

Shumaila Rafiq

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Summary

Bangladesh:

The High Court has ruled that Bangladesh is now a secular state in line with the original constitution of 1972 which it said had been restored automatically following the Supreme Court judgment on the Fifth Amendment. Efforts by successive governments to make the local government bodies vibrant and fully functional through necessary reforms remain confined mainly to formation of commissions to that end. Information available says the then military ruler HM Ershad in April 1982, formed a committee to review existing administrative structure. It recommended a full participatory and directly elected three-tier local government (district, sub-district and union) system with adequate administrative authority, financial power and autonomous status." Bangladesh will not send forces to Afghanistan even if the US shows up with a formal request for troops. The government will argue that the national sentiment is against sending troops to Afghanistan, according to government and ruling party sources. Bangladesh Premier Sheikh Hasina has asked her archrival and Opposition leader Khaleda Zia not to push the country into chaos by continuing to speak against the war crimes trial. "I urge the opposition leader not to throw the country into chaos by opposing the trials of war criminals. he depression over Northwest Bay and adjoining West Bengal-Bangladesh coast moved northeastwards and crossed West Bengal-Bangladesh coast near Mongla at 6:00pm on Friday and now lies over Barisal and adjoining area as a land depression. The Bangladeshi government has been emboldened by a halt in the spread of anthrax and is likely to end the red alert that was issued to help control the disease last month by the livestock department. Bangladesh Prime Minister Sheikh Hasina Tuesday said a Rabindranath Tagore university and a Rabindra academy will be set up in Bangladesh for higher studies and research on the Bengali Nobel laureate. The World Bank loan is aimed at helping Dhaka re-build after the devastation of Cyclone Sidr (2007) that affected an estimated 9 million people and caused damage worth \$1.2 billion and Cyclone Aila (2009) that caused a further \$400 million worth of damage. Myanmar has agreed to build two

hydropower plants aimed at exporting around 575 megawatts (mw) of electricity to energy-starved Bangladesh, top officials said in Dhaka Tuesday. Bangladesh is enjoying the benefits of the EU decision to withdraw zero-tariff from Sri Lanka, among other factors now boosting garment exports. Bangladesh has asked China for help in building a multibillion-dollar deep sea port in the Bay of Bengal — the nation's most ambitious and expensive infrastructure project, an official said Monday.

Nepal:

Nepali Congress President Sushil Koirala on Sunday made it clear that his party is not going to pull out of the ongoing prime ministerial race, maintaining that the withdrawal would mean the country further plunging to political vacuum. Under Secretary General of the United Nations for Political Affairs, B. Lynn Pascoe, met caretaker Prime Minister Madhav Kumar Nepal soon after landing in Kathmandu Wednesday. During the meeting held at the Prime Minister's Office (PMO) in Singha Durbar, Pascoe underlined the need for political consensus to conclude the peace process within the extended mandate of the United Nations Mission in Nepal (UNMIN) and pledged the UN's support in this regard. Strong exception of the Nepali Congress, the second largest party in the Constituent Assembly (CA), prevented from the possible nexus between the UCPN Maoist and CPN UML. Minister without Portfolio and Co-chairman of Sadbhavana Party Laxman Lal Karna said that the country will face financial crisis if this fiscal year's budget was not presented by the next month. former member of the parliament and the leader of the Nepali congress Nar Bahadur Gurung passed away at the age of 83 on Wednesday. Armed police have blocked thousands of Tibetan exiles in Nepal from voting for a new government-in-exile by forcibly seizing ballot boxes, police and activists said. Nepal's parliament failed for the eleventh time to elect a new prime minister on Thursday in the latest attempt to choose a figure to fill a three-month leadership void. Caretaker Prime Minister Madhav Kumar Nepal has claimed that the current political deadlock will be resolved 'soon'. Speaking to reporters at Biratnagar airport Monday, PM Nepal said efforts to find consensus on power-sharing are on and that a solution will come out within a few days. Krishna Bahadur Mahara- the international relations bureau chief of the Unified Maoists' Party declared at an interaction program organized by the Revolutionary Journalists Organization of the district of Dang, Friday October 8, 2010, that his party will soon declare a protest program against India. A senior Nepali Congress leader has said double standard maintained by the CPN (UML) is behind the protracted the political deadlock."The UML is good to the Nepali Congress at one time; it is seen siding with the Maoists the other time. This has obstructed the formation of the government," The United Marxist Leninists' Chairman Jhal Nath Khanal has expressed that to get rid of the current political stalemate, there lay only one remarkable solution." Surrounded by Nepal's blue-blooded, the plutocracy and the paparazzi, Nepal's former princesses, led by former crown princess Himani Rajyalaxmi Shah, officially announced their entry into social service from Friday, the auspicious day the Himalayan republic also began celebrating its biggest Hindu festival Dashain, saying they would begin their work in three villages in the Terai region near the Indian border. Nepal has launched a major campaign to stop animal sacrifice at a famous temple

ahead of the Hindu festival Vijaya Dashami."I don't want animal blood, I am happy with fruits and vegetables. Nepal's most celebrated festival Badashain began on Friday, which is celebrated by the Hindu community across the country and is regarded as one of the greatest festival. The festival is marked for the win over the evil by the supreme power by Goddesses Durga. The international community has called on the Nepalese government to allow Tibetans residing in the country to exercise their democratic rights. A group of 30 Nepalese police barged into the polling stations in Kathmandu and forcibly took away ballot boxes mid way through the polling for the first round of general election on Sunday, 3 October. Indian public sector Punjab National Bank's joint venture in Nepal, Everest Bank Ltd (EBL), is now seeking to enter the microfinance segment in the Himalayan republic following the success of the industry inspired by Nobel peace prize laureate Prof Muhammad Yunus' Grameen Bank in Bangladesh. International Monetary Fund (IMF) that downscaled Nepal's economic growth for 2010 to 3 percent from 3.5 percent has said it estimates the country's economy to grow by 4 percent in 2011.

Srilanka: Former Army Commander Sarath Fonseka lost his parliamentary seat with effect from yesterday. This was conveyed by Acting Secretary General of Parliament Dhammika Kitulgoda to the Commissioner of Elections. Sarath Fonseka was elected to the Parliament, at the last general elections, on the Democratic National Alliance ticket from the Colombo District. The Sri Lanka parliament today defeated a No-Confidence Motion tabled by the opposition United National Party (UNP) against the External Affairs Minister Prof. G.L. Peiris. The No-Confidence motion, defeated by a majority of 107 votes, received 139 votes against it while only 32 voted for it. Sri Lanka's jailed former Army chief Sarath Fonseka (C) is escorted to court as the Colombo High Court trial against him begins in Colombo, capital of Sri Lanka, Oct. 4, 2010. He has been indicted for inciting violence and racial hatred in the country for alleging that the government troops had killed Tamil Tiger rebels who had wanted to surrender during the last days of the government's military campaign in May 2009. Sri Lanka Court of Appeal today fixed the hearing of the appeal filed by imprisoned Sri Lankan ex-Army Commander Sarath Fonseka against the verdict of the first court martial for October 15. Former army commander Sarath Fonseka Monday pleaded "Not Guilty" to charges over his controversial 'white flag' statement to the Sunday Leader newspaper. Sri Lanka's imprisoned former Army Commander, parliamentarian Sarath Fonseka, never retracted his 'white flag' story that accused the Defence Secretary of ordering the Army's top brass to kill the senior LTTE leaders surrendering with white flags to security forces during the final stages of the war, a newspaper editor told the courts today. Sri Lanka's Democratic National Alliance (DNA) has decided to take the matter of removing former Army Commander and DNA Leader Sarath Fonseka from his parliamentary seat before the Supreme Court. Gulf Air, the national carrier of the Kingdom of Bahrain and the carrier with the largest Middle East international network, yesterday touched down once again at Sri Lanka's Bandaranaike International Airport after a lapse of five years, marking a historic re-entry into Sri Lankan skies with five frequencies weekly. Royal Dutch Shell, the parent company of Shell Gas Lanka and Shell Terminal Lanka has intended to exit from LP Gas business in Sri Lanka as part of their wider review of ownership options, the Sri Lankan

government announced today. India's Tata Communications had put in a bid for Sri Lanka's Suntel, a unit of Sweden's Telia which runs a fixed access wireless network in the island, a media report said. India's Economic Times said, Tata Communications Ltd (TCL) formerly a state-run firm in which the government still owns 26 percent has been given the go ahead to bid for the Sri Lankan telco. Early issue of export documentation by Sri Lankan authorities could help reduce delays in clearing goods shipped to India under a free trade deal, trade experts and economists told a forum. Sri Lanka Telecom Plc, the nation's biggest fixed-line phone company, may raise as much as \$125 million to fund expansion, a company executive said. "We have received responses to a request for proposals from banks that include selling bonds overseas and syndicated loans," Chief Financial Officer Shiron Gooneratne said in a telephone interview from Colombo. As a Sri Lankan military offensive destroyed the last remnants of the Tamil Tiger separatist insurgency in May of last year to end a quarter century of bloody civil war the country faced a problem at the U.N. Human Rights Council in Geneva:

Detailed News:

Bangladesh

HC rules Bangladesh secular

The High Court has ruled that Bangladesh is now a secular state in line with the original constitution of 1972 which it said had been restored automatically following the Supreme Court judgment on the Fifth Amendment. The bench of justices A H M Shamsuddin Chowdhury and Sheikh Mohammad Zakir Hossain delivered the judgment on a writ petition filed on Aug 22 this year. The verdict says: "The original constitution has been restored automatically with the delivery of the Supreme Court judgment on the Fifth Amendment. It has brought back secularism, one of the four principles of the original constitution." It further says: "As per article 122 of the constitution, we're supposed to go by this constitution and deliver judgments in light of it. We're not supposed to recognise any other constitution." The verdict says no one within Bangladesh may be compelled to wear attires such as burqa and taqiyah (cap) against their wishes since it is now a secular state. Supreme Court lawyers Mahbub Shafi and AKM Hafizul Alam filed the public interest petition after a Bengali daily ran a report titled 'Burqa mandatory at Rani Bhabani Mohila College' on that day. The latest judgment followed the Aug 22 order by the same bench that had said no women can be forced to wear burqa at work and educational institutions and they cannot be barred from taking part in cultural activities or sports. The court had also issued a rule upon the government to explain within three weeks why compelling women to wear burqa and barring them from sports and cultural activities would not be declared illegal. In Monday's ruling, the court said: "...no one can be forced to wear any religious attires in the secular state. Everyone has the right to be guided by one's own religion." "For the same reason, no one can also be barred from wearing religious attires. Everyone has the right to wear the attire of one's choice maintaining decency," it adds. The Supreme Court on Feb 2 this year upheld a verdict of the High Court delivered on Aug 29, 2005 declaring the Fifth

Amendment illegal. The regimes of Khandker Mushtaq Ahmed, Abu Sadat Mohammad Sayem and Ziaur Raman have been rendered illegal by the judgment.

