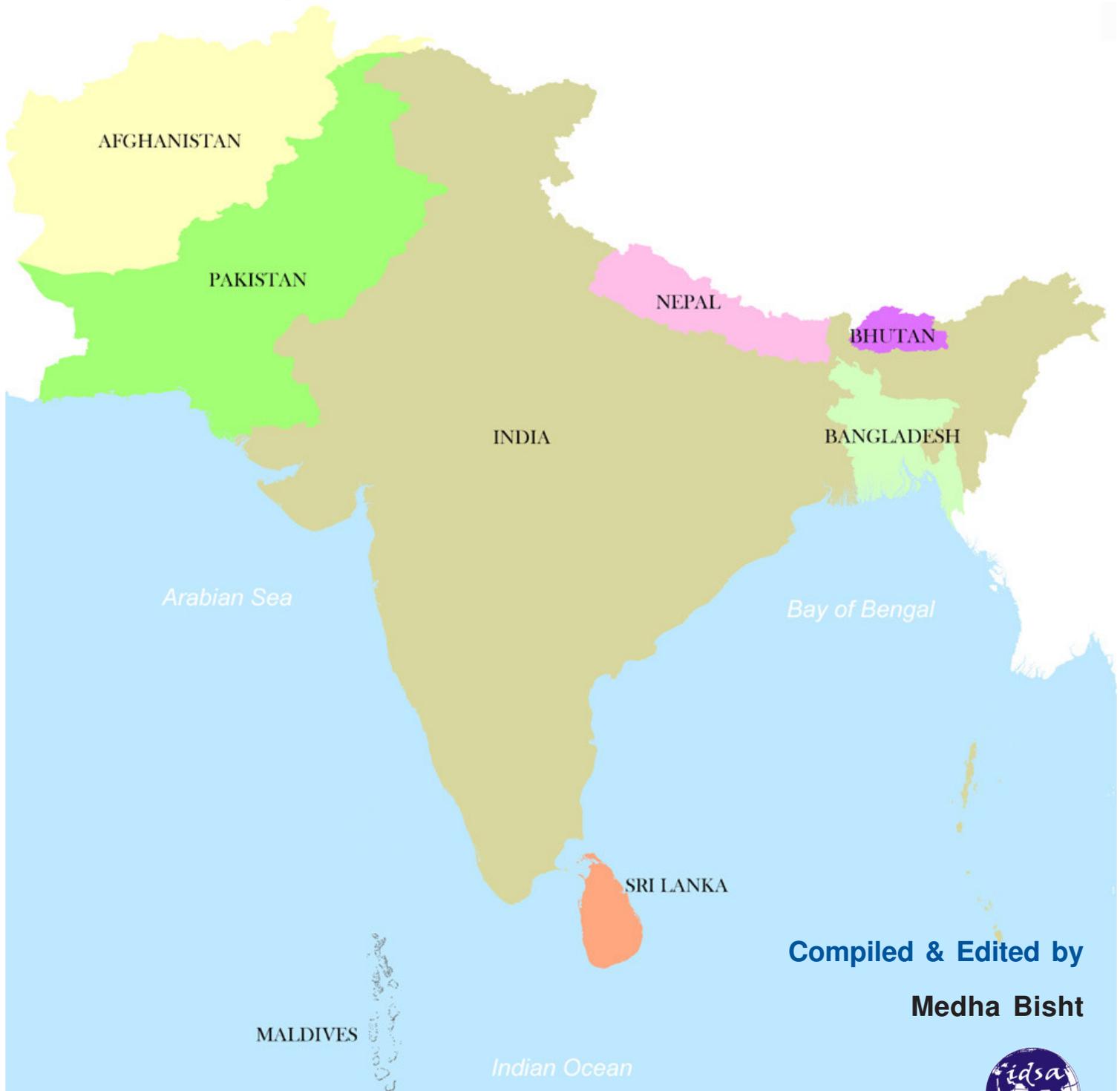


SOUTH ASIA TRENDS

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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.



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Editor's Note

Plans to expedite policies on transit through Bangladesh are gathering pace. India has identified 15 road and railway routes and ports in Bangladesh to reach out to the North Eastern states and South East Asian countries. According to sources, India submitted a proposal to Dhaka seeking to use the road, railway and facilities of Bangladesh's Chittagong and Mongla ports to carryout its exports and imports with third countries and transport goods to and from its southeastern region. As per some estimates, Bangladesh could earn about USD 50 million annually during the first five years of transit. Some experts have pointed out that once capital costs are recovered, Bangladesh could earn more than half a billion dollars annually from the sixth year onwards. The initial investment is however slated to be USD 7 billion.

Meanwhile to sustain the ongoing bonhomie, India has offered another \$1.0 billion credit for infrastructure development in Bangladesh. India has also announced, a 25 percent hike in duty free textile quota from Bangladesh. The Indian Minister of Commerce, Mr. Anand Sharma announced that, "We have removed countervailing duty on jute and hiked quota on readymade garments imports from Bangladesh from eight million to ten million".

A media report claims that Jigmi Thinley, the prime minister of Bhutan, has refused to establish diplomatic ties with Washington. To quote the prime-minister himself, "If we can have all kinds of interactions, relations and cooperation with the US, as with Germany and France, with which we have no diplomatic relations, what is the purpose (of such relations with Washington)?" Perhaps establishing ties with Washington, could have invited unnecessary attention from her Northern hegemon! Thinley's statement is also indicative of the guarded posture that Bhutan seems to be adopting, given the unresolved border dispute with China.

S.M Krishna's visit to Nepal in mid April was cited as "useful" by the Indian foreign minister. The key issues raised by the Indian delegation were security, peace process, constitution drafting and threats faced by Indian companies. A leading Indian analyst, S.D Muni, has interpreted the visit by the Indian delegation as an effort by India to consolidate its grip over Nepal. Concern over the China's strategic presence according to him was one of the main motivations.

Meanwhile Kayani-Singh talks grabbed media headlines as one U.K based paper, The Times, claimed that the Chief of the Army Staff General Ashfaq Parvez Kayani had been communicating with Indian Prime Minister Manmohan Singh through a secret envoy. The report has however been refuted by Pakistan. Meanwhile a six member delegation from India was on a visit to Pakistan from April 27-28, 2011. The issue of Most Favoured Nation is claimed to be the main agenda of talks amongst other issues. Also the delegation took the issue of relaxed business visas to enable businessmen of the two countries to travel easily across the border.

Afghanistan

Turkish Investors to Invest in Afghan Mines

Daily Outlook Afghanistan, April 18, 2011.

Turkish investors have shown interest to invest in Afghan mines, mines minister said. More than 25 Turkish investors are presently in Kabul looking into ways to invest in mines in particular in copper deposits and oil fields.

(Source: http://outlookafghanistan.net/news.php?post_id=198)

UN predicts strong increase in poppy cultivation in north and northeast Afghanistan

Washington Post, April 18, 2011.

The United Nations predicted a strong increase in poppy cultivation in north and northeastern parts of Afghanistan where insurgents have stepped up attacks after being heavily pressured in their southern strongholds by Afghan and coalition forces. Overall, however, a report released by the U.N. said it expected poppy cultivation across Afghanistan to drop slightly this year because less of the crop, used to make opium, is being planted in the south.

