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ONE) - DENMARK RESTORES BORDER CONTROLS IN DEAL WITH FAR RIGHT PARTY

Denmark's centre-right government on Wednesday agreed to tighten border controls at the demand of a populist party that has been holding up approval of its 2020 economic plan. However, despite getting its way on tougher frontier checks, the Danish People's Party said the two sides were still far apart in negotiations over pension reform, a key element of the government's scheme to put the state's finances in order. The government is in negotiations with the anti-immigration [Danish People's Party](#) and the centrist Social-Liberal Party to try to secure support for the economic plan. The main opposition party, the Social Democrats, left the talks eight days ago. Success or failure in the negotiations could determine the timing of parliamentary elections in Denmark. Liberal Prime Minister Lars Lokke Rasmussen must hold parliamentary elections by mid-November, but he can call an early ballot any time with just three weeks' notice. "We have agreed on permanent border controls which we will implement as soon as possible," Finance Minister Claus Hjort Frederiksen said on TV2 News after the borders deal with the Danish People's Party and the small Christian Democratic party. The new controls at all of Denmark's borders will be within the scope of the Schengen agreement, the Finance Ministry said in a [statement](#). The political deal will mean investing in new border control facilities, more customs officials, extensive video surveillance of cars crossing Danish borders and rapid police assistance if customs officers need it, the statement said. The border control plan has been criticised by some pro-European Union Danes who say Denmark should not be raising new barriers in Europe just months before it takes over the presidency of the EU at the beginning of 2012. Denmark has a land border with Germany and is linked by bridge to Sweden in addition to its entry points at airports and sea ports. The parties agreed to earmark up to 150 million Danish crowns (\$28.95 million) for investments in new control equipment and data systems, as well as up to 35 million in 2011, rising to up to 119 million in 2015, for more customs officials and a strengthened police presence, the ministry said. Frederiksen said he was convinced that the new controls would help curb crime and boost security in Denmark, but Danish People's Party leader Pia Kjaersgaard made clear there was no similar breakthrough on proposals for pension reform. "We are still far from reaching the goal of agreeing on a retirement reform," Kjaersgaard said on TV 2 News. The government's pension reform plan aims to scrap an early pension deal that now lets Danes retire at age 60 instead of 65 and to bring forward an increase in the general retirement age to 67. The government says early pensions are far too costly. (Reuters)

TWO) – EU COMMISSION URGES DENMARK TO EXPLAIN MOVE

La Commission européenne a demandé mercredi au Danemark d'expliquer sa décision de reprendre le contrôle à ses frontières avec la Suède et l'Allemagne en mettant en garde Copenhague contre toute remise en cause de la liberté de circulation en Europe. "On a demandé des clarifications, des explications aux autorités danoises sur cette décision", a indiqué à l'AFP la porte-parole de la Commission, Pia Ahrenkilde Hansen. "La Commission n'acceptera aucune remise en cause des principes de la libre circulation des biens et des personnes dans l'Union européenne", a averti la porte-parole. En vertu de l'accord de Schengen, le Danemark ne peut pas rétablir des contrôles frontaliers classiques. Mais il peut, conformément aux règles européennes, déployer en permanence des douaniers aux frontières pour procéder à des contrôles aléatoires sur les véhicules. L'idée de contrôles renforcés à l'intérieur de l'UE, récemment défendue par la France et l'Italie, était portée par la formation opposée à l'immigration du Parti du Peuple danois (extrême droite) et sa dirigeante Pia Kjaersgaard. La décision intervient au moment même où la Commission européenne doit proposer, jeudi, aux ministres européens de l'Intérieur à Bruxelles de nouvelles possibilités de réintroduction temporaire des contrôles aux frontières nationales au sein de la zone de Schengen, à la demande notamment de Paris et de Rome. **VAN ROMPUY ADMITS SCHENGEN MAY NEED 'IMPROVEMENTS'** (BELGA) = La libre circulation des personnes au sein de l'Union européenne est un acquis fondamental qui doit être préservé intégralement, a rappelé dans un courrier le président du Conseil européen, Herman Van Rompuy, au président français, Nicolas Sarkozy, et au premier ministre italien, Silvio Berlusconi. Selon M. Van Rompuy, les règles existantes relatives à la libre circulation des personnes doivent être appliquées de manière comparable dans tous les Etats membres. Le président du conseil européen reconnaît toutefois qu'il faut réfléchir à d'éventuelle améliorations qui autoriseront, dans les conditions exceptionnelles et strictement délimitées, à suspendre l'application complète de Schengen. En raison de l'afflux d'immigrés tunisiens en Italie, MM. Sarkozy et Berlusconi ont plaidé à la fin du mois passé en faveur d'une révision des règles de Schengen. Ils ont notamment réclamé la possibilité d'introduire à nouveau des contrôles aux frontières en cas d'afflux massif de réfugiés. Jeudi, les ministres européens de l'Intérieur discuteront d'une révision éventuelle du système Schengen. La semaine passée, la commissaire européenne Cecilia Malmström a évoqué la

