

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

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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

International Front

Rising tension in Yemen threatens to destabilise the entire Gulf, according to a Bahrain-based international think tank. The country's political and economic situation should be of immediate concern to neighbouring countries, said International Institute for Strategic Studies (IISS) consulting senior fellow for Middle East and south Asia Michael Crawford.

Saudi Arabia has urged the United Nations to implement the principles of its charter effectively without adopting double standard. It also criticized the use of veto power by some permanent members to block the implementation of UN Security Council resolutions. Addressing the 65th session of the UN General Assembly, Saudi Foreign Minister Prince Saud Al-Faisal emphasized the need to implement the Arab Peace Initiative, which offers normal Arab-Israeli relations if the Jewish state withdraws from Arab territories occupied in 1967.

Algeria has asked Saudi Arabian authorities for help in clarifying the circumstances over the death of an Algerian teenager in Makkah.

Social Front

Some of the most ambitious clean energy projects in the world are taking place in the Gulf. Capital that Europeans can only dream of is being ploughed into “green” cities and centers for low-carbon innovation. Gulf governments are declaring themselves “global leaders in sustainability.”

Saudi Arabia is tackling terrorism with all its might and authorities have so far been successful in foiling 230 of the 240 terrorist attempts, Prince Naif Bin Abdul Aziz, Second Deputy Premier and Minister of Interior, said Sunday. Inaugurating the two-day symposium on “The Saudi Moderate Approach” at King Abdulaziz University here, Prince Naif said by their deviant thoughts the terrorists are maligning the name of Islam which stands for peace and moderation.

Saudi Arabia is set to train mosque imams and preachers to resist extremist ideologies in a new government-run program. The program, which begins this week and will include 20 simultaneous sessions in the capital city of Riyadh and its surrounding provinces, is run by the Ministry of Islamic Affairs.

Saudis have become freer in the five years of King Abdullah’s reign but civil rights remain far from institutionalised and vulnerable to political change, Human Rights Watch said yesterday. The king’s reforms have loosened some restrictions on women, boosted a sense of fairness in the judicial system, and increased freedom of expression, the New York-based rights watchdog said in its annual report on Saudi Arabia.

Saudi Arabia has achieved most Millennium Development Goals adopted by the United Nations much before the 2015 deadline set by the international body, the Council of Ministers said in a statement after its weekly meeting chaired by Custodian of the Two Holy Mosques King Abdullah. The Cabinet meeting said the ongoing UN General Assembly meetings were a good opportunity to review national and international efforts to achieve Millennium Goals. “The Kingdom’s strategy to achieve these goals emphasizes on sustained and comprehensive development,” it said.

Economic Front

Gulf states were alerted yesterday to take action over rising inflation and of the need to boost the solvency of their financial units. The warning came from Kuwait central bank chief Sheikh Salem Abdulaziz al-Sabah, who was speaking at a one-day meeting of Gulf Co-operation Council (GCC) central bankers. GCC accounts for one fifth of world oil production. The global economic crisis, the governor added, had “created a new banking and financial reality that requires more efforts to develop supervisory and monitoring frameworks”. Inflation in five of the GCC’s six states soared to double-digit figures before the global financial crisis, but then eased with Qatar, for example, posting inflation of 15% before the crisis and deflation during it. But in recent months, prices have begun to rise again, with Saudi Arabia hitting an inflation rate of more than 5% and Kuwait recording 4% in July. Sheikh Salem said he expected Kuwait’s inflation rate to come in at between 4.0 and 4.5% in 2010, from the 4% recorded last year and 10.6% in 2008.

Dubai’s benchmark index fell 0.9 percent, trimming the gain for the quarter to 15 percent. Emaar, developer of the world’s tallest tower, lost 1.6 percent to AED3.74 after it raised \$ 450 million from the sale of convertible notes.

Abu Dhabi's ADX General Index retreated 0.1 percent, Oman's MSM30 Index and Qatar's gauge slipped 0.3 percent.

Bahrain's measure rose less than 0.1 percent.

Kuwait stocks rose to the highest in four months as Zain, the country's largest mobile-phone company, got a purchase offer for a 46 percent stake, boosting investor sentiment. Emaar Properties PJSC fell in Dubai.

Gulf Cable and Electrical Industries Co., the Kuwaiti maker of electrical equipment, soared to the highest in a year and Kuwait Food Co. jumped 6.3 percent. Zain shares were suspended from trading pending clarification on the offer from Abu Dhabi-based Emirates Telecommunications Corp. The Kuwait SE Price Index increased 0.8 percent to 6,985, the highest since May 24, at the close in Kuwait City. The index rose 6.8 percent in the past three months, its biggest quarterly gain since the one ended March.

DETAILED REPORT

GCC

The prospects of the Gulf's clean energy projects

Some of the most ambitious clean energy projects in the world are taking place in the Gulf. Capital that Europeans can only dream of is being ploughed into "green" cities and centers for low-carbon innovation. Gulf governments are declaring themselves "global leaders in sustainability." Does this signal the end of the petro-state, or is it mere greenwash and vanity projects?

