



# Delhi Policy Group

Advancing India's Rise as a Leading Power



## DPG WEST ASIA REVIEW



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Delhi Policy Group

Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003

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## DPG WEST ASIA REVIEW Volume 2, Issue 23

### 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.

### DPG WEST ASIA REVIEW

DPG West Asia Review contains major developments in West Asia of strategic relevance to India, compiled from open source media. To subscribe please [click here](#).

Your comments and feedback can be addressed to Sanket Joshi at [sanket@dpg.org.in](mailto:sanket@dpg.org.in).

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## Abstract

The COVID-19 induced economic crisis is showing no signs of abating in West Asia. In a report published on June 02, 2020, the Institute of International Finance has predicted the Gulf Cooperation Council (GCC) member states to suffer from the worst recession ever due to oil price crash and lockdowns. Fitch rating has also placed four of the 14 rated West Asia-North Africa sovereigns on negative outlook including Oman. In a further move to conserve finances, the Gulf countries such as Kuwait plan to bring down the expat population from present 70% to 30% in the near future.

On June 06, 2020, the OPEC plus agreed to an extension in oil production cuts through July 2020. Iraq and Nigeria which had earlier failed to comply with agreed cuts in May, both have now agreed to deeper cuts to compensate for their earlier failure.

The International Atomic Energy Agency (IAEA) on June 05, 2020 voiced serious concerns about Iran violating restrictions imposed on its nuclear program through the Joint Comprehensive Plan of Action (JCPOA). According to the IAEA, Iran has continued to increase its stockpiles of enriched uranium. On the political front, the Islamic republic released Michael White, an American Navy veteran after more than a year in custody.

India repatriated 16,000 stranded Indians from UAE since May 07, 2020 as part of the "Vande Bharat Mission". The coronavirus pandemic is also likely to affect annual Haj pilgrimage as it appears highly unlikely that Indian Muslims will be able to undertake the pilgrimage this year.

Russia has strongly reacted to the U.S. remarks about Russia's destructive role in Syria. The Russian Foreign Ministry has asked the U.S. to leave Syria and deal with the on-going internal crisis in the aftermath of the killing of George Floyd. Russia has also carried out air-strikes in Northwest Syria for the first time in three months.

Considering the serious consequences of COVID-19 to war-torn Yemen, the United Nations and Saudi Arabia have raised \$1.35 billion through a virtual donor's conference.

Links to major developments in West Asia of strategic relevance to India, compiled from open source media, can be found below.

## Bahrain

### [Covid-19 Bahrain: No Layoffs of Citizens in Private Sector](#)

June 06, 2020, Gulf News

Bahrain's Minister of Labour and Social Development categorically dismissed as rumours the reports about layoffs of Bahraini private sector workers, after the end of a three- month government COVID-19 relief package for the sector.

### [Gulf Region to Suffer Worst Recession in 2020 Due to Oil Price Crash, Coronavirus: IIF](#)

June 02, 2020, S&P Global

The Institute of International Finance in its report on June 2, highlighted that the six-member Gulf Cooperation Council (GCC) will suffer its worst recession ever in 2020 due to the oil price crash and the coronavirus pandemic.

## Egypt

### [Egypt Announces New Libya Plan after Collapse of Haftar Offensive](#)

June 06, 2020, Arab News

Egypt's President Abdel Fattah El-Sisi announced a new initiative for Libya on Saturday (June 06), in the presence of war-torn nation's eastern commander Khalifa Haftar, proposing an elected leadership council and a cease-fire starting, June 8.

### [Egypt: IMF Reaches Staff-Level Agreement on a 12-Month US\\$5.2 Billion Stand-By Arrangement](#)

June 05, 2020, International Monetary Fund (IMF)

Egyptian authorities and the IMF have reached a staff-level agreement on economic policies that could be supported by a 12-month Stand-By Arrangement (SBA). The SBA, with requested access of SDR 3.8 billion (equivalent to around US\$5.2 billion), supports the authorities' efforts to maintain macroeconomic stability amid the COVID-19 while continuing to advance key structural reforms.

## Iraq

### [OPEC, Allies Finalise Deal to Extend Oil-Output Cuts](#)

June 06, 2020, The Wall Street Journal

OPEC and its allies finalised on Saturday (June 06) an extension to record oil-production curbs through July, after Iraq and Nigeria agreed to slightly deeper cuts to compensate for their failure to adhere to recent agreements.

### [Iraq Hurling Towards a Financial Crisis that Could Leave Millions Unpaid](#)

June 06, 2020, Middle East Eye

Just a month into his rule, Iraqi Prime Minister Mustafa al-Kadhimi is facing an economic crisis that could leave millions of Iraqis out of pocket and may spell fresh unrest in the beleaguered country.

### [Iran Signs Two-Year Contract with Iraq to Export Electricity: IRNA](#)

June 04, 2020, The New York Times

Iran has signed a two-year contract with Iraq to export electricity to the neighbouring country, Iranian state news agency IRNA on Thursday (June 04) quoted the country's Energy Minister Reza Ardakanian as saying.

