



Investigators examine the area where a burning car slammed into a terminal at Glasgow airport on Saturday, a day after botched car bomb attacks.

Palestinians start receiving funds

AFP, Jerusalem

Israel transferred more than 110 million dollars in tax duties to the Palestinian Authority on Sunday, lifting a 17-month economic boycott to bolster president Mahmud Abbas over Hamas.

An initial payment of 500 million shekels (118 million dollars) was received by the Palestinian finance ministry in the afternoon, shortly after an official said Israel would begin to transfer millions of dollars in tax duties.

"We received 500 million shekels now," a senior Palestinian official in the West Bank political capital of Ramallah told AFP on condition of anonymity.

"Israel affirmed to us that they would transfer tax duties, amounting to 50 to 60 million dollars every month, and that they will also trans-

fer all the money owed from before," the official said.

Releasing the money is a centre-piece of measures proposed by Israeli Prime Minister Ehud Olmert to boost Abbas after Islamist movement Hamas seized control of the Gaza Strip in a bloody armed take-over last month.

In the wake of the crisis, the moderate Abbas dismissed a Hamas-led Palestinian unity government and created an emergency cabinet, backed by the West and based in Ramallah, with whom Israel says business can be done.

The withholding of the tax receipts to governments led by Hamas -- which Israel boycotts as a terrorist organisation -- sparked a financial crisis for the Palestinian Authority, leaving it largely unable to pay its own staff.

Smoking ban takes effect in England

AFP, London

A ban on smoking in public places and workplaces came into force in England yesterday, in a move the government said would improve the health of thousands of people.

The ban brings England into line with the rest of Britain -- public places went smoke free in Scotland in 2006, and in Wales and Northern Ireland in April this year.

From 6 am (0500 GMT), all public areas, offices and other enclosed or partially enclosed places of work, as well as most company vehicles, became no-smoking areas.

However, individuals will still be able to light up outside buildings, in gardens and in the backyards of eateries.

BOTCHED UK ATTACKS
US maintains high airport security after

AFP, Kennebunkport

The United States on Sunday maintained reinforced security at US airports after two car bombs were found in London and a blazing vehicle crashed into a terminal at Glasgow's airport.

Security was heightened at airports, train and mass transit stations but US officials did not raise the alert level nationwide.

"There is no indication of any specific or credible threat to the United States, no change in the overall security level," said White House spokesman Tony Snow.

"However at airports there are some alertness-raising measures that the TSA (Transportation Security Administration) has invoked," he said.

"You are likely to see those in the increased presence of some TSA agents outside terminals, there will be some inconvenience to passengers in terms of longer wait times."

Airstrike kills Islamic Jihad warlord

Two civilians among 7 killed in Israeli raid

AFP, Gaza City

The top commander of Islamic Jihad's armed wing for the Gaza Strip and two lieutenants were killed in an Israeli air strike at the weekend, said the faction, calling yesterday for revenge.

Ziad al-Ghnam, general commander of the Al-Quds Brigades, was killed with Raid al-Ghnam, an engineer commander, and local commander Mohammed al-Raai, in the air strike in the southern town of Khan Yunis, the Brigades said.

Israel accused Ziad al-Ghnam of being behind a string of anti-Israeli attacks, including the killing of a pregnant woman and her four daughters in May 2004, before Israel withdrew all troops and settlers from the Gaza Strip.

The army said Raai placed a roadside bomb and fired a rocket-

propelled grenade during a May 2004 attack on the buffer zone between Gaza and Egypt in which five Israeli soldiers were killed and five wounded.

"The continued Zionist aggression against our fighters and our people will not pass without a quick response in the heart of the Zionist entity," the Al-Quds Brigades said in a statement.

"We confirm the blood of every martyr strengthens our resolve to continue the work of jihad and strengthening the Intifada against the occupiers."

All three were travelling in the same car in the centre of Khan Yunis, when an Israeli aircraft fired two missiles into the vehicle on Saturday.

