



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

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.

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Abstract

In a boost to the strong 'India-Kuwait partnership', the two countries decided to establish a joint commission co-chaired by the respective foreign ministers. "The joint commission will work to strengthen bilateral relations in the fields of energy, trade, investment, manpower, skills, science and technology, IT, health, and education". Further, India and UAE vowed to strengthen energy cooperation during a virtual meeting between the Indian Petroleum Minister and Chief Executive of Abu Dhabi National Oil Company (ADNOC). Despite these moves, it must be noted that, India is planning to buy less crude oil from the Middle East [especially Saudi Arabia], as OPEC+ production cuts make US crude more attractive.

On the issue of Iranian oil exports to China, the United States warned that, "Washington will not turn a blind eye to the rising Iranian oil exports". In last week's DPG West Asia Review we had highlighted that, Beijing was disregarding US sanctions on Iranian oil exports with "some Chinese refiners buying so much Iranian crude that Chinese ports were experiencing tanker traffic congestions". In a parallel development regarding energy exports, Saudi Aramco's CEO stressed on "China's energy security being Aramco's highest priority for the next 50 years". Further, Saudi Aramco posted 44.4 percent slump in 2020 net profit due to the lower crude prices and the COVID-19 induced economic contraction. In November 2020, the Iraqi government had asked oil traders to bid for a five-year supply deal; China's Zhenhua Oil Co., a subsidiary of defence contractor Norinco, had won this bid. However, Baghdad has now opted not to go ahead with this contract as crude prices have risen in the recent months.

In an indication of how the cease fire between India and Pakistan was brokered, Saudi Arabia's Deputy Foreign Minister claimed about "Riyadh mediating between India and Pakistan to bring peace in the region". In a sign of India's growing strategic footprint in West Asia, the Indian Navy carried out Passage Exercise (PASSEX) in the Persian Gulf with the Bahrain Royal Naval Force as part of 'Operation Sankalp' on March 17. US, Belgium, France, and Japan are also conducting 'Group Arabian Sea Warfare Exercise' in the Arabian Sea and the Gulf of Oman. In a major development, "Kalyani Rafael Advanced Systems (KRAS), a joint venture between India's Kalyani Group, and Israel's Rafael Advanced Defense Systems rolled out its first batch of Medium Range Surface to Air Missile (MRSAM) kits for the Indian Army and the Indian Air Force". Further, the Indian Oil Corporation (IOC) and Israeli start-up Phinergy launched a joint venture 'IOC

Phinergy Private Limited' to manufacture Aluminium-Air systems in India. As part of this, "recycling of Aluminium will boost India's self-reliance in energy requirements; it also intends to develop fuel cells and indigenous hydrogen storage solutions for promoting green mobility".

On the arms procurement front, a report by the Stockholm International Peace Research Institute (SIPRI) highlighted that, arms imports in the Middle East (West Asia) increased by 25 percent in the last decade. Saudi Arabia, Qatar, and Egypt have substantially increased arms imports during this period. Importantly, 47 percent of these imported weapons in the region came from the United States which is "far more than any other international arms supplier". Globally the United States increased its arms exports by 15 percent in the past decade and that has further widened the gap between Washington and Moscow's arms exports. Around 90 percent decrease in Russian arms exports has been attributed to a 53 percent decline in arms exports to India. In another major development, Israel's Shin Bet has reportedly started a crackdown on the country's private arms industry to rein in the weapons sales to China. The Israeli private arms sales to China are problematic for Tel Aviv as these anger the US.

On the US-Iran relations, America's Special Envoy for Iran, Robert Malley indicated that, "Attacks by Iranian proxies on US forces in Iraq are making it tough for the Biden administration to build domestic support for [Washington's] new diplomatic initiative to resolve US-Iran tensions". Further, to share intelligence on Iran's nuclear program, the US and Israel have set up a joint team in the recently concluded strategic group talks. In another development, US charged ten Iranians for evading sanctions by concealing more than USD300 million in transactions over 20 years through the front companies in US, Iran, Canada, UAE, and Hong Kong. In an apparent rejoinder, Iran's Foreign Ministry Spokesman advised "the US to adopt a fundamental change in its approach toward the Islamic Republic, as it has gained nothing but failure in decades of animosity".

