Tamil Nadu CM Jayalalithaa orders for sending back Sri Lankan football teams which were undergoing training in Chennai; Minister of State for Defence MM Pallam Raju: India will continue to train Sri Lankan defence personnel; Sri Lanka expresses its concerns about safety issues involving the nuclear plant in Kundakulam; Sri Lankan government is to expand its diplomatic and consular representations in India; The Coast Guards of India and Sri Lanka hold four-day meeting to discuss maritime issues; Chinese Defence Minister General Liang Guanglie visits Sri Lanka; Australian Immigration Minister Chris Bowen : Australia would not return Sri Lankan asylum seekers to their country of origin without fully assessing any claims for protection**

According to reports, after expressing her strong displeasure over Sri Lankan defence personnel undergoing training in her state, Tamil Nadu Chief Minister J Jayalalithaa has ordered for sending back two Sri Lankan football teams which were undergoing training in Chennai.¹⁰

⁵ "Hasina meets Ahmadinejad", *The Daily Star*, August 31, 2012 at <http://www.thedailystar.net/newDesign/news-details.php?nid=247837>.

⁶ "Hydropower Plant: PM for joint venture with Nepal", *The Daily Star*, September 1, 2012 at <http://www.thedailystar.net/newDesign/news-details.php?nid=247892>.

⁷ "Bangladesh, Bhutan working on permanent transit," *The Daily Star*, August 27, 2012 at <http://www.thedailystar.net/newDesign/news-details.php?nid=247170>

⁸ "No ban on Bangladeshis' visas: UAE", *The Daily Star*, August 28, 2012 at <http://www.thedailystar.net/newDesign/news-details.php?nid=247421>

⁹ "Two USAID officials arrive to help promote food security", *The Daily Star*, August 30, 2012 at <http://www.thedailystar.net/newDesign/news-details.php?nid=247627>.

¹⁰ "JJ orders SL soccer teams to be sent back", *The Daily Mirror*, September 2, 2012 at <http://www.dailymirror.lk/news/21601-jaya-suspends-official-for-allowing-sl-soccer-friendly-in-chennai.html>.

However, India's Minister of State for Defence MM Pallam Raju has said that notwithstanding opposition by parties from Tamil Nadu, India will continue to train Sri Lankan defence personnel at its establishments.¹¹

Reports noted that amid concerns about safety issues involving the nuclear plant in Kundakulam of South India, the government of Sri Lanka has raised its concerns with India and sought an immediate dialogue between the two sides to discuss the matter.¹²

According to reports, Sri Lanka's Information Department has said that Sri Lankan government is to expand its Diplomatic and Consular Representations in India, through expansion of the existing Missions in India to suit the present day needs. The Cabinet has given its approval for a proposal made by External Affairs Minister Prof. G .L. Pieris in this regard.¹³

Reports noted that the coast guards of India and Sri Lanka held four-day meeting to discuss maritime issues amid allegations of attacks on Indian fishermen by the Sri Lankan navy. The meeting was led by Sri Lanka Coast Guard chief Rear Admiral AARA Dias and Indian counterpart Vice Admiral MP Muralidharan.¹⁴

In a significant development, reports noted that Chinese Defence Minister General Liang Guanglie visited Sri Lanka on August 29, 2012 to participate in bilateral talks relating to military training, exercise and extended military assistance with the defence establishment of the country.¹⁵ The visiting Chinese Defence Minister said that the People's Liberation Army (PLA) is conducting friendly exchanges and cooperation with its counterparts in the South Asian nations intended at maintaining regional security and stability and not targeting any third party.¹⁶

In another development, reports noted that President Mahinda Rajapakse who was in Iran to attend the 16th heads of state conference of the Non Aligned Nations, returned to the country on September 1, 2012. Addressing the 16th Heads of State Summit of the Non-Aligned Movement, the Sri Lankan President said that there should be no interference to internal matters of a state as mentioned in the United Nations convention and the Non-Aligned policies. While claiming that international community should support countries that have faced threat of terrorism, President Mahinda Rajapaksa said that there should be no double stance or policies favoring one side of the issue.¹⁷ During the visit, President Rajapakse held bilateral talks with Pakistan president Asif

¹¹ "India will continue to train SL defence personnel", *The Daily Mirror*, August 27, 2012 at <http://www.dailymirror.lk/news/21462-india-will-continue-to-train-sl-defence-personnel.html>.

¹² "Indo- SL dialogue in the offing on Nuclear plant", *The Daily Mirror*, August 31, 2012 at <http://www.dailymirror.lk/news/21568-indo-sl-dialogue-in-the-offing-on-nuclear-plant.html>.

¹³ "SL to expand diplomatic ties with India", *The Daily Mirror*, August 31, 2012 at <http://www.dailymirror.lk/news/21560-sl-to-expand-diplomatic-ties-with-india.html>.

¹⁴ "India and SL coast guards meet", *The Daily Mirror*, August 28, 2012 at <http://www.dailymirror.lk/news/21470-india-and-sl-coast-guards-meet.html>.

¹⁵ "Chinese Defence Minister arrives", *The Daily Mirror*, August 29, 2012 at <http://www.dailymirror.lk/news/21507-chinese-defence-minister-arrives.html>.

¹⁶ "China not targeting any third party- General Guanglie", *The Daily Mirror*, August 30, 2012 at <http://www.dailymirror.lk/news/21552-china-not-targeting-any-third-party-general-guanglie.html>.

¹⁷ "There should be no double stance-MR", *The Daily Mirror*, August 31, 2012 at <http://www.dailymirror.lk/news/21565--there-should-be-no-double-stance-mr.html>.

