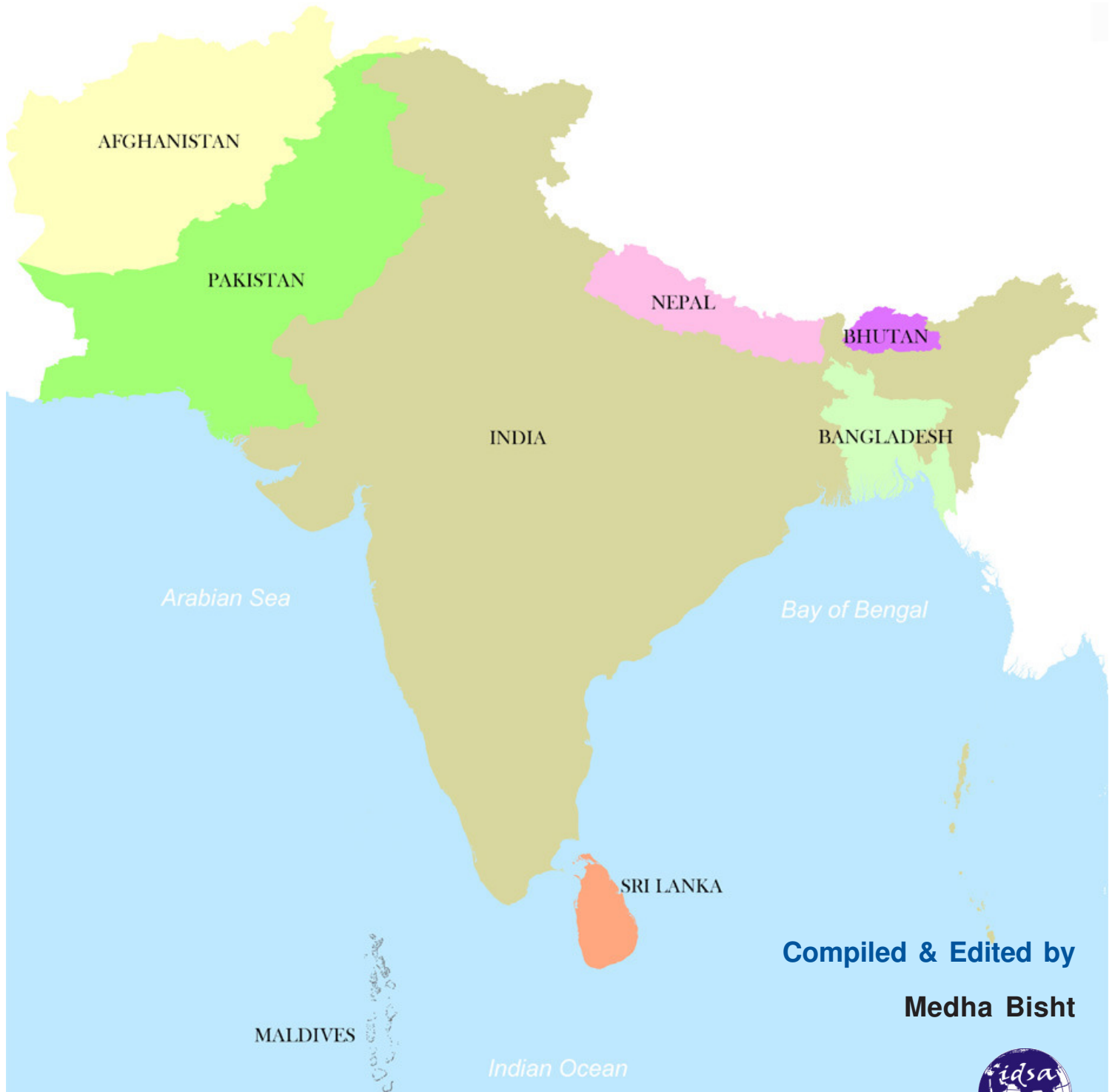


SOUTH ASIA TRENDS

Volume 2 Number 1 February 1-28, 2011

South Asia Trends is a fortnightly newsletter on South Asian affairs. The purpose of the newsletter is to provide a panoramic view of important events that shape and impact the politics of the subcontinent. The effort would be to inform our readers of the domestic, regional and international repercussions of the political debates and diplomatic engagements that take place in South Asia.



**Compiled & Edited by
Medha Bisht**



Institute for Defence Studies and Analyses

Editor's Note

While, Washington's transition strategy is being debated both in the Congress and Afghanistan, the Republicans have demand the tightening of economic noose by constraining funds for U.S. Agency for International Development. Afghan Defence Minister, Abdul Rahim Wardak has meanwhile requested United States for economic help and assistance beyond 2014.

President Karzai was on a bilateral visit to India on February 3, 2011 and both countries discussed political and economic issues. Pakistan's overture to Northern alliance leadership was an important agenda for discussion. Meanwhile, water security can be another potential entry point for the United States to engage with South and Central Asia in the coming years. The US Senate Foreign Relations Committee Report on water security states that, "the United States should encompass comprehensive activities that encourage conflict management through regional water management." The report cautions that future water scarcity could fuel dangerous tensions, which could have repercussions for regional stability and U.S. foreign policy objectives.

In yet another move to strengthen bilateral relations, India has announced a grant of 15 crore to Bhutan for education development. The Ministry of External Affairs has been allocated a total budget of Rs 7106 crore for the fiscal year 2011-12. Amongst all the South Asian neighbours, the largest share has been devoted to Bhutan at Rs 1,690 crore. The allocation to Bhutan perhaps stems from the Indian efforts to maintain cordial relations with the Himalayan country. According to some media reports, China is all set to extend its Tibet railway network into the strategically important Chumbi valley area. A Chinese Railway Ministry map has confirmed that a railway line could extend to Yatung, near Nathula Pass by 2017.

The talks between India and Pakistan would resume at the level of Home Secretaries. Counter-terrorism has been identified as the agenda point for taking the comprehensive dialogue forward. Meanwhile, domestically the PML-N and PPP spat over the ten-point agenda could upset the civilian rule in Pakistan and in the long term strengthen the Army's hold on power. With increasing pressures from South Punjab, Prime Minister, Yousuf Raza Gilani has given his consent for making Bhawalpur a separate province.

Afghanistan

Afghan president in India to discuss security

Herald Tribune, February 2, 2011.

Afghan President Hamid Karzai arrived in the Indian capital to discuss efforts to restore security in Afghanistan and to attend a conference on sustainable development. Karzai will meet with Prime Minister Manmohan Singh to update him about security and reconstruction in Afghanistan, where India has had a growing influence, with firms from the country working on several projects, and Indian music, soap operas and films increasingly available. Last month, India's foreign minister, S. M. Krishna, visited the Afghan capital, Kabul, and called the security situation there disturbing, pledging that India would help in reconstruction and promising a donation of 100,000 tons of wheat.

(Source: <http://www.heraldtribune.com/article/20110202/API/1102021737?tc=ar>)

Speaker Election Yields No Clear Winner

Daily Outlook Afghanistan, February 3, 2011.

Wolesi Jirga members failed for a fourth time on February 4, 2010 to elect a speaker for the lower house, which was inaugurated a week back. Siddique Ahmad Osmani and Obaidullah Ramin qualified for the second round of the election. Osmani won 118 votes and Sultani 30. No one could get the minimum 123 votes needed for success. Some 240 lawmakers voted in the election. Sixty-two of the votes were left blank and 30 others declared invalid. Article 87 of the Constitution states: Each of the two houses, at the commencement of their work period, shall elect one member as speaker, and another two as first and second deputies.

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#03)

Karzai, Manmohan discuss wide-ranging issues

The Hindu, February 4, 2010.

Visiting Afghanistan President Hamid Karzai held talks on several subjects with Prime Minister Manmohan Singh on February 3, 2011. "Generally everything was discussed. All issues, economical and political, were discussed," said sources in the government. On the political side, both sides took stock of the current situation, especially the reaching out by Pakistan to the Northern Alliance leadership and India's overtures to the Pashtuns. In economics, India and Afghanistan took note of the potential areas where both sides can work together, especially in mining.

