

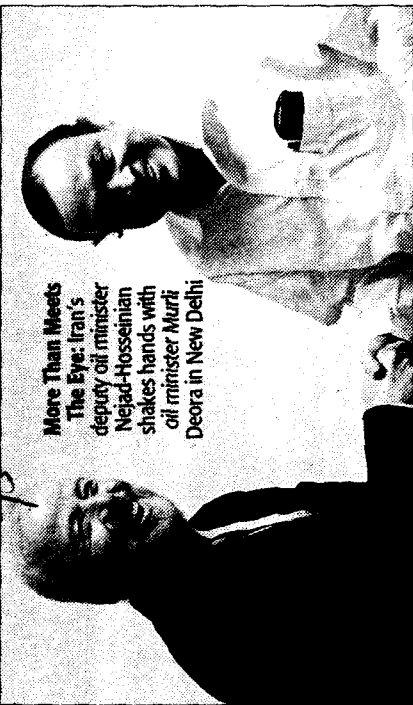
Iran sets July deadline for gas pipeline deal

Our Bureau
NEW DELHI

IRANIAN oil minister Hadi Nejad Hosseini has set July as the deadline to sign the deal for the \$7-billion Iran-Pakistan-India gas pipeline. He confirmed that India was very much a part of the proposed project and that the three countries may even decide to build a parallel pipeline as the demand grows.

The Iranian oil minister, who is here to meet Union petroleum minister Murli Deora, said: "Tehran has set July as the deadline to sign a deal for the over \$7-billion pipeline project, failing which it would pursue bilateral exports to Pakistan."

He said the pipeline would have capacity of 110 million metric standard cubic meter per day (MMSCMD), of which 30-35 MMSCMD would be used for meeting the demand of east Iran. Pakistan has indicated a requirement of 30-60 MM-



More Than Meets The Eye: Iran's deputy oil minister Nejad-Hosseini shakes hands with oil minister Murli Deora in New Delhi

SCMD, while India needs 90 MMSCMD from the pipeline. "The demand will ramp up over five years and initially the capacities can be divided on pro-rata basis," Mr Hosseini said, adding that for further demand a parallel pipeline may be laid. Earlier in the day, Mr Deora as-

serted that India was serious about the Iran-Pakistan-India gas pipeline and said the US cannot pressurise New Delhi into walking out of the project. "I don't think the US is pressuring us on the issue. I think the US cannot pressurise us to walk out of the project," Mr Deora said.

Iran council wants changes in LNG deal with India

THE fate of India's \$22-billion deal to import LNG from Iran will continue to be uncertain, with Iranian oil minister asserting that the agreement is not binding as it has not been ratified by its supreme economic council.

"As far as we are concerned, the deal can not be implemented unless the supreme council ratifies it. The council has not done it till now because it wants certain changes," Iranian deputy oil minister Hadi Nejad Hosseini told reporters on Tuesday. The minister is in New Delhi to discuss issues related to India-Iran-Pakistan pipeline and gas supply issues with petroleum minister Murli Deora.

Iran's supreme economic council feels that the previous regime "undersold" when it agreed to supply 5 million tonnes per annum of LNG for 25 years beginning 2009-10, for a price cap of \$3.25 per million British thermal unit (MBTU).

Though he did not specify the changes sought, petroleum minister Murli Deora said: "The main difference was on price." Deora, who met Prime Minister Manmohan Singh just before his meeting with the Iranian minister said New Delhi was opposed to revisiting the price agreed in June, but would continue negotiations.

03 MAY 2006

Political clearance awaited for LNG deal with Iran: Gail



Mr Proshanto Banerjee

A Gail consortium has been awarded a block in Oman for exploration and production of hydrocarbons. The company says that this is welcome news for it, as it has come on "the heels of confirmation of the award of 10 per cent stake in the A-3 block of Myanmar." Regarding the LNG deal with Iran, Gail MD, Mr Proshanto Banerjee says that it is waiting for the political clearance. Excerpts from an exclusive interview with CNBC-TV18

ration of accounts, creation of an SPU and then separate corporate entities. We are going ahead with the assumption that it will happen.

We have no reasons to feel unhappy about it. For, once one creates two entities — one for transmission and another for trading — the trading entity will also have to be a standalone commercial enterprise, which will have to have margins for trading. Today because of the orders, we are allowed to charge trading margins only on 17 per cent of the total volume that we sell and 83 per cent is uncovered. So I think it is a good thing for us.

Q: What is the status of the \$20 billion LNG deal with Iran?

A: We are waiting for the political developments. The techno-commercial aspects are very much in place. It is the overall political clearance that is awaited.

Q: Has it been ratified yet?

A: We have a signed SPA (Sales Plan Purchase Agreement) with NIGEC

Q: Have you sent a legal opinion to the Iranian outfit saying that the contract is valid even if it is not ratified?

A: The Sales Plan Purchase Agreement is essentially between two corporate entities. So we have it between National Iranian Gas Export Company (NIGEC) and Gail, and Indian Oil Corporation and Bharat Petroleum Corporation. Any further political ratification is for NIGEC to obtain.

Q: Can you give us the details of this order? When do you expect the money to start flowing in and how much will you have to put in terms of capital costs?

A: The good news came in last weekend that a consortium in which Gail, Oilex Australia, Videocon, HPCCL, and BPCL have been awarded a block called Block No.56. It is an onshore block located in the South Oman salt basin area.

It covers an area of almost 6,700-6,800 sq kilometres. This is certainly good news for us because it comes on the heels of confirmation of the award of 10 per cent stake in A-3 block of Myanmar.

Q: When do you expect the result to start showing?

A: There are several stages and normally it takes about two years before the first discovery is made. So it will take a little time.

Q: Can you tell us how your margins will shape up? How is Gail likely to end FY-06 in terms of margins and how will FY-07 shape up?

A: There is an Enron formula for the pricing of gas. If this formula was to be applied, we would have ended up paying \$5.75 per million BTU. It is only with the intervention of the ministry of petroleum and natural gas, on whose behalf we are buying the gas, that a negotiated price of \$4.75 per million BTU was worked out.

This was what most of the non-fertiliser, non-power users would be paying for this gas. Gail, of

Do you see the scenario changing?

A: I did not say that I wanted Enron formula. What I said was that there is an Enron formula, which is a part of the production-sharing contract. This is between the government and PMT JV (Panna-Mukta-Tapti JV). Gail has nothing to do with the formula.

Q: There is talk of a regulatory Bill, which deals with hiving off Gail into two divisions: one for marketing and another for transportation. Are you expecting any decision on this any time soon?

A: I cannot say anything, as this has been discussed. We ourselves have talked about it several times over the past one year. We have been talking about a three-stage unbundling, in terms of sepa-

course, is one of them to the extent that we use it as a feedstock for our polymer production.

We are working out the numbers. We will be clear about the impact of that in the year 06-07 because the prices of polymers are also going up.

Q: Your operating margins at the end of Q3 worked out at 20.5 per cent. Could you give us an idea as to what the OPMs will be under the new dispensation?

A: It would not be fair on my part to say anything. We hope that in three weeks time the board will be approving the results. So please bear with us for another three weeks.

Q: Getting back to the supply of gas. You want the Dabhol gas formula, but the ministry says no.

Partnership with Iran in trouble

India's bid to develop Chah Bahar port runs aground

✓
India-
West Asia news
200-9

Amit Baruah

NEW DELHI: India's grand strategic design of helping to develop the Chah Bahar port in Iran as a link to Afghanistan and Central Asia has run aground. Senior South Block officials told this correspondent that there has been little movement on a joint commitment by both countries.

The development of the port in the Gulf of Oman was linked to the construction of the Zaranj-Delaram road in Afghanistan, which India believed would be allowed as a transit route into Afghanistan, as Pakistan does not allow through transport of Indian goods.

"A pipedream"

According to the officials, a leading Indian company had decided against making any investment in the project. "This whole project seems a pipedream," they said.

- Indian company decides against investing in the project

- Iran creating difficulties in lifting cement for construction of road in Afghanistan

With Iran refusing to give final clearance to the \$21-billion contract with India on supply of liquefied natural gas (LNG) and a question mark hanging over the Iran-Pakistan-India gas pipeline, the India-Iran "strategic partnership" is in deep trouble.

Clearly, the political cost of the two Indian votes against Iran at the International Atomic Energy Agency (IAEA) in Vienna is beginning to tell. Iran informed India on September 24, 2005, the day New Delhi voted against Teheran, that the

LNG deal was "off."

Energy sector

During the visit of Iranian President Mohammad Khatami to New Delhi in January 2003, the two sides agreed on a "strategic partnership."

Bilateral agreements signed then identified the energy sector as a "strategic area" of future relationship.

"The areas of cooperation include upstream and downstream activities in the hydrocarbon sector and working upon secure modes of transport of energy. India and Iran also agreed to explore opportunities for cooperation in defence in agreed areas, including training and exchange of visits," an official summary of the documents stated.

In a bid to encourage bilateral trade and economic cooperation, they specifically referred to the development of the Chah

Bahar port complex, the Chah Bahar-Fahraj-Bam railway link and a marine oil tanker terminal at an agreed location.

Difficulties

The officials claimed that the Iranian side was creating difficulties for India in lifting diesel and cement for construction of the Zaranj-Delaram road by the Border Roads Organisation in Afghanistan.

They said Iranian support was critical for the construction of the road.

Interestingly, press reports have spoken of Iranian and Pakistani plans to hold talks on a ferry service between the Chah Bahar and Gwadar ports. Given that Iran and India (along with Russia) cooperated closely in Afghanistan to deal with the Taliban and Pakistan, these developments indicate the current distance between New Delhi and Teheran.

14 MAY 2006

THE HINDU

INDIA NOT EDGED OUT OF PIPELINE: IRAN

Aug. deadline for Delhi

SFI

3/15

Iranian with
Am

Press Trust of India

NEW DELHI, May 2: Iran today said India had not been "ousted" from the proposed 7-billion dollar tri-nation pipeline, even as it set an August deadline for New Delhi to sign an agreement on the project.

"I want to clarify that contrary to reports, India has not been edged out of the Iran-Pakistan-India pipeline. We continue to engage in discussions leading to a tri-nation ministerial meeting next month," Iran's deputy oil minister Mr Hadi Nejad-Hosseinian told reporters after meeting petroleum minister Mr Murli Deora here.

He said against the capacity of 110 million standard cubic meters per day, Pakistan has sought between 30 and 60 mmscmd of gas and India wants 90 mmscmd. Besides, 30-35 mmscmd of gas would be transported through the proposed pipeline from gigantic South Pars gas field to eastern regions of Iran.

"The demand figures mentioned ramp up over a period of five years. Initially, a single pipeline (meeting requirements of eastern Iran, Pakistan and India on pro-rata basis)



Iranian deputy oil minister Mr Hadi Nejad-Hosseinian with petroleum minister Mr Murli Deora. ■ AFP

would suffice and a parallel line can be laid as demand rises," he said.

Mr Deora said India favoured implementation of a single pipeline first and upon its successful operation a second line could be laid.

He also ruled out any pressure from US for pulling out of the project. "Not at all. I don't think the US is pressurising. I don't think America can pressurise us." The Iranian minister said India has to agree on the pipeline by August, failing which Teheran would proceed with bilateral exports to Pakistan.

"We have approval to expedite laying a pipeline to the eastern part of

Iran... So if India delays joining the project, we would go ahead," Mr Hosseinian said.

The Iranian minister, however, categorically ruled out building separate pipelines to supply gas to India and Pakistan.

"There will be a single pipeline meeting demand of all and if need be a second pipeline would be laid, which too would meet all incremental demand in the three countries," he said.

He said oil secretaries of the three countries would meet in Islamabad on 22-23 May to sort out pricing of the gas and culminate discussions into a tripartite ministerial meeting in Teheran in June.

03 MAY 2006

THE STATESMAN

PRANAB ON SIX-DAY TOUR

Delhi for stronger Beijing ties

Pranab
China
576
29/5

Press Trust of India

BEIJING, May 28: Defence minister Mr Pranab Mukherjee today said he hoped to have a "very useful" meeting with the Chinese leadership to further consolidate India's strategic relationship with the Communist giant.

"I am expecting a very useful meeting with the leadership of China in the context of our growing relations and strategic partnership for peace and stability," he said on arrival here from Japan on the second leg of his three-nation tour.

"I do hope that this visit will also help to achieve that objective," Mr Mukherjee, who was warmly welcomed at the Beijing International Airport by the Indian ambassador to China, Mr Nalin Surie and senior officials from the Chinese people's liberation army (PLA), said. Mr Mukherjee's visit is a major highlight of the joint activities undertaken by the Indian and Chinese governments to mark 2006 as the "Year of India-China Friendship".

The defence minister, who is here on a six-day visit as a guest of his Chinese counterpart, General Cao Gangchuan,

will he will hold official-level talks tomorrow.

Besides holding official talks with Gen. Cao, he would also meet with the vice-chairman of the central military commission, Gen. Guo Boxiong and Chinese foreign minister, Mr Li Zhaoxing.

During the visit, the two sides are expected to sign a memorandum of understanding on exchanges and cooperation in the field of defence, which will be a key confidence building measure to ensure continued peace and tranquillity along the Sino-Indian border. The MoU is also expected to serve as an instrument for a regular and sustained dialogue on defence and national issues between the two countries, official sources said.

Mr Mukherjee will call on Chinese premier Mr Wen Jiabao on Tuesday at the Zhongnan Hai leadership compound and discuss Indo-China bilateral ties and other issues of common interest.

In a confidence-building measure, the PLA has invited the defence minister to visit the ultra sensitive Beijing Aero Space Command and Control Centre.