In another security related development, Jordan has signed a defence agreement with the US that allows free entry of US forces, aircrafts, and vehicles into the kingdom's territory. Meanwhile the conflict in Yemen shows no signs of abating with the Houthi rebels once again targeting Saudi Aramco oil facility in Riyadh. The United States has condemned these attacks as a "bid to disrupt global energy supplies".

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

Bahrain

[Indian Navy Holds Naval Drills with Bahrain in the Persian Gulf](#)

March 19, 2021, Eurasian Times

The Indian Navy and the Royal Bahrain Naval Force carried out the Passage Exercise (PASSEX) in the Persian Gulf as part of 'Operation Sankalp'.

[Pak Army Chief Bajwa, ISI Chief Participate in Bahrain Talks on Afghan Issue](#)

March 11, 2021, Dawn

This meeting has taken place at a time when the United States is planning to request the United Nations to convene a meeting of the foreign ministers and envoys from Russia, China, Pakistan, Iran, India, and the US so that the regional countries could develop a unified approach for supporting the peace process.

Egypt

[India Appoints New Ambassador to Egypt](#)

March 19, 2021, Daily News Egypt

India appointed Ajit Gupte as its new Ambassador to Egypt, on 10 March, in succession to Ambassador Rahul Kulshreshth who completed his tour of duty on 28 February 2021.

[Egypt Receives 300,000 Gift Doses of Chinese Vaccine Sinopharm](#)

March 20, 2021, Egypt Independent

Egypt received a new gift shipment of 300,000 doses of the Chinese COVID-19 vaccine Sinopharm. Cairo had previously received 300,000 doses of coronavirus vaccines produced by Sinopharm in February.

[Egypt, US in Red Sea Naval Exercises to Support Regional Security](#)

March 18, 2021, Arab News

Egyptian and American naval forces have been carrying out military training in the Red Sea as part of an initiative to combat maritime security threats in the region.

Iraq

[Statement by US President Joseph R. Biden, Jr. on First-Ever Papal Visit to Iraq](#)

March 08, 2021, The White House

To see Pope Francis visit ancient religious sites, including the biblical birthplace of Abraham, spend time with Grand Ayatollah Ali al-Sistani in Najaf, and offer prayers in Mosul – a city that only a few years ago endured the depravity and intolerance of a group like ISIS – is a symbol of hope for the entire world.

[Iraq Decides Against Crude-supply Deal with Chinese State Company](#)

February 22, 2021, Hindustan Times

Iraq has decided against signing an oil-supply deal with a Chinese state company that would've seen the cash-strapped Arab nation get about \$2 billion upfront.

Iran

[U.S. Warns China against Buying Iranian Crude Oil](#)

March 19, 2021, Oilprice.com

The United States has warned China that it will not turn a blind eye to rising Iranian oil exports to Chinese ports. According to the report, Washington has not missed the substantial increase in Iranian crude shipments to China. It has reminded Beijing that there are still sanctions in place against the Islamic republic.

[Iranian Proxy Attacks on Americans 'Not Helping Climate in US' for Reviving Iran Talks, US Envoy Says](#)

March 18, 2021, Voice of America

U.S. Special Envoy for Iran Robert Malley has indicated that recent attacks by Iranian proxies on U.S. forces in Iraq are making it tougher for the Biden administration to build domestic support for its new diplomatic initiative to resolve U.S.-Iran tensions.

