



Delhi Policy Group

Advancing India's Rise as a Leading Power



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INDO-PACIFIC MONITOR

This publication is a monthly analytical survey of developments and policy trends that impact India's interests and define its challenges across the extended Indo-Pacific maritime space, which has become the primary theatre of global geopolitical contestation. It is authored by Cmde. Lalit Kapur (Retd.), DPG Senior Fellow for Maritime Strategy based on open source reports and publications. Your comments and feedback may be addressed to the author at lalit@dpg.org.in. To subscribe, please [click here](#).

Cover Image:

Prime Minister Narendra Modi receives UAE President Sheikh Mohamed bin Zayed Al Nahyan in Ahmedabad, Gujarat, January 09, 2024. Source: PIB

INS Kulish and HTMS Prachuap Khiri Khan Participate in the Inaugural Bilateral Naval Exercise 'Ayutthaya' in the Andaman Sea, December 2023. Source: Indian Navy

President Smt Droupadi Murmu with French President Emmanuel Macron at Rashtrapati Bhavan, January 26, 2024. Source: MEA Photo Gallery

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INDO-PACIFIC MONITOR

January 2024

Abstract

The Middle East conflict, and continuing disruption of sea-lanes across the Arabian and Red Seas by Yemen's Houthis, occupied centre stage during January 2024. The Indian Navy significantly stepped up its deployments to the region. The US continued with Operation Prosperity Guardian, and re-designated Ansarallah as a Specially Designated Global Terrorist Group, but Houthi attacks persisted.

Election outcomes in two island nations cast their shadow on Indo-Pacific great power competition. In the Western Pacific, the victory of the Democratic Progressive Party's William Lai provided a shot in the arm for the US and its allies and a setback to China. In the Maldives, Mohamed Muizzu, who had assumed the Presidency in November 2023, upgraded his country's relations with China to a comprehensive strategic partnership, posing a fresh challenge to India's neighbourhood policies and the maritime domain awareness architecture in the Central Indian Ocean.

Outcomes of incoming Head of Government-level visits from the UAE and France spoke of the rapid and continuing progress in India's relations with both countries. The maiden India-France-UAE Air Force Exercise Desert Knight was held during the month.

Three new exercises marked the expansion of India's military diplomacy. First was the maiden Exercise Ayutthaya, between the Indian Navy and the Royal Thai Navy, conducted in end-December 2023. Next was the first India-UAE military exercise, which took place in Rajasthan from January 2-15, 2024. The maiden India-Saudi Arabia military exercise commenced in Rajasthan on January 29 and will continue till mid-February 2024. India also participated in the multinational Exercise Sea Dragon at Guam from January 10-22, 2024.

The IMF upgraded its estimate for India's GDP growth in 2023 from 6.3% to 6.7%. It forecast India's growth for 2024 and 2025 would be 6.5%, maintaining its status as the world's fastest growing major economy. World GDP was projected to grow 3.1% in 2024 and 3.2% in 2025.

Nauru transferred recognition from Taiwan to China. USS John Finn carried out a routine Taiwan Strait transit on January 24.

Germany and Japan signed an agreement for reciprocal provision of logistics support and services on January 29.

The Maldives Pivot to China

"Maldives' proximity to the west coast of India (barely 70 nautical miles from Minicoy and 300 nautical miles from India's West Coast), and its situation at the hub of commercial sea-lanes running through Indian Ocean (particularly the 8° N and 1½° N channels) imbues it with significant strategic importance to India", says the Indian Ministry of External Affairs; brief on bilateral relations¹. The brief goes on to add, "India First has been a stated policy of the Government of Maldives"². That stated policy appears to be changing to 'India Out, China In'. January 2024 witnessed acceleration of the Maldives' pivot into China's fold.

The signs have been evident for some time. Perhaps the most explicit was the election victory of Mohamed Muizzu of the National People's Congress, who had campaigned on a platform of 'India Out' in the September 2023 Presidential elections. Muizzu defeated the incumbent, the Maldivian Democratic Party's Ibrahim Solih, who India has assiduously cultivated for the last five years, including through substantial aid³. India's support, however, was not enough to overcome the use of "misleading narratives" on social media platforms and "disinformation amplified by online media", as reported by the EU's Election Observation Mission for the elections⁴. Muizzu won comfortably, obtaining 54.04% of the votes cast in the runoff, well ahead of Solih's 45.96%⁵.

Among Muizzu's first actions as President was to call on India to withdraw its military personnel from the Maldives⁶. Media reports indicate India's detachment in the Maldives comprises one Dornier patrol aircraft (for EEZ surveillance); two helicopters (for inter-island transportation, SAR and

¹ India-Maldives Bilateral Relations, <https://www.mea.gov.in/bilateral-briefs.htm>

² Ibid.

³ Ibid.