## Iran

### [Iran Ready to Hand over Black Boxes from Downed Ukrainian Airliner](#)

June 07, 2020, The National

Iran is ready to transfer abroad the black boxes of the Ukrainian plane mistakenly shot down near Tehran airport, but contended they will be of "no help" in any investigation.

### [IAEA Says Iran is Violating All Restrictions of Nuclear Deal](#)

June 06, 2020, DefenceNews.com

Iran has continued to increase its stockpiles of enriched uranium and remains in violation of its deal with world powers, the United Nations' atomic watchdog said Friday (June 05). The International Atomic Energy Agency (IAEA) reported the finding in a confidential document distributed to member countries.

### [Iran Cases Hit Record High in Second Wave of Coronavirus](#)

June 04, 2020, The Guardian

Iran is reluctantly confronting the possibility of a renewed political and health crisis after the latest figures showed the new coronavirus infections at a record high.

### [China, Russia, and Iran Using State Media to Attack U.S. Over George Floyd Killing](#)

June 03, 2020, NBC News

China, Russia and Iran are using state-sponsored media to attack the U.S. over the George Floyd killing and the resulting civil unrest, but there is no evidence of a covert online influence operation similar to Russia's interference in the 2016 presidential campaign.

### [US Navy Veteran Detained in Iran Has Been Released](#)

June 04, 2020, CNN International

Michael White, an American detained in Iran, was released on Thursday (June 04) after more than a year in custody. His mother, Joanne White, confirmed in a statement that he has been freed, saying "the nightmare is over."



## Israel

### [Israel Suspends Parliament Sessions after MP Gets Infected with Covid-19](#)

June 04, 2020, Al Jazeera

Israel suspended parliament sessions after a legislator tested positive for coronavirus amid concerns about new outbreaks in the country.

### [After Reopening Schools, Israel Orders them to Shut if COVID-19 Cases are Discovered](#)

June 03, 2020, NPR

Two weeks after Israel fully reopened schools, a COVID-19 outbreak sweeping through classrooms, including at least 130 cases at a single school, has forced officials to close dozens of schools where students and staff have been infected.

## Jordan

### [Jordan Warns West Bank Annexation's Grave Impact on Ties with Israel](#)

June 03, 2020, The Jerusalem Post

Israeli annexation of portions of the West Bank would have grave consequences for its ties with the Hashemite Kingdom, Jordan's Foreign Minister Ayman Safadi said.

## Kuwait

### [Kuwait Wants to Bring Down Migrant Population from 70% to 30%](#)

June 04, 2020, The Economic Times

Kuwait's prime minister has said the country's expatriate population should be more than halved to 30% of the total, as the coronavirus pandemic and a slump in oil prices has deeply impacted Gulf economies.

## Lebanon

### [Lebanon: Violence Erupts as Rival Protesters Flood Beirut](#)

June 06, 2020, Deutsche Welle

Fighting broke out between rival protest factions after some chanted anti-Hezbollah slogans. Demonstrators also threw stones and smashed storefronts, angry at Lebanon's deepening economic woes.

### [Tough Times Ahead for Lebanon, Says Prime Minister's Advisor](#)

June 03, 2020, CNBC

Lebanon is seeking a \$10 billion loan from the International Monetary Fund which the government hopes could help bring the country's ailing economy back from the brink.

## Oman

### [Oman Begins Plans for First National Satellite Programme](#)

June 05, 2020, Gulf News

A landmark initiative to procure Oman's first national satellite program has formally commenced with the government inviting qualified international consultancy firms to bid for a contract to provide financial and technical advisory services linked to the implementation of this strategic project.

### [Oman to Set up Investment Authority to Manage State Assets](#)

June 04, 2020, Arab News

Oman is setting up the Oman Investment Authority to own and manage most of the country's sovereign wealth fund and finance ministry assets.

### [Outlook on MENA Sovereigns Turning Negative](#)

June 04, 2020, Fitch Ratings

Fitch Ratings has placed four of the 14 rated Middle East and North Africa (MENA) countries on Negative Outlook, these apart from Oman, include Iraq, Jordan, and Morocco, reflecting the painful hit to the public and external finances and growth prospects as a result of the coronavirus and fall in oil prices.

## Qatar

### [US Pushing for Saudi Arabia, UAE to End Airspace Ban Against Qatar: Report](#)

June 04, 2020, Middle East Eye

The Trump administration doesn't want Qatar paying flyover fees with funds going into Iran's coffers.

### [Qatar Airways CEO: Coronavirus Has Changed the Airline Industry](#)

June 04, 2020, Al Jazeera

According to the International Air Transport Association, this year's loss of revenue has cost airlines more than \$300bn. Thousands in the air travel industry have been left jobless. Qatar Airways, one of the world's biggest carriers, is no exception.

## Saudi Arabia

### [Saudi Arabia to Keep Buying Arms Despite Austerity](#)

June 07, 2020, Financial Times

Saudi Arabia's vast appetite for western weaponry and defence equipment appears undiminished despite sweeping austerity measures unveiled by the government last month, buoying its US and British suppliers.