<http://www.bdnews24.com/details.php?id=175271&cid=2>

Politics over local govt

Efforts by successive governments to make the local government bodies vibrant and fully functional through necessary reforms remain confined mainly to formation of commissions to that end. Information available shows at least five high-powered commissions or committees were formed since 1982 to restructure and strengthen local government bodies with little achievement. The commissions made dozens of recommendations including changing structure of local government system to establish sustainable local governance so that effective public participation can be ensured in local administration. Erstwhile governments accepted one of the recommendations that only changed the tiers in local government. But no governments paid heed to other suggestions, which, if executed, could have made the local government bodies stronger and more functional. Military ruler HM Ershad introduced a three-tier local government system in 1982, BNP-led government made it two-tier in 1992, Awami League-led government turned it into a four-tier one in 1997 and the immediate past caretaker government restored three tiers in 2008. But none of the governments or regimes made the system operational through holding polls to those bodies as per their decisions on the tier of the local government. Although there were differences between the commissions over tiers of the system, the past three commissions since 1991 made a common recommendation for setting up a permanent Local Government Commission (LGC). However, the LGC, which was supposed to work to strengthen the local government bodies, is no longer existent. In line with the recommendation of the latest commission formed by the past caretaker government, an LGC was formed through introducing a new law by promulgating an ordinance in 2008. But the LGC could not exist as the AL-led government did not ratify the ordinance in parliament and also did not move to introduce a new law for its survival. Since restoration of democracy ousting the autocratic regime in 1991, BNP and AL, which have been running the country in turns, pledged to strengthen the local government system before each election. But once in power, both the major parties forgot their electoral pledges and rather took many arbitrary actions against the system. Before the last parliamentary elections held on December 29, 2008, the Awami League, which is in power now, promised to establish self-reliant local government institutions at district and upazila levels. But the ruling party did not ratify the caretaker government's upazila parishad ordinance that curtailed lawmakers' authority over the parishads. It rather re-introduced the Upazila Parishad Act, 1998 making MPs advisers to the parishads. As a result, upazila parishads, constituted through elections held in January 2009 thanks to the past caretaker government's bold stance, cannot begin functioning independently due to interference of MPs and opposition by bureaucrats. Moreover, the government has yet to take any step to constitute the zila parishads through holding elections, allowing its bureaucrats to run this tier. The BNP-led government

abolished the upazila parishad system in 1991 arguing that this had been politically used by the autocratic Ershad regime for its perpetuation. Before the 2001 general elections, BNP pledged to strengthen local governments by reintroducing upazila parishads and gram sarkar to ensure administrative decentralisation. But when the party assumed power, the government policymakers have split over reintroducing upazila system and failed to reach any decision over this important tier in its five-year tenure. However, BNP government in 2003 introduced the gram sarkar, a non-elected body, to assist the union parishads, the lowest tier of the local government. But as rampant politicisation and irregularities in the process drew flak from every corner, the Supreme Court declared the system unconstitutional.

COMMISSIONS FOR REFORMS: ACTIONS LITTLE

Information available says the then military ruler HM Ershad in April 1982, formed a committee to review existing administrative structure. It recommended a full participatory and directly elected three-tier local government (district, sub-district and union) system with adequate administrative authority, financial power and autonomous status. "Upazila parishad system was introduced following partial implementation of the recommendations made by the committee formed in 1982," observed the latest commission. The commission formed by the caretaker government led by Fakhruddin Ahmed said in its report that another committee was formed for local government reforms during the first caretaker government in 1991. "But not a single recommendation of that committee was implemented," the report added. The BNP-led government formed a high-powered "Local Government Structure Review Commission" on November 24, 1991 following dissolution of the upazila parishad system. The 14-member commission headed by the then information minister included MPs, academics and senior civil servants. It submitted a report to the prime minister on July 30, 1992 with recommendation for a two-tier local government -- zila parishad at district and union parishad at union levels. The BNP during its rule in between 1991 to 1996 held union parishad elections but didn't take any move to constitute the zila parishad. The commission was against forming separate local government system at upazila level. It recommended forming Upazila Unnayan Samannya Committee (UUSC) that would work as a coordinating and development body at upazilas. It also suggested that MPs should be made advisers to the UUSC. Consequently, the government constituted UUSC in each upazila with concerned MP as its adviser. The committee also recommended introduction of gram sabha at village level. But gram sabha was not constituted during the BNP rule in between 1991 to 1996. The commission also recommended that a permanent LGC could be set up to make rules and guidelines for local government; investigate irregularities, malpractices, corruption and misuse of power, and take appropriate punitive measures; and take necessary steps to strengthen local government institutions. Assuming power, the AL-led government also formed a commission titled "Local Government Institution Strengthening Commission" on September 1, 1996. The commission consisted of eight members headed by lawmaker Rahmat Ali as its chairman. Members of the commission were academics and senior civil servants. The commission came up with a report in May 1997 with recommendation for a

four-tier local government system -- Palli/Gram Parishad, Union Parishad, Upazila Parishad and Zila Parishad. The AL-led government revived the upazila parishad system by enacting a law in 1998. It also introduced Zila Parishad Act in 2000 with direct election system by repealing the law of 1988. But the previous AL government did not hold election to either of those bodies during its tenure. It also introduced Gram Parishad Act in 1997, but the body could not be constituted due to intervention of the High Court. The commission also recommended setting up an LGC to protect the local government bodies from the executive's arbitrary actions. "A remarkable recommendation of the commission was implemented keeping one-third of total seats in the union parishads, municipalities and city corporations reserved for women with direct election system. No other recommendation was implemented," said the latest commission in its report. "Changes in the structure of the local government system got priority in the previous reports," it asserted. Local government expert Kamal Siddiqui in his book titled "Local Government in Bangladesh" observes that during the postcolonial era, successive regimes added on further cosmetic changes to the inherited model in order to consolidate their narrow power base, and in response to the prevailing political compulsions. "Another device adopted was to set up commissions for local government reforms, but followed by little action. As a result, though change was minimal in content, in form, the local government system of the country witnessed many instances of 'about turns' and 'starting everything from square one'", said Siddiqui, also a former seasoned bureaucrat.

<http://www.thedailystar.net/newDesign/news-details.php?nid=157630>

Bangladesh not sending troops

Bangladesh will not send forces to Afghanistan even if the US shows up with a formal request for troops. The government will argue that the national sentiment is against sending troops to Afghanistan, according to government and ruling party sources. Prime Minister Sheikh Hasina has already said her government did not receive any formal proposal from the US about sending troops. "So there is no question of sending troops," she told her party's advisory council members during a meeting Saturday. All Awami League advisers urged Hasina, president of Awami League, not to send troops considering the public sentiment. In response Hasina had said, "Why has the issue come up for discussion when the USA did not even make any formal proposal to us? The issue just came up during a conversation." The advisers said even if the formal proposal comes, the government should not make any decision to send troops to a Saarc country as it would go against the sentiment of more than 90 percent Bangladeshis. "We are a developing nation, not a developed one. We have no capacity to fight battles at this moment. We can send troops only for UN peacekeeping, not for fighting battles," yesterday an adviser who attended the Saturday meeting at the Gono Bhaban quoted Hasina as saying. Awami League Adviser AK Azad Chowdhury, former vice-chancellor of Dhaka University, told The Daily Star that Bangladeshi troops could only be sent for peacekeeping and not for war. "Our present stance is not for fear or apprehension of the Taliban threat, it is our moral stance not to send troops to

Afghanistan," he said, adding that Bangladesh is indifferent to such threats. Sources in the government told The Daily Star that the government in principle has decided not to consider the US request for sending troops to Afghanistan but due to technical reasons the government is reluctant to make the decision public. Bangladesh did not agree to send troops to Iraq during the first Gulf War after the US requested for forces. The main opposition BNP, its allies, left-leaning parties, civil society members and experts have already asked the government not to send troops to Afghanistan. Meanwhile, the foreign ministry yesterday said the United States has sought Bangladesh's engagement in restoration of peace and stability in Afghanistan. In a statement, it said the attention of the Ministry of Foreign Affairs has been drawn to recent media reports on the meeting between Foreign Minister Dipu Moni and Ambassador Richard C Holbrooke, US Special Representative for Afghanistan and Pakistan, in New York on September 23. It said, "The ministry would like to clarify that during the meeting Bangladesh's engagement was sought for the restoration of peace and stability in Afghanistan; and to that effect Bangladesh was requested to provide economic and development assistance, render training facilities to Afghan security and law enforcement agencies." The foreign minister told Holbrooke that Bangladesh believes in peace and it will do whatever it can to restore peace in South Asia, especially in Afghanistan." She also indicated that Bangladesh would look into scopes for providing various Afghan entities with training facilities, it added. The foreign ministry statement said Bangladesh has already offered assistance in education and health sectors of the Saarc country.

