

# DPG WEST ASIA REVIEW



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#### 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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#### 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 development, Prime Minister, Narendra Modi, and the Crown Prince of Abu Dhabi, Sheikh Mohamed bin Zayed Al Nahyan, signed the India-UAE Comprehensive Economic Partnership (CEPA) agreement on February 18. "CEPA will be a game-changer in bilateral economic relations; with enhanced market access, India-UAE trade in goods should rise to USD 100 billion and services to USD 15 billion in next five years". The two leaders also issued a joint vision statement laying a roadmap for the future including areas such as trade, emerging technologies, energy, climate action and renewables, defence and security, health, education, skills cooperation, and food security. India is also looking at concluding a free trade agreement with the Gulf Cooperation Council (GCC) in 2022.

Marking the deepening India-Saudi Arabia defence partnership, Saudi Land Forces Commander in a historic first visit to Delhi, met Chief of the Army Staff, Gen. M.M. Naravane. In their talks, the two countries identified multiple areas of cooperation including "intelligence sharing, counter-terrorism, AI, and cybersecurity". India also hosted Oman's Navy Chief who was on a "goodwill visit" to further "consolidate bilateral relations with the Indian Navy, while exploring new avenues for defence cooperation". Further, the two countries are holding joint air exercises in Jodhpur from February 21-25.

On US-Iran relations, Washington noted, "substantial progress" in Vienna talks while stressing that an "agreement was possible within days if Tehran showed seriousness". As per open-source intelligence, the agreement taking shape includes, "Iran suspending Uranium enrichment above 5 percent", "US releasing USD 7 billion in frozen Iranian funds in South Korean banks", and "Iran releasing western prisoners held in the country". After these initial measures, the main phase of lifting US sanctions will commence. "Iran could be given 90-to-120 days waivers on oil exports" similar to the once extended by the Obama and Trump administrations prior to the US unilaterally pulling out-off the JCPoA in 2018. Meanwhile, more than 150 house Republicans in a signed letter warned the Biden administration that "any agreement with Iran without formal Congressional approval, will be temporary and non-binding, and will meet the same fate as 2015 JCPoA".

Meanwhile, the Israeli Prime Minister, Naftali Bennett, expressed concerns over a "weak" nuclear deal being negotiated with Iran. "The emerging accord is likely to

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create a more violent and volatile Middle East, as Tehran would use freed-up assets to target Israel", PM Bennett warned. US State Department rejected Israeli PM's criticism, citing senior Israeli military officials who had termed Washington's withdrawal from the JCPoA as a mistake. "We cannot make the same mistake again and put off another opportunity for diplomatic progress", State Department added.

Amidst continued tensions with Iran, the US Navy is planning to launch a new joint fleet of drones in the Middle East with allies to patrol volatile waters. The Commander of US 5<sup>th</sup> fleet stressed that "100 drones – both sailing and submersible, will multiply the surveillance capacities of the US Navy, allowing it to keep a close eye on key shipping routes in the region including the Strait of Hormuz, Suez Canal, and Bab el-Mandeb Strait". "Drone force using AI could be operational by the summer of 2023 to put more eyes and ears on the water", he added.

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



# Bahrain

Bahrain's Investcorp Invests \$17.5m in Indian Pharmatech

February 21, 2022, Zawya

Investcorp, a Bahrain-based alternative investment management firm, has invested 130 crore Indian rupees (\$17.5 million) in V-Ensure Pharma Technologies.

US Navy Plans Launch of Middle East Drone Force with Allies

February 21, 2022, AL Jazeera

The United States Navy announced the launch of a new joint fleet of unmanned drones in the Middle East with allied nations to patrol vast swaths of volatile waters as tensions simmer with Iran.

Israeli PM Bennett Meets Bahrain King, Crown Prince in Manama

February 15, 2022, AL Jazeera

Israeli Prime Minister, Naftali Bennett, has met Bahrain's king on a landmark visit to the oil-rich Gulf country, 17 months after they established relations under a 2020 US-sponsored deal based in part on shared concerns about Iran.