[US, Belgium, France and Japan to Hold Mideast Naval Exercise amid Iran Tension](#)

March 21, 2021, Business Standard

The Group Arabian Sea Warfare Exercise will see ships from the four countries conduct drills in the Arabian Sea and the Gulf of Oman. Ships involved include the French aircraft carrier Charles de Gaulle, as well as the amphibious assault ship USS Makin Island. The Belgian frigate HNLMS Leopold I and the Japanese destroyer JS Ariake also will take part, as well as aircrafts from the four nations.

[US Charges 10 Iranians with Evading Sanctions](#)

March 20, 2021, The Times of Israel

US authorities revealed charges against 10 Iranians for allegedly evading American sanctions on Tehran by concealing more than \$300 million in transactions over 20 years through front companies.

[After Decades of Profound Failure, US Needs to Change Iran Policy: Iran Spokesman](#)

March 20, 2021, Press TV

A senior Iranian diplomat says "it is high time" for the United States to adopt fundamental changes in its approach toward the Islamic Republic, as it has gained nothing, but failure in decades of animosity against the country.

[India, Iran, Russia to be Part of New US Push to Find Settlement in Afghanistan](#)

March 07, 2021, Hindustan Times

The US plans to convene a meeting with the foreign ministers of India, Russia, China, Pakistan and Iran to forge a common approach on ending the war in Afghanistan while simultaneously taking steps to speed up a settlement with the Taliban.

[Indian Merchants Almost Halt Exports to Iran as Its Rupee Reserves Fall: Officials](#)

March 04, 2021, Mint

Indian merchants have almost entirely stopped signing new export contracts with Iranian buyers for commodities such as rice, sugar and tea, due to caution about Tehran's dwindling rupee reserves with Indian banks.

[India Delivers 20,000 Litres of Pesticide to Iran to Fight Locust Swarms](#)

March 18, 2021, Hindustan Times

India has delivered 20,000 litres of the pesticide Malathion to Iran via the strategic Chabahar port to help mount a coordinated regional response to the threat posed by swarms of desert locusts.

Israel

[Shin Bet Launches Crackdown on Israel's Arms Industry over Sales to China](#)

March 02, 2021, Middle East Monitor

Israeli intelligence is reported to have arrested at least 20 Israeli arms dealers last month in a covert crackdown on the private industry, allegedly in efforts to rein in the sale of arms to China so as not to risk Israel's relations with the United States.

[Israel-US to Set Up Joint Team to Share Intel on Iran's Nuclear Program](#)

March 17, 2021, The Times of Israel

Israeli and US officials agreed to set up a joint team for sharing intelligence about Iran's nuclear program during recent strategic talks.

[KRAS Rolls Out First Batch of MRSAM Missile Kits For Indian Army and Air Force](#)

March 16, 2021, Mint

Kalyani Rafael Advanced Systems (KRAS), a joint venture between India's Kalyani Group, and Rafael Advanced Defense Systems of Israel rolls out its first batch of Medium Range Surface to Air Missile (MRSAM) kits for the Indian Army and the Indian Air Force.

[Indian Oil, Israel's Phinergy to Manufacture Special Batteries in India](#)

March 18, 2021, Business Standard

Indian Oil and Israel's Phinergy announced a joint venture for commercialising aluminium-air (Al-Air) battery technology. The joint venture, IOC Phinergy (IOP), will be manufacturing Al-Air systems in India and recycle the used aluminium.

[Iran to Conduct Initial Testing of Redesigned Arak Nuclear Reactor](#)

March 19, 2021, The Times of Israel

Iran will "cold test" its revamped Arak nuclear reactor as a prelude to its full inauguration later in the year, the country's Atomic Energy Organization said.

[Internal White House Memo Said to back 2-State Solution along 1967 Lines](#)

March 17, 2021, The Times of Israel

The Biden administration will reportedly push for a two-state solution based on the pre-1967 lines, with mutually agreed upon land swaps, reinstating US policy on the Israeli-Palestinian conflict to more traditionally held positions than those of former president Donald Trump.

