

**BUSINESS AND POLITICS IN THE MUSLIM WORLD  
GULF COOPERATION COUNCIL  
NEWS MONITORING REPORT  
MADIHA KAUKAB  
17<sup>th</sup> January – 22<sup>nd</sup> January 2010  
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Following news monitoring report is based on the important political, social, economic and Geo-strategic events occurred in Gulf Cooperation Council States along with a Comprehensive summary of the report.

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**SUMMARY****Gulf Economy**

Qatar's index slumped to its biggest loss for seven weeks yesterday as investors sold off bank stocks after a muted response to bumper earnings from the country's largest listed lender. Dubai slunk to a new five-week low, dropping 2 percent, Abu Dhabi fell for a fifth session and Oman extended its losing streak to three, but Kuwait and Bahrain rose and Saudi Arabia hit a 12-week high on optimism its banks had turned the corner after a tough 2009. Qatar National Bank fell 2.3 percent as the feel-good factor from a 65 percent rise in quarterly profit proved fleeting. Doha's benchmark fell 2.4 percent. On the other side more than 300 officials and businessmen from Gulf oil producers and India will meet in Saudi Arabia in mid-2010 to discuss joint projects and opening up of their markets to each other's products. While Kuwaiti Finance Minister is still hopeful on UAE return to fiscal union. Meanwhile the Gulf Cooperation Council joint rapid deployment force could be set up this year. GCC states had agreed at their last summit in Kuwait in December to create a joint rapid deployment force that would address security threats in the world's top oil-exporting region. Abdul Rahman Al Atiyyah, GCC secretary general, said that the force would be one of the pillars supporting stability and security in the region.

**Saudi Arabia's** economic recovery this year will most likely follow a gradual, steady track. Economic growth should accelerate following a stagnant and difficult year, inflation will remain at manageable but historically high levels and expansion of the private sector is set to take a turn for the better along with credit expansion at Saudi banks. The government, through a stimulatory

public spending program, will continue to lead the pick up in the economy as Saudi oil averages around \$74 a barrel and low levels of government debt bolster the Kingdom's fiscal position. A higher oil price environment will enable Saudi Arabia to experience comfortable budget and current account surpluses.

The property market in **Qatar**, that witnessed a downturn during 2009 on the back of the global financial crisis is expected to recover this year, with a great degree of stability in demand and prices. House rents fell by 25 to 30 percent over the past one year, while the prices of real state properties dipped by 30 to 40 percent. The market is currently witnessing a surge in supply of residential properties, resulting in lower prices.

### **Yemen Turmoil**

Yemeni warplanes struck outside a desert village near the border with Saudi Arabia on Friday, killing six Al-Qaeda operatives, including the group's top military leader in the country, security officials said. The military chief, who escaped a government attack targeting him last month, was one of Yemen's most-wanted militants and had plotted to assassinate the US ambassador. Yemen, with the help of US counterterrorism aid and training, has intensified an offensive against an Al-Qaeda offshoot that has dug in to pockets of the mountainous, impoverished nation, sometimes under the protection of powerful local tribes that have their own grievances with the weak government. Meanwhile Yemen decided not to issue tourist visas on arrival to foreigners in an effort to prevent militants entering the country as it steps up its war on Al-Qaeda. On the other side the number of Saudi soldiers died fighting Yemeni infiltrators during the last three months has increased to 113.

### **International Front**

Turkish Premier Recep Tayyip Erdogan visited the headquarters of the Organization of the Islamic Conference in **Saudi Arabia** and expressed his satisfaction over the 57-member group's increasing role on the world stage. Addressing a press conference at the residence of OIC Secretary-General Ekmeleddin Ihsanoglu, Erdogan thanked the King Faisal Foundation for awarding him the prestigious King Faisal International Prize for Service to Islam.

The first 100-tonne aid plane of the **UAE** air bridge to relieve quake victims in Haiti left Abu Dhabi last week. Meanwhile **Qatar** Red Crescent has launched an emergency appeal to gather around 4 million Qatari Riyals of financial aid for those affected by the earthquake that hit Haiti last week. It was launched in a press conference held Monday in the presence of the Secretary General of the Qatar Red Crescent Society (QRCS) and its Board's Deputy Chairman, Dr Mohammad Bin Ghanem Al Ali al Mahdaadi and the Venezuelan Ambassador to Qatar, His Excellency Dr Juan Antonio Hernandez. "

"As part of a growing business interest in foreign countries, **Kuwait** has recently signed two investment projects with Kazakhstan," disclosed Abdulwahab Al-Wazzan, Honorary Deputy Treasurer Kuwait Chamber of Commerce and Industry (KCCI). He met with members of

Kazakhstan economic delegation yesterday at its headquarters in Kuwait City. The two sides agreed to carry out projects in Astana-the capital city of Kazakhstan. *Meanwhile*, Kuwait has denied allegations made by Iraqi MPs that it is holding Iraqi land, either offered by the former Iraqi regime or annexed by its citizens. "Kuwait has never sought to expropriate land of other countries and has repeatedly called for the full respect of international borders," the An Nahar daily reported Kuwaiti diplomats as saying on Sunday. "What the Iraqi officials are referring to is in fact Kuwait land owned by Kuwaiti citizens, and this is clearly indicated in the internationally recognised maps. *On the other side* Kuwaiti lawmakers have often criticised the government for providing assistance to Iraq, which invaded their country in 1990. A Kuwaiti MP has lashed out at his government after it announced plans to fund the building of a hospital in Basra and homes for Iraqi farmers, charging that it was making "unjustified concessions" to Iraq. *While* Tehran said that it was ready to talk with the Kuwaitis on the "thorny" maritime border issue as Iran's parliament speaker Ali Larijani is making a visit to Kuwait on Saturday, Kuwaiti and Iranian sources have said. During the two-day visit, part of a tour that will also take him to Uganda and Kenya, Larijani, who will be accompanied by several members of the parliament and foreign ministry officials, will discuss with Kuwaiti officials bilateral relations and cooperation, the sources said without elaborating.

### **Social Front**

Scientists on board the Tara, a sailboat that has set out on a three-year scientific expedition across the oceans to study the secrets of the earth's climate and marine environment, have said they are keen on establishing links with King Abdullah University for Science and Technology (KAUST). Two of the research scientists of Tara Oceans told reporters at the French Consulate General on Saturday they would visit the KAUST to meet with officials of the university before sailing out of the Jeddah Islamic Port. Meanwhile Egypt, Russia, Saudi Arabia and the United Arab Emirates are the first countries to win preliminary approval for Internet addresses written entirely in their native scripts. Since their creation in the 1980s, Internet domain names have been limited to the 26 characters in the Latin alphabet used in English, as well as 10 numerals and the hyphen. Technical tricks have been used to allow portions of the Internet address to use other scripts, but until now, the suffix had to use those 37 characters.

In a few years time, Dubai will see more than 60 per cent of **UAE** nationals in private schools as an even greater number is currently enrolled in primary grades in these schools, according to the emirates education authority. In a trend where UAE nationals in private schools have increased in the last five years from 37.8 per cent to 52.3 per cent in 2008-2009, the head of education authority in the emirate said that the figures need to be watched and studied for future policies. This is the first time Dubai has reached this threshold of more nationals attending private rather than public schools. It is also the first time for any emirate in the UAE.

**Bahrain's** labour minister has joked that he should be made member of the all-females Supreme Council for Women (SCW) for his persistent championing of women's rights. Majeed Al Allawi made the light claim at the end of a week during which he had to face a barrage of criticism,

mainly from women MPs for supporting calls to amend the private sector labour law in order to give women more rights, including more time to look after their children.

## **Labor Front**

The **UAE** remains a popular destination among expatriate workers from all over the world as employment prospects in the country have increased by up to 8.3 per cent annually. It is also expected to maintain its upbeat growth in 2010, according to Careertunity.com, a private online recruitment portal in the Middle East. The trend is reflected in the surge in the number of job applications from expatriates at the web portal which maintains a huge database of various job candidates that is increasing every day. It further revealed that the unique situation of the UAE job market, which has been dominated by expatriate workers, has prevented it from being adversely affected by the global economic downturn, ensuring a steady supply of experienced professionals and international executives from the US, Europe, South Africa, Africa, Asia and the rest of the Middle East.

## **Environment**

Special prayers to mark an annular eclipse in **Saudi Arabia** were held in mosques throughout the Kingdom on Friday morning. Yet turnout for the special salatul kusuf was very low since it was a weekend. The annular eclipse exceeded 11 minutes when viewed from the countries near the Indian Ocean – a record for the millennium. Such a long eclipse will not be seen until 3043. The annular eclipse, where the entire sun is obscured by the moon except for a blazing ring of light around the perimeter, was visible over a 300km wide track that encompassed half the earth. Meanwhile Civil Defense teams in Tabuk rescued over 75 people stranded in a number of valleys across the region following heavy rains and floods on Monday. Around 27 people were injured as a result of the rains, which caused schools to close and delayed commuters from reaching work. There were also power outages in several areas across the province. Gen. Suleiman Al-Huwaiti, head of the Civil Defense in Tabuk, said heavy rains flooded all of the province's valleys. On the other side aid to most of the people displaced by the Nov. 25 flash flooding will come to an end on Thursday with Civil Defense officials asking people to return to their homes.

