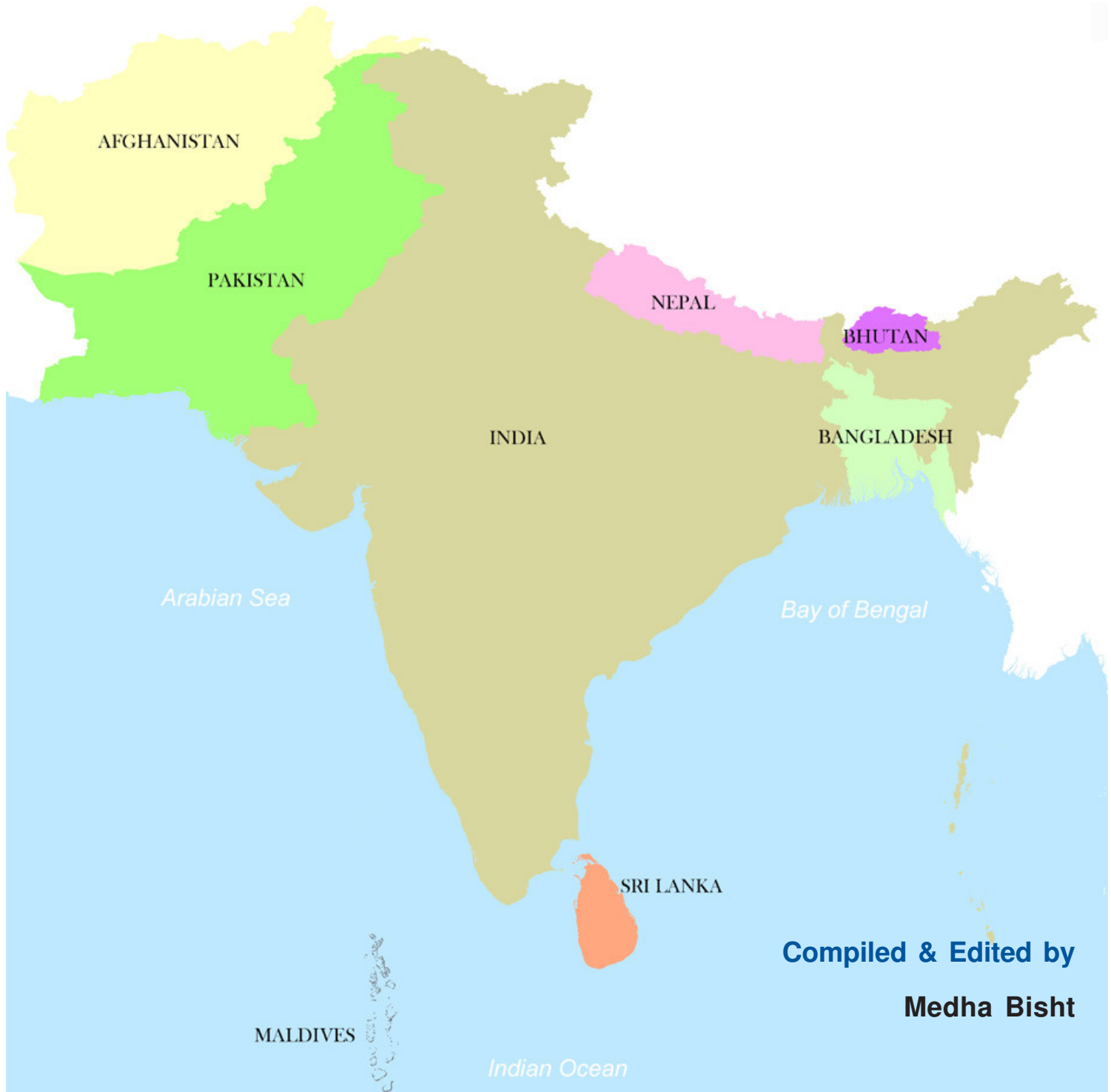


# ***SOUTH ASIA TRENDS***

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**Volume 3 Number 7 June 16-30, 2012**

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

Last two weeks, the Himalayan states-Nepal and Bhutan, were the spotlight for political developments in South Asia. With the split in the Maoist party, many analysts anticipate a new Nepal in making. Infact, one could say that the Maoist split is only the beginning of an end. As the Baidya faction walked out of the Unified Communist Party of Nepal (Maoist), the party establishment was unequivocal in their criticism that the royalist forces were responsible for the split. The ripples of the split, were felt on New Delhi too, as according to a report, the Union home ministry alerted border states with Nepal and the Sashastra Seema Bal (SSB), against possible violence and exodus from Nepal. The defector, Mohan Baidya, for his part, has raised a banner against the parliamentary system threatening to launch a "people's revolt" to establish a 'New Peoples Republic'.

Meanwhile Madhesi leaders have consensually decided to keep fighting for the cause of single identity-based federalism from within the CPN-UML. "Fighting for the case of federalism with single ethnic identity from within the party" has been flagged off as the primary goal. This has diffused possibilities of internal dissent and factional defections in future. CPN-UML for its part has proposed a seven-province state restructuring model based on the identities of multiple ethnic communities and neutral identities. The proposed provinces are Kirant-Limbuwan-Koshi, Tamsaling-Newa-Bagmati, Magarat-Tamuwan-Gandaki, Bheri-Karnali, Seti-Mahakali, Tharuhat-Awadh-Lumbini and Mithila-Bhojpura-Janakpur. The politically fluid situation Nepal, might anticipate more excitement as the national elections have been slated to be held on March 2013.

Bhutan, which generally remains dormant amidst competing regional developments, witnessed some attention due to the 'China Factor.' It was reported by various media channels that the Chinese Premier Wen Jiabao and his Bhutanese counterpart Jigme. Y. Thinley, expressed willingness on the sidelines of the Rio +20 Conference to establish full diplomatic ties. While this news did quite some round on the national dailies in both India and China, the Bhutanese media, however provided a different explanation. While the leading official daily, the Kuensel, was silent on the issue, another popular, news paper, The Bhutanese, mentioned a Press Release issued by the Prime Minister's office, which clarifies that, the "local Chinese media had misreported that Bhutan and China will establish diplomatic ties". Given the recent development, it would be appropriate to conclude that the media hype on the China-Bhutan -India triad was too random. Before China-Bhutan decide to establish diplomatic ties, the quintessential question to be asked is what would be the nature of resolved boundary dispute between Bhutan and China?

## Afghanistan

### **US Vows Not to Leave Afghanistan Alone**

*Daily Outlook Afghanistan, June 16, 2012.*

The United States, pledging not to leave Afghanistan alone, on Thursday hoped the confidence-building measures (CBMs) adopted by the Heart of Asia Conference would lead to regional cooperation. US Deputy Secretary of State Bill Burns told the day-long gathering in Kabul that a new framework for regional cooperation would be developed soon to bring peace and stability to Afghanistan. Participants of the ministerial meeting are discussing a sustained and incremental approach to enforcing the CBMs agreed at the Istanbul Conference in November last year. The US is a strong supporter of the Afghanistan-led Istanbul process, which has created an important framework for furthering regional cooperation in South and Central Asia. Burns is expected to hold talks with senior Afghan officials and representatives from other partners and regional governments.

(Source: [http://outlookafghanistan.net/news?post\\_id=4598](http://outlookafghanistan.net/news?post_id=4598))

### **Afghanistan Aware of US-Taliban Talks: MoFA**

*Daily Outlook Afghanistan, June 18, 2012.*

We are aware of all US efforts to support Afghanistan's peace process, a spokesman for Ministry of Foreign Affairs (MoFA), Janan Musazai said Sunday. Speaking at a press conference in Kabul, Mr Musazai added that Afghan government has prioritized peace negotiations and will continue its efforts to bring Taliban in to peace dialogue. He also said that US government is going forward in close collaboration with Afghan government in its peace efforts. Recent reports indicated that US special envoy to Afghanistan and Pakistan, Marc Grossman will travel to Qatar to hold talks with Taliban representatives in an effort to end over a decade long war in Afghanistan. In an effort to seek regional support from Afghan peace process, Salahuddin Rabbani, Head of Afghan High Peace Council, will travel to Saudi Arabia and Pakistan

(Source: [http://outlookafghanistan.net/news?post\\_id=4624](http://outlookafghanistan.net/news?post_id=4624))

### **Delhi Meeting to Focus on Investment in Afghanistan**

*Daily Outlook Afghanistan, June 18, 2012.*

The day-long conference on Afghanistan, scheduled to be held in New Delhi later this month, would discuss international private-sector investment in the impoverished Central Asian country, a foreign ministry official said on Sunday. India would host the meeting on June 28 to examine ways of boosting international private-sector investment in Afghanistan, Foreign ministry spokesman Janan Musazai told a media briefing in Kabul. The event will feature over 50 Afghan firms – 10 of them owned by women. The event is intended to inform the July 8 Tokyo Conference that will shape strategies for Afghanistan's economic development. Delhi is helping reconstruct Afghanistan's parliament, equip the Indira Gandhi Children's Hospital and train students as farmers, tailors, plumbers, carpenters and welders.