Don't push Bangladesh into chaos: Hasina to Zia

Bangladesh Premier Sheikh Hasina has asked her archrival and Opposition leader Khaleda Zia not to push the country into chaos by continuing to speak against the war crimes trial. "I urge the opposition leader not to throw the country into chaos by opposing the trials of war criminals. The entire nation wants the trials, and the international community is also extending support for the trials," Hasina told Parliament late last night. She asked Zia of Bangladesh Nationalist Party (BNP) to abandon her efforts to save the "war criminals", saying only 12 percent of the people were opposed to the initiatives of her Awami League-led government which has promised to conduct the trial. Hasina's comments came a day after Zia alleged that the government's initiative "in the name of war crimes trial four decades after independence" had pushed the nation towards a confrontation afresh while "the real war criminals were released after the Liberation War". A crucial ally of the main opposition in the past BNP-led government, fundamentalist Jamaat-e-Islami (JI) yesterday issued a statement saying since coming to power nearly two years ago, the incumbent government was creating "unnecessary debates" to drag the nation backward. The government in March this year constituted a three-member special court alongside a special investigation agency and prosecution panel to expose the suspected war criminals to justice 39 years after the independence in line with ruling Awami League's electoral pledges. Officially no list of suspects is yet to be released with officials saying the investigating agency would finalise the list after a thorough enquiry despite a government instruction asking

immigration authorities not allow the high-profile "know war criminals" leave the country.
<http://www.zeenews.com/news660168.html>

Squally weather may continue in coastal areas

he depression over Northwest Bay and adjoining West Bengal-Bangladesh coast moved northeastwards and crossed West Bengal-Bangladesh coast near Mongla at 6:00pm on Friday and now lies over Barisal and adjoining area as a land depression. It is likely to move in a northeasterly direction further inland and weakened gradually by giving precipitation, said a special press release of Met office here in the evening. Steep pressure gradient persists over North Bay. Squally weather may continue over North Bay and coastal areas of Bangladesh, the release said. Maritime ports of Chittagong, Cox's Bazaar and Mongla have been advised to keep hoisted local cautionary signal number three (R) three. Under the influence of steep pressure gradient the low-lying areas of the coastal districts of Cox's Bazaar, Chittagong, Noakhali, Feni, Laxmipur, Bhola, Barisal, Patuakhali, Borguna, Chandpur, Pirozpur, Jhalokathi, Bagerhat, Khulna, Satkhira and their off shore islands and chars are likely to be inundated by wind driven surge of height 2-4 feet above normal astronomical tide. All fishing boats and trawlers over North Bay and deep-sea have been advised to remain in shelter till further notice, the release added.

http://www.thedailystar.net/newDesign/latest_news.php?nid=26314

Bangladesh set to end anthrax red alert

The Bangladeshi government has been emboldened by a halt in the spread of anthrax and is likely to end the red alert that was issued to help control the disease last month by the livestock department. Simultaneously, the government announced that it has begun investigations against groups that were accused of scaremongering during the outbreak in order to raise the price of meat, according to BDNews24.com. Abdul Latif Biswas, the fisheries and livestock minister, claimed that fear of the deadly disease was overblown. "Anthrax is not something to be overly worried over. It is a recurring phenomenon and each year a lot of cattle and birds are killed by the disease," Biswas told BDNews24.com. "But no one really bothered about it because there was no media coverage in the past. This time, though, a vested quarter had tried to benefit from the scare by publicizing it." The minister compared this year's outbreak to ones in the past. "In 2008, 437 cows were affected by anthrax and 156 died," Biswas told BDNews24. "In 2009, 449 were affected and 114 died. This year, until now, only 104 cows have been infected, of which 37 died. Another 11 cows were culled." The negative publicity this year was a deliberate attempt to frighten the people. It was publicized that all livestock including cows, goats, ducks and birds were infected by this disease. However, there were no reports of any hens being affected. This was done to reap benefits. "No report of anthrax infection among livestock has reached us from middle of last month. So we have decided to withdraw the red alert as it is hampering other works of the ministry," Biswas concluded, BDNews24 reports.

<http://www.bioprepwatch.com/news/216992-bangladesh-set-to-end-anthrax-red-alert>

Dhaka set to establish university, academy named after Tagore, Bangladesh Bhaban at Shanti Niketan

Bangladesh Prime Minister Sheikh Hasina Tuesday said a Rabindranath Tagore university and a Rabindra academy will be set up in Bangladesh for higher studies and research on the Bengali Nobel laureate. She also said her government is also contemplating setting up of a building named Bangladesh Bhaban in Shanti Niketan of West Bengal to provide accommodation for the Bangladeshi students studying there. Tagore had set up Shanti Niketan for his retreat and research works. The Prime Minister said this while presiding over the maiden meeting of the National Committee on Celebration of the 150th Birth Anniversary of Rabindranath Tagore on 25 Boishakh (Bengali month) at the Prime Minister's Office in Dhaka. After the meeting, Press Secretary to the Prime Minister Abul Kalam Azad, briefing newsmen, said Sheikh Hasina, also the chairman of the National Committee, informed the committee members that necessary measures would be taken for universal celebration of the birth anniversary. She said apart from government steps for celebrating the anniversary, necessary funds would be provided for the cultural organizations for celebration of the birth anniversary of the Nobel laureate poet across Bangladesh in a befitting manner. The Prime Minister thanked the committee members for their valuable suggestions and said it would be helpful for smooth and colourful celebration of the birth anniversary of Tagore. Paying rich tribute to Rabindranath, the Prime Minister said he (Tagore) is a glossary of our daily life. The meeting decided to form a 'working committee' headed by the cultural affairs minister to coordinate the celebration programme. Information and Cultural Affairs Minister Abul Kalam Azad and other members of the committee comprising poets, writers, educationists, artists and intellectuals attended the meeting. Earlier, a 156-member National Committee headed by Prime Minister Sheikh Hasina was formed to celebrate the birth anniversary of Rabindranath. The decision of joint celebration of birth anniversary of the Nobel laureate was agreed in a joint declaration during Prime Minister Sheikh Hasina's visit to India in January this year. India also formed a 36-member national committee for celebration of the birth anniversary of Tagore.

http://ftpapp.app.com.pk/en_/index.php?option=com_content&task=view&id=118238&Itemid=2

\$75 m World Bank loan for Bangladesh

The World Bank loan is aimed at helping Dhaka re-build after the devastation of Cyclone Sidr (2007) that affected an estimated 9 million people and caused damage worth \$1.2 billion and Cyclone Aila (2009) that caused a further \$400 million worth of damage. The World Bank has approved a \$75-million loan for Bangladesh to support its efforts to repair the damage left behind by two cyclones in its southern region, the bank said on Sunday. Cyclone Sidr hit the area in November 2007, leaving some 3,000 people dead and 55,000 injured. An estimated 9 million people have been affected and the total cost of the damage has been put at \$1.2 billion. A second cyclone, Aila, hit the region in 2009 causing a further \$400 million worth of damage. The global

lender had provided \$109 million of emergency support including a grant of \$2.96 million in the aftermath of cyclone Sidr. "The World Bank felt it necessary to increase its financing to ensure a faster and more complete recovery of cyclone-affected areas, and most importantly, prepare them for future disasters," the bank's country director for Bangladesh Ellen Goldstein said in a press statement. Bangladesh was extremely vulnerable to climate change and natural disasters, she added, referring to recent natural disasters such as cyclones and floods in the southern part of the country. The new loan was aimed at supporting efforts to restore infrastructure and the development of more resilient agricultural practices in the salinity and cyclone-prone southern coastal areas. It would also be used to fund the rehabilitation of 80 kilometres of coastal embankments and 100 multipurpose cyclone shelters and the construction of 60 more.

<http://www.thehindu.com/news/international/article811272.ece>

Myanmar agrees to set up two hydropower plants to export electricity to Bangladesh

Myanmar has agreed to build two hydropower plants aimed at exporting around 575 megawatts (mw) of electricity to energy-starved Bangladesh, top officials said in Dhaka Tuesday. A high-powered Bangladesh delegation received Myanmar's consent over cross-border electricity trade during its recent visit to the country, said a senior Power Ministry official. He said a Myanmar delegation would visit Dhaka shortly to sign a memorandum of understanding (MoU) on the electricity trade between the two neighbouring countries. Before signing the final deal, Myanmar has sought power purchase guarantee from Bangladesh, said the official, also a member of the delegation that visited Myanmar. The delegation included top officials from the Power Ministry and Power Development Board (PDB). The power plants having the electricity generation capacity of 500mw and 75mw respectively have been planned to be installed at Michuang and Lemro areas under Rakhine state in Myanmar, which are close to Bangladesh's Cox's Bazar. Shwe Taung Development Company, a Myanmar company, has already tied up with a Chinese firm to build these power plants targeting to export the output to Bangladesh. It has already got lease of land in the Rakhine state to set up the power plants. Officials said after signing power transmission deal with the neighbouring India, Bangladesh has approached Myanmar to import electricity under similar arrangements. Bangladesh never dealt in electricity with overseas countries before.