(Source: <http://www.hindu.com/2011/02/04/stories/2011020465501400.htm>)

UNCTAD to Support Pak-Afghan Transit Agreement

Daily Outlook Afghanistan, February 5, 2011.

The United Nations Conference on Trade and Development (UNCTAD) announced its support for the Afghani-Pakistani transit agreement to take effect on February 14. "Pact aimed at improving transit for Afghan goods to ports and for Pakistani goods to Central Asian markets", said the UNCTAD in a press release. Afghanistan and Pakistan will begin operations on February 14 of a new agreement in-

tended to ease the flow of trade between and through the two countries. The agreement, signed in October 2010, reflects long-standing UNCTAD recommendations on using trade-facilitation arrangements to spur economic development in these nations.

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#01)

Cutting Aid Threatens Afghanistan Fight: U.S.

Daily Outlook Afghanistan, February 14, 2011.

US Congressional plans to slash foreign assistance, including multibillion-dollar aid to Afghanistan, risk undermining the Obama administration's bid to leave behind a stable nation when it withdraws its troops. Rajiv Shah, a doctor and administrator of the U.S. Agency for International Development (USAID), said pledges from some leading lawmakers to cut funding for his agency, a prime target in Republican belt-tightening plans, would undermine the U.S. fight in Afghanistan and ultimately jeopardize U.S. security. "In order to have a transition strategy, for our troops to be able to exit, and for us to be able to see gains in stability and governance and development be durable and sustainable, if USAID's resources are cut back ... that will both be costly to American taxpayers and it will be tremendously unwise," Shah told Reuters.

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#02)

Clinton picks new envoy to Afghanistan, Pakistan-report

Dawn, February 15, 2011.

Secretary of State Hillary Clinton has chosen retired diplomat Marc Grossman to replace the late Richard Holbrooke as the United States' special envoy to Afghanistan and Pakistan, the Washington Post reported. The position has been vacant since Holbrooke, a veteran diplomatic trouble shooter, died suddenly in December. Grossman, a former ambassador to Turkey, retired from the State Department in 2005 after three decades in diplomatic service.

(Source: <http://www.dawn.com/2011/02/15/clinton-picks-new-envoy-to-afghanistan-pakistan-report.html>)

NATO to Spend \$20bln on Afghan Forces in 2011

Daily Outlook Afghanistan, February 15, 2011.

The NATO Training Mission-Afghanistan will spend about \$20 billion (903.6 billion Afghanis) on Afghan security forces in 2011, half of which will go on the police, a coalition official said. The investment would enable the Afghan forces to be ready to take control of the country by 2014, NATO Training Mission-Afghanistan commander, U.S. Army Lt. Gen. William B. Caldwell, said in a news conference here.

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#01)

We Don't Want Permanent Bases: Eikenberry

Daily Outlook Afghanistan, February 21, 2011.

US Ambassador to Afghanistan W. Karl Eikenberry said on Sunday that his country was not interested in a long-term military presence in Afghanistan if its neighbors felt threatened. The US and the international community, committed to supporting the Afghan government, would stay in Afghanistan as long as their presence was desired, he told a news conference in Kabul. "If Afghans and their government ask us for a long-term military presence, then some military bases will be needed. However, it does not mean that our bases will be forever," the diplomat explained. Earlier in the day, defense ministry spokesman, Gen. Zahir Azimi, said that the proposed American bases in Afghanistan would help check neighbors' interference in the country. About the handover of security control to Afghan forces, Eikenberry said: "We will maintain long-term military cooperation with Afghanistan but this policy may change over the next three years."

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#01)

31 Killed in Suicide Attack on Afghan Census Office

New York Times, February 22, 2011

A suicide bomber wearing a vest with explosives blew himself up Monday, killing 31 people, as residents lined up for identification cards at a census office in northern Afghanistan, Afghan security officials said. The attack at the government center in Imam Saib, a remote district of Kunduz Province, was the fifth suicide bombing with major casualties in Afghanistan in four weeks. All the victims were civilians, said Abdul Rahman Saidkhaili, the provincial police chief. He said the target had been the district governor, whose office is next to the census department's. The Taliban claimed responsibility, saying that a member from Logar Province had carried out the attack and that its goal was to halt a new program backed by NATO to enroll large numbers of people into the Afghan Local Police, an auxiliary group intended to safeguard neighborhoods.

(Source: <http://www.nytimes.com/2011/02/22/world/asia/22afghanistan.html?partner=rss&emc=rss>)

Midlevel Taliban Admit to a Rift With Top Leaders

Post Gazette, February 22, 2011

Recent defeats and general weariness after nine years of war are creating fissures between the Taliban's top leadership based in Pakistan and midlevel field commanders, who have borne the brunt of the fighting and are reluctant to return to some battle zones, Taliban members said in interviews. After suffering defeats with the influx of thousands of new American troops in the southern provinces of Kandahar and Helmand last year, many Taliban fighters retreated across the border to the safety of Pakistan. They are now coming under pressure from their leaders to return to Afghanistan to step up the fight again, a Taliban commander said. Many are hesitant to do so, at least for now.

(Source: <http://www.post-gazette.com/pg/11053/1127125-82.stm?cmpid=nationworld.xml>)

Afghans, NATO Discuss Security Handover

Daily Outlook Afghanistan, February 23, 2011.

Afghan government and coalition officials met in Kabul on Tuesday to discuss the handover of security to Afghan forces, officials said. The transition is supported by the international community and it will process in a step-by-step manner, said Ashraf Ghani Ahmadzai, who is President Hamid Karzai's pointman on the handover. "We have become closer with this joint goal," he said. The commander of NATO-led forces, Gen. David Petraeus, said the goal of 2014 as the date when Afghan forces should take the lead in security was set by Afghanistan and would be a significant step for the country. "The handover of security will be a challenging process but we will reach our joint goal," he said

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#02)

Next Year's Development Budget Cut 41%

Daily Outlook Afghanistan, February 23, 2011.

While the Afghan parliament is still facing a dead end, it is not clear when the next year's development budget will be approved. There is a 41% cut in the development budget for next year in comparison to last year's budget. The Ministry of Finance cites lack of capacity and shortage of funding as the main reasons why some projects had not been implemented. The Ministry says its income will increase to 7 billion dollars in three years, apart from its incomes from mines. Next year's budget is estimated at Afs. 65 billion, showing a 41% cut compared to last year. While the Afghan new year is approaching, the budget for the coming year has yet to be approved by the Afghan parliament.

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#02)

Afghan Security at its Lowest Point in Decade: UN

Daily Outlook Afghanistan, February 24, 2011.

Security in Afghanistan has worsened to the lowest point since the collapse of the Taliban regime, a UN special representative said. "It is fair to say that security in the country is at its lowest point since the departure of the Taliban," said Robert Watkins, the outgoing UN deputy special representative of the Secretary General for Afghanistan. Before last year's surge in NATO military forces, the insurgency was centered in the south and south-east of the country, said Mr Watkins. "Since the surge of NATO forces last year, we have seen the insurgency move to parts of the country where we've never seen before," he said. "While NATO is claiming that it has turned the corner... we still see these very difficult security problems," he further said.

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#02)

Water Security in Afghanistan, Pakistan Stressed

Daily Outlook Afghanistan, February 24, 2011.

There is an increasing risk of tension between South Asian neighbors Afghanistan

and Pakistan over water availability, the US Senate Foreign Relations Committee has said. In a report released on Tuesday, it said US assistance to the two countries should encompass comprehensive activities that encourage conflict management through regional water management. "In Central and South Asia, particularly in Afghanistan and Pakistan, the impacts of water scarcity are fuelling dangerous tensions that will have repercussions for regional stability and US foreign policy objectives," said the report.

(Source: http://outlookafghanistan.net/news_Pages/main_news.html#02)

Afghan minister: We'll need U.S. help after 2014

CNN, February 24, 2011

Afghanistan will need help from the United States after a planned withdrawal of U.S. troops in 2014, Afghanistan's defense minister said Wednesday. Minister Abdul Rahim Wardak made the comment to Defense Secretary Robert Gates during a visit to the Pentagon in Washington. "It will need your help beyond 2014," Wardak said. Gates complimented Afghanistan for taking what he called an increasingly leading role in their security.