### [Mosques Reopen in Saudi Arabia and Jerusalem amid Coronavirus Woes](#)

June 07, 2020, Business Mirror

Tens of thousands of mosques across Saudi Arabia re-opened last week for the first time in more than two months, with worshipers ordered to follow strict guidelines to prevent the spread of the coronavirus.

### [Haj Unlikely this Year for Indian Muslims, Say Sources](#)

June 06, 2020, The Hindu

With the coronavirus pandemic showing no signs of abating, it seems unlikely that Muslims from India will be able to undertake the Haj pilgrimage this year.

### [OPEC and Russia Agree to Extend Record Oil Supply Cuts](#)

June 06, 2020, Financial Times

OPEC and Russia have agreed to extend their record oil production cuts for a further month as crude recovers to near \$40 a barrel, with the group attempting to prop up a market devastated by the coronavirus pandemic.

### [Saudi Arabia's Foreign Reserves Fall Sharply](#)

May 31, 2020, Market Watch

Saudi Arabia's foreign reserves dropped sharply in April as the kingdom kept its peg with the U.S. dollar steady while transferring a chunk to its sovereign-wealth fund to bet on stocks beaten down by the coronavirus pandemic.

## Syria

### [Russia: 'US Should Leave Syria and Deal with Its Internal Crisis'](#)

June 06, 2020, Middle East Monitor

The Russian Foreign Ministry has strongly responded to US remarks about the Middle East, describing them as “crazy”. US Assistant Secretary of State David Schenker announced on Thursday (June 04) that Russia should “go out” of Syria as it has played a “destructive” role there.

### [12 Killed in Airstrikes, Attributed to Israel, on Iranian Sites in Syria](#)

June 07, 2020, Times of Israel

Twelve people were killed in drone airstrikes targeting pro-Iranian militia in the Deir Ezzor region in eastern Syria on Saturday (June 06), according to a Syrian watchdog group.

### [9 Killed in Alleged Israeli Airstrikes in Syria - Report](#)

June 05, 2020, The Jerusalem Post

At least nine people were killed in another alleged Israeli airstrikes targeting Syrian defence factories near the city of Masyaf in northwest Syria on Thursday (June 04), according to Syrian reports.

### [Russian Air Raids Target NW Syria for First Time in Three Months](#)

June 03, 2020, Al Jazeera

Russian air raids have targeted Syria's last major rebel-held enclave in the country's northwest for the first time since March ceasefire came into effect, Syria's Civil Defence and a war monitor said.



## Turkey

### [Greece: 'We are Ready for Military Confrontation with Turkey'](#)

June 06, 2020, Middle East Monitor

Greek Defence Minister Nikos Panagiotopoulos has confirmed that his country is ready for all eventualities, including military confrontation with Turkey if it continues to provoke Athens.

### [Keel Laying of Pakistan 1st Corvette Held in Turkey](#)

June 04, 2020, Anadolu Agency

The keel laying ceremony of the first of the four MILGEM Ada class corvettes, to be built by Turkey for the Pakistan Navy, was held in Istanbul.

## UAE

### [UAE Stocks Rise as OPEC and Allies Extend Oil Production Cuts to End of July](#)

June 07, 2020, Khaleej Times

The rally in the local equity markets was driven by Opec+ agreement on extending production cuts, reopening of the economy's different sectors after the lockdown and improvement in recoveries of coronavirus cases.

### [16,000 Stranded Indians Flown Home from UAE during Covid-19 Repatriation](#)

June 01, 2020, Gulf News

Around 16,000 stranded Indians in the UAE have been flown home to India since the coronavirus 'Vande Bharat' repatriation flight began on May 7, said Indian missions in the UAE.

### [Rice in the Desert: Pandemic Spurs UAE to Grow More of Its Food](#)

June 02, 2020, The Economic Times

The United Arab Emirates doesn't spring to mind as an obvious place to farm rice, but the coronavirus is prodding the arid nation to explore new ways of feeding itself.

### [Coronavirus: 25 Special Flights from UAE to India in New Phase](#)

June 05, 2020, Khaleej Times

Additional 25 special flights to India were announced on Thursday (June 04) as part of the 'Vande Bharat Mission' Phase 2 from the UAE. From June 9 to 19, there will be 14 services from Abu Dhabi and 11 from Dubai to various destinations of India. For the first time, there is a service from the UAE to the state of Maharashtra.

## Yemen

### [\\$1.35bn Raised for Yemen in Virtual Donors Conference Hosted by Saudi Arabia, UN](#)

June 02, 2020, Arab News

International donors on Tuesday (June 02) pledged \$1.35 billion of aid for Yemen, during a virtual humanitarian event organized by Saudi Arabia, in partnership with the United Nations.

### [Experts Fear Yemen Could Suffer One of the World's Worst Coronavirus Outbreaks](#)

June 04, 2020, CNN International

Hundreds of thousands of Yemenis face what experts fear could be one of the world's worst coronavirus outbreaks, raising concerns of a staggering death toll after the United Nations began cutting aid to the war-torn nation. The cuts came after UN appeals for \$2.42 billion in funding fell short by about 50% this week.



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