[No Annexation of the West Bank without President Biden's Approval: Israeli PM](#)

March 21, 2021, Anadolu Agency

Israeli Prime Minister Benjamin Netanyahu has said that his plan for annexing parts of the occupied West Bank will only be implemented if US President Joe Biden supports it. "Without the approval of the United States president, I will not be applying sovereignty – and I have said that from the first moment," PM Netanyahu said.

Jordan

[Jordan Publicizes Defense Deal that Allows US Forces Free Entry into the Kingdom](#)

March 21, 2021, The Times of Israel

Jordan made public a defense agreement with the United States that allows free entry of US forces, aircraft, and vehicles onto the kingdom's territory. The agreement was signed in January and the government approved it last month, but, in an exceptional move, it bypassed parliament.

[Egypt, Jordan, Iraq to Form Land Route to Increase Trade Ties](#)

March 10, 2021, Middle East Monitor

Egypt, Jordan, and Iraq are to establish a land route linking the countries following the latest development in bilateral relations between the three states.

Kuwait

[India, Kuwait Announce Joint Commission to Boost Ties in Energy](#)

March 18, 2021, Hindustan Times

India and Kuwait on Thursday (March 18) announced the creation of a joint commission to further institutionalise their relations in areas ranging from energy to defence and to forge a framework for cooperation in the future.

Lebanon

[France Says Lebanon 'Running Out of Time before Total Collapse'](#)

March 11, 2021, France 24

France and the United States hit out at Lebanon's warring politicians, with Paris saying they were failing to help the country as it slid towards "total collapse".

Oman

[New Program to Attract Private Investments Launched in Oman](#)

March 21, 2021, Times of Oman

A national program, based on the sublime directives of His Majesty Sultan Haitham Bin Tarik, has been launched in Oman. The program is aimed at attracting private investments, while enhancing the presence of Omani exports in foreign markets. The program is one of the accelerators of the first phase of the executive plan of "Oman Vision 2040".

Qatar

[Qatar Says Reforms to Labour Laws Have 'Transformed' the Market](#)

March 20, 2021, AL Jazeera

Recent reforms to Qatar's labour laws have "transformed" the country's labour market with the new non-discriminatory minimum wage providing additional financial security, Qatar's government has said.

[Qatar's Arms Imports Increased by 361 Percent over Four Years: Report](#)

March 15, 2021, Doha News

Arms imports to Qatar saw a 361 percent increase from 2016-to-2020, according to a report. The report suggested the increase of arms transactions was possibly linked to heightened regional tensions between the Gulf States, with the three-year blockade on Qatar creating a sense of insecurity in 2017.

Saudi Arabia

[Saudi Arabia Confirms Mediating Between India & Pakistan to Reduce Tensions](#)

March 20, 2021, Eurasian Times

Saudi Arabia is trying to reduce tensions between India and Pakistan, Deputy Foreign Minister of the Gulf nation, Adel al-Jubeir said.

[US Slams Houthi Attack on Saudi Aramco Refinery as Bid to 'Disrupt Global Energy Supplies'](#)

March 20, 2021, The Economic Times

The United States condemned the drone strike on a Saudi oil refinery claimed by Yemen's Houthi rebels, calling it an attempt to "disrupt global energy supplies."

[Saudi Aramco to Prioritise Energy Supply to China for 50 Years, says CEO](#)

March 21, 2021, Middle East Monitor

Saudi Aramco will ensure China's energy security remains its highest priority for the next 50 years and beyond as new and existing energy sources run in parallel for some time, CEO Amin Nasser told the China Development Forum.

[Oil Giant Saudi Aramco 2020 Profits Slump on Lower Crude Prices](#)

March 21, 2021, The Economic Times

Energy giant Saudi Aramco on Sunday posted a 44.4 percent slump in 2020 net profit due to lower crude prices, as the coronavirus pandemic weighed heavily on global demand.

