

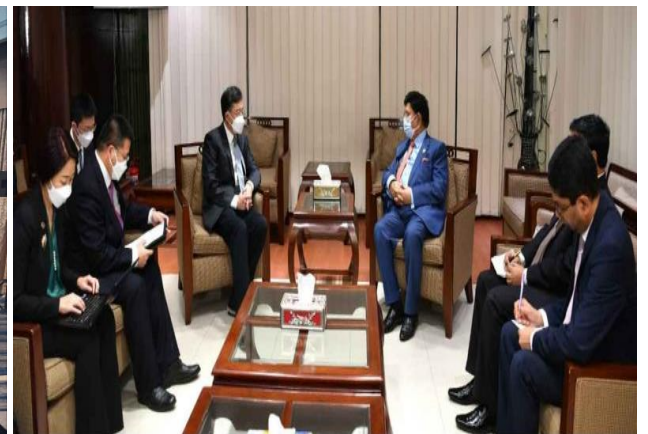


Delhi Policy Group

Advancing India's Rise as a Leading Power



India's Proximity Archives January 11, 2023



Volume I, Issue 2 | January 11, 2023

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

Since 2016, in keeping with India's increasing global profile, DPG has expanded its focus areas to include India's regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India's ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

At a time of disruptive change in the global order, DPG aims to deliver research based, relevant, reliable and realist policy perspectives to an actively engaged public, both at home and abroad. DPG is deeply committed to the growth of India's national power and purpose, the security and prosperity of the people of India and India's contributions to the global public good. We remain firmly anchored within these foundational principles which have defined DPG since its inception.

India's Proximity Archives

India's Proximity Archives covers major developments in South Asia, Southeast Asia, West Asia and China of strategic relevance to India, compiled from open-source media. The research team includes Angana Guha Roy, Ph.D., Shreyas Deshmukh, Sanket Joshi and Anshita Shukla, Research Associates. Your comments and feedback can be addressed to Sanket Joshi at sanket@dpg.org.in.

Cover Image:

South Asia: *The Taliban and Chinese officials at the signing ceremony of the oil extraction deal, Kabul, January 5, 2023.*

Source: [Twitter/AZ Mirza](#)

Southeast Asia: *Dr. Kao Kim Hourn, new Secretary-General of ASEAN, delivering his address during the handover ceremony on January 9, 2023.* Source: [ASEAN Official Twitter](#)

West Asia: *External Affairs Minister Dr. S. Jaishankar meets Indian community from UAE and Bahrain at the 17th 'Pravasi Bharatiya Divas', January 10, 2023.* Source: [Twitter/@DrSJaishankar](#)

China: *Bangladesh Foreign Minister AK Abdul Momen holds a meeting with his Chinese counterpart Qin Gang at Dhaka Airport on January 10, 2023.* Source: [New Age Bangladesh](#)

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South Asia

by

Shreyas Deshmukh

The economic crisis in Pakistan continues. The World Bank has revised its GDP growth forecast for the current fiscal year from four percent to two percent. This week, the foreign currency reserves of the country fell to USD 4.5 bn, which is just enough to cover 25 days of imports. Major industries, including car manufacturing and textiles, have temporarily closed their plants due to import restrictions and have reportedly laid off 7 million workers.

On January 9, a fundraising conference to rehabilitate flood-hit areas of Pakistan was organised under the aegis of the UN. Donors pledged USD 10 bn, but comprised mainly of soft loans from international development banks and were restatements of already existing loans in the pipeline.

On January 10, Saudi Crown Prince Mohammed bin Salman directed the Saudi Development Fund to evaluate options for increasing the amount of deposits at the Central Bank of Pakistan, which would rise to USD 10 bn from the USD 5 bn previously extended. The announcement came after the visit of Pakistan COAS Gen. Asim Munir to Riyadh on January 9. Prime Minister Shahbaz Sharif embarked on a two-day visit to UAE on January 10, to achieve a similar aim of securing financial assistance.

