



VOLCKER REPORT ON IRAQ'S OIL FOR FOOD

Natwar relieved of portfolio

Manmohan likely to hold external affairs responsibilities until govt probe ends

PALLAB BHATTACHARYA, New Delhi

Indian Foreign Minister Natwar Singh was yesterday relieved of his portfolio and made a minister without portfolio over allegation in a UN report that he was a beneficiary of illegal payoffs in Iraq's Oil for Food programme during Saddam Hussein's regime in 2001.

Minister of External Affairs K Natwar Singh today met Prime Minister Manmohan Singh and requested to be relieved of the external affairs portfolio, a press statement from the prime minister's office said. "The prime minister has accepted his request and has written to the president that Natwar Singh will be a minister without portfolio in the Union Council of Ministers," it added.

The external affairs portfolio is likely to be held by Prime Minister Manmohan Singh till the two probes set up by the government were completed, sources said.

The prime minister decided to change Natwar Singh's portfolio after holding an hour-long meeting with him. The meeting between the prime minister and Natwar Singh followed discussions which Congress President Sonia Gandhi had with senior party leaders and cabinet ministers including P Chidambaram, Ambika Soni and Ahmed Patel.

Sources said the decision at the government and the party level was that making him minister without portfolio could be a compromise between resignation and retention in the same portfolio. There have

been suggestions from within the party for his exit from the external affairs ministry, if not from the cabinet itself, since his continuance had become untenable after the institution of two inquiries, sources added.

Indian government earlier decided to institute a judicial probe into some aspects of UN-appointed Paul Volcker committee report which alleged India's External Affairs Minister Natwar Singh and the ruling Congress Party were beneficiaries of illegal payoffs under the Oil for Food

programme in Iraq during Saddam Hussein's regime in 2001.

Former chief justice of India R S Pathak will head the judicial commission as a follow up of a fact-finding probe under former diplomat Virender Dayal to gather material on the allegations made in the Volcker report, sources said. The terms of reference of the judicial inquiry would be announced later, they added.

Pathak told reporters that the responsibility he has been trusted with was to examine the content of the Volcker report so far as it relates

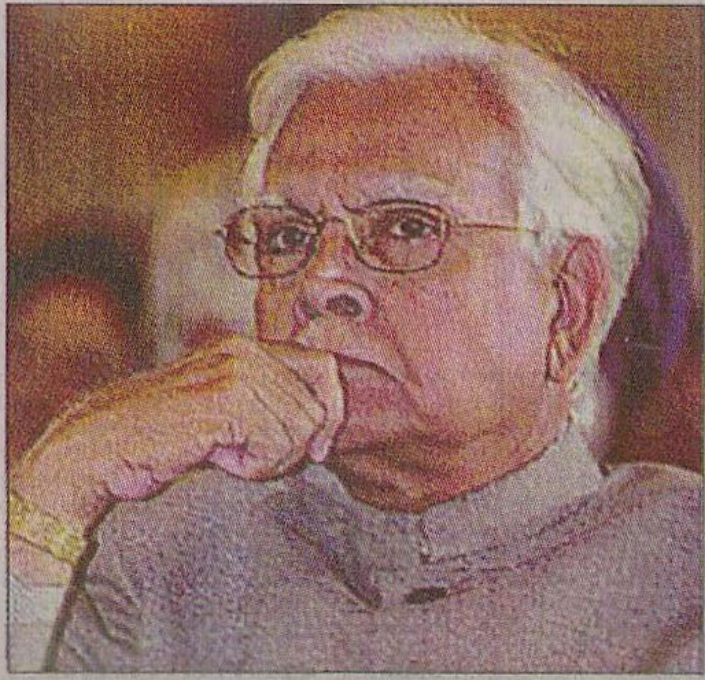
to Natwar Singh and the Congress Party. Replying to a question, he said if necessary he would summon Natwar Singh and Congress leaders for his probe.

The government on Sunday night named Dayal to collect evidence on allegations in the Volcker report. Dayal will liaise with the UN and its member countries to gather relevant materials, including unverified references in the report by Volcker regarding "involvement of Indian entities and individuals", said a press statement issued by Indian Prime Minister Manmohan Singh's advisor Sanjaya Baru.

The decision to appoint 79-year-old Dayal, a former under secretary general under former UN secretary general Javier Perez de Cuellar, came amidst growing opposition demand for a probe by India's federal Central Bureau of Investigation (CBI) into the Volcker report.

The Volcker report has accused more than 2,200 companies and prominent politicians across the world of colluding with Saddam's regime which extracted nearly 1.8 billion dollars in illegal surcharges and bribes from humanitarian Oil for Food programme.