(Source: <http://edition.cnn.com/2011/WORLD/asiapcf/02/23/afghanistan.us.military/>)

Chaos in Parliament

Daily Outlook Afghanistan, February 25, 2011

Afghan legislators called in a session to discuss ways through which parliament speaker should be appointed, but the session was result less again when some parliamentarians came to blows. Parliamentarians went outrageous after the commission which was formed to work on an initiative for an end to the problem presented its report. As commission's head Haji Mohammad Mohaqiq, a MP from Kabul and a prominent Hazara leader, explaining the recommendation suggested political settlement initiative under which the former candidates can get another chance to run for the seat. "We presented our report and the Afghan nation and their representatives should listen to it," said Haji Mohammad Mohaqiq.

(Source: <http://outlookafghanistan.net/index1.html#>)

Bangladesh

Plans for Bangladesh's Mongla Port unveiled

Port World, February 1, 2011.

UK-based Port Evolution Management Ltd. has submitted a \$794.5 million plan to develop Bangladesh's Mongla Port. According to Port Strategy, the plan would involve building a container terminal, oil terminal, tank farm, and a special economic zone. Work at Mongla port will be implemented over a span of four years.

(Source: http://www.portworld.com/news/i100296/Plans_for_Bangladesh_s_Mongla_Port_unveiled)

4 Himalayan Nations Working on Climate Change Adaptation Plans

Planet Save.com, February 1, 2011.

Governments of four Eastern Himalayan states announced plans today that will lead to the development of a unified climate change adaptation plan for the mountainous region. Delegates from Bangladesh, Bhutan, India and Nepal met in Thimphu on January 27 and 28 to start planning 10-year national and regional adaptation frameworks that will be tabled later this year. "Climate change is a shared problem and regions bound by common issues and geographical boundaries should coordinate efforts to deal with its impacts on the Himalayan biodiversity. Actions must be expedited at local, national and regional levels," said the Honorable Minister for Agriculture and Forests Bhutan, Dr. Pema Gyamtsho.

(Source: <http://planetsave.com/2011/02/01/4-himalayan-nations-working-on-climate-change-adaptation-plans/>)

Bangladesh wants to redraw sea border with India

Hindustan Times, February 3, 2011.

Bangladesh will approach the UN seeking to delineate its maritime borders in the Bay of Bengal with India and Myanmar. Bangladesh claims over 450 nautical miles from its coastline in the Bay of Bengal. The country has long-standing problems with India and Myanmar on the issue of "starting point" to mark its marine boundary. There are overlapping claims by all three neighbouring countries because of the funnel-like coastline of the Bay of Bengal, New Age newspaper said.

(Source: <http://www.hindustantimes.com/Bangladesh-wants-to-redraw-sea-border-with-India/Article1-658079.aspx>)

Country's trade gap with SAARC states on rise

Financial Express, February 5, 2010.

Bangladesh's trade imbalance with the SAARC member countries, especially with India, is on the rise for the last couple of years because of the rising trend of imports than exports, reports UNB. The trade imbalance of Bangladesh with the SAARC countries was US\$ 3194.75 million in the 2009-10 fiscal as export accounted for only US\$ 420.55 million compared to massive import of goods worth US\$ 3615.30 million, according to figures provided by the Export Promotion Bureau (EPB).

(Source: http://www.thefinancialexpress-bd.com/more.php?news_id=125148&date=2011-02-05)

CBI begins investigation into Indo-Bangladesh border fencing scam

DNA India, February 11, 2011.

The CBI has started an investigation into the alleged multi-crore scam in the construction of Indo-Bangladesh border fencing in south Mizoram's Chakma Autonomous District Council (CADC), official sources said. The investigation was launched following a complaint filed by Laxmi Bikash Chakma, BJP President of the CADC who alleged massive misappropriation of funds by Congress leaders, officials of

the CADC and the National Projects Construction Corporation, which is one of the contractors of the 318-km-long international border fencing.

(Source: http://www.dnaindia.com/india/report_cbi-begins-investigation-into-indo-bangladesh-border-fencing-scam_1506337)

India, Bangladesh oppose trade concession package of EU

Business Recorder, February 22, 2011

Two south Asian countries India and Bangladesh continue to oppose the European Union on trade concession package for flood-hit Pakistan at a meeting of the World Trade Organisation held on January 30 this year, but they did not mention the name of the WTO council where matters were discussed. India and Bangladesh are close rivals of Pakistan, being major exporters of textile goods to the EU. They do not want Pakistan to gain market access in the EU, even on the basis of catastrophic floods or on humanitarian grounds.

(Source: <http://www.brecorder.com/business-a-finance/industries-a-sectors/4045-india-bangladesh-oppose-trade-concession-package-of-eu.html>)

Dhaka, Delhi move to swap enclaves

Sify News, February 20, 2011.

Bangladesh and India are in 'serious moves' to exchange enclaves in each other's territory to end suffering of the local people and consolidate bilateral ties, a media report said. These are 162 enclaves - 111 in India and 51 in Bangladesh - involving 144,000 people and 17,158 acres of land that are a legacy of partition of India in 1947. According to unofficial estimates, the population of the 111 Indian enclaves is over 100,000 while the 51 Bangladeshi enclaves inside India have around 44,000 people. In 1974, Bangladesh ratified the Mujib-Indira Land Boundary Agreement to resolve the problems, but India is yet to ratify the agreement.

(Source: <http://www.sify.com/news/dhaka-delhi-move-to-swap-enclaves-news-international-lcun4eifdid.html>)

Malaria claims more soldiers than bullets do here

NDTV, February 22, 2011.

Malaria poses a bigger threat than insurgents and smugglers to Border Security Force (BSF) men posted along India's northeastern border with Bangladesh, with many dying of the disease every year, say security officials. "Our troopers are now battling malaria, with the disease turning out to be our biggest enemy in the mountainous border areas," a senior BSF officer posted at the Tripura frontier said. "On an average, five to six BSF personnel died of malaria every year on the Tripura border alone. No one was killed by insurgents during the past three years," the BSF officer told IANS on condition of anonymity.

(Source: <http://www.ndtv.com/article/india/malaria-claims-more-soldiers-than-bullets-do-here-87216>)

Extremist outfits in NE have training camps in Bangladesh: HM

MSN News, February 24, 2011.

A large number of extremist outfits in north eastern states have their training camps in Bangladesh, but India was getting “splendid” cooperation from Dhaka after Sheikh Hasina became Prime Minister there, the Government today said in the Rajya Sabha. “Many leaders of these groups have found sanctuaries across the border...a significant number of leaders of these groups are there...they have training camps there,” Home Minister P Chidambaram said during Question Hour. He was responding to concerns about the cross border connections of extremist groups operating in the north east. Chidambaram, however, said the cooperation extended by Bangladesh to contain the problem has been “splendid” since Hasina came to power there. Latest data showed that the number of kidnapping cases in the north eastern states had declined from 416 in 2008 to 214 last year, he added.

(Source: <http://news.in.msn.com/national/article.aspx?cp-documentid=4955550>)

India, Bangla to redraw border

Times of India, February 25, 2011.

India and Bangladesh have agreed to redraw their 4,100km boundary. Straightening of the boundary would include ending the contentious issue of over 200 enclaves located in each other’s territory. High-level sources said the deal would be announced when Prime Minister Manmohan Singh visits Dhaka immediately after the West Bengal elections. The visit in all likelihood could take place in June.

(Source: <http://timesofindia.indiatimes.com/india/India-Bangla-to-redraw-border/articleshow/7567129.cms>)

Bangladesh to Boost Food Security, Minister Says

Business Week, February 28, 2011.

Bangladesh, South Asia’s biggest rice buyer, is in talks with India to buy grains on a regular basis to bolster food security as governments seek to avoid a repeat of the unrest that broke out when prices last soared. A long-term agreement will protect Bangladesh from possible defaults by private traders, who sometimes fail to meet their commitments if prices gain, Muhammad Abdur Razzaque, the nation’s food minister, said in an interview yesterday. “Rice prices rose this year in our country; people are suffering as they have limited income,” Razzaque said by phone from Dhaka.