29 MAY 2006

THE STATESMAN

সামরিক সমঝোতার লক্ষ্যে দৌত্য শুরু প্রণবের

শঙ্খদ্বীপ দাস • বেজিং



২৮ মে: মৈত্রীর
গন্ধ মেখেছে
বেজিং-বাতাস।
চাওইয়াংমেন
সড়ক-ঘেঁষা চিনা
প্রতিরক্ষা এবং

বিদেশ মন্ত্রকের দফতরে রবিবার সকাল থেকেই উড়ছে ভারতের জাতীয় পতাকা। সেন্ট্রাল বেজিঙে কুস্তাই রম্যাল হোটেলের বাইরেও সেই দৃশ্যপট। লাল কার্পেট মোড়া পথে হটিতে হটিতে প্রতিরক্ষামন্ত্রীও স্বগতোক্তি করলেন, “ওদের আতিথেয়তা তো দেখছি ভীষণ ভাল।”

বাষট্টির বিবাদ ভুলে তবে কি স্থায়ী সুসম্পর্কের দিকে এগোচ্ছে চিন-ভারত? যোগ-বিয়োগ কবে এ প্রশ্নের জবাব পাওয়া যাবে দুদিন পরে। কিন্তু সেই প্রত্যাশা জাগিয়েই আজ চিনে এসে পৌঁছলেন প্রণব মুখোপাধ্যায়।

লক্ষ্য এটাই, দেড় দশক আগে যে কাজের সূচনা করেছিলেন, সেটাই এ বার আরও এগিয়ে নিয়ে যাবেন। অথুনা প্রতিরক্ষামন্ত্রী তখন নরসিংহ রাও সরকারের বিদেশমন্ত্রী। ভারত-চিন যুদ্ধের গ্লানি তত দিনেও ফিকে হয়নি। বরং সীমান্তে তখনও দু’পক্ষ বিবাদমান। দু’হাত দূরে দাঁড়িয়ে চোখ রাখায় একে অপরকে। উত্তেজনা কমাতে সে দিন বিদেশমন্ত্রীর প্রস্তাবে দু’মাইল করে পিছিয়ে গিয়েছিল দু’দিকের সেনা। তাঁর কথায়, “ইট হ্যাজ পেইড এ গুড রেজাল্ট। এখন ওঁরা একসঙ্গে ফুটবল খেলে, গান গায়, নববর্ষ উৎসব পালন করে এক সামিয়ানার নীচে।” ভারত-চিন সেনাবাহিনীর সেই সত্তাবকেই সরকারি ভাবে সামরিক সম্পর্কে বাঁধার পরিকল্পনায় বেজিং এসেছেন প্রণববাবু। বেজিং-নয়াদিল্লি সামরিক সমঝোতায় কাল থেকে শুরু কূটনৈতিক দৌত্য।

তিন দিনের ‘সফল’ ও ‘ব্যস্ত’ জাপান সফর শেষে আজ তিনি যখন বেজিং এসে পৌঁছলেন, ঘড়ির কাঁটায় তখন দু’টো। আপাতত আড়াই দিন তাঁর ঠিকানা হোটেল কুস্তাই রম্যাল। বাঁ দিকে অদূরে ঐতিহাসিক তিয়েন আন মেন স্কোয়ার (ওখানে দাঁড়িয়েই জাতির উদ্দেশে বক্তৃতা দিতেন মাও জে দং)। আর নাক বরাবর চিনা বিদেশ মন্ত্রক, প্রতিরক্ষা দফতর। ওখানেই কাল চিনের প্রতিরক্ষামন্ত্রী কাও গাং চুয়াং-এর সঙ্গে প্রতিনিধি পর্যায়ের বৈঠকে বসবেন প্রণব। পর দিন প্রধানমন্ত্রী ওয়েন জিয়াবাও ও চিন সামরিক কমিশনের সহ-সভাপতি জেন গুও বক্সিং-এর সঙ্গে সাক্ষাৎ।

তার আগে আজ সন্ধ্যায় বেজিঙে ভারতীয় রাষ্ট্রদূত নলিন সুরির বাসভবনে হল এক প্রস্ত আলোচনা। কাল চিন প্রশাসনকে কী বার্তা দেবে ভারত? চিনে ভারতীয় কূটনীতিকেরা বলছেন, দু’দেশের সামরিক সমঝোতা মজবুত করা মুখ্য উদ্দেশ্য বটেই। সেই সঙ্গে ভারতের বিদেশনীতি স্বাধীন পথে চলছে, এই আশ্বাস চিনকে দেওয়াও অন্যতম কাজ। ভারতীয় কূটনীতিকদের কথায়, “প্রণবের এই সফর ‘৮৮-এরই প্রতিচ্ছবি।” আসার আগে প্রণববাবু বলেছিলেন, “১৯৬২-র বিবাদের পরে চিন-ভারত সম্পর্কে প্রথম বরফ গলান রাজীব গান্ধী। তিনি চিনে গিয়েছিলেন ‘৮৮ সালে। দেং জিয়াও পিং-এর সঙ্গে দারুণ সফল হয়েছিল তাঁর বৈঠক।

এর পর সাতের পাতায়

দৌত্য প্রণবের

প্রথম পাতার পর

সীমান্ত-সমস্যার সমাধানে পৃথক রাস্তা খুলে দ্বিপাক্ষিক সাংস্কৃতিক ও বাণিজ্যিক সম্পর্ককে এগিয়ে নিয়ে যাওয়ার প্রস্তাব দিয়েছিলেন প্রাক্তন প্রধানমন্ত্রী।” কূটনৈতিক মহল বলছে, সেই পথ ধরেই এগোচ্ছেন প্রতিরক্ষামন্ত্রীও। ভারত-চিন সামরিক সম্পর্ককে প্রাতিষ্ঠানিক রূপ দেওয়ার ভিত্তি যদি এই সফরেই গাঁথা হয়, তা-ও হবে এক কালজয়ী ঘটনা। দক্ষিণ এশিয়ার কূটনৈতিক সমীকরণের পরিপ্রেক্ষিতে এই ঘটনা তাৎপর্যপূর্ণ বৈকি। যদিও ‘ভাই ভাই’ অধ্যায় কেমনো যাবে কি না, তা এখনও সংশয়ে ঘেরা, নিশ্চিত ভাবেই এর ফলে দূরত্ব কমবে বেজিং-নয়াদিল্লির।

কূটনীতিকেরা আরও বলছেন, প্রণববাবু এই পদক্ষেপে ইউপিএ সরকারের বিদেশনীতির মূল সূত্রটাই যেন অন্তর্নিহিত। প্রতিবেশী দেশগুলির সঙ্গে সাংস্কৃতিক ও বাণিজ্যিক আদান-প্রদান বাড়িয়ে সীমান্ত অপ্রাসঙ্গিক করে দেওয়ার সূত্রেই সরব মনমোহন সরকার। হতে পারে সেই সূত্রে ভরসা নেই ইসলামাবাদের। তাই মুশারফ বারবার কাশ্মীর-সমস্যা সমাধানেই মৈত্রীর সম্পর্ক খুঁজছেন। কিন্তু সেই সংকীর্ণতা থেকে বেরিয়ে আসার সাবালকত্ব দেখাতে শুরু করেছে বেজিং-নয়াদিল্লি। প্রতিরক্ষামন্ত্রীর চলতি সফরে তারই প্রতিফলন হবে, এমনটাই আশা।

29 MAY 2006

ANADABAZAR PATRIKA

A quick step forward in Sino-Indian ties

As China and India grow in economic and strategic importance, what is needed is a genuine attempt towards mutual accommodation that would take into account shifting geopolitical power plays. The MoU signed on defence matters could be a sign of things to come.

Pallavi Aiyar

THE COMPLEX courtship dance of Sino-Indian relations took a quick step forward on Monday with Defence Minister Pranab Mukherjee signing an MoU with his Chinese counterpart General Cao Gangchuan in Beijing.

The Memorandum of Understanding is the first ever such document signed by the Defence Ministries of the two countries. For decades following the border war of 1962, India and China have viewed each other with a fair measure of both pride and prejudice. When India tested its nuclear bomb in 1998 the potential military and security threat that China posed was pointed to as a justification.

Since then much water has flowed under the Yangtze and the Ganga. The new millennium has seen the sweetening of previously sour ties with the neighbours establishing a "strategic and cooperative" partnership, instituting political mechanisms to resolve the boundary issue and with trade galloping ahead towards the \$20 billion mark.

Mr. Mukherjee's visit comes at a time when India and China are celebrating a "friendship year." However, it also comes at a time when complex realignments of re-

gional and global geo-politics are unfolding. The Indo-U.S. deal on civilian nuclear energy has been received coolly in Beijing, given that it is widely seen as an attempt by the United States to ally itself with India in the ultimate hope of containing a rising China. China, in the meantime, continues to extend military and nuclear cooperation to Pakistan. It recently announced a major arms sale to Islamabad, including four F22P frigates to the Pakistani navy.

Simultaneously, Sino-Japanese ties continue their downward spiral even as India and Japan draw closer. For long a self-declared pacifist, Japan is slowly beginning to flex its military muscles in the region. The Japanese navy has grown into a force of considerable reach and sophistication and the country recently launched its own spy satellites.

Foreign policy concerns

Before beginning his five-day trip to China on Sunday, the Indian Defence Minister visited Japan where both sides agreed to institute regular meetings of defence chiefs, exchange information to tackle terrorism and proliferation, and conduct joint maritime exercises. India is also reportedly keen on securing Japanese industry's help in its

own military modernisation, something that would cause considerable consternation in Beijing. For India and China, the clear challenge is to maintain an independent foreign policy with regards to specific nations on the basis of their national interests, rather than in cold-war style be lumped together with a particular group that attempts to contain another group.

In other words, to build trust and create healthy bilateral ties with countries that might themselves hold reservations about each other. Thus, China wants to develop a strategic relationship with India, even as it continues its "all weather" friendship with Pakistan. India must balance its relationships with China, Japan, and the U.S.

Echoing this sentiment, Mr. Mukherjee said that it is "India's foreign policy to build friendships with everyone. Our foreign policy is independent and we stress that we have no territorial ambitions." His articulation, in fact, sounds remarkably similar to China's "peaceful rise" foreign policy mantra that stresses its friendly intentions to other countries.

As China and India grow in economic and strategic importance and begin to stretch their wings, a certain amount of rubbing up against each other is unavoidable. Beijing is

reportedly concerned about India's interest in establishing military bases in Mongolia and Central Asia while China's cultivation of ties with Nepal, Pakistan, Bangladesh, and Sri Lanka — countries that India views as being within its own sphere of influence — has caused some alarm in New Delhi.

What is needed is a genuine attempt towards mutual accommodation that would take into account these shifting geopolitical power plays. China's recent observer status in SAARC and India's at the Shanghai Cooperation Organisation are examples of such accommodation.

The MoU signed today calls for the establishment of a mechanism to ensure frequent exchanges between leaders of the Defence Ministries and the armed forces in addition to developing an annual calendar for holding regular joint military exercises and training programmes. For two nuclear capable, large-sized neighbours with a history of war, devising a strategy for accommodating each other's rise is imperative. Defence cooperation and confidence building measures of the kind proposed by the Indian Defence Minister can only work towards facilitating such accommodation. It is to be hoped that Mr. Mukherjee's initiative will be the first of many.

quadrilateral
119- 2075

India, China MoU on military ties

Important beginning that will provide the basis for further cooperation: Pranab

Pallavi Aiyar

BEIJING: Even as India and China are in the process of a massive military modernisation effort, Defence Minister Pranab Mukherjee and his Chinese counterpart, General Cao Gangchuan, signed the first-ever memorandum of understanding (MoU) between the Defence Ministries of the two countries on Monday.

The MoU calls for institutionalising the frequent exchanges between the leaders of the Defence Ministries and the armed forces in addition to developing an annual calendar for joint military exercises and training programmes. In recent years, the two countries have conducted joint naval manoeuvres but the interaction between the ground forces has been limited to border meetings and mountaineering expeditions. There has been no contact between their Air Forces.

To strengthen contacts

The MoU said: "The two sides reiterate that strengthening effective contacts in the field of defence is of vital importance to enhancing mutual trust and understanding between the armed forces and ensuring a peaceful environment in which they can pursue their respective national development objectives."

Commenting on the significance of the MoU, Mr Mukherjee said it was an important beginning that would provide the basis for further expansion of cooperation.

A big event

Mr. Mukherjee's talks with General Cao lasted several hours and touched upon the full range of defence-related issues. "Your visit is a big event in the exchanges and cooperation between the militaries and also an important event in the China-India Friendship Year," General Cao said in his initial comments.



TOWARDS HEALTHY RELATIONS: Defence Minister Pranab Mukherjee with his Chinese counterpart, Cao Gangchuan at a welcome ceremony in the Defence Ministry headquarters in Beijing on Monday. - PHOTO: REUTERS

Earlier in the day, Mr. Mukherjee also met Li Zhaoxing, China's Foreign Minister. During his meeting with Mr. Li, Mr. Mukherjee said the "complex" problems that existed in Sino-Indian bilateral ties could be resolved through dialogues and mutual understanding.

Asked if India had solicited

China's support as a member of the Nuclear Supplier's Group for the Indo-U.S. civilian nuclear pact, Mr. Mukherjee replied: "Let us see, things are developing slowly." He said no direct mention had been made of India's concerns regarding China's continued military and nuclear support to Pakistan.

Mr. Mukherjee also visited the Beijing Aerospace Command and Control Centre, which has been in the limelight for the launch of the Shenzhou 5-6 manned space aircrafts. He said he was "impressed" and that "China has made much progress" in the field.

Mr. Mukherjee will call on

Chinese Premier Wen Jiabao on Wednesday before heading to the Lanzhou Military Command area in China's northwestern Gansu province.

A quick step forward: Op-Ed Page

30 MAY 2006

THE HINDU

Speaking a common language

The response to Pranab Mukherjee's visit has been positive in China.

Pallavi Aiyar

INCREASINGLY PRICKLY about the United States' criticisms regarding its military modernisation, China has welcomed India's position that it sees no military threat from China. This is, in fact, a sea change in attitude from just a few years ago. When India tested its nuclear bomb in 1998 China was pointed to as the chief military threat in response to which the test had been conducted.

Less than a decade later, Defence Minister Pranab Mukherjee is currently visiting China with a very different message.

Mr. Mukherjee was given an in-depth presentation on China's military modernisation efforts on Tuesday afternoon by General Guo Boxiong, Vice-Chairman of the Central Military Commission. "We both reiterated that reform of the military should not be seen as a threat to each other," said Mr. Mukherjee.

The Minister added that following the MoU, "there will be greater exchanges of defence related information in the future," so that India need not be "concerned" by China's military expansion. "They are modernising, but so are we," said Mr. Mukherjee. "Military modernisation is an ongoing process in every country."