Natwar Singh has denied any wrongdoing and said the allegations in the Volcker report were aimed at discrediting the Congress Party which has had good ties with Saddam's Baath party until 2003 when US-led troops invaded Iraq and toppled the regime. Singh has also challenged Volcker's claim that



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SAARC SUMMIT

40,000 strong security blanket over Dhaka

SHAMIM ASHRAF

Dhaka was wrapped in a security blanket yesterday as around 40,000 security men took positions at the ten venues of the 13th Saarc Summit and at other points

in the capital to ensure foolproof security during the summit.

Special Security Force (SSF) officially took charge of the overall security yesterday morning when the full deployment took place.

The security personnel equipped with sophisticated weapons and equipment have started checking vehicles and passengers at all entry points, especially around the venues where Saarc delegates will stay and hold meetings. Traffic police also began restricting traffic on some city roads near the venues yesterday.

According to police administration sources, 15,000 policemen in uniform and 8,000 plainclothesmen from different intelligence agencies have been deployed.

A few hundred reserved policemen have been kept ready for emergency, said the sources.

The police administration has brought in additional well-trained forces from outside of Dhaka.

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Army men to throw 100-sq km cordon around ZIA



Army personnel equipped with metal detectors are on high alert on Hare Road near Dhaka Sheraton Hotel where visiting South Asian leaders will stay during the Saarc summit.

Manmohan, Shaukat to meet on sidelines

DIPLOMATIC CORRESPONDENT

Indian Prime Minister Dr Manmohan Singh and his Pakistani counterpart Shaukat Aziz are due to meet on the sidelines of the 13th

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2 decades on, Saarc yet to make its mark

REZAUL KARIM

The South Asian Association for Regional Cooperation (Saarc) is yet to attain its tremendous potential for contribution to the improvement of economic status of the common people of this region

although it is the largest regional cooperation body in the world, launched two decades ago.

South Asia is home to about one-fifth of the humanity, and Saarc comprising seven countries - Bangladesh, India, Bhutan, the

Senior officials arrive to chalk out summit programmes

UNB, Dhaka

Senior officials of the South Asian Association for Regional Cooperation (Saarc) countries arrived in Dhaka yesterday to

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First fatality as French rioting worsens

REUTERS, Grigny, France

Rioters shot at police and torched more than 1,400 cars in the worst violence since unrest erupted in France's poor suburbs 11 days ago, and a man beaten by a youth became the first fatality yesterday.

The rioters threw firebombs at two churches and attacked three schools on Sunday night, police said, hours after President Jacques Chirac vowed to defeat the troublemakers.

The new violence prompted warnings that the unrest which began on October 27 could damage investment and tourism in France and fueled calls for the conservative government to take tougher

action, including sending the army into riot-hit areas.

"This is real, serious violence. It's not like the previous nights. I am very concerned because this is mounting," said Bernard Franjo, head of police for the Essonne area south of Paris, after about 200 youths attacked his colleagues in Grigny.

One of France's Muslim organizations, reacting to official suggestions that Islamist militants might be orchestrating some of the protests, issued a fatwa against the unrest but violence hit a new level overnight.

In the most serious incident, youths at a housing estate in Grigny, south of Paris, ambushed police with rocks, petrol bombs

and guns.

Thirty-six police were hurt in the latest clashes, including two who were seriously wounded after being hit by shotgun pellets fired at them in Grigny.

A policeman at the scene held up a shotgun cartridge for cameras. Rioters fired live rounds at police and fire crews on Wednesday night, but no injuries were reported.

"There were burned cars all over the place and helicopters circling overhead," said Yvonne Roland, who has lived in Grigny for 25 years. "Burning cars make a big impression, the flames were really high. It made you feel like you were in a war zone."

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Solidarity Day observed

STAFF CORRESPONDENT

The BNP-led coalition government yesterday observed the National Revolution and Solidarity Day, while a number of political parties and social organisations observed it from different historical perspectives.

The ruling coalition observed the day in a befitting manner, marking the civil-military upsurge that led to the release of the then army chief Ziaur Rahman on this day in 1975.

However, the main opposition Awami League sees it as a day of "killing of freedom fighters" and the Jatiya Samajtantrik Dal (JSD) observed it as the "day of civil-military revolution".

The day was a public holiday. In the morning, President Iajuddin Ahmed and Prime Minister Khaleda Zia laid wreaths at the

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CORRUPTION

WB cancels health, local govt loans, demands refund

STAFF CORRESPONDENT

The World Bank (WB) has cancelled loans worth Tk 6.8 crore against three projects in health and local government sectors on grounds of corruption and asked the government to refund the money already spent against these loans.

A WB press release yesterday also demanded punishment of officials involved in the corruption. Earlier on November 2, the WB in four separate letters to the government conveyed its decision.

On the same day, most of the ministers at a cabinet meeting protested the WB-driven proposal for the Public Procurement Law, which aims at corruption free public procurement.

The cabinet meeting ended up without approving the draft.

The WB cancelled the Tk 6.8 crore loan after investigations found evidence of "inappropriate and collusive bidding practices that violated the procurement norms agreed between the World Bank and Bangladesh," the WB

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