

# DPG WEST ASIA REVIEW



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## DPG WEST ASIA REVIEW Volume 2, Issue 43

#### 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.

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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 <u>click here</u>.

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## Abstract

The COVID-19 pandemic has led to mass exodus of Indian migrant workers from the Gulf countries. According to latest reports, around 286 Indian workers were laid off by a Saudi private company without being paid their service dues. India's Mission in Saudi Arabia has taken up this issue with relevant authorities and is hopeful of a "positive resolution." On the energy front, India's oil imports from West Asia (Middle East) fell to a four-month low in September 2020 due to the production cuts imposed on major oil producing countries by the OPEC+ agreement. India's 'Bharat Petroleum Corporation Limited (BPCL)' is also looking to diversify its supplies of the 'Liquefied Petroleum Gas (LPG)' by seeking bids from global suppliers for a fifth of its LPG needs in 2021.

In a significant development indicating growing India-Israel partnership, Tel Aviv is planning to have a separate 'water attaché' posted in Delhi from January 2021; and is also planning to appoint an honorary counsel general in the North-East. The 'Production Linked Incentive (PLI)' is an ambitious scheme of the Union government aimed at making India a mobile manufacturing hub. Under this scheme, the Ministry of Electronics and Telecommunications (MeitY) recently approved 16 eligible applicants, including the Israeli company 'NeoLync'.

The Oman-India Joint Commission held their 9th (virtual) meeting on October 19, co-chaired by India's Minister of State for Commerce and Industry, Hardeep Singh Puri and H.E. Qais bin Mohammed al Yousef, Minister of Commerce, Industry and Investment Promotion of the Sultanate of Oman. Both sides agreed to expedite their internal procedures for signing and ratification of the Protocol amending India-Oman Double Taxation Agreement and conclusion of the India-Oman Bilateral Investment Treaty.

On the regional security front, 'The White House' assured Indian government that the U.S. sanctions on Iran would not impact the development of strategically important Chabahar port. In another development, Washington sanctioned six Chinese companies for their dealings with Iranian shipping lines used to transport proliferation-sensitive items intended for Iran's ballistic missile and military.

On the diplomacy front, Sudan normalized economic and trade relations with Israel in a deal brokered by the United States on October 23. As a consequence, the U.S. removed Sudan from its list of 'States Sponsoring Terrorism'. On the other hand, Israel officially announced that, it will not oppose the sale of F-35 stealth

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aircraft to the UAE. Joint Statement issued by Prime Minister Netanyahu and Defence Minister Gantz says that, "since the U.S. is upgrading Israel's military capabilities and maintaining its Qualitative Military Edge (QME), Israel will not oppose the sale of these weapon systems to the UAE."

In a major diplomatic spat, France recalled their ambassador from Turkey after President Erdogan questioned the 'Mental Health' of French President Emmanuel Macron. Macron had earlier reiterated that "France will not give up on the cartoons of Prophet Muhammad" after the murder of French teacher in the past week. Erdogan also defended Turkey's first test of the Russian 'S-400 missile system', while shrugging of the U.S. criticism. Turkey was the only country among 39 members 'Financial Action Task Force (FATF)' plenary meeting to support Pakistan's endeavours to get off FATF grey list.

Impacted by falling oil demand, the Gulf countries are diversifying their economies away from oil. In this regard, Saudi Arabia launched national 'Artificial Intelligence (AI)' strategy with the aim of training 20,000 specialists, having 300 active start-ups and attracting USD20 billion domestic and foreign investments in Artificial Intelligence and Data Analytics.

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



## Bahrain

Israeli Government Approves Bahrain Normalisation Deal

October 25, 2020, The New Indian Express

The Israeli Cabinet approved the normalisation deal with the Arab Gulf state of Bahrain on Sunday (October 25), a week after the two countries agreed to establish formal diplomatic ties.

Israel Reportedly Operated Secret Diplomatic Mission in Bahrain for Past Decade

October 22, 2020, Times of Israel

Israel reportedly operated a covert diplomatic mission in Bahrain disguised as a commercial consulting firm for over a decade.



## Egypt

Egypt's Parliamentary Vote Likely to Tighten President El-Sisi's Grip

October 24, 2020, Arab News

Egyptians began voting Saturday (October 24) in the first stage of a parliamentary election, a vote that is highly likely to produce a toothless House of Representatives packed with supporters of President Abdel-Fattah El-Sisi.

