



Delhi Policy Group

Advancing India's Rise as a Leading Power



India's Proximity Archives

March 29, 2023



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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, 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 sanket@dpg.org.in.

Cover Image:

South Asia: Sri Lanka's Minister of Power and Energy, Kanchana Wijesekera held discussions with an Indian delegation led by Pankaj Jain, Secretary of the Indian Ministry of Petroleum and Natural Gas, March 24, 2023. Source: [Colombo page](#)

Southeast Asia: The 29th ASEAN Economic Ministers Retreat in Magelang, Indonesia on March 22. Source: [ASEAN Secretariat News](#)

China: TikTok Chief Executive Shou Zi Chew during a Congressional hearing entitled "TikTok: How Congress can Safeguard American Data Privacy and Protect Children from Online Harms," on March 23, 2023. Source: [The Week](#)

Central Asia: President Droupadi Murmu received the credentials from Ambassador of Kyrgyz Republic, Askar Beshimov on March 24, 2023. Source: [President of India](#)

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South Asia

by

Shreyas Deshmukh

Due to stable energy prices for the last two months and the flow of financial assistance from bilateral and multilateral arrangements, South Asian states are regaining the confidence to initiate economic reforms. Bangladesh is poised to get about USD 2 billion in budget support this fiscal year in a co-funding initiative led by the ADB, which would [ease the pressure](#) on the foreign currency reserves. The fund would come in two phases: \$1.05 billion in April and about \$1 billion more in June. In March, Bangladesh [signed a transit agreement](#) with Bhutan to allow the transport of its imported and export-oriented goods through the Mongla seaport. During his visit to India Prime Minister of Japan [Mr. Kishida](#) in his speech on March 20, said that his country will be focusing on the development of [Matarbari Port in Bangladesh](#) with a focus on "multilayer connectivity" as it will provide closer sea access to India's North Eastern states for trade.

Sri Lanka seeks a temporary credit facility of [USD 1 billion](#) from India to purchase essential items. Sri Lankan President [Ranil Wickremesinghe](#) expressed intentions to upgrade the existing free-trade agreement with India into a more wide-ranging economic and technology cooperation pact, while interacting with scholars at Harvard University's Centre for International Development on March 24. The Indian delegation led by Pankaj Jain, Secretary of the Ministry of Petroleum Natural visited Sri Lanka on March 26 to discuss [bilateral collaboration](#) in the energy sector.

The Taliban is gradually spreading its [diplomatic presence](#) by taking over diplomatic missions abroad. So far, they have taken control of 14 diplomatic missions. Terrorist attacks continued in different parts of the country, on March 27, six people were killed [suicide bombing](#) near Afghanistan's foreign ministry in Kabul.

Other Developments

[The 4th Defence Cooperation Dialogue between India & the Maldives was held in Male on March 19.](#)

[Nepal put fugitive Amritpal Singh, who is believed to be hiding in the country, on its surveillance list after India's request](#)

[Pakistan decided on Tuesday to skip the second 'Summit for Democracy' being hosted by United States President Joe Biden.](#)

[A delegation of armed forces attended the Shanghai Cooperation Organisation Working Group meeting held in New Delhi on March 24.](#)

Southeast Asia

by

Anshita Shukla

The [29th ASEAN Economic Ministers Meeting](#) convened in Magelang, Indonesia, on March 22. [Secretary General of ASEAN Dr. Kao Kim Hourn](#) highlighted the need to pursue economic integration through “the upgrade of the ASEAN Trade in Goods Agreement, the ASEAN Digital Economy Framework, and the development of an ASEAN Strategy for Carbon Neutrality.” The meeting underscored the key economic deliverables under Indonesian leadership of ASEAN, categorised under three headings, 1) Recovery and Rebuilding: Rebuilding Regional Growth through Connected Markets and New Competitiveness; 2) Digital Economy: Accelerating Inclusive Digital Economy Transformation and Participation; and 3) Sustainability: Promoting Sustainable Economic Growth for a Resilient Future.

The United States imposed a [fresh round of sanctions](#) against the military government in Myanmar on March 24, targeting the supply of aviation fuel to the country's air force. The sanctions have been imposed against two individuals and six entities that are “connected to Burma's military and that have enabled the military regime's continuing atrocities, including through the importation, storage, and distribution of jet fuel to Burma's military”, according to the [U.S. Treasury Department statement](#). A week later, the military chief General Min Aung Hlaing stated that the military would [continue its crackdown](#) against opponents and ethnic rebels. [Despite the delays](#), General Hlaing also reiterated the military junta's commitment towards conducting elections this year.

