



# Delhi Policy Group

Advancing India's Rise as a Leading Power



## INDO-PACIFIC MONITOR

APRIL 2023

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### INDO-PACIFIC MONITOR

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 addressed to the author at [lalit@dpg.org.in](mailto:lalit@dpg.org.in). To subscribe, please [click here](#).

#### Cover Image:

*Singapore Prime Minister Lee Hsien Loong meets Chinese President Xi Jinping in Beijing, March 31, 2023. Source: PMO Singapore*

*Long Range Maritime Patrol and ASW aircraft from Canada, India, Japan, South Korea and the US at Andersen Air Force Base, Guam during Exercise Sea Dragon 2023. Source: US Pacific Fleet*

*Imphal, the third ships of India's P-15B Destroyer Project, Sails for her Maiden Sea Trials on April 28, 2023. Source: PIB*

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# INDO-PACIFIC MONITOR

April 2023

## Abstract

Leaders from Asia and Europe headed for Beijing to meet President Xi Jinping. First was Malaysian Prime Minister Dato Seri Anwar Ibrahim, on March 31. Singapore's Prime Minister Lee Hsein Loong followed on April 1. Both Asian leaders urged China to return to Deng's path and renounce assertive unilateralism, a call that Xi pointedly ignored. Nevertheless, both eagerly grasped the economic carrot Xi held out, with Singapore upgrading its China relations to an all-round, high-quality, future-oriented partnership.

French President Emmanuel Macron visited China from April 5-7 and European Commission President Ursula von der Leyen did so on April 5. China exploited their visit to 'divide and rule'. The EU representative, who had made a hard-line speech on China days before, was given the cold shoulder, while the French President, who was quoted as saying that Europe must guard against marching to the American drumbeat on Taiwan, was feted and provided economic incentives for his nation.

South Korean President Yoon Suk-yeol made a state visit to Washington DC on April 26. The Washington Declaration recommitted the US to providing an iron-clad extended deterrence and both countries to an ever stronger mutual defense relationship, staving off domestic pressure on South Korea to adopt the nuclear option for the time being. Their joint statement was directed towards increasing comprehensive global cooperation, deepening their regional engagement and strengthening bilateral ties.

The Foreign Ministers of China and Japan met in Beijing on April 02 and discussed bilateral, regional and global issues, but with little to show by way of outcomes. The Third US-Philippines 2+2 Ministerial, held on April 11 in Washington DC, continued the trend of the Philippines turning back towards the US for its security and developmental needs. US Secretary of State Antony J Blinken visited Vietnam on April 14-15 and made incremental progress in advancing the US-Vietnam relationship, but without elevation of the comprehensive partnership to a 'strategic' level. G7 Foreign Ministers met at Karuzaiwa, Japan on April 15-16 and adopted a non-binding 9277-word communiqué to promote peace and security and address global challenges. At



an official-level meeting on April 14, the US, South Korea and Japan agreed to expand trilateral security cooperation to deter North Korea's nuclear and missile threat, adopted a common position on Taiwan, and discussed regularisation of missile defence and submarine exercises.

Russia published its new foreign policy concept on April 1, spelling out how it sees the world and the policies it has adopted to deal with challenges. Iran and Qatar restored bilateral diplomatic ties on Apr 12. Iran invited King Salman of Saudi Arabia to visit Tehran; dates for the visit are yet to be decided. Australia released the public version of its Defence Strategic Review.

The US Department of the Navy 30 year shipbuilding plan for FY 2024, released to the press in mid-April, visualises that the USN force level will remain around 291 ships till at least 2028. It will reach 311-312 ships by 2035 and 323-327 ships by 2045. As the process for determining the US defence budget for 2024 got underway, Admiral Aquilino testified about his vision of INDO-PACOM threats and budgetary requirements on April 18.

The IMF World Economic Outlook of April 2023 forecasts that global growth will bottom out at 2.8% in 2023 before rising to 3.0% in 2024. World inflation is forecast to dip to 7.0% this year and 4.9% in 2024. India retained the status of the fastest growing major economy, with growth projected to be 5.9% in 2023 and 6.3% in 2024; corresponding figures for China were 5.2% and 4.5%. Asia remained the world's fastest growing region. India announced that exports grew to over \$ 770 billion in 2022-23 and set a target of over \$ 2 trillion of exports by 2030. UK announced that it had completed negotiations to join CPTPP.

North Korea conducted the flight test of an ICBM on April 12. The annual US DoD Freedom of Navigation Report was released on April 22. USS Milius conducted a FONOP in the South China Sea on April 10, and a Taiwan Strait transit on April 16.

The DRDO and the Indian Navy conducted the maiden flight test of an endo-atmospheric interceptor successfully on April 21, marking the first step towards maritime Ballistic Missile Defence capability for the IN. INS Sumedha and IAF C-130 aircraft began the evacuation of Indian citizens from Sudan under Operation Kaveri. Three surface groups and a submarine from the JMSDF began the Indo-Pacific deployment that will take them to all parts of the region over the next five months.

Indian Naval and Air Force units participated in Exercise SLINEX with Sri Lanka, multinational Exercise Sea Dragon 2023 at Guam, Exercise Cope India 2023



with the USAF, multinational exercise ORION in France, and Ex INIOCHO in Greece during the month.

Exercise Balikatan, the largest ever US Philippines exercise, took place on April 11-28. Australia announced that it would hold the largest ever Talisman Sabre exercise from July 22 to August 4 this year: India was not listed among either observers or confirmed participants. Japan, South Korea and the US carried out a trilateral BMD exercise on 17 April.

## China and Continental ASEAN

Less than a week after China's President Xi Jinping returned from his consequential visit to Moscow<sup>1</sup>, Singapore's Prime Minister Lee Hsein Loong visited China from March 27 to April 1, 2023<sup>2</sup>. His itinerary included visits to Guangdong,; speaking in Hainan at the opening plenary of the Bo'ao Forum for Asia Annual Conference and meeting the Secretary of the CPC Hainan Provincial Committee; and interaction at Beijing with China's President Xi Jinping, Premier Li Qiang, Chairman of the National People's Congress Zhao Leji, Chairman of the Chinese People's Political Consultative Conference Wang Huning, and Secretary of the CPC Beijing Municipal Committee Yin Li. Almost concurrently, Malaysian Prime Minister Anwar Ibrahim made his first visit after becoming the PM to China, from March 29 to April 1, 2023<sup>3</sup>. His itinerary encompassed meetings with Xi Jinping, Li Qiang and Zhao Leji, as well as speaking engagements at Tsinghua University and the Bo'ao Forum.

Meeting China's President on March 31, 2023, the Malaysian leader reaffirmed strong economic relations between the two countries, citing burgeoning trade figures and projects under the BRI such as the East Coast Rail Link and the twin parks in Kuantan and Qinzhou as proof<sup>4</sup>. He welcomed further Chinese investments and collaboration in new sectors including the digital economy,

<sup>1</sup> For an overview of this, see Lalit Kapur, "The Russia China Summit", in the Indo-Pacific Monitor, Volume IV Issue 3, [https://www.delhipolicygroup.org/uploads\\_dpg/publication\\_file/indo-pacific-monitor-4873.pdf](https://www.delhipolicygroup.org/uploads_dpg/publication_file/indo-pacific-monitor-4873.pdf)

<sup>2</sup> PM Lee Hsein Loong to visit the People's Republic of China (27 Mar to 1 Apr 2023), <https://www.pmo.gov.sg/Newsroom/PM-Lee-Hsien-Loong-to-visit-the-Peoples-Republic-of-China-27-Mar-to-1-Apr-2023>

<sup>3</sup> Official Visit of the Prime Minister of Malaysia YAB Dato Seri Anwar Ibrahim to the People's Republic of China 29 March – 1 April 2023, <https://www.kln.gov.my/web/guest/-/official-visit-of-the-prime-minister-of-malaysia-yab-dato-seri-anwar-ibrahim-to-the-people-s-republic-of-china-29-march-1-april-2023>

<sup>4</sup> Historic Meeting between YAB Prime Minister Dato' Seri Anwar bin Ibrahim and His Excellency President Xi Jinping 31 March 2023, <https://www.kln.gov.my/web/guest/-/historic-meeting-between-yab-prime-minister-dato-seri-anwar-bin-ibrahim-and-his-excellency-president-xi-jinping-31-march-2023?inheritRedirect=true&redirect=%2Fweb%2Fguest%2Fpress-releases>



agricultural modernisation and trade, and automotive high-tech. He also sought Chinese investment in areas such as renewable energy and semiconductors. He welcomed Tsinghua University to set up its first branch campus in Malaysia. China, on the other hand, noted the consensus between the two sides on building a China-Malaysia community with a shared future in its readout of the visit<sup>5</sup>. It committed to bringing new opportunities to Malaysia through its opening up and advancing modernisation, advocated elevating Belt and Road cooperation and deepening of exchanges and mutual learning between the Chinese and Islamic civilisations. The two sides signed a number of bilateral cooperation agreements.

