

# ENVIRONMENT SCAN: 02 MAY 2016

**CHINA, BANGLADESH, SRI LANKA, AMERICA, WEST ASIA, IRAQ, SYRIA, YEMEN, RUSSIA, IRAN**

Xi Jinping Moves to Take More Direct Command Over Military:

Bolstering his status as China's most powerful leader in decades, Chinese President Xi Jinping has assumed a more direct role as head of the country's powerful armed forces with the new title of Commander-in-Chief of its Joint Operations Command Center, state media and analysts said

Xi's new position was revealed in news reports that featured prominently on national news broadcasts in which he appeared publicly for the first time in camouflage battle dress wearing the joint center's insignia.

During his visit, Xi called on its staff to "closely follow the trends of global military revolution and strive to build a joint battle command system that meets the need of fighting and winning an informationized war," the official Xinhua News Agency said.

Officers should "change their ideas, innovate and tackle difficulties, in a bid to build a joint battle command system that was absolutely loyal, resourceful in fighting, efficient in commanding and courageous and capable of winning wars," Xinhua quoted Xi as saying.

Battle command capacities should be measured by "the standards of being able to fight and win wars," Xi said, stressing the need to prepare for conflicts, analyze possible security risks, and handle effectively "all sorts of emergencies."

The joint center, reportedly located underground in the western outskirts of Beijing, is under the direct supervision of the ruling Communist Party's Central Military Commission, which is headed by Xi and oversees the 2.3-million-member People's Liberation Army, the world's largest standing armed forces.

Among his several other titles, Xi is also leader of the ruling Communist Party and chair of a recently created National Security Council, which gives him greater control over the domestic security services.

As head of the military, Xi has overseen a reorganization of the PLA's command structure into five theater commands aimed at better integrating the different services. He has ordered a

300,000-person reduction in forces that will see the elimination of many outdated and non-combat units, and shift the emphasis further from ground forces to the navy, air force and missile corps.

Three years since taking on the presidency, Xi is widely seen as having accumulated more power and authority than any Chinese leader since Deng Xiaoping in the late 1980s. Yet his reputation has also been called into question by anonymous letters, allegedly from Communist Party members, calling for his resignation. Revelations in the international media about vast wealth accumulated by members of his extended family have also flown in the face of his relentless campaign against corruption in the party, military and state industries.

Xi's new title and his visit to the joint center were "more political than military" in significance and don't imply he will take charge of the day-to-day running of the PLA, said Andrei Chang, Hong Kong-based editor of the magazine *Kanwa Asian Defense* and a close observer of Chinese military affairs.

Port Call Refusal Could Signal More Trouble in the South China Sea.

China's surprise rejection of a port visit by a U.S. aircraft carrier last week could signal a further escalation of tensions in the disputed South China Sea.

Last week, Chinese authorities refused to grant permission for the USS John C. Stennis battle group to make a routine port call at Hong Kong. It is the first time in nearly a decade that China has turned away a U.S. carrier. The move came just two weeks after Defense Secretary Ashton Carter used a high-profile visit to the Stennis to criticize China's territorial claims and island-building campaign in the South China Sea, a critical waterway that supports \$5 trillion a year in international trade.

The refusal to host the Stennis battle group was a direct response — and challenge — to Carter's visit, said Grant Newsham, senior research fellow at the Japan Forum for Strategic Studies in Tokyo.

“From the Chinese perspective, the U.S. has no business in the South China Sea —except perhaps to go through it en route to somewhere else,” said Newsham, a former Marine Corps liaison officer with Japan's armed forces. “As the Chinese see it, since the U.S. does not follow Chinese rules for operations in this Chinese territory, there is no reason to invite the U.S. Navy to visit Hong Kong.”

U.S. warships have been refused entry to Hong Kong — a frequent port of call for Navy ships for decades — on only two other occasions since China resumed sovereignty in 1997.

Tensions over the South China Sea are likely to increase in coming weeks. An international court of arbitration in the Hague is expected to issue a ruling soon on the Philippines' claims that China is illegally occupying a resource-rich area known as the Scarborough Shoals.

Although the United States does not officially support individual territorial claims, Carter visited the Stennis while it was cruising not far from the Scarborough Shoals. Lest anyone miss the point, Carter was accompanied by the Philippines' defense minister on his visit to the nuclear-powered flattop.

