



# Delhi Policy Group

Advancing India's Rise as a Leading Power



## INDO-PACIFIC MONITOR

### MARCH 2026

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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 an independently funded 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.

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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, assisted by Ms. Divya Rai, based on open source reports and publications. Your comments and feedback may be addressed to the author at [lalit@dpg.org.in](mailto:lalit@dpg.org.in). To subscribe, please [click here](#).

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### Cover Images:

1. *Japan's Prime Minister Sanae Takaichi meets US President Donald Trump at the White House, March 19, 2026. Source: Prime Minister's Office of Japan*
2. *Prime Minister Narendra Modi meets Canadian Prime Minister Mark Carney at Hyderabad House, New Delhi on March 02, 2026. Source: PIB*
3. *US Under Secretary for War Elbridge Colby meets India's Defence Secretary RK Singh in New Delhi on March 25, 2026. Source: Embassy of the United States of America*

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# INDO-PACIFIC MONITOR

February 2026

## Abstract

Air and missile power, primarily from US aircraft carriers and CENTCOM forces in the region and from Israel, struck Iran commencing February 28, 2026, bringing war to the Gulf and the Western Indian Ocean. An Iranian warship was sunk off Sri Lanka, while two others were interned in Kochi and Trincomalee. Iran used its ballistic missiles and drones to attack energy facilities and US bases in the Gulf and effectively closed the Strait of Hormuz to commercial traffic, severely impacting global energy flows and trade. At the end of March, continued and even escalating conflict appeared likely.

Japan's Prime Minister Sanae Takaichi visited Washington D.C. from March 18-20 for a summit with US President Donald Trump. She announced Japanese investments in the US worth \$ 73 billion, signalled closer bilateral defence ties, and affirmed her personal rapport with the US President.

Canadian Prime Minister Mark Carney visited India, Australia and Japan from February 28 – March 07 in an attempt to build economic and security relations with Asian powers and hedge against volatility in ties with the US.

Mauritius suspended diplomatic relations with the Maldives, citing the latter's refusal to recognise its sovereignty over the Chagos Archipelago.

President Trump delayed a visit to China that was to commence on March 31 on account of the US war on Iran. The visit is now scheduled for May 14-15, 2026.

China announced a defence budget of 1.91 trillion Yuan (about \$ 277 billion) for 2026 on March 05.

US Under Secretary of War for Policy Elbridge Colby visited India from March 24-25. He co-chaired a meeting of the India-US Defence Policy Group to take forward bilateral defence ties.

China, continuing its policy of grey zone coercion, was involved in confrontation with the Philippines and Australia in the Spratly Islands and Yellow Sea respectively during the month.

Australia conducted its International Fleet Review at Sydney and multi-national Exercise Kakadu commencing March 21. INS Nilgiri represented India at both events.

## Operation Epic Fury

War came to the Western Indian Ocean when the US launched Operation Epic Fury<sup>1</sup>, a coordinated military campaign against Iran on February 28, 2026. The proximate cause was Iran's refusal to give up its nuclear ambitions: the US leadership sought to eliminate what it said was the imminent threat of Iran acquiring nuclear weapons, notwithstanding the claimed success of Operation Midnight Hammer in June 2025. As before, the US relied primarily on air power (both land and ship based) and land attack cruise missiles for strike tasks. In preparation, the US positioned two US Carrier Strike Groups (the USS Abraham Lincoln and the USS Gerald R Ford groups) in the region, carried out extensive coordination and planning with Israel, and moved squadrons of F-15E Strike Eagles and F-22 Raptors to air bases in Jordan and Israel. In parallel, Israel launched Operation Roaring Lion<sup>2</sup>. China condemned the operations for having no authorisation from the UN Security Council and for violating international law, and urged all parties to stop the operations and end the conflict<sup>3</sup>. India called for dialogue

Stated US objectives were to dismantle Iran's military capabilities. This included elimination of the nuclear threat posed by the Iranian regime, destruction of its ballistic missile arsenal, degradation of its proxy terror networks and crippling of its naval forces<sup>4</sup>. President Trump estimated that the operation would last 4-5 weeks. The objects of the Israeli operation were to remove existential threats posed to by Iran's financing, training and arming of proxies, and to bring political pressure to bear on the Iranian regime<sup>5</sup>.

The US-Israeli operations achieved success in eliminating Iran's senior leadership, including Ali Khomeini, the Supreme Leader, and over 40 senior members of the IRGC, Iranian military, intelligence apparatus and paramilitary forces. They were also successful in eliminating Iran's Air Force and air defences, thus obtaining air superiority. They severely damaging Iran's defence industrial base, and virtually eliminated Iran's surface fleet. IRIS Dena, an Iranian frigate returning from having

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<sup>1</sup> US Forces Launch Operation Epic Fury, February 28, 2026, <https://www.centcom.mil/MEDIA/PRESS-RELEASES/Press-Release-View/Article/4418396/us-forces-launch-operation-epic-fury/>

<sup>2</sup> Operation Roaring Lion, February 28, 2026, <https://www.idf.il/en/mini-sites/operation-roaring-lion/>

<sup>3</sup> Foreign Ministry Spokesperson Mao Ning's Regular Press Conference on March 2, 2026, [https://www.fmprc.gov.cn/eng/xw/fyrbt/lxjzh/202603/t20260302\\_11867202.html](https://www.fmprc.gov.cn/eng/xw/fyrbt/lxjzh/202603/t20260302_11867202.html)

<sup>4</sup> Peace Through Strength: President Trump Launches Operation Epic Fury to Crush Iranian Regime, End Nuclear Threat, March 1, 2026, <https://www.whitehouse.gov/articles/2026/03/peace-through-strength-president-trump-launches-operation-epic-fury-to-crush-iranian-regime-end-nuclear-threat/>

<sup>5</sup> Operation Roaring Lion, February 28, 2026, <https://www.idf.il/en/mini-sites/operation-roaring-lion/>

participated in India's International Fleet Review at Visakhapatnam in February 2026 was sunk by a torpedo fired by USS Charlotte South of Sri Lanka, while Iranian ships Laval and Bushehr were interned at Kochi and Trincomalee respectively<sup>6</sup>. The US and Israel were thus successful in significantly degrading Iran's war-waging potential. Iran appears powerless to stop the airstrikes causing it substantial damage.

This has not, however, been sufficient to diminish Iran's resistance. Iran's response has been more political than military, aimed at destabilising regional and global economies. It closed the Strait of Hormuz to all except friendly shipping. It targeted energy facilities and US bases in its neighbourhood, including in Saudi Arabia, Kuwait, the UAE, Iraq, Jordan and Bahrain. Swarm tactics employing low-cost drones and ballistic missiles from mobile launchers called into question the sustainability of using of high-cost advanced air defence systems to take down low-cost drones and missiles. Although the US and Israel have actively attacked Iran's missile and drone holdings, manufacturing structures and launchers, reducing the numbers being fired substantially, they have been unable to eliminate lingering launch capability and thus to prevent Teheran from threatening Middle East countries with missiles and drones.