Now in **Saudi Arabia** the Passport Department has launched a service to enable exit and re-entry visas to be issued online. On another side, in an effort to curb dengue fever from spreading in Jeddah, the local Department of Health Affairs has added pharmacists to its war on dengue. A large pharmaceutical chain has agreed to distribute dengue awareness information in its stores and billboards. In addition to this effort, local health officials continue to push for awareness on how to reduce the risk of contracting the mosquito-borne disease. In the Same week, Shoura Council approved on Sunday a 5 percent increase in pensions paid to retired public servants. The house unanimously approved of the decision with an unprecedented ovation among its members. It was also decided to appoint a special committee to work out the modalities of making the payments to the pensioners. The move to increase pensions from the General Organization for Social Insurance (GOSI) follows a recent announcement to increase government retirement funds by 15 percent. Meantime a Riyadh court is considering a lawsuit against the Ministry of Social Affairs, which is accused of unreasonably delaying the provision of legal support for people who have problems with the ministry. The legal action comes from a group of 25 lawyers, who claim they were subject to a five-year delay in receiving their license to start practicing,

even though they had already set up a charity for the purpose. The Administration Court is considering their case.

**Saudi** government is set to relax regulations governing the marriages between Saudis and non-Saudis. A revised draft law prepared by the Interior Ministry and the Cabinet's Committee of Experts allows government ministers, judges, Shoura members and students on foreign scholarships to marry non-Saudi women. The new law, which replaces the old one issued 38 years ago, should be passed by the Council of Ministers. According to Article One, Saudis who are allowed to marry non-Saudis include ministers, members of the judiciary and diplomats at the Foreign Ministry. Other beneficiaries of the law are: Employees of the Royal Court, the crown prince's court, the Council of Ministers, the National Security Council, and members of the councils and organizations chaired by the king and the crown prince, Al-Riyadh Arabic daily said. Staff at the Ministry of Defense and Aviation, the Interior Ministry, the National Guard, the Royal Guard and the General Organization for Military Industries including military and civilian officers as well as members of the Commission for Investigation and Public Prosecution, Customs staff and all students studying abroad under the government's scholarship program are also allowed to marry non-Saudi women. "The above-mentioned Saudis are allowed to marry non-Saudis including GCC women after receiving permission from higher authorities," says Article One of the revised draft law. Article Two allows Saudi men and women to marry GCC citizens. Saudi men can marry the daughters of Saudi women and non-Saudi men. But those who propose marriage should not be from categories mentioned in Article One. Paragraph Two of Article Three says a Saudi can marry a non-Saudi woman born in the Kingdom to non-Saudi parents. However, the law insists that the woman should have a valid resident permit and birth certificate issued by Saudi authorities. Here also the man proposing should not be from the categories mentioned in Article One.

## **Oil and Gas**

Saudi Aramco has been entrusted with the task of building and financing the \$10 billion Jazan refinery, which will have a capacity of 250,000 to 400,000 barrels per day.

In **Bahrain**, His Royal Highness Prince Salman bin Hamad Al Khalifa will inaugurate the firm at the site of Bahrain's historic first oil well at Jebel Dukhan. The new firm, Tatweer Development Company (Tatweer Petroleum), is a joint venture between Bahrain, UAE and US firms

## **DETAILED REPORT**

### **GCC**

#### **Qatar, Dubai stocks fall; Saudi at 12-week high**

Qatar's index slumped to its biggest loss for seven weeks yesterday as investors sold off bank stocks after a muted response to bumper earnings from the country's largest listed lender. Dubai slunk to a new five-week low, dropping 2 percent, Abu Dhabi fell for a fifth session and Oman extended its losing streak to three, but Kuwait and Bahrain rose and Saudi Arabia hit a 12-week high on optimism its banks had turned the corner after a tough 2009. Qatar National Bank fell 2.3 percent as the feel-good factor from a 65 percent rise in quarterly profit proved fleeting. Doha's benchmark fell 2.4 percent. The market didn't react very positively to QNB's results and

that gave a negative signal about the likely reaction to banking financials, so investors are selling ahead of other earnings," said Samer Al-Jaouni, General Manager of Middle East Financial Brokerage Co. Saudi Arabia's index reached its highest close since Oct. 28 as financial stocks soared, led by Kingdom Holding, which extended gains since its 95 percent shareholder, Prince Alwaleed bin Talal, gave it some Citigroup stock. Kingdom jumped 9.9 percent to leave it up 42 percent in four sessions. The Citigroup gift is from one pocket to another, with the holders of the 5 percent stake in the company benefitting, and this was reflected immediately in the company's stock," said Youssef Kassantini, head of discretionary portfolio management at Rasmala Investment Saudi. "Its price has now gone beyond the value provided by this gift and has entered day trading territory, so there could be profit-taking tomorrow. Riyadh Bank rose 6.5 percent, extending gains since reporting a 72 percent rise in quarterly profit, beating forecasts. Rival Al-Rajhi Bank fell 0.3 percent after its earnings missed estimates.

### **Gulf-India forum to discuss joint projects**

More than 300 officials and businessmen from Gulf oil producers and India will meet in Saudi Arabia in mid-2010 to discuss joint projects and opening up of their markets to each other's products, officials said yesterday. The Gulf-India Forum to be held from June 14-16 in the Red Sea port of Jeddah will bring together seven ministers of trade and industry as well as senior officials and delegates from banks, chambers and other establishments from the two sides. It follows statements by senior Gulf officials that regional countries should focus on their Asian economic partners after they were rebuffed by their largest trading partner, the European Union, over their bid to sign a free trade agreement. The officials from the six-nation Gulf Cooperation Council (GCC) have accused the EU of deliberately blocking the FTA with their countries by imposing political conditions which they said have nothing to do with their economic talks. "The forum is aimed at exploring investment opportunities, expanding markets for both sides and supporting small and medium projects and technology programmes, " said Mustafa Sabri, Secretary-General of the Jeddah Chamber of Commerce and Industry, which is hosting the conference. "India is now one of the main economic and commercial partners of the GCC and has been a major supplier of skilled labour to the region for more than 30 years.

### **Kuwait hopeful on UAE return to fiscal union**

The UAE could still rejoin a landmark monetary union to be launched by four of its partners in the Gulf Co-operation Council despite a rift over the location of the GCC central bank, Kuwait's finance minister said yesterday. Mustafa Al Shimali said the monetary union, the first in the Middle East, would be ready for ratification by the GCC heads of state when they hold their annual summit in Kuwait on December 16. "There is no reason why the leaders would not discuss the UAE's return to the monetary union... the UAE will return but I can not guarantee this... this will be up to the GCC summit," he told the Saudi Aleqtisadia Arabic language daily. The UAE pulled out of the currency union early this year apparently in protest at the choice of the Saudi capital Riyadh as the headquarters of the planned GCC central bank on the grounds it was the first GCC member to ask to host it. Oman quit the plan a year earlier, leaving Saudi Arabia, Kuwait, Qatar and Bahrain to create the monetary union by 2010. Saudi Arabia and Qatar have approved the project, while Bahrain and Kuwait are expected to follow suit ahead of the December 16 GCC summit. "Kuwait's Umma council [parliament] is expected to ratify the monetary union on December 8, while Bahrain could approve it in the next few days," Shimali said.

**GCC joint rapid deployment force to be set up this year**

The Gulf Cooperation Council joint rapid deployment force could be set up this year, the Saudi chief of staff has said. "We expect the force to be established this year and it will be headquartered in the King Khalid Military City," General Saleh Bin Ali Al Mahya was quoted as saying by Al Ayam in Manama where he is attending the Bahrain International Air Show. GCC states had agreed at their last summit in Kuwait in December to create a joint rapid deployment force that would address security threats in the world's top oil-exporting region. Abdul Rahman Al Atiyyah, GCC secretary general, said that the force would be one of the pillars supporting stability and security in the region.

**YEMEN****Yemen says airstrike kills Al-Qaeda military chief**

Yemeni warplanes struck outside a desert village near the border with Saudi Arabia on Friday, killing six Al-Qaeda operatives, including the group's top military leader in the country, security officials said. The military chief, who escaped a government attack targeting him last month, was one of Yemen's most-wanted militants and had plotted to assassinate the US ambassador. Yemen, with the help of US counterterrorism aid and training, has intensified an offensive against an Al-Qaeda offshoot that has dug in to pockets of the mountainous, impoverished nation, sometimes under the protection of powerful local tribes that have their own grievances with the weak government. In an intensifying battle against Al-Qaeda on another front where Washington is deeply involved, Pakistani intelligence officials said Friday that a US missile strike there killed one of the FBI's most-wanted terrorists, a man suspected in a deadly 1986 plane hijacking with a \$5 million bounty on his head. That Jan. 9 strike was part of the CIA-led missile campaign against militant targets in Pakistan's insurgent-riddled tribal belt bordering Afghanistan. It was not immediately clear if the US was directly involved in Friday's strike in Yemen. The country's government, which depends in part on the support of powerful Islamic radicals to maintain its fragile hold on power, is deeply wary of being seen as too closely allied with Washington. Yemen has wrongly reported his death in the past. A written statement from the government's Supreme Security Committee said that this time it had intelligence that al-Raimi was among those in two cars that were destroyed in the airstrike on the edge of Jof province.

**Yemen stops issuing tourist visas on arrival to foreigners**

Yemen will stop issuing tourist visas on arrival to foreigners in an effort to prevent militants entering the country as it steps up its war on Al-Qaeda, a government official and state media said on Thursday. The move will mostly affect visitors from Western countries, including the United States, where a recent report said some US citizens suspected of training in Al-Qaeda camps in Yemen may pose a serious threat to their home country. "In the framework of efforts by our country to fight terrorism and strengthen security measures to prevent the infiltration of terrorist elements into the country, the granting of visas at airports to foreigners will be canceled," the Yemeni Defense Ministry's September 26 newspaper said. Sanaa declared war on Al-Qaeda last week as pressure grew for a crackdown on the global militant group after its Yemen-based wing said it was behind a Dec. 25 attempt to bomb a US-bound passenger plane. Yemen also is battling a Shiite revolt in the north and separatism in the south. Western countries

and neighboring oil giant Saudi Arabia fear Al-Qaeda could exploit the chaos in Yemen to turn it into a launch pad for further attacks. Yemen gained a reputation as an Al-Qaeda haven after the Sept. 11, 2001 attacks in the United States, and came under a renewed spotlight after crackdowns on the group in Pakistan and Afghanistan raised fears Yemen was becoming a training and recruiting center for militants. Security concerns have also prompted Britain to suspend direct flights from Yemen in a wave of measures to tighten border security, Prime Minister Gordon Brown said on Wednesday, warning that militant cells were actively planning attacks.