⁴ European Union Election Observation Mission, Presidential Election Maldives 2023, Final Report, <https://www.eeas.europa.eu/sites/default/files/documents/2024/Final%20Report%20-%20EU%20EOM%20Maldives%202023%20-%2009%20January%202024.pdf>

⁵ Presidential Election Round Two Results, <https://results.elections.gov.mv/index.html>

⁶ In his first speech as Maldives leader, Mohammed Muizzu vows to evict Indian troops, November 19, 2023, <https://www.thehindu.com/news/international/maldives-new-leader-vows-to-evict-indian-troops/article67548090.ece>

MEDIVAC duties); and 77 personnel for operation and maintenance of these assets⁷. Together with coastal radars in the Maldives and Sri Lanka, these aircraft provide a surface picture to IFC-IOR in Gurugram and enable maintaining of maritime domain awareness in the Central Indian Ocean. Though Muizzu is reported to have signed a \$ 37 million deal with Turkey for the procurement of drones to replace the gap that withdrawal of Indian aircraft will leave⁸, creating an effective surveillance architecture will require more.

Other indicators of the way the wind is blowing were Muizzu's making Turkey his first bilateral visit, signalling that the religious card trumped geographical proximity and a history of assistance, including Operation Cactus. His second and more consequential bilateral visit was to China, from January 8-12, 2024. The Joint Press Communique released by the two countries highlights agreement to elevate their relations to a comprehensive strategic cooperative partnership and to an action plan for 2024-2028⁹. Other agreements include expansion of cooperation across numerous fields (twenty agreements were exchanged during the visit)¹⁰, strengthening collaboration in international and multilateral affairs, working towards a China-Maldives community with a shared future, pursuing high-quality Belt and Road cooperation, and promoting high-quality economic and trade cooperation. China has agreed to provide the Maldives grant assistance amounting to 920 million Yuan¹¹ (about \$ 130 million).

A third indicator of the wind direction is the forthcoming visit by China's research vessel Xiang Yang Hong 3 to Male towards the end of the month¹². This was after Sri Lanka called a one-year moratorium on visits by Chinese research vessels to Sri Lanka. The Maldives said that the Chinese vessel would not do research in Maldivian waters. This is unadulterated obfuscation: the Maldives lacks the ability to even monitor whether such research is carried out.

⁷ 77 Indian military personnel in Maldives; new government reviewing more than 100 agreements with India: official, November 20, 2023,

<https://www.thehindu.com/news/international/77-indian-military-personnel-in-maldives-new-government-reviewing-more-than-100-agreements-with-india/article67552212.ece>

⁸ Maldives Signs Deal for Recon Drones from Turkey, January 18, 2024,

<https://themaldivesjournal.com/60308>

⁹ Joint Press Communique between the Republic of Maldives and the People's Republic of China: 11 January 2024, Beijing, <https://presidency.gov.mv/Press/Article/29610>

¹⁰ Key Agreements between the Maldives and China, January 10, 2024,

<https://presidency.gov.mv/Press/Article/29600>

¹¹ China to provide 920 million Yuan in free aid, states the President, January 13, 2024,

<https://presidency.gov.mv/Press/Article/29641>

¹² Maldives Confirms Port Call by Chinese Research Vessel, January 23, 2024,

<https://thewire.in/south-asia/maldives-confirms-port-call-by-chinese-research-vessel>



The immediate impact of complying with Muizzu's call and removing Indian personnel from the Maldives would be the creation a gap in India's domain surveillance and immediate response infrastructure in the Central Indian Ocean region. Such an outcome will no doubt be welcomed by pirates, terrorists, smugglers and other criminal elements, as well as by China. It isn't that India cannot bring alternate surveillance capability into place: it can, through the use of P-8I Long Range Maritime Patrol aircraft and the Sea Guardian drones, when they become available. Both are, however, scarce resources with high operating costs and many calls on their time. Indigenously manufactured Dornier aircraft and helicopters are more easily available and affordable.

Insofar as the maritime needs of the Maldives are concerned, China will doubtless be happy to put in place its own detachment of helicopters and aircraft. That this is not beyond the bounds of possibility is evident from the two sides having agreed "to explore ways towards implementing the Global Security Initiative (GSI) in the efforts to deepen cooperation in law enforcement and jointly meet key challenges including those posed by traditional and non-traditional security challenges" in their Joint Communiqué¹³. India's diplomats have their task cut out to find innovative solutions to prevent this eventuality. If that can't be done, the situation will have to be lived with at least till November 2028.

The media furore about the visit of China's Xiang Yang Hong 3 to Male is very similar to the media outcry when Yuan Wang-5 visited Hambantota in August 2022¹⁴. A study by a US think tank acknowledges China is "not alone in applying oceanographic research to support military needs"¹⁵. It goes on to state, "over the past four years, 13 of these ships have been active in the region" (Indian Ocean). An analyst has highlighted the ubiquitous nature of such research by Chinese ships in the Indian Ocean¹⁶. The reality is that such research has always been done by all maritime nations in the maritime commons. Military surveys in the High Seas, and even the EEZ of nations, are both permissible and do not fall within the jurisdiction of coastal states in

¹³ Joint Press Communiqué between the Republic of Maldives and the People's Republic of China: 11 January 2024, Beijing, <https://presidency.gov.mv/Press/Article/29610>

¹⁴ For an overview, see Lalit Kapur, "The Yuan Wnag-5 Affair", August 2022, <https://www.delhipolicygroup.org/publication/policy-briefs/the-yuan-wang5-affair.html>

¹⁵ Surveying the Seas: China's Dual-Use Research Operations in the Indian Ocean, January 10, 2024, <https://features.csis.org/hiddenreach/china-indian-ocean-research-vessels/>

¹⁶ Damien Symon, Chinese Research Vessels Operating in the Indian Ocean Region, Details of Activity Tracked Through 2019-2023, January 24, 2023, https://twitter.com/detresfa_/status/1750193891444478020/photo/1,



accordance with UNCLOS¹⁷, as India learnt following the activities of HMS Scott in the Arabian Sea and USS Bowditch in the Andaman Sea in December 2000. The solution lies in developing India's own picture of the oceanic domain, including its underwater facets, to enable better exploitation by India's submarines.