(Source: [http://outlookafghanistan.net/news?post\\_id=4627](http://outlookafghanistan.net/news?post_id=4627))

### **Afghan Problems Need Regional Approach: ISAF**

*Daily Outlook Afghanistan, June 19, 2012*

As Taliban are trying to recruit Uzbek, Tajik and Pakistani fighters so, the problem of Afghanistan needs a regional approach, ISAF spokesman said Tuesday. Speaking at a press briefing in Kabul, General Carsten Jacobson, a spokesman for ISAF said that it's important to seek a regional approach for Afghanistan to tackle the issue of Taliban. "They will take anybody; they will take Uzbeks, Tajiks, and Pakistanis and recruit them to their ranks if they have a chance that is why it is so important to have a regional approach that goes beyond Afghanistan." Jacobson told reporters in Kabul adding that Taliban's spring offensive have failed throughout Afghanistan.

(Source: [http://outlookafghanistan.net/news?post\\_id=4640](http://outlookafghanistan.net/news?post_id=4640))

### **India Playing Huge Role in Afghanistan: US**

*Daily Outlook Afghanistan, June 20, 2012*

Praising New Delhi's effort at achieving security, stability and economic development in Afghanistan, the Obama administration on Monday acknowledged India was playing a "huge role" in the war-torn country. "India is playing a huge role," the State Department spokesperson, Victoria Nuland, told reporters at a media conference. "We are pleased with the support that India is giving to strengthen security, stability, prosperity in Afghanistan," she said. She also praised India's support to the Afghan national security forces, including police training. "We have encouraged the police training program. So all of these things are good steps and they help knit the region together in a democratic direction," the spokeswoman said, adding: "India has joined us in calling for Afghan-Afghan reconciliation and a process to do that. I'm not aware that anybody has asked India to play a direct role in that."

(Source: [http://outlookafghanistan.net/news?post\\_id=4649](http://outlookafghanistan.net/news?post_id=4649))

### **Biden, in leaked memo, told Obama war plan flawed**

*Google News, June 25, 2012*

As President Barack Obama considered adding as many as 40,000 U.S. forces to a backsliding war in Afghanistan in 2009, Vice President Joe Biden warned him that the military rationale for doing so was flawed, a new book about Obama's expansion of the conflict says. The book, "Little America: The War Within the War for Afghanistan," also says that in planning the drawdown of troops two years later, the White House intentionally sidelined the CIA. Obama purposely did not read a grim CIA assessment of Afghanistan that found little measurable benefit from the 30,000 "surge" forces Obama eventually approved, the book quotes a U.S. official as saying. A copy of the book by Washington Post correspondent Rajiv Chandrasekaran was obtained by The Associated Press. It will be released Tuesday. A previously undisclosed Biden memo to Obama in November 2009 reflects

his view that military commanders were asking Obama to take a leap by adding tens of thousands of forces whose role was poorly defined.

(Source: <http://www.google.com/hostednews/ap/article/ALeqM5iQapNc1hmCY13ZZNO4tDt7NLS6Cw?docId=8cee2d258ea349c0880c6111aea309c5>)

### **Afghanistan urges Pakistan to help revitalise talks**

*Daily Times, June 28, 2012*

Afghanistan's top peace negotiator urged Pakistan on Wednesday to free Taliban prisoners and push militant leaders into peace negotiations, saying Islamabad must do more to help bring an end to the 10-year Afghan war. Afghanistan's envoy Salahuddin Rabbani, in his first Western media interview since taking his job in April, said he hoped to revive a process, many Afghan and Western officials see as the best chance of restoring calm before a 2014 pullout of foreign combat troops. Rabbani was chosen to replace his father, Burhanuddin, the revered former president and anti-Soviet fighter killed last year by a suicide bomber that some Afghan officials believe was dispatched from Pakistan. Islamabad denies any involvement.

(Source: [http://www.dailytimes.com.pk/default.asp?page=2012%5C06%5C28%5Cstory\\_28-6-2012\\_pg7\\_6](http://www.dailytimes.com.pk/default.asp?page=2012%5C06%5C28%5Cstory_28-6-2012_pg7_6))

## **Bangladesh**

### **Dhaka must improve fiscal incentives for exploration -Strong**

*Reuters, June 18, 2012.*

Chevron Corp, which produces half the natural gas in Bangladesh, wants to step up operations but the government must upgrade the national pipeline network so it can deliver more, the head of the U.S. company's operations in the country said. Geoff Strong also said Dhaka also had to improve the fiscal incentives for new exploration if it is to attract the many billions of dollars in investment needed to address its increasingly grave energy shortages and meet growing demand. "Chevron's production in Bangladesh is currently limited by the national pipeline capacity," the president of Chevron in Bangladesh said in an interview.

(Source: <http://in.reuters.com/article/2012/06/18/bangladesh-gas-chevron-idINL5E8HIACK20120618>)

### **Bangladesh wary of 'green economy' agenda at Rio+20**

*Alert Net, June 19, 2012.*

Bangladesh will advocate for a "green economy" approach that does not constrain poorer nations' potential to grow at the U.N. conference on sustainable development in Rio de Janeiro this week. "We are concerned the green economy path will hamper our economic development. How effective will it be for poverty eradication?" Quazi Khaliqzaman Ahmed, convener of Bangladesh's climate change negotiation team, told AlertNet. "Unless poor countries get adequate funds from the major polluter (nations), it won't be possible for them to green their economy."

(Source: <http://www.trust.org/alertnet/news/bangladesh-wary-of-green-economy-agenda-at-rio20>)

**India-Bangladesh home ministers to meet yearly**

*Times of India, June 20, 2012*

India and Bangladesh have decided to institutionalize a yearly meeting of home ministers to have a direct “political supervision” of bilateral issues concerning home affairs and economic matters, Bangladesh High Commissioner to India Tariq Karim said during his recent Shillong visit. “The two ministers will meet on an institutional basis,” Karim said, adding that they would meet on an annual basis or more often “so that there is political supervision of what is happening and what should not happen.”

(Source: [http://timesofindia.indiatimes.com/india/India-Bangladesh-home-ministers-to-meet-yearly/articleshow/14283972.cms\\_](http://timesofindia.indiatimes.com/india/India-Bangladesh-home-ministers-to-meet-yearly/articleshow/14283972.cms_)

**Pakistan proposes steps to reduce trade gap with Bangladesh**

*The Nation, June 25, 2012*

Pakistan has presented three proposals to Bangladesh for reducing trade gap between the two countries. The proposals are proper initiatives through Bangladesh-Pakistan Joint Economic Commission, joint intervention by the Chittagong Chamber of Commerce and Industry (CCCI) and Pakistan High Commission, and enhancing activities between the Federation of Bangladesh Chambers of Commerce and Industry and the Federation of Pakistan Chambers of Commerce and Industry. He emphasised sending a business delegation, removing non-tariff barriers and reforming monetary exchange systems to further the cause, CCCI said in a statement. Mahmood expected that results can be achieved in this regard by proper implementation of the proposals.

(Source: <http://www.nation.com.pk/pakistan-news-newspaper-daily-english-online/business/25-Jun-2012/pakistan-proposes-steps-to-reduce-trade-gap-with-bangladesh>)

**Myanmar's President to visit Bangladesh**

*Zee News, June 25, 2012*

Myanmar's President Thein Sein will embark on a three-day official visit to Bangladesh next month, the Foreign Ministry said. Thein will start his trip on July 15 and will hold talks with his Bangladeshi counterpart Zillur Rahman and Prime Minister Sheikh Hasina, the Mizzima News reported on Monday. Both sides will discuss trade, border and security issues. They will also discuss the issue of Myanmar's Rohingya Muslim refugees in Bangladesh.