Aboard the Stennis, Carter did not mention China by name during a speech, though he made it clear that the U.S. was unhappy with its behavior in the region. "In international affairs, disputes should be resolved peacefully, and not by changing the status quo unilaterally," Carter said. "And we're against that by any of the claimants."

Since last fall, the U.S. has conducted two "freedom of navigation operations" in waters surrounding islands newly built by China and is likely to conduct a third in the coming weeks.

According to Alessio Patalano, a lecturer in war studies at Kings College London and a specialist in East Asia maritime security, "The U.S. is handling the situation much better now, but of course the key issue is how to prevent the reclamation at Scarborough Shoal,"

Govt cancels Uyghur Activist's Visa.

India had allowed Uyghur leaders to attend the conference by the Dalai Lama in Dharamsala in a move seen as New Delhi's way of upping the ante against Beijing's block on a terrorist designation of Jaish-e-Muhammed Chief Masood Azhar. It was the first time India took such a stand. In 2009, when India-China ties were more fragile, India had denied a visa to Rebiya Kadeer, chief of the World Uyghur Congress. The decision to withdraw Uyghur activist Dolkun Isa's visa was taken by the home ministry, but without consulting the ministry of external affairs.

In a U-turn, India on Monday cancelled the e-visa issued to Uyghur activist Dolkun Isa, apparently following protests by Beijing. Government sources later said the inter-faith ethnic conference Dolkun was to attend on April 28 had been scrapped; it would now be a closed-door meeting between activists.

The government is unwilling to draw equivalence between Pakistan and China on the issue of terrorism and to go down the path of embracing China's outlaws which would impact business and regular relations.

NSA Ajit Doval met his counterpart Yang Jiechi in Beijing last week, where he said he discussed terrorism and Masood Azhar with the Chinese leadership. It's not clear whether the decision to withdraw the visa to Uyghur activists was taken as a result of his talks there.

Dolkun and other activists had received tourist e-visas. E-visas don't go through stringent checks and are denied only if the name is on a black list. MHA sources said Isa's visa was given because he was not on any black list. But the Red Corner Notice against him would have shown up at the immigration counter in Delhi and he would have had to return from the airport.

China makes new law to slap curbs on foreign NGOs, some might pull out of the country.

Chinese perceive that some foreign NGOs have been found to threaten the security and stability of the country with their activities. Accordingly, China has passed a new law imposing stiff restrictions on foreign non-government organizations. But it has exempted research and educational institutions run by foreign NGOs from the restrictions in order to encourage innovation and research. The new law makes it compulsory for NGOs to register themselves with police authorities, who will have the right to supervise their activities. Foreign NGOs have been barred from indulging in any religious, commercial or political activity. They can face police detention and criminal prosecution if they violate these conditions or do anything to spread rumors or steal state secrets.

Analysts said the new law would force some NGOs to pull out of China because they would be unable to operate in the emerging restrictive atmosphere. There are about 7,000 such foreign organizations operating in China with or without Chinese partners. Many of them employ Chinese staff, and receive financial and other forms of support from the local population. The new law may result in local support drying up as Chinese citizens may want to avoid getting trapped in its implementation.

**BANGLADESH**

Col Saikatroy

Emerging Environment of Intolerance and Terror in Bangladesh.

Of late one observes that an environment of intolerance to different/minority views is taking roots. The radical Muslims have killed individuals of minority community, LGBT activists and members of academia and others on so called their alleged blasphemous conduct. Taking advantage of the situation, some section ascribe these killing to rise of ISIS which however is contested by the government which feels that killings were handiwork of criminal elements. With claims and counterclaims it is difficult to assess the real reason but, the incidents are condemnable.

Islamic State planing to carry out attacks in India through mujahideens in 'Bengal', 'WilayatKhurasan'

Thursday, April 14, 2016

The Islamic State is planning to launch attacks in India with the help of local terror groups based in Bangladesh and Pakistan.

In an interview to IS' online magazine Dabiq, 'amir' of the terror group fighters in Bangladesh, Shaykh Abu Ibrahim al-Hanif made the revelations.

According to al-Hanif, Bangladesh, which is referred to as 'Bengal' by ISIS, is considered to be strategically important for the deadly terror group, a Hindustan Times report said.