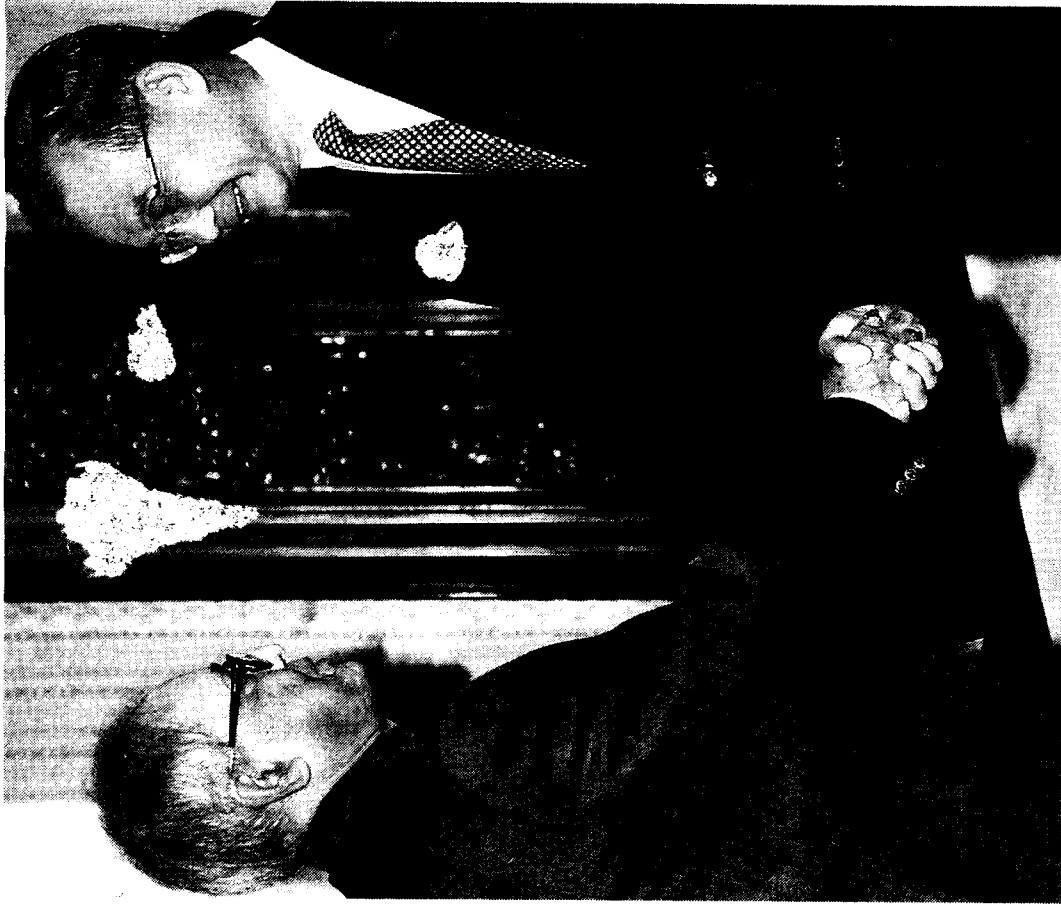
The Chinese media have highlighted India's stance as Mr. Mukherjee having "distanced himself from his Japanese counterpart." The Minister was in Japan prior to his five-day China visit.

According to an article in the *China Daily*, while in Japan, Mr. Mukherjee was told of Tokyo's concerns regarding China's military build-up, and India's support was sought in calling for greater transparency in Beijing's defence programmes and capability for the sake of stability in Asia.

The article went on to quote Mr. Mukherjee as saying that, "China is an important military power from the beginning. We are fully aware of it, but every country has its own perception of the development and modernisation of their armed forces."

Increased defence spending

China's defence budget has been burgeoning in recent years. Beijing officially projects a growth in defence spending of 14.5 per cent



FIRMING UP TIES: Defence Minister Pranab Mukherjee with Chinese Premier Wen Jiabao in Beijing on Tuesday. - PHOTO: REUTERS

this year to about \$35 billion. But a recent Pentagon report estimated that the true figure might be closer to \$105 billion — when all military related spending is accounted for.

The report goes on to detail China's massive investments in cruise missiles, precision weapons, and guidance systems that

would enable it to project power far beyond its own shores. China is buying Russian aircraft such as the IL-76 transport and IL-78 tanker aircraft and has also shown interest in the Su-33 maritime strike aircraft. Both Japan and the U.S. have voiced concerns over what they see to be the "opaque" nature of China's military modernisation.

In the meantime, India too is endeavouring to expand and modernise its military capabilities. Mr. Mukherjee's visit to Japan was reportedly partially aimed at securing investments from Japanese industry to end. Earlier this year, India's military spending was hiked to touch \$10 billion. Its next is planning to build an aircraft carrier and working on a nuclear reactor for a submarine project.

Both countries are watching each other carefully. Given their history of suspicion and animosity following the border war of 1962, this is only understandable, particularly when the fact that they are large-sized, nuclear-capable neighbours is taken into account.

At the same time it is precisely because both are emergent powers, spreading their wings in overlapping regions, that China and India find themselves speaking a common diplomatic language. Their smaller neighbours may express a certain nervousness over India and China's military expansion but for Beijing and New Delhi it is difficult to point fingers at each other when they are in fact both engaged in similar exercises.

As a result both powers stress that their foreign policy is based on the five principles of *Panchsheel* and are developing a diplomacy that seeks to stress friendly intent.

Beijing has certainly rolled out the red carpet for Mr. Mukherjee. He was given a rousing military welcome at the Central Military Commission headquarters on Monday, with representatives of the Chinese armed forces marching past him in flashes of khaki, white, and blue.

In a display of good faith, Mr. Mukherjee is also being taken to visit several sensitive military sites, including the Beijing Aerospace Command and Control Centre and a naval base in Shanghai. He will also be the first Defence Minister from any country to visit the strategic Lanzhou Military Command Region in Gansu province.

For India, developing a strong, strategic bilateral relationship with China, even as it furthers its partnerships with the U.S. and Japan, is a task requiring diplomatic dexterity and long-term vision. The positive reception that Mr. Mukherjee's visit has received in China is a hopeful sign that given time this is a task that India may be up to.

আমেরিকার সঙ্গে প্রতিরক্ষা-চুক্তি নিয়ে চিনকে বোঝালেন প্রণব

শঙ্কুদীপ দাস • বেজিং

৩০ মে: বরফ গলল বেজিংয়ে। অবশেষে ভারত-মার্কিন প্রতিরক্ষা পরমাণু সমঝোতায় ক্ষুদ্র চিনকে শান্ত করলেন প্রণব মুখোপাধ্যায়।

আজ 'ঝোঙ নান হাইতে' চিনা প্রধানমন্ত্রী ওয়েন জিয়াবাও-এর সঙ্গে বৈঠক করলেন ভারতের প্রতিরক্ষামন্ত্রী। চিনের কেন্দ্রীয় সামরিক কমিশনের ভাইস চেয়ারম্যান জেনারেল গুয়ো বিন্সানের সঙ্গেও বৈঠক হল তাঁর। যার প্রেক্ষাপট ছিল, সাম্প্রতিক ভারত-মার্কিন সমঝোতা। আর তাই বৈঠকে আমেরিকার নাম উচ্চারণ না করেও প্রণববাবু বুঝিয়ে দিলেন, চিনও তাঁদের বৃত্তের বাইরে নয়। বেজিংয়ের সঙ্গেও একই ভাবে মৈত্রী রচনায় আগ্রহী নয়াদিল্লি। পাশাপাশি উঠে এল দু'দেশের মধ্যে আরও বেশি করে বাণিজ্যিক স্বার্থ ও সামরিক সম্পর্কের প্রসঙ্গ। সেই সঙ্গে আরও একবার নিশ্চিত হয়ে গেল, সীমান্ত নিয়ে আলোচনা অপ্রাসঙ্গিক হচ্ছে না বটে, কিন্তু তাকে পাশে রেখেই সামরিক ও বাণিজ্যিক সম্পর্ক এগিয়ে যাবে দু'দেশ।

তাৎপর্যপূর্ণ হল, বেজিংয়ে বসে ভারতের 'মার্কিন ঘেঁষা বিদেশনীতি' নিয়ে চিনা কমিউনিস্টদের ভীতি প্রণববাবু আজ দূর করার চেষ্টা করলেন বটে, কিন্তু তা নিয়ে প্রকাশ্যে কোনও বিবৃতি দিলেন না সাউথ ব্লকের কর্তারা। এর নেপথ্যে রয়েছে অবশ্য অন্য কাহিনি। ভারতের সঙ্গে পরমাণু সম্পর্ক গড়ে তোলার প্রস্তাব এখনও মার্কিন কংগ্রেসে পাশ হয়নি। পাছে সেই প্রক্রিয়ায় ব্যাঘাত ঘটে, সে জন্য সম্ভরণে পা ফেলছে সাউথ ব্লক।

বস্তুত গত জুনে যে দিন ওয়াশিংটনে ভারত-মার্কিন দীর্ঘমেয়াদি প্রতিরক্ষা সমঝোতায় সই করেছিলেন প্রণববাবু, সে দিন থেকেই ক্ষুদ্র বেজিং। চিনের সরকারি মুখপত্র পিপলস

ডেইলি, পিপলস লিবারেশন আর্মি পত্রিকা-সহ সে দেশের ছোট বড় কোনও পত্রিকাই অভিযোগের তর্জনী তুলতে বাদ রাখেনি। সেই প্রেক্ষিতে ভারত-মার্কিন পরমাণু চুক্তি ও দু'মাস আগে বুশের সফর বেজিংয়ের ক্ষোভ-উদ্বেগ আরও বাড়িয়েছে বৈকি।

কিন্তু এ-ও যেন ইতিহাসেরই পুনরাবৃত্তি। আট বছর আগে বাজপেয়ী সরকার যখন পোখরানে পরমাণু বিস্ফোরণ ঘটিয়েছিল তখন এতটাই চটেছিল চিন। তাৎপর্যপূর্ণ হল, তখন চিনের সঙ্গে গলা মিলিয়েছিল আমেরিকা। আর এখন উল্টো চিত্র। আন্তর্জাতিক দুনিয়ায় কূটনৈতিক সম্পর্কের এ-ও এক অদ্ভুত পুনর্বিন্যাস বটে। কিন্তু বুশ প্রশাসনের সঙ্গে পরমাণু চুক্তির পরে প্রতিবেশী দেশগুলির অসন্তোষ কমানো যে জরুরি, বুঝতে দেরি হয়নি নয়াদিল্লির। তাই মস্কোর ধাঁচেই বেজিংয়ের ক্ষোভ প্রশমন করলেন প্রতিরক্ষামন্ত্রী।

কিন্তু কী বলল নয়াদিল্লি?

আজ ভারতের তরফে আরও এক বার স্পষ্ট করে দেওয়া হল, নয়াদিল্লির বিদেশনীতি সাবালকত্ব আর স্বাধীনতা চায়। সাবেক জোট নিরপেক্ষ বিদেশনীতিই এখনও নয়াদিল্লির কূটনৈতিক ভিত। অর্থাৎ মনমোহন সিংহ যেমন বলেন, ন্যাম (নন অ্যালায়েনমেন্ট মুভমেন্ট) নেই আবার ন্যাম আছেও। 'জো ছজুর' বিদেশনীতিতে বিশ্বাসী নয় ভারত। আর এই কথাটা স্পষ্ট করে দিতে গিয়েই বাই বিল্ডিংয়ে সামরিক কমিশনের ভাইস চেয়ারম্যানের সঙ্গে বৈঠকে নয়াদিল্লির হাতে রইল ইসলামাবাদ প্রসঙ্গ। ইসলামাবাদের পরমাণু কর্মসূচি, তাকে সমরাস্ত্র সরবরাহ, যৌথ সামরিক মহড়া— গত অর্ধ শতাব্দী ধরে তো এ সবই করে এসেছে চিন। তা এখনও চলছে। সাম্প্রতিকতম নজির পাকিস্তানের নতুন

গদর বন্দর, যা গড়তে পূর্ণ সহযোগিতা করেছে দক্ষিণ এশিয়ার বৃহত্তম রাষ্ট্রটি। তা ছাড়া, গত সপ্তাহেই পাকিস্তানের সঙ্গে ছয় বিলিয়ন ডলারের অস্ত্রচুক্তি করেছে চিন। ইসলামাবাদে চিনা দূতাবাসে ঘটা করে পালন করা হয়েছে চিন-পাক কূটনৈতিক সম্পর্কের পঞ্চদশ বছর পূর্তি উৎসব। সেই প্রসঙ্গ টেনেই সাউথ ব্লকের স্পষ্ট বক্তব্য, পাকিস্তানের সঙ্গে চিনের কূটনৈতিক সম্পর্ক যেমন স্বাধীন, ততটাই স্বাধীন ভারত-মার্কিন, নয়াদিল্লি-বেজিং সম্পর্ক। সুতরাং বুশ প্রশাসনের সঙ্গে যাই হোক না কেন, ভারত-চিন 'ভাই ভাই' থাকছেই। এখানে কোনও বেরিতার প্রশ্ন নেই।

এ কথাটা বলার পাশাপাশি গত কাল বেজিংয়ে আরও একটি ঐতিহাসিক ঘটনা ঘটিয়েছেন প্রণববাবু। তা হল, ভারত-চিন সামরিক সহযোগিতার সমঝোতাপত্র স্বাক্ষর। এর মধ্যে দিয়ে চিন-পাকিস্তান অক্ষকেও স্বাভাবিক ভাবেই চাপের মধ্যে ফেলে দিল সাউথ ব্লক।

ভারত-মার্কিন সহযোগিতা প্রক্ষে চিনকে শান্ত করে আজ স্বদেশে বামেদের কাছেও বার্তা পৌঁছে দিলেন প্রণববাবু। ভারত-মার্কিন পরমাণু চুক্তি নিয়ে বামেরাও কম ঝঞ্জট করেননি। তাই এ বার অন্তত চিনের সঙ্গে সুসম্পর্কের নতুন অধ্যায় রচনা করে সেই বামেদের তুষ্ট রাখারও একটা পথ খুলে গেল। পাশাপাশি, ভারত-চিন বাণিজ্যিক সম্পর্ক আরও প্রসারিত করার মধ্যে পশ্চিমবঙ্গের স্বার্থও অন্তর্নিহিত রয়েছে। নাথুলা দিয়ে বাণিজ্য পুরোদমে চালু হয়ে গেলে অন্যতম লাভবান হবে পশ্চিমবঙ্গ। রাজ্যে চিনের বিদেশি লগ্নি টানার জন্য ইতিমধ্যেই সচেষ্ট হয়েছেন নিরুপম-বুদ্ধবাবুরা। সুতরাং প্রণববাবুর আজকের কূটনৈতিক দৌতোর সুদূরপ্রসারী প্রভাবের প্রভূত সম্ভাবনা রয়ে গেল।

Pact doesn't target anyone: China

MoU signed on Monday provides framework for expanding defence cooperation

PRESS TRUST OF INDIA
BEIJING, MAY 30

MAKING it clear that the historic Sino-India pact on defence cooperation was not targeted at any third country, China today said it was beneficial for the growth of bilateral military ties, which were an important component of the state-to-state relations.

Chinese premier Wen Jiabao, who held talks with the visiting Defence Minister Pranab Mukherjee here, declared the Indian minister's visit to China a 'success'.