On the surface, the movement to reduce Co2 emissions is anathema for big oil exporters like Saudi Arabia, the United Arab Emirates (UAE), Kuwait and Qatar. These rack up some of the biggest per capita carbon, water and waste footprints in the world and their economies hinge on export markets thirsty for fossil fuels. But domestic concerns have been converging with the climate agenda. These turn on three pressing issues: how to ensure that such precious commodities as oil and gas are not squandered at home; how to use oil windfalls to foster long term economic growth and create jobs, and how to seize new opportunities arising from a carbon-constrained world. With global investment in power capacity from renewable sources now exceeding that in fossil-fuel generation, the Gulf's private sector is keen not to be left behind. The strains of excessive, underpriced resource use are telling. Both Saudi Arabia and the UAE set about replacing inefficient oil-fired electricity generation with gas in the 1990s. They also promoted diversification into petrochemicals, which relies on gas feedstock. But power supply could not keep pace with growing populations and urban mega-projects during the 2005-2008 oil price boom. The desalination of seawater, now accounting for 70-98 percent of supply, adds to the fuel burden. In spite of being the world's fourth and seventh largest natural gas reserve holders, as electricity demand surged, both countries suffered gas shortages and were forced to substitute fuel oil for gas or deny supplies to industry.

This is leading to some counter-intuitive choices. The Emirate of Ajman commissioned a Malaysian company to build a coal-fired power station in 2008. In spite of dependence on coal imports and increased Co2 emissions, Ras Al-Khaimah and Oman look set to follow. According to Saudi Arabia's electricity regulator, the country burned over one-tenth of its oil production for

domestic electricity at highly subsidized prices in 2009. In the last year, Kuwait has been importing liquefied natural gas (LNG) from Russia. International lobbying has championed nuclear power in the region—a course at odds with both economic sense and natural advantage. At the same time, Gulf leaders compete in the sustainable legacy stakes. The late ruler of Abu Dhabi, Sheikh Zayed, was first to champion environmental sustainability. After his death, sovereign wealth established the Masdar Abu Dhabi Future Energy Company in 2006 to champion clean fossil fuels and renewable energy. It commissioned the futuristic “carbon-neutral, zero-waste” Masdar City. In 2008, UAE ruler, Sheikh Mohammed, launched the Sheikh Zayed Future Energy Prize, which incentivizes achievements in energy sustainability with cash prizes. The following year, the International Renewable Energy Agency (IRENA) chose Masdar as its headquarters—a significant move given the scant contribution to date in either carbon emissions reduction or renewable technology innovation. But money and vision talk, a fact not lost on the UAE’s bigger and more powerful neighbor.

Soon after, Saudi oil minister Ali Al-Naimi told Reuters, “Saudi Arabia aspires to export as much solar energy in the future as it exports oil now.” In fact, Saudi Arabia pioneered an impressive solar village back in the 80s, but this was abandoned when enthusiasm waned and little happened in the interim. Then, in early 2010, work began on a solar desalination plant outside Jeddah. King Abdullah announced that a city for atomic and renewable energy would be built in Riyadh, and in August, a private sector conglomerate established the kingdom's first solar panel manufacturing company. The kingdom may even be ahead in terms of “laboratories” for innovation. The King Abdullah University for Science and Technology (KAUST)—set up by national oil company Saudi Aramco—is a living model of sustainable construction while Masdar City is still being built.

Almost unlimited utilities form part of the social contract in the Gulf petro-state. Cheap energy is a way to distribute the riches of the nation and is considered a citizenship right. This gives no incentive for either conservation, investment in efficiency or alternatives. And well before renewable and nuclear options are ready to replace fossil fuels, consumption must be reduced. Yet the vast majority of Gulf citizens—and most importantly the rich—are dismissive of sustainability issues. According to a recent survey by Accenture, 90 percent wanted to reduce national reliance on oil- and gas-fired power generation, but most considered it up to the government, not citizens, to sort this out.

Gulf governments know they must find ways to regulate energy demand—which may include raising the price of fuel and electricity and enforcing efficiency standards. To be effective, this would entail a careful trade off of benefits in order to neither hurt the poor nor harm political stability. In the meantime, prestige-earning hi-tech utopias look set to win out over cheaper, more practical solutions such as public education campaigns, good public transport, and adaptation of buildings to local climate.

The energy challenges facing the Gulf states are not unlike the carbon ones we face in the West. Ultimately, the urgency to do something is outweighed by the fear that doing it will upset vested interests and derail progress. In spite of all the rhetoric, the facts on the ground reveal a hodgepodge and wildly contradictory approach. Nevertheless, it is likely that these unique multi-

billion dollar clean energy projects and innovation centers will reap global benefits in showing what is possible.

Analysts call for stronger EU-GCC cooperation

Two experts on relations between the European Union (EU) and the Gulf Cooperation Council (GCC) called here Monday on the 27-member European bloc to give more attention to its relations with the GCC. Director of the Brussels-based think-tank European Policy Studies (CEPS) Daniel Gros said in an interview with KUNA he agrees with the viewpoint that Brussels has not until now given the importance the GCC deserves. e, however, explained that this is due to the differences between EU institutions and EU member states. "The people in Brussels would like to do more, but they can do more only if EU member countries allow them. Member countries like Germany, France, and Italy insist to handle these relations bilaterally because they think they can get important contracts," said Gros.

