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CONTENTS

I.	Foreign Affairs	1
II.	Internal Affairs	17
III.	Economic, Cultural and Social Affairs	35
IV.	Defence, Nuclear Development, Scientific Research and Space Technology	55

FOREIGN AFFAIRS

	Subject	Newspapers/Periodicals	Date	Page
	INDIA			
	India – Pakistan Water Issue			
1.	Hague court inept to hear IWT dispute with Pakistan: India - Tribune News Service	The Tribune, Chandigarh	8-7-2023	1
	India – China Border Row			
2.	Current downturn in relation created by China, not India: Jaishankar - PTI	The Tribune, Chandigarh	1-7-2023	1
	Modi's France Visit			
3.	In France, PM Modi stresses on India's diversity, democracy during address to diaspora By Prashant Jha	The Hindustan Times, New Delhi	14-7-2023	2
	India – Russia Relations			
4.	Russian President Putin and PM Modi agree to further boost bilateral strategic ties, discuss Ukraine war By Sandeep Dikshit	The Tribune, Chandigarh	1-7-2023	2
	India – US Relations			
5.	Build three new pillars for robust India-US ties By Atul Keshap	The Hindustan Times, New Delhi	15-7-2023	3
	BANGLADESH			
	Bangladesh – Pakistan Relations			
6.	Apologise for 1971 atrocities Salman F Rahman asks Pakistan president - UNB	The Daily Star, Dhaka	6-7-2023	4
	Bangladesh – US Relations			
7.	Polls, labour rights may figure high By Diplomatic Correspondent	The Daily Star, Dhaka	7-7-2023	4
	Sri Lanka – India Relations			
8.	Positive transformation in relationship between India and SL – Foreign Secretary Vinay Kwatra By Varuna Dayaratne	Daily News, Colombo	12-7-2023	5
	Sri Lanka – Iran Relations			
9.	Iran to expand bilateral relations with Sri Lanka	Sunday Observer, Colombo	9-7-2023	5
	NEPAL			
	Nepal – India Relations			
10.	New deal opens door for export of another 300MW electricity to India via Bihar By Prithvi Man Shrestha	The Kathmandu Post, Kathmandu	13-7-2023	5
	Nepal – China Relations			
11.	DPM Shrestha urges China to sign implementation deals on BRI projects By Anil Giri	The Kathmandu Post, Kathmandu	4-7-2023	6
	Nepal – US Relations			
12.	Visiting Donald Lu thanks Nepali leaders for expediting MCC compact By Anil Giri	The Kathmandu Post, Kathmandu	15-7-2023	8

IRAN

Iran – India Relations

13. Iran, India use SCO capacities to strengthen ties Tehran Times, Tehran 6-7-2023 9

Raisi's Visit to Kenya

14. Iran president on tour of Africa to boost ties Tehran Times, Tehran 13-7-2023 9

Iran–Iraq Border Security

15. Iran, Iraq agree to establish joint border security points Tehran Times, Tehran 9-7-2023 10
- Iraqi News Agency

PAKISTAN

Pakistan – India Water Issue

16. Hague court rules against India in row over dams Dawn, Islamabad 7-7-2023 11
By Nasir Iqbal

China – Pakistan Economic Corridor

17. Ten years of CPEC Dawn, Islamabad 8-7-2023 12
Editorial

Pakistan – US Relations

18. US says will continue to engage with Pakistan for strong ties The Nation, Islamabad 13-7-2023 12
- Monitoring Desk

Pakistan – Iran Relations

19. Need stressed for further strengthening Pak-Iran trade, diplomatic ties The Nation, Islamabad 14-7-2023 12
- APP

CHINA

China – Pakistan Relations

20. Exclusive: Pakistan hopes to take CPEC into next phase with greater vigor: minister Global Times, China 13-7-2023 13
By Liu Caiyu

China – Bangladesh Relations

21. Chinese expertise, technology support Bangladesh's agricultural sector: Bangladeshi expert People's Daily, China 6-7-2023 14
- Xinhua

Strategic Partnership with ASEAN

22. China, ASEAN reaffirm commitment to advance comprehensive strategic partnership People's Daily, China 14-7-2023 14
- Xinhua

China – Australia Relations

23. Wang Yi calls for maintaining, consolidating current good momentum of China-Australia relations People's Daily, China 14-7-2023 15
- Xinhua

China – US Relations

24. China-US ties see 'fragile thaw' amid frequent interactions Global Times, China 11-7-2023 15
By GT Staff Reporters

THE TRIBUNE, CHANDIGARH 8-7-2023

**Hague court inept to hear IWT dispute
with Pakistan: India**

Tribune News Service

New Delhi,

India has said it would not abide by a ruling from the Court of Arbitration (CoA) at the Hague in Netherlands on a dispute with Pakistan relating to the Indus Waters Treaty (IWT).

The CoA on Thursday ruled that it had the "competence" to consider matters concerning the Kishenganga and Ratle hydroelectric projects in J&K. India has said its "consistent and principled position" that the constitution of the "so-called Court of Arbitration" is in contravention of the provisions of IWT.

India had requested a neutral expert while Pakistan had requested a CoA. "A neutral expert is already seized of differences pertaining to Kishenganga and Ratle projects. Neutral expert proceedings are the only treaty-consistent proceedings at this juncture. The treaty does not provide for parallel proceedings on same set of issues," said an MEA statement.

India had not participated in the proceedings at the CoA. The World Bank had appointed Sean Murphy as chairman of the CoA on October 17, 2022, after Pakistan sought such a court to consider its concerns about the designs of Kishenganga and Ratle hydroelectric power projects.

Michel Lino was appointed the neutral expert by the World Bank on October 17 after India made the request. India participated in the last meeting that took place on February 27 and 28. The next meeting of the neutral expert process is scheduled to be held in September.

Opposing the constitution of the CoA, India said it contravened the provisions of the IWT. As a result, India has not exercised its right under the treaty to appoint two arbitrators to the CoA. India is constructing two hydropower projects on Kishenganga and Chenab rivers in J&K. Pakistan has objected to both.

THE TRIBUNE, CHANDIGARH 1-7-2023

**Current downturn in relation created by
China, not India: Jaishankar**

*He maintained that it takes two hands to clap for a
relationship to work*

PTI, Kolkata,

External Affairs Minister Dr S Jaishankar on Friday said that the present downturn in bilateral relations was

created by China and not by India, maintaining that it takes two hands to clap for a relationship to work.

The minister was speaking during a question-answer session after delivering the Shyama Prasad Lecture on 'New India and the World' here.

"It finally takes two hands to clap and China too must have the belief in a workable relationship," he said when asked whether the two Asian giants can have a working relationship.

If there has to be a decent working relationship, China needs to observe the agreements made in 1993 and 1996 on the Line of Actual Control (LAC), Jaishankar said.

The minister said that for India, the priority should be on improving the lives of its people, like stronger growth and more jobs.

"When any big power is rising, that big power actually wants stability," he said.

Jaishankar said that relationships between major countries work only when they are based on mutual interest, sensitivity and respect.

Stating that he endeavours to make China understand this, the external affairs minister said he is working hard at this.

"In the border areas, we have resolved some issues. (But) there are issues (where) we have not," he said, adding: "I will continue to do this ... in diplomacy, you never give up." Maintaining that India's relationship with Russia has stood the test of time, Jaishankar said that relations between the two countries have been the steadiest over the last 75 years.

He said that one of the reasons for that is there is a "public sentiment in our country about Russia" and it derives from a number of reasons, including the support they gave on the issue of Jammu and Kashmir.

To a question on the bonhomie with the United States witnessed during Prime Minister Narendra Modi's recent visit there, Jaishankar said, "It's not in our interest to be tied down to exclusive relationships.

"Because we have a tradition of strong ties with Russia, that should not become a burden or an obstacle to an equally strong relationship with the United States," Jaishankar said.

He said that at the same time, the relationship with these two countries should not stop India from having a strong relationship with Japan or Europe or any other country.

"My effort is to see if I can advance on multiple major relationships, regional relationships, all at the same time in the best possible fashion," said the minister, a career diplomat who has been the country's foreign secretary and was ambassador to USA and China.

THE HINDUSTAN TIMES, NEW DELHI 14-7-2023

In France, PM Modi stresses on India's diversity, democracy during address to diaspora

Prashant Jha

The friendship between India and France is "unbreakable"; it is rooted in history and spans the most modern of sectors from space to digital, Prime Minister Narendra Modi said.

The friendship between India and France is "unbreakable"; it is rooted in history and spans the most modern of sectors from space to digital; and both countries are dealing with challenges of the 21st century together, Prime Minister Narendra Modi said.

Modi also hailed India as both the "mother of democracy" and a "model of diversity", suggested that this diversity was the basis of India's strength, outlined the domestic transformation in India, and recognised the Indian diaspora's contribution in both adding to Indian capabilities and deepening the Indian imprint globally.

Addressing a community gathering at La Seine Musicale in Paris hours after arriving in France, Modi said, to chants of Bharat mata ki Jai, that he felt he had come home. His speech focused on three themes — the bilateral relationship, India's domestic story; and the role of the diaspora.

"I have come to France many times but this time, it is special. Tomorrow is the French national day. I congratulate the people of France and thank them for inviting me on this special occasion. Today, PM Elisabeth Borne came to receive me at the airport and tomorrow, I will participate in the national day parade with my friend, President Macron. This is not just a sign of a connection between the two leaders but a reflection of the unbreakable friendship between India and France," Modi said.

He pointed out that men and women of all of India's armed services will participate in the parade and there could be no better way to celebrate the 25 years of the bilateral strategic partnership. Modi recalled how, during his visit in 2015, he had paid homage to those Indian soldiers who had given up their lives to defend France during the First World War — and said that one of the regiments that contributed men then, the Punjab Regiment, would be participating in the parade on Friday.

But moving to the contemporary period, Modi highlighted the expansive collaboration between India and France in space, clean energy, clean transportation, circular economy, and announced that the two countries have struck an agreement on the use of India's unified payment interface (UPI) in France, beginning from the Eiffel Tower.

Modi also spoke of Indian democracy and diversity. "India is the mother of democracy and model of diversity. This is a great strength of ours." Giving the

specific example of linguistic diversity, he said that India had more than 100 languages and more than 1000 dialects — and every day, 32,000 newspapers were published in these 100 plus languages, besides India having over 900 news channels broadcast and 400 radio channels in these languages. He also spoke of the economic rise of India from being the world's tenth to the fifth largest economy, the progress on gender empowerment and other social indicators, and the distance travelled in eliminating extreme poverty. "When India progresses, the world's development parameters improve".

Modi also hailed the diaspora for being the brand ambassadors of India, remaining connected to their motherland, strengthening Indo-French ties, and told the crowds that with remittances to India crossing \$100 billion, the diaspora had set a new record.

THE TRIBUNE, CHANDIGARH 1-7-2023

Russian President Putin and PM Modi agree to further boost bilateral strategic ties, discuss Ukraine war

Particular attention was paid to interaction within the Shanghai Cooperation Organization and the G20

Sandeep Dikshit, New Delhi,

A week after returning from a Summit meeting with US President Joe Biden, Prime Minister Narendra Modi on Friday dialled Russian President Vladimir Putin and informed him on his "international contacts", including ones during his recent visit to Washington, said a Kremlin readout.

In connection with the events of June 24 (revolt by the Wagner chief) in Russia, PM Modi expressed understanding and support for the decisive actions of the Russian leadership to protect law and order, ensure stability in the country and the security of its citizens.

The conversation came a day after National Security Advisor Ajit Doval spoke to his Russian counterpart Nikolai Patrushev.

The situation around Ukraine was touched upon as well. The Russian President gave his assessment of the current state of affairs in the special military operation zone, having stressed Kiev's utter refusal to undertake political and diplomatic steps to resolve the conflict, said the Kremlin read out.

"While discussing the situation in Ukraine, PM Modi reiterated his call for dialogue and diplomacy," said the Indian read out.

When discussing topical issues of bilateral cooperation, they underscored the importance of further consistent implementation of the major joint projects in various areas and noted with satisfaction substantial growth in trade throughout 2022 and in the first quarter of this year, said Russia.

They reviewed progress in bilateral cooperation and exchanged views on regional and global issues of mutual interest, said the PM's Office here.

Particular attention was paid to interaction within the Shanghai Cooperation Organisation and the G20, in which India currently holds the presidency, as well as in the BRICS format, said Kremlin.

"The conversation was substantive and constructive. The leaders reaffirmed their mutual intention to strengthen the special and privileged strategic partnership between Russia and India and agreed to maintain contact," said the Kremlin readout.

A day earlier, Putin had praised PM Modi as a "great friend of Russia" and lauded his "Make in India" initiative during an event in Moscow on Thursday.

The Russian President drew on India's example to encourage domestic products and brands in his own country during his speech. He also highlighted how the initiative had a positive impact on the Indian economy.

"Our friends in India and PM Modi, a great friend of Russia, a few years ago presented a concept—'Make in India'. And it had a very visible effect on the Indian economy," said Putin.

THE HINDUSTAN TIMES, NEW DELHI 15-7-2023

Build three new pillars for robust

India-US ties

Atul Keshap

There is a need for a stronger economic architecture, including a Bilateral Investment Treaty and a Digital Services Agreement, to further boost investment.

During his recent State visit to the United States (US), Prime Minister Narendra Modi was greeted with a lavish reception brimming with optimism and infused with deep symbolism. Every choice — song, food, flower, and colour—made at these events is a signal. From the playing of the American classic Ain't no Mountain High Enough or India's patriotic standard *Aye, Mere Watan ke Logon* (a poignant tribute to soldiers lost in the 1962 war), that signal was eminently clear: In the face of shared challenges, the US and India will stand together.

The signal was backed by substance. Utilising the iCET framework, the Joe Biden administration invested enormous political capital to cut through bureaucracy and expand India's access to sophisticated defence capabilities. India will be the first non-treaty ally to receive American jet engine technology via the sale of General Electric Aerospace GE-F414 engines for indigenous fighter aircraft production. Potentially more impactful in the long-term, both countries have also outlined plans to co-invest in future capabilities ranging from 5G, Artificial Intelligence (AI), quantum, space, and gravitational technologies.

The significance of these accomplishments cannot be overstated. When I was a young officer at the State

Department, India was on a list of nations where measures were being taken to prevent any tech bleed; to suggest lifting an export control on them was borderline heretical. How far we have come, together.

During the State visit, government, industry, academia, and financial institutions also partnered to launch the INDUS-X platform, which will connect Indian defence start-ups with American corporate technology and global capital — ultimately offering a stronger path to Atmanirbhar Bharat (self-reliant India) while forging an Indo-US co-development and co-production strategy. For its immediate security needs, India is set to procure the MQ9 Guardian drone, which will supplement other American maritime-patrol platforms such as the Boeing P-8I Poseidon to build India's surveillance and deterrent capability along its lengthy land borders and in the Indo-Pacific.

During the launch of the INDUS-X platform, US ambassador to India, Eric Garcetti, captured the transformation of Indo-US relations succinctly, "If our Facebook status used to be 'it's complicated', today, the US and India are 'dating'."

But these are turbulent times, and we cannot rest on our laurels. For effective deterrence, we need a stronger architecture to bolster the competitiveness of our market economies. The recent decision by both sides to terminate six outstanding disputes at the World Trade Organization sets a positive tone for the bilateral trade partnership. It reflects the tireless advocacy of industry bodies for the US and India to focus on productive, not confrontational, economic relations. With that aim in mind, I see three pillars to construct.

The first comprises agreements that will allow our private sectors to boost trade and investment — the muscle and sinew of our strategic partnership. The sooner India joins the echelon of countries with which the US has \$500 billion in annual trade, the better for all of us. Major companies are already galloping forward with huge investments in both directions, but to institutionalise and facilitate greater commercial activity across sectors, we need a Bilateral Investment Treaty. The next element would be a US-India Digital Services Agreement. To lead the digital economy this century, we must get our standards and regulations around data privacy and data flow aligned. A good place to start would be a Quad MoU on data governance, which can be expanded to scientific research and development, and could serve as a foundation on which we could advance negotiations.

The second pillar will facilitate the exchange of talent between our two democracies. The announcement of new consulates in Bengaluru, Ahmedabad, and Seattle are overdue and welcome steps. Funds should be secured for interim operations even while full construction may take time. In addition, the US and India should negotiate an agreement that would allow American companies to utilise the e-Treaty Trader and

Treaty Investor visa classifications. Such an agreement would be a game-changer for US companies to seek and retain critical talent from India. Lastly, any administrative reforms to expedite visa processing for Indian nationals must be implemented effectively to avoid needless business disruptions that have become commonplace.

The third pillar must focus on an array of agreements on enhancing mutual recognition of standards and interoperability of our platforms. Mutual recognition agreements for commercial electronics, harmonised Quad standards for telecommunications equipment, and interoperability of our defence platforms (enabling India to become a North Atlantic Treaty Organization supplier) would position our two nations to shape the global technological and security landscape.

Right now, the bilateral engines are revving, but we need a stronger economic architecture to carry us to new heights. If we build it right, in a future State visit, there will be an occasion for another portentous tune, Come Fly with Me by Frank Sinatra. In the song, the narrator invites his partner on a soaring adventure, even predicting that, once they reach the heavens, they'll hear, "Angels cheer, just because we're together."

Ambassador (retired) Atul Keshap is President, US-India Business Council. The views expressed are personal

THE DAILY STAR, DHAKA 6-7-2023

Apologise for 1971 atrocities

Salman F Rahman asks Pakistan president

UNB, Dhaka

In a chance meeting with his old acquaintance Pakistan President Arif Alvi in Saudi Arabia after the hajj, Prime Minister's Private Industries and Investment Adviser Salman F Rahman relayed the message that Pakistan needs to apologise for the atrocities committed in 1971.

He conveyed the message to the president when they met in Madinah last Thursday, according to a press release from the adviser's office on Tuesday. This was after both had already tweeted about their encounter.

President Md Shahabuddin was also a part of the gathering.

"Had a pleasant meeting with Pakistan's President Arif Alvi... We last met when I was 12. This meeting reminded me of many childhood memories. I told him that an apology from Pakistan is needed for what happened in 1971 to improve relations between the two countries...", Salman tweeted on Monday.

Arif said he had a "good conversation" with Bangladesh president. Calling Salman a "childhood friend", he said, "This meeting of the two friends took place after 60 years."

THE DAILY STAR, DHAKA 7-7-2023

TALKS WITH US DELEGATES

Polls, labour rights may figure high

Diplomatic Correspondent

The high-level US delegation visit, slated for July 11-14, may feature discussions on the upcoming election, human rights, labour, Rohingya and trade issues, according to foreign ministry officials.

Uzra Zeya, under secretary for civilian security, democracy, and human rights, will lead the delegation that also includes Donald Lu, US assistant secretary for South and Central Asia Bureau, and Anjali Kaur, USAID deputy assistant administrator.

At a press briefing at the foreign ministry yesterday, Foreign Secretary Masud Bin Momen said, "I have no such knowledge that the delegation's visit will be specifically to discuss election related issues. It [the visit] is a continuation of our engagement with the US, and election may be one of the issues to be discussed, along with those of human rights, labour, Rohingyas and trade."

He said the relationship between the US and Bangladesh has many different aspects. "We will discuss many issues. I am not ruling out the election. That may also come up."

Diplomatic sources said the next general election and labour rights issues may figure prominently in the discussions during the visit.

The issue of the election is considered crucial, especially after the US on May 24 announced a policy that said it won't issue visas to the Bangladeshis found complicit in vote rigging or intimidation in the election process.

Earlier in 2021, the US imposed sanctions on Rab and a few of its senior officials and also did not invite Bangladesh to President Biden's democracy summits in 2021 and 2023.

The US has long been critical of the 2014 and 2018 elections on account of alleged vote rigging.

Suspending GSP facilities for Bangladesh after the Rana Plaza collapse in 2013, Washington has also been critical of the labour rights issues, including union rights, living wage and more.

A foreign ministry official said Bangladesh may request Uzra Zeya to withdraw sanctions on Rab and its officials. Earlier this year, the US said Rab made progress in terms of curbing extrajudicial killings, especially since the sanctions were imposed.

A diplomatic source said that while Bangladesh has been making progress under various initiatives since the Rana Plaza, the recent murder of trade union leader Shahidul Islam has complicated things, and so the issue of may come up during the delegation's visit.

On Wednesday, US Ambassador Peter Haas visited the headquarters of the Bangladesh Garment and Industrial Workers Federation and called on the Bangladesh

authorities to investigate the murder thoroughly and hold the perpetrators accountable.

Rafiqul Islam, acting director of the foreign ministry's publicity wing, at a regular media briefing yesterday, said European Union Human Rights Affairs' Special Representative Eamon Gilmore will also visit Bangladesh later this month.

PEACEKEEPERS TO RETURN FROM MALI

Meanwhile, around 1,700 Bangladeshi peacekeepers stationed in Mali will be coming back home by December this year, Rafiqul said.

The decision, taken by the UN Security Council, came after the Malian government wanted the UN peacekeepers to be withdrawn from its country.

Since 2013, Bangladeshi peacekeepers – both from Bangladesh Armed Forces and Bangladesh Police -- have been involved in the mission.

DAILY NEWS, COLOMBO 12-7-2023

Positive transformation in relationship between India and SL – Foreign Secretary Vinay Kwatra

Prepares groundwork for President Wickremesinghe's visit to India:

Varuna Dayaratne

Indian Foreign Secretary Vinay Mohan Kwatra was in Sri Lanka yesterday (11) on a short official visit to prepare and work out arrangements on Sri Lankan President Ranil Wickremesinghe's upcoming official visit to India.

At the special media briefing held at the Indian High Commission in Colombo yesterday (11) afternoon, the Indian Foreign Secretary Kwatra said that he had the privilege of having a successful meeting with Sri Lankan President Ranil Wickremesinghe in the morning yesterday (11). The Indian Foreign Secretary also said that he held fruitful discussions with Sri Lankan Foreign Affairs Minister Ali Sabry as well as his counterpart Sri Lankan Foreign Secretary Aruni Wijewardane besides meeting with a few other Ministers.

Kwatra said the main objective is to ensure the visit of President Wickremesinghe's official visit to India to be a huge success.

President Wickremesinghe is a well-known renowned leader and a very strong supporter of the relationship between India and Sri Lanka with whom India was able to work and corporate very well during the past 14 to 16 months of various challenges that Sri Lanka went through, Kwatra said.

A very warm welcome awaits the arrival of Sri Lankan President in India while eagerly looking forward to his visit and making it a success both of his visit and the relationship between India and Sri Lanka, the Indian Foreign Secretary said.

SUNDAY OBSERVER, COLOMBO 9-7-2023

Iran to expand bilateral relations with Sri Lanka

Minister of Irrigation, Sports and Youth Affairs, Roshan Ranasinghe, during a visit to Iran met the Minister of Irrigation, Reservoirs and Energy Ali Akbar and discussed on further strengthening the cooperation between the two countries in the fields of irrigation, reservoirs and energy between the two countries.

They explained the importance of the Joint Commission for Iran Economic Cooperation (UCEC) to expand bilateral relations.

Minister Roshan Ranasinghe thanked the representatives of Iran's Farab Company for the completion of the Uma Oya multi-purpose development project where 120 megawatts of electricity will be generated.

THE KATHMANDU POST, KATHMANDU 13-7-2023

New deal opens door for export of another 300MW electricity to India via Bihar

Nepal will be able to sell 1,100 megawatts subject to approval from Indian authorities

Prithvi Man Shrestha

India has opened the door for Nepal to sell an extra 300MW electricity in the Indian market using the transmission lines in the neighbouring Bihar state, a senior official of Nepal Electricity Authority said.

With Nepal being allowed to sell power in the Indian market only through the 400kV Dhalkebar-Muzaffarpur Transmission Line so far, opening of new routes will enable the country to sell more power in the southern market.

"An agreement between the Nepal Electricity Authority (NEA) and the PTC India Ltd was signed on June 28, paving the way for us to use Bihar's transmission infrastructure to sell 300MW of power in the Indian market," Prabal Adhikari, power trade director at the NEA, told the Post.

In an interview with the website livemint.com, PTC India's Chairperson and Managing Director Rajib Kumar Mishra confirmed the agreement.

"We have recently signed a PPA [Power Purchase Agreement] for 300MW with Nepal Electricity Authority to bring more power from Nepal via Bihar. Earlier, Bihar used to export power, but for the first time we will import via transmission lines in Bihar. It should start this wet season but for that some conditions need to be met," he said in the interview. "We will decide on the procurer as and when demand comes. It is a flexible arrangement. We are trying to find buyers. We may either sell to exchanges, or directly to the buyers."

This agreement will pave the way for Nepal to sell a total of 1,100MW electricity in the Indian market with

two neighbours already agreeing to transmit up to 800MW through the Dhalkebar-Muzaffarpur line.

During the 10th Joint Steering Committee (JSC) meeting held in February in Rajasthan, India, the two sides had agreed to increase the quantum of traded power through the Dhalkebar-Muzaffarpur Transmission Line from 600MW to 800MW, Nepal's Ministry of Energy, Water Resources and Irrigation said in a statement.

Adhikari said that the agreement with the PTC India was signed as per the understanding reached with the Indian side during the 10th JSC meeting. "We had asked the Indian side to allow Nepal to export power in the Indian market using Bihar's transmission infrastructure while promising to pay the transmission fee or wheeling charge," he said.

During the 10th JSC meeting, the two countries had agreed to prepare a mechanism to export Nepal's power to India with 132KV or less capacity cross-border transmission line.

There are four 132kV cross border transmission lines connecting Nepal and Bihar state of India excluding the 400kV Dhalkebar-Muzaffarpur line. These lines are being used only for the exchange of power between Nepal and Bihar, according to the NEA.

Under this arrangement, whenever Nepal needs power from India, it can import it from the Indian state and when Bihar needs some power, it can take it from Nepal.

"For the first time, these transmission lines will be used for trading of power," said Adhikari. He said that because of excess generation of power in Nepal in the wet season and Bihar not taking all that excess power generated in Nepal under exchange arrangement, Nepal wanted to use Bihar's transmission infrastructure to sell power in India's energy exchange market, enabling the NEA to sell to any state connected with Bihar.

There are four 132kv cross-border power lines between Nepal and Bihar: Kataiya-Kusaha (old), Kataiya-Kusaha (New), Raxaul-Parwanipur and Ramnagar-Gandak.

But Nepal will not be able to sell in the Indian market through Bihar's transmission infrastructure immediately, with the country requiring project specific approval from the Indian authorities.

"We are now preparing to propose a few projects from which to sell power through Bihar's transmission infrastructure," said Adhikari. The southern neighbour has so far allowed Nepal to sell 452.6MW of electricity in its power market by taking the power through the Dhalkebar-Muzaffarpur cross-border power line.

Nepal's efforts to get approval for additional hydropower projects for export has so far been unsuccessful due to the bureaucratic hurdles in India.

Along with the arrival of monsoon, Nepal's hydropower projects have started to generate around 2,200MW, according to the power utility. But peak domestic

demand stood at 1,871MW on Tuesday, according to the NEA.

Demand however slumps in the mid-night and the country has been facing power spillage for some hours every day, according to the NEA.

Nepal's request for approval from the Indian authorities for 18 hydropower projects with a combined capacity of over 1,000MW has been pending for two years. "We want India's early approval for more of Nepal's power projects in order to sell more in the Indian market," said Adhikari.

THE KATHMANDU POST, KATHMANDU 4-7-2023

DPM Shrestha urges China to sign implementation deals on BRI projects

Says he asked Chinese leaders to ramp up aid to Nepal in line with the northern neighbour's economic progress.

Anil Giri

When Chinese leaders asked Nepal to expedite projects under the Belt and Road Initiative (BRI), Deputy Prime Minister Narayan Kaji Shrestha urged them to first sign project implementation agreements.

Shrestha, who visited the Chinese province of Sichuan last week to take part in the 19th Western China Trade Fair, also held talks with Chinese Vice Premier He Lifeng and other senior officials of the Communist Party of China (CPC).

The CPC leaders had expressed their concern over the delay in implementing BRI projects in Nepal, Shrestha told the Post on Monday.

"In reply, I urged them to start the process by signing project implementation agreements. Then we can fix priority projects to be executed under the BRI and funding modalities, among other things," said Shrestha. Shrestha, who is also the home minister and had earlier served as foreign minister, also urged the Chinese leaders to fund a landmark BRI project in Nepal through grant assistance.

"After signing project implementation plans, we can discuss funding, which may include grants or soft loans or joint investment," he added.

Although the Kathmandu-based Chinese Embassy and diplomats insisted that the new Pokhara International Airport is also part of the BRI, Nepali officials have been rejecting the claim saying that the signing of the Pokhara airport was completed some five years ago and BRI figures nowhere in the loan agreement. Nepal officially became part of the BRI in 2017 by signing a framework agreement. The BRI is an ambitious plan launched by Chinese President Xi Jinping to develop two new trade routes connecting China with the rest of the world.

Responding to queries from lawmakers in Parliament last week, Foreign Minister NP Saud had said that Nepal and China had signed a framework agreement on

the BRI six years ago, and it is still in the stage of execution.

He did not name the Pokhara airport, but stated that not a single project under the BRI has come into operation in Nepal.

“The project implementation plan of the BRI is at the stage of discussion between Nepal and China. Not a single project in Nepal under the BRI has been executed,” said Saud.

After the Nepali side selected nine projects to be executed under the BRI, the second BRI Conference in China in 2019 incorporated the Trans Himalayan Multidimensional Connectivity in its outcome document.

The nine projects were—the Rasuwagadhi-Kathmandu road upgrade; Kimathanka-Hile road construction; road from Dipayal to the Chinese border; Tokha-Bidur road; Galchhi-Rasuwadhi-Kerung 400kV transmission line; Kerung-Kathmandu rail; 762MW Tamor hydroelectricity project; 426 MW Phukot Karnali hydroelectric project; and the Madan Bhandari Technical Institute.

Then, around two years ago, the Chinese side forwarded a draft of the BRI’s project implementation plan in order to expedite the negotiations and execution of projects. A draft of the implementation plan is a prerequisite for project selection, determining funding, budgeting, supervision and monitoring, and human resource management.

“The Ministry of Foreign Affairs was taking the lead in developing the plan while other agencies like the Office of the Prime Minister and the Ministry of Finance provided inputs on the draft. But there has been no further progress,” according to two officials from foreign and finance ministries.

“Once we agree on the text of the project implementation plan, we can negotiate and execute projects under the BRI,” said the foreign ministry official. “Not only from Nepal, the Chinese had sought similar drafts from other countries that have signed up for the initiative.”

According to the DPM Shrestha, the Chinese side first proposed the project implementation plan and the Nepali side responded with its comments.

“I insisted the Chinese leaders sign the implementation plan,” he said.

The Finance Ministry, while commenting on the text of the project implementation plan, stated that Nepal cannot afford a loan with an annual interest rate of more than one percent, nor can it fund BRI projects through commercial loans. The Nepali side also insisted that there should be a free and fair competition among bidders under the BRI framework.

The major impediment in the selection and implementation of projects is a lack of clarity on the financing modality, according to multiple officials.

Nepal, they say, wants grants while China insists on soft loans.

Without progress on a single project, the BRI framework agreement has been renewed twice—most recently in May. Policy coordination, infrastructure connectivity, unimpeded trade, financial integration and connecting people are the five major priority areas of the initiative. The implementation plan encompasses all possible areas of cooperation and gives clarity on project negotiations on both sides.

For example, according to officials working on the draft, if Nepal seeks support for connectivity projects under the BRI, it would make a list of various kinds of projects under air connectivity, physical connectivity, digital connectivity, transmission lines, cultural connectivity and connectivity through trade, goods and commerce.

Another foreign ministry official told the Post that there were some rounds of discussions between the two sides and drafts were exchanged so as to reach a consensus on the proposed projects. But in the absence of a dedicated implementation plan, Nepal could not identify the projects under the BRI.

According to Shrestha, he also urged the Chinese leaders to ramp up Chinese assistance to Nepal in line with China’s economic progress.

“When China was not as rich as it is now, they built several infrastructure projects in Nepal including the Ring Road, Araniko Highway and set up several factories and hydropower stations in Nepal. But now China has become more prosperous, but its economic assistance to Nepal has not increased accordingly. So I urged the Chinese to increase economic assistance and investment in Nepal to match their economic might,” said Shrestha.

Similarly, DPM Shrestha, during his meeting with Chinese leaders, claims to have called for speedy completion of Chinese-involved projects including the second phase of Ring Road expansion, which remains delayed since the Covid pandemic. The detailed project report for the work has not yet been finalized.

Before being appointed home minister, Shrestha served as minister for physical infrastructure and transportation until March. He had also expressed concerns over the delay in the work with the Chinese envoy to Nepal Cheng Song.

In Sichuan, Shrestha had put across the issue of delays in two other projects—the widening works on the Narayanghat-Butwal section of the East-West highway and Abu Khairani-Pokhara section of the Prithvi Highway—both of which are being implemented by Chinese contractors.

Shrestha said he also asked the Chinese leaders to open more trading points between Nepal and China and build additional dry ports along the Nepal-China border to boost trade.

“The limited opening of the border points have limited our engagements and trade. So we have to open more trading points,” he added.

Nepal and China have been trading solely through the Kerung-Rasu Wagadhi and Tatopani entry points, say Nepali officials. Trade through Tatopani has been sluggish even as Nepal is exporting next to nothing to China.

THE KATHMANDU POST, KATHMANDU 15-7-2023

Visiting Donald Lu thanks Nepali leaders for expediting MCC compact

Saud urges Washington to simplify visa regime for Nepalis.

ANIL GIRI

KATHMANDU, US Assistant Secretary of State Donald Lu wrapped up his day-long visit to Nepal on Friday night. During meetings throughout the day, the US delegation and Nepali officials discussed smooth implementation of the Millennium Challenge Corporation Nepal Compact and continuation of US support for Nepal after the scheduled graduation to a developing nation from a least developed one in 2026, among other things.

Lu paid courtesy calls on Foreign Minister NP Saud, former prime ministers Sher Bahadur Deuba and KP Sharma Oli, and met Prime Minister Pushpa Kamal Dahal, who is mourning the death of his wife Sita Dahal, to offer his condolences. Sita died on Wednesday after a long illness.

During his meeting with Saud, Lu expressed happiness that the compact is on the course of implementation.

“We are happy that the MCC Compact is going to be implemented and it will be implemented without any glitches,” Saud quoted Lu as saying at their meeting.

This was his third visit to Kathmandu after being promoted to look after South and Central Asian Affairs in 2021 as assistant secretary of state. Lu is currently on a regional tour of several South Asian countries.

“We said Nepal had taken a positive note of the MCC implementation and continuous support provided to Nepal through the USAID. The US has increased its support to Nepal and will increase it further in the future. The US delegation also informed us that they will increase the quota of scholarship to Nepali students in various streams,” said Saud after his meeting with Lu.

Saud also requested Lu to simplify the visa regime for Nepali nationals who have to wait for a long time at the US embassy in Kathmandu to secure visa appointments, mainly for non-immigrant visas.

Lu has assured us that he will look into the problem, said Saud.

“I also requested him for continued US support to Nepal even after Nepal graduates from the LDC category in 2026. After graduating from the LDC club, Nepal will

not enjoy similar kinds of financial, trade and other kinds of leverages that it is currently getting.”

One of the top US priorities in Nepal is the smooth execution of the compact, which will enter into force from August-end.

Under the compact, the US government has provided \$500 million and the Nepal government will put in \$160 million for the implementation of a 315-km double circuit 400 kV transmission line and roads upgrade.

On Friday, the US embassy spokesperson in a statement said Lu visited Nepal as part of his regular diplomatic engagement in the region.

“In Kathmandu, Lu met with Prime Minister Dahal to express condolences on the recent passing of his wife, Sita Dahal. With Foreign Minister Saud and former Prime Ministers Oli and Deuba, he discussed Nepal’s achievements on its Summit for Democracy commitments, the recent bolstering of human rights protections in Nepal, and the progress of the MCC Compact to date,” read the statement.

After Nepal, Lu will also visit Bangladesh and Sri Lanka, according to the embassy.

“High-level diplomatic engagements are a routine part of strengthening both US-Nepal and regional partnerships in furtherance of a more secure, sovereign, prosperous, and democratic world,” the embassy statement said.

According to the head of the CPN-UML’s foreign relations department Rajan Bhattarai, Lu congratulated Chairman Oli saying that the MCC is coming into force next month and that a top MCC official will visit Nepal to mark its entry into force.