Beginning a war may be easy, but ending it is a different matter altogether. As of the time of writing, the war is into its fifth week and the situation has evolved into a stalemate. The US claims that its war objectives are close to being completely fulfilled and has offered a 15-point peace proposal, including a 30-day ceasefire, a permanent commitment by Iran to never pursue nuclear weapons, dismantling of nuclear facilities at Natanz, Isfahan and Fordow, handing over stockpiles of enriched Uranium to the IAEA, limits to the range and quantity of Iran's ballistic missiles, an end to the funding and arming of Hamas, Hezbollah and the Houthis, ending Iranian strikes on regional energy infrastructure, and the reopening of the Strait of Hormuz as a free maritime corridor for oil and gas, removal of sanctions on Iran and an end of the UN snapback mechanism, and US support for electricity generation at Iran's Bushehr Nuclear Power Plant<sup>7</sup>. Iran has publicly dismissed plan as maximalist and unreasonable<sup>8</sup>. It has countered with its own conditions, including recognition of the legitimate right of the country to enrich Uranium for peaceful purposes, a halt to

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<sup>6</sup> For an overview of the implications of the sinking of IRIS Dena and quick lessons from the war, see Anil Chopra, "Military Insights from the Ongoing Gulf War", DPG Policy Brief Volume XI Issue 9, March 23, 2026, [https://www.delhipolicygroup.org/storage/uploads/publications\\_file/publication\\_DPG%20Policy\\_Brief\\_XI\\_Issue\\_9.pdf](https://www.delhipolicygroup.org/storage/uploads/publications_file/publication_DPG%20Policy_Brief_XI_Issue_9.pdf)

<sup>7</sup> What's inside Trump's 15-point plan to end war with Iran, March 25, 2026, <https://timesofindia.indiatimes.com/world/us/whats-inside-trumps-15-point-plan-to-end-war-with-iran/articleshow/129802951.cms>

<sup>8</sup> Iran calls US proposal to end war 'maximalist, unreasonable', March 25, 2026, <https://www.aljazeera.com/news/2026/3/25/iran-calls-us-proposal-to-end-war-maximalist-unreasonable>

aggression and assassination by US and Israel, international guarantees to ensure war doesn't resume, closure of all US Gulf bases, payment of war damages and reparations, and total sovereignty over the Strait of Hormuz. It is reported to have opened a tolled passage for merchant ships, directing them to go around Larak Island in Iranian territorial waters, instead of the normal shipping route through Omani waters<sup>9</sup>. A trickle of ships is allowed to use this passage, as against the average of around 140 that use the Strait daily under normal circumstances.

The impact of the continuing war has been felt throughout the world. The Gulf region's supply of fuel for the global economy has stopped. Roughly 20% of global LNG exports and 20 million barrels of oil per day are no longer available<sup>10</sup>. Oil and Natural Gas prices have risen sharply. Major energy producers in Qatar, Kuwait and Iraq have declared force majeure on contracts due to lack of storage and export routes. Qatar, which makes a third of the world's supply of Helium, vital for the making of semiconductor chips, has stopped production. Hormuz also carries a third of the world's supply of nitrogenous fertiliser which is no longer available, causing prices to spike and threatening crop yields for wheat, rice and maize in the coming crop planting season. Gulf nations, which import the overwhelming majority of their food, face a food emergency with prices rising sharply. Meanwhile, US attention has decisively shifted from the War in Ukraine to Iran. This may impact US military supplies promised to Ukraine.

The impact is especially significant for India. The Gulf region houses around 9 million Indian citizens, whose continued safety, as well as the remittances they send home, are concerns. Nearly half of India's crude oil supplies and a significant portion of its supplies of LNG and LPG depend on Hormuz. Trade with the Gulf, which is one of India's foremost export partners, has been adversely impacted. While India has deployed multiple warships to escort India-flagged vessels, these are perforce operating outside the Strait of Hormuz for Operation Urja Suraksha. India's diplomacy has obtained Iranian assurances of safe passage for such India-flagged vessels. Similar success is reported for vessels from Pakistan, Russia, China, Iraq, Japan and Malaysia.

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<sup>9</sup> IRGC Opens Tolled Passage for Merchant Ships in Strait of Hormuz, Transit Continues to Trickle Through, March 27, 2026, <https://news.usni.org/2026/03/27/irgc-opens-tolled-passage-for-merchant-ships-in-strait-of-hormuz-transit-continues-to-trickle-through>

<sup>10</sup> For an overview of the impact of the closure of the Strait of Hormuz, see Lalit Kapur, "The Iran War and Maritime Security", DPG Policy Brief Volume XI Issue 10, March 25, 2026, [https://www.delhipolicygroup.org/storage/uploads/publications\\_file/publication\\_DPG%20Policy\\_Brief\\_XI\\_Issue\\_10%20\(1\).pdf](https://www.delhipolicygroup.org/storage/uploads/publications_file/publication_DPG%20Policy_Brief_XI_Issue_10%20(1).pdf)

Fighting a war and waging a war are two entirely different things<sup>11</sup>. While the US military may come out on top, winning every battle, that may not suffice to win a war, as the experience of Vietnam and Afghanistan has proved. Operations Epic Fury and Roaring Lion have brought out the limits of air power in subduing the adversary's will to resist.

President Trump desires an early end to the conflict and has threatened the elimination of Iran's electricity generation infrastructure, oil production and export structures, and desalination plants. The threat has been paused till April 6 to enable negotiations. Iran has pledged to hit power plants, water desalination facilities and oil installations across the Gulf should its energy and water infrastructure be targeted. There are no easy options available to either. It may become necessary for the US to resort to ground troops to achieve its objectives (7000 soldiers from the US Army and 2200 marines are reported in the region). Their use will inevitably prolong the war. Countries around the world, including India, need to prepare for such a scenario.

## The Takaichi Trump Tango Continues

A week after she assumed charge as Japan's Prime Minister, Sanae Takaichi had hosted US President Donald Trump for the first bilateral visit to Asia of his second term. The two leaders had pledged a new golden age in US-Japan relations, emphasising strengthening of their alliance and economic cooperation<sup>12</sup>. Trump had invited Takaichi to visit him in Washington DC, and she did so from March 18-20, 2026<sup>13</sup>, even as the US was focused on its war in Iran.

Japan and the US are allies of long standing, with their relationship described as a comprehensive global partnership. The partnership encompasses the military, economic and technological domains. Japan hosts over 50,000 forward deployed military personnel from the US Army, Navy, Air Force and Marine Corps, the largest concentration stationed outside the US. This includes an aircraft carrier strike group, an amphibious ready group and over 80 USAF F-35 Lightning II and F-15EX Eagle-II aircraft. The two countries share a common perspective on countering Xi Jinping's efforts to overthrow the existing order and dominate Asia, maintaining peace and stability in the Taiwan Strait, as well as the complete denuclearisation of North Korea.

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<sup>11</sup> Lt Gen James Michael Dubik, "Iran: Relearning the Importance of Waging a War, Not Just Fighting One", March 19, 2026, <https://www.csis.org/analysis/iran-relearning-importance-waging-war-not-just-fighting-one>

<sup>12</sup> For an overview, see Lalit Kapur, "The Trump Takaichi Summit" in the Indo-Pacific Monitor, Volume VI Issue 10, <https://www.delhipolicygroup.org/publication/detail/indo-pacific-monitor-6>

<sup>13</sup> Prime Minister Takaichi's Visit to the US, March 18, 2026, [https://www.mofa.go.jp/na/na1/us/pageite\\_000001\\_01531.html](https://www.mofa.go.jp/na/na1/us/pageite_000001_01531.html)

Japan has pledged to invest up to \$ 550 billion in the US. The two countries cooperate on reducing reliance on China for critical minerals and rare earths, as well as on emerging technology and space exploration. Japan produces US designed military equipment under licence and has in fact exported the Mitsubishi-manufactured Patriot Advanced Capability missiles to replenish US stockpiles stretched by global commitments.

