



Delhi Policy Group

Advancing India's Rise as a Leading Power



INDIA'S PROXIMITY ARCHIVES

March 11, 2026

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South Asia:

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Indian Ocean Region &

Central Asia:

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ABOUT US

Founded in 1994, the Delhi Policy Group (DPG) is among India's oldest think tanks with its primary focus on strategic and international issues of critical national interest. DPG is a non-partisan institution and is independently funded by a non-profit Trust. Over past decades, DPG has established itself in both domestic and international circles and is widely recognised today among the top security think tanks of India and of Asia's major powers.

Since 2016, in keeping with India's increasing global profile, DPG has expanded its focus areas to include India's regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India's ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

At a time of disruptive change in the global order, DPG aims to deliver research based, relevant, reliable and realist policy perspectives to an actively engaged public, both at home and abroad. DPG is deeply committed to the growth of India's national power and purpose, the security and prosperity of the people of India and India's contributions to the global public good. We remain firmly anchored within these foundational principles which have defined DPG since its inception.

India's Proximity Archives

India's Proximity Archives covers major developments in South Asia, East Asia, Southeast Asia, West Asia, Central Asia and Indian Ocean Region of strategic relevance to India, compiled from open-source media. The research team includes Shreyas Deshmukh, Sanket Joshi, Jayantika Rao T.V., Divya Rai and Arshiya Chaturvedi, Research Associates. Your comments and feedback can be addressed to Sanket Joshi at sanket@dpg.org.in.

Cover Images:

Southeast Asia: President of the Republic of the Philippines, Ferdinand Romualdez Marcos, addressed the 73rd plenary meeting of the General Assembly, in New York, on March 10, 2026. Source: [United Nations](#)

East Asia: Japanese Prime Minister Sanae Takaichi and Canadian Prime Minister, Mark Carney at the Japan-Canada Summit Meeting on March 6, 2026. Source: [Ministry of Foreign Affairs of Japan](#)

West Asia: Iran's Assembly of Religious Experts elected Ayatollah Seyyed Mojtaba Hosseini Khamenei as the country's third Supreme Leader, on March 9, 2026. Source: [Official X Handle/Islamic Republic New Agency \(IRNA\)](#)

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South Asia

by

Shreyas Deshmukh

The [national elections](#) held in Nepal on March 5 resulted in the Rastriya Swatantra Party (RSP) securing 125 out of 165 seats through direct voting, thereby enabling it to form a majority government. In the electoral results, the Nepali Congress (NC) obtained 18 seats, while the CPN-UML won nine and the Nepali Communist Party (NCP) secured eight. With the Proportional Representation (PR) system's vote count still underway, the RSP is poised to claim at least 50 seats. Balendra Shah, a senior RSP leader and the prospective Prime Minister, defeated KP Sharma Oli, the [CPN-UML chair](#) and former Prime Minister, by a margin of 49,614 votes in the Jhapa-5 constituency. Pushpa Kamal Dahal 'Prachanda', a former Prime Minister and coordinator of the Nepali Communist Party (NCP), [secured victory](#) for the fifth time in his constituency, Rukum East. Indian Prime Minister Narendra Modi extended [congratulations](#) to RSP leaders Rabi Lamichhane and Balendra Shah during a telephone conversation on March 9.

In the wake of decades of political and economic instability under the traditional NC and CPN-UML parties, the electorate has, for the first time, entrusted a majority mandate to the RSP, anticipating that its young leader, Balendra Shah, will enact reforms and eradicate corruption and nepotism from governmental bodies.

The US-Iran conflict and the blockage of the Strait of Hormuz have triggered a severe energy crisis in South Asian nations, prompting them to adopt austerity measures. On March 9, the Prime Minister of Pakistan declared the [implementation of several austerity measures](#). These include reducing the fuel allowance allocated to official vehicles, mandating the grounding of these vehicles, implementing salary reductions for senior government personnel and elected officials, instituting a work-from-home arrangement, closing educational establishments, and disallowing government officials from undertaking foreign travel. Similar actions have been declared by the new government in [Bangladesh](#), while India and [Sri Lanka](#) have opted to raise fuel prices and commence rationing through consumption constraints. The [export sector](#) of the region is also experiencing adverse effects, with perishable goods like fruits, alongside textiles and other merchandise, accumulating at ports. The war is having a significant effect on the South Asian diaspora in West Asia, with [two Pakistani](#) and [two Bangladeshi](#) nationals losing their lives in the Iranian missile strikes. In the meantime, India continues to [supply diesel](#) to Bangladesh, which is part of the ongoing energy trade between the two nations.