Hanif said with the help of of WilayatKhurasan (branch of the militant Islamist group active in Afghanistan and Pakistan), and 'Bengal', ISIS could easily carry out strike across India with the help of local mujahideens.

Last month, the US had expressed concern over the presence of dreaded Islamic State terror group in Bangladesh after the militant group claimed responsibility for several terror attacks in the country.

US President Barack Obama has said that destroying the Islamic State group remains his "top priority" at a time when the jihadist group continues to lose ground in Iraq and Syria.

Washington has led an international coalition staging airstrikes against the IS group in Syria and Iraq since September 2014, parallel to operations by the Syrian government and its ally Russia.

Since the number was quite large Austria was closely monitoring efforts to integrate migrants in the social milieu and pooling in more resources into anti-radicalisation programmes.

## SRI LANKA

Col Saikat Roy

Ranil asserts no room for terrorism to raise its head again:

April 30, 2016

Srilankan media has published reports that the LTTE was attempting to regroup in the country. Government however, does not believe this. In fact, speaking at an event the Prime Minister said that, if the media has evidence to prove that the LTTE was regrouping then such evidence must be submitted to the police and media has a right to question the Government but not incite communal hatred.

France, Sri Lanka Navies to form a solid partnership for maritime security in Indian Ocean:

Sat, Apr 30, 2016

France and Sri Lanka are sharing common concerns in the Indian Ocean and therefore it is important for the navies of the two countries to increase cooperation and form a solid partnership, Captain Laurent Machard De Gramont the Commanding Officer of the French Naval Ship 'Aconit' said.

Addressing a media briefing held onboard the French frigate, which is on a seven-day goodwill visit, Captain De Gramont said it is the first time a French Naval ship visiting Sri Lanka in six years. He asserted that increase in illegal maritime activities such as drug trafficking, arms smuggling through the seas and piracy in the Indian Ocean are serious concerns and it is important to form a partnership between the two countries to tackle these concerns.

He said the mission in the region is to basically protect the ships from piracy and stabilize the maritime activity including all commercial and fishing activities and to permit peaceful, economical travel for ships in the Indian Ocean going from Far East to Europe.

The Ship is due to conduct a Passage Exercise with Sri Lankan Navy Ships in view of sharing professional expertise between the two friendly navies.

Sri Lanka, India navies hold 26th IMBL meeting aboard Sri Lankan naval ship:

Thu, Apr 28, 2016

Sri Lanka and India navies have held the annual International Maritime Boundary Line (IMBL) meeting aboard a Sri Lankan naval ship in the mid seas on Thursday.

The navies of the two countries meet annually aiming at strengthening the naval relationship between the neighbors.

The annual meeting provides an opportunity to exchange views and ideas with regard to operational effectiveness through common understanding of the Navies and Coast Guards of the neighbors.

The 26th meeting primarily focused on maintaining effective maritime security in the region by integration of forces through co-operation, coordination and collaboration.

US and Sri Lanka pledge to deepen engagement following TIFA talks:

April 30, 2016

The United States and Sri Lanka have pledged to deepen engagement following the 12th U.S.-Sri Lanka Trade and Investment Framework (TIFA) Council meeting held in Washington, D.C this week, the US Embassy in Colombo said today.

A joint statement said that with a goal of significantly increasing two-way trade and investment between the United States and Sri Lanka, the two Governments adopted a US-Sri Lanka Joint Action Plan to Boost Trade and Investment. Both sides affirmed their belief that the bilateral trade and investment relationship has great potential that can be realized through adoption of enabling policies and joint measures incorporated in the Plan.

The meeting was Co-chaired by United States Trade Representative Michael Froman and Sri Lanka Minister of Development Strategies and International Trade Malik Samarawickrama. United States Permanent Representative to the United Nations Ambassador Samantha Power participated as well, encouraging the Sri Lankan Government to continue its vital progress on

democracy, accountability, and human rights. Ambassador Froman noted that the election outcome has ushered in a new era of U.S.-Sri Lanka economic cooperation.