(Source: <http://www.businessweek.com/news/2011-02-28/bangladesh-to-boost-food-security-minister-says.html>)

Bangladesh’s December inflation leaps to 8.28%

Global Times, February 28, 2011.

Bangladesh’s inflation leaped to 8.28 percent in December 2010 due to soaring food costs, official figures showed Sunday. According to data released by Bangladesh Bureau of Statistics (BBS), the inflation rate went up from November’s

Bhutan

7.54 percent to 8.28 percent in December. The BBS data showed that the country's food prices grew at 11.01 percent in December from 9.80 percent in November.

(Source: <http://business.globaltimes.cn/world/2011-02/627997.html>)

India to contribute Rs.15 crores for education development in Bhutan

Sify News, February 7, 2011.

India announced that it would provide a grant of Rs.15 crore to Bhutan for education development. The announcement was made by visiting Indian External Affairs Minister S.M.Krishna after calling on Bhutan King Jigme Khesar Namgyel Wangchuck and meeting the country's acting Foreign Minister Lyonpo Khandu Wangchuk. Diplomatic ties between India and Bhutan were established more than 40 years ago with the appointment of a resident representative in Thimphu.

(Source: <http://www.sify.com/news/india-to-contribute-rs-15-crores-for-education-development-in-bhutan-news-international-lchs4dagcae.html>)

Bhutan brands itself as an investment destination

Kuensel, February 8, 2011.

In the tiger year the hermit kingdom attempted to brand itself as an investment destination with an enabling business environment. Overall, the size of the Bhutanese GDP as of December 2010 stood at Nu 61B and the growth rate worked out to 6.7 per cent. Government revenue receipt including tax and non-tax revenue stood at Nu 28B. The inflation rate stood at 9.1 per cent in the last quarter of 2010.

(Source: <http://business.asiaone.com/Business/News/Story/A1Story20110208-262386.html>)

US Under Secy to visit India, Bhutan & Nepal

Press Trust of India, February 8, 2011.

US Under Secretary for Democracy and Global Affairs Maria Otero will visit India, Bhutan and Nepal. During her trip to southern India and New Delhi, Otero will discuss bilateral coordination on global issues, visit Tibetan refugee settlements, explore cooperation to strengthen elections organisations and consult on regional disaster management. The senior most Obama administration official to visit Bhutan, she would discuss global issues as well as the protracted situation of the Bhutanese refugees in Nepal. Otero would also have a bilateral meeting with the Bhutanese Prime Minister Jigme Thinley and other senior officials, besides civil society leaders.

(Source: http://ibnlive.in.com/printpage.php?id=142738§ion_id=2)

Plans on track, China rail link to stretch to near Sikkim border

Indian Express, February 14, 2010.

China is set to extend its Tibet railway network into the strategically important

Chumbi valley area, next to Sikkim and the Siliguri corridor. This was confirmed by a Chinese Railways Ministry map, put out last month, showing China's "long term railway network plan". Until now, these plans were being loosely speculated upon, but they now have an official stamp on it. The latest map shows the railway line extending from Lhasa to Zangmu on the Nepal border, which is going to eventually extend into Nepal and even Kathmandu.

(Source: <http://www.indianexpress.com/news/Plans-on-track—China-rail-link-to-stretch-to-near-Sikkim-border/749733>)

NDFB militants strike in Bhutan

Times of India, February 20, 2011.

Even as Bhutan has been refuting that its territory is being used by militants from India's northeast, the recent attack on Bhutanese security personnel inside that country's territory by suspected NDFB (anti-talks) militants brought to the fore the fact that the Himalayan kingdom is still not immune to the activities of the outlawed armed group.

(Source: <Http://Timesofindia.Indiatimes.Com/City/Guwahati/Ndfb-Militants-Strike-In-Bhutan/Articleshow/7535965.Cms>)

Land port establishes tri-nation connectivity

Gulf Times, February 21, 2011.

A three-nation hub has been established in Bangladesh district of Sherpur with its land port finally linked with Bhutan, Nepal and India through a road that goes across a bridge on the river Bogai. The land port is situated close to the borders with India in the eastern region. The road communication has also linked Sylhet and Sunamganj districts of Bangladesh and thrown open an opportunity to connect Bogra and Rangpur districts. The land port has also witnessed opening of a Sherpur-Bhutan transit road. The Himalayan kingdom of Bhutan is only 200km away from Sherpur. Apart from coal and stone including marble, seasonal fruits, almonds, spices, timber and bamboos, car parts and newsprint are imported through the land port, said M A Hakim Hira, owner of a local import-export company.

(Source: http://www.gulf-times.com/site/topics/article.asp?cu_no=2&item_no=417434&version=1&template_id=44&parent_id=24)

External affairs ministry gets over Rs.7,100 crore allocation

Sify News, February 28, 2011.

Even as Indian diplomacy has a rising global profile, the external affairs ministry has been allocated Rs.7,106 crore (Rs.71 billion/\$ 1.5 billion) for fiscal 2011-12, which is only a marginal increase from the previous year. The expenditure budget's revised estimates for the ministry in 2010-11 was Rs.7,120 crore, but it has recorded a slight dip for 2011-12 at Rs.7,106 crore. The major allocation of the expenditure is for technical and economic cooperation with foreign countries,

amounting to about Rs.3,050 crore. The biggest share is kept for Bhutan at Rs.1,690 crore.

(Source: <http://www.sify.com/news/external-affairs-ministry-gets-over-rs-7-100-crore-allocation-news-national-lc2wkegcjbg.html>)

Maldives

EU Parliamentary delegation to visit Maldives

Haveeru Online, February 12, 2011.

After four years, a European Union parliamentary delegation is expected to arrive in the Maldives this month, to discuss matters concerning politics, trade and climate change. The Head of Delegation for the European Union for Sri Lanka and Maldives, Ambassador Bernard Savage, told Haveeru Daily that a six member EU parliamentary delegation will visit Maldives on February 20-21, for the first time since 2007.

(Source: <http://www.haveeru.com.mv/english/details/34756>)

India, Maldives to intensify anti-piracy cooperation

Sify News, February 24, 2011.

Amid reports of Somali pirates heading into Asian waters, India and the Maldives Thursday discussed ways to intensify anti-piracy cooperation and decided to scale up bilateral trade and investment. Maldives President Mohamed Nasheed, who began a three-day visit to India Wednesday, met External Affairs Minister S.M. Krishna and discussed a host of issues, including steps to expand maritime security cooperation between the two countries. The two also discussed counter-terrorism, steps to intensify economic cooperation and India's developmental assistance to the Indian Ocean archipelago nation. Climate change also figured prominently in the discussions, an issue of existential importance for the Maldives, one of the world's lowest lying islands that faces the prospect of extinction in case of a perceptible surge in sea levels triggered by global warming.

(Source: <http://www.sify.com/news/india-maldives-to-intensify-anti-piracy-cooperation-news-national-lcyruidghhh.html>)

Nepal

Nepal president discusses peace process with Krishna

Times of India, February 3, 2011.

Nepal President Ram Baran Yadav, who is on a 10-day visit to India, discussed the ongoing peace process in the country with foreign minister S M Krishna. While expressing hope for an early drafting of the new constitution, Krishna emphasised on the need for multi-party democracy in the country. "We discussed some aspects of other relationship between the two countries and we underlined that the peace process should go on in Nepal and multi-party democracy must be given a chance to succeed," said Krishna after his meeting with Yadav.

(Source: <http://timesofindia.indiatimes.com/india/Nepal-president-discusses-peace-process-with-Krishna-/articleshow/7413109.cms>)

Maoist to vote for Khanal

Republica, February 3, 2011.

Jhalanath Khanal, the CPN-UML chairman, is set to be elected next Prime Minister after UCPN (Maoist) decided to support him in the PM election in parliament on Thursday. Maoist's standing committee decided to support Khanal after it became evident that the first round of election will produce no result with four candidates. Maoist has 237 lawmakers and UML has 107 lawmakers in 600-member parliament. Maoist chairman Pushpa Kamal Dahal, Nepali Congress' Ram Chandra Poudel and MPRF-D's Bijaya Kumar Gachchhadar are other candidates.