Amid strong opposition and protest from different sides, the compact, which was signed in 2017 between Nepal and the US, was ratified by Parliament in February, 2022.

Besides internal bangles, controversy and confusion, it had ruffled Beijing’s feathers. Beijing even accused the US of exercising “coercive” diplomacy in Nepal.

However, such cooperation should be based on full respect for the will of the Nepalese people and come with no political strings attached, Chinese foreign ministry spokesperson Wang Wenbin said during a press conference on February 18, 2022, we oppose coercive diplomacy and actions that pursue selfish agenda at the expense of Nepal’s sovereignty and interests,

Lu, during his meetings with leaders, also hailed the contribution made by the Nepali diaspora in the US economy, society and politics.

“Honored to have had a productive meeting with US Assistant Secretary of State Donald Lu,” Deuba tweeted after his meeting with Lu.

“We had constructive discussions on further strengthening Nepal-US ties. Grateful for the US Government and Secretary Lu’s unwavering support to

promote peace, democracy and development in Nepal,” Deuba wrote.

At the meeting, Lu thanked Deuba for helping expedite the compact and said the US will continue supporting Nepal including on climate change.

Later in the evening, Lu met several political party leaders at a dinner hosted at the residence of the US ambassador in Kathmandu Dean Thompson.

“Can’t wait to show him one of our American Chamber members and their work on giving Nepalis unique skills to compete in a global market. Our American Chamber of Commerce was established almost 2 years ago to support American companies and business connections within the US-Nepal nexus,” Thompson had tweeted just before Lu landed in Kathmandu.

During his regional tour, Assistant Secretary Lu has also visited Bangladesh and India.

TEHRAN TIMES, TEHRAN 6-7-2023 **Iran, India use SCO capacities to strengthen ties**

TEHRAN- Iran and India should exploit the capacities of the Shanghai Cooperation Organization (SCO) to strengthen their bilateral economic cooperation, Iranian Foreign Minister Hossein Amir Abdollahian has said.

In a meeting with Deputy National Security Advisor Vikram Misri on Tuesday, Amir Abdollahian praised New Delhi’s support for Iran’s full membership in the SCO, which was accepted during the 23rd SCO Council of Heads of State, which was hosted by India on Tuesday.

Iran’s top diplomat also emphasized the relevance of India’s strategic plan to develop a portion of Iran’s Chabahar port, saying there are no restrictions on the development of ties between Tehran and New Delhi.

He reiterated the desire for the Chabahar project and the North-South Corridor to enter a new phase through the cooperation of the two nations.

The Indian diplomat, for his part, hailed Iran’s accession as a full member to the SCO, saying that it would open up new possibilities for enhancing bilateral ties.

Misri continued by saying that he had productive discussions with his Russian and Iranian colleagues on the advancement of the North-South Corridor as well as methods for resolving logistical and administrative issues.

In order to increase commerce with Iran, Afghanistan, and Central Asian countries, India has been building a part of Chabahar on Iran’s southeast coast along the Gulf of Oman.

In March, the second shipment of equipment from India arrived in Chabahar, putting New Delhi one step closer to finishing the two terminals it is building at the port.

In his speech to the SCO summit on Tuesday, Ebrahim Raisi, the President of Iran, said the Islamic Republic has consistently stated its complete support for ongoing

megaprojects like the North-South Corridor and the Belt and Road Project.

The landlocked nations of Central Asia are crucially connected to the Sea of Oman and the Indian Ocean thanks to the port of Chabahar and the Chabahar-Sarkhs routes, he said.

The president reaffirmed Iran’s resolve to finish the transit line.

Iran’s full membership to the SCO was announced during the 23rd summit of the SCO in New Delhi.

At the summit, Iran was introduced as the ninth member of the bloc, with other member states welcoming it.

The process of Iran moving from an observer status to a main member started in September 2021 when President Raisi appeared at the 21st meeting of the heads of the organization in Dushanbe, the capital of Tajikistan.

At the end of that meeting, the heads of the eight main member countries announced their approval of changing the status of Iran to a main member and signed the relevant documents. Accordingly, the technical process of Iran’s membership in the SCO kicked off.

Iran met all the requirements for the membership and fulfilled the procedural obligations in this regard. Ultimately, the Iranian parliament passed the “law of the accession of the Islamic Republic of Iran to the Shanghai Cooperation Organization.”

TEHRAN TIMES, TEHRAN 13-7-2023 **Iran president on tour of Africa to boost ties**

TEHRAN – Iranian President Ebrahim Raisi has held several meetings in Kenya as part of his whirlwind tour of three African countries.

In Africa, Raisi seeks to strengthen cooperation, particularly in economic fields, between Iran and African countries.

The president started his tour by first visiting Kenya, where he held many high-level meetings. After Kenya, he headed to Uganda. The tour will also take Raisi to Zimbabwe.

In Nairobi, Raisi held talks with his Kenyan counterpart William Ruto. After the meeting, they held a joint presser in which they talked about relations between Tehran and Nairobi.

"Iran-Kenya relations have a long history and we believe that the cooperation between the two countries, as well as the cooperation between Iran and all the countries of the African continent, can develop day by day," Raisi said, according to the official website of the Iranian presidency.

He described Africa as a continent of potentials and stated, "Our view in the Islamic Republic of Iran on Africa is considering countries with talent, capacity,

talented human forces, material and spiritual reserves, natural and mineral resources."

Raisi added, "Also, we consider our friend Kenya as a country full of diverse capacities, whose exchange with the numerous capacities of Iran can help improve the level of relations between the two countries."

He stated, "Islamic Iran, with the blessing of the Islamic Revolution, the blood of the noble martyrs of the Islamic Republic of Iran, and with the blessing of the guidance of the wise Leader of the Islamic Revolution, despite all the threats and sanctions of the enemy, has been able to progress in various economic, scientific and technological fields, and today it is an advanced and technological country and is ready to share its experiences with the dear people of Kenya."

Pointing out that today the Islamic Republic of Iran has valuable experiences and achievements in the fields of petrochemicals, agriculture, fisheries, and science and technology, Raisi pointed out that the healthcare and medical equipment are other fields for cooperation.

He stated that the cooperation between Iran and Kenya will not be limited and specific only to the two countries. "Just as the Islamic Republic of Iran is a neighbor to the countries of the Persian Gulf and Central Asia and enjoys extensive cooperation, Kenya also has extensive relations with East African countries. And therefore, strengthening the relationship between the two countries will be a basis for wider regional cooperation."

In Kenya, five cooperation documents were signed between the high-ranking officials of Iran and Kenya at the presence of the presidents of the two countries.

The cooperation documents were in the fields of veterinary medicine, communication, culture, fisheries and professional technology, which were signed by the ministries of foreign affairs, information, communication and digital economy, tourism, wildlife and heritage, mining, water economy and marine affairs and education of Kenya and the ministry of foreign affairs and cooperatives, labor and social welfare of the Islamic Republic of Iran. The president of Iran and Kenya attended the signing ceremony.

Also, a meeting of the high-ranking delegations of the Islamic Republic of Iran and Kenya was held under the chairmanship of the presidents of the two countries.

In the meeting, Raisi described the relations between the two countries as deep and historical.

Referring to the huge capacities of Iran and Kenya, he emphasized the necessity of using these capacities in line with the development of business interactions.

After concluding the visit to Kenya, President Raisi left for Uganda.

TEHRAN TIMES, TEHRAN 9-7-2023

Iran, Iraq agree to establish joint border security points

TEHRAN – The interior ministers of Iran and Iraq have reached an agreement to form new joint border security posts ahead of the Arbāeen pilgrimage.

Iranian Interior Minister Ahmad Vahidi met at the Mehran (Zerbatiya) border crossing with his Iraqi counterpart Abdul Amir al-Shimmari on Saturday.

The governors-general of Basra and Ilam as well as other security officials attended the meeting.

"The purpose of the visit is to increase coordination and cooperation regarding the control of international borders, as well as to discuss preparations to receive the visitors of the Arbāeen pilgrimage of Imam Hussein (PBUH) through the land border crossings," al-Shimmari said, according to Iraqi News Agency (INA). He added, "It was agreed to coordinate the exchange of information between the two sides, and to open joint headquarters at the border for the purpose of controlling movement, as well as promoting visitors and controlling the movement of visitors during the visit period."

The Iraqi Interior minister noted, "A number of points were also agreed upon with the aim of facilitating the entry of visitors, as well as procedures for controlling international borders, with increased coordination and joint action between the two countries."

Ahmad Vahidi, for his part, said Iran and Iraq also agreed that a special passport will be used for the Arbāeen pilgrimage.

Iran and Iraq signed a security agreement earlier this year that obligates Iraq to exert more control on its border with Iran and work toward disarming Iranian Kurdish separatist groups based in Iraqi Kurdistan.

The agreement was signed in March by Ali Shamkhani, the then-secretary of Iran's Supreme National Security Council, and Iraqi National Security Advisor Qassem al-Araji.

The foreign ministers of Iran and Iraq recently met in Baku and underlined to implement the security agreement. On the sidelines of the meeting of the Non-Aligned Movement's foreign ministers in the Republic of Azerbaijan, Iran's top diplomat Hossein Amir Abdollahian met with his Iraqi counterpart Fuad Hussein, discussing issues of mutual interest in different areas.

Amir Abdollahian described Iraq's regional role as important, saying the Tehran-Baghdad relations are in the best shape. He also said he was pleased that Iran and Iraq are pursuing different areas of cooperation in a proper manner.

The security agreement between Iran and Iraq and its complete implementation were other issues that Amir Abdollahian raised in the meeting. The Iraqi foreign minister noted his country's seriousness about regional

stability and security, according to the Iranian foreign ministry. Amir Abdollahian and Fuad Hossein also exchanged views over the state of Iran's gas transfer to Iraq, regional cooperation, financial exchanges and border issues.

DAWN, ISLAMABAD 7-7-2023

Hague court rules against India in row over dams

- *Permanent Court of Arbitration holds it is competent forum to mediate dispute over Kishanganga, Ratle projects*
- *Unanimous decision binding on all parties, cannot be appealed*
- *Foreign Office says Pakistan committed to Indus Waters Treaty*

Nasir Iqbal

ISLAMABAD: In a major win for Pakistan, the Permanent Court of Arbitration (PCA) in The Hague on Thursday rejected India's objections to its assumption of jurisdiction in a dispute between the neighbouring countries over the Kishanganga and Ratle Hydroelectric projects, pursuant to the Indus Waters Treaty.

Deciding in favour of Pakistan, the PCA ruled that it was indeed the competent authority to determine the Kishanganga dispute between Pakistan and India, sources in the Attorney General for Pakistan's (AGP) office told *Dawn*.

Established in 1899 to facilitate arbitration and other forms of dispute resolution between states, the PCA is a non-UN inter-governmental institution that serves as a forum to address the dispute resolution needs of the international community.

"In a unanimous decision, which is binding on the Parties and without appeal, the Court rejected each of the objections raised by India and determined that the Court is competent to consider and determine the disputes set forth in Pakistan's Request for Arbitration," Reuters quoted a court statement as saying.

Pakistan was represented by a team of international experts, assisted by a team from the AGP office and included advocates Zohair Waheed and Leena Nishter, while Barrister Ahmed Irfan Aslam acted as Pakistan's agent at the PCA.

The dispute pertains to concerns raised by Pakistan over India's construction of the 330-megawatt Kishanganga hydroelectric project on the River Jhelum and plans to construct the 850MW Ratle hydroelectric project on the Chenab in Indian-held Jammu & Kashmir.

Islamabad initiated legal proceedings on Aug 19, 2016 by requesting the establishment of an ad hoc Court of Arbitration, pursuant to Article IX of the Indus Waters Treaty.

The step was taken after its concerns were raised before the Permanent Indus Commission in 2006 for the Kishanganga project, and 2012 for the Ratle project.

Pakistan then sought a resolution through government-level talks, held in New Delhi in July 2015. The decision to initiate proceedings came in response to India's persistent refusal to address the concerns being raised.

The Indus Waters Treaty provides for two forums for settlement of disputes — the Court of Arbitration, which addresses legal, technical and systemic issues, or the Neutral Expert, which can address only technical issues. Pakistan requested the establishment of a Court of Arbitration, because it had systemic questions requiring legal interpretation, sources said.

India responded to Pakistan's initiation of the formal dispute settlement process with its own belated request for the appointment of a neutral expert, which Islamabad maintained was a demonstration of New Delhi's characteristic bad faith, they said.

Fearing conflicting outcomes from two parallel processes, the World Bank on Dec 12, 2016 suspended the processes for the establishment of a court of arbitration or the appointment of a neutral expert and invited both countries to negotiate and agree on one forum.

Pakistan and India could not, however, agree and the World Bank, after six years — during which India completed the construction of the Kishenganga project — finally lifted the suspension and created a court of arbitration and appointed a neutral expert.

Pakistan believes that any risk of conflicting outcomes can be arrested through coordination and cooperation between the two fora, the statement said.

Pakistan is engaging with both fora; in contrast, and in characteristic bad faith, India has boycotted the Court of Arbitration. In such a scenario, the court can proceed ex parte and is doing so.

According to *Reuters*, the court gave no details on when and how the case will continue, but added that it will address the interpretation and application of the bilateral Indus Waters Treaty, notably the provisions on hydroelectric projects, as well as the legal effect of past decisions of dispute resolution bodies under the treaty itself.

Following the PCA decision, the Foreign Office said that Pakistan was fully committed to the implementation of the Indus Waters Treaty, including its dispute settlement mechanism.

FO Spokesperson Mumtaz Zahra Baloch told a weekly press briefing on Thursday that the treaty was the foundational agreement between Pakistan and India on water sharing. "Pakistan remains fully committed to [its] implementation... we hope that India will also implement the treaty in good faith."

DAWN, ISLAMABAD 8-7-2023**Ten years of CPEC**

ISLAMABAD and Beijing are celebrating a decade of CPEC this month. Indeed, this decade has seen China become the biggest source of investment, loans and grants for, and the largest trading partner of, Pakistan. Islamabad has so far received \$25.4bn in direct Chinese investment in various transport, energy, and infrastructure schemes under the flagship connectivity and investment corridor project, part of Beijing's Belt and Road Initiative. The CPEC-related investments are in addition to the huge loans and currency swap arrangement of CN¥30bn that Beijing has provided to Islamabad over the last 10 years to support its flagging economy, ease pressure on its weakening debt repayment capacity and reduce its dependence on dollars for trade to protect its forex reserves. The role played by China to help Islamabad avert a sovereign default was publicly acknowledged by Prime Minister Shehbaz Sharif the day after the IMF gave its initial nod to the new short-term \$3bn funding programme.

However, the CPEC initiative has not been without challenges and controversies. While the opacity around the award of contracts to Chinese firms without any competition, tax incentives given to them and high returns guaranteed for power generation projects under CPEC raised many an eyebrow in the media and business circles in the country, doubts raised by certain foreign elements led some to see the project as a debt trap. Most controversies around the transport and infrastructure initiative have receded with time, but concerns at the lack of transparency in the way the investment schemes are approved still linger. It was because of such concerns that we have not seen much development — greater bilateral cooperation in the industrial and agricultural sectors — in CPEC's second phase in the last five years.

The 10-year celebrations afford both countries an opportunity to take stock of what has been achieved so far and chalk out the way forward for greater economic connectivity. Pakistan must tweak its outdated industrial and agricultural policies to attract Chinese investment and technology. This is of enormous importance for Pakistan, as it urgently needs to boost its productivity to increase its exports and bridge the widening trade gap, which is the main cause of its balance-of-payments crisis. We also need to close the trade deficit of around \$20bn with Beijing. That is not possible without quickly completing the special economic zones to convince Chinese firms to relocate their manufacturing facilities here for export back home and elsewhere in the world. Likewise, we need Chinese experience and technology for boosting our agricultural output in order to curtail rural poverty and create exportable surplus. At the same time, we should enhance our efforts to link Afghanistan and the Central Asian states and, if and when possible,

India and other South Asian economies with this trade route to fully exploit CPEC's true potential.

THE NATION, ISLAMABAD 13-7-2023**US says will continue to engage with Pakistan for strong ties****Monitoring Desk**

WASHINGTON - Welcoming the staff-level pact between Pakistan and the International Monetary Fund (IMF) on a crucial \$3 billion stand-by arrangement, the United States said on Wednesday that it does not expect the former to choose between the US and China.

"Our support for Pakistan's economic success is unwavering," assured US State Department Spokesperson Matthew Miller during his daily press briefing in Washington. He was replying to a question regarding America's role in securing the \$3 billion package for Pakistan. "We will continue to engage with Pakistan through technical engagements and continue to strengthen our trade and investment ties, all of which are priorities for our bilateral relationship," said Miller, addressing the reporter of a private Pakistani television channel, who had asked the question. "We believe Pakistan has a lot of hard work ahead to be on a long-term, sustainable, path to economic recovery and prosperity but we will continue to stand by them through that process," added Miller. When asked about a recent interview of Federal State for Foreign Affairs Minister Hina Rabbani Khar, wherein she said that Islamabad has no appetite to pick a side amid the growing global rivalry between Washington and Beijing, Miller said that the US does not ask nations to make such a choice. "Our relations with Pakistan are built on our close people-to-people ties and we will continue to seek ways to expand our partnership and economic ties," said Miller.

THE NATION, ISLAMABAD 14-7-2023**Need stressed for further strengthening Pak-Iran trade, diplomatic ties****APP**

ISLAMABAD - Ambassador of Iran to Pakistan Reza Amiri Moghadam here on Thursday stressed the need to further strengthen bilateral trade and diplomatic relations, which would be mutually beneficial for the people of both countries and also promote and develop their respective economies. The envoy met a delegation of the ICCI, which was headed by its President Ahsan Zafar Bakhtawari, and discussed issues related to the improvement of trade relations between the two countries, barter trade and energy projects. Speaking on this occasion, the Iranian ambassador said that the new changes taking place in the region were a great opportunity for Pakistan and Iran, adding that with the

improvement in Iran-Saudi relations, a new era of peace, development and prosperity was beginning. Pakistan and Iran need to take advantage of these opportunities together, he said, adding that trade between Pakistan, Iran, Afghanistan and Russia in local currencies will benefit all regional countries. He said that the current trade volume between Iran and Pakistan can be increased through the exchange of rice, meat, sports goods, surgical instruments, fruits, dry fruits, agricultural implements, energy and other commodities. He said that direct flights should be started between Islamabad and Tehran so that the large population of the two countries consisting of more than 300 million can benefit from the opportunities in each other countries. There is a need to improve the road and rail system between both countries. Speaking on the occasion, Ahsan Zafar Bakhtawari said that Pakistan and Iran have not only shared the border, but both countries are connected by mutual historical and cultural ties. Both countries have actively supported each other in every difficult time, he said adding that the warmth of existing relations needed to be used to promote trade and business. The development and prosperity of Pakistan and Iran were interlinked, he said, adding that direct air connectivity, rail and road systems must be improved and strengthened on a priority basis to promote trade and investment relations. He also urged the need for forming a joint plan of action, besides the exchange of trade delegations of the two countries on a regular basis to enhance business-to-business interaction.

GLOBAL TIMES, CHINA 13-7-2023

Exclusive: Pakistan hopes to take CPEC into next phase with greater vigor: minister

By Liu Caiyu

Pakistan is looking forward to taking the China Pakistan Economic Corridor (CPEC) into the next phase with greater vigor and hopes to see fruits of the CPEC benefit not only China and Pakistan, but the whole region, said Minister of Planning, Development and Special Initiatives for Pakistan Ahsan Iqbal.

Iqbal was talking to the Global Times in an exclusive interview after a meeting of the 12th Joint Cooperation Committee (JCC) of the CPEC in Beijing on Tuesday.

Iqbal, who has extensive experience and long-standing involvement in the CPEC, said he was overwhelmed at how much has been accomplished by the CPEC in just 10 years.

The beauty of the CPEC is that it is a project between two countries that enjoy a very unique relationship, Iqbal said. "Normally, countries come close when they need to, and they get farther away when they don't need each other. But in the case of China and Pakistan, it has

been always spring. There has never been autumn in this relationship."

This year marks a decade of the CPEC. The landmark project was formalized on July 5, 2013.

The CPEC has done a great service to Pakistan, helping it overcome the energy crisis, develop modern infrastructure and restore the country's image as an investment destination. Prior to the CPEC the world used to look at Pakistan as a very dangerous country, the Pakistani minister said.

Pakistan would be facing an extreme energy crisis today without the projects launched under the CPEC, Iqbal emphasized.

Everyone in Pakistan has benefited from the great contribution that has been made by the CPEC, he added. If there was a lack of electricity, factories would be closed and workers would be laid off; patients in hospitals and students in educational institutions would also be stranded.

He mentioned the Thar region of Pakistan, which was once a backward area, saying the CPEC has transformed the region into a source of energy for the country. Local education, employment, hospitals and schools have also flourished.

The projects also empower local women in the region, Iqbal noted. "You will be amazed to see that local women are driving the heavy trucks, which take coal out of the mines." In total, the CPEC projects have created about 200,000 job opportunities.

Iqbal said Pakistan now has a lot more vigor to move forward on the CPEC, adding that many projects that were delayed in previous years were completed in the last year.

He said that Pakistan is looking forward to taking the CPEC into the next phase with greater vigor. "I hope that the next phase will bring many dividends for the wider region beyond Pakistan and China. We hope one day the whole of South Asia, Central Asia and the Middle East will benefit from the CPEC."

When talking about the mega projects within the second phase of the CPEC, Iqbal expressed his hope to see the start of major upgrades to the Main Line 1 railway between Karachi and Peshawar with China's help as soon as possible in 2023. Modernization and upgrades are urgently needed for this aging railway line, especially as it was badly damaged by the floods last year.

This \$10-billion project was supposed to be done in the first phase, but it got delayed in the last four years, Iqbal said.

Iqbal refuted claims in the Western media that the CPEC has not lived up to expectations and has become a "debt trap," saying that instead it has "outperformed the expectations. The propaganda [from the West] that the CPEC is a debt trap is all false. All the negative propaganda against the CPEC has a political element. It has no reality," he told the Global Times.

Infrastructure was the priority of the first-phase of the CPEC, and the second phase will focus on industrial cooperation and business linkage through increasing investment in sectors such as energy, agriculture, information technology and mining, according to Iqbal.

Pakistan is working on nine Special Economic Zones (SEZs) which will provide more opportunities for Chinese investment. Rashakai, one of the nine SEZs, will be inaugurated later this month, and other SEZs are also in advanced stages, Iqbal revealed to the Global Times.

In the energy sector, Pakistan is actively pursuing solar energy and is hoping to invite Chinese companies to set up solar power production plants, Iqbal noted.

Chinese officials are highly concerned about the safety of Chinese citizens in Pakistan and hope that the Pakistani side will continue to take strong security measures.

On security in Pakistan, the minister said Pakistan is taking extra precautions for the security of Chinese people, and have provided four layers of security dedicated to CPEC projects including deploying a special army force with 10,000 personnel, which has been integrated with police, paramilitary forces and local security.

As the CPEC is a strategic project with big geopolitical implications, enemies are always looking for opportunities to disrupt it either through terrorist acts or creating miscommunication, the Pakistani minister emphasized.

PEOPLE'S DAILY, CHINA 6-7-2023

Chinese expertise, technology support Bangladesh's agricultural sector: Bangladeshi expert

DHAKA, July 5 (Xinhua) -- China's expertise and technological advancements in agriculture have played a vital role in supporting the growth of Bangladesh's agricultural sector, a Bangladeshi agricultural specialist has said.

KSM Mostafizur Rahman, president of Bangladesh Agrochemicals Manufacturers Association, told Xinhua that relationship between China and Bangladesh has remained strong over the years, fostering cooperation and prosperity.

Both countries have actively engaged in various initiatives, including the Belt and Road Initiative (BRI), said Rahman, also managing director of National AgriCare Group, one of the country's biggest importers of pesticides, micronutrients and growth regulators,

adding that "through these collaborative efforts, China and Bangladesh have strengthened their ties in multiple sectors, including agriculture."

The two countries have lots of agricultural cooperation, including professional knowledge, seeds, pest prevention, agricultural devices and so on. Taking rice as an example, farmers in northern Bangladesh are widely cultivating high-yielding rice varieties, especially seeds brought from China.

"The exchange of knowledge, research and agricultural practices has been instrumental in improving productivity, ensuring food security, and helping farmers in Bangladesh," Rahman stressed.

The expert said the BRI, along with bilateral initiatives, will serve as a platform for deepening cooperation and achieving shared goals in agricultural development.

PEOPLE'S DAILY, CHINA 14-7-2023

China, ASEAN reaffirm commitment to advance comprehensive strategic partnership

JAKARTA, July 13 (Xinhua) -- China and Association of Southeast Asian Nations (ASEAN) have vowed to advance their comprehensive strategic partnership at the China-ASEAN (10+1) Foreign Ministers' Meeting held here Thursday.

China and ASEAN have actively implemented the purposes and principles of the Treaty of Amity and Cooperation in Southeast Asia (TAC), and expanded mutually beneficial cooperation on all fronts, blazing the right path of forging long-term good-neighborliness while achieving common development and prosperity, said Director of the Office of the Central Commission for Foreign Affairs Wang Yi at the meeting, which is attended by foreign ministers of ASEAN member countries, ASEAN observers and ASEAN secretary general.

Both sides have worked together on building a community with a shared future and the Belt and Road, while jointly promoting regional economic integration, and consolidating the foundation of peace and stability, said Wang.

China will be committed to high-quality development and provide new opportunities for all countries with Chinese-style modernization. It is ready to strengthen solidarity and coordination with ASEAN to advance the modernization process in Asia, said the senior Chinese diplomat.

China will work together with ASEAN to advance the China-ASEAN comprehensive strategic partnership and

make new contributions to peace and prosperity in the region, he said.

The ASEAN parties thanked China for supporting ASEAN centrality and community building. They appreciated China for taking the lead in expressing willingness to sign the Protocol to the Treaty on the Southeast Asia Nuclear-Weapon-Free Zone.

In addition, they looked forward to seeing the ASEAN-China comprehensive strategic partnership advance to a new level and make new achievements.

The meeting adopted a joint statement on the 20th anniversary of China's accession to the TAC and a guideline document for expediting the conclusion of the Code of Conduct in the South China Sea.

During the meeting, Wang met with foreign ministers of Indonesia, Brunei, Singapore, Vietnam, Russia and Australia.

PEOPLE'S DAILY, CHINA 14-7-2023

Wang Yi calls for maintaining, consolidating current good momentum of China-Australia relations

JAKARTA, July 13 (Xinhua) -- China and Australia should maintain and consolidate the current good momentum, so that the bilateral ties will continue to be stable and practical with further progress, Director of the Office of the Central Commission for Foreign Affairs Wang Yi said on Thursday.

While meeting with Australian Foreign Minister Penny Wong on the sidelines of a series of ASEAN foreign ministers' meetings, Wang said that with the joint efforts of both sides, China-Australia relations have stabilized, improved and developed.

Facts have once again proved that as long as both sides stay true to their commitment when they established diplomatic relations and adhere to the right way to conduct state-to-state relations, the China-Australia relationship can and should develop well, said the Chinese senior diplomat.

He said if the direction is set right, the two countries should stick to it and stay on track, let alone reverse course. He added that both sides should implement the consensus of the two countries' leaders, resume exchanges and cooperation in all fields and at all levels, and enhance mutual understanding and trust.

Noting that China and Australia have highly complementary economies and huge potential for cooperation, Wang expressed the hope that Australia would provide a fair, just and non-discriminatory

business environment for Chinese enterprises to invest and operate in Australia.

The two sides should respect each other, treat each other as equals, handle differences appropriately, cultivate a friendly atmosphere of mutual understanding and appreciation, and bring more tangible benefits to the people of both countries, he said.

Wong, for her part, said that since the establishment of diplomatic relations in 1972, Australia and China have established extensive ties and achieved remarkable results in cooperation in various fields.

She said good Australia-China relations are in the interests of both sides, and Australia will continue to uphold mutual respect, equal cooperation and candid communication in line with the original spirit of the establishment of diplomatic relations, to safeguard the interests of their respective countries, and to push for greater progress in advancing the China-Australia comprehensive strategic partnership.

GLOBAL TIMES, CHINA 11-7-2023

China-US ties see 'fragile thaw' amid frequent interactions

By GT Staff Reporters

By emphasizing that China wants to "surpass" the US but bilateral relations can reach a "stable point," US President Joe Biden continued with the policy of maintaining competition with China while avoiding clashes after US Treasury Secretary Janet Yellen's visit, and analysts said there may be more high-level interactions between China and the US in the coming months under the relatively "stable but fragile" situation, which may, however, also be easily undermined if the US continues its wrong perception of China.

Talking about relations with China in an interview with CNN's Fareed Zakaria on Sunday, Biden said that China has "enormous potential and enormous problems" and it wants to surpass the US, but bilateral relations with China can reach a "stable point."

Biden's latest remarks closely followed Yellen's visit to China, during which she held 10 hours of "direct" and "productive" meetings with senior Chinese officials. Before departing China on Sunday, Yellen said that the US and China remained at odds on a number of issues, but the senior official also expressed confidence that her visit had advanced efforts to put bilateral relations on a "surer footing," Reuters reported.

China's Ministry of Finance also described Yellen's meetings with Chinese senior officials as "candid,

pragmatic, in-depth and constructive" in a statement on Monday. It said that it is hoped that the US can take a rational and pragmatic attitude to work in the same direction as China to implement the consensus reached by the heads of state in Bali in November 2022 and to promote the bilateral relations back to the right track at an early date.

Although Yellen's visit did not bring any breakthroughs, it demonstrated the thawing of bilateral relations. Chinese analysts said that Biden's remarks as well as the recent frequent high-level interactions between China and the US may hint at a high possibility of a meeting between the heads of state during the Asia-Pacific Economic Cooperation (APEC) summit in November in San Francisco.

The head-of-state diplomacy has played an irreplaceable role in guiding bilateral relations, and more work needs to be done to create favorable conditions for a possible meeting at the upcoming APEC to happen, they noted.

Crux hard to solve

After US Secretary of State Antony Blinken's visit to China, interactions have increased as both sides want to seize the opportunity to prevent bilateral relations from further declining. But the Biden administration's China policy has never changed and its current moves to stabilize bilateral relations are aimed more at keeping its competition with China within a secure zone for its own interests, Sun Chenghao, a fellow and head of the US-EU program at the Center for International Security and Strategy in Tsinghua University, told the Global Times on Monday.

Biden's latest remarks on China-US relations also highlighted the nature of its China policy - preventing bilateral relations from breaking through the bottom line while maintaining its competitive strategy against China, said Sun.

Currently, China-US relations are in a relatively "stable but also fragile" period with both sides working to push for a stable period, but some fundamental problems are hard to solve, said the expert.

Biden's latest remarks highlighted the US political elites' anxiety and lack of confidence as they seek to maintain communication with China while at the same time fear being surpassed. China has the potential to surpass the US - this is decided by each country's development stage and will not be prevented by some US politicians, Li Haidong, a professor at the China Foreign Affairs University, told the Global Times.

Li said that China-US relations are at a crucial crossroad and may fall into the Thucydides trap - a historical analogy used to warn against the potential for imminent conflict between the US and China or their relations can go down the path which complies with the three principles of mutual respect, peaceful coexistence and win-win cooperation, which the Chinese leader has put forward.

While China and the US have been seeking more exchanges, rifts remain as the US continues to impose sanctions on Chinese companies, tout "de-risking" and "de-coupling" rhetoric, pour weapons into the island of Taiwan, assault Chinese firms on fentanyl issues and pull together small cliques to contain China.

In the statement released on Monday, China's Ministry of Finance also called on the US to take actions to respond to China's major concerns over US' economic sanctions, including lifting additional tariffs on Chinese products, stopping suppression of Chinese companies, relaxing export restrictions on China and lifting bans on imports of all products related to China's Xinjiang region.

The crux of China-US relations lies in the US political elites' wrong perception of China. It is difficult to change the main tone of bilateral relations, especially when the Biden administration is working to nail down relations as "competition" and some anti-China politicians keep making noises, said analysts.

While the world paid attention to how China and the US will stabilize their rocky relations during Yellen's visit to China, some US media and politicians attacked her for "bowing" to Chinese officials before their meeting.

Li said that it is the view of a group of Western politicians, scholars and think tanks that conflict is the inevitable destiny for China and the US, as this caters to their needs, ambitions and interests, but does not fit the reality and future of bilateral relations.

The expert predicted that there will be more constructive interactions between China and the US in the near future, including in the field of climate change, but how to ensure that bilateral relations can be prevented from further declining and remain stable needs not only political wisdom, but also concrete actions from the Biden administration.

INTERNAL AFFAIRS

Subject	Newspapers/Periodicals	Date	Page
INDIA			
Political Developments			
1. 2023 West Bengal Panchayat Elections: See result here - HT News Desk	The Hindustan Times, New Delhi	12-7-2023	17
2. The village voice: As in 2018, Mamata holds her fort in 2023 Bengal rural polls. Can BJP match its 2019 LS tally in 2024?	The Times of India, New Delhi	13-7-2023	17
Regional Political Parties			
3. Are regional parties in India facing a succession problem? By Sobhana K. Nair	The Hindu, Delhi	14-7-2023	18
Delhi Ordinance Controversy			
4. Time to resolve Delhi's governance muddle By K Sujatha Rao	The Tribune, Chandigarh	11-7-2023	19
The Uniform Civil Code Issue			
5. Hardly civil: Editorial on BJP's divisive agenda over the Uniform Civil Code	The Telegraph, Kolkata	1-7-2023	20
Article 370- SC Hearing			
6. Article 370: Kashmir cautious on Supreme Court's decision to hear petitions from July 11 By Muzaffar Raina	The Telegraph, Kolkata	4-7-2023	21
Manipur Violence			
7. 142 killed till July 4 in Manipur clashes: Centre informs Supreme Court By Utkarsh Anand	The Hindustan Times, New Delhi	12-7-2023	21
BANGLADESH			
The Election Mode			
8. Why tie up EC's hands further? By Mohammad Al-Mausum Molla	The Daily Star, Dhaka	10-7-2023	22
9. The prospect of a free and fair election is still eluding us By Mahfuz Anam	The Daily Star, Dhaka	7-7-2023	23
Counterterrorism			
10. Militants using jails to recruit operatives By Shariful Islam, Mohammad Jamil Khan	The Daily Star, Dhaka	3-7-2023	24

SRI LANKA

- | | | | | |
|-----|---|------------------------|-----------|----|
| 11. | History of Corruption
Editorial | Daily News,
Colombo | 11-7-2023 | 25 |
| 12. | “Best solution is Parliamentary or Presidential Election”
By Ananda Kannangara | Daily News,
Colombo | 5-7-2023 | 26 |
| 13. | Radiological Terrorism: A deadly future threat
By Dishan Joseph | Daily News,
Colombo | 5-7-2023 | 26 |

NEPAL**Political Developments**

- | | | | | |
|-----|---|----------------------------------|-----------|----|
| 14. | Gopal Khadka, ex-chief of Nepal Oil Corporation, convicted of corruption
- Post Report | The Kathmandu Post,
Kathmandu | 1-7-2023 | 28 |
| 15. | Coalition leaders agree to form government led by Congress in Koshi
- Post Report | The Kathmandu Post,
Kathmandu | 4-7-2023 | 29 |
| 16. | Political parties have agreed to all proposed revisions in electoral laws | The Kathmandu Post,
Kathmandu | 10-7-2023 | 29 |

IRAN**Counterterrorism**

- | | | | | |
|-----|---|-------------------------|----------|----|
| 17. | Four terrorists killed in attack on police station in Zahedan | Tehran Times,
Tehran | 9-7-2023 | 31 |
|-----|---|-------------------------|----------|----|

PAKISTAN**Political Developments**

- | | | | | |
|-----|---|------------------------------|-----------|----|
| 18. | Electoral reforms: Weighted voting
By Khalid Iqbal | Pakistan Today,
Islamabad | 12-7-2023 | 31 |
| 19. | Dynastic rule and democracy
By Zahid Hussain | Dawn,
Islamabad | 5-7-2023 | 32 |

Terrorism

- | | | | | |
|-----|---------------------------|------------------------|----------|----|
| 20. | Terror spike
Editorial | The News,
Islamabad | 6-7-2023 | 33 |
|-----|---------------------------|------------------------|----------|----|

Sectarian Clashes

- | | | | | |
|-----|-----------------------------|--------------------|-----------|----|
| 21. | Kurram clashes
Editorial | Dawn,
Islamabad | 12-7-2023 | 34 |
|-----|-----------------------------|--------------------|-----------|----|

THE HINDUSTAN TIMES, NEW DELHI 12-7-2023

2023 West Bengal Panchayat Elections:

See result here

HT News Desk

According to the counting so far, TMC is leading in 8692 seats, BJP in 1453 and CPM in 894 seats. Congress is ahead in only 344 seats.