(Source: [http://zeenews.india.com/news/world/myanmars-president-to-visit-bangladesh\\_783807.html](http://zeenews.india.com/news/world/myanmars-president-to-visit-bangladesh_783807.html))

**Disaster death toll rises to 110**

*Daily Star, June 28, 2012*

At least 110 people have so far been accounted killed in Chittagong, Cox's Bazar and Bandarban due to landslides, house collapses and lightening following torrential



rains over the past several days. Of the casualties, 41 killed in Cox's Bazar, 36 in Bandarban, 31 in Chittagong and two in Sylhet, sources from the control room of the Food and Disaster Management Ministry said on Thursday. The casualties were counted till 10:00am Thursday.

(Source: [http://www.thedailystar.net/newDesign/latest\\_news.php?nid=38697](http://www.thedailystar.net/newDesign/latest_news.php?nid=38697))

### **Joint study soon to assess impact: PM**

*Daily Star, June 28, 2012*

Prime Minister Sheikh Hasina yesterday in parliament said a joint study will be launched soon to assess the possible impact of Tipaimukh Dam on Bangladesh. "Bangladesh government has already formed its team and informed the Indian government about it," she said in reply to a lawmaker's queries. Following negotiations held at different levels, the premier said, the Indian government has agreed to conduct the joint study on the possible impact of the proposed dam on Bangladesh. According to the proposed project, a dam is going to be constructed on the River Barak in Manipur, India, which flows down the north-eastern part of Bangladesh assuming the names Surma and Kushiara.

(Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=240104>)

## **Bhutan**

### **65,000 Bhutanese refugees resettled from Nepal**

*Zee News, June 15, 2012.*

As many as 65,000 Bhutanese refugees, residing in Nepalese camps, have been resettled in the US and European nations under a resettlement programme by United Nations refugee agency. According to the UN High Commissioner of Refugees (UNCHR), the US which received 54,731 Bhutanese refugees, is the largest resettlement country followed by Canada with 4,663 and Australia that has accommodated 3,476 refugees.

The third country resettlement programme was initiated for the Bhutanese refugees, most of them Lhotshampas ethnic group, who had fled the country in the early 1990s.

(Source : [http://zeenews.india.com/news/south-asia/65-000-bhutanese-refugees-resettled-from-nepal\\_782059.html](http://zeenews.india.com/news/south-asia/65-000-bhutanese-refugees-resettled-from-nepal_782059.html))

### **Bhutan looks beyond India for hydropower business**

*The Bhutanese, June 15, 2012.*

The new service centre, BHSL once operational will cater to all hydropower projects in the country and beyond Bhutan will gradually open-up partnership and investment doors to other international companies. Earlier this month, Alstom and Druk Green Power Corporation (DGPC) announced that they will establish a state-of-the-art hydropower service centre, Bhutan Hydropower Services Limited (BHSL) in Jigmeling, Gelephu to provide repair services for hydro runners and other underwater parts of hydropower plants. Alstom, a global leader in power generation, power transmission and rail infrastructure is a French multinational

company. The agreement signed between Alstom and DGPC states: the partnership will be implemented as a joint venture with DGPC (51%) and Alstom (49%). The project cost is estimated to the tune of Nu 1094mn over a period of 27 months.

(Source: <http://www.thebhutanese.bt/bhutan-looks-beyond-india-for-hydropower-business/>)

### **Are the hydropower projects too hot to handle?**

*Kuensel, June 18, 2012*

The government's future social programmes could suffer, because the worst is yet to come, regarding rupee reserve management and trade deficits, some experts and local economists believe. This is largely based on the premise that investments in the hydropower sector are too much, and happening too fast, considering the size of the Bhutanese economy. Bhutan's GDP stands at Nu 72B, and the overall size of the projects under the 10,000 megawatt (MW) initiative is estimated at Nu 450B over the next eight years. "The investment is expanding to a size, which would be difficult to absorb for the economy," an economist said. "It's biting off more than can be chewed."

Secondary activities created by the hydropower sector have been recognised as contributing significantly to the current rupee shortfall. These include economic activities, which are not directly financed by the loans and grants that come from India to build hydropower projects, such as investments in heavy machinery, trucks and other equipment by the Bhutanese contractors.

(Source: <http://www.kuenselonline.com/2011/?p=32564>)

### **PM speaks at two major side events**

*Kuensel, June 21, 2012*

Lyonchhoen is in Rio De Janeiro to attend the UN conference on sustainable development, which started yesterday. On June 19, the prime minister was invited to speak at the "2012 Conference of the International Society for Ecological Economics", and for the Food Security and Sustainable Agriculture event, organised by International Federation of Organic Agriculture Movement (IFOAM). "We discovered that our forests in Bhutan provide more than 14 billion dollars a year worth of ecosystem services - four times more than our whole GDP," he said, about the national accounts results Bhutan released on natural, human, and social capital. "Of that value, they found that 53 percent accrues to those beyond our borders, as our forests regulate the climate, store carbon, and protect watersheds, from which others benefit. We suddenly realised that we were a donor country." Lyonchhoen said Bhutan learnt the hard way that it can't build a GNH society on a GDP economy, and that its own capacity to practise what it preaches at home cannot be separated either from global economic forces or from the global responsibility. "That's what brings us to Rio, and that's what led us to host a major high-level meeting on April 2 at the United Nations, to launch the new development paradigm globally," he said.

(Source: <http://www.kuenselonline.com/2011/?p=32701>)



### **Budget slashed to reduce deficit**

*Kuensel, June 21, 2012*

In a departure from past trends, the budget outlay for coming fiscal year has shrunk by about Nu 4.4B compared to 2011-12, with the government making a conscious attempt to rein in deficit and “unproductive expenses”. The outlay for the final year of the 10th plan is Nu 33.4B, with a resource gap or shortfall of Nu 670M that will be borrowed from within the country. Most of the cuts are on capital expenditure. In the next fiscal, starting July, the capital outlay is only Nu16.2B. It was Nu 20.8B in the previous year. “This is because priority is for completing ongoing works, and not for new works that might spill over to the 11th plan,” the finance minister, Wangdi Norbu, said, while presenting the 2012-13 budget to the National Assembly last morning.

(Source: <http://www.kuenselonline.com/2011/?p=32721>)

### **China, Bhutan ready to forge diplomatic ties**

*Xinhua News Agency, June 22, 2012.*

Chinese Premier Wen Jiabao and his Bhutanese counterpart, Jigmi Y. Thinley, expressed willingness to establish formal diplomatic ties between their countries. The two leaders met on the sidelines of the UN Conference on Sustainable Development, known as the Rio+20 summit. Wen said China highly appreciates Bhutan's staunch support of China's position on issues concerning Taiwan and Tibet. China, Wen said, also values the traditional friendship between the two nations and respects Bhutan's choice for its development path according to its own national conditions. Noting that China pursues a foreign policy of good-neighborliness, Wen said China is ready to forge formal diplomatic relations with Bhutan on the basis of the Five Principles of Peaceful Coexistence. Meanwhile, Wen said, China is willing to complete border demarcation with Bhutan at an early date and strengthen exchanges in various fields so as to push bilateral ties to a higher level. For his part, Thinley said his talks with Wen carry great historic significance as it marks the first meeting between the heads of the two governments.

(Source: [http://www.chinadaily.com.cn/china/2012-06/22/content\\_15517896.htm](http://www.chinadaily.com.cn/china/2012-06/22/content_15517896.htm))

### **Prime Minister meets Chinese Premier Wen Jiabao**

*The Bhutanese, June 22, 2012.*

According to a Press Release issued by the Prime Minister's office, Lyonchhen Jigmi Y. Thinley met the Chinese Premier Wen Jiabao on 21st June 2012 at the sidelines of the Rio summit. The release from the Prime Minister's office said, “The meeting carries great historic significance as it marks the first meeting between the heads of the two governments.” It also said “They discussed bilateral issues of mutual interest and multilateral cooperation including Bhutan's bid for a non permanent seat on UN Security Council for the term 2013-2014, elections for which are to be held in fall this year.” However, the Media Attache of the Bhutan Prime Minister's office claimed that ‘local Chinese media had misreported that Bhutan and China will establish diplomatic ties.’