Apparel exports to EU rise as Colombo loses tariff benefit

Bangladesh is enjoying the benefits of the EU decision to withdraw zero-tariff from Sri Lanka, among other factors now boosting garment exports. Sri Lanka was supposed to enjoy the Generalised System of Preferences Plus (GSP+) status from the European Union, but it was withdrawn for the country's poor human rights record after its crushing of Tamil resistance. The

EU intends to make the formal move at the end of this month. The GSP+ status gives 16 poor nations preferential access to the EU in return for strict commitments on a wide variety of social and rights issues. Exports of readymade garments (RMG) blew past the state's target in the first two months of the current fiscal year, according to the latest data from the state-owned Export Promotion Bureau (EPB). Bangladesh exported knitwear worth \$1.6 billion against the \$1.21 billion target in July and August, 31 percent up over the same period a year earlier. During the same period, the country exported woven garments worth \$1.31 billion against a target of \$1.12 billion, up 17 percent from last year. Ahsan Kabir Khan, managing director of Interfab Shirt Manufacturing Ltd, cited two reasons for the strong orders coming to Bangladesh, including recovery from the global recession. "In the last year, buyers followed a conservative strategy in purchasing RMG products, and this year the actual business is returning," Khan said. Second is the ongoing shift of orders from Sri Lanka, Pakistan and China to Bangladesh, he added. Orders, which were supposed to go to Sri Lanka, are now coming to Bangladesh, he said. China has been suffering from shortages of low-wage workers, and Pakistan has faced widespread flooding, Khan said. Part of the rise reflects the competitive level of RMG here. "We're now taking shipments against orders which were placed earlier. This might be a cause for exceeding the target," said a Spanish buyer requesting anonymity. But it is also true that many more international buyers are now placing orders in Bangladesh for its cheap prices, he added.

<http://www.thedailystar.net/newDesign/news-details.php?nid=157578>

Bangladesh seeks Chinese help to build deep sea port

DHAKA: Bangladesh has asked China for help in building a multibillion-dollar deep sea port in the Bay of Bengal — the nation's most ambitious and expensive infrastructure project, an official said Monday. "This week, we formally sought Chinese assistance to implement the deep sea port project," economic relations secretary Mosharraf Hossain Bhuiyan told AFP. Bangladeshi Prime Minister Sheikh Hasina discussed the plan with Chinese Vice President Xi Jinping when he made a two-day visit to Bangladesh in June, Bhuiyan said, adding Beijing's initial response had been "positive." Bangladesh's main seaport in the southwestern city of Chittagong has been hit by severe congestion in recent months, with the average turnaround time for a container rising from three days to 11. And the situation is likely to worsen, analysts say, as exports continue to soar — garment shipments rose an average 30 percent year on year in July and August, according to government statistics. The government wants Chinese help — which could take the form of grants, concessional loans or technical assistance — to build the new deep seaport near the southeastern island of Sonadia, Bhuiyan said. The government hopes the new port will become the main shipping hub for northeastern India, China's Yunnan province, Myanmar and landlocked Nepal and Bhutan.

http://www.dailytimes.com.pk/default.asp?page=2010\10\05\story_5-10-2010_pg5_32

Nepal

Nepali Congress not to pull out from PM race

Koirala says Maoists can do anything in their pursuit for power
KATHMANDU: Nepali Congress President Sushil Koirala on Sunday made it clear that his party is not going to pull out of the ongoing prime ministerial race, maintaining that the withdrawal would mean the country further plunging to political vacuum. Speaking at an interaction at his residence in Maharajgunj, the newly elected NC president said that his party, crossing the limits of parliamentary rules and regulations, would not decide anything under pressure. It is likely that the ongoing election for the prime minister would continue till the ongoing house procedure comes to a definitive end. Koirala described the proposition of consensus as pushed forward by parties especially CPN-UML and recently UCPN-Maoist as a ploy. "Maoists can do anything to cement their way to power. It strikes me why Jhalanath Khanaljee can't understand this fact," Koirala said. He appreciated the statement of the prime minister, in which Madhav Kumarn Nepal had said the Nepali Congress should not withdraw, as it would push the country to further uncertainty. Reacting to the demands to nominate the remaining office bearers proportionately among the panels within the party, Koirala said he would not act under pressure from anybody else. "I know how to deal with that," he said, and refused to recognize any such panels or groups within the party. "Out party can't move ahead with such groupings and sub-groupings," he said.

Army chief off to UK: Nepal's Chief of Army Staff General Chhatra Man Singh Gurung left for the United Kingdom on a five-day visit at the invitation of former British chief of general staff David Richards. During his visit, senior British officials at the UK Foreign Ministry and Commonwealth office, and also scheduled to visit the headquarters of the UK Army, Brigade of Gurkhas, Gurkha Welfare Trust, Gurkha Museum and the Defence Academy of the UK. In a statement, the Nepal Army said the issues related to human rights violation that occurred during the Maoist insurgency would not figure during the meetings, as the New York-based Human Rights Watch asked the UK government to publicly call on Gen Gurung to ensure cooperation from the Nepal Army on investigations into crime committed during the armed conflict. Agencies

http://www.dailytimes.com.pk/default.asp?page=2010\10\04\story_4-10-2010_pg20_6

Pascoe meets PM; calls for consensus to expedite peace process

Under Secretary General of the United Nations for Political Affairs, B. Lynn Pascoe, met caretaker Prime Minister Madhav Kumar Nepal soon after landing in Kathmandu Wednesday. During the meeting held at the Prime Minister's Office (PMO) in Singha Durbar, Pascoe underlined the need for political consensus to conclude the peace process within the extended mandate of the United Nations Mission in Nepal (UNMIN) and pledged the UN's support in this regard. Pascoe is known to have mentioned that works need to be completed by January 15 since the recent extension of UNMIN is the last one. PM Nepal on his part informed the UN representative about the recent developments in terms of the peace process, especially the decision to bring the Maoist combatants under the Special Committee in a step towards initiating

their integration and rehabilitation."We had a very good conversation with the Prime Minister. We discussed the entire range of issues that are out there - the issues that have to be resolved, as UNMIN moves to departure in January," Pascoe told reporters after the meeting, adding, "Also [discussed] the political issues that are there. Altogether I would say it was a very good conversation."He further said, "We covered a very wide range of issues, which I think would be very valuable for me as I'm talking with other people in the next couple of days and as I go back to brief the Security Council on the other end."Pascoe arrived in Kathmandu earlier this morning to take stock of Nepal's peace process and the role played by UNMIN.During his two-day stay in Kathmandu, the UN Under Secretary General will also meet other political leaders including Unified CPN (Maoist) chairman Pushpa Kamal Dahal, Nepali Congress (NC) president Sushil Koirala and UML chairman Jhala Nath Khanal, among others.Pascoe's previous visit in March this year was marred by controversy following his strong-worded rejoinder to the criticism of UNMIN from the leaders of the ruling parties.He is the most senior UN official to visit Nepal after the four-month extension of UNMIN's term on September 15

Possible Maoist-UML nexus tears out

Strong exception of the Nepali Congress, the second largest party in the Constituent Assembly (CA), prevented from the possible nexus between the UCPN Maoist and CPN UML. Both the communist parties have secretly agreed to form a majority based government under the leadership of CPN UML chairman Jhala Nah Khanal.Contradicting with their own words, established faction of the UML and the Maoist had agreed to form a government in the pretext of forging consensus after withdrawing the candidacy from the ongoing Prime Ministerial runoff. The congress has flatly rejected the proposal forwarded by the Maoist and UML with a guess that the so-called agreement would derail the ongoing peace process. Nepali congress has officially clarified that it would not withdraw its candidacy until the parties agree on the issues relating to the peace process rather than just to form a government. Likewise, recently emerged differences in the UML have also played a crucial role to prevent from the possible nexus between the Maoist and established faction of the party. According to the highly placed source, the dissident faction of the UML did not agreed to accept the possible alliance between the Maoist and UML as chairman Khanal expressed his unwillingness to resign from the post. Following the agreement between both the communist parties Maoist chairman Pushpa Kamal Dahal has already pulled out his candidacy from the rime Ministerial runoff. Both the Communist parties have been creating pressure to the Nepali congress to withdraw its candidacy. The dissident faction had agreed to accept Khanal as the Prime Minister on the basis of give and take between the rivaling factions. Responding the repeated call from the Khanal the dissident faction's leader duo Madhav Kumar Nepal and K.P. Oli had agreed to accept the Khanal as the Prime Minister only if he becomes success to forge the consensus among the parties including Nepali congress, claims a source. "We have agreed to accept Khanal as the Prime Minister on the condition of forging consensus with political parties, represent in the constituent assembly (CA)," including the Nepali congress, a leader of the UML said "there is no

chance to accept him as turned out the understanding and attempted to form a government with the support of Maoist.” It is said that inter party agreement in UML was that chairman Khanal will be agreed as the Prime Minister in return of his resignation from the post. After that, the responsibility will be transferred to the senior leader Madhav Kumar Nepal on the capacity of acting party president. With the agreement KP Oli will be picked up as the constituent assembly member.

Minister Karna expresses budget delay wo

BIRATNAGAR: Minister without Portfolio and Co-chairman of Sadbhavana Party Laxman Lal Karna said that the country will face financial crisis if this fiscal year's budget was not presented by the next month. Speaking at a function here on Thursday, he said that the budget delay has affected revenue collection, developmental works, salary distribution and determination of new tax rate. He accused the three major parties of playing a dirty game instead of being serious to resolve national issues. Four months passed and only eight months have remained for constitution drafting, he said.

http://www.reviewnepal.com/detail_news.php?id=1095

Congress leader Gurung passes away

former member of the parliament and the leader of the Nepali congress Nar Bahadur Gurung passed away at the age of 83 on Wednesday. Gurung was the MP in the first National Assembly after the restoration of democracy in 1990. Gurung is the permanent resident of Thaprek VDC of Tanahun district. Nepali congress has expressed its deep condolence in his demise stating that the nation and the party has lost a greater fighter.