The development of greatest concern, from India's perspective, is the Maldives-China comprehensive strategic partnership. That Maldives has been upgraded to this level is not on account of its economic, technological or international heft. It is because the present Maldives government offers China tangible military benefits, unquestioned support in international fora and the opportunity to establish itself in the Central Indian Ocean. China can be expected to move fast to exploit this opportunity. Among the first visible indicators of the bonhomie between the two countries will be an influx of Chinese tourists and infrastructure projects, followed by port visits by warships to cement China's influence.

All is not, however, lost. Solih's Maldivian National Party still holds 65 of the 87 seats in the current parliament. Elections to the Majlis, whose size has been increased to 93 seats, are due on March 17, 2024. The outcome of this election will provide a direct check on how effective India's diplomacy has been in shaping Maldivian opinion during the last five years.

Finally, as India's immediate neighbour, Maldives does occupy an important position in India's thinking. Its true strategic value is perhaps indicated by the fact that it is not yet a strategic partner for India, leave alone a comprehensive strategic partner. What benefits the Maldives provides India can be replaced, albeit at increased cost. The question is whether what India provides the Maldives can be replaced, in the minds of its people.

Taiwan Developments

Two developments related to Taiwan attracted attention during the month. The first was election of Lai Ching-te as President, to succeed Tsai Ing wen. The second was Nauru's withdrawal of recognition to Taiwan.

Tasi Ing-wen, the incumbent and Taiwan's first female President, was not eligible to stand for re-election due to term limits set by the constitution. The

¹⁷ For an overview, see Lalit Kapur, "Freedom of Navigation_ Different Strokes for Different Folks", March 22, 2018, https://www.delhipolicygroup.org/uploads_dpg/publication_file/freedom-of-navigation-different-strokes-for-different-folks-1083.pdf



ruling Democratic People's Party (DPP) thus nominated Lai Ching-te, her Vice-President and the leader who had secured party chairmanship in March 2023, as its Presidential candidate. The party's confidence was justified. Lai secured over 40% of the popular vote, as against 33.49% for the KMT's Hou Yu-ih and 26.46% for the TPP's Ko Wen-je¹⁸. His victory is an unprecedented third continuous term for the DPP, and he will assume office in May 2024.

Congratulations to Taiwan for the smooth conduct of the election poured in from western democracies. The Philippines and Singapore joined the chorus. Although the former officially stated that it followed the one-China policy, President Bong Bong Marcos congratulated Lai and hoped for better relations between the Philippines and Taiwan. Singapore congratulated the DPP and Lai on their victory, supported the peaceful development of cross-strait relations and drew attention to its close and longstanding friendship with Taiwan and the Taiwanese people, which it hoped to continue to grow based on the one-China policy¹⁹. Japan congratulated Lai, described Taiwan as "an extremely crucial partner and an important friend" and said it would continue to deepen cooperation and exchanges with Taiwan, albeit on a non-governmental basis²⁰.

China's Foreign Minister Wang Yi, however, said that the election result count not change the fact that Taiwan is a part of China, nor could it change the prevailing international consensus on adhering to the one-China principle²¹. He added that seeking Taiwan's independence is a dead-end road as it "seriously threatens the well-being of Taiwan compatriots, seriously harms the interests of the Chinese nation, and will seriously undermine peace and stability in the Taiwan Strait"²². China also lodged a demarche with both the Philippines and Singapore, protesting their interference in China's internal affairs. There was, however, no discernible change in the pattern of Chinese air and naval activity in the vicinity of Taiwan. To that extent, China's reaction has remained subdued, indicating its appreciation that there is no major change in Taiwan's position in the offing.

¹⁸ Taiwan's Lai Ching-te elected President in 'victory for democracies', January 13, 2024, <https://www.japantimes.co.jp/news/2024/01/13/asia-pacific/politics/taiwan-presidential-election/>

¹⁹ Singapore congratulates Taiwan's William Lai on election victory, January 14, 2024, <https://www.channelnewsasia.com/singapore/taiwan-election-singapore-mfa-congratulates-william-lai-president-victory-dpp-4046476>

²⁰ Result of Presidential Election in Taiwan (Statement by Foreign Minister KAMIKAWA Yoko), January 13, 2024, https://www.mofa.go.jp/press/release/pressite_000001_00099.html

²¹ Election result can't change fact that Taiwan is part of China, says Chinese FM, January 15, 2024,

https://english.www.gov.cn/news/202401/15/content_WS65a5d1a9c6d0868f4e8e31f1.html

²² Ibid.

Days after the election, however, Nauru said it would stop recognising Taiwan and sought diplomatic relations with the People's Republic of China²³. These were formally re-established on January 24, 2024. Taiwan responded by ending official ties with Nauru and accused China of trying to diplomatically suffocate Taiwan. Nauru had earlier switched relations from Taiwan to Beijing in 2002, only to close its embassy in Beijing in 2003 and reestablish relations with Taiwan in 2005.

