

DPG WEST ASIA REVIEW



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Delhi Policy Group Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003 www.delhipolicygroup.org



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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

As part of India's deepening trade relations with West Asia (Middle East), Reliance Industries (RIL) plans to invest USD 2 billion in TA'ZIZ chemical joint venture between UAE's Abu Dhabi National Oil Company (ADNOC) and sovereign wealth fund ADQ. Mukesh Ambani, Chairman and Managing Director of Reliance Industries stressed that the "agreement will help globalize company's operations".

Israel Aerospace Industries (IAI) reportedly announced that it is delivering 'ELI-4030 Drone Guard system' to a "South Asian Country" which provides the capability to detect, classify, identify and defeat drone attacks. Reacting to recent drone attack at Jammu airbase, India's Defence Research and Development Organization (DRDO) Chief G Satheesh Reddy said, "anti-drone drone technology developed by his organization has the capability to not only swiftly detect, but to also intercept and destroy small drones that pose a security threat". DRDO highlighted its 'D-4 Drone System' used during this year's Republic Day security as an option to prevent Jammu like drone attacks. However defence experts are of the view that the "DRDO anti-drone system may not be fully meeting the efficacy of the border security".

In an OPEC+ meeting held on July 02, OPEC (Organization of the Petroleum Exporting Countries), Russia and their allies failed to reach an agreement on raising crude production. The talks tripped as UAE insisted on substantial increase in its production quota if the OPEC+ extended the current output agreement. One of the proposals discussed by the OPEC+ included increasing crude production by 400,000 barrels a day each month for the rest of this year, beginning in August; while the other proposal on the table was to extend the current production agreement which expires at the end of April next year, for the rest of 2022. The Emirati Ministry of Energy described the proposal to extend the agreement for the entirety of 2022 without raising its production quota as being "unfair to the UAE". It needs to be noted that, in recent times UAE has grown increasingly frustrated with its position in OPEC+. Meanwhile Saudi Arabia called for "compromise and rationality" to secure an agreement when OPEC+ reconvenes on July 05.

China continues its quest to secure major oil and gas agreements in the Middle East. Qatar Petroleum has signed a long-term sale and purchase agreement (SPA) with Shell for the supply of 1 million tons per annum (MTPA) of Liquefied Natural Gas (LNG) to China for ten years. LNG deliveries will commence in January 2022 to various terminals in China. Volume III, Issue 27 | July 6, 2021



In an arms sale agreement, US Department of State has approved a potential sale of 'heavy tactical vehicles' to Kuwait for USD 445 million. Meanwhile, 10,000 suspected Islamic State (IS) fighters are being held in northern Syria by Westernallied Kurdish fighters. US Secretary of State Blinken described this situation as being "untenable" and "urged countries of origin, including coalition partners, to repatriate, rehabilitate, and where applicable, prosecute their citizens (who have joined IS)".

In an adverse security development, a cargo ship previously under Israeli ownership was hit by an unidentified weapon in the Northern Indian Ocean on July 03. Israeli officials have blamed Iran for this attack which only caused mild damage and no causalities. Amid heightened tensions between Iran and Israel, US President Joe Biden assured outgoing Israeli President Reuven Rivlin that, "Washington will not allow Iran to get a nuclear weapon".

Even after six rounds of Vienna talks the future of Joint Comprehensive Plan of Action (JCPOA) 2015 remains uncertain. Iran's Ambassador to the United Nations made it clear that, "Tehran's essential condition for reviving the 2015 nuclear deal is a commitment by the US that it will never again unilaterally pull out of the agreement". Further, Iran urged the UN Security Council to hold Israel accountable for Tel Aviv's "adventurist practices" in allegedly targeting Iranian nuclear program. Meanwhile, UN Secretary General Antonio Guterres urged the United States to lift sanctions on Iran. India urged Iran to continue to cooperate with the International Atomic Energy Agency (IAEA) in the verification activities related to its nuclear programme.