## SAUDI ARABIA

### International Front

#### **Death toll in Jazan fighting rises to 113**

The number of Saudi soldiers died fighting Yemeni infiltrators during the last three months has increased to 113, Al-Riyadh Arabic daily reported on Thursday, quoting Maj. Gen. Zaid Al-Khawaji, commander of the Saudi Armed Forces' Southern Region. He said the enemies captured six Saudi soldiers alive. "We have found the bodies of three missing soldiers in hilly areas," he said, identifying the dead as Saeed Al-Amri, Mufleh Al-Shahri and Ali Al-Haqawi. The body of Al-Amri has been buried. "The bodies of his two colleagues would be handed over to their relatives shortly for burial," he added. "We identified the three from documents that were found with them," he explained. He said the number of missing soldiers has been reduced to nine. Al-Khawaji said all intruders have been flushed out from the Al-Jabiriya border village in Jazan where heavy fighting took place between Saudi Armed Forces and the Yemeni infiltrators. In a previous statement, Prince Khaled bin Sultan, assistant minister of defense and aviation for military affairs, put the number of Saudi soldiers killed in the fighting at 82 with 39 injured and 21 missing. He said 90 percent of the 470 soldiers who sustained minor injuries during the fighting were discharged from hospitals after receiving treatment.

#### **Najib calls ties with Kingdom strategic**

Key bilateral and regional issues with special reference to the plight of the Muslims in Palestine and elsewhere in the world topped the agenda on Saturday of the nearly two-hour talks between Custodian of the Two Holy Mosques King Abdullah and Malaysian Prime Minister Najib Abdul Razak. Najib also met with Crown Prince Sultan, deputy premier and minister of defense and aviation, and Foreign Minister Prince Saud Al-Faisal. "The talks also focused on issues like Middle East peace process and Iran besides ways and means to further consolidates bilateral ties," said Malaysian Ambassador Syed Omar Mohammed Al-Saggaf. Najib, who wrapped up his four-day visit to the Kingdom on Saturday, was decorated with the King Abdul Aziz Medal of First Order, Saudi Arabia's highest civilian honor. "The talks also focused on how Malaysia can take advantage of ample economic opportunities offered by Saudi Arabia," said the diplomat after the talks. He said that Najib had termed the relations between the two Muslim countries as "very important and strategic." Several members of the royal family, ministers and officials from both countries attended the official lunch hosted by Prince Saud in honor of the Malaysian premier. Prince Saud underlined the need to boost cooperation in political consultations, trade, investment and tourism. This is the second visit of Najib, who came to power in April last year. Al-Saggaf quoted Najib as saying that the Kingdom's \$144 billion budget for 2010 should "translate into attractive possibilities for Malaysian companies." "The visit is also a strong

indication of Malaysia's keen interest in promoting closer interaction among the business communities of the two countries," Al-Saggaf added. Malaysia, he said, would like to stress its role as a center of excellence in education, especially for students from Saudi Arabia. Malaysia and Saudi Arabia last year set up a \$2.5-billion joint venture company that will spearhead the flow of foreign direct investments and strategic investments in "high-impact" projects in Malaysia. The joint venture is between Malaysia Development Bhd and PetroSaudi International Limited.

### **Erdogan to discuss major global issues with top Saudi leadership**

Turkish Prime Minister Recep Tayyip Erdogan will start a three-day official visit to Saudi Arabia on Monday to hold political consultations with high-ranking Saudi officials on a range of bilateral, regional and international issues including the Middle East peace process. Erdogan, who was declared last week winner of the "King Faisal Award for Service to Islam," dubbed as the Nobel Prize of the Arab world, will hold talks with Custodian of the Two Holy Mosques King Abdullah here on Tuesday, said a Turkish diplomat. The talks with King Abdullah, the diplomat said, will focus "on bilateral relations as well as regional developments." The Turkish premier will also address a major business meeting at the Riyadh Chamber of Commerce and Industry before leaving for Jeddah on Wednesday. On Wednesday, Erdogan will visit the Organization of the Islamic Conference (OIC) and meet the organization's Turkish Secretary-General Ekmeleddin Ihsanoglu. The diplomat said that the Turkish premier's talks with Saudi officials would focus on major regional and international developments. He will also exchange views on the main issues the OIC is currently tackling. His visit to the Kingdom comes just weeks after Davutoglu's talks in Riyadh with King Abdullah and Saudi officials on Jan. 2-3. During that visit Davutoglu was received by Foreign Minister Prince Saud Al-Faisal; the two foreign ministers discussed the Palestinian-Israeli conflict and called for a stern stance against Israel to convince it to take steps for peace in the Middle East. Erdogan, who will be flying from the UAE to Riyadh, attended and delivered a speech at the opening session of the third World Energy Summit in Abu Dhabi on Monday. Saudi Arabia and Turkey are exerting efforts to restart the Middle East peace negotiations as per the UN provisions and the Arab initiative.

### **Erdogan lauds OIC's increasing role in world affairs**

Turkish Premier Recep Tayyip Erdogan visited the headquarters of the Organization of the Islamic Conference (OIC) here on Wednesday and expressed his satisfaction over the 57-member group's increasing role on the world stage. Addressing a press conference at the residence of OIC Secretary-General Ekmeleddin Ihsanoglu, Erdogan thanked the King Faisal Foundation for awarding him the prestigious King Faisal International Prize for Service to Islam. "I am proud of being selected for the King Faisal Prize and I thank the jury as well as the foundation's officials and all others who nominated me for the prize," the premier said, adding that the prize would increase his responsibility in promoting cultural dialogue. He highlighted the strong relations between Saudi Arabia and Turkey. "I have discussed with Custodian of the Two Holy Mosques King Abdullah ways of strengthening cooperation in the political, economic and commercial areas," he said. Erdogan noted the tremendous progress achieved by Saudi Arabia during the era of King Abdullah, especially in educational and economic fields. He urged Saudi investors to come and invest in Turkey's telecom, health, energy, tourism and agricultural sectors. He said the Turkish economy would experience tremendous growth in the coming decades. Asked about Israel's demand to hold direct talks with Syria, Erdogan said, "We are not

a party to make a decision on this topic. It is up to Syria and Israel how to hold talks. Turkey mediated between the two countries upon their request. We had conducted five rounds of talks but those talks stopped when Israel attacked Gaza.” Referring to Turkey’s efforts to join the European Union, Erdogan said Turkey would not discard its principles and its brethren in the Islamic world once it joins the EU.

## **MIDEAST PEACE PROCESS**

### **Abdullah, Stubb discuss Mideast peace process**

Custodian of the Two Holy Mosques King Abdullah and Finnish Foreign Minister Alexander Stubb held bilateral talks focusing on efforts to solve regional problems and revive Middle East peace negotiations on Monday. The talks with the king in Riyadh came after Stubb’s discussions with Foreign Minister Prince Saud Al-Faisal. “The need to adopt a collective and comprehensive approach to resolve regional issues including the Palestinian-Israeli conflict, Iran, nuclear standoff, the crisis on the Saudi-Yemeni border and climate change figured prominently during the talks,” said Foreign Ministry spokesman Osama Nugali on Monday. Prince Saud and Stubb called on Israel to revive the peace process. The Finnish foreign minister, who had discussions on a range of bilateral, regional and international subjects with Prince Saud, said that his visit was mainly intended for political consultations with the Saudi leadership. Stubb, who will wrap up his three-day visit to Riyadh on Tuesday, also met with Bandar M. Hamza Hajjar, deputy speaker of the Shoura Council on Monday. On the Middle East peace process, Stubb in a report echoed the concerns of the European Union Council. “The European Union calls for the urgent resumption of negotiations that will lead, within an agreed time frame, to a two-state solution with the state of Israel and an independent, democratic, contiguous and viable state of Palestine,” he noted. A comprehensive peace treaty, which is in the fundamental interest of parties in the region and the EU, must be achieved on the basis of relevant UN Security Council Resolutions, he added.

## **SCIENCE AND TECHNOLOGY**

### **On a mission to uncover the oceans’ secrets**

Scientists on board the Tara, a sailboat that has set out on a three-year scientific expedition across the oceans to study the secrets of the earth’s climate and marine environment, have said they are keen on establishing links with King Abdullah University for Science and Technology (KAUST). Two of the research scientists of Tara Oceans told reporters at the French Consulate General on Saturday they would visit the KAUST to meet with officials of the university before sailing out of the Jeddah Islamic Port on Sunday. “It’s a very special expedition to study the invisible world of the oceans, which will interest the local university researchers,” said Tara Capt. Olivier Marien. Marien, who was accompanied by Fabrice Not, a research scientist on board the vessel, said the boat has a crew of 15. A popular French TV documentary program, Thalassa, which focuses on maritime reports and issues and is watched by six million viewers, featured Jeddah as the vessel made Jeddah its most recent port of call. During its three-year expedition, which began in September 2009 and ends in November 2012, the vessel will have traveled 150,000 km through 50 countries to pick up samples from the seas along the way. Twenty different scientific experiments are scheduled daily with the involvement of 50 laboratories from 15 countries including France, Italy, Germany and the United States. It will

have 60 stopovers during the voyage. “The Red Sea is of special interest. This sea is different, as its south is rich in nutrients and north, not so rich,” Not said. The Tara Foundation is behind the Tara Oceans expedition, which will attempt to provide answers to the climatic issues, and in particular to deepen the knowledge on marine biodiversity. This expedition will explore the oceans in order to study their microscopic life and understand the latter’s impact on the climate of the planet.

