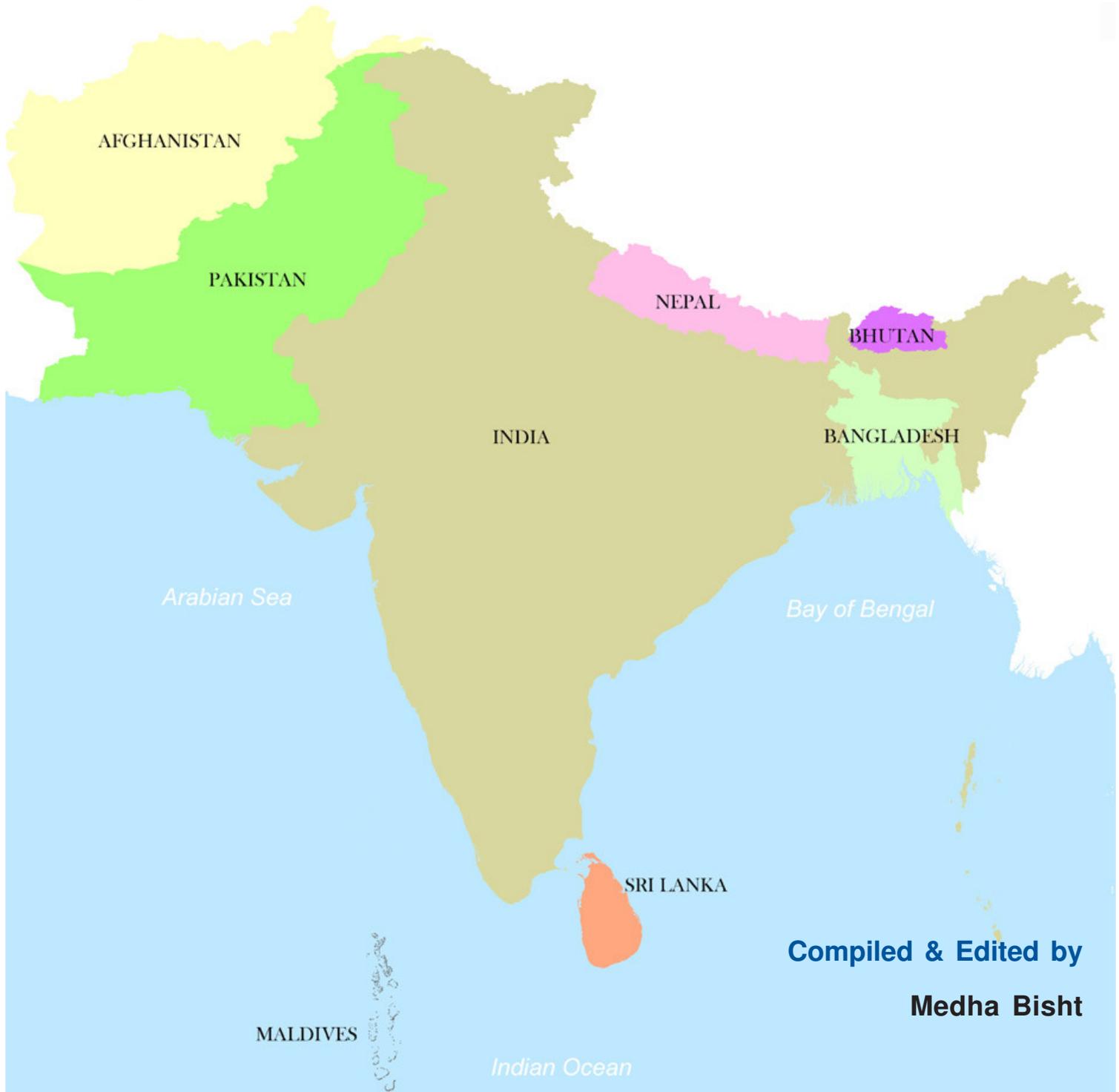


SOUTH ASIA TRENDS

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South Asia Trends is a fortnightly newsletter on South Asian affairs. The purpose of the newsletter is to provide a panoramic view of important events that shape and impact the politics of the subcontinent. The effort would be to inform our readers of the domestic, regional and international repercussions of the political debates and diplomatic engagements that take place in South Asia.



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Editor's Note

With Qatar identified as the political office for peace talks between the Taliban and the 'international community', spokeswoman Victoria Nuland said in an interview that Washington had received no formal notification from Taliban to open an office in Doha. The initiative which had begun with some optimism, however seems to be running into rough waters. The main spoiler comes from the divergence of views held by the Taliban and the Afghan government. While the Taliban insurgents have demanded that prisoners from Guantanamo Bay be transferred to Qatar, Hamid Karzai's government has objected strongly to this demand, asserting that the prisoners be directly sent to Afghanistan. Significantly, rifts have also appeared from the Northern Alliance, who claim that they have been sidelined in the peace process. Abdul Rashid Dostum, Army chief of staff and leader of the National Islamic Movement of Afghanistan, has even emphasized that the talks could win the Taliban time, allowing them to make gains after the departure of international troops. Meanwhile, a U.S. intelligence assessment cautions that Taliban leaders have not abandoned their goal of reclaiming power and reimposing harsh Islamic rule on Afghanistan. The report raises doubts about the success of the peace deal that the Obama administration has initiated with Kabul and the insurgents.

According to some news reports, Bangladesh economy is under stress due to the decreasing foreign exchange reserves. The pressure has primarily come from soaring imports, mainly oil. M. K Mujeri, Executive Director of Bangladesh Institute of Development Studies, states in an interview that "continued devaluation of local currency, high inflation, shrinking foreign currency reserve and slowing business activities are plaguing the economy."

Meanwhile the issue of state funding of political parties in Bhutan continued to plague the eight session of the parliament. While the issue will be debated in the second sitting, the National Council has decided that is not necessary to give state funding to the political parties at least at this point of time.

Energy crises, particularly shortage of gas, triggered mass protests across the cities of Pakistan. Beginning of the year, Pakistan Muslim League-Nawaz (PML-N) recorded their protest against gas shortages while Muttahida Qaumi Movement (MQM) against price hike by walking out from the National Assembly's session. While energy shortage will occupy the political landscape for the months to come, according to one news report, China Three Gorges Project Corporation (CTG) has announced that it has plans to invest up to \$15 billion for generating 10,000 megawatts (MW) power in Pakistan during the next five years. The civilian- military tensions also created some anxiety in Pakistan. Even as there were conjectures floating around that Pakistan Tehreek-i-Insaf (PTI) was being backed by the Army, Imran Khan in a recent media report stated that PTI would never accept any unconstitutional step by the army to remove the government

Afghanistan

Qatar to Support Taliban Families in Doha

Daily Outlook Afghanistan, January 2, 2012

The government of Qatar has said it will financially support the families of Taliban leaders who recently moved to Doha, High Peace Council says. The Council says that Qatar is committed to support the Taliban office in Qatar to continue peace talks. Meanwhile, the Associated Press has written that US officials are planning to hold secret talks with the Taliban in European countries and in the Persian Gulf in the coming spring. Foreign relations chief of the High Peace Council, Ismaiel Qasemyar, says now that the Taliban families have moved to Qatar, the Taliban must stop all attacks in Afghanistan.

(Source: http://outlookafghanistan.net/news?post_id=2994)

US-Taliban Talks A Trust-Building Measure: HPC

Daily Outlook Afghanistan, January 4, 2012

The Afghanistan High Peace Council (HPC) secretary said the peace negotiations between the United States and the Taliban in Doha were aimed at creating an atmosphere of confidence. Maulvi Arsala Rahmani told Pajhwok Afghan News no one from the council would participate in the talks between the Taliban and the US. He said the US was sincere in its talks with the rebels, therefore the talks could succeed. However, he said a final decision on Taliban's integration would be taken by the Afghans themselves. He praised the US and Afghanistan's neighboring countries for their support toward the reconciliation plan

Taliban Agreed to Liaison Office in Doha

Daily Outlook Afghanistan, January 4, 2012

The Taliban confirmed they had agreed to have a political office in Qatar for peace talks with the Afghan government and the international fraternity. A Taliban spokesman Zabihullah Mujahid in a statement said they agreed to have an office outside Afghanistan to initiate a dialogue process with the international community. "We are right now ready to have a political office overseas, in order to have an understanding with the international community, and in this regard we have reached an initial understanding with Qatar and relevant sites," Mujahid said.

(Source: http://outlookafghanistan.net/news?post_id=3010)

Iran boosts efforts to influence Afghanistan

Washington Post, January 4, 2012.

Worried that U.S. troops could stay in Afghanistan beyond 2014, Iran is mounting an aggressive campaign to fuel anti-American sentiment here and convince Afghan leaders that a robust, long-term security partnership with Washington would be counterproductive, Afghan officials and analysts say. The Iranian initiative involves cultivating closer relations with the Taliban, funding politicians and media outlets, and expanding cultural ties with its eastern neighbor. Although the effort has been underway for years, Iran has been moving with increased vigor in recent

months because the United States and Afghanistan are negotiating a security agreement that could set the parameters for a U.S. troop presence here after 2014.