Ali Zardari and Bangladeshi Prime Minister Mrs. Sheikh Haseena, Iranian spiritual leader Ayatollah Ali Khamenei, Iranian President Mohammad Khatami and Lebanese President General Michel Suleiman.¹⁸ During the meeting with the President, Iranian spiritual leader Ayatollah Khamenei said hegemonic powers try “to portray themselves as invincible, but Iran and Sri Lanka’s experiences show that resistance against colonialists and hegemonies is possible”. The Iranian supreme leader further praised Sri Lanka’s support for the Palestinian nation and its respect for the Muslim community in the South Asian nation, and welcomed the Sri Lankan president’s willingness and emphasis on the expansion of relations with Iran.¹⁹

In other developments, claiming that the Australian opposition’s call to send asylum seekers back to Sri Lanka would put Australia in breach of its international obligations, Australian Immigration Minister Chris Bowen said his government would not return Sri Lankan asylum seekers to their country of origin without fully assessing any claims for protection.²⁰

Maldives

● President Waheed visits China; The Commission of National Inquiry submits its report to the President

Reports noted that President Dr Mohamed Waheed departed on an official trip to China on August 31, 2012, to attend the China-Euroasia Expo 2012. During the visit, President Waheed delivered a speech at the opening ceremony of the expo, and also met with the Premier of China, Wen Jiabao. Meeting the local media at the Ibrahim Nasir International Airport prior to his departure, the President said that the main purpose of this visit was to meet with the leadership of China, in order to facilitate acquiring assistance in the different areas of need for the Maldives. In this regard, the President said that work would be especially focused on marketing the Maldives’ tourism in China.²¹ Meanwhile, President Waheed praised China for its policy of non-interference in the internal affairs of other countries. The President made this statement in an interview with China’s State Media Xinhua News Agency, as part of his current visit to China. The President said that unlike other influential countries, China looks at the international affairs of small countries such as Maldives from a unique perspective.²²

In another development, according to reports, the Commission of National Inquiry (CONI), constituted by the President by decree, has presented its final report to President Dr Mohamed Waheed, following the completion of its investigative work. The report was presented to the

¹⁸ “President returns”, *The Daily Mirror*, September 1, 2012 at <http://www.dailymirror.lk/news/21589-president-returns.html>.

¹⁹ “SL proved resistance against hegemonic powers is possible-Iran”, *The Daily Mirror*, September 1, 2012 at <http://www.dailymirror.lk/news/21588-sl-proved-resistance-against-hegemonic-powers-is-possible-iran.html>.

²⁰ “Will evaluate before returning SL asylum seekers-Australia”, *The Daily Mirror*, September 2, 2012 at <http://www.dailymirror.lk/news/21597-will-evaluate-before-returning-sl-asylum-seekers-australia.html>.

²¹ “President Waheed departs to China”, *The President’s Office, Republic of Maldives*, August 31, 2012 at <http://www.presidencymaldives.gov.mv/Index.aspx?lid=11&dcid=7840>.

²² “President praises China for its policy of non-interference in other countries’ internal affairs”, *Sun Online*, September 2, 2012 at <http://sun.mv/english/5422>.

President by the Co-Chair of the Commission, former Singaporean judge, Justice G Pannirselvam.²³ President Dr Mohamed Waheed said that the Commission of National Inquiry (CONI)'s findings reveal that the change of President in the Maldives on February 7, 2012 was legal and constitutional.²⁴ President Dr Mohamed Waheed has dissolved the Commission of National Inquiry.²⁵ Following the presentation of the report, Minister of Home Affairs Dr Mohamed Jameel Ahmed has said that the government would not entertain requests or advice by former President Mohamed Nasheed or international groups to discuss how the government changed.²⁶

B. East Asia

South East Asia

- **Indonesian anti-terrorism squad shot dead two suspected militants in Solo; Indonesia to launch LAPAN A2 in 2013; Prominent exiled student leader of Myanmar returns home; India and ASEAN to review developments on FTA in services and investment; India to host Mekong Ganga Cooperation meeting**

According to reports, an Indonesian anti-terrorism squad shot dead two suspected militants and arrested another in Solo, Indonesia. A squad member also died in the shootout, which came a day after the militants killed a police officer following the arrest of a key member of a terror cell. Reportedly, members of the group were planning more attacks on Indonesia's main island of Java. An elite anti-terrorism squad tried to capture the three suspects on August 31 at a food stall in Central Java's Solo town, the hometown of radical Muslim cleric Abu Bakar Bashir, but shot them when they opened fire, killing two and wounding another, who was then arrested. One of the suspects shot dead a member of the anti-terrorism squad. It would be worth noting that recent terror attacks in the world's most populous Muslim nation have been by individuals or small groups, targeting local "infidels" instead of Westerners, with less deadly results.²⁷

Reports noted that Indonesia's Institute of Aeronautics and Space Agency (Lapan) successfully completed the Satellite Lapan A2 which is the successor of the Satellite Lapan Tubsat. Later, this satellite will carry out the mission earth observation, monitoring of ships and amateur radio communications in the middle of 2013. In addition to having the ability to monitor the Earth's surface through video surveillance A2 added more sensors, the advanced receiver Automatic

²³ "CONI presents its final report to the President", *The President's Office, Republic of Maldives*, August 30, 2012 at <http://www.presidencymaldives.gov.mv/Index.aspx?lid=11&dcid=7830>.

²⁴ "CONI's findings reveal that the transfer of power on 7 February was legal and constitutional" - President Waheed", *The President's Office, Republic of Maldives*, August 30, 2012 at <http://www.presidencymaldives.gov.mv/Index.aspx?lid=11&dcid=7834>.