The [7th Bilateral Consultation Mechanism \(BCM\)](#) between the Philippines and China on the disputed waters commenced on March 24. Chinese Vice Foreign Minister Sun Weidong and Philippine Foreign Undersecretary Theresa Lazaro led the talks aimed at assessing overall relations between the two countries. During the meeting, the Chinese diplomat registered strong opposition against expanded US military presence in Philippines while the latter urged China to not resort to “coercion and intimidation”.

On March 23, the Southern Theater Command of China's People's Liberation Army (PLA) alleged that USS Milius, a guided missile destroyer entered Paracel Islands. The PLA stated that “the vessel made an [illegal incursion into Chinese territorial waters](#) without permission from the Chinese government, harming peace and stability”, a claim denied by the United States. The Paracel Islands are also claimed by Vietnam.

Other Developments

[Singaporean PM Lee Hsien Loong kicks off China visit, set to meet Xi Jinping and speak at Boao Forum](#)

[Marcos says new U.S. military presence to be 'scattered around'](#)

[Malaysia's Anwar seeks to mend Saudi ties cooled by 1MDB](#)

West Asia

by

Sanket Joshi

On March 24, India's [National Security Advisor Ajit Doval](#) met his Iraqi counterpart Qasem Al-Araji in New Delhi. During the talks, the two sides decided to enhance their defence, counter-terror and security-related cooperation. India formally requested Iraq to rebuild the historic [Baba Nanak Gurudwara](#) in Baghdad, a significant religious site for the Sikh community.

Owing to the Comprehensive Economic Partnership Agreement (CEPA) between India and UAE, [India's exports to UAE](#) may cross an all-time high of USD 32 billion this fiscal. In another development, Egypt is reportedly looking at [buying Indian rice](#) through a Rupee trade mechanism, in view of the difficulties it is facing to make payments in US Dollars.

Eight [Indian Navy veterans](#), who remain in solitary confinement in Qatar for over eight months, are reportedly likely to get charged individually under various sections of the Qatari law.

Chinese President Xi Jinping in a phone conversation with Saudi Crown Prince and Prime Minister Mohammed bin Salman reiterated China's readiness to contribute more to [Middle East peace](#) and development. Saudi Crown Prince, on his part, expressed Riyadh's [appreciation for China's initiative](#) "to support efforts to develop good neighbourly relations" between Saudi Arabia and Iran. At China Development Forum 2023, Saudi Aramco's CEO Amin Nasser reiterated Aramco's support for [China's long-term energy security](#) and high-quality development.

Owing to the nationwide protests, Israeli Prime Minister Benjamin Netanyahu has [delayed judicial reforms](#), but remains determined to achieve the "broad consensus" required for judicial reforms. President Biden warned Israel that, it [cannot continue on its current path](#) adding that he does not plan to invite Benjamin Netanyahu to the White House in the near future. PM Netanyahu, on his part, appreciated President Biden's "longstanding commitment to the US-Israel alliance", but reminded the White House that "[Israel is a sovereign country](#) which makes decisions by the will of its people and not based on pressure from abroad, including from the best of friends".

Continuing the deepening of [Russia-Iran partnership](#), reports pointed towards Moscow helping Iran gain advanced digital surveillance capabilities including eavesdropping devices, advanced photography devices, and lie detectors.

Other Developments

[Saudi Arabia, Syria Close to Resuming Ties in Russia-Brokered Talks](#)

[Iran: China-brokered Saudi peace deal will help India](#)

[Syria: 19 killed in retaliatory US strikes on Iran-linked groups](#)

[Iran, Saudi foreign ministers will meet during Ramadan](#)

[Israel launches 'Ofek 13' reconnaissance satellite into space](#)

China

by

Angana Guha Roy

A day after [TikTok](#) CEO Shou Zi Chew was summoned to the US Congress, China's Foreign Ministry criticized the US for targeting TikTok and said Beijing doesn't encourage companies to illegally gather data and intelligence from overseas, escalating the debate over the popular app. However, US House of Representatives Speaker [Kevin McCarthy](#) has said lawmakers will move forward with legislation to address national security worries about TikTok, alleging China's government had access to the short video app's user data.