Chinese Foreign Minister Wang Yi has blamed the United States for conflicts from Afghanistan to Iran while describing China as a "defender" and "friendly neighbour" of these countries. He also urged the United States to re-join the 2015 JCPOA. Further, Wang Yi described US "Indo-Pacific Strategy" as "out-dated cold war mentality that should be swept into rubbish".

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



Bahrain

<u>CPC Leadership Transformed China into a Visionary Global Leader: Bahrain</u> <u>Ambassador</u>

June 30, 2021, Global Times

Under the vision and guidance of the Communist Party of China (CPC), China was transformed from a poor and weak nation to a global economic power, Ambassador of the Kingdom of Bahrain to China, Dr Anwar Alabdulla, noted in praise of the achievements made by the CPC on the occasion of the 100th anniversary of the founding of the CPC.

First Bahraini Ambassador to Israel Formally Appointed

June 29, 2021, The Times of Israel

Bahraini monarch Hamad bin Issa Al Khalifa officially appointed the Gulf Kingdom's first ambassador to Israel, following last year's agreement between the countries to normalize diplomatic ties.



Egypt

Egypt to Receive Electric Train Vehicles from China in July

July 02, 2021, Egypt Independent

The Egyptian National Authority for Tunnels will receive from China the first trains that will operate on the al-Salam/New Administrative Capital/Tenth of Ramadan City electric train project at the end of July.

Sinovac Set to Start Making Covid-19 Jabs in Egypt as China Expands Vaccine Push

June 28, 2021, South China Morning Post

The Chinese foreign ministry said vaccine maker Sinovac would soon begin production of doses in Egypt after Foreign Minister Wang Yi reiterated China's support to the African country during a call with his Egyptian counterpart.



Iraq

Iraq Says BP and Lukoil Want to Sell Down Oil Stakes

July 04, 2021, Bloomberg

Iraqi Oil Minister Ihsan Abdul Jabbar said Lukoil sent him a notification to sell its stake in the West Qurna-2 field to Chinese companies, and that BP wants to pull out of the giant Rumaila field.

Iraq Supports Extending OPEC Output Cut Agreement until Dec 2022, Says Minister

July 04, 2021, The Economic Times

Iraq supports a proposal by OPEC and its allies to extend an agreement to curb oil output until December 2022, Oil Minister Ihsan Abdul Jabbar said on Sunday (July 04), expecting oil prices to remain at \$70 per barrel or above until then.

<u>PM Modi to Address CoWIN Global Conclave as India Opens CoWin app to the World</u>

July 04, 2021, Mint

Prime Minister Narendra Modi would be sharing his thoughts on CoWIN Global Conclave as India offers CoWIN as a digital public good to the world to combat COVID19, the Centre said.

Indian COVID-19 Mutant Strain Reaches Iraq

June 29, 2021, Arab News

Iraq's health minister announced that India's mutated COVID-19 strain known as "Delta" had reached Iraq.



Iran

<u>U.S. Releases Footage of Airstrikes in Iraq and Syria at Fragile Moment for Iran</u> <u>Nuclear Talks</u>

June 28, 2021, CNBC

The Pentagon released footage of retaliatory U.S. airstrikes in Iraq and Syria against facilities used by Iran-backed militia groups, a move expected to rattle the fragile diplomatic overtures surrounding the revival of the 2015 Iranian nuclear deal.

Iran Conditions Return to Nuclear Deal on US Commitment to Never Withdraw Again

July 01, 2021, The Times of Israel

Iran's envoy to the United Nations told the Security Council that an essential condition for reviving the 2015 nuclear deal is a commitment by the US that it will never again unilaterally pull out of the agreement.

India Urges Iran to Continue to Cooperate with IAEA for Verification

July 01, 2021, Business Standard

India has asked Iran to continue to cooperate with the International Atomic Energy Agency (IAEA) in the performance of verification activities related to its nuclear programme and addressing all outstanding issues.