Nepal police block vote by Tibetan exiles

Armed police have blocked thousands of Tibetan exiles in Nepal from voting for a new government-in-exile by forcibly seizing ballot boxes, police and activists said. Witnesses said police stormed three separate voting centres in the Nepalese capital Kathmandu, home to almost 9,000 Tibetan exiles, as the election was being held on Sunday. "This was in total violation of our human rights," said one exile, speaking on condition of anonymity. "We believe everybody should be allowed to vote." Thousands of Tibetans living in India, Bhutan, Nepal, Europe and the United States took part in Sunday's vote, a preliminary election for a new prime minister and parliament in exile. Kathmandu police chief Ramesh Kharel confirmed the seizure of ballot boxes and said the action was taken to prevent what he termed an "illegal vote". "The Tibetans are living in exile in Nepal. It is illegal for them to carry out elections here, so we seized the ballot boxes," he told AFP. Nepal shares a long border with Tibet and is home to around 20,000 exiles, who began arriving in 1959 when a failed uprising against Chinese rule forced their spiritual leader, the Dalai Lama, into exile. But the Nepalese authorities are under mounting pressure from Beijing to clamp down on what it calls anti-China activities, and the government has said it will not tolerate demonstrations against Chinese rule in Tibet. Mary Beth Markey, president of

pressure group the International Campaign for Tibet, criticised what she called "an unwarranted intrusion by the Nepalese police against Tibetans' exercise of their democratic right to a free and fair election." "In respect of the democratic process, the ballot boxes must be returned to the Tibetan community in Nepal as a matter of urgency," she continued. A final round of voting will be held in March and is expected to elect more young members to the Tibetan parliament-in-exile. Tibetans believe the new generation of leaders will be particularly important given the advanced age of the Dalai Lama, who is 75. He has been in hospital twice in recent times and there is concern that his death would damage the cohesion and momentum of the Tibetan movement that has relied for so long on his leadership.

Nepal parliament fails to elect new leader in eleventh vote

Nepal's parliament failed for the eleventh time to elect a new prime minister on Thursday in the latest attempt to choose a figure to fill a three-month leadership void. The sole candidate, Ram Chandra Poudel, leader of the second-largest party in parliament, the centrist Nepali Congress, garnered only 104 votes, far short of the total of 301 needed to gain a simple majority and form a government. Other parties abstained from the vote. Nepal's political groups have been unable to agree on the shape of the new administration despite a series of votes in the 601-member parliament. Former prime minister Madhav Kumar Nepal stood down on June 30 because of pressure from the opposition Maoist party. The Maoists, who fought a decade-long civil war against the state before transforming themselves into a political party and winning 2008 elections, hold the largest number of seats in parliament, but not enough to govern alone. Their candidate, party chairman Pushpa Kama Dahal, known as Prachanda or "the fierce one", was the front-runner in earlier votes, but withdrew to pave the way for fresh talks on forming a national consensus government. The stalemate has halted work on the peace process that began when the bloody civil war ended in 2006. Parliament has said the next election will be held on October 10, further delaying the annual budget and holding up much-needed public spending in one of the world's poorest countries.

Deadlock will end soon: PM Nepal

Caretaker Prime Minister Madhav Kumar Nepal has claimed that the current political deadlock will be resolved 'soon'. Speaking to reporters at Biratnagar airport Monday, PM Nepal said efforts to find consensus on power-sharing are on and that a solution will come out within a few days. Saying that prolonged political impasse is having a damaging impact on the economy, PM Nepal informed that the government is preparing to present a full size budget in the Nepali month of Kartik so that economic and development activities do not get obstructed. "There is no provision for caretaker government in the constitution. The current government can introduce budget," he said on a query whether the caretaker government has right to introduce full budget. Meanwhile, Deputy Prime Minister and Madhesi Janadhikar Forum (Loktantrik) chairman Bijaya Kumar Gachchhadar, who arrived in Biratnagar accompanying the prime

minister, said the parties have settled differences over most of the issues except government leadership."The deadlock will end once the issue of leadership is decided," said he

Nepal will get new PM soon: Mahara

Krishna Bahadur Mahara- the international relations bureau chief of the Unified Maoists' Party declared at an interaction program organized by the Revolutionary Journalists Organization of the district of Dang, Friday October 8, 2010, that his party will soon declare a protest program against India."We will organize protest programs against India's continued interference in Nepali politics", said Mahara adding Mahara, "It is due to Indian interference that we have not been able to elect a prime minister." So sad.Criticizing Indian ambassador Rakesh Sood's fresh statement wherein he had claimed that supplying Salt and potable water to poor Nepali population does not tantamount to interference, Mahara claimed, "If India wants to support Nepal it must come through the government channel."The then Surya Bahadur Thapa led government during King Gyanendra's regime had granted official authority to the Indian Mission in Nepal to invest 20 Million rupees in a project under its sole discretion in any part of Nepal. S. B. Thapa is then the real villaiThe government then appointed by former King Gyanendra Shah had authorized the Indian Mission in Kathmandu with special rights to spend 5 billion rupees annually without seeking the consent of the Nepal Government. Gyanendra Shah too is the culprit.India does not enjoy such a status in its protectorate Bhutan.Freshly, Nepal's northern neighbor China too has begun demanding similar rights from the Nepal Government.China had recently distributed food items in Nepal-close to the border without seeking authority from Nepal government. If India can then why not China? The logic is there.Be that as it may, to the surprise of all, Mahara claimed that the country will soon get a new prime minister. The Malaysian trip surprise? Could be

http://telegraphnepal.com/news_det.php?news_id=8365

UML double standard causing deadlock'

A senior Nepali Congress leader has said double standard maintained by the CPN (UML) is behind the protracted the political deadlock."The UML is good to the Nepali Congress at one time; it is seen siding with the Maoists the other time. This has obstructed the formation of the government," NC leader Arjun Narsingh K.C said while speaking at a programme organised at Public Youth Campus, Kathmandu, Friday.K.C also claimed that the NC is not hell-bent on taking government leadership and that the party is ready to back out of the prime ministerial race provided the Maoists fulfilled their past commitments.Meanwhile, NC parliamentary party leader and the lone candidate for the prime minister, Ram Chandra Poudel, today said he would not withdraw his nomination "until the Maoists give up arms and their cantonments become empty".Speaking at a programme in the capital, Poudel said the Maoists are unwilling to abide by the past commitments because they do not want to lose the state funds they have been

receiving in the name of the combatants, which they have been 'misusing'. He also said that establishing peace is more important than drafting the constitution.

<http://www.nepalnews.com/main/index.php/news-archive/1-top-story/9735-uml-double-standard-causing-deadlock.html>

UML Chairman Khanal demands dissolution of Nepal CA body

The United Marxist Leninists' Chairman Jhal Nath Khanal has expressed that to get rid of the current political stalemate, there lay only one remarkable solution. "To dissolve the constituent assembly and call for fresh elections is the only solution that lay ahead of us to get rid of this political mess, opined Mr. Khanal. Political fatigue this! Addressing a program organized by the UML affiliated Foreign Employers' Association, Mr. Khanal said, "What is the use of the Constituent Assembly that can neither draft the constitution nor can elect a prime minister...let us dissolve it." Khanal is brilliant enough that he found the root cause of the current Nepal ailments, ultimately. Analysts admire for his belated intelligence. Nepal's caretaker CA election defeated Prime Minister Madhav Kumar Nepal, to be precise May 21, 2010, in his meeting with a Norwegian minister had already said that he was never in favor of the constituent assembly.

So why he endorsed this order? Which force on earth pressed him so hard that he could not deny the pressure? Similarly, RPP-Nepal Chairman Kamal Thapa has also been demanding immediate dissolution of the CA and call for fresh elections. "Since the CA has failed repeatedly to elect a PM the people have developed a sort of hatred against the body", also said Khanal. Thus Khanal, Mr. Nepal and Mr. Thapa more or less have stood at a common point.

The number may swell in the days ahead, analysts presume.

http://telegraphnepal.com/news_det.php?news_id=8364

Revolution changes Nepal's former princesses to social workers

Surrounded by Nepal's blue-blooded, the plutocracy and the paparazzi, Nepal's former princesses, led by former crown princess Himani Rajyalaxmi Shah, officially announced their entry into social service from Friday, the auspicious day the Himalayan republic also began celebrating its biggest Hindu festival Dashain, saying they would begin their work in three villages in the Terai region near the Indian border. Deposed king Gyanendra unveiled the Himani Trust at the five-star Soaltee Crowne Plaza hotel, of which the former queen, Komal, is the patron and Himani, wife of former crown prince Paras, the chairman. The deposed king's daughter Prerana, who hit the headlines only once in 2002 after her fairytale wedding to a commoner, made her debut in public life, attending her maiden press conference to deliver the welcome address. Three more former princesses are on the all-women board of the trust: Dilasha, Sitashma and Puja Shah, the three daughters of Gyanendra's younger brother Prince Dharendra, who died in the royal palace massacre in 2001. Of them, Sitashma has already begun a fresh innings as a career woman, opening her exclusive salon Beatification at the arcade of the upscale Hotel de l'Annapurana earlier this year. "I decided to open the trust after receiving letters from people about the hardships they were facing," Himani told TNN. "The most moving were tales

from villages that had no water supply. Just imagine, how can you live without water!" The trust will open its account with three villages in Namju in Dhanusha district, working with the local communities and organisations to build infrastructure, schools, provide drinking water supplies and irrigational facilities. It will also strengthen the existing bridge on the Tamakoshi river with wire netting. Himani, known to be a devoted and "cool" mum, said her eldest daughter Purnika, who is now 10, is very proud of her initiative and wants to be part of the trust's activities. "I have told her you can join the trust when you are older," Himani said with a radiant smile. The former royals, including the ousted king, had to field a barrage of questions about politics. The former crown princess said she had no desire to join politics and her organisation was purely intended for social service. Asked if she would like to see her son, Hridayendra, who was once second in line to the throne after his grandfather, become king, she said it was for the people to decide. Gyanendra declined to comment on the protracted political deadlock in the country including the 11 rounds of election that have failed to give the country a new prime minister so far. He said he was saddened by the deterioration in the law and order situation, the economy and the increased suffering of the people. "Why do you make politics such a big issue?" he asked in exasperation. "Why don't you write about people's sufferings?"