He noted that Mukherjee and Chinese Defence Minister General Cao Gangchuan had reached "extensive con-

sensus" during their bilateral talks yesterday. Wen also said that military-to-military ties were an important component in state-to-state relations.

Mukherjee, now on the third day of his six-day official visit, acknowledged that he had a "very useful" dialogue with his Chinese counterpart yesterday. "The MoU (signed yesterday) between the two countries provides a framework to



Pranab Mukherjee with Chinese Premier Wen Jiabao at the Zhongnanhai Compound in Beijing on Tuesday. AP

earlier during a meeting with Mukherjee.

On the uneasy ties between Beijing and New Delhi in the past, the spokesman asserted that the two neighbours had enjoyed friendly ties in the past 2,200 years. The misunderstanding existed for a minor part of their bilateral ties.

Meanwhile, the state-run *China Daily* in an editorial on Mukherjee's visit, urged both India and China to bury their 'unpleasant past'. "India and China must bury their unpleasant past. Friendliness accounts for 99.99 per cent of the 2,200-year-old Sino-Indian exchanges and misunderstandings merely 0.01 per cent. It is high time we buried that 0.01 per cent," the newspaper said.

Commenting on the memorandum of understanding on defence cooperation, Foreign Ministry spokesman Liu Jianchao told reporters that the Chinese side held that the signing of the MoU would be beneficial to the growth of Sino-Indian military relations and "will not target any third country."

Cao and Mukherjee yesterday pledged to deepen military exchanges between the armed forces of the two countries, Liu said.

China has pledged to step up strategic and cooperative relations with India in 2006, a year of friendship between China and India, Chinese foreign minister Li Zhaoxing said

৩০ মে

সামরিক চুক্তিতে ভারত-চীনের সম্পর্কের উন্নতি হবে: জিয়াবাও

জিয়াবাও
সম্পর্ক

বেজিং, ৩০ মে (সংবাদ সংস্থা)— বেজিংয়ে গতকাল ভারত-চীনের মধ্যে প্রথম সামরিক সমঝোতা চুক্তি হওয়ার পর চীনের প্রধানমন্ত্রী ওয়েন জিয়াবাও বললেন, ওই ঐতিহাসিক চুক্তিতে দু'দেশের দুই সেনাবাহিনীর পারস্পরিক সহযোগিতায় দু'দেশের সম্পর্কের উন্নতি হবে। আজ প্রতিরক্ষামন্ত্রী প্রণব মুখার্জির সঙ্গে বৈঠকে চীনা প্রধানমন্ত্রী জিয়াবাও বলেন, এই সমঝোতায় আপনার চীন সফর সফল হয়েছে। গতকাল চীনের প্রতিরক্ষামন্ত্রী কাও গাংচুনের সঙ্গে প্রণবের বৈঠকের বিষয়টি উল্লেখ করে জিয়াবাও বলেছেন, আপনারা যেভাবে বহু বিষয়ে বিস্তৃত আলোচনা করে ঐকমত্যে পৌঁছেছেন তা প্রশংসনীয়। বন্ধুত্বপূর্ণ সমঝোতায় যে চুক্তি হয়েছে তা দু'দেশের কাছেই গুরুত্বপূর্ণ। গতকালের এই চুক্তিতে ভারতের সেনাবাহিনী ও চীনের গণফৌজের যৌথ মহড়া, প্রশিক্ষণ ছাড়াও পর্বতাঞ্চল তল্লাশি, উদ্ধারে যৌথ অভিযানের কথা বলা হয়েছে। চোরাচালান দমনে ব্যবস্থা, সন্ত্রাস দমনের বিষয়ও রয়েছে এই সমঝোতা চুক্তিতে। আজ প্রণববাবু চীনের কেন্দ্রীয় সামরিক কমিশনের ভাইস চেয়ারম্যান গুও বশিংয়ের সঙ্গেও বৈঠক করেন। বৈঠক করেন চীনা বিদেশমন্ত্রী লি বাওশিংয়ের সঙ্গেও।



বেজিংয়ে বৈঠকে প্রণব ও জিয়াবাও। মঙ্গলবার। ছবি: পি টি আই

31 MAY 2006

ANADABAZAR PATRIKA

90
103

Iran has a secret nuke plan: PM

9/2/80
- from Am. news

SF. 5
19/9

Statesman News Service

India.

NEW DELHI, April 18: The Prime Minister, Dr Manmohan Singh, today said that Iran had a "clandestine" nuclear programme for several years and that it is not in India's interest to have another nuclear weapon state in its neighbourhood.

The PM told this to a delegation of Muslim organisations led by Delhi Jama Masjid's Imam Syed Ahmed Bukhari, said an official release. "Iran should have all the rights and duties of a signatory state to the NPT," the Prime Minister told them.

Dr Singh sought to dispel the impression that India was bowing to the United States' pressure on the Iran nuclear issue. "There is no question of succumbing to external pressure with regard to foreign policy," he said in response to a question by a delegate on India's vote against Iran at the IAEA. He told them that the improvement in relations between India and the USA was in the interests of

The delegation informed the PM that a national conference of Muslims was held in the Jama Masjid on 18 March in which certain resolutions relating to major issues facing the community were adopted.

The Imam presented a memorandum to Dr Singh enclosing the list of such issues, with demands for an economic package for riot-hit Muslims and reservation of jobs for Muslims in Central and state governments.

The PM said the government was committed to addressing "genuine" problems of the Muslims and provide equitable opportunities for its economic and educational advancement. Dr Singh said the committee under Justice Rajinder Sachar set up to prepare a report on the social, economic and educational status of Muslims in the country was expected to present its findings in the near future.

The Imam hinted at launching a political front if the demands were not met.

13 Apr 2000

India and the Gulf — cementing ties

With the political and business environment in the West deteriorating for them, many Arab countries have begun to look East. And India is an attractive destination.

Atul Aneja

SEVERAL POLITICAL and economic factors have converged to boost India's ties with the six oil-rich nations straddling the Persian Gulf. The second industrial conference between India and the Gulf Cooperation Council (GCC) countries that concluded in Muscat appeared to have appreciated this change. The political signals showing that both sides were keen on upgrading their relationship were amply visible. The meeting was set in motion in the presence of Union Commerce and Industry Minister Kamal Nath and his counterparts from the grouping. GCC Secretary-General Abdulrahman bin Hamad Al Attiya was also present.

Diplomatic sources told *The Hindu* that the September 11, 2001, attacks in the Unit-

ed States in which Arab country nationals were involved had triggered a chain of events that had helped to make the GCC more receptive to developments in Asia, especially India and China. Citizens of many Gulf countries have been struggling to get visas, once available in abundance, to the U.S. and Europe. A cultural backlash in the West has also targeted Arabs after 9/11, discouraging interaction.

The January visit to India by King Abdullah bin Abdulaziz of Saudi Arabia, undoubtedly the most influential of the GCC countries, has also sent the right signals within the grouping to build a closer relationship with New Delhi.

Besides, questions are being raised in the Arab world about the viability of doing business with the U.S. and Europe, after political considerations blocked a commercial deal

that would have put the United Arab Emirates-based Dubai Ports World in charge of running six American ports. With the political, cultural, and business environment in the West deteriorating, many Arab countries have begun to look East.

Faced with rising unemployment rates and finite oil and gas reserves, GCC members are now serious about diversifying. Countries with smaller oil and gas deposits have already made a head start in this direction. Consequently, GCC businessmen during the Muscat conference focussed their attention beyond oil. Specifically, they sought Indian expertise in information technology, biotechnology, Small and Medium Enterprises (SME), and education.

With an estimated demand of at least \$150 billion to develop infrastructure, India is looking for large investments from the Gulf,

which is flushed with funds due to the surge in oil prices.

The buoyancy in the India-GCC relationship has already begun to show. India's non-oil trade with the GCC stands at \$20 billion, equal to its trade with the Europe. A Free Trade Area agreement with the GCC, which will also cover investments and services, is likely to be concluded in early 2007.

However, this initiative alone may not be enough to sustain the momentum that India-GCC ties have begun to acquire. Accordingly to a diplomat, who did not wish to be named, the GCC needs "an integrated package" from India that would cover all aspects of the relationship.

India, he said, must offer sustained manpower resources, technology and R and D inputs to the Gulf countries to enable their assured development.

Iran wants India's support on nuke issue

Our Political Bureau
NEW DELHI



IRANIAN
vice-president
Rahim
Mashaei on
Monday
sought India's
support for
Iran and its

nuclear programme. He said there was "good news" on the India-Pakistan-Iran gas pipeline. Calling Iran's nuclear programme "peaceful", Mr Mashaei, currently on a visit to India, said his country expected to support Teheran and "not be influenced by false propaganda of the West."

Iran's nuclear programme was "very much peaceful," Mr Mashaei said, adding: "the Prime Minister has said India is for peaceful solution of the issue." The visiting vice-president met Prime Minister Manmohan Singh on Saturday. He also said cooperation with India was a priority for Iran and that ties between the two countries were very good.

Mr Mashaei's visit comes at a time when Iran is garnering support from countries against the hard stand taken by the US, the UK and France in the United Nations Security Council.

The Economic Times

It is now 'Look West Asia' policy: Ahamed

2713 / HD-19
India - New Area
re

"Government has embarked on a path of deepening the ties with nations of the region"

R.K.Radhakrishnan

CHENNAI: After the successful 'Look East' policy that led to vast improvement in relations with east Asian countries, India was taking steps to strengthen ties with West Asian nations, Minister of State for External Affairs E.Ahamed said here on Sunday.

Stability in West Asia was critical not merely because India depended on the region for oil but also because of the huge Indian diaspora there.

"It is not merely oil that makes West Asia important to us. There are 4.5 million Indians who live and work there," said Mr. Ahamed ahead of his trip to Khartoum to participate, as an observer, in the Arab League summit.

The 22-member League's summit opens on March 28 in the Sudanese capital.

The United Progressive Alliance Government had embarked on a path of "widening and deepening" relationship with countries in the region, he told The

'The comprehensive economic pact to be signed with the six-nation Gulf Cooperation Council is part of the effort to build closer ties with these countries'

Hindu.

One part of this plan related to expanding the existing economic agreements and the other was strengthening the strategic partnerships with West Asian nations. The growing ties reflected in the number of visits by leaders of these countries to India and vice-versa, and exchange of business and trade delegations.

Arab affairs

"India has been playing a very prominent role in Arab affairs. We were invited when the Sudanese peace accord was signed [in

Nigeria] and we also participated in the Oslo conference and pledged our support," he said.

The comprehensive economic pact to be signed with the six-nation Gulf Cooperation Council was part of the effort to build closer ties with these countries. Non-oil trade had grown between India and west Asia and this would receive a further boost with the signing of the agreement. Mr. Ahamed said that in Khartoum he planned to talk to leaders of many countries, including Saudi Arabia, Egypt, Libya and Palestine.

Palestine issue

On Palestine, he was of the firm view that Israel and other governments should deal with the elected Hamas government. "What was Likud before it came to power in Israel, Hamas is no different," he said and added that the reluctance of Israel to hand over territories was proving to be a huge stumbling block on the road towards peace in Palestine.

27 MAR 1991

THE HINDU

Early meeting of India-Iran Joint Commission favoured

Iranian Vice-President calls on Manmohan Singh

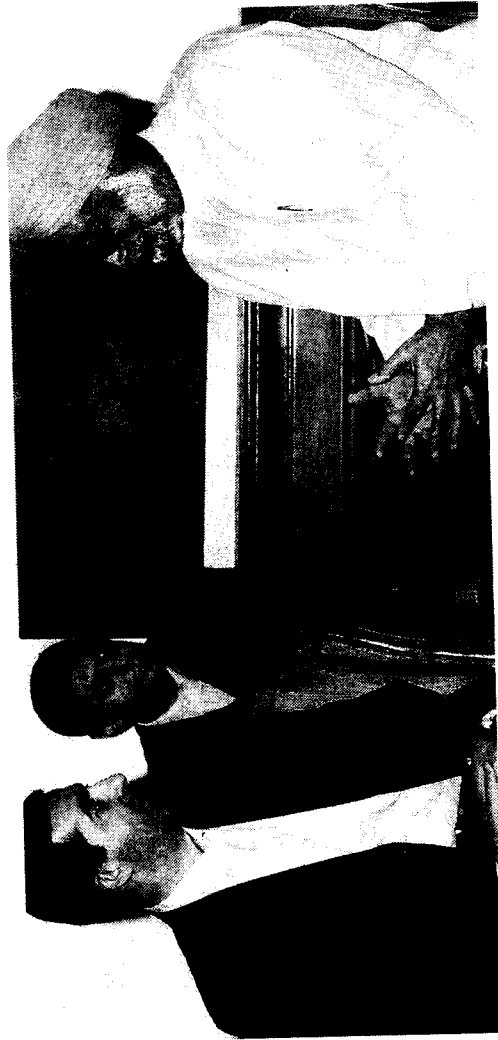
Special Correspondent

NEW DELHI: Iranian Vice-President Esfandiyar Rahim Mashae called on Prime Minister Manmohan Singh on Saturday and held discussions with him on bilateral ties. Ties with Iran have come under strain after India voted twice against Teheran at the International Atomic Energy Agency (IAEA).

An External Affairs Ministry statement said: "The two leaders emphasised the importance they attach to the civilisation[al] ties between the two countries and need for further strengthening bilateral cooperation, particularly in the energy sector and promoting the common cultural heritage of the two countries."

Dr. Singh and Mr. Mashae agreed on the need for an early meeting of the India-Iran Joint Commission.

During Natwar Singh's visit as External Affairs Minister to Teheran in September last, the two sides agreed to hold a Joint



FOCUS ON CULTURE: Prime Minister Manmohan Singh with Iranian Vice-President Rahim Mashae in New Delhi on Saturday. — PHOTO: PTI

Commission meeting in 2006. Mr. Mashae, who also heads the Cultural Heritage and Tourism Organisation of Iran, is participating in the Amir Khusro international seminar, being organised by Jamia Millia Islamia.

He will visit cultural sites and centres in Agra, Hyderabad and Bhubaneswar. Iran has not given clearance for a contract signed with India for supply of five million tonnes of liquefied natural gas a year.

Soon after New Delhi voted against Teheran in September 2005, an Indian diplomat was told by the Iranians in Vienna that the deal was off. So far, there has been no change in that position.

Handwritten notes in the top right corner of the page include a checkmark, the name "Prakash", and the date "Feb 11".

26 MAR 2006

THE HINDU

Pranab in Oman for talks on Dabhol gas supplies

He will call on Sultan Qaboos

Atul Aneja

DUBAI: Defence Minister Pranab Mukherjee is on a visit to Oman to discuss natural gas supplies for the Dabhol power project, apart from finalising the blue print for military cooperation in the future.

