

**BUSINESS AND POLITICS IN THE MUSLIM WORLD
GULF COOPERATION COUNCIL
NEWS MONITORING REPORT**

**MADIHA KAUKAB
Weekly Report # 136 & 137
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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

Yemen

President Ali Abdullah Saleh has made a phone call to Saudi Interior Minister Naif bin Abdul Aziz. In the phone conversation, President Saleh and Prince Naif exchanged congratulations on the occasion of the advent of Eid al-Fitr. They also talked over the brotherly relations and means to strengthen them. Qatar will supervise the implementation of the ceasefire between the Yemeni government and Houthi rebels. Abdul Karim Al Aryani, adviser to the president of Yemen, said at a press conference in Yemen's capital Sana'a that the detailed ceasefire agreement made it binding on both the parties to abide by its terms and conditions, which aim at restoring peace and stability in Yemen. He said a third party (a reference to Qatar) was being asked to supervise the ceasefire in a bid to guarantee that trust builds up between the two sides and peace in Yemen is everlasting.

International Front

GCC

Gulf Co-operation Council foreign ministers have said they "welcome" the relaunch of direct Israeli-Palestinian peace talks but warned that Israeli "acts of aggression" may compromise them. "The ministerial council welcomes...the resumption of direct Palestinian-Israeli peace negotiations...in hope that the talks (which were relaunched) in Washington will lead to... the establishment of an independent Palestinian state with east Jerusalem as its capital," a statement said.

Saudi Arabia

US arms manufacturers are capitalising on fears of war with Iran to sell more weapons to Saudi Arabia and other nervous Gulf Arab neighbours of the Islamic republic. US plans unveiled this week to sell Saudi Arabia up to \$ 60 billion in aircraft, helicopters and other arms could lead to the six Gulf Arab states spending as much as \$ 100 billion in the next few years to overhaul their armed forces, analysts say. European arms suppliers, less well established in the region, are likely to miss out on what promises to be a massive regional rearmament programme, the analysts say.

Kuwait

Kuwaiti Minister of State for Cabinet Affairs Roudhan Al-Roudhan stressed the necessity of exerting earnest efforts to develop and overhaul the Arab order for the common good of the entire Arab world. Speaking to KUNA following his participation in the 134th ordinary session of the Arab Ministerial Council, the Kuwaiti minister said: "We all have to work together to consolidate the concept of common Arab action to support and defend our just issues." However, he considered that the Arab League is the appropriate Arab order through which "we can shore up Arab action and integration".

Qatar

Arab League envoy to Sudan Dr Salah Halima has commended efforts being made by Qatar's leadership to resolve the issue of the Darfur region of western Sudan. In remarks to Sudanese News Agency, Halima said that Doha has accomplished a lot, expressing his belief that the achievements of Doha, and the new strategy of the Sudanese government will enhance the opportunities for security and stability "and therefore may push those who did not participate to reconsider their position to join the peace process and engage in the Doha negotiations."

Economic Front

GCC

Senior officials from finance, foreign, trade and business ministries from the GCC states will meet in Jeddah on Monday to finalise the draft of law that seeks to legitimise the regional customs union. Imports coming from regions outside of the GCC will have to pay a uniform customs levy of five percent at the port of entry and all customs tariff and taxes on goods moving from one GCC country into the other will be exempted from any customs duty, surcharge or tax once the proposed law is brought into force.

Saudi Arabia

Saudi Arabia's banking system has topped the financial health chart in the GCC and showed more resilience to the consequences of the financial crisis than its peers in the GCC region, thanks to the prudent regulations of the Saudi Arabian Monetary Agency (SAMA) and the well diversified loan portfolio of local banks, KIPCO Asset Management Company (KAMCO) said in

its GCC Banking Outlook issued on Tuesday. The report said the Saudi banks remained adequately capitalized throughout the crisis period.

UAE

UAE Central bank Governor Sultan Bin Nasser Al Suwaidi reiterated the importance of cooperation among the Arab countries in various fields. In a statement on the sidelines of the 34th meeting of the governors of Arab Central Banks and Monetary agencies currently under way in Libya, Al-Suwaidi also stressed the importance of these meetings as they discuss various economic and financial issues concerning the Arab world. Underlining cooperation among the Arab central banks, Al Suwaidi asserted UAE's support to all joint Arab projects.

Bahrain

A high-speed railway link is being planned between Bahrain and Doha, in a bid to boost enrolment at educational institutions in the Qatari capital. The one-way journey time between Doha's Education City and Bahrain would be just 51 minutes, via the planned "Friendship Bridge" between the two countries. The idea is to woo Bahraini students to enrol at the various prestigious foreign universities and educational institutions in Education City, according to The Peninsula daily paper. It is part of a \$ 42.9 billion railway project that Qatar is about to launch, which includes a metro network within Greater Doha, an inter-GCC rail link and a rail freight network.

Kuwait

Japan agreed with Kuwait on Wednesday to cooperate in capacity building for peaceful use of nuclear energy generation in the Gulf nation, raising the prospect of lucrative deals for Japanese companies. Kuwait, the world's No.4 oil exporter, is facing rising energy demand and agreed with France in April on cooperation in developing nuclear energy. Japan, the world's third-biggest nuclear power generator after the United States and France, is stepping up efforts to tap the nuclear power development market after a Japan-US consortium lost out to South Korea in a deal to build and operate nuclear reactors for the United Arab Emirates (UAE) in December.

Qatar

The GCC is undertaking some of the world's largest electricity projects, which include expansion of the electricity network in Qatar at a cost of \$ 3.5bn. The large-scale investment in energy projects and technologies is in line with the region's spiralling energy demand. Global industry players will be discussing development prospects, trends and challenges in the electricity sector at GCC Power 2010, the eighth Regional Conference for National Committees of CIGRE in the Arab Countries and the 15th Exhibition for Electrical Equipment to be held from October 18 to 20, 2010 at the Ritz-Carlton, Doha.

Oman

Oman and India have agreed to enhance bilateral investment and economic cooperation in a wide range of mutually beneficial areas. While Oman will inject capital for reviving sick fertiliser units, invest in infrastructure projects and set up super-specialty hospitals in India, the latter will extend a helping hand in developing the Sultanate's human resources, small and medium enterprises (SMEs), renewable energy and oil and gas sectors, India's Commerce Minister Anand Sharma told reporters yesterday. This follows a series of discussions between Anand Sharma, with his Omani counterpart Maqbool bin Ali Sultan at the India Oman Joint Commission Meeting (JCM).

Social Front

Saudi Arabia

Second Deputy Premier and Minister of Interior Prince Naif has commended the services rendered by security officers and government agencies for the millions of pilgrims who came to perform Umrah during the holy month of Ramadan. Addressing a group of citizens who came to greet him on the occasion of Eid Al-Fitr at his office in Jeddah, Prince Naif emphasized the need for helping the poor and needy. "Social support and giving to those in need should be the hallmark of every citizen," he said.

Bahrain

Bahrain will always remain a model of peace and democracy, His Majesty King Hamad pledged yesterday. The kingdom's development march will continue unabated, he said after performing Eid Al Fitr prayers at Sakhir Mosque. His Majesty stressed that the task of nation-building will be further strengthened and ordered that the law be applied to all people without discrimination.

Oil and Gas Front

Saudi Arabia

Saudi Aramco is planning one of its most ambitious spending efforts in the petroleum industry to meet rising energy demands, its chief executive said in Canada. Khalid Al-Falih, president and chief executive officer of Aramco, told the World Energy Congress in Montreal that a pragmatic approach to energy was needed to address the expected increase in global energy demands. He said global progress and development meant that more people would need more energy. "Consequently, we will have to meet the world's increased energy needs and do so in the most responsible manner," he said. Despite the move toward renewable resources like wind energy, Falih said the world would continue to rely on fossil fuels to power economic development.

Bahrain

Bahrain's new oil and gas statistics revealed soaring exports over the first half of this year. By-product sales also rose by more 10 per cent. A report released by the National Oil and Gas Authority from January to June showed the positive trend. Production of crude from the Bahrain and Abu Saafa fields dropped slightly to 32.659 million barrels from 32.922m barrels last year. "The slight drop followed regular maintenance work conducted at the Bahrain Oil Field which caused certain production units to stop," the report said. Bapco has stepped up efforts to upgrade the 78-year-old field and boost its average output. Bahrain has since set up the Tatweer Oil Company to boost production. "Positive results from these investments are expected to emerge later this year and in the near future," the report said.

DETAILED REPORT

GCC

International Front**'Saudi Arabia, Kuwait and UAE among the most generous donors around the globe'**

Emirates News Agency-WAM September-14-2010

Over the past four decades, Arab aid, which has been relatively under-studied, has played an important role in global development finance, the World Bank said in a new report. "Arab donors, predominantly the Kingdom of Saudi Arabia (KSA), Kuwait and the United Arab Emirates (UAE), have been among the most generous in the world, with Official Development Assistance (ODA) averaging 1.5 percent of their combined gross national income (GNI) during the period 1973-2008, more than twice the United Nations target of 0.7 percent and five times the average of the OECD-DAC countries", noted the new report titled "Forty Years of Development Assistance from Arab Countries", published in Global Arab Network.

Arab Official Development Assistance (ODA) accounts for 13 percent of total DAC ODA on average and nearly three-quarters of non-DAC ODA. About one-third of all ODA during the 1970s was from Arab donors. High levels of Arab ODA in the 1970s and 1980s were primarily a reflection of high oil prices and, to some extent, the substantial start-up costs associated with establishing aid programs and capitalizing development funds and banks, the report noted.

GCC countries denounces burn of Quran

Kuwait News Agency September-11-2010

Ambassadors of the GCC countries to the US conveyed condemnation to the US administration of plans by a small Florida church to burn copies of the Quran on Saturday to mark the ninth anniversary of the September 11 attacks. Kuwaiti Ambassador Sheikh Salem Abdullah Al-Jaber Al-Sabah told KUNA on Thursday evening that on behalf of the other GCC ambassadors, he conveyed condemnation and disapproval to the US administration. Sheikh Salem conveyed to officials in the administration the strong GCC condemnation against this "serious issue" that

could incite hatred, violence and constituted an insult to both Muslims and Islam, a religion of one billion advocates. Such a step, Sheikh Salem clarified to the officials at the US administration, would arouse overwhelming feelings of anger in all Muslim countries and might lead to a long chain of negative repercussions that would not serve the goal of restoration of international peace and security. The Kuwaiti Ambassador praised the US administration's position on this issue, especially what was said by US President Barack Obama when he denounced the plans of the church, describing the move as "destructive and dangerous" where it may give rise to a wave of violence, he added. Sheikh Salem added that the majority of Americans, media and American non-governmental organizations have expressed their displeasure towards such a step. In conclusion, Sheikh Salem requested on the behalf of the GCC countries to the US administration officials to take quick action to ensure respect for the Islamic religion and not to offend Muslims. He also called for immediate action in this regard to avoid any repercussions or consequences that may occur because of this serious matter.

Most Gulf countries celebrate Eid al-Fitr on Friday

Khaleej Times September-09-2010

Saudi Arabia, Egypt and Lebanon announced they would celebrate the Islamic holiday of Eid al-Fitr, marking the end of the fasting month of Ramadan, on Friday. In Saudi Arabia, seen as the beacon of Sunni Islam, the supreme court ruled that Thursday would be the final day of fasting, before the Eid celebration opens the new month of Shawwal, according to the announcement on the official SPA news agency. Until Wednesday's ruling, based on observing the progress of the new moon, it was not clear whether Eid would take place on Thursday or Friday. The holiday depends on the sighting of the moon, and can therefore be observed on different days around the world. Most of the Gulf countries follow the lead of Saudi Arabia, home to the two holiest cities of Islam Mecca and Medina, to set the day of the Eid feast. The celebration falling on Friday, the Muslim holy day, is considered especially auspicious.

GCC slams terror plot in Bahrain

Khaleej Times September-08-2010

Foreign ministers of the GCC have condemned attempts to undermine the security and stability of Bahrain and urged the UK and other countries to expel terror elements from its territories. Foreign ministers of the Gulf Cooperation Council have condemned attempts to undermine the security and stability of Bahrain and urged the United Kingdom and other countries to expel terror elements from its territories and not to allow them to indulge in subversive activities from their soil.

The 116th session of the Ministerial Council, attended by foreign ministers of the member countries here on Monday and Tuesday, reiterated its support to Bahrain which recently dismantled a terror network. The ministers pledged full support to any measures that Bahrain might take to confront the menace of terrorism. The ministers commended the speech of His Majesty King Hamad bin Isa Al Khalifa of Bahrain to the nation in which he reiterated the country's determination to march on the path of development and reform based on the values of Islam, which advocates tolerance, love, fraternity, mercy, peace and cooperation and moderation as well as his call to confront the menace of terrorism in all forms.

GCC welcomes peace talks relaunch

Gulf Today September-08-2010

Gulf Co-operation Council foreign ministers have said they “welcome” the relaunch of direct Israeli-Palestinian peace talks but warned that Israeli “acts of aggression” may compromise them. “The ministerial council welcomes...the resumption of direct Palestinian-Israeli peace negotiations...in hope that the talks (which were relaunched) in Washington will lead to... the establishment of an independent Palestinian state with east Jerusalem as its capital,” a statement said. But after a meeting in the Saudi Red Sea city of Jeddah on Monday night, the six ministers warned that “continuing acts of aggression” by Israel could “undermine efforts to restore peace and stability in the region.”

Palestinian President Mahmoud Abbas resumed direct negotiations with Israeli Prime Minister Benjamin Netanyahu in Washington on Thursday, 20 months after he broke them off when Israel launched a devastating offensive against the Hamas-ruled Gaza Strip. The Arab League gave its backing to the Palestinian president’s decision to relaunch the talks but last week the 22-nation bloc’s secretary general Amr Musa noted widespread pessimism in the region about their prospects.

GCC chief hails Riyadh, Doha over Gulf integration

Kuwait News Agency September-08-2010

Gulf Cooperation Council (GCC) Secretary General Abdulrahman Al-Attiyah said Riyadh and Doha are playing a vital role in the reinforcement and consolidation of Gulf integration at all levels. Al-Attiyah said in a release, handed out here late Tuesday, Saudi and Qatari leaders maintain coordination and consultation about all bilateral and regional issues of mutual interest. "They (Riyadh and Doha) are playing a vital and influential role in backing Arab and Muslim issues, chiefly the Palestinian one," he said. He hailed a recent meeting between Saudi King Abdullah bin Abdulaziz and Qatari Amir Sheikh Hamad bin Khalifa Al Thani in Riyadh as a "sign of close and firm brotherly relations between both countries' leaderships". He believed that such close ties greatly support brotherly cooperation between both brotherly nations, and deepen integration among the GCC member states.

Education Front

GCC education sector on upswing

Times of Oman September-16-2010

Gulf Cooperation Council (GCC) education industry is poised for an unparalleled and consistent growth propelled by increased private sector participation, rising education needs in the region as well as government initiative to improve the education system, according to an Alpen Capital (ME) report. Alpen Capital (ME) Limited yesterday announced the publication of its GCC Education Report as part of its Industry Research Services. Other recent reports from Alpen Capital have covered the GCC Takaful, retail, insurance, healthcare, cement and petrochemical industries. “The GCC Education Report focuses on the GCC education segment and factors that

drive revenue and earnings for the industry, as well as opportunities and challenges,” says Sameena Ahmad, managing director at Alpen Capital. She adds, “Through our GCC Education Report we have aimed at covering primary, secondary and tertiary education segments comprehensively.”