There are, however, differences between the allies. These centre on US trade protectionism, differing approaches to China, and Japan's security role in global conflicts. The US continues to maintain a 15% tariff on most Japanese imports, including in critical sectors like automobiles and steel. It has recently launched investigations under Section 301 of its Trade Act of 1974 into Japan's structural excess capacity and the use of forced labour, harming US workers and businesses. Critics in Japan are unhappy with the pledge of \$550 billion Japanese investment in the US, viewing it as a heavily weighted deal in which Japan holds most of the risk. Japan has rejected the US intelligence characterisation of Takaichi's November 2025 comment regarding a potential Chinese invasion of Taiwan constitution a survival threatening situation as representing a significant shift for a sitting Japanese Prime Minister<sup>14</sup>. Japan, on the other hand, is cautious about US attempts to cool the temperature with Beijing, fearing that a US-China rapprochement leading to the development of a G2 could adversely impact Japanese security interests. The US has pressurised Japan to contribute warships to keep the Strait of Hormuz open in the ongoing US-Iran-Israel conflict; Japan is not able to comply with the demand due to its pacifist constitution and public opposition.

Takaichi's visit objectives were strengthening the alliance; enhancing the security of critical supply chains while reducing reliance on China for critical minerals and rare earths; addressing Japan's difficult security environment by advancing cooperation on regional security, with particular focus on North Korea and China; and enticing the US by boosting investment in American infrastructure, particularly in technology and energy. She deftly built on convergences during the summit, while managing the differences so that they did not come into the public eye.

In February 2026, Japan had announced the first three projects under its \$ 550 billion investment plan, worth \$ 36 billion. The key takeaway from the summit was announcement of the second batch of projects, worth \$ 73 billion<sup>15</sup>. These include the

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<sup>14</sup> 2026 Annual Threat Assessment of the US Intelligence Community, March 2026, P 23, <https://www.dni.gov/files/ODNI/documents/assessments/ATA-2026-Unclassified-Report.pdf>

<sup>15</sup> Joint Announcement on the Japan-US Strategic Investment, March 19, 2026, [https://japan.kantei.go.jp/contents/topics/18495\\_ext\\_20\\_1.pdf](https://japan.kantei.go.jp/contents/topics/18495_ext_20_1.pdf)

construction of small modular reactors by GE Vernova Hitachi in Tennessee and Alabama, as well as of natural gas generation facilities in Pennsylvania and Texas<sup>16</sup>.

The leaders agreed to accelerate joint research and development and industry cooperation on commercially viable development of deep-sea critical mineral resources, including rare earth muds near Japan's Minamitorishima Island<sup>17</sup>. They agreed to a Critical Minerals Action Plan to increase the production and diversity of critical minerals, developing a plurilateral trade initiative supported by price floors or other measures<sup>18</sup>. The two countries also set out a joint fact sheet for their critical minerals project cooperation<sup>19</sup>. On the energy front, Japan committed to purchasing more crude oil from Alaska and investing in production and refining capacity there, while also exploring importing LNG from Alaska. This is part of a Japanese commitment to purchase \$ 7 billion worth of energy products from the US annually.

The two countries signed a statement of intent to drive cooperation on AI-enabled scientific discovery and innovation, high-performance computing and quantum technologies. They agreed that astronauts will return to the moon through NASA's Artemis programme with a crewed pressurised land rover from Japan. The two countries will also expand cooperation in low-earth orbit and NASA-led Moon Base.

On defence cooperation, the two countries affirmed their commitment to deploying advanced capabilities in Japan to enable a strong denial defence posture, building on the 2025 deployment of the US Typhon missile system to mainland Japan. They will explore Japan's future role in increased AMRAAM production capacity, while increasing the production of Standard SM-3 Block IIA missiles in Japan fourfold. The US welcomed Japan's commitment to develop a secure and sovereign cloud platform for government data to enhance bilateral information sharing, planning and coordination. The expected announcement on Japan's joining the Golden Dome project was, however, not forthcoming. Nor did Takaichi make any commitment to send naval vessels to the Middle East.

The two countries committed to peace and stability across the Taiwan Strait as an indispensable element of regional security and global prosperity, supported the

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<sup>16</sup> Fact Sheet: President Donald J Trump Strengthens US-Japan Alliance for the Benefit of All Americans, March 19, 2026, <https://www.whitehouse.gov/fact-sheets/2026/03/fact-sheet-president-donald-j-trump-strengthens-u-s-japan-alliance-for-the-benefit-of-all-americans/>

<sup>17</sup> Memorandum of Cooperation Regarding Deep-Sea Mineral Resource Development Between the Ministry of Economy, Trade and Industry of Japan and the Department of Commerce of the United States of America, March 19, 2026, [https://japan.kantei.go.jp/contents/topics/18495\\_ext\\_20\\_4.pdf](https://japan.kantei.go.jp/contents/topics/18495_ext_20_4.pdf)

<sup>18</sup> United States Japan Action Plan for Critical Minerals Supply Chain Resilience, March 19, 2026, [https://japan.kantei.go.jp/contents/topics/18495\\_ext\\_20\\_2.pdf](https://japan.kantei.go.jp/contents/topics/18495_ext_20_2.pdf)

<sup>19</sup> Joint Fact Sheet for Japan-US Critical Minerals Project Cooperation, March 19, 2026, [https://japan.kantei.go.jp/contents/topics/18495\\_ext\\_20\\_3.pdf](https://japan.kantei.go.jp/contents/topics/18495_ext_20_3.pdf)

peaceful resolution of cross-Strait issues through dialogue and opposed any attempt to unilaterally change the status quo, including by force or coercion. They reaffirmed their commitment to the complete denuclearisation of North Korea and to enhance the Japan-US-ROK partnership. They agreed to coordinate in third countries to address challenges posed by strategic competitors and rogue states.

In sum, the charisma and energy Takaichi brings to Japan's international relations was noticeable. Japan will consider the summit as successful, despite a brief awkward moment when Trump made what was assumed to be a joke about Japan's surprise 1941 attack on Pearl Harbour. Japan's diplomats coordinating the visit deserve credit for ensuring sufficient understanding so that Trump did not publicly seek the deployment of Japanese military capability to the Middle East, while obtaining continued US support for Japan in the Indo-Pacific. Consequently, Takaichi was able to come away from the US with her bonhomie with Trump intact. Whether this bonhomie continues after Trump makes his expected visit to China, delayed now by 4-6 weeks, remains to be seen.

## Carney's Visit to the Indo-Pacific

Canadian Prime Minister Mark Carney undertook a tour of India (Mumbai and New Delhi), Australia (Sydney and Canberra) and Japan (Tokyo) from February 27 to March 7, 2026<sup>20</sup>. The tour followed Carney's widely reported address at Davos in January 2026<sup>21</sup>, when he had said that changes to the world order required a pragmatic approach to international relations. The tour's stated objective was to unlock new opportunities for Canadian workers and businesses across trade, energy, technology, and defence, and to deepen regional ties critical for Canada's security and prosperity.

### Visit to India

India Canada relations had gone into deep freeze during the tenure of Carney's predecessor Justin Trudeau. This was due to Canada's allegation that Indian diplomats were involved in violent criminal activities, including homicide and coercion within Canada, while Indian government agents were involved in the murder of Canadian citizen and designated terrorist Hardeep Singh Nijjar. India,

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<sup>20</sup> Prime Minister Carney to diversify Canada's trade, attract new investment, and secure new partnerships with visits to India, Australia and Japan, February 23, 2026, <https://www.pm.gc.ca/en/news/news-releases/2026/02/23/prime-minister-carney-diversify-canadas-trade-attract-new-investment>

<sup>21</sup> "Principled and Pragmatic: Canada's Path" Prime Minister Carney addresses the World Economic Forum Annual Meeting, January 20, 2026, <https://www.pm.gc.ca/en/news/speeches/2026/01/20/principled-and-pragmatic-canadas-path-prime-minister-carney-addresses>

while denying these allegations as absurd, accused Canada of overlooking the activities of Khalistani extremists threatening India's national security and providing them safe haven. Diplomats were withdrawn by both sides. Trudeau was ousted in March 2025. Leaders on both sides agreed in June 2025 to return high commissioners, resume free trade agreement talks, and commit to the India - Canada strategic energy partnership when Prime Minister Modi visited Kananaskis for the 51<sup>st</sup> G-7 Summit.