The Trinamool Congress (TMC) has maintained its early advantage as the counting of votes for the West Bengal Panchayat election continues in the state. According to the latest trends and results, the TMC has emerged victorious in 8,232 seats, while the Bharatiya Janata Party (BJP) has secured 1,714 seats. The Congress party has managed to secure 362 seats thus far.

The current trends indicate that the TMC is leading in 2,712 panchayat seats, whereas the BJP is in the lead in 734 seats. Meanwhile, the Communist Party of India-Marxist (CPI-M) has clinched victory in 599 seats and is leading in 531 seats.

Here is how the parties are faring in the Gram Panchayat, Zilla Samiti and Zilla Parishad elections:

Parties	Gram Panchayat	Panchayat Samiti	Zila Parishad
TMC	31192	2648	169
BJP	8427	327	10
Left	2856	99	5
Congress	2225	61	1
Others	2582	170	0

According to the counting so far, TMC is leading in 8692 seats, BJP in 1453 and CPM in 894 seats. Congress is ahead in only 344 seats.

The following is the data for the 2023 Bengal Panchayat Polls elections, organized by political parties:

Trinamool Congress (TMC) secured 2201 seats in Gram Panchayat, 60 seats in Panchayat Samiti, 154 seats in Zila Parishad.

Bharatiya Janata Party (BJP) obtained 132 seats in Gram Panchayat and 7 seats in Zila Parishad with no seats so far in Panchayat Samiti.

Left Front won 15 seats in Gram Panchayat and one in Zila Parishad.

Indian National Congress (INC) secured 26 seats in Gram Panchayat and none in Panchayat Samiti and Zila Parishad.

The remaining parties, collectively referred to as "Others," obtained 113 seats only in Gram Panchayat.

Repolling

The panchayat elections, which took place on July 8, witnessed a significant participation of approximately 5.67 crore voters who determined the political destiny of 2.06 lakh candidates.

The re-polling, ordered by the state election commission following deadly violence and booth-capturing incidents reported the voting, was held on Monday with 69.85-per cent of all eligible voters casting their ballots till 5pm. On Monday, four more persons were reported dead, taking the toll of political violence to 42 since June 8, when the three-tier local body polls were announced.

THE TIMES OF INDIA, NEW DELHI 13-7-2023

The village voice: As in 2018, Mamata holds her fort in 2023 Bengal rural polls. Can BJP match its 2019 LS tally in 2024?

Bengal's panchayat elections grab more headlines than other rural body polls do – the state's important politically, but it's the violence, the killings and widespread allegations of vote tampering, increasingly rare in rest of India, that set them apart. This time the elections claimed over 40 lives. Even the question of poll security is murky in Bengal. Why did the central forces fail to deliver peace? The forces have serious complaints about being denied information on sensitive polling booths. On the other hand, 17% of the requisitioned companies had not even reached Bengal by the time polling ended on Saturday.

But there was some improvement on another front – only around 10% of seats went uncontested as compared to 34% in 2018. So, the fight was fairer. But Trinamool has largely held its fort. BJP or Left Congress wins or some erosion in Trinamool's performance vis a vis 2018 doesn't change this basic picture. What does this indicate for 2024, given Bengal has 42 Lok Sabha seats? Any state's governing party has an advantage in rural polls, since it's the patron. But the history of Bengal's panchayat polls sends mixed messages. The anti-Left wave that washed away CPM in 2011 was first spotted in Trinamool's strong performance in the 2008 panchayat elections. However, Mamata Banerjee will also remember that after Trinamool's grand 2018 panchayat win, in 2019 Lok Sabha polls, BJP wrested away 18 seats. Today, BJP is a very distant second in rural polls. But it will be wise to not put all the forecasting eggs in this basket.

Of course, amidst all the bitter political street-fighting, a Bengal speciality, and intense political competition, which happens in other states, the core purpose of panchayati raj is rarely recalled: to empower local actors to participate in planning local government activities and to hold the bureaucracy accountable at this level. In Bengal, but also elsewhere, we see it has instead mostly mutated into a political patronage nexus of welfare-corruption gains. As welfare spends get bigger, panchayats will get more fiercely contested, but won't necessarily become better administrators.

THE HINDU, DELHI 14-7-2023

Are regional parties in India facing a succession problem?

Sobhana K. Nair

Twenty-four years after its formation, the Nationalist Congress Party (NCP) split on July 2 over the question of succession. In 2022, the Shiv Sena went through a similar churn. This malady is not unique to Maharashtra; many regional parties in India, such as the Samajwadi Party (SP), have gone through this. Others, such as the Biju Janata Dal (BJD), seem poised to go through this churn. Are regional parties facing a succession problem? Sugata Srinivasaraju and Neelanjan Sircar discuss the question in a conversation moderated by Sobhana K. Nair. Edited excerpts:

Why are we seeing succession battles in several regional parties in India today?

Sugata Srinivasaraju: Essentially, the problem of succession has arisen because regional parties, or at least most of them, have become 'Hindu undivided families'. (Under Hindu law, a 'Hindu Undivided Family' consists of all those who have directly descended from a common ancestor as well as their wives and unmarried daughters). Many of these parties began with the lofty goals of promoting sub-nationalism and protecting their own caste or ethnicity. Several others, such as the DMK [Dravida Munnetra Kazhagam], came up on the question of larger federal interests. But over a period of time, they have all become parties run by a single family. There are several strands in these families which come into conflict with one another. This has primarily given rise to the succession issue. That is what we saw in the NCP [Nationalist Congress Party] recently. And more importantly, they [the parties] have given up their larger purpose.

Neelanjan Sircar: The rise of regional parties coincided with the decline of the Congress in the 1990s. Back then, you saw politicians going to the highest bidder. Coalition governments regularly fell apart or came together in complicated ways. The one way to ensure some sort of stability was to make sure that the voter was beholden to the leader or the family at the top [of the party]. As Sugata pointed out, these parties have a centralised party structure, low intra-party democracy, and are often controlled by a single family.

Now, we are coming to a period where the next step has to occur [succession]. And the kind of succession battle that you will see is going to be a natural problem for every one of these parties, even the national parties, which are handing the baton to the next rung of leaders. I think that regional parties that are able to sort this out, that are able to come up with an internal decision-making process in anointing the next leader, are going to be on far more stable footing, especially when they face the BJP [Bharatiya Janata Party], which has far

more financial and state institutional resources at its disposal. The BJP will seek to consolidate the splits exposed in these succession battles.

Are regional parties more vulnerable to this power tussle or is it a universal problem irrespective of the national or regional status of a political party? Will we see similar power tussles in the Congress and the BJP?

Sugata Srinivasaraju: Neelanjan correctly mentioned how these regional parties came up after the decline of the Congress. But we should also keep in mind that the spurt of regional parties also happened because of the breakdown of the Janata Parivar. The alignments were on the basis of caste, with the Mandal movement providing the necessary prompt. But today, that premise is being challenged on various fronts. There is splintering within castes, and caste identity itself has gone through a lot of change. The BJP has triggered a certain crisis not just in regional parties, but also in the Congress. The ideological stridency that the BJP brings in has forced everybody to go beyond the family, caste, or ethnic loyalty to create a larger purpose for themselves. And they suddenly feel that there is a vacuum there, because they have forgotten what they stood for. When the BJP talks about Hindutva or issues like the Uniform Civil Code, the dilution of Article 370, or construction of the Ram Mandir, the other parties are forced to stand for something. They cannot merely say that they stand for this patriarch or this caste. They are pushed to realign and to rethink. That's the reason why you see [Congress leader] Rahul Gandhi pushing the Congress towards a certain ideological position, when the party in the past never stood for any concrete ideological concerns. The BJP has bracketed everybody together and posed this huge question before them: what do you stand for beyond the family?

Neelanjan Sircar: There is one thing that we don't think enough about in this question, which is that there's a succession battle happening in the BJP as well. The party's old guard has been shoved aside; we have seen the pressure that [Chief Minister] Shivraj Singh Chouhan has faced in Madhya Pradesh and [former Chief Minister] B.S. Yediyurappa has faced in Karnataka. Every BJP Chief Minister who enjoys mass support has been cut down to size in the Modi-Shah era. The overarching principle of what we have seen since 2014 is extraordinary centralisation in the BJP. We need to see what it does to the party structure.

You cannot see the succession problem in isolation; you have to see it within the larger political environment and what this hyper centralisation is doing to every political player at the State level, irrespective of whether it is a political family or not. What we did have is a set of State actors who had largely consolidated power, so that we associated State units with individuals even within the national parties. Today, given the kind of demands of this top-down leadership from the Centre that is slowly being broken, where it refuses to break down, we

see the Centre taking action and trying to force that to break.

Would these succession battles lead to the demise of many regional parties, with their splintered groups being devoured by the larger national parties?

Sugata Srinivasaraju: I want to add to what Neelanjan said about the BJP. Structurally, the BJP or the Sangh Parivar has the RSS [Rashtriya Swayamsevak Sangh] as a ready think tank. It sits as the arbitrator, to look for an alternative when required. The BJP at least has a mechanism, which you don't find in the Congress or the regional parties. The paradox about regional parties is that the family is central to their survival, but the family is also a liability. But I won't write off the regional parties. Indian politics is complex and diverse. Look at the individual parties. For the BJD, for example, who [will be the leader] after Naveen Patnaik is a worrying question because there is no person in his bloodline to succeed him. And that is probably why the BJP is extremely patient with them [the BJD]. It doesn't want to disrupt anything, because it knows that there is going to be chaos after Mr. Patnaik. Similarly, with [Bahujan Samaj Party chief] Mayawati — though there is no direct bloodline, there is a family. Or will the party reconfigure? This is less of a problem for a party like the Janata Dal (Secular) because H.D. Kumaraswamy [son of former Chief Minister H.D. Deve Gowda] has already stepped in. He has taken control of the party, and the others in the family have sort of conceded much like how the SP reached an uneasy reconciliation.

Neelanjan Sircar: The short answer to the question on whether the regional parties will go is 'no'. India doesn't have ideologically consolidated systems like Western Europe and the U.S. Essentially, people are born into their political parties, like the RSS-model. The reality for the BJP today is that it has many 'impure elements' — those with regional aspirations who haven't really come through the BJP system. In the near future, or maybe even the medium term, the BJP will continue as a dominant party. During the Congress's heydays, the regional leaders stayed within the dominant party, but the moment it weakened, there was fragmentation in the form of these small family-owned parties. That is a structural phenomenon and it is not actually directly associated with the ideological narrative character politics. And so, the big question for the BJP is, when it is time for Narendra Modi to go, it is not just about who succeeds him at the top; will all these actors at the bottom who bought into the BJP still going to be there? Will they agree to continue within the party?

I will just add one variable. The BJD, AAP [Aam Aadmi Party] or the TMC [Trinamool Congress] are not directly caste-based parties. Take the BSP. Do we believe that a Dalit party in Uttar Pradesh would close its doors wholesale? Maybe it would or maybe it would ally with the BJP or perhaps another Dalit party could

replace it. I imagine that parties that have a clearly delineated social basis will not give up their position so easily and merge into another party. If they do, another political interest or set of political actors who represent that social base will try to take its place, at least in the short term.

Sugata Srinivasaraju is senior journalist and author of Furrows in a Field — The Unexplored Life of H.D. Deve Gowda; Neelanjan Sircar is Senior Fellow at the Centre for Policy Research

THE TRIBUNE, CHANDIGARH 11-7-2023

Time to resolve Delhi's governance muddle

Bureaucracies are organised systems which cannot work effectively with too many authorities.

K Sujatha Rao

Former Union Health Secretary

THE May 19 ordinance issued by the Centre regarding the system of governance in the Government of the National Capital Territory of Delhi (GNCTD) has once again brought to the fore the issues of governance, accountability and the role of the bureaucracy. Much has been written about the legal validity of the ordinance and the May 11 Supreme Court judgment that triggered it. Even as the apex court has now issued a notice to the Centre on the Delhi government's plea challenging the ordinance's constitutionality, the impact of the ordinance on accountability to the people of Delhi, insofar as it concerns addressing their aspirations and needs, must be assessed.

Issues related to separation of powers and responsibilities, functions and duties in the governance model of GNCTD have a controversial history. The Capital's governance-related issues go beyond the immediate concerns of a local government, such as, for example, in matters related to law and order, police and land. For this reason, the Union government has jurisdiction over land and public order, leaving the remaining subjects to be administered by the elected government of the GNCTD, though not without caveats on its autonomy as a UT with an elected legislature.

The dispute between the Centre and the GNCTD is, however, regarding 'services' — not so much about recruitment, but rather pertaining to postings and interdepartmental transfers once the officers are recruited and deployed in the UT. The officers of the GNCTD are a combined cadre administered by the Union government for purposes of recruitment, allotment and inter-UT transfers.

Balancing this dual control has always been problematic, calling for understanding and mutual respect. The sharp polarisation, with adversarial political parties ruling the Centre and the state, has sharpened the conflict for control, resulting in the GNCTD approaching the Supreme Court for clarity.

The SC, in its elaborate order, had concluded that the GNCTD must enjoy full supervisory powers over the bureaucracy once they are allotted to Delhi UT, triggering a sharp response from the Centre by way of the ordinance.

The ordinance has three critical aspects that are causing concern to the elected leadership of the GNCTD: (i) It takes away all powers of appointment and placement of officers and their interdepartmental transfers from the Chief Minister and vests them in a recommendatory body called the National Capital Civil Services Authority headed by the CM and consisting of the Chief Secretary (CS) and the Secretary, Home, with decisions based on the majority opinion; (ii) It empowers the bureaucracy to veto any order or instruction issued by the political executive on the grounds of legality, with any difference of opinion adjudicated by the Lt Governor, whose decision will be final; (iii) It empowers the CS to veto the agenda and papers to be placed before the Cabinet, and allows the CS and LG to veto any Cabinet decision.

Simply put, the ordinance severely curtails the powers of the Chief Minister and his Cabinet to formulate policies and makes his functioning subservient to a bureaucracy that is directly controlled by the Union government. The wording of the ordinance leaves little room for manoeuvre or negotiation, compromising the elected government's capacity to govern.

Public policy has two dimensions — formulation and execution. While it is for the political executive to articulate the policy, laying down its aims, objectives and broad contours, it is the bureaucracy that is responsible for its implementation under the supervision of the political executive, which in the ultimate analysis is accountable to the people. This is the broad framework of governance irrespective of the nature of the political architecture — democracy, autocracy, elected autocracy or dictatorship.

If articulating a clear policy is one challenge, the bigger one is executing and administering it well. This calls for the political leader to not only have a nuanced understanding of how the system works but also an uncanny ability to place the right person in the right job — an ability that is actually quite rare, as most postings are done based on extraneous reasons rather than suitability, often adversely impacting outcomes.

Besides, bureaucracies are organised systems which cannot work effectively with too many authorities and power centres — a fact amply illustrated by the manner in which the Covid pandemic was handled in, say, Mumbai and Delhi. Thus, the power to appoint, remove, monitor and control officers implementing policies is one that must be enjoyed in an absolute sense by that entity which is also held directly accountable for the outcomes.

This principle of accountability that is a fundamental characteristic of governance is compromised by the

ordinance as it introduces an asymmetry of power balance — the responsibility to deliver is that of the CM, but the levers of power over the instruments for delivery are with the Union government, which has no responsibility in this regard. In this scheme of things, officers get caught in between — damned if you do, damned if you don't. A more serious side-effect of such systems of dual authority is the indiscipline and arrogance that it breeds among the officers which, in many instances, also damage their careers. The ultimate losers in these power games are the people.

The ordinance does not set a good precedent. Going by the manner in which the Centre has exercised its powers unchecked, whether in partitioning Andhra Pradesh or converting a state into a UT or now appropriating powers of GNCTD, without due consultation, should be of concern as it threatens not just federalism but also the principle of accountability. If the Union government desires and seeks to control the administrative machinery, it should also be held accountable for the implementation of the policies and their outcomes.

It is hoped that a clear view based on principles and the basic structure of the Constitution will be taken to settle the matter once and for all. Ambiguity and lack of clarity have already done a lot of harm by denying the people their right to good governance.

THE TELEGRAPH, KOLKATA 1-7-2023

Hardly civil: Editorial on BJP's divisive agenda over the Uniform Civil Code

The prime minister appeared to have visualised the UCC pitch as divisive on multiple levels — between the Opposition and minority communities, as well as within the largest minority group

Uniform laws for matters such as marriage, divorce, inheritance or adoption are undoubtedly a good thing. The Constitution mentions this as part of the directive principles of state policy. The multiplicity of interests and needs in India has so far prevented the formulation of a uniform civil code. But a long-standing dream of the Rashtriya Swayamsevak Sangh, this was one of the 'core' electoral promises of the Bharatiya Janata Party led by Narendra Modi. Having fulfilled the other two — Ram *mandir* and Article 370 — it was not surprising that Mr Modi should now articulate this goal loudly and clearly in Madhya Pradesh where elections are imminent. The Lok Sabha elections are approaching too. All good things have appropriate contexts. It is unfortunate that the context for the UCC is infused with mistrust, created by the BJP with its treatment of minority groups. The majoritarian nationalist ideology it shares with the RSS intensifies fears about the UCC's implementation. The erasure of customs and practices, among not only minority communities but also tribal groups and different castes within the majority religion,

would destroy the sense of identity and independence among many.

Although it is the Law Commission that called for people's opinions on the UCC by July 14, the same commission had reported in 2018 that the UCC was not feasible at this time since diversity did not mean discrimination. That report alluded to the possibility of 'disprivileging' weaker groups. The immediate context of Mr Modi's speech, however, was most intriguing. The need for the UCC became framed within a tirade against the corruption of the Opposition parties that seemed to be uniting against the BJP for the 2024 elections. Mr Modi declared that the failure to carry out the directive principle was entirely the Opposition's fault. These parties incited the largest minority community against the UCC so that they could exploit it as a vote bank. The exploitation had left many in the community backward. More, even within the community, the most backward were ignored by the better-off. The prime minister appeared to have visualised the UCC pitch as divisive on multiple levels — between the Opposition and minority communities, as well as within the largest minority group. The BJP believes in division: hence its presentation of a uniting law is divisive too.

THE TELEGRAPH, KOLKATA 4-7-2023

Article 370: Kashmir cautious on Supreme Court's decision to hear petitions from July 11

SC notice says it is hearing the petitions titled 'Shah Faesal and others'

Muzaffar Raina, Srinagar

Kashmir has reacted with cautious optimism to the Supreme Court's decision to hear from July 11 the petitions challenging the dilution of Article 370.

Recently when Chief Justice of India D.Y. Chandrachud was on a two-day visit to Jammu and Kashmir, Valley politicians had expressed concern over the prolonged delay in the hearing of the 20-odd petitions.

The Supreme Court on Monday said a five-judge constitution bench headed by CJI Chandrachud and also having Justices Sanjay Kishan Kaul, Sanjiv Khanna, B.R. Gavai and Surya Kant would begin the hearing of the petitions challenging the abrogation of Article 370 on July 11.

"Finally the bench is constituted. I look forward to the hearings beginning in right earnest now," former chief minister Omar Abdullah tweeted.

"Welcoming the decision of the constitutional bench, albeit delayed, to hear a clutch of petitions challenging the abrogation of Article 370 and the division of the historic state," CPM veteran Mohammad Yousuf Tarigami, who heads the five-party alliance seeking restoration of special status, tweeted.

Tarigami said the 2019 move was an assault on the constitutional order and was implemented without the consent of the people. He said he hoped "the unilateral decision taken on August 5, 2019, is rolled back and justice delivered".

A Supreme Court notice on Monday said it was hearing the petitions titled "Shah Faesal and others". Faesal, Kashmir's celebrity IAS topper turned politician who was the first to challenge the dilution of special status in 2019, is said to have approached the court last year seeking deletion of his name from a pending petition.

Faesal had almost switched to the separatist camp following the scrapping of special status and batted for the right to self-determination for Kashmiris, but has since backtracked and returned to government service.

THE HINDUSTAN TIMES, NEW DELHI 12-7-2023

142 killed till July 4 in Manipur clashes: Centre informs Supreme Court

Utkarsh Anand

The violence in Manipur has claimed 142 lives till July 4, the state government informed the Supreme Court on Monday by filing an updated status report, which disclosed that the majority of fatalities occurred in the valley districts as the state still reels under ethnic tensions. Only 181 people have been arrested so far, while 6,745 people were put under preventive detention, the report said.

The total number of people killed in the valley districts of Imphal East, Imphal West, Kakching, Thoubal and Bishnupur were 101, according to the report. Imphal East and Imphal West saw the highest number of deaths at 29 each, while 21 people were killed in Kakching.

At least seven more people, including one policeman, have been killed between July 4 and 10, according to reports from officials separately.

Among the hill districts, the maximum casualties were reported from Churachandpur, the epicentre of the recent violent clashes, where 28 people were killed. Churachandpur is called the heartland of the Kukis. The hill district of Kangpokpi witnessed the killing of eight people in the violence, which has spread across the state since May 3.

There are 16 districts in Manipur, but the state is commonly perceived as divided into valley and hill districts. While the Meitei community dominates the valley, the hills are home to two major tribal groups, the Nagas and Kuki-Zomi tribes.

The status report submitted by the Manipur government in the Supreme Court adduced information about 10 districts, citing police reports that said 462 persons were injured in the clashes, while 17 others have been reported to be missing.

"As per police reports, more than 5,995 numbers of FIRs, as on July 4, have been registered and are being investigated upon in connection with different

allegations and counter allegations, mishappenings and offences that happened during the ongoing crisis,” it added. The report further stated that 5,053 incidents of arson have been registered in the state.

Churachandpur and Kangpokpi witnessed more than 1,000 incidents of arson each.

The report was submitted before a bench headed by Chief Justice of India Dhananjaya Y Chandrachud through solicitor general Tushar Mehta on Monday. The court, which is seized of a bundle of petitions relating to the violence in the state, will take up the report on Tuesday for issuing appropriate directions.

Listing out several measures taken to improve the situation, the state government said illegal bunkers constructed by miscreants are being dismantled by security forces, and all possible efforts are being made for safeguarding rights and security of all, irrespective of caste, creed, religion or community.

As on July 4, 354 relief camps were operational in the affected areas, housing more than 54,000 people, said the report, adding that the state government will be providing temporary housing for displaced persons.

Requesting the court not to issue judicial orders in the matter, the report said: “The state government would like to pray the Hon’ble Court to grant leave for taking its own recourse to take up possible steps to bring normalcy in the state after exercising due diligence and without interference in terms of legal, security, political intervention, dialogue, rehabilitation, resettlement, compensation, etc.”

THE DAILY STAR, DHAKA 10-7-2023

Why tie up EC’s hands fruter?

Mohammad Al-Mausum Molla

In Bangladesh, whether it is the Awami League or the BNP, the incumbent always vouches for the neutrality and independence of the Election Commission. On the other hand, whichever party is in the opposition camp, for its part, fervently maintains that the commission is nothing more than a puppet installed by the incumbent and completely subservient to the ruling regime. The people, i.e. the voters, have always tried to sift through the rhetoric to discern just how neutral the commission will be, come election day.

This issue has recently come to the fore following the amendment of the Representation of the People Order (RPO), which stipulates the powers the election office holds. This latest amendment, which was passed in parliament last week, curtailed the EC’s authority to react to election-rigging, violence or irregularities. The law now stipulates that the commission can only suspend elections at specific polling centres where irregularities take place, and not in the entire constituency (as had happened during Gaibandha 5 by-polls last year). Furthermore, the commission can suspend elections only on polling day. But an election is

not an issue of one day – it’s a process spanning days and weeks, sometimes months. And its sanctity could be deemed to have been endangered at any time during the course of that process.

The provision empowering the EC to halt or suspend elections was included during the Shamsul Huda-led commission, and two elections – 2014 and 2018 – were conducted under this provision. There were no explanations as to why such a sudden change of that provision was necessary. Although the opposition lawmakers protested and questioned how the incumbent EC would conduct an impartial election if it was not given the power to suspend polls, when the bill was passed, Law Minister Anisul Huq said suspending polls in an entire constituency over disturbances in some polling stations was “undemocratic,” and that’s why this amendment had been made. The law minister reasoned that each constituency usually has 100-150 polling centres. The EC’s power of suspending polling at all centres is not democratic if violence and/or irregularities are reported at only a few centres. “It would impede people’s right to vote because no violence or irregularities were reported at the rest of the polling centres,” he said. But does that justify the curbing of EC’s power?

The move comes at a critical juncture when the demand for holding a free and fair election in Bangladesh is getting louder at home and abroad, with the next parliamentary polls just a few months away. With the commission’s authority to react in the face of irregularities being restricted, the participating parties are also deprived of means to seek remedy if and when a situation arises. For instance, if a candidate is forced to stay away from the constituency or barred from submitting the nomination form, should there not be a system of remedy? What would happen if voters are terrorised before the polling day, which stops them from venturing out to vote?

As for a single incident affecting the entire constituency, there are dozens of such examples when a single instance of violence engulfed the entire constituency and even spilled over to other areas spreading fear and panic. In all this, Gono Forum MP Mokabbir Khan’s comment rings true. He said in parliament, “Laws are enacted in the country for the benefit of some individuals, groups and the government.”

Coming back to the Gaibandha-5 by-polls, the incumbent Election Commission stopped the by-polls in October, saying the situation had gotten “out of control” due to widespread irregularities. The EC was lauded for such a brave and rare move, while many ruling party leaders criticised it. But when it came to punishing the alleged officials, the EC remained toothless and ineffective. Many political commentators believe that the government curtailed the EC’s authority to prevent any recurrence of the Gaibandha-5 by-election.

Civil society organisation Shushashoner Jonno Nagorik (SHUJAN), in a statement, said the EC was yet to gain the trust of all political parties and organisations, and the amendment to the RPO would further undermine its confidence and make it a powerless institution to conduct fair elections.

This sort of a move is nothing new for the incumbent government. The Huda Commission in 2008 had also introduced the provision of a “No” vote in the election if the voters did not feel confident about any of the candidates. A total of 0.55 percent votes cast in the ninth parliamentary election were “No,” and the highest percentage was found in the Rangamati constituency (9.66 percent). But the ruling Awami League cancelled that provision before the 10th parliamentary election held in 2014, most likely to prevent potential embarrassment. It appears the incumbents are becoming apprehensive of an increasing number of scenarios that might embarrass them in the upcoming election.

THE DAILY STAR, DHAKA 7-7-2023

The prospect of a free and fair election is still eluding us

Mahfuz Anam

Most national elections, wherever they are held, occupy that country’s attention for a maximum of a few months – in some cases, even a few weeks. But for us, it is a multi-year obsession. We started talking about our national election from last year. Now it occupies the centre stage of talks even with some of our most important international partners, namely the United States and European Union; the latter’s pre-election assessment mission is already in town, whose findings will significantly impact Western views on the upcoming polls.

With so much attention, one would think that our election must be among the best in the world. Sadly, it is among the most questioned. Even Erdogan’s election, who ruled Türkiye as prime minister and president with an iron hand for over 20 years, was not subjected to such scrutiny as ours is and will be. Even the run-off went smoothly with razor-thin margins the first time around. The opposition never accused the all-powerful president of rigging. The reason is simple: everybody – be it the ruling or the opposition party – trusts the process. Our case is the exact opposite.

Even though there are endless talks about the election, there is hardly ever any sensible discussion on it. What we have is regular public utterances of the major political parties, which are mostly acrimonious, defamatory and setting preconditions, but never aimed at narrowing the distance among them. Even after 52 years of independence and 32 years of restoration of democracy – and after all the talks, experiments, debates, international negotiations (there was also an attempt by former US President Jimmy Carter some

years back), efforts by the Commonwealth and UN – we still don’t have an agreed formula on how to hold a free and fair election.

At the moment, a section of the international community, led by the US, is pressing us to hold a free and fair election. The ruling party interprets this simple and natural demand as a hidden attempt to remove them from power. The opposition hopes that it is a formula that will place them in power. Nobody wants to know, or even asks, what the citizens want.

As taxpayers and law-abiding citizens, we want our freedoms, rights, and good governance. They can only be realised if democracy exists. Democracy, simplistically put, can only flourish if genuine representatives of the people are elected, and that can only happen if elections are free, fair and without violence and money play. We come full circle and end with the focus on free and fair elections.

Journalistically put, our development curve has been moving upwards while our democracy curve has followed an opposite trajectory. The reality today is that our advancement in the economic field is being overshadowed by our setbacks in freedoms, rights, and institutions of accountability. This fact, our government and its leadership do not seem to fully understand. The question it should be asking itself is that after so much development, especially in infrastructure and energy, why widespread dissatisfaction should still exist. The denial of this fact is what has isolated the ruling party from the masses, leading it to suspect that a demand for free and fair elections is aimed at a change of guard at the highest level. With such a record of economic success, it is the Awami League who should confidently move towards an acceptable election and not make questionable laws that further fuel suspicion as to their intentions.

The government move that really launched the downward trend in our democracy, especially the nature and quality of our representative government, is the abolition by the parliament, on June 30, 2011, of the caretaker government system for holding elections. It was done on the basis of a “short order” of a few lines by the Appellate Division, presided over by the then Chief Justice ABM Khairul Haque, delivered on May 10, 2011. Interestingly, the short order also suggested that the system be allowed to continue for one or two more terms. However, the government, without considering that option and without waiting for the full text of the verdict, threw out the caretaker government provision from our constitution. One may recall that it was done by the same party that instituted it after years of mass agitation, economy-crippling hartals, and resignation from parliament following endless walkouts. The way the two subsequent elections – in 2014 and 2018 – were conducted clearly revealed why the ruling party abolished the caretaker government system.

As the world is now looking at us to see how we are preparing for the upcoming national polls, our government has just passed a law that clearly reduces the Election Commission's independence in conducting elections. The amendment bars the EC from cancelling election results and allows it to withhold polling only at specific centres where irregularities occur. The law minister said the EC shouldn't have such powers, it is anti-democratic. But shouldn't the EC have the power to make up its own mind? What happens if violence occurs in the majority of the polling centres in a constituency? Shouldn't the EC suspend the election in the entire constituency even then? The amendment has been kept vague on this point. This will ultimately result in restraining the EC. Experience shows that when a law is vague, the authorities usually shy away from stern action, especially if the candidate is from the incumbent side of the political divide.

The other crucial amendment is shortening the time period during which the EC can act. Previously, it was from the date of the announcement of the election schedule till the official publication of the results, which usually covered a period of 40-plus days. Now, the EC's option is to act only on the "polling day." Even if the EC concludes that sufficient ground exists to apprehend that violence may take place on the election day, it still cannot suspend the election till the very day. It could, before the amendment.

If we really believe in the EC's independence, why tie its hands in this manner?

If an election is ultimately the expression of the "public will," measures must be taken so that it can be expressed without fear, especially of repercussions. The institution that is at the centre of the whole process, the EC, must be given full authority and freedom to act, as specified by the constitution. Curtailing its power, that also in the name of democracy, and with the 2014 and 2018 elections still fresh in our memory, really does not cut much ice. A repressive legal structure cannot be expected to deliver a free public will. There have been several promises of amending laws such as the Digital Security Act (DSA) and others, and also restraining law enforcement members from inappropriately using their powers. There is no evidence of that happening yet.

If politics is the art of compromise, we seem never to have heard of it. If elections are the mechanism of peaceful transfer of power, we never want to practise it. And if democracy is the system where all political parties have a level playing field, we just don't want to play that game.

Can we solve in the next few months what we have been unable to in the last three decades? If we fail, what prospect does it hold for our future?

THE DAILY STAR, DHAKA 3-7-2023

Militants using jails to recruit operatives

Shariful Islam, Mohammad Jamil Khan

Taking advantage of gaps in surveillance, incarcerated militant leaders have been forming new outfits and recruiting members inside and outside prisons.

Besides, pro-al Qaeda militant outfit Ansar Al Islam and several other islamist groups have been recruiting members online for the last few months, counterterrorism officials say.

The Neo JMB members inspired by the so-called Islamic State (IS) are planning to form a new outfit in collaboration with members of Ansar al Islam, and Jama'atul Mujahideen Bangladesh (JMB), two officials of the counterterrorism unit of police have said requesting anonymity.

By intercepting communications, the officers have learnt that Neo JMB leader Saiful Islam Khaled, now on death row at Kashimpur High Security Prison for the 2016 Holey Artisan café attack, used Telegram app on a smartphone to contact Bangladeshi IS militants in Afghanistan's Khorasan province and asked for financial support to reorganise the militant group in Bangladesh.

Ansar al Islam member Irfan, and JMB members Hasib, Ekran, and Khaled -- all inmates at Kashimpur -- held a meeting in mid-June and talked about their plans, said the officers of Counter Terrorism and Transnational Crime (CTTC) unit of police.

The Neo JMB was behind the Holey Artisan attack in which 20 hostages, including 17 foreigners, were killed on July 1, 2016. Two police officers also lost their lives during the standoff.

Besides, five attackers and an employee of the restaurant died during Operation Thunderbolt which brought an end to the nerve-racking 12-hour hostage crisis.

Formation of the Jamatul Ansar Fil Hindal Sharqiya, which has been in the news in recent months, was also initiated at a meeting of inmates led by Abu Sayed, a top Huji leader also on death row at the prison for the August 21, 2004, grenade attack. Ansar Al Islam members Mainul Islam who used to go by the aliases Mahin and Roxy, and Jony were at the meeting.

The Sharqiya came to light after several young men were reported missing in Cumilla last year.

Echoing the two officers, a Rab officer has said recruitment by Ansar Al Islam, formerly known as Ansar Ullah Bangla Team, on Facebook, Twitter, and Telegram is now a matter of concern.

The recruiters identify potential targets on social media and contact them through encrypted messaging apps that make it difficult for law enforcers to monitor their activities.

The group has “sleepers cells” in which the members do not know each other’s real identity and their leaders operate anonymously.

They use unique codes for their identity, said a CTTC officer. “Even if one of them gets arrested, law enforcers cannot track down the others.”

Besides, militants use VPN that prevent law enforcers from intercepting the communications.

“Ansar Al Islam wants to make a terrorist attack. It is gaining strength by recruiting new members. They may become a major headache in future,” said an officer.

AFM Al Kibria, deputy commissioner (Cyber Crime Investigation Division) at the CTTC, has said his team is trying to get timely information in the coming days through the Mutual Legal Assistance Treaty (MLAT) between Bangladesh and other countries.

Contacted on June 27, CTTC chief Asaduzzaman said, “Although it appears that militancy is under control, the militants are attempting to reorganise.”

Deradicalisation procedures will be launched in prisons soon, he added.

CTTC Deputy Commissioner SM Nazmul Haque said officers are engaged in “cyber patrolling” to monitor online activities of militants and prevent recruitments.

Maj Gen (ret'd) ANM Muniruzzaman, security analyst and president of Bangladesh Institute of Peace and Security Studies (BIPSS), said police alone cannot combat militancy.

Militancy will never be controlled until the means of radicalisation are eradicated, but Bangladesh does not have any counter-radicalisation strategy, he said.

When something happens somewhere, militants get killed or end up in prisons through an operation. But their activities in the prisons are not properly monitored, he said.

Prisons are becoming militant-making factories partly because they are at double the capacity, he said, adding that militants must be separated and deradicalised.

DAILY NEWS, COLOMBO 11-7-2023

History of Corruption

There have hardly been any instances of corruption by rulers, officials and businessmen mentioned in the early history of Sri Lanka, probably, because almost all lived virtuous, simple and contented lives, influenced by the tenets of Buddhism and Hinduism, living within their means, with whatever they got as their due.

This was also because royalty was well endowed with wealth owning all the land, officials being well looked after by kings and, for instance, the people given land to cultivate, paddy cultivators having to give the king only one-sixth of the produce as tax, as part of an efficient system of overall taxation by which all those who earned income in all other ways were also taxed.

There is, however, an instance of attempted cheating, amounting corruption, in Serivanija Jathaka in early

Buddhist literature where a greedy hawker buying old pots and pans had, by cheating a poor family, been attempting to commit an act of corruption.