Education sector in GCC poised to boom

The Peninsula September-15-2010

The education sector in Gulf Cooperation Council countries (GCC) is on a growth trajectory. The total number of students in the region is set to grow at an compound annual growth rate (CAGR) of 1.8 percent and will reach 11.3 million in 2020 from 9.5 million in 2010. The number of tertiary students is expected to grow at a highest CAGR of 5.5 percent during the period. A GCC education report released by leading Corporate Advisory Service providers Alpen Capital (ME) here yesterday said the share of tertiary education students is expected to rise from 11 percent in 2010 to 15 percent in 2020. Private enrolment share is estimated to rise from 16 percent in 2010 to 19 percent in 2020 in the primary and secondary education segment.

Propelled by increased private sector participation, rising education needs and government’s proactive role in improving the system, the education industry is poised for an unparalleled and consistent growth, said Sanjay Vig, Managing Director at Alpen Capital.” The report sees a number of investment opportunities within the sector owing to the growing need for quality education and commitment by the governments,” he added. The report focuses on the GCC education sector and factors that drive revenue and earnings for the industry, as well as opportunities and challenges.

Economic Front

Plastics conversion market in GCC to reach 11%: Study

Saudi Gazette September-16-2010

The GCC accounts for just 2 percent of the global plastics conversion market, but annual growth is expected to reach 9 percent-11 percent, making it one of the fastest growing regions over the medium-term. In 2009, the GCC consumed about 2.5 million tpa of polymers, mainly in the packaging (45 percent) and construction (27 percent) markets, according to the plastics industry consultants Hipro Consultancy. With its broad plastics portfolio in the region, which will be expanded further when new projects come online, Saudi Arabia represents the most promising base for downstream conversion industries.

With diversification in mind, in July 2010, the Saudi Industrial Investment Group (SIIG) and CP Chem subsidiary Arabian Chevron Phillips (ACP) announced plans to diversify into downstream products, with investments of about SAR1.8bn (US\$ 480mn) from each partner. One of the projects will produce nylon-6,6, including adipic acid feedstock.

GCC unrated firms owe \$ 67b: Moody's

Gulf Today September-16-2010

Companies without ratings in Gulf Arab states owe more than \$ 67 billion and are likely to sell bonds, Islamic notes and structured-finance instruments to extend their debt maturities, Moody's Investors Service said. "The proportion of bank debt for unrated corporates is high," the rating company said in an e-mailed report on Wednesday. This "makes such corporates more likely to pursue debt funding as an alternative," it said. Short-term debt comprises 28 per cent of the total debt of unrated companies, Moody's said. The total debt for rated companies in six Gulf Cooperation Council states is \$ 145 billion, according to the report. Gulf companies delayed debt sales after global credit markets seized and companies, including state-owned Dubai World, Saudi Arabia-based Saad Group and Kuwait's Investment Dar Co. announced plans to restructure debt.

GCC major exporting region for fertilizers

Khaleej Times September-15-2010

Gulf Co-operation Council (GCC) states are a major exporting region for nitrogenous fertilisers, accounting for 16 per cent of the world's nitrogen exports and 18 per cent of the world's sulphur exports, according to recent statistics. It is these figures that have prompted the Gulf Petrochemicals and Chemicals Association (GPCA), in conjunction with British Sulphur Events, to organise the 'GPCA Fertiliser Convention', which takes place from September 28 to 30 at the Intercontinental Dubai Festival City Hotel. The event will bring senior executives from major fertiliser companies in the GCC and around the world to discuss the supply and demand dynamics of the fertiliser industry and the challenges of providing global food security. With the combination of population growth and the diminishing availability of arable land, the role of nitrogenous fertilisers in the production of food will remain crucial. The UN's Food and Agriculture Organisation has predicted that food production will need to increase by 70 per cent to feed an additional 2.3 billion people by 2050. The world fertiliser industry, along with others in the food production supply chain is working hard to meet this target and the GCC fertiliser producers will play a very important part.

GCC banks lagging behind European peers in serving customers: Experts

Arab News September-13-2010

While the global financial crisis has forced commercial banks in other parts of the world to close expensive branches and look for ways to cut costs, the focus in the UAE and Saudi Arabia has been on finding ways to grow in a high-potential burgeoning market, according to experts. "Consider that for every 17,000 people in Saudi Arabia there is only one bank branch. To put that in perspective, there are roughly 2,000 people per branch in most European countries," Julien Faye and Philippe De Backer in a report said.

"With such an underdeveloped banking sector, the challenge of attracting and retaining new customers – many of whom have never used a bank before – is central to bankers in the region. Banks looking to meet this challenge need to think through their expansion ambitions and plans on a number of fronts," Julien and Philippe, who represent Bain & Company based in the Middle

East, in report said. According to experts the first step is gaining a deep understanding of clients' behavior and needs. For instance, less sophisticated customers may find the vast array of product choices offered at many banks confusing. "Lacking an understanding of the benefits of basic banking services, they may not be inclined to respond to products and advertising campaigns that work in other markets. Banks also need to assess the degree to which potential customers require face-to-face service or are tech-savvy enough to transact electronically. Products, distribution channels and marketing tactics need to be adapted to these client needs," they added.

GCC officials to finalise customs union

The Peninsula September-04-2010

Senior officials from finance, foreign, trade and business ministries from the GCC states will meet in Jeddah on Monday to finalise the draft of law that seeks to legitimise the regional customs union. Imports coming from regions outside of the GCC will have to pay a uniform customs levy of five percent at the port of entry and all customs tariff and taxes on goods moving from one GCC country into the other will be exempted from any customs duty, surcharge or tax once the proposed law is brought into force.

Oil and Gas Front

Steady oil to keep GCC projects going

Khaleej Times September-10-2010

The fiscal surplus and expansion plans in GCC countries will remain unaffected as long as the average oil price stays above the prices considered in budgets, a top bank official said. "Most of the GCC budgets in current year have factored higher oil prices when compared to previous year. Oil market will not grow as fast as it would have done with more moderate prices," R. Seetharaman, Chief Executive Officer of Doha Bank, told Khaleej Times in an interview. He said oil prices are likely to maintain a steady trend this year. "The prices are range-bound at the moment due to strengthening of dollar and global slowdown."

SAUDI ARABIA

International Front

US says arms deals serve 'national interest'

Khaleej Times September-17-2010

Big arms deals to countries like Saudi Arabia and Israel are in the "national interest" of the United States as Washington seeks to keep the region stable and counter potential threats from Iran, a US diplomat said on Thursday. State Department spokesman Philip Crowley had no specific comment on what officials said this week will be the largest ever US arms deal, a 60-billion-dollar sale to Saudi Arabia of advanced warplanes and helicopters. Nor would he confirm comments from a US defence official that President Barack Obama's administration would formally notify Congress this week or next about the groundbreaking deal. "We provide

military resources, security assistance to a range of allies, from Israel to Saudi Arabia,” Crowley said. “It is in our national interest to do so, to maintain security and stability in the region.” Crowley said, “we do work closely with Saudi Arabia and other countries in the region to make sure that our allies and friends have the capability they need for their own security.” He added that Saudi Arabia and other countries “have very justifiable concerns about the emergence of Iran as a less than constructive actor in the region.”

Saudi deal could be first of more Gulf US arms pacts

Reuters September-16-2010

US arms manufacturers are capitalising on fears of war with Iran to sell more weapons to Saudi Arabia and other nervous Gulf Arab neighbours of the Islamic republic. US plans unveiled this week to sell Saudi Arabia up to \$ 60 billion in aircraft, helicopters and other arms could lead to the six Gulf Arab states spending as much as \$ 100 billion in the next few years to overhaul their armed forces, analysts say. European arms suppliers, less well established in the region, are likely to miss out on what promises to be a massive regional rearmament programme, the analysts say.

Unease on the Arab side of the waterway about the prospect of retaliatory strikes in the event of war is also drawing the countries, known as the Gulf Cooperating Council (GCC), closer together. Their top US ally looks set to benefit most. “The GCC need to work together, not just what they do, also training and building up manpower,” said Saudi political analyst Khalid al-Dakhil. “As individuals they can do nothing.” Riyadh and Washington, which formed seven decades ago a strategic relationship based on oil for security, share concerns over Iran’s nuclear program, fearing Tehran wants to develop nuclear weapons, a charge Iran charge denies. The arms deal, which top oil exporter Saudi Arabia yet has to confirm, would help Washington’s key Gulf Arab ally to counter Iran’s regional influence by giving it superiority over Iran’s air force, security experts say.

Saudi steps up aid to citizens displaced by Yemen war

Reuters September-15-2010

Saudi Arabia will step up aid to citizens who were displaced from areas bordering Yemen during heavy fighting with Yemeni Shia rebels last year, the ministry of finance said on Tuesday. The move was announced after Saudi newspapers carried reports of citizens in the relatively poor Jizan province complaining of hardship and poor housing conditions after they had to abandon their villages during the conflict last year. Thousands of Saudis were displaced from the border after the army started a campaign in November against what it said were intrusions by Yemeni Shia rebels who were accusing Riyadh of letting Yemeni troops use its territory to attack them. At least 113 Saudi soldiers were killed in the fighting which ended with a truce in January. The Yemeni government reached its own ceasefire deal with the rebels a month later, bringing to an end the sixth round of intermittent fighting since violence in northern Yemen first flared up in 2004.

The displaced families would get up to 70,000 riyals (\$ 19,000) annually to buy food, housing and clothing, the finance ministry said on its website. Up to 900 million riyals worth of aid have

been given to the displaced since the start of the conflict last year, the ministry said. Saudi Arabia's southwestern province Jizan along the porous border with Yemen is one of the kingdom's poorest, with some inhabitants relying on smuggling for their subsistence. Analysts say unemployment there is higher than last year's national average of 10.5 percent. Most displaced are living in hotels or a camp paid for by the government and have now been given an extra month to find new housing beyond the original deadline in September, the ministry said.

US plans massive arms sale to Saudi

Agence France-Presse September-14-2010

The United States plans to offer Saudi Arabia 60 billion dollars' worth of hi-tech fighters and helicopters to help counter the threat posed by Iran, in the largest ever US arms deal, officials said on Monday. A senior defence official said President Barack Obama's administration would formally notify Congress this week or next about the groundbreaking deal, which follows months of talks with the Saudis, who are increasingly anxious about Iran's missile arsenal. "If you look at the kingdom, the major threat that they face in the region emanates from Iran," the official, who spoke on condition of anonymity, told reporters. "And this gives them a whole host of defensive capabilities to defend the kingdom and deterrence capabilities."

US officials see the package as underscoring the strategic alliance between the two countries, despite serious strains over Middle East diplomacy and the aftermath of the September 11, 2001 attacks. "The (Saudi) king sees this as very symbolic of the relationship we have with him and the kingdom," the official said. In its notification to Congress, the administration will authorize the Saudis to buy as many as 84 new F-15 fighters and upgrade 70 more, as well as three types of helicopters — 70 Apaches, 72 Black Hawks and 36 Little Birds.

Saudi King's camp for sheltering victims of floods opens in Pakistan's Sindh province

Saudi Press Agency September-13-2010

Saudi Ambassador to Pakistan Abdulaziz Bin Ibrahim Al-Ghadeer inaugurated in southern province of Sindh on Saturday the Camp of the Custodian of the Two Holy Mosques for Sheltering People Affected by Floods in Pakistan. The camp site is located next to the Saudi field hospital. Ambassador Al-Ghadeer said that the camp is sheltering 500 families and providing relief materials until the end of the period of urgent relief, noting that the camp is an extension of Saudi land-route convoys, which began transfer of their consignments last week under the title of '1000 trucks for two million affected people in Pakistan'.

'World media deliberately underplays Saudi's achievements'

Khaleej Times September-13-2010

The world media should focus on the progress taking place in Saudi Arabia in all walks of life, instead of trying to portray the country in a negative light, Makkah Governor Prince Khaled Al Faisal has said. "The development achieved by the Kingdom in a short span of time is unprecedented in history," he told guests who visited him at his home on Friday night to convey their Eid greetings. Prince Faisal said that most of the media, particularly the international Press,

looks only at the negative aspects and does not delve deeper to see the reality and convey it to the readers and viewers.

“If we look at the education sector in the Kingdom we see a big difference between what is happening now and the situation in the past. We have built universities and educational institutions which are almost unparalleled in the world,” he said. Prince Faisal said the media continues to do injustice to the Saudi citizens by portraying them as naive and stupid. “The media coverage of the Kingdom is not objective at all,” he added. He said the Saudi leadership was giving maximum attention to the two holy cities of Makkah and Madinah and was keen on the welfare and prosperity of the residents. He said the Custodian of the Two Holy Mosques King Abdullah had ordered a study so as to chalk out solutions to the transport problems in Makkah.

Saudi King, Karzai discuss ways of enhancing relations

Saudi Press Agency September-11-2010

Custodian of the Two Holy Mosques King Abdullah bin Abdulaziz Al Saud received today a telephone call from President Hamid Karzai of Afghanistan who congratulated the King on the blessed Eid Al-Fitr. For his part, the Custodian of the Two Holy Mosques expressed thanks to and appreciation of President Karzai for his noble feelings, wishing the Islamic and Arab nations steady progress and prosperity. They also discussed ways of enhancing relations between the two countries in all fields.

Close ranks to preserve unity: King Abdullah

Arab News September-10-2010

Custodian of the Two Holy Mosques King Abdullah and Crown Prince Sultan, deputy premier and minister of defense and aviation, on Thursday urged Muslims all over the world to stand united on the basis of the Qur'an and Sunnah. In a joint Eid Al-Fitr message to the nation that was read on Saudi radio and television by Culture and Information Minister Abdul Aziz Khoja, King Abdullah and Prince Sultan also called upon rich Muslims to support and sympathize with their less fortunate brethren. “We are now bidding farewell to the blessed month of Ramadan after the Almighty honored us to fast and pray during the month. We hope we were successful in making use of the blessed days and nights to establish closer relations with God,” the message said. Abdullah and Sultan emphasized the importance of the fasting month of Ramadan. “This annual occasion offers Muslims a great opportunity for retrospection and self evaluation and strengthening their mental capabilities to engage in righteous activities.”

Negotiations under way to let EgyptAir jets land in Madinah

Arab News September-08-2010

Egyptian aviation authorities have urged their Saudi counterparts to allow EgyptAir planes to land at Prince Muhammad bin Abdul Aziz Airport in Madinah. The airline's regional director Samir Imbabi is heading a delegation that is negotiating with the Kingdom to allow them to transport 70,000 pilgrims from Egypt during the upcoming Haj season. He said he presented

Saudi civil aviation authorities with a plan under which EgyptAir would operate 317 flights, 181 of them to Jeddah, 107 to Madinah and 29 to other destinations.

Imbabi described talks as positive so far and said there would be more negotiations over the next few days to reach an agreement, particularly as Haj flights are subject to their own set of air transport agreements. He praised the level of cooperation from Saudi Arabia. The Saudi civil aviation authorities banned EgyptAir flights to Madinah during the last Haj season, forcing the airline to land at Jeddah and transport pilgrims by bus to Madinah.