USS John Finn carried out the first Taiwan Strait transit on January 24²⁴. China's predictable protest followed²⁵. These are related more to the US pursuing its freedom of navigation rights under UNCLOS than to support to Taiwan. Neither does China appear ready to use force to subjugate Taiwan, nor is the US pushing Taiwan's independence. For the present, therefore, the situation is likely to remain stable.

The Growing India – UAE Convergence

Post-independence, India's relations with the erstwhile Trucial States of the Gulf (now the United Arab Emirates) remained cordial, in part because Britain had exercised control of the region's foreign and defence policies from British India. The last decade, however, following the visit of Prime Minister Narendra Modi to the UAE in 2015²⁶, has resulted in the blossoming of this relationship. The growing convergence is evident from the two countries having upgraded their relationship to a comprehensive strategic partnership in January 2017²⁷ and the fact that the last nine years have witnessed ten exchanges at the apex level.

The visit of His Highness Sheikh Mohamed bin Zayed Al Nahyan, President of the UAE as the Chief Guest for the 10th Vibrant Gujarat Global Summit from

²³ Taiwan Loses Another Diplomatic Partner in the Wake of Presidential Vote, January 15, 2024, <https://www.wsj.com/world/asia/taiwan-says-it-will-sever-diplomatic-relations-with-nauru-405aef34>

²⁴ 7th Fleet Destroyer transits Taiwan Strait, January 24, 2024, <https://www.c7f.navy.mil/Media/News/Display/Article/3654187/7th-fleet-destroyer-transits-taiwan-strait/>

²⁵ Chinese military slams US warship's transit through Taiwan Strait, January 25, 2024, http://eng.mod.gov.cn/xb/News_213114/TopStories/16283065.html

²⁶ Joint Statement between the United Arab Emirates and the Republic of India, August 17, 2015, http://mea.gov.in/bilateral-documents.htm?dtl/25733/Joint_Statement_between_the_United_Arab_Emirates_and_the_Republic_of_India

²⁷ India-UAE Joint Statement during State visit of Crown Prince of Abu Dhabi to India (January 24-26, 2017), January 26, 2017, http://mea.gov.in/bilateral-documents.htm?dtl/27969/India_UAE_Joint_Statement_during_State_visit_of_Crown_Prince_of_Abu_Dhabi_to_India_January_2426_2017

January 9-10 continued the momentum²⁸. He was received by Prime Minister Narendra Modi. The two leaders expressed satisfaction on the expansion of the bilateral partnership and witnessed exchange of four agreements pertaining to innovative healthcare projects, investment cooperation in the renewable energy sector, investment cooperation in food park development, and an MoU between DP World and the Government of Gujarat. They resolved to enhance the partnership in the in the field of energy, across oil, gas and renewable energy, green hydrogen, solar energy and grid connectivity. They also agreed to increase investment across the energy spectrum, including in India's strategic petroleum reserve programme, as well as in the health sector.

The leaders agreed to further strengthen collaboration to enhance maritime security and connectivity in the region, and to increase defence visits, exchanges, sharing of experience, training, capacity building and advance cooperation in cybersecurity. They reaffirmed a common stance rejecting terrorism and extremism in all its forms and manifestations at both the regional and international levels. Prime Minister Modi looked forward to his upcoming visit to the UAE in February 2024.

UAE's importance to India stems from six major areas. First is its location: although the major part of the UAE lies West of the Straits of Hormuz, there is a small section of Fujairah which lies in the Gulf of Oman and is thus not susceptible to closure of the Hormuz Strait. Second is its status as a major energy exporter, always an attraction for energy deficient India. Third is its wealth: UAE had a nominal GDP of over \$ 509 billion as per IMF estimates²⁹. Its population is under 10 million³⁰, giving it a per capita GDP at par with developed world standards. This wealth has given the UAE a large investable surplus, an attraction for India seeking investment. Fourth is India's diasporas³¹, which at over 3.4 million people in the UAE accounted for over 34% of its population and remitted over \$ 20 billion back to India last year. Fifth is the fact that the UAE is a moderate Islamic state and commands considerable influence in the Arab Peninsula. Sixth, the UAE has made itself a regional trade hub and a gateway to Africa. As such, it offers India numerous economic opportunities. The comprehensive economic cooperation agreement signed

²⁸ Joint Statement: Visit of UAE President His Highness Sheikh Mohamed Bin Zayed Al Nahyan to India (January 9-10, 2024), January 10, 2024, https://www.mea.gov.in/bilateral-documents.htm?dtl/37503/Joint_Statement_Visit_of_UAE_President_His_Highness_Sheikh_Mohamed_Bin_Zayed_Al_Nahyan_to_India_January_9_10_2024

²⁹ Based on IMF World Economic Outlook statistics, October 2023.

³⁰ The World Factbook, <https://www.cia.gov/the-world-factbook/countries/united-arab-emirates/#people-and-society>

³¹ Population of Overseas Indians, <https://www.mea.gov.in/population-of-overseas-indians.htm>

between the two nations has already seen non-oil trade burgeon to over \$ 85 billion in 2022-23, inspiring confidence that the target of \$ 100 billion by 2030 will be exceeded.