“Now in that city there was a decayed family. Once they had been rich merchants, but by the time of our story they had lost all the sons and brothers and all the wealth. The sole survivors were a girl and her grandmother and they got their living by working for hire. Nevertheless, they had got in their house the golden bowl out of which in the old days the great merchant, the head of the family, used to eat; but it had been thrown among the pots and pans, and having been long out of use, was grimed over with dirt, so that the two women did not know that it was gold. To the door of this house came the greedy hawker on his round crying, “Water pots to sell! Water pots to sell!” And the damsel, when she knew he was there, said to the grandmother, “Oh, do buy me a trinket, grandmother.”

“We’re very poor, dear, what can we offer in exchange for it!”

“Why here’s this bowl which is no good to us. Let us change that for it.”

The old woman had the hawker brought in and seated, and gave him the bowl saying, “Take this, sir, and be so good as to give your sister something or other in exchange.”

The hawker took the bowl in his hand, turned it over, and, suspecting it was gold, scratched a line on the back of it with a needle, whereby he knew for certain that it was gold. Then, thinking that he would get the pot without giving anything whatever for it to the woman, he cried, “What’s the value of this pray! Why it isn’t worth half a farthing!” And therewithal threw the bowl on the ground, rose up from his seat, and left the house. Now, as it had been agreed between the two hawkers that the one might try the streets which the other had already been into, the Bodhisatta came into that same street and appeared at the door of the house, crying, “Water pots to sell!” once again the damsel made the same request of her grandmother; and the old woman replied, “My dear, the first hawker threw our bowl on the ground and flung out of the house. What have we got left to offer now!

“Oh, but the hawker was a harsh-spoken man grandmother dear; while this one looks a kind man, speaks kindly. Very likely he would take it. “Call him in then.” So he came into the house, and they gave him a seat and put the bowl into his hands. Seeing the bowl was gold he said, “Mother, the bowl is worth a hundred thousand pieces ...” says ‘The Jataka or the Stories of the Buddha’s Former Births’ Volume I translated into English by Sir Robert Chalmers, BA Oriel College Oxford University and British Governor of Ceylon, among various Oxford and Cambridge University Professors.

President Ranil Wickremesinghe can be compared, mutatis mutandis, to the hawker who was the Bodhisatta

and the greedy hawker who tried to cheat the poor family to those who are greedy for political power to enjoy corruptly earned limitless wealth leading luxury lives, depriving the people of at least the meal of rice, five sprats, dhal and green leaves, and are suffering helplessly, being in the situation of the girl and her grandmother, who had lost all their wealth, mercilessly abusing the noble quality of the poor of bearing even the pangs of hunger silently. As Thorstein Veblen in his landmark thesis 'The Theory of the Leisure Class' says sports is far down in the list of priority human needs.

Those who practise plain living and high thinking never resort to corruption. There is a Sanskrit sloka that goes as Ahara, nidra, bhaya, maithnancha; Samanya methadpusupithnaranam, ... and so on which means that food, sleep, fear and copulation are common to both animals and human beings; it is Dharma, meaning the law, that distinguishes man from animal.

President Ranil Wickremesinghe was elected by Parliament, in accordance with the provisions of the Constitution, not as a mere stop gap scarecrow, as some had been earlier, but in a grave economic crisis akin to the one in which William Pitt the Younger was brought in, in Britain, to tide over such a crisis experienced by the United Kingdom so long ago as the 1780s due to the American War, when the National Debt stood at nearly an unprecedented 250,000,000 Pounds Sterling, to solve which William Pitt known as Pitt the Younger as Tory Prime Minister from 1783 to 1801 and 1804 to 1806 carried through important fiscal and tariff reforms.

"King Pandukabhaya made suitable provision for the sanitary services of the capital city Anuradhapura. He is said to have appointed five hundred chandalas for cleaning the streets of the city, two hundred for cleaning the sewers, one hundred and fifty chandalas to bear the dead and as many chandalas to be watchers in the cemetery," says Prof. S. Paranavitana in University of Ceylon 'A Concise History of Ceylon'.

There is no mention of corruption practised by supervisors of the chandala sanitary labourers as happened very much later i.e. around after 1990 when part of the fee paid for washing and cleaning buses at a certain bus depot in the Western Province was taken by the supervisor. A very amiable young man from the village who plucked coconuts, jackfruit, mangos etc. by climbing trees in daytime and washed and cleaned buses at night at a piece rate, when asked why buses are not washed and cleaned properly confided that the supervisor gets him to wash twenty buses instead of ten which he can wash and clean well and pockets half the amount paid.

Provision in the law during the time of ancient Sinhala kings to impose fines on irrigation officials who delayed releasing water to paddy fields, mentioned in University of Ceylon 'A Concise History of Ceylon' as happens today and present Agriculture Minister Mahinda Amaraweera, recently, vowing to have the law on and

condignly punish officials who delayed issuing fertilizer vouchers to paddy farmers, smack of the prevalence of some corruption and, perhaps, sabotage by officials, then and now.

Chandra Edirisuriya

DAILY NEWS, COLOMBO 5-7-2023

"Best solution is Parliamentary or Presidential Election"

Ananda Kannangara

The main Opposition Samagi Jana Balawegaya (SJB) says conducting a Parliamentary Election or a Presidential Election is the best solution to solve the country's current deteriorating economic situation, rather than inviting the SJB or any other opposition party to join the Government that has already lost the people's faith.

SJB National Organizer Tissa Attanayake made these remarks in response to a question raised by the media whether the SJB is willing to accept President Ranil Wickremesinghe's request, made at a meeting in Hambantota, to join the Government to solve the current burning issues in the country.

He said conducting an election – Parliamentary or Presidential – is immensely important at this crucial juncture since the country is run by a group of Parliamentarians who have no people's mandate, especially after the collapse of the previous regime.

"The President is an educated person and he should understand the importance of conducting an election to obtain the people's wish at this crucial moment when they are facing immense hardships due to the escalating prices of consumer items, especially foodstuffs, that they need daily," he said.

Attanayake further said no election could be postponed under any circumstances as it is the paramount right of people in a democratic country. He also said that the Government has already put a massive burden on the common man by imposing heavy taxes not only on consumer items, but also on the monthly salaries and bank savings. He said fortunately, due to repeated protests made by people, the Government couldn't use EPF and ETF funds. Attanayake once again urged the President to hold an election, whether Parliamentary or Presidential, and ascertain the people's wish, whether they like the current regime or prefer any other party to come into power.

DAILY NEWS, COLOMBO 5-7-2023

Radiological Terrorism: A deadly future threat

Dishan Joseph

Terrorism manifests in many forms. Sri Lanka is an island. Various chemical substances enter the country through the airports and through the sea ports. Also due

to the strategic location of Sri Lanka ships with various containers of chemical substances arrive at Colombo Port. The risk of chemical reactions rising to hazardous levels is more likely to occur and remains a challenge. In view of this, the National Authority for the Implementation of the Chemical Weapons Convention in Sri Lanka has taken various measures to prevent possible accidents from chemical agents within Sri Lanka. We, as a nation, have witnessed many forms of terrorism and radicalized extremism. Globally, the main security focus is the protection of radioactive material and secure transportation of the same. If such material falls into the hands of criminal or terrorist groups in the future, we will have to face dangerous consequences.

Radiological terrorism is a rising trend globally. Terrorist organisations have mastered the art of weaponizing radioactive material. There are three ways in which they can unleash this terror- Improvised Nuclear Device (IND that creates massive explosion force and radiation), Radiological Dispersal Devices (RDD or commonly known as dirty bombs) and Radiological Exposure Devices (RED). The threats posed by CBRN weapons in both Europe and Asia have been highlighted by their use in assassinations and assassination attempts. Further dimensions of threat arise when considering potential CW use in mass impact terrorist attacks such as the nerve gas attacks on the Tokyo subway in 1994 and 1995 by the Aum Shinrikyo cult. Their most recent use on a large-scale has occurred in Syria, where various types of chemicals and delivery methods have been used by both State and non-State actors since 2013.

The RED is a terrorist device intended to expose innocent people to significant doses of ionizing radiation without their knowledge. A RED can be hidden in a public place such as a food court or a shopping mall. Examples of radioactive dissemination techniques include postal packages, spray devices, commercial crop dusters, air conditioning systems, cooling fans and direct injection. A radioactive incident can also occur when a facility that stores radioactive material is attacked. However, it must be mentioned that stealing such material is no easy task as the terrorist can be exposed to the material and be dead in a few minutes or a few days.

STF response

One of the first local agencies to realize the threat of CBRNE is the Special Task Force (STF) of the Sri Lanka Police. CBRNE stands for Chemical, Biological, Radiological, Nuclear and Explosive. The first four elements can be used individually to create a large number of casualties and can be coupled with the fifth element of explosives to double the impact.

The STF, with the guidance and collaboration of the US Department of Energy, National Nuclear Systems Administration (NNSA), Pacific Northwest Laboratory, Office of Radiological Security (ORS), Global

Materials Security and the Sri Lanka Atomic Energy Regulatory Council (SLAERC) had built the nation's first Central Monitoring Station at Katukurunda in October 2019.

Radiation occurs naturally and is also manmade. In a nutshell, radiation is the energy emitted from excited atoms. Common manifestations of radiation are found in light, heat, radio waves and microwaves – but these do not pose a threat to national security. The imminent danger lies in ionizing radiation. The IAEA (International Atomic Energy Agency) has four category rankings for radioactive materials, with Category One being the highest risk where exposure for a few seconds can cause death and permanent injury. This is why radioactive material must be controlled. Globally, nuclear materials like plutonium and enriched uranium are used to power submarines and industrial reactors.

Common radioactive materials include Cobalt 60, Cesium 137 and Strontium 90. Radioactive material is used in medical treatment to irradiate cancer. It is also used in brachytherapy needles and tiny seeds that are planted in the body to fight prostate cancer. In other mild forms, it is injected into the body during scans. But, the risk arises when radioactive materials are handled and transported illegally.

The life of the radioactive 'trefoil' began in 1946 at the University of California, Berkeley. It was only in 1948 that the symbol came under consideration for wider use, when Brookhaven National Laboratory (New York) requested a 'standardized symbol' for use in their radiation safety programme. Today we recognize the black and yellow symbol.

SSP Athula Daulagala (Deputy Commandant STF) said: "During transport and storage these materials must be very secure. Some are covered (from overseas) in an outer housing canister of stainless steel, titanium and plutonium. Gamma emitting materials are kept in lead containers. This type of security transportation involves eight agencies, where we draw up a TSP (Transport Security Plan). They are the Sri Lanka Atomic Energy Regulating Council, the local company that requires material (end user), the Special Task Force, and corresponding local police station, the SIS (state intelligence service), Sri Lanka Customs, Sri Lanka Ports Authority and Traffic Police Headquarters."

Each shipment has a tracking device inside the container. According to the IAEA, the greatest risk is during the transportation process. The routes are chosen and the cargo is moved in a convoy with additional SWAT teams and a STF bomb disposal crew. At present drone monitoring is also done by the STF, covering the convoy route. At some locations (private company), depending on the strength of the radioactive material, it is stored in underwater pools or in chambers where the wall is almost eight feet thick.

SSP Daulagala further explained: “Once an alarm is activated in any of these locations, we receive an alert to the smartphone. From the live visuals, our operators can identify the level of threat – is it a breach of the defensive parameter or an actual theft in progress. There can be a fire on site triggered by electric failure. We have 58 bases across Sri Lanka and each Base Commander is fully trained on how to respond. If it is an alarm, we can send a two-man bike team to check the level of radiation. From our Central Monitoring Station, we can deploy our first responders by road and helicopter along with SWAT commandos”. The STF – CBRNE team’s capacity has been enhanced under the prudent tenure of present commandant DIG Waruna Jayasundara.

Addressing the challenge of CBRN requires international cooperation. CBRN threats cross borders and so must attempts to manage, reduce and end them. The availability of forensics teams to provide investigative support makes an important contribution to judicial understanding of CBRN related matters.

The STF was active during the Covid period disinfecting various hospitals and isolated villages. The STF is constantly updated by the INTERPOL on suspicious movement of radioactive materials globally. With the addition of the CBRNE rapid response teams and the radiological threat monitoring station, the STF has contributed immensely to the future of our national security. The Special Task Force is fully geared to face the emerging threats of CBRNE hazards and chemical terrorism.

(The writer is author of Target Secured- Police Special Task Force)

THE KATHMANDU POST, KATHMANDU 1-7-2023

Gopal Khadka, ex-chief of Nepal Oil Corporation, convicted of corruption

Special Court slaps 15 months jail, Rs91.91 million fine, and orders confiscation of property equal to the amount.

Post Report

KATHMANDU, The Special Court, on Friday, convicted Gopal Bahadur Khadka, the former managing director of the state-owned Nepal Oil Corporation, for amassing property worth millions of rupees, illegally. Passing the verdict in a graft case brought by the Commission for Investigation of Abuse of Authority, a full bench of the court sentenced Khadka to 15 months in jail, in addition to levying a Rs91.91 million fine and ordering the confiscation of his property equal to the fine amount.

The bench of the Court’s chairperson Shree Kant Poudel and members Shalikram Koirala and Khushi Prasad Tharu also found that Khadka had kept properties in the name of his wife and another individual.

“The court has directed confiscation of properties registered in the name of his wife Sharmila and Anita Lama,” Dipendra Nath Yogi, the court spokesman, told the Post.

The constitutional anti-graft body in January 2019, had filed a corruption case at the court against Khadka, charging him with illegally amassing property worth Rs 186.6 million.

Khadka was sacked from his post on September 18, 2017 after five parliamentary committees and the Ministry of Supplies during their investigations found his involvement in irregularities while buying land plots in four districts for building oil storage facilities. The commission in its charge sheet had claimed that Khadka had not only amassed properties illegally, but had also hidden property worth more than Rs70 million in the names of other people.

As per the commission’s charge sheet, Khadka was found hiding the illegally amassed properties in the name of his wife—Sharmila and Lama. Property worth Rs75.47 million was hidden in the name of Lama. A house at CG Hills Housing at Hattigauda area, eight aana (2,738 square feet) land at Budhanilkantha, a Hyundai Tucson car, and an amount paid to purchase a house developed by CG Developers, were hidden in the name of Lama.

Khadka has been a controversial figure in that he has been named in a number of irregularities at different offices where he had worked during his career in public service.

He was accused of colluding with property brokers to purchase lands for the oil monopoly in Jhapa, Sarlahi, Chitwan and Rupandehi districts at prices three to four times higher than the market rates.

Similarly, Nepal Oil under Khadka’s leadership had also allowed 17 cooking gas bottling plants to expand their branches, going against the corporation’s commitment of merging the plants to make the sector more systematic. He had also allowed the blacklisted company, Birat Petroleum, to import fuel while releasing Rs180 million in the company’s name.

Khadka was also accused of being involved in a number of irregularities when he was the head of the Division Road Office, Kathmandu. An audit conducted by the Office of Auditor General had found that the office, under Khadka’s leadership, had made payment to contractors for using new stones and construction materials without calculating the use of the existing construction materials.

A probe panel led by the then secretary at the Prime Minister’s Office Jaya Mukunda Khanal had also pointed out irregularities at the Division Road Office,

Kathmandu, and recommended additional probe and action against the culprits.

THE KATHMANDU POST, KATHMANDU 4-7-2023

Coalition leaders agree to form government led by Congress in Koshi

The Baluwatar meeting picked Uddab Thapa of Nepali Congress as chief minister candidate.

Post Report

Leaders of the ruling coalition in Kathmandu have decided to form a new government in Koshi Province under the leadership of Nepali Congress.

A meeting of coalition leaders held at the prime minister's residence in Baluwatar on Monday also decided that the Congress' Uddab Thapa would be a candidate to lead the provincial government.

Rajendra Pandey, acting chair of CPN (Unified Socialist), who attended the meeting said the top leaders at the meeting decided to instruct provincial committee leaders of their respective parties to elect Thapa as chief minister as Congress is the largest party in Koshi among the coalition partners.

"Once the Congress leader is elected chief minister, other ministries will be allocated among the other coalition partners and that will be agreed upon based on inter-party negotiations," Pandey said after the Baluwatar meeting.

According to him, coalition partners have decided to seek support of the Rastriya Prajatantra Party to form the government in Koshi. The RPP's support is a must for the coalition to secure a majority in the provincial assembly.

After UML leader Hikmat Karki failed to garner a vote of confidence, the Maoist Centre, Congress, CPN (Unified Socialist) and Janata Samajbadi Party are working hard to form a new government but due to lack of the necessary numbers to ensure a majority, they had sought the help of the top leaders of their parties in Kathmandu.

The leaders of the coalition took the decision as the provincial head Parshuram Khapung on Sunday issued a notice calling upon political parties to come up with a proposal to form a new government within 5 pm Thursday.

THE KATHMANDU POST, KATHMANDU 10-7-2023

Political parties have agreed to all proposed revisions in electoral laws

We need laws to curb any wrong practice but we cannot expect them to be fully implemented overnight.

Correction is a gradual process.

The Election Commission last week finalised the election management draft bill with several revisions in the existing legal provisions on election. The draft bill

prepared after years of homework needs to get through the Parliament before coming into

force. Portrayed as a progressive law by the commission, it will replace seven different Acts if it gets federal Parliament's approval. While the government is studying the draft, Binod Ghimire of the Post talked to Ram Prasad Bhandari, a commissioner at the commission, to learn about its provisions and how they will be executed. Excerpts:

Why is a new election law required when there are several Acts, which were prepared just a few years ago, in place?

The 2015 constitution formalised Nepal as a federal republic and secular democratic nation. Periodic elections are an integral part of democracy. Different Acts and regulations were prepared to implement the constitution through elections. Back then, as the elections were round the corner, the laws and regulations were prepared in haste and were thus incomplete. We realised seven out of nine election laws need to be merged into one, and updated. After four or five years of discussions with the political parties, civil society members and election experts, we finalised the bill that integrates seven different Acts guiding the elections of the President and Vice President, House of Representatives, National Assembly and the local level.

What is the current status of the draft bill?

After the commission's approval, the draft bill has been dispatched to the Ministry of Home Affairs, our line agency. It will then be forwarded to the Ministry of Finance and the Ministry of Law. After the clearance from the two ministries, the Cabinet's bill committee will study it. The Cabinet has to endorse it before it is registered in the Parliament. The commission prepared it after thorough study to have a perfect election law for the country. Now it is up to the government and the sovereign Parliament to decide.

The National Assembly elections will be held in February/March next year. Do you think a new Act will come into force by then?

The draft bill aims to address the existing shortcomings in the election process and procedures. We want the upcoming elections to be fairer, and more cost effective and representative. As it was prepared after a highly consultative process, there is no reason to delay its endorsement. I am hopeful that the upcoming upper house elections will be conducted based on the new law. However, delay in the bill's endorsement will not stop the election because the existing law will continue to be valid until then.

What incomplete provisions in the existing election Acts have been corrected in the draft?

Hundreds of thousands of Nepali youths working in different countries have been deprived of their right to vote despite having their names in the voter list. We want to ensure their franchise. A large section of youths

has been left out of the election process in the absence of arrangements to allow those living abroad to vote.

The existing law authorises the government to fix election dates in consultation with the commission. This has resulted in uncertainty over determining election dates. We have thus proposed fixed dates for each election. This will end the uncertainty over election dates. With fixed dates in place, the commission as well as political parties can make election preparations accordingly.

As per existing election law anyone who has a corruption case or serious criminal offence registered against her/him can contest the election. However, other laws stop them from working as a lawmaker, as in the case of Tek Bahadur Gurung, who was elected to the House of Representatives from Manang. Gurung could contest the election and win it despite facing a corruption charge. But he is barred from working as a lawmaker. This is injustice to the people of Manang who don't have a representative to raise their concerns in the Parliament. So we have proposed that those who are facing corruption charges or cases of serious criminal offence be barred from contesting elections.

Similarly, long ago, the Supreme Court had directed the government to allow voters to cast negative votes. It said one must get to reject all the candidates if s/he doesn't like any of them. The draft bill has a provision of negative voting. If half of the total votes are 'no votes', there will be re-election in the particular constituency. The constitution has guaranteed 33 percent women reservation in different state machineries. We have also proposed that at least a third of the candidates in the first-past-the-post elections be women. This was necessary as the parties created a perception that women can be lawmakers only through proportional representation.

Having 33 percent candidacy doesn't ensure women representation in the same proportion. Why didn't the commission purpose to reserve some constituencies for women?

More the number of women candidates, the greater the possibility that more of them will be elected. We have proposed a minimum of 33 percent. But if the parties want to honour the spirit of the constitution that envisions women's greater representation, they can pick as many as they want. However, reserving certain constituencies for women will deprive the right of the men to contest the polls. Only party representatives don't contest the polls, there are independent candidates as well. I believe it wouldn't be right to bar anyone from contesting the polls. I also believe women are capable enough to give men a tough fight in elections.

There are millions of Nepalis living and working in the Middle Eastern and Gulf countries. Does the Election

Commission have the capacity to conduct voting in these countries?

The commission needs the government's support in the managerial part. First, voter registration needs to be done wherever the Nepalis are living. The commission cannot do it on its own. It needs to be done through our embassies. We have proposed to allow them to cast votes only under the proportional representation category. One willing to vote for the first-past-the-post must be present in the respective constituency in person.

Conducting voting in foreign land is complex and needs huge resources. The government will analyse whether it has the capacity to do so. It is a gradual process. If it is not possible for the next election, maybe we can develop the capacity by another election.

The commission has proposed several provisions to curb overspending and extravagance in elections. Existing laws also allow the commission to stop such practices but no major action has been taken against any candidate so far. Having stern legal provisions alone is clearly not enough.

We need laws to curb any wrong practice but we cannot expect them to be fully implemented overnight. Correction is a gradual process. The extravagance has declined over the years. I have voted in the elections since the time of referendum in 1980. I can say the use of banners, pamphlets, wall paintings and other publicity materials has decreased significantly. The spending in last year's election was very less as the commission actively enforced the election code of conduct.

That doesn't mean nobody violated the spending ceiling. However, we need strong proof to establish that. The commission even studied the bills from different hotels where some candidates allegedly spent huge sums in feasting. However, we didn't find any bill paid by any of the election candidates to have breached our ceiling. It is not possible for us to take action without evidence.

There are instances whereby the government has totally revised the commission's draft bill before tabling it in the Parliament. How confident are you that the government will not revise it this time?

We prepared the draft in consultations with representatives from all the parties. They have agreed to all the provisions we have proposed. We know top political leadership will also discuss it before it goes through several rounds of discussions in the parliamentary committee and full House. They have the prerogative to revise the draft as they like. However, as every provision in the draft was incorporated with a good intention of making elections fair, cheaper and inclusive, we hope that it won't be revised by killing its spirit.

TEHRAN TIMES, TEHRAN 9-7-2023

Four terrorists killed in attack on police station in Zahedan

TEHRAN - A group of four gunmen ambushed a police station in Zahedan, the capital of Sistan-Balouchestan province in southeast Iran, on Saturday morning and opened fire indiscriminately at the structure.

The Sunni Musalla prayer hall, where Police Station 16 is located, was the target of the attackers.

According to witnesses, the terrorists ascended the police station's watchtower and began firing at the officers from above.

Local sources said the sound of gunshots could be heard in the area, as a fierce exchange of fire was underway.

In the midst of the intense exchange of fire, the police officers within the station and the security officers outside the facility encircled the attackers and killed the four gunmen.

Two policemen were also martyred in the ambush, IRNA reported.

The province's prosecutor general, Mehdi Shamsabadi, told IRNA that with the killing of the four terrorists, the situation is now under control.

The provincial police chief also said four guns, seven grenades and a number of suicide belts were seized from the assailants during the operation.

The province of Sistan-Baluchestan, which borders Pakistan and Afghanistan, has seen a number of terrorist strikes in recent years that have targeted both security officers and civilians.

Iran's security forces have consistently secured the country's borders and repulsed practically all terrorist attacks by foreign-backed anti-revolutionary factions across the country.

PAKISTAN TODAY, ISLAMABAD 12-7-2023

Electoral reforms: Weighted voting

One way out of the dilemma of present-day voters

By Khalid Iqbal

The political history of Pakistan has been evidently plagued with mismanagement, instability, corruption and bad governance. The masses have experienced a revolving chair of the leaders who failed to deliver and meet the expectations, leading to a sense of disappointment among the people.

Despite the availability of capable and honest people in the country, inefficient and incapable representatives and leadership, with a very few exceptions, are still being elected.

One of the key reasons for the election of incompetent and corrupt representatives in the country is the lack of education and political cognizance among the voters. A large portion of the populace is illiterate and lacks the necessary awareness and understanding to make informed decisions about their political representatives, causing a major hurdle in electing capable and honest

leaders. The voters are often driven by prejudice or bias and are usually swayed by emotional appeals and empty promises made by politicians during election campaigns.

In the aforementioned situation of illiteracy, low level of education, lack of political awareness and analytics skills of the voters, the principle of 'one-man, one-vote' doesn't seem suitable for Pakistan.

The principle of 'one-man, one-vote' has generally led to the election of leaders lacking the competence, knowledge and expertise needed to effectively govern the country. In this system, each person, after reaching the age of 18 years in Pakistan, is granted with vote to cast, regardless of his education level, age, political awareness, experience, analytical skills and roles and responsibilities. But, on the other hand, in general, it is an established fact that an illiterate cannot be equated with a voter having qualification of PhD as far as the political wit of both is concerned. Similarly, political wisdom of voters aged 18 years cannot be compared with those having the age, for example, 50 years, or more. Likewise, it will not be wise and justified to keep the weightage the same of the voters who do comply with various state responsibilities, rules and regulations with those who don't.

Therefore, besides other electoral reforms widely discussed and suggested time and again at various forums, instead of 'one-person, one-vote', a weighted voting system, in which each voter has a variable voting power, should be adopted. Weighted voting is a voting system that gives different weights to different voters based on a predetermined set of criteria, for example, education, age, experience and compliance of the state rules and regulations and so on.

An illiterate should have only one vote, while a voter with matriculation and intermediate may have two votes, 14-year graduates and the voters with a 16-year educational qualification should have three votes; while the voter having MPhil/MS or PhD degrees should have four.

As far as the age is concerned, the voter from the age of 18 to 25 years may be given the right of only one (1) vote, while the citizens of the age group 26-35 and 36-49 years may have two and three votes respectively; whereas the voters having the age of 50 and above should be powered with four votes.

Similarly, amounts of various types of taxes paid by the citizens should also be made one of the criteria, making the voters eligible for the additional votes ranging from one to four. Those, who don't pay, should be deprived of any additional vote in this regard, while those who pay the taxes up to Rs 0.5 million may be given two; whereas those who pay the taxes in the range of Rs 0.51-Rs 2.0 million should additionally be given three votes; whereas those, who pay more than Rs 2.0 million should be equipped with four additional votes.

The weighted voting model is much better than the 'one-man, one-vote' system as it takes into account the knowledge, expertise and contribution of the individuals. The 'one-man, one-vote' rule apparently seems fair and democratic, but it usually leads to uninformed decisions being made, leading to negative consequences for the country. Therefore, it is important to consider implementing a weighted voting system to ensure that decisions are made in the best interest of the state and the people for the election of honest and competent political leadership capable of pulling the country out of the prevailing issues of economy, unemployment, poverty and poor governance in Pakistan.

Now, suppose an MPhil-qualified 50-year-old voter pays Rs 0.5 million as taxes. It is suggested he be armed with 10 votes – four votes for his education, four votes for his age, and two votes for the amount of taxes he pays.

A few other factors, like criminal history, earning of foreign remittances for the country, community services, international exposure and analytical skills may also be made a part of this weighted voting system.

The counting of votes is proposed to be automated as and when the vote will be cast by the pertinent voter on Internet-based electronic voting machine (EVM) connected with the data of NADRA for the age, the HEC and the boards of intermediate and secondary education for educational qualification, FBR for tax and other remittances information, Ministry of Interior for criminal history and local municipalities for the community services. Special tests may be conducted for gauging the analytical skills of those voters who are interested to get further additional voting power. The relevant data may be fed with the voter's identity if the live Internet connection with the EVMs is not possible everywhere.

The weighted voting model is much better than the 'one-man, one-vote' system as it takes into account the knowledge, expertise and contribution of the individuals. The 'one-man, one-vote' rule apparently seems fair and democratic, but it usually leads to uninformed decisions being made, leading to negative consequences for the country. Therefore, it is important to consider implementing a weighted voting system to ensure that decisions are made in the best interest of the state and the people for the election of honest and competent political leadership capable of pulling the country out of the prevailing issues of economy, unemployment, poverty and poor governance in Pakistan.

DAWN, ISLAMABAD 5-7-2023 **Dynastic rule and democracy**

Zahid Hussain

THE meeting between the chiefs and scions of the two most powerful political dynasties in Dubai last week, where a consensus was reportedly reached on the composition of the forthcoming caretaker set-up as well as the future coalition, provides a glimpse into Pakistan's family-dominated power politics. Nawaz Sharif and Asif Zardari virtually carved out the post-election power structure.

With the dismantling of the PTI underway, the road is now deemed to have been cleared for the elections, though there is still no understanding on the time frame. The Dubai rendezvous was certainly not meant for signing a new charter of democracy; the main objective seems to have been to chart a strategy to consolidate the existing power structure dominated by the two dynasties.

It is a sad commentary on our so-called democratic system. There is hardly any other example of political leaders of a democracy meeting in a third country to discuss critical political issues instead of deliberating these at home and in parliament. This happens when political parties are reduced to family enterprises. Elected democratic forums become irrelevant when politics becomes a family affair. It's all in the family.

What is most disturbing is the reported agreement between the two families' bigwigs on the composition of the interim administration. It is contrary to the constitutional provision which says that the caretaker administration should be neutral and be named with consultation between the leader of the house and leader of the opposition.

It may be true that the current leader of the opposition in a truncated National Assembly has hardly any credibility, but still one has to go by the book. But who cares about the Constitution in this game of thrones?

The whole episode also raises question about the fairness of the coming election, with a handpicked interim set-up of doubtful neutrality. It is almost a repeat of the situation of the Punjab caretaker government, which is virtually being run by the PML-N-led coalition in Islamabad.

Meanwhile, the ongoing political engineering has tainted the entire election process. It is tantamount to pre-poll rigging, which we have seen many times in the past. The PTI's disintegration in the face of state oppression and the formation of a new king's party backed by the security establishment has made a mockery of the whole democratic process.

Indeed, this much is not new in Pakistan's troubled political journey. But the severity of the repression is rare. Hundreds of PTI workers are languishing in jails and facing terrorism charges. Some of them will be tried by military courts.

Surely those who were involved in attacks on military installations must be punished, but the indiscriminate crackdown has reinforced the view that it is part of the plan to keep the PTI out of the election process or at least weaken it so that it does not present any serious challenge to the PML-N in Punjab, which has become the major battleground.

There is certainly a newfound confidence in the ruling alliance with the dismantling of the PTI, but in a fair and free election, the party, with its mass support base remaining intact, could give the PML-N a run for its money.

What is most interesting is former prime minister Nawaz Sharif's having taken full command of the PML-N. He may have been guiding the coalition government and his party from his home in London since the installation of the PDM set-up, but his meeting with the PPP leaders in Dubai has left no room for ambiguity about his ambition to become prime minister for the fourth time. The recent statement from senior PML-N leaders has reinforced speculations.

The passage of two new bills by parliament, reducing his disqualification to five years and allowing him the right to appeal against his conviction by the Supreme Court, has paved the way for his return to the country to lead his party's election campaign. Last week's meeting with the PPP chieftain seems to be part of the plan for him to return home in the next few months.

Meanwhile, Nawaz Sharif is now visiting Saudi Arabia, where he went recently. He plans to meet the top Saudi leaders. These visits have assumed greater significance for his plan to bid for the top office for a fourth term.

In a recent statement, he was quoted as saying that his first priority would be to contain the spiralling inflation at home if he returned to power. Some observers believe that it is not power but his wish to be vindicated which is the main reason for his endeavour.

He is perhaps waiting for the court to drop his conviction before returning. The return of the three-time former prime minister would give an interesting twist to Pakistan's chequered political history. He was removed each time halfway through his term. There is still a long way to go before he can get the coveted post for the fourth term.

Until a few weeks ago, it looked improbable that general elections would be held before the end of this year, with the country facing the prospect of an economic meltdown and defaulting on its external debt repayment. But with the IMF deal coming through, the country has been given some much-needed breathing space. The development has drastically changed the political landscape. It is the right moment for the ruling coalition to agree to elections.

The date for the polls would depend on whether the ruling coalition dissolves the National Assembly a few days before the end of its term on Aug 13 or wait until then. In either case, polls cannot go beyond mid-November. There seems to be no possibility of prolonging the term of the caretaker set-up.

It is certainly a good idea not to postpone the general elections. There are no two views that elections are the only way out of the present political turmoil. Any pre-poll rigging and manipulation that is attempted to change the outcome will be disastrous for national stability.

The writer is an author and journalist.

THE NEWS, ISLAMABAD 6-7-2023

Terror spike

This past Sunday saw six security personnel martyred in separate terrorist attacks in Balochistan within the same day. The incidents come amidst a 79 per cent increase in terrorist attacks in the first half of 2023 compared to the corresponding period last year; and there have been 271 terrorist attacks resulting in 389 deaths and injuring 656 people this year. This data has been released by the Pakistan Institute for Conflict and Security Studies (PICSS), which has also documented in its report that the majority of this year's attacks and deaths have occurred in Khyber Pakhtunkhwa, which has suffered 174 reported attacks leading to 266 deaths. When compared to the latter half of 2022, attacks in the country have increased by 18 per cent, which is much lower when compared to the first half of last year, showing that the spike in militant attacks can be dated back to the second half of 2022. This also goes to show that the increase in terror attacks this year is not anomalous but part of a growing trend, one that appears to be accelerating.

It is crucial to beef-up security measures in response to this new wave of terror. Successive governments have promised to strengthen the National Counter Terrorism Authority, as called for by the National Action Plan, but

over the years it has seemed to exist in a state of stasis. If terrorism is to be truly eliminated, it is vital that the government follow through on all planks of the National Action Plan, from displaying zero-tolerance for extremism from any group to better harnessing our intelligence resources as a preventative measure. This also means strengthening the resources and training available to the police under it as they are our first line of defence against militancy.

Given the timing of the spike and the geographical concentration of the attacks in KP, our diplomacy with Afghanistan will need to be a key part of the counterterrorism strategy. Convincing our neighbours to root out any militants along the western border will be crucial to preventing further attacks. There is also a need to look at the political climate, which has deteriorated considerably over the past year or so. Without a stable government it will be nigh impossible to implement a consistent and far-reaching national-security plan. The people living in Pakistan's 'peripheral regions' need some normalcy. Years of bloodshed and a state of war have deprived them of so many opportunities. Evidence suggests that appeasement or leniency with terrorists and militants does not work in our favour. It is encouraging the state too has realized this and has decided there will be no tolerance for terror activities nor any appeasement with militants. For years, the state ignored warnings by civil rights movements in Waziristan and the larger Khyber Pakhtunkhwa about the possible return of terror groups in the region. Now when terror has again walked through the door, counterterrorism needs to move onto a new footing. We are battling both domestic terror attacks and a belligerent border situation on the west, along with the forever threat of India using any such instability on our land. With Nacta, a robust foreign policy, a determined effort to shun any appeasement of militancy, and combining military-led efforts with a healthy input of civilian policymaking, there is no reason why militancy cannot be taken on by the state.

DAWN, ISLAMABAD 12-7-2023

Kurram clashes

CONSIDERING the troubled history of sectarian tensions in KP's Kurram tribal district, and the impact violence in the region can have on communal relations in the rest of the country, the authorities need to act with alacrity as soon as disturbances emerge.

Unfortunately, the district has again witnessed bloodshed, with several deaths and injuries reported after a tribal clash erupted on Friday — apparently, the

result of a quarrel between the residents of two settlements over a disputed parcel of land in upper Kurram.

The violence has continued since. In fact, there are numerous land disputes — some dating to the pre-partition era — among tribes in the district. Worryingly, tribal and communal disputes often take on a sectarian colour in Kurram.

Even more distressing are the claims of some local residents that terrorists of two banned groups, the TTP and Lashkar-i-Jhangvi, have been involved in the latest episode of bloodletting.

The authorities face two major challenges in the current situation: to end the violence and prevent land disputes from descending into bloodshed, and to ensure that sectarian narratives, amplified by social media, do not inflame the situation, especially as Muharram approaches.

Firstly, Kurram itself must be pacified and calm restored, as a humanitarian situation is developing, with people facing shortages of food, fuel and medicine due to the clashes. This is the second major outbreak of tribal/sectarian violence this year; earlier in May, the region experienced a bout of bloodshed as several people, including teachers, were killed in targeted attacks.