Naif, Indian envoy review cooperation to combat terror

Saudi Gazette September-06-2010

Prince Naif Bin Abdul Aziz, Second Deputy Premier and Minister of Interior, received here Saturday Talmiz Ahmad, Indian Ambassador to the Kingdom. They reviewed aspects of security cooperation between the Kingdom and India notably in the field of combating terrorism and narcotics. Meanwhile, Prince Naif also received Saudi ambassadors-designate to a number of friendly and fraternal countries. The ambassadors included Abdel-Majeed Hakeem, Waleed Ridwan, and Hussein Assiri, the ambassadors designate to Kazakhstan, Poland and Mexico respectively.

Prince Naif urged the ambassadors to shoulder their responsibility in a satisfactory manner noting that the Kingdom's constitution is based on the Holy Qur'an and Sunnah (the Prophet's teachings). Prince Naif underscored the importance of giving utmost attention to the problems of the citizens abroad and exerting all possible efforts for solving these problems. He reiterated the readiness of the Interior Ministry to cooperate with the ambassadors as regards solving problems of the citizens because the ministry was keen on ensuring the safety and security of the citizens.

Qatar Premier meets Saudi king

Gulf Times September-04-2010

The Custodian of the Two Holy Mosques King Abdullah bin Abdulaziz al-Saud, of Saudi Arabia, received HE the Prime Minister and Foreign Minister Sheikh Hamad bin Jassim bin Jabor al-Thani in Makkah yesterday evening. The Prime Minister conveyed the greetings of HH the Emir Sheikh Hamad bin Khalifa al-Thani and his wishes of good health and happiness to King Abdullah and his wishes of further progress and development for Saudi people. During the meeting bilateral relations and a number of regional and international issues of mutual concern were discussed. King Abdullah hosted an Iftar banquet in honour of the Prime Minister and his accompanying delegation.

Social Front

Riyadh residents call for urgent steps to contain rising crime

Arab News September-14-2010

Security forces in Riyadh have been undertaking a Herculean task in maintaining law and order in one of the fastest growing Arab capitals. It has become virtually a big headache for police to contain the rising tide of crime. The main challenge facing the security forces in these crime-ridden districts is lack of manpower and resources. There are only a few police stations and pickets in these districts. Subsequently, there has been a surge in crime. Residents, fed up with rampant crime, have urged the authorities to take strict action to crack down on criminal gangs as well as to beef up security surveillance.

People of these districts, both citizens and expatriates, are wondering why the authorities don't pay any heed to their demand to enhance security in their areas with opening more police stations and aid posts. Speaking to Al-Riyadh Arabic daily, they also underlined the need to give more executive powers and facilities for district chiefs (umdahs).

Naif underlines need to support the poor

Arab News September-13-2010

Second Deputy Premier and Minister of Interior Prince Naif has commended the services rendered by security officers and government agencies for the millions of pilgrims who came to perform Umrah during the holy month of Ramadan. Addressing a group of citizens who came to greet him on the occasion of Eid Al-Fitr at his office in Jeddah, Prince Naif emphasized the need for helping the poor and needy. "Social support and giving to those in need should be the hallmark of every citizen," he said.

Prince Naif extended Eid greetings to Custodian of the Two Holy Mosques King Abdullah, Crown Prince Sultan, deputy premier and minister of defense and aviation, and Saudi citizens across the country. "I take this opportunity to thank all those who served the guests of God in Makkah and Madinah and on their way to the holy cities," the minister said.

Recreation programs for women planned in Saudi Arabia

Arab News September-10-2010

A number of recreational programs for women will be organized in Riyadh, including five dramas, to mark Eid Al-Fitr. Some of these Eid programs will be held at Princess Nourah bint Abdul Rahman University. The dramas organized by the Riyadh municipality will focus on the situation of Saudi women and their contributions to social service, the municipality said. A drama titled "Banat Fatima" (Daughters of Fatima) will be staged at King Fahd Cultural Center while another drama named "Bidaa Ala Al-Raseef" (Goods on the Sidewalk) at Dar Al-Uloom Girls School.

Another drama titled "Haala wa Halalah" will be staged at Al-Hokair Recreational City. Other dramas will be held at Prince Salman Social Center ("Hosha Nawaem"), King Abdul Aziz

Historical Center (“Al-Ajaza”) and Disabled Children’s Association (“Ribh Yarjie Khasara”). Naela bint Abdul Rahman Al-Daihan, vice president for social service at Princess Nourah University, said the university would hold a number of recreational programs for families of prisoners and inmates of orphanages and old age homes.

New choppers boost Civil Defense service: Saudi Arabia

Arab News September-09-2010

The Interior Ministry has provided Civil Defense with the most advanced helicopters available in the world, said Maj. Gen. Muhammad Al-Harbi, commander of Civil Defense. Speaking to Arab News, he said the newly purchased helicopters are designed to fly in any weather conditions. “They are also equipped with thermal cameras,” said Al-Harbi. The new Sikorsky S-434 helicopters are used for different purposes such as reconnaissance and training while S-76 helicopters are used for search, rescue, first aid and firefighting and S-92 for support services.

The S-434 helicopter introduces a whole new level of flight performance. With a four-bladed rotor system, increased power and a larger fuel tank, the S-434 helicopter can fly farther and faster while having a larger useful load than its predecessor. “All these advanced helicopters have been provided with necessary equipment to carry out the required missions such as firefighting and rescue operation,” the general pointed out. “We also have trained medical personnel to provide first aid services,” Al-Harbi said, adding that they would be equipped with artificial respiration systems, electric shockers and other medical devices.

Education Front

90% of Saudis satisfied with higher education standard: Survey

Saudi Gazette September-15-2010

A poll of 1,600 Saudi graduates with bachelor’s degrees or higher found that 90 percent of them are satisfied with the quality of higher education in the Kingdom. The poll conducted by Bayt, a popular job-search website based in Dubai, found that 22 percent of respondents were very satisfied with the standard of higher education, 35 percent were satisfied, 33 percent were satisfied to some extent, nine percent were dissatisfied and three percent were totally dissatisfied. The opinion poll showed that 16 percent of the graduates believe their education has contributed greatly in their employment while six percent said it has had no impact.

Top career fields available for graduates include 25 percent in the banking sector and 18 percent in oil and petrochemicals while the lowest, seven percent, is in management consultancy, according to the survey. Survey-takers said the most attractive sectors include banks, at 23 percent, and information technology, at 19 percent. Least attractive is the electronics sector, at 11 percent. The study suggested that four out of every 10 respondents found a job within three months after graduation and 77 percent expressed a readiness to change their job if they can find a better position.

Saudi King approves Higher Education Council's decision

Saudi Press Agency September-09-2010

The Custodian of the Two Holy Mosques King Abdullah bin Abdulaziz Al Saud, the Prime Minister and Chairman of the Higher Education Council (HEC) has approved HEC's decisions including educational space transmission rights, establishment of Arabic Language Institute for non-Arabic speaking male students, a similar institute for female students, the merger of some post-graduate departments, restructuring of some colleges in addition to the setup of new departments, deanships and agencies in some universities. In a statement, the Minister of Higher Education Dr. Khalid Al-Anqari thanked the monarch for his approval, considering it a step to upgrade higher education towards ideal future planning in the service of the nation and citizens. Al-Anqari explained that, according to the space transmission new regulation, each educational institution will have the right to use sole rights to transmit special programs within its academic liability.

Economic Front**SR700m Zamzam water project inaugurated**

Khaleej Times September-05-2010

Custodian of the Two Holy Mosques King Abdullah bin Abdulaziz of Saudi Arabia inaugurated the SR700 million King Abdullah bin Abdulaziz Zamzam Water project in the holy city of Makkah on Friday. The project, located in Kuday District (some 4.5km from the Haram), is aimed at maintaining the purity of Zamzam water using the latest technology in water treatment and distributing it in an automated manner. It will purify five million litres of Zamzam water every day through two main purification lines, each using a number of filters besides one sterilisation unit. Minister of Water and Electricity Al Hussayen said 10 million litres would be stored in a tank, from which water will be pumped to the Grand Mosque through four stainless steel pipes, each with a diameter of 200 millimetres.

He said another two million litres would be pumped every day to a nearby factory, which will package the water. The station has buildings containing reserve electricity generators that produce 10 megawatts of power. "It also incorporates the latest technology to monitor the purification process from the moment water is pumped out of the well to when it is packaged in containers. It has air cooling, early warning, smoke detecting and sprinkler systems," Al Hussayen said.

Saudi banks top GCC financial health chart

Arab News September-15-2010

Saudi Arabia's banking system has topped the financial health chart in the GCC and showed more resilience to the consequences of the financial crisis than its peers in the GCC region, thanks to the prudent regulations of the Saudi Arabian Monetary Agency (SAMA) and the well diversified loan portfolio of local banks, KIPCO Asset Management Company (KAMCO) said in its GCC Banking Outlook issued on Tuesday. The report said the Saudi banks remained adequately capitalized throughout the crisis period.

"The banking loan portfolio is well diversified with respect to the private sector with loans to the commerce sector accounting to around 24 percent of total loans while manufacturing and processing sector contributes to around 10 percent of banks' loan portfolio as of March-10. However, miscellaneous loans which correspond in large part to personal loans and loans to high net worth individuals and lending to equities constitute around 40 percent of Saudi banks' loan portfolios," it said.

Saudi looks to dates trade to enliven its remote town

Gulf Times September-14-2010

In a far-flung corner of Saudi Arabia, a dusty town where life is harsh hopes to turn itself into a new trading hub for an ancient desert commodity: the date. Officials hope that expanding the palm date trade in Buraidah, which lies in the remote inner province of Qassim, will help improve the economy of a region less developed than other parts of the world's biggest oil exporter. "The date market has a huge importance for the region and helps Saudi young people to find jobs," said Khaled al-Qaidat, a local official who is overseeing the market's expansion, as farmers unloaded their dates from pickup trucks for auction. Saudi Arabia's unemployment rate hit 10.5% last year and regions such as Qassim have few industries offering jobs. Finding jobs for the fast-growing native population of 18mn is a key challenge for the kingdom's leaders.

Inflation rises to 6.1pc in Saudi Arabia

Gulf Daily News September-09-2010

Saudi Arabian inflation accelerated for a seventh month to reach 6.1 per cent in August as the costs of food and rent rose. Consumer prices increased 0.6pc from July, the state-run Saudi Press Agency said on its website yesterday. Rent, fuel and water prices gained an annual 8.9pc while the costs of food and drinks rose 8pc, SPA said. The central bank in Saudi Arabia said last month that it expects inflationary pressures to persist in the third quarter as growth accelerates. The government is forecasting economic expansion of more than 4pc this year after growth of 0.6pc in 2009. Accelerating inflation since late 2009 doesn't warrant a "different course of action" in monetary policy, central bank governor Mohammad Al Jasser said in May. The central bank cut the repurchase rate to 2pc last year, the lowest since 2004, and the reverse repurchase rate to 0.25pc.

Saudi awards \$ 2.44 bln power plant deal

Reuters September-08-2010

Saudi state-owned Saline Water Conversion Corp (SWCC) has awarded a \$ 2.44 billion power plant contract to a group led by China's Sepco III Electric Power Construction Corp, an industry source said on Tuesday. The group, which includes Saudi Arabia's Al-Arrab Contracting Co, will build a 2,400 megawatt (MW) plant that will be integrated with a water desalination facility in Ras Azzour, on Saudi Arabia's Gulf coast. Sepco III and Al-Arrab's bid was the lowest. "A letter of award has already been sent to them and the contract will be signed soon," the source who declined to be identified said. A SWCC spokesperson could not be reached for comment. Last week, South Korea's Doosan Heavy Industries and Construction Co Ltd said it had won a \$

1.46 billion contract to build the desalination plant. The plant, expected to be the world's largest when it comes on stream in 2014, will produce 1.025 million cubic metres of desalinated water per day.

Pilgrims complain of unaffordable rents in Makkah

Zawya September-08-2010

A large number of Umrah pilgrims, including Saudis, say they are forced to spend their nights in the courtyards of the Grand Mosque because of extortionate room rates in Makkah during Ramadan. The daily rent for ordinary rooms has risen to SR4,000 in Makkah during the last 10 days of Ramadan, Al-Eqtisadiyah daily reported on Monday. "My family and I spent the night in the courtyard because the room rents are very high. Actually, we came here with the intention of spending a week in the holy place. But since I cannot afford the exorbitant rent rate, I decided to spend one day here and return home," said one Saudi man who was in the holy city with his wife and children.

There are many foreign Umrah pilgrims who also spend nights in the Grand Mosque because they cannot afford to stay in a room. Room rates began to shoot up when thousands of buildings were demolished for the expansion of the courtyards and other construction work in locations close to Grand Mosque. Another reason for the hikes is the increasing number of pilgrims going to Makkah during Ramadan.

Oil and Gas

Saudi Aramco to focus on oil recovery, unconventional gas

Saudi Gazette September-16-2010

Saudi Aramco is planning one of its most ambitious spending efforts in the petroleum industry to meet rising energy demands, its chief executive said in Canada. Khalid Al-Falih, president and chief executive officer of Aramco, told the World Energy Congress in Montreal that a pragmatic approach to energy was needed to address the expected increase in global energy demands. He said global progress and development meant that more people would need more energy. "Consequently, we will have to meet the world's increased energy needs and do so in the most responsible manner," he said. Despite the move toward renewable resources like wind energy, Falih said the world would continue to rely on fossil fuels to power economic development.

With this in mind, the chief executive said his company was planning to spend lavishly to develop the energy that the world needs for sustainable development. "Over the next five years, we are undertaking perhaps the most ambitious capital program in the petroleum industry, with an increasing proportion of those funds directed to the gas and downstream oil sectors," he said.

'Saudi Arabia has reserves for over 80 years'

Oil era is far from over. The global energy mix would continue to be dominated by fossil fuel, for many more decades to come. Yet in order to be able to cope with the challenge of the growing energy demand, fueled by growing prosperity, proper incentives and right environment

to attract investments in the sector are a must, speakers on the first day of the 21st World Energy Congress emphasized.

At current production rates, Saudi Arabia has reserves for more than 80 years of sustained production, Khalid A. Al-Falih, the President and the CEO of Saudi Aramco, reassured the world. He further added that Aramco's capability went even beyond, as it was expecting to increase its current reserves of 260 billion barrels by an additional 40 percent and was endeavoring to raise the rate of recovery from its major existing fields to 70 percent — twice the world average. However, warning the global energy leaders of the discriminating against select energy resources, Al-Falih questioned the very logic of almost four-and-a-half percent per year on average growth in the global coal consumption in this decade as against just one-and-a-half percent growth in oil consumption during the same period.

This was all the more beyond common logic especially since attention to climate change and global warming was on the increase, Al-Falih underlined in a characteristic blunt manner. And he had a point. With two billion people with no access to modern forms of energy and while another two billion only enjoying limited access, the world needs lot more energy than is available today. And selective discrimination against oil — hurts this global objective. Changing life styles and the addition of yet another two billion people by the middle of the century meant the world would continue to rely on traditional fossil fuels for most of its energy needs for the coming decades. The contribution of the alternatives, will grow — albeit slowly — he argued and in absolute terms, the demand for fossil fuel would only go up. However, the selectivity against oil may thwart investments in the sector, the Aramco CEO hinted in a rather oblique manner. Saudi Aramco has also allocated hundreds of millions of dollars to a CO2 enhanced oil recovery demonstration project that could boost oil production by injecting into the reservoir CO2 that otherwise would have been emitted into the atmosphere. “This technology not only protects the environment through carbon capture, but also boosts energy by enhancing ultimate recovery rates from (existing) oil reservoirs,” the Aramco CEO said underlining a win-win strategy.