Carney's official visit, the first to India by a Canadian Prime Minister since 2018, was intended to elevate and expand the Canada-India relationship through new partnerships in trade, energy, technology and artificial intelligence (AI), talent, culture, and defence. The Mumbai leg was business-oriented and aimed at catalysing investment flows, deepening financial linkages and expanding the innovation partnership between the two countries. The Delhi leg resulted in both sides reaffirming their shared commitment to rebuild strategic trust, strengthen institutional cooperation, and anchor the relationship in mutual respect, sovereignty, and democratic values.

The Leaders' joint statement articulated a structured vision for a renewed India-Canada strategic partnership anchored in the guiding principles of Vasudhaiva Kutumbakam - one earth, one family, one future<sup>22</sup>. Leaders agreed to advance the India-Canada Strategic Energy Partnership aimed at deepening long-term cooperation across the energy value chain. They welcomed the conclusion of a CAD \$ 2.6 billion (about US\$ 1.8 billion) commercial agreement between India's Department of Atomic Energy and Canada's Cameco for the supply of nearly 22 million lbs (about 10,000 tonnes) of Uranium ore concentrate (U<sub>3</sub>O<sub>8</sub>) to India over the period 2027-2035<sup>23</sup>. Cameco had earlier successfully delivered 7.1 million lbs of Uranium concentrate to India under a contract worth \$ 350 million signed in April 2015. Leaders also welcomed India's intention to source LNG and heavy oil from Canada, while Canada would import refined petroleum products from India.

The leaders committed to deepening long-term, reciprocal investment partnerships across the energy and natural resource sectors. They welcomed the signing of a Memorandum of Understanding on Critical Minerals Cooperation. They agreed to strengthen collaboration in investment to support clean energy technologies and future-oriented industries, as well as in critical minerals and energy transition pathways. They agreed to deepen cooperation between higher education institutions

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<sup>22</sup> India - Canada Joint Leaders' Statement, March 02, 2026, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2234572&reg=3&lang=1>

<sup>23</sup> Cameco Signs Long-Term Uranium Supply Agreement with India, March 02, 2026, <https://www.cameco.com/media/news/cameco-signs-long-term-uranium-supply-agreement-with-india>

by enhancing industry aligned skills training; expanding joint; dual-degree and twinning programs; facilitating the establishment of offshore campuses of leading Canadian institutions in India; strengthening research partnerships in emerging technologies; and revitalising the Joint Working Group on Higher Education to further support cooperation in this area.

The leaders agreed to structure the renewed India-Canada Strategic Partnership around two foundational layers: Security and Defence Cooperation, and advancing the Trade Partnership. Under the first layer, they welcomed a new Maritime Security Partnership in areas such as Defence Material Cooperation, Supply Chain Resilience, and Training and Exercises. They agreed to institutionalise an India-Canada Defence Dialogue, which will exchange views on respective defence policies, regional and global security developments, and strategic outlooks in order to identify opportunities for greater defence collaboration. They welcomed Canada's appointment of a Defence Attaché to India, and India's accreditation of its Defence Attaché in Washington to Canada. Noting the growing convergence between India's vision for the Indian Ocean and Canada's Indo-Pacific strategy, they agreed to strengthen cooperation in the Indian Ocean through practical initiatives and committed to working together with regional partners to advance a free, open, inclusive and resilient Indo-Pacific. India welcomed Canada's interest in joining IORA as a dialogue partner. Under the second foundational layer, they welcomed the finalisation and signing of the Terms of Reference for CEPA negotiations and expressed their shared commitment to conclude talks by end-2026.

Carney's visit to India marks completion of the reset in relations after the tensions of 2023-24. It has consolidated normalisation, restored strategic direction and institutionalised economic and security dialogues, positioning the partnership for long-term expansion. Outcomes will, however, depend on whether Canada can act decisively against Khalistani extremists amongst its Sikh population. The Canadian Security and Intelligence Service has officially acknowledged that Khalistani extremists have used Canadian soil for fundraising, spreading propaganda, and planning violent activities targeting India. The Carney administration has shown intent to address the funding of Khalistani extremist groups, specifically noting that organisations like Babbar Khalsa International and the International Sikh Youth Federation receive overseas funding. Canada has begun processes to address criminality within its borders, including legal steps against individuals accused of terrorist activities.

Meanwhile, Nancy Grewal, a 45-year-old Jat Sikh social media influencer and critic of Khalistani extremism and Justin Trudeau, was stabbed to death in Canada's LaSalle region on March 03. Reports indicate that a social media account linked to the

Khalistan movement has claimed responsibility for the killing<sup>24</sup>. How Canada handles her murder investigation could become the bellwether determining the future of India-Canada relations.

### Visit to Australia

Carney was in Australia on March 04 and 05. Australia and Canada have a strong bilateral relationship, built on shared history, values, and similar political systems. The two countries have fought together in major conflicts, including both World Wars, Korea and Afghanistan. Both are Commonwealth countries, constitutional monarchies with a Westminster system of government, and are members of the Five Eyes intelligence alliance. Both are members of the CPTPP. Australia is characterised as Canada's largest partner in the Indo-Pacific. Yet Carney was the first Canadian Prime Minister to visit Australia after Stephen Harper in September 2007, and only the second Canadian Prime Minister ever to address Australia's parliament<sup>25</sup>.

The leaders released a joint statement outlining new partnerships in economic security and prosperity, critical minerals, defence and security, and building resilient communities<sup>26</sup>. They agreed that building strong domestic economies, underpinned by fair, open and predictable global trade, is fundamental to enabling greater prosperity for both countries. Dialogues were established between Finance Ministers of the two countries, as well as their Industry Ministers, to work together on economic reforms to strengthen national resilience and enhance industrial policy and economic security cooperation. They welcomed the signing of a new Australia-Canada Clean Energy Partnership, which will strengthen cooperation to unlock new trade and investment opportunities in the clean energy sector. They welcomed progress under the Australia-Canada-India Technology and Innovation Partnership and agreed to develop a joint workplan to advance practical trilateral cooperation in artificial intelligence and digital technologies. Noting Australia's and Canada's combined strengths as global critical minerals producers, leaders committed to working more purposefully to advance mutual interests and promote thriving, dynamic global critical minerals supply chains.

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<sup>24</sup> Khalistani Linked Account Claims Responsibility For Nancy Grewal's Murder, March 06, 2026, <https://indicaneews.com/khalistani-linked-account-claims-responsibility-for-nancy-grewals-murder/>

<sup>25</sup> For text of the address, see "Prime Minister Mark Carney delivers an address to both Houses of Australia's Parliament and invited dignitaries, March 5, 2026, <https://www.pm.gc.ca/en/news/speeches/2026/03/05/prime-minister-carney-delivers-address-both-houses-australias-parliament>

<sup>26</sup> Australia Canada Joint Statement, March 5, 2026, <https://www.pm.gov.au/media/australia-canada-joint-statement>

Recognising the significant security challenges of the times and the interconnected nature of Indo-Pacific and Euro-Atlantic security, the leaders agreed to enhance defence cooperation and established a biennial Defence Ministers' Meeting. They reaffirmed their commitment for bilateral collaboration on the development of Over The Horizon Radar (OTHR) technology in support of fielding an Arctic OTHR system in Canada. They agreed to continue exploring collaboration on advanced military capabilities, strengthening defence trade, boosting R&D innovation and science and technology cooperation. They committed to enhancing interoperability and conduct of combined military activities in the Indo-Pacific, agreeing to initiate discussions on a Status of Forces Agreement. They also agreed to continue cooperating on countering threats such as foreign information manipulation. They further agreed to advance civil space cooperation.