possibilité d'un rétablissement, "dans des conditions très exceptionnelles", de contrôles temporaires aux frontières dans les pays de l'espace Schengen. (See [Lettre du président Herman Van Rompuy au Président Nicolas Sarkozy concernant la situation migratoire dans la région de la Méditerranée](#)) (AFP)

THREE) – EU MINISTERS SUPPORT BORDER CONTROLS INSIDE SCHENGEN

A majority of European Union countries on Thursday supported expanding border controls in the bloc's free-travel Schengen zone, as southern member states struggle with an influx of migrants from unrest-beset North Africa. At the same time, EU interior ministers meeting in Brussels also unanimously vowed to preserve free movement in Schengen. "Free movement of people on the territory of the union is one of the key achievements of the union and we have to maintain and safeguard this achievement," said Hungarian Interior Minister Sandor Pinter, whose country currently holds the EU presidency. EU Home Affairs Commissioner Cecilia Malmstrom, however, warned border control rules need "increased clarity ... to avoid unilateral, uncoordinated decisions by member states." Under current rules, Schengen countries can reintroduce border controls for up to 30 days in case of threats to public order - with governments typically resorting to the clause in case of major summits or sporting events. France and Italy have asked that extraordinary cases of increased migration also be included, following a bilateral spat in April over Italy's decision to issue permits allowing travel within Schengen to thousands of North African economic migrants. The European Commission is due to draft concrete migration proposals based on the ministers' input for an EU summit in June. **'LAST RESORT'** Diplomats said the ministers of more than 15 countries on Thursday expressed support for the idea of amending the Schengen code, while also stressing that border controls should be "a last resort" and linked to strict conditions. The issue of who should decide when border controls are needed was also raised. The European Commission wants to have a role in the decision, a suggestion rejected by the German and Austrian ministers, who insisted that it is a sovereign matter, a diplomat said. "Currently it seems that the majority view is ... that one country should not be in a position to make a decision like that. That might trigger a chain reaction," Pinter said. "A community answer has to be given, but (what that is) depends on the negotiations." Thursday's meeting additionally touched upon news that Denmark has reached a political deal to boost checks by customs officials in a bid to curb smuggling and other cross-border criminal activity. In return, the Danish government hopes to win domestic concessions from right-wing populists in the Copenhagen parliament to accept raising the early retirement age as part of its 2020 reform package. A spokesman for the European Commission, however, said the EU executive was still waiting for "more precise elements of clarification" before issuing an opinion. At the same time, he reiterated that it would not accept any "backtracking" on the European right to free movement. Denmark's immigration minister, Soren Pind, had vigorously defended the move as being in line with Schengen while in Brussels. "We're not going to shut down the borders," he said, noting that passport controls are not on the table. "This is a question of customs officers doing what customs officers have always done - seeing if there are drugs or hidden arms." (Dpa)

