



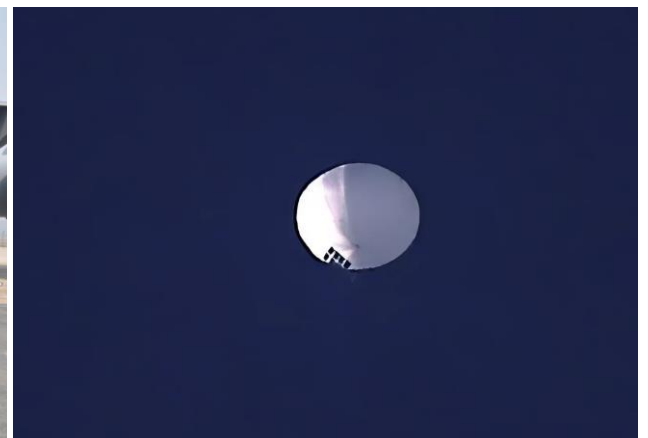
Delhi Policy Group

Advancing India's Rise as a Leading Power



India's Proximity Archives

February 8, 2023



Volume I, Issue 6 | February 8, 2023



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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, Anshita Shukla and Jayantika Rao T.V, Research Associates. Your comments and feedback can be addressed to Sanket Joshi at sanket@dpg.org.in.

Cover Image:

South Asia: Pakistan's Finance Minister Ishaq Dar meeting with IMF review mission at the Finance Ministry, Islamabad, January 31, 2023. Source: [Arab News](#)

Southeast Asia: ASEAN's Foreign Ministers Retreat in Jakarta on February 4, 2023. Source: [ASEAN Press Statement](#)

West Asia: India dispatches a field hospital to Türkiye on February 7, 2023. Source: [Twitter/@MEAIndia](#)

China: US shot down a giant Chinese balloon that it said was spying on key military sites across America. Source - [NPR](#)

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South Asia

by

Shreyas Deshmukh

Bangladesh, Sri Lanka, and Pakistan are in the different stages of negotiating and receiving IMF bailout packages to overcome their financial crises. The IMF has approved [USD 4.7 billion](#) for Bangladesh, of which [USD 476 million](#) has already been paid into the country's foreign exchange reserves on February 1. The remaining amount in six equal instalments of USD 704 million each will be disbursed over 42 months. On February 1, President of Sri Lanka, Ranil Wickremesinghe, said that his country has completed the prerequisites to receive USD 2.9 billion from the IMF and expects rapid approval from the global lender. The first round of [technical talks](#) between the IMF and Pakistan concluded on February 3. After the talks, Pakistani Prime Minister Shehbaz Sharif said the IMF bailout conditions as something "[beyond imagination](#)", while Finance Minister Ishaq Dar said that the IMF is giving Pakistan a "[tough time](#)".

It is still uncertain how the Pakistani industry will cope with such an economic downturn. This week, the Oil Companies Advisory Council of Pakistan sent a note to the government that the oil sector is on the [brink of collapse](#), 40 pharma firms warn of [halting production](#), the [Auto industry](#) completely stopped its operations while Pakistan's largest e-commerce retail platform Daraz announced 11 [cuts in the workforce](#).

Around [14 Hindu Temples](#) in Bangladesh were vandalised by miscreants on February 4-5. Bangladesh Home Minister Asaduzzaman Khan Kamal [has claimed that](#) defeated forces from the Liberation War are responsible for the recurring attacks on temples in the country.

On the sidelines of the celebration of the 75th Independence Day on February 4, Sri Lankan President Ranil Wickremesinghe [held discussions](#) with Ministers from India, Bhutan, Bangladesh, Pakistan, and Nepal. On this occasion, India has provided [500 buses](#) to Sri Lanka.

Other Developments

[Pakistan and Afghanistan signed a draft convention on February 3, to avoid double taxation on income between the two countries.](#)

[The President of the Lahore Chamber of Commerce & Industry, has said that it is very important to re-initiate direct trade with India to reduce cost of imports from India arriving via Dubai.](#)

[The European Union and Nepal held the 14th meeting of the Joint Commission on February 1 in Brussels.](#)

[Indian Finance Minister Nirmala Sitharaman On February 1 announced that the center would reduce the aid package to foreign countries slashing the quota for Bangladesh, Nepal and Sri Lanka.](#)

Southeast Asia

by

Anshita Shukla

The [ASEAN Foreign Ministers' Retreat](#) was convened on February 4 in Jakarta, making it the first ministerial summit under Indonesia's chairmanship of ASEAN. The meeting marked the first participation of Timor-Leste, inducted last year as the 11th member of the ASEAN. Addressing the foreign ministers gathering, President [Joko Widodo](#) of Indonesia urged ASEAN not to become a "proxy" for major power rivalries. Post the meeting, Indonesia's Foreign Minister Retno Marsudi urged "unity" among the member states on the implementation of a [peace plan for Myanmar](#), and intensification of [Code of Conduct \(COC\) talks](#) on the South China Sea (SCS), starting March 2023.