²⁵ "President Waheed dissolves CONI", *The President's Office, Republic of Maldives*, August 30, 2012 at <http://www.presidencymaldives.gov.mv/Index.aspx?lid=11&dcid=7832>.

²⁶ "Government will no longer discuss how the government changed: Dr Jameel", *Sun Online*, September 2, 2012 at <http://sun.mv/english/5423>.

²⁷ '3 killed in anti-terrorism in Indonesia', *Count on 2 News, WCBD-TV Charleston*, August 31, 2012, <http://www2.counton2.com/news/2012/aug/31/3-killed-in-anti-terrorism-raid-in-indonesia-ar-4454310/>

Identification System (AIS), an amateur radio payload through Position Automatic Reporting System (APRS) and analog and digital video cameras are better than Satellite Lapan Tubsat. The satellite weighs 78 kilograms will be diagonally across parts of Indonesia as much as 14 times a day, with a range of 20-minute turnaround. In orbit AIS, LAPAN A2 has a detection radius of over 100 km and has the ability to receive signals from a maximum of 2000 ships in a coverage area.²⁸

Reports noted that Trade ministers of India and 10-member ASEAN will review the progress of ongoing negotiations to widen the base of free trade agreement between them by including services and investments. Commerce and Industry Minister Anand Sharma, who is on a four-day visit to Siem Reap (Cambodia), would participate in the Asean Economic Ministers (AEM) meet. The India-ASEAN trade in goods agreement was signed in August 2010 after six years of negotiations and it came into force on January 1 last year.²⁹

Meanwhile, India is hosting the sixth Mekong Ganga Cooperation Meetings on September 3 and 4, 2012 in New Delhi. Senior officials would be meeting on September 3 and the Foreign Ministers would meet on September 4. The Mekong-Ganga Cooperation (MGC) was launched on November 10, 2000 in Vientiane, Lao Peoples Democratic Republic setting out a vision for cooperation amongst India and the five Mekong region countries - Cambodia, Lao PDR, Myanmar, Vietnam and Thailand.³⁰

In other developments, according to reports, a prominent Myanmar student leader, who was sentenced to death in his absence, has returned to the country - the latest in a series of leading exiles to do so. Moe Thee Zun headed student protests that were crushed by the military in 1988. Several dissident leaders have returned recently, after Myanmar removed 2,082 people from its blacklist. The move is the latest reformist step taken by the military-backed government. Moe Thee Zun and some of his supporters fled Rangoon in 1988. They went to the remote border regions and fought alongside ethnic rebels against the junta. The student leader later went into exile in the US. Moe Thee Zun said he decided to return to Burma to discuss national reconciliation.³¹

Japan

- **Japan prepares to take the Takeshima issue to the ICJ despite South Korean opposition; Tokyo metropolitan govt sends investigative team to the Senkkaus**

Japan has decided to accelerate effort to unilaterally take its territorial dispute with South Korea over the Takeshima islands to the International Court of Justice (ICJ), although Seoul has strongly

²⁸ 'Next year, Indonesia will launch Satellite LAPAN A2', *The President Post*, September 2, 2012, <http://www.thepresidentpost.com/?p=19259>

²⁹ 'India, ASEAN to review talks on FTA in services and investment', *Economic Times*, August 29, 2012, http://articles.economictimes.indiatimes.com/2012-08-29/news/33476439_1_asean-economic-ministers-asean-and-india-asean-member-nations

³⁰ 'India to host sixth Mekong Ganga Cooperation Meetings', *Yahoo News*, September 1, 2012, <http://in.news.yahoo.com/india-host-sixth-mekong-ganga-cooperation-meetings-104018190.html>

³¹ 'Burma's student leader Moe Thee Zun returns home', *BBC*, September 1, 2012, <http://www.bbc.co.uk/news/world-asia-19450435?print=true>

protested Tokyo's move in this regard.³² In the meantime, while reiterating South Korea's sovereignty over the Dokdo (Takeshima islands), Seoul claimed as there was no territorial dispute, it could not accept Japanese government's proposal to take up the issue at the ICJ.³³

In another development, the Tokyo metropolitan government had recently sent a 25 member investigative team to the Senkaku islands, over which Japan, China and Taiwan claims their own sovereignty. As Tokyo government plans to purchase three islands of the Senkaku islets from its private owner, the team which basically comprised of real estate appraiser and marine policy researchers, carried out investigations to determine a purchase price and evaluate how the Tokyo government could use those islands. Although Tokyo government demanded Central government's permission to land on the islands,³⁴ the latter rejected that demand³⁵ as it did not want to evoke a strong reaction from China on that issue.³⁶

North Korea

- **North Korea-Japan bilateral talks held in Beijing after four years; Pyongyang allows Japanese press and citizens' group to visit World War II burial site for the Japanese war deads**

After four long years, North Korea and Japan held its fist bilateral talk in Beijing recently from August 29-31, 2012. At the end of the three-day long meeting, the working level representatives from both the parties agreed to hold bilateral level talk at a higher level as soon as possible. They also agreed to discuss issues of "mutual concern" in the future bilateral talks.³⁷ However, while the Japanese side insists that issues of "mutual concern" clearly include North Korea's involvement in the abduction of Japanese nationals, North Korea's stance on including that issue remains unclear.³⁸

In a significant development, Pyongyang on August 30, opened to Japanese press and citizens group its burial ground Japanese nationals who died in North Korea during or shortly after the World War II. Members of Zenkaku Seishinkai, a Japanese organization dedicated to paying respects at the graves of Japanese dead and repatriating their remains, also visited the site and offered prayers.³⁹

