

EU calls for diplomacy to end Iran's nuke deadlock

AFP, Stockholm

The European Union expressed determination yesterday to keep dialogue open with Iran amid rising calls for sanctions after the Islamic republic refused to suspend its nuclear activities.

"European Union diplomacy remains the number one way forward," Finnish Foreign Minister Erkki Tuomioja told reporters ahead of informal talks between EU foreign ministers in Finland, which holds the EU's rotating presidency.

"I think we are all of us wanting to engage Iran seriously and if their response is truly what they say, that they are ready to engage in negotiations, then we have to see what the conditions are, if these can be met," he said.

A UN Security Council deadline for Iran to suspend uranium enrichment -- a process used to run a nuclear power plant or potentially

fuel an atomic bomb -- passed Thursday without compliance from the Islamic republic.

Iran's defiance has forced the EU to tread a diplomatic tight-rope; working toward sanctions with the United States without compromising the promised new dialogue, however unsatisfactory in the past, with Iran.

Tuomioja suggested that the issue of sanctions, which the United States wants to move on as soon as next week, would be discussed by the ministers during two days of informal talks in Lappeenranta, southern Finland.

"I am sure that all aspects will be covered," he said, without specifically using the word "sanctions", and added that "this is not the time or the place to take new decisions."

As Thursday's UN deadline passed, EU foreign policy chief Javier Solana, who will brief the ministers on Saturday, sought to keep up diplomatic efforts, and

agreed to meet Iran's top nuclear negotiator Ali Larijani early next week.

The pair will discuss Iran's 21-page response to an international package of political and economic incentives in exchange for Tehran suspending enrichment.

In a sign of the delicate state of affairs, Solana said on arriving for the talks: "I don't want to talk about anything before that meeting that is not of a positive nature."

According to a Western diplomat, the head-to-head talks will be followed on September 7 by a meeting in Berlin of permanent UN Security Council members Britain, China, France, Russia and the United States plus Germany.

Iran maintains that it is exercising its right to develop civilian atomic energy but many fear that it is really trying to build a nuclear bomb, and with the UN deadline now past, Washington believes it is time to act.

Security Council members China and Russia, however, are wavering on sanctions, and could veto any such moves.

"Russia and China had accepted to accept them (sanctions) only if things didn't evolve," an EU official underlined, on condition of anonymity.

The official said sanctions would not be a major part of the ministers' discussions, but Dutch Foreign Minister Ben Bot suggested they would be an integral element in the days ahead.

"If Iran shows willingness to be reasonable on the issue of enrichment then of course we will be reasonable as far as sanctions are concerned," he said as he arrived for the ministers' working lunch, to focus on the Middle East.

If sanctions were to arise, the EU official said, it could be "a question of progressive sanctions, centred first on Iran's nuclear programme, then slowly widened."



Indian commuters make their way through floodwater in a water-logged street after a heavy downpour flooded parts of Amritsar in India's northwestern state of Punjab yesterday.

Dams worsen north Indian floods

Army launches rescue drive

REUTERS, Lucknow

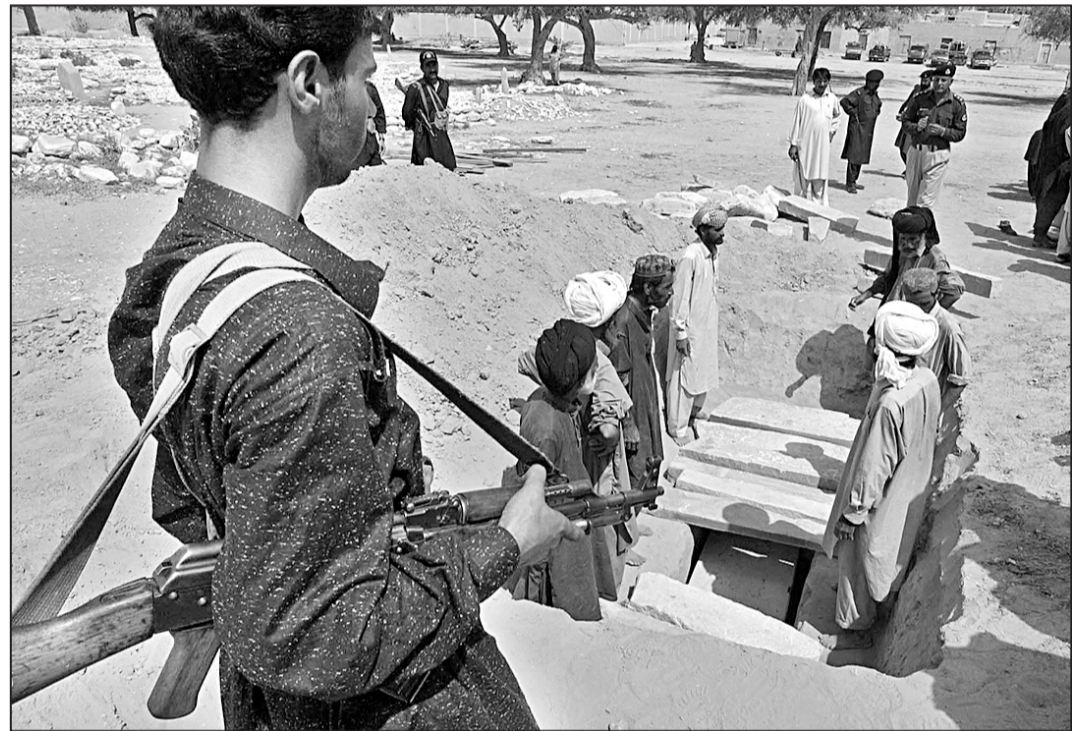
Soldiers were called out on Thursday to rescue thousands of marooned villagers in Uttar Pradesh after water was released from dams in neighbouring Nepal.