## **ENVIRONMENT**

### **Rare annular eclipse provides spectacle in Kingdom**

Special prayers to mark an annular eclipse in Saudi Arabia were held in mosques throughout the Kingdom on Friday morning. Yet turnout for the special salatul kususf was very low since it was a weekend. The annular eclipse exceeded 11 minutes when viewed from the countries near the Indian Ocean – a record for the millennium. Such a long eclipse will not be seen until 3043. The annular eclipse, where the entire sun is obscured by the moon except for a blazing ring of light around the perimeter, was visible over a 300km wide track that encompassed half the earth.

### **Rains cause flooding and mayhem in Tabuk**

Civil Defense teams in Tabuk rescued over 75 people stranded in a number of valleys across the region following heavy rains and floods on Monday. Around 27 people were injured as a result of the rains, which caused schools to close and delayed commuters from reaching work. There were also power outages in several areas across the province. Gen. Suleiman Al-Huwaiti, head of the Civil Defense in Tabuk, said heavy rains flooded all of the province’s valleys. “The Civil Defense rescued over 75 people and rescue operations are ongoing. The Civil Defense issued warnings on Sunday asking people to be careful. Many people did not take the warnings seriously. I wish people would take heed in the future,” he added. Tabuk Gov. Prince Fahd bin Sultan is following up on rescue operations and has reviewed the emergency plans that are being implemented. Brig. Gen. Mamdouh Salman, official spokesman for the Tabuk Civil Defense, said there were heavy rains in Deba, Al-Bada and Haql at around midnight on Sunday and that it began to rain at 3 a.m. in Tabuk. “Tabuk’s biggest valley, Wadi Dahkan, was flooded,” said Salman, adding that the valley cuts through Deba and an area where there are many farms and private enclosures. “This resulted in many people, particularly farm workers, being stranded. 68 people were rescued from Wadi Dahkan and 27 people were admitted to Deba General Hospital,” he said.

### **Civil Defense urges displaced people to return to their homes**

Aid to most of the people displaced by the Nov. 25 flash flooding will come to an end on Thursday with Civil Defense officials asking people to return to their homes. “This decision applies to all those whose houses were found out to be suitable for their accommodation,” said Civil Defense spokesman Brig. Muhammad bin Abdullah Al-Qarni. The spokesman said the residents, whether Saudis or foreigners, whose homes were not yet ready for accommodation would not be forced to return. “They will continue to live in the furnished apartments and to receive the financial assistance ordered by Custodian of the Two Holy Mosques (King Abdullah),” he said. “The other services have been provided in collaboration with the municipality and the Health Affairs Department. The welfare societies will continue to extend assistance and the volunteers will continue their work.” Meanwhile, residents claim many of the

homes and neighborhoods ravaged by the floods are still not ready to receive people. “The water covered the entire first floor of my building,” said flood victim Hamdan Jaber, who has been living in a rental apartment provided by the government. “It completely damaged the furniture. The apartment was full with mud and water. How can we go back to a house which is not suitable for accommodation and has no furniture?”

## **Social Front**

### **Saudi Arabia gets approval for Arabic Web address**

Egypt, Russia, Saudi Arabia and the United Arab Emirates are the first countries to win preliminary approval for Internet addresses written entirely in their native scripts. Since their creation in the 1980s, Internet domain names have been limited to the 26 characters in the Latin alphabet used in English, as well as 10 numerals and the hyphen. Technical tricks have been used to allow portions of the Internet address to use other scripts, but until now, the suffix had to use those 37 characters. An announcement on Thursday by the Internet Corporation for Assigned Names and Numbers, known as ICANN, paves the way for an entire domain name to appear in Cyrillic or Arabic by the middle of this year. Applications for strings in other languages are pending. That means Internet users with little or no knowledge of English would no longer have to type Latin characters to access Web pages targeting Russian or Arabic speakers. Although search engines can sometimes help users reach those sites, companies still need to include Latin characters on advertisements. Users may still need Latin characters for e-mail addresses, though, as Internet technicians finalize standards for e-mail applications that can understand domain names entirely in Cyrillic or Arabic.

### **Government to pay 50% college fee for Saudi students**

The Council of Ministers on Monday expressed its delight over the high rating received by Saudi Arabia from the global rating agency, Fitch, saying the rating reflected the strength of the Kingdom’s economy and the good management of its foreign investment. In a recent report, the New York-based Fitch Ratings affirmed Saudi Arabia’s long-term local and foreign currency issuer default ratings (IDRs) at “AA-”, both with stable outlooks. The country ceiling is affirmed at “AA” and the short-term foreign currency IDR at “F1+”. “The Fitch ratings came, despite global financial problems, as a result of the wise financial and monetary policies adopted by the government under the leadership of Custodian of the Two Holy Mosques King Abdullah,” the Cabinet said. Spelling out other Cabinet decisions, Culture and Information Minister Abdul Aziz Khoja said the government would pay 50 percent of tuition fees for Saudis studying at private colleges and universities inside the Kingdom. “This concession will be available for five years from the date of this decision and will be reviewed later by the Ministry of Finance and the Ministry of Higher Education,” Khoja said. The decision was taken to encourage Saudi students to enroll in private colleges and parallel education facilities inside the Kingdom rather than opting for those in other Arab countries. Students who intend to get the benefit of registering with the foreign scholarship program should get admission to private Arab colleges and universities that have signed agreements with the Higher Education Ministry. The Cabinet instructed public and private colleges in the Kingdom to accommodate the maximum number of Saudi students.

### **Exit, re-entry visas to be issued online**

The Passport Department has launched a service to enable exit and re-entry visas to be issued online. Director-General of the department Maj. Gen. Salim Al-Belaihied said on Friday this was one of the new Internet-based services being introduced for both Saudis and expatriates. Although the department's website ([www.gdp.gov.sa](http://www.gdp.gov.sa)) is in Arabic, there is an option to display forms and instructions on how to complete them in English. "All who wish to benefit from these services can simply fill in forms through registering on the website," Al-Belaihied said, adding forms could be completed without needing to visit the centers. An initial one-off registration, however, needs to be completed and delivered to a local passport office. Apart from the basic information section, the Ishaar services could be used for notifications regarding a passport. The Muqueem services are for companies and institutions that need to complete paperwork regarding their employees, while there is a separate section for individuals. There is also an eGate section that offers an electronic card for easy entrance and exit at Saudi airports. The service, open to all, provides a card containing important details including iris and fingerprint scans. A new card for one year is SR300, with renewals costing SR270. A new card for two years costs SR550 and renewed for SR540. The final section on the website offers the issuance of the exit and re-entry visa for dependents via mobile phone messages. This service, according to the Passport Department, is one of the most important services provided by Ishaar to all segments of society. To enable this users have to register for Ishaar services to obtain the security code and link a mobile phone number to an ID number. Once the code is activated the visa can be obtained after paying SR200 through the regular channels. The website also provides short code numbers for both STC and Mobily users to ascertain whether there are any traffic violations, fingerprint requirements are met and also the validity of the iqama (residence permit).

### **Pharmacies to join war against dengue**

In an effort to curb dengue fever from spreading in Jeddah, the local Department of Health Affairs has added pharmacists to its war on dengue. A large pharmaceutical chain has agreed to distribute dengue awareness information in its stores and billboards. In addition to this effort, local health officials continue to push for awareness on how to reduce the risk of contracting the mosquito-borne disease. They will visit homes and residents in Jeddah to educate people about the danger of dengue fever. These officials will have IDs to confirm they work for the Jeddah Department of Health Affairs. The information includes advice like covering drains and other accesses to standing water where mosquitoes deposit their larvae.

### **Shoura approves 5% pension hike**

The Shoura Council approved on Sunday a 5 percent increase in pensions paid to retired public servants. The house unanimously approved of the decision with an unprecedented ovation among its members. It was also decided to appoint a special committee to work out the modalities of making the payments to the pensioners. The move to increase pensions from the General Organization for Social Insurance (GOSI) follows a recent announcement to increase government retirement funds by 15 percent. When the motion was tabled at the council, Shoura members Muhammed Al-Quwaihes, Mohammed Abu Saaq and Yousuf Maimani insisted that the 5 percent increase should be given in one lump sum annual payment. It was revealed during the deliberations that 30 percent of pensioners in the Kingdom receive less than SR2,000 per month, while 64 percent receive less than SR4,000. According to the National Association for Pensioners, around 40 percent of pensioners rent their homes. The association has put forward a proposal to increase the minimum monthly pension to SR3,000 from the present SR1,700.

### **Group of lawyers to sue Ministry of Social Affairs**

A Riyadh court is considering a lawsuit against the Ministry of Social Affairs, which is accused of unreasonably delaying the provision of legal support for people who have problems with the ministry. The legal action comes from a group of 25 lawyers, who claim they were subject to a five-year delay in receiving their license to start practicing, even though they had already set up a charity for the purpose. The Administration Court is considering their case. “The five-year delay has hindered our efforts in organizing legal assistance for the needy, including old women, poor workers, overstayers and people arrested for breaking governmental regulations,” said lawyer Abdullah Al-Nasiry, who was originally behind the idea of the charity. An official at the ministry claimed the lawyers never approached them for updates, Al-Watan newspaper reported on Monday. The unnamed official confirmed that the 25 lawyers had not received their license until now and were refused to explain the delay. The Ministry of Social Affairs in Riyadh told Arab News it knew nothing about the lawsuit or the lawyers. Al-Nasiry hit back at the ministry’s claims and said the charity’s founders had completed the required procedures to obtain a license and visited the ministry several times for a response. “The latest communication (to the ministry) was an official letter we addressed to the minister requesting that he speed up the process and grant us the license. We always get a reply that the matter is still being considered and that we ought to wait,” he added. He said that according to the Administration Court’s bylaws, the ministry’s reaction in granting the lawyers the license is considered a “negative decision,” especially given that over 60 days had passed since the lawyers submitted their last letter to the minister in 1429A.H.