(Source: http://www.washingtonpost.com/world/un_predicts_strong_increase_in_poppy_cultivation_in_north_afghanistan_slight_drop_nationwide/2011/04/18/AFUCRaxD_story.html?wprss=rss_world)

Afghanistan Loses \$75bn from its Waters Each Year

Daily Outlook Afghanistan, April 20, 2011.

Afghanistan has been unable to control its waters and presently more than 70% of its waters flow into neighbors without any benefit, senators say. A number of senators accuse some circles within the government framework over disrupting water controlling program. "The government should bring water sources under its control so that our waters no longer flow into neighboring countries freely and with no charge," Hedayatullah Rahayee, an Afghan senator, said.

(Source: http://outlookafghanistan.net/news.php?post_id=230)

Afghanistan: Jalalabad blast kills three policemen

BBC News, April 21, 2011.

Three policemen have been killed and six others wounded in a bomb explosion in eastern Afghanistan, officials say. The bomb was planted inside a van which was transporting members of the Afghan National Police in Jalalabad city, Nangarhar province. The policemen were on their way to work when the blast occurred. The Taliban said they carried out the attack.

(Source: <http://www.bbc.co.uk/news/world-south-asia-13153557>)

Abdullah briefs Grossman on Afghan situation

Pajhwok, April 21, 2011.

"I can confirm that the former Afghan foreign minister met with Special

Representative for Afghanistan and Pakistan Ambassador Marc Grossman, as well as Assistant Secretary for Democracy, Human Rights and Labor Michael Posner," State Department spokesman Mark Toner said. "We are not going to get into the details of our private conversations with Abdullah Abdullah, but you can rest assured that, obviously, there was a human rights angle to his talk with Michael Posner, but also with Marc Grossman," he said.

(Source: <http://www.pajhwok.com/en/2011/04/21/abdullah-briefs-grossman-afghan-situation>)

No Permanent US Military Bases in Afghanistan: Karzai

Daily Outlook Afghanistan, April 25, 2011.

President Hamid Karzai has refused to accept establishment of US permanent military bases in Afghanistan, Interior Minister said on Sunday. After the Afghan House of Representatives summoned security officials to brief the house on security situation which is being unprecedentedly worse in recent weeks. Interior Minister and Deputy Defence Minister appeared before parliamentarians to answer some security questions. Speaking in the commission of domestic security affairs of parliament, Interior Minister Bismillah Mohammadi said currently the focus is more on strategic partnership between Kabul and Washington.

(Source: http://outlookafghanistan.net/news.php?post_id=288)

India Won't Back Out of Dam Project: Diplomat

Daily Outlook Afghanistan, April 25, 2011.

A major dam project, which is estimated to cost more than \$180 million, (Afs 8.191 billion) Afghans will be completed in the Chasht Sharif district of western Herat province by end of 2012, the Indian consul general promised on Sunday. Once completed, the hydroelectric plant will produce 42 megawatts of power in addition to irrigating 40,000 hectares of farmland. Located on the Hari Rod River, 162 kilometers from Herat City, Salma dam was built in 1976. However, it was extensively damaged during the civil war

(Source: http://outlookafghanistan.net/news.php?post_id=286)

Karzai's Office Rejects Receiving Proposal from Pakistan

Afghan Daily Outlook, April 26, 2011.

President Karzai's Office on Monday denied having received a proposal from Pakistan consisted of Pakistani government demands. Mr Omar told reporters that Pakistan had not offered any specific petition regarding domestic issues of Afghanistan. After Pakistan's Premier Yusuf Raza Gilani visited Kabul, there were rumours suggesting he submitted a paper to Karzai's Office consisted of demands that could bring Afghan sovereignty under question. Pakistan's cooperation in Afghan peace talks and boosting the understanding of joint fight against insurgents in Pakistan were the pivotal topics discussed during the visit. Things discussed between Kabul and Islamabad will also be discussed with the United States, Mr Omar said. Mr Omar said national interests, regional concerns and establishment

of a long-term relation with the US and Western nations will be considered in the US-Afghan strategic agreement.

(Source: http://outlookafghanistan.net/news.php?post_id=300)

Washington Reviews Pak-Afghanistan Strategy

Daily Outlook Afghanistan, April 27, 2011.

US President Barack Obama reviewed the US strategy on Afghanistan and Pakistan with his top national security and intelligence officials. The review session was attended by Defence Secretary Robert Gates, UN ambassador Susan Rice, National Security Advisor Tom Donilon and James Clapper, Obama's director of national intelligence, Vice President Joe Biden, the top US Commander of NATO troops in Afghanistan, General David Petraeus, and the US ambassadors to Pakistan and Afghanistan joined the session via secure video-link, the White House said. During the session President Obama was briefed on the security situation in Afghanistan, efforts to build Afghan security forces to ensure cooperation with Pakistan in the fight against al-Qaeda, the White House said.

(Source: http://outlookafghanistan.net/news.php?post_id=316)

Bangladesh

Heavy turbine for Tripura power project arrives via Bangladesh

IBN Live, April 18, 2011.

An oversized heavy turbine for the Palatana power project in South Tripura district was sent on its way by a special vehicle by Tripura Chief Minister Manik Sarkar today after it arrived at the Akhaura check post on the Indo-Bangla international. "The heavy turbine reached here through the Ashuganj river port with the cooperation of Bangladesh," Sarkar said. "The 746 MW power project is likely to start generation by the end of this year," Sarkar told reporters. After the Palatana power project began full fledged generation, Tripura would be a power surplus state and would sell excess power to other states for which new transmission lines were being set up, he said. The Oil & Natural Gas Corporation (ONGC) which is setting up the gas-based thermal power project would also supply natural gas available in the state. Altogether 87 consignments comprising turbines and heavy machines would be transhipped from the Haldia port in West Bengal via Ashuganj to Tripura as roads could not be used to transport such heavy equipment, ONGC officials. The transshipment would be completed in the next two months.

(Source: <http://ibnlive.in.com/generalnewsfeed/news/heavy-turbine-for-tripura-power-project-arrives-via-bangladesh/652143.html>)

India seeks transit facility through 15 routes in Bangladesh: report

Indian Express, April 18, 2011.

India has sought transit facilities to third countries as well as its northeastern states through 15 road and railway routes and ports in Bangladesh, a media report said here today. The Financial Express newspaper said India submitted a proposal to Dhaka seeking to use the road, railway and facilities of Bangladesh's Chittagong

and Mongla ports to carry out its exports and imports with third countries and transport goods to and from its southeastern region.

(Source: <http://www.indianexpress.com/news/india-seeks-transit-facility-through-15-routes-in-bangladesh-report/777642/>)

Bangladesh slaps fine on Chinese firm for environmental damages

All Headline News, April 20, 2011.

The Environment Department of Bangladesh has sued a Chinese construction company for BDT 1 million (USD \$13,708) for tearing down a hill forest in Chittagong for landfill to construct a highway. Members of an elite anti-crime unit arrested a staff member of Sino Hydro Co., who had documents with him that showed the trees on the hill were logged and then sold for BDT 1.8 million (\$24,674). The police seized five vehicles and pieces of heavy equipment used for excavation and trucking. DoE summoned the firm's representative at its Chittagong office and told him to pay the fine. The fine was charged for damaging the hill along with the forest and jeopardizing the national power grid tower located on the hill.

(Source: <http://www.allheadlinenews.com/articles/90045502?Bangladesh%20slaps%20fine%20on%20Chinese%20firm%20for%20environmental%20damages>)

Transit raises hope for robust earnings

Daily Star, April 21, 2011.

