

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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DPG WEST ASIA REVIEW Volume III, Issue 21

Contents

Abstract	i
Bahrain	1
Egypt	2
Iraq	3
Iran	4
Israel	6
Jordan	7
Kuwait	8
Lebanon	9
Oman	
Qatar	11
Saudi Arabia	12
Syria	
Turkey	14
UAE	15
Yemen	16



Abstract

The COVID-19 induced economic contraction led to mass exodus of Indian migrant workers from the Gulf countries in 2020. According to a World Bank Report, about 1.2 million workers returned to the Indian state of Kerala in the past year due to job losses in the Gulf. Although total remittances received by India from workers abroad was USD8.3 billion in 2020 – a drop of only 0.2 percent from the previous year; India's remittances particularly from the UAE witnessed a steep decline of 17 percent. In another development, the Union Cabinet has cleared a proposed deal between India's accounting rules maker the Institute of Chartered Accountants of India (ICAI) and Qatar Financial Centre Authority (QFCA). This deal is likely to strengthen the accounting profession and the entrepreneurship base in Qatar.

On the India-Iran relations, as reports emerged about India losing ONGC Videsh discovered 'Farzad-B gas field' in the Persian Gulf, the Indian Ministry of External Affairs stressed that, "Iran had decided to develop this gas field on its own and wanted to involve India at a later stage". It must be noted that, The National Iranian Oil Company (NIOC) has signed a contract worth USD1.78 billion with Iranian oil company, the Petropars Group for the development of Farzad B Gas Field.

On the security front, in continuation of India's growing strategic partnership with the Gulf countries, New Delhi renewed two agreements (MoUs) on defence cooperation and maritime issues with Oman on May 20. This will ensure continuation of cooperation between the two countries in areas of defence and security.

As the JCPOA participants concluded fourth round of talks on May 19 in Vienna, Russian Ambassador stressed that, "JCPOA participants at the meeting noted good or significant progress and that an agreement is within reach". The US Secretary of State Blinken, however appeared to be less optimistic about a possible deal with Iran. He stated that, "it remains unclear whether Iran is prepared to take the necessary steps to return to compliance with the nuclear agreement". The fifth round of talks is to take place in Vienna this week. In an important development, as noted in the earlier issue of DPG West Asia Review, a three month nuclear sites monitoring agreement between Tehran and International Atomic Energy Agency (IAEA) expired on May 22. As a result the IAEA would no longer have access to the images of Iran's nuclear sites. IAEA is in talks with Iran to extend the nuclear sites monitoring agreement. Even as future of JCPOA remains unclear, "Indian refiners Volume III, Issue 21 | May 24, 2021



Delhi Policy Group

and at least one European refiner are re-evaluating their crude purchases to make room for Iranian oil in the second half of this year, anticipating that U.S. sanctions could be lifted".

Israel and HAMAS of Gaza (Palestine) announced ceasefire on May 20. Over a period of 10 days, HAMAS unleashed a fierce attack on Israel with more than 4000 short-range rockets. HAMAS also deployed a new, explosive drone intended to evade Israel's Iron Dome Air-Defence System with technical expertise reportedly from Iran. On the other hand, Israeli air-strikes hit HAMAS targets in Gaza leading to large number of civilian casualties. In the backdrop of escalating violence, Turkish President Erdogan spoke about the "idea of sending an international protection force to the region to protect Palestinian civilians". The United States on the other hand welcomed ceasefire announcement by Israel, while re-iterating importance of "two-state solution" as the "only answer" to the Israel-Palestine conflict. It must be noted that, the Biden administration has notified US Congress about a proposed US weapons sale to Israel (precision-guided weapons) worth USD735 million.

In another development, the "European Parliament adopted a report urging the EU Commission to formally suspend accession negotiations with Turkey if Ankara does not reverse its hostile policies (with regards to Cyprus, human rights, etc.)". The EU parliament stressed that, "EU-Turkey relations have been brought to a historic low point".

In another security related development, as drone attacks have increased on the US troops in Iraq, CENTCOM Commander Gen. McKenzie expressed "the need to find ways to counter drones targeting American forces in the region while admitting that the US is yet to come up with effective solutions for such attacks". Further, Iran's Islamic Revolutionary Guards (IRGC) unveiled a new drone titled "Gaza" in the immediate aftermath of recent violence in the Middle East.