UAE

International Front

UAE, UK list steps to cement ties

Khaleej Times September-17-2010

The UAE-UK Taskforce held its second meeting at the Foreign Ministry in Abu Dhabi on Thursday. The meeting was chaired by Dr Anwar Gargash, UAE Minister of State for Foreign Affairs, and the UK delegation was led by Alistair Burt MP, Minister for the Middle East and South Asia at the UK's Foreign and Commonwealth Office. The taskforce was established in July following the visits of British Prime Minister David Cameron to the UAE, and UAE Foreign Minister Shaikh Abdullah bin Zayed Al Nahyan to the UK, with the intention of further strengthening the ties between the two countries. The taskforce members noted that strong historical links and shared values between the UK and the UAE provided an excellent foundation for cooperation, and agreed that the taskforce should build on these to deliver concrete and mutually beneficial objectives.

The taskforce agreed on a range of areas in which the two countries would look to extend and deepen cooperation over the next 12 months, including defence and security; trade and investment; energy and climate change; international development; culture, education, health and sport; and consular relations.

UAE among top nations for employment in ME

Khaleej Times September-17-2010

The UAE has become the preferred employment destination after Saudi Arabia and Qatar, according to a survey. The Bayt Middle East Job Index states that of the 2,763 respondents across the region, 46 per cent voted for Saudi Arabia, while the UAE was a close second with 44 per cent. The preferred status for the UAE is the result of a cosmopolitan work culture, better salary structures and career opportunities, the survey found. Taking this positive outlook ahead and gearing up the region for more innovative human resource practices (HR), Chester Elton, a leading leadership and HR guru, will be exclusively presenting to companies across the UAE 'The Carrot Principle' and 'The Orange Revolution' concepts. Both these strategies focus on the 'employee' and what does it take by organisations today to retain and employ the right candidates.

"Companies need to be futuristic in their view of HR departments, as good HR professionals, will be consultants to leaders in the future. It is all about the right people at the right place. Therefore, the three areas of focus for a company should be appreciation, communication and alignment of employees," said Elton, who is conducting a one-day seminar at the 7th Annual Middle East HR Summit.

Austrian President hails UAE-Austrian relations

Emirates News Agency-WAM September-17-2010

President of Austria Dr. Heinz Fischer has applauded the relations between the UAE and Austria, describing them as 'excellent'. Speaking to Emirates News Agency (WAM) in an interview held at the sideline of a dinner hosted by the Austrian president in honour of Muslims on Eid Al Fitr, he said "We and the UAE know each other for long time as the visits have been exchanged at different levels. There is also growing economic cooperation. We also commend the UAE's balanced stance on many international issues. Hence, I warmly greet the UAE people on the advent of Eid Al Fitr".

Fischer said Austria like many other European countries faced the economic difficulties last year, but today Austria economy is witnessing growth, citing that the economy will grow by 2% in 2010. "We are proud that Austria has the least percentage of unemployed people." He noted that the ceremony hosted in honour of Muslim community representatives in Vienna, reflects mutual understanding and readiness to discuss issues of peaceful co-existence and tolerance.

UAE calls for global body to handle disasters

Khaleej Times September-16-2010

The UAE has called for the need to set up an international body based on inter-parliamentary cooperation to meet large-scale emergencies such as the one in Pakistan now. At the Federal National Council's (FNC) 13th session, the members moved the motion for a request to be made to include the issue on the agenda of the International Parliamentary Union (IPU) conference in Geneva from October 4 to 6. Abdul Aziz Al Ghurair, Speaker of the Federal National Council (FNC) and Chairman of the 13th session of the Parliamentary Union of the OIC Member States said the Arab and Islamic parliamentary groups will hold a series of coordinating meetings to support the UAE's proposal for the IPU conference.

Sharjah sends consignment of relief goods to Pakistan

Khaleej Times September-14-2010

The first consignment of a large quantity of relief material donated by His Highness Dr Shaikh Sultan bin Mohammed Al Qasimi, Supreme Council Member and Ruler of Sharjah was dispatched to three flood-hit areas in Pakistan on Monday. The massive amount of relief goods, worth millions, have been provided by Dr Shaikh Sultan as a humanitarian gesture towards the thousands of people who have been affected by the floods in Pakistan and have been packaged by the Youth Club of Pakistan, a wing of Pakistan Association-Dubai (PAD). The relief operation is currently underway at the Sharjah Expo Centre. PAD has already dispatched 40 containers of relief goods worth millions among the flood-hit people in different parts of the country. Chairman of the Sharjah Government's Finance Department, Shaikh Mohammed bin Saud bin Sultan Al Qasimi, along with other officials visited the Sharjah Expo to see off the shipment.

Fayyad lauds UAE's sustained support for Palestinian people

Emirates News Agency-WAM September-13-2010

Palestinian Prime Minister Dr. Salam Fayyad praised the UAE yesterday for its continuous support for the Palestinian National Authority (PNA) which he put at US\$ 42 million. "The assistance demonstrates the incessant support the sister UAE is delivering to the PNA to enable it meets its required obligations towards needs of our people, Fayyad said in a statement today. The Palestinian premier expressed the profound gratitude of the PNA to the president, government and people of the UAE for the fraternal grant and its persistent support for the Palestinian people.

Khalifa exchanges Eid greetings with world leaders

Khaleej Times September-10-2010

The President, His Highness Shaikh Khalifa bin Zayed Al Nahyan, and President Mohammed Hosni Mubarak of Egypt exchanged over a telephone call on Wednesday night best wishes on the advent of Eid Al Fitr. Shaikh Khalifa and the Amir of Kuwait, His Highness Shaikh Sabah Al Ahmed Al Sabah, also exchanged Eid greetings over the phone on Wednesday night. The President on Thursday received a telephone call from King Abdullah II of Jordan. During their telephonic conversation, Shaikh Khalifa and King Abdullah exchanged greetings on the occasion of Eid Al Fitr.

UAE Relief Force continues humanitarian efforts in Punjab

Emirates News Agency-WAM September-09-2010

The UAE Relief Force of the UAE Armed Forces have continued humanitarian rescue efforts in the areas submerged by floods to rescue people in Punjab Province, especially in the intractable areas. The force conducted an aerial bridge to get relief aid to the displaced who lost everything and expose to contagious diseases. Meanwhile the UAE medical team have moved to work in bumpy areas in the middle and south of Punjab province in the light of report prepared by the relief force. Commander of the UAE Relief Force told Emirates News Agency (WAM) that the medical convoy will move today to four sites on land or by air. He stressed that the UAE will do whatever it takes to ease the suffering of people and better their living conditions.

He noted the UAE coordinates efforts with the Pakistani Army Units to get humanitarian aid to the displaced people, adding that over four million people in those areas lack shelters and depend on aid for food indefinitely.

Social Front**Eid fervour grips UAE**

Khaleej Times September-10-2010

The country celebrates Eid Al Fitr today with special fervour and joy marking the end of the period of fasting during the holy month of Ramadan. Last evening after the firing of the cannons signalled the time for peace, prosperity and a global togetherness the city was out in the souks and malls readying itself for making Friday memorable. There was a palpable sense of festivity and though the authorities had cracked down on the use of fireworks and the sky was largely silent the warmth and affection for even strangers as they greeted one another was tangible. Jewellery outlets saw business rising exponentially as husbands happily surrendered to the whims of their wives and children prepared for a great family reunion after the Eid prayers this morning.

The mood was so obviously upbeat and a cross-section of residents who spoke to Khaleej Times in the late evening voiced three common sentiments that no one can cavil with. They wanted global peace, they hoped most eloquently that the year ahead would be positive and full of promise and they believed that the tomorrows would bring and end to acrimony and divisiveness across the spectrum.

UAE Nuclear Reactor Work to Start in December

Qatar News Agency September-06-2010

Work on the UAE's \$ 20-billion four nuclear reactors will start in December this year, according to the Korean consortium which won the deal last year. Korea's state-controlled Korea Electric Power Corp. (Kepeco) won the deal to build nuclear reactors in December 2009. The first of the 1,400 megawatt reactors in Braka, some 270 kilometers west of Abu Dhabi, will come online in 2017, with the others following by 2020, The Korea Time reported on Sunday, quoting unnamed Kepeco official. "Both sides have agreed on holding a groundbreaking ceremony within this

year," said the official. "We will be able to complete construction of the first reactor by 2017 if there are no major problems," it said.

Kepeco will take on the full scope of works and services, including engineering, procurement, construction, nuclear fuel, and operations and maintenance support, according to the UAE-based (Emirates Business). It will be assisted by its own subsidiaries and the other consortium members: Hyundai Engineering & Construction., Samsung C&T Corp., Doosan Heavy and Engineering, Korea Nuclear Fuel, the Korea Hydro & Nuclear Power, the US firm Westinghouse Electric Co., and Japan's Toshiba Corp., Korea Time said.

UAE ranks 4th in reliability of police services

Khaleej Times September-05-2010

The United Arab Emirates has become the world's 4th best country in terms of reliability of police services, an international report said. According to the Global Enabling Trade 2010, released by the World Economic Forum, the UAE came among the top 20 countries in the Enabling Trade Index, leading the region at a very strong 16th position, ahead of the United Kingdom, Chile, and the United States. The UAE also achieved the distinct advantage, ranking 4th in the high levels of physical security. It measures levels of violence in each country, including crime rates and threats to security.

Deputy Prime Minister and Interior Minister Lt-General Shaikh Saif bin Zayed Al Nahyan described the achievement as an "outcome of the wise policy of the country's leadership and the strategies of the federal government". "This ranking is a fruit of the unlimited and continuous support by the President, His Highness Shaikh Khalifa bin Zayed Al Nahyan, His Highness Shaikh Mohammed bin Rashid Al Maktoum Vice-President and Prime Minister of the UAE and Ruler of Dubai, and General Shaikh Mohammed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces."

Economic Front

Suwaidi stresses cooperation among Arab CBs

Gulf Today September-17-2010

UAE Central bank Governor Sultan Bin Nasser Al Suwaidi reiterated the importance of cooperation among the Arab countries in various fields. In a statement on the sidelines of the 34th meeting of the governors of Arab Central Banks and Monetary agencies currently under way in Libya, Al-Suwaidi also stressed the importance of these meetings as they discuss various economic and financial issues concerning the Arab world. Underlining cooperation among the Arab central banks, Al Suwaidi asserted UAE's support to all joint Arab projects.

UAE gasoline price hikes boost fuel flows from Oman

Reuters September-16-2010

Gasoline price hikes in the UAE have boosted sales in neighbouring Oman this year as motorists cross the border to fill up on cheaper fuel, and some have begun to resell it to UAE firms. "We

make about 12 trips a week up and down. We buy 500 litres at a time and carry it over to the UAE to sell to transport companies, construction and local car rental companies,” an oil trailer tanker driver told Reuters. “They have a fleet of service vehicles and they get cheaper petrol from us. We can’t buy more than 500 litres a time because the border people may get suspicious.” Governments across the world’s largest oil exporting region have long subsidised prices at the pump in an effort to cut living costs for residents and encourage economic growth regardless of fluctuations on the global energy markets. But the UAE, the world’s third largest exporter of crude oil, began this year to phase out gasoline subsidies, which cost hundreds millions of dollars a year. UAE gasoline prices have risen 26 per cent since April, when the government introduced the first of two price hikes imposed so far. Neighbouring Oman has kept its fuel subsidies unchanged.

Opec ensures oil market stability: UAE

Khaleej Times September-15-2010

The Organisation of Petroleum Exporting Countries has managed to ensure enough oil supplies that meet world demand and help stabilise international oil markets and the world economy, UAE Minister of Energy Mohammed bin Dha’en Al Hamili said. “With its bright history and global heavyweight status, Opec will always remain a key factor in protecting gains of its member states and a major stabilising factor in global economy.” In a statement to mark the 50th anniversary of the oil group, Al Hamili said the UAE has always been advancing Opec’s message to deliver balance and stability in the world economy. “Throughout five decades, Opec has been following the open-door policy through continuous dialogue and meeting with non-Opec producers and consumers,” he said. Ali Al Yabhouni, the Opec governor for the UAE, said earlier this week that the UAE believes that Opec has successfully balanced the oil market at a price level that accommodates world economic growth.

Dubai World deal to help Dubai upgrade sovereign rating: IMF

Emirates 24/7 September-15-2010

A major debt restructuring deal finalised by Dubai World and its creditors will restore confidence to the emirate’s economy and allow it to get better sovereign rating, a senior IMF official said in remarks published on Wednesday. Masoud Ahmed, Director of the Middle East Department, at the Washington-based International Monetary Fund, said the agreement would prompt the IMF to revise its economic forecasts for Dubai and the whole UAE. “I believe this agreement (to restructure \$ 24.9 billion ([Dh91.4bn] debt) means an end to the state of uncertainty that has prevailed over the past period...it will allow the relevant parties to realise the positive impact on their accounts,” Ahmed told the UAE Arabic language daily 'Al Khaleej'.

“The agreement will also bolster confidence and give a push to economic activities in the emirate, including construction and real state...it will also pave the way for the improvement of credit rating environment and the upgrading of sovereign ratings for Dubai and the UAE as a whole.”

UAE economy set to hit Dh1tr

Khaleej Times September-14-2010

Propelled by high oil prices, the UAE economy is poised to hit an all-time high of Dh1 trillion in 2010 and will continue to grow further in 2011, Economist Intelligence Unit, or EIU, said in its latest forecast. The UAE will be able to reinforce its position as the second largest Arab economy after Saudi Arabia and the second in terms of GDP per capita income, said a report by EIU, part of the London-based Economist Group. High oil prices, hovering around \$ 80 per barrel, have a significant impact on the country's GDP growth, as oil sector makes up close to 30 per cent of the UAE economy. The EIU's trillion-mark GDP projection for the UAE is based on an anticipated nominal gross GDP surge of 9.3 per cent this year compared to Dh914.3 billion in 2009 when the country's economy contracted by 11.9 per cent in nominal terms amid a global economic meltdown. In 2007 and 2008, the UAE's nominal GDP leaped by 22 and 36 per cent, respectively.

UAE excels in global ranking

Khaleej Times September-09-2010

The UAE enjoys the company of an elite group of countries in the category of the third and most advanced stage of 'innovation-driven economies' in the world for the second consecutive year. This group includes countries such as Germany, Japan, Sweden, Australia, Canada, the United States, Switzerland, the United Kingdom and Singapore, with the UAE being the only Arab country to feature in the group, according to the latest Global Competitiveness Report by the World Economic Forum (WEF). The UAE also ranked 25 in the world for its competitiveness and the country has been named among the top 10 countries in more than 18 indicators of competitiveness globally in the WEF report for 2010-2011. The annual report, to be issued by the World Economic Forum on Thursday, assesses the competitiveness of each country on the basis of certain indicators organised into 12 pillars, with each pillar representing an area considered as an important determinant of competitiveness.