Bangladesh will earn about \$50 million annually during the first five years of transit after infrastructure is created along corridors, according to a study. Once capital works are completed, the country will earn more than half a billion dollars annually from the sixth year onwards, the study predicted. At one point in time, the benefit will reach \$1 billion a year, it said. Despite uncertainties, Bangladesh's benefit will be robust, said the study report. "This stream of benefits, albeit partial, would more than justify investment amounts." Transport expert Dr M Rahmatullah conducted the study last year for Asian Development Bank, Centre for Policy Dialogue and South Asia Centre for Policy Studies. The Daily Star obtained a copy of the report.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=182449>)

'Bangladesh needs to invest \$7 bn in transit facilities'

Mangloren, April 21, 2011.

Bangladesh will need to invest Tk 500 billion (\$7 billion) in road, rail and river ways and ports in the next two to three years to facilitate transit to India, Nepal and Bhutan, the government has estimated. A high level committee that considered an experts report did not determine the contentious issue of how Bangladesh would charge the neighbours and how much it would earn. The task has been left to a sub-committee, The Daily Star said Wednesday. The issue is contentious with opposition Bangladesh Nationalist Party (BNP), its Islamist allies and a section of the intelligentsia seeing the transit facilities as an economically losing proposition.

They have also raised security issues.

(Source: <http://mangalorean.com/news.php?newstype=local&newsid=233798>)

Anand Sharma Calls on Sheikh Hasina Abandoned Rail Lines to be Restored

PIB, April 25, 2011.

The Union Minister of Commerce and Industry, Shri Anand Sharma called on the Prime Minister of Bangladesh Smt Sheikh Hasina at Dhaka today. The Bangladesh Prime Minister expressed satisfaction over the outcome of the visit of the Indian Minister and called the Indian decisions 'timely'. She said that measures announced during the visit show India's firm commitment towards fulfilling the provisions of India-Bangladesh Joint Statement, January 2010. Both sides agreed that serious efforts are needed to restore the railway lines that went into disuse after 1965 war. Furthermore, India on its part offered buyer's credit for Indian projects in Bangladesh which will enhance the competitiveness of Indian investors.

(Source: <http://pib.nic.in/newsite/erelease.aspx?relid=71766>)

India hints at providing another \$1.0b credit to Bangladesh

Financial Express, April 25, 2011.

India has offered another \$1.0 billion credit for infrastructure development in Bangladesh, a senior official of the government said. Indian Commerce and Industry Minister Anand Sharma gave the offer during his meeting with his counterpart Faruk Khan last Saturday, sources said. Bangladesh and India on August 7 last year signed a \$1.0 billion credit deal, most of which would be spent for development projects. Bangladesh has already taken up about 20 projects with this credit line. Of these, 12 projects are for development of railway system, five for transport sector and three for port development and other works.

(Source: http://www.thefinancialexpress-bd.com/more.php?news_id=133816&date=2011-04-26)

Help implement women policy: PM

Daily Star, April 26, 2011.

Prime Minister Sheikh Hasina urged all to help the government implement the women development policy for the welfare of the country's women. She said a certain quarter "trading in religion" has been trying to mislead the people by misinterpreting the policy, although Islam as a religion never approves inequality between man and woman. The premier made the remarks while formally laying the foundation of the permanent campus for Asian University for Women (AUW) in Chittagong in the afternoon. The university is being built to groom women as skilled and innovative professionals, service-oriented leaders in the businesses and communities in which they will work and live, and promoters of inter-cultural understanding and sustainable human and economic development in Asia and throughout the world.

(Source: http://www.thedailystar.net/newDesign/latest_news.php?nid=29520)

Bhutan

India Announces 25% Hike in Duty Free Textile Quota from Bangladesh

News Tonight, April 27, 2011.

It seems that the Indian government is on the spree of improving bilateral ties with its neighboring country, Bangladesh. Following a visit to Bangladesh, the two countries have shown interest in promoting the trade within the countries in order to improve their relation. Confirming the news, Indian Minister of Commerce, Mr. Anand Sharma announced, "We have removed countervailing duty on jute and hiked quota on readymade garments imports from Bangladesh from eight million to ten million".

(Source: <http://newstonight.net/content/india-announces-25-hike-duty-free-textile-quota-bangladesh>)

Nepal, Bhutan agree to resume negotiations on refugees

IBN Live, April 15, 2011.

Nepal and Bhutan today agreed to kick-start the stalled negotiations for the repatriation of Bhutanese refugees languishing in camps in eastern Nepal for two decades. Bhutanese Prime Minister Jigme Y. Thinley, who is on an official visit here, today met his Nepalese counterpart Jhala Nath Khanal and discussed ways to boost bilateral and regional cooperation. During the meeting, the two leaders agreed to resume negotiations on the repatriation of Bhutanese refugees. "Both Nepal and Bhutan have agreed to resume talks," according to Milan Tuladhar, Foreign Affairs adviser to Prime Minister Khanal. "The date will be decided through diplomatic channels," he added. They also discussed bilateral cooperation and issues relating to South Asian Association for Regional Cooperation (SAARC), he said. The refugees, who are of ethnic Nepalese origin, left Bhutan in the early 1990s amid allegations of persecution by the state on issues of national dress and language. Even as the refugees claim to be Bhutanese citizens, the government in Thimphu describe them as illegal immigrants.

(Source: <http://ibnlive.in.com/generalnewsfeed/news/nepal-bhutan-agree-to-resume-negotiations-on-refugees/649965.html>)

Bhutan PM Thinley meets Nepali counterpart

The Himalayan Times April 15, 2011.

Bhutanese Prime Minister Lyonchhen Jigmi Y Thinley met his Nepali counterpart Jhala Nath Khanal at the latter's in Singha Durbar in the capital on Friday. During the meeting, the two prime ministers are said to have discussed issues including the SAARC activities and repatriation of the Bhutanese refugees, and aspects related with Nepal-Bhutan ties. The two are also said to have agreed resuming talks between Nepal and Bhutan on resolving the long-standing refugee issue.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Bhutan+PM+Thinley+meets+Nepali+counterpart&NewsID=284072&a=3>)

Nepal and Bhutan to resume talks on repatriation of refugees

Monster & Critics, April 15, 2011.

Nepal and Bhutan plan to resume talks on the repatriation of Bhutanese refugees,

which have been stalled for eight years, the two countries said Friday. Visiting Bhutanese Premier Jigme Y Thinley told local media after a meeting with Prime Minister Jhalaranath Khanal that Bhutan was willing to restart the discussions. The countries' relations have been strained over the refugee issue.

(Source: http://www.monstersandcritics.com/news/southasia/news/article_1633168.php/Nepal-and-Bhutan-to-resume-talks-on-repatriation-of-refugees)

Drug trafficking on a high along borders

DNA India, April 17, 2011.

After the recent reports of sudden rise in drug trafficking from Nepal and Bhutan, the government has asked security and intelligence agencies to keep a strict check along the borders. The seizure of narcotics valued at Rs8 crore in March alone has put the government in a tight spot and reflects that the borders are more vulnerable than before. Former director general of Border Security Force (BSF) Prakash Singh sees the increase in trafficking of narcotics as a grave concern for country. "The Nepal and Bhutan borders are porous. Smugglers use these borders to traffic heroin, ganja and charas into the country," Singh told *DNA*.