The Carney visit to Australia is part of a strategic realignment intended to cobble together a middle power alliance to resist economic coercion and political pressure from both China and the US. The Critical Minerals Partnership is aimed at reducing dependence on China and create the largest critical minerals reserve held by democratic nations. The collaboration in defence and technology is aimed at reducing dependence on the US. As a new global order emerges, it will be interesting to see if middle powers can indeed get their act together.

### Visit to Japan

The third leg of his Indo-Pacific tour took Carney to Japan on March 06 & 7. Japan is a major investor in Canada, particularly in the automotive sector and in natural resources. Both nations are partners in the CPTPP trade agreement. They work closely together in the Indo-Pacific, particularly in enforcing UN sanctions on North Korea.

Carney and Takaichi concurred on elevating Japan-Canada relations to a Comprehensive Strategic Partnership (CSP), encompassing cooperation in security, economy, culture and people-to-people exchanges. They released a Joint Statement<sup>27</sup>, the first summit document between the two countries to spell out the strategic direction both countries will pursue. Noting that the international community stands at a turning point in history, the statement reconfirms the commitment of the two countries to address key challenges and pursue shared strategic interests. The Leaders made common cause on a Free and Open Indo-Pacific, as well as opposing any unilateral attempt to change the status quo by force or coercion, or to take any other action contrary to international law, particularly UNCLOS, in the East and South

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<sup>27</sup> Joint Statement on Canada-Japan Comprehensive Strategic Partnership, March 6, 2026, <https://japan.kantei.go.jp/content/000192991.pdf>

China Seas. The leaders reiterated that the 2016 South China Sea Arbitral Tribunal's Award was final and legally binding on both parties to the dispute. Both leaders encouraged peaceful resolution of cross-Strait issues through dialogue, and expressed concern about North Korea's nuclear, missile and malicious cyber activities.

To provide direction to the CSP, the leaders established a new Canada-Japan Comprehensive Strategic Roadmap covering six priority areas<sup>28</sup>: Enhanced Security and Defence Cooperation; Economic Security, Supply Chains, and Technological Resilience; Trade and Investment; Energy Security and Food Security; Arctic, Environment and Climate Cooperation; and People-to-People, Academic, and Cultural Exchanges. Building on the framework provided by the Canada-Japan Acquisition and Cross-Servicing Agreement, Security of Information Equipment, and Defence Equipment and Technology Transfer Agreements, the two sides vowed to explore further opportunities to enable increasingly complex engagement between their forces. A bilateral Cyber Policy Dialogue was established. Both sides committed to deepening cooperation that contributes to maritime security, including efforts to counter illegal fishing and ship-to-ship transfers. A new bilateral Economic Security Dialogue was also launched, with the first meeting to be held this year.

Carney's visit to Japan strengthens cooperation between the Armed Forces of the two countries in the Indo-Pacific and the Arctic. It encourages collaboration to strengthen defence supply chains in frontier areas like AI, autonomous systems and space security. It establishes Canada as a long-term partner for Japan in LNG, hydrogen and nuclear technology. It seeks to build on the nearly \$40 billion trade the two countries have with each other, by modernising the Canada-Japan Joint Economic Committee and identifying new investment opportunities through pension funds. In sum, the new partnership seeks to maintain a Free and Open Indo-Pacific notwithstanding China's growing military and economic assertiveness, and foster Canada's integration with a major Asian economy, creating a hedge against unpredictable US tariffs.

### Summary

Carney has been at the forefront of US allies in acknowledging the rupture in the international order and identifying middle power cooperation as the corrective action required. His Indo-Pacific tour represents the beginning of a long-term strategy, marked by a pivot in Canadian foreign policy aimed at diversifying trade away from the US and moving towards greater collaboration with Asia, the world's most

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<sup>28</sup> Canada Japan Comprehensive Strategic Roadmap, March 6, 2026, <https://www.pm.gc.ca/en/news/backgrounders/2026/03/06/canada-japan-comprehensive-strategic-roadmap>

economically dynamic region. The overall impact will be a more assertive, diversified and middle power oriented Canada, one that is no longer US-centric in its outlook and is hedging against American volatility. Carney's success is likely to be measured and gradual rather than immediate aiming for long-term alignment rather than instant economic shifts.

## Other Indo-Pacific Developments

Finland's President Visits India. Finland's president Dr. Alexander Stubb made a state visit to India from March 04-07, along with a high-level delegation comprising ministers, senior officials and business leaders. The visit focussed on trade, technology and talent<sup>29</sup>. Dr Stubb delivered the inaugural address at the 11<sup>th</sup> Raisina Dialogue on March 05, and had a bilateral meeting with Prime Minister Narendra Modi. The leaders agreed to elevate India-Finland relations to a strategic partnership in digitalisation and sustainability. They agreed that based on the India-EU FTA, they should aim to double bilateral trade by 2030.

Mauritius Suspends Diplomatic Relations with Maldives. Citing the Maldives' refusal to recognise Mauritian sovereignty over the Chagos Archipelago and opposition to the 2025 UK-Mauritius treaty, Mauritius formally suspended diplomatic relations with the Maldives on February 27, following a cabinet decision. Reacting to the decision, the Maldives President Mohammed Muizzu described it as "nonsensical, immature and very naïve, and said the agreement between Mauritius and UK does not change reality<sup>30</sup>. The Maldives claims the Chagos Islands as its territory. The rift between two of its foremost Indian Ocean island country partners is a matter of concern for India.

Trump Delays Summit with Xi Jinping. US President Donald Trump delayed his summit with China's President Xi Jinping, planned for March 31-April 2, by five to six weeks due to his preoccupation with the Gulf War<sup>31</sup>. His visit to Beijing has been officially rescheduled to May 14-15<sup>32</sup>.

Raisina Dialogue 2026. The 11<sup>th</sup> Raisina Dialogue took place at New Delhi from March 05-07<sup>33</sup>. The theme was "Samskara – Assertion, Accommodation, Advancement". The dialogue, which was structured around six pillars (contested frontiers, repairing the

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<sup>29</sup> India – Finland Joint Statement on the State visit of President of the Republic of Finland (March 04-07, 2026), March 5, 2026, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2235725&reg=3&lang=1>

<sup>30</sup> <https://x.com/NBCDigitalNews/status/2029791578558980196>

<sup>31</sup> Trump seeks to delay meeting with Xi in China, March 16, 2026, <https://www.bbc.com/news/articles/cn9e0z7v3nxo>

<sup>32</sup> <https://truthsocial.com/@realDonaldTrump/posts/116291185984825094>

<sup>33</sup> Raisina Dialogue Agenda, <https://www.orfonline.org/forums/raisina-dialogue/agenda>

commons, white whale, the eleventh hour, tomorrowland, and trade in time of tariffs), drew about 2700 participants from 110 countries<sup>34</sup>. It emphasised India's role as a proactive, independent and influential global actor, aiming to reconcile 21<sup>st</sup> century technological challenges with traditional diplomacy.

Defence Forces Vision 2047. Raksha Mantri Shri Rajnath Singh released "Defence Forces Vision 2047: A Roadmap for a Future-Ready Indian Military" on March 10, 2026<sup>35</sup>. The vision is one of the Armed Forces, not India's Ministry of Defence<sup>36</sup>. It focuses on what the Armed Forces should be doing, but does not stretch to the vision for defence research and development, or defence production. It acknowledges that many of the goals being aspired to are futuristic in nature and will require clearances with approval at various levels. It further acknowledges that some of the goals being aspired to fall under the purview of other MoD departments and organisations and their support will be essential to the vision's fructification. The vision seeks that the Armed Forces be an integrated all domain force, dynamic and self-reliant in thought and capabilities, ready to respond across the full spectrum of conflict, to protect and promote national interests, in concert with all elements of national power. It sets out seven strategic priorities and goals: combat readiness and responsiveness; organisational agility and interoperability; capability development and sustenance; conceptual and doctrinal clarity; strategic culture and climate; training, education and empowerment; and military cooperation and defence diplomacy.