On his part, Director of international studies at the Dubai-based Gulf Research Center (GRC) Dr. Christian Koch told KUNA that he intends to agree that not much attention is being paid by the EU to developments happening in the GCC countries and the increasing role that the GCC countries play not only in traditional foreign and security affairs, but specifically in the economic areas. In the current global financial crisis the role of sovereign funds is taken on critical importance, he said, adding that the GCC states are very dynamic entities engaged in widespread economic developments. All these fronts the GCC states can be a positive factor," stressed Koch. Therefore, the EU needs to pay more attention to what is going on in the Gulf, he added. The CEPS and GRC have organized a joint workshop on EU-GCC relations and global economic issues to be held in Brussels on Friday. "This is an effort to strengthen relations between the European Union and the GCC countries. We are involved as the CEPS is dealing with EU's relations with the world," said Gros.

Yemen tensions 'a threat to Gulf'

Rising tension in Yemen threatens to destabilise the entire Gulf, according to a Bahrain-based international think tank. The country's political and economic situation should be of immediate concern to neighbouring countries, said International Institute for Strategic Studies (IISS) consulting senior fellow for Middle East and south Asia Michael Crawford. He was speaking during the inaugural one-day IISS Global Perspective Series forum at the organisation's office in the Bahrain Financial Harbour yesterday. "It may be a long way away, but I think Yemen has the capacity to destabilise the whole Arabian Peninsula," he said. "It should be of immediate concern, especially to GCC governments and to those further afield, like the US, the UK and many others. "Yemen, in some ways, seems very distant to us here in Bahrain. "If you look out the window, the view of Bahrain bears little resemblance to that across the city of Sanaa or any others in Yemen." However, Mr Crawford warned that since assuming power of what was the Yemen Arab Republic in 1978, Yemeni president Ali Abdullah Saleh had showed a propensity for ruthlessness and manipulation. "He has made sure that there are no alternative leaders in the wings or contenders for power and has drawn leverage from his critics' acknowledgement that dissension around the leadership would benefit only those who favour an even weaker centre of power.

Using statistics from widely available publications, the former Bahrain resident revealed that the population of Yemen, located around 800 miles from Manama, now stands at 23 million, but is

expected to double in the next 25 years. Almost half its citizens are under the age of 15, while seven million of them are living on the breadline. Estimated unemployment and illiteracy rates of 40-50 per cent go alongside an inflation rate of around 27pc. Perhaps most worrying figures, however, are that sales of oil, which currently count for 75pc of government revenue, will drop to zero pc by 2017, with Sanaa also expected to become the world's first capital city to run out of water.

Gulf states warned over rising inflation

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Gulf stocks end week mixed

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SAUDI ARABIA

International Front

'Saudi participation in G20 summit is very important'

Custodian of the Two Holy Mosques King Abdullah has been invited to attend the summit meeting of the Group of 20 (G20) developed and emerging economies, to be held in the South Korean capital city of Seoul for two days from Nov. 11. Hong Jong-ki, the outgoing Korean ambassador, said on Thursday that the Kingdom's participation in the summit was "very important," both bilaterally as well as from a global perspective. Saudi Arabia, Hong said, was the only OPEC member in the G20. "Moreover, the Kingdom assumes a leadership position in both the Arab and the Muslim world, representing a very diverse political constituency, while it has been increasingly exposed to the challenges of globalization," said the diplomat.

Saudi King, UK minister discuss Gulf stability

King Abdullah, Custodian of the Two Holy Mosques, and Liam Fox, British Defense Minister, Saturday discussed key regional stress points including Iran and Afghanistan, a British official said. The defense secretary discussed issues including stability and security in the Gulf and the wider Middle East, a British Embassy spokesman said. In addition to bilateral relations, talks covered the situation in Afghanistan ... and how Iran can be encouraged to be transparent and cooperative with the region and the West, he said. Fox, who arrived here Friday, was the first British Cabinet minister to visit Saudi Arabia since the Conservative-Liberal Democrat coalition formed a new British government in May. Fox's visit comes as the two countries continue to develop a program for providing Saudi Arabia with up to 72 Eurofighter Typhoon jets, in a 2006 deal that has been valued at up to 20 billion (\$ 32.9 billion), including armaments and long-term servicing.

Saudi Arabia slams UN double standard

Saudi Arabia has urged the United Nations to implement the principles of its charter effectively without adopting double standard. It also criticized the use of veto power by some permanent members to block the implementation of UN Security Council resolutions. Addressing the 65th session of the UN General Assembly, Saudi Foreign Minister Prince Saud Al-Faisal emphasized the need to implement the Arab Peace Initiative, which offers normal Arab-Israeli relations if the Jewish state withdraws from Arab territories occupied in 1967. The Kingdom urged Israel to restore the rights of Palestinians and abide by the principles of international law and UN resolutions and end all settlement activities, saying they jeopardize the peace process and render negotiations meaningless.

