



A Pakistani security officer stands on the rubble of houses destroyed during a military operation against Taliban militants in Sultanwas village in Buner district on Friday. Pakistani security forces launched an offensive to dislodge Taliban guerrillas from three northwest districts around Swat valley in late April, after militants flouted a peace deal and thrust towards the capital Islamabad.

PHOTO: AFP

## Rajnath takes blame for BJP's electoral debacle

INDO-ASIAN NEWS SERVICE, New Delhi

Ignoring the clamour in the party to affix blame for the poll debacle, Bharatiya Janata Party (BJP) president Rajnath Singh yesterday said no individual could be singled out for it but took on himself the onus for the defeat.

"The people's verdict in the election was not according to our expectations, but I take blame for the poor results. But it is not right to say that is a nationwide defeat," Singh said in his opening remarks at the party's crucial two-day national executive - its first meeting after the Lok Sabha poll results.

Deflecting criticism against the party's key poll strategist Arun Jaitley, who was absent from the crucial meet as he is vacationing abroad, Singh said: "The BJP believes in collective responsibility for victory and defeat, and there is no need to single out one person for the poor showing."

His tacit reference was to party seniors, including Jaswant Singh, Yashwant Sinha and Arun Shourie, who have all called for fixing the blame for the poor Lok Sabha poll results. They have held Jaitley, though not directly, responsible for the debacle since he was the party's chief poll manager.

The BJP came crashing down to 116 seats from the 138 it won in the 2004 Lok Sabha elections.

Singh said in the BJP, success and failure were collectively shared.

He then added: "Yes, if anyone feels that any person should take the responsibility, then as the president of the party, I am willing to take this responsibility."

On the poll results, the BJP chief, said: "There is a widespread propaganda that the BJP has got defeated nationwide. I do not accept this, because if we analyse the results regionally, then the results are varied and not uniform from state to state."

## Indian troops re-take town from Maoists

AFP, Lalgarh

Indian troops regained control yesterday of a town captured by Maoists during a rebellion by the left-wing activists against West Bengal state's communist rulers.

Security personnel met little resistance as they moved into the key settlement of Lalgarh, 130 kilometres (80 miles) from Kolkata. Manoj Verma, police superintendent of West Midnapur district, told AFP by phone.

"Our forces have reached Lalgarh police station. It was a smooth march to Lalgarh through the forests," he said.

About 1,800 state and federal troops have been deployed to quell the uprising that began one week ago when Maoists and tribal villagers went on the rampage against the state's ruling Communist Party of India-Marxist (CPM).

Police say 10 CPM activists had been killed by Thursday and that security camps and party offices had also been burnt down.

Praveen Kumar, a senior West Bengal police officer, said that clearing the whole area under rebel control -- comprising hundreds of villages in more than 1,000 square kilometres (390 square miles) -- would take time.

"It is a partial victory," Kumar told reporters in Lalgarh on Saturday. "The 100 percent operation is yet to be completed. It may take days, even weeks to do this."



PHOTO: AFP

Indian paramilitary soldiers embrace as they enter the Lalgarh police station in Midnapore district, some 200km west of Kolkata yesterday. India deployed troops to West Bengal on June 17 to tackle an upsurge in Maoist violence after days of clashes between tribal villagers and police.

## Mehsud rejects Omar's appeal of stopping terror activities in Pakistan

ANI, Peshawar

In yet another incident, which proves that fissures in the Taliban are getting wider, the Tehreek-e-Taliban (TTP) chief Baitullah Mehsud has rejected the calls of the Taliban's supreme leader Mullah Muhammad Omar Akhund for halting terror strikes in Pakistan.

According to sources, Akhund had asked Mehsud to stop the terror acts in Pakistan and focus more on activities against the US-led allied forces in Afghanistan.

"Mullah Omar is our Ameer, but like Afghanistan, we are determined to continue resistance in Pakistan," Mehsud reportedly told a

delegation of the Taliban.

Sources said the delegation asked Mehsud to shun his violent activities in Pakistan, which according to them is 'damaging image of Taliban in Pakistan', but Mehsud out rightly rejected the appeals of the 11-member delegation.

The top Taliban leaders who met Mehsud included Abu Yahya Al Laibi, Abdul Haq Turikistani, Siraj Ud Din Haqqani, and Abdul Hakeem Sharaee, The Nation reports.