Japan Singapore Summit. Singapore's Prime Minister Lawrence Wong met Japan's Prime Minister Sanae Takaichi in Tokyo on March 18. The two leaders announced the establishment of the Japan-Singapore strategic partnership, with five priority cooperation areas: promotion of free trade and economic cooperation; digitalisation and technology; defence and security; green transition and energy cooperation; and partnership and exchange<sup>37</sup>. Takaichi expressed the determination to strategically evolve its FOIP initiative to strengthen the autonomy and resilience of each nation, while Wong appreciated Japan's contributions to peace and security in the Indo-Pacific<sup>38</sup>. The two leaders also exchanged views in China, North Korea and the situation in the Middle East.

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<sup>34</sup> Raisina Dialogue 2026, March 05, 2026, [https://www.mea.gov.in/press-releases.htm?dtl/40851/Raisina\\_Dialogue\\_2026](https://www.mea.gov.in/press-releases.htm?dtl/40851/Raisina_Dialogue_2026)

<sup>35</sup> Raksha Mantri releases 'Defence Forces Vision 2047: A Roadmap for a Future-Ready Indian Military', March 10, 2026, <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2237368&reg=3&lang=2>

<sup>36</sup> Defence Forces Vision 2047, blob:https://ids.nic.in/64913d04-494d-4aff-a70b-b55809392358

<sup>37</sup> Joint Statement on the Establishment of a Strategic Partnership Between Japan and the Republic of Singapore, March 18, 2026, [https://japan.kantei.go.jp/contents/topics/18359\\_ext\\_20\\_0.pdf](https://japan.kantei.go.jp/contents/topics/18359_ext_20_0.pdf)

<sup>38</sup> Japan - Singapore Summit Meeting (Summary), March 18, 2026, <https://japan.kantei.go.jp/105/diplomatic/202603/18singapore.html>

China Defence Budget 2026. China announced a defence budget of 1.91 trillion Yuan (about \$ 277 billion) for national defence in 2026 on March 05<sup>39</sup>. The amount is 7% higher than the allocation for 2025. The amount will go towards integrated development of mechanisation, informatisation and intelligentisation, optimising the joint operations system, and development of advanced weaponry and equipment<sup>40</sup>. The consensus among independent analysts is that China spends substantially more than the budgeted figure on defence.

Visit of US Under Secretary of War for Policy to India. Elbridge Colby, the US Under Secretary of War for Policy, visited India on March 24 & 25 to co-chair the meeting of the US-India Defence Policy Group and take forward the US-India major defence partnership. The two sides discussed ongoing defence procurement, including India's plan to acquire six additional P-8I maritime surveillance aircraft, Javelin anti-tank guided missiles, and Excalibur precision-guided artillery ammunition. This was Colby's first visit to a non-treaty ally. He paid courtesy calls on External Affairs Minister Dr. S. Jaishankar and Foreign Secretary Vikram Misri. He also spoke at the Ananta Centre, noting that the US and India shared a fundamental conviction that the future of Asia should be determined by sovereign nations able to chart their own course<sup>41</sup>. Recognising that no single country could sustain a stable balance of power in Asia and stability would depend on the collective contributions of capable states that share an interest in maintaining a free and open Indo-Pacific, he recognised India's indispensable role due to its size, geography, strategic position and economic potential. He said that the US saw India not just as a key partner, but an essential one in ensuring a long-term favourable balance of power in Asia. He described the US approach to the strategic partnership with India as interests-based and realistic, shaped by geopolitics and incentives as opposed to gauzy aspirations or detached idealism.

Thailand PM Wins Parliamentary Vote. Thailand's Anutin Charnvirakul won a parliamentary vote on March 19, becoming the first Thai Prime Minister to be re-elected in two decades<sup>42</sup>. His Bhumjaithai alliance secured 292 votes in the 499 seats parliament. The development could usher in a rare period of stability for a country that has long experienced political drama and turmoil.

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<sup>39</sup> China's

<sup>40</sup> Chinese Military Spokesperson Details 2026 Defence Spending Arrangement, March 10, 2026, <http://eng.mod.gov.cn/2025xb/P/16447711.html>

<sup>41</sup> For a transcript of the speech, see "Remarks by Under Secretary of War for Policy Elbridge Colby at the Ananta Centre in India, March 24, 2026, <https://www.war.gov/News/Speeches/Speech/Article/4442027/remarks-by-under-secretary-of-war-for-policy-elbridge-colby-at-the-ananta-centr/>

<sup>42</sup> Thailand's Anutin re-elected PM after crushing rival in parliamentary vote, March 19, 2026, <https://www.cnbc.com/2026/03/19/thailands-anutin-reelected-pm-after-crushing-rival-in-parliamentary-vote.html>

Australia EU Defence and Security Partnership. Australia's Prime Minister Anthony Albanese and President of the European Commission Ursula von der Leyen announced and Australia EU Security and Defence Partnership<sup>43</sup> and conclusion of negotiations for an Australia-EU Free Trade Agreement on March 24<sup>44</sup>. The security and defence partnership will lead to greater sharing of information to counter global threats; build capacity to combat security threats; deepen cooperation to combat online radicalisation and terrorism financing; and establish a new space security dialogue. The FTA will now go through respective domestic processes required for signature and entry into force.

Germany Australia Defence Ministers Meeting. The interlinking of European and Indo-Pacific security received further impetus with the maiden visit of Germany's Defence Minister Boris Pistorius to meet his Australian counterpart on March 26. The two ministers discussed the war in Ukraine, increasing tensions in the South China Sea and across the Taiwan Strait, the Iran conflict and the closure of the Strait of Hormuz<sup>45</sup>. They recognised the need to increase defence cooperation in view of these challenges, acknowledged the need to contribute to military activity that upholds international security and deters threats to national interests. They agreed to negotiate a Status of Forces Agreement and explore greater cooperation in the space domain. They also agreed to explore information sharing and bolster industry partnerships.

Australia New Zealand 2+2. The Australia New Zealand Foreign and Defence Ministerial 2+2 Consultations took place in Canberra on March 17. The ministers recognised that the trans-Tasman relationship is more important than ever given the fundamental shifts in the global geostrategic environment and the risks posed to their shared national interests<sup>46</sup>. They reaffirmed that Australia and New Zealand were fundamentally aligned and rising to the challenge of permanent strategic contest through closer cooperation and major strategic investments by both countries to strengthen the peace in the region. Defence Ministers of the two countries set out the

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<sup>43</sup> Australia-European Union Security and Defence Partnership, March 24, 2026, <https://www.pm.gov.au/media/australia-european-union-security-and-defence-partnership>

<sup>44</sup> Joint Statement, March 24, 2026, <https://www.pm.gov.au/media/joint-statement-1>

<sup>45</sup> Joint Statement, Australia-Germany Defence Ministers' Meeting, March 26, 2026, <https://www.minister.defence.gov.au/statements/2026-03-26/joint-statement-australia-germany-defence-ministers-meeting>

<sup>46</sup> Joint Statement Australia – New Zealand Foreign and Defence Ministerial Consultations 2+2, March 17, 2026, <https://www.foreignminister.gov.au/minister/penny-wong/media-release/joint-statement-australia-new-zealand-foreign-and-defence-ministerial-consultations-22>

ANZAC 2035 vision the same day, of operationalising the alliance to be able to operate seamlessly as an integrated, combat capable Anzac force by 2035<sup>47</sup>.

Australia Deploys E-7A Wedgetail Aircraft to the Gulf. Australia announced the deployment of an E-7A Wedgetail AEW&C aircraft to the Gulf for an initial period of four weeks in support of the collective self-defence of Gulf nations<sup>48</sup>. The deployment is based in the UAE, and the aircraft has reportedly commenced operations.

