



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.

US won't play mediator on Kashmir: Obama

Washington has no intention to send troops to Pakistan

ANI, PTI, Washington

US President Barack Obama has ruled out any American mediation on Kashmir issue, by saying that bilateral dialogue is the best way to reduce tension between India and Pakistan.

"We want to be helpful in that process, but I don't think it's appropriate for us to be the mediators in that process. I think that this is something that the Pakistanis and Indians can take leadership on," Dawn TV quoted him, as saying.

"I believe that there are opportunities, maybe not starting with Kashmir, but starting with other issues, that Pakistan and India can be in a dialogue together and over time to try to reduce tensions and find areas of common interest," he said.

Responding to a query about why his administration has been silent on Kashmir issue, he said India and Pakistan both were great friends of the United States, and his administration didn't want to dictate terms with both the nations.

"Well, I don't think that we have been silent on the fact that India is a great friend of the United States and Pakistan is a great friend of the United States, and it always grieves us to see friends fighting."

And we can't dictate to Pakistan or India how they should resolve their differences, but we know that both countries would prosper if those differences are resolved," Obama said.

Obama also said that his administration has no intention to send American troops to Pakistan amid growing speculation that Washington could be preparing to help Islamabad as its army steps up the offensive against the Taliban militants in the restive tribal areas.

Obama said US has no intention to send troops to Pakistan and it is for Islamabad and the Pakistan military to deal with the situation in the country.

"We simply want to make sure that our common enemies, which are extremists who would kill innocent civilians, that that kind of activity is stopped, and we believe that it has to be stopped whether it's in the United States or in Pakistan or anywhere in the world," he said.

The US President said the support provided to Pakistan is focused primarily on the internally displaced persons, who have been uprooted from their homes due to military operations in the restive northern areas.

Obama has also said that any American military aid to Pakistan needs to be used against extremism, supporting lawmakers' concerns that the new financial aid should not end up building up the Pakistan Army against India.

"We have in the past supported Pakistan militarily. I think it is important to make sure that military support is directed at extremists and our common enemies," Obama said during the interview, without directly referring to the concerns raised by several American lawmakers in recent past who wanted to have tough conditions on Pakistan in lieu of any new military aid.

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 was 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 Singh 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."



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 say 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, Fenchugan, Habiganj and Kailatula. "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 Sirajganj 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 to 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 Muktadir 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 Muchain?"

"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

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."

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 that Mehsud asked the delegation 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 Sharrae, The Nation reports.

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