In the past few days, Mehsud has been facing the ire of his former aides, as they have attacked the warlord for his decision to carry out terror strikes inside Pakistan.

## India conducts second ballistic missile test in a month

AFP, New Delhi

India on Friday successfully launched a ballistic missile in the second such trial of the nuclear-capable weapon in a month, the defence ministry said.

The Agni-II missile blasted off from a testing site in eastern India and "achieved all its flight parameters without hitch," a senior ministry official told AFP.

"It was a user trial conducted by the army and defence scientists," he said of the rocket, which the military says is capable of hitting targets deep inside adjoining China.

## Somalia seeks urgent foreign military aid as clashes escalate

AFP, Mogadishu

Somalia's parliament speaker on Saturday asked neighbouring countries to urgently deploy troops to prop up the wobbly government as thousands fled the capital amid a mounting rebel onslaught.

Hardline Islamist fighters, on an offensive since May 7 to oust a UN-backed transitional government led by Sharif Sheikh Ahmed, this week stepped up attacks and killed three senior government officials on successive days.

"The government is weakened by the rebel forces. We ask neighbouring countries -- including Kenya, Djibouti, Ethiopia and Yemen -- to send troops to Somalia within 24 hours," parliament speaker Sheikh Aden Mohamed Nur told reporters.

"We have a state of emergency in this country today because foreign fighters from all over the world are fighting the government," said Nur, adding that an al-Qaeda operative from Pakistan was commanding the fighting in Mogadishu.

"We have taken this decision after seeing the emerging threats from foreign fighters," he said.