The Joint Action Plan aims at reaching its goals over a span of five years; its objectives include, among other measures: reforming Sri Lanka's trade and investment regime to world class standards; improving the competitiveness of Sri Lanka's current exports; developing new markets, especially those that take advantage of Sri Lanka's status as a regional services hub; promoting greater interaction between the U.S. and Sri Lankan business communities; greater utilization of U.S. tariff preference arrangements; strengthening of worker rights and promotion of ethical and environmentally sustainable manufacturing practices; reforming the educational sector to make it more responsive to the needs of business; and increased mobilization of all sectors of society, especially women, in business and trade.

During the meeting, the Sri Lanka delegation, building upon the Joint Statement of the recently concluded inaugural "Partnership Dialogue" between the two countries, presented several specific proposals for deeper cooperation to enhance bilateral trade and investment and improve the overall competitiveness of Sri Lanka's economy.

Both Governments pledged their commitment to deepening their engagement over the coming months in order to develop a detailed implementation plan for the Action Plan, with formal launch envisaged later this year.

Top of Form

Malaysian trade delegation to visit Sri Lanka next week seeking investment opportunities:

Fri, Apr 29, 2016.

Malaysia's Minister of International Trade and Industry Datuk Seri Mustapa Mohamed will lead a trade and investment mission to India and Sri Lanka next week in a continuous effort to promote Malaysia as a profit and regional center for businesses and investments.

The 44-member trade and investment mission will include top officials of the Malaysia Investment Development Authority (MIDA) and Malaysia External Trade Development Corporation (MATRADE).

Apart from government officials, the delegation will include officials of private sector companies, mainly small-and-medium-sized enterprises seeking opportunities in the two South-Asian nations. The companies are from the infrastructure, food and beverage, airways, information technology, manufacturing and services sectors.

During the mission, there will be a signing of a memorandum of a understanding between Malaysia-based lubricant manufacturer, Hyrax Oil SdnBhd, and Sri Lankan petroleum products provider, the Ceylon Petroleum Corporation.

Sri Lanka says no discussions with India over building a sea bridge:

Wed, Apr 27, 2016.

The Sri Lankan government on Wednesday said it had not held any discussions with India over constructing a sea bridge and tunnel connecting the two countries.

Government spokesperson Rajitha Senarathne told Xinhua that despite media reports which say that Sri Lanka and India were in discussions over the connectivity bridge, there had been no talks held between the two countries.

India's Minister of Road Transport and Highways Nitin Gadkari however, has said that India is ready to build a sea bridge and underwater tunnel connecting linking the 22-km stretch between Thalaimannar in Sri Lanka and Dhanushkodi in India with the assistance from the Asian Development Bank, and Sri Lanka was also interested in the project.

He said discussions have been held on the issue with Sri Lankan President Maithripala Sirisena and the issue had been discussed in Sri Lankan parliament as well.

Even the Asian Development Bank had made a recommendation regarding the project, but nothing has been finalized," The proposed bridge will cost an estimated US\$ 5.2 billion.

Top of Form

NEPAL

Col Saikat Roy

Nepal govt makes fresh appeal, Madhesis unveil plan for stir:

Friday, April 22, 2016

Nepal government on Friday made a fresh appeal to Madhesis to seek peaceful solution to the political crisis through talks even as the agitating parties announced nationwide protests beginning next week in their new bid to continue their struggle against the Constitution.

Deputy Prime Minister Bijay Kumar Gachchhadar, a senior Madhesi leader himself, called the Terai-centric parties to the negotiating table.

Talking to reporters at Biratnagar Airport in eastern Nepal, Gachchhadar said there was no alternative to holding talks and that the demands of Madhesis - largely of Indian- origin - could only be resolved through Constitution amendment.

The Madhesi parties led the six months-long violent agitation, mainly to protest against the seven-province federal model enshrined in the Constitution.

Nearly 60 people lost their lives during the agitation that also disrupted the supplies of petroleum products and cooking gas among other essentials to Nepal, leading to severe hardships to the people. The agitation, however, ended unexpectedly in February just before Prime Minister K P Sharma Oli's maiden visit to India without any political agreement.

AMERICA

Gp Capt GD Sharma, VSM (Retd)

China and Russia Have Urged the United States Not to Install a New Anti-Missile System in South Korea:Of late, North Korea has been maintaining an aggressive military posture. Despite UN ban, it has carried out nuclear and missile tests and claims that its missile could reach even the American mainland. While at this stage,this claim seems doubtful but, surely its military capability is a cause of worry for its neighbours, in particular, to Japan and South Korea. Both are closely allied to America which as result of treaty between themis legally bound to protect them.