(Source: <http://www.thebhutanese.bt/prime-minister-meets-chinese-premier-wen-jiabao/>)

### **China, Bhutan 'ready' to establish diplomatic ties**

*The Hindu, June 23, 2012.*

Chinese and Bhutanese leaders have expressed willingness to establish formal diplomatic ties following a first-ever meeting between the heads of government of the two countries on Thursday, Chinese State media reported. Chinese Premier Wen Jiabao held his first meeting with Bhutanese Prime Minister Jigmi Y. Thinley on Thursday in Rio de Janeiro, on the sidelines of the United Nations Rio+20 Conference on Sustainable Development. Bhutan, which neighbours both India and China, does not have diplomatic ties with Beijing, although it has held 19 rounds of talks over a border dispute that has strained relations between the two countries. Thursday's meeting marked the first instance of a statement from the heads of both governments indicating the two countries were willing to establish diplomatic relations. Mr. Wen told his counterpart "China is ready to forge formal diplomatic relations with Bhutan on the basis of the Five Principles of Peaceful Coexistence," the State-run Xinhua news agency reported on Friday.

(Source: <http://www.thehindu.com/news/international/article3559058.ece>)

### **China's coziness with Bhutan rings security alarm for India**

*Times of India, June 23, 2012.*

India confronts a new strategic situation in its neighborhood as its staunchest ally Bhutan prepares to establish full diplomatic ties with China. Until now, Bhutan had been the only South Asian country where China did not have a presence. That is about to change. After a surprise meeting between Bhutanese PM, Jigme Y Thinley and Chinese premier Wen Jiabao on the sidelines of the Rio+20 summit in Brazil, the two countries reportedly discussed ways to resolve their border dispute. While Bhutan and China have had a long dialogue on the border dispute, India would be interested in the contours of any resolution as it would have huge implications for its strategic calculations in the region.

(Source: [http://articles.timesofindia.indiatimes.com/2012-06-23/india/32381541\\_1\\_sino-bhutanese-jigme-y-thinley-thimphu](http://articles.timesofindia.indiatimes.com/2012-06-23/india/32381541_1_sino-bhutanese-jigme-y-thinley-thimphu))

### **Bhutan's China ties get India nod**

*The Telegraph, June 24, 2012.*

A move by Beijing and Thimphu to work towards establishing diplomatic ties has come with a quiet nod from New Delhi, which views a resolution of the Bhutan-China border dispute in its interest. The Prime Ministers of China and Bhutan met for the first time on Thursday on the sidelines of the Rio+20 conference on sustainable development in Rio de Janeiro. Wen Jiabao and Jigmi Y. Thinley agreed their countries should establish diplomatic ties and discussed the border dispute. Ordinarily, the development should have alarmed South Block because Bhutan is India's closest ally, but sources here said the development had come with India's knowledge and approval. Bhutan-China relations have remained strained because of the dispute over their 470km border, which 19 rounds of talks have failed to solve, and because of Thimphu's close ties with New Delhi. Beijing

has offered Thimphu a deal: it wants Bhutan's northwestern areas in exchange for recognising its claim to its central areas. However, the northwestern areas lie next to Bhutan's Chumbi valley, which is a tri-junction of the Bhutan, India and China borders and is of immense geo-strategic importance to China as it borders both Sikkim and Tibet.

(Source: [http://www.telegraphindia.com/1120625/jsp/nation/story\\_15654020.jsp#.T-g6ARfkDp8](http://www.telegraphindia.com/1120625/jsp/nation/story_15654020.jsp#.T-g6ARfkDp8))

### **2012-13 Budget highlights**

*The Kuensel, June 25, 2012.*

In the final year of the 10th plan ending June 2013, the government plans to spend Nu 34.5B. where does this money come from? About Nu 15.2B is collected as taxes and Nu 5B is from fees and charges like driving license fees. An additional Nu 10.6B is in grants from donor countries that does not need to be paid back. India is giving most of it.

(Source: <http://www.kuenselonline.com/2011/?p=32904>)

### **Bhutan's move reflects maturing Sino-Indian ties**

*The Hindu June 27, 2012.*

Bhutan's willingness to establish diplomatic ties with China, expressed by Prime Minister Jigmi Y. Thinley last week during the first ever meeting with his Chinese counterpart, has been seen here as reflecting maturing Sino-Indian ties. Analysts perceive New Delhi's assumed tacit support for the move as heralding a new approach to regional diplomacy.

The heads of government of Bhutan and China held their first ever meeting on Thursday on the sidelines of the United Nations Rio+20 Conference on Sustainable Development in Brazil. During the meeting with Prime Minister Wen Jiabao, Mr. Thinley said Bhutan "wishes to forge formal diplomatic ties with China as soon as possible".

(Source: <http://www.thehindu.com/todays-paper/tp-international/article3574713.ece>)

### **Rio Summit will benefit Bhutan says Lyonchhen**

*The Bhutanese, June 27, 2012*

After what is being described as a successful conference in Rio on Sustainable Development the Prime Minister Lyonchhen Jigmi Y. Thinley and his delegates are back in Bhutan. In his short briefing at the Paro international airport he said that Bhutan has been thrust into a position of leadership in the world and has contributed a lot for the future of mankind. He said the contribution has been widely appreciated. Lyonchhen said that Bhutan in being a part of the world system gains a lot as the scope of such conference is for the well being of mankind in general. He said "we have also gained politically," explaining that when a small country participates in an event like this, its stature and image rises furthering the

country's political interests. Outlining the economic development gains for Bhutan Lyonchhen said, "More importantly the donor countries will co-operate further to support in Bhutan's development process."

(Source: <http://www.thebhutanese.bt/rio-summit-will-benefit-bhutan-says-lyonchhen/>)

### **Additional troops along Nepal, Bhutan borders**

*Zee News, June 28, 2012*

India will deploy additional 8,000 troops along its borders with Nepal and Bhutan by July to ensure effective patrolling at these frontiers. "We would be deploying about eight fresh battalions between both the borders that we guard. The deployment will largely be achieved by July. The rest will be put in place over few months from then," SSB Director General (DG) Pranay Sahay said. The Sashastra Seema Bal (SSB) guards the 1,751-km Indo-Nepal and 699-km Indo-Bhutan borders. The SSB chief said the border guarding force has also begun creating new Border Out Posts (BOPs) at these frontiers and these freshly trained troops will be stationed to man these units and patrol the 'open' frontier.

(Source: [http://zeenews.india.com/news/delhi/additional-troops-along-nepal-bhutan-borders\\_784348.html](http://zeenews.india.com/news/delhi/additional-troops-along-nepal-bhutan-borders_784348.html))

## **Maldives**

### **Maldives' steady economic decline has led to bankruptcy: Gasim**

*Haveeru Online, June 17, 2012.*

Prominent businessman and Maamigili constituency MP Gasim Ibrahim has said that the Maldives' steady economic decline has led to bankruptcy. Speaking to news reporters at the Jumhoory Party office, party Leader Gasim Ibrahim said that the actions of some the economy was being adversely affected. To that end he said that there are some calls to boycott the Maldivian tourism industry. "The nation is bankrupt. In truth, we are not aware of it. We will see this in the near future," Gasim said. He said that the people will sense the economic difficulties after the dollar crisis is overcome. Gasim said that the State does not have the necessary finance and that there is a difficulty in paying civil servants.

(Source: <http://www.haveeru.com.mv/news/42746>)

### **Maldives' Nasheed to be presidential candidate**

*Daily Times, June 18, 2012.*

Former Maldivian leader Mohamed Nasheed, who claims he was ousted in a military coup earlier this year, secured his party's nomination Sunday to be its presidential candidate, the party said. Nasheed stood unopposed in Saturday's vote but Maldivian Democratic Party rules required him to get the endorsement of at least 10 percent of the 48,000-strong membership. The former Maldivian leader had gained more than 22,000 votes with half of them counted on Sunday, organiser Ibrahim Waheed told reporters. "With the ballots counted so far, Nasheed received 22,375 votes endorsing him while 210 rejected him," Waheed said, adding that

the former president had clearly won the party's nomination for the next presidential vote.