³² "Takeshima row likely to linger as Japan set to go to Int'l Court" Mainichi Daily, August 31, 2012, at <http://mainichi.jp/english/english/newsselect/news/20120831p2a00m0na011000c.html>

³³ "South Korea formally rejects Japan's proposal to refer isle dispute to ICJ", Mainichi Daily, August 30, 2012, at <http://mainichi.jp/english/english/newsselect/news/20120830p2g00m0dm052000c.html>

³⁴ "Tokyo government begins inspections of Senkaku islands", Mainichi Daily, September 2, 2012, at <http://mainichi.jp/english/english/newsselect/news/20120902p2g00m0dm026000c.html>

³⁵ "Tokyo government begins inspections of Senkaku islands", Mainichi Daily, September 2, 2012, at <http://mainichi.jp/english/english/newsselect/news/20120902p2g00m0dm026000c.html>

³⁶ "Tokyo gov't conducts offshore inspection of Senkaku Islands", Mainichi Daily, September 3, 2012, at <http://mainichi.jp/english/english/newsselect/news/20120903p2g00m0dm021000c.html>

³⁷ "Abductees' families hopeful, cautious of next Japan-N. Korea talks", Mainichi Daily, September 1, 2012, at <http://mainichi.jp/english/english/newsselect/news/20120901p2g00m0dm005000c.html>

³⁸ "North Korea official mum on response to Japan call to discuss abduction", Mainichi Daily, September 1, 2012, at <http://mainichi.jp/english/english/newsselect/news/20120901p2g00m0dm084000c.html>

³⁹ "North Korea opens WWII-era burial ground for Japanese to press citizens' group", Mainichi Daily, August 31, 2012, at <http://mainichi.jp/english/english/newsselect/news/20120831p2a00m0na010000c.html>

C. Central Asia & Russia

Central Asia

- **Uzbekistan to open airspace to US military; Kazakh-Turkmen-Iran railway to be in operation this year; Turkmenistan military to hold first Caspian naval drills; Uzbek and Kazakh leaders to discuss regional security; Lukoil discovers a sizable gas reservoir in Uzbekistan; Germany interested in energy and transportation partnerships with Tajikistan; Kyrgyzstan GDP expected to grow by 9.8% in 2013; Kazakhstan reiterates its threat to leave regional energy grid if satisfactory agreement is not reached by 2013; Tajikistan's 30,000 ton sugar deal with Pakistan hits a snag over shipping dispute**

According to reports, Uzbekistan's upper house of parliament has adopted a bill that would open up air corridors over Uzbek territory for use by U.S. forces in Afghanistan. The agreement stipulates that Uzbekistan will designate special air corridors for U.S. airplanes carrying personnel and goods intended to ensure the security and reconstruction of Afghanistan. Aircraft will not be allowed to land except in the case of an emergency or due to other unavoidable reasons.⁴⁰

In another development, reports noted that the railway project between Kazakhstan, its gas-rich southern neighbour Turkmenistan and Iran is set to be in operation by the end of this year. The railway covers 561 miles, with the bulk of the railway running through Turkmenistan (434 miles). Seventy-four miles of track will be located in Kazakhstan, while Iran will host 58 miles of the railway.⁴¹

Turkmenistan has announced plans to launch the country's first ever tactical military exercises in the Caspian Sea in early September. The drills involving both military and law enforcement units will be called Khazar-2012 ('Caspian-2012').⁴²

According to reports, security concerns in Central Asia and Afghanistan and economic issues are likely to top the agenda when Uzbek president Islam Karimov visits his Kazakh counterpart Nursultan Nazarbayev in the first week of September. The US withdrawal of troops from Afghanistan from 2014 onwards, recent violence in Tajikistan's Badakhshan province, Islamic militant activity in Central Asia, natural gas pipeline to China and electricity grid issues are likely to be the key drivers for the talks.⁴³

In other developments in the region, Russia's second largest oil and gas firm Lukoil has said that it has discovered a sizeable reservoir of natural gas in the mountains of south Uzbekistan. Well

⁴⁰ "Uzbekistan to open airspace to US military", Universal Newswires, August 29, 2012, <http://www.universalnewswires.com/centralasia/viewstory.aspx?id=12708>

⁴¹ "Kazakh-Turkmen-Iran railway to be in operation this year", Universal Newswires, August 29, 2012, <http://www.universalnewswires.com/centralasia/viewstory.aspx?id=12709>

⁴² "Turkmen military to hold first Caspian naval drills", Universal Newswires, August 30, 2012, <http://www.universalnewswires.com/centralasia/viewstory.aspx?id=12714>

⁴³ "Uzbek, Kazakh leaders to talk regional security", Universal Newswires, August 31, 2012, <http://www.universalnewswires.com/centralasia/viewstory.aspx?id=12724>

testing at the gas and condensate field on its South-West Gissar block has resulted in flow rates of as much as 650,000 cubic meters of gas and more than 77 tons of gas condensate per day.⁴⁴

Reports noted that energy, transport, and communications topped the agenda of the visit to Tajikistan by Germany's Federal Minister for Economic Cooperation and Development Dirk Niebel. The two sides also discussed the political and social affairs in Afghanistan and their impacts on Central Asia and beyond.⁴⁵

Kyrgyzstan's acting premier Omurbek Babanov has said that he expects the Central Asian state's gross domestic product (GDP) to grow by 9.8 percent in 2013 with the projected budget deficit amounting to US\$367.9 million or 4.8 percent of GDP.⁴⁶