(Source: http://www.myrepublica.com/portal/index.php?action=news_details&news_id=27878)

Nepal China relations exemplary: Chinese Premier

Telegraph Nepal, February 5, 2011.

Chinese Prime Minister Wen Jiabao extending his best wishes to the newly elected prime minister of Nepal, Mr. Jhal Nath Khanal has hoped that Nepal's relations with China will attain a new height during his term in office. "Our ancient relations have been healthy and stable since diplomatic relations established 56 years back. The policy adopted by both the countries of friendly coexistence and equality has set an example amongst big and small nations", says the Chinese Prime Minister in his statement.

(Source: http://telegraphnepal.com/news_det.php?news_id=8802)

Nepal Madhesh parties divided, Upendra Yadav to join new Govt

Telegraph Nepal, February 5, 2011.

Finally, Rajendra Mahato of Sadvawana Party will not be steering the ministry of trade and supplies which remained tentatively a preserve of Mahato since decades and decades. Three parties represented in the Madhesi Alliance, Madhesi Janadhikar Forum-Loktantrik (Gacchedhar), Tarai Madhesh Loktantrik Party (Mahanta Thakur) and Sadvawana-Mahato have declared that they will not join the government led by Chairman Jhal Nath Khanal of United Marxist Leninists' Party.

(Source: http://www.telegraphnepal.com/news_det.php?news_id=8799)

Nepal's new prime minister faces setback from Maoists

China Post, February 11, 2011

The largest political party in Nepal's parliament is threatening to withdraw its support of the prime minister, a major setback for the country's newly elected leader. A senior leader of the Communist Party of Nepal (Maoist), Narayankaji Shrestha, said that negotiations with Prime Minister Jhalnath Khanal had broken down. He said the main issue was the Maoists' not being granted the home

ministry as promised.

(Source: <http://www.chinapost.com.tw/asia/other/2011/02/11/290706/Nepals-new.htm>)

Nepal PM Khanal appoints three ministers

BBC News, February 11, 2011

Mr Khanal named three colleagues who have still to be given portfolios. Bharat Mohan Adhikari, Bishnu Poudyal and Gangalal Tuladhar are all members of Mr Khanal's CPN-UML party. Mr Tuladhar will be government spokesman. The cabinet formation has been delayed as the PM has failed to finalise a power-sharing deal with the Maoists, with whose support he won the election. He was elected by legislators after more than seven months of stalemate and 17 attempts.

(Source: <http://www.bbc.co.uk/news/world-south-asia-12427513>)

UN envoy shows support for Tibetan refugees in Nepal

Sify News, February 14, 2011

Tibetan refugees in Nepal, who feel increasingly vulnerable due to the growing Chinese influence on the republic's government, have been heartened by the visit of a top American envoy to Nepal. US Under Secretary of State Maria Otero, who is also US Special Coordinator for Tibetan Issues, visited the Tibetan Refugee Transit Center in Kathmandu Sunday with the American Ambassador to Nepal, Scott DeLisi, to talk with the Tibetan refugees, many of whom are awaiting for the clearance of their passage to India.

(Source: <http://www.sify.com/news/un-envoy-shows-support-for-tibetan-refugees-in-nepal-news-international-lcookhjiacg.html>)

UML, Maoist clinch consensus on 7-point pact

Himalayan Times, February 15, 2011.

The bilateral meeting of the UCPN- and CPN-UML has reached a conclusion that both parties would be committed to the seven-point pact as its aim was to end the peace process on the basis of agreement between political parties as expressed in the Comprehensive Peace Accord. With the agreement the chances of UCPN-Maoist joining the new government have increased. Issuing a joint release after the meeting held at the residence of UCPN-Maoist chairman Pushpa Kamal Dahal, the parties clarified the intention of the seven point agreement. During the meeting they also urged all the political parties to support the government.

(Source: <http://thehimalayantimes.com/fullNews.php?headline=UML%2C+Maoist+clinch+consensus+on+7+point+pact&NewsID=276523>)

Sujata vociferous in opposing Home portfolio for Maoists

Himalayan Times, February 15, 2011.

Nepali Congress (NC) leader Sujata Koirala said that NC would join the

government if a new consensus was formed between the parties. The 7-point pact made between Maoist chair and UML chair was illegal and undemocratic Koirala said, adding that if the parties agree to discard the pact and find a new form of consensus, NC could join the government. She accused Prime Minister Jhala Nath Khanal of being involved in such illegal pacts and said he pushed the country toward one-party ruling system. She also made it clear that in no way should home portfolio be given to the Maoists. Maoists should not be provided Home Ministry unless they are disarmed, Koirala said adding that on this pretext, it could be disastrous to address Maoist's demands.

(Source: <http://thehimalayantimes.com/fullNews.php?headline=Sujata+vociferous+in+opposing+Home+portfolio+for+Maoists&NewsID=276522>)

Head home ministry yourself: UML third front to PM

My Republica, February 21, 2011.

Leaders from a group, which is touted as the third-front in the ruling CPN-UML, have suggested to the newly-elected Prime Minister Jhala Nath Khanal to keep the home portfolio himself until the row with UCPN (Maoist) over power-sharing is settled. The proposal from the group that commands 16 of the total 39 politburo members and other central committee (CC) leaders in the prime minister's party has come a day before the politburo meeting.

(Source: http://www.myrepublica.com/portal/index.php?action=news_details&news_id=28469)

Nepal PM Khanal and Dahal agree to amend 7-Point Deal

Telegraph Nepal, February 22, 2011.

With Prime Minister Jhala Nath Khanal finally convincing Chairman Pushpa Kamal Dahal of Unified Maoists' Party to amend controversial clauses of 7-Point Deal, reports have it that the amended deal has thus been ratified by UML steering committee and decided to forward it to the central committee for further approval. Mainly the two leaders, Khanal and Dahal, had agreed to annul the point wherein they had earlier decided to form a separate force for the Peoples' Liberation Army and share government leadership between the two parties one after another. During the steering committee meeting, Chairman of UML and Prime Minister Khanal had once again regretted for having signed the deal.

(Source: http://www.telegraphnepal.com/news_det.php?news_id=8878)

India pledges Rs 19.31 mln grant to Nepal for embankment

MSN News, February 22, 2011.

India has pledged to provide a grant assistance of Rs 19.31 million to Nepal for the construction of an embankment-cum-link road in the southern region of the country. A Memorandum of Understanding (MoU) to this effect was signed yesterday by the Indian Embassy here with the Nepal Government's Ministry of Irrigation for providing the grant assistance for 2.3 km embankment-cum-link road in Kudiya

Village of Nawalparasi district, according to an Indian Embassy press release. Narayani river flowing through the central part of the district is a fast flowing perennial river. During rainy season, high flood discharge of the river inundates the existing village road and causes flooding problem in its catchment area, which damages the standing crops and threatens human life every year.

(Source: <http://news.in.msn.com/international/article.aspx?cp-documentid=4947969>)

Nepal-India trade talks in New Delhi

Himalayan Times, February 24, 2011.

The first round of Nepal-India Inter Governmental Sub Committee (IGSC) meeting will take place next week in New Delhi. Joint secretaries of the two countries will hold discussions on February 28-March 1, said Kailash Bajimaya, under secretary at the Ministry of Commerce and Supplies (MoCS). The meeting is likely to discuss trade, tariff, and transit issues. MoCS has been preparing for the meeting since early January and held discussions with the private sector representatives on the issues that should be raised in the meetings. The officials of the two countries are likely to review the implementation of bilateral trade treaty agreed in 2009. In the new trade treaty, India has agreed to open new trade routes for Nepal including new air routes, opening up of Vishakhapatnam port as an additional transit port for Nepal, along with allowing the use of Rohanpur-Singhabad rail route for Nepal-Bangladesh trade.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Nepal-India+trade+talks+in+New+Delhi&NewsID=277636>)

Power sharing as per 7-pt deal: DPM Adhikari

The Himalayan Times, February 25, 2011

Deputy Prime Minister (DPM) and Minister for Finance Bharat Mohan Adhikari said that ministries will be divided as per the seven-point agreement. Talking to reporters on Friday, Adhikari, who arrived in Morang to inaugurate Indrapur Mahotsav that is being organised at Indrapur-VDC, said though it is better to keep home, defense and finance ministries by UML, the government will be expanded respecting the spirit of the seven-point deal.

