

# India's Proximity Archives March 22, 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, China, and Central Asia 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 <u>sanket@dpg.org.in</u>.

### Cover Image:

South Asia: Indian Prime Minister Narendra Modi and Bangladesh Prime Minister Sheikh Hasina Jointly inaugurated India-Bangladesh Friendship Pipeline on March 18 via video conference. Source: <u>PM India</u>

Southeast Asia: Secretary General of ASEAN Dr. Kao Kim Hourn along with Ambassador of India to ASEAN, Jayant N Khobragade at the commemorative reception for ASEAN-India Friendship Year 2022 on March 14, 2023. Source: <u>ASEAN Secretariat News</u>

West Asia: India's Union Territory of Jammu and Kashmir hosted India-UAE investor meeting on March 19, 2023. Source: <u>Twitter/@IndembAbuDhabi</u>

**China:** Chinese President Xi Jinping visited Moscow to meet Russian President Vladimir Putin on March 20, 2023. Source: <u>Ministry of Foreign Affairs of People's Republic of China</u>

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## South Asia

by

#### Shreyas Deshmukh

Prime Ministers of India and Bangladesh jointly inaugurated the first crossborder energy pipeline on March 18 via video conference. The Pipeline can transport 1 MMTPA of High-Speed Diesel initially to seven districts in northern Bangladesh. PM Sheikh Hasina <u>has offered</u> India the use of Chattogram and Sylhet ports to improve regional connectivity for growing trade and commerce between the two countries. Bangladesh has also <u>operationalised</u> the first submarine base 'BNS Sheikh Hasina' at Pekua in Cox's Bazar on March 20.

On March 21 the <u>IMF approved</u> a 48-month extended arrangement under the Extended Fund Facility of 2.286 billion Special Drawing Rights which corresponds to about USD 3 billion to support Sri Lanka's economic policies and reforms. Following the announcement, President Ranil Wickremesinghe tabled the <u>IMF Staff Level agreement</u> in parliament, while Finance Secretary has been granted special permission to sign the necessary agreements.

On March 16, U.S. CENTCOM Commander <u>Gen. Michael Kurilla said</u> that the ISIS group operating in Afghanistan will likely be capable of conducting "external operations" against the U.S. and Western allies within just six months. Meanwhile, the security situation in Pakistan further deteriorated due to political chaos and the resurgence of the TTP. A <u>brigadier</u> from the ISI was killed in South Waziristan on March 21, while three more soldiers <u>were killed</u> in another terrorist attack in Khyber Pakhtunkhwa on the same day.

The third round of Pakistan-China bilateral <u>political consultations</u> was held in Beijing on March 19 in which they <u>reiterated the commitment</u> to expand China-Pakistan Economic Corridor (CPEC) and include third parties in the project. Earlier, China had expressed <u>serious reservations</u> about overdue payments of USD 1.5 billion to the Chinese independent power plants (IPPs), installed under the CPEC, as well as currency exchange restrictions imposed by the State Bank of Pakistan, which hamper coal import.



## Other Developments

Nepal's Prime Minister Pushpa Kamal Dahal has won a vote of confidence in parliament after securing the support of the opposition centrist Nepali Congress party and other smaller groups, which are now expected to join his new cabinet.

Nepal and India have agreed to formulate a modality to enable Nepal to export power to multiple Indian states by using the infrastructure owned by the Indian state of Bihar.

The caretaker government of Pakistan Punjab has signed an agreement to hand over at least 45,267 acres of land in three districts to the Pakistan Army for 'Corporate Agriculture Farming'.

The Security Council today adopted two resolutions concerning Afghanistan, both unanimously, one of which extended the mandate of the United Nations special political mission for one year, while the other requested an independent assessment of — and recommendations for — efforts to address that country's challenges.



## Southeast Asia

by

#### Anshita Shukla

The commemorative reception for <u>ASEAN-India Friendship Year 2022</u>, celebrating 30 years of partnership between India and ASEAN was held in Jakarta. Addressing the gathering, ASEAN Secretary General Dr. Kao Kim Hourn remarked that India and ASEAN shared "three decades of productive and mutually beneficial partnership". He further underscored the <u>four key</u> <u>economic partnership priorities</u> that ASEAN would like to advance further with India- "market integration; sustainability and decarbonization; digital transformation; and inclusivity, particularly Micro, Small and Medium Enterprises (MSMEs), and Public-Private Partnerships".