(Source: http://mobile.washingtonpost.com/rss.jsp?rssid=613&item=http%3a%2f%2fwww.washingtonpost.com%2fworld%2fasia_pacific%2firan-strives-to-play-spoiler-in-afghanistan%2f2012%2f01%2f01%2fgIQAZ6gCbP_mobile.mobile&cid=583&spf=1)

Taliban Office Could Play Positive Role to End War: US

Daily Outlook Afghanistan, January 5, 2012.

Spokeswoman Victoria Nuland said that Taliban political office in Qatar could play a positive role in ending the war in Afghanistan. She said that Washington has received no formal notification of Taliban plans to open an office in Doha, but we are willing to support the move if it is part of Afghan-led reconciliation." This process will only be successful if those Taliban are prepared to renounce violence, break ties with al-Qaeda, support the Afghan constitution in all of its elements - including human rights for all citizens in particular for women," she said.

(Source: http://outlookafghanistan.net/news?post_id=3022)

Taliban want US prisoners sent to Qatar: official

Dawn News, January 6, 2012

Afghanistan's Taliban insurgents have demanded in negotiations with the US that prisoners held in Guantanamo Bay be transferred to Qatar, an Afghan government spokesman said on Friday. But President Hamid Karzai's government objects strongly to the move and wants the prisoners sent directly to Afghanistan, presidential spokesman Aimal Faizi told AFP. The Taliban announced this week that they planned to set up a political office in Qatar, a move seen as a precursor to peace talks with Washington. At the same time, the hardline Islamists demanded the release of prisoners from the US military detention centre at Guantanamo Bay in Cuba - but the statement did not specify where they should be sent.

(Source: <http://www.dawn.com/2012/01/06/taliban-want-us-prisoners-sent-to-qatar-official.html>)

Political Brinkmanship Continues in Afghan-U.S. Talks

Daily Outlook Afghanistan, January 9, 2012.

Afghan investigators have accused the American military of abusing detainees at its main prison in the country, bolstering calls by President Hamid Karzai for the U.S. to turn over control of the facility and complicating talks about America's future role in Afghanistan. The investigators also called on for any detainee held without evidence to be freed, putting the U.S. and Afghan governments on a collision course in an issue that will decide the fate of hundreds of suspected Taliban and al Qaeda operatives captured by American forces and held indefinitely. Karzai took Washington by surprise when he ordered that the U.S. military turn over full control of the prison outside Bagram Air Base within one month, a seemingly impossible deadline given U.S. security concerns about the prisoners and the Afghan government's weak administrative capacity. The countries had been working on

phasing a transfer of responsibility of the prison, which hold 3,000 detainees, over two years.

(Source: : http://outlookafghanistan.net/news?post_id=3056)

Afghan leaders cast doubt on U.S.-Taliban talks

Money Control, January 10, 2012.

A group of Afghan political leaders cast doubt on the outcome of U.S. talks with the Taliban, which have become a key focus of Washington's efforts to leave Afghanistan as planned by 2014. Abdul Rashid Dostum, army chief of staff and leader of the National Islamic Movement of Afghanistan, said the talks could win the Taliban time, allowing them to make gains after the departure of international troops.

Senior U.S. officials told Reuters last month that, after 10 months, talks with the Taliban had reached a critical juncture and they would soon know if a breakthrough was possible.

(Source: http://www.moneycontrol.com/news/wire-news/afghan-leaders-cast-doubt-us-taliban-talks_647882.html)

Intelligence report: Taliban still hope to rule Afghanistan

Mcclatchy News, January 11, 2012.

A new top-secret U.S. intelligence assessment warns that Taliban leaders haven't abandoned their goal of reclaiming power and reimposing harsh Islamic rule on Afghanistan, raising doubts about the success of any peace deal that the Obama administration tries to broker between Kabul and the insurgents. The National Intelligence Estimate presented to President Barack Obama last month also concluded that security gains won since last year's 30,000-strong U.S. troop surge may be unsustainable, a finding that top U.S. commanders and the White House dispute, according to U.S. officials and people familiar with the report's findings.

(Source: <http://www.mcclatchydc.com/2012/01/11/135574/intelligence-report-taliban-still.html#storylink=cpy>)

Berlin Meeting, Such Actions Should not be Repeated: MoFA

Afghan Daily Outlook, January 12, 2012.

Congressman Dana Rohrabacher and other US lawmakers who met Afghan political leaders in Germany did not represent the Obama administration, a State Department official said. He said the Berlin session that conferred on a federal system of government in Afghanistan was a privately arranged meeting, which drew angry reaction from the Ministry of Foreign Affairs in Kabul. Ahmad Zia Masoud, Gen. Abdul Rashid Dostum, Haji Mohammad Mohaqiq, Atta Mohammad Noor, Dr. Abdullah Abdullah, Amrullah Saleh, Younas Qanooni were urged by the congressmen to initiate efforts for a federal system. Afghan Ministry of Foreign Affairs (MoFA) said the government considered a foreign role in this regard as plain interference in Afghanistan's internal affairs. It insisted "such actions" should

not be repeated. Without naming anyone, a statement from the ministry said some Afghans had participated in the meeting hosted by the Aspen Institute, an international think tank providing a place to exchange ideas about leadership and contemporary issues.

(Source: http://outlookafghanistan.net/news?post_id=3094)

Japan Foreign Minister Arrives Kabul

Daily Outlook Afghanistan, January 12, 2012

Japan Foreign Minister as a high ranking delegation arrived Kabul today.

According to BNA reporter from Kabul International Airport, the aim of his trip is visit with Hamid Karzai President of the Islamic Republic of Afghanistan and Zalmi Rasool Minister of Foreign affairs and also negotiation regarding Tokyo conference which will be held regarding the assistances of that country to Afghanistan in the near future and also further consolidation of friendly relations between the two countries. (BNSA).

(Source: http://outlookafghanistan.net/news?post_id=3091)

Afghan Northern Alliance Allies Betrayed by Obama Administration; Meet with U.S. Congressmen in Berlin

Daily Outlook Afghanistan, January 12, 2012

Today, Rep. Louie Gohmert (TX-01) along with Reps. Dana Rohrabacher (CA-46), Loretta Sanchez (CA-47) and Steve King (IA-05) held a press conference in Berlin, Germany, on their private meeting with Northern Alliance Leaders on Afghan Strategy. These leaders who fought with embedded Special Forces to initially defeat the Taliban represent over 60-percent of the Afghan people, yet are being entirely disregarded by the Obama and Karzai Administrations in negotiations.

Instead, the Obama regime is choosing to now make concessions to the group that helped train for the 9-11 attacks and whose leader proclaimed on Afghan TV recently that the U.S. has been defeated and is now begging them for negotiations.

(Source: http://outlookafghanistan.net/news?post_id=3081)

US Marines identify Afghanistan 'urination' troops

BBC News, January 13, 2012

At least two of four US Marines shown in a video appearing to urinate on Taliban corpses have been identified, a Marine Corps official has told the BBC. The video, which was posted online, purports to show the Marines standing over the bodies of several Taliban fighters, at least one of whom is covered in blood. The Marines have begun a criminal investigation and an internal inquiry. US officials and Afghan officials have condemned the video. The Taliban condemned the video, but said it would not affect the political process.

(Source: <http://www.bbc.co.uk/news/world-16538159>)

Bangladesh

Bangladesh forex reserves rise but may fall again

Business Recorder, January 1, 2011

Bangladesh's foreign exchange reserves rose to \$9.63 billion at the end of December from the lowest since August 009 in November, although they were down from \$11.17 billion a year earlier, the central bank said on Sunday. Reserves are likely to fall again this month because of scheduled bimonthly import payments to the Asian Clearing Union, a senior central bank official said. Bangladesh's foreign exchange reserves came under pressure from soaring imports, mainly of oil, while exports and remittances grew more slowly amid a faltering global economy.

(Source: <http://www.brecorder.com/business-a-finance/banking-a-finance/40861-bangladesh-forex-reserves-rise-but-may-fall-again-.html>)

MoF grants Tk 5.0b loan to BPC for fuel import

Financial Times, January 2, 2012

The Ministry of Finance (MoF) has granted a loan of Tk 5.0 billion to Bangladesh Petroleum Corporation (BPC) from the revenue budget on condition that the BPC will ensure uninterrupted fuel supply to the diesel-based power plants. The loan having a 20-year repayment provision was granted on Wednesday last. The rate of interest for the loan is five per cent, according to an office order of MoF.

"The loan worth Tk 5.0 billion has been provided to cash-starved BPC as it has been incurring substantial amount of financial loss due to the gross mismatch between cost of import and selling price of fuel oils during July-August period of the current fiscal year," a top finance official said.

(Source: http://www.thefinancialexpress-bd.com/more.php?news_id=161470&date=2012-01-02)

Discord on power tariff baffles all

Daily Star, January 2, 2012.

A minister and an adviser to the prime minister made news headlines on Monday by contradicting each other over a vital public issue — whether the price of power will continue to rise over the next three years or not. Finance Minister AMA Muhith at a press conference in Bidyut Bhaban on Sunday said power prices will have to be incrementally increased over the next three years to reduce the subsidy burden on the government. Soon after Muhith left the conference, Energy Adviser to the Prime Minister Dr Tawfiq-e-Elahi asked the media not to take the finance minister literally. Dr Elahi said he disagreed with Muhith and that a tariff hike or reduction could not be predicted. He said power prices will be "adjusted" in future.