Lee's speech at the Bo'ao Forum was directed towards what Singapore desired from China<sup>6</sup>. It highlighted the growth and potential of the Chinese, Indian and Southeast Asian economies and the transformation this could bring to Asia. However, achieving this transformation was dependent on the region remaining inclusive, stable and open. The world faced greater uncertainty due to pandemic-induced disruption of societies, economies and supply chains; Russia's invasion of Ukraine and violation of the UN Charter (Lee was careful to avoid any reference to China's disregard of treaties it had ratified, including UNCLOS in the South China Sea and bilateral treaties and agreements in Ladakh); growing tension in US-China relations; and the growing bifurcation of technological and economic systems. What Asia could do was focus on promoting economic cooperation and good relations within the region, revive investment and trade and tourism flows; build mutual trust and foster regional stability; manage bilateral issues peacefully and in accordance with international law as well as on the basis of equality between nations; deepen bilateral cooperation; support ASEAN centrality and keep Asia open. The speech, in sum, urged China to return to Deng's path and give up its assertive unilateralism of the last decade.

Xi welcomed the Singaporean Prime Minister on April 1, 2023, but his disregard of the Singaporean plea comes out clearly from China's readout of the meeting<sup>7</sup>. Emphasising that countries in the region had embarked on a development path "with Asian characteristics", Xi said that "against the backdrop of accelerating changes in the world unseen in a century, Asian

<sup>5</sup> Xi Jinping meets with Prime Minister Datuk Seri Anwar Ibrahim of Malaysia, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/202304/t20230402\\_11053178.html#:~:text=On%20the%20afternoon%20of%20March,Great%20Hall%20of%20the%20People](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202304/t20230402_11053178.html#:~:text=On%20the%20afternoon%20of%20March,Great%20Hall%20of%20the%20People)

<sup>6</sup> PM Lee Hsein Loong at the Boao Forum for Asia Annual Conference 2023, <https://www.pmo.gov.sg/Newsroom/PM-Lee-Hsien-Loong-at-the-Boao-Forum-for-Asia-Annual-Conference-2023>

<sup>7</sup> Xi Jinping Meets with Singaporean Prime Minister Lee Hsien Loong, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/202304/t20230402\\_11053176.html](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202304/t20230402_11053176.html)



countries should cherish and maintain the hard-won sound momentum of development in the region, jointly safeguard the peace dividend of the region, maintain the right direction of economic globalisation and regional economic integration and firmly oppose bullying, decoupling or severing industrial and supply chains". He noted, "No country should be allowed to deprive the people of Asia of their right to pursue a better and happier life"<sup>8</sup>. There was no mention of Ukraine. China sees itself as the regional leader and guide and will maintain its chosen strategic path. Xi held out the carrot of sharing the opportunities China's rejuvenation and modernisation provided to Singapore, strengthening strategic communication and deepening strategic alignment and thus ensuring Singapore's continued prosperity.

The joint announcement upgrading the China-Singapore relationship to an all-round high-quality future-oriented partnership indicates the choice Singapore has made<sup>9</sup>. Singapore reaffirmed support for China's pursuit of high-quality development and welcomed its oft-repeated but selectively implemented commitment to reform and opening up. Both welcomed substantive conclusion of the China Singapore Free Trade Agreement (CSFTA) upgrade that will open up more of China's market to Singapore. Both looked forward to strengthening cooperation in trade and investment, green and digital economies, food security, the financial sector, aviation and people-to-people exchanges, among others. Both reaffirmed the strength of China-ASEAN relations and committed to advancing preparations for further enhancement of the ASEAN-China Free Trade Area. They also committed to working together to upholding the multilateral trading system as embodied by the WTO, but without addressing China's exploitation and selective implementation of WTO rules.

The visits make it clear that notwithstanding increasing regional tensions and China's coercive actions, both Malaysia and Singapore have prioritised economic engagement with rising China over security concerns. Notably, the focus of both interactions was purely economic. There was no mention of Defence and Security Cooperation. Troublesome issues such as China's assertion in the South China Sea, or its use of trade and tourism for coercive purposes were pointedly side-lined, though Malaysia did put out an official

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<sup>8</sup> Ibid.

<sup>9</sup> Joint Announcement Between the People's Republic of China and the Republic of Singapore on the Establishment of an All-Round High-Quality Future-Oriented Partnership, <https://www.pmo.gov.sg/Newsroom/Joint-Announcement-China-and-Singapore-all-round-high-quality-future-oriented-partnership-Apr-2023>





reiteration that its position on the South China Sea remains unchanged<sup>10</sup>. The future will decide whether the choice these leaders have made strengthens their nations and brings peace to the region, or weakens them and enhances regional tensions.

## The China EU Engagement

The EU-China summit of April 2022, famously described by Josep Borrell, the EU High Representative for Foreign Affairs and Security Policy as “the dialogue of the deaf”<sup>11</sup>, had resulted in a visible schism in EU-China relations. As China changed its pandemic policy and opened its doors, a flood of leaders from Western Europe made their way to Beijing to obtain a hearing. German Chancellor Olaf Scholz began the procession on November 4, 2022, becoming the first European leader to visit Beijing after the onset of the pandemic in 2020. European Council President Charles Michel followed on December 1, 2022<sup>12</sup>. Spanish Prime Minister Pedro Sanchez Perez-Castejon was in Beijing on March 31, 2023<sup>13</sup>. His speech at the Boao Forum praised China for its belief in a strong, transparent and rules-based international system! French President Emmanuel Macron visited from April 5-8, 2023 and European Commission President Ursula von der Leyen accompanied him for part of the visit, on April 5, 2023.

Ms von der Leyen had spelt out her position on China at the Mercator Institute for China Studies on March 30, 2023 with remarkable clarity<sup>14</sup>. Acknowledging that the EU-China relationship was intricate and important and would be a major determinant of European security and prosperity, she drew three broad conclusions about how China was changing. First, China had turned the page on the era of reform and opening and was moving into an era of security and control. Second, the imperative for security and control trumped the logic of free markets and open trade. Third, the CCP’s clear goal was a systemic change of the international order with China at its centre, displacing the US from this

<sup>10</sup> Malaysia’s Position on the South China Sea, <https://www.kln.gov.my/web/guest/-/malaysia-s-position-on-the-south-china-sea?inheritRedirect=true&redirect=%2Fweb%2Fquest%2Fpress-releases>

<sup>11</sup> EU-China Summit: Speech by High Representative /Vice President Josep Borrell at the EP plenary, [https://www.eeas.europa.eu/eeas/eu-china-summit-speech-high-representativevice-president-josep-borrell-ep-plenary\\_en](https://www.eeas.europa.eu/eeas/eu-china-summit-speech-high-representativevice-president-josep-borrell-ep-plenary_en)

<sup>12</sup> Remarks by President Charles Michel following meeting with Chinese President Xi Jinping, <https://www.consilium.europa.eu/en/press/press-releases/2022/12/01/remarks-by-president-charles-michel-following-his-visit-to-china/>

<sup>13</sup> Xi Jinping Meets with Spanish Prime Minister Pedro Sanchez Perez-Castejon, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/202304/t20230402\\_11053174.html](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202304/t20230402_11053174.html)

<sup>14</sup> Speech by President von der Leyen on EU-China relations to the Mercator Institute for China Studies and the European Policy Centre, [https://ec.europa.eu/commission/presscorner/detail/en/speech\\_23\\_2063](https://ec.europa.eu/commission/presscorner/detail/en/speech_23_2063)



position. She highlighted the need to strengthen the existing international system, work with partners on issues such as trade, finance, climate, sustainable development, health etc., and to reinforce systems and institutions in which countries could compete and cooperate. She was clear that it was not in Europe's interest to decouple from China, the objective was to de-risk. She observed, "We have seen the show of friendship in Moscow which says a thousand worlds about this new vision for an international order", and added "How China continues to interact with Putin's war will be a determining factor for EU-China relations going forward". The speech was not designed to woo over Xi. It also did not appear to represent a cohesive European view, as was indeed observed by China's Ambassador to the EU<sup>15</sup>. China exploited the divisions, showing up the lack of EU unity when the two leaders were in Beijing.