Officials said parts of central and eastern Uttar Pradesh, India's most populous state, are already reeling under month-long monsoon flooding that has killed 42 people in the state since July.

Dozens of villages remain cut off and state relief commissioner Renuka Kumar said army troops were being sent to evacuate people in 15 completely marooned villages and repair breached embankments after the latest flooding this week.

Several rivers in the state were flowing above their danger mark, raising the prospect of more flooding in several districts.

Hundreds of people are killed every year in South Asia during the June-September monsoon season and millions displaced from their homes or marooned in their villages.



Pakistani paramilitary soldiers stand guard while tribal men bury rebel tribal chief Nawab Akbar Bugti after a Namaj-e-Janaza in the remote town of Dera Bugti in the southwest province of Baluchistan yesterday.

Slain Baluch leader gets lonely burial

AFP, Quetta

Pakistan's nationalist leader was quietly laid to rest yesterday six days after he was killed in a military offensive, with the speedy burial sparking an outcry from his relatives.

Under tight security, the body of Nawab Akbar Bugti was flown by helicopter from his cave hideout where he was killed last Saturday to his native Dera Bugti town in Baluchistan province and quickly laid to rest.

Although Bugti is survived by two wives, two sons and six daughters, just two dozen local tribesmen attended the last rites, and his son Jamil accused authorities of burying the veteran rebel leader against the family's wishes.

"It's unethical and immoral. We and the entire Baluch nation are not surprised over this act by the military which has no regard for values," Jamil told AFP.



Merkel tops Rice as most powerful woman

REUTERS, Berlin

German Chancellor Angela Merkel has unseated US Secretary of State Condoleezza Rice as the world's most powerful woman, according to a new ranking by Forbes magazine.

"Despite her short time in office, Merkel has been dazzling world leaders, including Tony Blair and George W. Bush," Forbes said on its website.

"But Merkel has a tough fight ahead of her. Her approval ratings have declined ... making it more difficult for Merkel to win big with key legislative initiatives, including health care reform and corporate tax restructuring," the statement said.

Rice holds the number 2 spot, followed by China's Vice Premier Wu Yi, PepsiCo Chief Executive Indra Nooyi and Xerox Corp CEO Anne Mulcahy.

Others on the list are Sonia Gandhi (13), president of India's National Congress Party, US talk-show host Oprah Winfrey (14), US Senator Hillary Clinton (18), British Foreign Secretary Margaret Beckett (29) and First Lady Laura Bush (43).



Nasa executives attend a news conference to announce the prime contractor to build Orion, America's next human spacecraft on Thursday at the Nasa headquarters in Washington, DC.

Lockheed Martin to build moon-bound spaceship

Nasa named Thursday a consortium led by US aerospace giant Lockheed Martin Corp. to design and build a new spacecraft that will take astronauts back to the moon.

The multi-billion-dollar contract is a major step in the National Aeronautics and Space Administration's space exploration ambitions.

Nasa wants the Orion capsule to be ready for its first manned flight by 2014, four years after the US space agency retires its aging fleet of three space shuttles.

The new-generation spaceship is intended to carry four astronauts on a moon mission by 2020 and eventually to Mars.