Kazakh authorities have said that the country will leave the regional energy grid it shares with Kyrgyzstan and Uzbekistan if a satisfactory agreement is not reached by 2013. The bone of contention is Uzbekistan's alleged siphoning of power without actually paying for it.⁴⁷

Reports noted that Tajikistan's plans to acquire 30,000 tons of cut-price sugar from Pakistan, has hit a snag over who will pay the freight costs. Pakistan had agreed with Tajikistan to sell the sugar at \$597.90 per ton, which is \$20 below international rates.⁴⁸

Russia

- **Gazprom and Bulgaria sign a protocol agreement for the implementation of the South Stream energy project; Russia is ready for a broader cooperation with the Non-Aligned Movement countries; Belarus raises export taxes on crude oil to Russia's level; Russia believes that there is no viable alternative to the Annan plan for Syria; Capital outflow forecast for 2012 in Russia is estimated to be around US\$50-60 billion for the year 2012; Sixty Russians banned from entering the UK in connection with the Magnitsky case**

According to reports, Russia's Gazprom and Bulgaria have signed a protocol on the implementation of the South Stream project, the company said after talks in Bulgaria. Gazprom's delegation was led by Deputy CEO Alexander Medvedev. "The sides discussed current cooperation in the gas industry. They discussed in particular the implementation of the Bulgarian section of the South Stream gas pipeline. The sides discussed several documents in the presence of Bulgarian Minister of the Economy, Energy and Tourism Delyan Dobrev," Gazprom said. Gazprom and the Bulgarian Energy Holding EAD signed a protocol on the implementation of the South Stream project in Bulgaria. The document sets the point where the future gas pipeline will be connected to Bulgaria's gas transportation system, specifies its parameters and determines

⁴⁴ "Lukoil discovers sizable gas reservoir in Uzbekistan", Universal Newswires, August 31, 2012, <http://www.universalnewswires.com/centralasia/viewstory.aspx?id=12723>

⁴⁵ "Germany pushes energy, transport deals with Tajikistan", Universal Newswires, August 27, 2012, <http://www.universalnewswires.com/centralasia/tajikistan/viewstory.aspx?id=12688>

⁴⁶ "Babanov predicts 2013 Kyrgyz GDP to grow by 9.8%", Universal Newswires, August 28, 2012, <http://www.universalnewswires.com/centralasia/kyrgyzstan/viewstory.aspx?id=12700>

⁴⁷ "Kazakhstan reiterates threat to leave regional energy grid", Universal Newswires, August 28, 2012, <http://www.universalnewswires.com/centralasia/uzbekistan/viewstory.aspx?id=12702>

⁴⁸ "Tajik-Pakistani sugar deal loses sweetness over shipping dispute", Universal Newswires, August 30, 2012, <http://www.universalnewswires.com/centralasia/viewstory.aspx?id=12716>

further steps in the implementation of the project,” the company said. Both the sides agreed that “the final investment decision on the project will be made on November 15, 2012”.⁴⁹

According to reports, President Putin has said that Russia is seeking to create a common security space and “is ready to build up cooperation with the Non-Aligned Movement for peace and prosperity and the benefit of the whole humankind.”⁵⁰

Reportedly, Belarus has decided to raise the export taxes on crude oil and petroleum products to Russia’s level as of September 1 under a decision by the Council of Ministers. Under the Council of Ministers’ resolution, the export tax on crude oil as of September 1 will go up from 336.6 dollars a tonne to 393.8 dollars a tonne. Since October 1, 2011 Belarus has exported tax-free Russian crude. In exchange it transferred to Russia the proceeds from customs duties on oil products made of Russian oil and exported to third countries. Belarus keeps the export duty from exporting domestically produced oil (about 1.7 million tonnes a year).⁵¹

In other developments, Russia’s Deputy Foreign Minister Gennady Gatilov has said that there is no alternative to the Kofi Annan Plan and the Geneva Communique for beginning of the peace dialog in Syria.⁵²

Russia’s Economic Development Ministry has raised the capital outflow forecast for 2012, to \$50-60 billion. The updated forecast says that there will be no capital inflow of \$15 billion in 2013 as was projected earlier.⁵³

Britain has identified 60 Russian citizens who will be denied permission from entering the UK due to their involvement in the Magnitsky case. On the “blacklist” are judges and officials of security services and the prosecutor’s office.⁵⁴

D. West Asia

Saudi Arabia

● Saudi Arabia clamps down on money laundering and terrorist financing

According to reports, the Saudi Justice Ministry has issued new guidelines tasking all lawyers to report any suspected cases of money laundering and terrorism financing to the Interior Ministry’s

⁴⁹ “Gazprom, Bulgaria sign protocol on South Stream”, ITAR-TASS, August 27, 2012, <http://www.itar-tass.com/en/c32/505111.html>

⁵⁰ “Russia ready for broader cooperation with Non-Aligned Movement”, ITAR-TASS, August 30, 2012, <http://www.itar-tass.com/en/c32/507737.html>

⁵¹ “Belarus raises export taxes on crude oil to Russia’s level”, ITAR-TASS, September 1, 2012, <http://www.itar-tass.com/en/c32/509006.html>

⁵² “No alternative to Annan plan for beginning peace dialog in Syria”, ITAR-TASS, September 2, 2012, <http://www.itar-tass.com/en/c32/509658.html>

⁵³ “Economic Development Ministry doubles capital outflow forecast for 2012”, ITAR-TASS, August 28, 2012, <http://www.itar-tass.com/en/c32/506107.html>

⁵⁴ “60 Russians banned from entering UK over Magnitsky case”, ITAR-TASS, September 2, 2012, <http://www.itar-tass.com/en/c32/509478.html>