The South Asian region, largely dependent on energy imports from the Gulf, is experiencing widespread life disruptions due to potential supply chain interruptions caused by Iran-US war.

Other Developments

[Pakistan's arms imports 'grow 66pc with Chinese help'](#)

[Balochistan on alert as thousands cross border from Iran](#)

[UN says 185 Afghan civilians killed or wounded in border clashes with Pakistan](#)

Southeast Asia

by

Jayantika Rao T.V.

Philippines' President Ferdinand Marcos Jr. arrived in New York on March 8 to attend meetings at the United Nations headquarters on March 9–10, where he called for peace in the Middle East. Department of Foreign Affairs spokesperson Angelica Escalona described the visit as “very important,” noting that the UN is the most appropriate forum to advocate for civilian safety and peace in the region. [Addressing the UN General Assembly](#), Marcos emphasised that aspirations for peace must be grounded in respect for international law, the UN Charter, and humanitarian principles. He reaffirmed the obligation of all states to resolve disputes through dialogue and to protect civilians and infrastructure in armed conflicts, urging an end to violence worldwide. On [March 9](#), Marcos met with UN Secretary-General António Guterres to discuss key issues, including the Philippines' bid for a non-permanent seat on the UN Security Council.

Marcos Jr.'s UN visit underscores the Philippines' effort to boost its global influence by tying its Security Council bid to calls for Middle East peace, positioning Manila as a player in shaping international stability.

In a nationally broadcast address on March 10, President Prabowo Subianto asserted that Indonesia is well-positioned to navigate global geopolitical shifts by adhering to its long-standing [independent and active foreign policy](#), avoiding alignment with any bloc. However, he cautioned that although Indonesia is geographically far from the epicentre of these conflicts, the interconnected nature of today's world means the repercussions are unavoidable. He warned of [potential economic and political challenges](#) stemming from global instability, urging national resilience and unity to safeguard against disruptions. The president highlighted that conflicts in regions such as the Middle East could intensify global uncertainty and exert pressure on Indonesia's domestic economy. He called on the government and society to remain vigilant and prepared for the cascading effects of shifting geopolitical dynamics.

Indonesia's independent foreign policy is framed as a shield against global instability, yet persistent concerns remain that conflicts could spill over into domestic economic and political vulnerabilities.

Other Developments

[Vietnamese, Kuwaiti PMs hold phone talks](#)

[Vietnam to remove fuel tariffs amid supply disruption due to Iran war](#)

['Fears over China's intentions' fuel Asian arms buildup: SIPRI](#)

[Cambodia Disputes Thai Minister's Claim on Post-New Year Border Talks](#)

[Indonesia Calls for Greater Islamic World Unity Amid Geopolitical Challenges](#)

[How the 'tough guy' of South-East Asia is reshaping Australia's largest neighbour](#)

East Asia

by

Arshiya Chaturvedi

On March 6, [Japanese Prime Minister Sanae Takaichi met the visiting Canadian Prime Minister, Mark Carney](#) and remarked on Canada as a like-minded partner and elevated Japan-Canada relations into a “Comprehensive Strategic Partnership” to further deepen cooperation across all areas, including security, economic, cultural, and people-to-people exchanges. They also decided to strengthen Japan-Canada security cooperation and established a Cyber Policy Dialogue to further collaboration in cyberspace. Both Prime Ministers endorsed the recently signed Memorandum of Cooperation, one on assisting Japanese and Canadian nationals abroad through effective information sharing, and three others on maritime security. Prime Minister Takaichi further noted progress in the energy sector, as highlighted by the commencement of LNG Canada production for Asia and the construction of a Small Modular Reactor (SMR) in Ontario. The two sides also agreed to establish an Economic Security Dialogue while fostering cooperation in supply chain resilience and advanced technology and innovation fields such as AI and quantum technology.

Canada and Japan are striving to expand their bilateral relationship from a traditionally limited diplomatic engagement into a multidimensional strategic partnership to effectively navigate an increasingly complex global landscape marked by intensifying power competition.

On March 9, [the US and South Korea commenced their large-scale annual springtime joint military exercise, Freedom Shield](#). This live training exercise, which involves more than 18,000 personnel from both sides, aims to enhance interoperability, reinforce the combined defence posture, and increase overall combat readiness. Lasting till March 19, the exercise will have 22 field training manoeuvres, which is less than half of the number carried out last year. North Korea has repeatedly condemned US-South Korea military exercises, and [Kim Yo Jong, the sister of North Korean Leader Kim Jong Un, has issued a rebuke](#) on this latest 10-day joint exercise as undermining regional stability.