Turkey Irked Over Joint Declaration by Cyprus, Greece and Egypt

October 23, 2020, Arab News

During a trilateral regional summit on Wednesday (October 21) in Nicosia, Cypriot President Nicos Anastasiades, Egyptian President Abdel Fattah El-Sisi and Greek Prime Minister Kyriakos Mitsotakis urged Ankara to end its "aggressive" actions in the East Mediterranean.



#### Iraq

Iran Imposes Sanctions on US Ambassador to Iraq in Tit-for-Tat Move

October 23, 2020, AL Jazeera

In a tit-for-tat move, Iran imposed sanctions on the US ambassador to Iraq citing American "terrorist" acts against its interests after Washington blacklisted Tehran's envoy to Baghdad.

Iranian Tankers Hide in Iraqi Waters to Ship Oil Abroad

October 23, 2020, Oilprice.com

The Iraqi port of Al Faw is regularly used as a point of transfer for Iranian oil. Iranian tankers offload crude here to other vessels where it is mixed with oil from other sources, such as local crude, to avoid detection.

'Demands Not Met': Anti-government Protests Resume in Iraq

October 25, 2020, AL Jazeera

Protesters have gathered in Baghdad's Tahrir Square to mark one year since a second wave of anti-government protests erupted and gripped Iraq.

Mideast Share of India's September Oil Imports Falls to Four-month Low - Sources

October 21, 2020, Yahoo Finance

Middle East producers' share of India's oil market fell to a four-month low in September while that of Africa rose to one year high, according to data obtained from industry sources.

Germany's Angela Merkel Meets with Iraqi Prime Minister in Berlin

October 20, 2020, Deutsche Welle

German Chancellor Angela Merkel met with Iraqi Prime Minister Mustafa al-Kadhimi on Tuesday (October 20) in Berlin, where she pledged to support the Middle Eastern country on security issues.



#### Iran

Iran Sanctions Won't Hit Chabahar: US Signals Climbdown for India

October 25, 2020, The Indian Express

Ahead of the Indo-US 2+2 ministerial meeting starting Monday (October 26), the Trump administration has told the Indian government that its development of the Chabahar port in Iran will not be impacted by US sanctions on 18 major Iranian banks.

Iran Slams Sudan's Israel Deal, Says It Paid 'Ransom' to Get off Terror List

October 24, 2020, The Times of Israel

"Pay enough ransom, close your eyes to the crimes against Palestinians, then you'll be taken off the so-called 'terrorism' blacklist," Iran's Foreign Ministry tweeted in response to Israel-Sudan normalization.

Iran and Russia Seek to Influence Presidential Election in Final Days, U.S. Officials Warn

October 21, 2020, The New York Times

Iran and Russia have both obtained American voter registration data, top national security officials announced late on Wednesday (October 21), providing the first concrete evidence that the two countries are stepping in to try to influence the presidential election as it enters its final two weeks.

US Sanctions Six Chinese Companies for Trade with Iran

October 20, 2020, Livemint

The United States on Monday (October 19) imposed sanctions on six Chinese companies for their dealings with Islamic Republic of Iran Shipping Lines (IRISL), which is used by Iran to "transport proliferation-sensitive items intended for Iran's ballistic missile and military programs".



#### Israel

Israeli Embassy to Have 'Water Attache' in India from January 2021; North-East Consul: Ambassador

October 19, 2020, The Economic Times

The Israeli Embassy in Delhi will have a separate 'Water Attache' from January 2021 to help share their country's best practices and technologies for advancements in India's water management and agriculture sectors. Israel will also soon nominate an honorary Consul in India's Northeast.

Israel Will Not Oppose US Sale of F-35s to UAE

October 24, 2020, The Jerusalem Post

The Joint statement by Israeli PM Netanyahu's Office and Defence Ministry says Benny Gantz's trip to Washington secured Israel's Qualitative Military Edge (QME). Thus, Israel won't oppose the sale of F-35 to UAE.

Sudan and Israel Agree to Normalize Economic & Trade Relations in a Deal Brokered by the United States

October 23, 2020, The New York Times

President Trump announced on Friday (October 23) that Israel and Sudan have opened economic ties as a pathway toward normalized relations. With this Sudan becomes the third Arab state to formally set aside hostilities with Israel in recent weeks.