During his three-day visit, which began on Friday, Mr. Mukherjee carried forward the dialogue on gas supplies for the Dabhol plant, which began when Prithviraj Chauhan, Minister of State in the Prime Minister's Office, visited Oman in January.

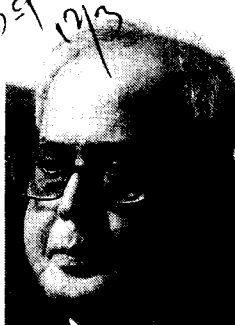
Diplomatic sources said a delegation, which includes representatives from the Gas Authority of India Limited (GAIL), and the Maharashtra State Electricity Board (MSEB) had arrived in Muscat ahead of Mr. Mukherjee's visit.

The Dabhol project would generate 2100 MW of electricity when both its phases come online, slashing Maharashtra's power shortage of 4,500MW by nearly half.

The sources said that the Omanese side had not yet made any commitment on the subject of gas supplies. Mr. Mukherjee would, however, call on the ruler of Oman, Sultan Qaboos, on Sunday. On Friday, he met Omar Zawawi, the foreign policy adviser to Sultan Qaboos, where talks covered a broad range of issues including the recent visit of U.S. President George Bush to India.

Defence cooperation

On security, both sides have identified the key elements of



Pranab Mukherjee

military cooperation in December 2005, when Oman's Defence Minister visited India. Mr. Mukherjee's visit is expected to build on this initiative by defining the institutional framework, which will concretise the defence relationship.

Recognising Oman's strategic location, close to the Straits of Hormuz from where there is a steady stream of oil tankers heading from the Persian Gulf towards Asia, both sides are looking at the possibility of establishing a ship repairing facility in Oman's waters.

A delegation from the Goa Shipyard and the Garden Reach Shipyard is currently on a visit to Oman's capital to discuss possible tie-ups in shipbuilding. With Oman showing interest in Indian military hardware, representatives of defence public sector undertakings, the Ordnance Factory Board and Bharat Electronics Limited are present in Muscat, coinciding with the Defence Minister's visit.

Mr. Mukherjee will visit the Oman's Wudham naval base and the Thumrait air base on Sunday. Oman's Chief of Air Staff is currently in Mumbai, less than a week after the Naval Chief, Admiral Arun Prakash, visited Oman.

India not for Iran regime change: Manmohan

more than this rd 10-1

"Diplomacy must be given time and adequate space to succeed"

Special Correspondent

NEW DELHI: Prime Minister Manmohan Singh on Monday said India strongly favoured giving time to diplomacy to resolve the complex Iran nuclear issue and that it was not part of any international effort to regime change in the region.

Responding to the concern expressed by the members of the Left parties in the Rajya Sabha on U.S. President George W. Bush's statement during his recent visit to India hinting at efforts to change the regime in Iran, the Prime Minister said: "I have no hesitation in saying that India is not part of any international effort to regime change in any part of our region."

To a clarification sought by Sharad Yadav (Janata Dal-United), Dr. Singh said the Iran nuclear issue figured during his

telephonic conversation with Russian President Vladimir Putin on Saturday night. "Our emphasis and sincere desire is that this matter should be resolved without taking recourse to coercive methods and any sort of confrontation as they only exacerbate tensions in the region and beyond. Diplomacy must be given time and adequate space to succeed," he said.

Dr. Singh added that Mr. Putin shared his views and assured him that Russia was also working along the same lines. Several issues of bilateral cooperation were also discussed with Mr. Putin.

Against confrontation

Replying to another clarification sought by Nilotpal Basu (CPI-M), Dr. Singh said that India did not favour confrontation

Houses to the debate on India's vote at the International Atomic Energy Agency (IAEA) on Iran's nuclear programme, the Prime Minister said that while dealing with the Iran issue India would keep in mind its own security, peace and stability in the Gulf region. Dr. Singh said it was yet not clear what position would be taken up by the Board of Governors of the IAEA at their meeting on Monday in Vienna.

"Discussions are taking place in Vienna on this matter. The Government's approach will be based on our consistent policy of promoting efforts for a resolution of issues through dialogue and discussions."

Assuring the members that the Government was monitoring the situation closely and would deal with the Iran issue with the seriousness it required, Dr.

Singh said India was of the view that confrontation must be avoided at all costs and that time must be given for diplomacy to work. "All sides must work to find mutually acceptable compromise solutions."

For expanding ties

Dr. Singh said that his Government was committed to widening, deepening and expanding India's ties with Iran for divers and mutually beneficial relations. Minister of State for External Affairs E. Ahamed has recently visited Iran and he talks with Iranian President Mahmoud Ahmadinejad at several other leaders of his government, he said. "Our desire to further deepen the friendly and productive ties between our two countries was fully reciprocated."

• Putin shared Manmohan's views on Iran issue

• India wants comprehensive peace and stability in the Gulf region

(over the Iran issue). "Confrontation is not in the interest of our country and confrontation is not in the interest of the Gulf region. We want peace and stability to be comprehensive in this region. It will be our effort to work with other like-minded countries, including members of Non-Aligned Movement to ensure a mutually satisfactory resolution of this complex problem. Diplomacy must be given time to succeed," he added.

In identical replies in both

THREAT TO RESUME URANIUM ENRICHMENT

Iran talks tough

Statesman News Service

NEW DELHI, March 5. — In a surprising but significant step ahead of the IAEA (International Atomic Energy Association) meet on the vexed Iran nuclear issue, the Prime Minister, Dr Manmohan Singh rang up Russian President Mr Vladimir Putin and appreciated Moscow's efforts to resolve the issue through dialogue and consultation.

The telephone talks late last night lasted 20 minutes, according to the Prime Minister's Office. The all-important IAEA board of governors meeting is slated for tomorrow.

The leaders exchanged views in context of the IAEA meeting, with Dr Singh welcoming and appreciating Mr Putin's endeavour to address the issue related to Iran's nuclear programme through dialogue and consultations.

Though Teheran has welcomed the Russian offer for a joint venture on Russian soil for uranium enrichment, it has made it clear that it would "not be intimidated". It has also been insisting on some enrichment even if it is only at the research-oriented small-scale level.

Iran and Russia had a series of talks in Moscow earlier this month during which Moscow offered set-

ting up a joint venture on Russian soil and insisted on restoration of status quo by Teheran that existed

before last vote by the UN nuclear watchdog's board of governors meeting in Vienna.

During the telephone conversation, Mr Putin and Dr Singh also discussed implementation of areas of cooperation identified during their last summit meeting in Moscow in December 2005 ahead of the forthcoming visit of Russian Prime Minister Mr Mikhail Fradkov later this month.

The Russian leader briefed the Prime Minister about the G-8 Summit being hosted by Russia in St Petersburg in July 2006 and Dr Singh conveyed acceptance of President Putin's invitation to participate in a

broader dialogue with G-8, according to the PMO.

The discussion also covered India-Russia bilateral economic and commercial relations. Dr Singh expressed satisfaction that the bilateral agreement on Russia's accession to the WTO had been signed recently in accordance with his commitment to him (Mr Putin) during their last meeting, the spokesman said. The two leaders also discussed the ongoing co-operation in civilian nuclear energy.

Another report on page 2

Manmohan, Putin exchange views

TEHERAN, March 5. — Iran today warned that it will start large-scale uranium enrichment if it is referred to the UN Security Council.

"If Iran's nuclear dossier is referred to the UN Security Council, (large scale) uranium enrichment will be resumed," Iran's top nuclear negotiator Mr Ali Larijani told a press conference.

"If they (the USA and its allies) want to use force, we will pursue our own path," he said.

The International Atomic Energy Agency will meet in Vienna tomorrow to discuss Iran's nuclear programme and decide whether to refer the issue to the Security Council which could impose sanctions on Teheran. Iran only has an experimental research programme and it would need months to begin any large-scale enrichment.

Mr Larijani also said Iran would not give up nuclear research and warned that taking Iran to the UN Security Council will not make the Islamic republic back down from pursuing a peaceful nuclear programme.

"Nuclear research and development is part of Iran's national interests and sovereignty and won't give it up," he said.

Mr Larijani's comment means Iran won't stop the research-scale uranium enrichment it began last month amid diplomatic efforts aimed at a possible compromise in negotiations with Russia and Europeans. "They (the USA and its allies) should not think that taking Iran to the UN Security Council will bring any achievement (for them). Of course, we don't welcome it. It has been our effort to resolve the issue through diplomatic means. We don't want anything beyond our legitimate rights (under the nuclear non-proliferation Treaty)," he said.

"Taking Iran to the UN Security Council is not an advantage for us and others. It can also make problems for others. However, it will not cause Iran to give up nuclear research and development. If anybody doubts this, they can test it," he told reporters.

"We have kept open all peaceful ways. We have no interest to use oil as a weapon because international morale security is important to us," he said.

Earlier, foreign ministry spokesman Mr Hamid Reza Asefi had said Iran could reach a nuclear agreement with Russia or Europe within the next few hours. — AP

NO VOTING AGAINST TEHERAN: CJ

Deal's fine but Iran on mind

Press Trust of India

BANGALORE, March 4. — The CPI-M today said that the Indo-US nuclear deal was not a serious issue to “rock” the UPA government, but warned the Centre against voting against Iran at the 6 March IAEA meeting.

“The nuclear deal is not a great threat to the government. If the government does not address the apprehensions raised by CPI-M, then we will have to think it over,” CPI-M Poliburo member Mr Sitaram Yechury told reporters here. The party would, however, wait for the announcement on the deal by Prime Minister Dr Manmohan Singh before offering its views, he said. “We are waiting for the Prime Minister’s statement on the deal. Dr Manomhan Singh has taken a correct stand by his decision to inform the Parliament on the issue,” he said.

He asked the government not to make any move to implement the deal until the US Congress made amendments in necessary laws. “We should go ahead only on the basis of reciprocity.” On the Iran issue, he iterated his party’s stand that India should not vote against Tehran at the 6 March

Advani denounces

PUNE, March 4. — Denouncing demonstrations by the Left parties against US President George Bush’s visit, Opposition leader in the Lok Sabha Mr LK Advani today said that India should decide for itself its the minimum credible nuclear deterrence. Addressing a group of students at the MIT School of Governance (SOG) here, he said that if they had any grievances, that should have sorted it out with the government. PTI

IAEA meeting, to refer that country’s nuclear programme to the UN Security Council. “It is not that CPI-M supports Iran’s nuke programme, but the issue should be settled within the IAEA,” Mr Yechury said. He wanted India to abstain from voting in the event of the issue coming for a vote.

Commenting on the Union budget, Mr Yechury said finance minister Mr P Chidambaram had not fully utilised the potential that existed to mop up resources to fund social sectors like agriculture. No other finance minister has had a better economic situation, with a zooming sensex, to raise more resources than the proposed Rs 6,000 crore, he said.

C 5 MGR 2005

THE STATESMAN

Stand on Iran not final: Pranab

Says India's position could change; efforts on to evolve consensus

Special Correspondent

NEW DELHI: The Government on Monday indicated that the position it took on the Iran nuclear issue at the February 5 meeting of the International Atomic Energy Agency (IAEA) was not final.

"We have never stated that this is our final position because the situation is evolving," Defence Minister Pranab Mukherjee said intervening in a discussion in the Lok Sabha.

Science and Technology Minister Kapil Sibal gave similar indications in the Rajya Sabha, responding to clarifications on Prime Minister Manmohan Singh's February 17 statement.

The issue was not just one of national interest but of enlightened national interest, he said.

"We are in a fluid situation and continue to be. We will look at the pros and cons when the situation presents itself on March 6. If it comes to vote, we will take a decision consistent with enlightened self-interest."

In the Lok Sabha, Mr. Mukherjee, responding to repeated queries why India had not abstained from voting at the meeting, indicated that its position could change. "We will continue to try to evolve a consensus and an arrangement that is acceptable to all. In a sensitive matter like this, we should have more time for talks and not take con-

frontationist positions that could precipitate matters."

The Minister sought to allay fears that India's vote would affect its historic ties with Iran, jeopardising bilateral agreements, existing and those in the pipeline.

To similar views expressed in the Rajya Sabha, Mr. Sibal said Iran had voted against India on several international resolutions in the Organisation of Islamic Conference and the International Human Rights Commission but that did not "spoil" the relations between the countries.

"We do not understand how our vote in the IAEA will spoil it now."

R 552 006

24/1/2006

LNG in pipeline despite IAEA vote

EXPRESS NEWS SERVICE
NEW DELHI, FEBRUARY 24

WHILE some tough negotiations were underway in South Block to seal the civilian nuclear energy cooperation agreement with the US, New Delhi was at the same time giving a message to Tehran yesterday that it was committed to the Iran-Pakistan-India pipeline.

This was conveyed to Iranian Deputy Foreign Minister Mehdi Safari, who is the first Iranian official to visit India after the recent IAEA vote at Vienna. "Both sides", the MEA spokesperson said "reaffirmed their commitment to the

Iran-Pakistan-India gas pipeline" and also hoped for an "early ratification of the LNG deal" that had already been signed.

This comes right after US President George W Bush told Pakistani journalists, in response to a query on the pipeline, that he would like to see a unified message go out from India, US and Pakistan to Iran that it must comply to non-proliferation commitments.

"What's important is that India, Pakistan and the United States work together to send a firm message to the Iranians that a development of a nuclear weapon is unacceptable."

Safari, who was slated to visit India few months ago, is here for regular foreign office consultations. He assured India that there was no thought in Iran to go back on any of its deals after the IAEA vote. Tehran is in talks with

Moscow to work out a plan for uranium enrichment that will give space for negotiations to resolve the matter.

India made it clear that "flexibility" was needed to find a solution to the issue and said all sides should "eschew con-

frontation" and "exercise restraint".

New Delhi had voted in favour of the EU-3 resolution that calls for reporting the matter to the UNSC but gives time for the IAEA DG to complete its report by March 6 when the IAEA board meets again on the issue.

Safari yesterday had talks with Minister of State for External Affairs Anand Sharma, National Security Adviser MK Narayanan and Foreign Secretary Shyam Saran.

'Both sides reaffirmed their commitment to the Iran-Pakistan-India gas pipeline and also hoped for an "early ratification of the LNG deal" that had already been signed'

2005

INDIAN EXPRESS

Security concerns behind stance on Iran: Manmohan

India. West Asia

HO-1

1812

Cites proliferation in extended neighbourhood

Special Correspondent

NEW DELHI: Prime Minister Manmohan Singh on Friday cited "security concerns arising from proliferation activities in our extended neighbourhood" and Teheran's failure to adhere to international commitments as the main reasons for India's current stance on the Iran nuclear issue.

