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South Asia

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BANGLADESH:

Railways plans special train to Bangladesh

KOLKATA: The Railways appears to have boarded the 'Culture express' with a purpose. The minister's announcements in her rail budget speech on Wednesday literally drove the point home. In a rare move, Railways has decided to run a special train across the border between India and Bangladesh to mark poet Rabindranath Tagore's 150th birth anniversary in consultation with the government of Bangladesh. The railways will also run a special train — Sanskriti Express to spread the poet's legacy across the country. Bharat Tirth, a new nationwide service linking popular tourist sites will also commemorate Tagore's vision for India. Also on anvil is a new Railway Culture and Heritage Promotion Board to co-ordinate and supervise all related activities of the Railways. Top-notch artist Jogen Chowdhury said: "The move on the cultural front by Mamata Banerjee is "a very good idea. While we will need to get a clearer idea of the character of the planned Rabindra Museum at Howrah and the Gitanjali Museum at Bolpur, the total plan is praiseworthy. The proposed train from India to Bangladesh will definitely help open up Indo-Bangla relations more. She can also consider upgrading the Shantiniketan Express between Howrah and Bolpur and put up small museums at historically significant locales. But, undoubtedly, no other railway minister has moved at such rapid pace to catalyse the cultural side to this extent." Veteran theatre actor Bibhas Chakraborty said these proposals have come as a boon. "This is the first time that a railway minister is trying to do so many things in this area. The Bharat Tirth Express is a great tribute to Gurudev Tagore. The Sanskriti Express is also a great idea. It makes me very happy." Artist Chhatrapati Dutta, who used to teach at the visual arts department at Rabindra Bharati University for 12 years, said, "It's all very good. But, we'll have to wait and see whether it's done by the right people and in the right way. There have been some such things like the Academy of Fine Arts where the art collection is in shambles now. The point is these efforts are good as long as they maintain the right perspective."

Fresh violence erupts in Bangladesh tribal region

DHAKA, Feb 23 (Reuters) - Bangladesh deployed the army at another southeastern hill town on Tuesday after 100 houses were burnt in fresh clashes between Buddhist tribals

and Bengali Muslim settlers, police and witnesses said. At least one settler was killed and more than 50 people from both sides were injured in Khagrachhari in the Chittagong Hill Tracts, 300 km (188 miles) southeast of Dhaka, police said. Tribal people retaliated after being attacked by settlers while protesting against earlier deadly clashes between the two groups. The situation was brought under control after police dispersed the agitated activists and banned the assembly of more than five people. Thousands of landless Bengalis were settled in the 5,500-sq- miles (14,200 sq km) region, bordering India and Myanmar, under a government plan in the 1980s to ease population pressure in the plains and also to defuse a tribal insurgency. Relations between the settlers and the tribal groups have been tense over land ownership, often leading to violence. On Saturday at least two tribal members were killed and around 100 others including settlers were injured before the army brought the situation under control in Baghaichhari, a town 80 km (50 miles) northeast of Khagrachhari. A tribal organisation, the United People's Democratic Front (UPDF), called for the protests, including a blockade of roads in the hill towns.

Burmese Refugees Persecuted in Bangladesh

BANGKOK — Stateless refugees from Myanmar are suffering beatings and deportation in Bangladesh, according to aid workers and rights groups who say thousands are crowding into a squalid camp where they face starvation and disease. In a campaign that seems to have accelerated since October, the groups say, ethnic Rohingya refugees who have been living for years in Bangladesh are being seized, beaten and forced back to Myanmar, which they had left to escape persecution and abuse and which does not want them. “Over the last few months we have treated victims of violence, people who claim to have been beaten by the police, claim to have been beaten by members of the host population, by people they’ve been living next to for many years,” said Paul Critchley, who runs the Bangladesh program for the aid group Médecins Sans Frontières, also known as Doctors Without Borders. “We have treated patients for beatings, for machete wounds and for rape,” he said, quoting a report issued Thursday that describes the situation as a humanitarian crisis. Some had escaped after being forced into a river that forms the border with Myanmar, formerly Burma. “This is continuing today.” Since October, he said, the unofficial Kutupalong makeshift camp with its dirt paths, flimsy shacks and open sewers has grown by 6,000 people to nearly 30,000, with 2,000 arrivals in January alone. They are among about 250,000 Rohingya in Bangladesh, a Muslim minority from neighboring Myanmar, where they do not have citizenship and are subject to abuse and forced labor, and where they cannot travel, marry or practice their religion freely. Despite the hardships, people are continuing to flee repression and fear in Myanmar, and when they are deported, many return, several people said. About 28,000 of them have been recognized by Bangladesh and documented as refugees. They receive food and other assistance in a camp administered by the Office of the United Nations High Commissioner for Refugees and have not been subject to the abuses and forced returns described by other Rohingya, said Kitty McKinsey, a spokeswoman for the agency in Bangkok. The government has not allowed the agency to register new arrivals since 1993. Most Rohingya in Bangladesh have no documentation and struggle to survive, evading the authorities and working mostly as day laborers, servants or pedicab drivers. They have no rights to education or other government services. “They cannot receive general food distribution,” Mr. Critchley said. “It is illegal for them to work. All they can

legally do in Bangladesh is starve to death.”The current crackdown is the worst they have ever suffered, according to aid workers and the refugees themselves.“Over the last month and in Cox’s Bazaar District alone, hundreds of unregistered Rohingyas have been arrested, either pushed back across the border to Burma or sent to jail under immigration charges,” said Chris Lewa, who closely follows the fate of the Rohingya as director of the Arakan Project, which also issued a report last week.“In several areas of the district, thousands were evicted with threats of violence,” she said. “Robberies, assaults and rape against Rohingyas have significantly increased.”

A risky route to a better life, by sea to Thailand and then to Malaysia for work, was cut off after the Thai Navy pushed about 1,000 Rohingya boat people out to sea last year to drift and possibly to drown. More than a year later, more than 300 are known to be missing and more than 30 are confirmed to have died, Ms. Lewa said. No boats are reported to have landed in Thailand in the recent post-monsoon sailing season.“The brutal push-backs and the continuous detention of the survivors seems to have stopped the Rohingya from doing it again,” Ms. Lewa said. “That horrible action has had the effect of basically stopping people from leaving.”In Bangladesh, the situation in the unofficial camp is becoming desperate, aid workers and refugees said.“We cannot move around to find work,” said Hasan, 40, a day laborer who lives with his wife and three children in a dirt-floored hovel made of sticks, scrap wood and plastic sheeting. He said he had no way to feed his family.“There is a checkpoint nearby where they’re catching people and arresting them,” he told a photographer who visited recently. Like other refugees here, he asked that his last name not be used for fear of reprisals.“We aren’t receiving any help,” he said. “No one can borrow money from each other. Everybody’s in crisis now.” People do what they can to survive.“When I visit the camp,” Mr. Critchley said, “I see small girls going out in the forest to collect firewood, and we have treated young girls and women who have been raped doing this.”In its report, Médecins Sans Frontières said that a year ago 90 percent of the people in the makeshift camp were already running out of food.“Malnutrition and mortality rates were past emergency thresholds, and people had little access to safe drinking water, sanitation or medical care,” the report said.The overcrowded camp has become an incubator for disease, Mr. Critchley said, and with the monsoon season peaking in late March and early April, medical workers fear a lethal spread of acute diarrhea.“International standards would assume that a latrine is shared by 20 people,” Mr. Critchley said. “With the number of latrines in the camp, over 70 people share each latrine. I’ve seen small children using piles of human feces as toys.”The Rohingya know that they live at the very bottom of human society, that they are not wanted anywhere and that they are outsiders without legal standing or protection. Abdul, 69, who has lived in Bangladesh for more than 15 years, said that those thoughts disturbed his dreams.“When I sleep I think that if someone kills an animal in the forest they are breaking the law,” he said. “They are caught and punished. But as human beings it isn’t the same for us. So where are our rights? I think to myself that we are lower than an animal.”

Ethnic violence continues in Bangladesh's Chittagong Hill tracts

DHAKA: Curfew was reimposed as ethnic violence in Khagrachhari resumed late on Wednesday night after a day long calm. It's now been six days since the clashes began between Muslim settlers and the Buddhist tribals in Chittagong Hill Tracts (CHT). Seven houses in Golabari, the tribal neighbourhood and five houses of Bengali-speaking settlers in Mollah Para and Ganj Para were set on fire on Wednesday night. "The flames were licking the night sky while electricity supply in the town was cut off. Screams, yells, wailings, and sirens of rushing fire trucks were filling the air amid a curfew that went into effect at 10 p.m., scheduled to be lifted at 7 a.m. on Wednesday," The Daily Star said. The six-day violence has claimed three lives and injured 70 while more than 500 houses were set on fire, over 400 of which belonged to tribals. The violence made 3,000 tribals and 500 Bengali settlers homeless, the newspaper said. Journalists visiting the affected areas were pursued on motorcycles by settlers who sought to intimidate them and block their routes, the newspaper said. State Minister for Home Shamsul Hoque Tuku who visited Khagrachhari and Rangamati Wednesday, alleged that the opposition Bangladesh Nationalist Party and the Jamaat-e-Islami Bangladesh "are hatching conspiracies to create unrest in the country". Despite orders banning any demonstration, Parbatya Bengali Chhatra Parishad, a student organisation of Bengali settlers, announced a daylong transport strike in all three hill districts on Thursday. All through Wednesday, security forces comprising the army, Rapid Action Battalion (RAB), Bangladesh Rifles (BDR), and police patrolled the streets of Khagrachhari town. The law enforcers arrested 70 people, including 42 tribals. However, the drives ended up flaring the ethnic tension as many indigenous people complained that many of those who were arrested were innocent. Located in southeastern Bangladesh bordering Myanmar, CHT, home to Buddhist tribals, has witnessed ethnic violence. Bengali-speaking Muslims were settled in the area to keep the militancy-affected area under control. Prime Minister Sheikh Hasina reached an accord with the tribals in 1997, but most of the provisions remain to be implemented.

India-Bangladesh power plant deal

India and Bangladesh have decided to set up a joint-venture 1,320-megawatt power plant as a mark of co-operation. The two neighbours have also agreed to a cross-border power grid. The joint-venture power plant, to be constructed in southern Khulna in Bangladesh, will be operational within two years. The decisions were taken at the second meeting of the Bangladesh-India Joint Steering Committee on the power sector which was formed during Bangladesh Prime Minister Sheikh Hasina's recent visit to New Delhi. Bangladesh Power Secretary Abul Kalam Azad, who led the host team in the talks, said the two countries had finalised the details of the grid and reached a broad agreement on building the coal-fired plant. The two-unit power plant (660mw each) will cost about \$1.8 billion. The cooperation will facilitate Bangladesh's import of 250 mw to meet the power demand. Power Secretary HS Brahma said India was offering "the cheapest rates" — varying between Rs 2 and Rs 2.5 (Tk 3-3.5). India's National Thermal Power Cooperation (NTPC) and the Bangladesh Power Development Board (BPDB) signed the MoUs on Friday. Mr. Brahma told journalists that the project required 130km grid connectivity — 85km in India and 45km in Bangladesh. The grid costs will be shared proportionately —Tk 1100 crore by Bangladesh and about Tk 200 crore by India. Mr. Azad said the cost was comparatively higher for Bangladesh "as we have to set up a Hi-Voltage Direct Current

(HVDC) sub-station on our side". "The capacity of the transmission will be increased as we plan to import more electricity from India in the next phase."

Int'l Mother Language Institute opens in Bangladesh's capital

DHAKA, Feb. 21 (Xinhua) -- Bangladeshi Prime Minister Sheikh Hasina formally inaugurated the International Mother Language Institute in capital Dhaka Sunday with a declaration that her government wants to seek cooperation from litterateurs, linguists and researchers to make the institute a key global center for practicing and protecting all mother languages."The main objective of constructing the International Mother Language Institute is to protect all languages of the world, conducting research and spreading those languages which are fading out from the globe," she was quoted as saying by national news agency BSS."This institute will not simply be a building. National and international seminars and symposia on languages will be organized while information and ingredients of all languages will be preserved in database," she said after unveiling the plaque of the unique institute in the world that will stand as an epitome of triumphant struggle for right to mother tongue of all people around the globe.The Institute will have a world-standard library to be enriched with books on all languages and grammars. Moreover, the languages which are now extinct or about to be extinct will be made visible through audiovisual system.Hasina had laid the foundation of the Institute in 2001, but the BNP-Jamaat alliance government stopped the construction work after coming to power thereafter.Bangladesh observed International Mother Language Day on Sunday paying tributes to the language movement martyrs, who sacrificed their lives for the mother tongue 58 years ago.On this day in 1952, police opened fire on a procession of Dhaka University students who demanded that Bengali must be the one of the state languages of the then Pakistan. Several students were killed, forcing the Pakistani government to recognize Bengali as one of the state languages of Pakistan.United Nations Educational, Scientific and Cultural Organization (UNESCO declared Feb. 21 the International Mother Language Day on Nov. 17, 1999 to honor the supreme sacrifice of language martyrs.

IMF warns Bangladesh to watch out for inflation

WASHINGTON, Feb 23 (Reuters) - Containing inflation and removing bottlenecks to growth should be priorities for Bangladesh's economy, the IMF saidon Tuesday.

BONDS

In its annual review of Bangladesh's economy, the International Monetary Fund said inflation could rise into the double digits as food prices rise.It said "higher market interest rates would be a small price to pay to prevent a harmful acceleration of inflation."The Fund forecast the pace of annual growth would edge up to around 6 percent although would remain subdued in the near term due to weak imports, sluggish private-sector credit and fewer job opportunities for Bangladeshis working abroad. Therefore, it was important to unleash the economy's potential through higher revenue and more capital spending, it added."Bangladesh seems stuck in a low revenue-low capital spending equilibrium and infrastructure bottlenecks are holding back growth," the IMF said, also urging the authorities to push through reforms for Value-Added Tax (VAT) and remove

ceilings on lending rates. The IMF called for greater flexibility in the exchange rate to support monetary policy goals. "The authorities should move towards greater flexibility in the exchange rate to lessen the constraints on macroeconomic policies," the IMF said. It added: "The export sector should be able to sustain such a move, since they believed that the taka is somewhat undervalued, though not far out of line with fundamentals."

Inter-border power transmission line planned with Bangladesh

To install underground cables through the Teen Bigha Corridor from March 1 India and Bangladesh have agreed to laying of an inter-border power transmission line along the Teen Bigha corridor to provide power supply to Dahogram-Angarpota enclaves. An agreement to this effect was recently signed during a meeting district magistrates of Cooch Behar and North-Western Lalmonirhat on Monday. The two sides agreed to install underground cables through the Teen Bigha Corridor from March 1 for power supply to Dahogram-Angarpota areas in Bangladesh. An Indian delegation led by the Power Secretary, H. S. Brahma, was in Bangladesh last week to sort out the issue pertaining to engagement of the two countries in the power sector. Work on the 178 metre corridor on the Indian side would be taken up from March 1 and the entire installation is likely to be completed by March 16. India has assured Bangladesh authorities of extending all possible cooperation for ensuring that electricity reaches the 15,000 Bangladeshis in Dahogram-Angarpota. The basic infrastructure for putting this transmission line into action had already been laid and the patch-up work needed to be done on the India side to ensure completion of the project. India, in 1992, opened the corridor for six hours daily for movement to mainland Bangladesh and later extended it to 12 hours daily. Mr. Brahma was in Dhaka to participate in the second Joint Steering Committee meetings and to discuss issues regarding interconnection of electrical grids between India and Bangladesh. The delegation also included S. K. Chaturvedi, Chairman and Managing Director, Power Grid Corporation of India Limited (PGCIL). India also agreed to provide consultancy to Power Grid Company of Bangladesh (PGCB) for the construction of Bangladesh portion of the interconnection as well as capacity building of PGCB's manpower. The bulk power transmission agreement for payment of transmission charges for Indian portion of the interconnection was also inked by PGCIL and BPDB.

Bangladesh PM urges Internet access for Bengali

DHAKA (Reuters) - Bangladesh Prime minister Sheikh Hasina has urged the global Internet body to allow millions of Bengali-speaking people around the world to browse the Internet in their own language, an official said on Monday. Hasina made the call on Sunday in an email to the Internet Corporation for Assigned Names and Numbers (ICANN), the global custodian for domain names and systems, while marking International Mother Language day promoting the national tongue. "It (Hasina's email) was a formal proposal to the global internet body to include Bengali for a greater recognition of the language in the world community," Hasina's press secretary, Abul Kalam Azad, said. Hasina hoped the relevant Internet authority would accept the proposal to facilitate some 300 million Bengalis, half of them living in Bangladesh. The rest of the Bengali-speaking community lives mostly in several states of India. Others are scattered around the world. In her first spell in power, between 1996-2001, Hasina persuaded

UNESCO to honour Bangladesh's Ekushey the Language Movement Day on Feb. 21 and declare it as International Mother Language Day. On that day in 1952, four students were killed as police opened fire to disperse students demanding Bengali be established as one of the state languages of Pakistan. Bangladesh was then the eastern part of Pakistan 1,000 miles (1,600 km) east of West Pakistan.

Bangladesh shares suffer biggest fall in a decade

DHAKA — The Dhaka Stock Exchange suffered its biggest fall in a decade on Monday after regulators placed restrictions on trading in the shares of a local mobil phone group. The benchmark DSE General (DGEN) Index shed 137.95 or 2.39 percent to close at 5,622.99 -- the biggest plunge since the index was introduced in November 2001, the bourse's research chief Afzalur Rahman told AFP. An order by the Securities and Exchange Commission that placed Grameenphone under spot trading -- meaning investors cannot buy shares on credit -- triggered the fall, he said. Grameenphone, majority owned by Telenor of Norway, has nearly half of Bangladesh's 52 million mobile phone subscribers and accounts for 15 percent of the DSE index of leading shares. Grameenphone, also the country's largest company in terms of revenue, lost nearly eight percent to close at 332.60 taka -- its largest fall since it made its market debut in November last year. Experts and regulators say a major correction in the Bangladeshi market is long overdue, with shares rising nearly 30 percent since January amid big investments from local private investors seeking quick profits.

Chevron shares Bangladesh gas stake with Korea firm

DHAKA, Feb 24 (Reuters) - Bangladesh's oil and gas authority said on Wednesday it had approved a plan by U.S. energy firm Chevron **to share its stake in a gas block with a leading South Korean oil company.**

"We have approved the U.S. firm's plan to share almost half of its stake with GS Caltex [GSCAL.UL] to tying up the first ever Korean company for hydrocarbon exploration in Bangladesh," said Mohammad Hussain Monsur, chairman of the state-run Bangladesh Oil, Gas and Mineral Corporation or Petrobangla. "But Chevron will remain as the operator of the block," Monsur told Reuters. Confirming this to Reuters, Chevron said that GS Caltex would join it and state-managed Bangladesh Petroleum Exploration and Production Company (BAPEX) as partners in block 7. "The agreement, approved by the Bangladesh government, results in GS Caltex assuming a 45 percent interest. Chevron is the operator and holds a 45 percent interest, and BAPEX a 10 percent interest," the company said in a statement.

Chevron had submitted the proposal several months ago to Petrobangla. Chevron has already conducted a 2D seismic survey covering 1,040 square kilometers, spending \$14 million in 2006 and found prospects there. Chevron said it had also completed a comprehensive 3D survey in block 7 and was analysing data. It has also started mobilizing equipment to initiate drilling in the field which might cost of \$20 million to delineate hydrocarbon reserve potentials in the block. Chevron supplies around 950 million cubic feet of gas per day (mmcf), which is almost half of the country's total gas production of 1996 mmcf. Bangladesh suffers a daily gas shortage of up to 300 mmcf that has forced at least 300 manufacturing firms in the southern Chittagong area to halt operations, officials said. (\$1=69.30 taka)

India Trade Fair-2010 kicks off : Bangladesh-India trade should strengthen: Muhith

Finance Minister Abul Maal Abdul Muhith said the economy of the region must be integrated and trade between the countries should be further strengthened in order to improve lives of the people. He said this while inaugurating the three-day Bangladesh India Trade Fair (TIF)-2010 and Bangladesh- Northeast India Trade and Investment Conclave at the Dhaka Sheraton Hotel on Thursday morning. The ITF-2010, the first such joint initiative of Bangladesh and India, kicked off with a vision to further boost trade between the two countries where over 50 stalls and pavilions of both the countries took part. Emphasizing on further expansion of trade and investment with the neighbouring countries, AMA Muhith said the cooperation between the nations in the region should be in terms of trade and investment. The Finance Minister said Bangladesh is a transit country in this continent for its geographical importance. Bangladesh's trade with neighbouring countries is basically based on import as 20 percent of its import is from regional states but it exports only three percent to South Asian countries. The country has marked a substantial rise in exports during the last two months, he said adding the country's export trade in the region is with India, Nepal, Bhutan and China. "Hope we would be able to maintain this trends of export in future," he added. Commerce Minister Mohammad Faruk Khan, Industries Minister Dilip Barua addressed its morning session as special guests while Rajeet Mitter, Indian High Commissioner in Dhaka Bangladesh spoke as the Guest of Honour. Chief Minister of Meghalaya Dr DD Lapang, President of SAARC Chamber of Commerce and Industry (SCCI) and Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) Annisul Huq, Sanjay Prakash of HSBC, and Dewan Sultan Ahmed of IBCCI also addressed the programme. President of India-Bangladesh Chamber of Commerce and Industry Abdul Matlub Ahmad gave welcome address. Urging the Indian entrepreneurs for investing more in Bangladesh, Industries Minister Dilip Barua said Bangladesh is a unique place for investment as it has a liberal investment policy for foreign entrepreneurs. "We want to expand trade with India as desired by Prime Minister Sheikh Hasina. We can share mutual experiences for the betterment of the people of two countries," he said. Commerce Minister Mohammad Faruk Khan said the government would provide all necessary supports to foreign entrepreneurs for doing business in Bangladesh. Looking forward to smoothening trade between the two countries, he said any technical problem in trade, would be resolved by taking immediate steps. Chief Minister of Meghalaya Dr DD Lapang said moves towards development of trade and commerce between the two countries would open the doors to wider horizons of sharing, caring, understanding and strengthening the might of the people of two countries for a progressive future. He said Bangladesh and India could promote trade and commerce in mineral based industries, tourism, healthcare, information technology and education on ICT, and horticulture. The ITF-2010 and the Northeast India Conclave is being held under the auspices of India-Bangladesh Chamber of Commerce and Industry (IBCCI), while Triune Exhibition and Event Management Services Ltd (TEEMS) is playing host as Coordinator and Event Manager. A total of 34 companies are taking part in the ITF 2010, out of which 15 are from India, while the rest 19 from Bangladesh. Participants from India include, TATA

Motor Company, who will showcase their much talked about budget car Nano, for the first time in Bangladesh.

NTPC Plans Power Plant In Bangladesh

NEW DELHI -- India's state-run NTPC Ltd. plans to build a 1,320-megawatt coal-based electricity plant in Bangladesh through an equally owned joint venture, the top bureaucrat in the Indian power ministry said Thursday. The joint-venture plant with the Bangladesh Power Development Board will cost 50 billion rupees (\$1.08 billion) to build, Power Secretary H.S. Brahma told Dow Jones Newswires on the sidelines of an industry conference. He didn't say why NTPC is interested in building a plant in Bangladesh. The company, India's largest power producer by capacity, has been looking to expand its operations beyond the home market. Its earlier plans for a plant in the Trincomalee region of Sri Lanka and two projects in Nigeria haven't made much progress. Bangladesh is trying to attract foreign investors to a string of major energy infrastructure projects, aiming to narrow a widening energy deficit--only about 47% of its population has access to electricity, according to the Web site of that country's Ministry of Power, Energy and Mineral Resources. It is offering 15-year tax breaks, sovereign guarantees on payments and other sweeteners to attract up \$10 billion worth of foreign money over the next seven years. An Indian delegation led by Brahma visited Bangladesh from Feb. 18 to Feb. 20 to discuss interconnection of electrical grids between the neighbors. He said discussions on NTPC building a plant in Bangladesh were held during that visit. Mr. Brahma said execution of the project could take time as NTPC is seeking half the stake in the planned joint venture. Under existing laws in Bangladesh, the government has to hold 51% of joint ventures, he added. "They will have to change the law before further progress is made on the project," Mr. Brahma said.

Mr. Brahma said India has set a target to add 16,000 MW of capacity in the next fiscal year that begins April 1. The country could add 10,000 MW of power in the current fiscal year, he added. India's capacity-addition target for the current fiscal year is 14,500 MW. But, it has added only 6,700 MW until January. The country currently has an installed power generation capacity of 156.78 gigawatts and it aims to add at least 13 gigawatts every year for next few years to provide electricity to help fight blackouts in its cities and light millions of rural households, currently without power. But it has been missing its capacity-addition targets due to shortages of power equipment, manpower for construction and commissioning of projects and disputes between project authorities, a government survey released Thursday showed.

Opposition Crackdown Fuels Bangladesh Unrest

A massive government crackdown on activists and supporters of the opposition Islamic parties is fueling unrest in Bangladesh, a Muslim-majority South Asian country. "This type of action by a democratically elected government is unwarranted and a major blow to the fundamentals of democratic principles," Abdul-Latif Masum, a professor of political science, told IslamOnline.net. "It appears that the ongoing oppression of the opposition,

especially Islamic forces, is quite ill-conceived by the present government and mainly targets to eliminate the Islamic forces from Bangladesh. Thousands of opposition activists have been arrested in a massive security crackdown over the past three weeks. The unrest is the first since Prime Minister Sheikh Hasina, the Awami leader, returned to power after a December 2008 parliamentary election that ended a two-year period of rule by an army-backed interim government. Professor Masum warned that the government crackdown would trigger chaos in the country. "This should not be the character of any democratic government and it shows intolerance of Awami League government," he said. "Therefore, government should open all window of democracy for the sake of democracy itself." But the government defended its crackdown against the opposition, saying it was part of efforts to prevent chaos in the country. "Bangladesh Nationalist Party (BNP) and Bangladesh Jamaat-E-Islami (BJI) are trying to destabilize the country to halt the trial of war criminal indictment process which is election agenda of present government," Mahabub-Ul-Alam Hanif, Joint General Secretary of the ruling Awami League, told IOL.

Standard Policy

Opposition groups say the latest crackdown is a standard policy of the Awami League "As a political party whenever Bangladesh Awami League (BAL) got hold of the power it never tolerated any opposition party," Abdul-Kader Mollah, Assistant Secretary-General of Bangladesh Jamaat-e-Islami, told IOL.

"The present oppression and torture of the opposition by the Awami League government is their normal practice as evident from its past historic records of activities." Mollah cited the government ban of all political parties in the country in 1973. "BAL got the brute majority in 1975 and banned all political parties not only the Islamic political parties and established the ill-fated one party state with the formation of Bangladesh Krishak Sramik League (BAKSAL) and started the era of one party regime in Bangladesh." He urged the government to stop treating the opposition as the enemy. "Opposition is a part of government in a democratic country. So, the government should refrain from undemocratic and dictatorship attitude against opposition," said Mollah. "Our apprehension is that such type of attitude toward the opposition as rooted in the mind of present government is not good sign for the country. Its consequence will be very bad." Mohammad Jafarullah Khan, Secretary-General of the Khelafat Majlish Islamic party, warned that the crackdown could trigger a backlash. "BAL government is losing its good image through torture and suppression of the opposition and creating a terrible atmosphere," he said. "This will lead to a decline in the public support for the government. So ultimately government will be destabilized within a short time."

Bangladesh set to return constitution to secular roots

Bangladesh will restore secularism as a state principle in the constitution, a government minister said, following a Supreme Court decision to strike down an amendment moved after a 1975 military coup. The move comes at a time when Bangladesh Prime Minister Sheikh Hasina is seeking to rein in Islamist parties which have tried to promote a more austere vision of society. "In the light of the verdict, the secular constitution of 1972

already stands to have been revived," Law Minister Shafique Ahmed said late on Saturday. "Now we don't have any bar to return to the four state principles of democracy, nationalism, secularism and socialism as had been heralded in the 1972 statute of the state," he said. The four principles were enshrined in Bangladesh's original constitution formulated by independence leader Sheikh Mujibur Rehman. But the words "secularism" were dropped following a 1975 coup in which Mujib, as he was popularly called, was killed along with most of his family members.

Hasina, one of Sheikh Mujib's two surviving daughters, has sought closure to one of the country's most difficult periods and fix accountability for those guilty of the coup, since she took power last year. Last month five men convicted of involvement in the 1975 military takeover were executed. Earlier this month, the Supreme Court upheld a lower court decision declaring the Fifth amendment, which dropped secularism as a guiding state principle, as null and void. The opposition Bangladesh Nationalist Party and its staunch ally Jamaat-e-Islami party had appealed against the High court judgement. Law minister Ahmed said people will be free to practise their faith, but will not be allowed to use religion for political purposes.

Bangladesh looks to buy 300,000T Black Sea wheat-trade

SINGAPORE, Feb 24 (Reuters) - Bangladesh mills are negotiating to buy around 300,000 tonnes of wheat from the Black Sea region for shipment between April and June, traders said on Wednesday. "We are looking to buy around 300,000 tonnes of wheat for the April-June period," said one trader on the sidelines of an international grains seminar in Singapore. "None of this has been contracted, talks are still going on." Another trader said Bangladeshi mills bought 30,000 tonnes of Australian prime wheat at \$263 per tonne, on a cost and freight basis, for March-April shipment. Bangladesh mainly buys Black Sea wheat and smaller quantities of high-quality Australian and Canadian cargoes for blending. However, it recently cancelled a tender to buy wheat from India's LMJ International at \$243.90 a tonne, saying the price was high. [ID:nSGE61M06S] Bangladesh, which bought 3.7 million tonnes of wheat in 2009 versus 2.6 million tonnes a year ago, needs to import around 2 million tonnes of wheat between July and December this year to meet growing domestic demand, traders said. (Reporting by Naveen Thukral, writing by Himani Sarkar; Editing by Editing by Clarence Fernandez)

Bangladesh ship breakers protest new standards

CHITTAGONG, Bangladesh — Bangladesh's ship breaking yards ground to a halt Monday as some 30,000 workers protested a government decree aimed at improving environmental standards in the industry, police said. Under a government order issued in late January said, ships heading for breaking yards must now be certified as toxic chemical-free before they are imported and scrapped. "Ship breakers are demanding the order be reversed and 30,000 ship breaking workers are protesting with a massive rally in the centre of Chittagong," said local police chief Monirul Islam, referring to Bangladesh's second-largest city. The order comes after a boom year for ship breakers, with the number of yards growing to around 100 from just 40 in early 2009 and turnover hitting a record 700 million dollars. With no natural iron ore deposits, Bangladesh is dependent on recycled steel for its fast-growing economy. Some 45 percent of the world's ship breaking

happens on the southeastern Sitakundu coast."The government order is tantamount to a death sentence for the industry," said Jafar Alam, head of the Bangladeshi ship-breakers association."Tens of thousands of workers will lose their jobs because of the order," he said.The industry employs an estimated 40,000 people.Activists hailed the government's order as the "biggest achievement in many years" in their battle to enforce environmental and work safety standards in the yards."Now the yards cannot import ships that contain deadly toxic waste like asbestos, mercury and PCPs," said Mohammad Ali Shaheen, the local head of the rights group coalition, NGO Platform on Ship Breaking."It will ensure the safety of the workers who were made to clean up these pollutants with their bare hands. The government has proved that it's stronger than the ship breakers and I hope it won't back off from this stand."Last year, 26 people were killed at the ship breaking yards, a figure that charities call a huge underestimate, as it only counts on-site accidents and does not include workers who were laid off after being made ill by toxic chemicals.Ships heading for Bangladesh routinely contain chemicals banned in many developed countries such as asbestos.