(Source: [http://www.dailytimes.com.pk/default.asp?page=2012%5C06%5C18%5Cstory\\_18-6-2012\\_pg14\\_7](http://www.dailytimes.com.pk/default.asp?page=2012%5C06%5C18%5Cstory_18-6-2012_pg14_7))

### **Religion extensively used for political control in the Maldives: Himal magazine**

*Minivan News, June 20, 2012.*

Islamic radicalism, which played a key role in the ouster of the government of Mohammed Nasheed, continues to grow in the Maldives several months after his 'resignation', writes Yameen Rasheed for Himal Southasian magazine. "While Nasheed has repeatedly warned of the danger of growing religious intolerance, political polarisation around the issue has also meant that for the first time space has opened up that allows protests and criticism of religious extremists.

(Source: <http://minivannews.com/news-in-brief/religion-extensively-used-for-political-control-in-the-maldives-himal-magazine-39467>)

### **World leaders weigh 'green' economy**

*News 24, June 21, 2012*

At the summit, Maldives President Mohamed Waheed announced that his Indian Ocean archipelago planned to set up the world's biggest marine reserve to protect its fisheries and biodiversity. He said the Maldives would become "the single largest marine reserve in the world", where only sustainable and eco-friendly fishing will be allowed.

(Source: <http://www.news24.com/SciTech/News/World-leaders-weigh-green-economy-20120621>)

### **Maldives: Current Situation Is Disturbing - Analysis**

*South Asia Analysis Group, June 22, 2012.*

For a small place like Maldives, current developments should be cause for concern to the neighbouring countries and particularly India. For an observer from outside it looks that a "battle royal" is going on between the Government, its security forces and the civil service including the judiciary on one side and the opposition led by the ousted former President Mohamed Nasheed on the other. On the economic front, Maldives is the only country in this region that has not seen an increase in tourist arrivals this year. Inflation on an average is about 15.99 percent and the budget deficit is projected to go up by 27 percent of the GDP. In order to please certain sections the government is forced to subsidise and there is also an increase in capital expenditure on government institutions. There is also a drop in government income by 23 percent. The most recent case is the attempt to placate the media by giving government notifications and announcements which the President says is necessary for the media to survive!

(Source: [http://www.eurasiareview.com/22062012-maldives-current-situation-is-disturbing-analysis/\\_](http://www.eurasiareview.com/22062012-maldives-current-situation-is-disturbing-analysis/_))



## Nepal

### **No constitution, no consensus**

*Indian Express, June 16, 2012.*

Nepal currently finds itself in a deep state of constitutional breakdown. The Constituent Assembly's failure to deliver the constitution has triggered a debate dividing the political spectrum. Does Nepal have a functional constitution at the moment? Who has executive authority: Prime Minister Baburam Bhattarai, who was unilaterally designated a caretaker PM by the president without his resigning? Or President Ram Baran Yadav, who the interim constitution of 2007 envisaged as the "guardian" of the constitution, but in the spirit of a "ceremonial" head? Maoist leaders are wary of the political ganging up that shows nearly 28 of 31 political parties pitted against them. Their persistent demand is the president must restrain Bhattarai from ruling by ordinance, and have him replaced with a "consensus candidate". The Maoists fear that a majority of parties and the army by the president's side will be the most adverse situation they might face. "Nepal army is now under our grip, and it will not be obeying the order against us," Prachanda said recently to his cadres. But that was countered firmly by the army saying, "We will go by what the constitution says."

(Source: <http://www.indianexpress.com/news/no-constitution-no-consensus/962507/3>)

### **Baidhya proposes Nepal Communist Party-Revolutionary as new party**

*The Himalayan Times, June 17, 2012.*

Senior Vice-chairman of Unified CPN-Maoist Mohan Baidhya, who is all set to form a new communist party, along with other Maoist hardliners, on Sunday proposed the name of the new party. While presenting his political proposal at National Cadres Gathering at Sherpa Sewa Kendra in Bouddha, Baidhya proposed Nepal Communist Party-Revolutionary as the new name. Citing the need of a new revolutionary communist party, Baidhya said the new party is inevitable for what he alleged Maoist Chairman Pushpa Kamal Dahal and Baburam Bhattarai have betrayed the revolution and deviated from the party line.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Baidhya+proposes+name+of+Nepal+Communist+Party-Revolutionary&NewsID=336340>)

### **Nepal's Maoists split; Kiran faction walks away**

*The Hindu, June 18, 2012.*

After a protracted internal party struggle, the Unified Communist Party of Nepal (Maoist) finally split on Monday evening with senior vice-chairman Mohan Vaidya 'Kiran' walking away with several other senior leaders to form another party, the Nepal Communist Party (Maoist). The decision was taken at the end of a three-day national gathering of cadres associated with the 'Kiran' faction. The new party has termed the two key decisions of the Prachanda-led Maoist party – accepting the "democratic republic" line in 2005 (which enabled collaboration with democratic parties); and signing the Comprehensive Peace Agreement in

2006 – as major mistakes. In a document presented at the gathering, Mr Kiran said, “The objective circumstances are favourable for a revolution. We should now create the subjective circumstances for revolution.”

Senior leaders who have sided with Mr Kiran to set up a new party include many stalwarts of the Maoist movement – Ram Bahadur Thapa ‘Badal’, C P Gajurel, Dev Gurung and Netra Bikram Chand ‘Biplab’. The new party will have a 44-member central committee; its new leadership structure is yet to be decided.

(Source: <http://www.thehindu.com/news/international/article3544011.ece>)

### **Baidya camp forms breakaway Maoist party**

*Kathmandu Post, June 18, 2012.*

Despite unity efforts from the establishment faction, the largest party in the disbanded Constituent Assembly (CA), the UCPN (Maoist), formally split on Monday. The National Conclave of the party’s hard-line faction endorsed a proposal put forth by senior hard-line leader Mohan Baidya to form a new party called the Communist Party of Nepal, Maoist (CPN-M). The UCPN (Maoist) had 238 representatives in the 601-member CA. The establishment faction of the UCPN (Maoist) on Monday said the hardliners broke away from the party “at the behest of royalist forces.” Leaders of the faction led by Chairman Dahal said the hardliners were in close contact with “royalist forces” and had been planning the split since long. “The hardliners had already committed to the royalist and international forces that back the former king,” said Politburo member Haribol Gajurel. He said Dahal was ready to quit as chairman to save the party from splitting, but that the hardliners rejected the proposal.

(Source: <http://www.ekantipur.com/the-kathmandu-post/2012/06/18/top-story/baidya-camp-forms-breakaway-maoist-party/236165.html>)

### **Nepal Maoists split, India on alert**

*DNA, June 20, 2012*

With Nepal getting engulfed in a fresh political turmoil following split in the Unified Communist Party of Nepal – Maoist (UCPN-M), the Union home ministry has alerted all the states sharing border with Nepal and the Sashastra Seema Bal (SSB), the central armed police force that guards the international border, against possible violence and exodus from Nepal. New Delhi is also keenly watching the leader of the breakaway faction, Mohan Baidya ‘Kiran’ who took a belligerent line against India almost immediately after announcing formation of new party the Communist Party of Nepal – Maoist (CPN-M). A day after its formation, Kiran raised a banner against the parliamentary system and threatened to launch a “people’s revolt” again to establish a ‘New Peoples Republic’.