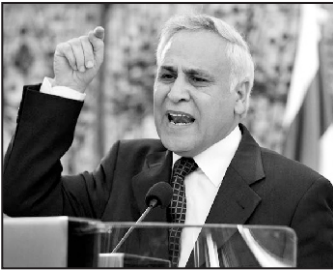
Another four Palestinians were killed in a second Israeli air strike on the Maghazi refugee camp in the central Gaza Strip.

An Israeli aircraft fired two missiles at a moving vehicle in the centre of the southern town of Khan Yunis, killing three members of the Islamic Jihad militant group and wounding four bystanders, security sources said.

A second strike on the Maghazi refugee camp in central Gaza Strip killed Salah Qufa, 46, his 23-year-old son Iyad and a 40-year-old civilian, and injured two people, the sources said.

A fourth person injured in the strike died of his wounds several hours later, medical sources said. His identity remained unclear.

Israeli Prime Minister Ehud Olmert said on Sunday that attacks against Palestinian militants would continue after what he called "extremely important attacks against the Islamic Jihad where seven terrorists were killed".



Israel to indict president for sex offences

AFP, Jerusalem

Prosecutors will file an unprecedented indictment for sex offences against Israeli President Moshe Katsav yesterday as part of a plea bargain saving him from rape charges that has sparked outrage.

The indictment was to be lodged against the disgraced head of state at the Jerusalem magistrates' court after his resignation comes into effect on Sunday, 48 hours after he submitted a letter stepping down over the scandal.

The magistrate will set a date for the case -- the worst scandal ever to befall an Israeli leader -- and decide whether it should be heard by one or three judges.

Thai PM casts doubt on polls date

AFP, Bangkok

Thailand's army-installed Prime Minister Surayud Chulanont on Sunday cast doubt on whether the kingdom's post-coup elections would go ahead as promised this year.

Surayud, who last month said the polls would be held in November, told reporters that he could not guarantee that the elections would be held this year and that the date would depend on the outcome of next month's constitutional referendum.

"It is not clear yet, we have to wait after the referendum," he told reporters.

Chavez holds talks with Ahmadinejad

AFP, Tehran

Venezuela's fiercely anti-US President Hugo Chavez held talks with his Iranian opposite number Mahmoud Ahmadinejad yesterday, on the last leg of a tour of nations at loggerheads with Washington.

Chavez arrived in Tehran on Saturday for a two-day stay and was meeting his "ideological brother" Ahmadinejad in Tehran, following visits to Russia and Belarus.

Aside from their anti-US stance, the two countries enjoy warm ties and cooperation in the energy sector, with Iran Opec's second largest crude producer and Venezuela also a major player in the cartel.

Chavez, who is accompanied by his foreign, communication, energy, industry and economy ministers, is expected to sign a

number of agreements including the construction of 7,000 houses, a petrochemical plant and a vocational training centre in Venezuela.

The two leaders will inaugurate construction of a joint petrochemical plant on Monday in the southern city of Asaluyeh, which will produce a million tons of methanol every year, the official IRNA news agency said.

A similar plant would be built in Venezuela to give Iran better access to Latin American and Brazilian markets and provide easier reach to India and Pakistan for Venezuela, IRNA said.

Ahmadinejad toured Latin America in January in a bid to seek support from the region's leftist leaders who share his scornful defiance of the United States.

Nato raids kill 62 Taliban, 45 Afghan civilians

AP, Kandahar

An investigation into airstrikes that slammed into Afghan homes where Taliban fighters sought shelter found that 62 insurgents and 45 civilians were killed, two Afghan officials said yesterday.

An investigating team was sent to Helmand province's Gereskh district, where fighting took place between insurgents and Western forces late Friday, said Dur Ali Shah, the mayor of Helmand province's Gereskh district, and Mohammad Hussein Andewal, the provincial police chief.

Nato's International Security Assistance Force has acknowledged some civilians were killed in the southern battle but has said the death toll was nowhere near as high as Afghan officials have

claimed.