How Cooperation among China, Russia and Iran will be Updated in Raisi Era

June 27, 2021, Global Times

Ebrahim Raisi is expected to take a tough line in defending Iran's economic and security interests vis-a-vis the West and he will attach great importance to strengthening security cooperation and religious ties with Islamic countries, and pay close attention to the Israeli-Palestinian issue.



Israel

<u>Israel Aerospace Industries (IAI) to Provide Dozens of Drone Guard Systems to a</u> <u>South Asian Country</u>

July 04, 2021, Israel Defense

Israel Aerospace Industries (IAI) announced that, through its ELTA Systems group, it is delivering dozens of Drone Guard systems to a country in South Asia. The combat-proven ELI-4030 Drone Guard system provides the ability to detect, classify, identify and defeat drone attacks.

Emergency Procurement of Anti Drone Technology! Regulation of Defence Research: Keeping the Perspective Right

July 02, 2021, Financial Express

The recent drone attack at Jammu airbase highlighted multiple shortcomings in India's preparedness to deter emerging innovations in asymmetric warfare. However, it was remarkable to note that some agencies came out publicly to announce that the anti-drone technology is already available within the country.

D-4 Drone System, Used for Republic Day Security, Can Prevent Jammu Like Attacks: DRDO

July 02, 2021, Mint

As per Dr Jillelamudi Manjula, Director General-Electronics and Communication Systems (ECS), DRDO, the D-4 drone system could detect close-range attacks like the one in Jammu.

Israeli Officials Say Iran behind Indian Ocean Attack on Cargo Ship

July 03, 2021, Haaretz

A commercial ship previously under Israeli ownership was hit by an unidentified weapon in the northern Indian Ocean on Saturday (July 03), causing only mild damage and no casualties.

Israel Launches Airstrikes on Gaza

July 04, 2021, Middle East Monitor

"In response to the arson balloons launched from Gaza toward Israel today, IDF fighter jets struck a weapons manufacturing site used to research and develop weapons belonging to Hamas tonight," the Israeli army said.

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President Joe Biden Tells Israel Iran Won't Get a Nuclear Weapon

July 03, 2021, The Economic Times

President Joe Biden sought to assure Israel that he would not tolerate a nuclear Iran as he met with outgoing Israeli President Reuven Rivlin at the White House, a moment that comes amid a major shakeup in Israeli politics and growing angst in Tel Aviv over the U.S. administration's effort to re-enter the Iran nuclear deal.

Satellite Photos Said to Show Damage from Attack on Iran Centrifuge Site

July 04, 2021, The Times of Israel

The drone attack reportedly hit the Iran Centrifuge Technology Company, or TESA, in the city of Karaj, northwest of Tehran. The TESA factory was tasked with replacing the damaged centrifuges at the Natanz nuclear site and also produces more advanced centrifuges that can more quickly enrich uranium.

Defense Minister Gantz: Israel Will Act Whenever, Wherever Needed against Iran

July 04, 2021, The Times of Israel

Defense Minister Benny Gantz said Israel would act wherever and whenever necessary to prevent Tehran from obtaining a nuclear weapon, days after Iran reportedly struck a cargo ship once owned by an Israeli company, in an apparent act of retaliation for an attack on an Iranian nuclear facility last month.

US House Appropriations Committee Approves \$3.3 Billion to Israel Security

July 03, 2021, The Jerusalem Post

The House Appropriations Committee approved the 2022 State and Foreign Operation fiscal bill, including \$3.3 billion in US security assistance to Israel, as agreed to in the 2016 memorandum of understanding (MOU).

Iran Closest it's Ever Been to Nuclear Bomb, Former IDF Chief Says

July 02, 2021, The Times of Israel

Former IDF chief of staff Gadi Eisenkot said that Iran is nearer than ever to producing a nuclear weapon, while appearing to imply that America's 2018 exit from the accord was a mistake.