### **Kingdom Tower evacuated after bomb hoax**

Police are investigating a bomb hoax that triggered the evacuation of Kingdom Tower, the capital city’s landmark skyscraper, on Wednesday evening. “Nothing suspicious was found and the Kingdom Tower was reopened after a brief search,” said Mansour Al-Turki, Ministry of Interior spokesman. “We confirm that this was a hoax. The building and sites immediately close to it were evacuated as a precautionary measure.” Witnesses said they saw security personnel rushing into the building after civilians had been asked to leave. Armed security men were also seen outside the tower. Lt. Col. Sami bin Muhammad Al-Shuwairekh, spokesman for Riyadh police, said a Samba Financial Group employee inside the tower had received a call from an anonymous person that his car in the parking area of the tower would explode within an hour.

### **South Jeddah witnesses sewage war**

Neighbors in the south of Jeddah are turning to an unconventional kind of biological weapon to settle their differences — sewage. Residents have been using waste to block the front doors of those they have a dispute with, often to devastating effect. Countries often use oil and other precious minerals to fight their political wars, while other nations would block an important sea route to exert their influence. However, this so-called sewage war is a new phenomenon. In the southern Jeddah district of Ghulail, many people are complaining about sewage blocking their roads. However, this was not due to sewage truck drivers forgetting about the area. Some residents in the neighborhood said they are releasing their sewage on the street to punish their neighbors for something they have done, which includes refusing to contribute financially for hiring a sewage truck to empty the underground waste tank, or simply because they are fighting amongst themselves in the same building. “The sewage war is an old type of war and unheard of

for people who are living in the north of Jeddah. It is an effective weapon,” says Abdu, a Saudi man in his 60s and one of the eldest residents in the neighborhood.

### **Kingdom drafts revised marriage law**

The government is set to relax regulations governing the marriages between Saudis and non-Saudis. A revised draft law prepared by the Interior Ministry and the Cabinet’s Committee of Experts allows government ministers, judges, Shoura members and students on foreign scholarships to marry non-Saudi women. The new law, which replaces the old one issued 38 years ago, should be passed by the Council of Ministers. According to Article One, Saudis who are allowed to marry non-Saudis include ministers, members of the judiciary and diplomats at the Foreign Ministry. Other beneficiaries of the law are: Employees of the Royal Court, the crown prince’s court, the Council of Ministers, the National Security Council, and members of the councils and organizations chaired by the king and the crown prince, Al-Riyadh Arabic daily said. Staff at the Ministry of Defense and Aviation, the Interior Ministry, the National Guard, the Royal Guard and the General Organization for Military Industries including military and civilian officers as well as members of the Commission for Investigation and Public Prosecution, Customs staff and all students studying abroad under the government’s scholarship program are also allowed to marry non-Saudi women. “The above-mentioned Saudis are allowed to marry non-Saudis including GCC women after receiving permission from higher authorities,” says Article One of the revised draft law. Article Two allows Saudi men and women to marry GCC citizens. Saudi men can marry the daughters of Saudi women and non-Saudi men. But those who propose marriage should not be from categories mentioned in Article One. Paragraph Two of Article Three says a Saudi can marry a non-Saudi woman born in the Kingdom to non-Saudi parents. However, the law insists that the woman should have a valid resident permit and birth certificate issued by Saudi authorities. Here also the man proposing should not be from the categories mentioned in Article One.

### **Saudi education ministry launches e-govt project**

The Ministry of Education has launched a new administrative financial resources project as the first step toward applying e-government in the ministry and the education sector in the Kingdom. Prince Faisal Bin Abdullah Bin Muhammad, Minister of Education, launched the e-administrative project during an intensive workshop here Saturday. The workshop targeted directors of education in all regions and governorates of the Kingdom, directors of administrative and financial services and IT managers. The workshop, which was held at ministry headquarters, aimed to facilitate overall staff performance by applying a strategic Enterprise Resource Planning (ERP) financial management program. “Male and female teachers will benefit from the new project as they will be able to communicate directly with finance management departments,” said Prince Faisal. The project aims to achieve harmony with the ministries concerned and is one of the most important strategic projects in the future plans of the Ministry of Education, he said. The project will facilitate the flow of communication between administrative authorities and departments in the Ministry of Education which will contribute to the job satisfaction of the staff of the ministry which is one of the government’s largest employers of manpower.

### **Labor Front**

### **Labor Ministry seeks to increase minimum wage for Saudis to SR1,500**

The Ministry of Labor is pressing for increasing the minimum monthly salary of Saudi workers in private companies to SR1,500, said Deputy Labor Minister Abdul Wahid Al-Humaid on Thursday. "There is a study on salaries, which is being prepared in cooperation with other government departments," Al-Humaid told Al-Jazirah Arabic daily. He said the ministry has given top priority to employment of Saudis in the private sector. "We have opened an office to receive applications of Saudis to get employed in private firms," he added. Meanwhile, Shoura Council Vice Chairman Bandar Al-Hajjar said the consultative body had presented its proposals to Custodian of the Two Holy Mosques King Abdullah to resolve the country's unemployment problem. The Shoura is also likely to make a proposal to the government to pay an unemployment allowance of SR1,000 monthly to an estimated 500,000 jobless Saudis. The 150-member body will discuss the issue on Sunday. Shoura member Salim Al-Murayri would propose the addition of a new article in the Labor Law, urging the government to pay a monthly allowance to jobless Saudis registered with the Labor Ministry until they find suitable work. During Sunday's meeting, the administrative and manpower committee would present a report to the Shoura unveiling the country's unemployment situation and its social and security dangers. In previous sessions, Shoura members have called upon the Labor Ministry to revise its Saudization policy and take further steps to reduce unemployment among Saudi women.

### **Economic Front**

#### **Saudi economic growth likely to accelerate to 3.9% in 2010**

Saudi Arabia's economic recovery this year will most likely follow a gradual, steady track. Economic growth should accelerate following a stagnant and difficult year, inflation will remain at manageable but historically high levels and expansion of the private sector is set to take a turn for the better along with credit expansion at Saudi banks. The government, through a stimulatory public spending program, will continue to lead the pick up in the economy as Saudi oil averages around \$74 a barrel and low levels of government debt bolster the Kingdom's fiscal position. A higher oil price environment will enable Saudi Arabia to experience comfortable budget and current account surpluses. While many key elements are in place to support a recovery in the Middle East's largest economy, Banque Saudi Fransi (BSF) reducing slightly its 2010 economic growth forecast for the Kingdom to 3.9 percent from 4 percent based on our view that improvements in business activity will be gradual and cautious. The government's commitment to counter-cyclical fiscal expansion remains solid. Banks are likely to loosen up on their reluctance toward lending to the public and private sectors, one barrier that choked the private sector during 2009. Last year, claims on both sectors by banks contracted by almost 5 percent, following growth of 30 percent during 2008. This year, banks will have little choice than to lend more as they emerge from a period of challenging revenues and an unfavorable low interest rate environment.

#### **Riyadh takes steps to woo investors**

A specialized center will be established in Riyadh shortly to strengthen the capital city's competitiveness in terms of attracting foreign and domestic investment. Riyadh Gov. Prince Salman on Sunday set up an executive committee to supervise the formation and operation of the center as well as to draft its rules and regulations. The move comes as part of the Riyadh governorate's efforts to improve the city's investment climate in order to attract private

companies and investors to carry out vital projects. “The center aims at achieving a prominent position for Riyadh on the world investment map by highlighting its economic potential and competitive capacity,” said an official statement issued by the governorate. Prince Muhammad bin Salman, chairman of the committee, said his panel would coordinate with government departments and businessmen in the region to achieve its goals. He said the center’s board of directors would include representatives of government departments and private companies. “Our center will study the strong points of Riyadh in terms of competitiveness. We’ll identify the priority areas for development and present our report to the governor,” the chairman said.]’\ Prince Muhammad said the center would change the economic face of Riyadh and deal with economic issues of the city in a professional manner benefiting its people, businessmen and investors. “It will be a center of new ideas and initiatives,” he added. He said the center would interact with international agencies and provide them with information highlighting Riyadh’s economic strength and competitiveness.

### **Saudi's private sector sees recovery**

Saudi Arabia's private sector growth is expected to recover to 3.7 per cent in 2010, but will continue lingering below 4.7 per cent of 2008, prior to the global financial crisis, Credit Agricole's Saudi affiliate said. The growth in the private sector — which hit a 14-year low of 2.5 per cent in 2009 — will be driven mainly by state spending and bank lending, Banque Saudi Fransi said in a report issued over the weekend. Lending is expected to grow eight per cent this year, up from 2.1 per cent in 2009, but still down from a 27 per cent rise in 2008. The report said the Saudi central bank is more likely to raise interest rates than lower them in 2010 in order to counter a possible surge in inflationary pressures.

### **Loan growth of Saudi banks to improve in 2010**

The performance of Saudi banks will improve in 2010 as economic conditions improve. After witnessing declining levels of lending in 2009, as banks became more cautious given the more challenging operating environment, loan growth is expected to resume in 2010, although not at the rates seen in 2008, said Malek Soubra, Associate Director in Fitch Rating's Financial Institutions team. It said 2009 was a challenging year for banks in Saudi Arabia as the full impact of the global economic crisis caught up with the region, reflected in rising loan impairments and a rapid slowdown in lending. The preliminary 2009 results released by the 10 main Saudi commercial banks rated by Fitch showed different trends in net income in 2009, with Q4 being the worst quarter of the year. In addition, the 10 main commercial banks in Saudi Arabia rated by Fitch remain among the highest-rated banks across the Gulf Co-operation Council (GCC). Their long-term issuer default ratings largely remain driven by the extremely high probability of support from the Saudi Arabian government (rated 'AA-'/stable outlook) and are unlikely to change unless the sovereign rating changes. Their individual ratings reflect their generally sound domestic franchises and financial strength.