Because of the battle site's remote location, it was impossible to independently verify the casualty claims. Afghan officials said fighter jets and ground forces were still patrolling the region and that the fighting continued into Saturday.

Meanwhile, a suicide attacker on foot blew himself up near a convoy of British forces in Gereskh district on Sunday, wounding several Afghans, an Associated Press reporter at the scene said.

The battle on Friday began when Taliban fighters tried to ambush a joint US-Afghan military convoy, then fled to Hyderabad village for cover, said Helmand provincial Police Chief Mohammad Hussein. Airstrikes then targeted the militants in the village.

Only Iraqis can win the war: Analysts

AP, Washington

The harder President Bush has pushed to win in Iraq, the closer he has come to losing. The question no longer is whether the US military can fully stabilise Iraq. It cannot. That was a possibility four years ago, immediately after Saddam Hussein's government fell.

Before the insurgency took hold. Before US occupation authorities lost any chance to avoid the sectarian strife of today's Iraq. Now only the Iraqis can save Iraq.

They need the US military's help, no doubt. But the Bush administration has made no secret of the fact that the US troop buildup in Baghdad is simply buying time for the Iraqis to sort out their differences, create a government of national unity and show they can defend themselves.

So it is not whether the US can win the war. It is whether the Iraqis can, which is in great doubt.

With limited sign of progress in Baghdad, US officials are asking themselves how long it makes sense to tolerate an escalating rate of US casualties at least 3,576 dead since the war began in March 2003 while the Iraqis debate and delay.

In a speech Thursday, Bush struck a notably optimistic tone about his strategy and gave no indication he was ready to give up or change approach. Yet he lowered the bar on expectations and cited Israel as a model for defining suc-

cess in Iraq: a functioning democracy that nonetheless absorbs terrorist attacks.

Among the questions central to the debate in Washington over winding up the conflict without widening it are:

How much worse might things get if US troops left and the sectarian killing escalated?

Would Turkey, Iran or other neighbouring states intervene militarily?

Would the al-Qaeda terrorist organization inside Iraq secure a lasting haven from which it could launch attacks across the region? "Lighting the Middle East on fire," is how one Pentagon insider sees that outcome.

While there is no clear way out, there remains a reasonable basis for hope of escaping a collapse of the war effort.

It still is possible that the troop buildup, under way since January, will reduce sectarian violence in Baghdad enough to create the manoeuvring room that Iraqi leaders need to make critical political progress.

According to Frederick Kagan, an American Enterprise Institute analyst who recently visited Baghdad and is a leading supporter of the current strategy, the truly decisive phase of the current campaign will begin in late July or early August. He predicts that phase will bring much lower levels of violence by year's end.



PHOTO: AFP

Passengers sit on tram as demonstrators march for democracy during the 10th handover anniversary of Hong Kong to China yesterday. Thousands of people took part in a protest march in Hong Kong to call for universal suffrage.

Hong Kong celebrates 10 years of Chinese rule

AFP, Hong Kong

Hong Kong on Sunday celebrated 10 years under Chinese rule with pomp and circumstance, but tens of thousands of pro-democracy campaigners also gathered to call for sweeping political reform. The city's chief executive Donald Tsang and his new cabinet were sworn in before Chinese President Hu Jintao at the start of a jam-packed day of events to mark the anniversary of the handover of the former British colony.

But in stark contrast to July 1, 1997 -- when the last colonial governor Chris Patten, Prince Charles and then prime minister Tony Blair were on hand -- no high-ranking British officials have been invited to participate.

On that day, British dignitaries sailed out of Victoria Harbour in driving rain, ending 155 years of British rule over Hong Kong and launching a new era for the city as a Chinese territory.

Tsang, a 62-year-old former civil servant, promised greater democracy for Hong Kong as he was sworn in for a second term as leader.

But Hu said political change should be "gradual," stressing that Hong Kong had enjoyed "extensive democratic rights and freedoms" and a "high degree of autonomy" in its first decade under Chinese rule.