# Egypt

<u>US, Egypt Launch Group to Prepare for COP27 Climate Summit to Be Held in</u> <u>Sharm el-Sheikh</u>

February 21, 2022, Business Standard

The United States and Egypt launched a joint working group to prepare for the next climate change summit in November, the American envoy for climate issues said.

From Egypt, German FM Says Human Rights Key for Arms Sales

February 12, 2022, ABC News

Germany's top diplomat said that human rights criteria will be at the centre of her new government's international arms sales, including to Egypt, a major importer of German weapons.

China, Egypt Donate 500,000 Vaccines to Palestine

February 22, 2022, Xinhua

China and Egypt have donated 500,000 doses of COVID-19 vaccines to Palestine to boost its fight against the pandemic, the Chinese Embassy to Egypt said in a statement.



#### Iraq

Iraq Strengthens Grip on Indian Oil Market with Highest Volumes in 29 Months

February 17, 2022, The Times of India

India's imports of oil from Iraq surged in January to a 29-month high of about 1.3 million barrels per day (bpd), making up nearly a third of the supplies to Asia's third largest economy.

Ericsson Says It May Have Paid ISIS Terror Group in Iraq

February 16, 2022, Financial Times

Shares in Ericsson fell sharply after Borje Ekholm, chief executive of the Swedish telecom equipment maker, conceded it could have made payments to terror organisation ISIS in Iraq.

Sadr Will Not Surrender to Threats from Iran-Linked Shia Groups

February 19, 2022, Middle East Monitor

Iraqi Shia politician Muqtada Al-Sadr, head of the Sadrist Movement, announced that he would never surrender to the "crushing monsters" (Iran-backed groups) who do not want him to form a majority government.



#### Iran

Tehran, New Delhi Stress Development of Trade Relations

February 20, 2022, Tasnim News Agency (Iran)

Iranian Foreign Minister Hossein Amirabdollahian and his Indian counterpart Subrahmanyam Jaishankar discussed the latest status of bilateral ties as well as regional and international issues of mutual interest.

Iran Nuclear Deal Draft Puts Prisoners, Enrichment, Cash First, Oil Comes Later -Diplomats

February 17, 2022, Reuters

A U.S.-Iranian deal taking shape to revive Iran's 2015 nuclear agreement with world powers lays out phases of mutual steps to bring both sides back into full compliance, and the first does not include waivers on oil sanctions.

US Says Nuclear Deal Possible in Coming Days If Iran 'Shows Seriousness'

February 18, 2022, France 24

The United States said that "substantial progress" during negotiations in Vienna to save the Iran nuclear deal had been made, deeming an agreement possible within days if Iran "shows seriousness" on the matter.

House Republicans Threaten to Scuttle Biden's Iran Nuclear Diplomacy

February 18, 2022, Middle East Eye

More than 150 Republican House members have warned US President Joe Biden against reaching a nuclear deal with Iran without congressional approval, vowing they will "work tirelessly" to reimpose any lifted sanctions on Tehran.

Iran's Parliament Sets Conditions for Return to Nuclear Deal

February 20, 2022, AL Jazeera

The Iranian Parliament said that the "cruel and terrorist" American government – and its "weak and contemptible" followers France, Germany, and the United Kingdom – have shown they are not bound by any agreement over the past few years, so Iran must learn from the experience and set clear red lines. Volume IV, Issue 8 | February 22, 2022



Persian Gulf Arabs that First Opposed Nuclear Deal Now Encourage Biden to Revive It: Senator

February 20, 2022, Tehran Times

Democratic Senator Chris Murphy said that certain Arab countries on the southern shores of the Persian Gulf which first vehemently opposed President Barack Obama for striking nuclear deal with Iran in 2015 are now supporting President Joe Biden to revive the agreement that was ditched by his predecessor Donald Trump.