The 12 pillars include: institutions, infrastructure, macroeconomic stability, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market sophistication, technological readiness, market size, business sophistication and innovation. The UAE has been ranked among the top 10 countries in more than 18 indicators of competitiveness globally, and has reached an advanced position among the 139 countries assessed by the report.

UAE freezes four Iran bank accounts

Kuwait Times September-08-2010

The United Arab Emirates' central bank has frozen four Iranian bank accounts cited in a United Nations Security Council blacklist after uncovering their presence in the UAE banking system, a paper said yesterday. A UN resolution of June 9 names 40 entities and one individual on a blacklist of firms whose assets worldwide are to be frozen for assisting Iran's nuclear or missile programs.

We asked the 51 banks operating in the country to step up scrutiny on the accounts and the related names and to search for names on the Security Council list, and we found four bank accounts only," the Al-Ittihad daily quoted an unnamed source as saying. The newspaper's source said the amount of money involved was not significant and did not name the banks concerned. A central bank official was not available for comment.

The seven-member UAE federation, a US ally with a large expatriate Iranian population mainly in Dubai, has been under pressure to monitor commercial relations with Iran. On Monday, the central bank directed banks to provide more frequent details of remittances to Iran. This was part of a series of studies on the economic impact of the UN sanctions, a circular sent to banks said. The Dubai Financial Services Authority (DFSA) froze accounts of Perisa International in August after the bank was added to the EU's list of sanctions.

BAHRAIN

International Front

Bahrain' fight against terror backed

Gulf Daily News September-17-2010

Egypt yesterday rallied behind Bahrain in fighting terrorism. "All that compromises Bahrain's security does so to Egypt," Foreign Minister Ahmed Abul Gheit said. He was speaking as he met his Bahraini counterpart Shaikh Khalid bin Ahmed Al Khalifa, who hailed Egypt's firm stance in support of Bahrain's security and stability against subversive terror plots. The two sides discussed results of a meeting between His Majesty King Hamad and President Hosni Mubarak last month in Egypt, amid regional political and security developments, and results of the second round of Palestinian-Israeli direct negotiations at Sharm El Sheikh. Issues on the agenda of the 134th Arab League ministerial meeting also came under the spotlight.

Nejad invites King Hamad to visit Iran

Gulf Daily News September-14-2010

His Majesty King Hamad yesterday received an invitation from President Mahmood Ahmedinejad to visit Iran. "Bahrain is keen to further boost co-operation with Iran and its people," the King said as he received Iranian Ambassador Hussein Amir Abdullahyan, who delivered the invitation. The ambassador praised the kingdom's democratic march under His Majesty's wise and balanced policy.

King Hamad, Qatari Amir discuss ways of boosting bilateral relations

Bahrain News Agency September-12-2010

His Majesty King Hamad bin Isa Al Khalifa yesterday held a phone call with Qatari Amir Shaikh Hamad bin Khalifa Al Thani and exchanged greetings marking the advent of Eid Al Fitr, praying Allah Almighty to bless the Arab and Islamic nations. The two leaders discussed ways of boosting bilateral relations in all fields, GCC and Arab developments, in addition to the Middle East Peace Process.

Bahrain calls Quran burning plans 'shameful'

Associated Press September-10-2010

Bahrain says plans by a Florida church to burn copies of the Holy Quran are a shameful attack on efforts for dialogue between faiths. The statement by Bahrain's Foreign Ministry on Thursday is among the first official denunciations in the Arab world against the planned torching of Islam's holy book. The pastor at the Florida church is vowing to go ahead with the Saturday burning despite protests. Gen. David Petraeus, the top US and NATO commander in Afghanistan, worries it will enflame Muslim extremists. Bahrain's government calls it a "shameful act which is incompatible with the principles of tolerance and coexistence." Bahrain is home to the US Fifth Fleet.

Bahrain, US discuss bilateral relations and the current security situation

Bahrain News Agency September-09-2010

His Royal Highness Prince Salman bin Hamad Al Khalifa , Crown Prince and Deputy Supreme Commander, today received at Riffa Palace US Central Naval Forces Commander Rear Admiral Mark Fox and hailed bilateral relations, lauding the US pivotal role in maintaining security and stability in the region and the world. The two sides discussed the current security situation calling for the region to be steered away from threats and conflicts. HRH Prince Salman stressed the importance of bolstering bilateral relations between the two allied countries and promoting cooperation in all fields, particularly the military ties. Rear Admiral Fox thanked HRH Prince Salman, hailing the efforts of the Kingdom of Bahrain to promote peace on the regional and international arenas. Economic Development Board Chief Executive Officer Shaikh Mohammed bin Isa Al Khalifa, Crown Prince's Court Chief Shaikh Khalifa bin Daij Al Khalifa, Military Office Director Brigadier General Munir Ahmed Al Sube'a and US Embassy Deputy Chief of Mission Stephanie Williams attended.

Social Front

Bahrain steady towards goal of 100% literacy

Khaleej Times September-13-2010

The illiteracy rate among the local population has dropped to 2.46 per cent this year, thanks to concerted efforts as part of the objective to make the country hundred per cent literate by 2015. The illiteracy rate stood at 2.7 per cent in 2008 and was 12.4 per cent in the year 2000. Bahrain had the highest female literacy rate in the Arabian Gulf. As of 1999, females enrollment in primary schools primary was estimated at 48.7 per cent. The school enrollment rate has now reached 100 per cent among young students after the implementation of the United Nations' Education for All Policy.

"We are hopefully of progressing to achieve the UN's policy of zero illiteracy in Bahrain by 2015 through various measures, including flexible education programme and compulsory education until grade 10," Minister of Education Dr Majid bin Ali Al Nuaimi said in a speech to mark the International Literacy Day last week.

Bahrain will always remain a model of peace and democracy: King Hamad

Gulf Daily News September-11-2010

Bahrain will always remain a model of peace and democracy, His Majesty King Hamad pledged yesterday. The kingdom's development march will continue unabated, he said after performing Eid Al Fitr prayers at Sakhir Mosque. His Majesty stressed that the task of nation-building will be further strengthened and ordered that the law be applied to all people without discrimination.

His Royal Highness Prince Salman bin Hamad Al Khalifa, Crown Prince and Deputy Supreme Commander, senior Ruling Family members, Shura Council chairman Ali Saleh Al Saleh, parliament chairman Khalifa Al Dhahrani, ministers, senior officials, the dean of the diplomatic corps and Qatari Ambassador Shaikh Abdulla bin Thamer Al Thani, senior BDF, Interior Ministry and National Guard officers also performed the prayers. The Khateeb delivered a sermon, praying that Allah Almighty protect Bahrain, its wise leadership and achievements.

'Let's Keep Bahrain Peaceful' campaign launched by citizens

Gulf Daily News September-07-2010

A group of Bahrain citizens and residents are spearheading a campaign against acts of terror as a show of support to the government and people. They created a Facebook page called Let's Keep Bahrain Peaceful!!! and are asking people to join to show their refusal against such violent acts. The group, which launched the page on Sunday, has already attracted 30 members, including Bahrainis, Pakistanis and Indians. "Through this group, I want to invite all those who are living and had lived in Bahrain or even associated with this beautiful island in any way, to join the cause," said the Facebook group creator Bahraini Abdulaziz Mohammed Salam Khattak.

"We are against all kinds of destruction, riots, tyre burning, Molotov cocktails, discrimination or any crimes that might affect peace on this island. "We don't want to live the lives of our unfortunate brothers in Iraq and Afghanistan." Mr Khattak, originally from Pakistan, said that the aim was to tell the world that the citizens and expatriates in Bahrain do not tolerate any threats against the country's peace and security. "I have seen privately-sponsored billboards everywhere condemning acts of terror and sabotage, but I thought that will only be seen by people living here," he said.

Political Front

'Fridges for votes' row

Gulf Daily News September-17-2010

Allegations of vote-buying have already emerged, with election watchdogs pledging to crackdown on bribery. Some candidates have been offering constituents fridges, air-conditioners and other gifts in return for their vote, says an incumbent MP defending his seat in Muharraq. The claims came from Al Asala Islamic Society member Shaikh Adel Al Moawada, who has filed his nomination for constituency 1. He said some candidates were "opening up the cold store" to woo potential voters with gifts. Shaikh Al Moawada did not give names, but a top

official from the Bahrain Transparency Society (BTS) said they were already monitoring apparent violations. "There was one particular candidate contesting for parliament elections in the Central Governorate who was offering gifts to people in his area during Ramadan," said BTS head Abdalnabi Al Ekry. "He claims he was distributing these in his capacity as a senior member of a charitable association."

Bahraini women urged to contest elections

Gulf Daily News September-16-2010

A rally call has gone out for last-minute entries by women into Bahrain's parliamentary election race. Only seven women have registered so far, compared to 17 in the last parliamentary elections in 2006. Women's groups criticised political societies yesterday for failing to field female candidates and said the only hope was for a last-minute rush of independents, with today the deadline for candidates to register. Female candidates in the fray so far are: Incumbent MP Latifa Al Gaoud, who is defending her Constituency 6 (Hawar and Al Dur) seat in the Southern Governorate and is so far unopposed. Ms Al Gaoud became the first female MP in Bahrain and the GCC when she won the seat unopposed in 2006.

National Democratic Action Society (Waad) member Muneera Fakhro is standing for the Central Governorate's Constituency 4, which includes parts of Isa Town and Zayed Town, after narrowly missing out in 2006. Zahra Isa Haram is standing for Central Constituency 5, which includes Ma'ameer and Eker. National Liberal Thought Society general secretary Layla Rajab Zayed is contesting Central Constituency 8, in Riffa and adjoining areas. Bahrain Women's Union president Mariam Al Ruwaie is competing for a seat in Southern Constituency 1. Independent Basima Ali Al Saleh is standing for Manama Constituency 8. Rajaa Jaffar Al Kelaiti signed up last night to contest Northern's Constituency 3 (Duraz, Bani Jamra and Barbar).

In the 2002 elections, there were eight women candidates and none of them were successful, while in 2006, 17 women ran but only Ms Al Gaoud made it into parliament. Bahrain Businesswomen's Society board member Afnan Al Zayani said yesterday it was hoped that more political societies would have put forward a list of women candidates but this did not happen. "The only hope of having more women candidates is if independents come forward," said Ms Al Zayani, who is also Bahrain Chamber of Commerce and Industry (BCCI) board member and BCCI Businesswomen's committee head. She said the election results in 2002 and 2006 were not encouraging for women candidates and this year's low turnout so far was disappointing. However, she said it wasn't the number of women candidates that was important, but their preparation and ground work to connect with the public and their governorate. "It depends on their track record and how they have given back to the community and that they have made good alliances, it's not someone who has decided today to enter," Ms Al Zayani told the GDN.

Six women file papers for Bahrain elections

Khaleej Times September-14-2010

Six women were among 89 candidates who filed their papers for the parliamentary election on the first day of registration on Saturday. The registration will continue until the end of this week. Of those who filed their papers, 12 candidates registered in the capital governorate, 15 in

northern governorate, 20 in Muharraq governorate, 16 in southern governorate and the highest, 26, in the central governorate. Women candidates filed their papers in only three districts — three in central district, two in southern district and one in Manama. Municipal election candidates will be allowed to register from September 20. The third municipal and parliamentary elections will take place on October 23. Nawaf Al Maawada, Chief Executive Officer for the elections, said in a statement that the first day of the registration saw an overwhelming response from candidates, who were waiting for over two hours for the registration to begin, which takes place from 5pm to 9pm daily. He said the registration process went on smoothly.

Each candidate shall be a Bahraini national, and to be qualified to be elected as an MP, he or she must be aged 30 or above on the date of nomination, and should be able to read and write Arabic.

Economy Front

Bahrain-Doha high-speed rail link planned

Gulf Daily News September-17-2010

A high-speed railway link is being planned between Bahrain and Doha, in a bid to boost enrolment at educational institutions in the Qatari capital. The one-way journey time between Doha's Education City and Bahrain would be just 51 minutes, via the planned "Friendship Bridge" between the two countries. The idea is to woo Bahraini students to enrol at the various prestigious foreign universities and educational institutions in Education City, according to The Peninsula daily paper. It is part of a \$ 42.9 billion railway project that Qatar is about to launch, which includes a metro network within Greater Doha, an inter-GCC rail link and a rail freight network.

Bahrain firm signs major deal with Hannover

Gulf Daily News September-15-2010

Bahrain-based t'azur Company has signed an Islamic re-insurance agreement with Hannover Retakaful, the Bahrain-based Islamic subsidiary of Hannover Re. "We are pleased to enter into this agreement with Hannover Retakaful, a highly regarded A rated re-insurance company," said t'azur chairman Dr Shaikh Abdulaziz bin Naif Al Orayer, "Today it is particularly important to partner with a solid retakaful operator and together with Hanover Re we can confidently meet the market challenges and grow our business further," he added. "This agreement is an important milestone in Hannover Re's collaboration with the GCC takaful insurance market," said Hanover Retakaful managing director Mahomed Akoob. "We are proud to partner with t'azur putting in place one of the first fully Islamic retakaful panels in the GCC region," Mr Akoob added. "We have a very close relationship with t'azur and look forward to developing and strengthening our association further," added Hannover Re general manager Tarik Aouad.

Vehicle sale on the surge in Bahrain

Gulf Daily News September-05-2010

KFH Automall Ramadan promotion has recorded outstanding success, with sales soaring as high as 80 per cent. The new offer received a great response from the public, raising sales and

increasing customers by more than 80pc. "This Ramadan we have lined up our best-ever deals for customers, offering extra super savings combined with great value-added benefits," executive manager and head of banking group Khalid Rafea said. The promotion offers the lowest market rate of Islamic financing starting from only 3.49pc.

Oil and Gas Front

Bahrain boost as oil and gas exports soar

Saudi Gazette September-15-2010

Bahrain's new oil and gas statistics revealed soaring exports over the first half of this year. By-product sales also rose by more 10 per cent. A report released by the National Oil and Gas Authority from January to June showed the positive trend. Production of crude from the Bahrain and Abu Saafa fields dropped slightly to 32.659 million barrels from 32.922m barrels last year. "The slight drop followed regular maintenance work conducted at the Bahrain Oil Field which caused certain production units to stop," the report said. Bapco has stepped up efforts to upgrade the 78-year-old field and boost its average output. Bahrain has since set up the Tatweer Oil Company to boost production. "Positive results from these investments are expected to emerge later this year and in the near future," the report said.

Bahrain to triple daily oil output

Arab News September-05-2010

The Kingdom of Bahrain's oil capacity is set to reach 600,000 barrels a day from the current 262,000 barrels a day, a senior official at the Bahrain Petroleum Company (Bapco) said. "The work on enhancing the production of oil at refinery is on the right track as Chevron is currently working on different models aimed at enhancing the oil production," Faisal Al Mahroos, chief executive officer of Bapco, told journalists during annual Ramadan dinner.

"The Bahrain refinery development project is on the track and Chevron is studying different options to enhance the capacity to 500, 000 to 600, 000 barrels a day from the current 262,000 barrels a day," he added. Al Mahroos said that Bapco was currently studying a new marine line for the oil pipeline between Aramco and Babco from Ras Tanoor to Sitra. The cost of the new line, he said, is expected to be doubled as compared with the other options of landlines.