Bangladesh democracy in doldrums

Foreign direct investment in Bangladesh totalled \$941 million in the fiscal year to June 2009. According to Central Bank, investment confidence in Bangladesh also rose in the first quarter [July-September] of the current fiscal year, although figures were not available.A recent commentary by Reuters said, "However, a little more than a year after Sheikh Hasina was sworn in, many Bangladeshis say things are turning sour, and question whether investment flows will keep rising, as the top political parties continue at loggerheads and there are signs of increasing violent crime, much of it linked to political groups."It said, "Political feuds propelled by recent student unrest and long-standing animosity among leaders have raised concerns among overseas donors and friendly governments about impoverished Bangladesh's long-term stability."Delegates at Bangladesh Development Forum meeting warned Bangladeshi participants against a bitterly personal and rigidly partisan political climate undercutting Prime Minister Sheikh Hasina's goal of making the country, where some 40 percent of the population now gets by on under \$1 a day, a middle income nation by 2021.Renata Dessallien, U.N. Resident Director in Bangladesh, told the meeting that "Bangladesh's democracy has been hampered by excessive competition between the two major political parties -- a competition that has sometimes exceeded normal democratic parameters.""Yes," said Bangladesh Finance Minister Abul Maal Abdul Muhith. "Political division is harmful for development activities and so we are trying to make parliament functional."But even as the meeting was in progress, lawmakers from Hasina's Awami League and ex-prime minister Begum Khaleda Zia's Bangladesh Nationalist Party [BNP] fiercely traded what parliament's speaker said were "unparliamentary and abusive" words, and the BNP staged several walkouts from the legislative body at the time of the aid meeting. The BNP only recently started attending parliament at all, after a near year-long boycott, claiming unfair treatment by the Awami League, which leads a coalition with a more than two-thirds majority in the 345-seat legislature.The December 2008 general election, which was held under the military controlled interim government headed by General Moeen u Ahmed

brought hopes for political stability and possible cooperation among the top two parties -- each headed by a strong-willed woman from families long prominent in politics -- in a country whose near 40 years of independence have seen sporadic bouts of military rule and street fighting and violence between the parties. Bangladesh Nationalist Party has been terming the election of 2008 as 'Engineered Election' saying; General Moeen plotted the entire electoral game plan to place Bangladesh Awami League in power, sensing its sympathetic attitude towards this former army chief, who is accused of violating military codes and laws by behaving like a politician while he was in service. General Moeen, on a number of public functions during the military controlled interim government passed offensive remarks about the politicians en masse and wrote a political book, got it published while in service in a colourful manner by using his position as the virtual head of the interim government. It was even rumoured that, General Moeen was aspiring to become head of the government with the help of some of the members of 'civil society' in Bangladesh. A number of former ambassadors, including Waliur Rahman [who now has turned into one of the front-ranking activist of Bangladesh Awami League] was continuing global campaign with the aim of getting international support for General Moeen to finally set him as the head of the government and head of the state in Bangladesh. It was reported in press as well endorsed by former ambassador Waliur Rahman on various television channels that, several meetings between him and General Moeen as well interim government's CE Fakhruddin Ahmed took place in United States and in Bangladesh. When the interim government backed by army virtually seized power from another caretaker government following weeklong violence and political murders in the country, Awami League chief Sheikh Hasina termed this government as a 'result of her movement'. Sheikh Hasina attended the oath taking ceremony of the military backed interim government, in an extreme joyous mood, while her political opponent, Bangladesh Nationalist Party refrained from attending.

Most of the Awami League leaders were openly declaring solidarity with the military backed interim government, especially when it started offensives on BNP leaders and sent them to prison on corruption charges. But the mood of Bangladesh Awami League was suddenly smashed, when the same government started booking leaders of this party too on various corruption allegations. Finally, Sheikh Hasina was also sent to prison by the government, which, according to her, was a 'result of movement'. Meanwhile, after failing to secure any support in continuing in power, General Moeen had no choice but to go for holding the general election thus handing over power to an elected government. No doubt, Sheikh Hasina was able to seize people's admiration and once again massive support with the electoral mandate titled 'Vision 2021'. Political analysts compare such electoral mandate of Sheikh Hasina with that of American president Barack Obama. However, a little more than a year after Hasina was sworn in, many Bangladeshis say things are turning sour, and question whether investment flows will keep rising, as the top political parties continue at loggerheads and there are signs of increasing violent crime, much of it linked to political groups. Members of the ruling party's student wing are increasing turning violent and continuing to establish reign of terror in various campuses in Bangladesh. Political analysts commenting on such situation said, rival leaders often use students loyal to them as a ladder to power. They supply them weapons, drugs and support to break the law. This makes the students violent, unruly money and power-

mongers. Students of the ruling party's political wing are continuing to behave like 'mini-mafias'. On February 21 a female student was assaulted and sexually harassed by some leaders of the student's wing of the ruling party inside Dhaka University campus. Such brutality and notoriety took place in presence of thousands of people, who came to pay homage at the memorial of the heroes of language movement. On the same day, Bangladesh Chhatra League activists abducted three college girls from a park in Dhaka named Suhrawardy Udyan. The girls were taken to an isolated place, where they were group raped. Next day, on February 22, 2010, four cadres of Bangladesh Chhatra League [student front of the ruling party] abducted a female from Chittagong Medical College and raped her. While some other students of Chittagong Medical College nabbed one of the culprits, members of law enforcing agencies quickly came on the spot and finally let the culprit go without any legal actions. It is even reported that, police did not register any case, which was submitted by the raped female. Meanwhile, instead of addressing such important issues of combating campus terror as well the increasing trend of terror and lawlessness in Bangladesh, the ruling party is busy in taking revenge on its political opponents in various ways. Recently the Prime Minister told in the parliament that, there was no dead body inside the graveyard of former President Ziaur Rahman [founder of BNP] and another lawmaker of her party [and Prime Minister's cousin] Sheikh Fazlul Karim Selim even demanded in the parliament of demolishing the graveyard of former President Zia. Sheikh Hasina in a very recent step, has decided to change the names of at least 50 institutions in Bangladesh including the Zia International Airport. While commenting on this decision, the Prime Minister told the parliament that such decision has been taken to 'give a good lesson to BNP' because it earlier renamed many installations that had been named after her slain father Sheikh Mujibur Rahman, the country's founding leader. The latest scenario in Bangladesh politics is truly worrisome. No one can say with confidence that the present elected government and the parliament can complete its tenure. The ruling party is desperately trying to give fullest provocation to its political opponents towards demonstrations and movements. The reason behind such attitude of the ruling party is because it has started believing that, its political opponents are gradually becoming weaker and they do not see any risk of not being re-elected for at least three more terms. So, Bangladesh Awami League has set the first five years in giving a 'good lesson' to its political opponents, while the next three terms would be used in implementing its political pledges to the nation. It is even learnt that the culture of holding general election under a neutral caretaker government would be revoked in the parliament. If so, any future election in Bangladesh will be held under the party in power. And, there is no room to have minimum doubt that, ruling parties will always try to do everything in ensuring continuation of its tenure. Naturally, if the future general elections in Bangladesh will be held under the ruling parties, there will be massive violence.

Bharti explores another acquisition in Bangladesh

Indian telecom giant Bharti Airtel is exploring another acquisition in Bangladesh after acquiring a 70 percent stake in Warid telecom, an Indian newspaper reported. "Bharti could acquire a big player in Bangladesh," DNA said, quoting a senior industry

representative participating in the Mobile World Telecom Congress in Barcelona recently. But the report did not give further details on the acquisition plan. For the recently concluded Warid deal in Bangladesh, Bharti would make an investment of \$300 million for the venture. Earlier this week, Bharti confirmed that it had entered exclusive talks with Kuwait's telco, Zain, for its South African assets. The two groups will be in dialogue until March 26 to set a future course of action. In a related development, Orascom Telecom CEO Naguib Sawiris, while talking of consolidation, said his company could not afford to buy the African assets of Zain at this point.

Bangladesh re-tenders to buy 70,000 T wheat

DHAKA, Feb 25 (Reuters) - Bangladesh's state grains buyer has re-launched a tender to buy 70,000 tonnes of wheat to replenish food reserves, a food official said on Thursday. The last date for submission of bids is March 25 with bids remaining valid up to April 15. Shipment must take place within 60 days of contract signing, the official said. Bidders may offer a minimum quantity of 30,000 tonnes on cost and freight basis. Bangladesh cancelled a tender to buy wheat from India's LMJ International at \$243.90 a tonne, saying the price was too high. Traders said Bangladesh, which imports around 2 million tonnes annually, is buying more wheat this year to meet growing demand while domestic production is likely to stagnate at around 1 million tonnes. Bangladesh was expected to buy more than 2.85 million tonnes of wheat this fiscal year ending June, because of lower global prices. The government has imported 100,000 tonnes of wheat so far this year and finalised the purchase of 480,000 tonnes more, including the latest deal with Turkish Tiryaki Agro Foods Industry Company that would supply 100,000 tonnes at \$239.40 per tonne. It has a rough target of 750,000 tonnes of imports by the end of the current fiscal year. In another tender to buy 100,000 tonnes of wheat that closed on Feb. 9, local firm MABCO Foods Ltd. has made the lowest offer at \$233.33 a tonne. Bangladesh mainly buys Black Sea wheat and smaller quantities of high-quality Australian and Canadian cargoes for blending

Troops sent to quell unrest in Bangladesh town

Bangladeshi troops were called in Tuesday to stop ethnic clashes between Bangalee settlers and an indigenous tribe in a southeastern hill town that left nearly a dozen people injured. Troops and extra police were patrolling the streets of Khagrachhari and all public gathering were banned after several homes were set ablaze by the opposing groups, who are involved in a decades-old land dispute, said Ashraf Ahmed, a police official. Tribal activists from the United People's Democratic Front blocked roads and waterways in the area to protest the deaths of two tribal people they say were killed last week by security officials during clashes with the settlers, local police Chief Amir Zafar said. The government has said it will investigate the deaths as well as a series of arsons that the tribal people blame on the settlers. Ahmed said no arrests were made in Khagrachhari on Tuesday and the situation there had calmed. Ethnic tension in the region 110 miles (176 kilometers) southeast of the capital, Dhaka, is not new. Authorities resettled landless Bangalees into the area in the 1980s in a bid to end a tribal insurgency that had troubled the region for nearly two decades. Tribal groups say many of their people have lost their land because of the settlement and faced brutal repression during years of military

operations meant to quell the insurgency. The insurgents signed a peace treaty with the government in 1997, but the tensions have remained.

Bangladesh's stock frenzy raises fear of new crash

DHAKA — In a run-down office in downtown Dhaka, excited investor Mizanur Rahman has just spent his life savings of 3,000 dollars on shares despite knowing nothing about market fundamentals. Everyone in this unofficial trading room, one of hundreds across the country, is glued to a screen showing share price movements on the Dhaka Stock Exchange -- up nearly 30 percent since January. "My friends make hefty profits investing in stocks and told me I could make 20,000 per month by investing 200,000 taka (3,000 dollars)," said Rahman, a 30-year-old electrician who returned from working in Singapore last week. "Some people have said the market could crash any time, but I've been hearing about this for years. In reality, it's going up and up," he said. Rahman is one of 143,000 people who opened electronic share accounts country-wide in the first two weeks of February. The figure has officials predicting this month will break the previous record, set in October 2007, of 191,000 new accounts. But like the majority of Bangladesh's new part-time traders, Rahman has no idea what the bourse's largest listing or best performers are, what the quarterly or annual profits of key firms are, or whether a stock is overpriced. Officials say such blind enthusiasm by retail investors has fuelled a dangerous up-trend at Bangladesh's main bourse -- the general index hit a record high of 5828.38 points this week, up 28.5 percent since the start of the year. This year record-breaking highs have become a daily occurrence on the Dhaka Stock Exchange as investors overlook a series of curbs and warnings by regulators, who are concerned a crash could wipe out savings. "The market is dangerously overheated with the daily infusions of liquidity by new retail investors who have barely any idea about the fundamentals of the market," the Securities and Exchange Commission (SEC) executive director, Anwarul Kabir Bhuiyan told AFP. "We could see a massive correction anytime." He said the SEC had restricted borrowing to fund trading of shares in scores of companies, placed many stocks on watch and dished out repeated warnings. "What can we do if people don't heed our warnings? We've even received threatening phone calls telling us not to act against this bull run," Bhuiyan said. In November 1996, wild speculation and lax regulations sent Dhaka stocks soaring to 3,600 points before a crash took them to 700 points, wiping out thousands of families' savings and slowing economic growth the following year. On Thursday, in response to recent surges in the price of shares for two key listed companies, including Nobel prize winner Muhammad Yunus's Grameenphone Ltd., the SEC placed restrictions on both, effective from Monday. The move saw share prices for Grameenphone drop around 6.0 percent by close Thursday, but experts say the new curbs will not halt the bull run. "The market is going up and up, defying all logic -- this is driven entirely by rumour," said Reaz Ahmed of LR Global, a New York-based fund manager. "Real economic growth has slowed down and the fundamentals of the economy are not that strong," he said, adding that the market was "heavily overvalued" and that he expected a 20-percent correction to come at any time. Bangladesh's economy is projected to grow 5.5 percent in the year ending June 2010 its worst performance in eight years. Exports, the main lever of growth, declined by six percent in the first six months to December. Inflation has reached seven percent, with food inflation believed to be significantly higher. Cash from remittances -- some 10.5

billion dollars last year -- and a government amnesty which allows untaxed cash, often from bribes, to be invested in the bourse have fuelled the bubble, said AIMS fund manager Yawar Sayeed. "New investors are being bused in by brokers from rural towns to feed the frenzy," he said. "A massive correction has become long overdue. There is a very strong chance we'll have a crash, and if this happens it will destroy the lives of hundreds of thousands of people, and the scale of devastation will be worse than 1996." The legacy of that crash lives on for Khairul Alam, a 40-year-old government clerk who invested his father's entire pension of one million taka into stocks, only to see it vanish within a month. "My father never got over it. I had to work two jobs a day, from morning to midnight to support our family of eight people. My only sin is that I advised my father to buy stocks," he said.

Neighbours ink draft on trade ties

- **Push to infrastructure** The India-Bangladesh Chamber of Commerce and Industry (IBCCI) and Indian Chamber of Commerce (ICC) today decided to expedite creation of international trade infrastructure with special focus on Assam, Meghalaya, Tripura and Mizoram. The trade bodies took the decision during the Northeast India-Bangladesh Investment Conclave in Dhaka today. After deliberations at the conclave, a joint declaration was finalised jointly by the ICC and IBCCI in consultation with the states of the Northeast. A three-day Indian trade fair, with a focus on promoting business and investment between Bangladesh and India's Northeast also got under way in Dhaka today. Assam industry minister Pradyut Bordoloi told **The Telegraph** from Dhaka that the ICC and IBCCI would approach the authorities concerned for appropriate intervention from time to time on expediting the issues on which discussions were held. Bordoloi is part of the delegation of ministers and businessmen from the Northeast led by Meghalaya chief minister D.D. Lapang. The industry minister said the Brahmaputra which is the national waterway number 2 that extends into Bangladesh, needs to be developed, dredged and made navigable. "Not only that, Bangladesh needs to develop border trade infrastructure on their side with reference to border trade centres developed in Assam at Golakganj and Mankachar in Dhubri district besides Suterkandi in Karimganj district," he said. "Bangladesh should facilitate extension of the movement of containers from the inland container depot (ICD) at Amingaon to the Calcutta port and if possible connect the Chittagong port with it," Bordoloi added. The meeting called for concerted efforts on tourism promotion between Bangladesh and the northeastern states and road connectivity between commercially viable locations. On Tripura, the meet called for expeditious implementation of the agreement arrived at between India and Bangladesh for access to the Chittagong port and declare Ashuganj as "port of call" and to allow movement of over dimensional cargo from Ashuganj. The Sabroom-Ramgarh land custom station should be opened and infrastructure developed, the meet suggested. The declaration also dwelt on the need to have direct bus service and air connectivity between Agartala and Calcutta via Dhaka. The ICC and IBCCI agreed that progress on the said matters and issues would be reviewed. On Meghalaya, the meeting called for operationalising the border *haats* at Dawki, Borsora, Mahendraganj and Gasuapara as an interim measure and air connectivity between Dhaka-Sylhet and Shillong. It also called for a bus service from strategic areas in Garo hills to Bangladesh as well as in the Dhaka-Sylhet route.

Bangladesh garment factory fire 'leaves 21 dead'

At least 21 people have been killed and some 50 injured in a fire at a clothes factory in Bangladesh, reports say.

Rescuers had recovered dozens of injured people from the blaze at the Garib & Garib Sweater Factory, fire officials told local TV stations. The factory is located in Gazipur, some 50km (30 miles) north of the capital, Dhaka. Lax safety standards and poor wiring cause several fatal factory fires every year in Bangladesh. The fire broke out on the factory's second floor late on Thursday, trapping dozens of workers who were knitting jumpers, fire officials told AFP news agency. It blazed for two hours before it was brought under control, reports say. The textile industry in Bangladesh employs more than two million people, and produces clothes for some of the world's biggest brands. Bangladesh has more than 4,000 factories, and ready-made garments account for most of the country's export earnings. The minimum wage in Bangladesh is less than \$25 (£15) per month.

UK sending ships to scrap yards in Bangladesh

According to an Ecologist investigation, UK companies are among those using loopholes in European and international law to sell ships to Bangladesh scrap yards with little or no safety regulations. The ship breaking industry is booming in Southern Bangladesh but NGOs say workers are frequently exposed to toxins and that at least one worker dies every week from explosions or falling steel plates. UK based Andrew Weir Shipping Limited is one of a number of companies whose vessels have ended up on the beaches of Bangladesh in the past year. The company has sold four ships through a cash intermediary in China and at least one of them ended up in the notorious 'Lucky Shipyard' where children as young as 12 dismantle ships without safety equipment. Two other UK companies, Zodiac Maritime Agencies and FGM Shipping Management Limited are both alleged by the French NGO Robin des Bois to have sold ships for scrapping in Bangladesh in the last year. Under the Basel Convention, any ship containing hazardous substances cannot be sent for disposal in a developing country without extensive pre cleaning. However, these rules can be bypassed in two ways. Firstly owners can wait till the ships are in international waters before declaring their intention to scrap the vessel, where the Convention does not apply. Secondly, the ships can fly the flags of countries that are not party to the convention such as Antigua and Barbuda. According to the NGO Platform on Ship Breaking, two thirds of the world's vessels are sailing under so called flags of convenience belonging to small states that compete by promising to keep taxes, fees and regulations light for ship owners. There is no implication that workers have been killed or injured dismantling ships owned by UK companies. But when contacted, Andrew Weir Shipping Limited refused to confirm whether its ships had been cleaned of hazardous substances before arriving in Bangladesh. Zodiac Maritime Agencies confirmed it had sent a ship to Bangladesh but could not provide proof that it had been cleaned of hazardous waste. FGM Shipping Management Limited did not comment on the allegations.

Bangladesh-Canada economic cooperation increasing to mutual advantage

Canada is one of the few countries which recognised and established bilateral relations with Bangladesh just after independence in 1971. Built upon shared values of democracy and pluralism, bilateral relations between the two countries are focused on development cooperation, trade and investment, regional security, immigration and people-to-people links. It is widely believed that Canada and Bangladesh can work together in strengthening parliamentary democracy, improving education system and expanding business opportunities between the two countries. It may be recalled that the parliament election held on December 29, 2008 gave Bangladesh an opportunity of strengthening democracy and parliamentary system in Bangladesh. This has apparently greatly enhanced the image of Bangladesh among the nations of the world. The formation of parliamentary friendship forum between Bangladesh and Canada has been a great step forward and this would lead to more exchanges of parliamentarians between the two countries and strengthen the relations between the parliaments of the two countries. The parliamentary friendship forum will eventually pave the way for enhanced bilateral relations under an institutional framework and play a crucial role in promoting mutual cooperation in anti-terrorism campaign, development of democratic institutions and conservation of environment, apart from developing routine bilateral trade ties. It may be recalled that Bangladesh is, after India, the second largest exporter of goods from South Asia to Canada. Canada's primary imports from Bangladesh include ready-made garments, fish, bicycles, textile fabric and yarn, footwear and ceramics. The main Canadian exports to Bangladesh include iron and steel, vegetables, cereals, machinery, oil-seeds, electrical machinery and pharmaceutical products. Bangladesh continues to experience a moderate rate of economic growth. However, the recent explosive growth in such sectors as services presents significant opportunities for Canadian investors. Business opportunities will expand as the economy grows. On trade and investment, the scenario has by now reached an enviable level. The volume of bilateral trade between the two countries reached \$956 million in 2008, of which Bangladesh exported goods worth \$642 million and imported goods worth \$314 million. The bilateral trade between Canada and Bangladesh crossed one billion US dollars in 2009, despite economic recession and low-end Bangladeshi products, particularly ready-made garments. Canada's trade relationship with Bangladesh has grown in the last couple of years and is projected to grow steadily in the future. Of the total exportable items from Bangladesh to Canada, a duty-free market for the country since 2003, 95 per cent is garment items. Bangladesh's success in garment and textile exports should spread to other sectors in Canada. There are many goods that Bangladesh produces could be exported to Canada. Bangladesh can export porcelain or china, table and kitchenware. There is also heavy demand for jute and quality jute goods in Canada. Of late, agro-commodities, communication equipment, metals, pulp and paper are also being traded both the ways. It's time that the Canadian investors were informed about the congenial business environment that prevails in Bangladesh and that they can now invest in different profitable sectors. The Canadian investors can increasingly invest in Bangladesh in such promising sectors as power, energy, textile, garments, food processing and packaging, IT and services.

Bangladesh shows signs of political prudence and economic development. Its middle class is growing rapidly and several state-of-the-art sectors are developing, thanks to a highly educated work force. With approximately 150 million people, Bangladesh is one of the most populous democracies in the world and its middle class is 30-million strong. The government is committed to further liberalise the investment regime. There is a network of well-established Bangladeshi expatriates and immigrants in Canada. The knowledge of the English language is widespread in the country and the legal system is inspired by the British Common Law. Bangladesh should therefore be an attractive investment destination for the Canadian business people. Bangladesh economy has performed remarkably well despite the global economic crisis and the macroeconomic indicators are in good shape. This relative stability helped put Bangladesh in the limelight. Bangladesh figures in a select group of countries that have emerged from the shocks of the global economic crisis with a decidedly positive growth outlook. Although, due to the commodity price crash, value of imports dropped slightly and capital machinery imports also declined indicating sluggishness in the manufacturing sector investment, the resilience of RMG and textiles sectors helped to prop up export receipts. Besides, the key source of funds in the foreign exchange market continues to be the wage-earners' remittance, which recorded \$9.7 billion in FY09 (22.4 per cent growth). The small drop in exports, coupled with record remittance, resulted in a swelling current account surplus, which has kept the local foreign exchange and taka market very liquid. While this large liquidity overhang could have forced the taka to appreciate, judicious purchases by Bangladesh Bank to mop up excess liquidity has helped to keep the exchange rate of the taka broadly stable, and helped preserve external competitiveness of exporters. The official foreign exchange reserves continued to accumulate rapidly throughout the year and crossed the \$7 billion mark by the fourth quarter of FY09. This trend continued into the second half of this year, and the reserves now stand above US \$10 billion for the first time in the history of Bangladesh. The real GDP is clocking around 6 per cent growth and the financial system has remained sound.

The investment climate is also improving gradually fuelled by the global recovery, with signs of strengthened economic activities in the US, Canada and European countries. Furthermore, the government has announced financial stimulus packages to boost certain priority sectors with special support for the industrial sector. The central bank has also taken measures like relaxing conditions for borrowing, lowering interest rates as well as widening the range of financial assets admissible as collateral to maintain adequate liquidity and credit flow to the markets. The government has also been taking significant steps to plug the growing power and energy shortages and develop infrastructure. Steps such as private-public partnership will hopefully attract sufficient investments to lay the foundation for a stronger performance in FY10.

Private investment from foreign sources is welcome in Bangladesh and there is no restriction on the amount of investment or equity shares. 100 per cent foreign investment and joint ventures with local private partners or with the public sector are freely allowed. Suppliers of products and services for the following sectors are welcome in Bangladesh: power generation, green technologies, information technology and telecommunication, life sciences, natural resources, infrastructures, heavy industry machinery and medical

equipments. The business people of both Canada and Bangladesh should better assess the development potential of their business in Bangladesh. The prospective investors can also take the benefit of a number of international investment regimes available in Bangladesh. Bangladesh is a signatory of Multilateral Investment Guarantee Agency (MIGA), Overseas Private Investment Corporation (OPIC) of America and International Centre for Settlement of Investment Disputes (ICSID). The Multilateral Investment Guarantee Agency of the World Bank group encourages the flow of foreign direct investment (FDI) to, and among, developing member countries by providing guarantees to foreign investors against loss caused by non-commercial risks. MIGA's guarantee protects investors against losses arising from the risks of currency transfer, expropriation and war and civil disturbances. MIGA ensures new investment, privatisation and financial restructuring. The ICSID is mainly for the settlement of investment disputes between states and nationals of different states. ICSID seeks to encourage greater flows of international investment by providing facilities for the conciliation and arbitration of disputes between governments and foreign investors. Bangladesh has signed bilateral agreements for the avoidance of double taxation with Japan, Italy, Singapore, Sweden, Republic of Korea, United Kingdom (including Northern Ireland), Canada, Malaysia, Romania, Sri Lanka, France, Germany, India, Pakistan. OPIC is the most important US government agency which is in a position to promote greater investment interest in countries like Bangladesh by providing loan financing and investment insurance to North American investors. OPIC also supports efforts by Bangladesh to attract increased foreign private investment. In order to secure its investment in Bangladesh any organisation may seek OPIC's insurance coverage. There is thus a great prospect and promise for Canadian investment in Bangladesh. Canada-Bangladesh trade agenda should reflect respect for entrepreneurship, market competition, environment, opportunity for all and the rights of workers. The trade agenda should seek to do a number of things including support a rule-based trading system, advance social accountability and political transparency. Free and fair trade with a proper regard for social and environmental goals and appropriate political accountability will foster not only bilateral relations but will also bring global well-being.

Bangladesh arrests more than 70 in ethnic violence

Bangladeshi security officials have arrested more than 70 people as part of a crackdown in a town where ethnic violence has left one person dead, a dozen wounded and several homes burned to the ground, police said Wednesday. Bangladeshi troops and extra police were called in Tuesday to stop ethnic clashes between Bangalee settlers and an indigenous tribe involved in a decades-old land dispute in southeastern Khagrachhari town. All public gatherings were banned and a curfew was imposed in the area, which was once at the heart of a tribal insurgency. Police said they had recovered the body of a Bangalee man who was shot in the head. A dozen people were wounded in the violence, and several homes on both sides were torched. More than 70 people from both groups were arrested in overnight raids, a police official at Khagrachhari police station told The Associated Press. He spoke on condition of anonymity because he was not authorized to talk to the media. Ethnic tension in the region 110 miles (175 kilometers) southeast of the capital, Dhaka, is not new. Authorities resettled landless Bangalees there in the 1980s in a

bid to end the tribal insurgency in the area, which borders Myanmar and India. The area was largely Buddhist before the settlers, who are mainly Muslim, arrived. Tribal groups say many of their people have lost their land because of the settlement and faced brutal repression during years of military operations meant to quell the insurgency. The insurgents signed a peace treaty with the government in 1997, but tensions have continued. Tuesday's unrest began when activists from the United People's Democratic Front _ which opposes the peace treaty _ blocked roads and waterways in the area to protest the deaths of two tribal people they say were killed last week by security officials during clashes with settlers. The government has said it will investigate the deaths as well as a series of arsons that the tribal people blame on the settlers.