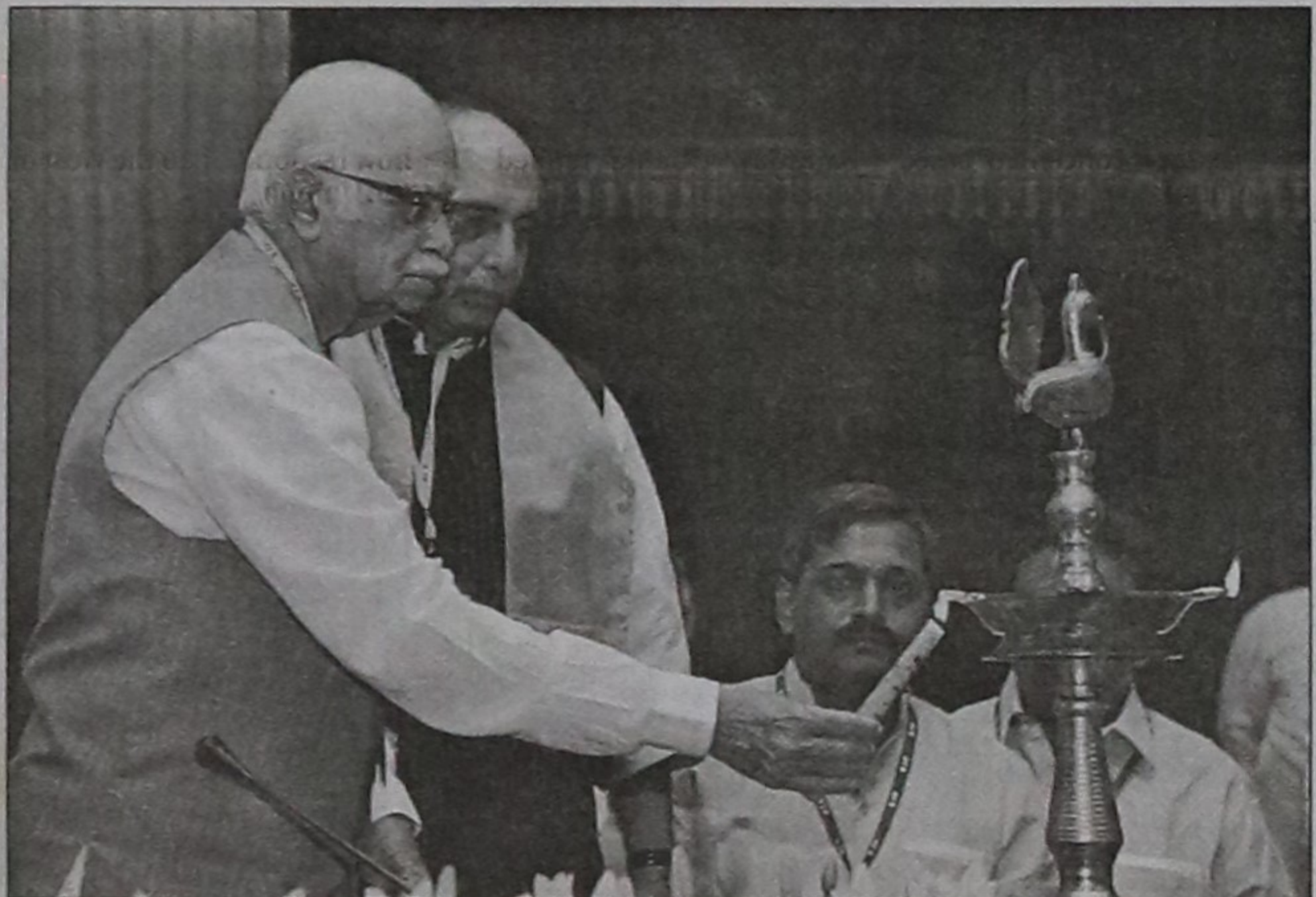


PHOTO: AFP

Bharatiya Janata Party (BJP) senior leader Lal Krishna Advani (L) lights a traditional oil lamp as BJP president Rajnath Singh (C) looks on during a meeting of the BJP National Executive in New Delhi yesterday.

## Petrobangla now pushes

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Bangladesh... at contractor's option or jointly with other parties."

Then he quoted Article 15.2.1 which talks about contractor's pipeline construction plan that would include components like pumping stations, measurement stations, compressor stations among other facilities.

But other officials said that these articles deal with areas operated by Chevron. "The Muchai point of the national pipeline is owned by GTCL. How can it be operated under some other contract in which the GTCL is not a stakeholder party?" asked an official.

Chevron's partnership proposal suggests that it would have a partnership with the GTCL while the Joint Management Committee (JMC) with Petrobangla would approve the finance for this compressor station. Chevron says such a deal is allowed under the PSC.

"If it is under the PSC, then why seek partnership with the GTCL," he said.

Again, by installing the compressor at Muchai, Chevron along with GTCL gets to control gas production of Petrobangla fields along with its Jalalabad, Bibiyana and Moulvibazar fields. The Petrobangla fields include Sylhet, Baniabazar, Fenchuganj, Habiganj and Kailastila. "But we have not opened up gas transmission sector to foreign oil companies," he pointed out.

The GTCL board headed by Petrobangla chairman had cancelled the Hyundai bid on grounds of lack of funds, as the offer was three times higher than the allocated budget of \$55 million under a loan from the Asian Development Bank (ADB). Such difference occurred as the ADB estimate was prepared in

2005 and then the first tender that was supposed to be completed in 2006 was cancelled when ADB smelt corruption in it.

The chairman's letter to the ministry noted that Hyundai's bid was cancelled because the company's explanations against 12-point questions were not satisfactory.

He added, on May 11, Petrobangla held a meeting with an ADB team, which promised a \$350 million loan for a national gas access improvement project. Under this loan, the ADB would provide \$100 million for two compressors.

He noted that upon completion of all formalities, this loan may be available in January 2010 and accordingly the GTCL may install these two compressors by December, 2011 or January, 2012.

The chairman then stressed the importance of having the compressors saying that due to fluctuating gas pressure, industries and power plants were suffering. Besides Petrobangla had to ensure gas supplies to the future Siraganj 450MW and Bheramara 450MW plants.

In this situation, the chairman, who has been pushing Chevron for this idea from December last, three months before the Hyundai bid was opened in February, suggested the Muchai compressor station be installed by Chevron.

He added that Chevron has recovered cost from Jalalabad, Moulvibazar and Bibiyana and it supplies gas worth of \$28-30 million a month. If the compressor is installed by Chevron, the investment will be recovered from the gas sales. This would come to around \$2.5-3 million each month.

Some officials see the merit in this proposal. An official told The Daily Star, "By this way we can

overcome our financial constraints in a short time." However, he added that extreme reliance on foreign investment in gas sector was already responsible for regular losses by Petrobangla.