China Grossly Underreported Oil and Other Imports from Iran

February 20, 2022, Iran International

China has reported just \$6.5 billion of imports from Iran in 2021, while other data show it imported more than \$20 billion of Iranian crude and oil byproducts.



#### Israel

Israeli PM: New Iran Nuclear Deal Coming 'Shortly' Will Be 'Weak'

February 20, 2022, AL Jazeera

Israeli Prime Minister Naftali Bennett said Iran may "shortly" agree on a new nuclear accord with major powers but warned it will be weaker than the original 2015 agreement.

<u>US Rejects PM Bennett's Criticism of Iran Nuke Talks: 'We Cannot Make The Same</u> <u>Mistake'</u>

February 21, 2022, The Times of Israel

A US State Department spokesperson said that when then-US president Donald Trump withdrew from the Iran deal in 2018, senior Israeli defence officials thought the move was a mistake. "We cannot make the same mistake another time and put off another opportunity for diplomatic progress," the spokesperson said.

U.S. House Leader Nancy Pelosi Arrives in Israel, Vows Support on Iran

February 16, 2022, Reuters

U.S. House of Representatives Speaker Nancy Pelosi landed in Israel as part of a Congressional delegation to the country, reiterating the United States' "ironclad" support for Israel's security.

Israel Said Worried US Sanctions on Russia Could Affect Syria Operations

February 21, 2022, The Times of Israel

"US sanctions against Russia put Israel in a very embarrassing position," an official was quoted as saying. "The United States is a long-standing stable ally, but Israel needs Russia given the circumstances in the Middle East."

Israel Successfully Tests Naval Air Defense System

February 21, 2022, ABC News

The "C-Dome" system is a naval version of the "Iron Dome", which has been used to shoot down rockets fired from the Gaza Strip for the past decade. The C-Dome is being installed on Israel's latest-generation corvette warships, which protect Israel's coastline and offshore natural gas assets in the Mediterranean. Israel Allocates \$62 Million to Fund Country's First Quantum Computer

February 15, 2022, The Algemeiner

The Israeli government's innovation arm, together with the country's defence ministry, has announced a \$62 million investment toward building the country's first quantum computer.

Israel Unveils Artificial Intelligence Strategy for Armed Forces

February 11, 2022, C4ISRNET

Israel has adopted a new strategy for the incorporation and use of artificial intelligence across the branches of its armed forces, according to a senior Israel Defense Forces official.

Intel Acquires Israeli Chip Maker Tower Semiconductor for \$5.4 bn

February 15, 2022, Business Standard

Chip-maker Intel confirmed that it is acquiring Israeli contract chip manufacturer Tower Semiconductor for approximately \$5.4 billion.

Australia To List Hamas as a Terrorist Organisation

February 17, 2022, Middle East Monitor

The government of Australia will list the Palestinian resistance movement Hamas as a terrorist organisation. "The views of Hamas and the violent extremist groups listed today are deeply disturbing, and there is no place in Australia for their hateful ideologies," said Home Affairs Minister Karen Andrews.

Ex-Fatah Member: Arafat's Killer is Known to Palestinian Authority Leaders

February 18, 2022, Middle East Monitor

Former member of Palestine's Fatah Central Committee, Ribhi Halloum, confirmed that "the late Palestinian President Yasser Arafat was assassinated by people close to him".



# Jordan

Jordan's King Abdullah Kept Secret Swiss Bank Accounts to Hide Vast Wealth – Report

February 21, 2022, The Times of Israel

King Abdullah was in possession of at least six accounts with Credit Suisse, a Swiss bank, including one that at one point was worth 230 million Swiss francs (\$251 million), while his wife maintained another account.



# Kuwait

<u>Shashi Tharoor Rapped by Indian Embassy in Kuwait for Sharing 'Anti-India'</u> <u>Tweet</u>

February 18, 2022, Hindustan Times

Congress MP Shashi Tharoor was rapped by the Indian embassy in Kuwait for sharing a tweet which said some "powerful" Kuwaiti parliamentarians have demanded that the Kuwait government should put an immediate ban on the entry of BJP members into Kuwait.