Israel Aligned with PM Modi's 'Aatmanirbhar Bharat', 'Make in India' Vision: Israeli Envoy

October 14, 2020, Hindustan Times

Hailing the selection by the Indian government of an Israeli firm 'NeoLync' for electronics manufacturing in India, Israeli Ambassador Ron Malka has said "the development signifies his country's alignment with Prime Minister Narendra Modi's 'Aatmanirbhar Bharat' and 'Make in India' vision."

Israel and the UAE Sign Historic Oil Deal

October 21, 2020, Oilprice.com

Israel and the United Arab Emirates (UAE) signed this week a preliminary agreement under which crude oil from OPEC's third-largest producer could be shipped to European markets via an oil pipeline in Israel connecting the Red Sea with the Mediterranean.



Israel Said to Strike Iran-backed Militia Base in Southern Syria

October 21, 2020, The Times of Israel

Syrian state media said Israel fired a missile early Wednesday (October 21) at a site in the Quneitra province in southern Syria, near the border with Israel's Golan Heights.



## Jordan

Jordan Decries Israeli Plan to Build New Settler Homes

October 14, 2020, Middle East Monitor

Jordan on Wednesday (October 14) condemned Israel's plan to build more than 2,000 new Jewish settlement homes in the occupied West Bank.



## Kuwait

Middle East Calls for Boycott of French Products After Macron's Comments

October 25, 2020, Hindustan Times

Calls to boycott French goods are growing in the Arab world and beyond, after President Emmanuel Macron criticised Islamists and vowed not to "give up cartoons" depicting the Prophet Mohammed.



## Lebanon

Saad Hariri Renamed as Lebanon PM a Year After Stepping Down

October 22, 2020, AL Jazeera

Former Lebanese Prime Minister Saad Hariri has been tasked with forming his fourth government, winning a slim majority of votes in parliament just under a year after his resignation amid mass-protests last year.

US Sanctions 2 Senior Members of Lebanon's Hezbollah

October 23, 2020, Arab News

The US Treasury has sanctioned two high-ranking Hezbollah officials, including a former military commander in the country's south. The sanctioned officials are Nabil Qaouk and Hassan Al-Baghdadi, both members of Hezbollah's Central Council.

IDF Launches 'Lethal Arrow' Drill Simulating War with Lebanon's Hezbollah

October 25, 2020, The Jerusalem Post

The Israel Defence Forces launched a large-scale multi-front exercise on Sunday morning (October 25), simulating war with Hezbollah.



#### Oman

India-Oman Commission Discusses Improved Trading Partnerships in Civil Aviation, Education

October 20, 2020, Gulf News

The joint commission meeting (JCM) between Oman-India was held virtually on October 19, co-chaired by Qais bin Mohammed Al Yousef, Minister of Commerce, Industry and Investment Promotion of Oman, and Hardeep Singh Puri, Minister of State for Commerce and Industry, India.



#### Qatar

Indian Business Group Underscores 'Great Potential' of Qatar's Consumer Market

October 21, 2020, Gulf Times

A virtual networking session with India's ambassador to Qatar Dr. Deepak Mittal, hosted by the Indian Business & Professionals Council (IBPC) Qatar on October 20, highlighted the various opportunities to enhance Qatar-India bilateral ties in different sectors.

Israeli Minister Says Qatar Could Get F-35 Warplanes 'Sooner or Later'

October 25, 2020, The Economic Times

An Israeli cabinet minister Yuval Steinitz said on Sunday (October 25) that a U.S. sale of advanced F-35 warplanes to Qatar could be possible despite Israel's objections to such a deal given the Gulf state's links to Iran and Hamas.



## Saudi Arabia

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Saudi Arabia's \$20bn Bid to Lead the World in Artificial Intelligence

October 21, 2020, Arab News

Saudi Arabia launched an audacious multibillion-dollar strategy on Wednesday (October 21) to become a global leader in artificial intelligence (AI) and data by 2030. The aim is to train 20,000 specialists and experts, have 300 active startups and attract \$20 billion in national and foreign investment in data and AI.

Saudi Arabia Delivers World's Fastest 5G Download Speed of 377.2 Mbps: Opensignal Report

October 20, 2020, Telecomlead.com

Open signal tracked data between July 1 and September 28 in 15 countries with 5G networks. Saudi Arabia is number one with 5G download speed of 377.2 Mbps, while South Korea is at second place with speed of 336.1 Mbps.