(Source: http://www.dnaindia.com/india/report_drug-trafficking-on-a-high-along-borders_1533073)

My country should have no street protests: Bhutan PM (Interview)

Sify News, April 18, 2011.

Bhutan's first democratic Prime Minister Jigmi Y. Thinley, who has completed three years in office, said the primary focus of his government was to evolve a culture where the people would never have to protest in the streets. 'I would like to see a country where there are no demonstrations. Not because the authorities are able to control law and order but because there is no desire for it and there is no need for it,' Thinley told IANS in an exclusive interview. Public views and opinions could be addressed and responded to in a peaceful and fully democratic way, said Thinley, seated on a sofa in a knee-length wraparound known as the 'gho', the national dress for Bhutanese men.

(Source: <http://www.sify.com/news/my-country-should-have-no-street-protests-bhutan-pm-interview-repeating-for-all-needing-news-international-lesnkgfajjb.html>)

Nepal gearing up for trade treaty with Bhutan

The Himalayan Times, April 18, 2011.

After a successful signing of economic framework agreement with US, Nepal is gearing up to enter into a trade agreement with Bhutan. Thimpu had shown interest in signing a trade treaty with Kathmandu about eight years ago. With the recent visit of Bhutanese Prime Minister Jigme Y Thinley, the trade pact between the two countries seems to get started again. The two countries will soon ink a deal since there has already been an agreement in principle to this effect, according to Ministry of Commerce and Supplies that has been given the responsibility to prepare draft of trade agreement with Bhutan. During the second joint secretary level

meeting in October 2010, both the countries have agreed to work out issues regarding list of exportable products from the two countries including trade routes and business procedures.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Nepal+gearing+up+for+trade+treaty+with+Bhutan&NewsID=284428>)

Bhutanese currency in North Bengal

DNA India, April 20, 2011.

The chief secretary of West Bengal said he would be taking up the issue of circulation of Bhutanese currency in the state with his counterpart in Bhutan. Of late, several instances of Nugultrum (Bhutanese currency) being used for petty transactions in several areas of North Bengal, especially Dooars, which borders Bhutan, have come to fore. "We would take up the issue with the authorities of Bhutan government, though there are central agencies which are supposed to keep a track on foreign currencies making inroads into North Bengal," chief secretary S Ghosh told DNA.

(Source: http://www.dnaindia.com/india/report_bhutanese-currency-in-north-bengal_1534283)

We don't need formal relations with Washington: Bhutan PM

Mangalorean, April 21, 2011.

Jigmi Yoser Thinley, the prime minister of Bhutan, doesn't feel the need for formal relations with the US if the two countries can mutually cooperate without these. "If we can have all kinds of interactions, relations and cooperation with the US, as with Germany and France, with which we have no diplomatic relations, what is the purpose (of such relations with Washington)?" the prime minister said in an interview to IANS. Thinley officially took charge of the foreign ministry April 9, months after the former foreign minister remained away from office for medical reasons. He said diplomatic relations were not relevant any longer in a globalised world. "There was a time when diplomatic relations signified one's position vis-a-vis conflicting powers, choosing sides. It's no longer the case," Thinley told IANS. On April 7, US Ambassador to India Timothy J. Roemer visited Thinley's office in capital Thimphu to discuss "ways to further strengthen the ties between our two countries".

(Source: <http://mangalorean.com/news.php?newstype=local&newsid=233981>)

Assembly to go live again

Kuensel, April 25, 2011.

The proceedings of the National Assembly will once again be covered live on television, when the seventh Parliament session commences next month. "Discussions of bills are very important and people should be involved as far as possible," said assembly speaker, Jigme Tshultim. He said the sessions will be broadcast live, but the members should ensure deliberations are pursued to fulfill the right mandates, uplifting the principle of transparency and not to please their constituencies or vote banks. "Unless there are matters involving national security

or sensitive issues being discussed, there is no problem in airing the proceedings live," he said. The decision followed after some members raised the need to reconsider broadcast of assembly proceedings live on TV during the pre-agenda meeting for the upcoming session held last week. It was stopped since the fourth session.

(Source: <http://www.kuenselonline.com/2010/modules.php?name=News&file=article&sid=19176>)

His Majesty grants audience to the Indian Minister of State for Defence

Bhutan Broadcasting Service, April 26, 2011.

His Majesty the King granted an audience to the Indian Minister of State for Defence Dr. Mangapati Pallam Raju yesterday. He arrived in the Kingdom on Sunday for a two day visit. He is in the Kingdom to attend DANTAK's golden jubilee celebration. Dr Raju also called on the Prime Minister Lyonchhoen Jigmi Y. Thinley at the Gyalong tshokhang yesterday.

(Source: [http://www.bbs.com.bt/bbs/?p=4722&utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+BBSNewsFeed+\(BBS-Bhutan%27s+National+Broadcaster\)](http://www.bbs.com.bt/bbs/?p=4722&utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+BBSNewsFeed+(BBS-Bhutan%27s+National+Broadcaster)))

Diapsora mulls torture suits against Bhutan's ex-King

The Himalayan Times, April 27, 2011.

Human rights spokesperson for the Bhutanese exiles Tek Nath Rizal on Tuesday announced that discussions have initiated with the Washington D.C.-based Bruce Fein & Associates, Inc., a prestigious law firm in the United States, to explore suits by thousands of torture victims of former Bhutanese King Jigme Singye Wangchuk for hundreds of millions in damage under the United States Torture Victims Protection Act (TVPA). Issuing a press statement here in Kathmandu, Rizal, a former friend of the Bhutanese royal who however was jailed for years in Thimphu, said the amount of damages that might be recovered in the TVPA suits against the former Bhutanese King would exceed USD 200 million. "It is generally believed that King Jigme has hidden assets well in excess of that sum," the statement read. "The United States is authorised to assert personal jurisdiction over foreign defendants because both torture and extra-judicial killings violate universal human rights laws and inflict injury on civilization itself," Rizal said in the statement.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Diapsora+mulls+torture+suits+against+Bhutan%C2%B4s+ex-King&NewsID=285528&a=3>)

Maldives

Foreign reserve US\$250 million on Gayoom's departure, Mundhu tells Asian Tribune

Minivan News, April 21, 2011.

Spokesperson for former President Maumoon Abdul Gayoom, Mohamed Hussein 'Mundhu' Shareef, has been quoted in the Asian Tribune as saying that the Maldives had a foreign reserve of US\$250 million when the former President left office. "When

the IMF recommended cutting down on public servants, President Nasheed went ahead with slashing the number of civil servants. At the same time Nasheed continued appointing endless political appointees and state ministers. If Nasheed thinks it will be all hunky dory in three months time just because he implemented a managed float of the rufiyaa, he is mistaken. He does not understand the dynamics of economics," Mundhu told journalist Poorna Rodrigoo.

(Source: <http://minivannews.com/politics/foreign-reserve-us250-million-on-gayooms-departure-mundhu-tells-asian-tribune-19104>)

Govt allows export of 32,094 tonne of wheat flour to Maldives

Msn News, April 21, 2011.

The government today allowed the export of 32,094.70 tonnes of wheat flour to Maldives under the bilateral trade pact. The total quantity of wheat flour will be exported by the state-owned trading firm MMTC Ltd during the financial year 2011-12, the Director General Foreign Trade (DGFT) said in a notification. "The export of 32,094.70 tonnes of wheat flour to Maldives is permitted under the Bilateral Trade Agreement between the government of India and the Republic of Maldives through MMTC Ltd unto March 31, 2012," the notification said. India has banned the exports of wheat and wheat products but allows shipments of small amounts under the diplomatic channel.