Algeria asks Saudi to clarify facts on pilgrim's death

Algeria has asked Saudi Arabian authorities for help in clarifying the circumstances over the death of an Algerian teenager in Makkah, a government official said yesterday. "From the moment that this happened, Algeria asked the help of Saudi authorities to clarify the situation," Halim Benatallah, state secretary for the Algerian expatriate community, told French-language radio Chaine III. "Only the (Saudi) legal authorities are capable of clarifying the facts. We have asked them to do their best ability and (they) have committed themselves in that regard..." he added. Saudi authorities opened an investigation into the death in mid-September of a 15-year-old Algerian girl whose body was found on the roof of a hotel adjacent to the one in which she was staying. The Saudi media reported at the time that she threw herself from her hotel balcony to escape an attack. The Algerian press reported that she was raped and then killed. The Saudi

daily Okaz has reported that a Saudi court was probing two Yemenis over the murder and that one of them is also accused of rape. It did not say when the trial would begin.

Social Front

Saudi Shoura Council to focus on developing local human resources

The Shoura Council is to focus on developing local human resources with public and private sector participation in the Kingdom, according to a decision taken Saturday at its general committee meeting held under the chairmanship of Shoura Council Chairman Abdullah Al-Asheikh. " This is an important sector that needs the attention of members of the public and private sector so that local human resources can be harnessed for the betterment of the country," Shoura Council Secretary General Muhammed Al-Ghamdi said in a statement issued on Saturday. The Shoura Council will study some suggestions from its Human Resources Committee as to how the private and public sector institutions should be made accountable in training and employing local manpower, he said. The others who were present at the meeting included the council's Vice President Dr. Bandar bin Mohammed Hajjar and its Assistant Vice President Dr. Abdul Rahman Al-Barrak. While chalking out the agenda for the upcoming sessions, the committee lined up more than 10 annual reports that would be of interest both to the public and the government. They include the report of the committee on housing, water and public services on the draft regulations on licensing procedures of the municipality, report of the Committee on Economic Affairs and Energy on the draft system of measurement and calibration, the report of the Committee on Finance on the proposal to re-examine the Saudi Council of Engineers and the Council of Chambers of Commerce and Industry containing a mandatory insurance scheme for all engineers, designers and supervisors to insure their professional responsibilities arising from their businesses. The committee also agreed to discuss the report of the Committee of Security Affairs on the amendment of Article (eighth) of the Council of military service, and the report of the Commission on Cultural Affairs on the draft cooperation agreement between the Saudi Press Agency (SPA) and the Press Trust of India(PTI).

230 terror attacks foiled: Naif

Saudi Arabia is tackling terrorism with all its might and authorities have so far been successful in foiling 230 of the 240 terrorist attempts, Prince Naif Bin Abdul Aziz, Second Deputy Premier and Minister of Interior, said Sunday. Inaugurating the two-day symposium on "The Saudi Moderate Approach" at King Abdulaziz University here, Prince Naif said by their deviant thoughts the terrorists are maligning the name of Islam which stands for peace and moderation. The symposium is being organized by Prince Khaled Al-Faisal Chair for Instilling the Saudi Moderate Approach. Several Ulema and academics are participating in the symposium. Prince Naif blasted some quarters from within who are out to demolish the Saudi social values and constants. He said these attempts are an abominable form of terrorism. These nefarious activities, he said, are being carried out in the name of Jihad and they are bringing disrepute to Islam and Muslims. Prince Naif said that by holding such symposiums, awareness against terrorism will be increased and the people all over the world will come to know that Islam is the religion of peace. The Second Deputy Premier also criticized those outside the Kingdom who are sowing deviant thoughts in the minds of young Saudis. "They are claiming to provide the youth a short cut to heaven," he said.

Saudi Arabia to re-educate clerics against extremism

Saudi Arabia is set to train mosque imams and preachers to resist extremist ideologies in a new government-run program. The program, which begins this week and will include 20 simultaneous sessions in the capital city of Riyadh and its surrounding provinces, is run by the Ministry of Islamic Affairs. The title of the opening session is "The Friday sermon and its importance in implementing moderation and intellectual security." "We are bringing in the most senior scholars in Saudi Arabia to give this training," Ahmad Fouad of the Ministry of Islamic Affairs told The Media Line. "Twenty lectures will be delivered in and around Riyadh." Over the past eight years the ministry has been implementing educational programs for mosque personnel, including preachers, imams and muezzins (those who give the call for prayers), stressing "the importance of citizenship and intellectual security," Al-Sharq Al-Awsat newspaper reported. Professor Gared Nonneman, an expert on Saudi affairs at the Center for Gulf Studies in the University of Exeter, said that the Saudis have been successful in reducing the level of extremism in the Kingdom through a variety of programs initiated by Custodian of the Two Holy Mosques King Abdullah. "This program fits into a larger pattern in Saudi Arabia," he told The Media Line. "From 2004-2005 the Saudis have launched a very effective campaign against extremism." Nonneman said that since coming to power in 2005, King Abdullah launched a national dialogue project meant to unite society around the idea of Islamic tolerance. He has also promoted the idea of inter-religious dialogue, stemming from his belief that such dialogue does not contradict the fundamentals of Islam.

Saudis freer under King Abdullah: rights group

Saudis have become freer in the five years of King Abdullah's reign but civil rights remain far from institutionalised and vulnerable to political change, Human Rights Watch said yesterday. The king's reforms have loosened some restrictions on women, boosted a sense of fairness in the judicial system, and increased freedom of expression, the New York-based rights watchdog said in its annual report on Saudi Arabia. "There is a growing awareness... that this is a king with a reform agenda," Christoph Wilcke, the principal author of the report, told reporters in Riyadh in a conference call. Wilcke said Abdullah has set an atmosphere for fewer restrictions on women. The report noted that Abdullah launched important structural reforms of the judiciary, with more training, and specialised courts, but said "implementation of these proposals has been halting at best."