FOUR) - FRANCE CANCELS TOGO DEBT

La France a annulé la totalité de la dette contractée par le Togo, soit 101,1 millions d'euros (plus de 66,3 milliards de francs CFA), a indiqué jeudi le ministre togolais de l'Economie et des Finances sur les ondes de la radio nationale. Les documents à cet effet ont été paraphés mercredi à Lomé par l'ambassadeur de France dans le pays ouest-africain, Dominique Renaux, et le ministre togolais de l'Economie et des Finances Adjii Ayassor. "Cet accord par lequel la France a annulé 100% de la dette du Togo traduit dans les faits l'engagement de la France à mettre en oeuvre les recommandations du Club de Paris", a déclaré M. Ayassor. Cette décision est, selon le ministre, un "encouragement par l'intermédiaire duquel la France incite le gouvernement togolais à poursuivre les réformes engagées depuis 2006 en vue de redresser la situation économique du pays, après la longue crise socio-politique qu'il a traversée". "La marge créée par l'annulation de cette dette sera utilisée de la manière la plus efficiente possible pour créer les conditions d'une croissance économique forte et durable susceptible de réduire sensiblement la pauvreté qui frappe aujourd'hui les couches les plus vulnérables de notre pays", a assuré M. Ayassor. Le Club de Paris, groupe informel de créanciers rassemblant 19 des principaux pays industrialisés, avait décidé en décembre d'annuler 203 millions de dollars de dette du Togo, après son accès au point d'achèvement de l'initiative Pays pauvres très endettés (PPTe). Les créanciers du Club de Paris avaient également exprimé leur intention d'accorder au Togo, un allègement de dette additionnel sur une base bilatérale, pour un montant de 404 millions de dollars. (AFP)

FIVE) – NGOs DENOUNCE ILLEGAL TUNA FISHING IN LIBYAN WATERS

Les organisations écologistes Greenpeace et WWF ont mis en garde mercredi contre des risques de "pêche illégale" de thons rouges dans les eaux libyennes qui mettraient en danger le plan de conservation de l'espèce alors que la saison de pêche débute dimanche en Méditerranée. Dans un communiqué commun, les deux ONG affirment que la Libye a autorisé la pêche dans ses eaux territoriales bien que son plan de pêche ne soit pas validé pour la saison par l'organisme chargé de contrôler cette activité. "Cela rendrait toute activité de pêche par les navires libyens illégale, en vertu des règles de la CICTA (Commission internationale pour la conservation des thonidés de l'Atlantique)", indiquent-elles. Des navires battant pavillon libyen sont prêts à partir pour les zones de pêche libyennes depuis Malte et Sète (Hérault), affirment-elles encore. La saison de pêche du thon rouge doit se dérouler du 15 mai au 15 juin en Méditerranée. Les 48 Etats pêcheurs de la CICTA ont accepté de limiter la pêche au thon rouge à 12.900 tonnes en 2011, contre 13.500 tonnes en 2010, au désespoir des ONG écologistes qui réclamaient une réduction drastique pour sauvegarder cette espèce particulièrement appréciée des Japonais. La CICTA a pour le moment suspendu le plan de pêche de la Libye, qui bénéficie d'un quota de 902 tonnes, avait affirmé vendredi le ministère français de l'Agriculture. En conséquence, les dix thoniers sous pavillon libyen basés à Sète (Hérault) ne sont pas autorisés à participer cette année à la saison de pêche, avait ajouté le ministère, précisant surveiller ces bateaux. "Les troubles actuels en Libye signifient qu'il n'y a aucune chance de contrôler efficacement la pêche dans ses eaux, ce qui risque de saper un plan international de préservation d'une espèce victime de surpêche", rappellent Greenpeace et WWF qui réclament la suspension de la saison de pêche. (AFP)