Bangladesh to emerge from crisis with stronger growth: World Bank

Bangladesh, India and Bhutan will emerge from global economic crisis with stronger growth performances as these countries have sound economic policies, the World Bank said in a recent report. "India, Bangladesh and Bhutan are expected to emerge from the global crisis with stronger growth performances. These three countries generally have sound economic policies and greater resilience of trade, investment and remittances," the global lender said in its report titled 'Global Economic Prospects 2010'. It said countries which entered the global economic crisis with stronger fundamentals, such as Bangladesh, Bhutan and India, weathered the crisis better. Growth has been weakest in countries that entered the crisis with large internal and external imbalances, such as the Maldives, Pakistan and Sri Lanka, it observed. On South Asian economy, it said South Asia have escaped the worst effects of the global economic crisis. However, it noted that the region's Gross Domestic Product (GDP) growth of 6 per cent in 2009 remained unchanged from 2008. "The global financial crisis contributed to deceleration in real GDP growth in South Asia, from 8.7 per cent in 2007 to 6 per cent in 2009. This was largely driven by a pronounced decline in investment growth and private consumption." "Although the global financial crisis had a sharp negative impact on South Asia, the slowdown in regional GDP growth was the lowest among all developing regions." It said, "Since private capital inflows to South Asia is less significant as a share of its GDP as compared to other regions, the region escaped from a key transmission channel of the crisis. Also, domestic demand in the region was relatively resilient, having been cushioned by counter-cyclical macroeconomic policies. Growth is expected to rebound to 6.9 per cent and 7.4 per cent in 2010 and 2011. The report warned that while the worst of the financial crisis may be over, the global recovery is fragile. It predicts that the fallout from the crisis will change the landscape for finance and growth over the next 10 years." From a global perspective, this crisis is the most severe and widespread downturn since 1945. Global GDP is estimated to have contracted by 2.2 per cent in 2009, the first absolute decline in global GDP among the post-war crises. Global GDP is expected to grow 2.7 per cent this year and 3.2 per cent in 2011. But considerable uncertainty continues to cloud the outlook. "The report warned that, even when the world returns to positive growth, it will take several years before economies recoup the losses already endured. It estimates that about 64 million more people will be living in extreme poverty - on less than US\$1.25 a day - in 2010 because of this crisis. The report said lower oil prices have eased pressures on fiscal deficits stemming from fuel price subsidies in South Asian region. "Real incomes were also boosted by the collapse in global commodity prices. Domestic demand in South Asia was relatively resilient, having

been cushioned by countercyclical macroeconomic policies. Interest rates were rapidly cut across most economies, which represent a large share of regional household outlays."Bangladesh, India, Pakistan and Sri Lanka cut policy interest rates. Activity in Bhutan and Nepal, where the currencies are tied to the Indian rupee, was supported by India's expansionary monetary policy stance. Regional fiscal positions deteriorated in 2009 in response to a combination of reduced tax receipts resulting from the decline in economic activity. Even before the crisis, fiscal deficits were already a problem for many South Asian countries. While stimulus measures helped offset the negative effects of the global crisis, they led to higher fiscal deficits in nearly all of the regional economies.

Drawing an effective poverty alleviation strategy

Although the whole world is moving fast in achieving development in science and technology, the main problem lies with poverty followed by environmental pollution, climate change, terrorism and economic recession. About one-fifth people (1.2 billion) of the world are unable to meet their daily basic needs while about 2.7 billion people lead their lives by expensing below \$2 per day. About 800 million people of the world go to bed with empty belly. More than 1.0 billion people's purchasing capacity is below \$1 per day. Bangladesh is next to India and China in terms of severity of poverty. Climate change, natural calamity like flood and cyclone, decrease of arable land and land infertility mainly in the coastal areas and lack of improved Agri-technology are some of the main limiting factors of poverty. About 20% people in the rural areas have been suffering from extreme poverty while hardcore poor people account 43.6% in the rural areas.

Bangladesh is one of the countries worst affected by natural disasters like floods, droughts, cyclones, sea-level rise, salinity and arsenic incursion due to climate change which effects directly on agriculture, fisheries and biodiversity. A temperature increase of 1.0 degree Celsius by 2050 will result in one-fourth of the country under water, 20 million people will be homeless and 40 million will go under their livelihoods. In this backdrop, government of Bangladesh has taken various pragmatic action plans and development initiatives including formation of a Climate Change Adaptation Fund. Besides, river dredging, building coastal embankment and cyclone shelters, environmental pollution management and conservation programmes, Multi-Donor Trust Fund (MDTF) have been taken into action in the mid-term strategy to take the challenges of climate change adaptability and reducing vulnerability. Bangladesh has also ratified the Copenhagen Accord and decided to take part in further proceedings on the provisional deal. The present government under the leadership of Sheikh Hasina has taken extensive programmes to eradicate poverty in line with the MDGs. On assuming to power, the present government has broadened the agricultural development, food security and social safety net programmes which result in decreasing the number of people below the poverty line by 1.0% over the last year. Agri-subsidy through Diesel and Fertilizer Subsidy Programme and Agri-input Assistance Card Programme (AACP) has resulted in ample food production leading to self-sufficiency. Food Security Programme has been intensified through VGD, VGF, TR, Rationing and OMS programmes. Social safety-net area and number of beneficiaries have been increased. The One House One Farm Project

has been on to mobilize rural economy. Other development programmes like rural infrastructure, education, health & communication have been dealt with a momentum. Employment Generation Programme for the Hardcore Poor, the first ever National Service Scheme has been taken into action for rural livelihood development. Public-Private Partnership strategy has been adopted for the development of industrial, commercial and service sectors. Progress has also been made in international co-operation, community development, development partners and NGOs.

Distinguished guests and participants,

Now, I would like to make some points on the core issue of today's programme, which is poverty alleviation. Bangladesh Awami League declared Charter of Change in its election manifesto and in line with the Vision-2021, Bangladesh government has been striving much for achieving the MDGs. The recent Multiple Indicator Cluster Survey (MICS) 2009 shows that we have made progress in achieving MDGs with some regional disparity. Poverty Reduction Strategy Paper II, "Steps Towards Change: National Strategy for Accelerated Poverty Reduction II (FY 2009-11)" worth of Tk 3457.40 billion has been passed in the 3rd session of the 9th Parliament with an inclusive focus on prioritization of interventions and resource allocation. Priority has been given to education, infrastructure development, social protection, growth increase, establish good governance and alleviate poverty in the country. Out of the 18 policy matrix, the priority based six sectors are: i) education, training & research (Tk 582.30 billion), ii) infrastructure development including power, energy & communications (Tk 536.66 billion); iii) social protection (Tk 319.39 billion); iv) promoting good governance & public services (Tk 300.95 billion); v) health, nutrition & population planning (Tk 207.94 billion) and vi) agricultural growth towards poverty reduction (Tk 180.00 billion). The Estimated GDP growth (projected): 6% in the current FY & 6.7% in the next FY; Projected investment-GDP ratio: 24.6% in the current FY & 26.1% in the next FY; Inflation: beyond the 6.5 level in current FY & 6.1% in the next FY and Revenue-GDP ratio (projected): 11.4% in the current FY & 11.9% for the next FY have been benchmarked.

A total of Five Strategic Blocks have been taken into consideration in Poverty Reduction Strategy Framework, which are i) macro-economic environment for pro-poor growth; ii) critical areas for pro-poor growth; iii) essential infrastructure for pro-poor growth; iv) social protection for the vulnerable and v) human development. The Five Supporting Strategies are i) ensuring participation, social inclusion and empowerment; ii) promoting good governance; iii) ensuring efficient delivery of public service; iv) caring for environment and tackling climate change and v) enhancing productivity and efficiency through science & technology. However, the three major elements to address the issues of poverty reduction are i) bringing vibrancy in agriculture and rural life; ii) expanding the social safety-nets for the ultra-poor and iii) targeted approach towards employment generation. Regional disparity will be addressed in formulating the 6th Five-Year Plan for harmonic development. Orientation Programmes have been provided to the newly elected & Women MPs making them able to administer the development policy, planning and activities in their respective constituencies. We have formed all the 48 parliamentary committees, out of which 7 committees with the Chair from the opposition. All the

committees have been functioning actively with due responsibility and accountability. NGOs activities have been brought under responsibility and accountability. Participation of women has been ensured in all the strategic plans and programmes. Thus, government has been working hard in all the development sectors with a view to reduce poverty rate at 15% by 2021. Ladies and gentlemen, Our development initiatives require assistance from our development partners. Socio-economic development of Bangladesh largely depends on timely release of promissory fund from the donors and development partners in line with the Bali Action Plan, CHOGM & COP-15. I therefore call upon all of our development partners and developed nations for a timely release of 0.2% of ODA from the OECD, transferring technology to boost up agri-production and climate change adaptability, more FDI flow, narrowing trade balance and more investment in energy, ICT, communication, industry and service sectors. We believe that together we will survive, unless all of our achievements will result in a futile demise.

Trade Deals With 12 States

Iran has signed free and preferential trade agreements with 12 countries, announced the director general of Arab and Africa Commerce Office at the Trade Development Organization of Iran. Hossein Hosseini also told IRIB on Tuesday that the agreements seek to facilitate trade cooperation with Kyrgyzstan, Bosnia-Herzegovina, Uzbekistan, Cuba, Venezuela, Pakistan, Sri Lanka, Bangladesh, Tunisia, Syria, Turkey and Indonesia. According to the official, so far eight agreements have been implemented and four are still being negotiated. Hosseini stated that these preferential trade agreements cover 173 agricultural goods and 285 industrial products for Iran against 104 and 129 agricultural and industrial goods for other parties. The organization is also determined to sign similar trade agreements with Lebanon and Iraq to bolster cooperation with Middle East states **Hurdles** Pakistan's Ambassador to Iran M.B. Abbasi, in a meeting held at the Embassy of Pakistan on Tuesday, said the main hurdle for trade between Iran and Pakistan is the absence of the banking sector and trade on L/C terms. Talking to a delegation of the Federation of Pakistan's Chamber of Commerce and Industry (FPCCI), he said bed and textile products of Pakistan are in great demand on Kish Island, which is a tax-free zone. flyin to carry out operations will definitely increase commercial traffic. "The government should also allow freight subsidy on plastic items, which are in great demand in Iranian markets," he said. Abbasi asked the delegation to hold joint business sessions and organize exhibitions on different sectors to enhance trade ties between the two neighboring countries. Vice President of FPCCI Mansha Churra called for initiating talks with Tehran to allow easy access to Pakistani products in Iranian markets. He asked the ambassador that a visa facility on reciprocal basis is the need of the hour, which would help investors of the two countries in initiating businesses

BANGLADESH: RICE MILLS CAN SAVE HUSK WORTH TK 4 BILLION ANNUALLY

DHAKA, Bangladesh, Feb 25 (NNN-BSS) — Country's rice mills can contribute Taka four billion to national economy annually by saving two million tones of husk, a by-product of rice, through increasing their efficiency. Studies indicate that at least 30 percent rice husk can be saved if the traditional system of rice parboiling system is improved, former director general of Bangladesh Rice Research Institute Dr M A Baqui said. The saved husk can be turn into much more energy efficient source of fuel as briquette while rice bran is a high value animal feed and raw material for oil extraction plant, he said.

Bhutan

Rising drug abuse? UN watchdog blames India

NEW DELHI: The United Nations narcotics watchdog, International Narcotics Control Board (INCB), has blamed India for the rising drug abuse in its neighbourhood, particularly in Bangladesh and Bhutan. Worse, the UN agency says India is the primary source of injectible drugs such as pethidine and morphine widely abused in these countries. In fact, more and more addicts in these countries are shifting to injectible narcotics abuse."The widespread abuse of pharmaceutical preparations containing narcotic drugs such as codeine is an ongoing problem in Bangladesh. Such preparations are smuggled into that country from India," the report says. The INCB report also gives details of seizure made in these countries. In 2008, drug enforcement agencies in Bangladesh seized 53,239 bottles containing codeine-based syrup and 226 ampoules containing pethidine and morphine. The same year, agencies seized 554 tablets containing codeine. But this was far less than the huge seizure of 70,000 tablets made in 2007. A record seizure of Buprenorphine, a widely abused injectible drug, of 14,782 ampoules, was made by law enforcement authorities in that country in 2008. These too were smuggled into Bangladesh from India. Pharmaceutical preparations containing benzodiazepines are among the drugs most widely abused in Bhutan. More than 1,060 tablets containing chlordiazepoxide and 240 strips of tablets containing nitrazepam were seized in 2007 in Bhutan and the trend continued in 2008. The suspected origin of the seized drugs was India, according to the INCB report. Besides smuggling drugs to neighbouring countries, the report says India has become one of the main sources of drugs sold through illegal internet pharmacies. Orders placed with such pharmacies are often dispatched to buyers in other countries through courier or postal services. The UN agency asked India to increase its vigilance in detecting the misuse of courier and postal services to smuggle controlled substances out of the country. It said the majority of clandestine shipments of controlled substances detected in India were destined for Australia and countries in North America and Europe.

India to emerge from global economic crisis with stronger growth

WASHINGTON: With sound economic policies, India, Bangladesh and Bhutan are expected to emerge from the global economic crisis with stronger growth performances

in South Asia, according to a World Bank report. These three countries generally have sound economic policies and greater resilience of trade, investment, and remittances, it said noting growth has been weakest in countries that entered the crisis with large internal and external imbalances, such as Pakistan, Sri Lanka and the Maldives. In general South Asia appears to have escaped the worst effects of the global economic crisis, the report - Global Economic Prospects 2010 - said. However, the region's GDP growth of 6 percent in 2009 remains unchanged from 2008. The global financial crisis contributed to deceleration in real GDP growth in South Asia, from 8.7 percent in 2007 to 6 percent in 2009. This was largely driven by a pronounced decline in investment growth and private consumption. Although the global financial crisis had a sharp negative impact on South Asia, the slowdown in regional GDP growth was the lowest among all developing regions, the report noted. South Asia's import volumes through July 2009 declined 32 percent compared with the previous year. The decline in the region's merchandise export volumes was less severe. Some sectors demonstrated marked resilience during the crisis, such as ready-made garments in Bangladesh, Sri Lanka's partnerships with mid-to high-end retailers in the United States and the European Union, and India's information technology industry. Overall, the combination of a sharp fall in the value of imports, a less steep decline in exports, and resilient remittance inflows have mitigated the negative effects. Remittance, a key source of foreign exchange for South Asia, declined in 2009 due to decline in economic activity and the rise in unemployment in migrant host countries. Remittance inflows, however, remained relatively strong compared with other sources of foreign exchange, and indeed are above their 2007 levels. Among South Asia's economies, India, the largest recipient of remittances in the world in dollar terms, posted a contraction in remittance inflows in 2009, while Bangladesh, Nepal, Pakistan, and Sri Lanka, experienced a slower pace of growth of remittances inflows. Domestic demand in South Asia was relatively resilient, having been cushioned by countercyclical macroeconomic policies. Interest rates were rapidly cut across most economies, which represent a large share of regional household outlays. Bangladesh, India, Pakistan, and Sri Lanka cut policy interest rates. Activity in Bhutan and Nepal, where the currencies are tied to the Indian rupee, was supported by India's expansionary monetary policy stance. Although regional GDP growth is projected to accelerate, a return to boom-period growth rates is not expected in near future. The regional fiscal deficit is projected to narrow on reversal of stimulus measures introduced to support demand during the crisis. The recovery path for the individual economies will vary substantially. Countries that entered the crisis with stronger fundamentals, such as Bangladesh Bhutan, and India, weathered the crisis better, the report noted.

Lanka assures support for SAARC Summit in Bhutan

SAARC Summit from April 28 to 29

'Theme 'Climate change'

Sri Lanka assured Bhutan wholehearted support as the country prepares to assume the Chair of SAARC for the first time since the inception of the Association. Bhutan Foreign Minister Lyonpo Ugyen Tshering, on a visit to Sri Lanka from February 18-19 met Foreign Minister Rohitha Bogollagama at the Foreign Ministry. In keeping with SAARC

tradition, the Bhutan Foreign Minister called on President Mahinda Rajapaksa who currently holds the Chair of SAARC, on February 19 to handover an invitation from Bhutan Prime Minister Jigme Yoser Thinley for the 16th SAARC Summit. The summit will be held in Thimphu from April 28 to 29. The two Ministers discussed a range of issues pertaining to SAARC including the theme of the 16th Summit which is 'Climate Change.' Discussions also covered progress on the establishment of the Secretariat of the SAARC Development Fund (SDF) in Thimphu. With the establishment of the Secretariat, it is envisaged that the Fund will begin active operation in serving as the umbrella institution for SAARC projects and programs.

Anti-Christian Sentiment Marks Journey for Bhutan's Exiles

KATHMANDU, Nepal (CDN) — Thrust from their homes in Bhutan after Buddhist rulers embarked on an ethnic and religious purge, Christian refugees in Nepal face hostilities from Hindus and others. In Sunsari district in southeastern Nepal, a country that is more than 80 percent Hindu, residents from the uneducated segments of society are especially apt to attack Christians, said Purna Kumal, district coordinator for Awana Clubs International, which runs 41 clubs in refugee camps to educate girls about the Bible. "In Itahari, Christians face serious trouble during burials," Kumal told Compass. "Last month, a burial party was attacked by locals who dug up the grave and desecrated it." Earlier this month, he added, a family in the area expelled one of its members from their home because he became a Christian. Bhutan began expelling almost one-eighth of its citizens for being of Nepali origin or practicing faiths other than Buddhism in the 1980s. The purge lasted into the 1990s. "Christians, like Hindus and others, were told to leave either their faith or the country," said Gopi Chandra Silwal, who pastors a tiny church for Bhutanese refugees in a refugee camp in Sanischare, a small village in eastern Nepal's Morang district. "Many chose to leave their homeland." Persecution in Bhutan led to the spread of Christianity in refugee camps in Nepal. Though exact figures are not available, refugee Simon Gazmer estimates there are about 7,000-8,000 Christians in the camps - out of a total refugee population of about 85,000 - with many others having left for other countries. There are 18 churches of various faiths in the camps, he said. "Faith-healing was an important factor in the spread of Christianity in the camps," said Gazmer, who belongs to Believers' Church and is awaiting his turn to follow five members of his family to Queensland, Australia. "A second reason is the high density in the camps." Each refugee family lives in a single-room hut, with one outdoor toilet for every two families. The Nepalese government forbids them to work for fear it will create unemployment for local residents. Life was even harder for them before 2006, when Nepal was a Hindu kingdom where conversions were a punishable offence. "When I began preaching in 2000, I had to do it secretly," said Pastor Silwal of Morang district. "We could meet only surreptitiously in small groups. I used my hut as a make-shift church while many other groups were forced to rent out rooms outside the camp." A fact-finding mission in 2004 by Brussels-based Human Rights Without Frontiers found that police pulled down a church structure built by Pentecostal Christians in the Beldangi camp by orders of Nepal's home ministry. The rights group also reported that Hindu refugees ostracized the Christians, who had proceeded to rent a room outside the camp to meet three times a

week for worship services and Bible study. When the Jesus Loves Gospel Ministries (JLGM) organization sent officials from India to the Pathri camp in Morang in 2006, they found that local residents resentful of the refugees had taken note of a baptism service at a pond in a nearby jungle. "In August, we were planning another baptism program," JLGM director Robert Singh reported. "But the villagers put deadly poisonous chemicals in the water ... Some of the young people went to take a bath ahead of our next baptism program. They found some fish floating on the water and, being very hungry - the refugees only get a very small ration, barely enough to survive on - they took some of the fish and ate them. Three of them died instantly." Singh also stated that poisoned sweets were left on the premises of the refugee school in the camp. They were discovered in time to avert another tragedy. Life for Christian refugees improved after Nepal saw a pro-democracy movement in 2006 that caused the army-backed government of Hindu king Gyanendra Bir Bikram Shah to collapse. The king was forced to reinstate parliament, and lawmakers sought to curb his powers by declaring Nepal a secular state.

Though Christian refugees are now allowed to run churches openly in the camps, ill will toward them has yet to end. When Pastor Silwal asked camp authorities to allow him to open a church in 2006, Hindu neighbors protested, saying it would cause disturbances. Camp authorities allowed him to open a tiny church in a separate room on the condition that its activities would not disturb neighbors. Earlier in his life in Bhutan, said the 40-year-old Pastor Silwal, he had been a stern Hindu who rebuked his two sisters mercilessly for becoming Christians. He forbade them to visit their church, which gathered in secret due to the ban on non-Buddhist religions in place at the time. They were also forbidden to bring the Bible inside their house in Geylegphug, a district in southern Bhutan close to the Indian border. "I became a believer in 1988 after a near-death experience," Pastor Silwal told Compass. "I contracted malaria and was on the verge of death since no one could diagnose it. All the priests and shamans consulted by my Hindu family failed to cure me. One day, when I thought I was going to die I had a vision." The pastor said he saw a white-robed figure holding a Bible in one hand and beckoning to him with the other. "Have faith in me," the figure told him. "I will cure you." When he woke from his trance, Silwal asked his sisters to fetch him a copy of the Bible. They were alarmed at first, thinking he was going to beat them. But at his insistence, they nervously fetched the book from the thatched roof of the cow shed where they had kept it hidden. Pastor Silwal said he tried to read the Bible but was blinded by his fever and lost consciousness. When he awoke, to his amazement and joy, the fever that had racked him for nearly five months was gone. Pastor Silwal lost his home in 1990 to the ethnic and religious purge that forced him to flee along with thousands of others. It wasn't until 1998, he said, that he and his family formally converted to Christianity after seven years of grueling hardship in the refugee camp, where he saw "people dying like flies due to illness, lack of food and the cold." "My little son too fell ill and I thought he would die," Silwal said. "But he was cured; we decided to embrace Christianity formally."

Homeless

In 2001, Bhutan4Christ reported the number of Bhutanese Christians to be around 19,000, with the bulk of them - more than 10,500 - living in Nepal. When persecution by the Bhutanese government began, frightened families raced towards towns in India across the

border. Alarmed by the influx of Bhutanese refugees, Indian security forces packed them into trucks and dumped them in southern Nepal. Later, when the homesick refugees tried to return home, Indian security forces blocked the way. There were several rounds of scuffles, resulting in police killing at least three refugees. Simon Gazmer was seven when his family landed at the bank of the Mai river in Jhapa district in southeastern Nepal. Now 24, he still remembers the desolation that reigned in the barren land, where mists and chilly winds rose from the river, affecting the morale and health of the refugees. They lived in bamboo shacks with thin plastic sheets serving as roofs; they had little food or medicine. "My uncle Padam Bahadur had tuberculosis, and we thought he would die," said Gazmer, who lives in Beldangi II, the largest of seven refugee camps. "His recovery made us realize the grace of God, and our family became Christians." The plight of the refugees improved after the U.N. High Commissioner for Refugees (UNHCR) stepped in, receiving permission from the government of Nepal to run the refugee camps. According to the UNHCR, there were 111,631 registered refugees in seven camps run in the two districts of Jhapa and Morang. Though Nepal held 15 rounds of bilateral talks with Bhutan for the repatriation of the refugees, the Buddhist government dragged its feet, eventually breaking off talks. Meantime, international donors assisting the refugee camps began to grow weary, resulting in the slashing of aid and food. Finally, seven western governments - Canada, Norway, Denmark, New Zealand, Australia, the United States and the Netherlands - persuaded Nepal to allow the refugees to resettle in third countries. The exodus of the refugees started in 2007. Today, according to the UNHCR, more than 26,000 have left for other countries, mostly the United States. A substantial number of the nearly 85,000 people left in the camps are ready to follow suit. Although they now have a new life to look forward to, many of Bhutan's Christian refugees are saddened by the knowledge that their homeland still remains barred to them. So some are looking at the next best thing: a return to Nepal, now that it is secular, where they will feel more at home than in the West. "I don't have grand dreams," said Pastor Silwal. "In Australia I want to enroll in a Bible college and become a qualified preacher. Then I want to return to Nepal to spread the word of God."

Assam top ULFA leaders get bails over TADA

Guwahati: After years in jail, ULFA leaders now are being freed. ULFA leaders Mithinga Daimary, who was arrested in Bhutan in 2003, and Pradip Gogoi, who was arrested in Kolkata in April 1998, have got bail in all the TADA cases against them. "If other leaders are released from jail, only then talks might move," said Central Publicity Secretary of ULFA Mithinga Daimray. The release follows ULFA chairman Arabinda Rajkhowa's statement that talks and handcuffs don't go together. But most of the top brass of the ULFA are still in prison. This includes Rajkhowa, Deputy Commander-in-Chief Raju Baruah, Cultural Secretary Pranati Deka, Foreign Secretary Sasadhar Chowdhury, Finance Secretary Chitrabon Hazarika and political advisor Bhimkanta Borgohain. These people are part of the Central Committee of the ULFA. "If everyone is in jail together, we are looking for a political solution," said Prabal Neog. However, Commander-in-chief Paresh Barua, who is supposed to be in the Myanmar-China border is still sticking to his stand that sovereignty must be a pre-condition for talks. Cadres of ULFA are still

underground and are adopting a wait-and-watch policy. Even as the Home Ministry and Assam government prepare the ground for talks.

Northeast India: boiling pot of international rivalry – part1

Northeast India, where seven Indian states with different ethnic groups straddle three international borders, has always been a boiling pot of emotions and grievances. The rise of China and the spread of Islamist militancy have now injected a new dynamic. China's increasingly strident claim to India's Arunachal Pradesh and the Pakistani intelligence agency's effort to stir up trouble in the Northeast, using the Muslim majority Bangladesh as a conduit, have entangled local grievances with a larger global agenda, making the resolution of such grievances ever more complicated. For the time being, the emergence of a moderate government in Bangladesh has given India a window of opportunity. After years of strained relations with Bangladesh, when India accused it of harbouring anti-India insurgents, a thaw came with the victory of Awami League in December 2008. The state visit to India by Prime Minister Sheikh Hasina in January this year came a month after Bangladesh had detained several leaders of the separatist United Liberation Front of Assam, ULFA, and handed them over to the Indian authorities. Among them was ULFA chairman Arabinda Rajkhowa and deputy commander Raju Baruah who for years had been based in Bangladesh. Their Islamist and Pakistani link too suffered when on January 27, Bangladesh executed five ex-army officers convicted of the 1975 murder of the country's independence leader - and Sheikh Hasina's father, Sheikh Mujibur Rahman. Among those executed was Lt Col Syed Faruque Rahman - who, in 1988, first met ULFA's then foreign affairs chief Munim Nobis. That marked the beginning of ULFA's clandestine presence in Bangladesh. According to Sanjoy Hazarika the Assamese author of *Strangers in the Mist: Tales of War and Peace from India's Northeast*, Nobis traveled from Dhaka to Pakistan where his Bangladeshi contacts introduced him to Pakistan's Inter-Services Intelligence, or ISI.

Faruque and his accomplices fled the country after the murder of president Mujibur Rahman but returned in the 1980s from their self-imposed exile and formed the right-wing and Islamic Freedom Party, which, according to an official, 2002 compilation from the Immigration and Refugee Board of Canada, has alleged ties with "ultra right-wing groups such as the Harkatul Jihad" which is linked to the ISI. Though born out of a nationalist movement to expel illegal Bangladeshi migrants from Assam, ironically ULFA ended up being based in Bangladesh, and used by India's arch enemy Pakistan to stir up trouble in India's northeast. ISI may not have been particularly interested in the ULFA's separatist cause, but if militancy increased in the northeast, India would be forced to withdraw troops from the battlefield in Kashmir and send them to Assam, which would suit Pakistan. At least, that was the strategy, as ULFA commander-in-chief Pooresh Baruah told this correspondent in Bangkok in March 1992. In the 1980s, ULFA also established camps in Bhutan, mainly in the Samdrup Jongkhar region in the southeast, where ULFA ran lucrative businesses in the names of local Bhutanese citizens. However, in December 2003, the Bhutanese army, assisted by India, moved against ULFA and some of its allies, driving them out. Following that operation, ULFA lost not only its cross-border sanctuaries in Bhutan but also huge stocks of arms and ammunition,

which were seized by the Bhutanese and the Indians. To make up for these losses, ULFA, reportedly with assistance from Pakistan through a Pakistani businessman in Dubai, arranged for a massive arms shipment from China. But it was seized in the Bangladeshi port of Chittagong in April 2004. Jane's Intelligence Review reported in July 2004 that the shipment originated from Hong Kong and reached Sittwe in Burma, where the weaponry was transferred to some smaller vessels and shipped to Chittagong. According to Jane's, the shipment was worth an estimated US\$4.5 million to \$7 million and included about 2,000 Chinese-made automatic and semi-automatic weapons, rocket propelled grenade launchers, and vast quantities of ammunition and hand grenades. China's role in shipping military equipment to ULFA remains obscure, and it is not inconceivable that the weapons were obtained on the black market. However, diplomatic sources in Bangkok point out that the Chinese black market is actually more grey than black; former officers in the Chinese army buy weapons from army units as well as directly from the North China Industries Corporation, or Norinco, and sell them on. "This cannot be done without the Chinese authorities at least turning a blind eye to the trade," says one such diplomatic source. Given China's increasingly sharp border dispute with India, keeping a little but deniable fire going in northeast India may be a good strategy. In the mid 1990s, ULFA units trekked through northern Burma to the Sino-Burmese border areas and even managed to open an unofficial "office" in the Chinese frontier town of Ruili. According to a well-placed local source in Ruili, ULFA maintained a more or less permanent presence in Ruili until 2007, and managed to buy weapons from Chinese dealers as well as former rebel groups that also had made peace with the Burmese government. Among them were the local army in the Kokang area and the powerful United Wa State Army, which is made up of the bulk of the fighting force of the now defunct Communist Party of Burma. "There was a lot of trade in 2006-2007," the source alleged. It is unclear why ULFA had to close its Ruili office in 2007, but as the organisation's leaders were being rounded up in Bangladesh and deported to India, commander-in-chief Baruah was indeed spotted in the border town of Yingjiang opposite Burma's Kachin State. Following its recent reversals, ULFA strength appears to be dwindling, and without immediate cross-border sanctuaries in countries such as Bangladesh and Bhutan - and a secure supply of weapons - its future is uncertain. A key determinant will be the durability of Sheikh Hasina and the Awami League in power. Bangladeshi politics can be turbulent, to put it mildly, and sudden changes and shifts occur frequently. Sheikh Hasina was prime minister from 1996 to 2001 as well, and that was also a period of tougher conditions for ULFA and other groups battling the Indian government. As soon as she was forced to resign after a defeat in the 2001 election, and her enemies in the Bangladesh Nationalist Party came to power, relations with Pakistan improved. And ULFA leaders returned from South-East Asia, where some of them had been in exile since 1996. Then it all changed again when the Awami League returned to power a little over a year ago. Given the volatility of Bangladesh politics, ULFA's future also depends on what India will do with Rajkhowa and the other leaders who were deported in December. The word here in Guwahati, the state capital of Assam, is that New Delhi may try to neutralise ULFA with money and promises of representation in local administrations - as it has done with other separatist movements in India's volatile northeastern region. It also depends on what Baruah may be planning. It is doubtful whether he can achieve much from his hideout in a small Chinese border town. But that

may also change - if China believes he can be useful for their designs for the region. With India-China relations growing tense as the rivalry between Asia's two giants intensifies, the ULFA commander can, at least for the time being, feel pretty safe in his present sanctuary.

Agreement with India: Context and consideration for cooperation for development

THE Indo-Bangladesh joint communiqué issued on the occasion of the visit of Prime Minister Sheikh Hasina to India last month has been discussed piecemeal. It seems to me that the scope contents of the cooperation stipulated in the communiqué cannot be understood without considering the underlying premises and as a whole. I will try to lay out the considerations that inform and make up the basis of the cooperation.