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



Bahrain

Bahrain and UAE offer Third Sinopharm Shots amid Questions over Vaccine Effectiveness

May 19, 2021, CNBC

The United Arab Emirates and Bahrain are offering a booster shot of the Chinesedeveloped Sinopharm vaccine to residents and citizens who have already had two doses, the countries' medical authorities said.



Egypt

Egypt to Locally Produce 2m Doses of China's Sinovac Jab

May 22, 2021, Arab News

Egypt received the first batch of components to locally produce 2 million doses of China's Sinovac vaccine. The country is expected to manufacture 40 million Sinovac doses in the first year of production.

As Israel-Hamas Cease-Fire Holds, Egypt Mediates for Long-Term Truce

May 22, 2021, Voice of America

As a shaky ceasefire between Israel and Palestinian militants held after 11 days of fighting, Egyptian mediators held talks with both sides to solidify the truce.

Egypt to Allocate \$500m for Gaza Rebuilding Effort

May 18, 2021, Reuters

Egypt will allocate \$500 million for rebuilding efforts in the Gaza strip following Israeli air strikes, the Egyptian presidency said.



Iraq

CENTCOM Commander Reiterates Fear of Small Drones in Secret Iraq Visit

May 22, 2021, Press TV (Iran)

The top US commander for its Middle East military operations, Gen. McKenzie has once again expressed concerns about the need to find ways to counter drones targeting American forces in the region, reiterating during a secret visit to Iraq that the US is yet to come up with effective solutions.

In Tactical Shift, Iran Grows New, Loyal Elite from Among Iraqi Militias

May 21, 2021, Reuters

Iran has hand-picked hundreds of trusted fighters from among the cadres of its most powerful militia allies in Iraq, forming smaller, elite and fiercely loyal factions in a shift away from relying on large groups with which it once exerted influence.

Iran, Iraq Nearing Historic Agreement on Connecting Railway Systems

May 17, 2021, Global Construction Review

Although the line would run for only 30km and cost around \$150m, it would be the only rail connection between the two countries and would vastly improve communications in the wider region by connecting China's Belt and Road lines to Iraq and bringing Iran closer to Syria.



Iran

<u>ONGC-discovered Farzad-B Gas Field: Iran Wanted to Involve India at Later Stage,</u> <u>Says MEA</u>

May 20, 2021, Mint

Days after India lost the ONGC Videsh Ltd-discovered Farzad-B gas field in the Persian Gulf, Ministry of External Affairs (MEA) spokesperson Arindam Bagchi said that Iran wanted to involve India at a later stage.

Indian, European Refiners Get Ready to Buy Iranian Oil

May 20, 2021, Reuters

Indian refiners and at least one European refiner are re-evaluating their crude purchases to make room for Iranian oil in the second half of this year, anticipating that U.S. sanctions will be lifted, company officials and trading sources said.

US Says it's Unclear Whether Iran is Ready to Return to Nuclear Deal

May 23, 2021, The Times of Israel

US Secretary of State Antony Blinken said Sunday (May 23) that it remains unclear whether Iran is prepared to take the necessary steps to return to compliance with the nuclear agreement.

IAEA Will Have No Access to Iran's Nuclear Sites Images, Says Top Iranian Lawmaker

May 23, 2021, The Economic Times

Iran's parliament speaker said that a three-month monitoring deal between Tehran and the U.N. nuclear watchdog had expired as of Saturday (May 22), Iran's state TV reported, adding that the agency would no longer access images of nuclear sites.

With Iranian Help, Hamas Builds 'Made in Gaza' Rockets and Drones to Target Israel

May 20, 2021, The Wall Street Journal

Over the past 10 days, Palestinian militants have unleashed one of the most intense attacks on Israel in decades, firing more than 4,000 short-range rockets and deploying a new, explosive drone intended to evade the country's Iron Dome air-defense system with technical expertise from Iran and growing local skills in arms manufacturing.

Volume III, Issue 21 | May 24, 2021



Agreement on Restoring Iran Nuclear Deal 'within reach'

May 19, 2021, AL Jazeera

At the end of two more weeks of negotiations, representatives of world powers party to Iran's 2015 nuclear deal appear more certain that work to restore the landmark accord will soon succeed.

