



LESBOS: United Nations High Commissioner for Refugees Antonio Guterres, center, sits between migrants and refugees at the Moria camp on the eastern Aegean island of Lesbos yesterday. — AP

GREECE VOWS FIRST MIGRANT 'HOTSPOT' WITHIN 10 DAYS

LESBOS TO HOST CENTER TO DEAL WITH MASSIVE INFLUX OF REFUGEES

ATHENS: Greece pledged yesterday during talks with its EU partners to open its first so-called hotspot reception centre on the island of Lesbos within 10 days under EU efforts to better deal with the massive influx of migrants.

"We are going to keep to our commitments," Yiannis Mouzalas, Greece's junior interior minister for migration, told reporters, adding Athens had also begun talks with Turkey on trying to better control the flow of refugees and migrants. The reception centre on Lesbos will be among five eventual hotspots on Greek islands that provide the first point of arrival for migrants fleeing to Europe after leaving the Turkish coast.

EU nations endorsed a dedicated program this week to send back those they described as economic migrants—who are largely from poor African nations—and not refugees from conflict zones.

After months of tensions over the more than 600,000 people who have flooded into Europe

this year, Brussels is now taking a tougher stance by focusing on tightening border controls and reducing the incentive for people to come to the continent.

The hotspots in Greece and Italy, agreed by EU leaders at a summit last month, are aimed at separating the new arrivals between bona fide refugees and economic migrants at their first entry point into the bloc.

Winter 'disaster' looms

Those deemed to warrant refugee status can then be relocated to other EU countries to ease the burden on Greece and Italy and to prevent the migrants from continuing northwards in an uncontrolled manner. Greece's pledge on the Lesbos reception centre was made during talks with Europe's migration commissioner Dimitris Avramopoulos and Luxembourg Foreign Minister Jean Asselborn, whose country holds the EU presidency.

Asselborn stressed that the EU was ready to provide financial and logistical aid to Athens to help get the centres up and running. The first, he said, would open "within 10 days" on Lesbos, in the eastern Aegean Sea.

He also announced he and Avramopoulos would visit Lesbos again Friday to provide support. UN refugee agency chief Antonio Guterres meanwhile began a three-day visit to Greece Saturday with a trip to Lesbos where he met the island's mayor and was due to go to two reception centres for new arrivals.

A day earlier Guterres warned of a humanitarian disaster this winter unless Greece is given much more help to house the new arrivals.

Mouzalas, who said he was due to meet his Turkish counterpart for talks in Istanbul Wednesday, also said he had urged the EU officials to reconsider excluding Afghans from the list of refugees to be relocated. The list currently only includes Syrians, Eritreans and Iraqis. — AFP

UKRAINE REBELS SAY ONE KILLED IN DONETSK DESPITE TRUCE

DONETSK: Ukrainian army fire killed one person and wounded another in the pro-Moscow rebel bastion of Donetsk in the east yesterday, despite a truce that had held for several weeks, the separatists said. "According to initial reports, the (casualties) are civilians," the rebels' news agency said, citing their "defence ministry". Earlier, the ministry was cited by Russian news agency Interfax as saying it was actually a rebel fighter who died.

It was unclear what weapons had been fired, with the rebels first claiming Ukrainian forces had used tank fire, and then saying there were mortar rounds. The Ukrainian army condemned what it described as a "provocation aimed at destabilising the situation in the east," spokesman Vladislav Seleznev told AFP. "Under no circumstance would we ever fire against civilians," he said.

The Organization for Security and Cooperation in Europe (OSCE), whose observers are deployed in eastern Ukraine, could not immediately comment on the incident.

Russian Finance Minister Anton Siluanov and his Ukrainian counterpart, Natalia Yaresko, failed to reach a deal at their meeting on Friday on restructuring Kiev's \$3 billion debt to Moscow, but agreed to continue talking. Ukraine has agreed a debt restructuring deal with a group of its largest creditors in order to plug a \$15 billion funding gap under an International Monetary Fund-led \$40

billion bailout program, but major creditors still need to approve the plan.

"We stated our position on the need to repay the debt to the Russian Federation," Siluanov said after his talks with Yaresko that took place on the sidelines of the IMF and the World Bank semi-annual meeting. It was the first meeting between the countries' finance ministers since January, when Ukraine announced its plans to restructure its foreign debt.

"(Yaresko) provided details on the debt restructuring agreement reached with Ukraine's Ad Hoc Committee of creditors and called Russia to participate in that agreement," the Ukrainian side said in a statement.