KUWAIT

International Front

Kuwait urges more efforts for Arab development

Kuwait News Agency September-17-2010

Kuwaiti Minister of State for Cabinet Affairs Roudhan Al-Roudhan stressed the necessity of exerting earnest efforts to develop and overhaul the Arab order for the common good of the entire Arab world. Speaking to KUNA following his participation in the 134th ordinary session of the Arab Ministerial Council, the Kuwaiti minister said: "We all have to work together to

consolidate the concept of common Arab action to support and defend our just issues." However, he considered that the Arab League is the appropriate Arab order through which "we can shore up Arab action and integration". Concerning the 134th meeting, which wound up in Cairo late Thursday, the minister said it was a favorable meeting that tackled a set of Arab issues, chiefly a suggestion for pushing common Arab action and a proposed initiative for a league of neighboring countries. Both overtures are to be considered during a planned meeting of Arab foreign ministers in Libya in October, Al-Roudhan said.

Kuwaiti premier to visit Washington Friday

Kuwait News Agency September-17-2010

His Highness the Kuwaiti Prime Minister Sheikh Nasser Al-Mohammad Al-Sabah will arrive here Friday for a one-day visit, during which he will meet US Vice President Joe Biden and National Security Adviser General James Jones. Speaking to KUNA and Kuwait Television, Kuwait's Ambassador to the United States Sheikh Salem Abdullah Al-Jaber Al-Sabah said the visit of HH the prime minister is part of continuing consultation between Kuwait and the US, given their strong and strategic relations. During the visit, the two sides will discuss mutual ties and ways to develop them, and security in the Gulf region after the withdrawal of US forces from Iraq, he pointed out. They will also discuss regional issues like the political process in Iraq and the Iranian nuclear program, he added. The Kuwaiti side will stress the importance of solving the Iranian issue peacefully, he noted.

Kuwait Capital's Governor signs agreement with Mongolian officials

Kuwait News Agency September-14-2010

Kuwait Capital Governor Sheikh Ali Al-Jaber Al-Sabah met here on Tuesday with Mongolian Parliament Speaker Demberel Damdin and Mongolian Prime Minister Sukhbaataryn Batbold discussing aspects of the two countries ties. During his visit, Sheikh Ali yesterday held talks with Deputy Governor of the Mongolian capital city of Ulaanbaatar and discussed joint cooperation. The two sides also signed a twinning agreement between the two governorates.

Kuwait condemns planned burning of Quran by US Christian group

Kuwait News Agency September-10-2010

Kuwait strongly condemns the planned burning of the Holy Quran by the Florida-based Dove World Outreach Center on the anniversary of the 9/11 terrorist attacks, said an official source at the Kuwaiti Foreign Ministry on Thursday. The source said that such action did not reflect the spirit of compassion amongst world religions, adding that the plan would ruin efforts in recent years to preach understanding and cooperation amongst faiths. The Foreign Ministry had assigned the Kuwaiti diplomatic mission in Washington to coordinate with other GCC missions to convey the Islamic world's condemnation to the US State Department and also express gratitude towards the US administration's refusal of such action. Kuwait's mission to the UN along with the Arab group within the international organization would be working on measures to stress the importance of respecting the Quran, Islam's holy book.

Kuwait, Japan sign agreement on peaceful use of nuclear energy

Kuwait News Agency September-09-2010

Kuwait on Wednesday inked a bilateral agreement with Japan for cooperation in the peaceful use of nuclear energy covering issues such as expertise exchange, human resource development, nuclear safety, following the similar deals with France and the US earlier this year. The memorandum of cooperation (MOC) was signed by Secretary General of the Kuwait National Nuclear Energy Committee (KNNEC) Dr. Ahmad Bishara and Director General of Japan's Agency for Natural Resources and Energy Katsuhiko Hosoi in a ceremony held at the Ministry of Economy, Trade and Industry here. According to a five-year deal, which can be extended, the areas of cooperation include preparation, planning and promotion of nuclear power development while promoting the highest internationally recognized standards of nuclear non-proliferation, safety and security. The scope of the cooperation includes training, human resources and infrastructure development, and the appropriate application of nuclear power generation and related technology, in accordance with evolving IAEA guidance and standards on milestones for infrastructure development. The MOC also provides for cooperation in the areas of support for public relations and information to gain and keep the confidence of the national and local communities in nuclear power generation. The cooperation would be taken through exchanging information and documentation, exchanging training of personnel, organizing symposia, seminars and workshops, as well as the provision of relevant technical and services. At the signing ceremony with the presence of Kuwaiti Ambassador in Japan Abdulrahman Al-Otaibi and new Japanese ambassador designated to Kuwait Yasuyoshi Komizo, Dr. Bishara hailed the deal, saying, "This MOC is an important phase in the expanding relations between Kuwait and Japan." "It also recognizes the challenges of growing energy demands facing both countries, as well as the broader international community, in a manner that contributes to reducing greenhouse gases." He went on to say that the MOC will provide an opportunity for the two countries to cooperate in the field of peaceful uses of nuclear energy and the associated infrastructures in their respective countries, all in accordance with the appropriate international agreements and safeguards.

Kuwaiti foreign minister affirms significance of GCC meetings in Jeddah

Kuwait News Agency September-06-2010

Meetings of GCC ministers of foreign, finance and commerce affairs, due to be held in the Saudi port city of Jeddah later on Monday, would be of paramount significance for they would be in line with desire of the GCC leaders to accomplish the GCC economic integration, the Deputy Prime Minister and Foreign Minister said. Sheikh Dr. Mohammad Sabah Al-Salem Al-Sabah, speaking to reporters upon his departure to Jeddah, along with Minister of Finance Mustafa Al-Shimali and Minister of Commerce Ahmad Al-Haroun, to take part in the meetings, said the conferees would discuss obstacles facing the planned common custom union, means of speeding up its establishment, and economic ties of the GCC countries with states and blocs of the world, namely the European Union. The deputy premier and foreign minister, who would chair the 116th session of the GCC Ministerial Council, said the meeting of the foreign ministers of the member states would tackle various issues, namely scheduled meetings of the United Nations General Assembly, due in two weeks, in terms of some issues that concern the Gulf states, namely the Middle East peace process and the direct negotiations between the Israelis and the

Palestinians. He indicated that the conferees would discuss prospected coordination among the GCC states at the forecast UN meetings.

Political Front

Kuwait top MP says govt serious in addressing discord

Kuwait News Agency September-15-2010

National Assembly Speaker Jassem Al-Kharafi said Tuesday the government was serious in addressing discord, asserting that "the whole (of Kuwait) does not want discord" and hoped everybody live up to their national responsibilities. Speaking to reporters after a meeting with Minister of Communications and Minister of State for National Assembly Affairs Dr. Mohammad Al-Busairi, Al-Kharafi said he was informed by the minister about legal measures taken by the government to address discord. "I would like to affirm and assure that the government, and in line with what Minister Al-Busairi informed me, is serious in its deterrent measures to put an end to this discord ... As you know the legal measures need time to be implemented and at the end we are a state of institutions and are keen on implementing the law," said Al-Kharafi.

Kuwait to act on sectarian tensions

Gulf Times September-15-2010

The Kuwaiti government vowed yesterday to take legal measures to curb growing sectarian tensions between Sunni and Shia Muslims following inflammatory remarks made by a Shia activist in self-imposed exile. "The government is serious in its legal measures necessary to curb (sectarian) tensions," communications minister and government spokesman Mohamed al-Baseeri told reporters after meeting the parliament speaker. He declined to provide details amid calls by Sunni Islamist lawmakers that the Kuwaiti activist must be extradited or his citizenship be withdrawn. Sectarian tensions flared after Yasser al-Habeeb, who has been living in London since 2004, made disparaging remarks against Prophet Muhammad's wife, Aisha. The comments sparked a wave of condemnation by Sunni Islamists who urged the government to seek Habeeb's extradition or withdraw his citizenship.

Kuwaiti MPs ask govt to suspend TV stations' SMS service

Kuwait Times September-14-2010

The recent meeting between the parliamentary negative phenomena committee and a number of government representatives focused on the issue of protecting national unity and preventing the media from any intervention which might damage it, according to one of the committee members.

Talking to Al-Anba on condition of anonymity, the MP said that the committee had asked the information minister to enforce the existing legislative penalties against any media which broadcast or published material that could potentially disrupt social unity. During the meeting, the committee members presented a number of instances in which they said local TV channels had violated these regulations, broadcasting potentially inflammatory and divisive materials.

The MPs put forward a number of recommendations, including a suggestion to suspend the SMS service used by some local TV stations which they said was used to broadcast provocative and potentially subversive messages, as well as profane ones. Pointing out that a number of these messages directly contradict Kuwaiti custom and tradition, the committee member said that the government representatives had promised to study all the recommendations put forward during the meeting and to take the necessary action.

'Cabinet reshuffle necessary': Kuwait

Kuwait Times September-13-2010

While the Deputy Premier and Minister of Defense Sheikh Jaber Al-Mubarak Al-Sabah denied reports of an impending Cabinet reshuffle, several MPs asserted that it is necessary that certain Cabinet posts be altered as ministers' work is being assessed during the one-and-a half year since the Cabinet's formation. The numerous interpellations that have been filed during the past term of the Parliament, added to the slew of 'grilling motions' that several MPs have been threatening to initiate. Many political insiders view this as a sign that a number of ministers have become a liability on His Highness the Prime Minister and his Cabinet, which gives a justifiable reason for a reshuffle that can achieve more unity in the formation of the Cabinet.

The period between the formation of the Cabinet and this day is enough to evaluate the performance of each minister, and tell the most productive ministers apart from those whose presence have become burdensome," MP Khalid Al-Adwa said, adding that this situation affects the Cabinet's integrity. Meanwhile, MP Naji Al-Abdulahadi believes that the Cabinet should reconsider the position of certain ministers, "who gave nothing to the country or citizens," adding that a reshuffle to rejuvenate the governmental team's work has become a necessity. MP Abdurrahman Al-Anjari part demanded that the Cabinet announce a schedule that acts as "the road map to implement development projects for the government's program budget for the fiscal year 2010/2011," adding that in order to ensure that all ministers are able to provide such data, a reshuffle should be conducted. While MP Hussain Meziyed said that five to six ministers should be removed before the start of the Parliament's next term "due to their unproductive approach and lack of vision for development," MP Dr Salwa Al-Jassar said that a flood of interpellations points towards the flaws that need to be addressed.

New proposals to amend citizenship law in Kuwait

Kuwait Times September-10-2010

Several MPs are reportedly working on proposals to amend the current citizenship law, which would enable the interior minister to seek an Amiri accord to revoke the citizenship of any Kuwaiti citizen found guilty of offending the country's religious and social principles. Islamist MPs are apparently calling for such an amendment to be introduced immediately after the inauguration of the upcoming parliamentary term. In other news, MP Faisal Al-Duwaisan has reportedly submitted a parliamentary question to justice minister Rashid Al-Hamad concerning the measures taken by the Ministry of Justice in implementing court orders, primarily those related to the dismissal of public sector employees. The MP raised the matter after a court order was issued relieving the sales and marketing director of the Kuwait Airways Corporation while

he was still in his post. On a separate issue, MP Hussein Mazyed has urged Kuwait Municipality to reexamine the tenders for large-scale street cleaning projects across Kuwait and in particular to review those under which cleaning workers are paid salaries as low as KD 20 per month.

Economic Front

Kuwait to focus on global economic, financial position: lawmaker

Kuwait News Agency September-17-2010

Kuwait, on the level of the executive and legislative authorities as well as other entities, would focus on developing the country's economic and financial hemispheres to meet the demands of gaining global economic recognition, said a Kuwaiti lawmaker here on Friday. Speaking to KUNA, Ali Al-Omair said that the participation of members of government entities as well as parliaments representatives in the World Trade Organization's (WTO) Public Forum was very important due to the current occurrences within the global economic framework which required those involved in policy making to be part of the economic, financial formula. He noted that the forum focused on measures that would prevent the world from repeating the global recession, adding that discussions also touched on economic procedures to counter climatic shifts and environmental happenings which could also result in crises. Protecting the environment within the circle of making economic and financial benefits was also a key issue in the forum, stated Al-Omair who also noted that fair trade and balance between supply and demand were also touched upon.

Kuwait state budget posts KD 6.4 billion surplus

Kuwait News Agency September-16-2010

Kuwait posted a budget surplus for the 11th consecutive year amounting to KD 6.4 billion in the 2009-2010 fiscal year, compared to KD 2.7 billion of the previous fiscal year, according to the National Bank of Kuwait. The NBK said in a report about the state financial status, released on Wednesday, that revenues dropped 16 percent as a result of the decline of the prices and production of oil. However, they constituted 219 percent of the endorsed budget figures. Expenditures fell 38 percent, however they remained constituting 93 percent of the adopted fund in the budget, the NBK report said.

Oil revenues stood at KD 16.6 billion, 16 percent lower than those posted in the previous fiscal year, where the average oil price of the Kuwaiti crude oil reached USD 68.3 per barrel during this period of time, compared to USD 78.5 pb of the same period of last year. Non-oil income amounted to KD 1.1 billion, dropping 15 percent in contrast to last year, the report said, adding that the decline of economic activity during the 2009-2010 fiscal year impacted on the non-oil government yields, particularly during the first three quarters of the fiscal year.

Kuwaiti cabinet approves KD30 billion development plan

Kuwait Times September-15-2010

The cabinet has agreed on a KD30 billion support package to finance the development plan projects, with the funding to be supervised by the Central Bank. It is hoped that the new package

will help local banks and real estate firms, as well as boosting confidence in the transactions between the banks and companies involved in carrying out the projects. According to a government insider, the cabinet has expressed willingness to support banks through guaranteeing the funds there or providing long-term credit facilities which can help the banks to raise the necessary financing.

The government would also ensure that lending conditions were facilitated, as well as helping to support the Central Bank's financing process and creating a dynamic mechanism to ensure that banks' rights are observed. The average cost of annual investment in any of the development projects has been estimated at around KD7.7 million, reported Al-Watan. The projects are being carried out in a wide variety of fields, including oil and natural gas extraction and extensive infrastructure development, which will include the expansion and modernization of the sewage network among much else.

Kuwait to build four nuclear reactors by 2022

Arab News September-12-2010

Kuwait, the world's No. 4 oil exporter, has decided to build four nuclear reactors by 2022, each with a capacity of 1,000 megawatts, a senior nuclear energy official was quoted as saying on Saturday. State news agency KUNA quoted the secretary general of Kuwait's National Nuclear Energy Committee, Ahmad Bishara, as saying several options to develop the nuclear sector were being considered and a general plan would be issued in January. Bishara also said Kuwait was in discussions with international partners to find a suitable mix for producing nuclear energy over the next 20 years. The initial analysis, he was quoted as saying, showed that nuclear energy was a viable option if oil prices remained above \$ 45-\$ 50 a barrel. Bishara signed a cooperation agreement in Japan this week to expand nuclear capacity in the Gulf nation, raising the prospect of lucrative deals for Japanese companies.