(Source: <http://news.in.msn.com/business/article.asp?cp-documentid=5131427>)

Nepal

Deuba nod to NA integration proposal

The Himalayan Times, April 18, 2011.

Senior Nepali Congress leader Sher Bahadur Deuba has agreed to the Nepali Army (NA) proposal on integration of Maoist combatants. Speaking at a press meet organised by Press Union, Banke chapter here today, Deuba said the integration process should go ahead by taking the NA into confidence, adding, "Most parts of the NA proposal regarding integration are reasonable so this proposal should be taken positively." The NA had proposed a separate General Directorate under its command comprising a certain number of personnel from NA, Nepal police, Armed Police Force and Maoist combatants. On a different note, Deuba said the government had completely failed to maintain security in the country, adding, "The series of incidents of shooting, murder in the capital tells us of the deteriorating security situation." Deuba said nobody is secure in the country now."

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Deuba+nod+to+NA++integration+proposal+&NewsID=284439>)

Crisis in the coalition

Indian Express, April 18, 2011.

Nepal Prime Minister Jhala Nath Khanal's decision to expand the council of ministers by including members from his own party, the Communist Party of Nepal-Unified Marxist Leninist (CPN-UML), is a clear indication that the radical alliance that came to power two months ago is facing a major crisis. The Unified Communist

Party of Nepal-Maoists (UCPN-M), angry with the prime minister for refusing to give it the home portfolio, had decided not to propose new names for inclusion in the cabinet. Khanal finally administered the oath of office and secrecy to 13 members, all belonging to the CPN-UML, on April 13, even as he was being dubbed as an indecisive PM.

(Source: <http://www.indianexpress.com/news/crisis-in-the-coalition/777490/>)

Another bad news for India: Nepal Parties unite against Upper Karnali-GMR

Telegraph Nepal, April 18, 2011.

Not only India's bête noir and largest party in the Constituent Assembly, Unified Maoists, is against the decision to allow construction of 900 MW Upper Karnali Hydro Power Project to GMR Company of India, but some more have come to the scene. Including Unified Maoists Party, ruling United Marxist Leninists, Nepal Majdoor Kisan Party, Rastriya Janamorcha and widely perceived pro-India party Rastriya Jan Shakti Party in the district of Dailekh have jointly issued a public statement and said that the project was against Nepal's national interest.

(Source: <http://www.telegraphnepal.com/headline/2011-04-18/another-bad-news-for-india:-nepal-parties-unite-against-upper-karnali-gmr>)

Krishna heads for Nepal to bridge troubled waters

Times of India, April 18, 2011.

As Maoists in Nepal further up the ante against India by demanding review of all hydropower projects involving India, foreign minister S M Krishna will travel to Kathmandu on Wednesday to take stock of the situation. The Maoists have in the past few weeks unleashed a fresh wave of antagonism against India leading the Indian embassy in Kathmandu to take up the matter with newly-elected PM Jhala Nath Khanal. On his four-day visit, Krishna will meet, apart from the Nepal PM, all senior Maoist leaders as he reviews the situation.

(Source: <http://timesofindia.indiatimes.com/india/Krishna-heads-for-Nepal-to-bridge-troubled-waters/articleshow/8009490.cms>)

SM Krishna statement in Nepal

India Blooms News Service, April 21, 2011.

You are aware of my meetings yesterday with the President and Prime Minister of Nepal and the delegation level talks with Deputy Prime Minister Adhikari. The meetings were useful and cordial. The Nepalese leadership briefed me about the internal developments in Nepal and about the progress being made towards completing the peace process and drafting of the new Constitution in Nepal. I conveyed that given the special relations shared by India and Nepal, India has an abiding interest in developments in Nepal and remains committed to providing all assistance that Nepal requires in its transition to a stable, inclusive, multi-party democracy.

(Source: <http://www.indiablooms.com/NewsDetailsPage/newsDetails210411r.php>)

Nepal: Won't allow anti-India activities

Press Trust of India, April 21, 2011.

Against the backdrop of increased anti-India activities by Maoists, Nepal on Wednesday assured New Delhi that it would not allow any activity from its soil directed at the neighbouring country. On its part, India affirmed its commitment to Nepal's peace process and voiced confidence that the Jhulanath Khanal government would be able to draft a new Constitution by the May 28 deadline to take the democratic process forward.

(Source: <http://www.indianexpress.com/news/Nepal-Won-t-allow-anti-India-activities/779065/>)

Kamal Thapa says CA bears no essence

Himalayan Times, April 25, 2011.

Rastriya Prajatantra Party Nepal (RPP-N) Chairman Kamal Thapa on Monday claimed that not only the promulgation of new statute but also the preparation of its outline was impossible by May 28. Speaking at an interaction programme in Butwal, Thapa remarked that his party was against the extension of Constituent Assembly (CA) term as it would not bear any essence after failing to meet the deadline for the second time. The CA's second extended tenure is expiring on May 28. He accused the CA of being futile despite spending billions of rupees for the constitution drafting. According to him, the country should opt for referendum on several crucial issues. The RPP-N is the only party representing in the Constituent Assembly that has been advocating for the revival of the constitutional monarchy.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Kamal+Thapa+says+CA+bears+no+essence&NewsID=285406>)

Not many positives for India in Krishna's Nepal visit

Indian Infoline, April 25, 2011.

Just before leaving Krishna told media persons that the visit was "useful", but most of India's crucial concerns were not addressed during the trip and are unlikely to see fruition in the near future. External Affairs Minister SM Krishna's three-day visit to Nepal that ended on Friday would be remembered as a call that didn't have many positives for New Delhi. Just before leaving Krishna told media persons that the visit was "useful", but most of India's crucial concerns were not addressed during the trip and are unlikely to see fruition in the near future. The Indian delegation that included foreign secretary Nirupama Rao highlighted key concerns like security, attacks on Indian envoy by Maoists and threats faced by Indian companies. But formalization of the revised extradition treaty and the mutual legal assistance treaty that have been pending for over six years made no progress except routine assurances from Nepal.

(Source: <http://www.indiainfoline.com/Markets/News/Not-many-positives-for-India-in-Krshnas-Nepal-visit/5138738297>)

No higher posts to PLA in Nepal Army: India

My Republica, April 25, 2011.

India has hinted that it will oppose allocation of higher posts in the Nepal Army to

Maoist combatants when the former combatants will be integrated into security agencies, including the Nepal Army. Knowledgeable sources who met Indian foreign minister S M Krishna during his three-day visit to Nepal said Krishna implicitly told them that integration of Maoist combatants in higher ranks of the Nepal Army may politicize the national army. He was of the view that integration of the combatants in higher post increases the danger of politicization of the national army. "Krishna told me that the national army should not be politicized in the name of integration," said one of the sources who discussed integration issue with the Indian foreign minister last week.

(Source: http://www.myrepublica.com/portal/index.php?action=news_details&news_id=30616)

China has several interests in Nepal: US Congressional report

Indian Express, April 26, 2011.