By conducting the annual joint exercise with South Korea despite its ongoing conflict with Iran, the US signals its balance commitments to its allies across multiple regions and the significance of East Asia in its strategic policy.

Other Developments

[China exports surge despite Trump tariffs](#)

[South Korea opposed to U.S. moving air defence systems in the country to Middle East: President Lee](#)

[China announces resumption of passenger trains to North Korea after COVID](#)

[India eases rules to allow Chinese investments to enter, sets ownership limits](#)

[Wang Yi: The more the international community stands against "Taiwan independence," the more assured peace and stability will be across the Taiwan Strait](#)

West Asia

by

Sanket Joshi

On March 9, Iran's Assembly of Religious Experts elected Ayatollah Seyyed [Mojtaba Hosseini Khamenei](#), the son of the late Ayatollah Ali Khamenei, as the country's third Supreme Leader. [Russia, China, Oman, Iraq, and Yemen's](#) Houthis welcomed the appointment of Mojtaba Khamenei and reiterated their support for Iran as a close partner. On the other hand, the U.S. and Israel described [Mojtaba Khamenei as a "tyrant"](#) who would continue the Iranian regime's brutality. They had earlier [threatened to target any successor](#) to the late Ayatollah Ali Khamenei.

Iran's new Supreme Leader, Ayatollah Mojtaba Khamenei, has been described as a "hardliner" and is expected to continue the policies of the late Ayatollah Ali Khamenei towards the U.S. and Israel.

On March 8, amidst the raging conflict between U.S.-Israel and Iran, crude oil prices surged above USD 100 per barrel, as fears grew about a prolonged [disruption to global energy supplies](#). Meanwhile, Iran [blockaded the Strait of Hormuz](#), a key international shipping route for energy trade.

Iran's blockade of the Strait of Hormuz could result in a global oil shock, causing higher inflation and economic disruption in several countries reliant on energy supplies from the Gulf.

Israel's Prime Minister Benjamin Netanyahu stated that Israel and the U.S. would soon create conditions for the Iranian people to take control of their destiny. Adding that, the war waged by the U.S. and Israel is a once-in-a-lifetime opportunity for the Iranian people to overthrow the Ayatollah regime.

Mojtaba Khamenei's appointment as Iran's new Supreme Leader directly challenges the U.S. and Israel's goal of "regime change" in Tehran.

Other Developments

[Suo Motu Statement by EAM Dr. S. Jaishankar in Lok Sabha on "The Situation in West Asia" \(March 09, 2026\)](#)

[EAM Jaishankar speaks to Iranian counterpart Araghchi](#)

[Israel launches new wave of attacks across Lebanon](#)

Central Asia

by

Divya Rai

French President Emmanuel Macron highlighted Uzbekistan and Kazakhstan as [pivotal alternative uranium suppliers](#) for Europe, aiming to diminish reliance on Russian sources amid geopolitical tensions. Speaking on energy security and diversification, he positioned these Central Asian nations alongside Mongolia, Canada, and Australia as reliable partners, emphasising Uzbekistan's rapidly expanding uranium reserves—estimated at over 100,000 tonnes—and its potential to ramp up exports through state-backed mining ventures. Kazakhstan, already the world's top uranium producer with about 43% of the global supply, further bolsters this shift via long-term contracts with French firm Orano, which has deepened investments in joint extraction projects since Macron's prior regional visits. [Macron](#) also stressed that nuclear energy is “a key” to national independence and sovereignty while playing a crucial role in decarbonisation and long-term economic growth. He noted that a meeting of France's nuclear policy council will take place in the coming days to adopt new decisions based on the country's national energy strategy.

This strategic pivot builds on established French-Central Asian nuclear deals, including technology transfers and exploration agreements signed in recent years. It underscores Paris' intent to forge deeper economic and energy ties with Central Asia and reduce reliance on Russian uranium.

Azerbaijani-Iranian tension [spiked](#) following a March 5 drone attack on the Azerbaijani exclave of Nakhchivan. On March 7, an entity connected to Iran's Islamic Revolutionary Guard Corps (IRGC), known as the Khatam al-Anbiya Construction conglomerate, focused a spotlight on the Azerbaijani-Israeli connection, issuing a [statement](#) warning that Baku would face fresh attacks unless it cut ties with Israel. “As a Muslim country neighbouring Iran, we declare to the Republic of Azerbaijan that they should remove the Zionists from this country to prevent the spread of instability in the region and not endanger their people as well as Iran's security,” the statement said. Immediately after the March 5 strikes in Nakhchivan, Azerbaijani leader Ilham Aliyev said Iran would feel Azerbaijan's “[iron fist](#)” if another attack occurred.