SIX) – LIBYAN TV SHOWS FIRST FILM OF GADDAFI IN TWO WEEKS

Libyan state television showed footage of Muammar Gaddafi meeting officials in a Tripoli hotel, ending nearly two weeks of doubt over his fate since a NATO air strike killed his son. The Libyan leader, who had not been seen in public since the April 30 strike on his Tripoli compound killed his youngest son and three of his grandchildren, made his appearance on Wednesday in his trademark brown robe, dark sunglasses and black hat. "We tell the world these are the representatives of the Libyan tribes," said Gaddafi, pointing to the officials and naming a few of them. "You will be victorious," an old man told Gaddafi, referring to the three-month-old revolt in the North African country against the Libyan leader's 41 years of rule. A screen behind Gaddafi showed a morning chat show on state al-Jamahiriya television. A zoom-in on the screen showed Wednesday's date displayed in the corner. Reuters journalists based at the same hotel said some rooms had been sealed off during the day for an event, but they had not seen Gaddafi. In the past he has made high-profile entrances accompanied by a large staff of minders and aides. **NATO CONTINUES TO BOMB** A Reuters correspondent said he heard at least two blasts in Tripoli early on Thursday and that they were believed to have been the result of NATO strikes. The blasts rattled the windows of the hotel, he said. Libyan officials said two people had been killed in NATO strikes and showed foreign journalists two bodies at a hospital. Staff at the hospital said they had treated more than 20 people who had been wounded. The government says the rebels are armed criminals and al Qaeda militants and that the majority of Libyans back Gaddafi. It says NATO's intervention is an act of colonial aggression by Western powers intent on stealing the country's oil. NATO says it wants to protect Libyan civilians. (Reuters)

SEVEN) – LIBYAN REBEL 'CHIEF' IN UK TO SEEK MORE AID

The leader of the Libyan rebels will visit London on Thursday to drum up more aid for their cause in resisting Muammar Gaddafi. Mustafa Abdel Jalil, chairman of the Libyan National Transitional Council (NTC) will meet Prime Minister David Cameron, Foreign Secretary William Hague and finance minister George Osborne. Britain's Foreign Office said the sides would discuss providing more non-lethal equipment to the rebels and opening a permanent NTC office in London. Britain, one of the leading countries in the NATO-led air war against Gaddafi, has already sent body armour and telecommunications equipment to the rebels. "The NTC is a legitimate representative of the Libyan people," Hague said in a statement ahead of the meeting. "The situation in Libya remains of very serious concern and this visit provides a welcome opportunity to discuss with Mr Abdul Jalil the latest situation on the ground and to look at how the UK and international community can continue to support the Libyan people." (Reuters)

EIGHT) – LONG WAR ON LIBYA A PROBLEM FOR U.K. MILITARY, WARN GENERALS

Extending the Libya air war beyond six months would be a challenge for Britain's armed forces, stretched by simultaneous operations in Libya and Afghanistan, military chiefs said on Wednesday. Defence chiefs testifying to a parliamentary committee said an aircraft carrier and surveillance planes scrapped as part of defence cuts last year would have helped in the Libya campaign. Their views are embarrassing for the year-old coalition government which ordered British forces to help strike Libya only months after ordering an eight percent real terms cut in defence spending over four years to rein in a budget deficit. British aircraft and navy ships are playing a leading role in striking at Libyan leader Muammar Gaddafi's forces. Britain also has around 10,000 troops fighting the Taliban in Afghanistan, the second most after the United States. "There are phases of the operations where we have stretched the capabilities absolutely to the point where we would find it very difficult to do anything else," Air Chief Marshal Stephen Dalton told parliament's Defence Committee. Asked about the implications for British forces if the Libya operation was extended, perhaps for humanitarian purposes, Navy chief Admiral Mark Stanhope said the navy could achieve a six-month deployment. Beyond that, it would be "challenged" to find more ships to rotate into the Libya operation while maintaining other overseas commitments, he said. Army chief General Peter Wall said the army was "putting our individuals and their relationship with their families under intense pressure." (Reuters)