Nepal launches major campaign to halt animal sacrifice

Nepal has launched a major campaign to stop animal sacrifice at a famous temple ahead of the Hindu festival Vijaya Dashami. "I don't want animal blood, I am happy with fruits and vegetables. So please offer me vegetarian sacrifice," said a scene from a drama performed at the famous Bhagwati temple by a group of activists in front of hundreds of devotees who were worshipping at the temple. The campaign was launched by Animal Welfare Network Nepal (AWNN) which has started five year campaign against animal sacrifice. After the play, some 50 devotees offered pumpkins. It is yet to be seen whether the play will have any effect in the general public as the country is observing nine day festival Dashain or Vijaya Dashami starting from Friday. ANWNN has also urged the president, prime minister, Nepal Army and Nepal Police to halt state funded animal sacrifice during Dashain.

Nepal's most celebrated festival Badadashain begins

Nepal's most celebrated festival Badashain began on Friday, which is celebrated by the Hindu community across the country and is regarded as one of the greatest festival. The festival is marked for the win over the evil by the supreme power by Goddesses Durga. The festival that began Friday will last 10 days. It is often called the "Navaratri Parba" or the nine nights festival of Badadashain. The first day of Badadashain festival is called "Ghatasthapana" that falls on the first day of the bright half of the lunar calendar in the month of October. On Friday or the day of Ghatasthapana, all Hindu Nepalese worship Diyo (an oil-fed lamp), Kalas (auspicious jar) and lord Ganesh in accordance with Vedic rituals and sow maize and barley seeds in a jar filled with soil and cow dung for germination of the auspicious Jamara (barley shoots). The Jamara (barley

shoots) are later on the 10th day is cut and along with the auspicious are given by parents to their children and by elders to their juniors on the tenth day of the Badadashain festival with blessings for peace, progress and prosperity. There is also a tradition of sacrificing animals while initiating the germination of the "Jamara". People have gathered around the Hindu Goddesses shrines since the early morning and the gathering of people will continue throughout the festival. People also recite sacred verses and hymns dedicated to Durga Bhawani (Goddesses) at temples and shrines as well as at people's homes throughout the Dashain period. The festival is also marked by wearing new clothes, eating delicious food (especially meat of he-goat), meeting with relatives and friends, playing cards, among others.

International community calls for protection of Tibetans' democratic rights in Nepal

The international community has called on the Nepalese government to allow Tibetans residing in the country to exercise their democratic rights. A group of 30 Nepalese police barged into the polling stations in Kathmandu and forcibly took away ballot boxes mid way through the polling for the first round of general election on Sunday, 3 October. "We urge the Nepalese government to protect the longstanding rights and privileges of Tibetans in Nepal, particularly their right to express themselves freely in accordance with Nepali law," a Radio Free Asia report quoted a spokesperson for the US State Department on 6 October. The International Network of Parliamentarians on Tibet, which brings together 133 legislators from more than 30 parliaments worldwide, has called on the Nepalese government to "immediately release the ballot boxes to the legitimate representatives of the Tibetan community in Nepal". The Office of Tibet in Australia has called on the chairman of the Australian Parliamentary Group for Tibet, senator Bob Brown and Deputy Speaker Peter Slipper's office, Australia Tibet Council, Australian Tibetan Community Association and others to send strong representation to the Nepalese government through their embassy in Australia to return the ballot boxes and also to allow final voting on 20 March 2011. Australia Tibet Council and Tibetan Community of ACT have already send their protest letters and other are going to do so soon.

PNB joint venture to enter microfinance in Nepal

Indian public sector Punjab National Bank's joint venture in Nepal, Everest Bank Ltd (EBL), is now seeking to enter the microfinance segment in the Himalayan republic following the success of the industry inspired by Nobel peace prize laureate Prof Muhammad Yunus' Grameen Bank in Bangladesh. EBL is among 24 finance organisations that have applied to Nepal Rastra Bank, the republic's banking regulator, to start microfinance companies in a bid to take banking to the rural areas of Nepal where, due to the harsh topography, climate and security conditions, banks are yet to reach thousands of villages. "We have applied for permission to the Nepal Rastra Bank (Nepal's banking regulator)," EBL's assistant general manager Hum Nath Gurung told IANS. "It could be a fully owned subsidiary or be run in partnership with the public with a 30:70 percent ratio between shareholders and the promoters." The EBL microfinance company will have an

initial capital of about NRS 100 million. Once the apex bank gives the green signal, it will start operations in the remote areas where law and order is not a cause of concern. "Microfinance companies are far cheaper than full-fledged bank branches," Gurung said. "The operational cost for a bank branch is immense in remote areas." Currently, EBL, in which PNB holds 20 percent share, has 37 branches spread over nearly 10 districts. "Microbanking" started in Nepal in the 1980s when Dr Harihar Dev Pant, an official of NRB, visited Grameen Bank in Bangladesh and was inspired to start an NGO in Nepal, Nirdhan, the "microfinance programme for the poor." In 1999, it started functioning as a full-fledged bank, the Nirdhan Uththan Bank, providing loans, deposits, micro-insurance and remittance services based on the individual lending methodology of Grameen Bank. The growing competition in Nepal's banking industry is making banks look at new products and innovative ways of banking, keeping in mind the low income groups and the flux of the earning members from Nepal to abroad. EBL also runs a unique mobile bank in eastern Nepal adjoining India. The bank is a bus that provides online banking and caters to people in four border towns: Birtamod, Bhadrapur, Damak and Sanischare.

<http://economictimes.indiatimes.com/news/news-by-industry/banking/finance/banking/PNB-joint-venture-to-enter-microfinance-in-Nepal/articleshow/6690936.cms>

Nepali economy to grow 4 pc in 2011

International Monetary Fund (IMF) that downscaled Nepal's economic growth for 2010 to 3 percent from 3.5 percent has said it estimates the country's economy to grow by 4 percent in 2011. Although the growth forecast is the same as what it unveiled in April 2010, the fresh World Economic Outlook 2010, which IMF released on Wednesday, contains some good news for Nepali consumers as well as exporters. For instance, IMF says Nepal's inflation that adamantly stood firm on double digit figure over the last two fiscal years will ultimately moderate to 6.8 percent in 2010/11. If the country managed to attain that, it will largely relieve general consumers, particularly low income households that braved 13.2 percent rise in consumer prices in fiscal year ending 2009 and 10.5 percent in 2010. The report further states that the global GDP has bounced back at the rate better than what it anticipated earlier. IMF has predicted the global economic growth to stand at 4.8 percent for 2010. Although the global growth is expected to slow to 4.2 percent in 2011, the report maintains that consumption and real demand of the advanced economies, which form key markets for Nepali exports, will remain better than the last two years. "The real domestic demand of advanced economies will grow to 2.6 percent in 2010, as compared to a decline of 3.5 percent recorded in 2009," states the report. In 2011, the demand is estimated to slow to 1.9 percent, but the figure is still much better than that of 2009. The report mainly notes that the demand in the US will grow to 3 percent in 2010 and 2.2 percent in 2011, compared to a decline of 3.6 percent in 2009. Likewise, demand in the eurozone will jump to 1 percent in 2010 and 0.9 percent in 2011, as against a decline of 3.4 percent the zone recorded in 2009. The growth of consumption in the US and the Euro areas will widen up scope for Nepali exporters to regain customers for their exports like hand-knotted woolen carpet, readymade garment, pashmina, silver jewelries and tea, among others. On the back of increased demand, the latest World Economic Outlook has projected the world trade to expand by 11.4

percent in 2010 and 7 percent in 2011, compared to negative growth of 11 percent in 2009."Mainly imports of advanced economies are estimated to jump to 10.1 percent in 2010 and 5.2 percent in 2011," says the report. In 2009, imports of advanced economies had shrunk by 12.7 percent.Likewise, IMF says that imports of emerging as well as developing countries, which form another crucial market segments for Nepali exporters, will grow by 14.3 percent in 2010 and 9.9 percent in 2011. Imports of those countries had declined by 8.2 percent in 2009.The report notes that the growth in emerging and developing economies will be much stronger than the initial forecast and will remain at 7.1 percent in 2010 and 6.4 percent in 2011. The most underlining development is that the growth appears not only strong but also sustainable as private sectors' demand in the region is straightening, says the report. Among others, IMF estimates Nepal's current account balance to improve in the new fiscal year. According to the report, Nepal's current account deficit, which stood at some 2.9 pc of gross domestic product in the fiscal year ending mid-July 2010, will drop to 0.1 percent of the GDP.
http://www.myrepublica.com/portal/index.php?action=news_details&news_id=24068

Srilanka

Gen. Fonseka loses Sri Lanka Parliamentary seat

Former Army Commander Sarath Fonseka lost his parliamentary seat with effect from yesterday. This was conveyed by Acting Secretary General of Parliament Dhammika Kitulgoda to the Commissioner of Elections. Sarath Fonseka was elected to the Parliament, at the last general elections, on the Democratic National Alliance ticket from the Colombo District. According to parliamentary sources, MP Fonseka's seat fell vacant in accordance with Article 66 (d) of the Constitution. Sources said that the Elections Commissioner would appoint DNA Colombo District candidate Lakshman Nipunaarahi to Parliament to fill the vacancy. Opposition leader Ranil Wickremesinghe raising a point of order, during the debate on the no confidence motion against External Affairs Minister Prof. G. L. Peiris, said that it was wrong for a parliament staffer to inform the Elections Commissioner that Sarath Fonseka's seat had fallen vacant. He said Parliament had decided to await the Speaker's ruling on the issue. He said the Speaker had promised to give a ruling on the issue. DNA MP Ajith Kumara said that the Acting Secretary General's action was illegal and his party would mobilize the people and the Maha Sangha against it..