Tehran perceives Azerbaijan's Israel alliance as strategic encirclement, threatened by Israeli arms sales (like drones used in Karabakh), SOCAR's stake in Israel's Tamar gas field, and possible Israeli strike basing near its borders. The IRGC's harsh rhetoric warns of escalation,

pressuring Baku to reassess ties amid South Caucasus peace negotiations and its Zangezur corridor goals.

Armenia and Azerbaijan issued [official congratulations](#) to Iran's newly appointed Supreme Leader, a diplomatic gesture that arrives amid a delicate leadership transition in Tehran. For Armenia, which has long relied on Iran as a vital economic lifeline—importing over 80% of its natural gas and maintaining strategic road and rail links to bypass Azerbaijan—this outreach signals continuity in bilateral ties, especially as Yerevan pivots westward toward the EU and U.S. while seeking to avoid alienating Tehran, whose support proved crucial during the 2020 Nagorno-Karabakh war. Azerbaijan, fresh from its 2023 military victory in Karabakh and now pushing for peace accords with Armenia, uses the congratulations to balance its growing alignment with Israel and Turkey—key backers against Iran—while safeguarding energy exports through Iranian territory and preventing escalation over disputed border areas like the Zangezur corridor, which Baku envisions as a vital link to its Nakhchivan exclave. This rare convergence of goodwill from both rivals highlights Tehran's enduring regional leverage, despite internal upheavals and external pressures from U.S.-Iran frictions.

This diplomatic gesture underscores their efforts to maintain stable ties with Tehran, despite longstanding rivalries – Armenia deepening energy and security cooperation with Iran as a counterweight to Azerbaijan, while Baku balances relations to secure its position in the South Caucasus.

Other Developments

[Turkmenistan surpasses oil and gas production targets in early 2026](#)

[Kazakhstan condemned aerial attacks on the United Arab Emirates from Iran](#)

Indian Ocean Region

by

Divya Rai

On March 4, a U.S. Navy submarine [torpedoed and sank](#) the Iranian frigate IRIS Dena approximately 20 nautical miles (37 kilometres) off Sri Lanka's southern coast. The Moudge-class warship was returning from the Indian Navy's multinational MILAN 2026 exercise when the submarine fired two Mk 48 torpedoes; the first missed, but the second struck causing it to sink rapidly. The crew issued a distress signal, but the vessel had already gone down by the time Sri Lankan rescue ships arrived. IRIS Dena carried about 180 personnel. Sri Lankan naval forces recovered 87 bodies and rescued 32 survivors, with others still missing. U.S. Defense Secretary Pete Hegseth [confirmed](#) the strike as the first submarine sinking by the U.S. since World War II, situating it within escalating U.S.-Iran tensions. Iran's Foreign Minister Abbas Araghchi [condemned](#) the attack, calling it an "atrociousness at sea", asserting the frigate was hit without warning while sailing in international waters nearly 2,000 miles from Iran's shores.

The incident drew sharp backlash and is testing India's neutrality, as IRIS Dena was a guest of the Indian Navy at MILAN Exercise 2026. While the sinking occurred in the international waters of the Indian Ocean, it is still the area where India seeks to assert maritime leadership and primacy. It has also sparked debates on rules of engagement and the role of international maritime law in the Indo-Pacific.

The Indian Navy [initiated SAR operations](#) after the attack on IRIS Dena, deploying a long-range maritime patrol aircraft at 1000 hrs on March 4 to support Sri Lanka-led efforts. INS Tarangini, nearby, joined the rescue by 1600 hrs that day, alongside Sri Lankan and other agencies. INS Ikshak has also sailed from Kochi to augment the search efforts and continues to remain in the area to search for missing personnel as a humanitarian measure for shipwrecked personnel.

The U.S. attack on IRIS Dena has turned India's maritime neighbourhood into a conflict zone, undermining New Delhi's regional authority and neutrality.

Other Developments

[India granted permission to 3 Iranian warships to dock at country's ports](#)

[U.S. Navy has refused near-daily requests from the shipping industry for military escorts through the Strait of Hormuz](#)

[India and Seychelles to conduct the eleventh edition of Joint Military Exercise "LAMITIYE-2026"](#)



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