Millennium Goals met ahead of 2015 deadline: Saudi Cabinet

Saudi Arabia has achieved most Millennium Development Goals adopted by the United Nations much before the 2015 deadline set by the international body, the Council of Ministers said in a statement after its weekly meeting chaired by Custodian of the Two Holy Mosques King Abdullah. The Cabinet meeting said the ongoing UN General Assembly meetings were a good opportunity to review national and international efforts to achieve Millennium Goals. "The Kingdom's strategy to achieve these goals emphasizes on sustained and comprehensive development," it said. The meeting decided to establish the Saudi Quality Association under the supervision of the Ministry of Commerce and Industry. "The association will spread a culture of quality and its concepts and will implement quality standards in the public and private sectors." Addressing the meeting, King Abdullah highlighted the tremendous progress achieved by Saudi Arabia after its establishment by King Abdul Aziz. "It has become the center of attention of the

international community thanks to cultural achievements and development in various sectors,” he said.

Economic Front

'Saudi Arabia, in particular, will witness solid growth'

Though Gulf Cooperation Council (GCC) economies are bouncing back, more needs to be done to attract investors and encourage international levels of competitiveness, Raza Jafar, CEO of Enshaa and member of the global philanthropy circle, has told the two-day tenth annual Forbes Global CEO Conference that ended on Wednesday in Sydney. Speaking to a session full of top leaders from different sectors in tens of countries, Jafar painted a mixed picture. Providing a wide-angle view of the investment climate in the Gulf, and a both historical and prospective analysis of the region, Jafar said “this is an exciting time full of potential. But more initiatives are needed to ensure a productive workforce, and more support must be mobilized in order to attract foreign investments back to the region. In addition, regional success stories are needed to inspire strategic and impact-oriented philanthropy.” “The GCC economies are bouncing back. After marginal growth, an outflow of capital during the financial crisis, and the downturn in the property markets of the Gulf, we’re seeing some bullish trend on other parts of the economy now, and optimism is back at wide sectors though the property sector and stock markets remain lagging behind,” Jafar said. “And Saudi (Arabia), in particular, will witness solid growth due to large government spending on local infrastructure, allowing SMEs to benefit and grow from just subcontracting and services-related projects.”

UAE

International Front

UAE and Uzbekistan sign three judicial agreements

UAE and Uzbekistan have signed minutes of the first round of negotiations of the judicial agreements between the two countries including extradition, providing assistance in criminal matters and transfer of prisoners. The agreement was signed by Yunus Yusuf Al-Redha, Chairman of the Sharjah Federal Court of Appeal and Namatullah Youlad Ashev, Deputy of the Public Attorney of Uzbekistan. UAE delegation includes representatives from the Ministry of Justice, Federal and local Attorney General and the Ministries of Interior and Foreign Affairs. The UAE and Uzbekistan have held three rounds of negotiations last week in Abu Dhabi with the participation of delegations from both sides where they agreed to hold a second round of negotiations in Uzbekistan whose date will be determined through diplomatic channels.

UAE RCA relief team leaves for Pakistan

A medical and relief delegation sent by the UAE Red Crescent Authority (RCA) left for Pakistan on Saturday to reinforce distribution of relief aid and provide medical care for those affected by the floods that devastated the country. The volunteer team, consisting of medics and paramedics, will join the mobile humanitarian hospital of UAE currently making field visits in various villages and towns in Pakistan. Another RCA team will leave for Pakistan on Monday to join the vaccination campaign underway in Pakistani villages as per an agreement signed between UAE RCA and the United Nation’s Children Fund (UNICEF). The project aims to immunise women

of childbearing age with two doses of vaccine against tetanus and children below six years against measles and polio. The vaccination campaign funded by the Red Crescent is the second of its kind carried out in collaboration with Unicef and the first phase targeted 625,000 women and children in Pakistan. RCA and Unicef had entered into the partnership on Wednesday. Dr Ayman Abu Laban, Unicef's representative in the Gulf, had said that the partnership is a new building block in the march of RCA-Unicef constructive cooperation.

Social Front

UAE sets nuclear standard

The UAE's election to the board of the International Atomic Energy Agency is a huge step forward and much needed recognition for a young country. That the UAE got the seat at the high table of the UN watchdog without any contest and at the expense of many big boys goes to underscore the growing stature of the country and respect it has come to command in the international community. Thanks to its policy of harmony, dialogue and peaceful engagement with everyone in the region and beyond, the nation has come to create a special place for itself on the world stage despite its relative youth and size. It was perhaps only a natural and logical transition for a country that consciously chose the path of peaceful nuclear energy without any confrontational theatrics and without ruffling any feathers. More important, it is the country's recent policy of seeking peaceful nuclear power, while strictly following the IAEA guidelines and addressing international concerns, that has clearly impressed the world community and the UN movers and shakers. By opting to import enriched nuclear fuel for its nuclear power projects, being developed at a staggering cost of \$ 20 billion (Dh 73.4 billion), the nation sought to avoid the complications and controversies that have unfortunately dogged the nuclear programme in neighbouring Iran. In doing so, it has created a welcome template and set an example for the rest of the Arab world, and the developing world at large.