China has significantly increased its activities in Nepal where it has "several key interests," ranging from the Tibetan refugees to part of its strategic objective to encircle India, a US Congressional report has said. "China has several key interests in Nepal. China has an interest in keeping Nepal from becoming a location from which Tibetan activists can promote the cause of Tibet. China has become more successful in recent years in convincing Nepal to restrict the exiled Tibetan community there," said a rare report on Nepal by the Congressional Research Service (CRS).

(Source: <http://www.indianexpress.com/news/china-has-several-interests-in-nepal-us-congressional-report/781617/>)

Govt not serious on Madhesi issues: Madhesi Morcha

The Himalayan Times, April 26, 2011.

Samyukta Loktantrik Madhesi Morcha said promulgation of a new constitution has no meaning unless the peace process is taken to its logical conclusion. The Morcha, organising a press meet in the Capital on Tuesday, argued that there is no alternative to launching a protest as the government is non-serious over the Madhesi issues. Senior leaders of the three Madhes based parties – Madhesi Janadhikar Forum Nepal-Loktantrik (MJF-L), Terai Madhesh Loktantrik Party (TMLP) and Nepal Sadbhavana Party – were present in the press meet. They said if a constitution was promulgated sidelining the Madhesi issues, such a statute will not be acceptable to them.

(Source: <http://thehimalayantimes.com/fullNews.php?headline=Govt+not+serious+on+Madhesi+issues%3A+Madhesi+Morcha&NewsID=285545>)

Nepal government caught between federalists, royalists

Manglorean Times, April 26, 2011.

Nepal's weak government, under fire from all sides for growing insecurity, corruption and inflation found itself in a fresh dilemma with federalists demanding restructuring of the republic into autonomous states and royalists calling for fresh

elections. However, both sides had the same warning for Prime Minister Jhala Nath Khanal: they would not brook attempts to extend the May 28 deadline for promulgating a new constitution. The latest salvo was fired by an alliance of three parties from southern Nepal's Terai plains, also known as the Madhesi parties. The United Democratic Madhesi Front comprising three opposition parties – the Sadbhavana Party, Terai Madhes Loktantrik Party and Madhesi Janadhikar Forum-Nepal – Tuesday said they had lost faith in the ruling parties and would not allow the constitutional deadline to be extended a second time.

(Source: <http://mangalorean.com/news.php?newstype=local&newsid=235015>)

Pakistan

Pakistan trying to increase leverage in Kabul: US officials

Economic Times, April 18, 2011.

As the Afghan endgame looms, Pakistan and US are having differing and even irreconcilable aims in Afghanistan, with Islamabad pushing to increase its leverage in Kabul even at the cost of cutting out Washington. The Americans are seeking a strong and centralised Afghan government commanding a large army that can control its territory, Pakistan is pressing for a loosely governed neighbour where it can influence events through Taliban proxies, the New York Times reported citing top US and Pakistani official.

(Source: <http://economictimes.indiatimes.com/news/politics/nation/pakistan-trying-to-increase-leverage-in-kabul-us-officials/articleshow/8016427.cms>)

China a sincere friend: Shahbaz

The News, April 18, 2011.

Punjab Chief Minister Shahbaz Sharif has said that China is a sincere friend of Pakistan and it has supported Pakistan through thick and thin. He expressed these views while talking to media-men at the Lahore Airport before his departure to China for a five-day visit, a handout stated. He said that his recent visit to China will yield positive and far-reaching results. He said that he is going to China for further strengthening the perpetual relations of friendship and love between Pakistan and China. He said that during his recent visit, agreements would be signed between Punjab and China in communication, infrastructure and energy sectors.

(Source: <http://www.thenews.com.pk/TodaysPrintDetail.aspx?ID=42303&Cat=2&dt=4/18/2011>)

Pakistan, U.S. step up dialogue to ease tension

Xinhua, April 20, 2011.

Pakistan and the United States have stepped up dialogue to bury the hatchet as tension between the two uneasy allies increased in recent months over host of issues, including the U.S. drone strikes and clandestine CIA operations. Top military leaders and diplomats are meeting in Islamabad and Washington simultaneously to ponder how to normalize relationship that is considered key to fighting militants in Pakistan and Afghanistan. Last week's visit to the U.S. by the head of Pakistan's Inter-Services Intelligence (ISI), Lt. Gen. Ahmad Shuja Pasha, and his talks with

the CIA chief could not bridge the gap. The CIA has reportedly dismissed Pakistan's quest for halt to the drone strikes in Pakistan's northwest tribal regions, which has sparked widespread anger among the Muslim nation. But the U.S. does not care.

(Source: http://news.xinhuanet.com/english2010/indepth/2011-04/20/c_13837922.htm)

PML-N quits 18th Amend Implementation Commission

Daily Times, April 21, 2011.

Pakistan Muslim League-Nawaz (PML-N) has decided to bid farewell to the 18th Amendment Implementation Commission, a private news channel reported on Wednesday. According to sources privy to the PML-N, the decision came in the backdrop of government's much criticised resolve to devolve the Higher Education Commission (HEC). "Also, the PML-N has reservations over the government's decision to transfer assets to the provinces," sources elaborated. Sources said that PML-N's senior leader and the Commission's Deputy Chairman, Ishaq Dar, wrote a five-page letter to Prime Minister Yousaf Raza Gilani to apprise the latter about his party's resolve and tendered his resignation from the post of commission's deputy chairman. Ishaq Dar, the deputy chairman of the 18th Amendment implementation commission announced his resignation from the commission claiming the government was not implementing decisions of the commission in letter and spirit. The implementation commission, led by PPP's Senator Raza Rabbani, oversaw the devolution of federal departments and ministries to the provinces, including the HEC, Social Welfare and Special Education, Education, Livestock and Dairy Development, Culture and Tourism ministries. daily times monitor

(Source: http://www.dailytimes.com.pk/default.asp?page=2011\04\21\story_21-4-2011_pg1_3)

National Assembly: After bickering, lawmakers make up to defend democracy

The Express Tribune, April 21, 2011.

Parliamentarians made passionate vows in the National Assembly on Wednesday to defend democracy, after harsh words were exchanged by key leaders from both the opposition and the ruling Pakistan Peoples Party (PPP). A speech by Leader of the Opposition in the National Assembly Chaudhry Nisar Ali Khan backed by slogans from the Pakistan Muslim League-Nawaz (PML-N) lawmakers against President Asif Ali Zardari threw the house into chaos for a brief period. A day earlier, it was reported that the PPP was seeking new political alignments at the centre and in Punjab and that the Pakistan Muslim League-Quaid (PML-Q) might join the government.

(Source: <http://tribune.com.pk/story/153529/national-assembly-after-bickering-lawmakers-make-up-to-defend-democracy/>)

Pakistan to start repaying \$7bn to IMF from next year

The News, April 21, 2011.

Commencing next year and spread over a 36-month time band, Pakistan will start

repaying US \$7.657 billion to IMF in shape of principal and interest payments against loan obtained from the Fund by the PPP government. Ironically, to repay its earlier loan the country has no option but to seek a 'fresh programme' to avoid pressure on the foreign currency reserves and to avoid defaulting on foreign liabilities, it is learnt.

(Source: <http://www.thenews.com.pk/TodaysPrintDetail.aspx?ID=5444&Cat=13&dt=4/21/2011>)

Mullen: Pakistan's ISI spy agency has 'militant links'

BBC News, April 21, 2011.