In Indonesia, the [Tenth Meeting of ASEAN and India Tourism Ministers](#) was held on February 4 and chaired by Sandiaga Salahuddin Uno, Minister of Tourism and Creative Economy, Republic of Indonesia, and Jayant N. Khobragade, Ambassador of India to ASEAN. The meeting highlighted the critical role accorded to tourism as an area of collaboration under the Comprehensive Strategic Partnership between ASEAN and India.

India and Cambodia signed [multiple agreements](#) to boost military ties during the three-day visit (February 2- 5) of Lieutenant General Hun Manet, Deputy commander-in-chief of the Royal Cambodian Armed Forces and future Prime Minister candidate for the ruling Cambodian People's Party to New Delhi. During his visit, [Hun Manet met](#) with Vice-President Jagdeep Dhankhar, Defence Minister Rajnath Singh, External Affairs Minister Dr S Jaishankar and Indian Army Chief General Manoj Pande. Lt. Gen. Manet and [Dr. Jaishankar](#) "discussed possibilities in defence and security, connectivity and digital delivery".

Amidst rising tensions in the SCS, the United States and the Philippines announced a deal on February 2 to give [US troops access to four more bases](#) in the country, during US Défense Secretary Lloyd Austin's visit. The deal falls under the [2014 Enhanced Defense Cooperation Agreement \(EDCA\)](#) which allows the US military to "build facilities at agreed-upon Philippine bases, preposition equipment, refuel and maintain aircraft and vessels and rotate troops through the bases". Philippines has also [intensified patrol](#) by deploying additional vessels and conducting more sorties and overflights in the disputed SCS.

Other Developments

[The European Union and Malaysia Sign Partnership and Cooperation Agreement](#)

[Philippines' Marcos to meet Japan's Kishida in 5-day Tokyo trip to 'further deepen' bilateral ties](#)

[Myanmar junta granted six-month state of emergency extension: State media](#)

West Asia

by

Sanket Joshi

In a major natural disaster, over 7800 people were killed in an [earthquake in Türkiye and Syria](#) on February 6. Expressing solidarity with the people of Türkiye and Syria, Prime Minister Narendra Modi offered [all possible assistance](#), India has dispatched [NDRF search and rescue teams](#), earthquake relief material, specially trained dog squads, medical supplies, drilling machines, and other necessary equipment to Türkiye.

India, UAE, and France issued a joint statement on February 4 announcing the establishment of a ["trilateral cooperation initiative"](#) focusing on green energy, defence, trade, and technology. Meanwhile, Prime Minister Narendra Modi spoke with UAE's President Sheikh Mohamed bin Zayed Al Nahyan on February 3, discussing ways to further expand the scope of bilateral relations in line with the comprehensive [economic and strategic partnership](#) between the two countries.

Responding to the US and Israel's recent joint military exercise "Juniper Oak 23.2", Iran unveiled an [underground base](#) dubbed "Eagle 44" showcasing its fighter jets and military drones. Further, reports pointed toward Russia and Iran planning to build a new factory in Russia that could [manufacture Iranian-designed drones](#). Washington, on its part, sanctioned senior executives of Iranian drone manufacturer '[Paravar Pars Company](#)' for supplying drones to Russia for use in Ukraine.

Continuing the deepening of Israel's relations with Arab countries, [Israel and Sudan](#) have reportedly finalized the text of a peace agreement that will be signed later this year. Meanwhile, even as the JCPOA (Iran nuclear deal) seems unsalvageable, the European Union's Foreign Policy Chief, Josep Borrell, maintained that ["JCPOA is the only way to stop Iran's nuclear program"](#) and there is no alternative to it". IAEA's Director General Rafael Grossi, on his part, called for an [alternative agreement to the JCPOA](#) to break the deadlock between P5+1 and Iran.

Other Developments

[Relationship with India is solid, says OPEC Secretary General](#)

[OPEC+ committee recommends no change in oil output policy at virtual meeting](#)

[Russia's Foreign Minister Lavrov visits Baghdad to discuss bilateral relations, energy cooperation](#)

[U.S. Weighs Sanctions for Chinese Companies Over Iran Surveillance Build-up](#)

[CIA director compares rising violence in Palestine to Second Intifada](#)

China

by

Angana Guha Roy

The spotting of a [high-altitude balloon](#) over the US mainland escalated into a diplomatic row and evoked national security concerns in the US. While China said the balloon was a civilian airship "used for research, mainly meteorological, purposes," Pentagon officials said it was "being used by the PRC in an attempt to surveil strategic sites in the continental United States" and that it was equipped with a "large payload underneath the surveillance component". China accused the US of "overreaction" and the "indiscriminate use of military force" for shooting down the Chinese balloon, warning of damage to bilateral relations.