Xi Jinping maintained the stance China has projected to all visiting European leaders. China sees the EU as a strategic force in international relations and accords priority to the development of China-EU relations. China and the EU need to strengthen communication, foster the right perception of each other and avoid misunderstanding and miscalculation. They should focus on cooperation for mutual benefit, support economic globalisation and trade liberalisation. Sound development of China-EU relations will not be possible if principles of independence, mutual respect and mutually beneficial cooperation are not upheld. The development of relations between China and any other country is not targeted at, subjugated to or controlled by any other third party. China is firm in standing up for its sovereignty, security and development interests and will not allow any force to deprive the Chinese people of the right to pursue happiness. Taiwan is at the core of China's core interests. China will never stand for anyone trying to take advantage of the question. If anyone expects China to compromise and concede on the Taiwan question, they are having a pipe dream and would shoot themselves in the foot<sup>16</sup>. The conditions for earning China's goodwill were clearly laid out!

The EU perspective of the discussion comes out somewhat differently.<sup>17</sup> President von der Leyen acknowledged the substantial China-EU trade relationship (more than €2.3 billion per day in 2022, as compared with the less

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<sup>15</sup> He observed "I had the impression as if two people are quarrelling with each other". See "China's Ambassador to the EU Tries to Distance Beijing from Moscow", April 5, 2023, <https://www.nytimes.com/2023/04/05/world/europe/eu-china-ambassador-russia-fu-cong.html>

<sup>16</sup> Extracted from "Xi Jinping Meets with President of the European Commission Ursula von der Leyen", [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/202304/t20230409\\_11056443.html](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202304/t20230409_11056443.html)

<sup>17</sup> Statement by President von der Leyen following the trilateral meeting with President of the People's Republic of China and French President Macron, [https://ec.europa.eu/commission/presscorner/detail/en/statement\\_23\\_2147](https://ec.europa.eu/commission/presscorner/detail/en/statement_23_2147)



than €0.5 bn per day achieved between Russia and China in 2022). But she also pointed out that the trade was unbalanced, with Europe facing a deficit of nearly €1.1 billion per day, due to unfair trade practices impeding European access to China's markets. The issue was exacerbated by pressure to submit to technology transfers, excessive data requirements or insufficient enforcement of IPR. This placed European countries exporting to China at a significant disadvantage. Europe was thus becoming more vigilant about protecting its interests and ensuring a level playing field. It was also becoming more vigilant about dependencies, necessitating diversification of trade and investment relations. The objective was to de-risk, not decouple, so both sides agreed to resumption of high-level dialogues. She also made clear European concerns about China's position on Ukraine and the expectation that China would play a role in promoting a just peace. The dissonance between her stand on trade and that of Macron, who contented himself with China's promises of reciprocity, is clear. She expressed concern about the deterioration of human rights, particularly in Xinjiang, while welcoming convergences on climate change and the environment.

Why did von der Leyen and Macron combine their visit? When Scholz visited China in November, the European intention was that he and Macron go together. This was, however, not to be<sup>18</sup>. When China agreed to Macron's trip, he proposed that von der Leyen join him. China's protocol, however, resulted in all the focus being reserved for Macron and his state visit, while von der Leyen was treated as an unelected official. Macron was received by the Chinese foreign Minister, while von der Leyen was received by China's ecology minister. On his arrival for the trilateral meeting, Macron was received personally by Xi, von der Leyen made her way alone. Macron received a state banquet, von der Leyen was not invited. Macron's visit received voluminous coverage in Chinese media, von der Leyen received only vilification, being described as a well-known pro-US personality who is selling Europe out to profit the US. As with ASEAN, China prefers dealing bilaterally with states rather than with larger multinational entities.

The issues of major concern to Europe are the future of the EU's mutually beneficial relationships with China, the war on Ukraine, China's increasing assertion as demonstrated in the East and South China Seas and its border with India, stability in the Taiwan Strait, and stability in the Indo-Pacific, the world's fastest growing economic region. That the relationship is mutually beneficial is often lost sight of: the European market creates 14 million jobs in China and

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<sup>18</sup> Macron and von der Leyen in China: A difficult but useful dialogue, [https://www.lemonde.fr/en/opinion/article/2023/04/08/macron-and-von-der-leyen-in-china-a-difficult-but-useful-dialogue\\_6022150\\_23.html](https://www.lemonde.fr/en/opinion/article/2023/04/08/macron-and-von-der-leyen-in-china-a-difficult-but-useful-dialogue_6022150_23.html)



is responsible for 2.2% of China's GDP<sup>19</sup>. The absence of European unity on trade and investment matters, however, plays into China's hands. Notwithstanding political statements, it seems that this absence of unity extends to strategic issues. The show of European presence in the Indo-Pacific may be as much of a pipe-dream as expecting China to make concessions on Taiwan, or its assertion in the larger Indo-Pacific.

## The Macron Visit to China

French President Emmanuel Macron joined the procession of leaders visiting China after President Xi's Moscow trip, making his trip from April 5 – 8, 2023. The visit was partly in tandem with Ursula von der Leyen, President of the European Commission (covered separately in this Indo-Pacific Monitor), but any semblance of European unity stopped there.

Macron's stated views on China provide a backdrop. Unveiling France's Indo-Pacific outlook at Australia's Garden Island Naval Base, he had observed, "If we want to be seen and respected as a partner by China, as an equal partner, we have to organise ourselves..."<sup>20</sup>. The French Indo-Pacific Strategy of February 2022 noted China's increasing power, its assertion of territorial claims with greater strength, and the growing competition between China and the US<sup>21</sup>. The National Strategic Review of November 2022 devoted eight paragraphs to the West's differences with China, noting its goal of supplanting the US as the world's leading power, the political, economic and technological challenges it poses, its military growth and modernisation, its more assertive attitude in international forums and the diplomatic traction it has gained in Africa<sup>22</sup>. These views should have guided his actions during the visit.

Stated objectives on the eve of the visit included in-depth discussions on Ukraine and finding a path to return to peace; providing a new impetus to Franco-Chinese cooperation in the face of global challenges such as climate change and biodiversity; providing succour to vulnerable economies by

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<sup>19</sup> "China is far more dependent on Europe – says European business chamber as EU strives to reduce dependency on China amid souring ties", September 30, 2022, <https://newsonair.com/2022/09/30/china-far-more-dependent-on-europe-says-european-business-chamber-as-eu-strives-to-reduce-dependency-on-china-amid-soaring-ties/>

<sup>20</sup> Speech at Garden Island, Naval Base Sydney, posted 3 May 2018, <https://www.elysee.fr/emmanuel-macron/2018/05/03/discours-a-garden-island-base-navale-de-sydney>

<sup>21</sup> France's Indo-Pacific Strategy, [https://www.diplomatie.gouv.fr/IMG/pdf/en\\_dcp\\_a4\\_indopacifique\\_022022\\_v1-4\\_web\\_cle878143.pdf](https://www.diplomatie.gouv.fr/IMG/pdf/en_dcp_a4_indopacifique_022022_v1-4_web_cle878143.pdf)

<sup>22</sup> Republique Francaise National Security Review 2022, presented November 9, 2022. <https://www.sgdsn.gouv.fr/files/files/rns-uk-20221202.pdf>



financing growth, energy transition and debt relief; and ensuring a balanced economic relationship that benefits both French companies and consumers<sup>23</sup>.