Making identical statements in both Houses of Parliament, Dr. Singh, said Iran "clandestinely" imported centrifuges and designs, whose source "lies in our own neighbourhood, details of which have emerged from successive reports. ... India cannot afford to turn a blind eye to the security implications of such proliferation activities."

Iran's activities

He urged the members to view the issue of Iran's rights and obligations in the context of developments over the past three years. Initially, Iran allowed International Atomic Energy Agency (IAEA) investigations into its nuclear activities, some of which were undeclared. It also suspended enrichment and processing till questions relating to its past nuclear activities were clarified. But late last year, it resumed uranium enrichment and the production of uranium hexafluoride.

Concerned at the escalating rhetoric and the possibility of a confrontation over the issue, the Prime Minister advocated all sides to exercise "restraint, demonstrate flexibility and continue with dialogue to reach an amicable

ble solution." The Government was also aware of the need to balance important considerations, including its strong relationship with Iran. "We have every intention of ensuring that no shadow is cast on these bonds," he assured. India remained committed to the proposed Iran-Pakistan-India gas pipeline, but the economics of the project was being examined.

India's political, economic and security interests would be adversely affected if the situation deteriorated in West Asia as it hosts 35 lakh Indian citizens, "whose welfare is a major concern of my Government."

"Therefore, our approach has been consistently in favour of promoting all efforts to find a

solution based on acceptable mutual compromises, in which Iran's interests and the concerns of the international community would be addressed. We have consistently worked to promote a consensus in the IAEA towards this end."

At the same time, Dr. Singh hoped the current talks on locating a nuclear enrichment facility on Russian soil to meet Iranian requirements would have a positive outcome. "It is also our hope and belief that the issues that have arisen can still be resolved through discussion and dialogue."

Text of statement: OP-ED Page

Discussion on February 23

Neena Vyas

NEW DELHI: Parliament will discuss the Iran issue on February 23. This was the outcome of a meeting Parliamentary Affairs Minister Priyaranjan Dasmunsi had with Leader of Opposition in the Rajya Sabha Jaswant Singh and other party leaders.

It was pointed out that on February 20 the Prime Minister would be busy with the visit of French President Jacques Chirac. Moreover, Lok Sabha Speaker Somnath Chatterjee and some party leaders did not want to break

with the tradition of discussing the President's address through a motion of thanks before taking up any other discussion.

It was agreed that the completion of the debate on the motion of thanks would be advanced by a day to February 22 with the Prime Minister giving his reply the same day in both Houses. The discussion on Iran will take place the next day. By and large Congress was pleased that the "feedback" they received from the Opposition and supporting parties on the Prime Minister's statement was "good."

THE HINDU

Full text of Prime Minister Manmohan Singh's *sub moto* statement on Iran in Parliament

'India's vote does not detract from the friendly relations we enjoy with Iran'

TAKING into account the concerns that have been raised about India's vote on the Iran nuclear issue at the meeting of the governing board of the International Atomic Energy Agency in Vienna, on February 5, 2006, I rise to apprise this august House of the facts of this matter. Let me begin by affirming that India's vote on the IAEA resolution does not, in any way, detract from the traditionally close and friendly relations we are privileged to enjoy with Iran. Indeed, India-Iran ties, as we have repeatedly empha-

when IAEA began seeking answers to a number of questions arising from Iran's nuclear activities, some of which were undeclared to the IAEA in previous years.

Subsequently, in context of these demands, Iran did extend cooperation to the IAEA in investigations of its some of these activities. In November 2004, Iran agreed with the EU-3 (France, Germany, and the UK) to voluntarily suspend all enrichment and reprocessing activities until questions relating to its past nuclear activities were clarified by the IAEA.

However, since August last year, Iran has renewed production of uranium hexafluoride and, thereafter, has resumed uranium enrichment. Successive reports of the director general of the IAEA have noted that while Iran's cooperation has resulted in clarifying a number of questions, there remain many unresolved questions on key issues. These include the use of centrifuges imported from third countries, and designs relating to fabrication of metallic hemispheres. Hon'ble members are aware that the source of such clandestine proliferation of sensitive technologies lies in our own neighbourhood, details of which have emerged from successive IAEA reports. This august House will agree that India cannot afford to turn a blind eye to security implications of such proliferation activities.

The objectives of upholding Iran's rights and obligations and our security concerns arising from proliferation activities in our extended neighbourhood have shaped our position. Therefore, our approach has been consistently in favour of promoting all efforts to find a solution, based on acceptable mutual compromises, in which Iran's interests and the concerns of the international community would be addressed. We have consistently worked to promote a consensus in the IAEA towards this end. This has been the logic of our stand at the IAEA board of governors meetings both in September 2005 and earlier this month.

I might remind hon'ble members that it is only on these two occasions that the resolution that resulted has not been a consensus one, and a vote has been necessary. Despite that, in the latest vote this month, the resolution not only had



Hon'ble members are aware that the source of such clandestine proliferation of sensitive technologies lies in our own neighbourhood, details of which have emerged from successive IAEA reports. This august House will agree that India cannot afford to turn a blind eye to security implications of such proliferation activities

the support of all P-5 countries including Russia and China, but also of important NAM and developing countries such as Argentina, Brazil, Egypt, Ghana, Singapore, Yemen and Sri Lanka. The resolutions passed in September last year and earlier this month underlined

efforts including through exploration of the option provided by Russia, which we have supported.

Hon'ble members are aware that Russia had offered to locate a joint venture project on Russian soil to address Iranian needs for enriched uranium, provided Iran

I would like to reiterate our unshakeable conviction that such a sensitive issue, which concerns the rights and international obligations of sovereign nation and a proud people can only be addressed through calm, reasoned diplomacy and the willingness on all sides to eschew confrontation and seek acceptable compromise solutions

the need for time to be given for diplomatic efforts to continue. The recent resolution of February 5 asks the director general of IAEA to inform the UN Security Council of the status of negotiations with Iran, and the steps that Iran needs to take to address these questions. It calls for continued diplomatic ef-

suspends its enrichment programme to increase international confidence regarding the unresolved questions of the last two decades. Russia and Iran are currently in discussions on the subject, and we remain hopeful of a positive outcome. It is our hope and belief that the issues that have

arisen can still be resolved through discussion and dialogue.

Mr Speaker, Sir, I have set out the background in which we have taken a position at the IAEA. I would like to reiterate our unshakeable conviction that such a sensitive issue, which concerns the rights and international obligations of sovereign nation and a proud people can only be addressed through calm, reasoned diplomacy and the willingness on all sides to eschew confrontation and seek acceptable compromise solutions. We are therefore deeply concerned by escalating rhetoric and growing tensions and the possibility of a confrontation over this issue. This is a matter of concern for us as tensions in this region — where our vital political, economic and security interests are involved — affects us directly. The region hosts 3.5 million Indian citizens whose welfare is a major concern of my government.

We therefore call upon all concerned to exercise restraint, demonstrate flexibility and continue with dialogue, to reach an amicable solution. As I mentioned, there will be another meeting of the IAEA board in March this year at which a full and regular report will be presented by the IAEA director-general.

In the days to come, we will support diplomatic efforts in this regard, drawing upon our friendly relations with all the key countries involved. The government is conscious of the need to balance several important considerations in this regard. We have a strong and valuable relationship with Iran which we would like to take forward in a manner that is mutually beneficial. We have great respect and admiration for the Iranian people with whom our fraternal ties go back several millennia. We have every intention of ensuring that no shadow is cast on these bonds.

In the overall context that I have outlined in detail, I am confident that this august House will agree that the stance taken by this government has been consistent and in keeping with our own well considered and independent judgment of our national interests. I am confident that this policy will receive the support of this House and our nation.

For
the
RECORD

sised, are civilisational in nature. We intend to further strengthen and expand our multifaceted ties with Iran to mutual benefit.

Let me also state that the importance of India's relations with Iran is not limited to any single issue or aspect. This relationship is important across a wide expanse of cooperation, both bilateral and multilateral. We also cooperate on regional issues. We value this relationship and intend to do what we can to nurture bilateral ties. Let me reiterate in this context that we are committed to the proposed Iran-Pakistan-India gas pipeline. The economics of this project is currently under professional investigation by internationally reputed consultants. This is a necessary step in taking the pipeline project forward.

On the specific issue of Iran's nuclear programme, let me reiterate what I've said publicly on several occasions. As a signatory to the NPT, Iran has the legal right to develop peaceful uses of nuclear energy consistent with its international commitments and obligations. It is incumbent upon Iran to exercise these rights in the context of safeguards that it has voluntarily accepted upon its nuclear programme under the IAEA. These rights and obligations must also be seen in context of developments since 2003,

'India, GCC trade to touch \$25 b by 2010'

Statesman News Service

NEW DELHI, Feb. 12. —

The two-way trade between India and the Gulf Cooperation Council (GCC) has the potential of touching \$25 billion by 2010 from the present level of \$16.3 billion, the Associated Chambers of Commerce and Industry of India (Assocham) has said.

A white paper on 'Indo-GCC Trade Prospects' brought out by the Assocham projected the share of India's exports to touch \$15 billion, while GCC imports to India would go up to \$10 billion by 2010. The current level of two-way trade is about \$16.3 billion, of which Indian exports to GCC comprise \$9.4 billion against imports of \$6.9 billion, the chamber reveals.

According to the findings of the paper, drafted for the chamber's conference on Indo-Gulf cooper-

ation to be held on 13 February. India's trade with GCC countries in terms of its exports have registered an increase of 33.04 per cent from 2003-04 to 2004-05 from a figure of \$7 billion to over \$9.4 billion. As regards imports from GCC countries, they went up by 115 per cent from 2003-04 to 2004-05 from a little over \$3 billion to \$6.9 billion. The total trade in terms of percentage has gone up by 58.59 per cent during the period.

Crude oil import from GCC countries would form a major contribution in India's import trade basket as manufacturing in the domestic industry would accelerate substantially, and lead to higher energy demand for the domestic industry. India is projected to replace South Korea and emerge as the fourth largest consumer of energy after the US, China and Japan.

India can contribute to peace: Israel

Both sides are open to hear Indian views

NEW DELHI: As the recent electoral victory of Hamas radical outfit puts a question mark on the future of the West Asia peace process, Israel on Thursday said India could "contribute" by talking to both Palestinian and Israel but asserted that it would not deal with the group till it shunned violence.

However, the issue had to be resolved bilaterally between Israel and Palestine, Israeli Ambassador to India David Danieli said in an interview to PTI here.

"We are very much of the view that the issue should be resolved bilaterally. We wish it to be done directly across the negotiation table," he said amid apprehensions over the peace process after Hamas' victory.

On whether New Delhi can play a role in sustaining the peace process, the envoy said, "India certainly can contribute by having a dialogue with Palestinians and with Israel. India maintains equally good relations with both. So the ears of both sides are certainly open to hear Indian views and advice."

He emphasised that Israel would have ~~nothing to do with~~ Hamas, despite its electoral victory, till it renounced violence and recognised Israel's right to exist.

"One cannot expect Israel to engage in a political process with a terrorist entity. Hamas has been responsible for the killing of over 500 Israelis in the last two years alone," he said.

"If the Hamas wishes to move forward for a dialogue with Israel, it has to change. It has to climb down from the high tree and satisfy the demands put in by the international community," the envoy underlined.

Mr. Danieli, a career diplomat who has been in India for the last two-and-a-half years, spoke on a wide range of issues such as growing cooperation between

No talks with Hamas till it shuns violence

Israel worried about the nature of Iran's nuclear programme

• Scope for nuclear deal with India ruled out

India and Israel in various sectors, including defence, agriculture and science and technology. Asked about indications of Israel and Pakistan forging links for the first time, he said: "I assure Indian friends that none would come at the expense of wonderful bilateral relations between Israel and India."

On Iran's nuclear issue, he said Israel shared the concerns of the international community and hoped for an "appropriate solution that will alleviate our concerns as well as concerns of the international community in an adequate manner."

On India-Israel defence cooperation, Mr. Danieli said it had gone beyond the buyer-seller relationship to developing technology and equipment jointly. Pointing out that the defence ties were "growing steadily", the envoy said Tel Aviv was having joint cooperation with New Delhi "practically in every aspect of the sector."

Asked about the prospects of a civilian nuclear deal between India and Israel, he ruled out scope for any such development. "Israel has no nuclear deals with any other country. So I don't see the scope for such a deal," he explained.

He described as significant the visits of Ministers Kamal Nath, Sharad Pawar and Kapil Sibal to Israel recently, saying it had helped further consolidate the "robust" ties between the two countries.

India should work towards consensus on Iran n-issue: Left

Special Correspondent

NEW DELHI: The Left parties on Wednesday reiterated their stance that the Iran nuclear issue should be resolved peacefully and through negotiations within the framework of the International Atomic Energy Agency and hoped that India would work towards forming a consensus opinion.

They said they took note that the Foreign Ministers of the permanent members of the United Nations Security Council and Germany have jointly issued a statement on January 31 to "report" the Iran issue to the UNSC. But any decision to take action "to reinforce the authority of the IAEA process" will be deferred to March until the report of the IAEA Director General becomes available.

"We remain opposed to any 'referral' of the issue to the U.N Security Council as was earlier envisaged by the U.S. and some European countries. Our stand has been consistent that any IAEA resolution should preferably emanate out of a consensus opinion among the member-countries represented in the IAEA Board of Governors," the Left parties said in a joint statement after a meeting here.

They said they hoped the Government would work towards forming a consensus especially in consultation with the major countries of the Non-Aligned Movement.

DEFENCE | After 17 months of talks, deal reached on Jan 27 but kept under wraps

India, Israel tie up on next-gen Barak warship missiles

SHIVAKOOR
NEW DELHI, FEBRUARY 6

INDIAN indisputable sign that Indo-Israeli defence ties have matured, the governments of both countries have signed their first-ever joint weapons development contract to design and produce the Barak-II next-generation air defence missiles for warships.

After 17 months of complex inter-government negotiations, the deal was concluded on January 27 but kept under wraps for "political reasons", sources said. The Barak-II will be jointly developed by the Israeli Aircraft Industries (IAI), the Barak programme's secondary integrator Rafael and by the Hyderabad-based Defence Research & Development Laboratories (DRDL), with the two countries splitting the approximately \$330 million kick-start investment.

DRDO sources told *The Indian Express*, "It will be based on the original Barak, but we will work together for longer

by Israel when Navy chief Admiral Arun Prakash visited Tel Aviv in July 2004.

After a meeting of the Joint Working Group on December 24 that year, the Navy was asked to present its case, which culminated in the Cabinet clearing the agreement earlier this year.

