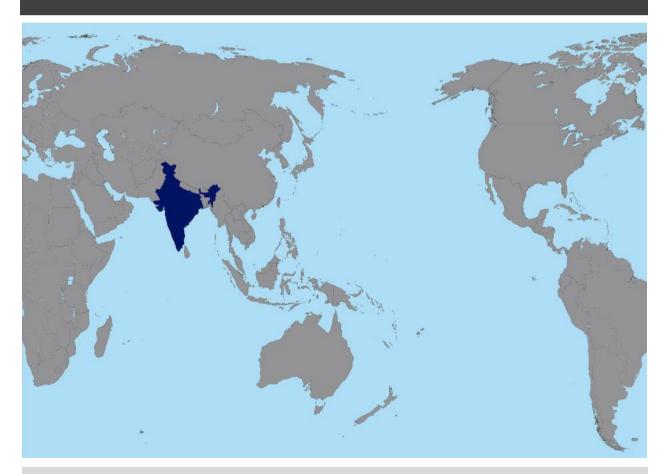


# DPG INDO-PACIFIC MONITOR JULY 2021



Volume II, Issue 7 | July 2021

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



# DPG INDO-PACIFIC MONITOR Volume II, Issue 7 July 2021

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This publication is a monthly analytical survey of developments and policy trends that impact India's interests and define its challenges across the extended Indo-Pacific maritime space, which has become the primary theatre of global geopolitical contestation. It is authored by Cmde. Lalit Kapur (Retd.), DPG Senior Fellow for Maritime Strategy, based on open source reports and publications. Your comments and feedback may be send at lalit@dpg.org.in. To subscribe, please <u>click here</u>.

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# DPG INDO-PACIFIC MONITOR July 2021

#### Abstract

The HMS Queen Elizabeth led Carrier Strike Group 21 (CSG 21) passed through the Indian Ocean on its way to the Western Pacific, as part of the UK's enhanced global footprint. En route, it conducted what it described as "the first major workout after entering the Indian Ocean" with the Indian Navy on July 21 & 22. CSG 21 moved out of the Indian Ocean towards the end of July, and will be in the Western Pacific through August. Its movements and their implications take the lead in this month's Indo-Pacific Monitor.

An oil tanker with a Japanese owner, Liberian flag, Israeli operator and multinational crew was struck by a drone off Oman's Masirah Island in the Northern Arabian Sea on the night of July 29-30, 2021, killing two members of the crew. The incident highlights the evolving nature of challenges at sea and will spur the search for countermeasures. Meanwhile, India received its first two MH-60R helicopters from the US and sought proposals for the acquisition of six P-75I submarines under the strategic partnership model. It also continued its effort to change Russia's perceptions about the Indo-Pacific through the visit of Dr. S. Jaishankar, the External Affairs Minister to Moscow and the participation of INS Tabar in the Russian Navy's 325<sup>th</sup> Navy Day Parade. US Secretary of State Antony J. Blinken visited New Delhi on July 27-28, with the Indo-Pacific and the Quad forming a significant part of his dialogue with India's External Affairs Minister Dr. S. Jaishankar.

The fifth anniversary of the South China Sea Tribunal award reminded residents of the Indo-Pacific of the anarchic, might is right nature of the international system, with China continuing its unilateral assertion, the Philippines still pleading for its rights and a final and binding award under international law being manifestly unenforceable. However, momentum against China's intransigence became evident during the US Defense Secretary's visit to Singapore, Vietnam and Philippines, with the last offering the biggest takeaway through retraction of an earlier decision to terminate the Visiting Forces Agreement, thus opening the doors for the Enhanced Defence Cooperation Agreement of 2014 to be operationalised.



In East Asia, the 2021 version of Japan's Defence White Paper continued the trend of Japan moving towards assuming greater responsibility for its own security by highlighting the deteriorating security situation and justifying enhanced defence expenditure, while strengthening the alliance with the US as well as other partners. It included for the first time the assertion that stabilising the situation surrounding Taiwan was vital for both Japan's security as well as that of the larger regional community. The US Deputy Secretary of State visited China for a frosty dialogue. Meanwhile, Germany's Chancellor Angela Merkel visited the US and signed the Washington Declaration, a joint statement of commitment to the democratic principles, values and institutions that drive the Free and Open Indo-Pacific.

#### Britain's Foray into the Indo-Pacific

Prime Minister Boris Johnson's foreword to the Integrated Review of Global Britain's Security, Defence, Development and Foreign Policy<sup>1</sup> spoke of HMS Queen Elizabeth, one of the two largest warships ever built for the Royal Navy, leading a British and allied task group on the UK's most ambitious global deployment for over two decades, visiting the Mediterranean, the Middle East and the Indo-Pacific. Operation Fortis<sup>2</sup>, as this deployment is named, commenced in May 2021. It is intended to mark the return of UK to the global stage and serve as the future model of Royal Navy's operations: the use of big strike groups deploying globally to support national interests, with smaller RN vessels permanently based around the world to show presence.

Accompanying HMS Queen Elizabeth and forming Carrier Strike Group (CSG) 21 on its maiden deployment<sup>3</sup> were Type 45 destroyers HMS Defender and HMS Diamond (reported to have been detached due to a major defect earlier this month<sup>4</sup>), Type 23 ASW frigates HMS Kent and HMS Richmond, the Arleigh Burke Class destroyer USS The Sullivans, Dutch De Zeven Provincien class frigate HNLMS Evertsen, Royal Fleet Auxiliaries Fort Victoria and Tidespring,

<sup>&</sup>lt;sup>1</sup> Global Britain in a competitive age: The Integrated Review of Security, Defence, Development and Foreign Policy, presented to parliament March 16, 2021, <u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/975077/Global\_Britain\_in\_a\_Competitive\_Age-\_\_\_\_the\_Integrated\_Review\_of\_Security\_\_Defence\_\_Development\_and\_Foreign\_Policy.pdf</u>

<sup>&</sup>lt;sup>2</sup> Why is OP FORTIS a Good News Story for the Royal Navy, <u>https://thinpinstripedline.blogspot.com/2021/04/why-is-op-fortis-good-news-story-for.html</u>

<sup>&</sup>lt;sup>3</sup> Deployment of HMS Queen Elizabeth and Carrier Strike Group will fly flag for Global Britain, <u>https://news.sky.com/story/deployment-of-hms-queen-elizabeth-and-carrier-strike-group-will-fly-flag-for-global-britain-12287281</u>

<sup>&</sup>lt;sup>4</sup> HMS Diamond suffers serious defect during Carrier Strike Group deployment, <u>https://www.navylookout.com/hms-diamond-suffers-serious-defect-during-carrier-strike-group-deployment/</u>



and the Astute class attack submarine HMS Artful. The carrier embarked 8 F-35B Lightnings from 617 Sqn RAF and 10 from the US Marine Fighter Attack Squadron 211, apart from AEW, ASW and transport helicopters.



HMS Queen Elizabeth transits through the Suez Canal, July 6, 2021. Source: Commander UK Carrier/Twitter

Having completed the first phase of its deployment in the Mediterranean, CSG 21 transited through the Suez Canal into the Red Sea on July 06, 2021<sup>5</sup>. Days later, it joined the Ronald Reagan CSG and the USS Iwo Jima Amphibious Ready Group for an exercise in the Gulf of Aden<sup>6</sup>. The combined surface, air and sub-surface exercise was designed to enhance UK, Dutch and US maritime interoperability and demonstrate naval integration through a series of training scenarios<sup>7</sup>. Following the exercise, a COVID-19 breakout was reported in CSG-21 on July 14, with about 100 cases on HMS Queen Elizabeth and others on

<sup>&</sup>lt;sup>5</sup> Sam LaGrone, "HMS Queen Elizabeth Enters Middle East After Suez Canal Transit; Carrier Eisenhower Now in Atlantic", USNI News, <u>https://news.usni.org/2021/07/07/hms-queen-</u> <u>elizabeth-enters-middle-east-after-suez-canal-transit-carrier-eisenhower-now-in-atlantic</u>

<sup>&</sup>lt;sup>6</sup> HMS Queen Elizabeth trains with two US Navy task groups, July 13, 2021, <u>https://www.royalnavy.mod.uk/news-and-latest-activity/news/2021/july/13/210713-hms-</u> <u>qnlz-and-us-task-groups</u>

<sup>&</sup>lt;sup>7</sup> USS Ronal Reagan (CVN 76) Underway Operations with UK Carrier Strike Group 21, <u>https://www.centcom.mil/MEDIA/NEWS-ARTICLES/News-Article-</u> <u>View/Article/2695942/uss-ronald-reagan-cvn-76-underway-operations-with-uk-carrier-</u> <u>strike-group-21/</u>



accompanying warships<sup>8</sup>. The report said all crew on deployment had received two doses of a COVID-19 vaccine, the outbreak was being managed and would have no impact on the deployment.

On July 21 & 22, CSG 21 was reported to have exercised with Indian Naval ships Satpura, Ranvir, Jyoti, Kavaratti, Kulish, a submarine and P-8I aircraft<sup>9</sup>. The maiden exercise between the IN and the RN's latest aircraft carrier was described by the IN as a PASSEX, though a somewhat ambitious one as it was said to have enabled engagement over the entire spectrum of maritime operations. The British High Commission, on the other hand, projected it as three days of complex maritime interactions<sup>10</sup>. The Royal Navy described it as its first major workout after entering the Indian Ocean<sup>11</sup>. The United States Naval Institute reported this as Exercise Konkan<sup>12</sup>. It went on to report that CSG 21 would exercise with a US Carrier Strike Group, probably the Carl Vinson Group, in the Indo-Pacific in August, bringing together the largest concentration of F-35 jets anywhere in the world.



