

DPG WEST ASIA REVIEW



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ABOUT US

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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

In a significant speech highlighting great power competition in the Middle East, CENTCOM Commander Gen. Kenneth McKenzie warned that, "The United States faces greater competition in the region from both China and Russia". Adding another dimension to the already volatile region, he went on to add, "Moscow and Beijing have taken advantage of the perceived decrease in US presence in the Middle East under the former U.S. administration to raise their influence over the past year". He further argued that, "the U.S. needs to strengthen relations with partners and allies to compete with China and Russia, including on border security measures, counter-terrorism, defence, and even on the issue of developmental assistance". Gen. McKenzie expects "Beijing to prioritise access to energy by building defence cooperation in the region through arms sales and exercises, while deepening trade ties".

On the investments front, Ambassador of India to Qatar announced that, "Qatar Investment Authority plans to open an office in India". It must be noted that, the Qatar Investment Authority is looking to diversify investments from North America with focus on emerging markets. Further, Indian short video app 'Josh' has raised USD100 million from the Qatar Investment Authority and Glade Brook Capital Partners. In a significant development, India has classified foreign portfolio investors (FPI) from the UAE as eligible for taking up Category-I licence, a move that could boost investments from the region to India. On the energy front, the privatisation bound Indian Public Sector Undertaking (PSU) 'Bharat Petroleum Corporation Ltd' (BPCL) plans to buyout Oman Oil Company's shares in the Bina refinery project in Madhya Pradesh for INR2400 Crore.

Even as the Biden administration is yet to provide any sanctions relief to Iran; the Federation of Indian Export Organisations however believes that, with President Biden at the helm, there are good chances of India-Iran trade relations improving, resulting in possibility of up to USD3 billion of exports. In another development, India's humanitarian assistance to the region continued with Delhi gifting 2000 MT rice to the Syrian Government.

On the regional security front, in a development highlighting India's growing defence relations with West Asia, the Indian Army is likely to undertake bilateral joint exercises with Saudi Arabia next year. In a development with far reaching consequences, Israel is pushing India to side with it against the International Criminal Court's (ICC) jurisdiction to probe war crimes charges against Israel Volume III, Issue 7 | February 15, 2021



regarding its activities in the Palestinian territories of West Bank, Gaza strip and East Jerusalem. Delhi which is still navigating its relations with West Asia is reluctant to get drawn into this issue. Further, there appears to be some disquiet in Israel about President Biden not yet calling Prime Minister Netanyahu. However, National Security Advisors of the two nations have spoken at length about the Iranian challenge – an issue they don't see eye-to-eye on. In a related development, it has been revealed that, the Mossad smuggled one-ton automated gun piece by piece into Iran, over an eight-month period that was used to target Iranian nuclear scientist 'Mohsen Fakhrizadeh'.

On the Iranian nuclear enrichment issue, President Biden could be forced to make a major decision about the future of 'JCPoA' in the next six days. February 21 is the last day when Iran, under a law passed by the Iranian parliament, will stop allowing inspections by the International Atomic Energy Agency (IAEA) unless there is an easing of US sanctions. IAEA inspectors have confirmed that Iran had produced a small amount of uranium metal at Isfahan nuclear plant. Additionally, Iran is also set to hold naval drills with Russia and China in the Sea of Oman and the Northern Indian Ocean.

The conflict in Yemen between the Iran-backed Houthi rebels and the Yemeni government has further escalated with the oil rich province of 'Marib' in Northern Yemen reporting 100 casualties. The Houthis also targeted Saudi Arabia's Abha International airport.

In a major development, UAE's 'Amal' space probe has entered the orbit of Mars after a seven-month, 494 million kilometres journey, allowing it to start sending data about the Martian atmosphere and climate.

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



Bahrain

Bahrain's Economy to Grow 3.3 Percent this Year, Must Cut Public Debt - IMF

February 14, 2021, Reuters

Bahrain's economic recovery from the COVID-19 pandemic will be gradual, with growth projected at 3.3% this year after a 5.4% contraction in 2020, the International Monetary Fund said.