NINE) – NATO BOMBS GADHAFI RESIDENCE IN LIBYAN CAPITAL AFTER HE SHOWS UP

NATO airstrikes struck Moammar Gadhafi's sprawling compound in Tripoli and three other sites early Thursday, hours after the Libyan leader was shown on state TV in his first appearance since his son was killed nearly two weeks ago. Explosions thundered across the capital and wailing ambulances raced through the city as the last missile exploded. Government officials and state-run Libyan television said the strikes targeted Bab al-Azaziya, Gadhafi's compound. They did not say which of the compound's buildings were targeted. NATO - which had no immediate comment about the latest strikes - has hit Tripoli repeatedly this week as part of its effort to weaken the regime's resistance to a 3-month-old rebellion. NATO said most of the alliance's 46 air strikes on Wednesday were concentrated in and around the Libyan capital, hitting command and control centers, ammunition dumps and anti-aircraft missile launchers. **SIX DEAD** (AFP) - Des frappes aériennes de l'Otan ont touché jeudi matin le vaste complexe résidentiel du dirigeant libyen Mouammar Kadhafi à Tripoli, faisant six morts et dix blessés, a annoncé un responsable gouvernemental à l'AFP. (AP)

TEN) – UK TO PROVIDE POLICE UNIFORMS FOR LIBYA REBELS

Britain will supply police officers in rebel-held eastern Libya with uniforms and body armor, and help establish a public radio station, Prime Minister David Cameron's office said Thursday. Following talks with Mustafa Abdul-Jalil, head of Libya's National Transitional Council, Cameron said he had invited the rebels to open a permanent office in London to cement contacts with Britain. However, the U.K. has not followed France and Italy in recognizing the council as Libya's legitimate government. "These steps continue our very clear intention to work with the council to ensure Libya has a safe and stable future, free from the tyranny of the Gadhafi regime," Cameron said, following talks at his Downing Street residence. Cameron's office said Britain would supply more non-lethal equipment, after the U.K. previously sent the rebels radios and body armor. Military mentors have also traveled to Benghazi to help organize the rebels. "He said that we would be providing additional support ... things like police body armor, and also includes help and advice on setting up an independent broadcasting service," Cameron's spokesman Steve Field said. Britain has led attempts to impose sanctions against Libya's state television service. Field said Jalil and Cameron agreed that NATO's campaign of airstrikes was limiting Gadhafi's ability to strike out at his opponents. "The clear sense from the meeting today was that it is having an effect," he said. Jalil was also meeting later with Foreign Secretary William Hague, Treasury chief George Osborne, Deputy Prime Minister Nick Clegg and International Development Secretary Andrew Mitchell. (AP)

ELEVEN) – SUDAN PRESIDENT WON'T TRAVEL TO UGANDA

Le président soudanais Omar el-Béchir ne se rendra pas jeudi à Kampala à la cérémonie de prestation de serment du président ougandais Yoweri Museveni, a annoncé mercredi Khartoum. Le président soudanais sera représenté à la cérémonie par un de ses conseillers, a déclaré à l'AFP le porte-parole du ministère soudanais des Affaires étrangères, Khaled Mussa, selon qui le chef de l'Etat ne pouvait se rendre à Kampala en raison d'autres "engagements". Dimanche, M. Béchir s'était rendu à Djibouti pour la nouvelle prestation de serment du président Ismail Omar Guelleh, réélu en avril. Et il avait été invité à celle jeudi de M. Museveni, réélu en février, selon l'agence soudanaise Suna. Des organisations de défense des droits de l'Homme avaient exhorté plus tôt mercredi l'Ouganda à ne pas l'inviter à la nouvelle investiture de son dirigeant. L'Ouganda comme Djibouti et d'autre pays africains qui ont accueilli M. Béchir depuis 2009 sont membres de la CPI, et sont tenus à ce titre d'arrêter le président soudanais en cas de visite. "Une position de principe de l'Ouganda enverrait un signal fort aux victimes de la guerre au Darfour que leur droit à la justice est respecté", a écrit la Coalition pour la CPI, qui regroupe de nombreuses organisations internationales, dans une lettre adressée à M. Museveni. (AFP)

TWELVE) – UGANDAN OPPOSITION LEADER BESIGYE HEADS HOME

Ugandan opposition leader Kizza Besigye left Kenya on a flight for home on Thursday, 24 hours after being barred from making the journey. His return to Uganda coincides with President Yoweri Museveni being sworn in for a fourth term after winning an election in February in which Besigye was his closest opponent (Reuters)