HMS Queen Elizabeth with INS Shivalik, INS Ranvir and INS Jyoti in the Bay of Bengal, July 21, 2021. Source: British High Commission.

<sup>&</sup>lt;sup>8</sup> Jonathan Beale & Hazel Shearing, "HMS Queen Elizabeth: Covid outbreak on Navy flagship", BBC News, July 14, 2021, <u>https://www.bbc.com/news/uk-57830617</u>

<sup>&</sup>lt;sup>9</sup> Indian Navy Exercises with Royal Navy Carrier Strike Group, <u>https://indiannavy.nic.in/content/indian-navy-exercises-royal-navy-carrier-strike-group</u>

<sup>&</sup>lt;sup>10</sup> UK Carrier Strike Group starts maritime exercise with Indian Navy, July 22, 2021, <u>https://www.gov.uk/government/news/uk-carrier-strike-group-starts-maritime-exercise-</u> <u>with-indian-navy</u>

<sup>&</sup>lt;sup>11</sup> "The UK's Carrier Strike Group has completed its first major workout since entering the Indian Ocean", <u>https://www.royalnavy.mod.uk/news-and-latest-</u> activity/news/2021/july/28/210728-csg-trains-with-indian-navy

<sup>&</sup>lt;sup>12</sup> Carrier HMS Queen Elizabeth Drills with Indian Navy Ahead of More Pacific Exercises, July 22, 2021, <u>https://news.usni.org/2021/07/22/carrier-hms-queen-elizabeth-drills-withindian-navy-ahead-of-more-pacific-exercises</u>



The return of British attention East of Suez had become evident with the reactivation of HMS Juffair, a UK Naval Support Facility, in Bahrain in April 2018. The claimed regional footprint was broadened to the Indo-Pacific through a dedicated section in Britain's integrated review of March 16, 2021, which describes the region as "at the centre of intensifying geopolitical competition with multiple potential flashpoints" and "on the frontline of new security challenges, including in cyberspace"<sup>13</sup>. To support operations in the Indo-Pacific, UK will call upon British defence staffs in Kenya (Mombasa), Oman (Duqm), Singapore and Australia (Canberra) in addition to defence representation spread throughout the region; large training areas in Kenya and Oman; and hubs/bases in the BIOT and Brunei. There is also the comprehensive strategic partnership with India, with India's Foreign Secretary visiting London on July 24 & 25 to review UK-India cooperation and the implementation of the Road Map 2020 that was adopted in May 2021<sup>14</sup>.

The stiffer posture of UK, the EU and NATO towards China was visible in President Biden's summits last month. It also showed in discussions at the Japan UK Defence Ministerial Meeting on July 20, when the UK commitment to realise a Free and Open Indo-Pacific was described as robust and irreversible<sup>15</sup> and the two ministers expressed their will to strongly oppose unilateral attempts to change the status guo in the East and South China Seas by force or coercion. President Macron has committed to strengthening bilateral security cooperation with Australia and Japan to realise a Free and Open Indo-Pacific<sup>16</sup>. There are reports of the Pentagon considering a permanent naval task force to counter China in the Pacific, on the lines of the Cold War's Standing Naval Force Atlantic<sup>17</sup>. Reports also indicate that Australia will send two frigates to join CSG 21 for exercises in the South China Sea<sup>18</sup>. All in all, momentum against China's coercion in the Western Pacific is gathering pace. European power will deploy in the Western Pacific during the period China sees as its window of opportunity, and will inevitably transit through the

<sup>&</sup>lt;sup>13</sup> Global Review, Op Cit.

<sup>&</sup>lt;sup>14</sup> Foreign Secretary, British Counterpart Review India-UK 2030 Roadmap, NDTV, July 24, 2021, <u>https://www.ndtv.com/india-news/foreign-secretary-harsh-vardhan-shringlameets-british-counterpart-reviews-2030-roadmap-to-india-uk-free-trade-agreement-2493826</u>

<sup>&</sup>lt;sup>15</sup> Japan UK Ministerial Meeting, <u>https://www.mod.go.jp/en/images/b7acb9e98371bb0a94f3a8bb7720c01ebb500c05.pdf</u>

<sup>&</sup>lt;sup>16</sup> Suga meets with France's Macron as pair affirm security cooperation, <u>https://www.japantimes.co.jp/news/2021/07/24/national/france-macron-tokyo-olympics/</u>

 <sup>&</sup>lt;sup>17</sup> Lara Seligman, "Pentagon considering permanent naval task force to counter China in the Pacific", <u>https://www.politico.com/news/2021/06/15/pentagon-navy-pacific-task-forcechina-494605</u>

<sup>&</sup>lt;sup>18</sup> Richard Wood, "Australian warships to hold naval drills with UK strike group in signal to China", June 14, 2021, <u>https://www.9news.com.au/national/china-tensions-australianwarships-to-join-uk-navy-in-exercises/b932bb3b-42e2-401f-a399-c95b3f0f85be</u>



Indian Ocean for this purpose, providing greater opportunities for engaging with India and its navy.

What could CSG 21 do in the South China Sea? The most obvious action is a Freedom of Navigation operation. HMS Defender is reported to have entered the South China Sea on July 24, despite China's warning. The same ship carried out a 36 minute challenge to Russia's annexation of Crimea on June 23, 2021<sup>19</sup>, resulting in Russia reportedly firing warning shots. Prime Minister Boris Johnson had, in fact, described HMS Defender's action in the Black Sea as a FONOP<sup>20</sup>. Another proclaimed FONOP in the South China Sea, either singly or involving elements from UK, the Netherlands, the US and potentially Australia and Japan, would indeed send a strong signal. It is certain to arouse China's ire, if nothing else.

What could China do in response? It could close large parts of the South China Sea for an exercise. It could conduct an ASBM test in the region timed to coincide with CSG 21's presence, sending a signal of its own. It could deploy its own aircraft carrier group to the region. If it can react as quickly as Russia did in Crimea, it could try to nudge the ships concerned out of claimed waters indulging in what western nations now call "unprofessional manoeuvres", or use other weapons to signal its resolve, as Russia did. Whatever China does, the game in the South China Sea will hot up, though both sides will avoid escalation that could spin out of control.

Meanwhile, the UK is going about expanding its global maritime footprint. Four frontline ships have been deployed on extended missions: HM ships Montrose in the Gulf, Forth in the Falklands, Medway in the Caribbean and Trent in the Mediterranean, in addition to minehunters and their support vessel which have been in the Gulf for over a decade. Tamar and Spey will deploy into the Indo-Pacific on a long-term basis from August 2021. The Royal Marines intend to operate a Littoral Ready Group to cover Africa and Indian Ocean islands from their hub at Duqm<sup>21</sup>. India could acquire a capable partner in the Western Indian Ocean once this happens.

<sup>&</sup>lt;sup>19</sup> Dmitry Gorenburg, "The HMS Defender Incident: What happened and What Are the Political Ramifications", <u>https://www.russiamatters.org/analysis/hms-defender-incident-what-happened-and-what-are-political-ramifications</u>

<sup>&</sup>lt;sup>20</sup> Navy defending our values in Russia dispute, says Boris Johnson, <u>https://www.bbc.com/news/uk-politics-57593411</u>

<sup>&</sup>lt;sup>21</sup> First Sea Lord Admiral Sir Tony Radakin, "Navy has made great strides but must rise to future challenges, July 29, 2021, <u>https://www.royalnavy.mod.uk/news-and-latest-activity/news/2021/july/29/20210729-summer-round-up</u>



#### Visit of US Secretary of State Antony J Blinken to New Delhi

US Secretary of State Antony J. Blinken visited New Delhi on July 27-28, becoming the third high-ranking Biden administration member to physically travel to India after Ambassador John Kerry, the United States Special Presidential Envoy for Climate and General Lloyd J. Austin III, the Secretary of State for Defense. A significant part of the dialogue with his counterpart, India's External Affairs Minister Dr. S. Jaishankar, pertained to the Indo-Pacific and the Quad.



US Secretary of State Antony J. Blinken and India's External Affairs Minister Dr. S. Jaishakar in discussion at Hyderabad House, July 28, 2021. Soure:Twitter/@MEA

The main outcome was the clearest to date articulation and congruent definitions of the purpose of the Quad.

Paraphrasing Dr. Jaishankar, the Quad is designed to meet the challenges to stability and prosperity in the Indo-Pacific and is engaged in collaboration on a host of issues, including COVID-19 response and climate action, connectivity and infrastructure, maritime security and HADR, counterterrorism, cyber and digital concerns, education and reliable supply chains. In addition, the Quad is focused on observance of international law, which benefits the region and the



global community. India has long held the view that the Quad is not an Asian NATO<sup>22</sup>.

In Secretary Blinken's words, the likeminded countries of the Quad are working collectively on issues which have a real impact on the lives of their peoples, including COVID-19 response, post pandemic economic recovery, climate crisis, maritime security and infrastructure, and doing so in ways that ensure a free and open Indo-Pacific region. Importantly, he also stated: "What the Quad is not is a military alliance, it is not that. Its purpose is, again, just to advance cooperation on regional challenges while reinforcing international rules and values that we believe, together, underpin peace, peace, prosperity and stability in the region. And of course, we're doing that as well in cooperation with other countries, with ASEAN, and other likeminded partners"<sup>23</sup>.