As part of a massive restructuring that will free up its various divisions to operate with far greater autonomy [Alibaba Group](#) Holding Ltd. will be splitting its \$220 billion empire into six business units.

China's emergency support for borrowers from its [BRI program](#) has ballooned as foreign governments struggle under heavy debts, highlighting the extent of Beijing's bad loan problem as it works to overhaul its overseas lending strategy. China's willingness to lend more to struggling borrowers risks prolonging their difficulties by avoiding the need for painful economic changes.

Chief of Army Staff (COAS) [General Manoj Pande](#), at an event on March 27, said Chinese attempts to carry out transgressions across the LAC in violations of past agreements/protocols remain a matter of concern, but India has adequate reserves to deal with any contingency. In a simultaneous development on March 27, China did not participate in the confidential [G20 meeting](#) themed Research and Innovation Initiative Gathering (RIIG) in Arunachal Pradesh which China claims is a part of Tibet. China has not commented on it.

In an interview with the Belgian Daily La Libre Bhutan's Prime Minister [Lotay Tshering](#) has said Beijing has an equal say in finding a resolution to the dispute over the high-altitude plateau which India believes has been illegally occupied by China.

China is pursuing Bangladesh for comprehensive restoration of river [Teesta](#), a project that will likely do serious damage to the environment of Bangladesh. Dhaka has so far resisted Chinese persuasion to accept the project.

Other Developments

[Taiwan President's U.S. Trip Touches a Flashpoint in U.S.-China Ties](#)

[Nepal's economic ties with China raise concerns about 'debt trap diplomacy'](#)

[Sri Lanka's China swap to be extended for three years](#)

[China-India Choice Splits Maldives Presidential Politics](#)

[China, Myanmar eye greater cooperation in fight against cross-border internet fraud, gambling](#)

Central Asia

by

Jayantika Rao T.V.

China and Pakistan have [decided to participate in the three upcoming](#) Shanghai Cooperation Organisation (SCO) meetings hosted by India. However, the mode of participation is yet to be finalised, with claims that the representatives from the countries will attend the meetings virtually. On March 29, India will host the meetings of the SCO National Security Advisors (NSAs) and top security officials in New Delhi.

Ambassador Extraordinary and Plenipotentiary of the Kyrgyz Republic to the Republic of India Askar Beshimov [presented his credentials](#) to India's President Droupadi Murmu. During the meeting, the two discussed topical issues of further developing the traditionally friendly Kyrgyz-India strategic partnership relations. H.E. Askar Beshimov stressed the importance of India in the current world political processes considering India's presidency at the SCO and the G20. Moreover, it was confirmed that President Sadyr Japarov would participate in the SCO summit in July 2023.

After a recent report stated that officials in Brussels are [considering imposing trade restrictions](#) on certain Central Asian countries due to suspicions of aiding Russia in circumventing Western sanctions, Kazakhstan announced that they would launch an [online system](#) to monitor all goods entering and leaving the country until they reach their final destination. The system will be launched on April 1, 2023. Despite not applying direct sanctions or restrictions in trade with Russia, a senior Kazakh official said that the monitoring would ensure that the country does not become an avenue for the circumvention of Western sanctions. The 're-export' practice commonly referred as "[parallel imports](#)" involves companies that share a customs union with Russia, like Kazakhstan to buy goods from Western firms which are then transported to the country, which then the companies 're-export' to Russia.

Meanwhile, on March 27, during a meeting with a member of the Political Bureau of the Central Committee of the Chinese Communist Party Secretary of Xinjiang Uyghur Autonomous Region Ma Xingrui, Kazakh President Kassym-Jomart Tokayev expressed that Kazakhstan [seeks to deepen cooperation with China](#) based on Strategic partnership and eternal friendship. According to Ma Xingrui, the primary purpose of his visit was to implement the strategic agreements reached between the Presidents of both countries. Xingrui said, "Kazakhstan and China have close economic relations" and announced the

readiness to intensify mutually beneficial cooperation in agriculture, industry, energy, logistics, education, innovation, and other sectors.

Other Developments

[Turkmenistan Vote for New, Opposition-Free Parliament](#)

[Taliban take control of Afghan Consulate in Tajik Capital Dushanbe](#)

[Kyrgyz President Japarov to make a State Visit to China in May 2023](#)

[Low Turnout and a Victory for Kazakhstan's Ruling Party in Parliamentary Polls](#)



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