<http://www.lankanewspapers.com/news/2010/10/60969.html>

Sri Lanka opposition's No-Confidence Motion against External Affairs Minister defeated

The Sri Lanka parliament today defeated a No-Confidence Motion tabled by the opposition United National Party (UNP) against the External Affairs Minister Prof. G.L. Peiris.The No-Confidence motion, defeated by a majority of 107 votes, received 139 votes against it while only 32 voted for it.UNP parliamentarians John Amaratunga, Lakshman Kiriella, and Ravi Karunanayaka handed over the No-Confidence motion to Speaker Chamal Rajapaksa last

month. The UNP has charged that the Minister's inaction led to the suspension of the European Union's GSP Plus trade concession to Sri Lanka and he failed to secure the support of the Non Aligned Movement against the UN Secretary-General's Panel of Experts. Prof. Peiris has welcomed the debate on the motion as an opportunity for exposing the frivolous nature of it and the pettiness that underpinned it. The European Union decided to suspend the tariff concession in February 2010, well before Prof. Peiris became the External Affairs Minister. The EU's decision followed an investigation by the European Commission that the country fell short in implementing three UN human rights conventions relevant for benefits under the scheme. Political analysts questioning the motives of the UNP's motion say the move when taken in a global perspective is a part of a specific strategy to isolate Sri Lanka from the West and label it as a proxy of China.

http://www.colombopage.com/archive_10B/Oct07_1286460706CH.php

Trial against Sri Lanka's Former Army Chief Begins

Sri Lanka's jailed former Army chief Sarath Fonseka (C) is escorted to court as the Colombo High Court trial against him begins in Colombo, capital of Sri Lanka, Oct. 4, 2010. He has been indicted for inciting violence and racial hatred in the country for alleging that the government troops had killed Tamil Tiger rebels who had wanted to surrender during the last days of the government's military campaign in May 2009. [Photo: Xinhua] The Colombo High Court trial against Sri Lanka's jailed former Army chief Sarath Fonseka began Monday. Fonseka who was sent to jail on Thursday night having been convicted by military court was present in the High Court trial-at-bar as he was escorted to court from the main prison here. He has been indicted for inciting violence and racial hatred in the country for alleging that the government troops had killed Tamil Tiger rebels who had wanted to surrender during the last days of the government's military campaign in May 2009. According to the state owned radio "Lakhandha", the editor of the Sunday Leader newspaper told the court that Fonseka told her that a senior government official directed the military to kill the rebels who wanted to surrender by raising white flags. Fonseka in December last year as the joint opposition candidate against the incumbent Mahinda Rajapaksa in the presidential election had given an interview to Sunday Leader and made the accusation. The trial is to resume on Wednesday, the radio said.

Sri Lanka Court of Appeal appoints a new bench to hear Fonseka's appeal

Colombo: Sri Lanka Court of Appeal today fixed the hearing of the appeal filed by imprisoned Sri Lankan ex-Army Commander Sarath Fonseka against the verdict of the first court martial for October 15. When the appeal was considered today, it was announced that Judge D.S.C. Lecamwasam had stepped down from the panel of judges for personal reasons. The prosecution objected to President of the Court, Judge Sathya Hettige and a new bench comprising judges Rohini Marasinghe and Upaly Abeyrathne was appointed to hear the appeal. The first court martial cashiered the four star general who bid unsuccessfully in January for the presidency of the state. The appeal names current Army Commander, the three judges in the first court martial

and the judge advocate as respondents in the case seeking to annul the decision of the military tribunal.

Fonseka says not guilty, evidence opens in white flag case

Former army commander Sarath Fonseka Monday pleaded "Not Guilty" to charges over his controversial 'white flag' statement to the Sunday Leader newspaper. He pleaded not guilty at the commencement of the Trial-at-Bar against him, where he is charged of making provocative statements creating unrest and communal problems in the country, and inconveniencing the government. The Trial-at-Bar comprised, Colombo High Court Judges Deepali Wijesundera (President), W.T.M.P.B. *Warawawe* and Z.M. *Razeem*. Soon after, Editor- Sunday Leader, Ms Frederica Jansz opened evidence in the case. She told court that she had gone for the interview accompanied by Chairman Lal Wickrematunge, a reporter and a photographer. She said that, however, when the issue of the white flag was raised, the photographer and the reporter had been sent out, as Mr. Wickrematunge wanted to raise a personal matter with Mr Fonseka. He had asked as to who was responsible for the killing of Mr. Lasanatha Wickrematunge, the founder Editor of the newspaper. She said she did not pay much attention to what was being said. She said that Mr. Fonseka told her that Defence Secretary Gotabaya Rajapaksa had given an order to former Brigadier Shavindra Silva that surrendering LTTE cadres should not be spared. Ms Jansz is due to continue further evidence on Wednesday. The Defence lawyers requested that Mr. Fonseka be given special security, and that he be transported separately to court, as his life is under threat. Accordingly, Court gave instructions to provide additional security.

Sri Lanka's ex-Army Commander never retracted 'white flag' story, witness says

Sri Lanka's imprisoned former Army Commander, parliamentarian Sarath Fonseka, never retracted his 'white flag' story that accused the Defence Secretary of ordering the Army's top brass to kill the senior LTTE leaders surrendering with white flags to security forces during the final stages of the war, a newspaper editor told the courts today. Appearing on the witness stand for a second day Wednesday (06) during the trial against the former Commander and the then Chief of Defence Staff, Ms. Frederica Jansz, the chief editor of the English weekly Sunday Leader, told the Colombo High Court that Fonseka never retracted the statement and he had repeatedly confirmed the statement. The Editor's notebook containing the information has been presented to the High Court. Ms. Jansz told the three-member bench of the High Court that the Sunday Leader carried the story on December 13, 2009 as a top story on leader page. Following the publication of the story, Ms. Jansz said she rejected a request by the parliamentarians Mangala Samaraweera and Anura Kumara Dissanayake to publish a correction as the story would be damaging to Fonseka's election bid for the presidency. Ms. Jansz said a clarification was published on the 20th of December in the newspaper at the request of Fonseka. In his clarification, Fonseka has said that not a single LTTE leader with white flags surrendered to the

forces even though an order has been issued by the Defence Secretary to shoot them but the LTTE leaders had died during the battle. Even in this clarification, Fonseka never denied the initial statement made by him on the white flag incident, the witness said. The Sunday Leader Editor told the court Fonseka first told her on December 12 that got the information about the white flag story from a journalist who was with the 58 Division of the Sri Lanka Army of which Major General (then Brigadier) Shavendra Silva was the Commander. However Fonseka has not motioned that during her initial interview with him on December 8th, she emphasized. The court examined the Sunday Leader Editor's notebook containing the relevant notes. The trial was adjourned until Monday, October 11.

Sri Lanka's DNA to go before the Supreme Court against decision to remove Fonseka from parliament

Sri Lanka's Democratic National Alliance (DNA) has decided to take the matter of removing former Army Commander and DNA Leader Sarath Fonseka from his parliamentary seat before the Supreme Court. DNA Secretary and parliamentarian Vijitha Herath said the party would go to courts against the decision to vacate Fonseka's parliamentary seat. Herath explained that a court martial did not come under the Constitution and an MP would only lose a parliamentary seat if a civil court, according to the Constitution, convicts him. Meanwhile, Fonseka's appeal against the first court martial decision is to be taken up by courts today.

Gulf Air resumes flights to Sri Lanka

Gulf Air, the national carrier of the Kingdom of Bahrain and the carrier with the largest Middle East international network, yesterday touched down once again at Sri Lanka's Bandaranaike International Airport after a lapse of five years, marking a historic re-entry into Sri Lankan skies with five frequencies weekly. The inaugural flight arrived at Colombo's Bandaranaike International Airport yesterday with a water canon salute while Gulf Air Chief Executive, VIPs and passengers were given a traditional Sri Lankan welcome by the Deputy Director of the Sri Lanka Civil Aviation Authority Rayhan Wannappa, Vice Chairman of Airport and Aviation in Sri Lanka Kamal Ratwatte, President of the Transportation Sector John Keells Holdings PLC Romesh David and senior officials from Sri Lanka's Civil Aviation Authority, airport officials and the media. Addressing a media conference in Colombo Gulf Air CEO Samer Majali said the prime objective of Gulf Air re-launching in Sri Lanka is for added connectivity from Colombo to Bahrain and thereby to other Middle Eastern destinations. He commented that: 'Given that Gulf Air has the largest network in the Middle East with non-stop flights providing seamless onward connections to a host of other international destinations, we believe it is the apt time for us to have a dynamic presence here in Sri Lanka. We are currently one of the most powerful brands and a name to reckon within the global industry and our network stretches from Europe to Asia, connecting 44 cities in 29 countries with a fleet of 36 aircraft.' Gulf Air also reaffirmed its partnership with Mack Air (Pvt) Limited, the airline division of John Keells Holdings PLC to provide General Sales Agency Services. President of the Transportation Sector of John Keells