The contradictory comments left the audience, who saw several rounds of power tariff hike last year, confused.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=216787>)

Deep-sea port still far away

Daily Star, January 3, 2012

Setting up a deep-sea port appears a far cry as the government has taken two and a half years to draft a law only, let alone approving designs and finding investor for the Tk 40,000-crore project. The cabinet in a meeting yesterday accepted in principle the draft of Sonadia Deep-Sea Port Authority Act 2011. The draft has to be vetted by the law ministry and then approved by the cabinet before it is placed in parliament. Inefficiency of the shipping ministry and red-tapism are responsible for the long delay in framing a law, the first step to build the port in Sonadia Island in the Bay, experts say. The government has aimed to begin the port construction towards the end of 2011.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=216808>)

Delhi should allay Dhaka's concerns

Daily Star, January 4, 2012

A leading Indian newspaper yesterday editorially asked the government of Prime Minister Manmohan Singh to move quickly to "arrest the ebb" in relations with Bangladesh by addressing Dhaka's concerns over Teesta water-sharing, transit and visa hurdles. The Times of India editorial said that West Bengal Chief Minister Mamata Banerjee "needs to be persuaded on the Teesta agreement or else the UPA government should assert the centre's unilateral right to make foreign policy".

"Prime Minister Manmohan Singh's Dhaka visit last September was meant to dramatically transform India-Bangladesh relations. But three months on, the momentum is ebbing", the editorial stated.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=216935>)

Indian investments in Bangladesh stand at Rs 3,000 crore

Times of India, January 4, 2012

Indian investments in Bangladesh add up to about \$600 million (over Rs 3,000 crore), and this is expected to go up substantially as economic ties deepen between the two neighbours. "There is an export processing zone (EPZ) exclusively for Korean firms and we can do the same for Indian companies," the official said adding that they expect a robust response from Indian firms. After a rush of investment in SEZs in India, flow of projects has dried up after the government announced its intent to withdraw tax concessions and several of the large projects ran into land acquisition hurdles.

(Source: <http://timesofindia.indiatimes.com/business/india-business/Indian-investments-in-Bangladesh-stand-at-Rs-3000-crore/articleshow/11358584.cms>)

ADB to provide \$300m for energy infrastructure

Daily Star, January 5, 2012.

Bangladesh yesterday signed a \$300 million energy infrastructure loan agreement with the Asian Development Bank (ADB) to help the country address critical power

shortage, which is undermining the economy and hindering poverty reduction efforts. The loan for the six-year Power System Efficiency Improvement Project will help meet Bangladesh's urgent need for more energy-efficient generating plants and greater use of renewable power sources, said the Manila-based ADB in a statement. According to Power Development Board sources, aging thermal plants, inadequate natural gas supplies and lack of diverse power sources left the country with a gap of estimated over 1,200 megawatts in 2011 between electricity supply and demand.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=217069>)

Bangladesh Among Fastest-growing Renewable Energy Markets

Energy Bangla, January 8, 2012.

Speakers in the session said the country's private sector played the main role in expanding the use of renewable energy, particularly solar energy. Infrastructure Development Company Ltd chief executive officer and managing director Islam Sharif said the IDCOL presently was selling 3,500 units of solar home system a month in rural areas and the sales volume was expected to increase to 5,000 units within the next few months. The IDCOL through a number of non-governmental organisations has distributed around one million units of solar home system with a combined storage capacity of more than 40 mega watts of power for a few hours.

Taposh also said the private sector played the pioneering role in expanding the use of renewable energy while the government came later with a commitment of providing favourable policy support. He said the cabinet approved a proposal for forming a sustainable and renewable energy development authority and amending the Renewable Energy Policy, 2008 to institute effective policy and regulatory framework for expanding the use of renewable energy in the country.

(Source: <http://www.energybangla.com/index.php?mod=article&cat=GreenPage&article=25071>)

Gas price may double in posh areas

Daily Star, January 11, 2012.

The government may consider doubling household gas price in Dhaka's posh areas, that get uninterrupted supply, to prevent wastage, said the head of energy regulator yesterday. "Households misuse gas as there is no metre. To save gas, we can straightaway increase the gas prices by 100 percent in the areas where people get round-the-clock supply," said Syed Yusuf Hossain, chairman of Bangladesh Energy Regulatory Commission (Berc). He said gas prices in areas such as Gulshan, Banani, Dhanmondi, Uttara and DOHS could be increased. "But we should not increase the price for areas where people get gas supply only at night for five to six hours," Hossain said while speaking at a deal signing ceremony at Ruposhi Bangla Hotel in the city. Gas Transmission Company Ltd, a company of Petrobangla, struck the agreement with Man Industries (India) Ltd, a line-pipe maker, for supplying pipes worth Tk 600 crore for the Bibiyana-Dhanua gas pipeline project.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=217746>)

Impact of Tipai Dam on the haor regions

Md. Khalequzzaman, Daily Star, January 11, 2012.

The debate over potential impacts of Tipaimukh Dam has intensified following Adviser Gawher Rizvi's article in The Daily Star on December 13, 2011 in which he called for a science-based analysis of the proposed project. The Tipaimukh Dam will retain about 15 billion cubic metres (BCM) of water at peak level, which is about 31% of the total flow of water that enters Bangladesh through Barak River into Surma-Kushiyara-Meghna rivers. Therefore, it is unacceptable to Bangladesh that India will have unilateral control over 31% of the water in a shared river. Proponents of the dam (Advisor Gawher Rizvi, Water Minister Ramesh Shil, Foreign Minister Dipu Moni, etc.) in the government claim that they have necessary information on Tipaimukh Dam, and that the Indian government (including Manmohon Singh) reassured them on numerous occasions that they will not do anything to harm Bangladesh. This logic is unacceptable for many reasons: (a). India should not decide what is good for Bangladesh and her people without first taking them in confidence. If India's intension was to help Bangladesh then they would have studied all environmental and economic impacts jointly with Bangladesh before initiating this project; (b) India did not even inform Bangladesh about this project before they signed an agreement on October 24, 2011. They are in clear violation of all laws, policies, and agreement that are practiced on shared international rivers.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=217647>)

Bangladesh, Russia set to finalise four agreements

Gulf News, January 11, 2012.

Bangladesh and Russia are set to finalise four agreements to promote bilateral relations in various areas including nuclear safety, agriculture and healthcare.

This was informed in a meeting between Prime Minister Sheikh Hasina and outgoing Russian Ambassador Gennady P Trotsenko in Dhaka yesterday.

Briefing reporters after the meeting, PM's press secretary Abul Kalam Azad said the agreements include co-operation in nuclear and radiation safety regulation, visa exemption for diplomatic and official passport holders, co-operation in agriculture and co-operation on healthcare. The prime minister urged Russia to increase the import of ready-made garments from Bangladesh. She also sought broader co-operation in higher education in basic and applied science as in the past.

Hasina recalled the contribution of Russia during Bangladesh's Liberation War in 1971 and post-war reconstruction works including clearance of mines and sunken ships at the anchorage of Chittagong port.

(http://www.gulf-times.com/site/topics/article.asp?cu_no=2&item_no=479862&version=1&template_id=44&parent_id=24)

B'desh to Extend Trade With Nepal, Bhutan, North East

Outlook India, January 12, 2012.

Bangladesh Prime Minister Sheikh Hasina today said that her country wanted to further trade with Nepal, Bhutan and the North-East which would be possible "if both countries come forward with open mind to solve common problems". The Bangladesh Prime Minister, whose two-day trip to Tripura ending today, called for mutual trust, cooperation and cordial relations in building infrastructure to enhance bilateral trade and eradicate poverty. She said Bangladesh had agreed to open Chittagong and Mongla ports and Ashuganj river port for use by India. Work on the Agartala-Akhaura railway line connecting it with Bangladesh Railways was in progress and infrastructure in the Land Custom Stations (LCS) on both sides were being built.

Source: <http://news.outlookindia.com/items.aspx?artid=747516>

Rep. Betty McCollum returns from Bangladesh trip

Minn Post.com, January 12, 2012,

Congresswoman Betty McCollum, who represents St. Paul and some east metro suburbs, was in Bangladesh for five days on a fact-finding mission, reports MPR. Her office said she met with Prime Minister Sheikh Hasina and Nobel Prize winner Muhammad Yunus, known for micro-lending, while traveling with Ambassador Melanne Verveer, the State Department's point person for global women's issues, the story said.

(Source: http://www.minnpost.com/politicalagenda/2012/01/12/34297/rep_betty_mccollum_returns_from_bangladesh_trip)

Govt feels pinch of forex crunch

New Age, January 13, 2012

The government has started feeling the pinch of foreign currency shortage in many areas, including difficulties in importing fuel oils needed for powering water pumps in the current irrigation season, officials said. Bangladesh Petroleum Corporation, the state-owned petroleum importer and distributor, requested the state-run banks over last fortnight to make payment for two fuel oil consignments. But Janata and Agrani banks refused to foot the oil import bills because of shortage of US dollar, they said. Besides the direct impact, the country is facing many other indirect effects of the lingering crisis of greenback, experts said. 'Continued devaluation of local currency, high inflation, shrinking foreign currency reserve and slowing business activities are plaguing the economy,' said Bangladesh Institute of Development Studies executive director MK Mujeri.