Iran's Revolutionary Guard Unveils 'Gaza' Drone in Tribute to Palestinians

May 22, 2021, The Times of Israel

Iran's Revolutionary Guards unveiled a new combat drone dubbed "Gaza" in a tribute to Palestinians, the force's official website reported, hours after a ceasefire between Israel and Palestinian terror groups took effect.



Israel

Israel Announces Unconditional Ceasefire with Hamas, Ending Gaza Combat

May 21, 2021, The Jerusalem Post

The security cabinet unanimously agreed to a "mutual and unconditional" cessation of hostilities, according to a statement from the Israeli Prime Minister's Office.

India Support not Public, Had Understanding: Israel Deputy Envoy

May 22, 2021, The Indian Express

Israel's Deputy Envoy to India stressed that Israel received support from many countries, including the US and the UAE, and although India may not have made a public expression of support, it had an understanding of Israeli actions.

PM Netanyahu: Drone Downed by IDF this Week was Armed, Launched by Iran

May 20, 2021, The Times of Israel

A drone downed by the Israel Defense Forces earlier this week was launched by Iran and was armed with explosives, Prime Minister Benjamin Netanyahu said.

Biden Administration Notified Congress of \$735 Million Weapons Sale to Israel Earlier this Month, Before Violence Began

May 18, 2021, CNN

The Biden administration notified Congress of a proposed US weapons sale to Israel worth \$735 million earlier this month, according to two sources familiar with the notification.

Two-State 'only answer' to Israel-Palestine Conflict: US President

May 22, 2021, Hindustan Times

US President Joe Biden has said a two-state solution was the "only answer" to the Israel-Palestine conflict emphatically reiterating decades-old US policy that had enjoyed an indifferent to no backing from his predecessor, Donald Trump.

Secretary of State Blinken to Visit Israel, West Bank on May 26-27, Source Says

May 22, 2021, Reuters

U.S. Secretary of State Antony Blinken will visit Israel and the Palestinian Authority in the occupied West Bank on Wednesday (May 26) and Thursday (May 27) as part of Washington's efforts to build on the Gaza truce, a source briefed on the planning said.



Jordan

Jordan, UAE Ready to Facilitate Israel-Palestinian Peace Efforts

May 23, 2021, The Jerusalem Post

The United Arab Emirates stands ready to facilitate peace efforts between Israel and the Palestinians, the de facto ruler of the Gulf state said in remarks carried on state media. Jordan's King Abdullah stressed the importance of translating the Gaza ceasefire into an extended truce, and said there is no alternative to a twostate solution between Israel and the Palestinians.



Kuwait

Kuwaiti Foreign Minister Meets US Special Envoy for Yemen

May 22, 2021, Kuwait Times

Kuwait's Foreign Minister Sheikh Dr Ahmad Nasser Al-Mohammad Al-Sabah met in New York City with US Special Envoy for Yemen Tim Lenderking. During the meeting, Lenderking briefed on the latest developments in the Yemeni file, praising the State of Kuwait's contributions; both on political and humanitarian levels, to restore safety and stability to Yemen.

Kuwaiti MPs Submit Bill Banning any Dealings with Israel

May 22, 2021, Gulf News

Five Kuwaiti MPs have submitted a new draft law stipulating a jail sentence of between one and three years for people and authorities dealing with or travelling to Israel, local media reported.



Lebanon

Israel Fires at South Lebanon after Cross-border Rocket Launches

May 20, 2021, The Indian Express

Israel fired artillery at targets in Lebanon after four rockets were launched towards Israel from Lebanese territory, the Israeli military said.



Oman

India and Oman Renew MoUs on Military Cooperation, Maritime Issues

May 20, 2021, Outlook

India and Oman renewed two agreements on military cooperation and maritime issues, the defence ministry said. The agreements will ensure the continuation of cooperation in specific areas of defence and security, officials said.



Qatar

Cabinet Clears India-Qatar Deal on Accounting Profession

May 12, 2021, Mint

The union cabinet cleared a proposed deal between accounting rule maker The Institute of Chartered Accountants of India (ICAI) and Qatar Financial Centre Authority (QFCA), the body that promotes financial services industry in the Arab nation.