Translation of the Quad agenda into outcomes on the multiple common challenges outlined above cannot be construed as confrontational and will be broadly welcomed, including by ASEAN. However, the test will come if and when Quad convergences on issues such as national sovereignty, adherence to international law and peaceful resolution of disputes are to be enforced. China's wilful disregard for international law, as evidenced from the Himalayas to the South and East China Seas, continues; China has also laid out its red lines. At some stage, the Quad members may have to collectively do the same, without which China will not be deterred from its salami-slicing strategy and creeping alterations of the status quo that cannot be reversed. That step will also require the consideration of an integrated Quad security coordination architecture.

It will thus be some time before the Quad members can sufficiently demonstrate the potential of their partnership and their resolve to stand up for a rules based order to convince smaller nations, both in South East Asia and in the Indian Ocean. However, they are doing well to grow this conviction by cooperation on the easier common challenges first, leaving the more difficult issues for later.

<sup>&</sup>lt;sup>22</sup> Secretary Antony J. Blinken and Indian External Affairs Minister Dr. Subrahmanyam Jaishankar at a Joint Press Availability, July 28, 2021, <u>https://www.state.gov/secretary-</u> <u>antony-j-blinken-and-indian-external-affairs-minister-dr-subrahmanyam-jaishankar-at-</u> <u>a-joint-press-availability/</u>

<sup>&</sup>lt;sup>23</sup> Ibid



For a more extensive coverage of the visit, kindly see DPG Policy Brief Vol. VI Issue 24, "The Blinken Visit: Diplomacy in Action"<sup>24</sup>.

#### Drone Strike on Tanker in North Arabian Sea

MV Mercer Street, a Japanese owned oil tanker registered in Monrovia and operated by London-based Israeli owned company Zodiac Maritime, suffered an attack that blasted a hole through the top of its bridge on the night of July 29-30, 2021<sup>25</sup>. The tanker was in the Arabian Sea, proceeding from Dar es Salaam to Fujairah, and was off Oman's Masirah Island at the time of attack. Two members of the ship's crew (one Briton, one Romanian) were reported killed. US forces responding to an emergency distress call determined it had been carried out be a drone. The vessel was reported to be underway under her own power at the time of writing, with no further threat to its personnel. USS Ronald Reagan and USS Mitscher were providing escort. Israel accused Iran of being behind the attack<sup>26</sup>. An Iranian channel has said the incident was in retaliation for an airstrike on a military airport in Syria that it accused Israel of being behind<sup>27</sup>.

The incident not only highlights the globalised nature of maritime merchant traffic (Japan, Israel, UK and Romania at least are involved in ownership or operation of the vessel), but also the increasing variety of threats it faces. This poses a challenge to India, which depends on sea lanes running through the Northern Arabian Sea for its energy imports and has the aspiration of being a net security provider in the region.

<sup>&</sup>lt;sup>24</sup> Ambassador Hemant Krishan Singh and Cmde Lalit Kapur (Retd), DPG Policy Brief Vol. VI Issue 24, The Blinken Visit: Diplomacy in Action", <u>https://www.delhipolicygroup.org/uploads\_dpg/publication\_file/the-blinken-visit-diplomacy-in-action-2775.pdf</u>

<sup>&</sup>lt;sup>25</sup> Drone Strike in North Arabian Sea kills two: US Navy rendering assistance, <u>https://www.centcom.mil/MEDIA/PRESS-RELEASES/Press-Release-</u> <u>View/Article/2715108/drone-strike-in-north-arabian-sea-kills-two-us-navy-rendering-assistance/</u>

<sup>&</sup>lt;sup>26</sup> Israel accuses Iran over deadly oil tanker attack, <u>https://www.bbc.com/news/world-middle-east-57977702</u>

<sup>&</sup>lt;sup>27</sup> Deadly drone attack on tanker escalates Iran-Israel tensions, <u>https://edition.cnn.com/2021/07/31/middleeast/iran-israel-tanker-attack-drone-oman-intl/index.html</u>



#### Induction of MH-60R Helicopters

The first two US built MH-60R Seahawk helicopters were transferred to the Indian Navy when Ambassador Taranjit Singh Sandhu accepted them on India's behalf at a ceremony at Naval Air Station North Island, Sand Diego, on July 16, 2021<sup>28</sup>. The transfer marks the first step in the induction 24 such helicopters, manufactured by Lockheed Martin Corporation, under a Foreign Military Sales agreement with the US Government. Indian personnel are presently undergoing training for the operation of these helicopters in USA. The helicopters, capable of anti-submarine and anti-ship warfare, search and rescue, vertical replenishment, personnel transport and medical evacuation missions will go some way towards addressing the acute shortage on India's frontline warships.



An MH-60R Helicopter in Indian Navy colours at San Diego, USA. Source: PIB

<sup>&</sup>lt;sup>28</sup> Indian Navy Accepts First Batch of Two MH-60R Multi Role Helicopters, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1736365</u>



#### Project P-75 (I) Submarines

The Ministry of Defence issued a Request for Proposals (RFP) for the construction in India of six Air Independent Propulsion (AIP) fitted conventional submarines under the P-75I project on July 20, 2021<sup>29</sup>. This is the first acquisition programme under the Strategic Partnership Model, with M/s Mazagaon Dock Shipbuilders Limited (MDL) and M/s Larsen and Toubro (L&T) being the Indian strategic partners. They will now collaborate with one of the five foreign manufacturers (M/s Naval Group France, M/s Thyssenkrup of Germany, M/s JSC Rosoboronexport of Russia, M/s Navantia of Spain and M/s Daewoo Shipbuilding and Marine Engineering Co Ltd of South Korea) as their technology partner. The technology partner in turn would enable setting up of dedicated manufacturing lines, by providing transfer of technology for the design and other technologies, so as to make India self-sufficient in submarine design and production. The next stage will be evaluation of proposals and identification of the finalised submarine design.

#### Indian Navy Ready to Participate in UN's Lebanon Operations

In an interaction with India's permanent representative to the UN, Ambassador TS Tirumurti, India's Deputy Chief of Naval Staff, Vice Admiral Ravneet Singh, was reported to have said that the Indian Navy is ready to participate in the Maritime Task Force of the United Nations Interim Force in Lebanon (UNIFIL)<sup>30</sup>. The subject was also discussed during the Deputy Chief's meeting with the UN Military Advisor, Lt Gen Carlos Humberto Loitey and Deputy Military Adviser Maj Gen Maureen O'Brien. The Indian Navy's previous experience of UN operations came from Ops Muffet and Restore Hope, off Somalia, as part of UNOSOM II, involving around 5000 personnel and four warships.

The UNIFIL Maritime Task Force, deployed under UNSC resolution 1701 (2006), supports the Lebanese Navy in monitoring the country's territorial waters, securing its coastline and preventing the unauthorised entry of arms or related material by sea into Lebanon. It also carries out air surveillance over maritime and land territories in support of the Lebanese authority and search and rescue operations in coordination with the Lebanese Navy. If the request to participate is received and approved by Government of India, this will mark the

<sup>&</sup>lt;sup>29</sup> MoD Issues RFP for Construction of Six P-75(I) Submarines for Indian Navy, https://pib.gov.in/PressReleasePage.aspx?PRID=1737191

<sup>&</sup>lt;sup>30</sup> Indian Navy ready to participate in UN's Lebanon operations: Senior navy officer", July 22, 2021, <u>https://www.indianewsnetwork.com/20210722/indian-navy-ready-to-participate-in-un-s-lebanon-operations-senior-navy-officer</u>



first prolonged operational deployment of IN warships outside the Indian Ocean. This will be a significant change from the otherwise Indian Ocean centric operations profile of the IN, providing indication that the nation seeks to establish a footprint over a wider region.

### National Maritime Security Coordinator

Reports towards the middle of July indicated that India was on the verge of appointing a National Maritime Security Coordinator. The need and present status of such an appointment has been covered separately in a DPG Policy Brief on Understanding India's Maritime Security Coordination Needs<sup>31</sup>. A decision from the Cabinet Committee on Security is still awaited.

#### **Operations and Exercises**

Personnel from India, Sri Lanka and the Maldives joined hands for tri-nation table top naval exercise SHIELD on July 14-15, 2021<sup>32</sup>. The exercise, conducted virtually, focused on enhancing maritime security cooperation and mutual understanding, as well as exchange of best practices / procedures for countering common transnational maritime crimes such as narcotics smuggling, evolving modalities for exchanging information / intelligence and assisting each other in maritime search and rescue.