THIRTEEN) – UN DEMANDS ELECTIONS FOR SOMALIA'S PRESIDENT

The [U.N. Security Council](#) on Wednesday demanded that Somalia's feuding president and parliament reach agreement quickly on holding elections by August when the mandate for the country's transitional government ends. Somali lawmakers - who in February unilaterally extended their own mandate by three years - have been vowing for months to hold a presidential vote despite the president's objections. The president wants to extend his term for a year without a vote. The Security Council expressed concern in a [statement](#) after an open meeting at "the discord" between the executive and legislative leaders "and its impact on the political and the security situation." It urged the leaders to reach agreement on holding elections for president and speaker of parliament "as soon as possible" and warned that without such elections "there can be no extension" of the transitional government's mandate. Somalia has not had an effective government since 1991 when warlords overthrew a longtime dictator and then turned on each other, plunging the country into chaos and anarchy. A transitional government, established in 2004 and backed by about 9,000 African Union troops, has been fighting an Islamist insurgent group, al-Shabab. Augustine Mahiga, the top U.N. envoy in Somalia, told the council that government and AU forces "have made significant territorial gains in Mogadishu," the capital, and are also making "impressive gains in the central, western and southern frontiers" of the strategically-located country on the Horn of Africa. But he said disagreement over the election issue between the legislative and executive branches of government "is causing a political paralysis in Mogadishu." "There is, therefore, a need to develop urgently a consensus on the when and how to hold elections," Mahiga said. Somali Prime Minister Mohamed Abdullahi Mohamed told the council that President Sheik Sharif Sheik Ahmed has asked parliament to reconsider its decision to extend its term, but the speaker has so far refused. "The most disturbing consequence of this situation is the descent into political instability at precisely the time when the security situation is on the verge of a breakthrough and governance is taking effective strides forward," he said. Mohamed said his government believes "this is the worst possible time to be distracted by untenable election processes and the divisive campaigning that will inevitably take place." He said the election diversion will also offer al-Shabab "an opportunity it will take full advantage of." Therefore, he said, the president has proposed extending the transitional federal institutions for 12 months in the belief that a further year of political stability and progress on security "will create a chance for real and fair elections in which potentially the public can take part." Mahiga said he tried "to rekindle dialogue" between the two branches at a meeting in Nairobi in April but the feuding lawmakers and government leaders boycotted it. The Security Council is heading to Africa late next week and members are expecting to meet Somalia's executive and legislative leaders in Nairobi at the end of their trip to reiterate their demand for elections in person. Mahiga said he is "heartened" that the government is convening a meeting of key parties in Mogadishu from June 11-16. The Security

Council also welcomed that meeting and urged "all Somali stakeholders" to participate and play a role in finalizing arrangements for ending the transition by the Aug. 20 deadline. (AP)