Inevitably, the visit delivered nothing on the security front. Its content encompassed six broad themes<sup>24</sup>. The first, strengthening political dialogue, saw both sides agreeing to resumption of three high-level bilateral dialogues before the end of the year and annual meetings of heads of state, deepening of military level dialogue, and reiteration of France's commitment to the one-China policy. The second, promoting global security, saw both sides seeking to strengthen the multilateral international system under the aegis of the UN in a multipolar world; a shared outlook on the need to prevent nuclear war (but no Chinese commitment to participate in nuclear arms control negotiations); support of efforts to restore peace in Ukraine on the basis of international law and the UN Charter; and anodyne pronouncements regarding settling the Iran nuclear issue and stabilising the Korean Peninsula. The third, promoting economic exchanges, saw both sides undertaking to grant fair and non-discriminatory conditions of competition to companies; open up opportunities for France in China's agricultural markets; China agreeing to acquire 160 Airbus aircraft and France agreeing to set up a new production line for them at Tianjin; and declarations regarding strengthening cooperation in the space, civil nuclear energy and other sectors. The fourth pertains to the relaunch of human and cultural exchanges, while the fifth saw both sides agreeing to preserve market stability and smoothen the working of global food supply chains. The final theme involved France agreeing to participate in the Third Belt and Road Forum for International Cooperation, both agreeing to strengthen cooperation in the G20, both supporting the multilateral trading system centred on the WTO and both agreeing on climate and biodiversity cooperation, among other areas. Remarkably, both sides jointly stressed the importance of promotion and protection of human rights!

China's readout of the talks between the two leaders noted that China and France were both permanent members of the UN Security Council with a tradition of independence<sup>25</sup>. President Xi also reaffirmed China's readiness to issue a joint call with France for the international community to exercise restraint and avoid action that could result in the Ukraine crisis spiralling out of control, to strictly abide by international humanitarian law, to ensure that

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<sup>23</sup> State Visit to China, April 5 to 8, 2023, <https://www.elysee.fr/emmanuel-macron/chine-2023>

<sup>24</sup> Joint Declaration Between the French Republic and the People's Republic of China, April 7, 2023, <https://www.elysee.fr/emmanuel-macron/2023/04/07/declaration-conjointe-entre-la-republique-francaise-et-la-republique-populaire-de-chine>

<sup>25</sup> President Xi Jinping Holds Talks with French President Emmanuel Macron, 06 April 2023, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/202304/t20230406\\_11055426.html](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202304/t20230406_11055426.html)



nuclear weapons were not used, to resume peace talks at the earliest accommodating the security interests of all parties, and to jointly address the spillover effects of the Ukraine crisis on food, energy, finance, transportation and other fields<sup>26</sup>.

Speaking to reporters on board COTAM UNITE (France's Air Force One) on his way back from China, Macron said Europe must reduce its dependency on the US and avoid marching to the US drumbeat in any confrontation with China over Taiwan<sup>27</sup>. "Europeans cannot resolve the crisis in Ukraine; how can we credibly say on Taiwan, 'watch out, if you do something wrong we will be there?', he was reported to have said<sup>28</sup>. The comment was in keeping with his prioritisation of areas in which the French Armed Forces must be ready to operate<sup>29</sup>, where the Indo-Pacific was last among the priorities. The irony of a European power seeking US help on Ukraine while distancing itself from the US need on Taiwan drew accusations of his weakening US deterrence from the American media<sup>30</sup>. China exploited the opening by launching its military exercises simulating the blockade and overwhelming of Taiwan hours after Macron lifted off from Guangzhou.

Evaluation of the visit must be weighed against the stated need for western nations to organise themselves if they wanted China to see them as equal and respected partners<sup>31</sup>. Macron has apparently prioritised economic engagement with China, putting aside von der Leyen's concept of de-risking through enhanced economic engagement in return for oft-violated commitments regarding fair and non-discriminatory treatment for (French) companies. Even on Taiwan, von der Leyen's seeking of peace and stability across the Taiwan Strait was vitiated by Macron's interview on his way back<sup>32</sup>. But his views are in consonance with his desire for European strategic autonomy and a multipolar world. The EU remains a house divided, with a coherent EU policy

<sup>26</sup> Xi Jinping: China Ready to Issue a Joint Call for Political Settlement of the Ukraine Crisis, April 6, 2023,

[https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/202304/t20230406\\_11055500.html](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202304/t20230406_11055500.html)

<sup>27</sup> Europe must resist pressure to become 'America's followers.' Says Macron, April 9, 2023,

<https://www.politico.eu/article/emmanuel-macron-china-america-pressure-interview/>

<sup>28</sup> Ibid

<sup>29</sup> Republique Francaise National Security Review 2022, presented November 9, 2022.

<https://www.sgdsn.gouv.fr/files/files/rns-uk-20221202.pdf>

<sup>30</sup> Macron Blunders on Taiwan – and Ukraine, April 9, 2023,

<https://www.wsj.com/articles/macron-blunders-on-taiwan-and-ukraine-france-asia-military-china-xi-jinping-military-support-303181c5>

<sup>31</sup> Speech at Garden Island, Naval Base Sydney, posted 3 May 2018,

<https://www.elysee.fr/emmanuel-macron/2018/05/03/discours-a-garden-island-base-navale-de-sydney>

<sup>32</sup> Europe must resist pressure to become 'America's followers.' Says Macron, April 9, 2023,

<https://www.politico.eu/article/emmanuel-macron-china-america-pressure-interview/>



towards China conspicuous by its absence, as was noted by the Chinese Ambassador to the EU<sup>33</sup>.

## The US Philippines Alliance – Full Circle

Shortly after Rodrigo Duterte assumed the Presidency of the Philippines, the Permanent Court of Arbitration in The Hague concluded, “to the extent China had historic rights to resources in the water of the South China Sea, such rights were extinguished to the extent they were incompatible with the exclusive economic zones provided for in the Convention”<sup>34</sup>. It found that none of the Spratly Island features claimed by China was capable of generating an EEZ, that China had caused severe harm to the coral reef environment and violated its obligation to preserve and protect fragile ecosystems, and that China’s large-scale land reclamation and construction of artificial islands in the Philippines EEZ was incompatible with the obligations on a State during dispute resolution proceedings. But Duterte had lost faith in the US. Despite the resounding legal victory, he chose to turn the Philippines towards China and distanced it from the US, going to the extent of formally notifying the latter of his intention to terminate the Visiting Forces Agreement (VFA) in February 2020.

The wheel has turned. The decision to terminate the VFA was suspended before it became effective and the notification retracted in July 2021<sup>35</sup>. The US-Philippines Enhanced Defence Cooperation Agreement, signed in April 2014 (before Duterte assumed power) but put into cold storage has been revived. Duterte’s successor Ferdinand Marcos visited China in January 2023 and signed an agreement to upgrade bilateral comprehensive strategic cooperation initiated by his predecessor<sup>36</sup>, but this is limited to economic matters. On the security front, that the Philippines has swung completely towards the US is evident from the third US-Philippines 2+2 Ministerial Dialogue, between Secretary of State Blinken, Secretary of Defense Austin,

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<sup>33</sup> He observed “I had the impression as if two people are quarrelling with each other”. See “China’s Ambassador to the EU Tries to Distance Beijing from Moscow”, April 5, 2023, <https://www.nytimes.com/2023/04/05/world/europe/eu-china-ambassador-russia-fu-cong.html>

<sup>34</sup> Permanent Court of Arbitration Press Release, July 12, 2016, <https://docs.pca-cpa.org/2016/07/PH-CN-20160712-Press-Release-No-11-English.pdf>

<sup>35</sup> Philippine President restores Visiting Forces Agreement with US, <https://www.defense.gov/News/News-Stories/Article/Article/2713638/philippine-president-restores-visiting-forces-agreement-with-us/>

<sup>36</sup> China, Philippines agree to upgrade ties, jointly build Belt and Road, [https://www.fmprc.gov.cn/mfa\\_eng/topics\\_665678/2018zt/xjpcxytjhzz/201811/t20181121\\_709997.html](https://www.fmprc.gov.cn/mfa_eng/topics_665678/2018zt/xjpcxytjhzz/201811/t20181121_709997.html)



Secretary of Foreign Affairs Manalo and Senior Undersecretary and Officer in Charge of National Defense Galvez in Washington DC on April 11, 2023<sup>37</sup>.

The dialogue, resuscitated after a gap of nearly seven years, delivered four broad outcomes. The first is the shared vision, essentially calling for respect for the rules-based order in the Indo-Pacific. Both sides voiced strong objections to China's unlawful maritime claims and called on it to comply with the final and legally binding 2016 award by the PCA. Both sought maintenance of peace and stability across the Taiwan Strait, condemned the DPRK's missile launches, reaffirmed their support for Ukraine's sovereignty and independence, and reiterated the importance of multilateralism.