INS Tabar, a Russian built Project 1135.6 frigate of the Indian Navy, proceeded to St Petersburg, Russia, to participate in Russia's Navy Day Parade. She exercised with the Italian<sup>33</sup> and French<sup>34</sup> navies as well as with Spanish maritime aircraft en route, participated in the Russian Navy's 325<sup>th</sup> Navy Day Parade, and then in exercise INDRA Navy- 21 with the Russian Navy in the Baltic<sup>35</sup>. She was in Stockholm at the end of July, scheduled to undertake a Maritime Partnership Exercise with the Swedish Navy in early August 2021<sup>36</sup>.

https://www.delhipolicygroup.org/uploads\_dpg/publication\_file/understanding-indiasmaritime-security-coordination-needs-2768.pdf

<sup>&</sup>lt;sup>31</sup> Lalit Kapur, DPG Policy Brief Vol. VI, Issue 21, "Understanding India's Maritime Security Coordination Needs",

<sup>&</sup>lt;sup>32</sup> Tri-nation Table Top Naval Exercise 'Shield' held at WNC, Mumbai, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1736197</u>

<sup>&</sup>lt;sup>33</sup> INS Tabar Exercises with Italian Navy off Naples, Italy, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1733321</u>

<sup>&</sup>lt;sup>34</sup> INS Tabar Completes Maritime Partnership Exercise with the French Navy, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1736729</u>

<sup>&</sup>lt;sup>35</sup> INS Tabar Participates in Exercise 'INDRA NAVY-21, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1740558</u> <sup>36</sup> INS Tabar reaches Stockhom, Sweden

<sup>&</sup>lt;sup>36</sup> INS Tabar reaches Stockhom, Sweden, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1741039</u>





INS Tabar at Brest, July 2021. Source: Wikimedia Commons

INS Talwar<sup>37</sup> and IFC – IOR joined ships and personnel from the Comoros, Djibouti, Georgia, Kenya, Mozambique, Rwanda, Seychelles, Somalia, Sudan, Tanzania, UK and the US in Mombasa to participate in multinational Exercise Cutlass Express-21 being conducted by US Naval Forces Africa from July 26 – August 6, 2021<sup>38</sup>. The object of the exercise is to improve regional cooperation in support of the Djibouti Code of Conduct, maritime domain awareness, information sharing between maritime operation centres, maritime interdiction, adherence of the rule of law and counter-proliferation interdiction capabilities in order to disrupt illicit maritime activity and strengthen safety and security in East Africa. INS Talwar with MARCOS embarked is participating in the role of a trainer, marking the beginnings of cooperation between the IN and AFRICOM.

INS Saryu joined Indonesian Naval Ship KRI Bung Tomo for the 36<sup>th</sup> edition of the India-Indonesia Coordinated Patrol on July 30-31, 2021. Maritime Patrol Aircraft from both nations also participated<sup>39</sup>.

<sup>&</sup>lt;sup>37</sup> INS Talwar in exercise Cutlass Express-21 couduct of VBSS training by Indian Navy, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1740191</u>

<sup>&</sup>lt;sup>38</sup> Cutlass Express, <u>https://www.africom.mil/what-we-do/exercises/cutlass-express</u>

<sup>&</sup>lt;sup>39</sup> 36<sup>th</sup> Edition of India – Indonesia Coordinated Patrol, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1740798</u>



### Engaging Russia

As a major country that believes that the world is heading towards multipolarity, India seeks good relations with both Washington DC and Moscow. Both figured prominently in India's engagements this month.

Speaking on India – Russia relations at IMEMO (the Primakov Institute of World Economy and International Relations) in Moscow, India's External Affairs Minister Dr S. Jaishankar described the bilateral relationship as among the world's steadiest relationships after WW II<sup>40</sup>. He highlighted the need for constant nurturing to ensure it was not taken for granted.

His speech explained the impact of India's multipolar and Indo-Pacific beliefs on the bilateral relationship, making a strong case for India and Russia to work together in both areas. He highlighted the need to discourage unrestrained pursuit of balance of power, or domination by any single power. Given the nature of the world today, most interaction would be in formats like G 20, BRICS, EAS, SCO, MTCR, FATF, Wassenaar etc. Given the flux in world politics, a large element of the two countries working together would happen in such formats. He explained India's Indo-Pacific vision with great clarity, highlighting that the focus was fulfilling the shared responsibility for the vast global commons and its safety, security, ecology, environment and activities. He referred his audience to Prime Minister Modi's Indo-Pacific Ocean's Initiative announced at the East Asia Summit in 2019.

To enable both countries to influence the direction of global development positively, it was necessary to continue strengthening bilateral cooperation. Key propelling forces had earlier been defence, energy, nuclear, space, and science and technology. The contemporary requirement was to strengthen the Make in India programme and place greater focus on military-to-military ties, including in the maritime domain. The establishment of the 2+2 mechanism recently agreed to by leaders in both countries would provide new vitality to the relationship. He also spoke of progress made in the space, nuclear and investment and trade sectors. He called for reconnecting the youth and renewing appreciation of our languages, literature and sciences, as well as tourism.

<sup>40</sup> External Affairs Minister's speech on "India – Russia ties in a chanign world" at IMEMO, Moscow, July 08, 2021, <u>https://mea.gov.in/Speeches-</u> <u>Statements.htm?dtl/33991/External\_Affairs\_Ministers\_speech\_on\_IndiaRussia\_ties\_in\_a\_ch</u> <u>anging\_world\_at\_IMEMO\_Moscow</u>





External Affairs Minister Dr S. Jaishankar with Russian Foreign Minister Sergey Lavrov at Press Conference in Moscow, July 12, 2021. Source: MEA Photo Gallery

Describing the big issues of our time as combating terrorism, addressing pandemics and acting on climate change, he said that India and Russia were unquestionably on the same page. He looked forward to the Annual Bilateral Summit and expressed confidence that both nations would continue to realise the full benefits of their Special and Privileged Strategic Partnership.

Speaking to the press after their bilateral interaction the next day. Foreign Minister Lavrov spoke of agreement that Russia – India relations are strengthening and have a bright future<sup>41</sup>. He said the two ministers had paid special attention to promoting political dialogue and preparing the content for the upcoming Russia – India Summit this year. They reviewed progress in COVID-19 cooperation, trade and economic cooperation and Russia's interest in starting talks between India and the Eurasian Economic Commission on forming a free trade area at the earliest. Russia reiterated its willingness to participate in projects to localise production of Russian defence products and

<sup>&</sup>lt;sup>41</sup> Foreign Minister Sergey Lavrov's statement and answers to media questions at a joint news conference following talks with Indian Foreign Minister Subrahmanyam Jaishankar, Moscow, July 9, 2021, <u>https://www.mid.ru/en/foreign\_policy/news/-</u> /asset\_publisher/cKNonkJE02Bw/content/id/4811262



to create joint ventures in India under the "Make in India" and "Self-Sufficient India" programmes. He reviewed progress in nuclear and space cooperation and said both countries shared similar or overlapping approaches to the key issues of our time and pressing regional matters, including settlement of the situation in Afghanistan, Syria and the Iranian nuclear programme. He appreciated the quality and scope of close cooperation in multilateral and plurilateral formats. On the Asia-Pacific (he did not use the term 'Indo-Pacific'), both sides reiterated their position in favour of maintaining and strengthening the central role of ASEAN in the regional security architecture, including the EAS, ARF, ADMM and other formats. Minister Jaishankar endorsed his counterpart's optimism about the relationship and said discussions had included connectivity, especially the North South Corridor and the Chennai-Vladivostok Eastern Maritime Corridor<sup>42</sup>.



INS Tabar participates in the 325<sup>th</sup> Russian Navy Day Parade at St Petersberg, July 25, 2021. Source: Author

Towards the last third of the month, INS Tabar arrived at St Petersberg via the Mediterranean, the Atlantic and the North Sea to participate in Russia's 325<sup>th</sup> Navy Day Parade, symbolising the strong bilateral relationship and the global reach of India's maritime power. The ship also participated in bilateral Exercise INDRA on July 28 & 29<sup>43</sup>.

The bilateral relationship has remained stable. USSR was at one stage India's foremost defence partners and the source of much of its defence equipment. This tapered off with the breakup of the Soviet Union. However, geopolitical realities have kept India and Russia engaged. Current defence projects include the successful Brahmos Aerospace joint venture, INS Chakra III in the pipeline,

<sup>&</sup>lt;sup>42</sup> Statement by Minister of External Affairs at the Joint Press Conference with the Minister of Foreign Affairs f the Russian Federation, July 09, 2021, <u>https://mea.gov.in/Speeches-Statements.htm?dtl/33997/Statement\_by\_Minister\_of\_External\_Affairs\_at\_the\_Joint\_Press\_ conference\_with\_the\_Minister\_of\_Foreign\_Affairs\_of\_the\_Russian\_Federation</u>

<sup>&</sup>lt;sup>43</sup> INS Tabar participates in Navy Day Celebrations of the Russian Navy, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1739195</u>



four successors to Talwar class on order (two to be built in Russia, two in Goa), the S 400 deal, production of Su-30 MKI ac and T-90 tanks, supply of Mig 29K, Ka-31 and Mi-17 helicopters, upgrade of Mig 29 aircraft and supply of Smerch MBRL. Russia is also bidding for range of projects in India including submarines under Project 75I, manufacture of Kalashnikov rifles, and building of light helicopters. Collaboration projects like Gaganyaan and the Kudankulam Atomic Power Project show that cooperation is broad-based There are differences, as for example in Afghanistan or the Indo-Pacific, but India has similar differences with all major partners. As with others, it is the convergences that will drive cooperation, while divergences are managed. Much will become clearer from the forthcoming India – Russia summit and the 2 + 2 dialogue.

#### Fifth Anniversary of the South China Sea Tribunal Award

The eve of the fifth anniversary of the South China Sea Tribunal award witnessed a statement from the US Secretary of State highlighting the continuing importance of maritime order and international law as reflected in the UN Convention on the Laws of the Sea (UNCLOS)<sup>44</sup>. The statement reiterated the continuing threat to this order from China's coercion and intimidation of South East Asian states and drew attention to the unanimous and unambiguous award by the Tribunal. It ended with a call on China to abide by its obligations under international law, cease its provocative behaviour, and take steps to reassure the international community that it is committed to the rules-based maritime order that respects the rights of all countries, big and small.