(Source: <http://newagebd.com/newspaper1/frontpage/46852.html>)

USAID pledges to spend \$922m by 2016

Daily Star, January 13, 2012

The United States Agency for International Development (USAID) will provide \$922 million to Bangladesh over the next five years to help the country address

Bhutan

food security, health and global climate change. The health sector will receive the largest assistance of \$312 million, while USAID will spend \$269 million for food security, \$210 million for humanitarian assistance, \$66 million for strengthening democracy and governance and \$63 million for climate change. USAID Bangladesh Mission Director Richard Greene unveiled the agency's new five-year strategy from 2011 to 2016 for the nation at an event at Radisson Hotel in Dhaka yesterday.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=218157>)

UNHCR welcomes aid of Rs 330 m from European Commission

Bhutan News Service, December 28, 2011.

The European Commission and UNHCR concluded an agreement recently under which the Commission will contribute EURO 2,950,000 (equivalent to NPR 330 million) to UNHCR's programme for the refugees from Bhutan in Nepal. This contribution for the period 2011 to 2014 will go towards meeting the ongoing protection and material needs of the refugees from Bhutan in camps in eastern Nepal under all sectors of assistance, including health and nutrition, education, legal assistance, sanitation, shelter and water, including the camp consolidation process, stated a joint press statement issued Wednesday. The European Commission has been continuously supporting UNHCR's activities in Nepal since the beginning of the programme for the refugees from Bhutan. "We are profoundly grateful for this generous donation which is a clear sign of the strong commitment of the European Commission towards the cause of the refugees," said Stephane Jaquemet, the UNHCR Representative in Nepal.

(Source: <http://www.bhutannewsservice.com/main-news/unhcr-welcomes-aid-of-rs-330-m-from-european-commission/>)

State funding for political parties not necessary says NC

Bhutan Broadcasting Service, January 4, 2011

It is not necessary to give state funding to the political parties at least at this point of time. This is the finding of a thorough study conducted by the National Council.

The study was conducted to help resolve whether state funding is required for democracy to succeed in the Kingdom. The issue has been debated time and again and for years ever since the kingdom held the historic parliamentary elections and the first democratically elected government was formed. Its supporters argue that without state funding the political parties will not be able to sustain themselves financially. Political parties are allowed to raise money only through registration and membership fees and voluntary contributions from members.

(Source: <http://www.bbs.com.bt/bbs/?p=8118>)

House to begin from today ; Amendment of tobacco act as urgent bill likely

Bhutan News Service, January 4, 2012.

The two-week long eighth session of the Parliament has been scheduled to commence from today. Much anticipated to amend the world's strictest tobacco control act, the House will also discuss a number of other bills - King's relief fund, disaster

management, education city and child adoption, among others. Based on the Parliamentary practices, amendment proposal of the Tobacco Control Act 2010 will be endorsed and implemented before the House comes to an end since the government is preparing to table the proposal as an urgent bill.

(Source: <http://www.bhutannewsservice.com/main-news/nation/eight-house-session-to-commence-from-today/>)

Still a “no” to state funding

Kuensel, January 6, 2011

Although the Parliament will probe at the controversial clause, the state funding of political parties, for the last time in a joint sitting today, National Council has already reiterated its stand and declared it unconstitutional. This was done through a report council's good governance committee compiled and distributed to the Parliament members several days ago. "National Council could not see any convincing evidence to believe that political parties need state funding at this stage," the report stated.

In amending the election bill during the Parliament's sixth session, National Assembly had introduced a new section that stated the ruling and the opposition party may receive state fund to maintain party machineries.

(Source: <http://www.kuenselonline.com/2011/?p=24566>)

Bhutan state funding deadlock delays election amendment bill adoption

Asia News, January 8, 2012.

Despite more than four hours of discussions at the joint sitting and about 20 submissions by the members, including the prime minister, Parliament yesterday could not adopt the election amendment bill, in which features the controversial state funding of the political parties issue.

The parliament instead decided to discuss the issue of state funding, one of the most discussed subjects since the first session in 2008, in another joint sitting scheduled for January 19. This time, the delay in adoption was because of legislative procedures, rather than the protracted deliberations. Joint committee, comprising members from the two houses, National Assembly and National Council, had failed to put forward a set of recommendations, as required by law.

"The committee didn't adhere to the rules," speaker Jigme Tshultim said. "There's no way we can proceed to voting and adopt the bill without the committee submitting the recommendations."

(Source: <http://www.asianewsnet.net/home/news.php?id=26021&sec=1>)

NA discusses Disaster Management Bill

Bhutan Broadcasting Service, January 9, 2012.

The Home and Cultural Affairs Minister introduced the Draft Disaster Management Bill in the National Assembly today. The Bill will facilitate the prevention and

mitigation of disasters and help the coordination and provision of effective response, relief and recovery from disaster. The Bill mandates the government to provide leadership and support to protect society from disasters and adequate space for diverse groups such as experts and private individuals to function in the field of disaster management.

The Draft Disaster Management Bill will be further discussed before endorsement.

(Source: <http://www.bbs.com.bt/bbs/?p=8211>)

Introduction of Bills in the National Council

National Council, January 9, 2012

The National Council resumed today with the introduction of the Bhutan Institute of Medical Sciences Bill 2011, the National Flag Bill (Private Members) 2012 and the Parliamentary Entitlements (Amendment) Bill 2012. During the introduction of Bhutan Institute of Medical Sciences Bill 2011, the Hon'ble Minister for Health stated that the Bill was found extremely needed after doing a need assessment in collaboration with WHO & AIIMS, India in 2008 and 2009. He said that having a Medical College in Bhutan would solve the current shortage & sustainable recruitment of professional health workers in the country. He also added that the Medical College was mainly for providing greater services to the public. Following this, Hon'ble Members from Lhuentse and Wangduephodrang introduced the National Flag Bill 2012, the first ever Private Members Bill in the National Council.

(Source: <http://www.nationalcouncil.bt/?p=3003#more-3003>)

State funding conundrum

Bhutan Times, January 11, 2012.

With the failure to adopt the election amendment bill which comprise the controversial state funding of the political parties, MPs relentlessly lobbying for the same returned home empty handed from the Parliament on Friday. The study conducted by the National Council's Good Governance Committee (GGC) did not find enough reasons to believe that political parties were in need of state funding to run their party machineries. To support the study the two political parties' annual financial statements, charters and other relevant laws were looked into. Consultative meetings with the two political parties, Royal Audit Authority (RAA) and Election Commission of Bhutan (ECB) were further initiated to validate the findings.

(Source: http://www.bhutantimes.bt/index.php?option=com_content&task=view&id=3077&Itemid=1)

Maldives

DQP requests action against President, Tourism Minister as Maldives image shifts from glam to grit

Minivan News, January 3, 2011

Minority opposition Dhivehi Qaumei Party (DQP) has requested Maldives Police Service to take immediate action against President Mohamed Nasheed and Minister of Tourism Mariyam Zulfa for ordering all resorts to close down health spas.

In a letter, DQP alleged that the government officials were conspiring to damage the Maldives' image as a popular holiday destination.

The party's statement added that the government's "irresponsible" action is making headlines in the international media.

(Source: <http://minivannews.com/politics/dqp-requests-action-against-president-tourism-minister-as-maldives-image-shifts-from-glam-to-grit-30270>)

Public finds Parliament "most corrupt" institution: Transparency International

Minivan News, January 6, 2011

A new report published by Transparency International finds that 90 percent of surveyed Maldivians believe that "corruption has increased" or remained level in the last three years, while they dubbed the parliament as the "most corrupt" institution.

The "Daily Lives and Corruption: Public Opinion in Maldives" report surveyed 1001 people in the Maldives between April 23 and April 29 of 2011 to capture public perception of corruption in the country. The survey was conducted by Gallup Pakistan of Gallup International, a leading polling service.

(Source: <http://minivannews.com/politics/public-finds-parliament-most-corrupt-institution-transparency-international-30430>)

Nepal

Nepal Intl. parliament board: Annul unequal treaties with India

Telegraph Nepal, January 1, 2012.

The International Relations Committee of the parliament has advised the government to strictly maintain the policy of 'equi-distance' between Nepal's immediate neighbours China and India. In its working paper drafted after holding intense dialogue with the concerned officials, the parliamentary committee claims that the country's relations with both the neighbours yet remain in 'deep suspicion'. Why suspicion? Isn't it South tilted policy? Said Chairman Padmalal Biswakarma of the committee, "Our foreign policy must adopt the strategy of equidistance in the conduct of our relations with both the neighbours with the aim later to transform the country like a bridge between the two rising powers of Asia". Biswakarma said, "All unequal treaties signed with India after 1950 must be abrogated," and adds, "The 1965 letter of exchange between Nepal and India has been harmful to Nepal and thus it must also be scrapped."