### **Economic analyst seeks closure of Labor Ministry**

Asaad Jawhar, economic analyst at King Abdul Aziz University, has criticized the Labor Ministry for failing to solve the unemployment problem. He said the ministry should close and give the chambers of commerce and industry the chance to solve the Kingdom’s unemployment and labor issues. He explained, “They have presented no solution to a problem that has existed for more than 20 years. As for the idea of adding 50 new employees to track down illegal

workers, he said, “I will tell (labor minister) Ghazi Al-Gosaibi that 50 employees could not cover one street in Riyadh.” Al-Gosaibi has expressed reservations over the idea of providing unemployed Saudis with financial assistance, every six months or eight months. The idea was presented by Shoura member Abdul Aziz Al-Oraier during a Shoura session on Monday. The minister rejected the idea, saying that it would encourage unemployed Saudis to stop looking for work. Al-Gosaibi said that a high school diploma alone is not a suitable qualification for employment. He pointed out that according to the Central Department of Statistics and Information, 90 percent of the unemployed (280,000 male Saudis), lack qualifications.

### **Reformist Saudi Arabia to be among world's top 10**

Investments in Saudi Arabia now run at \$24bn, 12-fold rise compared to five years ago.

Saudi Arabia is currently among the World Bank's top 20 most business-friendly countries in the world. And the Kingdom, home to the world's largest proven oil reserves, pledges to be among the top 10 by next year. For the second consecutive year, the World Bank's Ease of Doing Business report ranks Saudi Arabia as the best place to do business in the entire Middle East and Arab World, ahead of Bahrain, the UAE and Kuwait. It also ranks Saudi Arabia ahead of advanced economies such as Germany and Austria. The World Bank recognised a number of recent reforms, which enabled Saudi Arabia to reach the top 20. Improvements to business and property registration procedures made it easier and less costly to start a business and register real estate deeds. Protection of public company investors was enhanced with a series of new laws from the Capital Market Authority and the Ministry of Commerce and Industry. Port fees were cut by 50 per cent, making it more affordable to trade across borders. Also, strict deadlines were placed on bankruptcy procedures, helping to expedite court proceedings and better protect creditors.

### **Oil and Gas**

#### **Keep oil for future, tap solar energy'**

A prominent expert in the field of renewable energy technology has called on Saudi Arabia to invest heavily in solar technology. Professor Ali Sayigh, director general of the UK-based World Renewable Energy Network, was speaking at a public lecture on solar energy organized by the Center of Research for Excellence in Renewable Energy at King Fahd University of Petroleum and Minerals (KFUPM). “Saudi Arabia has the resources to allocate substantial funds for research in this particular field. Keep oil under ground or maybe use it for better purposes, such as for producing medicines or chemicals. There is no point in burning it all up,” he said. “Just as you have a basket of currencies, have a basket of energies: Oil, gas and renewables. There is no harm in that.” Sayigh lamented the fact that Saudi Arabia was spending “not more than \$10 million” on solar energy research. “Abu Dhabi is spending \$13 billion through the Masdar Initiative. The American government is spending \$450 million. The American private sector is spending more than \$2 billion. Europe is similarly spending in billions, not millions.” He said Saudi Arabia and other Arab and Middle Eastern countries are ideally suited for producing solar energy. “This is the region that has a very high concentration of solar rays. The sun burns brightest in this part of the world and therefore the production of solar energy is much easier here,” Sayigh said. According to Sayigh, in the 1970s and early 1980s when the government asked researchers to search for oil in Saudi Arabia’s Western Province, they discovered gold instead. “The official reaction was: ‘Let us keep it aside. We don’t need gold at the moment.’ If

Saudi Arabia succeeds in tapping solar energy, we can have a similar scenario whereby the country can say: ‘We don’t need to use oil. Let us use solar energy instead,’ said Sayigh. To a question from the audience whether solar energy is cost-effective, Sayigh had this to say: “What is viable? You should ask yourself. Is killing yourself in a short period of time better than living longer and enjoying a healthy life? When a person is ill, he goes to a doctor and says, ‘Doctor, take all my wealth; just make me healthy.’ Remember that the extensive use of fossil fuels is triggering climate change; there is global warming. We need to look at other better and cleaner sources of energy,” he said.

### **Aramco to build Jazan refinery**

Saudi Aramco has been entrusted with the task of building and financing the \$10 billion Jazan refinery, which will have a capacity of 250,000 to 400,000 barrels per day, Minister of Petroleum and Mineral Resources Ali Al-Naimi announced Tuesday. He said the Saudi oil giant would carry out the project quickly, adding that Custodian of the Two Holy Mosques King Abdullah had approved the plan to commission the state-owned company to build the refinery, one of the major projects to be undertaken at Jazan Economic City. Al-Naimi’s announcement came after eight Saudi firms and 42 international oil companies were short-listed for the tender. “The Ministry of Petroleum and Mineral Resources appreciates and values the companies that made a serious attempt to compete vigorously for the project’s license,” Al-Naimi said. “But the government, considering its current capacity and ability to ensure the establishment of this important development project in Jazan, has commissioned Saudi Aramco to implement and finance the project wholly,” the minister said. The bidding process for the Jazan refinery project was delayed several times. The Kingdom has struggled to attract foreign interest in the project as the refinery is far from Saudi oil and gas fields. Tuesday’s surprise announcement came after Al-Naimi said last month he expected the winner of the contract would be declared soon. King Abdullah approved the project in 2006 as part of a wider development plan for the southern province.

## **UAE**

### **International Front**

#### **UAE relief plane to arrive in Haiti today**

The first 100-tonne aid plane of the UAE air bridge to relieve quake victims in Haiti will leave Abu Dhabi on Thursday. Mohammad Al Qamzi, Secretary-General of the UAE Red Crescent Authority, said that the UAE relief agency is intensifying its efforts to alleviate suffering of the earthquake victims in implementation of directives given by President His Highness Sheikh Khalifa bin Zayed Al Nahyan, Ruler of Abu Dhabi for delivery of humanitarian assistance to Haiti.

#### **AE’s Anti-Trafficking Drive**

The UAE is undoubtedly steadfast in its commitment to combat human trafficking. The government’s decision to impose stringent punishments on traffickers will likely prove an effective deterrent. In a landmark verdict, the Criminal Court in Abu Dhabi has sentenced seven men to life imprisonment for human trafficking. Six more people were given 10 years in jail.

The harshest sentence to date, these punishments proceed from a special clause of Federal Law Number 51 of 2006 which allows the Court to give life imprisonment for trafficking if it is judged to be the activity of an organised criminal gang. Besides, heavy fines up to Dh 1 million can be imposed if traffickers are found to be part of one such gang. Similarly, the emirate of Ras Al Khaimah also gave the life sentence in a similar case last year.

## **Social Front**

### **More Nationals Moving into Private Schools Afshan Ahmed**

In a few years time, Dubai will see more than 60 per cent of UAE nationals in private schools as an even greater number is currently enrolled in primary grades in these schools, according to the emirates education authority. In a trend where UAE nationals in private schools have increased in the last five years from 37.8 per cent to 52.3 per cent in 2008-2009, the head of education authority in the emirate said that the figures need to be watched and studied for future policies. This is the first time Dubai has reached this threshold of more nationals attending private rather than public schools. It is also the first time for any emirate in the UAE.

## **Labor Front**

### **UAE remains attractive choice of expat workers (WAM)**

The UAE remains a popular destination among expatriate workers from all over the world as employment prospects in the country have increased by up to 8.3 per cent annually. It is also expected to maintain its upbeat growth in 2010, according to Careertunity.com, a private online recruitment portal in the Middle East. The trend is reflected in the surge in the number of job applications from expatriates at the web portal which maintains a huge database of various job candidates that is increasing every day. It further revealed that the unique situation of the UAE job market, which has been dominated by expatriate workers, has prevented it from being adversely affected by the global economic downturn, ensuring a steady supply of experienced professionals and international executives from the US, Europe, South Africa, Africa, Asia and the rest of the Middle East.

## **Economic Front**

### **Dubai may spend \$3bn on transport projects**

Dubai could spend about \$3 billion (Dh11bn) on transport infrastructure projects in 2010 as it looks to boost the economy and has no issue paying its contractors, said the executive director of the Roads and Transport Authority (RTA). The government has positioned its infrastructure development as central to its status as the Middle East's commercial and tourism hub and has continued to invest in the sector. "Investing in infrastructure is the driving force for the economy," Mattar Al Tayer, Chairman of the Board and Executive Director of RTA, told a news conference yesterday. "We have Dh10.5bn budget for this year and we will spend more in the future," he said, later adding that could rise to Dh10.7bn. Costs on the Dubai Metro, which started operating in September last year, soared 80 per cent to Dh28bn, officials said in August. When asked whether Dubai could meet obligations to contractors and consultants on the project, Al Tayer said, "there is no issue".

### **UAE requires 42% of GCC's total infrastructure financing**

The investments required are in the long-term and money raised from bond markets should be a viable option, believe experts. The UAE will require the maximum amount of money for financing its infrastructure needs in the entire GCC. According to Dr Nasser Saidi, Chief Economist of Dubai International Financial Centre (DIFC), "the value of infrastructure projects in GCC has increased to \$2.3 trillion [Dh8.45trn] as of January 11, 2010." Of this, the UAE will require the biggest chunk – "\$926,082 million or 42.6 per cent of the total amount – as of data given for end-November 2009," he told Emirates Business. As for the other countries in the region, Saudi Arabia is second on the list of financing requirements. It needs \$614,353m, making up 28.3 per cent of the total amount needed. Next on the list is Kuwait with \$271,647m (12.5 per cent), followed by Qatar at \$230,150m (10.6 per cent) and Oman at \$104,867m (4.8 per cent). Last is Bahrain, which requires \$65,581m or three per cent of the total amount. Figures provided by DIFC have been taken from Meed data.