Japan, Kuwait agree nuclear energy cooperation

Arab News September-09-2010

Japan agreed with Kuwait on Wednesday to cooperate in capacity building for peaceful use of nuclear energy generation in the Gulf nation, raising the prospect of lucrative deals for Japanese companies. Kuwait, the world's No.4 oil exporter, is facing rising energy demand and agreed with France in April on cooperation in developing nuclear energy. Japan, the world's third-biggest nuclear power generator after the United States and France, is stepping up efforts to tap the nuclear power development market after a Japan-US consortium lost out to South Korea in a deal to build and operate nuclear reactors for the United Arab Emirates (UAE) in December.

Japan has not yet won a project-based package like the UAE deal in the nuclear energy sector. Developing and operating nuclear power plants abroad is a growth strategy in Japan, where electricity demand is expected to stay flat or rise slightly at best due to industries shifting abroad and the graying of society. In July, a consortium of six Japanese utilities and nuclear power machinery makers set up a working group to create a venture this autumn aimed at winning orders to build nuclear power plants overseas.

Oil and Gas Front

Oil prices to stabilize soon: Kuwaiti oil experts

Kuwait News Agency September-17-2010

Kuwaiti oil experts said Thursday there was no clear justification for the recent hike of the oil prices, expecting the market to stabilize soon. "Under the current global economic condition the prices will remain within the USD 70-90 per barrel range in the medium run," Jassem Al-Saadoun predicted in statements to KUNA. "The prices are unlikely to exceed the USD 90 pb ceiling in the foreseeable future; they could only hit the USD 80 pb mark by mid 2011," he said. "The recent ups and downs resulted from data on the global economy particularly the US, European, Japanese and Chinese economies," Al-Saadoun noted. Meanwhile, Emad Al-Utaiki said the hike of the prices in the last two weeks, though unjustifiable, did not exceed the USD 70-80 pb range previously projected by the Organization of the Petroleum Exporting Countries (OPEC). "The range will remain unchanged if the global cartel keeps abiding by the output ceiling of 28.8 million barrels a day through 2011," he pointed out. "The economic growth of China and the growing government spending on infrastructure prod demand on oil," Al-Utaiki added.

QATAR

International Front

Qatar, US hold talks

Gulf Times September-16-2010

HE the Attorney-General Dr Ali bin Fetais al-Marri yesterday held a meeting in Washington with US Senator John Kerry during which they discussed a number of topics of common interest to Qatar and the United States. The Attorney General briefed the US senator on the efforts made by Qatar as chairman of the Third Conference of States Parties to the UN Convention against Corruption as well as on the future projects that Qatar seeks to implement in this regard. Senator Kerry praised the role played by Qatar in the region and the world, stressing the need for continued co-operation between the two countries in various fields. The Attorney-General also met House of Representatives member John Conyers, the chairman of the Judiciary Committee and a team of lawyers. The Attorney-General gave a detailed presentation on the legal and judicial systems in Qatar. Al-Marri highlighted the efforts made by Qatar in the fight against corruption both at the local level and international level within the framework of Qatar's presidency of the United Nations Convention against Corruption.

Qatar's Darfur peace efforts praised

Gulf Times September-16-2010

A draft decision, to be discussed today by the Arab League council in its 134th ministerial level session in Cairo, praises Qatar's efforts made to resolve the Darfur crisis. Titled "Supporting peace, development and unity in the republic of Sudan", the draft decision hails the efforts made by the Sudanese government and Qatar to handle the Darfur crisis and welcomes the new

strategy aimed at bringing peace into the troubled region, as well. The draft also calls on the Arab League, the African Union, the UN along with all the Sudanese armed movements to join the Doha talks.

Darfur peace talks to resume in Doha soon

The Peninsula September-15-2010

The Darfur peace talks would resume in Doha next Sunday after a break of more than a month. Representatives of the Sudanese government and the Darful rebel group Liberation and Justice Movement (LJM) will attend the negotiations, according to Al Sharq. Quoting a LJM official, the paper said differences between the Sudanese government and LJM still continued, particularly on the issue of security arrangements. Meanwhile, the Arab League Council, which started its 134th session in Cairo yesterday, praised Qatar's constructive efforts aimed at solving the Darfur crisis and bringing together the Darfur groups, the Qatar News Agency reported. Presiding over the session, Iraq's permanent representative to the Arab League, Dr Qais Al Azzawi, said: "We appreciate Qatari efforts that aim at bringing together the Darfuri parties'.

Arab League commends Qatari efforts for resolving Darfur issue

Gulf Times September-12-2010

Arab League envoy to Sudan Dr Salah Halima has commended efforts being made by Qatar's leadership to resolve the issue of the Darfur region of western Sudan. In remarks to Sudanese News Agency, Halima said that Doha has accomplished a lot, expressing his belief that the achievements of Doha, and the new strategy of the Sudanese government will enhance the opportunities for security and stability "and therefore may push those who did not participate to reconsider their position to join the peace process and engage in the Doha negotiations."

King Hamad, Qatari Amir discuss ways of boosting bilateral relations

Bahrain News Agency September-12-2010

His Majesty King Hamad bin Isa Al Khalifa yesterday held a phone call with Qatari Amir Shaikh Hamad bin Khalifa Al Thani and exchanged greetings marking the advent of Eid Al Fitr, praying Allah Almighty to bless the Arab and Islamic nations. The two leaders discussed ways of boosting bilateral relations in all fields, GCC and Arab developments, in addition to the Middle East Peace Process.

Qatar Charity ends first phase of Pak flood aid airlift

Gulf Times September-09-2010

Qatar Charity has completed the first phase of the aid airlift to Pakistan which saw four aircrafts loaded with 78 tones of relief materials arriving in the flood-ravaged country, the organisation said. The airlift which was sent by Qatar Charity from the headquarters of its strategic stockpile of relief materials in Dubai to both Islamabad and Lahore, in collaboration with Qatar Airways, has completed the first phase with the arrival of four aircrafts with a cargo of 78tonnes, the director of the charity office in Islamabad Mohamed Wahi said. Wahi said Qatar Charity received a grant of QR7,300,000 from the World Food Programme, dedicated to providing food

to 1,500 families for three months. Meanwhile, Qatar continues the flood relief campaign for the people of Pakistan, led by Qatari charities, which aims to collect QR1mn to implement relief programmes and post-disaster rehabilitation. Director General of the foundation of Sheikh Thani bin Abdullah for Humanitarian Services (RAF), Ayed bin Dabssan al-Qahtani, told Qatar News Agency that until Tuesday evening more than QR50mn had been collected by the RAF, Eid Charity, Qatar Charity and Qatar Red Crescent.

Qatar, Kosovo discuss bilateral co-operation

The Peninsula September-07-2010

The Deputy Emir and Heir Apparent H H Sheikh Tamim bin Hamad Al Thani, and the Prime Minister and Foreign Minister H E Sheikh Hamad bin Jassem bin Jabor Al Thani with Kosovo's Prime Minister Hashim Thaci at the Al Wajbah Palace last evening. Talks dealt with bilateral co-operation and ways to enhance it in several domains. A set of other regional and international issues of joint interest was also taken up.

Political Front

Ministry wants more Qataris in private jobs

The Peninsula September-07-2010

The Ministry of Labour wishes to eventually see that the percentage of nationals in private jobs soars beyond an incredible 58 percent, Al Sharq reported yesterday. The Guidance Section at the Manpower Administration at the Ministry of Labour is playing a key role in guiding young Qatari men and women to become employable in the competitive private sector, the daily said. It may be noted that presently the percentage of nationals in the private sector is miniscule and the government is about to enforce a law that would make private companies to compulsorily reserve a percentage of jobs for them.

A Ministry official told the daily the trend was changing as an increasing number of fresh job seekers in the Qatari community were now getting attracted to private jobs. The reason behind the change in the mindset of citizens is that a law enforced recently makes it mandatory for private companies to extend the same facilities to Qatari employees that are available to them in the government. The official said the main privileges that attract Qatari job-seekers include soft loans for buying land and building a house and retirement benefits. Meanwhile, Labour Ministry statistics for the first half of the current year said that the ministry had succeeded in raising awareness in the Industrial Area about their rights and duties.

Iranian leader to discuss key issues with Qatari Emir

Gulf Times September-05-2010

Ambassador Abdullah Sohrabi told reporters on Thursday that the talks were to feature bilateral issues, the floods in Pakistan and the relief efforts, as well as issues related to the region. "The visit will only last a few hours and Ahmadinejad will discuss regional issues, which the leaders of the region are only eligible to discuss and solve", he stated. Sohrabi said that the history of the past 60 years and the diplomacy starting in Oslo, Egypt, Spain and Camp David

were proof for the failure of the “negotiation option”. “The negotiations along the years have led to a deadend each time”, he said, adding: “the new US strategy is going to be unsuccessful because they already have enough problems on their hands”. He said: “The Israelis’ ambitions have no limits”, adding: “we hope that all the Arab and Muslim world participate in supporting Palestinians, now that Turkey has got on board”. He observed that significant portions of the world’s gas and oil reserves were in the hands of the Arab countries. “This means we have the potential to maintain a permanent presence in the UN Security Council.”

Qatar Premier meets Saudi king

Gulf Times September-04-2010

The Custodian of the Two Holy Mosques King Abdullah bin Abdulaziz al-Saud, of Saudi Arabia, received HE the Prime Minister and Foreign Minister Sheikh Hamad bin Jassim bin Jabor al-Thani in Makkah yesterday evening. The Prime Minister conveyed the greetings of HH the Emir Sheikh Hamad bin Khalifa al-Thani and his wishes of good health and happiness to King Abdullah and his wishes of further progress and development for Saudi people. During the meeting bilateral relations and a number of regional and international issues of mutual concern were discussed. King Abdullah hosted an Iftar banquet in honour of the Prime Minister and his accompanying delegation.

Social Front

100% school enrolment in Qatar by 2020: report

Gulf Times September-16-2010

The Gulf education industry is all set to witness fundamental and structural changes, offering much scope for potential investments, especially private equity, according to Alpen Capital. Qatar has a high primary and secondary gross enrolment rate (GER) whereas its tertiary GER is “significantly” low compared to other Gulf countries, said Alpen Capital in its latest report ‘GCC Education Industry’. “The GCC education sector is poised for a strong growth along with fundamental and structural changes,” it said, highlighting that the total number of students in the region is expected to grow from 9.5mn in 2010 to 11.3mn in 2020 at a compound annual growth rate (CAGR) of 1.8%. However, efficient regulatory and monitoring agencies are required to raise the education standard in the sector.

Governments should promote technical and vocational education to make the workforce skilled for the private sector as well, it said, adding the governments in the region are taking the necessary steps to implement key changes required to raise the standards of education. “However, since these gaps lead to additional requirement in the number of schools, significant opportunities for private sector exist,” it said, adding private equity becomes a more suitable investment vehicle to participate in the growing GCC education market.

Economic Front

Doha to host regional conference on power

The Peninsula September-16-2010

The GCC is undertaking some of the world's largest electricity projects, which include expansion of the electricity network in Qatar at a cost of \$ 3.5bn. The large-scale investment in energy projects and technologies is in line with the region's spiralling energy demand. Global industry players will be discussing development prospects, trends and challenges in the electricity sector at GCC Power 2010, the eighth Regional Conference for National Committees of CIGRE in the Arab Countries and the 15th Exhibition for Electrical Equipment to be held from October 18 to 20, 2010 at the Ritz-Carlton, Doha.

Doha to Host Aviation Summit in October: Al-Nuaimi

Qatar News Agency September-13-2010

Aviation leaders are to meet to discuss the future of their industry at the Doha Aviation Summit to be hosted by the Qatar Civil Aviation Authority next month, Qatar Civil Aviation Authority Chairman Abdul Aziz Al Nuaimi has said. The three-day summit, starting October 30, is expected to be attended by more than 200 representatives from airports, airlines, civil aviation authorities, and government agencies from around the world. "The aviation world has changed significantly over the past few months" Al Nuaimi said. "With the worst of economic crisis behind us, now is the perfect time to look to the future," he pointed. The Doha Aviation Summit would also address the volcanic ash disruption and its impact on aviation organizations outside of Europe. Other topics to be debated at the summit included the formulation and implementation of a sustainable regulatory framework, route management and the Middle East airport expansion projects. The summit would also discuss human resources in the Arab world, financial risks and management challenges, the integration of alternative fuel research and implementation for mass transport, and the rising cost of fuel.

Qatar leads Middle East in competitiveness

The Peninsula September-10-2010

Qatar leads the Middle East region in competitiveness in The Global Competitiveness Report 2010-2011 released yesterday by the World Economic Forum ahead of its Annual Meeting of the New Champions 2010 in Tianjin, China. According to the report, Gulf countries are among the world's 40 most competitive economies, led by Qatar (17th) in Competitiveness Rankings, followed by Saudi Arabia (21st) and the United Arab Emirates (25th). Most Gulf countries continue the upward trend displayed in recent years, with all of them now featuring in the top 40 most competitive economies in the world. Iran and Lebanon enter the rankings for the first time, at 69th and 92nd, respectively. Switzerland tops the overall ranking for the second year in a row. The United States falls two more places to fourth position, overtaken by Sweden (2nd) and Singapore (3rd), after already falling from first place last year. In addition to the macroeconomic imbalances that have been building up over time, there has been a persistent weakening of the US' public and private institutions, as well as continuing concerns about the state of its financial markets.

Qatar to supply 150 megawatts of electricity to Bahrain

The Peninsula September-06-2010

Qatar will supply 150 megawatts (MW) of electricity to neighbouring Bahrain with the supply lasting from 3pm to 5pm, Al Sharq reported yesterday, quoting the Saudi News Agency. Doha and Manama inked the power supply deal last week in collaboration with the GCC Power Grid Authority, which also helped the two sides in fixing the pricing and agreeing on other terms and conditions. Negotiations for the deal, which was announced by the GCC Power Grid Authority, were held earlier. The announcement said the Qatari-Bahraini deal is part of the move to get the regional power grid operational in phases. From July end, GCC states have begun enhancing their power generation capacities in preparation for the operation of the regional grid.

According to the report, Bahrain on August 29 faced a severe power outage which affected the country for more than five hours. Bahrain has, thus, welcomed the power supply deal with Qatar and said it would greatly help it resolve the power crisis.

Oil and Gas Front

Qatar crude up as refiners seek distillate-rich grades

Gulf Times September-14-2010

Qatari crude oil for sale to Asia rose to its highest level against its benchmark since May as refiners seek grades with higher yields of middle distillates. Qatar Marine for November loading rose 2¢ to a premium of 8¢ a barrel, the highest since May 2, according to data compiled by Bloomberg. Cargoes were trading at premiums of as much as 10¢ a barrel, said two traders who participate in the market. Qatar Marine has a larger yield of middle distillates including gasoil and kerosene, than other typical Middle East crudes. Refiners are seeking these types in order to stockpile heating fuels ahead of winter.

Shell sees projects in Qatar help end drop in output

Gulf Times September-05-2010

Royal Dutch Shell, Europe's largest oil company, is set to reverse its decline in production after projects in Qatar come on stream, Sanford C Bernstein & Co said. "After a decade of declining production, Shell is finally entering a sweet spot for production growth," Oswald Clint, a London-based analyst at Bernstein, said in a note to investors yesterday. Shell also has "probably the best portfolio" of pre-final-investment-decision projects around, "and a strategy refocused on the exploration and production business, with plenty of interesting exploration options to add to reserves". The Anglo-Dutch company is targeting hard-to-reach rock formations in Australia, China and the US, as well as projects in Qatar, to boost production growth. As much as 40% of Shell's capital spending in the next few years has been earmarked for the Asia-Pacific region.