This idea was first tabled at a Technical Financial Committee under a PSC for Chevron last year and that committee rejected the idea for being outside the purview of the PSC. Later, the Joint Management Committee (JMC) for the PSC, then headed by Mukhtar Ali, accepted it.

Chevron's worldwide gas compressor supplier is international company Solar Turbines, which has been blacklisted for good for the GTCL's compressor project by the ADB in 2006 for manipulating the first tender.

A gas transmission expert told The Daily Star, "Even if we accept the idea of pumping PSC investment in compressor, I say Muchai gets no priority for a compressor station now. Because of high volume of gas produced by Chevron, the gas pressure at Muchai and onwards is 1024 pressure per inch (PSI). This pressure will stay for a couple of years at this point. But we need a compressor at Ashuganj where the pressure drops to 700-800psi. A number of new plants are being set up close to the Ashuganj pipeline system. Then why prioritise Muchai now?"

"Petrobangla's extreme reliance on foreign investment in the gas sector has already created a precarious situation for the national exchequer. The cost of gas is now very high because foreign companies are producing more gas than the national companies which have been denied adequate funds for their healthy growth," another official added.

## Nepal seeks India's support to move peace process forward

PTI, INDO-ASIAN NEWS SERVICE, Kathmandu

Nepal Friday sought India's cooperation in moving the peace process forward, giving indications ahead of Indian Foreign Secretary Shivshankar Menon's visit that it was looking forward to closer bilateral ties.

"The CPN-UML led coalition government has accorded high priority to taking the peace process to its logical end and to draft the new constitution on time," Foreign Minister Sujata Koirala told PTI in an interview.

Menon, on a two-day visit to Nepal Saturday to give fresh impetus to the obstructed peace process and foster better ties with the new government, faced protests at the Kathmandu airport on his arrival by youths alleging India had occupied Nepal's territory.

Nepal police said about seven to eight young men, seemingly students, tried to show the visiting envoy black flags as he alighted at the Tribhuvan International Airport in Kathmandu.

However, police broke up the protest and arrested four of the protesters.

"It's a non-political protest," the Gausshala police station in-charge told IANS. "The youths said they were part of the Susta Bachao Abhiyan. We are looking into the matter."

## Two UN staff members arrested in Lanka

AFP, Colombo

The United Nations said yesterday that two of its employees working among tens of thousands of war-displaced civilians had been arrested by Sri Lankan authorities.

The two men, both ethnic Sri Lankan Tamils, were reported missing eight days ago and were subsequently discovered to have been taken into custody by Sri Lankan officials, the UN office in Colombo said in a statement.

"We are not aware which, if any, charges have been laid, and nor are we aware of the details of any accusations," the statement said.

The two men were working for the UN refugee agency and the UN Office for Project Services in the northern region of Vavuniya. Human rights organisations have reported that thousands of Tamils had been taken from the state-run camps for people displaced by the recently ended war between troops and Tamil Tiger rebels.



PHOTO: AFP

Nepalese Prime Minister Madav Kumar Nepal (R) meets with Indian Foreign Secretary Shivshankar Menon (L) at the prime ministerial residence in Kathmandu yesterday. Shivshankar Menon is in Nepal on a two-day official visit.

## British police investigate lawmakers' expenses

AFP, London

British police said Friday that lawmakers would face criminal investigations into their expenses claims, in the latest twist of a scandal that has rocked the country's politics.

Scotland Yard said a panel of senior detectives and prosecutors had decided that full inquiries were necessary for a "small number" of lawmakers and peers, or members of parliament's upper House of Lords.

Police enquiries were expected to focus on politicians accused of deliberately misleading the authorities or claiming repayments for "phantom mortgages."

A spokesman for London's Metropolitan

Police said: "After consideration by the joint Metropolitan Police and Crown Prosecution Service assessment panel, the Met has decided to launch an investigation into the alleged misuse of expenses by a small number of MPs and peers."

The announcement follows weeks of leaks in The Daily Telegraph newspaper showing lawmakers had claimed for everything from a duck island to cleaning a moat at a country home.

But the most serious abuses involved claims for mortgage payments on second homes. While the police did not reveal any names, the BBC and Sky News television reported that two lawmakers from the governing Labour Party, David Chaytor and Elliot Morley, were under scrutiny.