#### Lebanon

Hezbollah Drone Triggers Air Defences in Northern Israel

February 18, 2022, Reuters

A drone flown by Lebanese militant group Hezbollah crossed into northern Israel, triggering air defences and the scrambling of fighter jets before returning to Lebanon.

Hezbollah Can Turn Rockets into Precision Missiles, Make Drones, Claims Nasrallah

February 17, 2022, Middle East Monitor

"We have been producing drones in Lebanon for a long time, and whoever wants to buy them, submit an order," Sayyed Hassan Nasrallah said in a televised speech to followers.

Nasrallah Publicly Distances Hezbollah from Iran

February 11, 2022, The Jerusalem Post

If war breaks out between Iran and Israel, Hezbollah may not get involved, according to its Secretary-General Hassan Nasrallah.

US Envoy Calls for Progress in Lebanon-Israel Maritime Border Deal

February 10, 2022, The Jerusalem Post

The time has come for Israel and Lebanon to move toward an agreement on demarcating their maritime border, US Senior Advisor for Global Energy Security Amos Hochstein said.



#### Oman

India, Oman Navy Chiefs Hold Talks to Explore New Avenues of Defence Cooperation

February 14, 2022, The Indian Express

Commander of the Royal Navy of Oman Rear Admiral Saif Bin Nasser Bin Mohsin Al Rahbi, who is on "a goodwill visit" to India, held discussions with his Indian counterpart Admiral R Hari Kumar "to explore avenues to further enhance cooperation between the Navies".

Royal Air Force of Oman and the Indian Air Force to Hold Exercise

February 19, 2022, Times of Oman

A group of combat aircrafts of the Royal Air Force of Oman left for the friendly Republic of India to participate with the Indian Air Force in the activities of the joint air military exercise "East Bridge" from February 21 to February 25, 2022.

Oman, France Sign Maritime Security Deal

February 21, 2022, The Times of Israel

Oman and France signed a memorandum of understanding (MoU) in the field of maritime security.



#### Qatar

Iran, Qatar Sign Bilateral Cooperation Deals as President Raisi Eyes Improved Gulf <u>Ties</u>

February 21, 2022, Reuters

Iran and Qatar signed several bilateral cooperation deals during a visit by Iranian President Ebrahim Raisi to Doha that he said he hoped would help improve ties with other Gulf Arab states.



# Saudi Arabia

India, Saudi Arabia Armies Explore New Areas of Cooperation Including Intelligence Sharing and Counterterrorism

February 16, 2022, The Economic Times

The three-day visit is the first ever by a Saudi Land forces Chief to India and is a testament of the growing bilateral defence ties between New Delhi and Riyadh. New areas of cooperation are being mutually identified to include Intelligence Sharing, Counter Terrorism, Artificial Intelligence and Cyber Security.

India Looks to Conclude Trade Agreement with GCC This Year, Says Piyush Goyal

February 20, 2022, The Economic Times

The Indian government is looking to conclude a free trade agreement with the Gulf Cooperation Council (GCC) this year itself, Commerce and Industry Minister Piyush Goyal said.

Saudis Ignore President Biden's Plea to Increase Oil Production Ahead of Elections

February 16, 2022, Middle East Monitor

Saudi Arabia appears to have rejected a plea by US President Joe Biden to increase oil production in a bid to reduce rising prices and inflation. The apparent snub by Riyadh follows last week's high-profile call between Biden and King Salman, whereby the president reaffirmed the US "commitment to support" the kingdom against retaliatory attacks by Yemen's Houthi-aligned armed forces.

Rapprochement With Israel After Solving Palestinian Issue: Saudi FM

February 21, 2022, Middle East Monitor

"The priority now is to find an arrangement so that Israelis and Palestinians can sit together and have a peace process that can be worked on," Saudi Foreign Minister, Prince Faisal bin Farhan said on the side-lines of the Munich Security Conference.