The second outcome is actions to modernise the alliance, including through training and exercises, discussion of bilateral defense guidelines, prioritising modernisation of shared defence capabilities (including acquisition by the Philippines of fighter aircraft and using annual Foreign Military Financing to the tune of \$ 100 million each year to acquire helicopters), accelerating implementation of EDCA projects (for which the US will allocate \$ 100 million before the end of 2023, expanding information sharing including through conclusion of a bilateral General Security of Military Information Agreement (GSOMIA) by the end of the year, and resumption of combined maritime activities including joint sails and exercises in the South China Sea. Third is enhancing economic and environmental security in the Philippines through resumption of different dialogues, including a 1-2-3 agreement to enable nuclear cooperation and civil space cooperation. The final element is strengthening alliance partnerships, including with ASEAN, AUKUS, the Quad, APEC, Japan, Australia and others.

Hours before the dialogue took place, the 38<sup>th</sup> Exercise Balikatan (meaning 'shoulder-to-shoulder') began in the Philippines<sup>38</sup>. This year's exercise brought about 12,200 US armed forces personnel, about 5,400 from the Philippines, 111 from Australia and an unspecified number from Japan to train together across the Philippines, the South China Sea and Luzon Strait, from April 11-28, 2023. It showcased front-line US warships, fighter jets, Patriot missiles, HIMARS rocket launchers (they failed repeatedly in being able to hit a ship in the close vicinity) and Javelin missiles. Live fire training included air and artillery strikes to sink a target vessel in the South China Sea off Zambales, barely 450 miles from Taiwan. It also included an amphibious landing on Palawan, the closest

<sup>37</sup> Joint Statement of the US-Philippines Ministerial 2+2 Dialogue, April 11, 2023, <https://www.state.gov/joint-statement-of-the-u-s-philippines-22-ministerial-dialogue/>

<sup>38</sup> Philippines, US Troops to Hold Largest Ever Balikatan Exercise from April 11 to 28, <https://www.pacom.mil/Media/News/News-Article-View/Article/3358825/philippine-us-troops-to-hold-largest-ever-balikatan-exercise-from-april-11-to-28/>





Philippine territory to the Spratly Islands. One report indicates that apart from Japan and Australia, UK, France, South Korea, India and several Southeast Asian nations sent observers for the exercise<sup>39</sup>.

The 2+2 Ministerial Dialogue takes forward the strengthening of US deterrent posture in South East Asia. The nine EDCA bases (their locations are covered subsequently in the "Other Indo-Pacific Developments" section of this Monitor) will enable development of alternatives to vulnerable forward bases in Japan and South Korea while still remaining in close proximity of Taiwan. They will also provide the Philippines the ability to more effectively monitor and respond to China's coercive activity in the Spratly Islands. A \$ 40 billion plan to modernise the Philippine Armed Forces is underway<sup>40</sup>, while the reiteration of the applicability of the US-Philippines Mutual Defense Treaty to "US and Philippines armed forces, aircraft, and public vessels, including those of their respective Coast Guards, anywhere in the South China Sea" may impact direct action by China<sup>41</sup>.

China's response was predictable. Reiterating that China had indisputable sovereignty over the Nansha Islands, its spokesperson described the PCA award as violating international laws, including UNCLOS (China has evidently appointed itself as the sole judge in this case, disregarding its treaty commitments)<sup>42</sup>. He also pointed to the location of the EDCA base sites and noted that their intent was obvious. China would protect its sovereignty and its maritime rights and interests. Notwithstanding these words, China may desist from more obvious provocative activity in the region for the time being, though it will continue exploring the envelope and seizing opportunities where it can expand.

The kind of equipment to be installed in the new US bases and whether it will be used in a Taiwan contingency has ostensibly not yet been discussed. Irrespective, China will proceed on the assumption that it will be so used. The dialogue and developments between the alliance partners will further strengthen confrontation in this part of the Indo-Pacific, though whether that

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<sup>39</sup> The US Philippines Alliance's Very Busy Month, April 12, 2023,

<https://www.csis.org/analysis/us-philippine-alliances-very-busy-month>

<sup>40</sup> "A New Era in the US-Philippines Alliance: A Discussion with Foreign Secretary Enrique Manalo, April 10, 2023, <https://www.csis.org/events/new-era-us-philippines-alliance-discussion-foreign-secretary-enrique-manalo>

<sup>41</sup> Fact Sheet: US-Philippines 2+2 Ministerial Dialogue, <https://www.defense.gov/News/Releases/Release/Article/3359459/fact-sheet-us-philippines-22-ministerial-dialogue/>

<sup>42</sup> Foreign Ministry Spokesperson Wang Wenbin's Regular Press Conference on April 12, 2023, [https://www.fmprc.gov.cn/mfa\\_eng/xwfw\\_665399/s2510\\_665401/2511\\_665403/202304/t2\\_0230412\\_11058116.html](https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/202304/t2_0230412_11058116.html)



will give pause to China for any length of time is questionable. However, the Philippine turn towards the US may result in its encouraging its archipelagic neighbour Indonesia to explore greater security cooperation with the West. India will need to monitor regional developments closely.

## The G7 Foreign Ministers Meeting

Foreign Ministers from Canada, France, Germany, Italy, Japan, UK, the US and the High Representative of the European Union for Foreign Affairs and Security Policy met at Karuizawa, about 125 Km northwest of Tokyo, on April 15-16, 2023 for the G7 Foreign Ministers' Meeting. The member countries, all affluent western liberal democracies, comprise seven of the world's ten biggest economies and support the US in coordinating principles guiding the international economy. The meeting sought to project the image of a united G7 as the world navigates grave threats to the international system. The non-binding 9277-word communiqué, jointly released on April 18, comprised two broad sections: promoting peace and security, and addressing global challenges<sup>43</sup>.

First place under the 'Promoting Peace and Security' section went to condemning Russia and spelling out an extremist position on rolling back its action in Ukraine. The G7 committed to intensifying sanctions and enforcing them, threatening third parties that did not comply with severe costs if they did not cease action to support Russia. They also committed to supporting Ukrainian President Zelensky for "as long as it takes", ensuring Russia pays for the damage it has caused, and trial of those accused of war crimes. Blaming Russia for weaponisation of food and energy resources and the resultant adverse impact on the Global South, they highlighted their steps to provide relief.

Their next priority was support for the 'Free and Open Indo-Pacific'. The G7 reaffirmed initiatives to engage with the region and supported ASEAN centrality, as well as the ASEAN Outlook on the Indo-Pacific. They pleaded with China to act as a responsible member of the international community, while opposing its unilateral coercive actions, reaffirming the need for peace and stability across the Taiwan Strait, and expressing concern about human rights abuses in Xinjiang and Tibet.

G7 countries condemned North Korea's nuclear and missile provocations and stating that North Korea cannot and will never have the status of a nuclear

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<sup>43</sup> G7 Japan 2023 Foreign Ministers' Communiqué, <https://www.state.gov/g7-japan-2023-foreign-ministers-communicue/>



weapons state. They opposed the military coup in Myanmar and called on the junta to cease violence. They expressed concern about the deteriorating humanitarian, political and economic situation in Afghanistan and called on the Taliban to cease repression, especially of women and ethnic minorities. Supporting Saudi-Iran rapprochement, they reiterated that Iran must never have nuclear weapons. They called on Israel and Palestine to work constructively towards a two-state solution, called on the Houthis to return to the peace path in Yemen, supported the holding of free, fair and inclusive elections in Libya by the end of 2023, encouraged the Tunisian government to quickly implement its economic reform program, and said that the international community can only consider reconstruction assistance in Syria after there is visible progress towards a political solution in accordance with UNSCR 2254. They also committed towards working with Central Asian countries to address regional challenges, deepening the G7-Africa partnership and expressed concern about the situation in Venezuela.

The 'Addressing Global Challenges' section of the communique is built on 13 sub-sections. There is stated determination to strengthen the free and open international order, promote free and fair trade, and to combat terrorism and transnational challenges. How free and fair trade or an equitable order can be promoted in the face of unilateral and coercive sanctions, whether employed by China or the West, is left to the reader's imagination. There is reiteration of the importance of multilateralism and international cooperation, presumably with the G7 calling the shots and seeking to guide the international economy to suit its own purpose! The G7 has committed to supporting a successful outcome of the September G20 New Delhi Summit.