Financial Investigative Unit. Saudi Justice Minister Muhammad Bin Abdul Karim Issa called on all lawyers to take appropriate actions to reduce the threat that money laundering and terrorism and to tighten requirements regarding the identification of clients. He stressed that all lawyers must be certain regarding the identity of their clients and who is benefiting from their legal expertise, before establishing any working relations with individuals or companies. In addition to this, the Justice Ministry ruled that a lawyer cannot have any legal or business relations with any anonymous or unknown figures; a legal client must provide his national identity card as well as any relevant business registration and licenses to his lawyer. As for foreign clients, the lawyer must verify his prospective client's residency permit or passport, or diplomatic license, in the case of members of foreign embassies. The Minister stressed that lawyers must also ensure that any prospective client is not listed on any domestic sanctions or embargo blacklist, or the United Nations sanctions.⁵⁵

GCC

- **GCC foreign ministers' meeting discusses regional issues**

According to reports, Gulf Cooperation Council (GCC) foreign ministers in their meeting on September 2, 2012 emphasised the need for finding a quick solution to end the bloodbath in Syria. Saudi Deputy Foreign Minister Prince Abdul Aziz bin Abdullah stated that, "The most important issue that concerns the council is the worsening situation in Syria. It's important that the GCC utilizes its potentials to achieve a quick solution to this crisis." The meeting also condemned Tehran's continuous interference in the internal affairs of GCC countries and urged Iran to stop its hostile policies and provocative statements. The GCC reiterated its deep concern over Iran's nuclear program and asked it to cooperate with the International Atomic Energy Agency. Over the proposed Gulf Union, the ministers decided to give the GCC Secretariat more time to study member countries' opinion before any final decision is taken.⁵⁶

II. DEFENCE REVIEW

National

- **Indian Air Force (IAF) has signed a contract with Swiss firm Pilatus for procurement of 75 Basic Trainer Aircraft (BTA); Government says India is not a party to the dispute over sovereignty over areas of South China Sea**

Reports noted that Indian Air Force (IAF) has signed a contract with Swiss firm Pilatus for procurement of 75 Basic Trainer Aircraft (BTA) to train its rookie pilots and the delivery of these planes is scheduled between February 2013 to August 2015, the Lok Sabha was informed on

⁵⁵ "Saudi Justice Ministry clamps down on money laundering and terrorism financing", *Asharq al Awsat*, September 2, 2012, at <http://www.asharq-e.com/news.asp?section=1&id=30905>

⁵⁶ "GCC seeks all-out efforts to resolve Syrian crisis", *Arab News*, September 3, 2012, at <http://arabnews.com/gcc-seeks-all-out-efforts-resolve-syrian-crisis>

August 27. Defence Minister AK Antony told the House in a written reply, "A contract for procurement of 75 Basic Trainer Aircraft was signed with Pilatus Aircraft Ltd, Switzerland on May 24... The delivery of these 75 aircraft is scheduled from February 2013 to August 2015," In reply to a separate question on shortage of pilots in the IAF, he said that there is a shortfall of over 600 trained pilots in the force. "The present strength of pilots as on August 1, 2012 is 3261 against the sanctioned strength of 3294," Antony said, adding that "the available strength of pilots in IAF is sufficient to meet the current requirement".⁵⁷

In another development, Rajya Sabha was informed on August 30 that India is not a party to the dispute over sovereignty over areas of South China sea which is an issue between many countries in that region. Minister of State for External Affairs E Ahmed said in written reply, "Sovereignty over areas of South China Sea is disputed between many countries in the region. India is not party to the dispute." Many countries including Vietnam and China have territorial claims over the areas of South China Sea, where an Indian Navy warship was reportedly warned by an apparent Chinese aircraft to move out of the area last year. "Government has said that it supports freedom of navigation, right of passage and access to resources in accordance with accepted principles of international law and these should be respected by all," the minister said.⁵⁸

International

- **Libyan government interested in acquiring used U.S. Army Chinook helicopters; U.S. Ambassador to China Gary Locke allays Chinese fears**

According to reports, the Libyan government is interested in acquiring used U.S. Army Chinook helicopters. Raymond Haddad, Boeing's head of Chinook sustainment, said on August 28 during a briefing that Boeing — the maker of the Chinook — is in discussions with the State Department about "opportunities to provide" used Army CH-47E helicopters to Tripoli. The State Department and U.S. Congress must sign off on foreign weapons sales. "Libya is anxious for some additional capability," Haddad added.⁵⁹

In another development, reports noted that U.S. Ambassador to China Gary Locke on September 1 tried to ease China's fears that Washington wants to hem it in by emphasizing any U.S. military presence in Asia was not targeted at a single country. "We strongly believe, and I believe most in the region would agree, that our security presence here is beneficial to the countries of the region and necessary for the continued vitality of the Asia-Pacific," Locke stated. "Our security presence is not aimed at any one country," he said in a speech at Peking University, noting that the United States was also boosting its diplomatic and economic engagement in the region. "We've got a long way to go" in U.S.-China cooperation, the U.S. Ambassador said. He added however, "but

⁵⁷ "IAF to procure 75 trainer aircraft from Pilatus: Antony," The Economic Times, August 27, 2012, at http://articles.economictimes.indiatimes.com/2012-08-27/news/33424912_1_trainer-aircraft-antony-iaf

⁵⁸ "India not party to dispute over areas of South China Sea: Govt," The Indian Express, August 30 2012, at <http://www.indianexpress.com/news/india-not-party-to-dispute-over-areas-of-south-china-sea-govt/995401>