(Source: <http://www.telegraphnepal.com/headline/2012-01-01/nepal-intl-parliament-board:-annul-unequal-treaties-with-india.html>)

Constitution to be drafted within five-month: Rijal

Himalayan Times, January 2, 2012

Central Member of the Nepali Congress Dr. Minendra Rijal expressed his confidence that the peace process will be concluded very soon and a new constitution will be issued within the next five months. Speaking at a press meet organised by the Nepal Press Union (NPU) Morang, here on Monday, leader Rijal also claimed that the Nepali Congress-led national government will be formed prior to promulgating a new constitution after peace process is finalised. The decision taken by the party central committee on the issue of prime ministerial candidate will be acceptable to all, he added. Commenting on the extension of the Constituent Assembly (CA) term, he urged all the political parties to focus on the statute drafting process as per the Supreme Court verdict on the CA term. "There is no alternative other than following the Court verdict and draft a new constitution within the stipulated timeframe."

(Source: <http://thehimalayantimes.com/fullNews.php?headline=Constitution+to+be+drafted+within+five-month%3A+Rijal&NewsID=314885&a=3>)

PM impeding peace process, says Nepal

Himalayan Times, January 2, 2012

Senior CPN-UML leader Madhav Kumar Nepal today accused Prime Minister Baburam Bhattarai and his party, the UCPN-Maoist, of obstructing peace and constitution-drafting processes. Nepal said this while distributing blankets to cold wave victims of Gangapiper VDC at Saraswati Higher Secondary School. The country is in a difficult situation now because the PM and his party have not taken peace and constitution-making processes seriously, he reasoned. Nepal clarified that the UML is never against the statute-drafting process and called for early rehabilitation of Maoist fighters living in cantonments. The UML leader also accused the Maoist party of delaying the fighters' rehabilitation.

(Source: <http://thehimalayantimes.com/fullNews.php?headline=PM+impeding+peace+process%E2%80%9A+says+Nepal&NewsID=314861>)

Dhaka calls Kathmandu for power

Bangladesh News, January 3, 2012.

Bangladesh is interested in importing 1,000 megawatt (MW) electricity from Nepal to meet its increasing demand for power. Foreign minister Dipu Moni expressed the interest when Nepal's new ambassador to Dhaka, Hari Kumar Shrestha, called on her at her office on Monday, according to a foreign ministry press release. There is a need for countries in the region to work together to harness hydropower and water resources for mutual benefit, Dipu Moni told Shrestha. Bangladesh, she said, is interested in being an equity partner or shareholder of Sapt-Kosi high dam project. "This is the most opportune moment for countries of South Asia to explore synergies for mutual benefit," she added.

(Source: <http://bdnews24.com/details.php?id=215181&cid=2>)

Factions seek common ground

Kantipur Daily, January 3, 2012.

In a bid to avert an immediate disaster, the rival factions of the UCPN (Maoist) have begun consultations to bring uniformity in the party's immediate policies and programmes. Despite differences on how to view the ongoing peace and constitution-writing processes, factions led by Party Chairman Pushpa Kamal Dahal and Vice-chairman Mohan Baidya share the view about the party's immediate programme. Leaders say agreement on the party's immediate programme can be a face saving alternative to both camps which do not indeed want to split the party. They say as the ideological and political differences cannot be settled immediately, there is no alternative to forging agreement on immediate programme.

(Source: <http://www.ekantipur.com/2012/01/03/editors-pick/factions-seek-common-ground/346568.html>)

PM Bhattarai, Baidya discuss party unity

Nepal News, January 5, 2012

Prime Minister and UCPN (Maoist) vice chairman Baburam Bhattarai and senior vice chairman Mohan Baidya Thursday met to discuss ways to find common ground to keep party unity intact. In the meeting held at Baidya's Naya Bazaar residence, PM Bhattarai is learnt to have urged the hardliner vice chairman, who has presented a separate political paper in ongoing Central Committee (CC) meeting countering chairman Pushpa Kamal Dahal's proposal, to collectively dismiss the rumours about the possibility of the party division. The PM apprised Baidya that the party cadres were disappointed due to the rumours of imminent vertical split in the party and urged him not to take any sudden move until next general convention.

(Source: <http://www.nepalnews.com/archive/2012/jan/jan05/news16.php>)

CA meet set to endorse new constitution drafting timetable

Nepal News, January 6, 2012

The Constituent Assembly (CA) meeting is all set to amend the constitution drafting calendar today. The meeting of the Constituent Assembly (CA) has been called at 1 pm at the CA Building, New Baneshwor today to endorse Wednesday's decision of the Constitutional Committee (CC) to amend the constitution drafting calendar until January 29 for completing the discussions on a report submitted by the dispute resolution Sub-Committee to resolve the contentious issues, mainly the form of the governance. The major three parties - UCPN (Maoist), Nepali Congress and UML - have already agreed to find consensus on the form of governance by January 29 as the Nepali Congress, the second largest party in the CA, stood for making amendments for consensus instead of settling the contentious issues through voting. Regarding forms of governance, NC is in favor of President elected by the electoral college while the UCPN (M) and UML are in favour of directly elected President and Prime Minister elected from the parliament.

(Source: <http://www.nepalnews.com/archive/2012/jan/jan06/news04.php>)

Mistrust between Nepal political parties over peace process deepens

Kathmandu Post, January 8, 2012-01-10

The deepening mistrust between the Unified Communist Party of Nepal (UCPN-Maoist) and the Nepali Congress (NC) dominated Sunday's Parliament session. The session saw leaders from the two parties accusing each other of hatching conspiracies to derail the peace and constitution drafting processes. NC, the main opposition, censured the government for putting the constitution writing process in peril by delaying the implementation of the army integration deal. On the other hand, the ruling party said it feared that the NC would block constitution making by adopting a rigid stance if the peace process concludes immediately. Addressing the House session, opposition leader Ram Chandra Poudel said the Maoists deviated from the task of concluding the peace process and that the party is active in "reversing" consensus struck between major parties on constitutional issues. He accused the Maoists of trying to promulgate the new constitution under the "shadow of the gun".

(Source: <http://www.asianewsnet.net/home/news.php?id=26061>)

Take fresh steps for Chinese PM's visit: House panel to govt

My Republica, January 10, 2012.

Expressing serious concern over the postponement of Chinese Prime Minister Wen Jiabao's visit to Nepal, the International Relations and Human Rights Committee of parliament on Sunday directed the government to take fresh initiatives for his Nepal visit. The committee issued the directive to the Ministry of Foreign Affairs following a discussion with Deputy Prime Minister and Minister for Foreign Affairs Narayankaji Shrestha, who told the committee that he was hopeful of an early finalization of the date of the Chinese prime minister's visit through diplomatic channels. The committee had inquired Shrestha about the postponement of the visit by China in December. In response, Shrestha said no formal date of the visit had been fixed though it was scheduled for December. In another decision, the committee directed the Ministry of Foreign Affairs to hold diplomatic dialogues with Hong Kong to reopen it to Nepali migrant workers. Mistrust between Nepal political parties over peace process deepens.

(Source: http://www.myrepublica.com/portal/index.php?action=news_details&news_id=40634)

We won't join Bhattarai-led govt: Baidya faction

My Republica, January 12, 2011

Senior leaders of the Maoist radical faction have countered the claim of the party establishment that they are joining the current coalition led by Prime Minister Baburam Bhattarai and urged the people not to be misled by such reports.

Leaders close to Vice-chairman Mohan Baidya say Dahal was positive about recalling Bhattarai from the government during the meeting on Tuesday and that they were surprised over media reports about them joining the government.

"I was taken back when I heard that. I urge the people not to be misled by such stories," said party standing committee Netra Bikram Chand from the Baidya faction.

Take fresh steps for Chinese PM's visit: House panel to govt.

(Source: http://www.myrepublica.com/portal/index.php?action=news_details&news_id=40679)

Dahal struggles to reconcile with Baidya

My Republica, January 13, 2012

Nearly a week has passed since all the members of the Maoist Central Committee (CC) completed their speeches at the CC meeting, but party Chairman Pushpa Kamal Dahal continues his struggle to conclude the meeting due to mutual distrust among the rival factions of the party. The meeting was supposed to conclude last Friday, but party leaders citing lack of homework stated that they would wrap it up on Sunday.

On Tuesday, in a surprising turn of events, party radicals led by Senior Vice-chairman Mohan Baidya and Chairman Dahal agreed to withhold their separate political documents presented at the CC and formulate a common proposal to mobilize the masses for the sake of "people's constitution" and "dignified" integration of the PLA into the Nepal Army (NA). But deep suspicion between the moderates and hardliners placed the fate of the agreement in jeopardy.

(Source: http://www.myrepublica.com/portal/index.php?action=news_details&news_id=40743)

Nepal-based Indian runs racket

Times of India, January 13, 2012

Investigators following the fake currency trail into North India, especially Delhi and Uttar Pradesh, have zeroed in on a Nepal-based Indian national, known only by his last name Khanna, who has not been arrested so far. Khanna, officials say, has a Nepalese assistant, Raju, and Pakistani handlers, Aftab Batki and Iqbal Kana (also known as Shahid). The Pakistanis allegedly supervise the funnelling of fake currency into India, Sri Lanka, Bangladesh, Thailand, Dubai, Nepal and several mid-eastern countries, and are close to Dawood Ibrahim - one of the most-wanted criminals of the world. Officials say Batki and Kana sometimes use the sea route to land fake currency in Gujarat and Maharashtra. In Delhi, the currency first makes its way to some dealers in Lajpat Nagar and parts of South Delhi, from where it is routed to smaller dealers.