### **UAE and region must exploit solar power to replace oil**

Employees examine the solar panels at Masdar City in Abu Dhabi. Less than 15 per cent of solar energy potential is currently being utilised in the region. The UAE and the region have great potential to generate solar power and export it outside the region, according to an eminent Arab scientist. Al Baz is a global authority in his field and is regarded as one of the foremost Arab scientists in the world. "Oil will definitely run out in the Gulf within a 100 or a maximum of 200 years and it is a non-renewable resource, while the strong shining sun is almost an eternal source of energy. The GCC countries should direct their efforts towards solar power immediately so that they can maintain a reserve quantity of oil from the currently available levels. The more they preserve oil now and sell it in the future, the better for them and their future," he said. "The cost of any project for the production of electricity from the sun in the GCC countries might not be less than \$20 billion (Dh73.4bn). This cost is not high for countries that have huge fund reserves. Oil's financial revenues are huge. It is better to direct this towards this huge and vital project instead of spending it on the purchase of aircraft and weapons. He said though the Gulf region has year-round strong sunshine due to its proximity to the equator, less than 15 per cent of it is utilised in solar complexes. Countries in the region should expand their solar power complexes to raise this percentage to 27 immediately before increasing it to 50 per cent in the near future.

### **Emaar's Burj Khalifa to boost 2010 revenues**

The world's tallest building the Burj Dubai is pictured on January 4, 2010 in Dubai, United Arab Emirates. Dubai's Emaar Properties said on Thursday that revenues stemming from the sale of units at Burj Khalifa, the recently-opened, world's tallest tower, will boost the company's 2010 revenues. Emaar, 31.2 per cent owned by the Dubai government, is the Arab world's largest listed developer. It posted third-quarter revenue of Dh1.95 billion. "As Emaar recognises revenue and profits on delivery of the project, the revenue relating to the units sold in Burj Khalifa will be recognised in 2010 on delivery," according to a statement posted on the Dubai bourse website. "This will positively impact the results of the company due to the large size of the project," it added.

## **Oil & Gas**

### **Reduce Dependence on Oil, says Khalifa (Wam)**

The President, His Highness Shaikh Khalifa bin Zayed Al Nahyan received on Wednesday His Highness Shaikh Mohammed bin Rashid Al Maktoum Vice President and Prime Minister of the UAE and Ruler of Dubai. General Shaikh Mohammed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, was also present on the occasion. Shaikh Khalifa was briefed by Shaikh Mohammed on the results of the talks he conducted with heads of state, prime ministers, ministers and senior officials who participated in the third session of the Preparatory Commission for the International Renewable Energy Agency (IRENA) which held recently in Abu Dhabi for the first time after the UAE won the race for hosting the agency's venue, and the on-going World Future Energy Summit being hosted by Abu Dhabi Future Energy Company (Masdar). The President affirmed the UAE's success in hosting, organising and moderating sessions of the IRENA's meeting, a development underlines the substantial capacity and ability of the UAE nationals in handling and managing major international events like this which attracted delegates from over 142 member states in addition to observers from 15 countries.

## QATAR

### International Front

#### **Qatar Red Crescent launches emergency appeal for Haiti**

Qatar Red Crescent has launched an emergency appeal to gather around 4 million Qatari Riyals of financial aid for those affected by the earthquake that hit Haiti last week. It was launched in a press conference held Monday in the presence of the Secretary General of the Qatar Red Crescent Society (QRCS) and its Board's Deputy Chairman, Dr Mohammad Bin Ghanem Al Ali al Mahdaadi and the Venezuelan Ambassador to Qatar, His Excellency Dr Juan Antonio Hernandez. "The Red Crescent is planning to send urgent relief and medical services to the victims of the earthquake-stricken Haiti," Al Mahdaadi said. "The QRCS has a network to coordinate with humanitarian organisations, evaluation and search teams that arrived on the ground, to follow up the latest developments," he added. The aim of this emergency call is to gather around 4 million Qatari Riyals to support around 25,000 people with humanitarian aid and daily supplies and ensure that up to 1,000 of the affected families have healthy and safe shelter items to help preserve their physical and mental well-being.

#### **Egypt and Qatar spar over US peacemaking guarantees**

Move to revive Palestinian-Israeli talks triggers war of words. Egypt has criticised what it termed a Qatari campaign to distort its efforts to relaunch peace talks between the Palestinians and Israel. The Egyptian-Qatari crisis, the latest between the two countries, was triggered by what an Egyptian official described as a Qatari media fuss over comments made by Egyptian Foreign Minister Ahmad Abu Al Geit's in which he said he had no idea that Qatar had demanded that the US offer guarantees for the revival of the Palestinian-Israeli peace talks. "The reason for our astonishment is that the Qatari reaction towards statements attributed to the (Egyptian) foreign minister was not relayed as diplomatic norms dictate through diplomatic channels," an official source at the Egyptian Foreign Ministry said this week. "The Egyptian side would have been happy if the Qatari officials had asked for clarification on the issue without making up an unjustifiable media fuss, which contradicts the requirements of the Arab action," added the

source in a statement carried by semi-official newspapers. Qatar has said that all Arab countries, including Egypt, were notified of a Qatari letter presented to the US administration for guarantees and that Doha had sent a copy of the letter to the Arab League. Egyptian-Qatari ties have been in trouble over recent years with Cairo accusing Doha of constantly casting doubts over its regional role.

## **Social Front**

### **Campaign to support education in Palestine**

Over 200 students from around the world are participating in Al Fakhoora Campaign - an international students campaign aimed at supporting education in Gaza Strip and the West Bank. The three-day conference titled Post Cast Lead: Defending the Freedom to Learn, kicked off on Sunday at the Marriott Hotel in Doha. The forum will discuss the plight of Palestinian students in Gaza after the horrendous Israeli assault on the Hamas-ruled territory in December 2008.

## **Economic Front**

### **Property market in Qatar may recover this year**

The property market in Qatar, that witnessed a downturn during 2009 on the back of the global financial crisis is expected to recover this year, with a great degree of stability in demand and prices. House rents fell by 25 to 30 percent over the past one year, while the prices of real state properties dipped by 30 to 40 percent. The market is currently witnessing a surge in supply of residential properties, resulting in lower prices. On the other hand, rentals of commercial properties still remain high due to a shortage in supply. Several businessmen who invested heavily in the sector during the construction boom in the country are on the verge of incurring losses thanks to low demand for the properties. Many are finding difficulty in paying back the hefty bank loans due to the low returns from their investments. Industry experts, however, believe that the current scenario would not stay for long and the market would see more stability fuelled by greater demand and lower investment costs. "Several infrastructural projects being launched this year will bring more skilled and unskilled workforce to the country. This will lead to a greater demand for residential properties, which are now available in plenty," Ahmed Al Arooqi, general manager of Al Aqar real estate company told Al Sharq. He noted that the current prices were attractive for both investors and consumers. While the consumers stand to gain from a drop in the rentals, the investors could benefit from a fall in the prices of land.

### **Qatar-Turkey pipeline study still on**

Qatar and Turkey have continued to study the feasibility of a gas pipeline between the two countries, the Deputy Premier and Minister of Energy and Industry, H E Abdullah bin Hamad Al Attiyah, said yesterday, adding it was too early to give any further details on the project. The two countries said in September they had formed a team to start work on the project to pipe Qatari gas to Turkey. Qatar is the world's largest exporter of liquefied natural gas (LNG), but only has one functioning pipeline export project, which takes its gas to the UAE. The tiny state sits on the world's third largest gas reserves. Qatar was ready to supply more LNG to Britain if demand warranted, Attiyah said. Qatar would complete in September the expansion of its liquified natural gas (LNG) production capacity, the Deputy Premier said. Qatar would add the remaining

15 million tonnes per year to existing capacity of 62 million tpy in September, he said in Abu Dhabi.

## KUWAIT

### International Front

#### **Kuwait, Kazakhstan sign agreement**

"As part of a growing business interest in foreign countries, Kuwait has recently signed two investment projects with Kazakhstan," disclosed Abdulwahab Al-Wazzan, Honorary Deputy Treasurer Kuwait Chamber of Commerce and Industry (KCCI). He met with members of Kazakhstan economic delegation yesterday at its headquarters in Kuwait City. The two sides agreed to carry out projects in Astana-the capital city of Kazakhstan. He said that they were necessary to develop trade and economic cooperation which was on a 'record low.' "Politically speaking, our bilateral relations have been really great, but in terms of economic relations, we have poor, limited access," Al-Wazzan mentioned. "We want to enhance our cooperation and it means that we both need to work hard toward developing it," he said. Al-Wazzan suggested that exhibitions and presentations be arranged more often in order to be able inform members about products and services, and at the same time promote and enlighten the business community here. "Investment regulations should be explained to us and our members," he said. The delegation was headed by Kazakhstan Deputy Executive Secretary-Ministry of Finance Natalya Korzhova. A meeting had been scheduled to be held between her and KCCI officials. However, as she could not be present at the meeting, Sofia, a member of the Kazakh's delegation acted on her behalf. In her speech, she thanked Kuwaiti officials for the warm reception accorded to the Kazakh delegation.