That episode was also linked to land disputes. After calm returns, the land commission formed by the KP government should address the land disputes that are at the heart of these clashes judiciously, while the parties involved must abide by their commitments, with violators penalised by the state.

Secondly, the situation requires the security forces to keep a vigilant eye on the movement of banned sectarian militants in this sensitive region. If these elements are not checked, they can further endanger Kurram's fragile communal peace.

With Muharram just a week away, the state as well as the clergy need to put in extra effort to prevent the Kurram clashes from being exploited by vested interests that want to fan sectarian hatred across the country.

In particular, social media accounts that promote violence and hatred, and spread unfounded rumours likely to fuel violence in society, should be monitored. Secondly, clergymen from both sects need to use the pulpit to defuse tensions, instead of fanning the flames.

Kurram and its surrounding areas have been witnessing a tense calm for the last decade or so after several years of bloodshed. The local people should not be abandoned again by the state, left to deal with the escalating sectarian violence on their own.

ECONOMIC, CULTURAL AND SOCIAL AFFAIRS

	Subject	Newspapers/Periodicals	Date	Page
	INDIA			
	Economy/Planning/Reform			
1.	What the Indian economy needs to complete with China By Ishan Bakshi	The Indian Express, New Delhi	3-7-2023	35
2.	Overcast: Editorial on balancing economic growth while ensuring price stability	The Telegraph, Kolkata	4-7-2023	36
	Poverty			
3.	India registers remarkable reduction in poverty with 415 million people coming out of it in 15 years: UN - PTI	The Telegraph, Kolkata	12-7-2023	36
	International Trade and Economy			
4.	India-China trade shows first signs of slowdown in years - PTI	The Tribune, Chandigarh	14-7-2023	38
5.	Tanzania to be major trade hub for India: Jaishankar - Tribune News Service	The Tribune, Chandigarh	9-7-2023	38
6.	India-UK FTA talks enter intensive phase - Tribune News Service	The Tribune, Chandigarh	15-7-2023	39
	BANGLADESH			
	Economy/Planning/Reform			
7.	‘Nothing to fear, all is well now’ By Staff Correspondent	The Daily Star, Dhaka	7-7-2023	39
	Inflation			
8.	Inflation climbs to 12-year high overshoots target By Rejaul Karim Byron and Md Fazlur Rahman	The Daily Star, Dhaka	4-7-2023	39
	International Trade and Cooperation			
9.	A new era dawns in trade with India By AKM Zamir Uddin	The Daily Star, Dhaka	9-7-2023	41
	SRI LANKA			
	Economy/Planning/Reform			
10.	Sri Lanka’s Domestic Debt Plan significant step for resolving bank uncertainty – Fitch Ratings	Daily News, Colombo	5-7-2023	42
	Inflation			
11.	Inflation expected to reach single digit levels by early Q3 2023 – CB	Daily News, Colombo	4-7-2023	43
	International Trade and Cooperation			
12.	India, Sri Lanka to sign MoU to foster animal husbandry, dairy By Ishara Mudugamuwa	Daily News, Colombo	12-7-2023	43

NEPAL

Economy/Planning/Reform

13. Perils of debt-financed fiscal deficit
By Bigyan Babu Regmi
- The Kathmandu Post,
Kathmandu
- 2-7-2023
- 43

Inflation

14. Kitchen sink realism
Editorial
- The Kathmandu Post,
Kathmandu
- 11-7-2023
- 45

Climate Change

15. Hot and dangerous
Editorial
- The Kathmandu Post,
Kathmandu
- 5-7-2023
- 46

IRAN

Inflation

16. Tehran province records lowest
inflation rate
- MA
- Tehran Times,
Tehran
- 4-7-2023
- 46

Foreign Direct Investment

17. FDI inflow to Iran rises 5% in 2022: UNCTAD
- EF/MA
- Tehran Times,
Tehran
- 3-7-2023
- 47

PAKISTAN

Economy/Planning/Reform

18. Low growth
By Javid Husain
- Dawn,
Islamabad
- 4-7-2023
- 47

19. Inflation eases from 38pc to 29.5pc
By Imran Ali Kundi
- The Nation,
Islamabad
- 4-7-2023
- 48

International Trade and Cooperation

20. Pakistan's GSP+ Status
- The Nation,
Islamabad
- 10-7-2023
- 49

21. Pakistan, Italy extend debt swap pact timeline
By Amin Ahmed
- Dawn,
Islamabad
- 7-7-2023
- 49

CHINA

Economy/Planning/Reform

22. China's economy is not about to collapse
By Xin Ping
- People's Daily,
China
- 15-7-2023
- 50

International Trade and Cooperation

23. China-UK trade celebrates 70th anniversary of
the 'Icebreaking Mission'
By Chi Jingyi and Liu Yang
- Global Times,
China
- 7-7-2023
- 51

24. China-Africa business ties set to shine
By Zhong Nan in Beijing and Feng Zhiwei in
Changsha
- People's Daily,
China
- 4-7-2023
- 53

25. Exclusive: Argentina's central bank enables
yuan accounts, a great advancement in
promoting financial efficiency: envoy
By Yin Yeping
- Global Times,
China
- 1-7-2023
- 54

THE INDIAN EXPRESS, NEW DELHI 3-7-2023

What the Indian economy needs to complete with China

Ishan Bakshi

In some ways, the India of today is similar to the China of 2007. As per Moody's, the Indian economy has recently crossed \$3.5 trillion in size. The IMF expects it to exceed \$3.7 trillion this year. A decade and a half ago, the Chinese economy was of comparable heft. China then had a per capita income of \$2,694, while the IMF expects India's per capita income to rise from \$2,379 in 2022 to \$2,601 in 2023.

Though there are other areas of similarity, more profound are the points of divergence. These have implications for India's growth trajectory.

For one, the underlying drivers of growth in the two countries differ. China's meteoric rise has been driven by investments and exports. Between 2003 and 2011, the country's investment to GDP ratio (gross fixed capital formation) averaged 40 per cent. In comparison, even during this high growth phase, the investment ratio in India averaged only around 33 per cent. Worryingly, the gap between the two countries has widened since.

In the years from 2012 to 2021, as the Chinese economy pulled further away, its investment ratio climbed even higher, averaging almost 43 per cent. In India, it fell to around 29 per cent as the investment momentum tapered off. While there are some signs of activity picking up in a few sectors after this almost decade long slowdown induced by the twin balance sheet problem, how investments fare over the coming years will have a bearing on whether India attains upper middle income status as per the timelines being currently projected. (Most of the data has been sourced from the World Bank.)

Then there are exports. In 2022-23, India's exports of goods and services surpassed \$770 billion, while imports were around \$890 billion. In 2007, when the Chinese economy was of comparable size, the country's exports had crossed \$1.2 trillion, driven by exports of goods not services, while imports stood at \$950 billion, signalling its deeper integration with the global economy.

China's emergence as the epicentre of global supply chains over the decades has been facilitated in part by the lowering of tariffs. The country's tariff rate (simple mean) fell from 10.69 per cent in 2003 to 8.93 per cent in 2007, declining further to 5.32 per cent in 2020. In comparison, while India's tariff rate fell from 25.63 per cent in 2003 to 8.88 per cent in 2017, it has risen thereafter.

Between 2007 and 2021, China's exports averaged about 24 per cent of GDP. While India's exports have averaged roughly 21 per cent over this period, they were almost stagnant at around 19 per cent between 2015 and 2020. Though exports, especially of services, have picked up over the past few years, the question now is,

can this momentum be sustained? And will it continue to be driven by services or will goods exports also pick up? This will have implications for job creation and the broader economy.

China also had and continues to have a considerably higher labour force participation rate. In 2007, its labour force participation stood at almost 73 per cent (ages 15 and above, modelled ILO estimate). It has since declined to 67 per cent. In India, the participation rate is estimated at around 50 per cent in 2022. (It is higher as per the PLFS.)

As the male labour force participation rate in both countries is roughly the same, the difference is largely due to female participation. In China, the female labour force participation rate stood at 66 per cent in 2007. By 2022, it had declined to 61 per cent. In India, it was considerably lower at 30 per cent in 2007, and has since fallen even further to 24 per cent in 2022.

A bigger labour force has implications for spending capacity. And if sales of passenger cars, a marker of an increase in discretionary spending, are any indication, there are significant differences. In 2022-23, passenger car sales in India stood at 3.8 million.

In comparison, in 2007, 6.3 million cars were sold in China. A higher labour force participation rate and an expansion of the market will necessarily require female participation to increase in India.

In terms of the sectoral deployment of their labour forces, there are some broad similarities. In 2007, 41 per cent of the labour force in China was engaged in agriculture, 27 per cent in industry (including construction) and 32 per cent in services. For India, the comparable numbers in 2021 were 44 per cent, 25 per cent and 31 per cent. (The absolute numbers differ.)

In China, the labour force employed in agriculture fell by roughly 1.5 percentage points per year between 2003 and 2019 (prior to the pandemic). In India, it declined by around 1 percentage point. The question now is, if India's labour force in agriculture continues to fall at its pre-pandemic pace over the coming decade — the trend has reversed in recent years — where will they be employed?

In the past, the bulk of jobs in India have been created, not in manufacturing, but in construction and services like trade and transport. However, as formal manufacturing is much more productive than these sectors — it is twice as productive as transport, 2.5 times more productive than trade, and 3.75 times more productive than construction as per estimates presented in the economic survey — the lack of employment generation in this sector has been and still remains India's biggest growth challenge.

In the coming years, even if low-and semi-skilled job creation in manufacturing falls short, it is possible that the Indian economy will manage to chug along. But only so. It will be hard to match the kind of explosive growth that China has witnessed — between 2007 and

2021, the Chinese economy grew at 8 per cent on average per year, while the Indian economy grew at 6 per cent — unless investment activity picks up, unless exports, especially of goods pick up, and unless the female labour force participation and low-and semi-skilled employment in formal manufacturing pick up. As before, the path to getting richer quickly remains the same.

THE TELEGRAPH, KOLKATA 4-7-2023

Overcast: Editorial on balancing economic growth while ensuring price stability

Price stability is of utmost importance in facilitating high rates of economic growth. However, even if price stability does occur, it would not necessarily lead to higher growth

In holding the repo rate unchanged at 6.5%, the Reserve Bank of India signalled that the worst phase of the current inflation is over. Indeed, retail inflation has softened considerably. But the RBI has recently indicated that inflationary pressures have adversely affected private consumption and capital formation in the economy. The real purchasing power of consumers gets squeezed when prices of important commodities such as food, fuel, and manufactured consumer goods increase. With consumer demand falling, manufacturers are hesitant to increase capacity in their production units, expecting inflation to continue in the near future. Hence, private investment stagnates. Obviously, the growth rate of the gross domestic product then slows down. The only instrument that the RBI then has to effectively control inflation is the policy interest-rate. Price stability is of utmost importance in facilitating high rates of economic growth. However, even if price stability does occur, it would not necessarily lead to higher growth. The stability can occur only at a high level of the interest rates. The level of prices will be high too. The consumers and the producers who wish to borrow funds in financing expenditures will find the cost of credit forbidding. Cheap liquidity and low cost of funds might have led to high inflation in the first place. Now, lowering interest rates might lead to inflationary expectations building up all over again in a cyclical fashion, ultimately leading to rising prices.

Promoting economic growth while ensuring price stability has been the most important trade-off that any central bank has to confront. In developed economies, where the level of activity usually hovers around the full-capacity mark, controlling prices gets priority over accommodating economic growth. In an economy like India's, boosting growth is of equal significance. Unlike the assertion in the RBI report, the trade-offs will not go away. A deep uncertainty rules economic markets, the global environment, and international geopolitics. Shocks may come from black swan events. The lessons

of the financial crisis of 2008 and the financial impact of the more recent pandemic are still not fully comprehended. Therefore, price stability cannot be guaranteed over a reasonable span of time. Perhaps that is the reason why despite claiming that inflation has plateaued, the RBI does not seem to signal that a reversal of interest rate increases is on the cards soon. The pause in rate movements might continue till the next challenging trade-off surfaces.

THE TELEGRAPH, KOLKATA 12-7-2023

India registers remarkable reduction in poverty with 415 million people coming out of it in 15 years: UN

The latest update of the global Multidimensional Poverty Index was released by United Nations Development Programme and Oxford Poverty and Human Development Initiative at the University of Oxford

PTI, United Nations

A total of 415 million people moved out of poverty in India within just 15 years from 2005/2006 to 2019/2021, the UN said on Tuesday, highlighting the remarkable achievement by the world's most populous nation.

The latest update of the global Multidimensional Poverty Index (MPI) was released by the United Nations Development Programme (UNDP) and the Oxford Poverty and Human Development Initiative (OPHI) at the University of Oxford.

It said that 25 countries, including India, successfully halved their global MPI values within 15 years, showing that rapid progress is attainable.

These countries include Cambodia, China, Congo, Honduras, India, Indonesia, Morocco, Serbia, and Vietnam.

In April, India surpassed China to become the world's most populous nation with 142.86 crore people, according to UN data.

"Notably, India saw a remarkable reduction in poverty, with 415 million people exiting poverty within a span of just 15 years (2005/6–19/21)," the report said.

The report demonstrates that poverty reduction is achievable. However, the lack of comprehensive data during the period of the COVID-19 pandemic poses challenges in assessing immediate prospects, it said.

In India, 415 million poor people moved out of poverty from 2005/2006 to 2019/2021, with incidence falling from 55.1 per cent in 2005/2006 to 16.4 per cent in 2019/2021.

In 2005/2006, about 645 million people were in multidimensional poverty in India, with this number declining to about 370 million in 2015/2016 and 230 million in 2019/2021.

The report noted that deprivation in all indicators declined in India, and "the poorest states and groups,

including children and people in disadvantaged caste groups, had the fastest absolute progress.” According to the report, people who are multidimensionally poor and deprived under the nutrition indicator in India declined from 44.3 per cent in 2005/2006 to 11.8 per cent in 2019/2021, and child mortality fell from 4.5 per cent to 1.5 per cent.

Those who are poor and deprived of cooking fuel fell from 52.9 per cent to 13.9 per cent, and those deprived of sanitation fell from 50.4 per cent in 2005/2006 to 11.3 per cent in 2019/2021, according to the report.

In the drinking water indicator, the percentage of people who are multidimensionally poor and deprived fell from 16.4 to 2.7 during the period, electricity (from 29 per cent to 2.1 per cent) and housing from 44.9 per cent to 13.6 per cent.

The report said that countries with different incidences of poverty also halved their global MPI value.

While 17 countries that did so had an incidence under 25 per cent in the first period, India and Congo had a starting incidence above 50 per cent.

India was among the 19 countries that halved their global Multidimensional Poverty Index (MPI) value during one period - for India it was 2005/2006–2015/2016.

According to the 2023 release, 1.1 billion out of 6.1 billion people (just over 18 per cent) live in acute multidimensional poverty across 110 countries. Sub-Saharan Africa (534 million) and South Asia (389 million) are home to approximately five out of every six poor people.

Nearly two-thirds of all poor people (730 million people) live in middle-income countries, making action in these countries vital for reducing global poverty. Although low-income countries constitute only 10 per cent of the population included in the MPI, these are where 35 per cent of all poor people reside.

Children under the age of 18 account for half of MPI-poor people (566 million). The poverty rate among children is 27.7 per cent, while among adults, it is 13.4 per cent. Poverty predominantly affects rural areas, with 84 per cent of all poor people living in rural areas. Rural areas are poorer than urban areas across all regions of the world.

Countries halved their MPI in periods as short as four to 12 years, demonstrating the feasibility of the Sustainable Development Goal (SDG) target of halving poverty according to national definitions within 15 years.

Thus, it is crucial to consider context-specific multidimensional poverty indices that reflect national definitions of poverty since the global MPI assesses multidimensional poverty with the same methodology, the report said.

The agencies, however, added that despite these encouraging trends, the lack of post-pandemic data for most of the 110 countries covered by the global MPI

restricts the understanding of the pandemic's effects on poverty.

“As we reach the mid-point of the 2030 Agenda for Sustainable Development, we can clearly see that there was steady progress in multidimensional poverty reduction before the pandemic,” the Director of the Human Development Report Office, Pedro Conceição, said.

“However, the negative impacts of the pandemic in dimensions such as education are significant and can have long-lasting consequences. It is imperative that we intensify efforts to comprehend the dimensions most negatively affected, necessitating strengthened data collection and policy efforts to get poverty reduction back on track,” Conceição added.

A press release issued by the UNDP said that judging from the few countries where data were solely collected in 2021 or 2022 – Mexico, Madagascar, Cambodia, Peru, and Nigeria – momentum on poverty reduction may have persisted during the pandemic.

Cambodia, Peru, and Nigeria showed significant reductions in their most recent periods, offering hope that progress is still possible. In Cambodia, the most encouraging case among these, the incidence of poverty fell from 36.7 per cent to 16.6 per cent, and the number of poor people halved, from 5.6 million to 2.8 million, all within 7.5 years, including the pandemic years (2014–2021/22).

However, the full impacts globally remain to be measured, it said.

With a renewed emphasis on data collection, “we need to broaden the picture to include the impacts of the pandemic on children,” the press release said.

“In over half the countries covered, there was either no statistically significant reduction in child poverty or the MPI value fell more slowly among children than among adults during at least one period. This suggests that child poverty will continue to be a pressing issue, particularly in relation to school attendance and undernutrition,” it said.

Director of OPHI at the University of Oxford, Sabina Alkire, said the scarcity of data on multidimensional poverty is hard to comprehend, let alone justify.

“The world is reeling under a data deluge and gearing up for the next era of digital growth. Yet we do not have a post-pandemic line of sight for 1 billion of the 1.1 billion poor people,” Alkire said.

“This problem is eminently solvable – data on multidimensional poverty are faster to gather than most realise – requiring just 5 per cent of questions in the surveys we use. We call on funders and data scientists to make a breakthrough on poverty data, so the interconnected deprivations that strike poor people in real-time can be tracked – and intercepted,” she added.

The global MPI monitors poverty reduction and informs policy, showing how people experience poverty in different aspects of their daily lives – from access to

education and health to living standards such as housing, drinking water, sanitation, and electricity. The MPI as a poverty index can be pictured as a stacked tower of the interlinked deprivations experienced by poor individuals, with the aim of eliminating these deprivations.

THE TRIBUNE, CHANDIGARH 14-7-2023
**India-China trade shows first signs of
 slowdown in years**

China's overall foreign trade declines by about 5 per cent as its economy struggles to recover from COVID blues

PTI

Beijing, The India-China trade, which in recent years rose sharply despite bilateral tensions over the border dispute, showed the first signs of a slowdown in years falling by 0.9 per cent in the first half of this year.

This came as China's overall foreign trade declined by about five per cent as its economy struggled to recover from COVID blues.

China's exports to India in the first half of this year totalled USD 56.53 billion compared to USD 57.51 billion last year registering a decline of 0.9 per cent, according to the data released by Chinese customs on Thursday.

India's exports to China during the same period totalled USD 9.49 billion compared to USD 9.57 billion last year.

The trade deficit in the first half of 2023 too declined significantly to USD 47.04 compared to USD 67.08 billion last year.

Last year was a bumper year for India-China trade as it touched an all-time high of USD 135.98 billion despite the continued chill in the bilateral ties over the military standoff in eastern Ladakh in May 2020.

The total India-China trade in 2022 overtook the USD 125 billion mark a year earlier by registering an 8.4 per cent increase.

New Delhi's trade deficit with Beijing crossed for the first time a USD 100 billion mark despite frosty bilateral relations.

The trade deficit for India stood at USD 101.02 billion in 2022 crossing the 2021 figure of USD 69.38 billion.

The slowdown of India-China trade in the first half of this year came as China's total trade including imports and exports fell nearly 5 per cent from a year earlier in dollar terms. While exports slipped 3.2 per cent and imports declined 6.7 per cent.

Also, China's exports tumbled 12.4 per cent in June from a year earlier amid weakening demand following increasing interest rates by central banks to curb inflation as the Chinese economy struggled to stage post-COVID recovery.

Chinese customs data released Thursday showed imports slid 6.8 per cent to USD 214.7 billion.

The disappointing data is yet another indicator of China's sputtering post-pandemic economic recovery, which has lost momentum in the second quarter, analysts told the Hong Kong-based South China Morning Post.

"The latest data in the developed countries shows consistent signals of further weakness, which is likely to put more pressure on China's exports in the rest of the year," said Zhang Zhiwei, chief economist at Pinpoint Asset Management.

"China has to depend on domestic demand. The big question in the next few months is whether domestic demand can rebound without much stimulus from the government," Zhang told the Post.

Shipments to the Association of Southeast Asian Nations, which is China's largest trade partner and one that provided major support to its export sector earlier this year, fell by 16.86 per cent compared to a year earlier.

Exports to the European Union, declined by 12.92 per cent year on year and the United States tumbled 23.7 per cent from a year earlier to USD 42.7 billion.

China's trade surplus with the US narrowed by 30.6 per cent to USD 28.7 billion, according to the customs data.

However, exports to Russia in June increased by 90.93 per cent compared to the same month last year.

China's imports also fell by 6.8 per cent in June from a year earlier to USD 214.7 billion, down from a fall of 4.5 per cent in May.

Releasing the data, General Administration of Customs spokesman Lu Daliang said China would be facing more pressure to boost the stable growth of foreign trade in the later half of the year.

"Inflation is still prominent in developed world economies, geopolitical conflicts are still taking place and there is not enough drive for immediate growth in global demand," The Post quoted him as saying.

Lu added that China's economy is resilient and revitalising and that the foreign trade sector would still head towards a positive direction in the longer term.

THE TRIBUNE, CHANDIGARH 9-7-2023
**Tanzania to be major trade hub for
 India: Jaishankar**

*Holds talks on defence, maritime cooperation &
 capacity building*

Tribune News Service

New Delhi

Tanzania will be a major entry and exit point for Indian trade once there is a pan-African larger continental free trade arrangement, said External Affairs Minister S Jaishankar while speaking at a business event in Tanzania.

Jaishankar called on Tanzania's President Samia Hassan on Saturday and discussed ways to strengthen bilateral ties in defence and security, maritime cooperation and capacity building.

Jaishankar arrived in Tanzania on Thursday after visiting Zanzibar. India is the biggest destination for Tanzanian exports, as per the government's figures, and the country will become a major node for India due to its historical familiarity with the East African nation as well as because of a 55,000 strong diaspora.

"So even as Africa as a continent really lowers its internal barriers, for us, the case to be in Tanzania and to work with Tanzania becomes that much stronger.... Tanzania is very important... because from an Indian perspective, Africa means East Africa," he said. Jaishankar pointed out that many new products are being added to the trade basket because of a duty-free tariff scheme extended by India to 33 African countries since 2008.

He said the RBI had cleared trade settlements in own currencies. "Three Indian banks based in Tanzania can now do trade settlements in each other's currencies. I am told a few transactions have already taken place in India rupees and Tanzanian shillings, and certainly this will provide an additional mechanism to promote trade between our two countries," he said.

THE TRIBUNE, CHANDIGARH 15-7-2023

India-UK FTA talks enter intensive phase

**Tribune News Service
New Delhi,**

India and the UK are working resolve differences on issues such as intellectual property rights (IPRs) and rules of origin under the "most complex" free trade agreement (FTA) being negotiated by the two countries, said Commerce Secretary Sunil Barthwal on Friday. Fourteen out of 26 chapters in the agreement had been closed, he said, adding differences also persisted in chapters relating to environment, labour, and digital trade.

"The UK will be the first (country) with which we are going to have a comprehensive FTA that we have not signed with any other developed country as such... In services also, there are few issues... So we are working on those. Hopefully, we will be able to close it and move," he stated. The two sides are separately negotiating an investment treaty that will be announced with the FTA.

The seventh round of FTA talks have been initiated after a visit to London last week by Commerce Minister Piyush Goyal. India is particularly sensitive to the "rules of origin" issue, which stipulates minimal processing that should happen in the FTA country for a product coming from another country. This is to avoid dumping of goods from the FTA country, which is produced by another country, but the label has been changed.

India wants greater access for its skilled professionals and the entry of Indian whiskey. The UK wants cut in the import duties on Scotch whisky and greater outlet

for its services sector. The bilateral trade was at \$20.36 billion in 2022-23, against \$17.5 billion in 2021-22.

THE DAILY STAR, DHAKA 7-7-2023

BANGLADESH ECONOMY

'Nothing to fear, all is well now'

Finance minister hails recovery from Russia- Ukraine war fallout

Staff Correspondent

The fear over Bangladesh's economy that began after Russia invaded Ukraine is now gone, said Finance Minister AHM Mustafa Kamal.

"Considering the global economy, we have to admit that what we achieved is much better than what the others did," Kamal said in response to reporters' questions after a meeting with Yamada Junichi, executive senior vice-president of Japan International Cooperation Agency (Jica), at the secretariat yesterday.

About the IMF loan, the finance minister said, "The loan we are taking out from the IMF equals to two months' remittances.

"We did not understand how long the war would continue. We were scared as the reserve was falling as well as the prices of goods in the world market were rising," he said on why the loan was taken.

"Now we have no fear. All is well now," he said.

About inflation, the finance minister said, "Now inflation is high all over the world. And when we came to power, inflation was 12.30 percent. But it did not increase.

"Do you see people going without food?" Kamal said.

"We are not just reducing inflation but also providing Tk 1.26 lakh crore as food assistance through family cards," he said.

Inflation must be controlled by giving food to those who do not have it, he said, adding that it was the best way to fight inflation.

"People are suffering all over the world due to the increase in the prices of daily commodities. We are not outside the world... We are using what we have and we are in a good position," the minister said.

Kamal said, "Jica has come to see the status of the projects which are being financed by them. Usually, multi-lateral financiers come to see their projects. They have also provided budget support."

Jica can help us in some sectors by coordinating with our budget, he noted.

THE DAILY STAR, DHAKA 4-7-2023

Inflation climbs to 12-year high overshoots target

Rejaul Karim Byron and Md Fazlur Rahman

Average inflation in Bangladesh surpassed the government's target for the just-concluded fiscal year by a large margin as higher prices of goods and services

continue to linger for the economic crisis at home and abroad.

The Consumer Price Index (CPI) rose 9.02 per cent in 2022-23 against the government's revised target of 7.5 per cent. This was the highest average inflation rate in 12 years, according to the Bangladesh Bureau of Statistics (BBS).

This was much higher than the 5-6 per cent average inflation seen in the decade before the Russia-Ukraine war. General inflation was 6.15 per cent in 2021-22.

At the beginning of FY23, the government had aimed to limit the inflation to 5.6 per cent.

The goal was later revised upwards first to 6.5 per cent and then to 7.5 per cent since the war rages and the slide in the foreign currency reserve, the weakening of the taka against the US dollar, and the energy crisis continues.

In FY23, average inflation stayed above 9 per cent for six months, above 8 per cent for five months and more than 7 per cent in one month, data from the national statistical agency showed.

In June, general inflation fell 20 basis points to 9.74 per cent compared to a month ago. This was down from an 11-year high of 9.94 per cent in May.

Food inflation rose 49 basis points to 9.73 per cent in the last month of the fiscal year, highlighting the persisting pains confronting the poor and the low-income groups. Non-food inflation declined 36 basis points to 9.6 per cent.

At the end, food inflation averaged 8.71 per cent, the highest in 12 years. Non-food inflation stood at 9.39 per cent, an 11-year high.

Economists blame inadequate measures on the part of the government and the central bank for the surge in consumer prices.

They argue that although the central bank has raised the policy rate five times in the past one year, it has not been able to rein in the rocketing inflation owing to the lending rate cap on loans and the largely administered exchange rate.

Recently, Sadiq Ahmed, vice-chairman of the Policy Research Institute of Bangladesh, a think-tank, said the government's responses to inflation reduction comprised of control over the exchange rate and the use of subsidies to prevent a pass-through of global energy price increases.

"Contrary to lowering demand, the government policy sought to boost demand by increasing domestic credit through controls over interest rates and a higher fiscal deficit. These policies further added to inflationary pressures."

"Evidence shows that countries that adopted demand reduction policies through hikes in interest rates have all succeeded in reducing inflation substantially."

The central bank has blamed several factors for the elevated domestic commodity prices and inflation,

including higher prices of imported items and a larger depreciation of the taka, which fell around 25 per cent against the US dollar in the past one year.

The upward adjustments in fuel and energy prices have also significantly contributed to the inflationary pressure, it said.

"All these factors have collectively contributed to the overall increase in domestic commodity prices. The lack of a competitive environment, along with market syndication, could have also contributed to the current CPI inflation."

The BB said the elevated level of inflation across the globe has declined due to the easing of supply-side conditions, and lower food and energy prices.

"The adjustments have not been reflected equally in Bangladesh's economy mainly due to the domestic price rigidity, lack of adequate market competition and large depreciation of the domestic currency."

Zahid Hussain, a former lead economist at the World Bank's Dhaka office, said headline inflation declined somewhat primarily due to a decline in non-food inflation in both rural and urban markets.

"It appears that the decline in the purchasing power of consumers has started to pinch demand for non-food items in which consumers have some discretion."

He said both monetary and fiscal policies have so far not made any significant move to combat inflation or to make it bearable for those who live hand to mouth.

"The family card programme is one exception, but it is beset with irregularities."

The government hopes that due to the decrease in the prices of fuel, food, and fertiliser in the global market, along with the adjustment of fuel prices in the domestic market and government initiatives to keep the food and supply systems normal, inflation will remain much controlled in FY24.

Thus, it has targeted to limit it to around 6 per cent in the new fiscal year. The World Bank forecasts inflation to average 6.5 per cent in FY24 before falling to 5.7 per cent in FY25.

The IMF, however, predicts that inflation will likely exceed targets in most countries in 2024, but the rate is expected to approach targets in 2025 as global commodity prices trend lower and oil prices decline.

The BBS said it has been updating its CPI compilation method in line with the 2020 CPI manual of the IMF from April 2023.

It has changed the base index from 2005-06 to 2021-22 and introduced the new basket weights based on the Household Income and Expenditure Survey of 2016-17.

The new basket contains 383 items (goods and services) with 749 varieties, including 127 food items with 242 varieties and 256 non-food items with 507 varieties.

CPI data are collected from 154 markets from 64 districts, according to the BBS.

THE DAILY STAR, DHAKA 9-7-2023
A new era dawns in trade with India

AKM ZAMIR UDDIN

Bangladesh is set to join a global effort that is seeking to cut over-dependence on the US dollar when it comes to settling foreign trades as the country commences to use the rupee to carry out bilateral transactions with India from July 11.

The move may extend some respite to importers since they will be able to open letters of credits in the rupee to source a portion of the products from the neighbouring country, thus cutting the use of the US dollar to some extent.

The government has toughened import rules due to the shortage of American greenback, driven by higher import bills, with a view to stopping further depletion of the foreign currency reserve, which has fallen by nearly 30 per cent from a year ago.

Both the Bangladesh Bank and the Indian High Commission are expected to announce the move towards the Indian currency at an event at Le Méridien Hotel in Dhaka on Tuesday.

The central bank governor and the Indian high commissioner will join the event, a BB official said, wishing not to be named, as he is not authorised to speak to the media.

The BB has already given permission to three banks – Sonali Bank, Eastern Bank and State Bank of India (SBI) in Bangladesh – to open nostro accounts with their counterparts in the neighbouring country.

Private commercial bank Eastern Bank and the country office of SBI have already opened nostro accounts with Indian ICICI Bank and SBI, the BB official said, adding that state-run Sonali Bank will open the account in the quickest possible time.

Both the BB and the Reserve Bank of India (the central bank of India) have given permission to the two Indian banks to start settling the bilateral trade in the Indian rupee (INR), he said.

A nostro account is an account that a bank holds with a foreign bank in the currency of the country where the funds are held. It is used to facilitate foreign exchange and international trade transactions involving foreign currencies.

The ongoing crisis in the foreign exchange market emanating from the shortage of the US dollar has prompted the BB to settle bilateral trade by using the currency of the neighbouring country.

The new arrangement will allow Bangladesh to perform foreign trades with India to the tune of \$2 billion, equivalent to its current annual export receipts from the country.

The new arrangement will allow Bangladesh to perform foreign trades with India to the tune of \$2 billion, equivalent to its current annual export receipts from the country.

Last month, BB Governor Abdur Rouf Talukder said Bangladesh is looking to carry out trade with India in the rupee up to the level that is covered by the export earnings from the country.

Bangladesh's imports from India far outweigh exports to the country. Its exports stand at \$2 billion against imports of \$18 billion through official channels.

If the trades through the unofficial channel are added, imports would go up to \$27 billion, Talukder had said.

HOW RUPEE SETTLEMENT WILL WORK

As per plans, ICICI Bank and SBI will settle imports with Bangladesh in the rupee. And the amount will be deposited with the Bangladeshi banks' nostro accounts with the two.

In the second phase, the Bangladeshi banks will settle the import payments on behalf of the local importers by using the rupee deposited with the counterparts.

The central banker, however, says that the dependency on the dollar will not reduce immediately as only \$2 billion will be converted to the Indian rupee.

Bangladesh's imports stood at \$75.60 billion in 2021-22.

But local businesses will be able to avoid an exchange rate loss of around 1 per cent if they trade in the INR as they would not require to convert US dollars into the rupee, the central banker said.

A high official of a commercial bank in Dhaka says that some new windows to settle import payments and other foreign exchange-related transactions in the INR will open in the future.

For instance, if Bangladesh can manage credit lines from India in the INR, such loans may be used to carry out bilateral trades, including for the payments of credits.

Besides, local banks will be able to take loans in INR with prior approval from the BB, and the amount can be used to perform bilateral trade as well.

"Such windows will help reduce the dependency on the dollar during the difficult time like we are going through now," he said.

India started to allow to settle its foreign trade in the INR in July last year when the Reserve Bank of India (RBI) decided to facilitate international trade in the rupee.

MOVE AWAY FROM DOLLAR

Other nations are also exploring ways to cut reliance on the American currency, which was involved in nearly 90 per cent of global forex transactions in 2022, making it the single most traded currency in the FX market.

The move accelerated after the United States moved to hike policy rates aggressively to tame a record surge in inflation stemming from the impacts of the dragging pandemic and the Russia-Ukraine war.

Monetary tightening in the US has led to investors pulling their money out of Asian economies, triggering currency depreciation in most of the economies,

according to a blog published on the website of the Asian Development Bank.

Sharp currency depreciation generally increases inflationary pressures through higher import prices of food and energy, worsens the current account balance, and may thus result in countries having difficulty with paying for their essential imports or servicing external debts.

Countries such as Bangladesh are facing exactly the situation predicted by the blog writers.

More and more countries — from Brazil to Southeast Asian nations — are calling for trade to be carried out in other currencies besides the US dollar, reported CNBC in April.

China is one of the most active players in this push given its dominant position in global trade right now and as the world's second-largest economy.

Based on CNBC's calculation of the International Monetary Fund's data for 2022, China was the largest trading partner to 61 countries when combining both imports and exports. In comparison, the US was the largest trading partner to 30 countries.

In April, Brazilian President Luiz Inácio Lula da Silva made a state visit to Beijing where he reportedly called for reduced reliance on the US dollar for global trade.

India and Malaysia have already agreed to settle trade in the Indian rupees, said the Hindu newspaper.

In March, India said banks from 18 countries were allowed by the RBI to open special rupee vostro accounts to settle payments in Indian rupees.

During a recent visit to China, Malaysia's Prime Minister Anwar Ibrahim was said to have suggested setting up an "Asian Monetary Fund" to reduce reliance on the US dollar.

At the ASEAN finance ministers and central banks meeting in Indonesia in March, policymakers also discussed the idea of cutting their reliance on the USD, the Japanese yen and the euro and "moving to settlements in local currencies" instead.

The dominance of the dollar has gradually declined in the last few decades. The dollar accounted for more than 70 per cent of global reserves at the turn of the century. The share declined to 58 per cent last year, IMF data showed.

DAILY NEWS, COLOMBO 5-7-2023

Sri Lanka's Domestic Debt Plan significant step for resolving bank uncertainty – Fitch Ratings

Strap Restructuring of local-currency obligations not likely to trigger loss of depositor confidence in banking system

The Sri Lankan government's proposal for treatment of domestic debt marks a significant step towards resolving uncertainties around the impact of the

sovereign's debt restructuring on the local banking sector, but complications may arise from a number of factors, says Fitch Ratings.

"We do not believe a restructuring of the sovereign's local-currency obligations is likely to trigger a loss of depositor confidence in the banking system, based on the proposed plans."