China intervened in the Scarborough Shoal in 2012 following the Philippines attempt to arrest Chinese fishing boats harvesting giant clams, coral and live black-tip shark from the shoal, thus infringing Filipino fishing laws in its EEZ. The Philippines first sought ASEAN support, and when ASEAN failed to take a stand, raised the issue at the first US-Philippines 2 + 2 dialogue on April 30, 2012. An agreement for simultaneous withdrawal of forces by both sides was negotiated with the US acting as the mediator, leading to the Philippines pulling its forces back on June 15, 2012. China, however, stayed put, effectively

<sup>&</sup>lt;sup>44</sup> Fifth Anniversary of the Arbitral Tribunal Ruling on the South China Sea, Press Statement by Antony J Blinken, Secretary of State, July 11, 2021, <u>https://www.state.gov/fifth-anniversary-of-the-arbitral-tribunal-ruling-on-the-south-china-sea/</u>



cementing its possession over the shoal and leading the Filipino ambassador to the US to observe, "We were shortchanged"<sup>45</sup>.



Hearing in Session at the Permanent Court of Arbitration, Peace Palace, The Hague, July 2015. Source: PCA

The Philippines then initiated proceedings against China at the Permanent Court of Arbitration (PCA) on January 22, 2013. China, however, rejected arbitration, despite being a contracting party to the PCA and having four members on the Court. A Tribunal was, nevertheless constituted in 2013, with the late Judge Thomas A Mensah, a national of Ghana, as arbitrator and President. Eminent arbitrators from France, Poland, Holland and Germany formed the rest of the five-judge arbitration panel.

Article 279 of UNCLOS obliges the parties to settle disputes by peaceful means as specified in Article 33 of the UN Charter. Article 9 of Annex VII of UNCLOS (dealing with arbitration) provides that "absence of a party or failure of a party to defend its case shall not constitute a bar to the proceedings" and authorises the Tribunal to make an award even if a party fails to defend its case. Article 288 of UNCLOS, relating to jurisdiction, provides that in the event of a dispute

<sup>&</sup>lt;sup>45</sup> For more details, see Lalit Kapur, "Déjà vu in the South China Sea", April 11, 2021, <u>https://www.delhipolicygroup.org/publication/policy-briefs/dj-vu-in-the-south-china-sea.html</u>



as to whether a court or tribunal has jurisdiction, the matter shall be settled by decision of that court or tribunal. While ratifying the Convention, China had implicitly bound itself by these provisions. The Tribunal thus proceeded to hear the case, determined that it had jurisdiction on October 29, 2015<sup>46</sup>, and pronounced its award on July 12, 2016<sup>47</sup>.

The award delivered judgment on five issues. First, regarding China's claimed historic rights and the 'nine-dash line' claim, the Tribunal ruled that prior to UNCLOS, the waters of the South China Sea (SCS) were the high seas in which no one had exclusive rights and exploitation of resources was open to all. After UNCLOS was negotiated, any historic rights China may have had were incompatible with the EEZ provided for by the Convention and were thus extinguished. The Tribunal also observed that though Chinese navigators and fishermen had made use of the SCS islands along with those of other countries, there was no evidence to indicate that China had exercised exclusive control. There was thus no legal basis for China to claim historic rights. Second, on the status of features, the Tribunal found that none of the disputed Spratly Islands could generate an extended maritime zone. It could, therefore, without adjudicating on a territorial claim (which was outside its remit), declare that some areas were exclusively within the EEZ of the Philippines since they were not overlapped by any possible Chinese entitlement. Third, China had violated the Philippines's sovereign rights in its EEZ by interfering with Philippine fishing and petroleum exploration, constructing artificial islands and failing to prevent Chinese fishermen from illegally exploiting the Philippine EEZ. Fourth, by large scale land reclamation and construction of artificial features, China had caused severe harm to the coral reef environment and violated its obligations to preserve and protect fragile ecosystems. Fifth, China's actions in large scale land reclamation and construction of artificial islands in the disputed area were incompatible with the obligations of a State during dispute resolution proceedings.

Irrespective of what China says now, the award is final and binding, as set out in Article 296 of UNCLOS and Article 11 of Annex VII. By ratifying the Convention, China had legally bound itself to comply with its provisions. It has, however, perfected the art of loudly proclaiming compliance with UNCLOS while wilfully flouting the provisions of Parts II, IV, V, VI, VII, VIII, IX, XII, XV and Annex VII that it doesn't like. China's coercive influence and the absence of enforcement mechanisms enable it to do so. The US, on the other

<sup>&</sup>lt;sup>46</sup> Award on Jurisdiction and Admissibility, Chapter II, <u>https://pcacases.com/web/sendAttach/2579</u>

<sup>&</sup>lt;sup>47</sup> The South China Sea Arbitration Award, July 12, 2016, <u>https://www.pcacases.com/pcadocs/PH-CN%20-%2020160712%20-%20Award.pdf</u>



hand, has not ratified the Convention because of deep reservations with Part XI, but has committed to complying with all other parts and has largely done so. The example of Diego Garcia, which China cites often, is an issue of sovereignty, which does not come under the provisions of UNCLOS.

China's obfuscation and recalcitrance is evident from the six observations made by its spokesperson on the anniversary of the PCA Award<sup>48</sup>. First, he harped on China's historic rights and the fact that no country raised any objection to China's position until the 1970s. This conveniently glosses over the fact that UNCLOS itself came into force after 1982, and as the PCA ruled, any historic rights China may have had were extinguished when it ratified the Convention. Second, he claimed that the arbitration violated the principle of state consent and described the award as illegal, null and void. This hides the fact that China had bound itself to the procedure adopted when it ratified UNCLOS, including Articles 296 and Annex VII, thereby accepting that the award would be final and binding. Third, he spoke of China always advocating friendly negotiations and consultations to settle South China Sea issues. This friendliness is evident when China sinks Vietnamese fishing boats and leaves the occupants to drown, or unilaterally enforces domestic law in international waters of the South China Sea, or in the seizure of Whitsun Reef earlier this year. Fourth, he spoke of China always correctly understanding and implementation of the convention. Evidently, China has arrogated to itself the sole authority to determine what is the correct understanding, and the judgment of international tribunals on the subject is completely irrelevant. Fifth, he harped about China having never interfered with freedom of navigation, glossing over the example of INS Airavat and the fact that freedom of navigation applies equally to all vessels, including military ones, as per the Convention. Finally, he spoke of China and SCS countries having effectively managed differences through dialogue and consultation. This brazenly overlooks the high levels of concern about China's militarisation and assertive actions in the SCS and its encroachment in the maritime zones of other littoral states revealed in the ISEAS State of South East Asia Survey<sup>49</sup>.

The anarchic nature of the international system is well brought out by the Philippines example. Despite having right on its side, it cannot find redress. Its partners in ASEAN have proved themselves more interested in economic gain, lacking in solidarity and completely unable to deal with a coercive great power

<sup>&</sup>lt;sup>48</sup> Foreign Ministry Spokesperson Zhao Lijian's Regular Press Conference on July 12, 2021, <u>https://www.fmprc.gov.cn/mfa\_eng/xwfw\_665399/s2510\_665401/2511\_665403/t1891450.sh</u> <u>tml</u>

<sup>&</sup>lt;sup>49</sup> The State of Southeast Asia: 2021 Survey Report, <u>https://www.iseas.edu.sg/wp-content/uploads/2021/01/The-State-of-SEA-2021-v2.pdf</u>



changing status quo gradually, using grey zone activity. Negotiations over a Code of Conduct intended moderate China's behaviour have been turned into negotiations over a Code that would establish China's hegemony, while curtailing the sovereignty of ASEAN nations. Its treaty ally has proved undependable, the big stick it once wielded has proved a flimsy reed, unable to provide the requisite support. The trend in the South China Sea continues to be towards China gradually subjugating the region.

The final word has not, however, been written. Philippines President Rodrigo Duterte has said at the UNGA that the PCA's ruling "is now part of international law, beyond compromise and beyond the reach of passing governments to dilute, diminish or abandon" and firmly rejected attempts to undermine it<sup>50</sup>. The country appears to be turning back towards the US, as is brought out in the next section. A number of countries have openly spoken up about the finality of the award and rebutted China's excessive claims in the South China Sea. The momentum against China is growing; it may at some stage become sufficient to moderate Chinese revisionism.

## General Austin's Visit to South East Asia

The US Secretary of Defense, General Lloyd James Austin III, visited Singapore, Vietnam and The Philippines from July 27 – 30, 2021. In Singapore, he met his counterpart Dr Ng Eng Hen<sup>51</sup>. The two reaffirmed the strong and multi-faceted bilateral defence relationship, underscored most recently by signing of the 2019 Protocol of Amendment renewing the 1990 MoU regarding US use of facilities in Singapore. This enables logistics support to US military aircraft and vessels, while facilitating the rotational deployment of US Littoral Combat Ships and P-8 Poseidon aircraft in Singapore. They also agreed to continue discussion on US force posture initiatives, signalling a possible increase in US presence in Singapore. New areas of bilateral cooperation, such as Singapore's recent establishment of a multilateral Counter-Terrorism Information Facility with the US as a partners nation, and joining of the multi-national Artificial Intelligence Partnership for Defence in May 2021 were also discussed. Dr Ng expressed hope for further cooperation in areas such as cyber defence, strategic communications and HADR.