(Source: <http://thehimalayantimes.com/fullNews.php?headline=Power+sharing+as+per+7-pt+deal%3A+DPM+Adhikari&NewsID=277721>)

Pakistan

Indian curb on cotton export: textile industry may suffer \$400 million loss

Business Recorder, February 2, 2011.

The textile industry of Pakistan will have to face a loss of \$200 million to \$400 million if India refuses to lift restrictions on export of cotton to the country, sources in the Ministry of Textile said here on Tuesday. The price of cotton has increased in the global market from 80-85 cent per lb to 170 cent per lb. "The increase in the price of cotton in the international market has instigated the Indian exporters to

withhold the cotton export orders, violating the rules of World Trade Organisation (WTO). If India does not fulfil its commitment, then it is feared that the textile industry may face millions of dollars loss", sources said. Sources said that the government has already asked the Indian High Commissioner posted at Islamabad to assist in import of cotton from India. "We are doing our best to solve the issue to save the local industry", sources added.

(Source: [http://www.brecorder.com/news/cotton-and-textiles/pakistan/1151151:indian-curb-on-cotton-export-textile-industry-may-suffer-\\$400-million-loss.html](http://www.brecorder.com/news/cotton-and-textiles/pakistan/1151151:indian-curb-on-cotton-export-textile-industry-may-suffer-$400-million-loss.html))

Tehrik-e-Taliban Pakistan claims responsibility for Peshawar bomb blasts

All Headline News, February 3, 2011

Tehrik-e-Taliban Pakistan claimed responsibility of an attack, which killed nearly nine and injured 15 others when a bomb exploded on a passenger bus at the Tela Band area in Peshawar in northwest Pakistan. Three children and a woman were among the casualties, Peshawar's Lady Reading Hospital's Director Abdul Hamid Afridi said.

(Source: <http://www.allheadlinenews.com/briefs/articles/90033087?Tehrik-e-Taliban%20Pakistan%20claims%20responsibility%20for%20Peshawar%20bomb%20blasts>)

Federal govt's approval

Daily Times, February 3, 2011.

The federal government has approved funds worth Rs 5 billion for restoration of Sindh irrigation system, and repair and renovation of flood protective bunds. The federal finance department will release the amount within the next few days. The meeting reviewed various under progress development schemes.

(Source: http://www.dailytimes.com.pk/default.asp?page=2011\02\03\story_3-2-2011_pg12_3)

Pakistan to reappoint, shrink Cabinet

CNN, February 4, 2011.

Pakistan's ruling party plans to dissolve and reappoint a smaller Cabinet. The plan to shrink the Cabinet is an effort to cut spending and improve the government's performance, government spokesman Qamar Zaman Qaira told CNN. The announcement comes amid mounting pressure on the Pakistani government from several fronts to downsize one of the largest Cabinets in the world and improve performance. The federal Cabinet is comprised of more than 50 ministers. Critics say that is far too many for a country that's facing a crippling economic crisis. Last month Pakistan's leading opposition party gave an ultimatum to the government to reduce the size of its Cabinet or face public protests.

(Source: <http://edition.cnn.com/2011/WORLD/asiapcf/02/04/pakistan.cabinet/?hpt=T2>)

Nirupama to meet Pak min to discuss 26/11 trial

Times of India, February 5, 2011.

Expressing her hope that India and Pakistan could come to a satisfactory conclusion about what is required for the 26/11 trial to move forward, foreign secretary Nirupama Rao on Friday said “justice has to be done” by bringing to book all those responsible for the Mumbai terror strikes. Rao made the remark after meeting Union home minister P Chidambaram here ahead of her Thimphu visit for a Saarc meeting. She will hold bilateral talks with her Pakistani counterpart Salman Bashir on the sidelines of the summit to be held in the Bhutanese capital on February 6-7.

(Source: <http://timesofindia.indiatimes.com/india/Nirupama-to-meet-Pak-min-to-discuss-26/11-trial/articleshow/7428310.cms>)

Salman Bashir calls on Bhutanese PM, discusses bilateral ties

Associated Press of Pakistan, February 8, 2011.

Foreign Secretary Salman Bashir called on Prime Minister of Bhutan Lyonchhen Jigmi Y. Thinley on Tuesday and discussed bilateral issues of mutual interest. The Foreign Secretary added that Pakistan and Bhutan enjoy unique bonds of friendship that span several centuries and Pakistan’s Ghandara heritage has immense spiritual significance. He said Pakistan keenly desires enhancing bilateral ties of cooperation including facilities for Bhutanese students in medicine and engineering as well as training of Bhutanese diplomats at the Foreign Service Academy.

(Source: http://app.com.pk/en_/index.php?option=com_content&task=view&id=130260&Itemid=2)

Hindus have never accepted Pakistan since its creation: Nizami

Indian Express, February 11, 2011.

Hindus have never accepted Pakistan ever since its creation in 1947, and India, America and Israel want to disintegrate the country, The Nation Editor-in-Chief and Nazaria-i-Pakistan Trust Chairman Majid Nizami has claimed. “Hindus have never accepted Pakistan since its creation, and the troika [India, America and Israel] wants to disintegrate the country, but we should be determined for thwarting their conspiracies and must be ready to defend God-gifted freedom,” The Nation quoted Nizami, as saying during his presidential address to the 3rd annual Nazaria-i-Pakistan Conference.

(Source: <http://www.indianexpress.com/news/hindus-have-never-accepted-pakistan-since-its-creation-nizami/748928/>)

Mirwaiz for ‘deeper’ US role in Indo-Pak ties to resolve K-issue

Kashmir Watch, February 11, 2011.

The chairman of his faction of Hurriyat Conference, Mirwaiz Umar Farooq Friday called for ‘deeper’ role of United State in India and Pakistan relations, underlying that the neighbours cannot alone solve the Kashmir issue. “It is my belief

that India and Pakistan alone cannot solve the 63-year-old Kashmir conflict and requires the deeper engagement of the United States with both these neighboring countries," Mirwaiz said in his address at Los Angeles, California at World Affair Council (LAWAC). Speaking on the subject: 'The Situation In Kashmir and its Impact on India, Pakistan and the Region', the Hurriyat Conference also reminded President Obama of his Presidential campaign pledge about appointing Clinton as a special envoy of Kashmir.

(Source: http://www.kashmirwatch.com/showheadlines.php?subaction=showfull&id=1297458067&archive=&start_from=&ucat=1&var0news=value0news)

Pakistan seeks global trade for economic self-reliance

Tribune, February 12, 2011.

Prime Minister Syed Yousaf Raza Gilani has said that Pakistan is looking for trade with the world to be able to achieve economic self-reliance. He was talking to a Norwegian business delegation at the Prime Minister's House on Friday. The delegation is currently in Pakistan to explore possibilities of investment and enhance trade between the two sides. Gilani said Pakistan welcomes foreign investment in every sector and has designed its policies accordingly with multiple incentives for investors.

(Source: <http://tribune.com.pk/story/117649/pakistan-seeks-global-trade-for-economic-self-reliance/>)

Pakistan seeks role of 'game changer': Bashir

Dawn, February 13, 2011.

Pakistan said it would like to play the role of a 'game changer' to secure its interests and called for ownership of the renewed peace process with India for it to succeed. Addressing the Diplomatic Correspondents Association on "Pakistan-India ties - Perspectives and Future", Foreign Secretary Salman Bashir said even though he would not like to use the phrase of a game changer, Pakistan would certainly like to "play the role of a game changer as far as our own affairs are concerned, especially in our immediate neighbourhood". Mr Bashir avoided saying that a major breakthrough on Kashmir would be possible in the upcoming engagements even though India had reluctantly agreed to discuss the matter. But he insisted that Pakistan still considered Kashmir to be the core issue which was critical for boosting the prospects of peace between the two countries.