On January 5, the Taliban signed a 25-year contract with a Chinese company 'Xinjiang Central Asia Petroleum and Gas Co.', to extract oil from the Amu Darya basin. The deal allows the Chinese company to extract oil from an area covering 4,500 square kilometres of northern Afghan provinces by investing USD 150 mn a year. In return, the Taliban administration will earn royalty fees of 15% on the oil extraction, which is planned to start at 1,000 tonnes per day and increase to 20,000 tonnes.

The US NSC's Senior Director for South Asia, Rear Admiral Eileen Laubacher, visited Dhaka on January 9. She held a meeting with Bangladesh Foreign Secretary Masud Bin Momen to discuss defence agreements, including a 'General Security of Military Information Agreement (GSOMIA)' and an 'Acquisition Cross-Servicing Agreement (ACSA)'.

Other Developments

Nepal Prime Minister Pushpa Kamal Dahal (Prachanda) won a vote of confidence on January 10, 2022, receiving 268 votes in the 275-member House of Representatives.

Sri Lankan President Ranil Wickremesinghe informed the Cabinet that all ministries will have to cut 5 percent of the money allocated in this year's budget.

A large number of people, including workers of political parties, staged a protest rally against the rising wave of militancy and lawlessness in the restive South Waziristan tribal district on January 6, 2023.

Southeast Asia

by

Anshita Shukla

The new Secretary-General of the Association of Southeast Asian Nations (ASEAN), Dr. Kao Kim Hourn assumed office in Jakarta on January 9, following the handover ceremony presided over by Retno Marsudi, Foreign Minister of Indonesia. In his address, Dr. Hourn highlighted the six key priorities 'six Ps' of ASEAN– peace, prosperity, planet, people, partnerships, and potentials – to be focused on during his tenure.

To mark the 50th year of Japan-ASEAN cooperation, the former proposes to share supply chain data with ASEAN member countries to strengthen economic cooperation. A panel, comprising Japanese ministry officials and the Japan Associate of Corporate Executives, has been instituted to identify data-sharing mechanisms and propose rules for data management. Meanwhile, Japan's Finance Minister Shunichi Suzuki is on an official visit to Singapore and Vietnam from January 10-13, ahead of Tokyo chairing the ASEAN +3 this year.

On the occasion of the country's 75th independence anniversary, the military leader of Myanmar Senior Gen. Min Aung Hlaing detailed plans to conduct "free and fair elections" in the country "upon accomplishing the provisions of the state of emergency". The leader stated that "elections will be held in line with the 2008 constitution, and further work will be undertaken to hand over state duties to the winning party in accordance with the democratic standards". In addition, the state broadcaster, MRTV reported the release of 7,012 prisoners under amnesty by the government to mark the occasion.

Amid unresolved territorial disputes in the South China Sea, President Xi Jinping and President Ferdinand Marcos Jr. of Philippines had an "in-depth and candid exchange of views on the situation in the South China Sea, emphasising that maritime issues do not comprise the sum-total of relations between the two countries and agreed to appropriately manage differences through peaceful means", according to the joint statement. During President Marcos's visit to Beijing, the two countries signed 14 agreements to manage security tensions and strengthen economic cooperation. China and the Philippines have agreed to resume talks on joint oil and gas exploration in the non-disputed territories in the South China Sea.

Other Developments

[Singapore and South Korea Sign Digital Trade Agreement](#)

[Philippine Defence Chief Resigns in Latest Security Shake-up Amid Military Unrest Speculation](#)

[Indonesia and Malaysia Agree to Fight 'Discrimination' Against Palm Oil](#)

[Vietnam, Bahamas Set Up Diplomatic Relations](#)

[New Laos-Cambodia Line Set to Expand Power Trade, Ties](#)

[Myanmar Jails 112 Rohingya Who Tried to Leave Country](#)

West Asia

by

Sanket Joshi

India External Affairs Minister Dr. S. Jaishankar congratulated Israel's new Foreign Minister Eli Cohen on assuming office and invited him to visit India. The two leaders discussed ways to strengthen "strategic partnership" between the two countries and promoting cooperation in the fields of "trade and innovation".