Basis & subregional context of cooperation with India

Well-being of the people - accelerated development -bilateral & subregional at level: The ultimate goal of state policy is well-being of the citizens, which can be achieved through sustained economic development and accelerated by cooperation with the countries in the region / subregion. Peace and stability in the country and the region, which are necessary for sustained growth, entail coordination between and among those countries.

Interdependence/mutual dependence: Cooperation with other countries can be built and sustained upon interdependence. Mutual dependencies guarantee continued cooperation. If one country can do it alone, or cooperation does not bring significant benefit, no durable cooperation can be predicted. Get rid of extremism, cross-border crimes & secessionist movements - ratcheting effect of harbouring the above - resources to be reallocated to output & welfare enhancing purposes: Encouraging or harbouring criminals engaged in cross-border crimes / illegal trafficking, extremism and secessionist movements implicates unproductive and wasteful deployment of resources that should have been allocated for public well-being. Indulgence to such activities and groups ratchet back upon the host country, for they are no friend to the country and its citizens. Bangladesh must not be safe haven to extremism and secessionist movements.

Geographical conditions - cooperation with India in subregional context: The geography of Bangladesh entails cooperation with India; cooperation with Bhutan and Nepal in lies through India. Myanmar can be reached directly, but through India can be equally or perhaps more efficient. Cooperation with India is situated within the context of sub-regional cooperation. Bilateral cooperation does not exclude multilateral cooperation.

Consultation & engagement for resolving issues: The language and practice of diplomacy is discussion and mutual trust. Coercion or physical aggression is primitive and pathologically sterile. Noisy expression of distrust or fear is paranoia, not diplomacy. Engagement is absolutely necessary to resolve issues between states; disengagement can only compound problems.

From paired reciprocity to broad based & long term cooperation: There has been a critical shift from paired reciprocity - i.e. exchange of individual benefits - to more comprehensive or holistic approach to cooperation. The new approach takes a broad based and long term view of cooperation which produces synergy. No major investment in mutual dependencies is made except on long term and broader consideration.

Three Agreements against crime. Three agreements against crimes follow from imperative for peace & stability: The three agreements seeking cooperation against crime follow from the imperatives for peace and stability. Instability militates against economic as well as democratic developments political development in the region and affects Bangladesh adversely.

Border and security issues

Agreement of 1974 as basis for settling border issues - frequent meeting of border forces - electrification of Angurpota-Dahagram - flyover for uninterrupted access: It is reiterated that border related issues shall be settled in the light Agreement of 1974 - there is no other agreement that can guide the two governments. The Prime Ministers instructed the border forces to hold meetings frequently - not only after each episode of skirmish - which can contain tension and ensure more peaceful relations. Electrification of Angurpota-Dahagram and uninterrupted access across a flyover are humane response to the problem.

Transportation connectivity

Ashuganj & Shilghat as port of call - multimodal transport - infrastructure development at India's cost - participation of Bangladeshi contractors: The amendment of the existing IWTT Protocol includes Ashuganj and Shilghat in the list of ports of call and allows multimodal transport, which is standard now and is more efficient than unimodal transportation. India will bear the cost of infrastructure development, much of which is located within Bangladesh, and our contractors are eligible for the work. Akhaura-Agartala rail link - construction at India's cost: Construction of Akhaura-Agartala railway link will be grant financed by India. This will be used for transportation from Chittagong port and Ashuganj. The cost of infrastructure development will be borne by India. Use of Mongla & Chittagong ports - Mongla to connect Bhutan & Nepal - development of Mongla port - India perhaps loses some benefit - potential competitor of Kolkata & Haldia ports: Access to Chittagong port allows India convenient transportation to North Eastern States (NES) from mainland India or import directly into those states. Access to Mongla does not bring significant or additional benefit to India. Mongla port is important for Bhutan and Nepal. More cargo through Mongla helps develop the port which has stagnated for years. Mongla is a competitor of Kolkata and Haldia ports for cargo to Bhutan and Nepal.

Rohonpur-Singabad & Radhikapur-Birol link to Bhutan & Nepal: Rohonpur-Singabad rail link provides connection with Nepal and Bhutan; Radhikapur-Birol, after conversion to broad gauge, will provide an additional connection. Rohonpur-Singabad rail link had lost importance after 1947 and fallen into disuse since 1965. The operation of this railway segment was revived in early 1990s to carry the stones for the Bangabandhu Bridge. The benefits of the links accrue to Bangladesh, Bhutan and Nepal. India receives no additional benefit - perhaps loses some benefits currently available for movement across its territory. Connection between places in one country - previous agreements not honoured - long term projection of demand needed for infrastructure development: This provision has been in existence for a long time and included in the trade or trade and transit agreements of 1980, 1990 and 2006. (The facility for movement between parts of India has been variously described as transshipment, transit and corridor. I have followed the expression in the agreements.) However, no serious attempt had been made to implement (honour!) the agreements; on the contrary, the agreements were frustrated on grounds of inadequate infrastructure. Structures are built up to meet demand for services;

no infrastructure development can take place without some projection of long term growth of demand and entails cooperation on a sustained basis. Asian Highway and Asian Railway - isolation / insularity of Bangladesh Asian Highway and Asian Railway have been mixed up with transit to India in a perverse manner. UNESCAP's conception of the two transport networks goes back to 1959. Bangladesh had not signed up to the charters because the routes lay through India - and that in effect isolated the country from the rest of Asia and the world. The government had insisted on change of the highway routes before signing on to the charter. (The rule is that only members can suggest change of routes. Bangladesh refused to sign on the basis of routes already determined and asked for change before becoming member. The government made change of route a pre-condition for signing.) Bangladesh signed to the Asian Railway charter in 2007 (Signing to the Asian Railway is yet to be ratified.) and to the Asian Highway in 2010.

Dredging

Dredging conceived by Government - multiple benefits expected - limited use of waterways by India: The strategy for dredging has been conceived entirely by the government of Bangladesh. Several benefits are expected from dredging: control of floods and inundation; land reclamation; improved navigability of the waterways for least cost transportation of goods; access to ports - particularly Mongla; slow silt deposit; containing salinity intrusion. Cooperation of India can improve efficiency of operation and outcome. Flow of water with force from upper riparian reduces silt deposit as well as frequency and extent of capital and maintenance dredging, thereby reducing the cost of both. No direct benefit accrues to India; it will use only a fraction of the waterways. Common rivers Recriminations & stalemate since GWST 1996: The water of the common rivers (54 in number) can be shared only on the basis of agreement between the upper riparian and the lower riparian. The Ganges Water Sharing Treaty 1996 (GWST 1996) stipulates augmentation of the Ganges flow as well progressively agreements for sharing of water of the other common rivers. However, since GWST 1996 there has been dispute about the rightful share rather than augmentation of the flow of the Ganges and share of the water of the other rivers. The JRC meetings were held at long intervals and consumed by disputes and recriminations. 1983 agreement aborted - no progress in term of Art IX since GWST 1996 - JRC in March 2010 to break stalemate on Teesta: Bangladesh and India considered a possible ad hoc sharing of Teesta water in 1983, but did not conclude any agreement. Thereafter there had been no progress on sharing of the water of the common rivers. GWST 1996 broke the stalemate. Sterile disagreements and disputes have followed since then - generally and with respect to Teesta. The Prime Ministers asked that the Ministers for Water of the two countries convene Joint Rivers Commission (JRC) meeting within March 2010. That will commence meaningful discussion for ad hoc sharing of Teesta water. Hydrological Study of Teesta is required for long term agreement. (JRC at ministerial level will meet on or about 20th March, 2010.) Technical & Secretary level meeting before PM's visit: The technical level and the secretary level meetings, held at short notice preparatory to the Prime Minister's visit to Delhi, was the first step to break the stalemate. (Secretaries' meeting reached following agreements: Dredging of Ichamati; river protection work at Mohananda, Karotoa, Nagar, Kulik, Atrai, Dharla and Feni; study/sharing of Feni, Monu, Mohuri, Khoai, Gumti,

Dharla, Dudkola; withdrawal from Feni River upstream for drinking purpose.)Tipaimukh Dam - contemplated back in mid-1950s -- joint project for Cachar & Sylhet - JRC met fourteen times between June 1972 & June 1975 - thereafter JRC met at intervals of two / three years - concept of joint project fell apart: The Tipaimukh Project has a long and inconclusive history. The project had been contemplated by India back in mid-1950s. After independence, Bangladesh and India took it up as a joint project for electricity generation, flood control and irrigation regulation for Cachar and Sylhet. Between June 1972 and June 1975, JRC met on fourteen occasions - i.e. three meetings a year on average - and discussed the issues of common rivers including Tipaimukh. Thereafter the meetings were held at long intervals - once in two or three years. What had started as joint plan for use of shared resource drifted and fell apart, and India formulated the project in 1977. Assurances by India - project for water reservoir & electricity generation - no water diversion structure without due consultation with Bangladesh - assurance to Parliamentary Delegation - assurance by PM of India continuation & confirmation of past assurances: There has been an apprehension on Bangladesh side that India might be going ahead with a plan for water diversion which would impact Bangladesh adversely. At the 35th (2003) and 36th JRC (2005) meetings the Indian side assured Bangladesh that the project was designed for flood moderation and electricity generation, there was no water diversion structure, and that no diversion structure would be undertaken without due consultation with Bangladesh. The same assurance was repeated to the Parliamentary Delegation during their visit to India on 29 July - 4 August 2009. The Indian Prime Minister reassurance has to be seen as a continuation and confirmation of the assurances given in the past. The fact that Bangladesh can still protest and India continues to assure / reassure lends credence to the assurance. Parliamentary Delegation - lack of credibility of those who refused opportunity for verifying facts: The Parliamentary Delegation mentioned above was meant to include representatives of all parliamentary parties, but BNP-JI members did not join. The only Independent Member of Parliament was included in the Delegation. The Delegation did not see evidence of a project which included water diversion structure contrary to the assurances given by India and could be harmful to Bangladesh. The refusal to take the opportunity to verify facts impugn the credibility of their skepticism. Broad based cooperation in electricityBroad based cooperation on electricity - expeditious supply of 250 MW to North Zone - conservation of primary energy sources - growth impact on Northern Zone: The agreement on cooperation on electricity is broad based, including cooperation in coal-based and renewable energy. 250 MW can be supplied to North Zone from India's grid as soon as the link is constructed. The time taken for supply from available generation is much shorter than time for constructing a similar generation plant. A major benefit of cooperation is combining supply with conservation of primary source of energy. (This is an edited version of a paper presented by Dr. Masihur Rahman, Adviser on Economic Affairs to the Prime Minister, to a recent workshop, organised by Policy Research Institute (PRI), Bangladesh, in Dhaka)

Bhutan Post devises postcode system

Bhutan Post's managing director, Tsheten Gyeltshen, said the company has developed numeric postcodes with help from the Universal Postal Union (UPU). You arrived here after searching for the following phrase. "We finally settled for a five digit numeric

postcode, based on the country's administrative division," he said. The first digit of the country's postcode represents the region - east, west, north and south; the second indicates dzongkhag, then dungkhag, if any; and the last two digits denote delivery areas at general and community post offices. Gyeltshen said the code would facilitate speedy and accurate sorting of mail, unlike in the past where sorters had to first look at an addressee's name, village and further details before identifying it for a particular place

Supply-challenged steel

The issue of delay in the placement and movement of railway rakes carrying industrial raw material from India to Bhutan is spilling over into other industries, such as ferro and calcium carbide industries that import raw material from India, says the association of Bhutanese industries (ABI). The Nu 1.3 bn steel industries import sponge iron and billets from Indian states like Orissa, West Bengal and Jharkhand, while the ferro and calcium carbide industries import charcoal mostly from southern states, such as Tamil Nadu and Andhra Pradesh, routed through West Bengal. In a year, the five steel industries require 223,800 MT of raw material and 114 rakes, while the ferro industries in Pasakha require 80,700 MT of charcoal and 76 rakes.

At present, the issue has, however, severely hit bigger steel industries like Lhaki steel and rolling mills, Bhutan concast, Bhutan steel and Bhutan rolling mills, resulting in frequent shutdowns of the plants, owing to the shortage of primary raw material or sponge iron. "We're feeling the pinch as well. Earlier, the placement of rakes could be done within two days, but now it takes longer and the arrival of raw material takes up to 20 days," said a ferro industrialist, adding that earlier it took only about seven to 10 days for charcoal to reach Bhutan. "We're expecting the government to take up the matter urgently as, irrespective of the status of the plant, the industrialist has to pay a fixed cost," said the ABI secretary general, Letho. A senior ferro industrialist said that the same scenario prevailed 10 years ago. "We moved through personal level and it was solved. But now, with many competitors, things are different," he said. "If the trend continues, ferro industries will suffer as one of the most essential raw material like charcoal is imported from India." With food grains being given priority over industrial products by the Indian railways' freight services, raw material like sponge iron and charcoal is categorised under lower priority. According to ABI, steel industries have an installed capacity of over 0.5 mn MT per annum. However, the first quarter of 2009 saw the industries operating at about 32 percent of installed capacity. Ferro industries operated at about 70 percent of the installed capacity of 0.01 mn MT during the first quarter of 2009. A steel industrialist said that bringing in sponge iron by trucks was neither commercially viable nor consistent, because of the frequent strikes and mechanical problems faced on the way. "If such issues continue, it's better to shut down the company," he said. Some ferro industrialist, however, said that the issue would not affect them at all. "It's not a big issue as such, if proper planning is done, and if the suppliers are informed well in advance," said one. "It would be a problem only if all ferro industries place their orders simultaneously."

Bhutan media foundation established through royal kasho
royal kasho (charter) formally establishing the Bhutan media foundation.

The media foundation is being established to support the development of mass media, so that it can carry out its roles and responsibilities in the interest of democracy. According to a press release, the foundation is expected to support the media in enhancing skills through scholarships, internships and training, strengthening media executive management and leadership skills. The foundation will support the sustainability and growth of newspapers and broadcast stations, journalists associations and press clubs. It will also invest in the future readership of the print media by striving to provide subscription grants of all newspapers to the lower, middle and higher secondary schools and colleges in the country. Additionally, it will also support the promotion of national language in the media and civic education programmes in the media. His Majesty, in the royal charter to the representatives from both the print and electronic media present at Lingkana palace, assured his support for the development of the media industry in the country. The foundation is endowed with a seed grant of Nu 15 mn from His Majesty the King. Representatives of all media organizations agreed that the first meeting of all registered media agencies should take place promptly. This will be done to finalise the organisational structure, regulations, and codes of conduct of the foundation

The many faces of recession

It is important to be mindful and introspective of our own problems during hard times. On Feb. 16, around 3 p.m., I witnessed a tragic incident. Walking through Market Street toward the United Nations Plaza in San Francisco, I saw all eyes were drawn to a balcony on the top floor of a busy commercial hub. I saw a man in his 40s who was bare but for short trousers. He was muttering inaudibly. Voices from the crowd were asking the man to be cool, calm and to come down. Within a moment, police rushed over, but the man paid no attention to anyone. He jumped off the balcony and fell to his death on the pavement. Like other witnesses, I was forced to reflect on the razor-thin line between human life and death. No one knows why the man did this. However, there were some whispers he might be another victim of the stress of our ongoing recession. This is the reality of American life now. Though the economy is reportedly showing signs of a rebound, human tragedy and toll continues to be apparent. As columnist Peter S. Goodman observes, "... millions of Americans remain out of work, out of savings and near the end of their unemployment benefits." An estimated 2.7 million jobless people are going to lose their unemployment checks before this coming April unless Congress approves the proposal to extend unemployment payments. It is estimated that 6.3 million Americans have been unemployed for six months or longer. According to labor experts, the economy needs 100,000 new jobs a month to facilitate absorption of the entrants to the labor force. However, now an estimated 15 million Americans are officially jobless. I met one formerly comfortable San Francisco family now on the verge of homelessness since layoffs have made them unable to pay off their mortgage. I met a journalist who is now working as a freelancer in the area. Her Bay Area newspaper had to lay off 20 reporters. Now, she has to depend on the earnings of her husband, which are simply not enough for the family of three, which expects a new baby in May. There are around 3,000 "freelancers" in the Bay area who were laid off from their regular jobs and are thus victims of the recession. Some immigrant communities are experiencing even greater turbulence. Newly resettled refugees from Bhutan and Burma have had to experience the

exhaustion of government support; there is no imminent possibility to get jobs that are required for survival, and most are unable to speak English. Students are also being hit hard. The National Jurist, a magazine for law students, reported this month that large law firms “have been hit the hardest by the recession.” Quoting a survey, the magazine reports that 43 percent of private practice law firms have had to lay off employees. However, some see this recession as an opportunity as well. The assistant dean of Winder Law in Wilmington, Del., was quoted in the Jurist as saying: “... be competitive for the jobs that are available.” Newsweek columnist Julia Baird suggests that the recession should provide us with reason and momentum to look inward. “We should be self-sufficient and not rely on debts,” she writes in the Feb. 22 issue. Baird advises to “live more simply, consume more wisely, think of generations to come and wonder what desires we want to plant in children’s hearts.” The Bengali mystic poet and singer Lalon, who lived until the end of the 19th century, called for such meditations. Calm introspection and an honest evaluation of our problems and possibilities are essential in these challenging times. Don’t allow yourself to feel powerless and lost in the grand scheme. Instead, make an earnest effort to live with power, purpose and humility. If we can individually focus our energies there, the grand scheme will take care of itself.

Maldives

After Copenhagen: How Can We Move Forward?

First, a confession: This is not another enumeration of confident judgments. I will not tell you that Copenhagen was an unmitigated failure. Or that this failure was Obama’s fault. Or that, as is the new fashion, China was the ugliest of them all. I will not say that the South’s negotiators made impossible demands. Or argue that the United Nations’ process is unwieldy and obsolete. I will not claim that only domestic U.S. action really matters. Nor will I talk of a “North-South impasse” or a “U.S.-China polluters pact,” two popular formulations that misleadingly imply an equal division of blame. I will say this: Almost two decades after I started working on climate change, I was happily astounded to witness the crystallization, on the streets of Copenhagen, of a grassroots movement that was both energetic and sophisticated, and to see global civil society groups working in solidarity with the leaders of the world’s poorest and most vulnerable nations to press a collective agenda. And I can tell you something else: Our chances of preventing climate catastrophe rest in large part on the ability of this new alliance to communicate to the world’s richest and most powerful peoples that **the emissions emergency is, above all things, a crisis of justice.** As everyone knows, the Copenhagen talks failed to catapult us into the ambitious global mobilization we need to reduce greenhouse gas emissions. But this was never going to happen anyway. What did happen, as the veteran Bangladeshi policy activist Saleemul Huq put it, was “a shaking of the traditional pieces of the global geo-political puzzle and their landing in a new and unfamiliar configuration.” In this sense, the question of success and failure is moot. The real question is whether the new configuration offers us fresh ways forward. This question cannot be answered by the usual logic of environmental campaigning. Now is a time for reflection—not for pushing forward one more meeting, one more demonstration, one more demand. Of course we need action, and we need it fast. But we also need strategy, because Huq’s “unfamiliar

configurations” are going to settle in the midst of another big year that will culminate with another major December climate showdown, this time in Mexico City. If 2010 is major, 2011 and 2012 promise (or threaten) to be just as important, as do the other years in the brief time ahead—the post-Copenhagen era in which we must begin to act. The Copenhagen summit marked a pivot in world history, a defining moment—if not a decisive one. The climate negotiations saw the debut of a new geopolitics. In it, China looms large, the United States appears weakened (though still with the ability to do great harm or good), Brazil and India are rising, the European Union looks progressive but ineffectual, and a chorus of smaller states have been emboldened to defend their interests in the face of an existential crisis. As for that “second superpower”—world public opinion—it is, frankly, divided against itself. Seen in this way, the end of 2009 may well mark the real beginning of the twenty-first century, in the sense that 1914 and the start of World War I are commonly taken to mark the real beginning of the twentieth. The hope must be that our new century won’t be as hot and brutal as the last one was cold and bloody.

What We Learned in Copenhagen

Copenhagen was about far more than the climate talks. To make sense of it, look at it as a milestone in a process that’s still unfolding. The negotiations did not just occur in the official meeting halls of the Bella Center. They took the form of countless debates that happened in the NGO “Convergence Center” on Copenhagen’s Nørrebro, on countless internet comment boards, in civic spaces around the world. The critical debates of Copenhagen spanned the entire globe and a huge swath of opinion. Justice and science, realism and necessity, capitalism and democracy, the cost of affluence and the rights of the poor—it was all in play, encoded in the chants and banners of the estimated 100,000 people who clogged Tivoli Square on December 12 demanding meaningful action. And—most importantly—these debates were a key background to the blow-by-blow negotiations occurring among nation-states. This surely is one of the core achievements of Copenhagen. **Were it not for the “street heat,”** even the provisional possibilities of the new situation would not be ours. The massive demonstrations outside the summit halls, the activist flash mobs within the conference, the demonstrations, and constant in-your-face pressure—this and much more had an effect not just on the tone of the negotiations, but on the substance as well. Even after civil society groups were ejected from the Bella Center, their demands echoed in the formal negotiating rooms. The green movement showed itself to be far clearer on the logic of climate justice than it was even a year ago. The ubiquitous placards calling for an accord that would be “fair, ambitious, and binding” were the right ones. The demonstrators showed smartness and savvy wrapped in a sense of urgency. The point is that, as a focus for public education and movement building, Copenhagen was an incalculable success. Everyone—from Barack Obama to Lumumba Di-Aping, the Sudanese chair of the South’s G77 negotiating bloc, to you and me—knows a hell of a lot more about climate change and its politics than we did a year ago. Not that we didn’t already know that **we face a planetary emergency.** This has been obvious for years. The difference now is that—thanks to the global campaign 350.org, and Mohamed Nasheed, the President of the Maldives, and a whole lot of terrified scientists—we know that we know it. And we know it in an altogether appalling manner.

We know, at least in outline, what will happen in Africa, though we may wish we didn't. And Tibet. And the Australian grain belt, and Florida, and the southern oceans, and of course Greenland. We've talked about the bogs, the permafrost, and the risks to forests. We've heard, finally, about the threats to people: We know how they will suffer, how they will die.

Balancing the Burden

Copenhagen did not deliver the stringent targets and commitments needed to support the fair and ambitious climate accord the protest banners demanded. But this, fortunately, isn't the end of the story. We can also ask if Copenhagen was a failure when compared not to what is necessary, but rather to what was possible. We can explore whether (this is a key twist) it opened new possibilities, or at least prevented new possibilities from being foreclosed. Clearly there were successes in Copenhagen. The emergence of a semi-organized bloc of "Most Vulnerable Countries" (the acronym is MVCs) is news that will stay news, and not just because of the tension between the MVCs and "emerging economies" like China and India. The larger issue is that the MVCs have come to know themselves as frontline states, and in so doing have irrevocably transformed the global politics of climate crisis. It goes without saying that, in the coming battles, the most vulnerable will reserve much of their ire for the wealthy countries of the North. Witness the open letter that **South African Archbishop and Nobel Prize Winner Desmond Tutu** sent on December 15, after a walkout by the unified African bloc led to a sudden halt in the official negotiations. The Africans aimed to pressure the wealthy countries into honoring their obligations to accept stringent new reduction targets, and Tutu wished to make the stakes quite clear. His letter was blunt: "If temperatures are not kept down then Africa faces a range of devastating threats such as crop yield reductions in places of as much as 50 percent in some countries by 2020.... A global goal of about two degrees C is to condemn Africa to incineration and no modern development." On that same note, the effectiveness of the 350 campaign is another Copenhagen achievement. By the end of the two-week melee-cum-jamboree, 112 countries had endorsed the demand to stabilize carbon dioxide levels at 350 parts per million (it's now at 387 ppm, and rising). The 350 ppm target, which once seemed so obscure, had by the end of the talks become an expression of plain speech. And, at least among the activists, it had almost entirely supplanted the 2°C temperature target as the measure of climate stabilization. This happened thanks to the determined efforts of thousands of citizen-activists across the globe who had made the number the cornerstone of their campaigns. As a goal, 350 ppm is hard to explain without recourse to charts and other technical idioms. Suffice it to say that in Copenhagen 350 emerged as the alternative to reduction targets that would condemn low-lying and island states and other "most vulnerable" areas to near-certain apocalypse. The "official" target, as agreed by the G8 and many others, is commonly expressed in terms of a global emissions reduction to 50 percent below 1990 levels by 2050, a target that is often said, especially by politicians, to be "2°C compliant." But that's stretching the arithmetic. More precisely, the G8 supports a slack and politically expedient emissions pathway that the vulnerable countries and their allies are determined to cast aside. **The vulnerable nations didn't settle** for a "more honest" 2°C target, but instead counterattacked with the slogan "1.5 to Survive." This was a call for a 350 ppm

target, which has perhaps a 50-50 chance of holding the warming below 1.5°C, and something like an 85 percent chance of keeping it below 2°C.

The **Copenhagen Accord**, of course, did not open the road to 350. What it does is provide a process by which governments can step forward to publish reduction pledges. This will be a very big deal, but evaluating these pledges will be complicated. What, after all, should a national emissions pledge be compared to? A projection of business-as-usual emissions? If so, which one? A measure of per-capita “emissions rights”? If so, what to do about the fact that the “atmospheric space” is already exhausted? Should historical responsibility come into play? If so, starting when? How should the obligations of rich countries be compared to those of poor? And what about the rich people within poor countries? Or, for that matter, the poor people within rich ones?

These questions are not easy. They are further confused by the matter of domestic vs. international obligation. Should the United States—which tops the charts in measures of capacity, responsibility, and per capita emissions—be able to do its fair share within its own borders? Or does it have obligations to more vulnerable countries around the world? Then there’s the problem of loopholes. These are critical, because the United States and other wealthy countries have built plenty of them into their emissions reductions projections. The critical loopholes are surplus allowed emissions (so-called “hot air” from the collapse of the Soviet economy in 1990), forestry and agricultural credits (calculated from bogus baselines), and of course “non-additional offsets” (which represent reductions that would have happened anyway). If they’re allowed to stand, then the wealthy countries will have to do almost nothing at all. The bottom line is that the fundamental impasse over North-South “burden sharing”—who does what, when, and where, and, most importantly, who pays—is still unresolved. The crux of the problem is that we in the wealthy world are simply not carrying our own weight. Consider just a simple comparison between the United States and China. Since 1850, the United States has emitted some 350 gigatons of CO₂, according to the US Department of Energy; during that same time, China has emitted about 125 gigatons. Now take the two countries’ pledged emissions reductions by 2020. China is promising to cut 2.5 gigatons of CO₂, or a 40 percent improvement in energy intensity; the United States, for its part, has committed to cutting only 1.25 gigatons. In short, our historical responsibility for climate change is greater, yet the Chinese are the ones undertaking the larger obligation.

The Blame Game

Since the summit didn’t succeed, the inevitable question becomes, “Why not?” One possible answer is that, as the street protesters had it, we need “system change not climate change”: Our governments, in thrall to corporate interests, are incapable of organizing a decisive response to the climate crisis. Another explanation is that the United States was willing to undermine a multilateral agreement with the cynical goal of avoiding real emissions commitments while, if possible, looking good. A third possibility is that the Obama administration, desperate to break Senate Republicans’ hold on climate policy, was willing to take any deal, no matter how weak, as a way to “unlock” the Congressional stalemate. **Jamie Henn** of 350.org captured this point of view when he

quipped to me, “This isn’t a negotiation; it’s a hostage crisis.” Alternatively, Copenhagen’s failure may have been China’s fault. This explanation, alas, has become quite popular. It demands discussion, beginning with a widely read, and rather fantastically misleading article titled “How Do I Know China Wrecked the Copenhagen Deal? I Was in the Room,” by Mark Lynas, a reporter-activist who was part of the Maldives’ negotiating team. Here’s Lynas’ key paragraph: *To those who would blame Obama and rich countries in general, know this: it was China’s representative who insisted that industrialized country targets, previously agreed as an 80 percent cut by 2050, be taken out of the deal. “Why can’t we even mention our own targets?” demanded a furious Angela Merkel. Australia’s prime minister, Kevin Rudd, was annoyed enough to bang his microphone. Brazil’s representative too pointed out the illogicality of China’s position. Why should rich countries not announce even this unilateral cut? The Chinese delegate said no, and I watched, aghast, as Merkel threw up her hands in despair and conceded the point. Now we know why—because China bet, correctly, that Obama would get the blame for the Copenhagen accord’s lack of ambition.* It’s easy to see why Lynas’s fly-on-the-wall account is so compelling, particularly to Westerners primed to see China as an implacable mercantilist threat to their preferred style of capitalism. Certainly Lynas’s conclusions are much in line with the North’s strategy of hiding behind the emerging economies. But caution is in order here. It’s important to go to the core of China’s inflexibility, which, as Lynas subsequently put it, is that “Copenhagen has opened up a chasm between sustainability and equity.” How so? Because, although “NGOs that ideologically support equity defend the right of developing countries to increase their emissions for two to three more decades at least,” in fact, “there is no room for expansion by anyone.” This, alas, is almost true. The central fact of our carbon-constrained future is that China—along with India and South Africa, Brazil and Mexico, and indeed the entire “emerging” world—stands at the edge of an impossible future. These countries are expected to constrain their carbon emissions while at the same time (here’s the punch line) pulling hundreds of millions of their citizens out of poverty. Yet the only model of modern prosperity that they have to work with is one based on huge per capita emissions. No wonder they balk at demands from the North. In order to halt catastrophic climate change, the major emitters must act decisively. All of them, at once. But this will only be fair, and indeed it can only happen, if the wealthiest among us pay for most of the action. That, however, is politically impossible (see: U.S. Senate). And it’s impossible, in part, because the debate about “fair burden sharing” that has raged among climate negotiators during the last few years has not reached the public consciousness. We do not know our duties. The Northern climate movement has quite failed to explain the structure of the global problem to its home constituencies. The term “climate justice” might be well understood by green NGO-istas and, say, Bolivian president Evo Morales, but that doesn’t mean that most people get it.