(Source: [http://www.dnaindia.com/india/report\\_nepal-maoists-split-india-on-alert\\_1704190](http://www.dnaindia.com/india/report_nepal-maoists-split-india-on-alert_1704190))

### **Long march, backwards**

*The Hindu, June 20, 2012*

The churning in Nepali politics has entered a new stage with a split in the Unified Communist Party of Nepal (Maoist). Chairman Pushpa Kamal Dahal Prachanda's ideological mentor and senior leader, Mohan Vaidya 'Kiran', has walked away to form a new party. He was supported by four other major leaders, about one-third of the party's central committee, and a segment of the former Maoist fighters who recently retired from cantonments. Kiran was in an Indian prison in 2005 when the Maoist party decided to engage with democratic parties against the monarchy, work with the Indian establishment and enter open politics. Even though it was precisely the success of this political line – advocated by Prachanda and Baburam Bhattarai – that ensured Kiran's release, the latter never felt any ownership over the process. The peace agreement was based on a quid pro quo. The Maoists were considered a legitimate force, and their key demands – of elections to a Constituent Assembly and proclamation of a republic – were accepted. In return, the rebels gave up violence and agreed to integrate and rehabilitate the combatants of the 'People's Liberation Army'. Kiran and his supporters felt these compromises were tantamount to surrender. They put up impossible demands, pushed the line of 'people's revolt', opposed India, flirted with royalists under the garb of 'nationalism', and were ambivalent about a democratic constitution. This gave ammunition to conservative parties and Indian security hardliners who used Kiran's rhetoric to paint the entire Maoist party as one seeking to 'capture the state'. The moderate Maoist leadership was squeezed between these extremes.

(Source: <http://www.thehindu.com/opinion/editorial/article3547595.ece>)

### **UML dissenting faction not to split for now, wage infighting for cause**

*The Himalayan Times, June 21, 2012*

A two-day clandestine meeting of the ethnic and Madhesi leaders held at Mirabel Resort in Dhulikhel has come up with a conclusion that the disgruntled faction will not split from the party immediately but keep fighting for the cause of single identity-based federalism from within the party. "The meeting has concluded not to breakaway immediately with the mother party but keep fighting for the case of federalism with single ethnic identity from within the party," said faction leader Ashok Rai. The dissenting faction has decided to garner support from external parties for their cause and continue boycotting the party meetings until their demands are heard. The meeting has also stressed for the reinstatement of the Constituent Assembly to ensure the rights of the disadvantaged castes and communities. Two dozen ethnic and Madhesi leaders including Ashok Rai, Ram Chandra Jha, Prithvi Subba Gurung, Bijaya Subba, Rajendra Shrestha, Rakam Chemjong, Bir Bahadur Lama, Mohammad Rijwan Ansari, and Gopal Thakur were present in the Dhulikhel meeting. History shows that CPN-UML had split over long-standing ideological differences.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=UML+dissenting+faction+not+to+split+for+now%26sbquo%3B+wage+infighting+for+cause+&NewsID=336813>)

### **Baidhya's party draws support of 19 sister organisations**

*The Himalayan Times, June 21, 2012*

Maoist hardliners, which have broke away with Unified CPN-Maoist led by Pushpa Kamal Dahal and lately formed a new party CPN-Maoist, have drawn supporters from different corners.. Only Thursday, nineteen of the twenty-six sister organization of the UCPN-Maoist have decided to lend support to the CPN-M led by Mohan Baidhya, who used to be one of the vice-chairmen of the UCPN-Maoist. By organising a press conference, nineteen sister organisation made up their mind to stand by Baidhya faction, calling the establishment faction betrayer, neo-revisionist, and deviating from revolutionary ideology of the party.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Baidhya%27s+party+draws+support+of+19+sister+organisations++&NewsID=336800>)

### **UML leaders for seven multi-ethnic provinces**

*Republica, June 22, 2012.*

A standing committee meeting of the CPN-UML on Thursday proposed a seven-province state restructuring model based on the identities of multiple ethnic communities and neutral identities. The proposed provinces are Kirant-Limbuwan-Koshi, Tamsaling-Newa-Bagmati, Magarat-Tamuwan-Gandaki, Bheri-Karnali, Seti-Mahakali, Tharuhat-Awadh-Lumbini and Mithila-Bhojpora-Janakpur. The party's top body has proposed that the task of delineation of provinces should be based on the suggestions from a constitutional commission comprising experts. As per the standing committee's proposal, the provinces should be multi-ethnic, multilingual and multicultural reflecting the diversity of Nepali society. "Citizens from all the ethnic, linguistic, religious and cultural groups living in any province will enjoy equal political, economic, social and cultural rights," reads the proposal.

(Source: [http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=36730](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=36730))

### **Ultra-left thinking led CA to dissolution: Khanal**

*The Himalayan Times, June 23, 2012.*

CPN-UML Chairman Jhalanath Khanal has said that the Constituent Assembly (CA) that was the brainchild of the communist movement in the country has met its end due to the ultra-leftist deviation. "The CA that was born out of a protracted left movement has been decimated by the ultra-leftist mentality of the Unified CPN-Maoist which would be depicted as a blot in the history of communist movement here," he opined. Speaking in a training programme organised by the CPN-UML Liaison Department for the party cadres, party Chairman Khanal wondered why the UCPN-Maoist did not understand the difficulty with which the Nepali Congress came to accept the CA and the republic. Khanal accused the UCPN-Maoist of showing double standards regarding the CA which he said led to the ultimate demise of this body. The UML president alleged the UCPN-Maoist of announcing the date of election for a new Constituent Assembly in a clandestine

manner in the midnight despite the possibility of issuing the constitution through the CA.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Ultra-left+thinking+led+CA+to+dissolution%3A+Khanal+&NewsID=337032>)

### **Polls must be held by March, says CEC Upreti**

*The Himalayan Times, June 24, 2012*

Acting Chief Election Commissioner Nilkantha Upreti said today that elections should be held by March at any cost. Speaking at a staff meeting of the District Development Committee, Parbat, Commissioner Upreti said it would be impossible to hold elections on November 22 if the parties failed to forge consensus. "But elections should be held till March at any cost," he added. He said EC had started preparations for polls and DDC staff had been told to be mentally prepared for the same. He said since Interim Constitution had no provision to hold another election for Constituent Assembly, it has to be amended. He opined that if the parties were not ready for national election then at least local bodies election should be held by November. It's been 14 years since local bodies polls were last held.

(Source: <http://www.thehimalayantimes.com/fullNews.php?headline=Polls+must+be+held+by+March%26sbquo%3B+says+CEC+Upreti&NewsID=337201>)

### **CPN-M brings 'roadmap' for ending political crisis**

*Republica, June 25, 2012*

A politburo meeting of Mohan Baidya's newly-formed CPN-Maoist on Sunday came up with a "political roadmap" for ending the ongoing constitutional as well as political crises emerged after the demise of the Constituent Assembly (CA) on May 27. The new party has decided that a roundtable assembly represented by all political parties, civil society and major social groups should be mandated to find amicable solution for ending the present political imbroglio, formation of a new government and constitution-making process in consensus. The party will table the proposal for endorsement at the party's central committee (CC) meeting scheduled to start Monday. "The roundtable can form a unity government through consensus," said Khadga Bahadur Bishwakarma, politburo member of CPN-Maoist, the breakaway faction of the UCPN (Maoist). "We can form a new coalition with an absolute majority of such an assembly even if the ruling parties in present government reject such proposal."

(Source: [http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=36857](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=36857))

### **UML spawns more divergence on federalism**

*Republica, June 28, 2012*

The CPN-UML has failed to rescue itself from a morass of intra-party disputes over state restructuring, with the failure of its central committee (CC) to come up with any unanimous official position on federalism. After failing to manage intra-



party disputes over policy on state restructuring, the UML leaders chose to convene a two-day national conclave earlier this month and subsequently held a central committee meeting, with the objective of forging consensus among CC members on what is arguably the most debated issue before the country. But the outcome was just the opposite. At least five divergent views emerged at the conclusion of the CC meeting and these were officially registered at the party secretariat.

(Source: [http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=37027](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=37027))

### **Former MPRF-D leaders announce new party**

*Republica, June 28, 2012*

The dissident leaders and cadres of the Madhesi People's Rights Forum-Democratic (MPRF-D) have announced a new party "National Madhes Socialist Party (NMSP)" after the two-day national gathering on Thursday. The party has also unveiled a 16-member adhoc central committee (CC) under the chairmanship of Sarat Singh Bhandari. Addressing the conference organised at Rastriya Sabha Girha today, newly nominated NMSP chairman Bhandari claimed that his party would be the party of all indigenous, ethnic, Madhesi, Muslim and Dalit communities and other marginalized groups.