The Prime Minister of Singapore Lee Hsien Loong met Indonesian President Joko Widodo in Singapore on March 16 for the <u>Singapore-Indonesia Leaders'</u> <u>Retreat</u>. The two leaders signed six Memorandum of Understandings covering the following areas- energy, sustainability, health and human capital development. Amongst these six, one of the agreements established the <u>Tech:X</u> <u>Programme</u> under which young tech professionals from Singapore and Indonesia can work and gain experience in each other's tech industries.

On March 16, the <u>Minister of National Defense of Vietnam</u> hosted the newly appointed India's Ambassador to Vietnam Sandeep Arya in Hanoi. During the meeting, the Defense Minister underscored the need to enhance bilateral defense cooperation between India and Vietnam, especially between the armies for peace and stability in the region.

After the Brahmos deal with Philippines last year, Indonesia expects to strike a deal with India to <u>acquire supersonic cruise missiles</u> worth at least USD 200 million. Atul D. Rane, the BrahMos Aerospace CEO stated that "it was in advanced discussions with Jakarta on a deal worth US\$200 million to USD 350 million under which it had offered to supply shore-based missiles and a version that can be mounted on warships."



## Other Developments

Singapore to push Myanmar peace plan with Indonesia, U.N., ASEAN

<u>Singapore pledges support for Indonesia's new USD 34 billion capital</u> <u>Nusantara</u>

Thailand, EU agree to restart trade talks halted by 2014 coup

Thai leader dissolves parliament to pave way for May election



## West Asia

by

#### Sanket Joshi

Continuing the deepening of relations between India and the Gulf Cooperation Council (GCC), the first round of <u>India-GCC Senior Officers Meeting</u> (SOM) was held in Riyadh on March 20. Both sides expressed happiness over trade and investment progress and agreed to the early finalisation of <u>India-GCC free</u> <u>trade agreement</u> (FTA). Meanwhile, Saudi Arabia and India gave final touches to their preparations for 2<sup>nd</sup> joint naval exercise <u>'Al-Mohed-Al Hindi'</u> planned to be held in May 2023 off Al Jubail in Saudi Arabia.

On March 19, <u>India-UAE 'investor meet'</u> was held in India's Union Territory of Jammu and Kashmir. In line with Prime Minister Modi's vision for foreign investment in Jammu and Kashmir, UAE's Emaar Group plans to build a shopping mall and an IT tower in Srinagar. In another development, with a view to becoming a global civil aviation force by strengthening domestic carriers, India rejected UAE's request for <u>more air traffic rights</u>.

In the aftermath of the trilateral agreement between China, Saudi Arabia, and Iran, reports pointed toward Iran agreeing to halt covert weapons shipments to the <u>Houthi rebels in Yemen</u>, which could inject new momentum into efforts to end hostilities in war-torn Yemen. Meanwhile, deepening their defence cooperation, <u>China, Russia, and Iran</u> held joint naval drills in the Gulf of Oman between March 15-19.

The United States, France, Saudi Arabia, UAE, and Qatar denounced Israeli Finance Minister <u>Bezalel Smotrich's comments</u> denying the existence of the Palestinians. Washington described Smotrich's comments as "irresponsible", "dangerous", and "offensive" adding that "Palestinians have a rich <u>history and</u> <u>culture</u> and the US values its partnership with the Palestinian people".



## Other Developments

RBI, UAE central bank sign pact to enhance cooperation

'India strong enough to face West's pressures': Iran renews offer to sell oil

Russia overtakes Saudi Arabia as China's top oil supplier

<u>UAE calls for return of Syria back into the Arab family after UAE and Syrian</u> <u>Presidents discuss bilateral ties</u>

Head of US Central Command Stresses Importance of 'Implementing' Saudi-Iran Deal

<u>US targets Iranian drone industry in the latest round of sanctions</u>



## China

by

## Angana Guha Roy

As part of President Xi Jinping's efforts to entrench his brand of <u>top-down rule</u>, China's Communist Party in a lengthy directive revealed its plan to strengthen its role in managing finance, social affairs and technological development. The directive said the shake-up is aimed at improving the party's ability to govern and exercise "centralized and unified leadership."