(Source: <http://www.dawn.com/2011/02/13/pakistan-seeks-role-of-game-changer-bashir.html>)

Pak-Afghan Transit Trade Agreement to benefit Pakistan: Amin Fahim

Dawn, February 13, 2011.

Minister for Commerce, Makhdoom Amin Fahim said that seventeen routes through Afghanistan have been identified with sound trucks tracking system for exports of

Pakistani goods which would benefit Pakistan's economy and its exports. This was stated by Makhdoom Amin Fahim in his maiden press conference after taking oath in the new Federal Cabinet here. The minister highlighted the performance of his ministry and its allied departments. He informed the media that highest ever exports were achieved in 2009-10. He said that under the three years trade policy six per cent target was achieved in the first year while, in the second year the Ministry of Commerce achieved 9 per cent exports against the target of 8.6 per cent and this year we have crossed the 24 percent against the export target of 10 per cent.

(Source: <http://www.dawn.com/2011/02/13/pak-afghan-transit-trade-agreement-to-benefit-pakistan-amin-fahim.html>)

U.S. postpones meeting with Pakistan and Afghanistan

Xinhua, February 13, 2011.

The United States has put off a trilateral meeting with Pakistan and Afghanistan slated for Feb. 23-24 in Washington "in light of the political changes in Pakistan," the U.S. State Department said. "We remain committed to robust engagement between Afghanistan, Pakistan, and the United States, as we share many issues of mutual concern and benefit from being at the same table," department spokesman Philip Crowley said in a statement. "We look forward to convening a very productive trilateral meeting at the earliest opportunity," he added.

(Source: http://news.xinhuanet.com/english2010/world/2011-02/13/c_13729474.htm)

Qadri indicted in Salman Taseer murder case

Dawn, February 14, 2011.

A Pakistani court charged a police commando with terrorism and the murder of leading liberal politician Salman Taseer, whose assassination divided the country. Malik Mumtaz Hussain Qadri pleaded not guilty to murder, his legal team said, after the Punjab governor was shot dead outside a cafe in a leafy street of Islamabad on January 4. Qadri had confessed to killing Taseer, objecting to his calls to reform the blasphemy law, which sentences to death those convicted of defaming the Prophet Mohammed and which rights groups say is exploited in cases of personal enmity.

(Source: <http://www.dawn.com/2011/02/14/qadri-indicted-in-salman-taseer-murder-case.html>)

Kerry to arrive in Pakistan to repair strains over Davis issue

Dawn, February 15, 2011

US Senator John Kerry, chairman of the Senate Foreign Relations Committee, left for a visit to Pakistan to try to repair relations strained in the wake of the arrest of Raymond Davis, a US embassy worker, who fatally shot two Pakistanis, a US newspaper reported. According to the Boston Globe, Senator Kerry was undertaking the visit at the request of the Obama administration. But a senior US official,

who requested anonymity, said that Kerry was not trying to secure the release of Davis. Instead, Kerry's mission will be to "help tone down the rhetoric and reaffirm the US partnership with Pakistan", the report said. Kerry has developed close relations with Pakistani leaders over the years, and pushed through a \$7.5 billion, five-year aid package for the country.

(Source: <http://www.dawn.com/2011/02/15/kerry-to-arrive-in-pakistan-to-repair-strains-over-davis-issue.html>)

Another province can be created in Punjab if people want, says PM

Dawn, February 21, 2011.

Prime Minister Yousuf Raza Gilani on Monday said that another province could be created in Punjab if that was what the public wanted. Speaking to media representatives in Bahawalpur, Prime Minister Gilani said making Bahawalpur a province was a constitutional issue and that one or even two provinces could be created in Punjab if that was what the people wanted.

(Source: <http://www.dawn.com/2011/02/21/one-province-could-be-created-in-punjab-if-people-want-says-pm.html>)

PML-N all set to dump PPP in Punjab

Daily Times, February 21, 2011

Capitalising on numbers game in the Punjab Assembly by declaring the Pakistan Muslim League-Quaid (PML-Q) Unification Group as a parliamentary party, the PML-Nawaz is set to say good-bye to its coalition partner, the Pakistan People's Party (PPP), by February 24, 2011. The sources claimed that the plan has been tailored in such a fashion that it will not affect the working relationship of the party with the federal government - at least for the time being - and without leaving a chance for the PPP to table a no-confidence motion against the chief minister with the help of the PML-Q.

(Source: http://www.dailytimes.com.pk/default.asp?page=2011\02\21\story_21-2-2011_pg1_5)

American Held in Pakistan Shootings Worked With C.I.A

New York Times, February 22, 2011.

The American arrested in Pakistan after shooting two men at a crowded traffic stop was part of a covert, C.I.A.-led team collecting intelligence and conducting surveillance on militant groups deep inside the country, according to American government officials. Working from a safe house in the eastern city of Lahore, the detained American contractor, Raymond A. Davis, a retired Special Forces soldier, carried out scouting and other reconnaissance missions as a security officer for the Central Intelligence Agency case officers and technical experts doing the operations, the officials said.

(Source: http://www.nytimes.com/2011/02/22/world/asia/22pakistan.html?_r=1&hp)

Dates for Home Secretary-level talks with Pakistan proposed

The Hindu, February 22, 2011.

India has proposed two sets of dates — March 21-22 and March 28-29 — to Pakistan for Home Secretary-level talks which will have counter-terrorism high on its agenda.

The progress made in Mumbai terror attacks trial and the demand for voice samples of 26/11 accused are also likely to be discussed during the talks. Union Home Secretary Gopal K. Pillai extended the invitation to Pakistan Interior Secretary Chaudhry Qamar Zaman last week and a response from Islamabad was awaited, official sources said here on Monday. This will be the first structured Secretary-level meeting on counter-terrorism after the recent decision by both countries to resume comprehensive dialogue on outstanding issues.

(Source: <http://www.hindu.com/2011/02/22/stories/2011022264851700.htm>)

‘N’ warns of ‘long march’ if PPP fails to implement reforms

Dawn, February 22, 2011.

‘N’ warns of ‘long march’ if PPP fails to implement reforms The Pakistan Muslim League-N has said it will continue to mount pressure on the government to implement its “reforms agenda” and warned that it may launch a movement like the one for the reinstatement of superior court judges if the People’s Party fails to implement the agenda. “If the government does not accept our 10 points, we will get them implemented the same way as we achieved our goal of reinstating the judges through a long march,” PML-N spokesman Ahsan Iqbal said at a news conference on Monday.

When some TV channels started reporting that the PML-N had announced launching a long march, he clarified he had not made any such announcement.

(Source: [http://www.dawn.com/2011/02/22/n-warns-of-long-march-if-ppp-fails-to-
implement-reforms.html](http://www.dawn.com/2011/02/22/n-warns-of-long-march-if-ppp-fails-to-implement-reforms.html))

Pakistan, Japan decide to boost economic, trade ties

Daily Times, February 23, 2011

The governments of Pakistan and Japan decided to further strengthen their bilateral relations with a comprehensive partnership for peace and development at the summit-level talks held between President Asif Ali Zardari and Japanese Prime Minister Naoto Kan on Tuesday. The two leaders expressed satisfaction at the high-level dialogues held between the two countries, including a meeting of their foreign ministers, political consultations, a high-level economic and security dialogue and a government business dialogue. The two leaders decided to continue to hold regular in-depth exchanges on matters of mutual interest. Zardari acknowledged Japan’s role as a key partner in promoting trade, investments and development in Pakistan.

(Source: [http://www.dailytimes.com.pk/default.asp?page=2011\02\23\story_23-2-
2011_pg1_3](http://www.dailytimes.com.pk/default.asp?page=2011\02\23\story_23-2-2011_pg1_3))

PML-Q issues show-cause notices to 15 Unification Bloc members

Dawn, February 23, 2011.