Houthis Signal to Recommence Missile and Drone Operations Against Shipping in Red Sea. Two senior Houthi officials told international media that the group has decided to restart missile and drone operations against maritime traffic in response to US-Israeli military strikes on Iran<sup>49</sup>. The announcement marks an end to over three months of calm, following the pause by Houthis in maritime attacks in November 2025. Major container carriers again re-routed their ships around the Cape of Good Hope, adding to transportation costs. However, as of the time of writing, no ships had been struck.

Western Nations Ready to Contribute to Safe Passage Through Hormuz. UK, France, Germany, Italy, the Netherlands, Japan and Canada expressed their readiness to contribute to appropriate efforts to ensure safe passage through the Strait of Hormuz in a Joint Statement<sup>50</sup>. They welcomed the commitment of nations that are engaging in preparatory planning for this. The statement is in effect an indicator of willingness to provide escort to merchant traffic in the Strait, as also to take kinetic action against threats emanating from Iran.

North Korea Fires 10 Ballistic Missiles. North Korea fired a barrage of short-range ballistic missiles on March 14 towards an island target in the Sea of Japan, outside Japan's EEZ<sup>51</sup>. The action came shortly after South Korea and the US kicked off Exercise Freedom Shield 2026, which took place from March 09-19. Pyongyang considers the exercise to be a rehearsal for war, while Washington and Seoul maintain it is defensive in nature and is essential for maintaining regional peace and stability.

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<sup>47</sup> Operationalising the Australia – New Zealand Alliance: Anzac 2035 – Closer Defence Relations Statement, March 17, 2026, <https://www.minister.defence.gov.au/statements/2026-03-17/operationalising-australia-new-zealand-alliance-anzac-2035-closer-defence-relations-statement>

<sup>48</sup> Australia to provide defensive military assistance to Gulf, March 10, 2026, <https://www.pm.gov.au/media/australia-provide-defensive-military-assistance-gulf>

<sup>49</sup> Red Sea Corridor Slips Back Into Crisis as Houthi Threats Resurface, March 02, 2026, <https://gcaptain.com/red-sea-corridor-slips-back-into-crisis-as-houthi-threats-resurface/>

<sup>50</sup> Joint Statement from the leaders of the United Kingdom, France, Germany, Italy, the Netherlands, Japan and Canada on the Strait of Hormuz, 19 March 2026, <https://www.gov.uk/government/news/joint-statement-from-the-leaders-of-the-united-kingdom-france-germany-italy-the-netherlands-and-japan-on-the-strait-of-hormuz-19-march-2026>

<sup>51</sup> North Korea fires off barrage of around 10 ballistic missiles, Seoul says, March 14, 2026, <https://www.japantimes.co.jp/news/2026/03/14/asia-pacific/north-korea-missile-launch-trump/>

Philippines China Confrontation in Spratly Islands. China continued its coercive actions against the Philippines when a Chinese frigate was responsible for a provocative and hazardous incident with BRP Benguet, a WW II era LST, near Thitu Island in end March<sup>52</sup>. Earlier in the month, a Chinese warship had used its fire control radar to illuminate a Philippine frigate near Sabina Shoal.

China Australia Confrontation in Yellow Sea. Australia expressed its concern to China after an unsafe and unprofessional interaction with a PLA Navy helicopter in the Yellow Sea on March 04<sup>53</sup>. The incident involved an MH-60R helicopter from HMAS Toowoomba, operating in support of Operation Argos (enforcing UNSC sanctions against North Korea) in the Yellow Sea, and a PLA Navy helicopter. The latter matched the Australian helicopter in altitude before closing to an unsafe distance, after which it increased speed and moved directly ahead of the former, forcing evasive action.

China Building Antelope Reef in the Paracel Islands. Reports indicate that China is carrying out dredging and landfill activity at Antelope Reef, in the Western Paracel Islands<sup>54</sup>. The estimated area of reclaimed land is roughly 1490 acres, second only to Mischief Reef in the South China Sea. The size is sufficient to accommodate a 3000-metre runway. The scale of construction indicates that Antelope Reef could become one of the most important outposts China has built in the South China Sea.

Australian Personnel on USS Charlotte Excluded from Sinking of IRIS Dena. Three Australian personnel embedded with the crew on board USS Charlotte did not participate in the action when the submarine torpedoed IRIS Dena off Sri Lanka on March 4<sup>55</sup>. Their action was under Australia's rules of engagement for them. The decision not to allow them to participate came in for political questioning in Australia<sup>56</sup>.

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<sup>52</sup> Philippine Navy Ship Avoids Collision During Chinese Frigate Harassment in South China Sea, March 27, 2026, <https://news.usni.org/2026/03/27/philippine-navy-ship-avoids-collision-during-chinese-frigate-harassment-in-south-china-sea>

<sup>53</sup> Statement on unsafe and unprofessional interaction with People's Liberation Army – Navy, March 06, 2026, <https://www.defence.gov.au/news-events/releases/2026-03-06/statement-unsafe-unprofessional-interaction-peoples-liberation-army-navy>

<sup>54</sup> Antelope Reef Could Now be the Largest Island in the South China Sea, March 19, 2026, <https://amti.csis.org/antelope-reef-could-now-be-the-largest-island-in-the-south-china-sea/>

<sup>55</sup> Australians on board US nuclear sub that struck Iranian ship, March 6, 2026, <https://www.1news.co.nz/2026/03/06/australians-on-board-us-nuclear-sub-that-struck-iranian-ship/>

<sup>56</sup> Tony Abbott, "Submarine Tourists", March 17, 2026, <https://www.tonyabbott.au/p/submarine-tourists>

Second Edition of IOS Sagar. INS Sunayna, renamed as IOS Sagar, sailed from Kochi for the second edition of IOS Sagar on March 16<sup>57</sup>. This edition includes participation from 16 friendly nations.

Exercise Sea Dragon 2026. Maritime patrol aircraft from Australia, India, Japan, New Zealand and the US came together at Andersen Air Force Base, Guam, for Exercise Sea Dragon 2026 from March 9-24<sup>58</sup>. The exercise<sup>59</sup>, which focuses on advancing aircrew proficiency and cooperation in anti-submarine warfare, is an annual event in which India has participated with P-8I Neptune aircraft since 2021. This year's exercise continues the trend of high-intensity collaboration aimed at promoting a free, open, and secure maritime environment.

Exercise Lamitye-2026. The 11<sup>th</sup> edition of the India-Seychelles bilateral military exercise LAMITYE-2026 was conducted at the Seychelles Defence Academy from March 09-20. The exercise seeks to enhance synergy in Sub-conventional Operations in Semi-Urban environment and cooperation and interoperability between both the sides during Peace Keeping Operations.

Australian Navy International Fleet Review and Exercise Kakadu. The Australian Navy held its International Fleet Review at Sydney on March 21, 2026. 31 vessels from 19 nations are reported to have participated. India was represented by INS Nilgiri, along with V Adm Sanjay Bhalla, the Flag Officer Commanding-in-Chief Western Naval Command<sup>60</sup>. The ships participated in Australia's biennial multinational Exercise Kakadu thereafter<sup>61</sup>.