A Crisis of Development

What exactly is this “global problem”? First, that we’ve reached the limits to growth, and done so in a world that’s bitterly divided between haves and have-nots. Second, that despite decades of warning, the wealthy nations have neglected to demonstrate that low-carbon development is possible. Third, that the industrialized countries have stonewalled,

rejecting the demand for meaningful reduction commitments. And finally, that China—which, despite its faults, has lifted hundreds of millions of people from poverty—has emerged as the chief voice of a bloc that refuses to choose between developmental justice and climate stabilization. The situation is easy enough to visualize. Consider the “G8 style” emissions pathway that provoked China’s backroom confrontation with the North. The details of this pathway are that: 1) global emissions peak soon (about 2020) and decline by 2050 to 50 percent below 1990 levels; and 2) Northern emissions simultaneously decline to at least 80 percent below 1990 levels. Now ask yourself—why might China’s rejection of such an offer be reasonable? The answer lies in arithmetic: The remaining global emissions budget is so small that, despite a relatively ambitious program of Northern emission reductions, Southern emissions must still peak soon after global emissions, and then drop almost as rapidly. Further, they must do so while the people of the South are still struggling to escape poverty, and more generally to invent new, dignified, and sustainable models of life. The climate crisis is, in other words, a crisis of development. I want to be very clear here: The problem is not that poverty alleviation or sustainable development are impossible in a carbon-constrained world. The problem is that they have not been pioneered, that the only proven routes up from poverty still involve an expanded use of energy and seemingly inevitable increase in fossil-fuel use. Which is why it’s almost impossible for the South to imagine an equitable future in which its emissions precipitously decline. The South is concerned that an inequitable climate regime will force a choice between developmental justice and climate protection. And justly so. This brings us back to China, which despite its wealthy enclaves is a deeply impoverished country. The targets that the Chinese insisted on expunging from the Copenhagen Accord have developmental implications. The South in general has made it quite clear that it will not allow itself to be trapped into sacrificing development for climate protection. More specifically, the Chinese have repeatedly insisted that the North accept an aggregate reduction target that is at the “upper end” of the 25 percent to 40 percent range (from the 1990 baseline) by 2020. Yet the North was attempting to enshrine a global emissions reduction pathway without making any such short-term commitment. Given the North’s refusal to accept stringent targets, what (other than explaining themselves coherently) should the Chinese have done differently? The answer is not obvious. The wheel is still in spin. As Copenhagen passes into history, the politics of climate obligation may well shift in significant ways. For one thing, although the rich countries may have succeeded in sidelining the Kyoto Protocol (we don’t know yet) they did not manage to remove the presumption that it’s still their move. Nor, despite Copenhagen’s adoption of a pledge-based system, was the momentum of the UN negotiations broken. Copenhagen reaffirmed the need to devise a formal global accord that’s fair, stringent, and capacious enough to contain both the United States and China—while stabilizing Earth’s climate system. To get there will require admitting a few difficult truths. Like the fact that the United States did a great deal to poison the Copenhagen waters and that, going forward, it may do even more. And that there will be no breakthrough until the wealthy countries pursue stringent domestic reductions, and help to underwrite the larger transition as well. The fact that the South’s biggest emitters have, to a small extent, stepped outside the G77’s overall ranks does nothing to change this underlying reality. The new game is one in which the players as well as the rules belong to a still-emerging world. China’s end-game posture makes this clear enough.

The toughest admission will be that of national obligation, of duty. If we in civil society are to do better than our putative leaders, we must escape the “dysfunctional system” frame that spreads the blame around so thinly. More precisely, we’re going to have to actually work out a coherent way of assigning responsibility for the fundamental deadlock in the international climate negotiations. This gives us a clear mandate: We must fight for a framework within which all countries, but first of all the wealthy ones, make the commitments demanded by the science, by their own record of emissions, and by their fiscal capacity to act. If we’re to assign responsibility, we must also assume it. Copenhagen, for all its disappointments, marked a turn. The need for an emergency mobilization is obvious, and with it a set of challenges that can no longer be denied. These will get clearer in the years ahead, but the essential situation is before us: With the atmosphere’s ability to absorb carbon critically limited, we face the greatest resource-sharing problem of all time. For all its complexity, the core of this problem can be stated simply enough: What kind of a climate transition would be fair enough to actually work? The climate problem is and remains a justice problem. It’s more than this, of course, but justice is nonetheless the key. If we fail to solve it in time, it will be in large part because we refused to see it as such.

Opposition trying to undermine the democracy in Sri Lanka

The opposition in Sri Lanka by challenging the verdict of the people at the last Presidential election which resulted in President Mahinda Rajapaksa comfortably securing a second term, were trying to undermine the democracy in Sri Lanka, alleged Rohitha Bogollagama Sri Lanka Foreign Minister. The Sri Lankan Foreign Minister made this observation when the Minister of Foreign Affairs of Maldives, Dr. Ahmed Shaheed paid a courtesy call on him on 19th February 2010 at the Ministry of Foreign Affairs. During the discussions, the visiting Maldivian Foreign Minister thanked Foreign Minister Rohitha Bogollagama for the meeting and conveyed his Government’s congratulations on the resounding victory President Mahinda Rajapaksa enjoyed, at the recently held Presidential Election. Responding to his Maldivian counterpart, Foreign Minister Bogollagama briefed him on post election developments and underlined the importance of preserving democracy, especially in the SAARC region. The Foreign Minister also explained the reasons behind the arrest of former Gen. Sarath Fonseka by the law enforcement authorities and stated that former Gen. Fonseka was apprehended due to inappropriate activities while he served as the Army Commander and as Chief of Defense Staff and not due to his entry into politics. The Foreign Minister stated that the arrest of the former General was in keeping with the Army Act. Foreign Minister Bogollagama elaborated further by stating that a substantial sum of money in US Dollars and other foreign currencies were found in the bank vaults of former Gen. Fonseka’s relatives which contravened domestic laws pertaining to foreign currency. He also pointed out that such violation also affected the national interest and national security of Sri Lanka. The

Minister also allude to the possible involvement of anti-national forces in raising such substantial funds which brought together parties/groups with different and extremist political ideologies to undermine democracy in Sri Lanka and further stated that investigations were underway to ascertain whether these funds were indeed channeled to these groups for such purposes. Foreign Minister Bogollagama also pointed out that as the LTTE had not been militarily successful it was now trying to use its 'white collar' activists to achieve its objectives. The Foreign Minister cautioned his Maldivian counterpart that countries such as Sri Lanka and the Maldives were vulnerable to such threats and that it would be in the interest of the two countries to share important information with each other and other member countries of the SAARC.

The two Foreign Ministers also discussed issues pertaining to a MoU on Intelligence Cooperation existing between the two countries and the need for the Maldives to join the Asia Cooperation Dialogue (ACD). Senior officials of the Foreign Ministry were associated with the discussions.

Maldives calling Indian engineering exporters

Male: Indian engineering exporters, aiming for a turnover of \$100 billion by 2017, have relieved trade offer from Maldives. Maldives has opened up its economy and invited Indian investment in sectors like infrastructure projects, airports, ports, renewable energy, healthcare, tourism and education. Mohamed Nasheed, President of Maldives, has said that the rise of Indian engineering export industry is the symbol and promise of the emergence of India as an economic super power. "This has been possible by the opening up of the economy. Maldives can learn from India by opening the economy to the world". The recognition of India's engineering capabilities by Maldives will go a long way in helping companies scale up exports, said Aman Chadha, national chairman, EEPC India and RK Mutha, southern region chairman, EEPC India, in Male recently. They also stated their plans of doubling exports to \$80 billion in the next five years and cross the target of \$100 billion in the two years after that. Mutha added that in 2007-08, exports from the South stood at Rs 25,754 crore (\$6400 million)—19% of the total engineering exports. Of the 13,000 EEPC members, 2750 are from the South. Copper & allied products, commercial vehicles, passenger cars, automobile accessories & components, electric power machines, textile machinery and spares, industrial castings and similar products constitute the bulk of export items from the South. Industry leaders have been encouraged by the performance of the engineering export sector, one of the biggest in the country's export basket. Engineering exports, which were "severely affected by the global financial crisis, are now reviving. In April 2009, it saw a negative growth of over 43%, which came down to single digit negative growth in October and posted a positive growth of 6.5% by the year-end".

Government accuses CSC of trying to overthrow the government

Ministry of Finance and Treasury has submitted a case to Maldives Police Service, accusing the Civil Service Commission (CSC) of attempting to overthrow the government, by indirectly influencing and preventing the government from implementing its financial policies. The Commission sued the Ministry over civil servants' salary issue, "to create a public outburst against the government", a press statement signed by Finance Minister Ali Hashim read. The media release also said the action showed that some members of the Commission promoted a political agenda under the Commission's disguise. "The aim of Civil Service Commission's action was to prevent the government from implementing its financial policies, while indirectly influencing them, which would increase the budget deficit, lower the value of Maldivian Rufiyaa, and jeopardize the Maldivian economy. Because the outcome would create a major conflict within the country, and halt the proper functioning of the government, this Ministry has submitted the issue to Maldives Police Service for investigation," the statement said.

Disputes sparked earlier between the Commission and the Ministry regarding the issue. The Commission also filed a civil against the Ministry's refusal to restore salaries of civil servants. The first hearing of the case was held on last Monday. Mohamed Fahmy Hassan, a member of the Commission said the accusations made by the Ministry were very serious, adding that no member of the Commission was involved in such activities. "As the members of the Commission were appointed by the President on parliament's consent, our priority will be the interest of the public and the government. We went to the court to preserve that interest," he added. Fahmy also said he did not want to give a detailed response to the Ministry's accusations, as the court proceedings were in progress.

Private investments benefitting the economy, says President

President Mohamed Nasheed has said opening up Maldives to private investments was already benefitting the country's economy. President Nasheed's comments came while addressing the 'Regional Export Award' ceremony in Kuruba Village, organized by the Engineering Export Council of India. He said the country's economy was previously based solely on the government's investment and that it prevented the economy from progressing, as investors were not interested in the Maldives. The reason for the economic boost in India is due to the private investments and opening the economy to the outside world, President Nasheed added, while noting that the Maldives could learn lessons from the steps taken by India to improve the economic situation. He also said the government was focused on providing services to the people through private businesses and recalled the government's agreements with Apollo Hospital of India to manage IGM Hospital, local parties to manage the transport network and India's G. M. R. Group to develop Hanimaadhoo Airport in the north of the country. President Nasheed said Indian companies were welcome to invest in the Maldives. The Chairman of the Council's Southern Regional office, Shri R. K. Mutha presented a gift to President Nasheed.

Maldives tryst with new democratic destiny, seeks India's cooperation

New Delhi: Maldives today faces the greatest challenge for transforming itself into an effective stable democracy ensuring social justice alongwith is economic growth,

according to its Vice President, Dr Mohammed Waheed Hassan. "The supporters of autocracy are still active. We want to seek justice for the abuses of the past autocratic regime. It has to be retributive and transitional justice and respect for human rights. Individual is an important part of the democratic equation. We want to ensure that in the democratic process there should not be domination of either the minority elite or the majority. We are studying the South African formula for setting up of a Reconciliation Commission for rendering justice for the abuses of the past autocratic regime," he said while addressing a gathering at Observer Research Foundation in Delhi on Saturday. One of the main impediment in the process was the bureaucracy, he said and added "in Maldives the Civil Services Commission is an independent body, but it has inculcated values of the autocratic regime for the last 30 years. We need to establish links with this body and make it a tool for an effective democracy." In the presidential election of 2008, Presidential candidate of the Maldivian Democratic Party (MDP), Mohamed Nasheed defeated his rival and the long-time President Maumoon Abdul Gayoom in the second round of voting and was sworn in as the country's president on November 11, 2008. His running mate, Dr Mohammed Waheed Hassan became the Vice President. Gayoom's Dhivehi Rayyithunge Party (DRP) is now in the Opposition. Hassan said that the power was peaceful and the previous head of the state now lead a peaceful life. "There has been no political prisoner in the last one year, while there was series of arrests and torture during our long struggle for democracy," he said. He described certain other challenges which the government has to redress like the impact of global financial crisis on the economy, soaring prices and irresponsible decisions of the past regime which has led to high public debts and decline in revenue collection. "We need to establish working relations with all political parties and need to garner public support for public policies. We need to persuade the media with our objectives and not to control the media," he said. As Maldives is a 100% Muslim dominated country, Hassan said that the government was working for "freedom of religion within Islam" so that all sects have equal freedom and the society become really pluralistic in nature. The Maldivian government would usher in judicial reforms and introduced new revenue Bill in the Parliament. The University Bill will also be introduced for setting up of the first National University in Maldives. New areas for researches like marine science, hospitality and tourism, climate change, including mitigation and adaptation would be introduced in this university. The Maldivian government has sought cooperation of Indian universities, India's University Grants Commission and Indira Gandhi National Open University in this connection.

The Maldivian government would pursue the policy of economic liberalization and encourage the growth of the tourism sector. It has introduced social safety net for the first time with an old age pension scheme for people over 65 years of age. Regarding gender issue, Hassan said that traditionally Maldives was a liberal society with greater role for women and hence there was no reservation quota for women in Parliament. Already there are six graduate women in the new Parliament. Climate change is an important issue of the small island country like Maldives and the government has made resource allocations for adaptation strategies like checking coastal erosion and water salinity. "With a view to protect the rights of small islands and to give them adequate representation, we have increased the seats in the Parliament from 50 to 75. We have adapted strategies to make

Maldives a carbon neutral country in the next 10 years,” he said and added that in the next SAARC Summit in Bhutan climate change would be a focus issue and Maldives would garner support for the Copenhagen Accord for setting up of Climate Fund. Hassan also pleaded for an Asian initiative for adaptation strategies by mobilizing own resources.

However, Hassan expressed apprehensions of scuttling the democratic process citing happenings in the past following the 1989 election. After 1989 elections the parliamentarians were eager to bring in some democratic but this was not possible. The country was occupied by the militia and Hassan had to leave the country and return in 2005 to join the political movement. According to Hassan the media played an effective role for the return of democracy. The international TV channels, use of mobile phones and gradual removal of restrictions on media helped the process. “In 2004 after a young person died in custody there was an unprecedented unrest all over the country. Tsunami waves hit the country. The mounting pressures compelled the government to work for a democratic process,” he said. Similarly in the new circumstances Hassan is banking on the critical role of the media in stabilizing democracy in Maldives. Hassan arrived in New Delhi on February 18 on his first official visit to India at the invitation of the Vice President M Hamid Ansari. He is accompanied by his wife Madame Ilham Hussain and a high-level delegation. He called on the Vice President on February 19. Recalling his earlier visit to the Maldives in November 2008, Vice President commended the Maldives on the Government’s resolve to strengthen the pillars of democracy. Both leaders expressed satisfaction at the state of bilateral relations. Vice President assured the Maldives of all possible assistance in its developmental efforts. Assistance at the Government level has been supplemented by emerging partnerships and bilateral investments in the Maldives from India in the areas of infrastructure, renewable energy, housing, education and public health. Welcoming the growing cooperation in the field of security, both leaders agreed that terrorism and radicalization of societies are threats requiring a firm and effective response and expressed their resolve to enhance their cooperation to meet these challenges. Both leaders also agreed to continue to cooperate closely in combating climate change. Hassan also called on the President Pratibha Patil. During the meeting, President reiterated India’s support for the economic development of the Maldives. Both leaders recalled the traditionally close and friendly relations between India and the Maldives, and welcomed the recent impetus given to this relationship in a range of new areas, especially infrastructure development, renewable energy and housing. The Indian External Affairs Minister, SM Krishna also called on Hassan. Later in the evening, the Vice President of India hosted a banquet in honour of the visiting dignitary. Hassan is slated to visit Amritsar, Bangalore and Mysore.

Pay trial hits the Civil Court

The Civil Court begins a controversial trial on Monday, presented by the Civil Service Commission (CSC) against the Ministry of Finance and Treasury over pay dispute. CSC sued the ministry for continuing the reduced pay in January 2010, a pay which was agreed when the Maldives economy lapsed into the worst recession. CSC argues the agreed period was from October 2009 to December 2009, an argument opposed by the ministry. Abdul Nasir, a lawyer representing the CSC said according to the Civil Service

act, the articles 18(a) and 43 give authority to the CSC to decide the pay. He said under the “economic special condition”, the CSC agreed with the ministry to reduce the pay of the civil servants for three months counting from 1 October, adding the ministry has continue the reduced pay in January against the agreement. The CSC has approved the pay proportionally from all the institutions during the past three months, he said. Although the ministry continued paying the reduced pay to the civil servants in January, he argued, the ministry had paid the increased pay to the some of the independent institutions. Deputy Attorney General Abdulla Muiz, representing the ministry said the parliament has approved the pay budget conditioning the pay should be decided with the consent of the ministry. But the CSC has made the decision without discussing with the ministry, he said. He said the state finance policy is in the hands of the finance minister, adding the minister cannot make a decision against the parliament. The second lawyer representing the CSC, Dr Mohamed Jameel Ahmed, also a former cabinet minister representing the CSC denied the arguments made by the state lawyer, and asked for an opportunity to present a written statement. The judge Aisha Shujoon ended yesterday’s hearing giving the opportunity to the CSC to present the statement during the next hearing. The finance ministry’s decision to continue the reduced pay has sparked protests in early January.

Maldives wants to learn from Pakistan’s privatisation experience

ISLAMABAD: Maldives intends to share Pakistan’s privatisation experience in the field of education, health and tourism. Dr. Aishath Shehenaz Adam, High Commissioner of Maldives to Pakistan stated while meeting with Senator Waqar Ahmed Khan Federal Minister for Privatisation today. Senator Waqar Ahmed Khan briefed the High Commissioner regarding the Privatisation Program of Pakistan and the modes adopted to execute it in the past. He also explained new concept of Public Private Partnership (PPP). “We are in the process of the restructuring of our transactions in the Oil & Gas, Energy and Transport sectors to offer them through a fair and transparent process by providing level playing field to both local and foreign potential and professional business groups for improving the performance, efficiency and production of State Owned Entities”, he said. He added Maldives could become hub for interacting with the business groups of Middle East and Far East countries by holding Conferences. Pakistan’s Privatisation Program dealt with the Brown field projects while Green field projects were also open for the private sector in almost all the areas. Dr. Aishath Shehenaz Adam informed the Minister that Maldives was in the process of bringing in fresh investments for construction of schools, hospitals and developing new tourist resorts through private sector.

Taliban unraveling linked to secret meeting

WASHINGTON - The repercussions are just beginning to surface after a discreet January meeting involving the Taliban, the Afghan government and U.S. officials in January.

Several top Taliban leaders have been arrested in the past few weeks and many foot soldiers have been killed in air strikes. The secret meeting in the Maldives that was exposed weeks ago might be the reason. A spokesman for the Maldives government

confirmed the meeting did take place "between some American officials and some Afghan Taliban officials." "Although who was there and what transpired is very murky and very unclear," the spokesperson says. Pakistani Security Analyst Rashid Rahman says there is a problem with how the meeting was arranged. The Saudi government organized the meeting, leaving the Pakistanis out of the process. "Pakistan's been insisting that it will be the sole and only conduit if and when such negotiations take place. Whether that is acceptable to the U.S. and other players, and if the Afghan regime in Kabul is not clear, my sources tell me that there may be resistance to Pakistan being the sole conduit," Rahman says. "The reality is that it's only Pakistani intelligence that really has access and can give access to the Afghan Taliban leadership, as the arrest of Mullah Baradar seems to indicate." Rahman says Pakistan's military may "insert itself center stage" in any potential negotiations in an effort to exclude India. India has emerged as a strong ally of Afghanistan since President Hamid Karzai's government assumed control of the country. Another concern for the Pakistani government is the capture of Taliban leaders that recently took place in its country. They had previously said that there was no evidence of the Afghan Taliban hiding their country. "There's evidence that Mullah Abdul Ghani Baradar was living in the open in Karachi, and there's also evidence that Mullah Omar (leader of the Afghan Taliban) had actually distanced himself from Baradar," says Lt. Col Tony Shaffer, a former Defense Intelligence Agency officer who worked undercover in Afghanistan in 2003 and 2004. Shaffer tracked a number of top Taliban and al-Qaida figures to Pakistan, including Mullah Abdul Ghani Baradar. "They kind of already knew where this guy was," Shaffer says. "There's no way this guy wasn't being monitored in some form. So obviously his contacts with other members of the Taliban were key to understand and map." "The Taliban could reveal damaging information about its relationships with the Pakistani Inter-Service Intelligence (ISI) during meetings where there is no Pakistani government presence," says a U.S. official with knowledge of the situation. Rahman says Pakistan's ISI seems intent on staying involved in the process because of the magnitude of what is unfolding on its own soil. "(Baradar) was arrested in Karachi and kept under wraps for about a week before the announcement was made," Rahman says. "Ostensibly, it has been reported that the parties were not aware at first that they had such a big fish in their net, and so only after interrogation and identities were settled did they realize that they had caught the number two man in the Afghan Taliban -- the man accredited with running the insurgency, as a matter of fact. So this is a very big breakthrough on the face of it."

PM keen to work with Maldives on climate issues

Prime Minister Sheikh Hasina yesterday expressed her desire to work with the Maldives regarding climate change issues and global warming that put both the countries in danger. She said both Bangladesh and the Maldives are in the front line among the most vulnerable countries of the world due to the global warming and the impact of climate change, which are mainly caused by the developed countries. Hasina made the remarks when newly appointed Maldives High Commissioner to Bangladesh Ahmed Sareer called on her at the Prime Minister's Office in the city. The PM said the bilateral relations, including economic cooperation, between the two friendly countries would have to be expanded. In this regard, she said the Maldives could import pharmaceutical items,

ceramics, and readymade garments from Bangladesh, which are of high quality and produced here in abundance. "The Maldives can import these items from here, as they import from different countries," she said. Sareer told the PM that the Maldives president took an initiative to hold a summit titled 'Asia Summit on Climate Change Issue' for having a common platform before the next 16th United Nations Climate Change Conference (UNCCC) scheduled to be held in Mexico. Hasina appreciated the move of the Maldives president about the adverse impact of the climate change. She also emphasized on united effort to eradicate poverty from the Saarc region. "We are working hard on poverty alleviation and to upgrade the living standard of the people." Hasina said poverty is the common problem of the region and "we will have to work unitedly to eradicate poverty from the region." Deputy Press Secretary to the Prime Minister M Nazrul Islam briefed reporters after the meeting. Hasina also urged the Maldives envoy to work jointly for flourishing tourism between the two countries. The PM recalled that Bangladesh and the Maldives have a historic tie and relations. The Maldives could take teachers and doctors from Bangladesh, she said. While Sareer sought assistance for setting up a Bangladesh-Maldives University in the Maldives, Hasina assured him of all possible cooperation in this regard. She also asked the envoy to legalise the unregistered Bangladeshis working in the Maldives. According to available statistics, around 45,000 Bangladeshi expatriates are now working in the Maldives. Some of them are still unregistered. The envoy conveyed his government's thanks to the PM as many students from Maldives are studying in Bangladesh in different academic institutions including universities.

He urged her to increase the number of such students and said his government is eager to take more teachers and doctors from Bangladesh.

Vice President of the Republic of Maldives pays visits Golden Temple



JAGMOHAN SINGH

AMRITSAR: Vice President of the Republic of Maldives Dr. Mohamed Waheed alongwith his wife Ilham Hussain visited at Harmandhar Sahib popularly known as Golden Temple here.

After paying obeisance they were given robe of honor by the information officer of Golden Temple. Thereafter, couple also visited the historic Jallianwalla Bagh. On this occasion senior officials of district administration including deputy commissioner Kahan Singh Pannu were also with them.

Air Maldives disputes settled outside court

The disputes between Air Maldives and Malaysian Helicopter Services Barhad (BHD) were settled outside the court. A press release issued by the Attorney General's Office, read that the disputes between the two parties were settled outside the court on 14th of this month and the two companies withdrew lawsuits filed against each other. The press release said Air Maldives owed US\$ 9 million in debt to several parties, when

it stopped operations in 2000. However, US\$ 35.55 million was deducted from the debts as the disputes were settled. Air Maldives, the airline that operated as national airline of Maldives, filed a lawsuit against BHD, in International Arbitration Centre in Singapore, seeking US\$ 43.6 million. BHD also filed a case in Malaysian High Court, seeking US\$ 35.5 million from Air Maldives. Deputy Attorney General, Abdulla Muiz said the settlement was a huge recovery for the company.

IFC Helps Government of Maldives Attract Private Investment to Modernize Male Airport

Male, Maldives, February 22, 2010—IFC, a member of the World Bank Group, is working with the government of Maldives to upgrade and modernize the Male International Airport to improve efficiencies, provide better services to passengers, and boost the country's tourism potential. (Media-NewsWire.com) - Male, Maldives, February 22, 2010—IFC, a member of the World Bank Group, is working with the government of Maldives to upgrade and modernize the Malé International Airport to improve efficiencies, provide better services to passengers, and boost the country's tourism potential. IFC, as Lead Transaction Advisor to the government of Maldives, is helping Malé International Airport attract private investors, by structuring a concession agreement between the government and investors, and developing a tariff fixation framework and an investment plan. Private investors are expected to bring international managerial capabilities and best practices to help the airport operate at full potential, while safeguarding the interests of shareholders, customers, and employees. Maldives copes with severe regional disparities across its 200 inhabited islands or atolls. The government is actively pursuing reforms to address these imbalances by enhancing fiscal resources and evolving its role as an enabler of development. The tourism sector is a major contributor to the country's economic sustenance and improvements planned at the Malé International Airport are critical to its continued growth. Through a concession to a private investor for the Maldives Airport Company, the government is undertaking the first public-private-partnership initiative to improve governance and profitability of its state-owned enterprises. This will help the government free up scarce resources to pursue poverty-alleviation policies and measures. The tender process, launched with IFC's assistance in October 2009, is now in the implementation phase. Six international and experienced airport operations firms have been shortlisted. IFC and the Maldives government are getting ready for the launch of the next step of issuing the request for proposals and other related documents by the end of February 2010. To learn more about the project, visit www.ifc.org. IFC has experience in helping state-owned enterprises attract private investment in the air transport sector, including Queen Alia International Airport in Jordan, King Abdulaziz International Airport in Saudi Arabia, and national airlines such as Air Vanuatu, Kenya Airways, and Polynesian Airlines. IFC is the only international financial institution focused exclusively on the private sector, the engine of sustainable development in emerging markets. Along with IBRD, it is currently seeking a capital increase to strengthen its ability to create opportunity for the poor in developing countries—including by supporting infrastructure development in countries like Maldives.

Climate scientists withdraw journal claims of rising sea levels

Study claimed in 2009 that sea levels would rise by up to 82cm by the end of century – but the report's author now says true estimate is still unknown

Scientists have been forced to withdraw a study on projected sea level rise due to global warming after finding mistakes that undermined the findings. The study, published in 2009 in *Nature Geoscience*, one of the top journals in its field, confirmed the conclusions of the 2007 report from the Intergovernmental Panel on Climate Change (IPCC). It used data over the last 22,000 years to predict that sea level would rise by between 7cm and 82cm by the end of the century. At the time, Mark Siddall, from the Earth Sciences Department at the University of Bristol, said the study "strengthens the confidence with which one may interpret the IPCC results". The IPCC said that sea level would probably rise by 18cm-59cm by 2100, though stressed this was based on incomplete information about ice sheet melting and that the true rise could be higher. Many scientists criticised the IPCC approach as too conservative, and several papers since have suggested that sea level could rise more. Martin Vermeer of the Helsinki University of Technology, Finland and Stefan Rahmstorf of the Potsdam Institute for Climate Impact Research in Germany published a study in December that projected a rise of 0.75m to 1.9m by 2100. Siddall said that he did not know whether the retracted paper's estimate of sea level rise was an overestimate or an underestimate. Announcing the formal retraction of the paper from the journal, Siddall said: "It's one of those things that happens. People make mistakes and mistakes happen in science." He said there were two separate technical mistakes in the paper, which were pointed out by other scientists after it was published. A formal retraction was required, rather than a correction, because the errors undermined the study's conclusion. "Retraction is a regular part of the publication process," he said. "Science is a complicated game and there are set procedures in place that act as checks and balances." Nature Publishing Group, which publishes *Nature Geoscience*, said this was the first paper retracted from the journal since it was launched in 2007. The paper – entitled "Constraints on future sea-level rise from past sea-level change" – used fossil coral data and temperature records derived from ice-core measurements to reconstruct how sea level has fluctuated with temperature since the peak of the last ice age, and to project how it would rise with warming over the next few decades. In a statement the authors of the paper said: "Since publication of our paper we have become aware of two mistakes which impact the detailed estimation of future sea level rise. This means that we can no longer draw firm conclusions regarding 21st century sea level rise from this study without further work." One mistake was a miscalculation; the other was not to allow fully for temperature change over the past 2,000 years. Because of these issues we have retracted the paper and will now invest in the further work needed to correct these mistakes." In the *Nature Geoscience* retraction, in which Siddall and his colleagues explain their errors, Vermeer and Rahmstorf are thanked for "bringing these issues to our attention".