However, funding stress remains a negative sensitivity for bank ratings. The proposal excludes banks' holdings of Sri Lankan rupee-denominated treasury securities, which will alleviate some of the pressure on their already stressed capital positions from weakening loan quality and the rupee's depreciation. Fitch's base case did not expect treasury bills held by banks to be subject to restructuring, but assumed banks' treasury-bond holdings would be.

Bank holdings of Sri Lanka Development Bonds (SLDBs), which are foreign-currency denominated but governed by local law, will be affected, as we had anticipated, and we still expect an impact on international sovereign bonds (ISBs) as well. However, these together account for only about 5.5% of banks' combined assets, a much smaller share than treasury securities (26.4% for Fitch-rated domestic banks). The proposal also includes a restructuring of

foreign-currency bank loans to the government (less than 1% of combined assets for Fitch-rated banks), though without detailed plans. The government has outlined three treatment options for SLDBs.

We expect banks will generally opt for the choice involving conversion of such debt into local currency-denominated instruments; banks have so far opted to convert maturing SLDBs to rupee-denominated treasury bonds since the announcement of suspension of foreign debt servicing in April 2022. Provisioning should help to moderate the hit to bank capital from the debt treatment. Fitch-rated Sri Lankan banks have already made provisions of 35% or higher for ISBs, with SLDBs being subject to lower provisioning due to the possibility of obtaining rupee-denominated treasuries.

Nonetheless, worsening impaired loans (end-May 2023: 13.3% of system loans, from 1Q22: 8.4%) in line with the economic stress associated with the sovereign default and the unwinding of forbearance provided during the Covid-19 pandemic are already exerting pressure on banks' thin capital buffers.

Fitch-rated Sri Lankan banks' national ratings remain on Rating Watch Negative (RWN) to reflect the potential for the banks' creditworthiness relative to other entities on the Sri Lankan national ratings scale to

deteriorate. This reflects heightened near-term downside risks to credit profiles from capital and funding stress.

DAILY NEWS, COLOMBO 4-7-2023

Inflation expected to reach single digit levels by early Q3 2023 - CB

The Central Bank says that looking ahead, based on the available information, inflation is expected to reach single digit levels by early Q3 2023 and continue the disinflation process.

This disinflation process is supported by the lagged impact of tight monetary and fiscal policies, expected softening of energy and food prices and their spillover effects, and possible repricing of goods and services due to exchange rate appreciation, alongside the favourable impact of statistical base effect.

Headline inflation, as measured by the year-on-year (Y-o-Y) change in the Colombo Consumer Price Index (CCPI, 2021=100) decreased to 12.0% in June 2023 from 25.2% in May 2023.

The decline in headline inflation is broadly in line with the disinflation path envisaged by the Central Bank of Sri Lanka (CBSL) in April 2023.

After two years, the Food inflation (Y-o-Y) decreased to a single digit level of 4.1% in June 2023 from 21.5% in May 2023, while the Non-Food inflation (Y-o-Y) decreased further to 16.2% in June 2023 from 27.0% in May 2023.

Monthly change of CCPI recorded at 0.02% in June 2023 and this marginal change was due to the netting off of price increases observed in the items of Food category, which was 0.41% by the price decreases observed in the Non-Food category, which was -0.39%.

The core inflation (Y-o-Y), which reflects the underlying inflation in the economy, decreased to 9.8% in June 2023 from 20.3% in May 2023.

DAILY NEWS, COLOMBO 12-7-2023

India, Sri Lanka to sign MoU to foster animal husbandry, dairy

Ishara Mudugamuwa

Cabinet approval has been granted to sign a joint statement of intent between the Government of India and the Government of Sri Lanka for co-operation in the field of animal husbandry and dairying,

Cabinet Spokesman Mass Media Minister Dr. Bandula Gunawardhana said.

He was speaking at the weekly Cabinet media briefing held yesterday at the Government Information Department.

It has been proposed to sign a joint declaration of intent between the Government of India and the Government of Sri Lanka to work together to achieve the goals of improving the quality of dairy products in Sri Lanka, making the country self-sufficient in milk production and increasing the income of small scale dairy farmers.

The Attorney General's clearance has been received for this. Accordingly the Cabinet of Ministers approved the combined proposal presented by the President and the Agriculture Minister to sign the said joint declaration of intent.

THE KATHMANDU POST, KATHMANDU 2-7-2023

Perils of debt-financed fiscal deficit

For developing countries with growing financing needs, well-managed debt can enable growth.

Bigyan Babu Regmi

Nepal's budget deficit has significantly increased since the 2015 earthquake due to reconstruction needs. Deficits persisted even during the Covid-19 pandemic. In the past five fiscal years, fiscal shortfalls, largely financed by domestic and foreign borrowing, have hovered between 25 to 30 percent of the total budget, compared to 15 to 20 percent in years before the earthquake. Despite the need to tame the gap, election-motivated public spending, short-tenured governments and impulsive resource allocation continue to cause inflated budgets and imprudent fiscal deficits.

With an estimated borrowing of almost 50 percent higher than the projected capital expenditure, escalating the debt burden is counter-productive. Especially in an environment where revenue mobilisation and capital expenditure are not performing well, a debt-financed (hefty) deficit could only deepen long-run fiscal woes.

Rising debt burden

In the aftermath of the debt crises in Sri Lanka and Pakistan, concerns arose about whether Nepal would follow suit. Fortunately, Nepal's debt-to-GDP ratio of 42 percent is not outrageously high yet, and the remittance-backed forex reserve cushions external shocks. Nonetheless, the trend over the last few years signals a cautionary approach for future choices. Nepal's outstanding debt has more than doubled in the past five years, growing by 135 percent from \$7.1 billion in FY 2017-18 to \$16.7 billion in FY 2022-23.

During the same period, India's outstanding debt increased by only 47 percent despite its aggressive infrastructural spending. While Nepal's external debt has an average of 36 years for maturity—a comfortable horizon for the medium-term—hasty borrowing choices now could harm the country's fiscal health in future.

With a yearly real economic growth rate of below 6 percent and an annual growth in public debt of 20 percent, if the current trend continues, the debt will rise above 60 percent of GDP in the next three to five years. This is concerning as even rapidly growing economies such as Malaysia, Indonesia and Vietnam shy away from raising the debt level beyond 50 percent of GDP. For Nepal, which is struggling to diversify its revenue sources, the increasing debt burden means an unnecessarily large liability for debt financing every year. In times of resource crunch, debt defaulting, or even the risk of it, could impede our access to international lending. On the other hand, rising debt levels can have several unintended consequences in the market. For instance, as the debt level increases, investors become more sensitive to economic vulnerabilities, which can discourage risk-taking behaviour in the private sector. Likewise, the government's temptation to print money to clear debt obligations can lead to upward pressure on inflation and devaluation of the local currency, harming exports.

Short of debt strategy

It would be unfair to characterise debt per se as an undesirable fiscal instrument. For developing countries with growing financing needs, well-managed debt can enable growth and structural transformation. As a least developed country (LDC), Nepal has access to abundant sources of concessional lending. Making use of such prospects before LDC graduation (due 2026) would also serve the case for debt as a sensible financing instrument in the short term. However, as the share of capital expenditure in the budget continues to shrink (27 percent in FY 2019-20 versus 17 percent in FY 2023-24), whether the tenacious debt aims to generate growth remains a question. Against this backdrop, one can imagine that extensive borrowing is emerging not from rigorous needs assessment but from inertia, if not an obsession, for oversized spending.

Notably, 87 percent of Nepal's external debt is from multilateral creditors and has an average interest rate of around 1 percent. Based on these statistics, one might argue that Nepal's debt pile is concessional and the cost of borrowing is trivial to add any worrying pressure on the economy. However, it is worth underscoring that no

debt is a free lunch, and albeit the low-interest rate, funding impetuous projects from loans has a high opportunity cost.

While Nepal can still benefit from the pool of concessional loans, it is high time Nepal built a clear, farsighted debt strategy to channel funds into projects with longer lifespans and/or considerable social/economic/environmental benefits. As such, climate-smart infrastructure, energy, and micro, small, and medium enterprises (MSMEs)-centred employment are some areas where the financing gap is high and longer-term development dividends are lucrative.

Diligence and accountability

The United Nations Development Program claims Nepal faces a financing gap of around \$6 billion annually in achieving the Sustainable Development Goals (SDGs) by 2030. This shortfall will expand in size and scope when longer-term transition strategies and net-zero commitments are incorporated. A combination of financing instruments, including debt, can narrow this gap. However, with such a shortfall annually, there is an opportunity cost for every rupee spent. So accountability and diligence are necessary to ensure rigorous allocation of funds and maximise the marginal return of investment.

Since inflated budgets are emerging from unrealistic revenue targets, sincerity in government income projections is the first step towards changing status quo. A rigorous analysis of financial accounting data must guide fiscal estimates. Real-time statistics on most macro and micro indicators are readily available to decision-makers. Renouncing these data to create blown-up budgetary projections and bulky borrowing lessens the credibility of fiscal policies.

Nepal's unfulfilled yearning for rapid economic growth needs a growing domestic income. However, blatantly inflating the figures without developing a proper mechanism for sustainable revenue growth and diversification can only derail our growth targets. Second, evidence-based policy-making will be pivotal to directing more energy into projects that have yielded significant progress/outcome and diagnosing implementation hiccups where progress is lacklustre. Furthermore, change in the budget formulation process is a much-needed reform that can, by and large, address issues pertaining to accountability and transparency. Giving a longer time for pre-budget discussion and preparation of plans and policies can enable wider ownership among stakeholders.

Extensive discourse and scrutiny of fiscal choices can also gradually make accountability and diligence intrinsic to the process. After all, the goal is to build institutional capacity and procedural rigour, where fiscal policies materialise from evidence-led explorations, not from the wishful judgements of a “social planner”. Restoring credibility in policies through more diligence throughout the process gives rise to needs-driven spending/deficit and targeted debt.

Better strategy

The lure of reaping short-term political dividends has led to impulsive fiscal choices in Nepal. Inertia for expansionary budgets has given rise to a growing deficit. The absence of a long-term debt strategy and alternative financing instruments has increased the reliance on domestic and foreign loans. Consequently, Nepal’s outstanding debt has surged by 135 percent in the last five years, much higher than its neighbours, such as India. Uninterrupted, this trend will raise the debt to an unsustainable level and can have unintended consequences across growth stimulators in the public and private sectors. To accelerate debt-enhanced-development, Nepal needs to develop a prudent debt strategy and explore avenues for concessional and climate-related financing. Amid a shrinking base for revenue and underperformance of capital expenditure, there should be accountability and due diligence for every rupee spent. Embracing evidence-based policy-making and nurturing institutional rigour will spur needs-based resource allocation and targeted borrowing. *Regmi is an economist engaged with ETH Zurich, Switzerland.*

THE KATHMANDU POST, KATHMANDU 11-7-2023

Kitchen sink realism

Households are now having to cut the number of daily curry servings as the price of vegetables has rocketed.

The country has been rocked by one after another high-level corruption case, the Lalita land scam and the fake Bhutanese refugees crisis being the most prominent of them. The federal parliament is being obstructed as the opposition parties want to safeguard the sovereignty of Nepal. Efforts are apparently underway to unseat the Dahal government and forge a new coalition of the Nepali Congress and the CPN-UML. But no one seems to be paying any attention to people’s bread-and-butter issues. Households are now having to cut the number of daily curry servings as the price of vegetables has rocketed. With the onset of monsoon, farmers have

switched to planting paddy and there is an acute shortage of vegetables in the market. In the Kalimati wholesale market, the price of tomato (small) has galloped by 316.67 percent, reaching Rs40 a kg on Sunday—in just two weeks. Eggplant (long) increased by 160 percent to Rs85 a kg, while eggplant (small) saw a 72.73 percent rise to Rs95 per kg. By the time consumers buy these things for their kitchen, they typically have to pay 50 percent more on wholesale price.

Things would not be so bad for average households if their incomes were in keeping with 7-8 percent annual inflation. Yet their earnings have been stagnant for years, ever since the start of the Covid-19 pandemic at the start of 2020. The less a family earns, the higher the percentage of income it spends on edibles. This again represents a typical case of the Nepali state not being able to prioritise the life of common citizens and not thinking long-term. For instance, the farmers have no incentive to grow vegetables as they don’t even get the minimum price. This is because in the absence of subsidies, all things grown in Nepal cost more than what they typically cost to grow across the border in India. Take the case of potatoes. Until a few years ago, the country was sufficient in vegetables. Now, just in the first 11 months of the current fiscal year, it had to import potatoes worth Rs7.4 billion.

Without the drip-drip of remittance, the country would have long since bled dry and inequality would have drastically increased. With the money Nepalis toiling abroad are sending home, countless low- and middle-income families can now afford decent living conditions. What is remarkable is that even though the amount the country receives in remittance has been increasing, most of that amount is immediately sent out in order to buy imported commodities. Nepal’s small and medium enterprises (SMEs), including those centred on agriculture, were walloped by Covid-19. The government has no solid policy to revive them even as the banks and financial institutions shun them. As a result of minimal domestic production, people are having to buy expensive imported stuff. This perhaps partly explains people’s mad rush to get out of the country, even if it entails having to take out expensive loans and disguise yourself as Bhutanese refugees. It is hard to call a state that cannot even adequately feed most of its people democratic. But of course our politicians have little time for such petty issues and are ever-busy protecting the country’s image.

THE KATHMANDU POST, KATHMANDU 5-7-2023

Hot and dangerous

At COP28, Nepal should negotiate with Gulf countries to prioritise the well-being of its citizens.

Nepali migrant workers in the Middle East toil day in and out under the scorching sun and heat, which unfortunately leads to many untimely deaths. Moreover, those who return to their home country often carry the burden of serious health problems like kidney failure, cardiac issues and other ailments. The World Health Organisation warns that excessive heat worsens existing health conditions and results in premature death and disability. As per a recent report titled “Killer Heat: The Impact of Extreme Temperatures and Climate Change on Migrant Workers in the Gulf,” the extreme heat and rising temperatures owing to climate change will make this reality faced by migrant workers “an urgent global issue.” It calls out countries to take immediate steps to prevent further harm to these vulnerable workers.

Despite facing challenges such as meagre wages (which still surpass the amount they earn in Nepal), exorbitant recruitment costs, job mismatch, and labour rights violations, Nepalis continue to go to the Middle East and Gulf countries in high numbers. In 2021 alone, over 620,000 Nepali workers moved to these countries. Unfortunately, between June 2008 and February 2022, 10,482 Nepali workers died.

While medical screenings are done and orientation programmes given to aspiring workers pre-departure, they don’t seem effective. A research titled “Health and wellbeing of Nepalese migrant workers in Gulf Cooperation Council (GCC) countries” shows that only after the government of Nepal took the flak for failing to protect migrant workers did it update the orientation conducted by the Foreign Employment Promotion Board of Nepal. Little do the workers know what to expect in foreign lands, and if such screenings and programmes are not effectively delivered, workers are bound to suffer.

Workers need a friendly work environment and effective strategies, such as regular breaks, to combat heat stress. Unfortunately, many employers even fail to give workers sufficient water to stay hydrated. Employers must ensure easy access to water, air-conditioned accommodations, and ample food for those who work long hours. In addition, primary health care kits and services should be handy at all times.

Sadly, many capitalist economies are reluctant to do even the bare minimum to protect the health and well-being of those who contribute to their prosperity. This is

evident in the lack of compensation for abuses, unexplained deaths, and wage theft related to the 2022 Fifa World Cup. The “Killer Heat” report also states that none of the six GCC countries—which include Saudi Arabia, Bahrain, Oman, Kuwait, the United Arab Emirates and Qatar—has laws to adequately protect workers from extreme heat conditions, and they lack data on deaths and injuries.

This year, as the UAE prepares to host COP28, the annual global climate conference, it’s important to address the challenges faced by migrant workers braving extreme temperatures. The Nepali delegation at the conference should ask their counterparts from the Middle Eastern and the Gulf to prioritise the well-being of their toiling citizens. This is not just a matter of keeping the economies of the labour sending and receiving countries humming. In the larger picture, it is about respecting the dignity of each and every human being.

TEHRAN TIMES, TEHRAN 4-7-2023

Tehran province records lowest inflation rate

TEHRAN – A review of the data released by the Statistical Center of Iran (SCI) shows that Tehran province with 43.9 percent recorded the lowest inflation rate in the twelve-month period that ended on June 21, which marks the end of the third Iranian calendar month Khordad.

The highest 12-month inflation rate is related to Yazd province with 58.8 percent, based on the SCI’s statistics.

The SCI has put the country’s average inflation rate in the twelve-month period that ended on June 21 at 28.5 percent, falling 0.6 percent from the figure for the twelve-month ended to the second month.

The center put the point-to-point inflation rate at 42.6 percent in the third month, which means families have paid an average of 42.6 percent more for purchasing the same package of commodities and services in that month, compared to the same month in the preceding year.

The Statistical Center of Iran has put the average inflation rate in the twelve-month period ended on March 20, 2023, which marks the end of the past Iranian calendar year 1401, at 45.8 percent.

The center had put the inflation rate in the twelve-month period ended on March 20, 2022 (the end of the Iranian

calendar year 1400) at 40.2 percent and that of the Iranian calendar year 1399 at 36.4 percent.

MA

TEHRAN TIMES, TEHRAN 3-7-2023

FDI inflow to Iran rises 5% in 2022: UNCTAD

TEHRAN - The United Nations Conference on Trade and Development (UNCTAD) has said in its latest investment report that foreign direct investment inflow to Iran increased by five percent in 2022 compared to the previous year.

The report put the Islamic Republic's FDI inflow at \$1.5 billion in 2022, while the figure stood at \$1.425 billion in 2021, IRNA reported.

According to the report, Iran was ranked fourth in West Asia in terms of the amount of FDI inflow to the country in the mentioned year.

Based on UNCTAD data, Iran also had \$100 million in foreign direct investment in other countries in 2022, up from \$82 million from the previous year.

UNCTAD has also put the global foreign direct investment in 2022 at \$1.294 trillion, indicating a decline of 13 percent compared to the previous year.

Iran has been ranked 79th among the countries of the world in terms of attracting foreign investment in 2022. The U.S. was in first place with \$285 billion of FDI, followed by China with \$189 billion, and Singapore with \$141 billion.

As for West Asia, Saudi Arabia ranked first in the region with \$7.886 billion of investment, followed by Oman with \$3.716 billion, and Bahrain with \$1.951 billion.

Foreign direct investment inflow to Iran also increased by 6.4 percent in 2021 compared to the previous year.

According to UNCTAD, the Islamic Republic's FDI inflow stood at \$1.429 billion in 2021, while the figure was \$1.342 billion in 2020.

Iran also had \$82 million in foreign direct investment in other countries in 2021, up from \$78 million in the previous year.

The United Nations Conference on Trade and Development was established in 1964 as an intergovernmental organization intended to promote the interests of developing states in world trade.

EF/MA

DAWN, ISLAMABAD 4-7-2023

Low growth

Javid Husain

THE most important task facing Pakistan's economic policymakers is to realise the goal of a high rate of economic growth on a sustainable basis. Unfortunately, it is a task in which successive governments have failed in the relatively recent past. For instance, in 2007-08, which was the last year of Pervez Musharraf's military rule, even a low GDP growth rate of 4.4 per cent resulted in an unsustainably high level of current account deficit of \$14bn or 6.9 pc of GDP. The difficult economic situation forced the succeeding PPP government to apply brakes on the GDP growth rate to lower the current account deficit and balance Pakistan's external account.

By 2010-11, the current account deficit turned into a marginal surplus of 0.1pc of GDP but the GDP growth rate had to be slashed to 3.2pc which was barely sufficient to take care of the growth in population. The PPP government in the last year of its rule (2012-13) kept the current account deficit at the manageable level of 1pc of GDP but by keeping the GDP growth rate at the low level of 3.9pc. The goal of a high GDP growth rate (7pc or above) combined with the current account surplus or at least a manageable level of current account deficit remained elusive.

During its tenure from 2013 to 2018, the performance of the PML-N government from this point of view was only marginally better than its predecessor. It was finally able to raise the GDP growth rate to 6.1pc by 2017-18 but by paying a heavy price in the form of an unsustainably high level of current account deficit amounting to \$19.2bn. The PTI government during its tenure from 2018-22 couldn't do better. After recording low GDP growth rates in the initial years of its tenure, it succeeded in raising the GDP growth rate to 6.1pc in 2021-22 but at the cost of an unsustainably high current account deficit of \$17.5bn.

The present PDM government, therefore, had to go through the familiar exercise of slashing the GDP growth rate, estimated to be about 0.3pc in 2022-23, to drastically lower the current account deficit which declined to \$3.3bn in the first ten months of 2022-23 as against \$13.7bn in the corresponding period a year earlier. Thus, the country, despite changes in government, unfortunately remains stuck on the path of a low GDP growth rate so as to maintain a sustainable balance in its external account.

The fundamental cause of Pakistan's low economic growth rate and persistent current account deficits is its low national saving rate which translates into low national investment and GDP growth rates. Consequently, any attempt by the government to raise the national investment rate for accelerating economic growth results in a current account deficit which, as any student of economics knows, is equivalent to national investments minus national savings. The country then needs capital inflows in the form of loans or foreign assistance from bilateral and multilateral sources to finance the current account deficit or the gap between national investments and national savings.

The only way to balance our external account while maintaining a high growth rate of the economy is to raise our currently low national saving rate of about 12pc to at least 25pc of GDP or even higher so that our national savings are sufficient to finance a high rate of national investment needed for accelerating our GDP growth rate. This effort should be combined with economic policies designed to promote exports and import substitution. This should not be an impossible task. After all, in our region the national saving rates of Bangladesh and India are well above 30pc of GDP. China's national saving rate exceeds 45pc of GDP.

The main reason for Pakistan's chronically low national saving rate and the consequent slow economic growth and huge current account deficits is the addiction to conspicuous consumption of our decadent elite consisting of the top echelons of its civil and military bureaucracy, political leadership, feudal landlords, professionals, and business community. Until they mend their ways and adopt austerity as their motto or a strong and stable government forces this through appropriate economic, financial, and administrative measures, Pakistan will remain stuck on the path of slow economic growth while lurching from one economic crisis to another. The latest budget presented by the government could have done more to embody the strong and far-reaching measures needed to push the country in the right direction.

The writer is a retired ambassador and author of Pakistan and a World in Disorder

THE NATION, ISLAMABAD 4-7-2023

Inflation eases from 38pc to 29.5pc

Imran Ali Kundi

ISLAMABAD - Inflation eased to 29.4 percent in June this year after touching its highest ever 38 percent level

in May 2023 mainly due to the reduction in commodity prices.

Inflation measured through the Consumer Price Indicator (CPI) was recorded at 29.4 percent in June this year. It has drastically reduced from 38 percent in May last, which was the highest level in the country's history. Overall in fiscal year 2022-23, the CPI inflation has recorded at 29.18 percent, which was far higher than the estimated target of 11.5 percent. The potential reasons for the rising price level were flood damages, disruptions in supply chains, devaluation brought by the macro-economic imbalances and political uncertainty. Inflation had ballooned due to the economic policies of the incumbent government to revive the IMF's programme by increasing electricity, gas and oil prices, announcing mini budgets and massive currency depreciation.

The government for the current fiscal year 2023-24 had set an inflation target at 21.5 percent. According to the latest data of Pakistan Bureau of Statistics (PBS), the inflation on monthly basis decreased to 0.3 percent in June 2023 as compared to an increase of 1.6 percent in the previous month. The CPI inflation Urban increased by 27.3 percent on a year-on-year basis in June 2023.

Meanwhile, the CPI inflation for Rural has enhanced by 32.4 percent. The Sensitive Price Index (SPI), which gauges rates of kitchen items on a weekly basis, increased by 33 percent. On a monthly basis, Wholesale Price Index (WPI) inflation on YoY basis increased by 32.8 percent in June 2023. The break-up of inflation of 29.4 percent showed that food and non-alcoholic beverages prices increased by 39.49 percent last month. Similarly, health and education charges went up by 19.13 percent and 8.56 percent, respectively. Similarly, prices of utilities (housing, water, electricity, gas and fuel) increased by 11.64 percent in the last month. Meanwhile, the prices of alcoholic beverages and tobacco went up by around 109.53 percent. Prices of clothing and footwear increased by 20.96 percent and furnishing and household equipment maintenance charges 41.65 percent. Recreational charges and those related to culture went up by 67.97 percent in the period under review, while amounts charged by restaurants and hotels by 36.37 percent in June 2023 as compared to the same month last year.

In urban areas, the food items which saw their prices increased during June 2023 included tomatoes (28.32 percent), onions (13.58 percent), gur (7.21 percent), chicken (6.75 percent), potatoes (6.50 percent), milk products (4.51 percent), rice (4.22 percent), milk fresh

(3.55 percent), beans (3.38 percent), beverages (3.32 percent), sugar (2.64 percent), meat (2.50 percent), bakery and confectionary (2.24 percent), readymade food (1.46 percent), pulse mash (1.46 percent) and milk powder (1.44 percent). In non-food commodities, prices of following commodities enhanced included readymade garments (3.75 percent), construction input items (3.39 percent), postal services (3.15 percent), electricity charges (2.90 percent), mechanical services (2.10 percent), transport services (2.01 percent), stationery (1.75 percent), construction wage rates (1.35 percent) and medical tests (1.30 percent).

In urban areas, prices of following items were reduced eggs (13.64 percent), fresh vegetables (8.38 percent), wheat flour (8.17 percent), wheat (5.86 percent), pulse gram (4.65 percent), mustard oil (4.46 percent), pulse moong (3.88 percent), cooking oil (3.54 percent), vegetable ghee (2.68 percent), besan (2.62 percent), pulse masoor (1.71 percent), fresh fruits (1.36 percent) and gram whole (1.11 percent).

In rural areas, prices of following commodities increased including tomatoes (37.32 percent), chicken (5.35 percent), rice (4.63 percent), milk products (4.22 percent), potatoes (3.52 percent), pulse mash (2.76 percent), meat (2.46%), tea (2.15 percent), onions (2.07 percent), bakery and confectionary (2.07 percent), readymade food (1.84 percent), beans (1.72 percent), milk fresh (1.72 percent) and sugar (1.39 percent).

THE NATION, ISLAMABAD 10-7-2023

Pakistan's GSP+ Status

The European Union's concerns regarding Pakistan's performance in critical areas such as freedom of expression, minority rights, women's rights, gender equality, and labor rights are not unwarranted. The EU Ambassador to Pakistan, Dr. Riina Kionka, has repeatedly emphasized the need for improvement in these areas if Pakistan wishes to have its GSP+ status renewed. The consequences of losing this status would be detrimental to the country's economy and its people.

Losing GSP+ status would have far-reaching effects on Pakistan's families and businesses. The Generalized Scheme of Preferences (GSP+) allows Pakistani exporters to access the European market under favorable trade preferences. The sudden termination of these preferences would not only impact factory workers and their families but also European businesses relying on Pakistani suppliers. The potential economic fallout would affect both sides, hindering trade and impacting consumers in Europe.

Pakistan's track record in the areas of concern raised by the EU is disheartening. Freedom of speech is suppressed, with journalists and activists facing intimidation and censorship. Pakistan ranks 145 out of 180 countries on the World Press Freedom Index. Gender inequality persists, with women facing discrimination in various aspects of life. The World Economic Forum's Gender Gap Index ranks Pakistan at 153 out of 156 countries. The rights of minorities are consistently violated, religious intolerance is on the rise, and instances of violence against religious communities are prevalent. Labor rights also remain a significant issue, with reports of exploitation, poor working conditions, and inadequate protection for workers.

Pakistan's declining status in these areas is deeply concerning. It is high time for the country to address these challenges head-on. To regain its footing and retain GSP+ status, Pakistan must prioritize reforms. Strengthening institutions to uphold freedom of expression, ensuring equal rights and opportunities for women, protecting the rights of minorities, and improving labor conditions are crucial steps towards progress. Building a strong civic society based on the principles of equality is imperative for Pakistan's progress. A vibrant and active civil society plays a vital role in promoting democratic values, human rights, and social justice. It acts as a watchdog, holding the government accountable and advocating for the rights of marginalized groups. Encouraging civic engagement, promoting dialogue, and supporting civil society organizations will contribute to a more equitable and democratic Pakistan. It is through the collective efforts of government, civil society, and citizens that lasting change can be achieved.

DAWN, ISLAMABAD 7-7-2023

Pakistan, Italy extend debt swap pact timeline

Amin Ahmed

ISLAMABAD: Pakistan and Italy have reached an agreement to extend the timeline of the Pakistan-Italian Debt Swap Agreement (PIDSA) till December next year.

To this effect, an 'Exchange of Letters' was signed by Italian Ambassador Andreas Ferrarese and Economic Affairs Division Secretary Dr Kazim Niaz here on Thursday.

Procedures, modalities, terms, and conditions as defined in the agreement signed in November 2006 between the

two countries remained the same, said a press release issued by the Economic Affairs Division.

During the extension period, the remaining activities of PIDSA will be completed, including cancellation of the remaining debt, completion of the ongoing projects, handing and taking over of assets, and impact evaluation and final report of the PIDSA programme.

The agreement for development swap signed by the two countries in November 2006 came into effect in 2009, under which about \$100 million (\$26.52m) equivalent to Rs8.276 billion of Pakistan's debt owed to Italy is to be swapped for expenditure on development projects across the country on health, education, agriculture, environment, microcredit schemes, poverty alleviation, rural development and infrastructure.

To date, 48 projects have been approved and funded by PIDSA, out of which 45 schemes have been completed and three are in progress.

PEOPLE'S DAILY, CHINA 15-7-2023

China's economy is not about to collapse

By Xin Ping

It is good to see that the Chinese government, having drawn many lessons from the financial crisis in transatlantic countries triggered by the Lehman Brothers, has adopted an innovation-driven strategy of pursuing high-end, intelligent and green growth.

Recently, the Chinese government released economic data for the first five months of 2023, which indicated that China's economy as a whole has continued its post-COVID recovery, even though the rebound in April and May was less than expected.

There comes the same old cliché: When the data of the Chinese economy are less satisfactory than forecast, concerns about China's development prospects arise. This shows how the world's second-largest economy matters to all as each of its subtle changes can affect the global economy.

However, we have to admit that for some "experts," this is an opportune time to hype up China's "sluggish" economy and lecture the public about its predictions regarding "China's collapse."

The best way to relieve a justified concern and refute a false argument is to offer facts and figures.

A ROBUST GROWTH MOMENTUM WITH LOW INFLATION

After three years of relatively slow growth, China's economy has bounced back and continued to gain momentum since the beginning of 2023. Consumption and investment have picked up speed, and employment and prices have remained stable on the whole.

In May, total retail sales of consumer goods increased by 12.7 percent year on year, and catering revenue shot up by 35.1 percent, which shows that as life returned to normal in China, consumption once again became the most important driver of the economy. Given China's huge population, the potential for consumption shall not be underestimated. Investment, too, is increasing in fixed assets, infrastructure and manufacturing.

More importantly, the rise of these two indicators hasn't resulted in inflation as it often does in some developed countries. China's CPI rose only 0.2 percent year on year, and the surveyed urban unemployment rate was 5.2 percent, down 0.3 percentage points from the previous quarter.

HIGH-QUALITY DEVELOPMENT BASED ON A SUSTAINABLE MODEL

One exaggerated concern is that China lacks new growth drivers and that if the property sector becomes stagnant, the overall economy will be sucked down with it.

It is true that indulging in a fake boom created by a real estate bubble is dangerous. So it is good to see that the Chinese government, having drawn many lessons from the financial crisis in transatlantic countries triggered by the Lehman Brothers, has adopted an innovation-driven strategy of pursuing high-end, intelligent and green growth.

From January to May, the added value of aircraft, spacecraft and equipment manufacturing grew by 25.9 percent year on year. Information technology, big data and artificial intelligence have been widely used, and the production index of information transmission, software and information technology service industries has increased by 11.3 percent.

The green transformation continued to deepen, and the output of new energy vehicles, solar cells and charging piles grew by 37 percent, 53.6 percent and 57.7 percent respectively.

RESILIENT FOREIGN TRADE

Foreign trade, as one of the three driving forces of growth, has been playing its role even during the COVID period. Trade relations between China and its traditional trading partners are solid, and China's foreign trade structure is constantly improving.

The argument of China being "punished" by "decoupling" does not stand. On the contrary, it is precisely because of the fact that it is unrealistic to cut off from China that an increasing number of countries have discarded the concept of "decoupling."

Let the data speak for themselves: In the first five months of this year, China's imports and exports went up by 4.7 percent year on year, and its trade with countries along the Belt and Road expanded by 13.2 percent. China's private enterprises accounted for 52.8 percent of the country's total imports and exports, an increase of nearly 4 percentage points over the same period last year.

BOLSTERED INTERNATIONAL CONFIDENCE

In June, the World Bank raised its forecast for China's economic growth this year to 5.6 percent, up 1.3 percentage points from its January forecast. The International Monetary Fund (IMF) also predicts that China will achieve its growth target of 5.2 percent this year and contribute more than one-third of global growth.

The recently convened 14th Annual Meeting of the New Champions of the World Economic Forum (WEF) offered bountiful evidence of the confidence in China from international society.

WEF President Borge Brende said that 36 percent of world economic growth this year may come from China's contribution, and that there are great expectations for further investment in China.

Business people around the world have cast a vote of confidence in the Chinese economy with loads of newly signed contracts and projects. According to a report by the European Union Chamber of Commerce in China, nearly 60 percent of the companies it surveyed plan to increase their R&D spending in China over the next five years.

For those who are not sure about China's economy, Tesla CEO Elon Musk offered a way. "I encourage everyone to come to China to see for themselves," he said. For those who find fault with China simply for the sake of criticizing, only the resilience, potential, vitality and bright prospects of China's economy can silence them.

Editor's note: Xin Ping is a commentator on international affairs.

GLOBAL TIMES, CHINA 7-7-2023

China-UK trade celebrates 70th anniversary of the 'Icebreaking Mission'

Bilateral relations need to be improved through economic cooperation, sincerity

By Chi Jingyi and Liu Yang

In the 1950s, British entrepreneurs started the "Icebreaking Mission," which broke the ice in the West's trade with China. In 2023, Chinese and British business and trade communities are celebrating the 70th anniversary of the "Icebreaking Mission" in China-UK trade relations to commemorate the efforts and achievements the two sides have made, efforts that have greatly boosted bilateral economic cooperation.

Chinese President Xi Jinping on Thursday sent a congratulatory letter to an event commemorating the 70th anniversary of the "Icebreaking Mission" in China-UK trade, the Xinhua News Agency reported.

Xi said he hoped people of vision from all walks of life in China and Britain will carry on the pioneering spirit of openness and cooperation, work hard to break new ground for win-win cooperation, promote the building of an open world economy, and make greater contributions to promoting China-UK friendship and cooperation.

The Thursday event, held in Beijing, was co-hosted by China Council for the Promotion of International Trade (CCPIT), Britain's 48 Group Club and the China-Britain Business Council.

"Seventy years ago, the newly established CCPIT worked with a group of British business leaders to break the economic blockade imposed by Western countries on the People's Republic of China. Together, they embarked on an 'Icebreaking Mission' of China-UK trade and left a valuable 'icebreaking spirit' for future generations," CCPIT Chairman Ren Hongbin said on Thursday during the event.

Over the past 70 years, generations of "icebreakers" have been featured in every frame of China-UK exchanges, writing a magnificent chapter of exchanges and mutual learning in the coordinates of time, said Ren.

Stephen Perry, chairman of the 48 Group Club, said at the Thursday event that they reaffirm that intention being committed as icebreakers to trade between Britain and China.

"I will fight as hard as my father's generation did to support China-UK trade development as best as we can and support you from the UK. We have complementary

economies, we have a good financial industry, we have much technology and advances in our education system. We will be able to continue to bring a great deal to China, and that is the commitment I make when I think about 70 years," said Perry.

Perry's father Jack Perry was a representative of the "Icebreaking Mission."

"The UK and China are blessed with the potential for a vibrant and prosperous relationship ranging from education and cultural exchanges to research collaborations that address the world's most challenging problems," Gordon Orr, vice chairman of the China-Britain Business Council, said on the Thursday event. "Trade and investment form the foundation of this relationship."

In terms of trade potential between China and the UK, Keith Bennett, vice chairman of the 48 Group Club, told the Global Times on Thursday that there is great complementarity in technical, scientific, research and development (R&D) collaboration, as well as in education.