Labor Front

UAE' trafficking watchdog investigates labour rows

In the first eight months of this year alone, 421 people lodged complaints over the violation of labour rights, according to figures from Dubai Police's human rights section. Salary delays, delays in cancelling visas and withholding passports are among the issues which the newly established Human Trafficking Monitoring Centre, within the Human Rights Section, is becoming responsible for. Major Sultan Al Jamal, director of the centre, said that his team had also heard complaints from 47 groups of labourers — many of whom threatened to strike and therefore undermine national security. "The department has investigated these complaints and taken strict action against companies found violating labour rights," he said. While the centre was originally set up in 2009 to tackle human trafficking cases, it has also been inundated with labour disputes — many of which have their roots in allegations of human trafficking and slavery. Around 94 inspectors working at the centre have been trained in how to identify cases of human trafficking. Al Jamal said that his team has inspected 689 sites of labour accommodation across various areas of Dubai, such as Jebel Ali, Muhaisnah and Al Quoz.

BAHRAIN

International Front

US keen on Bahrain security role

The US yesterday stressed its keenness on bolstering Bahrain's security and stability and further consolidate partnership. This came as Foreign Minister Shaikh Khalid bin Ahmed Al Khalifa met Assistant Secretary of State for Near Eastern Affairs Jeffrey Feltman in New York. The minister also attended a work dinner hosted by Qatari Premier and Foreign Minister Shaikh Hamad bin Jassim bin Jabr Al Thani in co-operation with the International Peace Institute to discuss ways of reducing natural calamities and military role in relief efforts. Shaikh Khalid met his Tunisian counterpart and discussed relations. Both agreed to convene the high joint co-operation committee.

Political Front

Race on for elections in Bahrain

The stage is set for a two-pronged election race in Bahrain, with the closure last night of nominations for the municipal polls. Candidate Isa Al Dossary was elected unopposed last night to the Southern Municipal Council - making him the first past the post nationwide. In total, 184 candidates, including three women, had been accepted by the 9pm deadline, including Mr Al Dossary, which leaves 183 competing for the remaining seats on the country's five councils. This is up on the last municipal elections, with 171 candidates fielded in 2006 - but down on the 320 who stood in 2002. Female candidates are down in number this time, compared to five in 2006 and 34 in 2002. The nation will go to the polls to vote in the municipal and parliamentary elections on October 23. Council candidates have until Monday to file any complaints over rivals or their own registrations and campaigning is officially allowed from Tuesday. The deadline for withdrawals is October 16.

Election guidelines for first time voters in Bahrain

First time voters and others interested in learning more about the role they can play in enhancing their country are invited to attend a forum at Sheraton Hotel's Awali Ballroom tomorrow. Patriotism and Citizenship: Affiliation and Awareness is a forum organised by Bahraini American Cultural Exchange Society (BACES) and is open to all. The event is the second in a three-part series to create awareness about the voting process and participation. The first forum, Voting for Beginners, was held in July and the third event next month is related to the electoral process and voters' rights. The series is being held prior to the parliamentary and municipal council elections slated for October 23.

181 set for poll battle in Bahrain

Preparations are in full swing as Bahrain's municipal council candidates await the official start of campaigning on Tuesday. A total of 181 hopefuls, including three women, will compete for seats in the country's five councils. Candidate Isa Al Dossary was elected unopposed to the Southern Municipal Council after the close of nominations on Friday night - making him the first past the post nationwide. Two other candidates, one in Muharraq and another in Manama, have been disqualified after their registration was rejected by judges monitoring the process. Nine seats each are available in Central and Northern, eight each in Manama and Muharraq and six in the Southern Municipal Council. The number of candidates this year was up on the last municipal

elections, compared to 171 in 2006, but down on the 320 who stood in 2002. Female candidates are also less this time, compared to five in 2006 and 34 in 2002, when there were 50 municipal seats available.

Civic polls row over expat vote

A top elections official has dismissed claims that non-Arabic-speaking expatriates are being shut out of Bahrain's municipal polls because authorities have failed to provide information in English. Expatriates living in the country and owning property have the right to vote for municipal councillors during next month's national elections. But they are not allowed to vote in the parliamentary polls, being held on the same day, October 23.

Bahrain' development plan backed

Bahrain's largest opposition group put out a hand of partnership to the government yesterday, as it stepped up its parliamentary election campaign. Al Wefaq National Islamic Society declared its support for government plans to develop the country and pledged to work to turn them into reality. But it also wants greater transparency, better housing and a freeze on new hotels pending a clean-up of the tourism industry. The bloc is proposing emergency measures to speed up housing services and set up proper labour camps in designated areas. Its "new and improved" manifesto for next month's elections was detailed by incumbent Al Wefaq bloc MP Khalil Al Marzooq, who is seeking re-election in Capital Constituency Two, which includes Ras Ruman, Hooraa and other parts of Manama.