Lanka mounts offensive for key rebel territory

Opposition agrees to find ways to halt civil war

REUTERS, Colombo

Sri Lanka's army mounted an offensive to capture rebel-held territory south of the strategic northeastern harbour of Trincomalee yesterday.

The army is trying to take the rebel-held town of Sampur, from where the rebels are in artillery range of a major naval base and able to disrupt a key maritime supply route to the besieged army-held northern Jaffna peninsula.

"We are trying to neutralise the threat to Trincomalee," said a military spokesman. "Our strategy is to send people into Sampur to neutralise their artillery and mortar positions which are pointed towards the harbour."

He said 14 soldiers had been

killed and 92 wounded since the offensive began on Sunday. The army estimates around 120 rebels were killed. The Tigers were not immediately reachable.

Officials said more than 20 lorries carrying government aid had been allowed into rebel territory through a 'border' crossing in the northern district of Vavuniya since Thursday.

The Essential Services Commission was loading 3,600 tonnes of emergency aid and food purchased by shop owners to sail to the northern Jaffna peninsula, which is cut off from the rest of the island by rebel lines and where shop shelves are empty. It was expected to sail on Sunday.

Residents in Jaffna said the

peninsula had been quiet for the past 24 hours after fierce artillery exchanges between the rebels and the military.

The main opposition party has agreed to help find ways to halt the renewed civil war.

Opposition leader Ranil Wickremesinghe wrote to President Mahinda Rajapakse saying he was ready to discuss ways "to resolve the national issue", party officials said. Previous collaborations have come to naught, and the Tigers trust neither side.

Rajapakse met British Prime Minister Tony Blair in London on Thursday to discuss lessons learnt from Northern Ireland's peace process.

Blair defiant over departure date

REUTERS, London

British Prime Minister Tony Blair called for an end to speculation about when he will leave office, sparking renewed calls yesterday for a departure timetable from critics within his party.

Blair has faced constant pressure about when he will step down after he pledged before winning a third successive general election last year that he would not seek a fourth term.

With his popularity plunging, calls have grown within the Labour Party for Blair to set a date for handing over power to his expected successor, finance minister Gordon Brown.

However the Times said Blair declined to name a departure date in an interview with the newspaper published on Friday and ruled out saying more on the subject either before or during the Labour Party annual conference that opens on September 24.

Cracks in Israel coalition over Lebanon war

AFP, Jerusalem

Cracks emerged yesterday in Israel's coalition government over the Lebanon war, as Defence Minister Amir Peretz demanded a full-scale inquiry, putting himself at odds with Prime Minister Ehud Olmert.

"I have come to the conclusion that, to guarantee the fairness of an inquiry, its transparency and to ensure public trust, a real state commission should be created," declared Peretz after talks with MPs from his Labour party.

MPs in the centre-left party, Olmert's main coalition partner, gathered to discuss the 2007 budget, but the focus switched to a state commission, Israel's most authoritative type of inquiry, to examine failures of the 34-day war.

Israel unleashed a punishing offensive against Hezbollah on July 12, vowing to retrieve two soldiers seized by the Shia militant group in a cross-border raid the same day and to stop it from firing rockets into the Jewish state.

But soldiers Ehud Goldwasser and Eldad Regev remain missing and Hezbollah caught Israel unaware with an unprecedented 4,000 rocket attacks that killed 41 civilians right up to August 14, when

"I have done what no other prime minister has done before me. I've said I'm not going to go on and on and on, and said I'll leave ample time for my successor. Now at some point I think people have to accept that as a reasonable proposition and let me get on with the job," Blair said.

"I think if it is speculation that people are worried about, there is a simple answer -- stop speculating," said Blair, who has just returned from a Caribbean holiday.

Labour parliamentarian and former minister Andrew Smith said there was widespread concern among Labour lawmakers, voters and the cabinet that the speculation was damaging the party's chances of winning a record fourth consecutive election.

"I believe the public as well as the party will be looking for a much clearer sense of direction and timing because the leadership issue does have to be sorted out," he told the BBC.

LEBANON REBUILDING

Donors pledge \$940m

REUTERS, Stockholm

International donors pledged more than \$940 million on Thursday for war-torn Lebanon's immediate relief efforts, nearly double the target amount.

The funds raised at the Stockholm meeting will go to short-term needs, from shelter for those who lost their homes in Israel's war with Hezbollah to removing unexploded bombs.