⁵⁹ "Boeing: Libya Has Interest in Used U.S. Army Chinooks," Defence News, August 31, 2012 <http://www.defensenews.com/article/20120831/DEFREG04/308310001/Boeing-Libya-Has-Interest-Used-U-S-Army-Chinooks?odysey=tab|topnews|text|FRONTPAGE>

I'm hopeful that working together we can escape from historical patterns and instead forge a legacy of cooperation and partnership."⁶⁰

III. INTERNAL SECURITY REVIEW

Jammu & Kashmir

- **Jammu and Kashmir interlocutors called on Union Home Minister; CM Omar Abdullah: Interlocutors' Report should form the basis to initiate a dialogue between the centre and the state; Sarpanch injured after being shot at in Awantipora, South Kashmir; CRPF to vacate Hotel Nedous after two decades; Militant killed at Kangan**

According to reports, ahead of holding two separate workshops in Srinagar and Jammu on August 30 and September 2, two of the three former interlocutors on J&K, Chief interlocutor Dileep Padgaonkar and academician Prof Radha Kumar, met the Union Home Minister Sushilkumar Shinde on August 27 and briefed him about their year-long exercise.⁶¹

In another development, reports noted that while the Government of India has made it clear that they were not planning to implement the recommendations of its interlocutors on Kashmir and ruling National Conference terming the interlocation a futile exercise, Chief Minister Omar Abdullah on August 29 said that the report should form the basis to initiate a dialogue between the centre and the state. The Chief Minister after meeting the former interlocutors Dileep Padgaonkar and Prof Radha Kumar remarked that Interlocutors' report has been formulated after consultation with different groups across the state and discussion with various shades of opinion making it one of the most exhaustive exercises of its kind in the last two decades.⁶²

According to reports, suspected militants fired at and injured a Sarpanch in Awantipora area of South Kashmir district of Pulwama on August 27. Posters pasted supposedly by some militant outfits in Pulwama and Shopian districts of South Kashmir last month as well as this month had threatened the Panchs and Sarpanchs to resign from their posts. However, the police downplayed such warnings terming it as the handiwork of mischief mongers.⁶³

⁶⁰ "U.S. Not a Threat to China, Envoy Says," Defence News, September 1, 2012, at <http://www.defensenews.com/article/20120901/DEFREG02/309010004/U-S-Not-Threat-China-Envoy-Says?odyssey=tab|topnews|text|FRONTPAGE>

⁶¹ "Interlocutors begin afresh", *Greater Kashmir*, August 27, 2012 at <http://www.greaterkashmir.com/news/2012/Aug/28/interlocutors-begin-afresh-34.asp>

⁶² "Interlocutors' report to form basis of centre-state dialogue: Chief Minister", *Greater Kashmir*, August 29, 2012 at <http://www.greaterkashmir.com/news/2012/Aug/30/interlocutors-report-to-form-basis-of-centre-state-dialogue-chief-minister-65.asp>

⁶³ "Sarpanch shot at in Awantipora", *Greater Kashmir*, August 28, 2012 at <http://www.greaterkashmir.com/news/2012/Aug/29/sarpanch-shot-at-in-awantipora-69.asp>

Reports noted that the Central Reserve Police Force (CRPF) is vacating Hotel Nedous after more than two decades. The hotel was occupied by the paramilitary forces in early nineties. It was first occupied by the Border Security Force (BSF) and later by the CRPF. After the 2008 massive protests against the allotment of land to Shri Amarnath Shrine Board (SASB), the hotel was turned into a training center by the CRPF for its men.⁶⁴

In other developments, according to reports, one unidentified militant was killed in an encounter between forces and militants in Chattergul forest area of Kangan in Ganderbal district on September 1. Acting on a tip-off about the presence of militants in the forests, a search party of Special Operations Group (SOG) of police, 24 RR and 5 RR started a combing operation to flush out the militants. During the operation the militants opened fire on the search party triggering an encounter. In the ensuing gunfight an unidentified militant was killed.⁶⁵

North East India

- **Bandh turned violent in Assam; Manipur takes up to check illegal immigration; Manipur pushes back illegal migrants; Army moves to seize illegal arms in Kokrajhar; Nagaland returning to normalcy after clashes between the Sumi and Angami Naga tribes**

According to reports, tension gripped many parts of Assam, including the troubled Bodoland Territorial Areas Districts (BTAD), following fresh incidents of violence on August 28 in which at least one person was killed and six people were injured. A 12-hour dawn-to-dusk Assam bandh called by the All Assam Minority Students Union (AAMSU) and other groups under the banner of the United Movement for Peoples Rights also added to the tension. The bandh was called to demand scrapping of the Bodoland Territorial Council (BTC) that runs the administration in four districts of BTAD. Bandh supporters also demanded the arrest of BTC chief Hagrama Mohilary.⁶⁶

Meanwhile, reports noted that in the wake of the violence between Bodos and Bengali-speaking Muslims in Assam, political parties and civil organisations in Manipur have stressed the need to check entry of illegal immigrants. Manipur Home Minister Gaikhangam emphasized that the government of Manipur is ready to carry out an extensive exercise and check if there are illegal migrants in the state.⁶⁷

According to reports, authorities in Manipur have pushed back into Assam sixty suspected Bangladeshis. Manipur Police have launched a crackdown in several parts of the state to flush out illegal Bangladeshi and Myanmar immigrants. A total of forty nine illegal Bangladeshi and Myanmar immigrants have been arrested and booked under the Foreigners Act. Over four hundred suspected illegal immigrants have been rounded up to verify their nationality. It