#### **Kuwait denies holding Iraqi land**

Kuwait has denied allegations made by Iraqi MPs that it is holding Iraqi land, either offered by the former Iraqi regime or annexed by its citizens. "Kuwait has never sought to expropriate land of other countries and has repeatedly called for the full respect of international borders," the An Nahar daily reported Kuwaiti diplomats as saying on Sunday. "What the Iraqi officials are referring to is in fact Kuwait land owned by Kuwaiti citizens, and this is clearly indicated in the internationally recognised maps. Anyone keen on further information on the issue should consult the maps to get the facts," the unnamed sources said. The Kuwaiti denial was issued after Abdul Matlak Al Jabouri, an Iraqi MP representing the Independent Arab Bloc, called upon the government to file cases in international courts and to seek international arbitration in order to "recuperate Iraqi lands offered by the former regime to Jordan, Saudi Arabia and Kuwait". "Several Iraqi areas are now included in neighbouring countries, such as Al Rwaishad in Jordan, the no-man's zone in Saudi Arabia and the borders with Kuwait. The borders with Kuwait have been pushed up since 1963 and today vast areas of Umm Al Qasr and numerous gardens belonging to people living in Al Basra are held by Kuwait. We need to launch action to get them back," he said.

#### **Kuwait MP lashes out at government funding for Iraq hospital**

Kuwaiti lawmakers have often criticised the government for providing assistance to Iraq, which invaded their country in 1990. A Kuwaiti MP has lashed out at his government after it

announced plans to fund the building of a hospital in Basra and homes for Iraqi farmers, charging that it was making "unjustified concessions" to Iraq. "I am shocked that the development plans announced recently by the government that are being launched outside Kuwait. This is a highly provocative and unacceptable move," MP Mislum Al Barrak said on Tuesday. "I deeply regret the decision to build the hospital and the houses in Iraq when hospitals here in Kuwait are worn out and have outlived their life expectancy as they were built more than 20 years ago," he told reporters. A Basra delegation visiting Kuwait this week told Kuwait news Agency (KUNA) that the Iraqi authorities have already selected the plot of land to build the hospital funded by the Kuwaiti government. Kuwaiti lawmakers have often criticised the government for providing assistance to Iraq, which invaded their country in 1990, saying that it must be very cautious in dealing with Baghdad and that aid to the Iraqi people had to be given in accordance with the Kuwaiti constitution. Kuwait has regularly provided hospital treatment to Iraqis wounded in the 2003 war or in the subsequent bomb attacks that have rocked various cities.

### **Iran ready to address maritime dispute with Kuwait**

Tehran said that it was ready to talk with the Kuwaitis on the "thorny" maritime border issue as Iran's parliament speaker Ali Larijani is making a visit to Kuwait on Saturday, Kuwaiti and Iranian sources have said. During the two-day visit, part of a tour that will also take him to Uganda and Kenya, Larijani, who will be accompanied by several members of the parliament and foreign ministry officials, will discuss with Kuwaiti officials bilateral relations and cooperation, the sources said without elaborating. On Sunday, Kuwait's deputy prime minister and foreign minister Shaikh Mohammad Sabah Al Salem Al Sabah said that his country hoped for decisive action to help resolve the issue of a shared offshore field which he called a "a thorn in the relations of the two countries." The minister said that Kuwait had suggested arbitration from the International Court of Justice, in case no deal was reached. The maritime border dispute with Iran has blocked the development of the massive Dorra gas field, also shared by Saudi Arabia, that will help meet increasing demands from power stations. The field lies on the Gulf continental shelf between Kuwait, Saudi Arabia and Iran. Riyadh and Kuwait reached an agreement on their part of the maritime border in 2000. The Kuwaiti minister's call to address promptly the field issue, a bone of contention between Kuwait and Tehran since the 1960s, was picked up by the Iranians. On Tuesday, Iran's foreign ministry spokesman Ramin Mihman-Parast said that his country was willing to hold a meeting with Kuwaiti to review the issue.

### **Social Front**

#### **Journalists' society official sparks row in Kuwait**

The secretary-general of the Kuwait Journalists Society has waded into controversy after he urged the Egyptian Journalists Syndicate to accept the membership applications of Egyptian journalists working in Kuwait. Faisal Al Kanai said dozens of Kuwait-based journalists from Egypt had approached him to plead for Egyptian membership and that the Kuwaiti society fully endorsed their applications. "We have noted their deep keenness on becoming members of the Egyptian syndicate. We are grateful for their contributions in Kuwait and we back them up as they seek membership in their home country. They are a real asset for any society promoting the rights of journalists," he said, following a meeting with around 50 Egyptians working in the Kuwaiti media. However, several Kuwaiti journalists rejected Al Kanai's call, saying he should

instead focus on domestic issues, mainly helping stateless journalists become members of the Kuwaiti association.

## OMAN

### **Oman on economic freedom index**

The Sultanate was ranked fourth in the Middle East North Africa (Mena) region level in economic freedom index 2010 which was published in English by US-based Heritage Foundation on its website. The Sultanate got 67.7 points in the index which measures 122 countries. The Sultanate was ranked 43rd on the global level. The Sultanate got 66.9 in the sub index for business freedom, 55 points in the investment freedom index, 83.4 in the trade freedom index, 60 points in the financial freedom index, 50 points in property rights index, 57.4 points in government spending, 55 points in the freedom from corruption index, 64.8 in the monetary freedom index and 86.4 in the labor freedom index. The Foundation pointed out that the Sultanate's index has improved by 0.7 point since last year, reflecting improvements in freedom from corruption and business freedom indices. The Foundation highlighted the Sultanate's government efforts towards diversification of the national economy and enhancing economic development. The foundation affirmed that there is no personal income tax, and corporate taxes are low. Foreign investment is welcomed in many sectors. It also affirmed that the impact of the global financial turmoil on the financial system has been slight.

### **Efforts to grow more fruits and vegetables in Oman**

Researchers at the Sultan Qaboos University (SQU) are looking into ways for substantially increasing domestic production of vegetables and fruits in the southern parts of Oman.

## BAHRAIN

### **Social Front**

#### **Bahrain denies hiking water and electricity costs**

Bahrain's electricity and water authority has urged people not to heed allegations that fees would be increased. "Recent statements by a Member of Parliament that water and electricity fees would be increased by 1,000% are not true and lack credibility," the authority said in a statement. "The allegations were not based on facts or information from reliable sources, which make them pure speculations that do not serve national interests." MP Abdullah Al A'ali, representing Al Wefaq, the largest parliamentary bloc, this week warned against the move to increase of electricity and water fees. The MP said that there were news that the increase would be by 1,000% and asked the electricity and water authority to explain the motives for the dramatic hike. "The government should not think about increasing fees. In fact, it should work on alleviating burdens," he said. The water and electricity claim was made as Bahrain is wary of possible higher prices for fuel and commodities, including sugar and rice. Last week, the price of soft drinks moved up from 100 fils for a 33 ml can to 150 fils, causing concerns that more products would be sold at a higher prices. The government had to face the wrath of the lower chamber of the bicameral parliament following the publication of a report about a possible

increase in fuel prices. A standoff between the MPs from all political societies and the government resulted in the staging of a rally by 12 societies to protest higher living costs. However, the government denied that it had decided to increase prices, and said that the report was part of a study it had commissioned about economic options to address possible difficulties.

### **Raunchy posters in malls are 'acts of immorality'**

A conservative Bahraini lawmaker has called for stringent action against stores that display "raunchy" posters and advertisement to attract customers. "The Ministry of Industry and Commerce should put an end to the morally offensive ads and posters freely displayed in large shops and malls. They are a blatant violation of our Arab and Islamic mores and values and should be dropped," Jasem Al Saeedi, an independent Salafi MP, said. "Those who do not respect our morals should be made to face the legal consequences." Families no longer wish to go to malls in order to avoid feeling ashamed because of the brazen posters, he said. "It takes just one visit to a mall to witness the moral depravation that has afflicted us. There are ads and posters of men and women in their underwear or wearing almost nothing, and this is in total disregard for people's feelings," said Al Saeedi.

## **Human Rights**

### **Bahrain minister fights for women's cause**

Bahrain's labour minister has joked that he should be made member of the all-females Supreme Council for Women (SCW) for his persistent championing of women's rights. Majeed Al Allawi made the light claim at the end of a week during which he had to face a barrage of criticism, mainly from women MPs for supporting calls to amend the private sector labour law in order to give women more rights, including more time to look after their children. The minister sparred publicly with and Lulwa Al Awadhi, the SCW secretary general, at a conference to announce the holding of a career exhibition that will offer more than 5,000 jobs to women. Al Allawi said there were concerns that more advantages for women would make their prospects for employment less attractive for the private sector, stressing that Bahrain's constitution called for reconciliation between women's duties as mothers and as professionals in the public sector. Similar claims were made earlier by the business community and female members of the upper chamber who said that the numerous days and hours off given to women to look after their children were ultimately harming their stature and turned them into an employment risk.

## **Oil and Gas**

### **Bahrain to launch new oil company**

His Royal Highness Prince Salman bin Hamad Al Khalifa, Crown Prince and Economic Development Board chairman, will inaugurate the firm at the site of Bahrain's historic first oil well at Jebel Dukhan. The new firm, Tatweer Development Company (Tatweer Petroleum), is a joint venture between Bahrain, UAE and US firms. Occidental Petroleum Corporation, Mubadala Development Company (Mubadala) and the National Oil and Gas Authority of Bahrain (Noga) are partners in the new joint operating company. The company will operate under the development and production sharing agreement signed in April last year by the three partners, approved by the Bahraini parliament in May and ratified by His Majesty King Hamad. Bahrain Oil Holding Company contributes in the capital of the new firm, while the remaining part will be

divided evenly between Occidental and Mubadala. "The establishment of the joint venture is to double Bahrain Field oil output and upgrade its gas potential" Oil and Gas Affairs Minister and Noga chairman Dr Abdulhussain Mirza said. HRH the Crown Prince will unveil the commemorative plaque, signalling the start of the second phase of Bahrain Field development scheme. Dr Mirza extended congratulations to the wise leadership, describing the new company as an added value to invigorate national economy, ensure technological transfer and provide jobs for Bahrainis.