While addressing the Northern Command Investiture Ceremony, General officer Commanding in Chief Lt General Upendra Dwivedi said India is ready to give a befitting response to any [Chinese aggression in Ladakh](#). "On the LAC, our response to Chinese attempts to unilaterally change the status quo was a swift, undaunted and synergised action by the Indian Armed Forces. Any adverse aggressive designs or attempts will definitely be met with appropriate posturing of Forces and a strong intent with complete synergy among the three services," he said.

In a move that could likely slow down International Monetary Fund's aid to Sri Lanka, China said it wanted [multilateral lenders](#) to provide debt relief to Sri Lanka as part of a broader restructuring of loans. The statement from China came after the Paris Club of creditors joined India in formally supporting debt restructuring for Sri Lanka, bolstering the bankrupt nation's efforts to unlock a \$2.9 billion bailout from the IMF.

Various NGOs and civil societies, Ulemas, and other organisations across Bangladesh protested against Chinese atrocities against [Uyghur people](#) to mark the 26th anniversary of the Ghulja Massacre that took place in 1997 when Chinese forces allegedly killed and imprisoned thousands of innocent Uyghurs while they were participating in a peaceful demonstration in Ghulja in Xinjiang Uyghur Autonomous Region (XUAR) demanding religious and cultural freedom and equal rights. observed the event.

Newly-appointed Chinese Ambassador in Dhaka [Yao Wen](#) assured Bangladesh of further increased investment and cooperation to build a 'Smart Bangladesh'

and 'Sonar Bangla'. "China is interested to invest in ICT, food processing, and renewable energy sectors in Bangladesh" he said.

Other Developments

[Sri Lanka IMF Deal Stalls Amid China-World Bank Relief Split](#)

[Myanmar junta sold USD 1.43 billion Rakhine natural gas to China in 2022](#)

Central Asia

by

Jayantika Rao T.V.

At the [6th Shanghai Cooperation Organisation Supreme Audit Institution \(SAI\) leader's meeting](#) in Lucknow, the Comptroller and Auditor General of India (CAG), Girish Chandra Murmu, called upon the SCO member states to cooperate globally to combat security threats, especially within the economic domain. He stated that even though technology, specifically Artificial Intelligence (AI), can address the world's prickliest challenges, AI can be used to threaten the security of every member state. With India's 2023 theme "Towards a SECURE SCO", the CAG stressed that AI should be used for "offensive and defensive roles" as modern cyber threats are "AI-powered which have polymorphic malware-trojan possessing the capacity that can change behaviour and bypass security".

On the sidelines of the SCO SAI leaders' meeting, Girish Chandra Murmu signed [two Memoranda of Understanding \(MoUs\)](#) with his counterparts of Tajikistan and Kazakhstan on January 6. The agreements aim to promote closer ties and collaboration among the SAIs of the three nations to strengthen cooperation and exchange expertise between the nations in the auditing field to promote good governance and accountability.

The Kazakh foreign ministry announced that President Kassym-Jomart Tokayev would host a new international conference called the [Astana International Forum](#) (AIF) on June 8-9, which will aim to tackle global challenges on climate, food scarcity and energy security. Through the forum, Kazakhstan hopes to "bridge the gap between East and West" and "build new bridges and strengthen ties" in a polarised world.

The Ministry of Trade and Integration of Kazakhstan proposed on February 1, 2023 to [close the country's trade mission in the Russian Federation](#) and has asked the public to decide by February 15. The Deputy Chairman of the State Duma Committee (Russia) argued that such a move was likely due to Astana's desire to maintain ties with the West and not fall under sanctions.

Other Developments

[Kyrgyzstan's President and Foreign Minister set to visit Iran in coming days.](#)

[Uzbekistan and Kyrgyzstan Launch Border Demarcation Process](#)

[UN Representative Praises Kazakhstan's Role in Promoting Security Cooperation in Central Asia](#)

[Uzbekistan Railway Suspends cross-border freight shipments via Hairatan Dry Port, Balkh Province](#)

[Astana Rejects Russian Court Summons of Kazakh Journalists over Ukraine Article](#)

[Political Party raises the issue of Kazakhstan's Accession to the European Union](#)



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