The US military's top officer, Adm Mike Mullen, has accused Pakistan's spy agency of having links with militants targeting troops in Afghanistan. He said Pakistan's Inter-Services Intelligence (ISI) had a "long-standing relationship" with a militant group run by Afghan insurgent Jalaluddin Haqqani. The comments came as he held talks in Islamabad on Wednesday. Pakistani officials are also in the US for talks. Pakistan routinely rejects charges of collusion with militants. The BBC's M Ilyas Khan in Islamabad says that US officials have in the past spoken anonymously or in circumspect terms about associations between the Pakistani establishment and insurgents.

(Source: <http://www.bbc.co.uk/news/world-south-asia-13153538>)

Pakistan People's Party seeks to expand ruling coalition

Gulf News, April 21, 2011.

The Pakistan People's Party (PPP) government has confirmed it was engaged in negotiations with other parties to expand the ruling coalition, but said a clear picture was yet to emerge. Information Minister Firdous Ashiq Awan told reporters after a cabinet meeting that consultations were under way with Pakistan Muslim League-Quaid (PML-Q), the third largest party in the National Assembly after the PPP and PML-N. Consultations were also in progress with other political parties, she said, adding that the proposed expansion of the coalition was discussed thoroughly at a high-level meeting of the PPP held under President Asif Ali Zardari, who is also co-chairman of the party.

(Source: <http://gulfnews.com/news/world/pakistan/pakistan-people-s-party-seeks-to-expand-ruling-coalition-1.796830>)

China's top political advisor meets head of Pakistan's opposition party

Xinhua, April 21, 2011.

China's top political advisor Jia Qinglin met with Muhammad Shahbaz Sharif, president of Pakistan Muslim League-Nawaz (PML-N), in Beijing on Wednesday, where the officials vowed to maintain exchanges between political parties in both countries. Jia, a member of the Standing Committee of the Communist Party of China (CPC) Central Committee's Political Bureau, spoke highly of the relationship between the CPC and Pakistani political parties. He said the CPC will maintain high-level exchanges with the PML-N, strengthen communication between young

politicians and promote sound, stable and sustainable development in relations between the two countries.

(Source: http://news.xinhuanet.com/english2010/china/2011-04/20/c_13838025.htm)

Broad contours of budget finalised

Dawn, April 25, 2011.

The government has finalised broad contours of the federal budget for 2011-12, envisaging a consolidated expenditure of about Rs3.5 trillion, tax revenue target of Rs1.952 trillion and fiscal deficit limit of Rs950 billion. A senior official in the finance ministry told Dawn that the reformed general sales tax would be introduced through the finance bill and the wealth tax would be replaced with a new 'tax on assets'. The budget proposals include an increase in corporate tax and higher levy on financial transactions. The official said that a meeting of the Council of Common Interests had been convened on April 28, in which the budget outline would be handed over to provincial chief ministers and finance ministers to plan their budget proposals, accordingly.

(Source: <http://www.dawn.com/2011/04/25/broad-contours-of-budget-finalised.html>)

BJP warns PM of consequence of keeping in touch with Pak army chief

Asian Tribune, April 25, 2011.

Reacting to a media report that Manmohan Singh had contacted Pakistan army chief Gen Ashfaq Parvez Kayani before meeting his Pakistani counterpart Yousaf Raza Gilani at Mohali, BJP on Sunday, Singh should be aware of the 'consequences'. Asked about the matter, BJP spokesperson Ravi Shankar Prasad told a press conference Kolkata, "The activities of the army of Pakistan are well known." "The Prime Minister is well aware of the consequences of this kind of secret talks, but as we don't know much of the fact, we cannot comment anything more," Prasad said. Shankar, however, did not specify what the consequences could be. London-based The Times had reported that Singh had appointed an 'unofficial envoy' to contact Kayani who exercises de facto control over Pakistan's foreign policy.

(Source: <http://www.asiantribune.com/news/2011/04/24/bjp-warns-pm-consequence-keeping-touch-pak-army-chief>)

Hafeez seeks development cooperation from economic powers

Dawn April 25, 2011.

Finance Minister Abdul Hafeez Shaikh discussed on Sunday development partnership with leaders of major economic powers in separate meetings on the occasion of annual IMF-World Bank gathering. The finance minister said that the government was trying to bring budget deficit down to 4.5 of the country's gross domestic product. "We understand that to achieve this target we will have to raise taxes and curtail expenses and we are willing to do both," he said. Dr Shaikh briefed German, British and American leaders about the government's focus on development as well as its efforts towards greater economic stabilization.

(Source: <http://www.dawn.com/2011/04/17/hafeez-seeks-development-cooperation-from-economic-powers.html>)

MQM presents dewaterization bill in National Assembly

Dawn, April 26, 2011.

The MQM on Tuesday presented a bill in the National Assembly which seeks to cleanse the country of illegal weapons, DawnNews reported. The bill was not opposed by the government and has been sent to the standing committee of the National Assembly. The bill calls for a countrywide ban on the manufacturing, possession and illicit use of weapons.

(Source: <http://www.dawn.com/2011/04/26/mqm-presents-dewaterization-bill-in-national-assembly.html>)

ISPR rejects report about Kayani-Singh contacts

Daily Times, April 26, 2011.

A spokesman of the Inter Services Public Relations (ISPR), on Monday, denied a British newspaper's report that Chief of the Army Staff General Ashfaq Parvez Kayani has been communicating with Indian Prime Minister Manmohan Singh through a secret envoy. Denying the report published in The Times of London on Saturday, the official termed the news as "unfounded and completely baseless." According to the report, the secret envoy has been the link between Kayani and Singh for 10 months. staff report.

(Source: http://www.dailytimes.com.pk/default.asp?page=2011\04\26\story_26-4-2011_pg7_8)

India expects positive outcome from trade talks

Daily Times, April 27, 2011.

Indian Commerce Secretary Rahul Khullar, who Tuesday crossed into Pakistan with a six-member delegation for April 27-28 talks with his Pakistani counterpart Zafar Mehmood, has said he expected a positive outcome from the talks, as there existed a scope for enhancing trade between the two countries. Before leaving for Pakistan, Khullar took stock of ongoing work at the integrated checkpoint at Attari-Wagah Border. On plans for India to get the Most-Favoured Nation (MFN) status from Pakistan, Khullar said the issue would be raised at the meeting with the Pakistan team. He said he felt that business visas should be relaxed to enable businessmen of the two countries to travel easily.

(Source: http://www.dailytimes.com.pk/default.asp?page=2011\04\27\story_27-4-2011_pg1_3)

Petrol import from India proposed

Dawn, April 27, 2011.

The petroleum ministry has proposed that the 'most favoured nation' (MFN) status be granted to India to facilitate import of petroleum products and export of cement and chemicals which would be a cost-effective proposition for both countries. A commerce ministry official said a summary prepared by the petroleum ministry on the matter would become the basis of the two-day talks between the commerce secretaries of the two countries beginning here on Wednesday. According to sources,

the oil imports would be conditional to India facilitating export of Pakistani cement and chemicals without any barriers. The official said the ministry had proposed the MFN status for India about two years ago and it reiterated its position this week as part of preparations for the talks.

(Source: <http://www.dawn.com/2011/04/27/petrol-import-from-india-proposed.html>)

PML-N in bid to protect PPP from 'blackmail'?

Dawn, April 27, 2011.