Islamic extremism is a challenge for Maldives, says its vice-president

New Delhi, Feb.20 (ANI): The Vice President of the Republic of Maldives, Dr. Mohammed Waheed Hassan, today said there is a rising confusion in Islam over the extremism and this is one of challenges being faced by his country. Dr. Hassan was speaking on the theme of "From Dictatorship to Democracy: A Transition in Justice" at Observer Research Foundation, an independent public policy think tank, headquartered here today. On his first visit to India after taking charge as the Vice President of his country nearly a year ago, Dr. Hassan sought the help of India and other countries in his government's efforts for smooth transition to democracy which is irreversible now. The ORF quoted Dr. Hassan, as saying that his country along with others countries in Asia are working hard to launch an 'Asian Initiative' to mitigate climate change without waiting for concrete steps from the world community in this regard. "As vulnerable countries to climate change, we feel we should take the initiative. You will soon hear about efforts from the Asian countries who will mobilize their own resources," the Vice President said. He said the SAARC meeting in Bhutan in April will also focus on this important issue. The Vice President said Maldives itself will move into a carbon-neutral country within a span 10 years as already announced by President Mr. Mohamed Nasheed. The Vice President said as in Maldives where the 'new media' (media technology revolution) played a big role in dethroning the powerful dictator, the revolution in media technology will also help open up controlled countries like Iran and China. "Already there are lots of debates going on in the new age media like internet," he said. Though the democratic government in Maldives has not had a single political prisoner so far in one year of its term, the Vice President said there is a strong demand from the people for retribution for the abuses they had to suffer under the dictatorship. "The government is in a dilemma. It is one of the challenge also" how to meet the justified demand for retribution, he said. The Vice President said his Government is providing a pension of 2000 Rufiyaas (Maldives currency) per month to senior citizens which are helping in providing economic security to old-aged people. (ANI)

No link with Kobad Ghandy now, say Nepal Maoists

KATHMANDU: Nepal's former Maoist guerrillas have objected to the Indian police's chargesheet against Indian Maoist leader Kobad Ghandy containing a reference to a meeting with their chief Pushpa Kamal Dahal Prachanda, saying it had no relevance to the present situation. Narayan Kaji Shrestha, Maoist lawmaker and vice chairman of Nepal's largest party, the Unified Communist Party of Nepal (Maoist), said highlighting an alleged meeting between Prachanda and arrested Indian Maoist leader Kobad Ghandy was a bid to create an unnecessary controversy. "During the 10 years that our party went underground and waged the People's War, Prachanda met representatives from many communist parties in the world," Shrestha said. "The meetings occurred due to the parties sharing the same interests and ideologies. "However, after our party signed a peace agreement and returned to mainstream politics in 2006, there has been no link between us and any other underground party. The alleged meeting, even had it taken place, is no longer relevant today." Since they signed a peace pact in 2006 and came overground, Nepal's Maoists have been reiterating that they are no longer in touch with the Indian

Maoists and do not support the armed movement in India in any way, calling the Indian insurgency "India's internal matter". The Maoist denial came after Indian police in New Delhi Friday formally charged Ghandy, who was arrested last year, and accused him of having knowledge about his organisation's unlawful activities, including the abduction and murder of a police official in eastern India's Jharkhand state. Following the act, reports in India highlighted the charge mentioning that Ghandy had admitted meeting Prachanda in Nepal. However, Ghandy's earlier admissions to his captors seem to bear out the Nepal Maoists' contention. In January, he was reported as telling the Indian police that he had made four visits to Nepal between 2002 and 2006. Nepal's Maoist guerrillas, who waged an armed revolt for 10 years from 1996, signed a comprehensive peace agreement with the ruling parties in November 2006, following which they also took part in an election in 2008 and emerged as Nepal's largest parliamentary party. Prachanda subsequently led the government for eight months, an act for which he and his party came under fire from the Indian Maoists, who accused them of being renegades and deviating from the "right path".

Strike in Nepali capital cripples life

NEPAL: People's life in Nepal's capital Kathmandu Valley was affected by general strike and shutdown on Monday. The strike was called by Rastriya Prajatantra Party Nepal (RPP- N) as part of its agitation demanding timely promulgation of constitution, referendum on some key issues like republicanism, secularism and federalism. People's life in the valley were affected by the strike. Local shops, private offices, industries, factories, education institutions, transportation all came to a halt due to the strike. Few cars could be seen on the road. The party workers were staging demonstrations at major thoroughfares in the capital, chanting slogans to declare the country a Hindu Kingdom and the restoration of monarchy. Security was beefed up in the capital and various security personnel were deployed at the various places in the city. The strike ended peacefully without any reports of violence. However, many party workers of RPP-N were arrested and released later.

Nepal sacks minister over corruption charges

KATHMANDU: Nepal's education minister has been sacked, the government said on Wednesday, after corruption allegations against him led international donors to withdraw millions of dollars in funding for schools. Ram Chandra Kuswaha is accused of accepting bribes from more than a thousand teachers to secure them jobs in the school of their choice, as well as from a firm that prints school textbooks. "Based on the recommendation of his (Kuswaha's) party, the government has sacked Ram Chandra Kuswaha from his ministerial post," Minister for Federal and Parliamentary Affairs Minendra Rijal told AFP. Kuswaha, who has denied any wrongdoing, could not immediately be contacted by AFP. Jitendra Sonal, the general secretary of Kuswaha's Terai Madhes Democratic Party, said it had taken the decision to recommend the minister be removed "following controversy over the corruption charges". International donors this week suspended millions of dollars in funding for education programmes after the allegations against Kuswaha came to light. Losing the funds was a major blow for Nepal, one of the world's poorest countries, which depends on foreign governments and aid

agencies for around 25 percent of its 48-billion-rupee (\$650 million) education budget. The foreign funds were destined for the school sector reform plan, a government programme aimed at reducing poverty in Nepal by providing schooling for all. afp

Time running out in Nepal's quest for a constitution

Division of Nepal a cause for disagreement Delays could upset constitution timetable, lead to further political instability KATHMANDU: Two years after landmark elections ended centuries of royal rule, lawmakers in Nepal are scrambling to complete a new constitution that will shape the future of the troubled Himalayan nation. With just three months to go until the interim constitution expires, disagreements remain on such fundamental issues as the structure of the national government and the creation of federal states where none now exist. The new constitution is supposed to heal the divisions that led to a bloody Maoist insurgency and is viewed as a crucial step in Nepal's rapid transformation from semi-feudal Hindu monarchy to secular democracy. Analysts say it is key to ensuring lasting peace after a decade-long civil war between Maoist guerrillas and the state, in which more than 16,000 people died. "Constitution writing is a vital part of the peace process," said Larry Taman, senior adviser on the constitution building process with the UN Development Programme. "It's part of what people were promised, part of the terms and conditions of the making of the peace. "If you have a state that works, people have an incentive to be attached to it. If you have a state that's inclusive in its function, people have a greater incentive to be attached to it." But the document has been the subject of almost two years of political wrangling, and a deadline of May 28, when the interim constitution introduced in 2006 will expire, is looming. Nilambar Acharya, chairman of the parliamentary committee charged with putting the constitution together, admitted that the drafting process was in "cold storage". "Disputes between the parties regarding the new federal structure, the judicial and governance systems and the roles of the head of the state and government remain unresolved," he told AFP in an interview. Some lawmakers want the country to be run as a Westminster-style parliamentary system with a ceremonial president, while others are calling for a powerful elected president — the system favoured by the Maoists. Division disagreement: Another source of disagreement is how Nepal should be divided up. A proposal to create states to decentralise government and empower historically marginalised groups has split opinion, with some lawmakers fearing it could lead to ethnic tensions. Columnist Prashant Jha sees a lack of political will to move forward after the Maoist-led government collapsed in May 2009 in a row over the integration of their soldiers into the national army. "The present power-sharing arrangement excludes the Maoists, who are agitating and do not see any incentive in cooperating until they are back in the driver's seat," said Jha, political writer for the Nepali Times weekly. "The Maoists and other political parties are at loggerheads, risking the progress of the peace process for political gain." Constitution delay: Under the original timetable, the first draft of the constitution was due to be sent out for public consultation last November. But it has still not been completed and the revised timetable allows just three weeks for the public to give their views, a situation many observers fear could compromise the constitution's legitimacy. There has also been criticism of plans to distribute only printed copies of the document in a country where literacy rates are among the lowest in the

world. Political uncertainty: A failure to complete the constitution by the May 28 deadline would plunge Nepal into a power vacuum, creating a fresh political crisis in a country that has been ruled by 10 governments in as many years. There have been suggestions the interim charter could be extended; to do so would require the approval of the Maoists, the biggest party in the 601-member parliament, but it is not at all clear that they would cooperate. "If the present political polarisation and drift continues, Nepal is headed for some form of conflict," warned columnist Jha. "This does not necessarily mean war... but continued urban unrest, with low- to medium-intensity violence and multiple state actors challenging the weakened state's legitimacy." afp

Quake jolts parts of North-eastern India, China, Nepal

An earthquake measuring 5.4 on the Richter scale on Friday rocked India's northeast as well as parts of China and Nepal, triggering panic and forcing people out of their homes. According to the U.S. Geological Survey, the tremor was felt at 10.15 a.m. in Assam and other northeastern states, besides in Nepal and China. The epicentre was plotted in western Xizang in China's Tibet region, 164 km from Kathmandu and 219 km from Gangtok. The India Meteorological Department plotted the epicentre at latitude 28.5 degrees north and longitude 86.7 degrees east in its preliminary report. The tremor jolted homes in Assam's main city Guwahati, besides several other places in the region.

PM Nepal lauds media role

KATHMANDU, Feb 21: Prime Minister Madhav Kumar Nepal on Sunday said the press is the true guard of the country. Speaking at a meeting with the newly elected office bearers of Press Chautari Nepal today, the prime minister said the government will never go against the press as the press is government's advisor. Saying that the government is committed to writing the constitution and taking the peace process to a logical end, the prime minister said the tasks can be achieved on time if the parties worked honestly even though the time for the same is shrinking. Recalling that the 1990 constitution was also prepared in 90 days, the PM said honest efforts can lead to completion of constitution writing on time as only 30 percent of the work is remaining to write the new constitution. He said the government's main responsibility is to write the constitution and take peace process to a logical end and that all parties should unite to achieve the tasks. "The prime minister urged UCPN-Maoist to move ahead through democratic process to win the people's hearts. He told the Maoists that their forceful and conspiratorial tactics won't yield anything. Press Chautari Nepal's Chairman Gagan Bista urged the prime minister to take the common agenda of the press sector positively and take initiative to solve the problems of the sector. The Press Chautari also handed a memorandum to the prime minister demanding guarantee of total press freedom in new constitution, punishment for the guilty in attacking and threatening the media, full implementation of the recommendation of minimum wage fixing committee, special attention to security of journalists and media house, arrest of the killers of Jamim Shah, widen the role of Press Council Nepal and formation of a media commission including all forms of media.

Nepal asked to strengthen laws on foreign adoption

Diplomats have asked Nepal's government to strengthen laws over foreign adoptions of Nepalese children. The joint statement issued Wednesday by several Western embassies urged Nepal to implement measures under the 1993 Hague Convention on Inter-Country Adoption to help ensure documents are legitimate and children's well-being is safeguarded. Nepal suspended international adoptions in 2007 to reform its laws and resumed adoptions in January 2009. The embassies' statement follows reports of adoptions taking place without following procedure or with falsifying documents. A U.S. State Department notice this month cautioned prospective adoptive parents that the inter-country adoption system in Nepal is not yet reliable.

Nepal kicks off tourism campaign with 'no strike' pledge

Sixteen major parties of Nepal, including the opposition Maoists who are seeking a change in the government, pledged not to enforce any general strikes or violent protests as Prime Minister Madhav Kumar Nepal Friday kicked off a campaign that seeks to bring at least 1 million tourists in 2011. A 'peace lamp' that was lit Sunday in Lumbini town in southern Nepal, the birthplace of the Buddha, the apostle of peace, was brought to Kathmandu by five marathon runners who have represented Nepal in the Olympic Games in the past, to kick off the campaign for Nepal Tourism Year 2011. In an unprecedented show of solidarity since the pro-democracy march in 2006, hundreds of politicians, security personnel, film stars, business magnates, school children and athletes converged at the army parade grounds at the heart of the capital in five rallies taken out from five prominent areas of the capital, waving the flag of Nepal with its two triangles bearing the emblem of the sun and moon. Nepal's tourism board hopes to get at least 40 percent of the visitors from India and China, Nepal's neighbouring countries. Indians remain the highest spenders and visitors to Nepal. However, the government has to grapple with several grave problems that can affect the campaign. Nepal is scheduled to get a new constitution in May, which could either lead to lasting peace or trigger fresh violence by parties who feel their demands have not been addressed. It is also beset by a crippling power crisis that has seen the government enforce nearly 16 hours of power outage daily. There is also a spiralling deterioration in law and order.

Nepal fires minister who allegedly took bribes

Nepal's government fired the education minister Wednesday on suspicion he took bribes from teachers in exchange for awarding them jobs with a school reform project funded by the World Bank and the U.S. government. Such government jobs are sought after in Nepal because they receive regular pay and guarantee steady work. Unemployment is high in Nepal, which is still recovering from years of communist insurgency that ended in 2006. The reform plan received money from several international agencies, including the World Bank and the United States Agency for International Development. A government statement said Ram Chandra Kushwaha was removed from the Cabinet and replaced by Sarbendra Nath Shukla on Wednesday. Both Kushwaha and Shukla are from the Terai Madesh Democratic Party. The government's decision came after a formal appeal from the party to remove Kushwaha from the post. The party said he should be investigated. "Our party decided to recall him as donor agencies and the parliamentary committee

raised questions over his alleged involvement in the irregularities," said party senior leader Brijesh Kumar Gupta.

No Nepal constitution without Maoist govt: Prachanda

KATHMANDU: Maoists supremo Prachanda has threatened to stall the promulgation of a new constitution if Nepalese political parties continue to oppose the formation of a "national unity government" led by his party. Prachanda, the chairman of the United Communist Party of Nepal-(Maoist), said constitution-drafting is the main priority of his party at the moment. However, he said a Maoist-led unity government is a must for the promulgation of the statute. Prachanda, the first Maoists prime minister, said the new constitution would not be promulgated until there is a national unity government led by the UCPN-Maoist. He told his supporters yesterday at a school, where he had been a teacher three decades ago, in Gorkha district that discussions for a national government is going on within the high-level political mechanism, the nepalnews online said. The mechanism was formed to push forward the stalled peace process. The political parties are deadlocked over the Maoists' demand to rectify the decision of President Ram Baran Yadav, who reinstated General Rukmangad Katawal, the then Army Chief dismissed by the Maoists premier last May.

China to restart Tibet-Nepal bus

China is all set to resume suspended bus services between Lhasa in Tibet, and Kathmandu in Nepal. The service was started on May 1, 2005, but suspended in 2006 after a political fallout over issuance of visas to Tibet. Bus services between Lhasa and Kathmandu were set to resume in the next few days. Nepal and China signed a formal agreement to promote tourism by restarting the service. Indian strategists think one of the reasons for the resumption of the bus service by China is to show the Lhasa-Kathmandu route as the first legitimate and regular land approach to Tibet from outside China. China aims at bringing in tourists – European and Indians – into Tibet from the Nepal route. This will mean that China will increase “normalcy” in Tibet. reports the decision to restart the bus service was taken during a two-day meeting between officials of the Nepal Tourism Board and Tibet Tourism Administration some months ago. Though a February-end deadline has been fixed, much will hinge upon the snows that block Himalayan passes leading up the Tibetan Plateau from Nepal.

Nepal police arrest five including four Tibetans

Kathmandu, Feb 22 (PTI) Four Tibetan nationals, including three women, were arrested from Nepal's Dolakha district while illegally trying to enter the country. A Nepali national was also held for helping them to cross the Tibetan border, police said adding all five persons have been handed over to the immigration department in Kathmandu. More than 30 Tibetans have been arrested in past six months in Nepal for trying to cross the border to reach Dharamshala in India to meet the Dalai Lama. Nepal has been adopted one-China policy reiterating its commitment not to allow activities that are detrimental to Chinese interest. The Nepalese government has intensified its security to prevent pro-Tibetan activists from launching free-Tibet campaign for the past few years. Every year some 2,500 Tibetans cross the border of Tibet and walk for 4-5 days in jungles of Nepal to reach Dharamshala

Major parties agree to end Nepal impasse

Nearly one-and-half months after its formation, the high-level political mechanism (HLP) comprising Nepal's three major parties agreed on Friday to resolve the present political impasse through a joint resolution. Top leaders of the ruling Nepali Congress, the CPN (UML) and the UCPN (Maoist) — the main opposition party — agreed that the resolution would address the concerns and aspirations of all the constituents. The task force formed by the HLP has been given two days of time to finalise the resolution, which will be the main agenda for the next meeting, informed CPN (UML) president Jhala Nath Khanal. The meeting held at the residence of HLP coordinator G.P. Koirala also deliberated on a formula to include the UCPN (Maoist) in the government with the help of a power-sharing agreement. Previous meetings of the HLP had failed to reach an agreement due to differences between the three main political parties. While the Nepali Congress and the CPN (UML) sought discussions on integration of former Maoists into security forces and restructuring of the country, the UCPN (Maoist) insisted on a discussion in parliament on the president's refusal to remove the former army chief. Formed last month, the HLP comprises of Nepali Congress chief G.P. Koirala, UCPN (Maoist) chief Pushpa Kamal Dahal 'Prachanda' and CPN (UML) chief Jhala Nath Khanal. Prime Minister Madhav Kumar Nepal was later included as an invitee member.

Nepali Congress threatens to take up arms if Maoists resort to violence

KATHMANDU: A senior leader of the Nepali Congress has warned the Maoists to shun the politics of violence, threatening that his party would be forced to take up arms in retaliation if do not mend their ways. NC central committee member Khum Bahadur Khadka said the Unified-CPN (Maoist), which has not yet dissolved its military and paramilitary organisation, would be wiped out if his party was forced to pick arms and retaliate with equal force. "I have the feeling that Maoists will once again re-grab their weapons... in the likelihood the Nepali Congress will also retaliate with weapons," the former home minister said. "It would signal the end of Maoists' Party in Nepal," he told reporters at Reporters Club here on Thursday. He also said that he was forwarding a proposal to the NC high command to constitute Tarun Dasta, a paramilitary force, to counter the violent activities of the Maoist Young Communist League (YCL). Khadka asked the Maoists to show seriousness to the 12-point political understanding, particularly on the issue of integration of the People's Army and return of the seized lands to their owners. Khadka said the new constitution cannot be promulgated without the support of the Maoists, and asked the party to join the government and lend support in constitution drafting.

RAW begins in ethnic cleansing of leading Muslims in Nepal

Katmandu—The Indian intelligence agency RAW that enjoys a very big set up here in Nepal, biggest at any where after its Headquarters in New Delhi, has secretly started ethnic cleansing of leading members of the Muslim community of Nepal, belonging to different walks of life. The investigations of The Daily Mail in this direction indicate that the recent murder of the leading Muslim journalists and media tycoon of Nepal Jamim Shah, who was murdered by RAW's SOD men of Chhota Rajan gang in the broad day light, a couple of weeks back was not the first of its kind as RAW's Chhota Rajan gang has been targeting Muslims in Nepal for quite sometime and also keep claiming

responsibilities for these killings. In the past, RAW's Chhota Rajan gang took the responsibilities of eliminating a number of Muslim politicians and businessmen of Nepal, including Member of nepals Parliament Mirza Dilshad Baig. The Daily Mail's investigations reveal that smuggling had always been a flourishing cottage industry in Nepal, run under the patronage of RAW. The Indian intelligence agency has traditionally relied on the criminal communities in Kathmandu in carrying out its operations in Nepal and using it as a launching pad for subversive activities in other countries of the region and even beyond. Chhota Rajan, a key link in RAW operations, was called to assist RAW in Nepal sometime in the late eighties. Rajan immediately became the linchpin in Nepal's crime scene. By the early 1990s, Chhota Rajan had put in place a large network of operatives, dealing in materials ranging from gold to narcotics and people smuggling of women from the poor regions of Nepal for sale as prostitutes in Bombay's brothels and harems of Sheikhs in Middle East. The Daily Mail's findings reveal that Rajan's criminal syndicate was, however, challenged by many conscientious Nepalese. One such person was the Nepalese member parliament, Late Mirza Dilshad Beg, belonging to the Muslim minority community. Dilshad Beg's campaign against rising crime in Nepal at the behest of RAW became a thorn in the latter's side. Of particular concern to RAW was the private bill to combat organized crime that Mirza Dilshad Beg intended to move in the Nepalese parliament. Rajan was, therefore, instructed by RAW to get rid of Beg immediately, Rohit Verma alias D'Souza, a trusted lieutenant of Rajan, pulled the job of assassinating Beg while the Nepalese parliament was in session. Chhota Rajan took the responsibility of this cold-blooded murder. In his interview with 'India Today' and also to another Indian Journal 'The Week' the IGP Nepal, Mr. Kharel also confirmed that Chhota Rajan and his gang were behind Dilshad Beg's murder. Similarly in Jamim Shah's case, Nepalese police has stated that another lieutenant of Chhota Rajan, Babloo Srivastva was completely engaged in Jamim's assassination while a member of the Chhota Rajan gang also called Nepalese media on phone and claimed the responsibility of Jamim's murder on behalf of Chhota Rajan. However to utter dismay and surprise of everyone, RAW officially chipped in and issued a denial on behalf of Chhota Rajan gang, though it officially does not recognize any of its relations with Chhota Rajan or his gang.

Nepal: Royalist Strikers Close Shops and Schools

Advocates of restoring the deposed monarchy waged a general strike on Monday that paralyzed the capital, Katmandu, by closing shops and schools and halting most vehicle traffic. Royalists are demanding a public referendum to decide whether to reinstate the monarchy, a move rejected by other political parties as well as the country's Maoists. Nepal abolished the monarchy in 2008 and is now struggling to approve a new constitution.

Nepal Aims To Eliminate Iodine Deficiencies

KATHMANDU, Feb 23 (Bernama) -- Nepal will be the first country to attain the United Nation's universal target on elimination of Iodine Deficiency Disorder among South Asian Countries, reports China's Xinhua news agency on Tuesday. Nepal aims to eliminate the deficiency within this year, local media reported on Tuesday. According to eKantipur.com report, to materialize this plan, the Child Health Division under the Ministry of Health along with the United Nations Children's Fund and Salt

Trading Corporation Limited launched an Iodized Salt Social Marketing Campaign. Furthermore, the division has also launched a massive door-to-door campaign to use only iodized salt with the two-child logo from Feb 1, according to Dr. Shyam Raj Upreti, Director at the Child Health Division. "The campaign aims at raising awareness to use iodized salt and prevent a number of diseases caused by the use of non-iodized salt," he said. Upreti also said that, the government has been adopting a universal salt iodization policy under which the government has been importing iodized salt since 1998. Still, 23 percent of Nepalis consume non-iodized salt. The 43rd World Health Assembly in 1990 adopted a resolution to eliminate iodine deficiency by 2000, but only half of the countries in the world could meet the deadline. Subsequently, when world health experts gathered at the World Health Organization headquarters for evaluation of the problem in 2000, they made another resolution that only Universal Salt Iodization could eliminate the problem and therefore set a new global target of 2010. According to the report, nearly 150,000 tonnes of salt are consumed in the country annually.

Nepal Minister demands exact number of Militias, UNMIN reluctant

The United Nation Mission in Nepal (UNMIN) has refused to provide the government with the exact number of Maoists' Militias living in the cantonments. The government had earlier in the week asked the UNMIN to provide the details after the disqualified Militias were discharged. The government also claims that forwarding false details on the exact number of Militias of the Unified Maoists' Party, the party of the ex-rebels was misusing the State funds being allocated by the government to the Militias now in the cantonments. Ms. Karin Landgren, the UNMIN chief met with the Minister for Peace and Reconstruction Mr. Rakam Chemjong, Thursday February 25, 2010, and made it clear to the government that the UNMIN had no right to provide the details. She instead suggested the government to look for the needed details with the JMCC (Joint Monitoring Coordination Committee (JMCC)), a mechanism chaired by UNMIN with membership of both Nepal Army and Maoists' Militias, say reports. The government has been threatening to hold funds being allocated to the Militias until furnished with exact number of Militias remaining in the cantonments. To recall, Girija Prasad Koirala just the other day told Nepal PM to get rid of the UN white elephant at the earliest. Both Girija Prasad Koirala and Madhav Nepal tentatively look UNMIN as "Maoist friendly UN body in Nepal".

US aid to improve access of justice in Nepal

Kathmandu: The United States has stepped up financial aid to Nepal to improve delivery of justice as Washington underlined the need to strengthen rule of law for the success of the landmark peace process in the country. The US Agency for International Development (USAID)

has allocated USD 1.7 million for a key programme to increase access to justice for society's most vulnerable groups. The two-year programme, funded by USAID and implemented by The Asia Foundation, was designed in extensive consultation with the judiciary and NGO partners. It aims to expedite the delivery of justice through alternative dispute resolution mechanisms and improve the administration of the courts. "In post-conflict settings like Nepal, re-establishing and strengthening the rule of law is crucial to ensure the transition to peace and to enable development," said Dr Kevin Rushing, Mission Director of USAID, Nepal.

He said amid the debate over the restructuring the state structure in Nepal, the US remains firmly committed to promoting the idea that democracy will only be sustainable if it is underpinned by good governance, citizen's access to justice, and a broader respect for the rule of law. The programme established three new court-annexed mediation centres and two commercial mediation centres and continued to support operations of three mediation centres opened under a previous project. During the two-year programme period, more than 1,700 cases were referred for mediation, helping reduce the numbers of back-logged cases and expedite the delivery of justice for the average Nepali and these referrals will continue. Representatives of the Nepal judiciary, Nepal Bar Association, civil society, The Asia Foundation and USAID came together to highlight the USAID's 'Strengthen Rule of Law' programme. They lauded US-Nepal cooperation and appreciated the programme's contributions to improving the quality and access to justice in Nepal, according to a release. Political tensions have been high in Nepal since a government led by the Communist Party of Nepal (Maoist) resigned last year. A political deadlock among the political parties has stalled the 2006 landmark peace process and delayed the framing of a new constitution, a key task of the 601-member Constituent Assembly that functions as the country's parliament.

Investors declare indefinite closure of share market in Nepal

KATHMANDU, Feb 24, 2010 (Xinhua via COMTEX) -- Agitating stock investors declared that they would keep the stock market closed in Nepal for an indefinite period until the government addressed their demands. According to Thursday's The Kathmandu Post, they have been protesting from Friday against what they said was government negligence of the declining stock market. "Our agitation has reached a climax," said Deepak Karki, president of the General Investors Association Nepal (GIAN). "Three investors associations have decided to continue the movement for an indefinite period." The GIAN, Nepal Investors Forum and Nepal Securities Investors Association are conducting the agitation.

India says no to end IOC monopoly in Nepal

KATHMANDU, Feb 26: India has turned down Nepal government's request to end Indian Oil Corporation's (IOC's) monopoly in supplying petroleum products to Nepal. This has closed options for Nepal to induct alternate fuel suppliers for Nepal Oil Corporation (NOC) "Officially, India is yet to respond to our call to open oil export (to Nepal) to all Indian refineries and oil marketing companies (OMCs). But unofficially, it has already said no," said a highly placed government source. However, if Nepal opened fuel imports to the private players, it (India) has said it would allow IOC to export petrol and diesel to them. This means even while promising exports to the private sector, India has said IOC will not be exporting kerosene and liquefied petroleum gas (LPG) to them.

“Kerosene and LPG are exports restricted items in India. Hence, it is not willing to give privilege to the private sector -- something that it has been providing to NOC, its three-decade long trading partner,” said a highly placed source. Such a response from India has jeopardized government’s plan to allow NOC to source fuel from other Indian petroleum giants as well. The Essar Group that operates largest private sector refinery and Bharat Petroleum, the public sector entity, of India had recently shown interest to supply fuel to Nepal. Buoyed by their interest, the government had formally requested to India to end the over three-decade long monopoly of IOC in fuel supply to Nepal. “The plan has received a severe setback,” said the source. That is not all. Officials argued that India’s denial could seriously affect Nepal’s plan to open petroleum imports to the private sector. “How can we expect Nepali private sector to jump in the trade, particularly of kerosene and gas, if India is not ready to open exports or pledge its logistics support to facilitate imports at port?” Such doubts surfaced mainly after India, in yet another request of Ministry of Commerce and Supplies, refused to allow a Nepali LPG importer use storage facility and take technical support of Indian oil Petronas Private Limited (IPPL) in Haldiya. A newly established local company named Chandi Lumbini had sought permission to use the facility and expertise of the IPPL in Haldiya port while importing gas from the third country. The ministry had also requested the Indian government to extend all possible support to it. “Unfortunately, India’s response is negative,” said the source. IOC has been supplying fuel to Nepal since 1974, when Nepal and India inked a Petroleum Supply Agreement to start a formal petroleum trade between the two countries. The agreement designates IOC as the sole exporter of petroleum products to Nepal and NOC as the petroleum import monopolist for Nepal. In case the respective governments wish to change this arrangement, they need to notify each other. “But given the situation that unfolded of late, it seems mere notification will not help Nepal to move ahead with its liberalization program,” said the source. Nepal’s petroleum market stands at about Rs 48 billion per annum and NOC projects it to grow to Rs 60 billion in this fiscal year

Nepali carpets' German importer honoured

KATHMANDU: Prime Minister Madhav Kumar Nepal has awarded a German Importer of Nepali carpets with the Export Excellence Award. According to Nepal Carpet Exporter’s Association (NCEA), yesterday PM Nepal conferred the Export Excellence Award 2009 on Thomas Roetter, managing director of KREIGER GmbH — the second largest importer in Germany which imported 27,123 sq metres of carpets from Nepal in 2009. Roetter, during the award programme, said that Nepali carpets are incomparably the best carpets in the world and that his company would continue importing carpets from Nepal in even larger volume if the problems created by unending industrial and labour unrest were solved by the government in future. On the occasion, Fred Keller, managing director of Theoko Collection, expressed satisfaction over the tradition of conferring award on the largest importer and informed that his company has been importing Nepali carpets for the last 22 years. PM Nepal said that the government was committed to restore carpet export to its previous position. He added that for this purpose a high level task force has been formed which will study the scenario and its recommendations would be

implemented this year. Congratulating the winner, he also assured that that the Nepali carpet sector would show higher trade performance in the years ahead and that the government was ready to any pertinent action for that. Earlier, president of NCEA, Kabindra Nath Thakur, and executive advisor Surendra Dhakal briefed the assembly on the recent International Carpet Fair 2010 at Hanover, Germany, and handed over the report.

Indian investment in Nepal: Challenges and opportunities

Because of the importance of foreign direct investment (FDI) in employment creation, technology transfer, export promotion and overall economic growth of a country, Nepal tried to create investment friendly environment to encourage FDI, particularly after the political change in 1990. As a result, over one thousand foreign investment projects have been registered in Nepal covering all such sectors as hydro power, mineral exploration, construction, agro based, chemicals, tourist hotels and restaurants and other specialised services. In terms of approved amount of FDI, India is Nepal's largest source of FDI. Most importantly, India alone accounts for as much as 44% of Nepal's total foreign direct investment. Some of the major joint ventures with India in Nepal include Surya Nepal - a joint venture with ITC India, Dabur Nepal, Nepal Lever and United Telecom Nepal, Everest Bank, SBI Bank, LIC Nepal, Asian Paints, GMR India, IL&FS and Manipal. Considering the growing demand for power both in Nepal and in India, Satluj Hydro Electric Project of India has made investment for the construction of 402 MW in Arun III. On the other hand, GMR, an Indian infrastructure developer has made investment for the construction of 300 MW Upper Karnali at Tunibagar in Dailekh district. Also, Himtal Hydropower Company Pvt Ltd (in which GMR has 80% share and the Nepalese have 20% share) has made investment for the construction of 600 MW Upper Marshyangdi-II hydropower. IL&FS has 15% share in 750 MW West Seti project.