KUWAIT

Social Front

Kuwait defends banning books

Kuwait's information ministry yesterday dismissed criticism from liberal MPs for banning books from a fair due next month while Islamists praised the move. The ministry said in a statement that its censorship committee has banned only 25 titles out of 24,000 books for abusing God, prophets and other religious figures, books on pornography and others undermining Kuwait. It provided no other details on the books or the authors banned from displaying their works at the book fair which will run from Oct 13 to 23. Liberal MPs and civil society groups charged that the government was attempting to stifle freedom of speech and thought. "Barring books from the Kuwait book fair is a breach of the constitution," which does not apply restrictions on the freedom of speech, liberal MP Saleh Al-Mulla said in a statement. Liberal MP Aseel Al-Awadhi has urged Information Minister Sheikh Ahmad Abdullah Al-Sabah to explain what were the parameters used by the censorship committee to ban books from the fair.

Political Front

New political bloc for Kuwait

Kuwait is reportedly set to see the formation of another new political bloc, this time formed by a local NGO and grouping together independent MPs, which will be known as the 'Group of 30.' A parliamentary insider said that the unnamed NGO has stipulated certain conditions for membership of the new bloc, including that all members must be former ministers or MPs, or

prominent social or political figures. It also specified that they must not be members of other groups or factions and must be independent. The NGO has apparently already contacted several prominent local figures to canvass their opinions on the formation of the new bloc, with the general reaction being favorable, said the insider, adding that the official launch of the 'Group of 30' would be announced at a press conference, once all the necessary procedures have been completed. One unnamed individual involved with the NGO in question told Al-Anba that the logic behind the creation of the new bloc was that it would restore political balance in Kuwait while also correcting the course of public sector work in the country, as well as creating a more unified collective strategy on various issues in all areas, whether political, economic or social.

Foreign Labor Front

Kuwait to scrap 'kafeel' system

Kuwait will scrap the much-criticised sponsor system for foreign labour in February, becoming only the second Gulf country to abolish a practice that has been likened to slavery. Al-Rai newspaper quoted Minister of Social Affairs and Labour Mohammed Al-Afasi as saying that the "kafeel" system will be scrapped when a public authority for the recruitment of foreign workers is established in February. Undersecretary of the Ministry Ahmad Al-Kandari said yesterday the labor law does not mention the sponsor system at all. Speaking at a workshop organized by the International Organization for Migration (IOM) with the Ministry of Social Affairs and Labour at the United Nations headquarters, Kandari said that the new amendments made to the labor law will address this issue. Described by human rights bodies as akin to slavery, the sponsor system requires that all foreign workers must be sponsored by Kuwaiti employers, thus keeping them at the mercy of their bosses. Kuwait will become the second Gulf country to abolish the system after Bahrain, which decided in 2009 to end its longstanding requirement for all foreign workers to be sponsored by a citizen. Bahrain likened the sponsorship system to modern-day slavery.

Kuwait' Kafeel cancelation widely welcomed

There has been a largely positive reaction to Sunday's ministerial confirmation that the 'kafeel' (sponsorship) system for foreign workers in Kuwait is to be canceled following the establishment of a public authority for recruiting expatriate workers next February. Although the cancelation of the kafeel system had been discussed numerous times previously, the situation had remained unchanged for many years, with most expatriates highly critical of a system which they saw as unjust and as causing more problems than it solved. While many employers saw it as giving them a form a security, it was frequently exploited and misused. Kuwait's expatriate residents have generally responded favorably to the scrapping of the kafeel system, even in those cases where it has not adversely affected them in person. "It's definitely a positive step towards more freedom and a better life for both citizens and expatriates," said 25-year-old Iranian expatriate Fatma. "I definitely support cancelling the kafeel system as doing so is right. This will also eliminate the Iqama traders who've made a living selling visas to many foreigners who come to Kuwait and can't find a job. This causes further problems for the country and negatively affects Kuwait's reputation internationally.

OMAN

International Front

Oman, Qatar seek to boost ties in various fields

During the session, the overall bilateral relations in various spheres were discussed and the two sides praised the efforts of the Omani-Qatari Joint Committee that started to implement various forms of co-operation in public and private sectors. The two sides also emphasised that the joint committee implemented a number of projects in tourism and investment, including to the establishment of joint ventures and co-operation in oil and gas, basic education, higher education and exchange of expertise.

Oman talking to Iran on US prisoners: Report

An Iranian newspaper reported that a delegation from nearby Oman will visit Iran Sunday to pursue the release of two American men imprisoned for more than a year.

The Gulf sultanate of Oman played a key role in securing the Sept. 14 release of a third American, Sarah Shourd, who was arrested with the two men still held — Shane Bauer and Josh Fattal. The hard-line daily Jomhuri-e-Eslami, which is not state-run but close to the ruling establishment, reported that if the Americans are released, they will be able to leave with the visiting delegation for the Omani capital Muscat. Foreign Ministry officials in Oman could not immediately be reached for comment. Masoud Shafiei, the Iranian lawyer for the Americans, told The Associated Press he was not aware of the Omani visit. Shourd's release, which the Iranians said was on compassionate grounds because of illness, was a bittersweet milestone in a saga that has become one of many irritants in fraught US-Iranian relations. She left behind her fiancé Bauer and their friend Fattal to possibly face trial on espionage charges. But her release raised hopes that Omani mediators may be able to also intervene to help her companions. Shourd was released after officials in Oman, an ally of Iran and the United States, mediated a \$ 500,000 bail that satisfied Iranian authorities and apparently did not violate US economic sanctions against Tehran. The source of the bail payment has not been disclosed. Last week, Iranian President Mahmoud Ahmadinejad was in New York to attend the UN General Assembly. During his visit, he met with Shourd and told The Associated Press he hopes Bauer and Fattal would be able to provide evidence "they had no ill intention in crossing the border" so they can be released.