Egypt

Chinese Ambassador Says Vaccine Donation to Egypt 'Reflection of Friendship'

February 08, 2021, Arab News

China's ambassador to Egypt said his government's donation of 300,000 coronavirus vaccine doses to the Middle Eastern country was a "reflection of friendship" between the two countries' heads of state.

Egypt Concerned UAE-Israel Pipeline Project Will Affect Suez Canal

February 09, 2021, AL-Monitor

Egyptian officials have been expressing concern over the anticipated competition from the Eilat-Ashkelon pipeline project that would transport Emirati oil to Ashkelon in Israel and from there to European markets.



Iraq

Drone Strike Reported on Pro-Iran Militia Arms Shipment on Iraq-Syria Border

February 11, 2021, The Times of Israel

Unidentified drones have targeted a weapons shipment making its way from Iraq to Syria near an illegal military crossing used by pro-Iranian militias, the Syrian Observatory for Human Rights said.

Iraq's Muqtada Al-Sadr Warns of Looming Normalisation with Israel

February 11, 2021, Middle East Monitor

Leader of the Iraqi Sadrist Movement and prominent Shia cleric Muqtada Al-Sadr said that his movement will not allow normalisation between Iraq and Israel, even if the price is "blood".



Iran

Biden Could Be Forced to Show His Hand on Iran Nuclear Deal in Next 7 Days

February 14, 2021, The Times of Israel

A key date comes on February 21 when Iran, under a law passed in December by the Iranian parliament, is set to stop allowing inspections by the International Atomic Energy Agency unless there is an easing of US sanctions.

France, Germany, UK Condemn Iran's Production of Uranium Metal

February 14, 2021, Israel Hayom

"We strongly urge Iran to halt these activities without delay and not to take any new non-compliant steps on its nuclear program. In escalating its noncompliance, Iran is undermining the opportunity for renewed diplomacy to fully realize the objectives of the JCPOA," the three European powers said in a statement.

Iran Set to Hold Joint Naval Drill with Russia, China

February 14, 2021, Tehran Times

Iran is set to hold a joint naval exercise with Russia and China, in the Sea of Oman and the Northern Indian Ocean in Mid-February.

Ghalibaf: Iran's Strategic Principle is to Develop Ties with China

February 12, 2021, Tehran Times

In his New Year message, Iran's Parliament speaker Ghalibaf said the expansion of friendly cooperation with China in various fields is a strategic principle in Iran's foreign policy, noting that the Iranian Parliament supports any plan for stronger ties between the two countries.

With Biden at Helm in US, India-Iran Trade Prospects May Improve: Exporters

February 11, 2021, Hindustan Times

Iran is expected to be the biggest beneficiary of change in the US presidency that will not only help India to start its oil imports from Iran, but also boost its exports to the Gulf nation as a restoration of trade ties with Iran can easily add about \$3 billion of exports, the Federation of Indian Export Organisations (FIEO) said.

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EAM Jaishankar Greets Iran on the Eve of Islamic Revolution Anniversary

February 10, 2021, BW Business World

Iranian Revolution refers to the popular movement in Iran (1979) to overthrow a pro-western monarchy and establish an Islamic republic. As a result of the Iranian Revolution, Iran became the Islamic Republic. February 2021 marks the 41st anniversary of the Iranian Revolution.

Iran Producing Uranium Metal in Violation of 2015 Nuclear Deal, U.N. Inspectors Say

February 11, 2021, NBC News

Inspectors for the International Atomic Energy Agency, or IAEA, verified on Feb. 8 that Iran had produced a small amount of uranium metal at a nuclear plant in Isfahan in its latest breach of 2015 JCPOA.

Iran's Revolutionary Guards (IRGC) Kick off Drills Near Iraq Border

February 11, 2021, Radio Free Europe/Radio Liberty

Iran's Islamic Revolutionary Guards Corps (IRGC) has launched ground forces drills in the southwest of the country near the Iraqi border IRGC Ground Force Commander Brigadier General Mohammad Pakpour said on February 11 that drones, helicopters, and artillery are to be used in the drills, dubbed 'Great Prophet 16'.