As a power-sharing deal between the People's Party and the Pakistan Muslim League-Q is maturing, the PML-N has indicated that it may save the PPP-led government from "blackmail of its present and would-be allies" during the approval of the forthcoming budget. Sources told Dawn that a message to this effect had been conveyed through a go-between from Gujrat. A PPP leader from Gujrat had called on senior PML-N leaders here on Sunday, seeking some 'serious steps' from the latter, anticipating the situation 'worsening' with the PPP-Q League deal entering its final phase, the sources said. The visitor, who had been assured of full support against the Chaudhrys of Gujrat in the next elections whether he contested from the party's platform or as an independent, was told on Sunday that a final decision would be taken after internal consultations, especially with PML-N chief Nawaz Sharif.

(Source: <http://www.dawn.com/2011/04/27/pml-n-in-bid-to-protect-ppp-from-blackmail.html>)

Sri Lanka

Sri Lanka President leaves for Bangladesh

Colombo Page, April 18, 2011.

Sri Lankan President Mahinda Rajapaksa has left the island for Bangladesh this morning for a three-day official visit to hold discussions to enhance bilateral relations. This is Sri Lankan President's first official visit to Bangladesh. The special flight carrying the Sri Lankan President is scheduled to land at Hazrat Shahjalal International Airport in Dhaka at 12:30 p.m. President Rajapaksa is to be received by his Bangladeshi counterpart President Zillur Rahman with 21-gun salutes and a guard of honour by the Bangladeshi armed services, Bangladesh newspaper The Daily Star reported.

(Source: http://www.colombopage.com/archive_11/Apr18_1303107637CH.php)

Congress members urge for stronger U.S.-Sri Lanka ties.

Official Government News Portal of Sri Lanka, April 19, 2011.

Key members of United States Congress have urged their colleagues to support a campaign for stronger U.S.-Sri Lankan relations and to back the people of Sri Lanka as they continue to recover from years of conflict against terrorism. Congress representatives Chris Van Hollen (Democrats) and Robert Aderholt, (Republican) co-chairs of the Sri Lanka Caucus, have advised other members to consider Sri Lanka's progress since it defeated a terrorist group two years ago. They have pointed out that Sri Lanka, is a multi-party, multi-ethnic democracy recently

emerged from a long struggle with the banned terrorist group, the Tamil Tigers and is now rebuilding and focusing its energy on repairing the emotional wounds inflicted from 30 years of violent internal conflict.

(Source: <http://www.news.lk/home/17912-congress-members-urge-for-stronger-us-sri-lanka-ties>)

Productivity Gains

Lanka Business Online, April 21, 2011

Labour productivity in Sri Lanka's industry rose 10.6 percent in 2010 racing ahead of economy-wide gains which were dragged down slower increases in agriculture and services, according to official data. Overall labour productivity in all three sectors rose 6.6 percent from a year earlier to 343,000 rupees. Labour productivity is measured as gross domestic product per worker in constant 2002 prices. Sri Lanka's industry is largely private sector driven and large portion of factory industry is export oriented, making it subject to global competition. Some domestic industrialists who are close to rulers however are lobbying for protection. Each year the sector gets about 25 billion rupees in fertilizer subsidies and there is also heavy protection from imports leading to volatile prices and food insecurity for the entire population.

(Source: <http://www.lankabusinessonline.com/fullstory.php?nid=471616954>)

Over One million farmers are ready to protest against the UN Secretary General's report. - Agrarian Services Minister

Asian Tribune, April 25, 2011.

Sri Lanka's Agrarian Services Minister S. M. Chandrasena said that over One million farmers from all the corners of the country are ready to protest against the UN Secretary General's so called expert panel report. "If UN Secretary General continues with his wrong full act against the Sri Lanka, we will make sure that more than 1 million farmers will hit the streets in Colombo. They all will come forward at this juncture to set a strong message to the international community and to protect our Leader who won freedom to us, " Minister said in Central Anuradhapura today. More than 65 thousand individuals have placed their signatures up to yesterday against this report. The petition is aimed at gathering one million signatures against the panel's report. Those, signatures are being obtained from various places in the island.

(Source: <http://www.asiantribune.com/news/2011/04/24/sri-lanka-over-one-million-farmers-are-ready-protest-against-un-secretary-general%E2%80%99s->)

"LTTE involved in the trafficking of drugs and human beings" - Europol TE-SAT Report 2011

Asian Tribune, April 26, 2011.

The European Police Office (Europol) has said that LTTE and other Separatist terrorist groups are becoming more diverse and flexible in their methods of operating, with signs of increased collaboration between groups, increased use of

the Internet, and a growing connection between organized crime and terrorism, especially in regard to financing activities. Separatist terrorist groups such as the PKK/KONGRA-GEL and LTTE are involved in the trafficking of drugs and human beings to raise funds for their terrorism activities. This was disclosed in the Europol's EU Terrorism Situation and Trend Report (TE-SAT) released this week. The TE-SAT is one of Europol's strategic analysis products, providing law enforcement officials, policymakers and the general public with facts, figures and trends on terrorism in the EU. The full report could be accessed at: http://www.europol.europa.eu/publications/EU_Terrorism_Situation_and_Tre...

(Source: <http://www.asiantribune.com/news/2011/04/25/ltte-involved-trafficking-drugs-and-human-beings-europol-te-sat-report-2011>)

The United Nations has today made public the advisory panel report on Sri Lanka

Asian Tribune, April 26, 2011.

The United Nations has today made public the advisory report of the Secretary-General's Panel of Experts on accountability with respect to the final stages of the decades-long armed conflict in Sri Lanka, which was submitted to him on 12 April 2011. The decision to release the report was made as a matter of transparency and in the broader public interest. A Statement attributable to the Spokesperson for the Secretary-General on public release of Panel of Experts' report on Sri Lanka said that The report was shared in its entirety with the Government of Sri Lanka on 12 April. The Secretary-General has indicated his willingness to publicize the Government's response alongside the report. This invitation was extended to the Sri Lanka Government throughout the week, including again on Saturday by the Secretary-General to the External Affairs Minister of Sri Lanka. The Government has not responded to this offer which nonetheless still stands. Given below the link to the report: http://www.un.org/News/dh/infocus/Sri_Lanka/POE_Report_Full.pdf)

(Source: <http://www.asiantribune.com/news/2011/04/26/united-nations-has-today-made-public-advisory-panel-report-sri-lanka>)

Sri Lanka unlikely to face war crimes investigation

Guardian, April 26, 2011.

The Sri Lankan government appears unlikely to face a full international inquiry into alleged war crimes during the final stages of its civil war in 2009, despite a UN report that claims tens of thousands of civilians were killed, most of them in shelling by government forces. Ban Ki-moon, the UN secretary general, said on Tuesday he would only launch an international investigation if the Sri Lankan government agrees or an "international forum" such as the United Nations security council calls for an inquiry. Ban's statement comes in the wake of the release of the report (pdf) of an "expert panel" appointed by the UN to look into the events at the end of the 26-year long separatist conflict in the spring of 2009. The report, posted on a UN website late on Monday night, accuses both sides in the conflict of potential war crimes. It charges the Tamil Tiger separatists (the LTTE) with using civilians as human shields as troops closed in on their final positions in the north-

east of the island, and says “multiple sources of evidence” back claims that up to 40,000 non-combatants were killed by indiscriminate shelling on no-fire zones by the Sri Lankan national army.

(Source:<http://www.guardian.co.uk/world/2011/apr/26/un-sri-lanka-possible-war-crimes>)