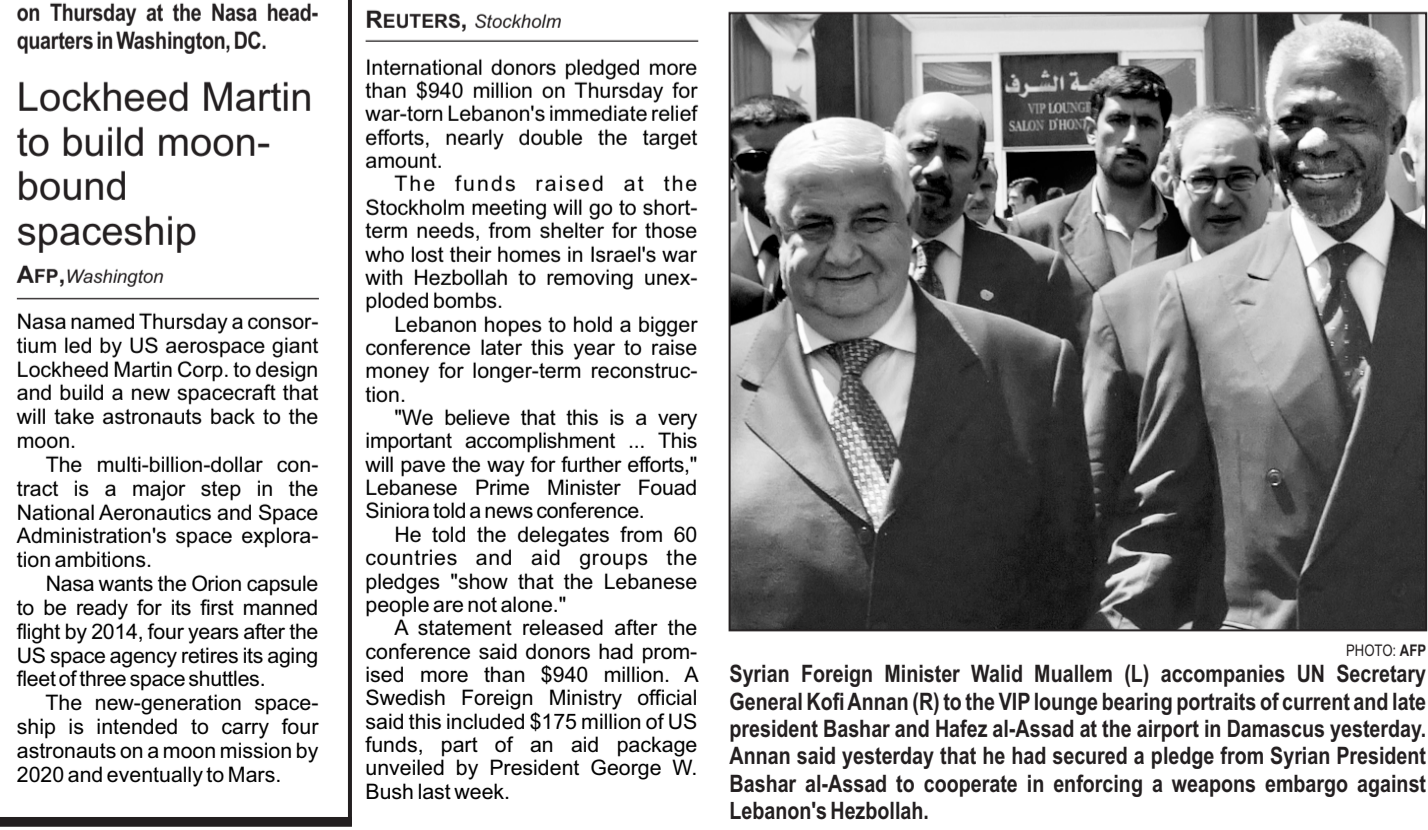
Lebanon hopes to hold a bigger conference later this year to raise money for longer-term reconstruction.

"We believe that this is a very important accomplishment ... This will pave the way for further efforts," Lebanese Prime Minister Fouad Siniiora told a news conference.

He told the delegates from 60 countries and aid groups the pledges "show that the Lebanese people are not alone."

A statement released after the conference said donors had promised more than \$940 million. A Swedish Foreign Ministry official said this included \$175 million of US funds, part of an aid package unveiled by President George W. Bush last week.

LEBANON REBUILDING



Syrian Foreign Minister Walid Muallem (L) accompanies UN Secretary General Kofi Annan (R) to the VIP lounge bearing portraits of current and late president Bashar and Hafez al-Assad at the airport in Damascus yesterday. Annan said yesterday that he had secured a pledge from Syrian President Bashar al-Assad to cooperate in enforcing a weapons embargo against Lebanon's Hezbollah.