Israel

Israel Wants India by its side against ICC ruling, Delhi Silent

February 11, 2021, The Indian Express

Israel is pushing "good friend" India to take a stand against a ruling last week by the International Criminal Court claiming jurisdiction over Palestinian territories, but Delhi, still navigating its way through the big shifts in West Asia, is reluctant to be drawn in.

Call me Maybe? Disquiet in Israel that Biden is Yet to Phone Netanyahu

February 10, 2021, The Guardian

It has been three weeks since Joe Biden's inauguration and Benjamin Netanyahu has yet to receive a call from the White House. The Israeli prime minister has let it be known he is not happy but he is waiting by the phone.

Israeli, US National Security Advisers Talk Iran in 2nd Phone Call in Weeks

February 12, 2021, The Times of Israel

The Israeli and American national security advisers spoke on the phone for the second time in recent weeks, the White House confirmed, as the countries intensify their discussions on Iran – an issue they don't see eye-to-eye on.

Mossad Smuggled One-ton Gun Into Iran for Hit on Nuclear Mastermind

February 11, 2021, Israel Hayom

Mohsen Fakhrizadeh, the head of Iran's military nuclear program who was assassinated in November, was gunned down by Israeli Mossad agents using a one-ton automated gun that was smuggled into Iran piece by piece over an eightmonth period.

'Death to Israel' on Wheels: Iran Marks 1979 Revolution Anniversary

February 10, 2021, The Times of Israel

Iranian demonstrators carried placards reading, "Death to America," "Death to Israel" and "Death to Britain," while celebrating the 41st anniversary of the Islamic revolution in capital Tehran.



Jordan

Iraq Reactivates Cheap Oil Export Agreement with Jordan

January 28, 2021, Middle East Eye

Iraq has agreed to reactivate a memorandum of understanding with Jordan stipulating the sale of ten thousand barrels of Iraqi crude oil per day at preferential prices.



Kuwait

Indians Advised against Travelling to Saudi Arabia, Kuwait via UAE amidst Growing Covid-19 Cases

February 09, 2021, Mint

India has asked its nationals not to travel to Saudi Arabia and Kuwait via the UAE and get stranded in this country, in view of the rising number of COVID-19 cases in the region.



Lebanon

Lebanon Starts Covid-19 Vaccination Drive, PM Says will wait for his Turn

February 14, 2021, Hindustan Times

Lebanon started its Covid-19 vaccination drive by inoculating the head of critical care at its biggest public hospital, followed by 93-year-old celebrated Lebanese actor and comedian Salah Tizani.



Oman

BPCL to Buyout Oman Oil Stake in Bina Refinery for Rs 2,400 Cr

February 11, 2021, The Economic Times

Privatisation-bound Bharat Petroleum Corporation Ltd (BPCL) said it will buy out Oman Oil Company's shares in the Bina refinery project for about Rs 2,400 crore. BPCL holds a 63.68 per cent stake in Bharat Oman Refineries Ltd (BORL), which built and operates a 7.8 million tonne oil refinery at Bina in Madhya Pradesh.



Qatar

Qatar Investment Authority Plans to Open Office in India: Indian Ambassador

February 14, 2021, The Peninsula Qatar

Ambassador of India to Qatar, Dr. Deepak Mittal, said Qatar Investment Authority (QIA) plans to open an office in India. He said despite pandemic, trade volume between the two countries recorded robust growth which is expected to reach about \$11bn by the end of Indian financial year in March this year.

DailyHunt's 'Josh' Raises \$100 Million from Qatar Investment Authority and others

February 08, 2021, Business Insider

VerSe Innovation, the parent company of DailyHunt which runs the short video app Josh, has raised \$100 million in a round led by Qatar Investment Authority, the sovereign fund of Qatar, and Glade Brook Capital Partners.