Jordan

Jordan's King Abdullah Heads to U.S. to Meet President Biden

July 01, 2021, Reuters

Jordan's King Abdullah left for the United States on Thursday (July 01) for a threeweek visit that includes the first meeting by an Arab leader with President Joe Biden at the White House since he took office.

Jordanian Officials Hail China's Achievements Under CPC Leadership

June 08, 2021, Xinhua

Officials and scholars in Jordan have hailed China's achievements under the leadership of the Communist Party of China (CPC) during a webinar. "China is one of the fastest-growing economies in the world ... which is due to the wisdom of the Communist Party of China", said Jamal Al-Sarairah, a member of the Jordanian Senate.



Kuwait

Kuwait Gets Thumbs up for \$445M Military Vehicle Package

July 01, 2021, Defence News

The U.S. State Department approved a potential sale of heavy tactical vehicles to Kuwait for \$445 million. US Defense Security Cooperation Agency said the proposed sale was approved because the ally "is an important force for political stability and economic progress in the Middle East."



Lebanon

<u>Lebanon Won't Get a Bailout — but a Will to Reform Could Lead to Substantial Aid,</u> <u>U.S. Diplomat Says</u>

July 01, 2021, CNBC

Lebanon's economic situation is facing "immediate catastrophe," according to a top U.S. diplomat, who said the country's leaders need to demonstrate the will to reform before any external assistance can take place.

Lebanon Medicine Importers Warn Imported Drugs Running Out

July 04, 2021, AL Jazeera

Lebanon's medicine importers said they had run out of hundreds of essential drugs and warned of further shortages if the cash-strapped central bank did not unblock funds.



Oman

Oman: Ban on Travellers from India to Continue for Foreseeable Future

June 28, 2021, Gulf News

The current ban on travellers from India will continue, according to a senior official at Oman's Civil Aviation Authority. Normal flight operations have been cancelled till further notice. But special flights are operated by Oman Air, Salam Air, Air India and Air India Express to transport Indian citizens wanting to return to India.

Oman LNG Signs Deal with Shell to Ship Middle East's First Carbon-neutral LNG Cargo

June 08, 2021, S&P Global

Oman LNG has signed an agreement with Shell to deliver the sultanate's first carbon-neutral LNG cargo.



Qatar

<u>Qatar Petroleum Signs Pact with Shell to Supply China with 1mpta LNG for Ten</u> <u>Years</u>

June 30, 2021, Gulf Times

Qatar Petroleum (QP) entered into a long-term Sale and Purchase Agreement (SPA) with Shell for the supply of 1 million tons per annum (MTPA) of LNG to the People's Republic of China for ten years. LNG deliveries will commence in January 2022 to various LNG terminals in China.

<u>Qatar is a Strategic Partner on International Peace, Security Issues - John</u> <u>Desrocher, US Chargé d'Affaires</u>

July 04, 2021, Gulf Times

John Desrocher, the newly appointed US Chargé d'Affaires to Qatar, has hailed Qatar's leadership and mediation to promote peace and reconciliation in the region and beyond. Desrocher pledged to continue building bridges between Qataris and Americans across many sectors including education, military, trade, and investment.



Saudi Arabia

<u>OPEC Plus, Failing to Agree on Oil Production Levels, Will Try Again on Monday</u> (July 05)

July 02, 2021, The New York Times

OPEC officials failed for a second day on Friday (July 02) to resolve a dispute over quotas that prevented OPEC, Russia and their allies from reaching an agreement on raising production. Talks were tripped up when the United Arab Emirates insisted on what would amount to a substantial increase in its production quota if OPEC Plus extended the output agreement.

Saudi Arabia Pushes Back on UAE's Opposition to OPEC+ Deal

July 05, 2021, Yahoo News

Saudi Arabia's energy minister pushed back on Sunday (July 04) against opposition by fellow Gulf producer the United Arab Emirates to a proposed OPEC+ deal and called for "compromise and rationality" to secure agreement when the group reconvenes on Monday (July 05).