[Eyeing US Crude, India Plans to Buy Less Oil from Middle East](#)

March 17, 2021, AL Jazeera

Indian refiners plan to buy less oil from the Middle East in the coming months as OPEC+ supply restrictions make U.S. crude more attractive.

[India's Serum Institute to Delay Further Vaccine Shipments to Brazil, Morocco, Saudi Arabia: Report](#)

March 21, 2021, Hindustan Times

The Serum Institute of India (SII) has told Brazil, Saudi Arabia and Morocco that further supplies of the AstraZeneca Covid-19 vaccine will be delayed due to surging demand at home and as it works through a capacity expansion.

Syria

[Syria: NGOs File Landmark Case against Russian Wagner Group](#)

March 15, 2021, AL Jazeera

Three NGOs have filed a legal case in Moscow against Russian private military contractor Wagner over the torture of a detainee in Syria, aiming to hold to account a murky fighting force with links to the Kremlin.

[First Turkish Airstrikes on Kurdish Zone in Syria in 17 Months: Report](#)

March 21, 2021, Middle East Eye

The Turkish air-force conducted its first strikes in 17 months against a zone in north Syria held by Kurdish militia.

[China Joins Russia in Blasting 'Illegal' Strategy Backed by U.S. in Syria War](#)

March 16, 2021, Newsweek

China has joined Russia in criticizing a strategy of unilateral military actions and economic sanctions followed by the United States in Syria as the country marked a full decade of civil war.

[US controls 90 Percent of Syrian Oil](#)

March 20, 2021, Middle East Monitor

Syrian Oil Minister Bassam Toma'a has revealed that around 90 percent of Syrian oil is under the control of US forces. "The Americans and their followers are acting like pirates as they are targeting the Syrian oil wealth and oil supplies," the Syrian regime minister asserted.

Turkey

[Twitter Announces to Establish Legal Entity in Turkey](#)

March 21, 2021, Business Insider

Facing intense scrutiny over the presence of bad accounts and troll armies on its platform globally including in India, Twitter has announced to establish a legal entity in Turkey to continue operating there under the country's internet law that came into place last year.

[Turkey Withdraws from Istanbul Convention to Combat Violence against Women](#)

March 21, 2021, CNN

Turkish President Recep Tayyip Erdogan has withdrawn his country from an international treaty to protect women through a presidential decree.

UAE

[Arms Race in the Middle East Gobbles up Nearly Half of all US Exports](#)

March 17, 2021, TRT World

Arms imports in the Middle East grew by 25 percent between 2011–15 and 2016–20, according to the Stockholm International Peace Research Institute (SIPRI) report.

[UAE Cabinet Approves Programme to Attract Remote Workers](#)

March 21, 2021, Middle East Monitor

The federal cabinet of the United Arab Emirates approved a new system allowing professionals to reside in the Gulf state while working remotely for employers abroad, a scheme that the emirate of Dubai launched by itself in October.

[India, UAE Vow to Strengthen Energy Cooperation: Dharmendra Pradhan](#)

March 18, 2021, The Economic Times

India and the UAE discussed ways to strengthen energy cooperation, India's oil minister Dharmendra Pradhan said, despite New Delhi asking its refiners to reduce their reliance on Middle Eastern oil.

Yemen

[Fire at Saudi Arabia Oil Facility after Drone Attack](#)

March 19, 2021, AL Jazeera

Saudi Arabia said drones struck an oil facility in the capital of Riyadh on Friday (March 19), igniting a fire at the installation.

[Saudi Coalition Launches Air-strikes on Yemen's Houthi-held Capital](#)

March 21, 2021, AL Jazeera

The Saudi-led coalition battling Yemen's Houthi rebels struck military targets belonging to the Iran-aligned movement in the capital, Sanaa. The airstrikes come after the Houthis claimed responsibility for drone attacks on an oil refinery in the Saudi capital, Riyadh.



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