There is commitment to strengthening peacebuilding and peacekeeping efforts, disarmament and non-proliferation. The G7 urged Russia to come back to new START and China to engage in strategic risk reduction discussions with the US. There is reaffirmation of the G7 commitment to building global economic resilience and responding to harmful practices that undermine the multilateral WTO-based trading system. There is commitment to narrow the infrastructure gap through providing development and infrastructure finance, to maintaining a peaceful, safe, secure and sustainable space environment, and to countering cyber threats and promoting laws in cyberspace. The G7 have committed to not conduct direct ascent ASAT testing, and to improving space situational awareness. The G7 will strengthen action against foreign interference and disinformation, reduce energy consumption and promote energy efficiency, fast track clean energy and reduce dependence on fossil fuels. There is reiterated commitment to mobilise \$100 billion annually for climate finance through 2025. The G7 acknowledged that the global food



system had been disrupted and promised support to their famine prevention and humanitarian crises compacts. Other areas addressed by promises include global health, gender equality and disaster risk reduction. The credibility of all these non-binding commitments, especially given that the G7 have consistently failed to honour them in the past, remains questionable.

Two multilateral organisations exist to determine policies that will shape the future world economy. The older one is the G7 which, when EU is included, accounts for 53.4% of global nominal GDP<sup>44</sup>. The other is G20, whose economies add up to 87.4% of the global nominal GDP<sup>45</sup>. The former is US centric and a closed club, the latter is more representative of the world. Under the 'Promoting Peace and Security' section, the G7 seeks to impose the US agenda regarding Russia, China, North Korea, Iran, Myanmar, the Middle East and other unstable areas on the world. The G20 agenda, on the other hand, is inclusive, seeking to preserve a balance between contending great powers. There are similarities between both agendas on addressing global challenges, though that of the G20 is broader.

For all its trumpeting of global norms and a rules-based order, the West (and the G7) have displayed scant respect for their own rules or commitments over the last two decades. This is visible from US-led wars in Afghanistan and Iraq, support to the Saudi-led coalition's war in Yemen and continual failure to fulfil the commitment to raise \$ 100 billion every year in climate finance for the poor countries. They have also failed to craft a more equitable way to address global risks and give developing countries a greater say in finding solutions. The divide between G7 pursuit of US positions and those of countries from the Global South is widening.

As the Chair of G20 this year, India will have to find a delicate balance and ensure that the G7 perspective does not dominate or derail G20 cooperation. As noted in the Bali G20 Summit last year, the G20 is not the forum to resolve security issues, though these can have significant consequences for the global economy<sup>46</sup>. Unless this can be done, the global economy will fragment. Concerns about decoupling are already driving the actions of those opposed to western domination. Whether the West is indeed ready to accept democratisation of the global economy or paying mere lip service to that concept while pursuing its own agenda will be revealed by time.

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<sup>44</sup> Compiled by author from the IMF World Economic Outlook Database April 2023, <https://www.imf.org/en/Publications/WEO/weo-database/2023/April>

<sup>45</sup> Ibid.

<sup>46</sup> G20 Bali Leaders' Declaration, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/11/16/g20-bali-leaders-declaration/>



## Other Indo-Pacific Developments

IMF World Economic Outlook. The IMF World Economic Outlook of April 2023 forecasts that global growth will bottom out at 2.8% in 2023 before rising to 3.0% in 2024<sup>47</sup>. Inflation is forecast to dip to 7.0% this year and 4.9% in 2024. India retained the status of the fastest growing major economy, with growth projected to be 5.9% in 2023 and 6.3% in 2024; corresponding figures for China were 5.2% and 4.5%. Asia remains the fastest growing region.

The South Korean State Visit. President Joe Biden of the US hosted South Korean President Yoon Suk-yeol to a State Visit from April 25-29. The backdrop was provided by North Korea's continuing missile and nuclear proliferation and concerns about South Korea adopting the nuclear option. The two allies adopted the Washington Declaration<sup>48</sup>, wherein the ROK expressed full confidence in US extended deterrence commitments and reaffirmed its commitment to its obligations under the NPT. They launched a nuclear consultative group to discuss planning and cooperation for nuclear contingencies, agreed to more visible deployment of US strategic assets in and around the Korean Peninsula, and to a range of exercises to strengthen defence cooperation<sup>49</sup>. The leaders also discussed expanding cooperation throughout the Indo-Pacific, including trilateral US-Japan-ROK cooperation.

The Ministry of Commerce & Industry launched India's Foreign Trade Policy 2023 on March 31, seeking to take India's exports to \$ 2 trillion by 2030<sup>50</sup>. A press release on April 13 pegged India's exports during FY 2022-23 at \$ 770.18 billion<sup>51</sup>, with merchandise exports at \$ 447.46 billion and services exports at \$ 322.72 billion. The trade balance stood at (-) \$ 122 billion. China remained India's top merchandise import source and was the fourth largest export destination.

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<sup>47</sup> IMF World Economic Outlook April 2023: A Rocky Recovery, <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>

<sup>48</sup> Washington Declaration, <https://www.whitehouse.gov/briefing-room/statements-releases/2023/04/26/washington-declaration-2/>

<sup>49</sup> Leaders' Joint Statement in Commemoration of the 70<sup>th</sup> Anniversary of the Alliance between the United States of America and the Republic of Korea, <https://www.whitehouse.gov/briefing-room/statements-releases/2023/04/26/leaders-joint-statement-in-commemoration-of-the-70th-anniversary-of-the-alliance-between-the-united-states-of-america-and-the-republic-of-korea/>

<sup>50</sup> Foreign Trade Policy 2023 Announced, <https://pib.gov.in/PressReleasePage.aspx?PRID=1912572>

<sup>51</sup> India's overall exports projected to scale new heights, ... <https://pib.gov.in/PressReleasePage.aspx?PRID=1916220>



India Japan Defence Policy Dialogue. The seventh India-Japan Defence Policy Dialogue, chaired by the Defence Secretary and his Japanese counterpart, was held in New Delhi on April 5. Both countries agreed to look for further opportunities to enhance bilateral defence cooperation<sup>52</sup>.

Operation Kaveri. INS Sumedha, the IN warship mission-deployed in the Gulf of Aden, was diverted to Port Sudan for Operation Kaveri<sup>53</sup>, the evacuation of Indian nationals from Sudan. She was joined by INS Teg to evacuate Indians from Port Sudan to Jeddah. Two C-130 aircraft from the IAF were also deployed to Jeddah for this purpose. Sudan has a population of about 1600 overseas Indians, according to the MEA<sup>54</sup>. As of 30 April, around 3000 persons had been evacuated, and over 2300 had reached India<sup>55</sup>.

Exercise Sea Dragon 2023. Maritime patrol aircraft from India, the US, Canada, Japan and South Korea completed the fifth Exercise Sea Dragon at Guam from March 15-29, 2023. The exercise enables partner countries to carry out advanced ASW integrated training, thereby helping maintain security in the Indo-Pacific<sup>56</sup>.

Imphal begins Sea Trials. Imphal, India's third Project 15B destroyer, began her sea trials on April 28<sup>57</sup>. The ship is expected to commission later this year.