"China is now not only just a great power in manufacturing, but also a great power in R&D, innovation, the fourth industrial revolution, artificial intelligence, big data and other sectors. At the same time, Britain also has some advanced experience there," said Bennett.

Efforts in pushing economic and trade ties

Efforts have been made and fruitful results have been seen in the economic and trade cooperation between China and the UK.

The UK will be the country of honor for the 2023 China International Fair for Trade in Services (CIFTIS), which will be held in Beijing in September, the British Embassy in China told the Global Times in late May.

According to media reports, the UK is expanding the scale of its exhibition at CIFTIS 2023. Participants from UK's top-tier enterprises will highlight their products and services across a variety of sectors.

Senior officials will participate actively to promote meaningful engagements and exchanges between the two countries, said John Edwards, the UK trade commissioner for China.

Dominic Johnson, the UK minister for investment, said during an interview with CNBC on April 21 that "we're symbiotically linked" in terms of the UK-China relationship.

"I work very hard with lots of Chinese companies investing in our infrastructure and offshore wind and our clean energy transitions to net zero," said Johnson, noting the UK may be the fastest-growing investor in China in terms of major markets.

In 2022, China-UK trade in goods exceeded \$100 billion and the stock of two-way direct investment exceeded \$50 billion, official data showed.

In the past 50 years since China and the UK established diplomatic relations, a large number of British companies have invested in China and shared market dividends from the rapid and stable development of the Chinese economy.

"The commercial relationship between Britain and China continues to be very strong. China is Britain's third-largest trading partner, which I think just goes to show how crazy the idea is of 'decoupling' or 'de-risking,'" Bennett stressed.

In fact, British multinational companies that have come to China are still expanding in the market, showing the desire of the British business community to deepen economic and trade development with China.

Executives from a couple of top UK companies visited China in 2023 and met senior officials, seeking to expand their business.

Challenges remain

Although trade and investment between China and the UK are still growing, the bilateral relations face some challenges.

In November 2022, British Prime Minister Rishi Sunak said in his first foreign policy speech that the "golden era" of relations with China is over.

Analysts noted that in the context of the current tense China-UK relations, to be "symbiotically linked" in economy and trade, the British side should show sincerity and should not blindly follow the lead of the US.

In today's world, it is no longer possible to talk about economic and trade development without China, and it has long been a reality for China to integrate into world trade. In this context, the deepening of trade between China and the UK will be beneficial for both countries, analysts said.

Politicians only care about their own political interests. But it is impossible for some British politicians to intervene in the operation of the economic market, or "decouple" from China on trade, Li Yong, deputy chair

of the expert committee of the China Association of International Trade, told the Global Times on Thursday.

"Having a long-standing trade relationship and maintaining normal business cooperation between the two countries are in line with the fundamental interests of enterprises," said Li.

PEOPLE'S DAILY, CHINA 4-7-2023

China-Africa business ties set to shine

By Zhong Nan in Beijing and Feng Zhiwei in Changsha

Economic and trade ties between China and African countries will get further enriched on the back of an improving business environment of both sides that will enable companies to engage in each other's markets — and this, in turn, will help maintain the stability of global industrial and supply chains in the years ahead, government officials and business leaders said after the conclusion of a key expo.

They also said growing cooperation between the two sides will create a conducive environment for businesses to expand their operations, thus creating jobs, fostering growth and driving green development.

Both China and Africa can work toward win-win as China's remarkable success in pursuing high-quality development and achieving sustained economic growth can inspire African countries, said Ashish Shah, director of country programs at the Geneva-based International Trade Center, at a seminar during the third China-Africa Economic and Trade Expo, which concluded in Changsha, the capital of Hunan province, on Sunday.

Agreements for 120 projects valued at \$10.3 billion were signed during the four-day expo, according to the organizers. And 99 cooperation projects valued at \$8.7 billion were announced, including 74 big-ticket projects involving 11 African countries — the highest number ever recorded.

The event attracted 1,700 foreign and over 10,000 domestic attendees — another record. The cumulative value of expressions of intent for transactions was \$400 million, said Hunan's provincial department of commerce.

The exhibition showcased 29 African countries' products spanning 1,600 categories, up a staggering 166 percent from the previous edition.

Government officials and business executives who attended the expo said they are keen to explore potential

opportunities across various sectors, including agriculture and energy.

They also said the platform has helped expand trade relations between China and African countries, facilitating valuable exchanges and fostering mutual growth.

Solomon Telila, minister of the embassy of Ethiopia in Beijing, said China has notable advantages in the field of new energy and stands well-positioned to assist African nations in establishing various renewable energy projects, including solar power plants, wind farms and hydropower initiatives.

These collaborative endeavors hold the potential to enhance the quality of life of people in Africa while contributing to the continent's energy security, said Telila.

Agreed Simplex Banda, Malawi's minister of trade and industry. "Malawi is prioritizing new energy and mining sectors for investment. Clean energy has gained heavy attention, as the government aims to drive energy transformation toward sustainable sources.

"Our government is also eagerly seeking the assistance of Chinese companies to facilitate the development of its local travel industry."

Zhou Xiaoyan, vice-president of the Beijing-based China Council for International Investment Promotion, said by leveraging their respective strengths and resources, China and African countries can foster greater integration in key sectors like manufacturing, agriculture, infrastructure and technology.

Such integration, she said, can lead to increased productivity, improved efficiency and enhanced competitiveness for businesses operating in both sides.

These moves will also help African economies reduce vulnerability to external shocks and strengthen their resilience, said Zhou.

Apart from exporting construction machinery like excavators and bulldozers to Africa, Zoomlion Heavy Industry Science and Technology Co Ltd plans to ship more agricultural machinery to promote the modernization of agriculture in Africa this year, said Wang Yongxiang, vice-president of the Changsha-headquartered engineering equipment manufacturer.

China-Africa trade soared more than 16 percent year-on-year to 822.32 billion yuan (\$113.52 billion) in the first five months of this year, data from China's General Administration of Customs showed.

GLOBAL TIMES, CHINA 1-7-2023
Exclusive: Argentina's central bank
enables yuan accounts, a great
advancement in promoting financial
efficiency: envoy

By Yin Yeping

The enabling of Chinese yuan accounts in the Argentine banking system is a great advancement in reducing exchange rate costs, promoting financial efficiency and currency diversification, Argentine Ambassador to China Sabino Vaca Narvaja told the Global Times in an exclusive written interview on Friday.

The remark was made in response to the latest move by the Central Bank of Argentina to allow the country's commercial banks to open customer accounts in yuan. According to a statement published on its website, the central bank on Thursday said it had granted banks permission to take deposits in yuan, while it increases its yuan sales almost daily to finance imports.

This new measure is aimed at alleviating the scarcity of US dollar reserves and promoting the use of the Chinese currency for international transactions, according to media reports.

"The decision of the Central Bank of Argentina is very important because my country, in addition to supporting the internationalization process of the yuan, is betting on a more diverse monetary system where we do not need to use a third currency for exchange between our countries or with our main trading partners," Narvaja told the Global Times.

This reduces financial costs and promotes the democratization of the currency basket on the international level, the ambassador said.

The move came just three weeks after the recent visit by the Argentine Economy Minister Sergio Massa, to China together with other government representatives in early June, during which a cooperation plan to promote Belt and Road Initiative was signed, which includes, among its 13 working sectors, a central element such as cooperation in monetary and fiscal matters.

During the visit, the People's Bank of China and the Central Bank of Argentina renewed the bilateral local currency swap agreement, with a swap scale of 130 billion yuan per 4.5 trillion pesos and a validity period of three years, as the two countries ramp up efforts to enhance financial cooperation and trade facilitation.

The renewing of the currency swap mechanism has consolidated the path of expanding the use of local currencies, which has been very successful for economic exchanges between Argentina and China, Narvaja said.

Since the activation of this mechanism, announced in the bilateral meeting between the leaders of the two countries during the G20 summit in Bali last November, exchanges using yuan as the currency has grown exponentially, the envoy said.

"This new step announced by the Central Bank of Argentina to enable yuan accounts in the Argentine banking system is a great advancement in this direction of using local currencies, and it adds to many previous actions such as the opening of an electronic open market for spot and futures transactions in yuan," Narvaja said. Likewise, the recent authorization granted to the Chinese credit card issuer, UnionPay, for the operation of transactions by all its clients in Argentina, allows them to settle with non-residents at the same value as financial dollars. The ambassador said that such moves are extremely relevant both for promoting Chinese tourism and consumption in Argentina and for ensuring traceability.

Narvaja stressed that the expansion of the use of yuan is possible due to the complementary economic nature that China has with most countries in Latin the American region and the spirit of shared work proposed for joint collaboration without any impositions.

"Argentina, like many emerging countries, advocates for a change in the global financial architecture in international organizations so that it is not oriented toward a speculative matrix. That is why we support the reform of the system in all multilateral forums, aiming to direct it toward the real economy and productive system," the ambassador further noted.

The ambassador highlighted the recent words of Brazilian President Lula Da Silva during his recent visit to China when he asked, "Why all countries have to base their trade on the dollar? Why can't we do trade based on our own currencies? Who was it that decided that the dollar was the currency after the disappearance of the gold standard?"

The ambassador said that institutions such as the People's Bank of China, the Asian Infrastructure Investment Bank (AIIB), and the New Development Bank (NDB), are doing a lot to build a fairer financial system.

"Argentina is betting on this new path and has recently joined as a member of the AIIB and formally requested to join the NDB of the BRICS...we firmly believe that a more harmonious and balanced multi-polar world, without any impositions, will be a reality if we work together," he said.

"In this sense, the concrete progress that many emerging countries are making in that direction is a good example."

DEFENCE, NUCLEAR DEVELOPMENT, SCIENTIFIC RESEARCH AND SPACE TECHNOLOGY

	Subject	Newspapers/Periodicals	Date	Page
	INDIA			
	Air Force			
1.	Indian Air Force contingent practises in France for Bastille Day parade on July 14 - ANI	The Tribune, Chandigarh	10-7-2023	55
	Navy			
2.	In a first, Navy submarine periscope refurbished indigenously with CSIO in Chandigarh executing the project By Vijay Mohan	The Tribune, Chandigarh	12-7-2023	55
	Defence Cooperation			
3.	India, France seal key pacts in defence, UPI By HT Correspondent	The Hindustan Times, New Delhi	15-7-2023	56
4.	India, Malaysia amend MoU for defence coop - Tribune News Service	The Tribune, Chandigarh	11-7-2023	58
5.	From jet engines to RPAS: How US is sharpening India's edge in defence By Rahul Singh	The Hindustan Times, New Delhi	10-7-2023	58
	Space Program			
6.	Perfect launch, Chandrayaan-3 begins 6-week odyssey to moon - Tribune News Service	The Tribune, Chandigarh	15-7-2023	59
	BANGLADESH			
	Defence Procurement			
7.	Government to buy more fighter jets Law minister tells JS By Staff Correspondent	The Daily Star, Dhaka	5-7-2023	59
	Space Program			
8.	France seeks to boost naval ties with Bangladesh By Porimol Palma	The Daily Star, Dhaka	5-7-2023	60
	SRI LANKA			
	Maritime Security Cooperation			
9.	Sri Lanka and Australia successfully combating people smuggling – Joint Task Force Commander By Chaminda Perera	Daily News, Colombo	12-7-2023	60
10.	Arthur C. Clarke Institute for Modern Technologies By Eng. (Dr.) Sanath Panawennage	Daily News, Colombo	6-7-2023	61

IRAN				
Nuclear Deal Developments				
11.	UK to infringe Iran deal by refusing to end sanctions	Tehran Times, Tehran	4-7-2023	63
12.	China says to continue working on JCPOA	Tehran Times, Tehran	8-7-2023	64
Defence Modernization				
13.	Iranian military choppers outfitted with modern gear	Tehran Times, Tehran	9-7-2023	65
14.	Iran's Damavand-2 Destroyer to be armed with hypersonic missiles	Tehran Times, Tehran	4-7-2023	65
Defence Cooperation				
15.	Iran, Russia sign security agreements	Tehran Times, Tehran	1-7-2023	66
Space Program				
16.	Khayyam satellite begins tracking, recording land use changes	Tehran Times, Tehran	10-7-2023	67
PAKISTAN				
Defence Production				
17.	Defence exports' potential to be explored under SIFC: minister By Staff Reporter	Dawn, Islamabad	6-7-2023	67
18.	Fighter aircraft from Pakistan: Iraq fifth country to initiate deal for JF-17 By Muhammad Saleh Zaafir	The News, Islamabad	9-7-2023	68
CHINA				
Joint Exercises				
19.	Exclusive: Chinese flotilla participating in 'Northern/Interaction-2023' drills set sail; Russia navy and air forces to join By Guo Yuandan	Global Times, China	15-7-2023	69
Space Program				
20.	World's first liquid oxygen, methane carrier rocket sent into orbit in latest achievement by Chinese private space sector By Chu Daye in Jiuquan and Zhang Hongpei	Global Times, China	13-7-2023	69

THE TRIBUNE, CHANDIGARH 10-7-2023

Indian Air Force contingent practises in France for Bastille Day parade on July 14

PM Modi will be the Guest of Honour on France's National Day

ANI, Paris, An Indian Air Force (IAF) contingent that arrived in France on Friday has been engaged in a practice session for the upcoming Bastille Day celebrations scheduled to be held in the European country on July 14.

Taking to Twitter, the Indian Air Force informed of the practice session being carried out by the IAF contingent, which will participate in France's National Day next week.

"The Warriors in Blue, All set to Sizzle on the Avenues des Champs Elysee. #BastilleDay #SwingIt," the Indian Air Force tweeted.

An Indian Air Force (IAF) contingent of four Rafale fighter jets, and two C-17 Globemasters, which are slated to participate in the Bastille Day flypast over the Champs Elysees in Paris on July 14, landed at the Evreux-Fauville Air Base in France on Friday.

Officials said that the IAF flying contingent of 4 Rafale aircraft and 2 C-17 Globemasters were welcomed by the French Air and Space Force (FASF).

The officials also stated that the Rafales were refuelled by IAF's IL-78 tankers while flying to France, enabling the Rafales to finish the direct voyage from India to France.

India and France have a long history of cooperation, particularly in air power, as seen by the flypast and march of the IAF air warriors on Bastille Day.

"The flypast and marching by the IAF air warriors on Bastille Day follow a long association that the two nations share, especially in the field of air power," said an official statement by the Ministry of Defence.

"Many Indians like Welinkar, Shivdev Singh, HC Dewan and Jumbo Majumdar fought over the skies of France during the two World Wars. Some, like Jumbo Majumdar, were also decorated for their gallant action, over the Falaise Gap, during the terminal phase of World War II," added the official statement.

The statement also said, "The Indian Air Force has operated multiple French aircraft starting with the Ouragan." This was followed by fighter aircraft like Breguet Alize, Mystere IVA, SEPECAT Jaguar, Mirage 2000 and now, the Rafale. Helicopters like the Alouette-III & Lama continue to render yeoman services to India, especially in the remote Himalayan areas, it added.

Ahead of Prime Minister Narendra Modi's visit to France on its National Day, French Ambassador Emmanuel Lenain recently expressed the desire to have Indian troops participate in the parade and Indian Rafales in the sky to commemorate the 25th anniversary of the strategic partnership between the two nations.

Speaking to ANI, Ambassador of France to India, Emmanuel Lenain said, "Well, it's going to be a very important visit. India is the guest of honour on our Bastille Day...our National Day. Every year we have a guest of honour but this year, it is very special that's the 25th anniversary of the strategic partnership between France and India and we wanted to have Indian troops in the parade and also Indian Rafales in the sky." The visit of PM Modi is expected to set new goals for the strategic, cultural, scientific, academic and economic cooperation between the two nations.

Talking about the key takeaways from PM Modi's upcoming visit to France, he said, "There will be a lot. Each time, there are important meetings at that level. There will be some new momentum for cooperation. That being the 25th anniversary this year, we are going to draft a roadmap to open for new cooperation in the future, especially in the field of technology, the fight against climate change, global issues, and people-to-people exchanges...there would be a lot of news."

The envoy also commended the camaraderie between President Emmanuel Macron and Prime Minister Narendra Modi and emphasized the intention to strengthen the cooperation between the two countries.

India and France are celebrating the 25th anniversary of their Strategic Partnership this year.

At the invitation of France President Emmanuel Macron, PM Modi will be the Guest of Honour on France's National Day on July 14.

The French traditional military parade is held in Paris during Bastille Day on July 14. PM Modi's visit will coincide with the 25th anniversary of the "strategic partnership" between France and India.

THE TRIBUNE, CHANDIGARH 12-7-2023

In a first, Navy submarine periscope refurbished indigenously with CSIO in Chandigarh executing the project

The refurbished periscope is, at present, undergoing trials onboard the submarine

Vijay Mohan

Chandigarh, Far from thesea, in the foothills of the Himalayas, a critical naval system has found a new lease of life. For the first time, periscopes on the Navy's

attack submarines have been repaired and refurbished indigenously, with the Central Scientific Instruments Organisation (CSIO) in Chandigarh executing the project.

Periscopes are complex electro-optical devices that allow the crew to visually scan the surrounding sea surface while the submarine remains submerged just below the surface, thereby reducing the risk of detection. Submarines are equipped with different types of periscopes, which can be raised or retracted as per requirement.

“The project took us about one-and-a half years to carry out and the refurbished periscope is, at present, undergoing trials onboard the submarine,” CSIO Director Prof SA Ramakrishna said. “The work involved studying and analysing a large number of optical elements and associated components and then developing the methodology and technology to meet the Navy’s requirement,” he added.

The Navy’s 16 operational attack submarines are all of foreign origin. It has been trying to overhaul and refurbish periscopes within the country for the past several years and had approached CSIO for the same. CSIO has been involved in several defence related projects, including those in the field of optics.

Prof Ramakrishna said that the project has enabled CSIO to handle large optical systems and the technology and expertise so developed will not only be utilised for repairing and overhauling such systems in the existing fleet, but can also be applied in the Navy’s ongoing indigenous submarine construction programme.

The Indian Navy’s submarine arm was established about 56 years ago, with the commissioning of INS Kalvari, a Soviet origin Foxtrot Class submarine on December 8, 1967 at Riga in the erstwhile USSR.

At present, the submarine fleet consists of two indigenously developed nuclear propelled ballistic missile submarines--INS Arihant that is operationally deployed and INS Arighat, which is undergoing trials.

Others in the fleet are attack submarines including four German-origin Type-209 Shishumar Class, seven Russian-origin Kilo Class and five French-origin Scorpene Class boats. A sixth Scorpene Class boat is under construction and three more are expected to be procured. Some of the submarines are in the process of undergoing upgrades and modernisation to enhance their operational capability.

India also has an ambitious indigenous programme to design and construct submarines. The plans call for three more Arihant Class ballistic missile submarines, two of which are reported to be under construction, six nuclear propelled attack submarines under Project 75-A

and another six diesel-electric attack submarines under Project-75-I.

According to experts, the periscope could be replaced in the future by other technically advanced equipment that allows for greater stealth and wider coverage. The Navy is also exploring the feasibility of employing tethered drones that can be launched underwater by a submarine sailing at depths greater than just below the surface.

THE HINDUSTAN TIMES, NEW DELHI 15-7-2023

India, France seal key pacts in defence, UPI

HT Correspondent

India and France on Friday announced a raft of agreements to deepen defence cooperation, including pacts for three submarines for the Indian Navy and the development of jet and helicopter engines, and unveiled plans to roll out the Unified Payment Interface (UPI) system in Europe from September.

Both countries also agreed to work on establishing a partnership to build low and medium power modular nuclear reactors and adopted a new Indo-Pacific Roadmap to work together to secure their economic and security interests and advance the rule of international law. The developments came following talks between Prime Minister Narendra Modi and President Emmanuel Macron in Paris.

Defence cooperation is a key pillar in India-France relations and the two sides should work on the co-production of military platforms to meet not only their own needs but those of friendly third countries, Modi said at a joint media interaction with Macron ahead of their official talks.

Security cooperation, ranging from co-development of defence hardware to space-based maritime domain awareness and joint steps to ensure peace and stability in the Indo-Pacific, formed a crucial part of Modi’s remarks. He also outlined several steps aimed at taking bilateral relations to the next stage, including a roadmap for the next 25 years of the strategic partnership.

Following the success of the Scorpene submarine construction programme or P75, state-run Mazagon Dockyard Ltd and France’s Naval Group signed a MoU for the construction of three additional Scorpene submarines.

After the delivery of 36 Rafale combat jets to India, the two sides will extend their cooperation in advanced aeronautical technologies by supporting the joint development of a combat aircraft engine, according to a joint document titled “Horizon 2047”. A roadmap for this project will be prepared between France’s Safran

and India's Defence Research and Development Organisation (DRDO) by the end of the year.

The two sides will support industrial cooperation for developing an engine for India's multi-role helicopter programme with France's Safran. A shareholders' agreement between Hindustan Aeronautics Limited (HAL) and Safran Helicopter Engine was concluded for the engine development.

Another contract was concluded between Safran Helicopter Engine and HAL for transfer of technology for forging and castings for the Shakti engine. Yet another MoU between Garden Reach Shipbuilders and Engineers Ltd and France's Naval Group will focus on collaboration on a surface ship that meets the requirement of India and international naval forces.

Both countries are also working on adopting a Roadmap on Defence Industrial Cooperation. India will also set up a technical office of the DRDO at its embassy in Paris.

Last week, India's NPCI International Payments Limited (NIPL) and France's Lyra Collect signed an agreement to roll out UPI in France and Europe. The payment mechanism is in its last phase of production and will go live by September, with the Eiffel Tower in Paris as the first merchant in France to accept UPI, the document said.

"Defence cooperation is a key pillar in our ties that reflects the two countries' deep trust in each other. France is an important partner in the Make in India and Atmanirbhar Bharat initiatives," Modi said, speaking in Hindi. The two leaders would discuss co-development and co-production of new defence technologies, including submarines and naval platforms, to meet not only their own needs but also those of friendly third countries, he added.

"There is scope for increasing cooperation between our defence space agencies. We are moving forward on French companies setting up MRO (maintenance, repair, overhaul) facilities and producing spare parts and helicopter engines in India. We will focus on making this cooperation stronger," Modi said.

In the civil nuclear domain, the two sides will discuss the scope for cooperation on small and advanced modular nuclear reactors, he said without giving details.

Though it had been widely anticipated that the two countries would make announcements about India procuring 26 Rafale Marine combat jets, there was no official word on this matter. India's defence acquisition council (DAC) had on Thursday cleared the Indian Navy's proposals to acquire the jets and the three submarines from France.

Macron, who spoke before Modi, recalled the role played by Indian soldiers in past wars and in Friday's Bastille Day Parade, at which Modi was the guest of honour. He said the armed forces of the two sides are in close contact and both countries are working to maintain peace and security and ensure respect for international laws, including in the Indo-Pacific.

The work done by India and France on renewable energy and countering plastics are just two examples of how their cooperation can lead to success in many fields, Macron said. India is France's second largest trading partner in Asia, and the two sides are also exploring new areas in steel, space, energy, civil nuclear cooperation and technology, he said.

Modi said the presence of an Indian tri-services contingent in the Bastille Day Parade was a "splendid picture" of the growing bilateral cooperation. At a time when the two sides are observing 25 years of their strategic partnership, this can be used as a solid foundation for preparing a roadmap for the next 25 years in which they can set bold and ambitious targets, he said.

"Indians are committed to build a developed country, and we see France as a natural partner in this journey," Modi said. He welcomed another long-term agreement between Indian Oil and France's Total company for the supply of LNG, saying this will bolster the country's clean energy transition goals.

Modi added, "We should work with like-minded countries for democratising technology supply chains. Climate change and protecting the environment are a shared and important priority. After setting up the International Solar Alliance (ISA), which has become a movement, we now want to speedily work on a roadmap for the blue economy and ocean governance."

As resident powers in the Indo-Pacific, India and France have a special responsibility for region peace and stability and to give concrete shape to collaboration in this sphere, both sides are working on an "Indo-Pacific cooperation roadmap", he said. The two sides are discussing a proposal for an Indo-Pacific triangular development cooperation fund that will open new doors for start-ups and innovation.

Referring to the successful launch of the Chandrayaan moon mission, Modi said there has been deep cooperation between the Indian and French space agencies, and the two sides had finalised new agreements on satellite launch services, measuring land and sea temperatures, and weather monitoring. This includes the making of the Trishna satellite.

"In areas like space-based maritime domain awareness we can increase cooperation. India and France have also

had deep people-to-people contacts for long, and this will become stronger after our talks. In southern France, we will open a new consulate in Marseilles,” Modi added.

THE TRIBUNE, CHANDIGARH 11-7-2023

India, Malaysia amend MoU for defence coop

Tribune News Service

New Delhi, July 10

India and Malaysia today widened the scope of defence cooperation by approving an amendment in the Memorandum of Understanding on Defence Cooperation signed between the two nations in 1993.

“This amendment will act as an enabler to expand bilateral defence cooperation in the areas of mutual interest,” the Ministry of Defence said today while describing the bilateral meeting between Defence Minister Rajnath Singh and his counterpart Dato’ Seri Mohamad Hasan in Kuala Lumpur. The two sides reaffirmed their commitment to fully implement the Enhanced Strategic Partnership — announced during the visit of PM Modi to Malaysia in 2015.

Defence Minister Rajnath Singh unveiled a bust of freedom fighter Subhas Chandra Bose. He also called on Malaysian PM YB Dato’ Seri Anwar bin Ibrahim, besides meeting Minister of Foreign Affairs Dato’ Seri Diraja Dr Zambry Abd Kadir.

THE HINDUSTAN TIMES, NEW DELHI 10-7-2023

From jet engines to RPAS: How US is sharpening India’s edge in defence

Rahul Singh

The upcoming mega deals with the United States for jet engines and weaponised remotely piloted aircraft systems (RPAS) have turned the spotlight on the US’s role in equipping the Indian military with modern weapons and systems, the capability boost it has provided to the armed forces, and the country’s attempts to diversify its arms purchases, officials aware of the matter said on Sunday.

The two proposed deals with a combined value of more than \$4 billion also underline India’s push for indigenisation as they will involve transfer of technology in areas where the country has struggled to achieve a breakthrough, the officials said asking not to be named.

The acquisition of 31 MQ-9B General Atomics RPAS and the production of General Electric’s F414 engines

in the country came into sharp focus during Prime Minister Narendra Modi’s first state visit to the US in June.

The US-origin platforms currently in the Indian armed forces include the C-17 Globemaster III heavy-lifters, C-130J special operations aircraft, P-8I submarine hunter planes, AH-64E Apache attack helicopters, CH-47F (I) Chinook multi-mission helicopters, MH-60R naval helicopters, and M777 ultra-light howitzers. Each of these platforms has helped India fill critical capability gaps and sharpen its military edge, the officials said.

These platforms were gradually inducted into the armed forces 2011 onwards and have a combined value of more than \$16 billion. The C-17s, C-130Js, P-8Is, Chinooks, Apaches and the M777s have played a key role in strengthening the military’s posture in the Ladakh sector in the backdrop of the lingering border row with China along the Line of Actual Control, the officials said. India has also bought Sig Sauer assault rifles for its troops from the US.

The India-US defence relationship is on an upward trajectory, and weapons and systems bought from the US during the last decade have significantly boosted India’s capabilities to take on the challenges it faces, said Air Vice Marshal Anil Golani (retd), additional director general, Centre for Air Power Studies.

“But what we need now is transfer of critical technologies to produce weapons and systems in the country. It remains to be seen what kind of technology transfer the jet engine and drone deals will involve. Mere licensed production and assembly of platforms isn’t enough to power the indigenisation drive,” Golani said.

The jet engine and drone deals with the US are being negotiated at a time when the US is attempting to wean India away from its dependence on Russian military hardware in the backdrop of the Ukraine crisis and offering to provide alternatives for the supply of weapons, systems and spares to keep the Indian armed forces battle ready.

The deal between the world’s leading aircraft engine maker GE Aerospace and Hindustan Aeronautics Limited (HAL) to produce fighter jet engines in the country for the Tejas light combat aircraft Mk2 will involve 80% technology transfer, is estimated to be worth around \$1 billion, and will result in the new fighter jet having an indigenous content of around 75%.

The deal to produce 99 F414 engines under licence is likely to be signed during the current financial year, and the first lot of engines will be made in India three years thereafter. The technology transfer will cover 11 critical areas many of which were entirely off-limits more than

a decade ago when GE Aerospace, and India's Aeronautical Development Agency (ADA) began talks on the possible production of the engines in the country. Back then, the US agreed to only 58% technology transfer, keeping a string of key engine technologies out of India's reach, as previously reported by HT.

India will also negotiate a higher element of transfer of technology in the drone deal (estimated to be worth \$3 billion) it is pursuing with the US to boost the military's strength. India is looking at doubling the element of technology transfer that is currently on offer --- from 8-9% to 15% to 20%,

To be assembled in India, the versatile platform will have the capability to strike targets with its on-board weapons, it will be used for intelligence, surveillance and reconnaissance (ISR); and its other roles include electronic warfare, defensive counter air and airborne early warning.

Building defence capabilities is a top priority for India. The country was the fourth biggest military spender in the world in 2022 after the US, China and Russia, the Stockholm International Peace Research Institute said in a report published in April.

In February, India set aside 5.93 lakh crore for defence spending in this year's budget, including a capital outlay of 1.62 lakh crore for the military's modernisation. (The budget also includes a revenue expenditure of 2.7 lakh crore and pension outlay of 1.38 lakh crore.)

India allocated 5.25 lakh crore for military spending in last year's budget, 4.78 lakh crore in 2021-22, and 4.71 lakh crore the year before.

India has also taken several steps over the last four to five years to boost self-reliance in defence. These include creating a separate budget for buying locally made military hardware, increasing foreign direct investment from 49% to 74%, and notifying hundreds of weapons and systems that cannot be imported.

THE TRIBUNE, CHANDIGARH 15-7-2023

Perfect launch, Chandrayaan-3 begins 6-week odyssey to moon

Tribune News Service

New Delhi

India's third lunar probe mission Chandrayaan-3 took off successfully on Friday at 2.35 pm aboard the Launch Vehicle Mark-3 (LVM-3) from the second launch pad of Satish Dhawan Space Centre at Sriharikota near Chennai, beginning a far more complicated six-week voyage to reach the lunar south pole where no other nation has gone before.

The spacecraft was placed in the precise geostationary orbit (GTO) by the launcher after about 16 minutes of flight. "The LVM3-M4 vehicle successfully launched Chandrayaan-3 into orbit," the Indian Space Research Organisation (ISRO) tweeted. Only the US, former Soviet Union and China have been able to achieve soft-landing on the moon. India will join this elite league of three nations if the mission objectives of Chandrayaan-3 — soft-landing on the lunar surface and lowering the rover to explore the moon — are achieved. The spacecraft, consisting of a propulsion module and a lander module with a rover inside it, is slated to complete its journey to the moon, covering a distance of approximately 3.84 lakh km, in three phases over a period of about six weeks. Chandrayaan-3 will first orbit the earth in an elliptical path several times raising its apogee continuously and gather enough momentum to get into the moon's orbit. After insertion in the lunar orbit, ISRO will manoeuvre it to a circular orbit of 100 km where the lander module will separate from the propulsion module. The lander will then start its descent towards the lunar south pole. Four thrusters installed in the lander will break the speed of its descent, enabling a gentle landing at the end. Once the lander reaches the lunar surface and parks there with the help of its four mechanical legs, the rover will roll out from inside it through a ramp and explore the moon. "ISRO Telemetry Tracking and Command Network, located at the outskirts of Bengaluru, is handling the job of sending commands to the spacecraft," Chandrayaan-3 project director P Veeramuthuvel said. The lander has three payloads. One to measure thermal properties of lunar surface, another to study the near-surface plasma (ions and electrons) density and the third to measure seismicity around landing site. The rover and lander are both expected to operate only for one lunar day (about two earth weeks). The successful launch has united the political leaders across the party lines with PM Narendra Modi calling it a "new chapter" in the country's space odyssey. President Droupadi Murmu, Vice-President Jagdeep Dhankhar, several ministers and opposition leaders lauded the ISRO's feat.

THE DAILY STAR, DHAKA 5-7-2023

Government to buy more fighter jets

Law minister tells JS

Staff Correspondent

Law Minister Anisul Huq told parliament yesterday that the government has a plan to purchase more advanced technology fighter jets in light of Forces Goal-2030 to modernise the Air Force.

Anisul, who is in charge of the Ministry of Defence in Parliamentary Affairs, was replying to a tabled question of ruling Awami League MP Anwar Hossain Khan from Laxmipur-1.

The minister said there are currently eight squadrons fighter jets in Bangladesh Air Force.

He said navy currently has more than 65 warships, two helicopters and four maritime aircraft -- including two submarines.

Meanwhile, Liberation War Affairs Minister AKM Mozammel Haque told the parliament that there are no brave freedom fighters working in government services at present.

Minister of Environment, Forests and Climate Change, Shahab Uddin informed the House that the global biodiversity is facing a serious threat due to human activities.

THE DAILY STAR, DHAKA 5-7-2023

France seeks to boost naval ties with Bangladesh

Porimol Palma, back from Chattogram

The French Navy, renowned for its size and formidable naval capabilities, has expressed a keen interest in collaborating with the Bangladesh Navy to uphold international law and ensure maritime security.

Rear Admiral Emmanuel Slaars, the chief of French joint forces in the Indian Ocean, conveyed this during an interview held aboard the French stealth Fregate Surcouf.

The ship, which embarked on its journey from France two months ago, made a stop at the Patenga Container Terminal in Chattogram after seven years.

During its visit from July 2 to July 6, the vessel will engage in a joint exercise with the Bangladesh Navy on Thursday. A delegation comprising 170 officers and sailors is taking part in this goodwill visit, with Rear Admiral Slaars and French Ambassador Marie Masdupuy paying a courtesy call on Prime Minister Sheikh Hasina on Sunday.

During their visit, the officers and sailors of the French Navy ship had the opportunity to explore various naval installations and engage with officials in Bangladesh.

French Ambassador Marie Masdupuy emphasised that the ship's visit signifies France's political commitment to supporting Bangladesh and recognises the country's importance in the Indian Ocean region.

The visit comes at a time when competition among major powers in the Indo-Pacific region is intensifying, while challenges such as climate change, illegal

trafficking of narcotics and weapons, environmental pollution, and overexploitation of marine resources loom large.

France, as an Indo-Pacific nation, is actively involved in the region to safeguard its territories and uphold international law.

“We strongly believe that international law is very important and we are also ready to fight illegal trafficking of narcotics, weapons etc,” said Slaars.

The French Navy has demonstrated its commitment by intercepting a significant quantity of narcotics during its deployment in the Arabian Sea.

Additionally, the French Navy shares concerns about the preservation of aquatic resources and the problem of illegal fishing, which often involves violations of international laws.

Slaars encouraged regional countries to collaborate in their efforts to address trafficking of narcotics and weapons.

He highlighted the existing partnership between the French and Bangladeshi navies, citing the presence of a Bangladeshi Navy ship involved in UN operations in Lebanon and regular Bangladeshi naval deployments to the Arabian Gulf.

He expressed France's willingness to consider specific proposals from Bangladesh for the modernisation of its Navy. In the past, the French Navy assisted the Bangladesh Navy in developing its hydrographic capabilities, and now the Bangladesh Navy has its own capacity, a source of pride for the French Navy.

Captain Jerome Dubois of the ship said joint exercises help the navies build confidence and exchange of knowledge and tactics help each other in joint operations. “That's how you build capacity and efficacy to work together.”

DAILY NEWS, COLOMBO 12-7-2023

Sri Lanka and Australia successfully combating people smuggling – Joint Task Force Commander

Chaminda Perera

Visiting Commander Joint Agency Task Force Operation Sovereign Borders Rear Admiral Justin Jones while terming the partnership between the Sri Lankan and Australian Governments to combat people smuggling as of the highest standard said that there is Zero Chance of success for those considering illegal maritime migration to Australia.

Rear Admiral Jones said that there are legal pathways to secure a valid visa to Australia and the Australian High

Commission website in Colombo has information on the ways and means of applying for visas to visit Australia.

“There is no pathway to Australia without a valid visa. Don’t believe the lies spread by the people’s smugglers,” he said.

Speaking at a press conference in Colombo, Rear Admiral Justin Jones insisted that those contemplating to enter Australia by boats are risking their lives and wasting their money. Jones added that illegal migrants to Australia will be detected, identified and returned to Sri Lanka.

“They will also face prosecution under Sri Lankan domestic law upon being sent back to Sri Lanka,” he insisted.