Holdings PLC Romesh David provided a background to the historic facet of the re-entry of the airline, touching back to a history that Mack Air had way back in 1981, when Gulf Air operated twice weekly. Given the extensive network even at that time, we saw immense potential to strengthen Gulf Air's presence, which resulted in flights subsequently touching down five times weekly,' he recalled. 'Mack Air was extremely successful in selling Gulf Air flights which finally led to the airline operating daily into Colombo. However, after 25 years in operation, the airline withdrew from this market although, I am now extremely proud to be here at a most exciting and memorable moment when we rekindle this partnership that goes back almost thirty years.' Majali, who was supported by Gulf Air's Chief Service Officer Marcus Bernhardt and Director Corporate Affairs Mohammed Amin Hulaiwah on his visit to Sri Lanka, also explained that with Sri Lanka now having a very pragmatic outlook of creating an aviation hub for South Asia, it makes good business sense for Gulf Air to be a part of this vision, while adding value to the large numbers of Sri Lankan expatriates living and working in the Middle East. While Area Commercial Manager India Sub Continent Asia Pacific Manuel Starkle and Commercial Manager for India and Sri Lanka Gulf Air Ranju Selvadurai was also in attendance, Senior Vice President and Head of Airline and Travels of John Keells Holdings PLC Anil Bandara in his welcome address stated that Mack Air was extremely proud to be the General Sales Agent for Gulf Air. 'This helps leverage the synergies we both have,' he said. 'On the one side, Gulf Air has as its focus a targeted more focused international network, a superior more consistent product and a modern more efficient fleet that will optimize value. On the other side, Mack Air, which was the first GSA in Sri Lanka to be certified to ISO 9001 standards and comes under the transportation sector of the blue chip conglomerate of John Keells, brings to the table three decades of experience, state of the art infrastructure and superior marketing and administrative support which is evidenced by the large portfolio of world renowned names in aviation including American Airlines, Asiana Airlines, GMG Airlines and Jet Airways being within our purview.' He added that with the corporate stewardship and backing of 130 years from its parent company John Keells, Mack Air is ably supported by a regional network of the transportation sector's own offices covering key cities and gateways within India and the Maldives. Gulf Air's global presence is further augmented with its official airline and sponsor status of the 2010 Formula One Gulf Air Bahrain Grand Prix and the London based football club Queen's Park Rangers.

<http://www.lankanewspapers.com/news/2010/10/60976.html>

Shell exits from LP gas business in Sri Lanka

Royal Dutch Shell, the parent company of Shell Gas Lanka and Shell Terminal Lanka has intended to exit from LP Gas business in Sri Lanka as part of their wider review of ownership options, the Sri Lankan government announced today. The company has agreed to sell 51% stake of liquid petroleum distributor Shell Gas Lanka and 100% stake of the storage unit Shell

Terminal Lanka to the government for US \$63 million. The Cabinet approved the deal today during its regular weekly meeting. The government says purchasing these shares would be advantageous to the country. The Cabinet Appointed Negotiating Committee (CANC) chaired by the Secretary to the Prime Minister Sirisena Amarasekara has recommended purchasing these shares at a cost of US \$63 million. Addressing media the government spokesman, Media Minister Keheliya Rambukwella said the government has a controlling interest and intends to retain at least 51 % of the shares and the balance will be sold to the public enhancing investment opportunities for the private sector. "The balance 49% shares will be sold. It will be an effective public-private partnership," he said. The transaction is to be financed through Bank of Ceylon, Peoples' Bank, National Savings Bank, and the Sri Lanka Insurance Corporation.

The Minister gave assurance that the government will sell LP gas at a reasonable price after the buy back of shares from Shell.

http://www.colombopage.com/archive_10B/Oct07_1286462441CH.php

Sri Lanka telco gets bid from India's Tata: report

Oct 04, 2010 (LBO) - India's Tata Communications had put in a bid for Sri Lanka's Suntel, a unit of Sweden's Telia which runs a fixed access wireless network in the island, a media report said.

India's Economic Times said, Tata Communications Ltd (TCL) formerly a state-run firm in which the government still owns 26 percent has been given the go ahead to bid for the Sri Lankan telco. TCL had submitted the bid last month, the newspaper said, citing an unnamed Indian government official. The report said in 2008, TCL had bid 80 million US dollars for the firm, but this time it is expected to have bid less. India's Mahanagar Telecom Nigam Limited (MTNL) had submitted a higher bid at the time, but later pulled out. The report said TCL was still negotiating the purchase, but is not clear whether the bid is still active. Suntel's chief executive Jeremy Huxtable told LBO that he had no comment to make at this time.

<http://www.lankabusinessonline.com/fullstory.php?nid=1290930747>

Sri Lanka told to speed up paper work for trade with India

Early issue of export documentation by Sri Lankan authorities could help reduce delays in clearing goods shipped to India under a free trade deal, trade experts and economists told a forum. The Indo-Lanka free trade agreement (FTA) has eliminated or reduced import duties, improving market access for businesses in both countries. But trade is still subject to many types of delay one of which concerned the certificate of origin, a key document required by exporters to ship goods to India under the free trade agreement. This was one of the major constraints identified in a survey of exporters and importers in both countries done by the Institute of Policy Studies, a think tank, Dharshani Premaratne of the IPS told a forum. The certificate in Sri Lanka is issued by the commerce department and issued only after the shipment has been effected. Sri Lanka's commerce department should consider issuing the certificate of origin 3-4 days before shipment of goods to prevent delays in clearing goods and shippers incurring extra costs, it was suggested at the forum. "Shipments from Sri Lanka usually arrive in India within 48 hours, which

means the goods arrive before the documents," Premaratne told the forum on trade facilitation issues related to the FTA organized by the IPS and UNDP Asia Pacific Regional Centre, Bangkok."But without the certificate of origin the goods cannot be cleared, resulting in delays which means demurrages have to be paid and additional cost incurred. So the effective benefits of the FTA are nullified."India issues the certificate of origin under the free trade deal several days before goods are shipped.

Sri Lanka Telecom May Raise \$125 Million to Fund Expand, Gooneratne Says

Sri Lanka Telecom Plc, the nation's biggest fixed-line phone company, may raise as much as \$125 million to fund expansion, a company executive said. "We have received responses to a request for proposals from banks that include selling bonds overseas and syndicated loans," Chief Financial Officer Shiron Gooneratne said in a telephone interview from Colombo today. Gooneratne said the company was spending on expanding its network, including in the island's north and east as the end of the nation's civil war after almost three decades spurs an economic recovery. The defeat of the Tamil rebels last year has prompted carriers, including the local unit of Bharti Airtel Ltd. and Emirates Telecommunications Corp. to start services in the previously strife-torn regions. Sri Lanka Telecom, which also operates a mobile-phone unit, is owned by the South Asian island's government and Malaysian billionaire T. Ananda Krishnan's Usaha Tegas Sdn. Profit at the carrier more than doubled to 769 million rupees (\$7 million) in the three months ended June.

How China and India Displaced the West in Sri Lanka

As a Sri Lankan military offensive destroyed the last remnants of the Tamil Tiger separatist insurgency in May of last year to end a quarter century of bloody civil war the country faced a problem at the U.N. Human Rights Council in Geneva: The European Union (EU) was trying to move a resolution critical of Sri Lanka, and calling for an investigation into rights violations during the offensive. Sri Lanka's representative at the Council, Dayan Jayatilleka reached out for support from two friendly nations, India and China. The result was that instead of a resolution censuring Sri Lanka, 29 members in the 47 member Council adopted a resolution commending the government. Only 12 voted against it, and six abstained. "We did not totally rely on the support of India and China, but their support did have a ripple effect" that neutralized the EU resolution, Jayatilleka who is currently a visiting lecturer at the Institute of South Asian Studies at the National University of Singapore told TIME. Support from China and India was critical during the bloody final three years of the conflict, as the government of President Mahinda Rajapaksa faced increasing criticism from Western nations on the conduct of a military campaign that was gaining the upper hand over the Tigers. China was also one of Sri Lanka's main arms suppliers. "Without their help, I don't think we could have ended the conflict," Jayatilleka said. China, together with Russia, ran interference for Sri Lanka at the U.N. Security Council, and according to another Sri Lankan diplomat, former Additional Foreign Secretary Nanda Godage, they also warned Western powers against any unilateral action in Sri Lanka. More than a year after the conclusion of the war, the support of the two Asian

powerhouses has not waned, with India and China having become two of Sri Lanka's major donors. India has committed \$800 million in low-interest loans to assist the redevelopment of the war-ravaged north and east, and has undertaken to fund the construction of 50,000 new houses in the former conflict-zone — almost a third of the 160,000 new houses the U.N. estimates are needed. Indian companies have been among the first to line up to take advantage of Sri Lanka's expected postwar economic boom. "The situation between 2006 and 2009 held us back, we need get back on the horse here," Raymond Bickson, CEO of Taj Hotels, India told TIME. The Taj group is exploring the possibilities of acquiring a hotel property just outside Colombo's international airport and undertaking a 100 room redevelopment project. The Chinese have not been far behind with at least \$500 million in assistance to develop infrastructure, ports, the power grid in the south and the construction of highways in the east. The assistance has come during a time when Western powers continue to call for international investigations into the final phase of the war. On August 15, the EU suspended a concessionary tariff applied to Sri Lanka, which had made Europe the single largest market for the country's exports, on the grounds Sri Lanka was allegedly contravening human rights conventions. But on the same day that the EU suspension came into effect, President Rajapaksa was opening the \$ 350 million port at Hambantota, which was mostly financed by China. India has long been the pre-eminent player in Sri Lankan affairs, having had thousands of its own troops deployed there to help fight the Tigers between 1987 and 1990. India lost 1,200 personnel in that counterinsurgency effort, and a Tamil Tigers suicide bomber assassinated then-Prime Minister Rajiv Gandhi in May of 1991. China's growing role is a relatively new development. Both Jayatilleka and Godage feel that when pressure by the Western block mounted, Sri Lanka simply revitalised strong ties with the two giants dating back to the 1950's. Jayatilleka told TIME that Sri Lanka acknowledged the growing global importance of the two but never forgot that they were Asian powers.

Read more: <http://www.time.com/time/world/article/0,8599,2023178,00.html#ixzz11mt0fDSX>