<sup>&</sup>lt;sup>50</sup> Philippine Statement at UNGA on September 23, 2020, <u>https://www.officialgazette.gov.ph/downloads/2020/09sep/2020sep22-Statement-of-</u> <u>President-Rodrigo-Roa-Duterte-during-the-General-Debate-of-the-75th-Session-of-the-</u> <u>United-Nations-General-Assembly.pdf</u>

<sup>&</sup>lt;sup>51</sup> Statement by United States Secretary of Defense Lloyd J Austin III and Singapore Minister for Defence Dr Ng Eng Hen, July 27, 2021, <u>https://www.defense.gov/Newsroom/Releases/Release/Article/2708174/joint-statementby-united-states-secretary-of-defense-lloyd-j-austin-iii-and-si/</u>



His other engagement in Singapore was the speech at the 40<sup>th</sup> IISS-Fullerton Lecture<sup>52</sup>. Speaking on "The Imperative of Partnership", he covered three areas: prioritising recovery, which meant overcoming COVID; investing in cooperation so as to create the deterrence required to meet security challenges in Southeast Asia and the Indo-Pacific; and recommitting to build a free and open region together. Deterrence encompassed using every military and nonmilitary tool in cooperation with allies and partners, by ensuring that allies had the capabilities, capacities and information required to protect their sovereignty, fishing rights and energy resource, with enhanced presence of allies and partners supplementing them when required. He specifically mentioned that this did not necessitate choosing between the US and China. All it meant was pursuing stable relationships without the threat of aggression or destabilising activity, as Beijing had recently used in the South and East China Seas, against India and against Taiwan. In response to a guestion about the Quad marginalising ASEAN, he said that he did not see the two as competing with each other. They were intended to complement each other. The speech hit the right notes and will resonate well with the regional community (except China). However, some questions, particularly relating to whether the US was being unnecessarily competitive towards China, what the US expected from regional states to make up their fair share of defending shared interest in the Indo-Pacific, and whether the ASEAN was up to dealing with difficult questions, including in Myanmar, could have been more imaginatively dealt with.

In Hanoi the next day, he received a positive welcome from his counterpart Phan Van Giang, including meetings with President Nguyen Xuan Phuc and Prime Minister Pham Minh Chinh. Discussions encompassed cooperation in COVID-19 prevention, dioxin decontamination of Bien Hoa air base, and enhanced maritime domain awareness<sup>53</sup>. An agreement was signed to enable researchers from Harvard and Texas Tech Universities to help in the search for those missing in action, displaying the remarkable commitment of the US towards citizens who fight for it. The overall sense was that both sides want a continued and closer relationship.

<sup>&</sup>lt;sup>52</sup> Secretary of Defence Lloyd J, Austin III participates in Fullerton Lecture Series in Singapore, July 27, 2021,

https://www.defense.gov/Newsroom/Transcripts/Transcript/Article/2711025/secretary-ofdefense-lloyd-j-austin-iii-participates-in-fullerton-lecture-serie/

<sup>&</sup>lt;sup>53</sup> Hoang Thuy, "Vietnam, US military medics to cooperate in Covid-19 prevention", July 29, 2021, <u>https://e.vnexpress.net/news/news/vietnam-us-military-medics-to-cooperate-in-covid-19-prevention-4332493.html</u>



The big takeaway came from his visit to The Philippines, where his interaction with President Duterte lasted for 75 minutes. The two "had an open and frank discussion on the status and future direction of the Philippines-US engagement"<sup>54</sup>. They committed to strengthening their partnership in various areas of mutual interest, including in pandemic response, combating transnational crimes including the war on illegal drugs, maritime domain awareness, the rule of law, and trade and investments. In an evident setback to China, his meeting resulted in President Duterte retracting his decision to terminate the Visiting Forces Agreement (VFA). The decision was announced by the Philippines Defense Secretary Delfin Lorenzana at his joint press conference with General Austin the next day<sup>55</sup>. General Austin identified maritime cooperation, support to further modernise the Philippines Armed Forces and investments to help them navigate the region's complex security environment as "at the top of his agenda"56. He also reaffirmed the US commitment to supporting a sovereign and secure Philippines and building an even more capable alliance together. In response to a guestion, he confirmed that the Mutual Defense Treaty did extend to the South China Sea.

Full resumption of the VFA enables rejuvenation of the Enhanced Defence Cooperation Agreement, signed in 2014 (two years before President Duterte assumed charge). The agreement enables improving interoperability by addressing short-term capability gaps, promoting long-term modernisation, and helping maintain and develop additional maritime security, maritime domain awareness and HADR capability in the Philippines. It authorises access for the US Armed Forces to agreed locations in Philippines territory on a rotational basis, as well as the conduct of security cooperation exercises, joint and combined training and HADR activity in the Philippines. In addition, training, transit, support and related activities, refuelling of ships and aircraft, temporary maintenance of vessels, aircraft and vehicles, construction of accommodation for personnel communications, temporary and prepositioning of equipment, supplies and material, and other activities are also permitted at the agreed locations. The agreement grants the US operational control of agreed locations for construction activities, as well as all rights for defence of these locations and unrestricted usage of US

<sup>&</sup>lt;sup>54</sup> Statement from Office of the President of the Philippines on Courtesy Call of Secretary of Defense Lloyd J, Austin III of the United States of America, July 29, 2021, <u>https://pcoo.gov.ph/news\_releases/statement-courtesy-call-of-secretary-of-defense-lloyd-j-austin-lll-of-the-united-states-of-america/</u>

<sup>&</sup>lt;sup>55</sup> Secretary of Defense Lloyd J. Austin III Holds a Joint Press Conference With Philippines Defense Secretary Delfin Lorenzana, Manila, Philippines, July 30, 2021, <u>https://www.defense.gov/Newsroom/Transcripts/Transcript/Article/2714190/secretary-of-defense-lloyd-j-austin-iii-holds-a-joint-press-conference-with-phi/</u> 55 Philippines

<sup>&</sup>lt;sup>56</sup> Ibid



telecommunication systems, including all radio spectrum allocated for this purpose. It also provides that disputes arising under the agreement will be resolved mutually and cannot be referred to any national and international court or tribunal or other similar body.

The Cesar Basa airbase in Pampanga province, constructed under this agreement, is ready for use, while one army and three air bases are under construction. These facilities will go a long way in enabling the US to strengthen its presence in the Philippine and South China Seas.

#### Japan's 2021 Defense White Paper

The release by Japan of its 2021 Defense White Paper<sup>57</sup> on July 13, 2021, strengthens the trend of Japan calling out China's excesses after the Biden Suga Summit. While releasing the paper, Kishi Nobuo, Japan's Minister for Defense, said "various security challenges and destabilizing factors became more tangible and acute, and the international order based on universal values, which has underpinned the peace and prosperity of the international community, has been greatly tested".

The white paper reflects concern over China's continued unilateral attempts to change the status quo in the East and South China Seas. China Coast Guard (CCG) vessels intrude almost daily into the contiguous zone surrounding the Senkaku Islands and repeatedly intrude into Japan's territorial waters. There have been incidents of their approaching Japanese fishing boats during such intrusions, worsening the situation. In this backdrop, China has brought into force its new Coast Guard law in February 2021. This law is inconsistent with international law, including in geographical areas where it applies and how the rules regarding use of weapons are implemented. It visualizes North Korea as the other challenge in the region.

The white paper describes the Indo-Pacific region as the core of the world's vitality, one that faces various security challenges. It calls for strengthening Japan's own defense capabilities and expanding the roles it can fulfill. Particular emphasis is paid to cooperation with the US, Japan's only ally, and the commitment to strengthening the deterrence and response capabilities of the alliance. It also calls for active cooperation with countries that share Japan's vision of a Free and Open Indo-Pacific (FOIP), including Australia, India, the UK, France, Germany, Canada and New Zealand (The absence of

<sup>&</sup>lt;sup>57</sup> 2021 Defense of Japan,

https://www.mod.go.jp/en/publ/w\_paper/wp2021/DOJ2021\_Digest\_EN.pdf



South Korea in this list is striking, and the white paper is reported to have expressed concern about South Korea's defense budget exceeding that of Japan by 2025<sup>58</sup>). Notably, the FOIP is described as an inclusive vision welcoming cooperation from any country so long as it endorses the basic concept of ensuring peace and prosperity of the entire region by realizing a free and open order based on the rule of law. The accompanying map includes all of the Indian and Pacific Oceans.

The paper itself sees the regional security environment as one of uncertainty over the existing order, with inter-state competition becoming more prominent across the political, economic and military realms and necessitating complex measures due to hybrid warfare and prolonged gray-zone situations. Technological progress now exerts a significant influence in security, and game-changing technologies such as AI, hypersonics and high-power energy could drastically change the conduct of future warfare. Emerging security challenges cannot be dealt with by any single country. A regional cooperation framework in the security realm has not been sufficiently institutionalized in Chinese military trends, combined with insufficient the Indo-Pacific. transparency about its defense policy and military affairs have become a matter of grave concern to the region, including Japan and the international community. On Taiwan, the paper states, "China has further intensified military activities around Taiwan including Chinese aircrafts' entering the southwestern airspace of Taiwan. In the meantime, the United States has demonstrated a clear stance of supporting Taiwan in military aspects, such as transits by US vessels through the Taiwan Strait and weapon sales. Stabilising the situation surrounding Taiwan is important for Japan's security and the stability of the international community. Therefore, it is necessary that we pay close attention to the situation with a sense of crisis more than ever before". North Korea and Russia also find mention, particularly the latter's joint flights with China from the Sea of Japan to the East China Sea and the Pacific Ocean.