His visit follows an Operation Sovereign Borders interception and return in early May, where 41 Sri Lankan individuals who left from Valaichchenai were attempting to migrate illegally by boat to Australia.

“This interception also demonstrates that there is ongoing work to be done to educate the people about the dangers and repercussions of these illegal journey,” Rear Admiral Jones said.

Navy Commander Vice Admiral Priyantha Perera said that the Sri Lanka Navy has been working with the Australian Government for years and the two countries have very close cooperation in terms of sharing of intelligence too.

He said that the Sri Lanka Navy is working with Australia and other regional partners in countering the people smuggling racket and other illegal activities in the Indian Ocean.

The Navy Commander thanked the Australian Government for providing support to the Sri Lanka Navy during the height of country’s economic crisis.

DAILY NEWS, COLOMBO 6-7-2023

Arthur C. Clarke Institute for Modern Technologies

Developing national capacity in space technologies- Eng. (Dr.) Sanath Panawennage

On July 20, 1969, the American astronaut Neil Armstrong put his foot down on the surface of the moon and famously declared, “That’s one small step for man, one giant leap for mankind.” It has been over 50 years now, and men have now ventured out into space on many occasions. More importantly, the ensemble of advanced technologies collectively referred to as space technology, which make possible the design, development, launch, and in-orbit operation of satellites and other spacecraft, have had in this process a

profound transformation in many facets of the lives of all of us—the earthly beings.

You may well recall the first-ever Satellite to be built by Sri Lanka and launched in 2019, the Nano-Satellite RAAVANA-1, which was a collaborative project between the Arthur C. Clarke Institute for Modern Technologies (ACCIMT) of Sri Lanka and the Kyushu Institute of Technology (Kyutech) of Japan, and the second, the advanced Nano-Satellite KITSUNE, launched in 2022, as a five-party research mission between Kyutech, ACCIMT, and three other partners, namely Addnics Corp and Harada Seiki of Japan, and Nanyang Technological University of Singapore. The latest outcome of the ACCIMT-Kyutech space-technology collaboration venture, the Nano-Satellite BIRDS-X, primarily a communication-technology research mission, is scheduled to be launched to orbit in mid-2024.

Today, the Daily News speaks to the Director General and CEO, Arthur C. Clarke Institute for Modern Technologies Eng. (Dr.) Sanath Panawennage, on how Sri Lanka is going about in its efforts to acquire and develop its national capacity in space technologies.

The Arthur C. Clarke Institute for Modern Technologies is the premier public research institute in the country, specializing in electronics, communications, robotics and IT, and very specially in Space Technologies. Besides its broader mandate for ‘accelerating the introduction of modern technologies to the country’, the institute plays a special role as Sri Lanka’s national agency for space-technology capacity-development and international liaison on outer-space affairs.

Dr. Sanath Panawennage—an Electronic and Telecommunication Engineer of the highest professional standing (FIESL) and a PhD in Space Policy—is the founder of Sri Lanka’s programme for acquisition and development of the country’s national capacity in space technologies; and he has been leading the team of Sri Lankan engineers involved in each of the above three collaborative Nano-Satellite projects, RAAVANA-1, KITSUNE, and BIRDS-X, as the Principle Investigator on the Sri Lankan side, having created the above opportunities for Sri Lanka through a highly innovative strategic approach.

“The Arthur C. Clarke Institute is primarily a public research institution in modern technologies, and we conduct research and development activities, training programmes on highly specialized niches of modern technology, and we also provide consultancy services to the industry, in our areas of specialization. When it comes to the domain of space, we have a very special role. We are entrusted with the mandate of developing

national capabilities in the area of space technologies, and also functioning as Sri Lanka's national agency for international liaison in outer-space affairs.

At the moment Sri Lanka does not have a specialized space agency, perhaps to be so-called the 'National Space Agency of Sri Lanka', simply because, in Sri Lanka, we do not have such a big space programme to call for such a separate agency. So we, at the ACCIMT, are working as the national space agency in the making, and we are working with a vision to enable evolution of such an entity in due course. Currently, we are in the very early stages," said Dr. Panawennage.

In 2014, the institute identified 'space' as an area that it could venture into, contrary to the popular belief that space was a frontier beyond their reach. They realized there were opportunities for them to successfully venture in.

"Among the developing countries, we were very quick to identify the tangible opportunities that would be possibly brought about by a potential revolutionary development in the field of Nano-Satellites. By around 2011/2012, going by what was then visible as the early signs of a possible global boom in Nano-Satellites over the next decade, we knew this would potentially provide a decisive opportunity for countries who were desirous of newly entering into the space domain. Globally, all countries, regardless of their degree of economic strength and technological advancement, are interested in how to use 'outer-space' for their earthly needs', in other words, how to mobilize satellite-derived data and other tools and applications, derived through satellites positioned in outer space, in many spheres of human activity from navigation to agriculture, from communication to urban planning, from disaster management to natural resource management, and from education to governance", he said.

Much of the early and decisive developments in space technology was the result of the 'Space Race' that was there between the United States and the Soviet Union. Dr. Panawennage pointed out that most of the decisive breakthrough developments of space technology actually happened during the time of the Cold War. "As you know the arms race between the USA and Soviet Union manifested for the major part in the form of a Space Race. After that countries like France, Germany, UK, Canada, Japan, China and India came on board. Now, of course, there are several other relatively newly-emerged space-faring nations such as Israel, South Korea, Iran and North Korea with substantial advanced technology capabilities".

Initially, the technology was largely confined to countries with both scientific advancement and

economic capacity to engage in space activities. Not only was the technology expensive, but also exclusive—confined to those few technologically advanced nations, with a major proportion of applications in the military, rather than civilian domain.

"Then the things started to change. The global supply chains started to change and other countries showed interest in this area. Then came the advent of Nano-Satellites. Now Nano-Satellites are very small satellites. They are smaller in size and therefore they are lower in cost. They are affordable. But technically, they have all the vital sub systems of a major satellite. Nano-Satellites provided an important opportunity for the new players/countries who wanted to come on board and enter the domain, because they were cheap to manufacture and cheap to launch. This does not mean that Nano-Satellites can essentially do what a normal big satellite can do. If a single big complex satellite can carry out so many functions, a constellation of Nano-Satellites in some cases can effectively carry out one or two of those functions. But remember at a small fraction of the cost. Nano-Satellites have certainly provided a platform or a launching pad for the countries who wanted to come on board and start their own space-technology capacity-development activities, within their means. Nano-Satellites in a way have done a great deal to democratize space" explained Dr. Panawennage.

The Arthur C. Clarke Institute was pretty early to recognize the wave that would surge in the Nano-Satellite domain. "In today's quest for acquiring advanced technological capabilities, in the efforts made by many countries to transform their economies into knowledge-based advanced technology-led economies, Space Technology plays a vital role. In Sri Lanka we have identified space as a vital technology in our march towards attaining the goal of becoming a developed country, in a number of vital policy and strategy documents on science and technology development.

In mid-2014, we, the ACCIMT, formulated a proposal and submitted it to the Government. It was called the "Program for Acquisition and Development of National Capacity in Space Technology". Knowing that the technology was not only expensive but was also largely in the hands of an exclusive league of economically and technologically advanced nations, the key strategy that we were proposing was to undertake multiple Nano-Satellite development projects in technology-collaboration with some agencies of those advanced spacefaring countries. We were not in a position to go straightaway to build big satellites. It was too expensive."

Dr. Panawennage added that what they have made use of, on the major part, are the strategic relationships that

they have developed with the national space agencies and other leading space-specialized institutions and universities of several leading spacefaring nations, as well as the international platforms for space cooperation.

“It is about building strategic relationships and mobilizing their outcomes in effective combinations. We trained 17 engineers to start with, at Samara Aerospace University in Russia. That was our first exposure to Space Engineering. Then we formulated and embarked upon a project with Kyutech Japan, mobilizing contributions from some other international partners as well, which resulted in developing the Nano-Satellite RAAVANA-1. That was launched in 2019, and was successfully orbiting the earth for 27 months, much beyond its expected life span, successfully accomplishing all of its five research missions on-board. Our second experiment with Nano-Satellites was KITSUNE, the 6U advanced Nano-Satellite that was undertaken as a five-partite technology collaboration project. KITSUNE, having launched in to the same ISS orbit at an altitude of 400km above the earth, also successfully accomplished its multiple research missions, generating a large volume of in-orbit research data, vital in future missions. Those two previous projects have given a valuable opportunity for our engineers to get comprehensive exposure in the complete cycle of design, development, construction, testing, launching and in orbit operation of Nano-Satellites,” he added.

The third project, Nano-Satellite BIRDS-X, that they have embarked upon as a bi-lateral technology collaboration project with the Japanese collaborator, Kyutech, is currently in progress, and the satellite is expected to be launched in mid-2024. This is primarily a research satellite that will involve several in-orbit research missions on communication-technologies.

“Once again, we have come on board with no capital expenditure to Sri Lanka, purely on the basis of the strategic and technological contributions that we make to the project. Once again we have a team of seven ACCIMT engineers working on the project, led by myself as the Principal Investigator on the Sri Lankan side. Very importantly we have already finished developing, here in Sri Lanka at the ACCIMT, the major communication payload to be used on-board the satellite, a UHF transceiver, designed by research engineer Tharindu Dayaratne. The other ACCIMT members of the project team are: Eng. (Ms.) Kamani Ediriweera, Eng. Kavindra Jayewardene, Research Engineers Kaveendra Sampath, Thilina Bandara, and Uditha Gayan. The ACCIMT engineers will work at Kyutech laboratories for a cumulative period of 12

engineer-months, on various aspects of development and testing work of the satellite, while in the meantime sharpening their technical competencies in space engineering.

The level of national capacity that Sri Lanka has succeeded in acquiring and developing in this domain of advanced technology, which on the one hand is vital in enhancing the overall base of advanced technological capabilities of the country, and on the other hand is both ‘expensive’ and ‘exclusive’, Dr. Panawennage said ‘well we consider ourselves to be very lucky to have come to this standard by spending only a very small fraction of capital expenditure that many recent entrants to the space domain would have typically spent in reaching the standard that we have reached by now—though it obviously represents only a few steps of a long journey ahead. The good international relationships we have built in the area of international cooperation in space, and our ability to harmoniously mobilize them in effective combinations has been the key.”

Something pertinent to mention here is that Eng. (Dr.) Sanath Panawennage has been playing a prominent leadership role in multiple intergovernmental platforms for international cooperation on space technology and applications, particularly in the Asia-Pacific region, over the past 12 years. He was elected and functioned as the Chairman of the 35-nation Intergovernmental Consultative Committee (ICC) on the Regional Space Applications Programme (RESAP) of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) for 5 sessions and as its Vice-Chairman for another 4 sessions. He also functioned as the Co-Chair of the (Intergovernmental) Drafting Committee that formulated the ‘Asia-Pacific Plan of Action on Space Applications for Sustainable Development 2018-2030’, the blueprint of the flagship UN programme on Space for Asia and the Pacific, which was adopted by all 53 member states of the UNESCAP in 2019.

TEHRAN TIMES, TEHRAN 4-7-2023

UK to infringe Iran deal by refusing to end sanctions

TEHRAN- The United Kingdom and other European nations are anticipated to declare intentions to violate the 2015 Iran nuclear deal for the first time this October when they affirm they will not ease restrictions on Tehran’s missile program, as stipulated by the pact.

In an article published on Sunday, the Guardian said the U.S. withdrawal from the nuclear agreement, known as the Joint Comprehensive Plan of Action (JCPOA), in

2018 failed to push Iran to violate the terms and spirits of the deal.

When the U.S. preferred to be out of the deal, Germany, France, and the UK remained party to the agreement.

The decision by the three European heavyweights to likewise violate the agreement poses a danger since it is unclear how Tehran will respond.

Diplomats from the EU and the UK cited Iran's own violation of the JCPOA, the alleged sale of drones by Iran to Russia for use in its invasion of Ukraine, and the potential transfer of Iranian ballistic missiles to Russia in the future as justifications.

The 2015 nuclear agreement had a number of deadlines, or so-called sunset clauses, by which the West was supposed to waive some sanctions on particular organizations, but it had not been anticipated back then that the pact would be so widely violated.

According to a UN decision that upheld the 2015 nuclear agreement, the EU sanctions are scheduled to expire on October 18.

In addition, they prohibited anybody from acquiring, selling, or transporting drones or their parts to or from Iran without prior approval from the UN Security Council, which has not yet been given.

TEHRAN TIMES, TEHRAN 8-7-2023 **China says to continue working on JCPOA**

TEHRAN – Chinese Foreign Ministry spokesperson Wang Wenbin has criticized the U.S. for withdrawing from the 2015 Iran nuclear deal, saying that Beijing will continue to work toward resolving issues related to the tattered deal.

The remarks come amid stalled talks over reviving the deal, officially known as the Joint Comprehensive Plan of Action (JCPOA).

“The reason for the current situation surrounding Iran's nuclear issue is that the United States unilaterally withdrew from the JCPOA and put Iran under the most severe pressure,” Wenbin said at a regular press conference on Friday, according to IRNA.

He stated that the nature of UN Security Council Resolution 2231 is the implementation of the JCPOA and emphasized that Iran has taken appropriate countermeasures.

“The current priority of the relevant parties is to restore the full and effective implementation of the JCPOA through dialogue and negotiation,” the spokesperson continued.

The diplomat also pointed out the importance of preventing any action that would lead to the escalation of the situation and the exacerbation of contradictions, in order to create conditions for diplomatic efforts.

“China will continue to interact and coordinate with the relevant parties, help to quickly return the JCPOA to the right track, maintain the authority and effectiveness of Security Council Resolution 2231, and advance the political-diplomatic settlement of the Iran nuclear issue,” Wenbin said.

The remarks come after the UN Security Council held a meeting on the implementation of UN Security Council 2231 on Thursday with the participation of Ukraine. This is while the meeting was supposed to be held in June when the United Arab Emirates was the president of the Council. The meeting was postponed and ultimately held in July, when the Council's presidency is assigned to the UK.

In the Thursday meeting, Russia and the U.S. clashed over Iran and Ukraine. Also, the UN political affairs chief Rosemary DiCarlo told the meeting that diplomacy is the only way to effectively address the Iranian nuclear issue.

The Under-Secretary-General for Political and Peacebuilding Affairs regretted that negotiations to restore the JCPOA remain stalled even though all participants, including the U.S., have reaffirmed that “a return to the full and effective implementation of the Plan” was the only viable option.

She reiterated the Secretary-General's appeal to the U.S. to lift or waive its sanctions and to extend waivers regarding the trade in oil with Iran.

The UK, France, and Germany put out a joint statement to the media after the UK-chaired session on Iran's implementation of Resolution 2231.

They leveled a bunch of accusations against Iran, including violation of the JCPOA, which is endorsed by Resolution 2231. “Iran has been in violation of its nuclear commitments under the Joint Comprehensive Plan of Action (JCPOA), endorsed by Resolution 2231, for more than four years and its nuclear program has escalated to dangerous levels. This is of utmost concern for international peace and security,” they claimed.

Meanwhile, Iran criticized the UK for inviting Ukraine to the meeting. “We would like to state our position clearly and on the record regarding the participation of the representative of the Republic of Ukraine in today's meeting, under the agenda item of non-proliferation, and focusing on the implementation of the Joint Comprehensive Plan of Action (JCPOA),” Saied Iravani, Iran's ambassador to the UN, said.

“We strongly object to the Presidency of the Council extending an invitation to a member state that has no direct or indirect relevance to the agenda item of this meeting. We perceive this action as neither constructive nor in good faith. Instead, it appears to be a cynical attempt to divert attention from the pressing matter at hand—the implementation of the JCPOA—and the failure of certain Western parties to fulfill their obligations under the agreement,” he added.

Iravani noted, “Let me make it clear: This meeting and Resolution 2231 (2015), have absolutely no connection to the conflict in Ukraine. The invitation extended to the representative of Ukraine for this meeting represents an abuse of the process and a misuse of the Council's presidency, serving the political agendas of certain states. Moreover, this action flagrantly contradicts established practices of the Council and its provisional rules of procedure and runs counter to the principles outlined in the UN Charter.”

TEHRAN TIMES, TEHRAN 9-7-2023

Iranian military choppers outfitted with modern gear

TEHRAN- Iran has the most powerful and largest fleet of military helicopters in West Asia and they are outfitted with cutting-edge technology for quick response to threats, a senior Army officer has said.

General Yousef Qorbani, commander of the Airborne Division of the Army, told a news conference on Saturday that the Airborne Division has the best level of combat readiness in the region despite all restrictions.

The general praised local manufacturers for producing a wide variety of helicopter parts and asserted that the copters were outfitted with modern technology appropriate to the threats.

Long-range and fire-and-forget missiles with pinpoint accuracy launched from the military helicopters can destroy hostile targets in only three seconds, General Qorbani stated.

He also mentioned that the Army helicopters were outfitted with night-vision sensors, which are only held by a few countries.

The commander continued by stating that the development of a “national helicopter” would be completed soon as the Defense Ministry and knowledge-based firms are working together to design and produce the aircraft's components.

Back in June, the Army inaugurated its first strategic UAV base.

In a meeting with the commanders and staff of the unit, Habibollah Sayyari, the army coordinator, praised the excellent performance of the unit.

Sayyari said features like effective and powerful deployment of the unit in the drills, development of equipment and infrastructure, special attention to the stat-of-the-art technologies of electronic warfare, reliance on local knowledge and use of specialized, committed, creative and self-confident young forces in the growth of various advanced and up-to-date radar and drone systems proved the capabilities of the unit.

The rear admiral also noted the developments in all fields of electronic warfare will continue more and more rapidly through tireless efforts of the Iranian youths.

He also paid a visit to the various parts of the strategic base, including new radar systems, electronic warfare systems, and simulation systems, and also inaugurated the UAV base.

TEHRAN TIMES, TEHRAN 4-7-2023

Iran's Damavand-2 Destroyer to be armed with hypersonic missiles

TEHRAN- The Damavand-2 destroyer will soon be armed with a hypersonic missile, Iranian Navy Commander Shahram Irani announced on Monday, a step that he said will greatly bolster Iran's naval power.

The advanced Moudge-class warship, the Damavand destroyer, which is entirely Iranian, is an improved version of the Jamaran destroyer.

The destroyer was built thanks to the collaboration between Defense Ministry experts, armed forces including the Navy, and knowledge-based industries.

It has been effectively incorporated into the active combat unit of the Navy using cutting-edge technology.

Notable features of the Damavand destroyer include new radar and missile systems, thrust systems, and advanced weaponry.

Rear Admiral Irani stressed that the Damavand-2 destroyer's equipment reflects cutting-edge technology in detection, identification, monitoring (DIM), and combat capabilities.

Additionally, the rear admiral said that the modern equipment can be utilized in all destroyers.

The Damavand-2 destroyer will include offensive missiles in addition to its defensive capabilities.

This development highlights Iran's determination to increase its naval might and make sure it is prepared for any imminent dangers.

Media reported on Saturday that Damavand-2 destroyer will join the Navy's northern fleet in the Caspian Sea in the near future.

The Mowj-class frigate is currently passing its operational tests in the northern fleet and that it will soon start its mission based on defined instructions.

Manouchehr Alipour, the deputy head of the Marine Industries Organization (MIO) and a marine industry counselor to the Iranian defense minister, said that the nation's professionals had become proficient in designing and manufacturing destroyers.

"It took 12 years to build the first Jamaran-class destroyer. Later, the Damavand-1 was built in 8 years and Dena was delivered to the Navy after 6 years. We hope to deliver the Damavand-2 to the Navy in a much shorter time. We manufactured Damavand's initial hull in 4 years, but the process to build the Damavand-2 took only 11 months," Alipour stated.

He went on to add, "The reason for the amazing reduction in the time needed for designing the hull and building the destroyers was that we became proficient in designing and engineering destroyers and their equipment."

In March 2015, the 100-meter-long destroyer Damavand-1, which weighs more than 1,300 tons, formally joined the Navy's northern fleet.

But three years later, while the frigate was moored in the Caspian town of Bandar Anzali, it struck a seawall and sunk.

It was rescued from the water and put back into service. According to recent images, it is outfitted with a 76mm cannon and an anti-ship cruise missile launcher.

In recent years, the Iranian Navy has become self-sufficient in producing both surface and subsurface ships.

In order to safeguard naval channels and ensure the safety of commercial ships and tankers, it has also boosted its presence in international waterways.

Back in May, Iran's 86th Naval Fleet, which included the home-built Dena Destroyer, came home after the first round of the world in a mission dubbed "360-Degree".

TEHRAN TIMES, TEHRAN 1-7-2023

Iran, Russia sign security agreements

TEHRAN – The Iranian police chief has said that Iran and Russia inked security agreements in many areas of cooperation, including police, cyber space, terror fight, and campaign against smuggling.

Ahmad Reza Radan, the chief commander of Iranian police, made the remarks on Thursday at the end of his three-day visit to Russia, where he met many Russian security officials.

"During the trip to Moscow, we had meetings with the Secretary of the Security Council of Russia, as well as the First Deputy of the Federal Security Service, the First Deputy Director of the Ministry of Internal Affairs and the Commander of the National Guard of the Russian Federation, which were accompanied by good agreements," Radan told IRNA.

He pointed out that the development of cooperation between friendly and aligned countries has a good effect on bilateral or multilateral law enforcement and security measures. Radan called the development of security and law enforcement cooperation between Tehran and Moscow influenced by the level of strategic relations between the two countries.

Referring to some similarities between the police and security structures of Iran and Russia, the police chief said, "The duties and missions of the Iranian police are defined in a ministry and several organizations of the Russian Federation, such as the Ministry of Internal Affairs, the National Guard, and the Intelligence Organization."

Referring to the signing of the memorandum of cooperation with the Russian National Guard during his official visit to Moscow, Radan said, "This memorandum was signed with the aim of developing bilateral cooperation in the field of education as well as exchanging technology and experiences and benefiting from each other's abilities in carrying out missions."

He added, "The National Guard of the Russian Federation has similarities with the [Iranian] Special Forces Organization, the Special Anti-Terrorism and Hostage-liberating Forces of the [Iranian] police. It also includes combat units, which have similarities with the Iranian police's commandos."

As regards drugs smuggling, Radan said, "This issue is one of the threats facing the countries and it is one of the profitable and favorite businesses of traffickers and traders of death."

He continued, "One of the enemies' tools for harming countries is to spread the use of industrial or traditional narcotics. According to the international conditions, the West wants to open the way for the transfer of narcotics to Russia and expand it further. Therefore, in the negotiations we had in Moscow, the Russian and the Iranian police sides declared their desire for further cooperation."

Radan noted, "The Islamic Republic of Iran is one of the most unique countries in the fight against narcotics."

In this field, it has experience, practice and action, which in our negotiations in Russia, the Russian side acknowledged this issue and wanted Iran's cooperation in this field.”

Referring to the agreements of his trip to Moscow, he said, “With the dispatch of experts from both sides, the path of cooperation between the Iranian and Russian police will be opened to fight against narcotics.”

Radan traveled to Moscow on Tuesday at the official invitation of the Russian National Guard. He returned to Iran on Thursday evening at the end of his three-day trip.

TEHRAN TIMES, TEHRAN 10-7-2023

Khayyam satellite begins tracking, recording land use changes

TEHRAN- The Khayyam satellite of Iran has reportedly begun using remote sensing to track and record changes in land usage, according to the spokesperson for the Iranian Space Agency (ISA).

Hossein Daliriyani said on Saturday that ISA and the Information Technology Organization of Iran (ITO) have examined legal avenues to produce and deliver the first batch of satellite photographs to court authorities resisting land expropriation.

He said that ISA and ITO had previously signed a memorandum of cooperation after the latter asked for more precise data and satellite-based observations of the land surface in order to settle legal issues between common individuals and government agencies.

While information is being gathered and processed in accordance with the agreement, the two Iranian organizations are investigating all available legal options in order to reach advantageous outcomes and provide the initial batch of satellite photos to assist with different land grab cases and monitor land use changes.

Daliriyani went on to say, “Khayyam satellite is currently taking images from different parts of the country as part of efforts to implement the memorandum of understanding. These images will be utilized in order to address legal challenges of ordinary people and state institutions concerning land use changes.”

“We are ready to offer necessary data to other Iranian state agencies and help them solve their problems in various fields, including environmental monitoring, water resources, soil erosion and land subsidence,” he added.

The Khayyam satellite was sent into orbit back in August of last year from the Baikonur Cosmodrome in

Kazakhstan, which is run by Moscow, signaling what Iran dubbed the start of strategic aerospace cooperation between Tehran and Moscow.

Based on Iran’s Space Organization, the satellite will employ remote sensing capabilities to provide high-quality images four times per day for use in environmental and agricultural studies as well as water resource monitoring.

DAWN, ISLAMABAD 6-7-2023

Defence exports’ potential to be explored under SIFC: minister

Staff Reporter

• *Apex body of newly set up investment facilitation council meets to discuss how more foreign direct investment can be attracted*

• *Decides to take all possible steps to ensure food security, national prosperity*

• *Meeting attended by PM, army chief, federal ministers*

ISLAMABAD: The export potential of the country’s defence production sector would be explored under a newly formed government body aimed at providing a single-window interface to potential investors, Planning Minister Ahsan Iqbal said on Wednesday.

“We have really good infrastructure [of defence production] ... and we see the potential of export here,” he said, adding that by initiating exports in this sector, “our investment here will fulfil our defence needs while being a source of earning foreign exchange”, he said, according to a Dawn.com report.

The minister made these remarks during a press conference in Islamabad after a meeting of the Special Investment Facilitation Council’s (SIFC) apex committee, which decided to take steps to bring about a green revolution and attract foreign direct investment (FDI) in the country.

Chaired by Prime Minister Shehbaz Sharif, the meeting was also attended by Chief of the Army Staff Gen Asim Munir, Khyber Pakhtunkhwa’s caretaker Chief Minister Azam Khan and other senior military and civilian officers.

Federal ministers Khawaja Asif, Aminul Haque, Khurram Dastgir, Israr Tareen, Tariq Bashir Cheema and Ahsan Iqbal also attended.

The government set up the SIFC last month to frame economic policies that “ensure policy predictability, continuity and effective implementation to revive the economy”.

The premier said at the time that the forum would serve as a top decision-making body to push through fundamental reforms in the economy's structure. It would focus on "leveraging key sectors such as IT, agriculture, energy, minerals and mining, and defence production", he tweeted.

Wednesday's meeting decided to take all possible steps to ensure food security and national prosperity.

Noting that FDI played a key role in national development, the prime minister regretted that the coalition government inherited a ruined economy and said the Centre and provinces would work hand in hand to revive the economy.

Concerted efforts could change the nation's destiny, he stressed, adding that foreign direct investment would create jobs and open up new avenues of progress. Mr Sharif also praised the role being played by the army chief in improving the economy.

The apex committee reviewed actions taken after the establishment of the Special Investment Facilitation Council.

The meeting also considered the recommendations presented in the two meetings of the implementation committee. Sources said that delegations from foreign countries were likely to arrive this month for investment, and the apex committee had approved steps to facilitate them.

'Export-led country'

Planning Minister Iqbal said at the presser that introducing Pakistan as an export-led country in the world was the first priority of the present government and the export potential of the country's defence production sector would be explored under the SIFC.

Under the SIFC, Mr Iqbal said, foreign investors would be facilitated in five sectors, including defence production, agriculture, information technology, minerals and energy.

Elaborating on the government's vision, he said the initiative of SIFC would be used to promote agriculture and attract investment for modern farming and technology integration in this sector. In this regard, PM Shehbaz would inaugurate an agriculture information management system on July 7 (Friday), he said.

On energy, Mr Iqbal said the government planned to offer incentives for investment in solar energy projects.

He said the youth working in the IT sector could make significant contributions to the country's economy,

adding that the government aimed to increase exports in this sector as well.

He also stressed the need for maximising exports in the minerals sector and said Pakistan would be organising a road show to invite mining companies to invest and increase production in this area.

Moreover, he said the government had also decided to revise the policy to remove hurdles in issuing visas to business people.

The interior ministry had been asked to prepare and submit a report on this within two days, he said.

Highlighting the significance of exports and foreign direct investment, he said the government intended to transform ties with friendly countries under the SIFC so that they invest in Pakistan rather than provide aid.

He said the government had formed this council to promote direct investment in Pakistan, adding that the volume of foreign direct investment in the country was \$1.5 billion currently.

A country could develop only through foreign direct investment and every developing country was now exploring this avenue to expand its exports, he said.

THE NEWS, ISLAMABAD 9-7-2023

Fighter aircraft from Pakistan: Iraq fifth country to initiate deal for JF-17

By Muhammad Saleh Zaafr

ISLAMABAD: Iraq has become the fifth country that initiated deal for purchasing JF-17 Thunder fighter aircraft from Pakistan and concluded it successfully.

Pakistan has been jointly manufacturing the aircraft with China as Islamabad is also set to export its JF-17 Block III aircraft to Malaysia, Nigeria, Azerbaijan, and Myanmar. Sensing the Thunder's might, several countries have shown interest in Pakistan's pride. Earlier, Argentine had also studied the combat aircraft. The sources said the Iraqi government has approved an outlay of \$664 million for the purchase of 12 JF-17 Thunder Block III fighter jets from Pakistan.

It was reported earlier that Iraq had signed a contract with Pakistani company to purchase an unspecified number of aircraft, believed to be JF-17 Block III. Iraqi Defence Minister Jumaa Inad has been quoted as saying, "We signed a contract with a Pakistani company to purchase aircraft." The negotiations for the sale of the

jets continued for more than two years. The defence deal was approved by governments of Pakistan and Iraq. The JF-17 Block III jets, which are the latest model of the successful JF-17 could be a welcome addition to the Iraqi Air Force. Iraq is interested in acquiring JF-17 Thunder jets to use them against drones since it has been facing constant threat of their use by its adversaries. The purchase of aircraft from Pakistan would be the biggest defence deal between the two countries in about forty years, the sources said. Nigeria has already inducted JF-17 Thunder aircraft in its air force and they are providing services in a satisfactory manner, the sources added.

GLOBAL TIMES, CHINA 15-7-2023

Exclusive: Chinese flotilla participating in 'Northern/Interaction-2023' drills set sail; Russia navy and air forces to join

By Guo Yuandan

The Chinese naval flotilla warships and ship-borne helicopters to participate in the "Northern/Interaction-2023" military drills have left military port in Qingdao, East China's Shandong Province on Saturday morning, heading to the designated waters to carry out training missions. As scheduled by militaries of China and Russia, Russia will dispatch naval and air forces to participate in the drills.

A see-off ceremony was held around 9:45 am by officers from the Central Military Commission, the People's Liberation Army (PLA) Northern Theater Command and the PLA Northern Theater Command Navy.

The Chinese naval flotilla is composed of the guided-missile destroyer *Qiqihar*, *Guiyang*, the guided-missile frigates *Zaozhuang*, *Rizhao*, and the comprehensive supply ship *Taihu* carrying four ship-borne helicopters.

All five ships have undertaken numerous significant missions.

Zaozhuang and *Guiyang* have previously set a new record for the longest continuous navigation time in the history of the PLA Navy during the 36th batch of escort missions in the Gulf of Aden, after having completed a 184-day long-distance voyage without docking for maintenance.

Rizhao was recognized as an advanced unit in combat readiness by the PLA Northern Theater Command for its outstanding performance in major training tasks.

After the flotilla arrive in the designated sea area, it will conduct joint military exercises with Russian participating forces.

During the mission preparation period, the Chinese flotilla carried out scientific planning and organization works, refined and improved the training plan, and undertook specific map-based simulations and joint exercises of sea and air operations, further honing the flotilla's ability to carry out the joint missions.

As scheduled by the two militaries of China and Russia, Russia will dispatch naval and air forces to participate in "Northern/Interaction-2023" drills in the central region of the Sea of Japan organized by the Chinese People's Liberation Army Northern Theater Command. The subjects of the joint drills are themed "safeguarding the safety of strategic maritime routes" and are designed to further elevate the coordination capability of the two militaries and strengthen their capabilities of jointly safeguarding regional peace and stability, as well as responding to various security challenges, according to a statement released by the Chinese Ministry of National Defense on Saturday.

GLOBAL TIMES, CHINA 13-7-2023

World's first liquid oxygen, methane carrier rocket sent into orbit in latest achievement by Chinese private space sector

**By Chu Daye in Jiuquan and
Zhang Hongpei in Beijing**

The world's first liquid oxygen, liquid methane carrier rocket blasted off on Wednesday morning from the Jiuquan Satellite Launch Center in Northwest China's Gansu Province, taking a sample payload into orbit.

Developed by LandSpace, a Chinese privately owned aerospace company, the launch of the ZQ-2 Y2, as it is code-named, marked a breakthrough in the quest to find a new-type low-cost liquid propellant for carrier rockets in China.

The ZQ-2 Y2, the largest and most powerful private rocket in China, completed its flight procedures and accomplished its mission, according to LandSpace. It was the rocket's second flight.

The whole flight took 750 seconds. At 765 seconds, loud applause was heard inside the central control room as the payload successfully entered its designated orbit, the Global Times learned. Rocket scientists were hugging and congratulating each other, and many investors were seen crying with joy.

"Seeing the rocket liftoff on site is quite thrilling, and I plan to put more money into this field," a representative of an investment company told the Global Times on condition of anonymity.

The ZQ-2 rocket is capable of placing a 1.5-ton payload into a typical sun-synchronous orbit at about 500 kilometers above the Earth. Future models could ultimately increase the payload to four tons, according to the company.

The rocket's engine uses a propellant made of liquid oxygen and liquid methane, and it is more environmentally friendly, reducing the required cleaning time from days to hours - a feature vital to much-coveted reusable rocket technology and low-cost launches, according to industry experts.

"The success of the ZQ-2 carrier rocket today has put China in the leading ranks of the global space race for methane-based rockets," Zhang Changwu, founder and CEO of LandSpace, told a press conference following the launch.

Zhang said through upgrades and mass launch capability, it is expected to translate to a 30 percent cost advantage for the ZQ-2 compared with alternatives on the market. "I believe currently, if we can keep the cost of a single rocket under 100 million yuan (\$13.91 million), then it is quite competitive," Zhang said.

"Through further optimization, our per kilogram cost will be no higher than that of SpaceX's Falcon 9 rocket," Zhang said, noting that the ZQ-2 Y3 scheduled for launch in the remaining months of 2023 would carry multiple satellites so as to test the ability of the rocket to send payloads into orbit with precision.

The domestically developed ZQ-2 Y2 is a two-stage rocket with a diameter of 3.35 meters and a total length of 49.5 meters. The rocket has a launch weight of 219 tons and takeoff thrust of 268 tons.

It is powered by six liquid-propellant engines, of which five use 80 tons of liquid oxygen and liquid methane as propellant, making them the largest in Asia.

The successful test flight validated the systems of the ZQ-2, and laid a solid foundation for the next-stage

research and development of reusable rockets, the company said.

The successful test has brought the start-up's official commercial rocket launch plan closer to fruition. The company said the ZQ-2 will soon start mass launch programs, and it will continue to upgrade its products and services centered around the ZQ-2 carrier rocket, with the aim of providing a low-cost, high-performance and heavy-duty carrier rocket solution.

The company is preparing for a third launch of the ZQ-2, Zhang Changwu said.

Wednesday's launch was the second for the ZQ-2. In December 2022, the rocket failed its maiden test flight when an abnormality occurred in the second stage of the rocket.

"If we can obtain success of the ZQ-2 model within the year, we will start to deliver a small number for the market from 2024, like three or four launches, and double the number in the year after... if we maintain this growth pace, I think we will be the first private rocket company in the country to 'achieve one from zero'," Zhang said.

Based on the "one" that has materialized, the CEO said it will act like "a shot in the arm" for the firm to accelerate R&D on other projects. For example, LandSpace is kicking off a reusable rocket project. "Our plan is to achieve launch in 2025."

The Chinese government has been encouraging private capital to take part in the aerospace sector. LandSpace, one of the pioneers, is sometimes compared to US-based SpaceX.

China's domestic commercial space sector is in an era of rapid development, and the threshold remains high for a private rocket company, as it is demanding to create a comprehensive self-developed value chain from design, manufacturing and testing to the final launch, industry observers said.

In April, SpaceX's Starship, which is propelled by a liquid oxygen, liquid methane-fueled engine, exploded during its first attempted orbital test flight after nearly four minutes of launch.

The whole R&D of the ZQ-2 took the company five years and cost nearly 600 million yuan, according to the company.