Oman hits out at Israel for blatant violation of rights

Oman has lamented the lack of real progress in human rights conditions in the Palestinian and occupied Arab territories. "While these conditions were discussed in all the Human Rights Council sessions and many resolutions passed on this, no tangible progress has been made," Yahya bin Salim Al Wuhaibi, the sultanate's permanent representative to the UN, said addressing the 15th session of the council in Geneva on Tuesday. "On the contrary, these regions are witnessing noticeable growth in the frequent and organised aggressions by occupation authorities," he added. The council was discussing the status of human rights in Palestine and the occupied Arab territories. Wuhaibi said the organised and continuous aggressive tactics practised by Israel against unarmed Arabs in the occupied territories in West Bank, Al Quds, Gaza, the Golan in Syria and Shab'a Farms in Lebanon "explicitly reflect the stubbornness of the Israeli government and its determination to follow the path of power and violence. They constitute blatant violation for human rights principles in the occupied Arab territories."

QATAR

International Front

Qatar Emir sees peace in Darfur soon

The Emir H H Sheikh Hamad bin Khalifa Al Thani, on an invitation from the UN Secretary-General Ban Ki-moon, participated in the high-level meeting on Sudan, which was held on the sidelines of the 65th session of the UN General Assembly at UN headquarters yesterday. The meeting was attended by the Prime Minister and Foreign Minister H E Sheikh Hamad bin Jassem bin Jabor Al Thani and members of the Emir's official delegation. In a speech before the high-level meeting on Sudan, the Emir said that Sudan faces today many challenges that have serious implications at local, regional and international levels, warning against the effects of instability in the Sudan which will not stop at its borders. The Emir said it was the reason why Qatar did not hesitate to mediate to resolve the conflict in Darfur. The Emir said that Qatar has, from the outset, coordinated with joint UN-African Union mediator for Darfur Djibril Bassole, and Doha hosted several meetings of the parties to the crisis based on a belief that negotiation and dialogue is the only solution to this conflict.

Qatar, Iran discuss bilateral relations

HE the Minister of State for Interior Affairs Sheikh Abdullah bin Nasser bin Khalifa al-Thani yesterday met Iran's Ambassador to Qatar Abdullah Sahrabi. Talks during the meeting dealt with the aspects of bilateral relations and issues of common concern.

Qatari Amir starts visit to Germany

In response to an invitation by President Christian Wulff, Qatari Amir Sheikh Hamad bin Khalifa Al Thani arrived in Germany on Tuesday for a three-day state visit. Talks between the two sides will focus on bilateral relations and current developments in the Arabian Gulf and the Middle East. The visit will also witness the signing of a joint project between the two sides in field of technology and scientific research. During his visit, Sheikh Hamad is scheduled to meet a number of high ranking German officials, among them President Wulff and Chancellor Angela Merkel, Foreign Minister Guido Westerwelle and Defense Minister Karl-Theodor Zu Guttenberg.

YEMEN

Friends of Yemen assert support against terrorism

The ministerial meeting of the friends of Yemen held here on Friday depicted explicit international support for Yemen vis a vis the combat against terrorism, poverty and diseases, Kuwait's Deputy Prime Minister and Foreign Minister said. Sheikh Dr. Mohammad Sabah Al-Salem Al-Sabah, also the chairman of the current GCC session, said in a statement after the meeting that the gathering signalled a message to Al-Qaeda and identical organizations, where it manifested states' support for Yemen's combat against terrorism. "Concerning the GCC, Yemen is part of the Arab Peninsula and we have to help our brethren, and the terrorists would certainly view such a meeting as bad omen for them," Sheikh Dr. Mohammad said, adding that the meeting was meant to demonstrate support for the Yemeni people, rather than the government. "As to the internal disputes, they can be resolved among the brothers," he added. The deputy

premier confirmed that it was preparatory for the Riyadh meeting, which would be significant for implementing the resolutions of the London convention for the donor countries for Yemen.

War with Huthis result of foreign interference: Yemeni minister

Yemen's Information Minister Hasan Al-Lawzi said here Monday that the war with the Huthis in the north of the country and the protests demanding separation in the south are a result of foreign interference. The minister told Al-Watan Syrian paper Monday that the Yemeni government has strong ties with the United States. These ties protect Yemen from Zionist pressures, said Al-Lawzi who is in Damascus to take part in the international forum on radio and television training, which kicked off Monday. The relation between Yemen and the United States is developed to combat a joint threat, which is the crimes of Al-Qaeda, he pointed out. The two countries also cooperate in supporting Yemen's development, he noted. Pressures were put on Yemen to compromise the Arab unanimously and to establish relations with Israel, he said. Yemen's relations with the United States are strong, but not on the expense of the Palestinian people and national interests, he stressed. Yemen went through bitter experiences of which the most dangerous was the export of revolutions, he said.