Meanwhile, at the "17th Pravasi Bharatiya Divas", External Affairs Minister Dr. S. Jaishankar appreciated the contribution of the Indian community in alleviating the India-Gulf partnership to a higher level. After the signing of 'Comprehensive Economic Partnership Agreement' (CEPA) between India and the UAE, India's gems and jewellery exports to the UAE have reportedly increased by 8.26 percent in the current financial year.

The United States (US), in an emergency session of the UNSC, expressed concerns over Israeli National Security Minister Itamar Ben-Gvir's visit to the "Temple Mount/Haram al Sharif" in Jerusalem. Washington reiterated its support for the two-state solution and called upon Israel to "preserve the historical status-quo with respect to the holy sites in Jerusalem".

The US, Israel, UAE, Bahrain, Egypt, and Morocco concluded two-day "Negev Forum Working Group" meetings in Abu Dhabi on January 10. The second "Negev Forum" is scheduled to be held in Morocco later this year. Amidst this, open-source intelligence reports pointed toward, the US maintaining subtle contacts with Iran, however, JCPOA revival is not on Washington's agenda. Further, the Biden administration is "stepping up security coordination with Saudi Arabia to counter Iran", and has reportedly "dropped threats to retaliate against Riyadh for crude production cuts".

Highlighting warming of ties between Syria and the UAE, Emirati Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan met Syrian President Bashar al-Assad in Damascus on January 4. The US rejected UAE's normalisation of relations with Syria's Assad regime.

Other Developments

[India's Home Ministry Designates Saudi Arabia-based Dr Asif Maqbool Dar as Terrorist, Fourth in a Week](#)

[Islamic Scholars from 14 Countries Visit Xinjiang Region, Praise Efforts on Countering Terrorism, Extremism](#)

[U.N. Extends Aid to Syria from Turkey, Avoids Russia Fight](#)

[US Says Iran May Be 'Contributing' To War Crimes In Ukraine](#)

[Israel's Ben-Gvir Orders Police to Remove Palestinian Flags From Public Spaces](#)

China

by

Angana Guha Roy

Amid concerns that, China may be concealing COVID-19 data after it stopped publishing data on daily cases, [World Health Organization](#) urged China's officials to regularly share 'specific and real-time' information on the Covid-19 situation in the country. WHO's emergencies director [Mike Ryan](#) said "in China, what's been reported is relatively low numbers of cases in ICUs, but anecdotally ICUs are filling up". Meanwhile, reacting to the mandated restrictions on [Chinese travelers](#), China has stopped issuing short-term visas to individuals from South Korea and Japan.

Amidst Communist Party of China's (CPC) unprecedented crackdown on technology companies, [Jack Ma](#), will relinquish the control of fintech giant, 'the Ant Group'. Jack Ma ran into trouble with Chinese government after he criticised the nation's banking regulators in late 2019.

Responding to comments by China's new Foreign Minister Qin Gang about India and China's willingness to ease the situation in relation to the standoff on the Line of Actual Control (LAC), India reiterated its [call for peace and tranquility](#) in border areas in consonance with bilateral agreements, abiding by the status quo of the boundary for the development of the relationship with China.

A week after [PM Pushpa Kamal Dahal](#) of Nepal inaugurated the Pokhara International Airport touted as the flagship project of China-Nepal BRI cooperation, China's newly appointed Ambassador Chen Song pledged to work towards strengthening the strategic partnership between the two countries. With the new Communist-dominated government coming to power, China is likely to nudge Nepal to expedite BRI projects.

Chinese Foreign Minister Qin Gang made a brief midnight [stopover](#) at Dhaka airport to meet his Bangladeshi counterpart Foreign Minister Abdul Momen. The two leaders discussed issues of mutual interest including trade ties and development projects. Foreign Minister Momen reaffirmed Bangladesh's support for the 'one-China policy'.

Other Developments

[China-Bangladesh Joint Venture to Set up Solar Power Plant in Bangladesh](#)

[Bangladesh Orders Four Ships from China in Fleet Expansion Effort.](#)



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