The I2U2 partnership, the India-Middle East Economic Corridor, the bilateral trade partnership, India's energy needs and the large Indian diaspora in the UAE mandate that all efforts be made to ensure growth of the India-UAE relationship. The two could do more on the defence and security front, and it is heartening to note that this was included in the joint statement from the leaders. Overall, the India-UAE relationship is progressing well and could become an important factor in regional security in the Northwest Indian Ocean.

The Macron Visit to Delhi

Just over six months ago, Prime Minister Modi was the Chief Guest at France's Bastille Day celebrations³². His two-day visit came midway through activities to commemorate the 25th year of the India-France strategic partnership, established on January 26, 1998, including unveiling of the Horizon 2047 roadmap setting out the course of bilateral ties to 2047³³. As the anniversary commemorations ended, President Macron reciprocated by visiting Jaipur and New Delhi, gracing India's 75th Republic Day Parade as the Chief Guest, interacting with political leaders and the people, and launching a number of agreements and declarations that will take the bilateral partnership forward³⁴.

President Macron's two-day visit programme encompassed a strong cultural element, with visits to Amber Fort, Jantar Mantar and Hawa Mahal in Rajasthan, apart from a dinner hosted by Prime Minister Modi on the first day. The second day was marked by the Republic Day celebrations, the official dialogue and receptions at Rashtrapati Bhavan. A French military contingent and three aircraft from the French Air and Space Force participated in the parade. The visit depicted a partnership "of exceptional trust and confidence, consistency and strength, based on shared democratic values, strong belief in sovereignty

³² For an overview, see Lalit Kapur, "The India France Partnership", Indo-Pacific Monitor July 2023, https://www.delhipolicygroup.org/uploads_dpg/publication_file/indo-pacific-monitor-4941.pdf

³³ Horizon 2047: 25th Anniversary of the India-France Strategic Partnership, Towards A Century of India-France Relations, July 14, 2023, <https://www.elysee.fr/admin/upload/default/0001/15/13ca1dc3c8938ae4ce52f5c53e149ddd251099cb.pdf>

³⁴ List of Outcomes: State Visit of President of the French Republic to India, January 26, 2024, https://www.mea.gov.in/bilateral-documents.htm?dtl/37535/List_of_Outcomes_State_Visit_of_President_of_the_French_Republic_to_India_January_26_2024



and strategic autonomy, a shared commitment to a multipolar world, to the rule of law and the principles of the UN Charter”, as stated in the comprehensive joint statement³⁵.

The leaders reaffirmed their shared vision for bilateral cooperation outlined in the Horizon 2047 statement and resolved to accelerate its three broad pillars: the partnerships for peace and prosperity, the planet, and the people. They lauded each other’s initiatives during the past year and expressed support for those lying ahead. They underlined the need for reform of global institutions. They also reiterated their commitment to further deepen their partnership in the Indo-Pacific, based on their common vision for the region.

Describing defence and security as the principal pillar of the partnership and a source for strengthening the two countries’ sovereignty and strategic autonomy and advancing regional peace, the leaders welcomed the outcomes and directions from the Annual Defence Dialogue and Maritime Cooperation Dialogue held in October 2023. They agreed to intensify cooperation in the Southwest Indian Ocean, building on the joint surveillance missions that had been carried out from La Reunion in 2020 and 2022. They also welcomed the extension of such missions to India’s maritime neighbourhood. The launch of a new tri-service exercise, to add to individual service exercises already being conducted, was discussed. They agreed to deepen the integration between the two countries’ defence industrial sectors and work together to identify opportunities for co-design, co-development and co-production of equipment not just for their own needs, but also for other countries in the region. They welcomed the adoption of an ambitious Defence Industrial Roadmap, which includes establishment of MRO facilities for LEAP engines in India by Safran, plans to add MRO for Rafale engines, a comprehensive helicopter partnership with a Joint Venture for IMRH engines between HAL and Safran, and the Scorpene submarines constructed in India. India’s Ambassador to France stated subsequently that Safran was ready to provide 100% technology transfer in design, development, certification, production etc for India’s future fighter jet engine requirements³⁶. Ongoing discussions were directed at arriving at a set of specifications that complied with the requirements of the future fighter

³⁵ India-France Joint Statement on the State Visit of H.E. Mr. Emmanuel Macron, President of French Republic, to India (25-26 January 2024), January 26, 2024, https://www.mea.gov.in/bilateral-documents.htm?dtl/37534/India_France_Joint_Statement_on_the_State_Visit_of_HE_Mr_Emmanuel_Macron_President_of_French_Republic_to_India_25_26_January_2024

³⁶ Transcript of Special Briefing by Foreign Secretary on the visit of President of France to India, January 26, 2024, https://www.mea.gov.in/media-briefings.htm?dtl/37533/Transcript_of_Special_Briefing_by_Foreign_Secretary_on_the_visit_of_President_of_France_to_India_January_26_2024



jets. There was, however, no mention of progress in negotiations for the purchase of 26 Rafale aircraft for the Indian Navy, or the extension of Scorpene production in India with three more submarines.