(Source: <http://timesofindia.indiatimes.com/city/delhi/Nepal-based-Indian-runs-racket/articleshow/11468280.cms>)

114 Tibetan exiles detained in Nepal

MSN News, January 13, 2012.

Over hundred Tibetan exiles, including 52 women, were detained here after they entered the country from India without valid travel documents, police said today.

Pakistan

The 114 Tibetans came from India yesterday via the land route, in four passenger buses, according to the police. They were detained immediately after entering the capital. After preliminary investigation, they will be handed over to the Immigration Department for necessary action, the Kathmandu Metropolitan Police Circle said. Nepal government has time and again expressed its commitment not to allow any activity directed against its northern neighbour, China.

(Source: <http://news.in.msn.com/international/article.aspx?cp-documentid=5750072>)

Daily Times, January 1, 2012

China Three Gorges Project Corporation (CTG) has announced that it has plans to invest up to \$15 billion for generating 10,000 megawatts (MW) power in the country during the next five years. Alternate Energy Development Board (AEDB) has achieved a landmark success and Federal Minister for Water and Power Naveed Qamar performed the groundbreaking ceremony of first of twenty 50 MW wind power plants to be constructed by CTG Wind Farm Pakistan Limited with an investment of \$130 million.

CTG Wind Farm Pakistan Limited already working on two other projects of 50 MW each, is seeking additional land for 450 MW and has already commitment with AEDB for setting up 1,000 MW in Sindh in the next 3-4 years, said the minister at the inaugural ceremony held at a local hotel. AEDB CEO Arif Alauddin, Three Gorges First Wind Farm CEO Wang Shenliang, Ambassador of the Peoples Republic of China Liu Jian (Yong) were also present on the occasion.

(Source: http://www.dailytimes.com.pk/default.asp?page=2012%5C01%5C01%5Cstory_1-1-2012_pg5_5)

Price of petrol raised

Dawn, January 1, 2012.

Despite a decline in international oil prices, the government decided on Saturday to raise prices of petrol and high octane blending component (HOBC) for January. Prices of other petroleum products were kept unchanged. According to a notification issued by the Oil and Gas Regulatory Authority (Ogra), the price of petrol has been increased by Rs1.65 to Rs89.54 per litre and that of HOBC by Rs5.13 to Rs111.91 per litre. Ogra had suggested to the petroleum ministry that prices of petrol and diesel be maintained at the current level, but the ministry decided on Saturday evening to raise the price of petrol by Rs1.65 per litre and that of high speed diesel (HSD) by Re1 per litre. However, the ministry withdrew its decision late in the night and asked Ogra to keep the diesel price unchanged at Rs98.82 per litre, but did not revise its decision on petrol.

(Source: <http://www.dawn.com/2012/01/01/zardari-orders-review-on-petroleum-price-hike.html>)

PML-N, MQM stage walk-out in NA over gas crisis

Dawn, January 2, 2012.

Pakistan Muslim League-Nawaz (PML-N) recorded their protest against gas shortages while Muttahida Qaumi Movement (MQM) against price hike by walking out from the National Assembly's session, DawnNews reported.

PML-N leaders, Sardar Mehtab, Tehmina Daultana, Birjees Tahir and Malik Abrar, on a point of objection during the NA session, said that the concerned ministers and department have failed in overcoming the gas shortages from the country. Whereas, the Federal Minister on Religious Affairs Khurshid Shah said 14 per cent hike in gas prices was 'not that much. Shah defended 14 per cent increase in gas prices by calling it "a step towards striking equilibrium between petrol and gas."

(Source: <http://www.dawn.com/2012/01/02/pml-n-mqm-stage-walk-out-in-na-over-gas-crisis.html>)

LPG price increased up to Rs 15 per kg

Dawn, January 2, 2012.

The marketing companies on Monday increased the price of Liquefied Petroleum Gas (LPG) from Rs 10 to Rs 15 per Kg by raising the price of domestic cylinder from Rs 120 to Rs 170 and commercial cylinder from Rs 480 to Rs 680. Chairman of All Pakistan LPG Association Irfan Khokhar told APP that the price of gas in Gilgit-Baltistan, FATA, Balakot, Muzaffarabad, Bagh, Azad Kashmir and Swat would be Rs 160 to Rs 175 per kg and the domestic cylinder would be available at Rs 1870 to Rs 2050. The LPG would be available at Rs 145 to Rs 155 per kg in Rawalpindi-Islamabad and Murree and the domestic cylinder would cost Rs 1690 to Rs 1810.

In Lahore, Gujrat, Sialkot, Sahiwal, Khanewal, Kasur, Sargodha, Behra the LPG price would be Rs 125 to Rs 135 per kg and the domestic cylinder would be sold at Rs 1450 to Rs 1570. LPG in Peshawar, Rahim Yar Khan, Dera Ismail Khan and Sakkur would be sold at Rs 135 to Rs 145 per kg and the domestic cylinder would be available at Rs 1570 to Rs 1690.

(Source: <http://www.dawn.com/2012/01/02/lpg-price-increased-up-to-rs-15-per-kg.html>)

CNG association decides to continue strike

Dawn, January 2, 2012.

All Pakistan CNG Association (APCNGA) on Monday decided to continue its strike till the fulfillment of demands. Addressing a press conference, Chairman APCNGA Ghiyas Paracha said that the government should announce one day CNG loadshedding till February 15. He added new taxes should be rolled back and there should be no ban on refuelling of public transport. Earlier, Secretary Petroleum Natural Resources Muhammad Ejaz Chaudhry held a meeting with Chairman and representatives of All Pakistan CNG Association (APCNGA) here

on Monday to address the concerns of the CNG sector. The meeting was attended by Chief Commissioner Islamabad Capital Territory, Acting Chairman OGRA and senior officers of the Ministry of Petroleum and Natural Resources. Secretary Petroleum clarified to the APCNGA that the news about indefinite closure of CNG Sector is incorrect, however, CNG Stations would remain closed as per the mutually agreed Gas Load Management Programme.

(Source: <http://www.dawn.com/2012/01/02/cng-association-decides-to-continue-strike.html>)

Gilani's pledge on energy crisis

Dawn, January 2, 2012

Prime Minister Yousuf Raza Gilani has directed the Punjab chapter of the PPP to launch a vigorous mass-contact drive in the province to offset the impact of the public meetings held by the rival parties, holding out an assurance that the issues of power and gas loadshedding will no more figure in the campaign for general elections as these will stand solved in the ongoing year. The direction came at a meeting of the 21-member Punjab PPP executive committee held at the Governor's House here on Tuesday. President Asif Zardari's sister Feryal Talpur was also in attendance. Those who raised various issues before the prime minister included Imtiaz Safdar Warraich, Raja Riaz, Samiullah Durrani and Usman Malik.

(Source: <http://www.dawn.com/2012/01/02/gilanis-pledge-on-energy-crisis.html>)

Pakistan to challenge UN decision in world court

Dawn, January 2, 2012

Pakistan has decided to challenge in the international court of arbitration a decision of the UN Framework Convention on Climate Change (UNFCCC) to grant carbon credits to India on a controversial hydropower project without mandatory clearance of its trans-boundary environmental impact assessment. Simultaneously, the water and power ministry has sought the opinion from the establishment division if Pakistan's former commissioner for Indus Waters (PCIW) could be proceeded against after his retirement for not vigorously pursuing cases to stop India from construction of the controversial project and getting carbon credits from the UN forum, a senior official told Dawn on Sunday. Earlier, the law ministry had informed the establishment division and the water and power ministry that a former retired government official could only be proceeded against if his actions were found to be of criminal nature. The water and power ministry has now asked the establishment division to determine the nature of the case so that proceedings could be initiated if these were of criminal nature.

(Source: <http://www.dawn.com/2012/01/02/pakistan-to-challenge-un-decision-in-world-court.html>)

Restrictions on aid – new year US gift to Pakistan

Dawn, January 2, 2012

In a move dubbed by the media as "a new year gift to Pakistan", US President Barack Obama has signed into law a bill that could suspend a large chunk of the

\$1.1 billion military aid to the country. The suspension is part of a massive \$662 billion defence spending bill which President Obama signed on Saturday evening despite having "serious reservations" about some of its provisions. "The fact that I support this bill as a whole does not mean I agree with everything in it," Mr Obama said in a statement issued by his office. "Provisions in this bill could interfere with my constitutional foreign affairs powers." Mr Obama said he signed the bill chiefly because it authorises funding for the defence of the United States and its interests abroad and for vital national security programmes. "As Chief Executive and Commander-in-Chief, (I) will oppose any attempt to extend or expand them in the future, and will seek the repeal of any provisions that undermine the policies and values that have guided my administration throughout my time in office," he said.