Saudi Arabia

<u>Crises Allowed China and Russia to Pursue Middle East Power and Influence,</u> <u>Warns US General</u>

February 10, 2021, South China Morning Post

General Kenneth McKenzie says America faced diplomatic, military and economic competition in the volatile region after perceived decrease in US engagement. China's interests are mainly economic, with over half its crude oil imported from the region.

In a First, Indian, Saudi Arabia Armies to Undertake Joint Bilateral Exercises

February 12, 2021, WION

In a significant development, Indian and Saudi Armies will undertake joint bilateral exercises. This will be the first such exercises of both the Armies together. The Indian forces contingent will be travelling to Saudi Arabia for the exercises which will be taking place in the next financial year.

Yemen's Houthis Attack Saudi Arabia's Abha Airport

February 10, 2021, Middle East Eye

Yemen's Houthi movement has claimed responsibility for a drone attack on Abha airport in southern Saudi Arabia that left a civilian aircraft on fire. The Saudi-led coalition said it had later brought the fire under control.

Saudi Arabia Will Treat Houthi Militia as Terrorist Organisation: UN Representative

February 14, 2021, Republic World

Saudi Arabia will continue to treat Houthis as a terrorist organisation despite a US decision to lift the designation on the group, according to the kingdom's permanent representative to the United Nations.



Syria

India Provides 2000 Tonnes of Rice to War-torn Syria as Humanitarian Aid

February 12, 2021, Hindustan Times

India is giving 2,000 tonnes of rice to Syria to strengthen food security, the latest in a string of measures to help the war-torn country where conflict and economic collapse over the past decade has left most of the population in poverty.

UN Security Council Fails to Agree on Joint Syria Declaration

February 10, 2021, AL Jazeera

The UN Security Council failed to agree on a joint declaration on war-torn Syria, capping a day of negotiations in which the body's special envoy to the country called to jump-start the deadlocked peace process.



Turkey

Turkey Starts Inoculation of Second Doses of China's Covid-19 Vaccines

February 12, 2021, Business Standard

Turkey began the inoculation of the second doses of China's Sinovac Covid-19 vaccines for healthcare workers.

Turkey Says Militants Executed 13, including Soldiers, Police, in Iraq

February 14, 2021, Reuters

Militants of the outlawed Kurdistan Workers Party (PKK) have executed 13 kidnapped Turks, including military and police personnel, in a cave in northern Iraq, Turkish officials said.

President Erdogan says U.S. Supports Militants who Executed Turkish Forces in Iraq

February 15, 2021, Reuters

Turkish President Tayyip Erdogan accused the United States of supporting Kurdish militants who Ankara says executed 13 kidnapped Turks in northern Iraq, adding that a U.S. statement of condemnation was a "a joke".



UAE

UAE's Space Probe 'Amal' Enters Mars Orbit

February 09, 2021, AL Jazeera

The United Arab Emirates' first mission to Mars has entered the red planet's orbit after a seven-month, 494 million kilometres (307 million miles) journey, allowing it to start sending data about the Martian atmosphere and climate.

India Grants UAE Investment Licence with Easier Norms on Compliance

February 10, 2021, Business Standard

The government has classified foreign portfolio investors (FPIs) from the UAE as eligible for taking up Category-I licence — a move that could boost investment from the region into India. The UAE is the second non-FATF (Financial Action Task Force) Country, after Mauritius, to be given the exemption.

India-UAE Air Route Shows Strong Growth

February 15, 2021, Bangalore Mirror

India-UAE is the only market showing growth compared to last month, according to UK-based air consultancy firm OAG.



Yemen

<u>U.S. Prepares to Lift Terrorist Designation against Houthi Rebels, Despite New Attacks</u>

February 12, 2021, The New York Times

Secretary of State Antony J. Blinken said the designation of the Houthi rebels would be formally revoked next week, in "recognition of the dire humanitarian situation in Yemen."

100 Dead as Yemeni Army Launches Counterattack against Houthis in Marib

February 14, 2021, Arab News

More than 100 were killed in 48 hours of fierce clashes in Yemen as government troops battled fighters of the Iran-backed Houthi militia for control of the key province of Marib.



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