Other significant defence-related areas discussed in the joint statement are the expansion of space cooperation, including through co-development, manufacture and launch of satellites and payloads, research in new launch vehicle technologies including reusable launch vehicles, and the connection of startups and users in both countries. A letter of intent on Defence Space Cooperation was signed. The leaders further committed to revitalising the trilateral cooperation with Australia, deepening the one with UAE, and exploring other trilaterals in the region.

Other areas encompassed by the joint statement include civil aviation, science and technology, health, public administration and urban development. Taken together, it is evident that the India-France partnership continues to advance.

A leading European country and a member of the P-5, France has a long association with India and was India's first strategic partner, remaining steadfast even in the aftermath of the May 1998 Pokhran Nuclear Tests. Among the world's most developed countries, French territory lies primarily in Western Europe, but it also possesses island territories across the world. France's Indian Ocean holdings include Mayotte, Reunion and the French Southern and Antarctic lands, about 1.6 million citizens, military bases in Abu Dhabi, Djibouti, Reunion and Mayotte, and an EEZ of about 2.6 million Km². These possessions have led to France becoming a full member of IORA. The French economy is estimated at \$ 3.05 trillion³⁷ (seventh largest in the world). It also possesses an advanced indigenous military industry, spanning production of the entire spectrum of military equipment. It is India's second largest military equipment supplier (after Russia). These factors, along with the shared beliefs in democracy, sovereignty, strategic autonomy and a multipolar world would make France one of India's leading partners as the world changes around us.

Nevertheless, expectations from the partnership need to be tempered with a dose of reality. India and France are both middle powers, well behind either the US or China, the protagonists in the current great power competition. France will, moreover, remain preoccupied by its own security challenges, including operations in Eastern Europe, the Mediterranean, the Gulf of Guinea, the Red Sea and the Indo-Pacific. India and France can complement each other to help build peacetime sea lane security in the broader Indo-Pacific, but their

³⁷ IMF World Economic Outlook, October 2023.

combined strength or potential will not be enough to address great power challenges. They will, moreover, need external partners, including from within the Indian Ocean region.

The one area that both could do more in is investment and trade. Cumulative French investment in India as of September 2023 was just USD 10.7 billion, placing France 11th in the ranks of investors in India³⁸. It ranked even lower in total trade, which stood at just \$ 9.3 billion in April – November 2023, placing France 23rd among India's trade partners³⁹. President Macron did talk about wanting 30,000 Indian students to study in France by 2030. The partnership will have to move beyond just equipment sales if it is to fulfil its desired potential.

India's Operations, Exercises, Capability Development and Outreach

Operations in the Arabian Sea. Consequent upon the increased threats to maritime security in the Red Sea, Gulf of Aden and Arabian Sea, the Indian Navy enhanced surveillance over the region and augmented deployed force levels⁴⁰. The impact was visible in the response to the attempted hijack of MV Lila Norfolk⁴¹, assistance to MV Glen Picardy following a drone attack⁴², assistance to MV Marlin Luanda following a strike by an anti-ship ballistic missile⁴³, the thwarting of a piracy attempt on fishing vessels Imam and Al Naeemi⁴⁴, and the joint operation by the Indian Navy, Sri Lanka Navy and Seychelles Defence Forces (using a ship gifted by India) to capture pirates and rescue the crew of Sri Lankan trawler Lorenzo Putha⁴⁵. The operations bear testimony to the

³⁸ Country-wise FDI Equity Inflow from April 2000 to September 2003, https://dpiit.gov.in/sites/default/files/FDI_Factsheet_September_2023.pdf

³⁹ Department of Commerce Export-Import Data Bank, <https://tradedstat.commerce.gov.in/eidb/iecnttopn.asp>

⁴⁰ Indian Navy Enhances Surveillance in North/Central Arabian Sea and Gulf of Aden, [Press Information Bureau \(pib.gov.in\)](https://pib.gov.in/PressInformationBureau.aspx)

⁴¹ Indian Navy's Swift Response to the Hijacking Attempt of MV Lila Norfolk in the North Arabian Sea, <https://pib.gov.in/PressReleasePage.aspx?PRID=1993711>

⁴² Indian Navy's Mission Deployed Platform Responds to a Maritime Incident in the Gulf of Aden, <https://pib.gov.in/PressReleasePage.aspx?PRID=1997275>

⁴³ Update: Fire Extinguished on M/V Marlin Luanda Following Houthi Anti-Ship Ballistic Missile Attack, <https://www.centcom.mil/MEDIA/PRESS-RELEASES/Press-Release-View/Article/3658448/update-fire-extinguished-on-mv-marlin-luanda-following-houthi-anti-ship-ballist/>

⁴⁴ INS Sumitra carries out 2nd Successful Anti-Piracy Ops – Rescuing 19 Crew members and Vessel from Somali Pirates, <https://pib.gov.in/PressReleasePage.aspx?PRID=2000473>

⁴⁵ Indian Navy Responds to the Hijacking of Sri Lankan Fishing Vessel in Collaboration with Seychelles Defence Forces and Sri Lanka Navy, <https://pib.gov.in/PressReleasePage.aspx?PRID=2000673>



effectiveness of the response structure India has built up with regional partners in the Arabian Sea.

Maiden India – UAE Joint Exercise. The maiden India-UAE Joint Military Exercise 'Desert Cyclone' was conducted in Rajasthan from January 02-15, 2024⁴⁶. The exercise was intended to enhance interoperability in sub-conventional operations, including fighting in built-up areas, in a desert / semi-desert terrain under Chapter VII of the United Nations Charter on Peacekeeping Operations.