Russia has said numerous times that Ukraine must repay the debt in December, when it falls due.

Ukraine has included the \$3 billion Eurobond among the sovereign and sovereign-guaranteed bonds to be restructured, but Siluanov reiterated that Russia does not see the debt as commercial. Moscow bought the bonds from Kiev before the pro-Russian president Viktor Yanukovich was ousted early last year, opening a rift which widened with the annexation of Crimea and the outbreak of the pro-Russian rebellion in eastern Ukraine. "Colleagues from the Ukrainian Ministry of Finance said that they had no such money in the budget and invited us to participate in the restructuring, together with commercial lenders," Siluanov said. — Agencies



HONG KONG: Former British Foreign Secretary Geoffrey Howe (5-R) speaks with people during a visit to a Vietnamese refugee camp in Hong Kong. — AFP file photo

FORMER UK TREASURY CHIEF HOWE DIES AT 88

LONDON: Former British Treasury chief Geoffrey Howe, a prominent figure in Margaret Thatcher's government who helped bring about her downfall after they parted ways over policy toward Europe, has died at 88.

Howe died suddenly of a suspected heart attack late Friday at his home in Warwickshire, north of London, after returning from a jazz concert with his wife Elspeth, his family said yesterday.

Prime Minister David Cameron, also a Conservative, called Howe "the quiet hero of the first Thatcher government" who had shown "huge courage and resolve" in helping save the floundering British economy.

Howe took the helm at Treasury when Thatcher came to power in 1979 and helped implement the free-market policies favored by the new prime minister. Income tax rates were lowered and currency exchange controls were lifted. Public spending was cut and other unpopular measures, including a rise in gasoline tax, were implemented during his tenure.

Howe moved on to become foreign secretary in 1983. He played a key role in the negotiations with the Chinese government over the future of Hong Kong, and eventually became deputy prime minister, but his relations with Thatcher had deteriorated while he ran the Foreign Office, primarily because of disagreements over policy toward Europe. They also seemed to have tired of each other's style after a long period

of harmony that had served both well.

Howe played an important role in Thatcher's fall from power. He resigned in November 1990, and used his departure speech to challenge her fitness to continue serving as party leader. He called on Conservatives to reconsider their backing for Thatcher, who was seen as increasingly imperious after being in power for more than a decade.

He used a famous cricket comparison that has since become part of Britain's political lexicon to describe Thatcher's tactics. "It is rather like sending your opening batsmen to the crease, only for them to find, as the first balls are being bowled, that their bats have been broken before the game by the team captain," he declared.

Thatcher resigned three weeks later after losing the Conservatives' backing. Howe's stunning public rebuke was seen as a turning point in her bid to remain in office.

Cameron, who today follows many of the same economic policies brought in by Thatcher, said Howe played a vital role by reducing borrowing, cutting tax rates, and taming inflation.

"Lifting exchange controls may seem obvious now, but it was revolutionary back then," the prime minister. Howe was a successful lawyer whose first two campaigns for a seat in Parliament ended in defeat. He received a knighthood in 1970 and was a member of the House of Lords. — AP

GERMAN POPULIST FAR-RIGHT GAINS AMID REFUGEE WAVE

BERLIN: Almost declared dead only months ago, Germany's populist far-right is seeking a comeback amid a record wave of asylum-seekers, hoping to anchor itself in mainstream politics.

As Chancellor Angela Merkel has opened the doors to unprecedented numbers of refugees, she initially earned popular support but also quickly faced xenophobic hecklers who angrily branded her a "traitor" and worse. Anti-foreigner fury has flared most visibly at rallies of the resurgent PEGIDA movement, short for "Patriotic Europeans Against the Islamisation of the Occident".

"Merkel is guilty, commits ethnocide against the German people," read a banner at last week's protest

in Dresden, Saxony state, in the former communist East where PEGIDA emerged one year ago next week. Waving flags, the agitated crowd of about 9,000 cheered co-founder Lutz Bachmann, 42, who was charged recently with inciting racial hatred by labelling migrants "animals", "trash" and "filthy rabble" on social media.

Bachmann had drawn up to 25,000 people onto the streets in January before his inflammatory Facebook postings caught up with him, along with a "selfie" picture that showed him sporting a Hitler moustache and hair-do.