Saudi Aramco in Talks on More Investments in China

February 21, 2022, Reuters

Oil giant Saudi Aramco is in talks with partners in China about further investments in the country, CEO Amin Nasser said.

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<u>U.S., Saudi Officials Discuss Managing Market Pressures from Possible Russian</u> <u>Invasion</u>

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February 17, 2022, Reuters

U.S. officials held discussions with Saudi Arabia about a "collaborative approach" to managing potential market pressures stemming from a possible Russian invasion of Ukraine, the White House said.

Saudi Arabia to Invest Billions of Dollars in Technology and Startups

February 02, 2022, Computerweekly

Saudi Arabia is investing \$6.4bn in the digital technologies of the future and the tech startups that will harness them. The announcement was made during a major new tech event, known as LEAP, in the capital Riyadh.

How a Saudi Woman's Iphone Revealed Hacking Around the World

February 18, 2022, Middle East Monitor

A single activist helped turn the tide against NSO Group, one of the world's most sophisticated spyware companies now facing a cascade of legal action and scrutiny in Washington over damaging new allegations that its software was used to hack government officials and dissidents around the world.



# Syria

Russia's Defence Minister Meets Syrian President Assad for Talks

February 15, 2022, AL Jazeera

Russia's Defence Minister Sergei Shoigu has visited Syria for talks with President Bashar al-Assad and to inspect a Russian airbase in the war-torn country, his ministry said, amid heightened tensions between the West and Moscow over Ukraine.

Russia Sends Hypersonic-Armed Fighter Jets to Syria, Report

February 16, 2022, Middle East Monitor

Russia has deployed MiG-31K fighter jets with hypersonic Kinzhal missiles and long-range Tupolev Tu-22M strategic bombers to its air base in Syria for naval exercises.



# Turkey

#### MHA to 'Scrupulously' Carry Out Background Check of Newly Appointed Air India CEO

February 21, 2022, The Economic Times

The Ministry of Home Affairs (MHA) will "scrupulously" carry out a thorough background check of newly appointed CEO and MD of Air India, Ilker Ayci, a Turkish national, official source said.

President Erdogan's Visit to UAE Leads to More Deals but Will Ankara Adjust Policies?

February 15, 2022, The Arab Weekly

The warm welcome extended to Turkish President Recep Tayyip Erdogan during his visit to Abu Dhabi reflected the UAE's intent to put old differences with Turkey behind it and instead give Erdogan a real chance to demonstrate a desire to build a solid relationship with the UAE and restore the confidence of the Gulf states in Ankara.

Turkey is A Crucial US Ally, Key NATO Member: Ambassador Flake

February 15, 2022, Daily Sabah

Turkey is increasingly taking its place on the world stage as a bigger actor and remains an indispensable ally of the United States, U.S. Ambassador to Turkey Jeffrey Flake said.



# UAE

India and UAE Sign Major Investment Pact, over \$100 Billion in Bilateral Trade

February 18, 2022, CNBC

The United Arab Emirates and India have signed a wide-ranging trade and investment pact that is expected to boost bilateral trade to over \$100 billion within the next five years.

India, UAE Will Stand Shoulder to Shoulder Against Terrorism: PM Narendra Modi

February 18, 2022, The New Indian Express

India and UAE will stand shoulder to shoulder against terrorism, Prime Minister Narendra Modi said at a virtual summit with Crown Prince of Abu Dhabi Sheikh Mohammed bin Zayed Al Nahyan.



# Yemen

Houthis Fire 7 Missiles at Yemen's Marib Amid Surge in Fighting

February 20, 2022, Arab News

The Iran-backed Houthi militia launched seven missiles at the central Yemeni city of Marib, local officials said, as fighters also intensified ground attacks to seize control of new territory across Yemen.



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