Foundation Stone Laid for \$880m Chinese LED Project in Saudi Arabia's Jubail

July 03, 2021, Arab News

Chairman of the Royal Commission for Jubail and Yanbu, Abdullah Al-Saadan, laid the foundation stone for a SR3.3 billion (\$879.8 million) factory to produce LED lighting lamps in the Blaskim area in Jubail 2.



Syria

'10,000 Islamic State Fighters Still in Syria, Situation Untenable': Blinken

June 28, 2021, Hindustan Times

Urging the allies of the United States to bring back citizens arrested for joining the Islamic State terror group, Secretary of State Antony Blinken said 10,000 IS fighters are still being held in detention in camps run by the Kurdish-led Syrian Democratic Forces (SDF).

Pro-Iran Militias Attack United States Base in Syria after Air-strikes

June 29, 2021, The Economic Times

US forces "were attacked by multiple rockets" in Eastern Syria, but there were no casualties and personnel "conducted counter-battery artillery fire at rocket launching positions", said coalition spokesman Wayne Marotto.

Islamic State Exploits Economic Downturn in Iraq, Syria, US Envoy Says

July 01, 2021, AL-Monitor

The Islamic State (IS) is trying to take advantage of deteriorating economic conditions in Iraq and Syria to reconstitute itself, said the State Department's envoy to the US-led coalition battling the group.



Turkey

Turkey Halts Incoming Flights from India, 5 More Countries Due to Surge in COVID-19

June 30, 2021, News18

Turkey has halted flights and all direct travel from Bangladesh, Brazil, South Africa, India, Nepal and Sri Lanka due to new variants of the coronavirus, the Interior Ministry said.

Russia, China, Turkey among Those Cited in US Trafficking Report

July 01, 2021, AL Jazeera

A US State Department report called out the governments of Myanmar, China and Russia for their patterns of trafficking and forced labour and saying in the Chinese province of Xinjiang "the government is the trafficker" citing "a mass detention and political indoctrination campaign against Uighurs.

US Adds Pakistan, Turkey to List of Countries Implicated in Use of Child Soldiers

July 02, 2021, WION

The United States has added Turkey and Pakistan to a list of countries that are implicated in the use of child soldiers over the past year. It is the first time a NATO ally has been added to the Child Soldiers Prevention Act (CSPA) list, a move that is likely to further complicate the already fraught ties between Ankara and Washington.

Erdogan: 'We are Present in Libya, Iraq, Syria, Azerbaijan, and Will Remain There'

July 03, 2021, Middle East Monitor

Turkish President Recep Tayyip Erdogan announced that his country is present in Libya, Azerbaijan, Syria and the Eastern Mediterranean and will remain in these areas.



UAE

India's Reliance to Invest \$2 Billion in ADNOC Chemical JV, its First Deal in Gulf Region

June 29, 2021, S&P Global

Reliance Industries Ltd. plans to invest \$2 billion in the UAE's TA'ZIZ chemical joint venture between Abu Dhabi National Oil Co. and sovereign wealth fund ADQ.

UAE Citizens Barred from Travelling to India, Several Other Countries

July 02, 2021, The Economic Times

The UAE has barred its citizens from traveling to several countries including India, according to an official announcement made on Thursday (July 01).

Israeli Foreign Minister's Landmark Visit to UAE Signals Deepening Ties

July 01, 2021, BBC

Israeli Foreign Minister Yair Lapid is the first Israeli minister to pay an official visit to the Gulf state since Israel, the UAE and Bahrain signed a historic deal to normalise ties nine months ago.



Yemen

2, Including Kerala Man, Arrested at Chennai Airport for Visiting Yemen: Report

July 04, 2021, Hindustan Times

Two men, including one from Kerala's Malappuram district, have been arrested at Chennai airport after they returned from Yemen, one of the countries Indian citizens cannot travel to.



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