US Long-Range Shipbuilding Plan. Secretary of the Navy Carlos Del Toro submitted the annual long-range plan for construction of naval vessels for FY 2024 to Congress in end-March 2023<sup>58</sup>. The plan specifies that it is not yet informed by an assessment of the Force Structure required to support the US National Defense Strategy of 2022: that assessment will be ready only in June

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<sup>52</sup> Defence Secretary and Vice Minister of Defence for International Affairs of Japan c-chair 7<sup>th</sup> India-Japan Defence Policy Dialogue in New Delhi, <https://pib.gov.in/PressReleasePage.aspx?PRID=1913918>

<sup>53</sup> Operation Kaveri, <https://indiannavy.nic.in/content/operation-kaveri>

<sup>54</sup> Population of Overseas Indians, <https://www.mea.gov.in/population-of-overseas-indians.htm>

<sup>55</sup> Operation Kaveri: 186 Indians take off from Jeddah in Kochi-bound flight, 3000 leave Sudan so far, <https://timesofindia.indiatimes.com/india/operation-kaveri-186-indians-leave-jeddah-in-kochi-bound-flight-3000-leave-sudan-so-far/articleshow/99895042.cms?from=mdr>

<sup>56</sup> Canada, India, Japan, Korea and the US Complete Multilateral Guam-Based Exercise Sea Dragon 2023, 06 April 2023, <https://www.cpf.navy.mil/Newsroom/News/Article/3354766/canada-india-japan-korea-and-the-us-complete-multilateral-guam-based-exercise-s/>

<sup>57</sup> Imphal, Indian Navy's Third Ship of Project 15B Sails for Maiden Sea Trials, <https://pib.gov.in/PressReleasePage.aspx?PRID=1920605>

<sup>58</sup> Report to Congress on the Annual Long-Range Plan for Construction of Naval Vessels for Fiscal Year 2024, <https://s3.documentcloud.org/documents/23783340/rtc-report-to-congress-on-the-annual-long-range-plan-for-construction-of-naval-vessels-for-fiscal-year-2024-title-10-sect-231.pdf>



2023 and will inform the FY 2025 shipbuilding plan. It specifies that additional Virginia-class submarines will have to be built in the 2030s to replace the ones sold to Australia, implying that Australia will receive used submarines. The USN's priorities are recapitalisation of the SSBN fleet with Columbia class submarines; delivering a combat-credible forward force in the near-term; and investing in lethality and modernisation to deliver non-linear fighting advantages against China and Russia in the mid to long term. The largest share of shipbuilding allocations during the 30 year period are for SSBNs and SSNs, with destroyers and frigates receiving the next-largest budget share. The USN plans to decommission 11 ships in FY 2024: five Ticonderoga class guided missile cruisers, two littoral combat ships, three dock landing ships and one SSN. Nine manned ships will be procured during the same period. Force levels are expected to drop from the current 293 ships to 286 in FY 2025 and 285 in FY 2026 and 2027, before rising to 291 ships in 2028 and 300 ships by 2023 (in comparison, the PLA (Navy) is expected to have 440 ships by the end of this decade.

US DoD Freedom of Navigation Report. The US Department of Defense released the FY 2022 Freedom of Navigation Report on April 21<sup>59</sup>. The report records multiple challenges to China's claims during the year on five counts, as well as to Iran's claims on two counts. Other challenges by the USN during FY 2022 were to the claims of Malaysia, Oman, Russia, Taiwan, Somalia, UAE, Vietnam and Yemen.

Russia Foreign Policy Concept. Russia published the concept of the Foreign Policy of the Russian Federation on March 31<sup>60</sup>. The concept sees that the imbalanced model of world development that has appropriated resources of dependent territories to advance growth of colonial powers is fading into the past, and structural transformations of the world economy, as well as its transfer to a new technological basis, are underway. States that have been used to world dominance and neo-colonialism are resisting the change, eliminating competitors and suppressing dissent using a wide range of coercive instruments, including illegal sanctions, provocation of coups d'état, military conflict, threats, blackmailing, manipulation of consciousness of nations and subversive actions in the information space. The US and other multilateral institutions are being devalued. The international legal system is being tested, with a small group of states trying to replace international law with the concept of a rules-based order where rules and norms are developed without the

<sup>59</sup> Annual Freedom of Navigation Report Fiscal Year 2022, [https://policy.defense.gov/Portals/11/Documents/FON%20Program%20Report\\_FY2022.pdf?ver=8of4c3mCAOnzfa4AfTYIyg%3d%3d](https://policy.defense.gov/Portals/11/Documents/FON%20Program%20Report_FY2022.pdf?ver=8of4c3mCAOnzfa4AfTYIyg%3d%3d)

<sup>60</sup> The concept of the Foreign Policy of the Russian Federation, [https://mid.ru/en/foreign\\_policy/fundamental\\_documents/1860586/](https://mid.ru/en/foreign_policy/fundamental_documents/1860586/)



equitable participation of all. The concept identifies nine national interests: protecting the constitution, sovereignty, independence and territorial integrity of Russia; strengthening the legal foundations of international relations; protecting the rights freedoms and interests of Russian citizens and entities; protecting Russian society against destructive informational and psychological influence; preserving the Russian nation and improving the quality of life of its citizens; promoting sustainable development of the Russian economy on a new technological basis; promoting Russian moral and spiritual values; conserving natural resources and managing the environment; and adapting to climate change. Its regional priorities are, in sequence, it's near abroad, the Arctic, the Eurasian Continent (including China and India), Southeast Asia, the Islamic world, Africa and Latin America. Europe, the US and other Anglo-Saxon states and Antarctica bring up the tail.

New EDCA Sites in the Philippines. The Pentagon revealed the location of the four new EDCA locations it will build in the Philippines<sup>61</sup>. The locations are Naval Base Camilo Osias in Santa Ana, Cagayan; Camp Melchor Dela Cruz in Gamu, Isabela; Lal-lo Airport in Cagayan and Balabac Island in Palawan. Cagayan and Isabella provinces are across the Luzon Strait, separating Taiwan from the Philippines, providing the US Navy, Air Force and Army a forward operating base within 500 Km of Taiwan. Camilo Osias already has a 1000-metre long naval airfield, which can be developed for use by USN aircraft. The fourth location, Balabac, is a small island south of Palawan, in the vicinity of the Spratly Islands, the scene of China's continuing land grab and reclamation, and coercive activity to change status quo in its favour. The five earlier EDCA sites, where the US has already invested \$ 82 million, are Antonio Batista airbase in Palawan; Basa airbase in Pampanga, NW of Manila Bay; Fort Magsaysay in Nueva Ecija; Benito Ebuena air base in Cebu; and Lumbia airbase in Mindanao.

The Blinken Visit to Vietnam. US Secretary of State visited Vietnam on April 14-15 and met Foreign Minister Bui Thanh Son, Prime Minister Pham Minh Chinh and General Secretary Nguyen Phu Trong, among others, in an effort to elevate the US-Vietnam partnership from the 'comprehensive' to the 'strategic' level. Several US leaders and officials had visited Vietnam before Blinken, including Vice President Harris, Defense Secretary Austin, US Trade Representative Tai and USAID Administrator Power. President Biden spoke telephonically with General Secretary Trong last month. The bilateral partnership has grown considerably since it was established in 2013, addressing the legacies of the war,

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<sup>61</sup> Philippines, US Announce Locations of Four New EDCA Sites, April 3, 2023, <https://www.defense.gov/News/Releases/Release/Article/3349257/philippines-us-announce-locations-of-four-new-edca-sites/>





building shared prosperity (US-Vietnam trade in 2022 was \$ 138 billion<sup>62</sup>, higher than the \$ 133 billion with India in the same period), and growing security cooperation. Blinken attended the ground-breaking ceremony for the new US Embassy in Vietnam. However, constraints include the influence of both China and Russia in Vietnam, which doesn't appear ready to define the relationship as a strategic one yet.

US ROK Japan Trilateral Security Cooperation. Senior officials from the US, ROK and Japan met in Washington DC on April 14 for the 13<sup>th</sup> Defense Trilateral Talks<sup>63</sup>. They agreed to enhance trilateral security cooperation to deter the DPRK, expressed a common position on Taiwan and Ukraine, discussed regularising missile defence exercises and anti-submarine exercises, and discussed ways to resume trilateral exercises.

South China Sea and Taiwan Strait Activity. USS Milius carried out a Freedom of Navigation Operation in the Spratly Islands on April 10<sup>64</sup>. It followed up with a Taiwan Strait transit on April 16, remaining within international waters<sup>65</sup>. A P-8A Poseidon belonging to the US 7<sup>th</sup> Fleet transited the Taiwan Strait on April 28<sup>66</sup>. China voiced its protest<sup>67</sup> on each occasion<sup>68</sup>, but without doing anything to stop the activity.