Maiden India-Saudi Arabia Joint Exercise. The inaugural India-Saudi Arabia Joint Military Exercise 'SADA TANSEEQ' commenced in Rajasthan on January 29, 2024⁴⁷. The exercise, which will continue till February 10, 2024, is intended to train troops for joint operations in a semi-desert terrain for operations under Chapter VII of the UN Charter.

Maiden Indian Navy Royal Thai Navy Bilateral Exercise. The maiden Indian Navy – Royal Thai Navy bilateral exercise 'Ayutthaya' was conducted from December 20-23, 2023, but notified to the press only on January 15, 2024⁴⁸. Involving IN Ships Kulish and INLCU 56, HTMS Prachuap Khiri Khan and maritime patrol aircraft from both navies, it encompassed surface and anti-aircraft exercises, including weapon firing, seamanship evolutions and tactical manoeuvres. India and Thailand have long been conducting a coordinated patrol in the Andaman Sea (the 36th edition of the patrol was also conducted by these ships at the same time) and have come together in the Singapore-India-Thailand Maritime Exercise (SITMEX). The establishment of the bilateral exercise is a welcome step forward.

Exercise Sea Dragon 2024. An Indian P-8I maritime patrol aircraft took part in the fourth edition of Exercise Sea Dragon, the coordinated multilateral ASW exercise for LRMP aircraft at Guam from January 10-22, 2024⁴⁹. The exercise brought together LRMP aircraft from India, the US, Australia, Japan and South Korea, training together and testing their skills against a USN attack submarine.

⁴⁶ India-UAE Joint Military Exercise 'Desert Cyclone' Commences in Rajasthan, <https://pib.gov.in/PressReleasePage.aspx?PRID=1992404>

⁴⁷ India-Saudi Arabia Joint Military Exercise 'Sada Tanseeq' Commences in Rajasthan, <https://pib.gov.in/PressReleasePage.aspx?PRID=2000315>

⁴⁸ Maiden Indian Navy-Royal Thai Navy Bilateral Exercise and 36th Edition of Indo-Thai Coordinated Patrol, <https://pib.gov.in/PressReleasePage.aspx?PRID=1996344>

⁴⁹ A P8 Aircraft of the Indian Navy arrived at Guam USA to participate in Exercise Sea Dragon 24, <https://indiannavy.nic.in/content/p8-aircraft-indian-navy-arrived-guam-usa-participate-exercise-sea-dragon-24>

Exercise Desert Knight. Air Forces from India, France and the UAE participated in Exercise Desert Knight over the Arabian Sea on January 23, 2024⁵⁰. The objective was enhancing synergy and interoperability between the three Air Forces for operations in the Arabian Sea.

Decommissioning of IN Ships. Four IN ships were decommissioned during the month. On January 12, IN Ships Cheetah, Guldar and Kumbhir were decommissioned at Port Blair⁵¹. Built in Poland in 1984, 1985 and 1986 respectively, the ships were the forerunners in the development of India's amphibious capability and are the last ships of their class in India. All subsequent vessels have been indigenously built. In the second incident, INS Nirupak, an indigenously designed and built survey ship, was decommissioned at Visakhapatnam on January 29, 2024⁵². The ship had completed 38 years of service. Four state of the art survey ships are expected to be commissioned into the Indian Navy in the next three years.

Contract for Fast Patrol Vessels for ICG. India's Ministry of Defence inked a contract valued at Rs 1070.47 crores with Mazagon Dock Shipbuilders Ltd for the construction of 14 Fast Patrol Vessels for the Indian Coast Guard⁵³. The vessels, to be delivered over the next 63 months, will provide a significant accretion to the ICG's capability.

Visit of Saudi Naval Chief. India's Chief of the Naval Staff hosted Admiral Fahad Abdullah Al-Ghofaily, Chief of Staff of the Royal Saudi Naval Forces in India from January 10-13, 2024⁵⁴. The visit speaks of growing interest of the Indian and Saudi Navies in cooperating to provide security to the Arabian Sea.

Other Indo-Pacific Developments

World Economic Outlook January 2024. The IMF World Economic Outlook January 2024 forecast global GDP growing by 3.1% in 2024 and 3.2% in 2025⁵⁵.

⁵⁰ Press Release: Ex Desert Knight, <https://pib.gov.in/PressReleasePage.aspx?PRID=1999010>

⁵¹ INS Cheetah, Guldar and Kumbhir Decommissioned After 40 Years of Glorious Service, <https://pib.gov.in/PressReleasePage.aspx?PRID=1995782>

⁵² INS Nirupak Decommissioned at Visakhapatnam, <https://pib.gov.in/PressReleasePage.aspx?PRID=2000702>

⁵³ MOD inks contract, worth over Rs 1070 cr, with Mazagon Dock Shipbuilders Ltd for 14 Fast Patrol Vessels for Indian Coast Guard, <https://pib.gov.in/PressReleasePage.aspx?PRID=1999143>

⁵⁴ Visit by Admiral Fahad Abdullah S Al-Ghofaily, Chief of Staff Royal Saudi Naval Forces to India, <https://pib.gov.in/PressReleasePage.aspx?PRID=1995227>

⁵⁵ World Economic Outlook Update January 30, 2024, <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>

It projected world trade as growing at 3.3% in 2024 and 3.6% in 2025, below the historical average of 4.9%. Growth in the US was expected to fall from 2.5% in 2023 to 2.1% in 2024 and 1.7% in 2025; and in the Euro area to increase from 0.5% in 2023 to 0.9% in 2024 and 1.7% in 2025. China's growth projects were 4.6% in 2024 and 4.1% in 2025, while those for India were 6.5% for both years. India remained the fastest growing major economy; the only other economy projected to grow at 6.0% or higher in the coming two years was the Philippines.