⁶⁴ "After 20 years, CRPF to vacate Hotel Nedous", *Greater Kashmir*, August 28, 2012 at <http://www.greaterkashmir.com/news/2012/Aug/29/after-20-years-crpf-to-vacate-hotel-nedous-63.asp>

⁶⁵ "Militant killed at Kangan", *Greater Kashmir*, September 1, 2012 at <http://www.greaterkashmir.com/news/2012/Sep/2/militant-killed-at-kangan-24.asp>

⁶⁶ "Assam bandh turns violent, one killed", *The Assam Tribune*, August 28, 2012 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=aug2812/at0145>

⁶⁷ "Manipur parties for check on illegal immigrants" *The Assam Tribune*, August 28, 2012 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=aug2812/at0148>

would be worth noting that Manipur shares a border with Nagaland to the north, with Mizoram to the south and Assam to the west and Myanmar to the east.⁶⁸

In other developments, according to reports, the army, deployed in Assam's troubled Kokrajhar district, has started an operation to seize all illegal arms and ammunition in the district. The army has started an operation in the district on September 2, 2012. The operation will continue till all the illegal arms and ammunition are seized in Kokrajhar. Similar operations might also be carried out in all the areas of Bodoland Territorial Areas Districts (BTAD) and in Dhubri.⁶⁹

Reports noted that Nagaland Home Minister Imkong Imchen has said that the situation in the clash-hit area of Dimapur is slowly returning to normalcy after clashes between the Sumi and Angami Naga tribes. Meanwhile, the army would continue to patrol the affected area to assist the district administration in maintaining law and order. It would be worth noting that clashes between Angami and Sumi tribesmen erupted after one Kivika Assumi, accused of stealing a motorbike in Kohima, died in the custody of an Angami group on August 24, 2012. On August 26, the army had also staged a flag march in Dimapur, the commercial hub of Nagaland a day after clashes.⁷⁰

IV. UNITED NATIONS (UN) REVIEW

- **UN Security Council welcomes progress made by governments of Sudan and South Sudan; Mandate of UN force in Lebanon extended; UNSC welcomes political transition in Somalia; Sudan withdraws from UNHRC; IAEA sets up Task Force in Iran, UN reports Iran's expansion in uranium enrichment machines**

The progress made by the Governments of Sudan and South Sudan in negotiations to fulfill their obligations under the Roadmap laid out by the African Union was welcomed by the Security Council. The Roadmap is aimed at easing tensions, facilitating the resumption of negotiations on post-secession relations and normalizing relations between the two countries. The agreement reached on oil and financial arrangements was also welcomed.⁷¹

Meanwhile, the mandate of the UN peacekeepers in southern Lebanon, the UN Interim Force in Lebanon (UNIFIL) was extended for a year until August 31, 2013. The Council also urged all parties to abide scrupulously by their obligation to respect the safety of the peacekeepers.⁷²

⁶⁸ "Manipur pushes back 60 suspected Bangladeshis", *The Assam Tribune*, September 2, 2012 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=sep0212/at0144>

⁶⁹ "Army moves to seize illegal arms in Kokrajhar", *The Assam Tribune*, September 2, 2012 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=sep0212/at0145>

⁷⁰ "Nagaland returning to normalcy", *The Assam Tribune*, September 3, 2012 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=sep0312/at048>

⁷¹ "Latest violence in South Sudan's Jonglei state threatens recent gains, UN warns", *UN News Centre*, August 31, 2012 at <http://www.un.org/apps/news/story.asp?NewsID=42792&Cr=Sudan&Cr1=>

⁷² "Security Council extends UN peacekeeping force in Lebanon for another year", *UN News Centre*, August 30, 2012 at <http://www.un.org/apps/news/story.asp?NewsID=42783&Cr=Leban&Cr1=>

In other developments, the recent adoption of Somalia's constitution and the inaugural meeting of its new parliament was welcomed by the Security Council. The Council called on all parties to continue to work together to bring a swift end to the country's transition.⁷³

Following strong criticism from human rights and pro-democracy groups, Sudan withdrew its candidacy for a seat on the UN Human Rights Council. Sudan's president, Omar al-Bashir is accused of war crimes in Darfur.⁷⁴

According to reports, the UN's nuclear agency, International Atomic Energy Agency (IAEA) set up an Iran Task Force to handle inspections and other issues related to the country's disputed atomic activities. In the recent past, the IAEA has been voicing concern over the possible military dimensions of Iran's nuclear programme.⁷⁵ Meanwhile, a UN report stated that Iran has doubled the number of uranium enrichment machines in the wake of threat of Israeli attack.⁷⁶

⁷³ "Welcoming 'landmark' events, Security Council urges swift end to Somali transition", *UN News Centre*, August 29, 2012 at <http://www.un.org/apps/news/story.asp?NewsID=42770&Cr=Somali&Cr1=>

⁷⁴ "Sudan withdraws candidacy for UN Human Rights Council", *The Times of India*, September 01, 2012 at http://articles.timesofindia.indiatimes.com/2012-09-01/rest-of-world/33534591_1_omar-al-bashir-human-rights-council-47-member-council

⁷⁵ "UN nuclear watchdog sets up 'Iran Task Force'", *The Times of India*, August 29, 2012 at http://articles.timesofindia.indiatimes.com/2012-08-29/middle-east/33475197_1_nuclear-watchdog-nuclear-sites-military-dimensions

⁷⁶ "Iran doubles underground nuclear capacity: UN agency", *The Times of India*, August 31, 2012 at http://articles.timesofindia.indiatimes.com/2012-08-31/middle-east/33519981_1_fordow-parchin-enrichment-capacity