The three pillars to achieve Japan's defense objectives are Japan's own architecture for national defense, the Japan-US alliance, and strategic promotion of multi-faceted and multi-layered defense cooperation with other nations. Japan's MoD intends to secure the stable use of major sea lanes through defense cooperation and exchange activities, prevent contingencies through confidence building and mutual understanding, and contribute to peace and stability through active engagement in the region, in cooperation with partners countries. The paper goes on to list measures to enhance core

<sup>&</sup>lt;sup>58</sup> Japan Mentions Taiwan Stability in Defense Paper for the First Time, <u>https://www.japantimes.co.jp/news/2021/07/13/national/japan-taiwan-defense-paper/</u>



elements of capability, including human, equipment and technology, intelligence, training and exercises, and initiatives on coexistence with regional society and the environment.

China's spokesperson Zhao Lijian<sup>59</sup> responded predictably by going on the offensive. As per him, "the Japanese side has been making issues out of China, grossly interfering in China's internal affairs, making groundless accusations of China's normal defense and military activities, pointing fingers at China's legitimate maritime activities and playing up the so-called "China threat". He stressed that Taiwan is part of China and the Taiwan guestion is purely China's internal affair, China must and will be reunified. He described the Senkakus as "China's inherent territory, in which it is conducting patrol and law enforcement activities to exercise its inherent right as prescribed by law. He described the Coast Guard Law as just a routine piece of domestic legislation, totally in line with international law and international practice. On the Indo-Pacific, he said, "The "Indo-Pacific Strategy" aims to stoke bloc confrontation and create cliques for geopolitical game. It marks the comeback of Cold War mentality and retrogression and should be tossed into the dustbin of history". South Korea also protested Japan's inclusion of claims over Dokdo, describing it as an integral part of ROK territory and sought immediate withdrawal of such claims<sup>60</sup>.

The white paper will increase friction between two of Asia's largest economies. It is indicative of a Japan gradually discarding the pacifism that has been an integral part of its foreign policy since World War II. Arms exports are no longer taboo, and the continued increase in defence spending could see the psychological barrier of 1% of the GDP breached in the near future. The section on Taiwan reflects the agreement between the US and Japan on need for stability in the Taiwan Strait, contained in the Joint Statement following the summit between President Biden and Prime Minister Suga in April this year. Deputy Prime Minister Taro Aso had earlier said that Japan and the US would jointly have to defend Taiwan in the event of a serious contingency, while Defense Minister Nobuo Kishi had described the security of Taiwan as directly connected to that of Japan. It is apparent that both Chinese and Japanese positions are hardening, with Japan increasingly following the US lead.

<sup>&</sup>lt;sup>59</sup> Foreign Ministry Spokesperson Zhao Lijian's Regular Press Conference on July 13, 2021, https://www.fmprc.gov.cn/mfa\_eng/xwfw\_665399/s2510\_665401/2511\_665403/t1891749.sh tml

<sup>&</sup>lt;sup>60</sup> MOFA Spokesperson's Commentary on "Defense of Japan 2021", July 13, 2021, https://www.mofa.go.kr/eng/brd/m\_5676/view.do?seq=321764&srchFr=&srchTo=&am p;srchWord=&srchTp=&multi\_itm\_seq=0&itm\_seq\_1=0&itm\_seq\_2=0& amp;company\_cd=&company\_nm=&page=1&titleNm=



On the US side, a USAF aircraft made a surprise landing at Taipei's Songshan airport on July 15<sup>61</sup>, prompting remonstration from China. How these developments will impact Japan's public opinion will be demonstrated in the national elections scheduled for later this year.

#### Deputy Secretary of State Wendy Sherman's Visit to China

US Deputy Secretary of State Wendy R. Sherman met PRC officials, including State Councilor and Foreign Minister Wang Yi in Tianjin, China on July 26, 2021<sup>62</sup>. During his regular press conference on July 23, China's spokesperson Zhao Lijian said that the principal official to hold talks with her would be Vice Foreign Minister Xie Feng, who holds charge of China – US relations. He also said, "By convention, China considers the arrangement of a meeting between State Councilor and Foreign Minister Wang Yi and Deputy Secretary Sherman after her talks with Vice Foreign Minister Xie Feng"<sup>63</sup>.

The visit was described as a continuation of discussions held in Anchorage in March, around setting the terms of the relationship and achieving a steady state of affairs between the countries<sup>64</sup>. While the US welcomed stiff and sustained competition with the PRC so long as it was on a level playing field, it did not want the competition to veer into conflict<sup>65</sup>.

The State Department readout of the visit<sup>66</sup> says she met Wang Yi and other Chinese officials and raised concerns about human rights, Beijing's antidemocratic crackdown in Hong Kong, the ongoing genocide and crimes against humanity in Xinjiang, abuses in Tibet, curtailing of media access and freedom of the press, Beijing's conduct in cyberspace, across the Taiwan Strait and in the East and South China Seas. She also raised the cases of American and Canadian citizens detained in the PRC or under exit bans as well as the PRC's unwillingness to cooperate with the WHO and allow a second phase

<sup>&</sup>lt;sup>61</sup> US Air Force aircraft briefly lands at Taipei airport, irking China, <u>https://www.japantimes.co.jp/news/2021/07/15/asia-pacific/taipei-u-s-aircraft-lands/</u>

 <sup>&</sup>lt;sup>62</sup> Deputy Secretary Sherman's Travel to the People's Republic of China and Oman, <u>https://www.state.gov/deputy-secretary-shermans-travel-to-the-peoples-republic-of-china-and-oman/</u>

<sup>&</sup>lt;sup>63</sup> Foreign Ministry Spokesperson Zhao Lijian's Regular Press Conference on July 23, 2021, <u>https://www.fmprc.gov.cn/mfa\_eng/xwfw\_665399/s2510\_665401/2511\_665403/t1894650.sh</u> <u>tml</u>

<sup>&</sup>lt;sup>64</sup> Briefing with Senior Administration Officials Previewing Deputy Secretary Sherman's Upcoming Travel to the People's Republic of China, <u>https://www.state.gov/briefing-with-senior-administration-officials-previewing-deputy-secretary-shermans-upcoming-travel-to-the-peoples-republic-of-china/</u>

<sup>&</sup>lt;sup>65</sup> Ibid

<sup>&</sup>lt;sup>66</sup> Deputy Secretary Sherman's Visit to the People's Republic of China, <u>https://www.state.gov/deputy-secretary-shermans-visit-to-the-peoples-republic-of-china/</u>



investigation into COVID-19's origins. At the same time, she affirmed the importance of cooperation in areas of global interest, such as the climate crisis, counternarcotics, nonproliferation and regional concerns including DPRK, Iran, Afghanistan and Burma.

China's version of what Vice Foreign Minister Xie Feng told Deputy Secretary Sherman came in six readouts, all issued the same day. In the first, the stalemate and difficulties in the China – US relationship were attributed to the highly misguided and dangerous policy of portraying China as the enemy, in the hope that this would reignite a sense of national purpose, shifting attention from domestic public discontent over political, economic and social issues and structural problems in the US<sup>67</sup>. The second said that the competitive, collaborative and adversarial rhetoric was a thinly veiled attempt to contain and suppress China: the collaborative aspect was just an expedient, the competitive aspect was a narrative trap, the real emphasis was on the adversarial aspect<sup>68</sup>. The third described the rules-based order as an effort by the US and a few western countries to impose their rules on other countries. It accused the US of having abandoned universally recognized international law and order and damaged the international system it helped to build<sup>69</sup>. A fourth asked how the US could portray itself as the world's spokesperson for democracy and human rights, after having engaged in genocide against native Americans and mismanaged its response to COVID-19, while China had, under the CCP's leadership, stood up and grown rich<sup>70</sup>. The fifth proclaimed that the Chinese people cherish peace and hoped to build a new type of international relations featuring mutual respect, equity, justice and win-win cooperation and a community with a shared future for mankind, while advising the US to change course and work with China on the basis of mutual respect, embracing fair competition and peaceful coexistence<sup>71</sup>. The last described the US as the inventor, and patent and intellectual property owner, of coercive diplomacy

<sup>&</sup>lt;sup>67</sup> Xie Feng: The China-US relationships is in a stalemate, fundamentally because some Americans portray China as an "imagined enemy", <u>https://www.fmprc.gov.cn/mfa\_eng/wjbxw/t1894983.shtml</u>

 <sup>&</sup>lt;sup>68</sup> Xie Feng: The competitive, collaborative and adversarial rhetoric is a thinly veiled attempt to contain and suppress China, <u>https://www.fmprc.gov.cn/mfa\_eng/wjbxw/t1895016.shtml</u>

<sup>&</sup>lt;sup>69</sup> Xie Feng: The US side's so-called "rules-based order" is designed to benefit itself at other's expense, hold other countries back and introduce "the law of the jungle", https://www.fmprc.gov.cn/mfa\_eng/wjbxw/t1895017.shtml

<sup>&</sup>lt;sup>70</sup> Xie Feng: How can the United States portray itself as the world's spokesperson for democracy and human rights? <u>https://www.fmprc.gov.cn/mfa\_eng/wjbxw/t1895018.shtml</u>

<sup>&</sup>lt;sup>71</sup> Xie Feng: The US side needs to change course, work with China on the basis of mutual respect, and embrace fair competition and peaceful coexistence with China, <u>https://www.fmprc.gov.cn/mfa\_eng/wjbxw/t1895019.shtml</u>



and the US notion of engaging other countries from a position of strength as the "big bullying the small" and "might is right" <sup>72</sup>.