Operation Prosperity Guardian. The US led Operation Prosperity Guardian continued in the Red Sea. Two US Navy SEALs went missing while trying to board a dhow carrying illicit Iranian conventional weapons on January 11, they were declared dead on January 21⁵⁶. The US began strikes against Houthi targets in Yemen on January 12 (local time)⁵⁷. Although these did cause sporadic damage, it was not sufficient to deter or prevent attacks by the Houthis. The US State Department designated the Houthis as a Specially Designated Global Terrorist Group, to be effective from mid-February 2024⁵⁸. 24 countries came together on January 24 to condemn the Houthi action and call for an end to it⁵⁹.

Wang Yi visit to Africa. China's Foreign Minister maintained the precedent of the first visit abroad by the incumbent each year being to Africa for the 34th successive year. His visits, to Egypt, Tunisia, Togo and Cote d'Ivoire from January 14-18 indicated an expansion of China's focus to the Mediterranean and West Africa. The stated thrust was towards Africa's industrialisation, agricultural modernisation and talent development, using the BRI, GDI, GSI and GCI as the basis for expanding relations.

Japan Germany Reciprocal Provision of Supplies Agreement. The governments of Japan and Germany signed an Agreement for Reciprocal Provision of Supplies and Services between the Japanese Self Defence Forces

⁵⁶ Statement from President Joe Biden on the Deaths of Two US Navy Seals, <https://www.whitehouse.gov/briefing-room/statements-releases/2024/01/22/statement-from-president-joe-biden-on-the-deaths-of-two-u-s-navy-seals/>

⁵⁷ US Forces, Allies Conduct Joint Strikes, <https://www.centcom.mil/MEDIA/PRESS-RELEASES/Press-Release-View/Article/3643866/us-forces-allies-conduct-joint-strikes/>

⁵⁸ Terrorist Designation of the Houthis, <https://www.state.gov/terrorist-designation-of-the-houthis/>

⁵⁹ Joint Statement, <https://www.whitehouse.gov/briefing-room/statements-releases/2024/01/23/joint-statement-from-the-governments-of-albania-australia-bahrain-canada-croatia-czech-republic-denmark-estonia-germany-guinea-bissau-hungary-italy-kenya-latvia-lithuania-montenegro-ne/>

and the Armed Forces of the Federal Republic of Germany (Acquisition and Cross-Servicing Agreement, ACSA) in Tokyo on January 29, 2024⁶⁰.

USN Warfighting Priorities. Admiral Lisa Franchetti, the US Chief of Naval Operations, announced her Navy's warfighting priorities on January 09, 2024⁶¹. The USN's functions, according to her, were preserving the peace, responding to crisis, and winning decisively in war. Noting that adversaries (Russia and China) had designed their militaries to overcome traditional USN sources of strength, she defined her priorities as focusing on warfighting (delivering decisive combat power), warfighters (strengthening the Navy team) and foundation (building trust, aligning resources and being ready). Continuing shortfalls in the number of battle force ships, industrial infrastructure and technological capability make realization of these priorities a tall ask.

Quad STEM Event at the White House. Quad STEM fellows gathered at the White House to welcome completion of the first year of their fellowship and mark the launch of applications for the second class of Quad Fellows⁶². The implementing partner of the program announced expansion of the eligibility for the Fellowship to include students from ASEAN countries.

China to Keep Ships Near Senkaku Islands Throughout. China's President Xi Jinping called on his Coast Guard to keep its ships near Japan's Senkaku Islands on a permanent basis, to bolster his country's claim over the islands. China's Coast Guard has been evicting Japanese fishing boats and patrol vessels from the vicinity of the islands through much of 2023⁶³.

⁶⁰ Signing of Agreement Between the Government of Japan and the Government of the Federal Republic of Germany Concerning Reciprocal Provision of Supplies and Services Between the Self-Defense Forces of Japan and the Armed Forces of the Federal Republic of Germany, https://www.mofa.go.jp/press/release/pressite_000001_00124.html

⁶¹ CNO Releases Priorities: America's Warfighting Navy, 09 January 2024, <https://www.navy.mil/Press-Office/Press-Releases/display-pressreleases/Article/3639874/cno-releases-priorities-americas-warfighting-navy/>

⁶² Readout of the Quad STEM Fellows Event at the White House, <https://www.whitehouse.gov/briefing-room/statements-releases/2024/01/30/readout-of-the-quad-stem-fellows-event-at-the-white-house/>

⁶³ China plans to keep ships near Senkakus every day in 2024, <https://www.japantimes.co.jp/news/2023/12/30/japan/china-daily-senkakus/>



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