The resulting uproar led to a leadership split before PEGIDA disappeared from the streets and the newspa-

per headlines. Also hoping for a revival is the populist-nationalist Alternative for Germany (AfD), once a mainly anti-euro fringe party that has shifted to the right after an internal split.

Its current leader Frauke Petry, from Saxony, called Friday for an "immediate stop" to the flow of asylum-seekers into the country while her party announced it would file a criminal complaint of "human trafficking" against Merkel.

'Right-wing formula'

Unlike France with its National Front, Britain with the UK Independence Party, or Austria with its Freedom Party, Germany—given its sensitivity over the Nazi era and Holocaust—so far does not have an anti-immigrant party represented in its national parliament.

For most citizens, haunted by the country's dark past, the far-right is still "taboo," said Nele Wissmann of the Committee for Franco-German Relations in a paper last month. But the refugee issues is emboldening the extremists. According to two recent polls, 51 percent of Germans "fear" the magnitude of the migrant influx. As Merkel's poll ratings have been dented by her open-border policy, the AfD has risen to seven percent above the five percent needed to enter national parliament. It achieved its best result, 12 percent, in the former East—a region which a quarter-century after the fall of the Berlin Wall still lags behind the rest of the nation in terms of jobs and wealth.

And it scored nine percent in southern Bavaria, Germany's main gateway for migrants whose numbers are expected to reach one million this year.

The AfD is now "a textbook example of right-wing populism," including in its resistance to multiculturalism, said Timo Lochocki of think-tank the German Marshall Fund of the United States.

"The party combines simplistic anti-elite rhetoric with neo-nationalist positions under the classic right-wing formula that can be summed up as 'for the imagined glorified past of the nation, against the political establishment.'" — AFP



PARIS: A woman waves a Palestinian flag as she takes part in a pro-Palestinian demonstration yesterday in Paris, to protest against Israeli colonization of the West Bank and spiraling violence between Israelis and Palestinians. — AFP

GERMANY, EU DENY REPORT ON EUROPEAN SOLIDARITY TAX

BERLIN/BRUSSELS: German and EU officials yesterday denied a media report that Berlin and Brussels were in informal talks about a type of European solidarity tax to help cover the costs of stemming a record-breaking influx of asylum seekers.

"The fact remains: we don't want tax increases in Germany or to introduce an EU tax," government spokesman Steffen Seibert said in a statement.

A spokesman for the European Commission also dismissed the report. "There is no such proposal currently on the table or under preparation," he said, adding the Commission never comments on rumours in the press.

Earlier, the Sueddeutsche Zeitung had reported the German government and European Commission were mulling a levy that could be raised through a surcharge on petroleum tax or by increasing Value Added Tax (VAT).

The Munich paper said additional funds from a solidarity tax would be used to help EU member states, such as Spain, Italy, Greece and Bulgaria, secure their borders, as well as to help improve living condition in the home countries of asylum seekers to encourage their citizens to remain there.

The Sueddeutsche's report cited no sources, and was datelined Lima, Peru, where Finance Minister Wolfgang

Schauble was attending an International Monetary Fund meeting.

Last month, German Chancellor Angela Merkel said the country which is Europe's biggest recipient of asylum seekers—could handle the surge in new arrivals without raising taxes or jeopardising its balanced budget. But worries about the influx have cut into the popularity of her conservatives.

More than half a million people fleeing war and poverty in the Middle East and Africa have poured into the European Union this year, prompting bitter disputes over how to react and share out responsibility and costs. The European Commission has said EU states, whose budgets risk being

stretched by the crisis, might get budget relief.

Nuke funds

Operators of German nuclear power plants have set aside enough funds to pay for decommissioning the country's reactors, the Economy Ministry said yesterday, even though stress tests showed the potential cost could far exceed their provisions.

Germany's four nuclear companies whose shares have tumbled on uncertainty around the size of provisions made for their reactors' afterlife, said the report showed they were fully able to shoulder the cost of the nuclear exit. E.ON, RWE, EnBW and

Vattenfall are due to switch off their nuclear plants by a 2022 deadline set by Chancellor Angela Merkel's government after the Fukushima disaster in Japan in 2011.

The ministry appointed auditing firm Warth & Klein Grant Thornton to subject their balance sheets to a stress test to ensure that the 38.3 billion euros (\$44 billion) they have set aside in provisions to cover the decommissioning of reactors and the disposal of waste was adequate. The auditing firm assessed the potential bill according to six scenarios assuming future interest rates and cost growth and came up with a range of 25 to 77 billion euros. — Agencies