Amidst international outcry over the Ukraine crisis, Chinese President <u>Xi</u> <u>Jinping</u> visited Moscow to meet Russian President Vladimir Putin on March 20. The joint statement stressed on their shared views on global issues and included severe criticism of the US and its allies.

While addressing a rally on March 21, Northern Army Commander Lt. Gen. Upendra Dwivedi said that the status quo with China on the <u>Line of Actual</u> <u>Control (LAC)</u> is being maintained, even as talks are on at many levels, and troops are at a high level of preparedness.

Bishnu Pukar Shrestha, Ambassador of Nepal to China, during a symposium on China-Nepal friendship held by the <u>Embassy of Nepal</u> in Beijing on March 17 said Nepal is inspired by China achieving all its economic targets last year, setting a 5 percent economic growth this year and continuing to increase employment.

in an interview, Bangladesh Prime Minister <u>Sheikh Hasina</u> said that her government was "very much careful" about issues of development partnership with China, and Dhaka was not dependent on any particular country for overseas assistance, amid global concerns over mounting debt to Beijing by smaller countries.

According to <u>media reports</u>, China is lobbying hard to obtain a contract for the upgradation of a railway network in Bangladesh despite concerns expressed by local railway authorities about higher cost estimates proposed by the Chinese company compared to similar other projects in the country.

China's new special envoy to <u>Myanmar</u>, Deng Xijun met leaders of seven powerful ethnic armed organizations (EAOs) based in northern and eastern Myanmar along the border with China in their third meeting since December. Following the meeting, the junta moved battalions based near the Myanmar-



China border to resistance strongholds in central and south-eastern Myanmar, where they have launched massive offensive operations.

### Other Developments

Sri Lanka's President calls on China and other creditors to compromise

China Harbour begins work on 150ha artificial island in the Maldives



## **Central Asia**

by

Jayantika Rao T.V.

Iran's Ambassador to India, Iraj Elahi, announced that Iran would attend the Shanghai Cooperation Organisation (SCO) as a <u>full member</u> during the next meeting. Ambassador Elahi confirmed that "Iranian President Ebrahim Raisi will attend the SCO Summit in India where the process of Iran's membership is expected to be completed."

Kazakhstan <u>holds snap parliamentary elections</u> on March 19 as the leader of the Central Asian country pushes for political reforms that critics say are designed to consolidate power one year after deadly protests. However, Kazakhstan's full embrace of democratic values has turned out to be a disappointment rather than a grand fanfare with a <u>low election turnout</u>. Despite claims of "the awakening of civic activity", polling stations were uncrowded, with only 26 percent of eligible voters having cast their vote in the Kazakhstan's largest city when the polling stations closed.

Chinese President Xi Jinping invited the leaders of the ex-Soviet republics of Central Asia to a first summit in China. President Xi extended the offer to the "<u>first China-Central Asia Summit</u>" scheduled for May to Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan leaders. Turkmenistan, the top gas supplier to China, has not yet announced whether it has been invited to the Summit. In recent months, Russian President Vladimir Putin, Turkish President Recep Erdogan, Chief European Union diplomat Charles Michel and United States Secretary of State Antony Blinken have all made recent trips to Central Asia.

Kazakh Minister of Information and Social Development, Darkhan Kydyrali, participated in Azerbaijan's <u>10<sup>th</sup> edition of the Global Baku Forum</u>. Among the several issues discussed, Minister Kydyrali highlighted Kazakhstan's nuclear disarmament policy and its commitment to the principles of a nuclear weapon-free world by closing the Semipalatinsk nuclear test site. According to Minister Kydyrali, "global and regional challenges facing the world community including climate challenges, food and nuclear security, hybrid wars and infodemics highlight the importance of information security".



## Other Developments

Uzbekistan and Iran plan to create Uzbek-Iranian joint Chamber of Commerce

4.4 Magnitude Earthquake jolts Tajikistan

India-Kyrgyzstan hold the 10<sup>th</sup> annual joint 'Exercise Khanjar 2023'

Pakistan Team skips SCO event in Delhi after Indian objection to its inaccurate map

Low Election Turnout Tempers Talk Of Political Reset



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