Saudi Arabia

<u>Saudi Arabia Considers Barring Overseas Haj Pilgrims for Second Year, Sources</u> <u>Say</u>

May 05, 2021, Reuters

Saudi Arabia is considering barring overseas pilgrims from the annual hajj for the second year running as COVID-19 cases rise globally and worries grow about the emergence of new variants, two sources familiar with the matter said.

Saudi King Condemns Israeli 'aggression' in Jerusalem, Gaza Strip

May 22, 2021, Reuters

Saudi Arabia's King Salman condemned what he called Israeli aggression in Jerusalem and the Gaza Strip during a phone call on Friday with Palestinian President Mahmoud Abbas.

Saudi-US Military Exercise Comes to a Close

May 22, 2021, Arab News

A joint military exercise between the Royal Saudi Air Force (RSAF) and the United States Air Force (USAF) concluded on Saturday (May 22).



Syria

Syrian Expatriates, Refugees Cast Early Ballots Ahead of Presidential Elections

May 20, 2021, The New Indian Express

Syrian expatriates and those who fled the war began casting their votes at embassies abroad ahead of next week's vote inside the country that is all but guaranteed to give President Bashar Assad a fourth seven-year term as president.



Turkey

Erdogan: Sending International Force to Protect Palestinians Viable Idea

May 12, 2021, TRT World

Turkish President Erdogan said nations should discuss the "idea of sending an international protection force to the region in order to protect Palestinian civilians".

EU-Turkey Relations at 'Historic' Low Point: European Parliament

May 19, 2021, Deutsche Welle

The European Parliament adopted a report urging the EU Commission to formally suspend accession negotiations with Turkey if Ankara does not reverse its "hostile" policies. "In recent years, the [government] of Turkey has distanced itself increasingly from EU values and standards. As a result, relations have been brought to a historic low point," Members of the European Parliament said in a statement.



UAE

<u>2020 Remittances to India from UAE in Steep 17 Percent Drop on Job Losses,</u> <u>Repatriation: World Bank</u>

May 14, 2021, Gulf News

Kerala has been hit hard by the drop in remittances from the Gulf countries from where about 1.2 million workers returned to the state due to the COVID-19-driven layoffs, according to the World Bank.

UAE Job Scam: Kerala Nurses Taken for a Ride, MEA Investigates Matter

May 21, 2021, India Today

Indian nurses were targeted by illegal agents who promised them employment in the healthcare sector in the UAE. Upon arrival in the UAE, they found that there were no jobs waiting for them, and instead, they were cheated out of huge sums of money by the scamsters.

US Removes UAE from Intellectual Property Protection Watch List

May 23, 2021, Khaleej Times

The United Arab Emirates has welcomed the Office of the United States Trade Representative (USTR) decision to remove the country from the US intellectual property protection (IPP) Watch List. In its 2021 Special 301 Report, the USTR outlined a set of key achievements made by the UAE in the field of IPP during the past period, leading to its success in coming off the watch list.

<u>The UAE Has Launched a Bid to Bring a Major Global Climate Summit to Abu</u> <u>Dhabi</u>

May 23, 2021, The National

The UN Climate Change Conference (Cop28) would be hosted in the Emirati capital in November 2023, if successful. Sheikh Abdullah bin Zayed, Minister of Foreign Affairs and International Cooperation, announced the bid on Sunday (May 23).



Yemen

Blinken: Comprehensive, Permanent Solution in Yemen Top Priority for US

May 23, 2021, Saudi Gazette

US Secretary of State Antony Blinken stressed that the comprehensive and permanent solution for the conflict in Yemen is a top priority for the US, expressing his aspiration for continuous participation between his country and other partners to realize peace in Yemen.

Senators Call on Biden Administration to Demand Saudi's End Blockade Tactics on a Starving Yemen

May 20, 2021, CNN

A group of Democratic senators are calling on President Joe Biden to take "immediate and decisive action" to end Saudi Arabia's "blockade tactics" in Yemen that have prevented food, medicine and other crucial supplies from reaching desperate and starving people there.

US Imposes Sanctions on 2 Houthi Military Leaders

May 20, 2021, Middle East Monitor

The United States has imposed sanctions on the head of the general staff leading the Houthi offensive in Marib, Mohamad Abdulkarim Al-Gamali, and another prominent leader of Houthi forces assigned to advance on Marib, Yousuf Al-Madani.



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