The Pakistan Muslim League - Quaid (PML-Q) on Wednesday issued show-cause notices to MPAs from the Unification Bloc. PML-Q leader and Opposition Leader in the Punjab Assembly Chaudhry Zaheeruddin said it was illegal for the MPAs to first win the election on the PML-Q's ticket and then form a separate group. He said that initially 15 MPAs were issued notices and added that if the MPAs fail to respond satisfactorily then the party will send references for their disqualification to the Election Commission of Pakistan. Earlier on February 15, the Unification Bloc's identity was accepted by the Punjab Assembly speaker. The speaker also agreed to allot them seats in the house separate from their parent party and recognised Dr Tahir Ali Javed as their parliamentary leader.

(Source: <http://www.dawn.com/2011/02/23/pml-q-issues-show-cause-notices-to-15-unification-bloc-members.html>)

Pakistan's intelligence ready to split with CIA

Associated Press Pakistan, February 23, 2011.

Pakistan's ISI spy agency is ready to split with the CIA because of frustration over what it calls heavy-handed pressure and its anger over what it believes is a covert U.S. operation involving hundreds of contract spies, according to an internal document obtained by The Associated Press and interviews with U.S. and Pakistani officials. According to a statement drafted by the ISI, supported by interviews with officials, an already-fragile relationship between the two agencies collapsed following the shooting death of two Pakistanis by Raymond Davis, a U.S. contracted spy who is in jail in Pakistan facing possible multiple murder charges. "Post-incident conduct of the CIA has virtually put the partnership into question," said a media statement prepared by the ISI but never released. A copy was obtained this week by the AP.

(Source: http://news.yahoo.com/s/ap/20110223/ap_on_re_us/us_pakistan_feuding_spies)

Zardari quietly visited UAE to explore options

Dawn, February 24, 2011.

As the rest of the country was watching the Raymond Davis saga unfold, President Asif Ali Zardari took an unannounced trip to Dubai to find an answer to the country's economic woes. He visited the Gulf state for a couple of hours a few days ago to seek the intervention of the UAE leadership for the payment of \$800 million that Etisalat owed to Islamabad for the country's largest privatisation transaction – Pakistan Telecommunication Company Limited – Dawn has learnt.

(Source: <http://www.dawn.com/2011/02/24/zardari-quietly-visited-uae-to-explore-options.html>)

Raymond Davis saga: US warns of moving International Court

International Herald Tribune, February 24, 2011.

US officials have indirectly warned that their country could approach the International Court of Justice (ICJ), if the spat over their 'consular employee' Raymond Davis, is not resolved in accordance with the Vienna Convention. In a related development, Western newspapers have revealed that they knew that Davis, who is facing double murder charges, was employed by the American spy agency, the Central Intelligence Agency, but the information had been withheld on the request of the US administration. However, US diplomatic officials on Wednesday continued to insist that Davis was a member of the 'technical and administrative staff' of their mission in Pakistan and hence immune from criminal prosecution.

(Source: <http://tribune.com.pk/story/123177/raymond-davis-saga-us-warns-of-moving-international-court/>)

Gilani, Shahbaz discuss 10-point agenda

Daily Times, February 25, 2011.

Punjab Chief Minister Shahbaz Sharif called on Prime Minister Yousaf Raza Gilani on Thursday and discussed with him a host of issues, including implementation status of the Pakistan Muslim League-Nawaz's (PML-N) 10-point reforms agenda and current political situation, a private TV channel reported. Later, the prime minister reached the Presidency to brief President Asif Ali Zardari on his meeting with the Punjab chief minister. "The PML-N is expected to take an important decision to remove PPP ministers from the Punjab Cabinet on Friday (today)," the channel quoted the sources as saying

(Source: http://www.dailytimes.com.pk/default.asp?page=2011\02\25\story_25-2-2011_pg1_2)

PML-N meeting concludes; majority want end to alliance with PPP

Dawn, February 25, 2011.

A majority of members of the Pakistan Muslim League - Nawaz (PML-N) who attended the party's meeting recommended that the alliance with the Pakistan People's Party (PPP) in Punjab should be broken. The meeting was presided by party chief Nawaz Sharif in Islamabad. The meeting was attended by members from the party's provincial councils and party council members from Azad Kashmir and Gilgit-Baltistan. At the end of the meeting, Nawaz Sharif said the PML-N believed in developing consensus and making decisions on those grounds.

(Source: <http://www.dawn.com/2011/02/25/pml-n-meeting-underway.html>)

Sri Lanka

Pak-Sri Lanka strategic partnership to benefit both countries

Associated Press of Pakistan, February 2, 2011.

Air Chief Marshall Jayalath Weerakkody, the Sri Lankan High Commissioner on Wednesday said that the strategic partnership with Pakistan would benefit mutual advantage of both the nations. In a meeting with Dr. Fehmida Mirza, Speaker

National Assembly in Parliament House on Wednesday he said that Sri Lankan government wants to take Pak-Sri Lankan relationship to “new heights”, encompassing a multi-sectoral engagement. She said that Pakistan acknowledges the Sri Lankan government’s efforts to defeat terrorism, and stressed the need for joint cooperation to counter this menace, said a news release issued here.

(Source: http://app.com.pk/en_/index.php?option=com_content&task=view&id=129586&Itemid=2)

Tamils in Lanka will be wiped out in 2 years

Express Buzz, February 2, 2011.

Despite the claim of the Sri Lankan government that rehabilitation work is in full swing in the regions where Tamils live, the real condition is worse. To say the least, it is non-livable and within two years, all the Tamils and everything about them will be destroyed and obliterated from memory if the present squalid condition persists, I Kayal alias Angayarkanni, who was detained in Sri Lanka recently for visiting the northern part of the island nation, said here on Tuesday.

(Source: <http://expressbuzz.com/states/tamilnadu/%E2%80%98tamils-in-lanka-will-be-wiped-out-in-2-years%E2%80%99/244350.html>)

Exim Bank to provide line of credit to Bangladesh, Sri Lanka

Business Standard, , February 15, 2011.

The Export-Import Bank of India (Exim Bank) has entered into an agreement with Bangladesh for providing a \$1 billion line of credit for financing exports and consultancy services for projects in the neighbouring South Asian country. Meanwhile, Exim Bank has also entered into an agreement with Sri Lanka to provide LoC worth \$416.39 million for three infrastructure projects. The credit agreement with the island nation is effective from January 24, 2011 and the date of execution of the agreement is November 26, 2010, another statement from the RBI said. It involves funding railway track laying projects on the Omanthai-Pallai sector, the Madhu Church-Tallaimannar sector and the Medawachchiya-Madhu railway line.

(Source: <http://www.business-standard.com/india/news/exim-bank-to-provide-lined-credit-to-bangladesh-sri-lanka/125793/on>)

Jaffna fishermen protest Indians poaching in Sri Lanka’s territorial waters

Colombo Times, February 21, 2011

Hundreds of fishermen from Sri Lanka’s Jaffna peninsula and their families staged a protest in front of the Indian consulate this morning against the intrusion by Indian fishermen into Sri Lankan waters. The protesters have called on the Indian authorities to take measures to prevent the Indian fishermen from stealing their marine resources and destroying livelihoods. The protesters have told the media that the fishermen are afraid to go into the areas they are permitted due to the presence of the Indian trawlers.

(Source: http://www.colombopage.com/archive_11/Feb21_1298276366CH.php)

India Posing Competition To Sri Lanka In Tea-bag Business

Bernama, February 23, 2011.

South Indian city Coimbatore is fast emerging as tea bag manufacturing hub in the sub-continent posing stiff competition to the traditional makers in the field like Sri Lanka, Press Trust of India (PTI) reported. Many manufacturers have shown keen interest in starting the business in the city and half a dozen companies have procured machinery and started supplying to domestic markets, Tea Trade Association of Coimbatore said. "Manufacturing of tea bags is mainly concentrated in Colombo in Sri Lanka, one of the major tea producers, in South Asia. The business is largely picking up in Coimbatore now," Chandrakant, Convener, Tea Trade Association of Coimbatore, said.

(Source: <http://www.bernama.com.my/bernama/v5/newsworld.php?id=565732>)