(Source: [http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=37062](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=37062))

## **Pakistan**

### **Govt working towards a resolution in RPPs case**

*Express Tribune, June 16, 2012.*

While briefing the parliamentary panel, Water and Power Secretary Imtiaz Qazi said the government had added 3,394 megawatts (MW) to the national grid since March 2008, with 400MW contributed by rental power plants. After excluding the 400MW power capacity of RPPs, the remaining generation capacity out of the total of 3,394MW is still available; however, less power was being generated due to a dearth of fuel, especially gas, the panel was told. The committee was informed that some power plants had to be shut down due to the non-availability of gas. "Five plants were shut down due to the unavailability of gas," Qazi said; adding that the cabinet has been requested to take measures for the provision of 290 million cubic feet of gas per day (mmcf) to run these plants. The panel was informed that the insufficient supply of gas had been caused by diversion of existing resources to the CNG and fertiliser sectors, causing problems for power generation companies. "The power sector used to receive 750mmcf of gas in 2000, which has reduced to 300mmcf due to the diversion of gas to other sectors," power ministry officials said. Imtiaz Qazi said that circular debt was the major issue behind problems in the entire power generation and distribution system. He added that the demand for power was increasing at 7.31% per annum, while the number of consumers was growing at 5.38% per year. "But no new power is being added to the extent that it could meet requirements," he noted.

(Source: <http://tribune.com.pk/story/393912/honouring-commitments-govt-working-towards-a-resolution-in-rpps-case/>)

**Circular debt: Hyderabad goes dry as Hesco cuts power to water pumps**

*Express Tribune, June 16, 2012.*

As the Water And Sanitation Agency (WASA) battles through a financial crunch, the Hyderabad Electric Supply Company (Hesco) rubbed salt into its wounds by cutting off all power connections to the agency's filtration plants, sewage pumping stations and offices on Thursday. WASA's four filtration plants supply water to over 2 million people in the city. Most of the rural talukas do not get water from the agency. WASA managing director Saleemuddin Arain said the restoration of water supply will take at least 24 to 36 hours as the pipelines have dried up. According to Hesco Commercial Director Mehmood Qaimkhani, the WASA owes Rs1.319 billion in outstanding bills to the Hesco for the period of 20 months, from July 2010 to February 2012. "The actual arrears are up to the tune of Rs7 billion," he said. Power supply to WASA installations was restored after 22 hours on Friday only when Sindh Governor Ishratul Ebad assured the power utility of payment of the electricity dues. The day-long closure triggered protests in Mukhi Bagh, Station Road and parts of Latifabad among other areas, with people complaining about the water scarcity.

(Source: <http://tribune.com.pk/story/394375/circular-debt-hyderabad-goes-dry-as-hesco-cuts-power-to-water-pumps/>)

**Power companies asked to stop unscheduled outages**

*Express Tribune, June 17, 2012.*

Federal Water and Power Minister Chaudhry Ahmad Mukhtar has directed power distribution companies to strictly follow the load management programme in order to avoid unscheduled load-shedding, maximise recovery of bills, improve efficiency and minimise losses. He stated this while presiding over a meeting of the CEOs of power distribution companies here on Saturday, which reviewed the recovery position, unscheduled outages and related issues. The minister said unscheduled load-shedding was creating a number of difficulties for the consumers and it should be the government's priority to end it immediately. The government was utilising all resources to enhance power generation to reduce outages, he said.

(Source: <http://tribune.com.pk/story/394893/power-companies-asked-to-stop-unscheduled-outages/>)

**Loadshedding outrage: Power protests spill onto highways, disrupt traffic**

*Express Tribune, June 18, 2012.*

Hundreds of people agitated by lengthy power outages and unscheduled loadshedding blocked the Grand Trunk (GT) Road at two different points in Mandra and Gujjar Khan for hours. Long queues of traffic including buses and truck plying between Lahore and Islamabad were seen at the blocked points. The Motorway police said they restored traffic as soon as the blockade was cleared. "We have a small force and cannot stop 400 plus people when they charge onto the road," said another Motorway police official. He suggested that regular police be deployed

at all interchanges on the Motorway to avoid interruption in the flow of traffic.

(Source: <http://tribune.com.pk/story/395238/loadshedding-outrage-power-protests-spill-onto-highways-disrupt-traffic/>)

### **Govt buying electricity at Rs25 selling at Rs9 per unit: Kaira**

*Express Tribune, June 18, 2012.*

Federal Minister for Information and Broadcasting Qamar Zaman Kaira said the government was buying electricity at Rs25 per unit from power producers but providing to the public at Rs9 per unit. "We know that load shedding has made lives of people difficult. Unemployment is on the rise and there is shortage of drinking water but unfortunately water level has receded in dams and electricity is not being generated as required." Kaira said all resources were being utilised to end load shedding, adding that the PPP-led government allocated Rs422 billion in the 2012-13 budget to provide subsidy on electricity while in the previous fiscal year this amount was Rs50 billion. He said work on several energy projects including Bhasha Dam, Thar coal, Neelam, Kohala and Solar energy was in progress and the duration of load shedding would be reduced soon.

(Source: <http://tribune.com.pk/story/395312/govt-buying-electricity-at-rs25-selling-at-rs9-per-unit-kaira/>)

### **India-Pakistan fail to make headway on Sir Creek**

*Economic Times, June 19, 2012.*

India and Pakistan on Tuesday failed to make any headway on their maritime boundary dispute in the Sir Creek region at the 12th round of the talks with both sides reiterating their stated positions and expressing desire to find an amicable solution.

Under the resumed dialogue process between India and Pakistan, the two-day talks on Sir Creek issue were held here. The Indian delegation was led by Surveyor General of India Swarna Subba Rao and the Pakistani side was led by Additional Secretary in the Ministry of Defence Rear Admiral Farrokh Ahmad.

(Source: [http://articles.economictimes.indiatimes.com/2012-06-19/news/32317620\\_1\\_sir-creek-surveyor-general-maritime-boundary-dispute](http://articles.economictimes.indiatimes.com/2012-06-19/news/32317620_1_sir-creek-surveyor-general-maritime-boundary-dispute))

### **Pakistan Supreme Court disqualifies prime minister**

*Reuters, June 19, 2012*

Pakistan's increasingly assertive Supreme Court declared Prime Minister Yusuf Raza Gilani ineligible for office on Tuesday, plunging the country into fresh turmoil as it deals with Islamic militancy, a weak economy and a crisis in relations with the United States.

However, there seems to be no immediate threat to the stability of the government since the ruling Pakistan People's Party (PPP) has a comfortable majority in parliament.

But the move is bound to sharply raise tensions between the unpopular civilian government and Supreme Court Justice Iftikhar Chaudhry, who has made a name for himself in recent years by taking on Pakistan's most powerful figures. In April, the Supreme Court found Gilani guilty of contempt of court for refusing to reopen corruption cases against President Asif Ali Zardari. "Yusuf Raza Gilani stands disqualified as a member of the Majlis-e-Shoora (parliament)," said Chaudhry in a packed courtroom. "He has also ceased to be the prime minister of Pakistan ... the office of the prime minister stands vacant."

(Source: <http://www.reuters.com/article/2012/06/19/us-pakistan-gilani-idUSBRE85I0KS20120619>)

### **Stop sacrificing PMs, bring back money from foreign accounts: Nawaz Sharif**

*Express Tribune, June 21, 2012*

Pakistan Muslim League (PML-N) leader Nawaz Sharif has said that instead of making prime ministers "sacrificial goats", the "Rs6 billion in Swiss accounts" should be brought back and given to the people of Pakistan. Sharif was speaking to the media at the Punjab House in Islamabad. "How long will the prime ministers be made sacrificial goats? Why isn't the Rs6 billion brought here? Why do they keep on sacrificing the prime minister?" he asked, adding that this money was the root of the whole matter and the Pakistan Peoples Party (PPP) had said that the new prime minister would not comply with the court's orders of writing a letter to Swiss authorities either.