(Source: <http://www.dawn.com/2012/01/02/restrictions-on-aid-new-year-us-gift-to-pakistan.html>)

Asma criticises memo commission, quits as Haqqani lawyer

Dawn, January 2, 2012

Prominent lawyer Asma Jehangir has categorically stated that she has 'no confidence' in the judicial commission constituted by the Supreme Court to investigate the memogate scandal and refused to represent former ambassador to the US Husain Haqqani in the case. "I quit as Haqqani's lawyer but my client will pursue his case," Ms Jehangir told Dawn on Sunday. "This is the court's order and we have to follow it but I told (Haqqani) to engage some other lawyer." The development is likely to trigger a new debate in political and judicial circles. The judicial commission will hold its first meeting on Monday in the Islamabad High Court building. It has sent notices to seven people, including ISI Director General Maj Gen Ahmed Shuja Pasha, Husain Haqqani, Asma Jehangir and Pakistani-American businessman Mansoor Ijaz to appear before it.

Mansoor Ijaz claims to have delivered a memo to US military chief Gen Mike Mullen in May last year at the behest of Mr Haqqani and the government of Pakistan to avert a military coup.

(Source: <http://www.dawn.com/2012/01/02/asma-criticises-memo-commission-quits-as-haqqani-lawyer.html>)

Imran says govt has lost mandate to rule

Dawn, January 4, 2012

Pakistan Tehrik-i-Insaf chairman Imran Khan said on Tuesday his party would decide whether to go for a civil disobedience campaign or use other means to oust the government during its Central Executive Committee meeting on Saturday, adding that the government had lost the confidence of the people. Speaking at a news conference, Mr Khan, flanked by information secretary of his party Shafqat Mehmood, said there was nothing wrong in calling early elections because the government's mismanagement and corruption had undermined every institution and led to a breakdown of law and order.

(Source: <http://www.dawn.com/2012/01/04/imran-says-govt-has-lost-mandate-to-rule.html>)

Positive signals from US-Pak relations panel

Express Tribune, January 4, 2012.

The government has asked the panel tasked with rewriting the terms of engagement with the United States to speed up its work, amid whispers that strong bilateral cooperation on the ground will resume shortly. The development indicates Islamabad's willingness to sort out its differences with Washington sooner than later. The all-party and bicameral parliamentary committee on national security met on Tuesday to finalise its recommendations for reviewing political, economic and military ties with the US in the wake of November 26 Nato airstrikes.

(Source: <http://tribune.com.pk/story/316280/positive-signals-from-us-pak-relations-panel/>)

Gilani reiterates commitment on Seraiki province

Dawn, January 6, 2012

Prime Minister Syed Yousuf Raza Gilani on Friday said that the resolution on the creation of new provinces was brought to the National Assembly after it was earlier rejected in the Punjab Assembly, DawnNews reported. Addressing the NA, PM Gilani said the Pakistan People's Party (PPP) was in favour of creating new provinces, and that the party would also support any such resolutions in the future. History would not forgive us if the new provinces issue was not taken seriously, said the prime minister. Moreover, consensus has to be created on the issue, he added.

(Source: <http://www.dawn.com/2012/01/06/rumpus-continues-in-na-over-new-provinces-issue.html>)

Finance minister warns of 'shocks' that Pakistan can't absorb

Express Tribune, January 6, 2012

Pakistan may face international isolation on the economic front if drastic steps are taken during the reviewing of bilateral terms with the United States, the country's finance minister cautioned on Thursday. The warning from Finance Minister Abdul Hafeez Sheikh came at a meeting of the Parliamentary Committee on National Security, which on Thursday finalised its draft recommendations for its review of ties with the US. "There are some shocks Pakistan can absorb but there are others it can't," Sheikh was quoted as saying at the parliamentary committee meeting. "A single incident must not determine our relations with the US," Sheikh said in an apparent reference to the steps taken by the government following the Nato airstrikes.

(Source: <http://tribune.com.pk/story/317341/us-pak-ties-review-finance-minister-warns-of-shocks-that-pakistan-cant-absorb/>)

No War' With Army, Courts: Zardari

News Week Pakistan, January 7, 2012.

Pakistan's President Asif Ali Zardari says his government is not at war with Pakistan's Army or its courts over the Memogate scandal. "We are not at war with the court. We are not at war with the military. There is no war," Zardari said

in an exclusive interview to Geo News, Pakistan's largest privately-owned cable news operation. "You think it is a clash, but I say it is part of evolution. This clash will evolve and then simmer down," said Zardari. The full interview airs this evening. The memo sought U.S. help in installing a pro-U.S. national security apparatus in Pakistan and alleged that the Army had been harboring Osama bin Laden and colluding with other most-wanted terrorists. Memogate cost Haqqani his job, and reputation, and the scandal's competing claims are being investigated by Pakistan's judiciary.

(Source: <http://newsweekpakistan.com/scope/743>)

Korean investors to enter JV in energy, agri sectors

Pakkisan, January 10, 2012.

Korean investors can enter into joint ventures with Pakistan businessmen in the alternate energy, agriculture and engineering sectors.

Karachi Chamber of Commerce and Industry (KCCI) President Mian Abrar Ahmad while meeting with the Ambassador of Pakistan to South Korea Shaukat Ali Mukadam said there was a need of building trading blocks of Pakistan with Asian countries, Central Asian Republics and SAARC countries.

(Source: http://www.pakissan.com/english/news/newsDetail.php?newsid=25519#.Tw0p7GRw7_w.twitter)

PM sacks Secretary Defence; COAS calls emergency meeting Prime Minister Yousuf

Dawn, January 11, 2012.

Raza Gilani on Wednesday sacked Secretary Defence Khalid Naeem Lodhi, DawnNews reported. In a related development, the army chief summoned an emergency meeting of the corps commanders. The prime minister revoked Lodhi's contract and handed over the additional charge of secretary defence to Nargis Sethi. Furthermore, DawnNews quoted sources as saying that the military high command had appointed Brigadier Sarfaraz Ali commander of the 111 brigade. Prime Minister Gilani's office said in a statement that Lodhi was fired for "gross misconduct and illegal action which created misunderstanding" between state institutions. The army earlier said the defence ministry had failed to process its submissions made to a Supreme Court inquiry into a controversial unsigned memo that sought US help in curbing the power of the military. That failure triggered a row between the country's military and civilian leadership, with the prime minister earlier in the week telling Chinese media the army top brass had acted unlawfully in failing to consult it.

(Source: <http://www.dawn.com/2012/01/11/pm-sacks-secretary-defence.html>)

PM remarks may lead to grievous consequences, warns ISPR

The News, January 11, 2012.

Pakistan's army warned that critical comments made by the prime minister would have "serious ramifications" and could wreak "potentially grievous consequences

for the country". Prime Minister Yousuf Raza Gilani earlier in the week told China's People's Daily online that the army chief and head of intelligence services had acted unlawfully by making unilateral submissions to an ongoing Supreme Court inquiry. The ISPR statement said: "APP issued a statement on 9th of January 2012 giving details of the interview given by the Honourable Prime Minister of Pakistan to The People's Daily Online of China when the COAS was also on an official visit to China. The Honourable Prime Minister inter alia termed the responses given by COAS and DG ISI in the alleged Memo Case to the Honourable Supreme Court of Pakistan as unconstitutional and illegal".

(Source: <http://www.thenews.com.pk/article-30482-PM-remarks-may-lead-to-grievous-consequences,-warns-ISPR>)

Kayani informed about ISPR statement in advance: Gilani

Dawn, January 11, 2012.

Prime Minister Yousuf Raza Gilani on Wednesday said that the Army Chief General Ashfaq Pervez Kayani informed him about the ISPR statement in advance, DawnNews reported. Speaking to media representatives at the inauguration of PTV's sports channel, Gilani said that he dismissed the defence secretary for disciplinary reasons. Gilani said there was no danger to the government. "We are standing with the armed forces," he added. The prime minister said interview with the Chinese news agency was scheduled before the visit of army chief to China.

He said that the rules of business were violated when army chief and DG ISI filed replies to the Supreme Court directly bypassing defence and law ministries.

(Source: <http://www.dawn.com/2012/01/11/kayani-informed-about-ispr-statement-in-advance-gilani.html>)

PTI will not support any unconstitutional step by army: Imran Khan

Express Tribune, January 11, 2012.

Pakistan Tehreek-i-Insaf (PTI) Chairman Imran Khan said that even though his party and the people of Pakistan want to get rid of the present government, PTI would never accept any undemocratic and unconstitutional step by the army to remove the government. Talking to the media at his residence, Khan said that the present confrontation between the institutions was unfortunate but the Pakistan Peoples Party (PPP) pushed itself into it, so that they can get sympathy votes in the upcoming elections. PTI media advisor Shafqat Mehmood said that the Supreme Court is as supreme as the parliament and no institution is less significant than others. "The PPP just wants to become a siyasi shaheed," Mehmood said.

(Source: <http://tribune.com.pk/story/319859/pti-will-not-support-any-unconstitutional-step-by-army-imran-khan/>)

Pakistan-Azerbaijan Business Forum soon

The Nation, January 13, 2012

Pakistan-Azerbaijan Business Forum (PABF) will be established to promote bilateral trade and investment during the forthcoming visit of President Asif Ali Zardari to

Sri Lanka

Azerbaijan which is expected shortly This was stated by the Ambassador of Republic of Azerbaijan Dashgin Shikarov while talking to President Karachi Chamber of Commerce & Industry (KCCI) Mian Abrar Ahmad. "Azerbaijan has strict visa regime for countries worldwide however for the citizens of Pakistan and Turkey, our visa policy is open", he added. According to KCCI here Thursday, Shikarov said that Chamber's recommendations will be treated as adequate requirement for issuance of business visas and invited Mian Abrar to take a business delegation to Azerbaijan for promoting bilateral trade and investment.