China Eyeing All Nuclear Submarine Fleet. The PLA Navy is executing a strategic shift from diesel-electric to all-nuclear construction for its submarines, according to testimony from the US Navy Director of Intelligence to the US-China Economic and Security Review Commission on March 02<sup>62</sup>. The broad assessment is that from the current fleet of about 60+ submarines, of which 11 are nuclear, China's submarine strength will expand to about 80 submarines, about half of which are nuclear-

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<sup>57</sup> Indian Navy Continues IOS Sagar Initiative to Strengthen Maritime Partnership With Indian Ocean Nations, March 18, 2026, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2241628&reg=3&lang=1>

<sup>58</sup> Australia, India, Japan, New Zealand and US kick off anti-submarine warfare exercise Sea Dragon 2026, March 9, 2026, <https://www.c7f.navy.mil/Media/News/Display/Article/4429446/australia-india-japan-new-zealand-us-kick-off-anti-submarine-warfare-exercise-s/>

<sup>59</sup> Exercise Sea Dragon 26 Commences in Guam, March 16, 2026, <https://www.defence.gov.au/news-events/releases/2026-03-16/exercise-sea-dragon-26-commences-guam>

<sup>60</sup> INS Nilgiri reaches Sydney for fleet review, March 25, 2026, <https://dailypioneer.com/news/ins-nilgiri-reaches-sydney-for-fleet-review>

<sup>61</sup> Exercise Kakadu, <https://www.navy.gov.au/navy-activities/exercises/exercise-kakadu>

<sup>62</sup> Testimony of R Adm Mike Brookes, Intelligence Director – Navy,

powered, by 2035. The Indo-Pacific will remain the PLA Navy's primary focus, but by 2040, routine submarine deployments to the Indian Ocean and possibly the Arctic and Atlantic are likely.

China Commissions Two New Type 055 Destroyers. Two new Type 055 destroyers, Dongguan (Hull 109) and Anqing (Hull 110) were commissioned into the PLA Navy on March 09<sup>63</sup>. Both ships were assigned to China's Eastern Theatre Command. This brings the number of Type 055 ships China has to 10.

Japan Moves to Upgrade Cabinet Intelligence and Research Office. The Takaichi administration approved a bill on March 13 to upgrade its Cabinet Intelligence and Research Office and give it the same level of authority as the Cabinet to comprehensively coordinate intelligence gathering<sup>64</sup>. The bill will now be placed before parliament.

JS Chokai Equipped with Tomahawk Missiles. Japan's Kongo-class Aegis destroyer JS Chokai became the first ship to be equipped with US Tomahawk cruise missiles from her vertical launch system, putting targets deep within China and North Korea within strike range<sup>65</sup>. The ship is presently in San Diego for the requisite modification. All eight destroyers of the Kongo, Atago and Maya classes are to be equipped with Tomahawk missiles in due course. The move is part of Japan's effort to acquire counterstrike capability.

Japan Begins Deploying Counterstrike Capability. Japan was reported to have begun deploying upgraded Type 12 surface-to-ship missiles and hyper velocity gliding projectiles (HVGP) in the JGSDF's Camp Kengun in Kumamoto city on March 31<sup>66</sup>. China's coastline and much of the East China Sea, as well as nearly all of North Korea, are within the 1000 Km strike range of the missiles, which were renamed Type 25. Ship and air-launched versions of the missile are expected to enter service in fiscal 2027. Japan plans to increase the range of HVGPs to 2000 Km.

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<sup>63</sup> Two New Type 055 Destroyers Commissioned to PLA Navy, March 9, 2026, <http://eng.mod.gov.cn/2025xb/D/S/16447333.html>

<sup>64</sup> Cabinet approves bill to upgrade intelligence and research office, March 13, 2026, <https://www.japantimes.co.jp/news/2026/03/13/japan/politics/cabinet-intelligence-agency-bill/>

<sup>65</sup> MSDF Destroyer becomes Japan's first ship capable of firing Tomahawk missiles, March 27, 2026, <https://www.japantimes.co.jp/news/2026/03/27/japan/japan-chokai-msdf-tomahawk-missiles/>

<sup>66</sup> Japan's 'counterstrike capability' takes shape with missile deployments, March 31, 2026, <https://www.japantimes.co.jp/news/2026/03/31/japan/japan-sdf-missiles-counterstrike/>

Indian Navy Contemplating Procurement of Additional 31 Rafale-M. Media reports indicate that the Indian Navy is pursuing procurement of 31 additional Rafale-M aircraft from France<sup>67</sup>, supplementing the 26 already ordered in April 2025<sup>68</sup>.

Extended Range Brahmos. Brahmos expects to complete flight trials of an extended-range (800 Km) air-launched version of the missile by end 2026 and bring the missile into active service with the IAF by 2028-29<sup>69</sup>. The additional range is due to a more efficient indigenous liquid fuel ramjet engine, the use of lighter composite materials for the airframe and other improvements. There is no change in the external size of the missile, making it instantly compatible with existing aircraft.

Indonesia to Procure BrahMos System. Indonesia's defence ministry spokesman told the media on March 09 that Indonesia has entered into an agreement with India to procure the BrahMos missile system<sup>70</sup>. The deal is expected to be worth between \$ 300-350 million, and the contract is expected to be signed in Fiscal Year 2026-27<sup>71</sup>. The deal would make Indonesia the second export destination for India's Brahmos, after the Philippines. There is need to weigh the pros and cons of this sale, given the slow progress in improving bilateral maritime security relations.

Indo-Pacific Defence Industrial Resilience. 16 member nations of the Partnership for Indo-Pacific Industrial Resilience (PIPIR) met virtually on March 18 to reaffirm their commitment to accelerating defence industrial cooperation<sup>72</sup>. They agreed to expand the scope of the regional sustainment hub in Australia to support additional P-8 operators in the Indo-Pacific, and endorsed four statements of intent to foster cooperation in different areas.

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<sup>67</sup> Indian Navy May Pursue Additional Rafale-M Acquisition to Bridge Carrier Fighter Gap Amid TEDBF Development Delays, March 30, 2026, <https://defence.in/threads/indian-navy-may-pursue-additional-rafale-m-acquisition-to-bridge-carrier-fighter-gap-amid-tedbf-development-delays.17315/>

<sup>68</sup> Rafale-Marine: Enhancing India's Naval Strength, April 29, 2025, <https://www.pib.gov.in/PressNoteDetails.aspx?ModuleId=3&NoteId=154353&reg=3&lang=2>

<sup>69</sup> Extended 800 Km Brahmos-A Variant to Begin Flight Trials in Late 2026, Targeting Squadron Service by 2028-29, March 16, 2026, <https://defence.in/threads/extended-800-km-brahmos-a-variant-to-begin-flight-trials-in-late-2026-targeting-squadron-service-by-2028-29.17177/>

<sup>70</sup> Indonesia says it has entered agreement with India to procure BrahMos missiles, March 09, 2026, <https://www.reuters.com/world/asia-pacific/indonesia-says-it-has-entered-agreement-with-india-procure-brahmos-missiles-2026-03-09/>

<sup>71</sup> India and Indonesia Expect to Finalise BrahMos Coastal Defence Deal Next Fiscal Year Amid Growing Maritime Disputes with China, March 17, 2026, <https://defence.in/threads/india-and-indonesia-expect-to-finalize-brahmos-coastal-defence-deal-next-fiscal-year-amid-growing-maritime-disputes-with-china.17194/>

<sup>72</sup> Joint Statement Reaffirming a Shared Commitment to Défense Industrial Resilience, March 20, 2026, <https://www.war.gov/News/Releases/Release/4439861/joint-statement-reaffirming-a-shared-commitment-to-defense-industrial-resilience/>



DAC Accords AON for Proposals Worth ₹2.38 Lakh Crores. India's Defence Acquisition Council accorded Acceptance of Necessity (AON) for proposals worth ₹2.38 lakh crores on March 27<sup>73</sup>. This includes the procurement of Medium Transport Aircraft, five more batteries of the S-400 long-range Surface-to-Air Missile System, remotely piloted strike aircraft and heavy-duty air cushion vehicles.

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<sup>73</sup> DAC clears proposals worth Rs 2.38 lakh crore to augment defence capabilities, March 27, 2026, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2246125&reg=3&lang=1>



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