(Source: <http://tribune.com.pk/story/397073/stop-sacrificing-pms-bring-back-money-from-foreign-accounts-nawaz-sharif/>)

### **Pakistani Parliament Elects New Prime Minister**

*New York Times, June 23, 2012*

Parliament elected a new prime minister on Friday in a dignified ceremony that contrasted with the back-room intrigue of the preceding days and that offered at least a brief interlude in the wider struggle between President Asif Ali Zardari and the senior judiciary. Raja Pervez Ashraf, a former cabinet minister with a controversial reputation, won a handsome majority of votes with the support of Mr. Zardari's Pakistan Peoples Party, which leads the coalition government. After the vote, Mr. Ashraf strode through the wood-paneled chamber, smiling broadly, before rising for his maiden speech as the premier of this troubled, nuclear-armed nation of about 180 million people. "We are standing at a critical juncture," he said. "We can either move forward or lapse backward." On Tuesday, the Supreme Court dismissed his predecessor, Yousaf Raza Gilani, for refusing its orders. The court wanted Mr. Gilani to send a written request to the Swiss authorities that they reopen a corruption probe against Mr. Zardari dating from the 1990s.

Now the court is set to ask Mr. Ashraf to also write the "Swiss letter," as the request has become known, setting up another potential confrontation. "This letter

business is not going away,” said Moeed Yusuf, South Asia adviser at the United States Institute of Peace in Washington. “The Supreme Court is obsessed with the letter, and so is the government. Everything is hostage to it.” The drama over the letter is part of a wider power struggle between Mr. Zardari and the chief justice, Iftikhar Muhammad Chaudhry.

(Source: [http://www.nytimes.com/2012/06/23/world/asia/pakistans-ruling-party-nominates-new-candidate-for-prime-minister.html?\\_r=1](http://www.nytimes.com/2012/06/23/world/asia/pakistans-ruling-party-nominates-new-candidate-for-prime-minister.html?_r=1))

### **Pakistan can save 5.5 percent of electricity annually through efficient lighting: UNEP**

*The News, June 23, 2012.*

A total of 5.5 percent of total electricity consumption of Pakistan could be saved every year through a transition to efficient lighting, resulting in annual countrywide savings of over US\$ 408 million, revealed the United Nations Environment Programme (UNEP) today at Rio+20. This is among the main findings of 150 national assessments and a new global policy map on efficient lighting, released by the United Nations Environment Programme (UNEP) and partners at Rio+20 on June 21. The assessments were produced in conjunction with the International Energy Agency (IEA) and cover 150 countries. The assessments are released on the website of the ‘en.lighten’ Global Efficient Lighting Partnership Programme of the UNEP.

(Source: <http://www.thenews.com.pk/Todays-News-3-116090-Pakistan-can-save-55-percent-of-electricity-annually-through-efficient-lighting-UNEP>)

### **Pakistan’s gun-slinging chief justice faces backlash**

*Reuters, June 24, 2012*

To his admirers, Pakistan’s Chief Justice Iftikhar Chaudhry is a hero whose relentless pursuit of a money-laundering case against the president is teaching a generation of the country’s leaders a long-overdue lesson in respect for the law. To his critics, he is a runaway judge in the grip of a messiah complex whose turbo-charged brand of activism threatens to upend the power balance underpinning Pakistan’s precarious embrace of democracy. Last week, Chaudhry made his boldest move yet by disqualifying prime minister Yusuf Raza Gilani as punishment for his repeated refusal to obey court orders to re-activate a corruption case against President Asif Ali Zardari. Gilani’s downfall marked a watershed in a long-running showdown between the judiciary and the government that has laid bare the institutional tensions plaguing a country that has test fired ballistic nuclear missiles, but has yet to agree on how it should be run. “In practical terms, democracy is finished because the balance of power between the parliament, the executive and the judiciary has been ruined,” said a senior member of Zardari’s ruling Pakistan People’s Party (PPP).

(Source: <http://in.reuters.com/article/2012/06/24/pakistan-politics-idINDEE85L06F20120624>)



**Pakistan: Power generation declines in five years**

*Power Engineering, June 24, 2012.*

Pakistan is the only regional country where power generation has declined in the last five years, as disclosed by the BP Statistical Review 2012. According to the report, Pakistan generated only 89.1 terawatt hours of electricity in 2011 against 98.2 terawatt hours in 2007. On the other hand, electricity generation in Bangladesh increased from 31.3 terawatt hours in 2007 to 42.7 terawatt hours in 2011, in China from 3,281.6 terawatt hours to 4,700.1 terawatt hours and in India from 797.8 terawatt hours to 1,006.2 terawatt hours under the same period. Since 2007, India added over 300 terawatt hours, Indonesia 40 terawatt hours and Malaysia 12.5 terawatt hours of electricity, while Pakistan reduced its generation by 9.1 terawatt hours from 2008 to 2011. "This report should be an eye opener for our planners," said Mohsin Syed, an energy sector expert. He said that the incumbent government claims that it has added 3,000 MW of electricity in the past four years, but the generation has actually declined, as is evident from long spells of load shedding. In view of alternative energy sources, the report said that Pakistan has not fully utilised its wind energy potential, whereas wind power generation stood at 1,600 MW in India and 62,412 MW in China in 2011.

(Source: <http://www.power-eng.com/news/2012/06/24/pakistan-power-generation-declines-in-five-years.html>)

**Fewer announcements, more change on the power front: Ashraf**

*Express Tribune June 24, 2012.*

Calling power management his number one priority, newly elected Prime Minister Raja Pervaiz Ashraf said on Sunday that he would rather have people "feel the difference" themselves on this front, rather than the government making announcements in this regard. "We have already held a meeting on this issue," he stated. "Law and order will be tackled in a similar manner," he added. Ashraf, who is on a two-day trip to Sindh, visited Bhutto mausoleum in Garhi Khuda Bux and Mazar-e-Quaid in Karachi. Responding to a question regarding writing a letter to the Swiss authorities to reopen graft cases against President Asif Ali Zardari, Ashraf said that his party does not want conflict between institutions and would work according to the constitution of the country.

(Source: <http://tribune.com.pk/story/398639/power-management-is-our-top-priority-ashraf/>)

**President's immunity and dual posts challenged in SC**

*Dawn, June 25, 2012*

President Asif Ali Zardari's immunity and dual posts held by him were challenged in the Supreme Court on Monday, DawnNews reported. Advocate Mahmood Akhtar Naqvi has filed a petition against the immunity and dual positions held by the President. The petitioner has referred to Article 43 of the constitution of Pakistan and said that president of the country cannot hold two offices. President Asif Ali

Zardari is also serving as the co-chairman of Pakistan People's Party (PPP). Naqvi is of the view that holding two offices is unconstitutional on President Zardari's part.

(Source: <http://dawn.com/2012/06/25/presidents-immunity-and-dual-posts-challenged-in-sc/>)

### **India blames ISI without evidence: Rehman Malik**

*Express Tribune, June 27, 2012*

Advisor to the Prime Minister on Interior Affairs Rehman Malik said on Wednesday that India always blames Pakistan's Inter-Services Intelligence (ISI) agency without any evidence and never apologises. He was addressing a press conference in Islamabad.

While claiming that India's own non-state actors are involved in terrorist activities, Malik said, "I am not blaming India, I am clearing the situation." He added that there was some technical fault in the Indian system. India has alleged that Pakistan has been involved in terrorist activities several times which later proved to be wrong and affected bilateral ties, said Malik, adding that India should confirm first before blaming Pakistan.

(Source: <http://tribune.com.pk/story/399942/india-blames-isi-without-evidence-rehman-malik/>)

### **SC gives 2 weeks to new prime minister**

*Daily Times, June 28, 2012*

The Supreme Court on Wednesday gave Prime Minister Raja Pervez Ashraf two weeks to write a letter to the Swiss authorities for the reopening of graft cases against President Asif Ali Zardari. Sticking to its demand of compliance with its December 16, 2009, judgement in the NRO case, the Supreme Court sought a reply from the newly elected prime minister on non-implementation of para 178 of the NRO judgement regarding the writing of a letter to Swiss authorities. A three-member bench headed by Justice Nasirul Mulk and comprising Justice Asif Saeed Khan Khosa and Justice Sheikh Azmat Saeed on Wednesday, resuming the hearing of the non-implementation of NRO judgement, asked Attorney General of Pakistan Irfan Qadir to get instructions from the prime minister regarding the implementation of para 178 of NRO judgement and inform the court on the next hearing of the case, on July 12.

(Source: [http://www.dailytimes.com.pk/default.asp?page=2012\06\28\story\\_28-6-2012\\_pg1\\_1](http://www.dailytimes.com.pk/default.asp?page=2012\06\28\story_28-6-2012_pg1_1))