Nine Indian warships, including the *INS Virat* aircraft carrier and the three *Delhi*-class destroyers, already have the 10-km range Barak-I system purchased in 2003. The government also cleared the purchase of seven more Barak-I systems two months ago to be fitted on the *Talwar*-class frigates.

The new Indo-Israeli variant, to be developed over three years, will be built for a targeting range of at least 50 km. Barak systems are configured to defend warships by automatically intercepting incoming sea-skimming missiles, aircraft and UAVs using a digital radar, which is calibrated to differentiate between hostile and friendly targets, and to engage two or more threats at the same time.

Pak to get P-3C Orions in March

PRESS TRUST OF INDIA
ISLAMABAD, FEBRUARY 6

PAKISTAN will receive the first batch of eight P-3C Orion maritime reconnaissance aircraft from the US next month. The aircraft is expected to enhance Pakistan Navy's maritime capability.

The first batch of the aircraft, which are being supplied free of cost, will be delivered in March, Deputy Chief of Naval Staff Rear Admiral Muhammad Shafi said.

"The aircraft are being provided free and the expenses for modification of aircraft avionics systems will be met mostly by the US military," Shafi told Pakistan's INP news agency.

"We are trying to get the rest of planes before schedule to meet the maritime

threat," he added. The US had decided to provide Pakistan with the aircraft in recognition of the latter's role in the ongoing war against terrorism. The present deal is part of US military assistance package.

Pakistan was expected to get two P-3C Orion in the first phase. The aircraft is expected to improve command-and-control capabilities. "Pakistan is already using Orion aircraft and it has met all expectations of the nation's Navy. Its effectiveness has propelled the country to get more upgraded versions of the aircraft from the US and rest of the aircraft are in the pipeline," Defence spokesman Shaukat Sultan said.

"Pakistan has tried and tested Orion and it is matchless for reconnaissance operations," Sultan said.

range, a more refined seeker, a long-range target-tracking system, better downlinking capabilities and possibly a new propulsion system and payload capacity."

In a phased manner, the Barak-I and, when ready, the Barak-II missiles will replace

the ageing Russian OSA-M and Volna RZ-31 missiles still in operation on most Indian warships. Navy sources pointed to the inherent advantage of the Barak family's digital systems over the analog computers that guide the Russian missiles.

The Navy has expressed its satisfaction with the Barak-I's performance and has given its full support for the next variant. Israeli efficiency is also a factor as compared to the traditional delays of dealing with the Russians. The joint-development offer was first made

1 FEB 2006

India votes for Iran referral

SNS and Agencies

NEW DELHI/VIENNA, Feb. 4. - Along with 26 other nations, India today voted in favour of reporting Iran to the Security Council by dint of a resolution in the UN nuclear agency. "Well-balanced" was how India described the decision, allowing six weeks for more intense negotiations before any action could be taken against the Islamic republic. The 35-member board of governors of the Vienna-based International Atomic Energy Agency today passed the resolution 27-3 with five abstentions. The three opponents, predictably, were Syria, Cuba and Venezuela. Indonesia, Belarus, Algeria, South Africa and Libya made themselves scarce. India, which has said that a confrontation should be avoided and

that the matter be resolved within the purview of the IAEA, noted that the resolution had left "six weeks, before a March IAEA board meeting, for diplomatic efforts to continue and to get negotiations between the EU-3 (Britain, Germany and France) and Iran back on track." The IAEA session was called by the EU-3 to report Iran to the Security Council for violating provisions of the nuclear non-proliferation treaty and for lack of confidence that its nuclear programme had no weapons component. The issues were reflected in the resolution but, at the same time, it also asked the Security Council not to take any punitive action against Iran until the IAEA director-general presented his report on 6 March. This was a concession to Russia and China, who had supported the EU-3 and the USA in a joint

statement released by foreign ministers in London on 31 January. The support by all the P-5 members made it easier for the UPA government to explain to India's Communists its endorsement of the resolution. The vote showed a clear divide in the non-aligned camp, with India, Sri Lanka, Singapore, Ecuador, Colombia, Ghana, Egypt and Yemen saying yes. Of the board's three Arab members, Egypt and Yemen voted in favour of the resolution. The external affairs ministry's spokesperson, Mr Navtej Sarna, said that several amendments suggested by non-aligned countries had been included in the final resolution. India said that its vote should not be interpreted as a move away from the traditionally close and friendly relations it enjoyed with Iran.

More reports on pages 10 & 12

- 5 FEB 2006

THE HINDU

India backs Russia's Iran plan

11-2 3/11



Mohammed El Baradei

By Indrani Bagchi/TNN

New Delhi: Ahead of next week's IAEA emergency meeting, India has thrown its weight behind a Russian enrichment proposal to Iran. Although this proposal is yet to achieve traction in Iran, India has now joined the US, EU-3 and China in backing the proposal.

The upshot of this may be that the IAEA governing board can, yet again, delay a referral to the UN Security Council, giving some much-needed breathing space to the UPA government here, battling its Left allies on the Iran vote. On Friday, Left parties asked the government to refrain from voting against Iran.

Significantly, India has also advocated giving time to IAEA director Mohammed El Baradei to complete a detailed report on Iran's nuclear behaviour. This is interesting because El Baradei has refused to submit a "sweeping" progress report before the next meeting, saying he would only submit it in early March, giving IAEA and Iran some extra time.

On Friday, MEA spokesman Navtej Sarna said India wanted to avoid confrontation and welcomed Iran's decision to resolve outstanding issues with the IAEA. Sarna said India had asked all IAEA governing board members as well as Iran to work to-

consider the Russian proposal. In the meantime, Iran broke the seals of its Natanz research facility and declared that a UNSC referral would prompt them to resort to "industrial level enrichment".

The Iranian tack is clear: by indicating willingness to negotiate it has created an uncertainty among the board members who may be reluctant to refer it to the UNSC just yet.

A final decision on how the P-5 will play at the meeting will be clear only on Monday when the foreign ministers of US, UK, France, Russia, China and Germany meet in London on the Iran crisis. It is likely that at the very least, there would be a consensus on getting Iran to restore the seals on the Natanz facility.

The US and EU-3's inclination to refer Iran this time hit a roadblock on two crucial counts: El Baradei's refusal to play ball, even though he admitted in a recent interview that he could not say for certain that Iran's nuclear intentions were peaceful in nature; and China's open refusal to consider UN sanctions against Iran. The US' botched diplomacy with India over the past few days too has not helped—India is very unhappy with Larijani's statement about the US-India deal, but India is equally miffed with the Americans for their sledgehammer diplomacy.

Left warns UPA on Iran, mute on FDI in retail

New Delhi: The Left parties on Friday swung between threatening strong action on the Iran issue and muted response on the government's decision to allow 51% FDI in dedicated retail chains of international brands.

Left decided to send a letter to the PM requesting that India should not vote against Iran in the IAEA. Asked what if government disregards its view, a senior Left leader said: "They should be prepared to face the consequences." But Left showed no such rancour on FDI in retail. At their meeting, they merely decided to activate retail trade merchants' organisations all over the country so that a country-wide protest could be organised.

The letter would also reiterate Left's resentment on US ambassador David Mulford's recent statement that the success of the Indo-US N-deal is linked in India voting in favour of the US at the IAEA. TNN

Saudi King signs four accords with Delhi



Saudi King Abdullah bin Abdulaziz Al-Saud with Prime Minister Dr Manmohan Singh ahead of a meeting in New Delhi on Wednesday. — AFP

Statesman News Service

NEW DELHI, Jan 25. — A day after arriving in India on a four-day landmark visit, the Saudi King Abdullah bin Abdulaziz today signed four accords, including one on combating terrorism, with New Delhi after talks with Prime Minister Dr Manmohan Singh.

The one-on-one meeting between the two leaders, which lasted for nearly 45 minutes, was followed by delegation-level talks for 30 minutes. During the talks, Dr Singh was assisted by the defence minister, Mr Pranab Mukherjee, the home minister, Mr Shivraj Patil, the petroleum minister, Mr Mani Shankar Aiyar, the sports minister, Mr Oscar Fernandes, the national security adviser, Mr MK Narayanan and senior government officials.

The Saudi Monarch was joined by his foreign minis-

ter, Prince Saud Al Faizal Bin Abdul Aziz Al Saud, chief of Saudi intelligence, chief of Saudi National Security Council and other senior members of his delegation.

Also signed by the two sides were an agreement on avoidance of double taxation, investment promotion and protection agreement and cooperation agreement in the field of youth and sports. The MoU on combating crime covering terrorism was signed by the home minister, Mr Shivraj Patil and Prince Saud al-Faizal bin Abdul Aziz al Saud. The agreements on avoidance of double taxation and investment promotion were signed by the defence minister Pranab Mukherjee and the Saudi finance minister Ibraheem Bin Abdul Aziz al Assaf. The cooperation agreement in the field of youth and sports was signed by minister of state for youth

affairs and sports Oscar Fernandes and Saudi culture and information Minister Iyad bin Ameen Madani.

In addition, six commercial memorandums of understanding (MoUs) were signed between top Indian and Saudi public and private companies.

Earlier, the Saudi king was given a formal ceremonial welcome in the forecourt of Rashtrapati Bhavan. He was received by President Dr APJ Abdul Kalam and Prime Minister Dr Manmohan Singh. Thereafter the king reviewed the inter-services guard of honour. He arrived in Delhi last night on a historic visit, the first by a Saudi monarch in 51 years, signaling a major transformation in relations between oil rich Saudi Arabia and energy-seeking India. Dr Manmohan Singh, departing from protocol, received the Saudi monarch at the airport.

STATEMENT ■ The Prime Minister invited Saudi businessmen to invest in infrastructure

Saudi anti-terror pact inked

tions between the two countries.

Meanwhile, stating that India requires investment of over 100 billion dollars in power and telecom sectors in the next five years, Prime Minister Manmohan Singh today invited Saudi Arabian business houses to undertake massive investment in the infrastructure sector, including airports and railways.

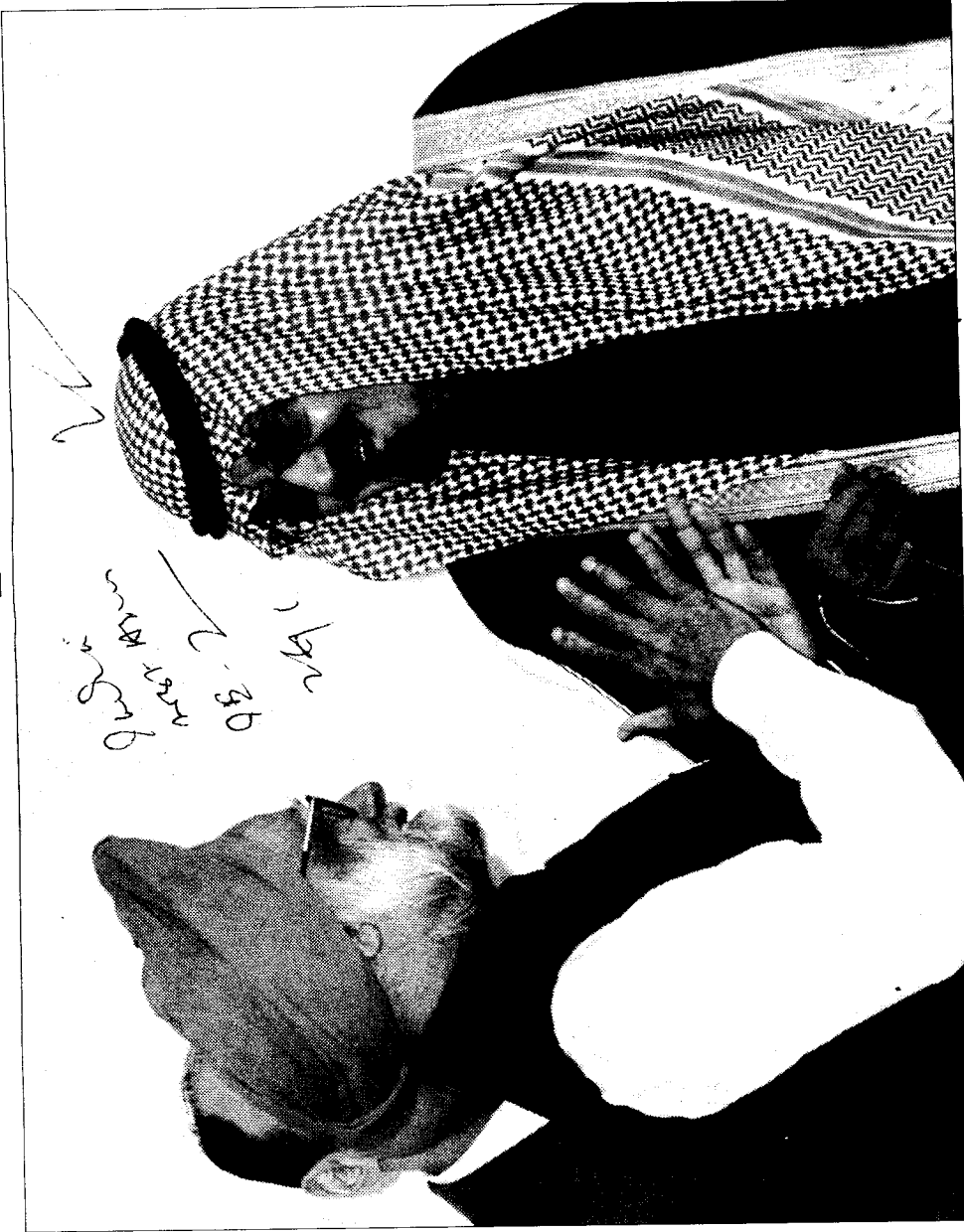
"I invite the business community of the kingdom of Saudi Arabia to take advantage of these opportunities to further establish mutually beneficial joint venture projects," he said at an Indo-Saudi Arabia business meet.

The Prime Minister observed that transportation infrastructure, including airports and railways, in India will require another 55 billion dollars over the next ten years.

The King invited Indian investment in agriculture, telecom, mining, energy and power.

The Saudi King termed India second home. Terming India as his "second home," Saudi King Abdullah Bin Abdul Aziz today said his visit would help in renewing the historical ties between the two countries.

"I thank President, Prime Minister and people of India for the warm reception accorded to me and my delegation," the King told reporters after he was accorded the ceremonial



Prime Minister Manmohan Singh with Saudi King Abdullah Bin Abdul Aziz after signing the agreements at Hyderabad House, in New Delhi, on Wednesday. Raaj Dayal

Guard of Honour by the three Defence services in the forecourt of the Rashtrapati Bhavan.

"The two countries share good relations in the past and my visit will help in renewing the historical ties between the two countries," he said. "I consider myself in

second home," the 83-year-old King said.