United States has already deployed in Japan its medium range Terminal High Altitude Area Defense (THAAD) system to provide protection from North Korean high altitude ballistic missile

threat. It has also begun talks with South Korea for deployment THAAD system after North Korea carried out its fourth nuclear bomb test on January 6 and conducted several missile tests.

The moot question now is,” whether America is justified in deploying THAAD weapon system in the region which both China and Russia oppose”?

Chinese allege that deployment of THAAD is part of bigger US plan to contain China. On similar pretexts, US could deploy this weapon system in other countries of the region. This it feels will eventually escalate the conflict situation and destroy the strategic equilibrium of the region. Chinese also feel that THAAD has the potential to undermine the Chinese strategic deterrence and may lead to an arms race. Chinese will always be wary to enter the arms race with America. The fate of Soviet Union in pre-cold war era which disintegrated after failing to match American star war programme is well known. The Chinese concern thus is not misplaced though unlike erstwhile Soviet Union, China is in far better financial state.

South Korean concern for its defence seems is genuine especially when the neighbour is hostile and its leadership frequently carries out saber-rattling and spews venom against it. The world at large has failed to deter North Korean regime from nuclear/ missile testing despite UN resolutions. South Korea thus has no option but to look for means to defend it from emerging ballistic missile threat and THAAD being a terminal defence weapon can provide some protection and sense of safe existence. Chinese concern about being encircled and being contained by the American allies may be true but, China itself has not offered any option such as veering away the North Korean leadership from pursuing the conflict escalatory path with its neighbours. After all in the past, it has supported the North Korean regime in multilateral forums such as United Nations which has led to the present situation and now it is at loss as genie is out of bottle and current regime does not pay heed to its counseling.

## WEST ASIA

(Brig Ranjit Singh)

## IRAQ

Cleansing operations continue in Ramadi: Post capture of Ramadi in Dec last year, consolidation operations continue in the outskirts of Ramadi to eliminate terrorists still holding on in various locations. Iraqi forces killed 21 ISIS elements West of Ramadi towards Fallujah. The major security forces operations are now focused towards capture of Fallujah, where Iraqi forces

destroyed tanks and bobby trapped vehicles south of Fallujah and killed 7 ISIS elements in Central Fallujah. In the operations in the other areas of Anbar Province, Iraqi forces killed 9 ISIS elements and liberated small areas south of Baghdadi.

Iraqi forces intensify operations in Kirkuk: In the ongoing operations in Kirkuk, the coalition air strikes killed 32 ISIS elements south-west of Kirkuk, joint forces liberated small areas south of Kirkuk from ISIS as well as Peshmerga forces liberated a village south of Kirkuk from ISIS.

Operations for retake of Mosul Province: In the ongoing operations to retake Mosul, security forces killed 91 ISIS elements south of Mosul, 20 ISIS elements were killed in Coalition air strikes north of Mosul, 4 ISIS elements were killed in Coalition air strikes central Mosul and Peshmerga forces liberated two villages south of Mosul from ISIS.

Sadri Movement supporters stormed Baghdad Green Zone and entered the Parliament after the lawmakers failed to vote on new ministerial shuffle. They have been fighting against corruption in the Govt.

Comments:

Post Liberation of Ramadi, the Iraqi security forces are progressing operations to capture areas around Ramadi from ISIS, with focus of operations in Fallujah. The operation launched to liberate Fallujah continues to progress slowly. The focus of operations also includes areas in and around Al Baghdadi district.

The operations to retake Mosul are progressing well but slowly. The Iraqi forces are gaining ascendancy and have been able to inflict substantial casualties on ISIS in the area.

## SYRIA

UN sponsored peace talks continue in Geneva: UN sponsored peace talks continue in Geneva, to discuss formation of transition Govt in Syria. The rebel groups are adamant in ouster of Assad with no role in the transition Govt. The peace talks are on the verge of collapse due to major offensive launched by the Assad forces in Aleppo causing large number of civilian casualties. Russia is being pressurized to convince Govt forces to honour the ceasefire.

Major offensive in Aleppo by the Govt forces: The Assad forces have launched a major offensive in north of Aleppo, approx 240 civilian casualties have been reported over last one week. The heavy fighting has resulted in large number of civilians fleeing the area.