(Source: <http://www.nation.com.pk/pakistan-news-newspaper-daily-english-online/business/13-Jan-2012/pakistan-azerbaijan-business-forum-soon>)

Sri Lanka major opposition to form a people's movement against government

Colombo Page, January 2, 2012.

Sri Lanka's major opposition United National Party (UNP) has decided to launch a broader people's movement against the government. The campaign is named as the 'People's Movement Against Illegality'. The UNP expects to launch the programme within the next three weeks, a party spokesman said. UNP has decided to hold protest demonstrations and rallies island wide organized by the new movement. The party would also seek the support of the other parties, groups and individuals as well for the movement, the party spokesman said. A special awareness programme on the new programme will be held on January 9, 10 and 11 in Colombo to enlighten the UNP MPs, Provincial Councilors and the Local Government members.

(Source: http://www.colombopage.com/archive_11B/Jan02_1325475425CH.php)

Tamil alliance of Sri Lanka seeks support from diplomatic community on power devolution

Colombo Page, January 2, 2012.

Sri Lanka's major Tamil political party, the Tamil National Alliance (TNA) is to meet with representatives of the diplomatic community in Colombo to explain the party's stance with regard to land and police powers to the provinces. The TNA members are to meet with the diplomats to brief them on the progress made at the talks between the government and the party. TNA parliamentarian Suresh Premachandran told ColomboPage that representatives from the party would meet with members of the diplomatic community to discuss the measures taken by the government with regard to finding a political solution to the ethnic issue. He said the party would emphasize the need to allocate land and police powers to the provinces as outlined in the 13th Amendment to the Constitution.

(Source: http://www.colombopage.com/archive_11B/Jan02_1325471820JR.php)

Sri Lanka to build the tallest tower in South Asia

Colombo Page, January 2, 2012.

Sri Lanka will sign an agreement with China today to construct a 350-meter high tower building in the heart of its capital Colombo, the government announced. The

Lotus Tower Building and the Leisure Garden will be the tallest tower in South Asia and the 19th tallest tower in the world. The Sri Lankan cabinet recently approved the construction of this tower in a seven and half-acre land belonging to the Urban Development Authority at D.R. Wijewardena Mawatha.

(Source: http://www.colombopage.com/archive_11B/Jan03_1325574405CH.php)

Sri Lankan government ready to discuss police and land powers with Tamil party

Colombo Page, January 2, 2012.

Loosening its stance against granting police and land powers to the provinces according to the 13th Amendment to the Constitution, the Sri Lankan government said Tuesday that it is ready to consider its scope provided the major Tamil party, Tamil national Alliance (TNA), put forward its proposals at the talks with the government. The government spokesman, Media Minister Keheliya Rambukwella said today that though the government is concerned about giving land and Police powers to the provinces it is prepared to discuss the issue and make concessions.

(Source: http://www.colombopage.com/archive_11B/Jan03_1325575699CH.php)

Sri Lanka to repatriate today afternoon, all 35 Indian fishermen rescued by Sri Lanka Navy in the month of December

Asian Tribune, January 2, 2012.

All the 35 Indian fishermen who have been rescued by the Sri Lanka Navy in the Sri Lankan waters are to be repatriated back to India this afternoon, on the request made by the Indian Government. According to Sri Lankan Navy spokesman Commander Kosala Warnakulasuriya, earlier in the month of December 2011, Sri Lankan Navy rescued 29 fishermen who were poaching near the islands of Delft and Analaitivu as their boats were grounded due to cyclonic impact.

(Source: <http://www.asiantribune.com/news/2012/01/03/sri-lanka-repatriate-today-afternoon-all-35-indian-fishermen-rescued-sri-lanka-navy->)

Lanka recognizes ASEAN region for transactional commerce

Daily News, January 6, 2012

Sri Lanka recognizes enormous growth potential in the ASEAN region and this region needs to be developed nurtured and promoted for better integration of transactional commerce, External Affairs Minister Prof G.L. Peiris said.

Regional cooperation facilitates great deal of closer relationships in terms of trade, tourism and investment, he said at the ASEAN flag hoisting ceremony held at the Indonesian Embassy premises yesterday. The ASEAN flag hoisting ceremony will mark the commencement of ASEAN Diplomatic mission flying the ASEAN flag along with their respective flags. The flag represents hopes for peace and stability, dynamism, integrity and prosperity within the bond of friendship and solidarity in the region.

(Source: <http://www.dailynews.lk/2012/01/06/bus03.asp>)

A Global Survey ranks Sri Lanka as the world's 4th fastest growing economy

Asian Tribune, January 6, 2012

Sri Lanka has the 4th fast growing economy in the world. The achievement of 8.4% economic growth in the 3rd quarter last year has contributed for this global recognition. A Global Survey carried out by the 'Equity and Bond Trading Institution' has chosen Sri Lanka as the 4th rapidly developing economy in the world. Argentina with an economic growth of 9.3% occupies the first place in the list. China with an economic growth of 9.2% is in the 2nd place. Estonia with an economic growth of 8.5% is in the 3rd place. The fifth place is occupied by Turkey with 8.2% of economic growth. India occupies only the 7th place with 6.9% of growth and Malaysia which was once considered as the Economic Giant of Asia occupies 9th position with 5.8% of growth followed by Russia on the 10th position with 4.8% of growth

(Source: <http://www.asiantribune.com/news/2012/01/06/global-survey-ranks-sri-lanka-world%E2%80%99s-4th-fastest-growing-economy>)

UK commends constructive suggestions by Sri Lanka's war commission, disappointed on accountability issue

Colombo Page, January 12, 2012.

The British Government today commended many constructive recommendations in the report released by Sri Lanka's Lessons Learnt and Reconciliation Commission (LLRC) for action on post-conflict reconciliation and a political settlement but raised doubts over the implementation of them. Foreign Office Minister Alistair Burt, who is the Minister with responsibility for Sri Lanka, presenting the British Government's views on the LLRC report to the House, has said that "implementation of these recommendations, however, is the real test of Sri Lanka's progress." The British Minister has pointed out that some recommendations could be completed in a matter of months while others may take time to implement fully.

(Source: http://www.colombopage.com/archive_12/Jan12_1326386688CH.php)

Several U.S. government officials to visit Sri Lanka

Colombo Page, January 12, 2012.

Several officials of the United States government will visit Sri Lanka over the next two weeks, the U.S. Embassy in Colombo said in a statement today. The Embassy to Sri Lanka and Maldives will host four U.S. government visitors who will meet with government officials, civil society representatives, business leaders and political leaders. Ambassador James A. Larocco from the Near East South Asia Center for Strategic Studies at the U.S. Department of Defense National Defense University will visit Sri Lanka and Maldives from January 15-19, 2012. Ambassador Larocco joined the Center in August 2009, after serving more than 35 years as a diplomat.

(Source: http://www.colombopage.com/archive_12/Jan12_1326379555CH.php)

Sri Lanka to receive US\$ 260 million grant assistance from India to construct houses for IDPs

Colombo Page, January 12, 2012

Sri Lanka cabinet has given approval for the government to enter into a Memorandum of Understanding (MoU) with India to receive US\$ 260 million grant assistance to construct 49,000 housing units for the Internally Displaced Persons (IDPs) in the Northern and Eastern provinces. "The Government of India has agreed to provide grant assistance in a sum of Indian Rupees 13.19 billion or approximately US\$ 260 million for construction of 49,000 housing units for IDPs in the Northern and Eastern provinces," Cabinet spokesman Keheliya Rambukwella said Thursday.

(Source: http://www.colombopage.com/archive_12/Jan12_1326369835CH.php)

LTTE-linked groups abroad try to divide Sri Lanka, defense official warns

Colombo Page, January 11, 2012

Overseas organizations linked to Sri Lanka's defeated Tamil terrorist group Liberation Tigers of Tamil Eelam (LTTE) are united to achieve the division of the country and they encourage and facilitate the resumption of an armed struggle in Sri Lanka, the country's Defense Secretary warned..

(Source: http://www.colombopage.com/archive_12/Jan11_1326295023CH.php)

FDI Flows: Sri Lanka expects most FDI for infrastructure in 2012

Lanka Business Online, January 13, 2012.

Sri Lanka is expecting most of the two billion US dollars of foreign direct investment targeted for 2012 to flow into infrastructure with 400 million US dollars going into tourism, an official said. Head of Sri Lanka's Board of Investment, M M C Ferdinando said about a billion US dollars are expected to go into infrastructure in 2012. "We are targeting about 400 million will go into tourism and the rest into IT (information technology and other areas," he said. Sri Lanka has signed up several large tourism projects with apartments and shopping complexes. On Thursday the BOI signed a series of agreements valued at over 17 million US dollars including a 6 million dollar apparel factory in the island's war torn North by Unichela (Pvt) Ltd.

(Source: <http://www.lankabusinessonline.com/fullstory.php?nid=3866660>)