FOURTEEN) - CHINA ENCOURAGES COUNTRIES TO KEEP TIES WITH TAIWAN

A U.S. cable released by WikiLeaks says Panama wanted to switch its diplomatic recognition of Taipei to Beijing after President Ricardo Martinelli took power in 2009, but China rejected the offer in order not to undermine its improving Taiwan ties. Panama is one of only a few countries that recognize Taiwan and therefore forgo relations with its neighbor and traditional rival China. The Feb. 23, 2010-dated cable from then U.S. Ambassador to Panama Barbara Stephenson came in the midst of President Ma Ying-jeou's efforts to improve ties with China. The cable was released May 8. Stephenson wrote in the cable that Martinelli had told her in May 2009, the month he won national elections by a landslide, which he would recognize Beijing because "he thought that Panama's business community would benefit as a result." Stephenson said Martinelli's high hopes were dashed when his Foreign Minister Juan Carlos Varela was told by Chinese Foreign Minister Yang Jiechi during an Asia visit in January 2010 that Beijing would not take on Panama to avoid foiling warming cross-strait ties. Taiwan and China split amid civil war in 1949. Beijing still claims Taiwan as its own. Before Ma assumed office, the two sides had long fought a battle for diplomatic recognition, often resorting to lavishing funds on existing and potential allies. While China enjoys a big advantage with its rising international clout, Taiwan has only 23 allies, mostly impoverished countries in Latin American, Africa and the South Pacific. Ma has said that with his China reconciliation efforts, Taiwan will no longer be engaged in diplomatic tussles with Beijing for allies. Under Ma, Taiwan has not added or lost any diplomatic ties. Stephenson also said that Taiwan offered financial incentives in late 2009 and early 2010 to bolster ties with Panama, including donating a \$22 million business jet to the Panama government and a budget of \$25 million for construction of a hospital on the outskirts of Panama City. She observed that there is "a traditional lack of transparency" in how Taiwanese donations are spent. Taiwan's Foreign Ministry spokesman James Chang said Thursday that Taiwan's foreign aid programs have been reviewed and conducted in a legal manner, but declined to comment on the details of Panama's intention to switch ties. (AP)

FIFTEEN) – SOUTH SUDAN ARMY ATTACK KILLS 84 'REBELS'

South Sudan's army launched a fresh assault on rebels in a key oil-producing state, killing more than 80, a government minister said on Wednesday, in the latest violence ahead of the region's independence in July. South Sudan, which voted in a January referendum to become an independent state, formally ending decades of conflict with the north, has seen a surge of rebel and tribal violence, marring the celebrations ahead of the secession. Analysts warn that the underdeveloped south, due to split away in July, could become a failed state and destabilise the whole region if security deteriorates further. More than 1,100 people have been killed in tribal and rebel violence in south Sudan so far since the referendum, according to official figures. The southern army (SPLA) launched an attack on a rebel militia led by former SPLA officer Peter Gadet in the oil-producing Unity state on Sunday, the state's Information Minister Gideon Gatpan Thoar said. "The SPLA attacked the rebels on the 8th and 9th (of May). On the first day 38 rebels were killed, on the second day 46. One SPLA soldier was killed," Thoar told Reuters. "We have got rid of them (Gadet's forces). They have been running since yesterday," he added. Gadet's rebels confirmed the fighting but put their losses only at 27 and said they had killed many soldiers. (Reuters)

SIXTEEN) - CHINA, WORLD BANK LAUNCH CONGO RAIL REVAMP

China and the World Bank launched a \$600 million plan with Congo on Thursday to revamp hundreds of kilometres (miles) of dilapidated rail network, including within the central African country's mining belt. The World Bank said it was the first time it had tried such a joint financing deal with China in Africa, with Beijing set to provide \$200 million as part of a broader \$6 billion "minerals for infrastructure" agreement it struck with Congo in 2009. The size of western Europe, Congo has seen its transport links disintegrate due to years of misrule and conflict and the local SNCC rail operator is mired in financial troubles. Many Congolese have no choice but to use the country's waterways for travel, resulting each year in hundreds of deaths by drowning.

"We want to bring hope, both to the employees of SNCC and to the populations reliant on the rail network," World Bank transport specialist Pozzo Di Borgo said of the deal. The accord will see nearly 700 km (400 miles) of rail rehabilitated in the southern and central provinces of Kasai and Katanga, the heart of Congo's copper mining sector. Pozzo Di Borgo said around a fifth of \$244 million invested by the World Bank will go into retirement packages for 4,000 SNCC employees unable to quit because they have not been paid. The move would free up around \$7 million a year in reduced wage bills, he added. Congo's government is committed to providing the remaining \$156 million through a combination of cash investments and tax breaks to Vecturis, the Belgium firm that will run the network. The work is due to be completed by 2015. The World Bank is also trying to attract investment from international mining companies operating in Katanga, many of whom currently ship their produce out of the country by road. "We're happy if the mining companies can benefit from this and move their produce more quickly," Mines Minister Martin Kabwelulu said. (Reuters)

Fernando Matos Rosa

Brussels