The low labour costs and liberal trade and economic policy resulting in lower tariff rate structure are mainly responsible for attracting Indian investment in Nepal. Additionally, the climatic advantage due to the terrain ranging from almost the sea level up to the Mt. Everest merely within the average distance of 200 kilometres provide wider scope in Nepal for growing all sorts of agricultural products such as medicinal herbs, fruits and high quality tea, coffee and saffron in the country. Also, there is huge scope for the commercial production of hydropower to the extent of 44,000 MW. Due to the booming Indian economy, Nepal's trade with India has increased enormously from US \$ 209.5 million in 1995-96 to US \$ 2 billion in recent years. But at the same time Nepal's trade deficit with India also widened and it culminated to over US \$ 1 billion. This also suggests the need for expanding the volume of export base of Nepal; for which Indian investment is quintessential. Understanding the importance of Indian investment for the economy, Nepal's government has identified infrastructural facilities as hydropower, education and health, apart from agri-business, tourism and other financial sectors as priority sectors for Indian investment. Yet, there has been a growing Indian concern not only about the health of the Indian investment in Nepal but also about the investment climate in the country. Today, the Indian investors in general feel quite insecure to make an investment in Nepal as the business environment in the country has been badly

shattered due to the frequent bandhs, prevailing culture of strikes, labour disputes, forced donations, poor law and order situation and above all the continuing political instability in the country. Though the work in most of the projects in hydropower projects in which India has made major investment has already begun, there are reports that certain forces have mixed up politics with economics and obstructed the implementation of different activities. Besides, on account of the outmoded national laws in regard to acquisition of land for the development of hydropower projects, there have been problems related to it for the development of roads, construction of project sites and also for the rehabilitation of those to be evacuated due to the project activities. The ILO Convention 169 on Indigenous and Tribal Peoples of which Nepal is a signatory is also a problem in the implementation of the projects. In such a situation, it is unlikely that the Indian investors would make further investment in Nepal. Such a set back might seriously affect the growth of agricultural, industrial, service and trade sectors of Nepal and thereby further aggravate the deficit in balance of trade with India. It will also give a wrong message to the international community and further aggravate the investment prospect in Nepal, when the entire banking and other financial institutions are virtually in the state of severe crisis. It is in Nepal's own national interest that the existing hydropower projects are allowed to move smoothly. If such projects are completed, they would change the national economy dramatically as they would have multiplier effect on different sectors such as on education, health, transport, communication, industry, trade and service sectors. In this respect, any attempt to disturb the project activities might have detrimental impact on the peace process as well as peace in the absence of such development activities as in hydropower sector and that too at a time the country is going through load shedding.

Nepal Constitutional Deadlock - South Asia Intelligence

Review Nepal is, once again, being pushed to the brink, as a political gridlock stalls the drafting of her new Constitution. With just three months to go before the May 28, 2010, deadline which had been imposed on the Constituent Assembly (CA), in May 2008, for the writing of the Constitution, there appears to have been little substantive development on a draft. As time runs out, and political polarizations harden, there seems little hope that the Constitution will be drafted in time. With the Unified Communist Party of Nepal – Maoist (UCPN-M) threatening to take to the streets if the deadline is not met, the ongoing impasse has the potential to undermine the fragile peace in this infant republic. After the fall of the Monarchy, the Seven Party Alliances (SPA) had hammered out an agreement with the Maoists on the drafting of the Constitution. The first meeting of the CA was held on May 28, 2008, and 11 'thematic committees' were allocated responsibilities to work on different components of the proposed Constitution. It is important to note that the CA had been a standing demand of Nepal's various political parties since 1950. It was, however, during the second (June 5, 2008) and third (June 11, 2008) meetings of the CA that the political parties started defining their own divergent stands on various issues, and a boycott drama commenced. Political parties, particularly the Communist Party of Nepal–Unified Marxist Leninist (CPN-UML), the UCPN-M and the Nepali Congress (NC), amplified their disagreements on even the smallest possible issues.

In a unique process, Nepal's CA did not engage constitutional experts to frame a preliminary draft of the provisions of the Constitution, with a view to subject this to focused discussions in the CA. The result has been a free floating process, largely of political posturing outside the formal constitution drafting process, which has allowed little headway to be made in over 18 months. Significantly, while violent disputes have dominated the political discourse on various elements of the projected constitutional structure, there has been no significant discussion on anything important relating to the draft Constitution since the third meeting of the CA on June 11, 2008, and till its 28th meeting on May 24, 2009. Indeed, between June 2008 and May 2009, the CA appeared to focus almost exclusively on discussions relating to the inclusion and resignation of CA members from different parties. It was only in its 28th meeting that the CA's National Interest Preservation Committee (NIPC) presented its Concept Paper, outlining the basic contours of the proposed Constitution, to the Assembly. This development was, however, immediately undermined when one of the members of the NIPC articulated his opposition to the Concept Paper. As a result, the 29th meeting of the CA, held on May 27, 2009, was wrapped up with the formation of a 15-member 'Concept Paper Discussion Committee'. In what would appear to be a positive development, all 11 Thematic Committees had tabled their Reports by January 27, 2010, for discussion in the CA, preliminary to the final drafting process. However, according to CA Schedule 149, the Thematic Committees were supposed to table their preliminary reports by April 23, 2009, and party-wise discussions and the revision of the Reports were to be completed by January 21, 2010. On the original schedule, the Constitutional Drafting Committee was scheduled for 'theoretical discussions' on the Constitution Bill by February 23, 2010. There is now no possible hope that these schedules will be met. It is the lack of consensus among the principal political parties that has brought things to the present pass. Each political party has sought to dominate the others, with the UCPN-M leading the race. The CA's processes have been stalled or disrupted on numberless issues, some of grave significance, others no more than trivial. There were strong disagreements among the parties on the change of the National Flag. The CPN-UML and NC supported the continuance of the existing flag, while the UCPN-M and various regional parties sought a change. The process of the finalizing the National Flag took more than three months, between September 16, 2009, and December 2009. There have been persistent disagreements among the political parties over issues such as the National Bird, National Animal and National Flower. More intractable postures have undermined discussions on the weightier issues of governance, and particularly the proposed nature of the country's Federal structure and the distribution of State power. Small but influential regional parties such as the Madhesi Janadhikar Forum (MJF) are demanding 'one Madhes one Pradesh', a single 'Madhesi' state with a 'pan-Madhesi' identity. The Tharu minority in the Madhes region is, however, against any structure that would block the entire Madhes region together.

The CPN-UML, the leader of the ruling coalition, has also repeatedly blocked the possibilities of consensual resolution, particularly with a belligerent rhetoric towards the Maoists. Thus, Prime Minister Madhav Kumar Nepal declared, recently, that "the Maoists would face the same fate of the Tamil Tigers of Sri Lanka if they continued to

engage on violence and intimidation", rhetoric that will not push discussions forward the next time his party sits across the party with the UCPN-M for discussions on the niceties of the Constitution. Worse, there is little evidence of political consensus within the CPN-UML itself, with party President, Jhala Nath Khanal, demanding Nepal's resignation on February 19, 2010, for the Prime Minister's failure to secure a consensus among the political parties for the smooth drafting of the Constitution. Tensions over the absence of consensus on provisions of the Draft Constitution have been infinitely compounded by disruptive behavior outside the CA. While the debate on the proposed federal structure was going on in the CA, for instance, the Maoists, on November 25, 2009, unveiled their plan to declare 13 'Autonomous States' based on ethnicity and region. Soon thereafter, on December 2, 2009, Prime Minister Nepal stated that the UCPN-M's plan to declare autonomous federal states was against the Comprehensive Peace Agreement (CPA) and the Interim Constitution, and accused the Maoists of trying to undermine the CA at a time when political parties were holding discussions on State restructuring. Nevertheless, ignoring widespread national and international concerns on the issue, the UCPN-M announced the 'formation' of autonomous Kochila and Laimbuwan States on December 11. On December 13, the Prime Minister said the Maoist decision to declare federal States would invite political confrontation and urged the Maoists to withdraw their decision, if they wanted timely drafting of constitution. The Maoists, however, stood by their plan and declared another 11 Autonomous States – Kirat, Sherpa, Bher-Karnali, Tharuwan, Seti-Mahakali, Tamsaling, Newa, Bhote, Magarat, Tamuwan and Madhesh.

The Maoists also disrupted Parliamentary proceedings from May 6, 2009, through December 2009, including the proceedings of the CA, even as they continued with widespread intimidation and sporadic violence. There have been numberless instances of the UCPN-M and its youth wing, the Young Communist League (YCL), being involved in land grabs, extortion, disruption of development projects, and unruly political demonstrations. In one such incident, on December 29, 2009, UCPN-M cadres assaulted Federal, CA Affairs and Culture Minister Minendra Rijal with lathis (bamboo canes) in Udaypur District, as he was coming out of the NC District Party office. Maoist belligerence has variously encouraged and provoked other political groupings to adopt violent and intimidatory tactics to pursue their own political goals.

In a rare positive development, however, a High Level Political Mechanism (HLPM) was constituted, after a prolonged disruption by the Maoists of the CA, on January 8, 2010, to end the deadlock and to address various constitutional issues. Within hours, however, UCPN-M Chairman, Pushpa Kamal Dahal aka Prachanda, declared that his party would re-launch the 'people's war' if the Constitution was not drafted on time – an eventuality that has receded from the realms of the possible. Worse, the Madhesi Janadhikar Forum-Loktantrik (MJF-L) has declared itself against the HLPM, claiming that the Mechanism has been instituted with the objective of furthering the interests of the larger political parties. With just three months to go before the deadline for the Draft Constitution expires, the political deadlock seems to be worsening. None of the political parties in Nepal has demonstrated the sagacity to lead the country out of its protracted political and constitutional logjam. As the May 28, 2010 deadline approaches, Maoist belligerence

appears to be escalating, and the country is once again at acute risk of a spiral into disorder and violence.

UK asked to ensure Nepali students refund

Taking strong exception to the UK government's decision of suspending registration of some colleges and barring students from applying for visas, Nepal has asked Britain to take steps to ensure refunding of Nepali students. In a recent letter to the British Foreign and Commonwealth Office (FCO), the Nepali Embassy in London has categorically raised concern over the money paid by the Nepali students -- both studying in the suspended colleges and those who have been enrolled but not been allowed to apply for visa. "I told them [concerned FCO officials] that Nepali students have made no mistake by being enrolled in the colleges that have now been suspended on the charge of being substandard," said Nepali Ambassador to the UK Suresh Chandra Chalise told myrepublica.com about his recent meeting with FCO officials in London. "The students did not know about the status of the colleges at the time of admission and should not be punished for no fault of their own." In response, FCO officials said that they would look into Nepal's concerns, according to Chalise. In an abrupt decision early this year, the UK Border Agency, which looks into applications from foreign nationals to enter or stay in the UK, announced it would not accept student visa applications from Nepal, north India and Bangladesh. The British agency, while taking the decision, said that it discovered that the visa system was being misused by sending wrong candidates. It also complained that some students, who applied for visas under the Tier 4 system, came from below par educational institutions. In a bid to control a rapid and steady inflow of unqualified students, especially from South Asia, the UK Border Agency had also suspended registrations of more than 100 colleges in England, leaving thousands of Nepali students in the lurch. It is estimated that the decision has affected a large number of students studying in the UK. Nepali students have lost millions of rupees as a result. "It is still not clear how many Nepali students have been affected by the British decision," the ambassador said over phone from London. Meanwhile, Nepali community, affected students, British solicitors and British intellectuals held a meeting in London on Monday to discuss the problem, according to Chalise. Chalise himself took part in the meeting. Similarly, the embassy has asked the government to take some precautionary steps to prevent the students from making the wrong move. In a letter to the Ministry of Foreign Affairs, the embassy has urged the government to take immediate measures to monitor educational consultancies. The embassy has also asked the government to make it mandatory for students to pay consultancies only through bank accounts. Currently, students have been found paying consultancies in cash or through drafts. The embassy expects that such an arrangement may help students to get their money refunded in case consultancies cheated them. In April, 2008, the UK had introduced a new policy, relaxing criteria for foreign students to study in British colleges. The policy caused a sharp increase in the number of Nepali students going to the UK for study. Altogether 6,627 Nepali students had taken no objection letter from the Ministry of Education to apply in British colleges in the fiscal year 2065/66 BS.

Nepal will miss 2015 MDGs, says report

KATHMANDU: Nepal will not achieve Millennium Development Goals by 2015 at the present rate of progress in basic social indicators, according to a poverty report released today. The Basic Capabilities Index (BCI)-2009 released by the Social Watch, an international organisation, showed South Asian nations including Nepal will not be able

to eradicate poverty and ensure minimum education for all by 2015. Nepal has secured only 58 points in the 2009 index compared to 65.1 in the 2008 Index. The ranking is considered 'extremely critical.' The index says that the current trend does not allow Nepal to meet the internationally agreed poverty reduction goals, unless substantial changes occur. The international network of citizens' organisations also found that South Asia will get up to 80 points on the index by 2015, 10 points higher than the present value of 71. The BCI also challenged the MDG Progress Report for Nepal 2005, prepared together by the Government of Nepal and the UN Country Team, which suggested that Nepal was likely or potentially able to meet all except two goals, the ones on universal primary education and HIV and AIDS. Nepal is still way behind in providing basic amenities to people, the global NGO's index on more than 130 countries says. According to the report, the current trend will not make a success to define the wellbeing of the citizens based on children getting education at the primary level as well as the child mortality rate and the percentage of births attended by skilled workers. The index also agrees that providing basic facilities to all, as committed in the MDGs, is still a challenge for India too. India got 68 points in the index, an increase over a meagre four points since 2004. The BCI, however, does not use income as an indicator.

SRILANKA

The decay of parliamentary democracy in Sri Lanka

An editorial in last weekend's *Sunday Times* entitled, "Give us honourable MPs please," bemoaned the impotence of the Sri Lankan parliament and the poor quality of parliamentarians. The editorial was one of a number of opinion pieces and comments calling for an improvement in political standards as the country prepares for parliamentary elections on April 8. The media clearly recognises that broad layers of voters are alienated from and even hostile to all the major political parties and institutions of government. The purpose of such articles is to deflect these sentiments from any closer examination of the underlying causes, which lie in the decay and crisis of the profit system itself. The editorial began by noting that it was "hard to see" what the last parliament had "to show by way of progressive legislation". It pointed out that most legislation consisted of minor amendments and that most parliamentarians spent "their time sitting in committees whose recommendations were largely ignored by the executive; extending the emergency regulations; and bickering with one another". In other words, parliament has become an impotent rubber stamp for the government.

The *Sunday Times* offered the simplistic explanation: "The foremost reason for this drop in the quality of parliament has been the drop in the calibre of persons entering it." After citing figures for the falling number of lawyers, businessmen, teachers and public servants in parliament and the rise of the professional politician, it made a half-hearted appeal to party leaders to select better candidates. In the final analysis, the editorial blamed voters for looking for favours, rather than choosing intelligent and dignified representatives. In reality, the degeneration of bourgeois democracy is completely bound up with the incapacity of the ruling elites to in any way address the democratic aspirations and social needs of working people—that is, the vast majority of voters.

President Mahinda Rajapakse, who narrowly won power in 2005, brought nothing but a renewed war against the Liberation Tigers of Tamil Eelam (LTTE) and economic hardship. After defeating the LTTE last May, he promised peace and prosperity, but living standards have further deteriorated. Rajapakse has relied on increasingly autocratic methods of rule. He operates through a cabal of relatives, close aides, top bureaucrats and generals and rests on an unstable parliamentary majority that has been maintained by appointing all government MPs to some ministerial post. As a result, the president largely ignores his unwieldy cabinet, as well as parliament. Rajapakse faces virtually no opposition in parliament because the main opposition parties—the United National Party and the Janatha Vimukthi Peramuna (JVP)—agree with his agenda of communalism, militarism and pro-market restructuring. Rajapakse won a second term of office at the January 26 presidential election precisely because voters saw no real difference between him and opposition candidate—General Sarath Fonseka, who had ruthlessly prosecuted Rajapakse’s war. The *Sunday Times* tut-tuts over declining parliamentary standards, but has nothing to say about the government’s use of anti-democratic methods and thuggery to suppress opposition. Since the presidential election, Rajapakse has launched a vicious crackdown on opposition parties, media critics and opposition union officials, the high point of which has been the arrest of Fonseka on unsubstantiated allegations that he was planning a coup. It is in this political climate of fear and intimidation that the parliamentary elections are being held. The government’s stated objective is to obtain a two-thirds majority in parliament, enabling it to change the constitution. The president already has sweeping executive powers to appoint and fire ministers and indeed the government as a whole. Under the state of emergency that the parliament has routinely renewed, the president has extensive additional powers, including to censor the media and ban industrial action. If the government is seeking to change the constitution, it will be to further entrench Rajapakse in office and legitimise his anti-democratic methods. In the final analysis, Rajapakse’s police state-measures are not directed against the opposition parties, but against the working class. The government is heavily in debt, was forced to borrow from the International Monetary Fund (IMF) and, as soon as the election is over, will be compelled to make deep inroads into the social position of working people—along the lines of what is currently taking place in Greece. Despite sharp tactical differences, particularly over the orientation of foreign policy, the opposition parties have no fundamental disagreement with Rajapakse over his economic agenda or his anti-democratic methods.

The *Sunday Times* hankers for a mythical past when “gentlemen politicians” ruled the roost in the Sri Lankan parliament. From the outset, these “gentlemen”—representatives of the island’s venal ruling elites—acted with complete contempt for democratic rights and used communal politics to divide working people. One of the first acts of the parliament in 1948 was to abolish citizenship rights for a million Tamil-speaking plantation workers—about 10 percent of the population. Only the Trotskyist movement—the Bolshevik Leninist Party of India, which later unified with the Lanka Sama Samaja Party (LSSP)—opposed this sweeping anti-democratic measure. Its MPs would certainly not have been described as “gentlemen” by the bourgeois press of the day. They were revolutionary Marxists who used parliament as a means of educating and independently

mobilising workers to fight for their rights and class interests on the basis of a socialist program.

The degeneration of the LSSP was expressed most sharply in its adaptation to parliamentary politics and the parties of the capitalist class, which culminated in its entry into a bourgeois coalition government led by the Sri Lanka Freedom Party (SLFP) in 1964. The LSSP's betrayal was a savage political blow against the working class, and a turning point in bourgeois politics. The lack of principled, working class opposition allowed communalism and opportunism to flourish not only in the existing bourgeois parties, but in petty bourgeois radical outfits such as the LTTE and the JVP. Ultimately that led to the eruption of civil war in 1983. The start of the war was bound up with a turn to pro-market restructuring by the then United National Party government—part of the broader process of the globalisation of production. The conflict was not primarily an anti-Tamil war, but was directed at dividing and suppressing any opposition from the working class. The war has been associated with the continued erosion of the democratic rights and living standards of working people. That in turn has given rise to growing hostility to the entire political establishment which is reflected in an increasingly fragmented collection of parties that use the most unscrupulous methods to win votes. The solution proposed by the *Sunday Times*—the return of the gentleman politician—is simply ludicrous. So extreme are the class tensions in Sri Lanka that what is emerging is a police-state regime that will not hesitate to ruthlessly defend the interests of the island's wealthy corporate elite to impose the agenda demanded by the IMF and international capital. The working class needs to draw the necessary historical lessons. Its interests cannot be defended through the politics of parliamentary combination and manoeuvre, but only through its own independent mobilisation on the basis of a socialist program that seeks to restructure society as a whole to meet its social needs, not the profits of a wealthy few.

The Socialist Equality Party (SEP) is standing in the April 8 election to educate and warn working people about Rajapakse's impending "economic war" and to revive the methods of class struggle that have been suppressed for decades. The SEP will use the campaign to encourage the formation of action committees in workplaces, working class suburbs and in towns and villages to defend the rights of working people. Our candidates oppose all forms of nationalism and communalism and fight for the unity of workers—Tamil, Sinhala and Muslim—as the basis for the struggle for a workers' and farmers' government and socialism in Sri Lanka, South Asia and internationally.

Sri Lanka Says General Fonseka to Face Civilian Court

Feb. 26 (Bloomberg) -- Sri Lanka said General Sarath Fonseka, the defeated opposition candidate in January's presidential election being detained for violating military law, will face additional charges in a civilian court. Charges will be filed "within the next two weeks" under the country's penal code, the government said on its Web site. "He will be accused of fraud, condoning fraud, plotting against the government, creating unrest within the army and keeping army deserters under his protection," the government cited

G.L. Peiris, the minister of export development and international trade, as saying late yesterday.Fonseka was the main challenger to President Mahinda Rajapaksa, who was re-elected in the first national ballot since the defeat of Tamil Tiger separatists last May ended a 26-year conflict. The former army chief was arrested Feb. 8, a move that prompted opposition protests and accusations the government intends to prevent him from participating in general elections scheduled for April.Fonseka, 59, who led the military operations against the Liberation Tigers of Tamil Eelam, also will face charges under the Exchange Control Act for violating foreign exchange laws, Peiris said at yesterday's briefing in the capital, Colombo.The charges involve excessive foreign currency deposited in banks which is being investigated by the Criminal Investigation Department, Sri Lanka's Daily News reported, citing the minister.

Election Candidate Fonseka has signed nomination papers as a candidate with the Democratic National Alliance to run for a seat in Colombo District in the April 8 general elections, the government said.He remains in military custody while the attorney-general decides whether he'll face a court martial for acting against the government while serving in the Army.United Nations Secretary-General Ban Ki-moon earlier this month called on Rajapaksa to ensure the due process of law is respected on Fonseka's case. The general's arrest mustn't lead to violence that harms national reconciliation in Sri Lanka, Ban said.Rajapaksa, 64, and Fonseka fell out after the president moved the general to a ceremonial post and accused him of plotting a coup. The president called the general election after winning 58 percent of the vote in the Jan. 26 election, compared with 40 percent for the former army chief.Rajapaksa is trying to capitalize on an economy boosted by tourism and agriculture industries rebuilt since the war's end. The central bank forecasts the economy will grow as much as 6 percent this year, after expanding about 3.5 percent in 2009.

Sri Lanka inflation hits 1-yr high in Feb

COLOMBO, Feb 28 (Reuters) - Inflation in Sri Lanka hit a one-year high in February as low interest rates spurred consumer demand for goods and as commodity prices rose, data showed on Friday.Consumer prices rose 6.9 percent this month from year-ago levels, its highest since February 2009 and edging up from last month's 6.5 percent. Inflation hit a record high of 28.2 percent in June 2008 as global oil prices surged."This is expected," said Chrishani Ekanayake, an economic consultant at Frands Consultant. "We expect inflation to accelerate further as globally inflation is on the rise and with our imports it will be add to increase in prices."The 12-month moving average inflation was steady at a record low of 3.1 percent this month, the same as January, and analysts expect it to reverse its downward trend from next month onwards. It hit a 6-year high of 23.4 percent in October, 2008.Economists surveyed by Reuters <LK/INFL1> had forecast February CPI inflation at 7.5 percent while annual average inflation was seen at 3.1 percent. [ID:nSGE61P04B]Analysts said inflation will pick up continuously due to a low base effect last year and as consumer spends more due to low interest rates and optimism after the end of the island's long civil war last year.Some analysts expect inflation to quicken if the government under newly re-elected President Mahinda Rajapaksa continues its high spending without fiscal reform to increase state revenues.On Thursday, the International Monetary Fund (IMF) said average inflation would stabilise in the high single digits and year-on-year inflation should peak in mid 2010 before reversing in the second half of the year.

Sri Lankan government voices anger as UK MPs address Tamil group

David Miliband and Gordon Brown meet delegates at London conference of Global Tamil Forum

The diplomatic rift between London and Colombo has widened after Gordon Brown and David Miliband met delegates from a new worldwide Tamil union despite "strong protests" from the Sri Lankan government. Miliband, the foreign secretary, used his address to the inaugural conference of the Global Tamil Forum at the Commons yesterday to urge the Sri Lankan government to embark on a "genuinely inclusive political process". He also repeated calls for an investigation into allegations that both the Sri Lankan state and the Tamil Tigers violated international humanitarian law during last year's fighting. The British government's decision to engage with the GTF has provoked "deep concerns" in Sri Lanka, which claims the organisation is a front for the defeated Tamil Tigers (LTTE). The British acting high commissioner in Colombo, Mark Gooding, was summoned before the island's foreign minister yesterday and urged to tell Miliband to cancel his address. A spokesman for the Sri Lankan government said: "[Rohitha Bogollagama] ... emphasised that foreign secretary Miliband, by participating at [the] GTF meeting in London, would unfortunately lend credibility to an organisation which is propagating the separatist agenda of the LTTE, and would be acting in a manner inimical to the national interest of Sri Lanka and its legitimate government." However, not only did Miliband go ahead with the address but Brown also held a private meeting with a group of delegates in the Commons. A Downing Street spokeswoman confirmed the meeting had taken place but declined to comment further. A Foreign Office spokesman said Miliband's participation was part of the government's ongoing efforts to bring about peace in Sri Lanka. "The GTF publicly states that they are committed to the principles of democracy and non-violence," he said. "The UK will continue to engage with all Sri Lankan communities focused on achieving a lasting and equitable peace through non-violent means." The already-strained relations between the two countries deteriorated further last November after the UK and Australia blocked Sri Lanka from hosting the next biennial commonwealth heads of government meeting in 2011 in protest at Colombo's military repression against the Tamil population. Earlier this month the EU suspended preferential trade benefits to Sri Lanka over concerns about its human rights record. In his address to the Commons conference, Miliband urged the newly-elected Sri Lankan president, Mahinda Rajapaksa, to use his mandate to bring about a political settlement between the island's Sinhalese majority and its Tamil minority and take lessons from how other divided countries had healed their differences. "If history is buried, reconciliation never happens," he said. "That is why we continue to call as a government for a process to investigate serious allegations of violation of international humanitarian law by both sides in the conflict." "If credible and independent, such efforts could make an important contribution to reconciliation between Sri Lanka's communities." He also praised the Tamil diaspora for renouncing the violence and "countless atrocities" committed by the Tamil Tigers, adding: "The road ahead no doubt will be long and hard ... but I think the founding commitment not just to a fully inclusive political process, but to support non-violence as the means to achieve it, is something that speaks to the deepest values of the Tamil people." The UN estimates that around 7,000 people died in

the final months of the fighting that culminated in the defeat of the Tamil Tigers. More than 250,000 Tamils were interned in government-run camps, where around 100,000 remain. A further 11,000 are being held on suspicion of rebel links. The conference also heard from a number of MPs, including Simon Hughes, Ed Davey, Keith Vaz and Virendra Sharma. Davey, the Liberal Democrat foreign affairs spokesman, also called for an investigation into allegations of human rights violations and war crimes. He warned the government in Colombo that it would be judged by the international community on its political and judicial reforms and the way it treated the media. "The Sri Lankan government must reach out and recognise their mistakes from the past," he said. "We believe that what we believe are war crimes should be investigated." The shadow foreign secretary, William Hague, who closed the conference, said "meaningful political reform and reconciliation should be an urgent priority" for the Sri Lankan government, and called for the release of the internally-displaced Tamils still held in camps. The GTF, is led by Father SJ Emmanuel, a 75-year-old Catholic priest. He said the organisation was a democratic and non-violent organisation and adhered to "the principles of emancipation promoted by Mahatma Gandhi, Nelson Mandela and Martin Luther King". It is dedicated to winning Tamil self-determination and finding and bringing to justice those responsible for "the genocide, war crimes and crimes against humanity" that had been perpetrated against the Tamils. A spokesman for the GTF said Colombo's reaction to its meetings with the British government was typical of the Sri Lankan state's attitude. "It obviously shows that they are not serious about finding a peaceful solution," he added.

Nomination period ends for Sri Lanka elections

Sri Lanka's election department says it has completed the nomination period for April's parliamentary vote. The April 8 poll is crucial for President Mahinda Rajapaksa to further tighten his grip on power by securing a majority in the 225-member legislature. Rajapaksa was re-elected to office in January. The parliamentary vote is expected to be a contest between Rajapaksa's alliance and two opposition coalitions, one of which is led by former army commander Sarath Fonseka who is in detention on allegations of sedition. An election official says his department is still perusing nomination papers before releasing the number of contestants

Sri Lanka to gain from Silicon Valley technologies

The import of technologies from Silicon Valley will empower businesses, helping entrepreneurs to raise revenues and boost profits, said Latitude 655 chief executive officer Shanil Fernando. It will also assist Sri Lanka to gain a fair global market share in Business Process Outsourcing (BPO), he added. He was speaking at the launch of Latitude 655, a new company. Silicon Valley has remained the leading high-tech hub for the past several years with a large number of entrepreneurs investing in the IT engineering fields. However, Sri Lankan companies have so far been unable to gain major benefits from these latest technologies, innovations and insights, Fernando pointed out. There are around one million online users in Sri Lanka at present and the growth rate has been phenomenal over the years. Most of the technology and services used overseas are not available in Sri Lanka, a vibrant market,

"Sri Lanka is at the early stages of an economic boom, and our analysis in the past three years has shown that the economic boom will be followed by a technology boom," he said. The CEO also said that Latitude 655 had assembled a world-class team to form this partnership. "Our partners are veterans in the global IT industry and have been instrumental in luring high potential talent from local as well as foreign companies and universities."

SRI LANKA: Halt in EU Tariff Scheme Gives Workers the Jitters

COLOMBO, Feb 26 , 2010 (IPS) - For garment factory workers like Anoma Piyaseele, the European Union's (EU) concessionary tariffs for imports from Sri Lanka meant little more than a vague term for policymakers to deal with – until news came that they would be suspended soon. As it is, Piyaseele says, she is not sure whether this preferential scheme – officially called Generalised System of Preference (GSP) Plus that has helped Sri Lanka continue to be a major exporter of garments -- had in any way been beneficial to her thus far. "We did not get any bonuses or pay increases because of GSP Plus," she said. She and her co-workers – the overwhelming majority of workers in the textile industry are women -- thought GSP Plus was a boon to this South Asian island nation. But after the EU announced on Feb. 16 that GSP Plus would be temporarily suspended from July onwards, Piyaseele fears that this change would not only cut down her already small pay but take away her job as a machine operator in a textile factory at the Katunayake Free Trade Zone (FTZ). "Life is hard, very hard," the 26-year-old Piyaseele told IPS in an interview. Hailing from the hilly town of Nuwera Eliya, about 200 kilometres from Katunayake, Piyaseele has spent the last seven years as an FTZ worker. Katunayake is the largest and oldest of 13 such FTZs in the country and provides employment for over 100,000 people, the bulk of them women. Piyaseele makes about 12,000 Sri Lankan rupees (110 U.S. dollars) a month and together with her husband, with whom she shares a 10-by-15 foot room, they make about 25,000 rupees (230 dollars).