Australia – China Trade Dispute. Australia announced it had reached an agreement creating a pathway towards resolution of its dispute with China over import of Australian barley<sup>69</sup>. China will undertake an expedited review of the 80.5% duty it had imposed on imports of barley from Australia over the next

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<sup>62</sup> The United States-Vietnam Relationship: Celebrating 10 years of Comprehensive Partnership and 28 Years of Diplomatic Relations, <https://www.state.gov/the-united-states-vietnam-relationship-celebrating-10-years-of-comprehensive-partnership-and-28-years-of-diplomatic-relations/>

<sup>63</sup> Joint Statement of the 13<sup>th</sup> Defense Trilateral Talks, <https://www.defense.gov/News/Releases/Release/Article/3363747/joint-statement-of-the-13th-defense-trilateral-talks/>

<sup>64</sup> 7<sup>th</sup> Fleet Destroyer Conducts Freedom of Navigation Operation in South China Sea, <https://www.c7f.navy.mil/Media/News/Display/Article/3356493/7th-fleet-destroyer-conducts-freedom-of-navigation-operation-in-south-china-sea/>

<sup>65</sup> 7<sup>th</sup> Fleet Destroyer Transits Taiwan Strait, <https://www.cpf.navy.mil/Newsroom/News/Article/3364911/7th-fleet-destroyer-transits-taiwan-strait/>

<sup>66</sup> 7<sup>th</sup> Fleet Aircraft Transits Taiwan Strait, <https://www.c7f.navy.mil/Media/News/Display/Article/3377477/7th-fleet-aircraft-transits-taiwan-strait/>

<sup>67</sup> Chinese military slams US warship's trespass into waters adjacent to China's Nansha Islands, [http://eng.chinamil.com.cn/CHINA\\_209163/TopStories\\_209189/16215628.html](http://eng.chinamil.com.cn/CHINA_209163/TopStories_209189/16215628.html)

<sup>68</sup> Passage of US warship through Strait was monitored: Spokesperson, [http://eng.mod.gov.cn/xb/News\\_213114/NewsRelease/16217682.html](http://eng.mod.gov.cn/xb/News_213114/NewsRelease/16217682.html)

<sup>69</sup> Step Forward to Resolve Barley Dispute with China, <https://www.foreignminister.gov.au/minister/penny-wong/media-release/step-forward-resolve-barley-dispute-china>



three months, which may extend to an additional month if required. During this period, Australia has agreed to suspend the dispute it has raised with the WTO. If the duties are not lifted, the dispute with the WTO will be resumed. If they are, a similar path is expected to be adopted for Australian wine exports to China.

The Australian Defence Strategic Review. The public version of the long awaited Australian Defence Strategic Review was released to the press on April 24<sup>70</sup>. Documents released include Australia's National Defence Statement 2023, an abridged version of the Defence Strategic Review, and the Albanese government's response to its recommendations. The question to be answered is whether the Review stands on its own feet, or has been carried out to justify the Australian decision to join AUKUS (notably, the review was commissioned more than ten months after Australia had announced AUKUS and terminated the contract with France to build a new class of conventional submarines).

PLA (Navy) Joint Sword Exercise. Shortly after President Macron departed France, the PLA (Navy) carried out a combat readiness security patrol and the Joint Sword exercise around Taiwan, testing its capability for joint operations under real-combat conditions<sup>71</sup>. Reports from Taiwan claimed that French frigate FNS Prairial had carried out a Taiwan Strait transit on April 9-10. These could not, however, be verified from other sources<sup>72</sup>.

China-Japan Foreign Ministers' Meeting. Yoshimasa Hayashi and Qin Gang, the Foreign Ministers of Japan and China, met in Beijing for about three hours on April 2. Readouts of their meeting from both sides indicate no progress in building a stable China-Japan relationship. China's readout speaks of "forming exclusive blocs and shouting out one-sided demands to exert pressure", Japan's responsibility regarding discharge of nuclear-contaminated water from the Fukushima Daichi nuclear power plant, the US bullying practices to contain China's semiconductor industry just as it had done with Japan earlier, and the Taiwan question being at the core of China's core interests<sup>73</sup>. The Japanese readout focuses on the recent detention of a Japanese national in Beijing and seeks his immediate release, expresses concern about the situation in the East China Sea and the Senkaku Islands as well as about China's

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<sup>70</sup> Defence Strategic Review, <https://www.defence.gov.au/about/reviews-inquiries/defence-strategic-review>

<sup>71</sup> PLA Wraps up Security Patrol Around Taiwan and Joint Sword Exercise, [http://eng.mod.gov.cn/xb/News\\_213114/NewsRelease/16215834.html](http://eng.mod.gov.cn/xb/News_213114/NewsRelease/16215834.html)

<sup>72</sup> French Warship Patrolled Taiwan Straits during Chinese drills, <https://www.taiwannews.com.tw/en/news/4862442>

<sup>73</sup> Qin Gang Holds Talks with Japanese Minister for Foreign Affairs Yoshimasa Hayashi, [https://www.fmprc.gov.cn/mfa\\_eng/wjb\\_663304/wjbz\\_663308/activities\\_663312/202304/t20230403\\_11053350.html](https://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/activities_663312/202304/t20230403_11053350.html)



intensification of military activity around Japan, including in cooperation with Russia. It demands ensuring a transparent, predictable and fair business environment in China where legitimate economic activities and security are guaranteed<sup>74</sup>. Hayashi also demanded the early removal of restrictions on Japanese food products.

JMSDF Indo-Pacific Deployment. The JMSDF began its seventh Indo-Pacific deployment on April 20, 2023<sup>75</sup>. Over the next five months, from April 20 – September 17, 2023, four JMSDF units will deploy in the region. The first comprises JS Izumo (undergoing conversion to carry F-35 aircraft), JS Samidare, JS Shiranui and four embarked helicopters. The second comprises JS Shimokita and two LCAC. The third comprises JS Kumano, the second Mogami-class frigate commissioned a year ago, and the fourth comprises a submarine. The units will visit Australia, Sri Lanka, French New Caledonia, Papua New Guinea, Tonga, Malaysia, Fiji, India, Indonesia, Kiribati, Maldives, Palau, Philippines, Singapore, Solomon Islands, Viet Nam and the US. They will participate in Exercises IMDEX Asia 2023, LIMA 2023, Pacific Vanguard 2023, JIMEX 2023, Pacific Partnership 2023, Talisman Sabre 2023 and Malabar 2023 during this period.

UK and the CPTPP. UK announced completion of trade talks with CPTPP member countries after 21 months of negotiation, with all 11 existing member countries agreeing to the UK's accession<sup>76</sup>. UK's accession is likely to be finalised during the CPTPP ministerial meeting to be held in Auckland in July and will be the first expansion of the group since it was formalised in 2018. Accession will grow the British GDP only marginally, but links Britain with the rapidly expanding Indo-Pacific economy and help shape the region's future growth<sup>77</sup>. Along with AUKUS, it forms part of the British tilt to the Indo-Pacific. CPTPP members can now turn to the five other applicants wanting to join: China, Taiwan, Ecuador, Costa Rica and Uruguay.

British Marines Deploy to South Korea. One company of the UK's Royal Marines deployed to South Korea in early April for the first time since the Korean War to train alongside ROK and USMC personnel in Exercise

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<sup>74</sup> Japan-China Foreign Ministers' Meeting and Working Lunch,  
[https://www.mofa.go.jp/mofaj/a\\_o/c\\_m1/cn/page1\\_001565.html](https://www.mofa.go.jp/mofaj/a_o/c_m1/cn/page1_001565.html)

<sup>75</sup> Indo-Pacific Deployment 2023,  
[https://www.mod.go.jp/msdf/en/release/202304/20230418\\_en.pdf](https://www.mod.go.jp/msdf/en/release/202304/20230418_en.pdf)

<sup>76</sup> UK strikes deal to join major free trade bloc in Asia-Pacific,  
<https://www.gov.uk/government/news/uk-strikes-deal-to-join-major-free-trade-bloc-in-asia-pacific>

<sup>77</sup> UK Accession to CPTPP: The UK's Strategic Approach,  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1027860/dit-cptpp-uk-accession-strategic-approach.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1027860/dit-cptpp-uk-accession-strategic-approach.pdf)



Ssangyong. The exercise, billed as the largest amphibious activity to take place in the region in the last five years, involved 28,000 personnel, as well as 30 warships, 70 aircraft and 50 amphibious assault vehicles<sup>78</sup>.

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<sup>78</sup> UK reinforces commitment to the Indo-Pacific as Royal Marines deploy to South Korea, April 03, 2023, <https://www.royalnavy.mod.uk/news-and-latest-activity/news/2023/april/03/230403-royal-marines-in-south-korea>



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