This year has already seen start-ups in the Gulf of Mexico and Brazil with Perdido and the BC-10 project, while the Sakhalin project in Russia has beaten production goals. Shell spent \$ 19bn, triple the original estimate, to build the world's largest gas-to-liquids plant in Qatar. Shell's Pearl

project will churn out 140,000 barrels a day of liquid fuel and 120,000 barrels equivalent of ethane gas and condensate, a by-product that's like a light crude oil. The company also has a 30% stake in Qatargas 4, part of the world's largest LNG complex, due to start exports in 2011.

OMAN

International Front

Saleh, Qaboos discuss aspects of relations

Yemen News Agency September-09-2010

President Ali Abdullah Saleh received on Wednesday a phone call from the Sultan of Oman Qaboos Bin Said Al Said. The Omani Sultan congratulated President Saleh on the occasion of Eid al-Fitr, praying Almighty to back this occasion on the two brotherly peoples of Yemen and Oman and the Arab and Islamic nations with further progress and prosperity. In the phone conversation, the two leaders discussed aspects of relations and areas of joint cooperation between the two countries as well as the regional and international developments of common concerns.

Oman-Japan naval forces to hold friendly exercise

Oman Daily Observer September-09-2010

To commemorate the 40 glorious years of Oman's Renaissance, the Training Squadron of Japan Maritime Self Defence Force (JMSDF) will be visiting the Sultanate from September 17 to 20 and will join its counterparts of the Royal Navy of Oman (RNO) in various exchange of sporting activities. The squadron will exchange 21 Gun Salute with the RNO on its arrival at the Port Sultan Qaboos on September 17. The last time the Squadron visited Oman was in May 2010. Hideki Yamaji, Counsellor, (Deputy Head of Mission), said this is another friendly gesture from his country to the Sultanate. "This is a part of exchange of activities to promote friendly relations between the Japanese and Omani forces to enhance bilateral co-operation in the areas of defence".

The squadron will also hold special exchange programme with RNO such as a goodwill exercise and on-board training programme for the young officers from the Royal Navy during their combined journey to Jakarta to live and work together with the Japanese cadets. Added to that, the Ministry of Sports Affairs will be organising a friendly Boat Racing contest between the youngsters of both countries at the Port Sultan Qaboos on September 19. Organised by the Oman LNG, and Khimji ramdas, a total of four teams (2 from Japan, 1 from RNO, and 1 from Omani Club) will be participating in the event. "We have arranged a volunteer group of the visiting JMSDF officers to visit Muscat International School on September 19 to introduce the Japanese traditional culture 'Origami' (paper craft), to the students", Yamaji further said.

Oman, India seek to boost ties in key areas

Oman Daily Observer September-06-2010

His Highness Sayyid Fahd bin Mahmood al Said, Deputy Prime Minister for the Council of Ministers, received here yesterday Anand Sharma, India's Minister of Commerce and Industry. The guest conveyed the greetings of the Indian leadership to His Majesty Sultan Qaboos along with their best wishes to His Majesty, the government and the Omani people. HH Sayyid Fahd commended the level of growing bilateral relations and fields of co-operation. They also discussed means of activating deliberations of the Oman-India Joint Committee, particularly in economic, scientific and joint investment fields, besides current regional and global issues. The guest expressed his gratitude and that of his delegation for the visit. He commended Oman's economic and human development achievements thanks to its wise leadership. He also praised the talks he conducted with the Commerce and Industry Minister and senior state officials. He also expressed his satisfaction with the positive steps reached by the Joint Committee at the level of bilateral relations. The meeting was attended by Maqbool bin Ali Sultan, Commerce and Industry Minister and Head of the Omani side at the Oman-India Joint Committee, and Anil Wadhwa, Indian Ambassador to the Sultanate.

Education Front

Deal signed for Intel techno education: Oman

Khaleej Times September-12-2010

Oman's Ministry of Education has signed a memorandum of understanding (MoU) with Intel International for introducing the 'Intel Techno Education Programme' in the sultanate. The Intel Education Programme is aimed at training and helping experienced teachers to use modern technologies in the classrooms and acquire advanced life skills. It also sought to develop higher thinking skills and problem solution, in addition to encouraging team work among students.

Economic Front

Oman to finance Aden developmental project

Oman Daily Observer September-16-2010

The Yemen government's Port Cities Development Programme has announced plans to build Aden Emergency Centre early next year at a cost of \$ 10 million to be financed by the Government of Oman through the Arab Fund for Economic and Social Development. Yemen is to contribute Yemeni Rial 55 million towards the feasibility study and design. Ahmed Hadi Salim, Director-General of the Port Cities Development Programme, said within the framework of the second development plan intended for Aden during this year, the programme floated a tender in July for design and feasibility study for the Emergency Centre in Aden, which will be the first of its kind at the province level.

He said the Sultanate had pledged during the donors' conference held in London in November 2006 a grant of \$ 100 million as a contribution in financing development projects in Yemen. Oman entrusted the Arab Fund for Economic and Social Development with managing the grant

and to follow-up the implementation of projects funded thereof as well as supervising pertinent arrangements and procedures on the basis of the letter of understanding exchanged between them in June 2007.

Sultanate is placed fifth among Arab countries in GCI ranking

Oman Daily Observer September-12-2010

The Sultanate has been ranked in the fifth position among Arab countries in the Global Competitiveness Index (GCI) report released by the Global Economic Forum and published on its website. The Sultanate scored 4.61 points and took the 34th position in the global ranking. This new rank is up two places from 41st position in GCI 2009-2010. Switzerland tops the overall ranking in the GCI 2010-2011 with 5.63 points, followed by Sweden, Singapore, USA, Germany, Japan, Finland, Holland, Denmark and Canada respectively. The index was released on the sidelines of a meeting of new champions; a global business gathering held in the Chinese town of Tianjin. Klaus Schwab, founder of the Global Economic Forum, said the policy makers are struggling with ways of managing the present economic challenges while preparing their economies to perform well in the future. He stressed it is more important than ever before to put in place the fundamentals underpinning economic growth.

Giant Japanese firms keen to increase investments in Oman

Oman Daily Observer September-09-2010

Leading Japanese companies in the field of energy have expressed their desire to increase investments in the Sultanate and the Gulf region. In an interview with Oman Arabic daily, Kaz Omori, an official of the Chamber of Commerce in Tokyo, described the agreement with the Sultanate of Oman to build power generation plants in Barka and Sohar as falling in line with Oman's economic and social development as well as the increased demand for energy. The giant Sojist company said the cost of the schemes it will start in September will reach about \$ 1.7 billion with the projects be completed to enter the operational stage in April 2014. A consortium comprising GDF Suez, Suhail Bahwan Establishment, Sojit company, Smikoku general Japanese company for electrical power, Yonden and the Public Authority for Social Insurance won a tender floated by Oman Power and Water Procurement Company (OPWP) for the development of Barka3 and Sohar2 projects. This is considered the first participation of Japanese companies in Independent Power Project (IPP) in Oman. The project include the building of the entire installations of a 744MW-power plant in Barka and another one in Sohar. Sojist sources told Oman that the giant Japanese company will multiply its activities in the Middle East and South East Asia also. This project is the second in the energy field in the region after the similar one in Riyadh.

Oman, India to boost industrial relations

Times of Oman September-06-2010

Oman and India have agreed to enhance bilateral investment and economic cooperation in a wide range of mutually beneficial areas. While Oman will inject capital for reviving sick fertiliser units, invest in infrastructure projects and set up super-specialty hospitals in India, the latter will extend a helping hand in developing the Sultanate's human resources, small and medium

enterprises (SMEs), renewable energy and oil and gas sectors, India's Commerce Minister Anand Sharma told reporters yesterday. This follows a series of discussions between Anand Sharma, with his Omani counterpart Maqbool bin Ali Sultan at the India Oman Joint Commission Meeting (JCM).

Addressing the media after the meeting, Sharma said Oman has agreed in-principle to inject capital for reviving few closed fertiliser plants of Fertiliser Corporation of India (FCI) and Hindustan Fertiliser Corporation and expansion of Rashtriya Chemicals and Fertiliser plant. "Oman Oil Company will inject capital for reviving these sick units. As much as 50 per cent of the funds will come from Oman's side and the remaining 50 per cent will be from Indian side. This will ensure self-sufficiency in urea production. India currently imports 6 million tonnes of fertilisers every year," added the minister, who led a 19-member strong business delegation to the Sultanate for exploring investment opportunities.

Oman-Europe tourism workshop begins today

Oman Daily Observer September-04-2010

The Ministry of Tourism is organising here today at Barr al Jissah Resort a joint workshop that will bring together representatives of travel and tourism agencies from Germany, Scandinavia, Austria and Switzerland with their Omani counterparts. The workshop is aimed at boosting and promoting incoming tourism, particularly from German and Scandinavian markets which were affected by the world economic crisis. The goal is to familiarise members of the European delegation with cultural and tourism sites of attraction in the Sultanate to promote the same at their respective countries. The programme the Ministry of Tourism prepared for the 120-strong delegation involves industry meetings, property inspections and familiarisation tours that include Musandam and Salalah. The initiative highlights Europe's, especially Germany's, importance in the Ministry of Tourism's international marketing strategy. The delegation of travel specialists participating with Omani counterparts in a two-day workshop and travel fair comprises German (93), Austrian (15), Swiss (8), Denmark (2) and Finland (2).

YEMEN

International Front

Qatar to oversee Yemen ceasefire

The Peninsula September-15-2010

Qatar will supervise the implementation of the ceasefire between the Yemeni government and Houthi rebels. Abdul Karim Al Aryani, adviser to the president of Yemen, said at a press conference in Yemen's capital Sana'a that the detailed ceasefire agreement made it binding on both the parties to abide by its terms and conditions, which aim at restoring peace and stability in Yemen. He said a third party (a reference to Qatar) was being asked to supervise the ceasefire in a bid to guarantee that trust builds up between the two sides and peace in Yemen is everlasting. Al Aryani said both parties to the conflict were fed up with fighting each other. The conflict began in 2004 and so far 12,000 people have lost their lives with thousands left injured and arrested in at least six rounds of fighting. The ceasefire between the Yemeni government and the

Houthi rebels was signed on February 11 this year. The first Doha agreement set up a fund for reconstruction of Sadah. Both the Yemeni and Qatari governments are to contribute to the fund.

Threats from Somalia, Yemen rise: Britain's MI5

Khaleej Times September-17-2010

Suspected al Qaeda plots targeting Britain originate increasingly in Somalia and Yemen, partly as a result of counter-terrorism pressure on the group's leaders in Pakistan, the head of the MI5 security service said. Somalia resembled 1990s Afghanistan as a "seedbed for terrorism", and militants there may one day inspire like-minded individuals to carry out attacks in Britain, Director-General Jonathan Evans added in a speech on Thursday evening. "I am concerned that it is only a matter of time before we see terrorism on our streets inspired by those who are today fighting alongside al Shabaab," he said, referring to an al Qaeda-aligned militant group in Somalia.

"Counter-terrorist capabilities have improved in recent years but there remains a serious risk of a lethal attack taking place. I see no reason to believe that the position will significantly improve in the immediate future." Reiterating statements by other officials that a major security operation would be provided for the 2012 Olympics, he said Britain should not underestimate the challenge of mounting the Games securely "in an environment with a high terrorist threat", which would be the first time this had been attempted.

Saudi steps up aid to citizens displaced by Yemen war

Reuters September-15-2010

Saudi Arabia will step up aid to citizens who were displaced from areas bordering Yemen during heavy fighting with Yemeni Shia rebels last year, the ministry of finance said on Tuesday. The move was announced after Saudi newspapers carried reports of citizens in the relatively poor Jizan province complaining of hardship and poor housing conditions after they had to abandon their villages during the conflict last year. Thousands of Saudis were displaced from the border after the army started a campaign in November against what it said were intrusions by Yemeni Shia rebels who were accusing Riyadh of letting Yemeni troops use its territory to attack them. At least 113 Saudi soldiers were killed in the fighting which ended with a truce in January. The Yemeni government reached its own ceasefire deal with the rebels a month later, bringing to an end the sixth round of intermittent fighting since violence in northern Yemen first flared up in 2004. The displaced families would get up to 70,000 riyals (\$ 19,000) annually to buy food, housing and clothing, the finance ministry said on its website. Up to 900 million riyals worth of aid have been given to the displaced since the start of the conflict last year, the ministry said.

Yemen president, Naif discuss relations and means to strengthen them

Yemen News Agency September-11-2010

President Ali Abdullah Saleh has made a phone call to Saudi Interior Minister Naif bin Abdul Aziz. In the phone conversation, President Saleh and Prince Naif exchanged congratulations on the occasion of the advent of Eid al-Fitr. They also talked over the brotherly relations and means to strengthen them. Meanwhile, President Saleh also received a phone call from Saudi Deputy

Interior Minister Ahmed bin Abdul Aziz Al Saud. The Saudi Prince congratulated the president on the same occasion

Economic Front

UAE firm explores gold in Yemen

Emirates News Agency-WAM September-14-2010

Thani Dubai Mining Company, a UAE firm, actively continues its exploration for gold mines in Hadramout and Hajjah provinces in Yemen. The company has dug over 80 wells in 15 sites in Madan Valley and collected over 8,718 rock samples from mineralized zones and their environs, and the preparation for the preliminary assessment of the ore, reported Yemen News Agency (SABA) quoting Geological Survey and Mineral Resources Board (GSMRB) of Yemen. A report issued by GSMRB pointed out that the company carried out drilling of 15 sites in Notisha area and gathered about 7,952 samples from the mineralized zones.

The report indicated that the company has started explorations in al-Maslama area, where it found a number of mineralized zones. Regarding explorations in Shars Valley, the company made limited exploration activities in the area such as interpretation of satellite images, and preparation of a detailed geological, mineral, and synthetic map for al-Harirah area. The report noted that the company discovered new mineral zones in the areas of Barak and Shars 2 in Hajjah province and it prepared a detailed geological, mineral, and synthetic map for the mineralized zones, in addition to drilling more than 15 exploratory trenches and collecting 2000 samples and sent them for analysis.

Yemen to offer hydrocarbon blocks for exploration in October

Gulf Times September-06-2010

Yemen plans to offer next month the rights to develop 15 offshore hydrocarbon blocks as the smallest producer on the Arabian Peninsula seeks to boost production, Oil Minister Amir al-Aidarous said. "Expanding explorations is one of the priorities of the government," al-Aidarous said in an interview in Sana'a on Wednesday. Yemen will offer the blocks to international companies during a two-day conference in Sana'a in October, he said. Yemen, which relies on oil for 75% of its income, is looking to attract foreign expertise to revive falling production. The country's crude output declined to 288,000 bpd last year from as much as 440,000 bpd in 2001, according to US Energy Department data. A lack of exploration activity over the last ten years caused the production drop, al-Aidarous said. "There is a decline not because of the non-availability of oil, but because of the absence of an exploration vision." Yemen postponed a fourth bidding round for 11 offshore oil blocks in August 2009 in part due to international concerns regarding security in the Gulf of Aden and higher insurance rates, the US Energy Information Administration said on its website, citing the Yemen Times.