India Hopeful of 'Positive Resolution' over Pending Pay for Indian Workers in Saudi Arabia

October 23, 2020, The Hindu

The Indian mission in Saudi Arabia has taken up the matter of 286 Indian workers who were reportedly not paid end of service dues by a private firm there, and it is hopeful of a "positive resolution" of the issue, according to the Ministry of External Affairs.

Bharat Petroleum Tries to Cut Dependence on LPG from the Middle East

October 16, 2020, The Economic Times

The latest tender by Bharat Petroleum is aimed at getting better prices for Liquified Petroleum Gas (LPG) supplies compared with those from the Middle East and to diversify sources of LPG. India's fuel retailers get most of their LPG -- typically used for cooking -- from Saudi Arabia, Qatar, the U.A.E. and Kuwait, leaving them exposed to price fluctuations and supply shocks.

Saudi Business Leader Calls for Boycott of Goods from 'Hostile' Turkey

October 05, 2020, Deccan Herald

"A boycott of everything Turkish, be it imports, investment or tourism, is the responsibility of every Saudi 'trader and consumer', in response to the continued hostility of the Turkish government against our leadership, country and citizens," business leader Ajlan al-Ajlan said on Twitter.



Saudi Arabia Intercepts Houthi Drone Aimed at Southern Region

October 25, 2020, Reuters

The Saudi-led military coalition engaged in Yemen said on Sunday (October 25) it had intercepted a drone launched by the Houthi movement towards southern Saudi Arabia after the group claimed it had struck the kingdom's Abha International Airport.



## Syria

US Drone Strike Kills at Least 10 at Al-Qaeda Leaders Meeting in Idlib

October 23, 2020, AL-Monitor

The strike hit "a group of al-Qaeda in [Syria] senior leaders meeting near Idlib" and that the group "continues to present a threat to America and our allies," CENTCOM spokesperson Maj. Beth Riordan said in a statement.

Oman Becomes First Gulf State to Reinstate Ambassador in Syria

October 5, 2020, AL Jazeera

Oman has sent an ambassador to Syria, becoming the first Gulf Arab state to do so after they downgraded or shut missions in Damascus in 2012 over the government's brutal response to protests at the start of what turned into a war.



## Turkey

France Recalls Envoy from Ankara after Turkish President Scolds Macron over Muslims

October 24, 2020, Reuters

France recalled its ambassador on Saturday (October 24) after Turkish President Erdogan said his counterpart Emmanuel Macron needed mental help over his attitude towards Muslims.

Erdogan Defends Testing Russian S-400, Shrugs off US Criticism

October 23, 2020, AL Jazeera

Turkish President Recep Tayyip Erdogan on Friday (October 23) confirmed Turkey's first test of the Russian S-400 missile defence system as he dismissed criticism by the United States.

Erdogan's Turkey Sole Supporter of Pakistan for Removal from Grey List at FATF Paris Plenary

October 24, 2020, Hindustan Times

Turkey was the only country out of 39 members of the Financial Action Task Force (FATF) which spoke for Pakistan to be removed from the Grey List at the Paris Plenary meeting on Friday (October 23).

Greece Asks European Union Countries to Halt Military Exports to Turkey

October 20, 2020, Business Standard

Greece has asked fellow EU countries to halt military exports to Turkey, the country's foreign minister said Tuesday (October 20), amid a deepening dispute between the two neighbours over maritime boundaries.



## UAE

Israeli Cabinet Ratifies Deal on Ties with UAE

October 25, 2020, The Economic Times

Israel's government on Sunday (October 25) gave final approval to the normalisation of ties with the United Arab Emirates, an official statement said, after lawmakers ratified the pact earlier this month.

U.S. Lawmakers Take Steps To Slow Down Sale of F-35s To UAE

October 22, 2020, Defence News

New Jersey Sen. Bob Menendez, the top Democrat on the Senate Foreign Relations Committee, and Sen. Dianne Feinstein of California — have argued that President Donald Trump is rushing sales of the F-35 to the UAE without giving Congress, the State Department and the Pentagon ample time to review whether the deal would put Israel at risk by giving its neighbours equivalent technology.



## Yemen

Yemen's Houthi Rebels Attack Airbase in Saudi Arabia

October 25, 2020, Anadolu Agency

Yemen's Houthi rebel group on Sunday (October 25) said it fired two drones on King Khalid air-base in southern Saudi Arabia. The Houthi group said it had fired three drones towards the Jizan and Abha airports and the Khamis Mushait base.



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