"I have to work 11 hrs a day, six days a week, and by the time we get off work it is around 8 pm," she said. "Then I come back to the room and we cook. It is not easy to save anything if we eat outside." She and her husband, who have been married two years, want to return to her village, but do not have enough savings or income prospects there to move back. "We want to build a house, but we don't have enough savings to do that. We will have to work for some more years," Piyaseele said. GSP Plus assured a 10 percent duty waiver on EU imports from Sri Lanka, so its suspension could have a telling effect on the country's exports and in turn, the mostly women workers in the textile industry. Orders in the textile sector were already hit by dampened demand from western markets due to the recession in 2009. Between 270,000 to 300,000 people work in the textile industry, according to government estimates. It is the biggest employer in the manufacturing sector and among the country's largest net export earners, along with overseas workers' remittances and tea. The EU said the suspension was necessary because it was of the opinion that Sri Lanka had contravened human rights conventions that allowed it to benefit from GSP Plus. In 2008, the EU became the single largest market for Sri Lankan exports with a total value of 1.6 billion dollars, according to the World Bank. The GSP Plus concession was worth over 100 million dollars in 2008, EU officials say. Piyaseele's fears are shared by other women workers in textile factories who come from rural villages, such as Dulani Wasana and Anusha Kumari. Wasana, a 27-year-old widow with two children, came to work in the trade zone after her

husband's death. Her meagre wage is between 10,000 to 13,000 rupees (95 to 120 U.S. dollars), depending on the number of days she puts in. She is working toward a very clear goal – the completion of the house she and her husband were building in her native village when he was killed in an accident. "It is difficult to save. I have to spend on the kids' education, food, my lodging. I haven't even recommenced the work on the house," she told IPS. Wasana first heard of GSP Plus last year, when there was talk of it being scrapped. She says that she was unaware of any details of the tariff concessions, but now fears that her job is hanging by a thread. "As it is, I have to cut down on something new every month to save. It can be the phone bill, food, or something," Wasana explained. She says she goes home to her village only twice a year, for the traditional new year and Christmas, in an effort to save money. "If there is an emergency, I try to do the journey overnight, so I only lose one day of work," she added. "I really don't know much about GSP Plus or what it gave us," said Anusha Kumari, a 29-year-old garment factory employee from the same trade zone. "But my fear is that jobs will be cut, pay will be reduced and the reason would be no GSP Plus." Activists who work on behalf of and among factory workers say that for a concession worth 100 million dollars, very little is actually known by the these workers about GSP Plus. "It is worth over one billion rupees a year, but the normal machine operator or a line supervisor knows next to nothing about it," said Achila Mapalagama, who heads Stand Up, an activist group based at the Katunayake zone. Mapalagama says that part of this ignorance is due to the fact that benefits from the concessions had not reached the workers. "The workers did not get any special benefits from GSP Plus. But ironically, its absence could hurt them," Mapalagama pointed out. Meantime, the EU says that Sri Lanka can seek a review of the decision to suspend GSP Plus. But the Sri Lankan government has stated that the textile industry is resilient enough to withstand the loss of GSP Plus. Neither statement has eased the concerns weighing down on hundreds of thousands of the country's textile workers. (END)

U.S. Supreme Court reviews Terrorism & Free Speech:Sri Lanka's LTTE cited

The United States Supreme Court On February 23 looked in to a case brought by The Humanitarian Law Project vs. Eric Holder, US Attorney General, where the main thrust of the case revolves around Freedom of Speech vs. a Federal Law connected with material support to U.S.-designated foreign terrorist organizations, nestled within the Patriot Act , that says aid to known terrorist groups by Americans is illegal. In this instance, speech is defined as actions. The Obama Administration has urged the Supreme Court to uphold the law's ban on providing "material" support to foreign terrorist organizations even when it consists of medical training and advice about peaceful activities such as lobbying the United Nations. The U.S. Solicitor General Elena Kagan, says any kind of aid to these groups, "strengthens them in everything they do." She also said that it was impossible to separate support for a terrorist groups' peaceful goals from their terror goals. American advocates in the Humanitarian Law Project say they only want to support the peaceful efforts of said terrorist groups. One Online Blog opined "Some people in the crowd have wondered if this is not simply treason, giving monies or support to any group that is a terror threat, wrapped up in emotionalism." The Supreme Court on February 23 listened arguments from both sides and expected to give its

judgment somewhere in June this year. The case is directly connected to Sri Lanka because the Humanitarian Law Project was representing two U.S.-designated foreign terrorist organizations (FTO), one of which is the Liberation Tigers of Tamil Eelam (Tamil Tigers) which claimed during its 26-year armed struggle for a separate independent nation in the north and east of Sri Lanka as the 'sole representative of the Tamil People'. The outfit was militarily defeated last May within the borders of Sri Lanka eliminating the entire Tamil Tiger leadership but has energized a section of the West-domiciled Tamil Diaspora floating an organization called Transnational Government of Tamil Eelam to diplomatically lobby to achieve 'self-determination' for the Sri Lanka Tamil minority (12%), meaning a separate independent state of Eelam. A meeting of the World Tamil Forum was held recently in London which advocated an economic blockade of Sri Lanka citing war crimes, human rights abuses, genocide against minority Tamils and other atrocities. It was addressed by British Foreign Secretary Miliband and graced by Prime Minister Gordon Brown. The Government of Sri Lanka and its overseas diplomatic representatives in the West have to figure out how to prevent a 'Kosovo-type situation' emerging in the international arena which can gather support for the 'cause' the proponents of the Transnational Government of Tamil Eelam seeking. It is in this context that Sri Lanka which is faced with this challenge overseas from the remnants of the Tamil Tigers who are connected to the Humanitarian Law Project which is challenging some provisions of the 'Material Support Law'. Georgetown law professor David D. Cole, who represents the Humanitarian Law Project (HLP), said his clients do not want to provide material support to the groups, but only to help them pursue peaceful ways to end conflict. "The government has spent a decade arguing that our clients cannot advocate for peace, cannot inform about international human rights," Cole told the Supreme Court on February 23. HLP wants to support the lawful activities of the Kurdistan Workers' Party, a militant group in Turkey known as the PKK, and a Sri Lankan group known as the Liberation Tigers of Tamil Eelam. The Supreme Court heard arguments about the anti-terrorism law that bars "material support" to groups on the US terrorist list. The law was enacted in 1996 and updated as part of the USA Patriot Act. It's being challenged in a suit filed by the Humanitarian Law Project. David Cole who described the group's argument to the SCOTUS Blog said: "This is a case about how far the (US) government can go in criminalizing pure speech advocating only lawful peaceable activity in the name of fighting terrorism."

The Humanitarian Law Project says its work with groups like the Tamil Tigers focuses on encouraging nonviolent political change and should not be included under the scope of providing "material support" to designated terrorist organizations. In fact the HLP works very closely with some of the members of the Sri Lankan Tamil Diaspora living in the

U.S. to find a peaceful solution to the minority Tamil issues in Sri Lanka who advocate 'self-determination of the Tamil People' citing genocidal tendency of the Sri Lanka government and discrimination against the Tamils. These advocates have influenced Western diplomats and many governments that the Tamils are a distinct nation itself with a culture separate from that of the majority Sinhalese in the island-nation. It is this influence that drew Miliband and Brown to the London World Tamil Forum. Advocating toward that 'peaceful end to issues' is the core argument of the 'freedom of speech' case of the humanitarian Law Project reviewed by the Supreme Court. The *New York Times* in its February 22 editorial expressed this opinion about terrorism law and freedom of speech which gave some interesting thoughts:

(Begin Quote) "There needs to be strong protection for a core area of protected speech and advocacy. Americans should be able to make arguments to a court on the behalf of terrorist groups. That is crucial for the legal system to work and for the constitutionality of laws of this kind to be tested. They should be able to print the views of these groups for journalistic purposes, either to report the news or to convey a range of opinions. People also need to be free to speak independently about these groups. "These rights need to be made clear in advance. It is not enough for the government simply to say it will not prosecute in these cases. As long as people fear being sentenced to 15 years in prison, they are likely to avoid engaging even in protected speech. At the same time, Congress has a right to ban people from directly assisting these groups, even if that assistance is delivered in the form of spoken words. Many crimes — from blackmail to leaking insider stock information — are committed through words. There is no right to act as a spokesman for a terrorist group or serve as its adviser. Giving advice to a terrorist group, even if it is not about violent activities, is not the same as getting on a soapbox and speaking about politics. It is not necessarily innocent." (End Quote) Originally passed in 1996 but augmented by the Patriot Act in 2001, the material-support statute bars providing aid to any organization designated as a terrorist group by the United States government. However, the material support statute not only prohibits providing money and weapons to these groups, but denies U.S. organizations and individuals from providing "training," "personnel," "service" and "expert advice or assistance," including advice on facilitating peace building programs or making human rights claims at the United Nations.

The United States, especially the diplomats in the State Department working in Washington and Colombo, looked at Sri Lanka's Tamil Tiger movement in a totally different perspective to that of Al-Qaeda or Hamas. A former American ambassador to Sri Lanka Jeffrey Lunstead in a 2006 report to the Asia Foundation described the Tigers

as a “Sri Lankan phenomenon” and that its activities have no impact in the U.S. In that report Lunstead connected Tamil Tiger terrorism to Sri Lanka’s ‘Tamil issue’. The LTTE’s 26-year attempt to interpret its armed struggle as a liberation struggle of the (12%) Tamil minority in Sri Lanka has had significant impact on the thinking of Western diplomats, and those who were in support of the LTTE agenda have now become advocates of ‘justice for the Tamils’ who propose ‘self-determination for the Tamil people’. One of the Supreme Court Justices posed a question to Professor Cole which reminds political observers about this thinking, and this is how the dialogue went at the Supreme Court hearing on February 23:

(Begin Quote) Justice Ginsburg: Mr. Cole, would you distinguish -- I think this came up in the court of appeals. There are a lot of groups on the list. I think the Al-Qaeda was one instance that was mentioned and, at least according to the briefs, you conceded that if you wanted to do just what you describe with respect to the Kurdish group or the Tamil group, the ban would be permissible, if the group were Al-Qaeda, and I will throw in the Taliban.

Justice Ginsburg : Do you want to give an answer to the Taliban and the Al-Qaeda?

Mr. Cole: Oh, I'm sorry -- I'm sorry, Justice Ginsburg. I thought I was maybe -- but the answer would be we are in a military conflict with the Al-Qaeda and the Taliban. This Court has recognized that. It is authorized by the authorization to use military force. Therefore treason law might be applicable, number one. Number two, it is not clear that Al-Qaeda engages in any lawful activities at all, and the – the principle this Court established with respect to the Communist Party, a group that clearly engaged in illegal activities of a very, very dangerous kind, but also engaged in lawful activities, is that that -- is that the group has to be a dual purpose group. And here there is absolutely no dispute that the Kurdistan Workers Party and the LTTE engage in a wide variety of lawful activities, and that all our clients seek to do is support those lawful activities. (End Quote)

Are the proponents of the Transnational Government of Tamil Eelam endeavor to pursue the “lawful activities” of the LTTE using the First Amendment Rights (freedom of speech) of the U.S. Constitution to achieve ‘self-determination of the Tamil People’ in the north and east of Sri Lanka is the issue that is now before the Government of Sri Lanka and its overseas diplomats stationed in Western capitals. Here is another interesting dialogue that went between the Justices and Professor Cole: Justice John Paul Stevens seemed to question that: "Don't you agree that some of that speech can be regulated?" he asked. No, replied Cole. Advocating only lawful, peaceable activities is "core political speech" protected by the Constitution. Justice Anthony Kennedy asked about charitable contributions: "What about giving tsunami aid to one of these

organizations?" "Money is different," Cole said. "It's conduct, not speech." Justice Antonin Scalia noted that Cole's clients are free to say anything they want; they just can't say it in conjunction with a group designated as a terrorist organization. Cole responded that under that theory, *The New York Times*, *Los Angeles Times* and *The Washington Post* could all be prosecuted for accepting, editing and publishing op-ed pieces written by Hamas leaders. Justice Kennedy conceded that "this is a difficult case for me." Suppose, he said, "the speech is tantamount to material support in that it legitimizes, encourages, or strengthens the organization." It is reported that the U.S. Supreme Court is expected to give its judgment in June.

Kenya Takes Over Sri Lanka as Largest Tea Exporter

In the latest data provided by the Tea Board of Kenya indicate that the country has usurped the throne of Sri Lanka for the first time as the biggest tea exporter in the world. While Kenya exported 342mn kg last year Sri Lanka could only supply 280mn kg to the world tea market during the same period. Sicily Kariuki, the MD of Tea Board of Kenya said at a recent Kenya-UAE Trade Symposium held in Nairobi that her country had dislodged Sri Lanka as the leading tea exporter last year and hoped it would continue maintaining the same position in the coming years. She also informed Kenya weathered in the global tea market despite severe drought and oversupply price pressure owing to country's efforts in research and development which produced 50 varieties of tea suitable to be grown in the seven growing regions.

On the contrary, last season's tea production in Sri Lanka was badly affected by parched weather that damaged crop and wage dispute. However, Sri Lankan Tea Board is reported to be positive about this year's yield and exports as the climate is forecasted to be conducive for tea plantations across the country. Though India produces more tea than Kenya, the former is most unlikely to beat the latter in exports as its domestic needs are quite higher than what is available for external supplies, just about 25 percent of the total. The Kenyan tea has been exported to the UK, Pakistan, Egypt and Sudan apart from other 43 countries. Tea which has attained the new image in Kenya as the highest revenue earner is believed to be attracting many into this field. About 150,000 hectares of land are currently under the crop yielding, and produces an average of 11,000 kg of green leaf per hectare. At the meet, Kariuki apprised that out of the 40 percent of all global tea bags used in making the popular beverage, at least 10 percent of its content came from Kenya.

Saudi scraps ban on citizens travelling to Sri Lanka

Saudi Arabia has scrapped its travel ban on citizens visiting Sri Lanka after the island's defeat of Tamil Tiger rebels last year, Arab News has reported. "We withdrew the travel advisory as the security situation in Sri Lanka has improved a great deal," deputy chief of mission at the Saudi Embassy in Colombo, Riyad Al-Kheneini, told the paper. "This is

the fruit of a successful campaign against terror.” The Gulf kingdom issued the travel ban in 2008, when civil fighting between government forces and the Tigers reached new heights.

Sri Lanka renegotiating GSP+ on legitimate reasons

Feb 25, Colombo: The Sri Lankan government said today that it is attempting to renegotiate the European Union's Generalized System of Preferences plus (GSP+) tariff concession purely on legitimate reasons. Addressing a media briefing held at the Government Information Department today, the government spokesman Minister of Export Development and International Trade Prof. G.L. Peiris said the government will continue to benefit from the trade agreement for another six months. "We have six months more from February 15 before it lapses and until then we will be benefiting from the GSP + facility," the Minister said. "Certain groups are trying to create a wrong impression about it saying we have already lost these concessions," the Minister added. The European Union on February 15 decided to withdraw the preferential tariff benefits given to Sri Lanka following an investigation by the European Commission which found that the country fell short in implementing three UN human rights conventions required to receive benefits under the scheme. However, the EU says the suspension was temporary and will take effect in six months time, giving Sri Lanka extra time to address the problems identified during the EU investigation. The EU says its objective was to use GSP+ as an incentive to bring about the improvements in the human rights situation in Sri Lanka and it will monitor the progress during the next six months. Once sufficient progress has been made the Commission will reevaluate and suggest the member states to restore the tariff benefit. Sri Lankan government says that the suspension is unfair because the EU investigation was done when the country was at war against the Tamil rebels and the situation is much improved since the conclusion of the war. Prof. Peiris said the government will continue to engage with European Commission to retain GSP+ concessions within certain parameters determined by Sri Lanka and EC has agreed to discuss further on its impending termination. The Minister also asserted that Sri Lanka is not prepared to betray its sovereignty solely for the sake of regaining the European Commission GSP+ tariff concession.

Sri Lankan stocks close 0.14-pct higher

Feb 24, 2010 (LBO) – Sri Lankan shares edged up Wednesday, boosted by renewed buying interest on plantation, construction and insurance stocks, brokers said.

The All Share Price Index closed at 3,775.51, up 5.11 points, while the Milanka index of more liquid shares gained 0.39 percent (16.78 points) to close at 4,331.98. Turnover was 1.3 billion rupees, according to stock exchange provisional figures. In a privately negotiated off-the-floor deal 617,800 Colonial Motors shares was bought by investor T Senthilverl at 70.00 rupees each, a stock exchange filing said. He now holds 13.33 percent of Colonial Motors shares. It opened Wednesday at 62.00 rupees per share. Colonial Motors closed at 72.25 rupees, up 10.25 with 1.12 million shares traded. Haycarb closed at 174.75 rupees, down 2.25 with 1.0 million shares traded. Madulsima Plantations closed at 17.75 rupees, up 25 cents, Malwatte Valley Plantations closed at 52.00 rupees, up 2.25, Maskeliya Plantations closed at 33.00 rupees, up 25 cents, and

Talawakelle Tea Estates closed at 33.75 rupees, up 1.50. Balangoda Plantations closed at 37.25 rupees, down 1.00, Bogawantalawa Plantations closed at 41.50 rupees, down 1.50 and Watawala Plantations closed at 183.00 rupees, down 2.00.

Environmental Resources Investments closed at 232.75 rupees, down 75 cents. Its 0000 warrants closed at 145.25 rupees, up 75 cents, and 0001 warrants closed at 145.25 rupees, up 2.50. John Keells Holdings, a conglomerate closed at 167.75 rupees, down 1.00, and Distilleries Company of Sri Lanka, an alcohol producer closed at 117.00 rupees, up 2.00. Among diversified companies, Hemas Holdings closed at 124.25 rupees, up 3.25, Hayleys closed flat at 205.00 rupees, and Aitken Spence closed at 1,301.00 rupees, up 31.00. Commercial Bank of Ceylon closed at 198.00 rupees, up 25 cents and Hatton National Bank closed at 178.00 rupees, up 2.00, with 1.13 million shares traded. Sampath Bank closed at 230.25 rupees, down 75 cents and Seylan Bank closed flat at 45.25 rupees, up 2.25. Janashakthi Insurance closed at 12.75 rupees, up 50 cents with 2.2 million shares changing hands. Ceylinco Insurance closed at 260.00 rupees, up 12.00 and Aviva NDB closed at 210.00 rupees, down 10.00. Sri Lanka Telecom, a fixed line provider closed at 39.50 rupees, down 50 cents, and Dialog Telekom, a celco closed flat at 7.00 rupees. Retailer favourites Lanka Cement closed at 29.00 rupees, up 2.25 with 1.09 million shares traded, and Touchwood Investment closed flat at 132.00 rupees. *Sri Lanka gets UN agency loan to help farmers*

A United Nations agricultural development agency said it will give Sri Lanka a loan of 25 million dollars to help small holder farmers increase incomes. The International Fund for Agricultural Development (IFAD), based in Rome, said the loan will directly benefit small producers, women, landless households and young people in rural areas. "The overall goal of the programme is rural poverty reduction and improvement of livelihoods," an IFAD statement said. About 57 900 poor households in the rural areas will benefit from the programme which aims to increase the incomes of smallholder farmers by 20-30 percent. Farmers will be involved in processing and marketing of their products like fruits, vegetables, spices, cereal, milk and dry fish. The programme will provide business expertise so that farmers can take part in joint ventures as equal partners with the private sector, the IFAD statement said. "They will have access to financial resources so that they can take advantage of emerging opportunities, building their own processing capacity and having better access to markets." Farmers will also be able to improve productivity leading to better farm-gate prices for their produce. Sri Lanka was the very first recipient of an IFAD loan, in April 1978. Since then IFAD has funded 15 projects in Sri Lanka for a total investment of more than 217 million dollars. IFAD has four ongoing operations worth about 79 million dollars. The International Fund for Agricultural Development works with poor rural people to enable them to grow and sell more food, and increase their incomes.

The decay of parliamentary democracy in Sri Lanka

An editorial in last weekend's *Sunday Times* entitled, "Give us honourable MPs please," bemoaned the impotence of the Sri Lankan parliament and the poor quality of parliamentarians. The editorial was one of a number of opinion pieces and comments calling for an improvement in political standards as the country prepares for parliamentary elections on April 8. The media clearly recognises that broad layers of

voters are alienated from and even hostile to all the major political parties and institutions of government. The purpose of such articles is to deflect these sentiments from any closer examination of the underlying causes, which lie in the decay and crisis of the profit system itself. The editorial began by noting that it was “hard to see” what the last parliament had “to show by way of progressive legislation”. It pointed out that most legislation consisted of minor amendments and that most parliamentarians spent “their time sitting in committees whose recommendations were largely ignored by the executive; extending the emergency regulations; and bickering with one another”. In other words, parliament has become an impotent rubber stamp for the government. The *Sunday Times* offered the simplistic explanation: “The foremost reason for this drop in the quality of parliament has been the drop in the calibre of persons entering it.” After citing figures for the falling number of lawyers, businessmen, teachers and public servants in parliament and the rise of the professional politician, it made a half-hearted appeal to party leaders to select better candidates. In the final analysis, the editorial blamed voters for looking for favours, rather than choosing intelligent and dignified representatives.

In reality, the degeneration of bourgeois democracy is completely bound up with the incapacity of the ruling elites to in any way address the democratic aspirations and social needs of working people—that is, the vast majority of voters. President Mahinda Rajapakse, who narrowly won power in 2005, brought nothing but a renewed war against the Liberation Tigers of Tamil Eelam (LTTE) and economic hardship. After defeating the LTTE last May, he promised peace and prosperity, but living standards have further deteriorated. Rajapakse has relied on increasingly autocratic methods of rule. He operates through a cabal of relatives, close aides, top bureaucrats and generals and rests on an unstable parliamentary majority that has been maintained by appointing all government MPs to some ministerial post. As a result, the president largely ignores his unwieldy cabinet, as well as parliament. Rajapakse faces virtually no opposition in parliament because the main opposition parties—the United National Party and the Janatha Vimukthi Peramuna (JVP)—agree with his agenda of communalism, militarism and pro-market restructuring. Rajapakse won a second term of office at the January 26 presidential election precisely because voters saw no real difference between him and opposition candidate—General Sarath Fonseka, who had ruthlessly prosecuted Rajapakse’s war. The *Sunday Times* tut-tuts over declining parliamentary standards, but has nothing to say about the government’s use of anti-democratic methods and thuggery to suppress opposition. Since the presidential election, Rajapakse has launched a vicious crackdown on opposition parties, media critics and opposition union officials, the high point of which has been the arrest of Fonseka on unsubstantiated allegations that he was planning a coup. It is in this political climate of fear and intimidation that the parliamentary elections are being held.

The government’s stated objective is to obtain a two-thirds majority in parliament, enabling it to change the constitution. The president already has sweeping executive powers to appoint and fire ministers and indeed the government as a whole. Under the state of emergency that the parliament has routinely renewed, the president has extensive additional powers, including to censor the media and ban industrial action. If the government is seeking to change the constitution, it will be to further entrench Rajapakse

in office and legitimise his anti-democratic methods. In the final analysis, Rajapakse's police state-measures are not directed against the opposition parties, but against the working class. The government is heavily in debt, was forced to borrow from the International Monetary Fund (IMF) and, as soon as the election is over, will be compelled to make deep inroads into the social position of working people—along the lines of what is currently taking place in Greece. Despite sharp tactical differences, particularly over the orientation of foreign policy, the opposition parties have no fundamental disagreement with Rajapakse over his economic agenda or his anti-democratic methods. The *Sunday Times* hankers for a mythical past when “gentlemen politicians” ruled the roost in the Sri Lankan parliament. From the outset, these “gentlemen”—representatives of the island's venal ruling elites—acted with complete contempt for democratic rights and used communal politics to divide working people. One of the first acts of the parliament in 1948 was to abolish citizenship rights for a million Tamil-speaking plantation workers—about 10 percent of the population.

Only the Trotskyist movement—the Bolshevik Leninist Party of India, which later unified with the Lanka Sama Samaja Party (LSSP)—opposed this sweeping anti-democratic measure. Its MPs would certainly not have been described as “gentlemen” by the bourgeois press of the day. They were revolutionary Marxists who used parliament as a means of educating and independently mobilising workers to fight for their rights and class interests on the basis of a socialist program. The degeneration of the LSSP was expressed most sharply in its adaptation to parliamentary politics and the parties of the capitalist class, which culminated in its entry into a bourgeois coalition government led by the Sri Lanka Freedom Party (SLFP) in 1964. The LSSP's betrayal was a savage political blow against the working class, and a turning point in bourgeois politics. The lack of principled, working class opposition allowed communalism and opportunism to flourish not only in the existing bourgeois parties, but in petty bourgeois radical outfits such as the LTTE and the JVP. Ultimately that led to the eruption of civil war in 1983. The start of the war was bound up with a turn to pro-market restructuring by the then United National Party government—part of the broader process of the globalisation of production. The conflict was not primarily an anti-Tamil war, but was directed at dividing and suppressing any opposition from the working class. The war has been associated with the continued erosion of the democratic rights and living standards of working people. That in turn has given rise to growing hostility to the entire political establishment which is reflected in an increasingly fragmented collection of parties that use the most unscrupulous methods to win votes. The solution proposed by the *Sunday Times*—the return of the gentleman politician—is simply ludicrous. So extreme are the class tensions in Sri Lanka that what is emerging is a police-state regime that will not hesitate to ruthlessly defend the interests of the island's wealthy corporate elite to impose the agenda demanded by the IMF and international capital.

The working class needs to draw the necessary historical lessons. Its interests cannot be defended through the politics of parliamentary combination and manoeuvre, but only through its own independent mobilisation on the basis of a socialist program that seeks to restructure society as a whole to meet its social needs, not the profits of a wealthy few. The Socialist Equality Party (SEP) is standing in the April 8 election to educate and

warn working people about Rajapakse's impending "economic war" and to revive the methods of class struggle that have been suppressed for decades. The SEP will use the campaign to encourage the formation of action committees in workplaces, working class suburbs and in towns and villages to defend the rights of working people. Our candidates oppose all forms of nationalism and communalism and fight for the unity of workers—Tamil, Sinhala and Muslim—as the basis for the struggle for a workers' and farmers' government and socialism in Sri Lanka, South Asia and internationally.

Sri Lanka HNB 2009 net up 58-pct

Feb 26, 2010 (LBO) - Sri Lanka's Hatton National Bank (HNB) said group net profits for the 2009 financial year rose 58 percent to 4.5 billion rupees with gains from investments in government securities while the loan book shrank.

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Sri Lanka District Secretariats to be declared special Security Zones

Feb 25, Colombo: Sri Lanka Elections Commissioner Dayananda Dishanayake has informed all the District Returning Officers to declare the District Secretariats as special Security Zones from tomorrow. Tomorrow is the final day to submit nominations for the upcoming general election in Sri Lanka. The nomination period that began on February 19th will end at 12 noon tomorrow. According to the instructions, Approach roads to the District Secretariats will be closed for security reasons. The District Secretaries have been asked to cancel any other engagements scheduled for tomorrow. The Elections Commissioner has requested the political parties to have the District leader and three other representatives for the handing of nominations. The general election to elect 225-member parliament will be held on April 8th.

Sri Lanka Inflation Rate Rises, Leaving Less Room to Hold

Sri Lanka's inflation accelerated to a 12-month high in February, giving the central bank less room to keep benchmark interest rates unchanged to bolster the economy's recovery. Consumer prices in the capital, Colombo, rose 6.9 percent from a year earlier after gaining 6.5 percent in January, the statistics agency said on its Web site today. Central bank Governor Nivard Cabraal has kept interest rates at a five-year low since November in a bid to raise economic growth to as much as 7 percent in 2010. Sri Lankan President Mahinda Rajapaksa may seek to keep living and borrowing costs low to maintain his popularity as he faces national elections on April 8. "The central bank may attempt to maintain policy rates at least until the election is over," Charitha Gunasekere, research manager at Capital Trust Securities Ltd., said before the report. "With demand for credit gaining as the economy grows, inflationary pressure will build up and the central bank will have to act on it." Cabraal said earlier this month inflation may accelerate until April and then moderate, targeting an average inflation rate of between 5 percent and 6 percent by end-2010. The central bank on Feb. 16 left the reverse repurchase rate at 9.75 percent and maintained the repurchase rate at 7.5 percent. The

bank said it will keep the “current monetary policy stance” to support a recovery in the domestic economy.

Export Risk

Low interest rates to boost domestic demand are also critical as Sri Lanka’s exports may slow in the coming months after the European Union on Feb. 15 said it will suspend preferential trade benefits to the island nation because of human rights “shortcomings” during the island’s 26-year civil war that ended in May. Still, the central bank won’t rule out raising the amount of deposits that lenders need to set aside as reserves from the current level of 7 percent, Cabraal said Feb. 2, signaling that Sri Lanka may join other Asian nations in tightening monetary policy to rein in inflation without increasing interest rates. The International Monetary Fund, which granted Sri Lanka a \$2.6 billion aid package in July, said yesterday that they viewed the island’s “monetary policy stance as appropriate with bank lending slowly beginning to rebound.”

Speaker joins Sri Lanka Freedom Party

The Speaker of the dissolved Sri Lanka parliament, W.J.M. Lokubandara has joined the Sri Lanka Freedom Party, the main constituent of the ruling United People's Freedom Alliance. The former Speaker joined the SLFP during a special meeting of the Badulla-Bandarawela District Organizers held at Badulla Town Hall under the patronage of President Mahinda Rajapaksa. Mr. Lokubandara, who entered the parliament in 1977, represented the main opposition United National Party (UNP). He was elected as the Speaker in 2004. Speaking at the occasion Mr. Lokubandara said that he has fully accepted President's. A large number of opposition party members also joined the SLFP during the meeting. Former Speaker's son Uditha Sanjaya Lokubandara was recently appointed as the SLFP organizer for Haputale. He is to contest from Badulla District at the the General Election under the UPFA ticket.