Earlier, the King, who arrived in the Capital last evening, was received by President A P J Abdul Kalam and Prime Minister Manmohan Singh at Rashtrapati Bhavan. He was introduced to the Union Cab-

talks.

India has been attaching a great significance to this visit, taking place after five decades.

Prime Minister Manmohan Singh had deviated from protocol to receive the Saudi Monarch at the Palam Technical Airport last evening.

HT INTERVIEW | King Abdullah of Saudi Arabia

For a new warmth with India through energised relations

PRAMIT Pal Chaudhuri
Rawdah Kraam (Saudi Arabia),
January 22

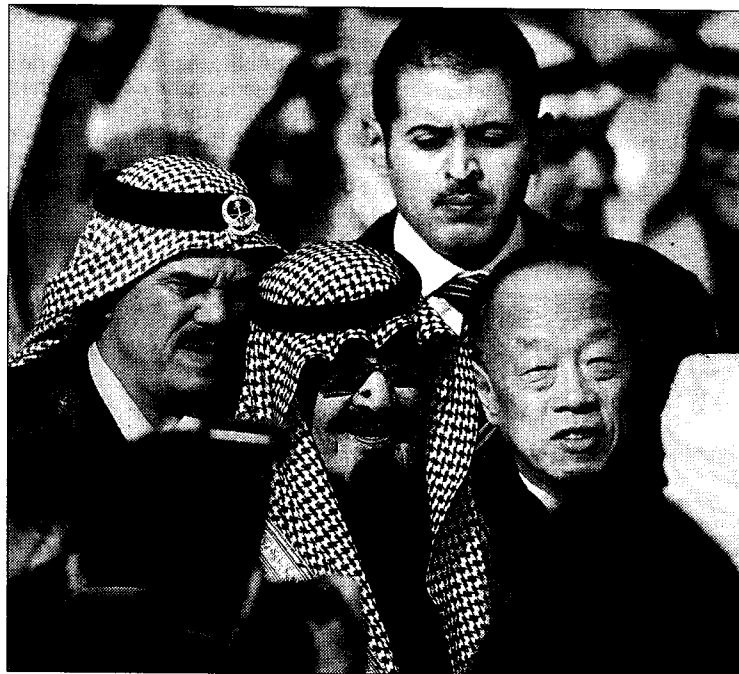
INDIA OCCUPIES a special place with Saudi Arabia and restoring bilateral ties "to its past glory" is one of his key objectives in visiting India this week, said King Abdullah of Saudi Arabia.

The Saudi ruler said he had been regularly reading on developments in India, including how it was achieving "faster than normal" economic growth. "I believe above average economic growth shows the Indian people to be practical and productive."

King Abdullah said Saudi Arabia hoped India would succeed in its economic endeavours.

His country was in a position to supply India with all its energy needs. "This depends on the desire of India," he said. Saudi Arabia wanted to strengthen ties with India through energy relations. "We are ready to provide energy to India in the long-term."

In a signal of Saudi interest in investing in India's petroleum infrastructure, he advised India to look at the issue of refining. Refining shortages were a key reason for high petrol prices. "Such capacity plays a key role in determining local prices for oil," he said. More generally, King Abdullah said the present high price of oil was not in the interests of the developing world. Sources say his visit will lead to Saudi firms and capital being used to build re-



King Abdullah on his arrival in Beijing on Sunday.

AFF

fineries in India.

Sensitive as to how Saudi Arabia's close military and political relationship with Pakistan is perceived in India, King Abdullah insisted his country's ties with India were "not related to its relations with Pakistan." He repeatedly stressed his desire for an Indo-Saudi relationship independent of any third country, whether it was Pakistan, China

or the United States.

King Abdullah, presently on a four-nation tour that is his first state visit since ascending the throne, said India should have observer status at the Organisation of the Islamic Conference similar to that held by Russia. He added it would be "beneficial" if India's entry was put forward "by a nation like Pakistan". This was interpreted by sources as indirect

criticism of Islamabad which has been the primary obstacle to India's entry into the OIC.

He expressed the hope tensions between the two South Asian countries could be eased "for the benefit of both countries". The Saudi monarch said, "I believe the Indo-Pakistan conflict is not in the interests of either country" and regretted that this rivalry had led to violence and the loss of "innocent lives". He asked why this rivalry could not be resolved through dialogue. Such a resolution would "enhance the image and reputation of both countries".

He responded to long-standing charges that Saudi money finances Islamic militant groups in Pakistan by saying, "Saudi financial support to Pakistan is only given to the government of Pakistan". He was categorical that his government did not support terrorism in any way. "We are also victims of terrorism," he said. "Those who level this charge are basing them on anything but facts."

King Abdullah, who prefers his temporal title of the Custodian of the Two Holy Mosques, spoke at length about the present religious problems of the day. He noted Muslims needed to resolve differences between themselves and with others. "Fears about the Islamic faith are not justified," he said. "The Islamic faith is about love, compassion and brotherhood... it is a faith that calls for dialogue."

THE HINDUSTAN TIMES

THURSDAY, JANUARY 19, 2006

Don't vote against Iran again 19/1

When the International Atomic Energy Agency convenes an emergency meeting of its Board of Governors in the next few weeks, India must not allow itself to be dragooned into joining the Washington-led nuclear lynch mob against Iran. Last September, the Manmohan Singh Government took the politically shameful and morally indefensible decision of voting for a resolution that found Iran in non-compliance with its IAEA safeguards agreement and obligated the eventual referral of the matter to the United Nations Security Council. Like a judge who votes to send a man to the gallows but adds he doesn't really believe the convict is guilty, India said in its "explanation of vote" that it did not consider Iran to be in non-compliance or that the issue should be referred to the UNSC. These caveats were presented to the Indian public as proof that the Government was committed to a resolution of the Iranian nuclear question through dialogue and negotiation. As recently as December 6, Prime Minister Manmohan Singh told a press conference he addressed jointly with Russian President Vladimir Putin in Moscow that India hoped the Iranian issue would be settled through the IAEA. If these stances are to have any meaning, India must resist Washington's efforts to haul Iran before the Security Council. An Indian abstention would not endanger the July 18 nuclear agreement; on the contrary, it should ensure that India is not squeezed by the U.S. into granting even more concessions on the nuclear front.

The apparent provocation for the latest round of pressure is the Iranian decision to resume research work on uranium enrichment at its safeguarded facilities. This work remained suspended for more than two years following assurances by Britain, France, and Germany (the E-3) of a comprehensive package that would accommodate both Iran's right to an autonomous nuclear energy programme and western concerns about the danger of Iran acquiring nuclear weapons. The package the E-3 came up with last year was an insult to the Iranians because they were told they had no right to the civilian nuclear fuel cycle. The Europeans made matters worse by refusing to entertain any future negotiations on the issue, and it was up to Moscow to restart the dialogue process by proposing the establishment of joint enrichment facilities on Russian territory. The Iranians are amenable to this suggestion provided their right to uranium enrichment is recognised, something the E-3 and the U.S. have set their face against. The research being conducted is legal and fully covered by IAEA safeguards. Aside from the lack of any legal basis for threatening Iran with sanctions, India should consider what the U.S. pressure on Teheran will do to international oil prices as well as to the overall security scenario in West Asia. Last September, the Indian Government acted supinely, against national interests, in siding with the U.S. on Iran. That blunder must not be repeated.

THE HINDU

India, Iran and the nuclear challenge

Siddharth Varadarajan

IN THE next few weeks, the Manmohan Singh Government will face its second major test on the Iranian nuclear front. For the United States and its European allies appear determined to refer Teheran to the United Nations Security Council for pursuing a civilian nuclear energy programme in defiance of Washington's *diktats*. The provocation for the latest western hysteria is Iran's decision to conduct research experiments on uranium conversion and other aspects of the civilian nuclear fuel cycle. These experiments are taking place in facilities that are fully safeguarded by the International Atomic Energy Agency (IAEA). Moreover, these activities are in no way prohibited under either the Nuclear Non-proliferation Treaty (NPT) or Iran's Safeguards Agreement with the IAEA, published by the Agency as Infcirc 214.

REALITY CHECK

Article 4 of Infcirc 214 states: "The safeguards provided for in this Agreement shall be implemented in a manner designed: (a) To avoid hampering the economic and technological development of Iran or international co-operation in the field of peaceful nuclear activities, including international exchange of nuclear material; (b) To avoid undue interference in Iran's peaceful nuclear activities, and in particular in the operation of facilities; ..."

It is worth noting that Infcirc 214 — the primary legal covenant governing relations between Iran and the IAEA — explicitly rules out the Agency doing anything that might hamper Iran's technological development in the field of peaceful nuclear activities. Conducting research and experiments on the nuclear fuel cycle clearly falls under this category. Nevertheless, the U.S. as well as Britain, France, and Germany (the so-called European-3 or E-3) now want the IAEA Board of Governors to convene on an

Siding again with the U.S. and its allies in their illegal pressure on Iran will weaken India's hand on the civil nuclear cooperation and energy fronts.

emergency basis with the aim of referring Iran to the UNSC for the crime of being in non-compliance with its safeguards obligations.

Under the Safeguards Agreement, Iran is obliged to accept safeguards "on all source or special fissionable material in all peaceful nuclear activities ... for the exclusive purpose of verifying that such material is not diverted to nuclear weapons or other nuclear explosive devices." On its part, the IAEA has "the right and obligation" to ensure that safeguards are applied on all such activities "for the exclusive purpose of verifying that such material is not diverted to nuclear weapons or other nuclear explosive devices." Over the years, Iran (like South Korea, Taiwan, Egypt and a few other countries) had failed to report to the IAEA — and hence ensure safeguards upon — a number of nuclear-related transactions and activities.

These instances were thoroughly investigated by the Agency's inspectors and the relevant files on these closed. Thus in his report to the IAEA Board of Governors on September 2, 2005, Director General Mohammed el-Baradei noted that "all the declared nuclear material in Iran has been accounted for, and therefore such material is not diverted to prohibited activities." Dr. el-Baradei said, however, that the IAEA was not yet in a position to conclude that there were no "undeclared" nuclear activities taking place in Iran — an obligation that stems not from the safeguards agreement but only from the Additional Protocol that Iran said it would voluntarily adhere to in 2003.

Despite this finding, the Board of Governors — acting under the pressure of the U.S. and the E-3 — voted on September 24 last year to find Iran in non-compliance with its safeguards agreement

in the context of article XIIC of the IAEA Statute. Conveniently overlooked was the fact that article XIIC, as well as articles 18 and 19 of Infcirc 214, define non-compliance essentially as diversion of safeguarded material for prohibited purposes, something Dr. el-Baradei had explicitly ruled out. As a sop to countries uncomfortable with the manner in which the Iranian question was being unduly politicised, the board decided to keep in abeyance the timing of the referral of Iran to the U.N. Security Council mandated under XIIC. However, this sop was meant only as a temporary expedient to be withdrawn at the first convenient moment. And that moment, as far as Washington is concerned, has now arrived.

Given the current composition of the 35-member Board of Governors, the U.S. should have no difficulty in garnering the votes needed to send the Iran docket to the Security Council. Though what will happen after is anyone's guess, the U.N.'s experience with Iraq suggests that coercion and punitive measures do not help matters when it comes to allaying international concerns about the possible presence of illegal nuclear weapon-related facilities in any given country. In Dr. el-Baradei's words, the IAEA is not yet in a position to declare that Iran has "no undeclared nuclear activities or facilities." If the IAEA's inability to make such a declaration were to become grounds for reporting a country to the Security Council and threatening it with sanctions, no less than 106 countries would have to be put in the dock because they have either not signed or not yet ratified or implemented the Additional Protocol.

If the aim is to ensure Iran has no undeclared nuclear activities — an urgent and laudable aim, one might add — the best way to accomplish it is

to ensure the continuation of IAEA inspections. Sites suspected of hiding clandestine facilities could be targeted for surprise or short-notice inspections. But if the aim is to maintain the veil of ambiguity as a future *casus belli*, referring Iran to the UNSC would be the logical step to take because Washington is desperate to "trap" Teheran into severing its links with the IAEA or declaring it will no longer allow inspections — the one route through which its innocence can be established.

For the Manmohan Singh Government, the latest drive to refer Iran to the UNSC and impose sanctions as punishment poses a particularly difficult legal and political challenge. In September last year, India voted for the IAEA resolution but also provided an "explanation of vote" in which it stated that it did not believe Iran was in non-compliance or that the Iranian nuclear programme had given rise to questions that were within the competence of the Security Council. Nothing has happened since September to invalidate these two reservations.

If anything, the November 2, 2005, report of Dr. el-Baradei was reasonably upbeat on Iranian cooperation, which was why the E-3 wisely decided not to press for an immediate Security Council referral. And the resumption of safeguarded nuclear research — though marking an end to Iran's voluntary, self-imposed suspension of all fuel cycle-related activity — can hardly be called a violation of IAEA safeguards.

One could, at best, question Teheran's political wisdom in choosing to end this suspension at the present time but not its sovereign right to do so. If India's vote against Iran last year surprised the world and created a political storm at home, voting again now would make a mockery of the country's formally stated positions and question, once again, the Government's commitment to an "independent foreign policy."

This week, when U.S. Undersecretary of State Nicholas Burns arrives in New Delhi, the Iranian issue is likely to figure almost as prominently as the planned separation of India's civilian and military nuclear facilities. Though motivated by larger strategic considerations, last July's landmark U.S.-India deal on civilian nuclear cooperation is also inextricably linked to the Iran question as far as the Bush administration is concerned.

In a press conference on January 6, U.S. Secretary of State Condoleezza Rice could not have been more explicit about the linkage when she was asked about the reasons why the nuclear deal with India was so important to Washington: "We can't say to the Indians on the one hand, you can't — we'd rather you weren't — engaged in energy relations with, for instance, Iran, but by the way, civil nuclear is closed off to you."

Apologists for the first IAEA vote against Iran last September say that if the Americans are insisting on an 'either-or', it is in India's interest to choose nuclear cooperation with Washington over hydrocarbons from Iran. What they do not realise is that a country of India's strength has the political and diplomatic ability to get both. What they also do not realise is that the slightest indication of Indian willingness to allow the U.S. to dictate its strategic choices will only lead to Washington trying to extract even more.

India's vote against Iran, for example, led the U.S. to try and impose new conditions that ran counter to the letter and spirit of the July 18 nuclear agreement. Among these were the demand that India accept in-perpetuity safeguards and give up its claims — as recognised in that agreement — to exactly the same rights and obligations in the nuclear field as the U.S. With the negotiations on civilian-military nuclear separation keenly poised, the Manmohan Singh Government should resist the temptation to blink for the second time.

CARTOONSCAPE