China's confrontational 'wolf-warrior' approach towards the US, seen at Anchorage in March 2021, remains in evidence. The range of issues on which China and the US don't see eye-to-eye is growing and scope for diplomatic solutions shrinking. Blaming the US for all that is wrong with the relationship, propagating the narrative of China containment and China suppression, derision of the rules-based order, continued harping on win-win cooperation and a community with a shared vision of mankind and obfuscation of China's own bullying approach towards other Asian nations are all directed towards the domestic audience with the express intention of stoking nationalism and hiding China's own domestic discontent. They may also constitute bravado in the face of increasing international opposition to China's actions.

In the absence of some cataclysmic event, China's approach is unlikely to change in the foreseeable future. India, Southeast Asian and East Asian nations can look forward to a more aggressive and assertive China, conscious of its might and willing to use its weight. For the time being at least, US-China dialogue doesn't seem to be going anywhere. What remains to be seen is whether China's actions will suffice to bring opposing nations together to create a regional balance; whether they will stay the course or abandon the contest after some cosmetic action.

#### Chancellor Angela Merkel's US Visit

Chancellor Angela Merkel of Germany followed Prime Minister Yoshihide Suga of Japan, President Moon Jae-in of South Korea and Prime Minister Boris Johnson of UK to become the fourth world leader to meet President Biden at a dedicated bilateral summit (as against a meeting at the sidelines of a multilateral event) when she visited the US on July 15, 2021. The visit resulted in the Washington Declaration<sup>73</sup>, a joint statement of shared commitment to democratic principles, values and institutions.

Both sides called for a future where nations were free to determine their political futures without foreign interference, coercion or domination by outside powers. They affirmed the critical importance of the freedoms of navigation and overflight and other lawful uses of the sea consistent with

<sup>&</sup>lt;sup>72</sup> Xie Feng: The United States is the "inventor, and patent and intellectual property owner" of coercive diplomacy, <u>https://www.fmprc.gov.cn/mfa\_eng/wjbxw/t1895020.shtml</u>

<sup>&</sup>lt;sup>73</sup> Washington Declaration, July 15, 2021, <u>https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/15/washington-declaration/</u>



international law, and spoke against a world carved into competing spheres of influence, created through territorial annexation, control of digital infrastructure, transnational repression or weaponised energy flows. They agreed to work for a Europe that is whole, free and at peace, and to ensuring that rules, norms and standards that govern emerging technologies are channeled toward freedom rather than repression. The two countries recognized their responsibility to lead in the development of global solutions to shared challenges, including the climate crisis, health security and resilience against future pandemics, and a sustainable global economic recovery. They established a US-German Futures Forum to harness the innovative power of their societies and recommend solutions to jointly shape their futures, as well as a US-German Economic Dialogue.

The two launched the US-Germany Climate and Energy Partnership<sup>74</sup>, to achieve net-zero greenhouse gas emissions in the two countries by 2050 at the latest. They also agreed to invest in a sustainable economy that drives inclusive growth, supports communities, and created good jobs and a healthy environment on both sides of the Atlantic and beyond. A Joint Statement by the two nations on support for Ukraine, European energy security and bilateral climate goals was released on July 21, nearly a week after the visit<sup>75</sup>.

As one of the world's top five trading economies, an advanced democracy and Europe's most influential nations, the relevance of Germany to the Indo-Pacific cannot be denied. More so as Germany adopted it's 'Guidelines" for the Indo-Pacific in September 2020<sup>76</sup>, structured around eight interests, seven principles and seven policies<sup>77</sup>. Given the current US focus on China and the Indo-Pacific, the absence of the Indo-Pacific in bilateral documents released on conclusion of the visit was noteworthy.

The period of open disagreement that had characterized the previous administration appears to have been put behind. Withdrawal of the threat of US sanctions over Nord Stream 2 pipeline indicates that the US has accommodated German views in return for mere assurances that Berlin will respond actively should Russia not respect the right of Ukraine to territorial

<sup>&</sup>lt;sup>74</sup> Fact Sheet: US-Germany Climate and Energy Partnership, <u>https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/15/fact-sheet-u-s-germany-climate-and-energy-partnership/</u>

<sup>&</sup>lt;sup>75</sup> <u>https://www.state.gov/joint-statement-of-the-united-states-and-germany-on-support-for-ukraine-european-energy-security-and-our-climate-goals/</u>

<sup>&</sup>lt;sup>76</sup> German government adopts guidelines for the Indo-Pacific region", <u>https://www.bundesregierung.de/breg-en/news/indo-pacific-1781916</u>

<sup>&</sup>lt;sup>77</sup> Policy Guidelines for the Indo-Pacific, <u>https://www.auswaertiges-amt.de/blob/2380514/f9784f7e3b3fa1bd7c5446d274a4169e/200901-indo-pazifik-leitlinien--1--data.pdf</u>



sovereignty or its rights as a transit country, and that Nord Stream 2 will not replace the current pipeline bringing gas from Russia to Germany<sup>78</sup>. Assurances do not constitute a binding commitment. Ms Merkel appears to have held her own in this respect, indicating the perception that the US needs Germany more than the other way round.

China did come in for discussion, with Merkel saying that both countries would make themselves heard when human rights or territorial integrity were infringed. She said that China was a competitor in many areas and trade with it needed to rest on the assumption of a level playing field, so all played by the same rules and had the same standards. She said that Germany and the US would cooperate on many state-of-the-art technologies. She also said that Germany and the US should coordinate on digital trade issues, the norms and standards that governed the internet. There were, however, no binding commitments or indications that the current dialogue included these issues.

In sum, the thrust of the visit was aspirational, about working together in future challenges such as climate change, green technology, the pandemic, multilateralism and reform of the WTO and WHO, the Build Back Better World partnership, etc. However, if the outcome of such engagements is going to remain in the realm of condemning wrong while paying only lip service to corrective action, it is unlikely to bother China.

## Japan – UK Defence Minister's Meeting

The Rt Hon Ben Wallace, Secretary of State for Defence of the UK and Nobuo Kishi, Defence Minister of Japan met in-person on July 20, 2021. The Defence Secretary was accompanied by Admiral Sir Tony Radakin, the First Sea Lord and Air Chief Marshal Sir Mike Wigston, the Chief of Air Staff.

In the Joint Statement issued after the meetings, the ministers recognised that the visit of the HMS Queen Elizabeth led Carrier Strike Group 21 (CSG 21) would elevate Japan-UK defence cooperation to a new level and display the irreversible UK commitment to realise a "Free and Open Indo-Pacific". They confirmed that HMS Queen Elizabeth would be berthed at the US naval base at Yokosuka, while other ships of CSG 21 would be dispersed over Yokosuka, Maizuru, Kure, Sasebo and the White Beach area.

<sup>&</sup>lt;sup>78</sup> Remarks by President Biden and Chancellor Merkel of the Federal Republic of Germany in Press Conference, <u>https://www.whitehouse.gov/briefing-room/speeches-</u> <u>remarks/2021/07/15/remarks-by-president-biden-and-chancellor-merkel-of-the-federalrepublic-of-germany-in-press-conference/</u>



They also confirmed accelerated discussion to explore collaboration for a future fighter aircraft, with special focus on power and propulsion system, and welcomed new cooperative research on chemical and biological protection technology started this month. They expressed their will to strongly oppose unilateral attempts to change status quo in the East and South China Seas by force or coercion, as also to do so for any activities that escalate tension. They concurred that North Korea's repeated ballistic missile launches posed a serious challenge to the international community and reaffirmed their commitment to closely coordinate toward the complete, verifiable and irreversible dismantlement of all of North Korea's weapons of mass destruction, including by collaboration on responses against ship-to-ship transfers.

The visible return of the UK East of Suez strengthens the conventional deterrent in East Asia and the Indo-Pacific as a whole. It signals the intent of the UK to joining Japan and the US in standing up to Chinese coercion. Australia is separately working with Japan towards the same end. Given the recognition of China as a potential threat at the NATO Summit last month, the growing military pressure on China is obvious. Also visible is China's increasing fulmination, including against CSG 21 coming into the region. The potential for an incident that could spark of a conflict has become larger.

#### Taiwan

Taiwan reported intrusion by PLAAF aircraft into its South-western ADIZ 16 times during the month. Meanwhile, a USAF aircraft was reported to have made a brief, unannounced stop at an airport in central Taipei<sup>79</sup>, triggering a backlash from China, which demanded that foreign military aircraft obtain its permission for landing on Chinese territory. The growing pushback against China's assertion over Taiwan became evident in the Japan – UK Defence Minister's Meeting, covered above. It is also visible in Japan's 2021 Defense White Paper, covered separately in this issue.

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<sup>&</sup>lt;sup>79</sup> US Air Force aircraft briefly lands at Taipei airport, irking China, <u>https://www.japantimes.co.jp/news/2021/07/15/asia-pacific/taipei-u-s-aircraft-lands/</u>



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