Comments:

UN sponsored peace talks continue in Geneva on formation of transition Govt in Syria, the rebels groups see no role for Assad in the transition Govt, which would be a major hurdle in the success of peace process. The peace talks are on the verge of collapse due to the major offensive launched by the Govt forces in Aleppo.

The capture of Aleppo by the Govt forces could serve as a turning point in the civil war. Assad would bargain from position of strength in the negotiating table and it would be difficult to see the transition Govt without the role of Assad.

## YEMEN

Govt forces retake a major city in south Yemen: In a major success, the Govt forces regained control of an important city of Mukalla, the capital of Hadramout Province from Al Qaida, killing more than 800 terrorists In addition the Govt forces seized al Qaida training camp in the province seizing large amount of weapons.

Houthi rebels capture a military base: The Houthi rebels captured a military base North of capital city of Sana'a, violating the UN sponsored cease fire, which came into effect on 10 April in Yemen.

UN sponsored peace talks:UN sponsored peace talks being held in Kuwait have been temporarily suspended by the Govt representatives due to the capture of a military base by the Houthi rebels, violating the cease fire.

Govt troops seize main oil terminal in South Yemen:The Govt forces supported by the coalition air strikes have retaken the country's largest oil exporting terminal close to Mukalla from al Qaida.

Comments:

The Govt forces have achieved a major success by recapture of southern city of Mukalla, the capital of Hadramout Province as well as capture of largest oil export terminal from al Qaida.

UN sponsored peace talks have commenced in Kuwait but temporarily suspended by the Govt representatives due to cease fire violations by the rebels.

## RUSSIA

Col Anadi Dhaundiyal

Stay away from Russian borders or keep transponders on: Russian Defense Ministry suggests US surveillance planes should either keep their distance from Russian borders while performing flights over the Baltic Sea, or at least keep aerial transponders switched on for identification.

“There are two solutions for the US Air Force [operating in the Baltic Sea]: either do not fly near our borders, or turn on transponders for automatic identification by our radars.” It further said that the US RC-135U reconnaissance plane is frequently trying to sneak up to the Russian border with the transponder off. Our anti-aircraft defense has to order our fighters off the ground simply to visually identify the type of aircraft and its ID number. A Russian Sukhoi Su-27 performed a barrel roll within 25 feet from the US plane, with the Pentagon describing the move as “dangerous” and “unprofessional.” “We are already starting to get used to insults coming from the Pentagon regarding the alleged “unprofessional” maneuvers when our fighters intercept the US spy planes near Russian borders.

On April 14, another Su-27 fighter jet conducted a barrel roll over another US reconnaissance plane and between April 11 and 12, the USS Donald Cook ship was flown over by Su-24 fighter jets, with the Pentagon releasing footage.

Comments: The US is invoking a reaction from Russia to build the perception of instability of Russian regime and thus influence the NATO nations for increased deployment of military forces. Likelihoods of deployment of four additional NATO battalions to the Baltic region is rumored. This is in light of the 1997 NATO-Russia Founding Act which states that the permanent presence of large NATO formations at the Russian border is banned.

Russian oil priced in Russia: Russia’s largest commodity exchange, whose chairman is Putin ally Igor Sechin, is courting international oil traders to join its emerging futures market of oil. The goal is to disconnect the price-setting mechanism of Russian crude from the Brent oil benchmark and to move away from quoting petroleum in U.S. dollars. The Platts agency assesses Urals oil, compares to North Sea Brent prices, and allows selling Urals oil on discounts for its lower quality. Russia requires every dollar.

Comments: For info only. US will arm twist and sabotage any concrete move, in order to frustrate the Russian efforts. China and OPEC also appear to be supportive if Russia chose to price its Urals crude in rubles rather than dollars, Michael Pento, President and Founder of Pento Portfolio Strategies, told Sputnik, adding that they are eager to see an end to the dollar's global reserve currency status.

China's Oil Market: Russia and Saudi Arabia have been (relatively) quietly fighting for market share in China ever since oil prices started their downward spiral in mid-2014 - now the battle is heating up, and teapot refineries are what could tip the balance. Though the Saudis had historically been China's biggest oil supplier, Russia managed to take the top spot several times during that period, thanks to the so-called Chinese teapot refineries. This has now forced the Saudis to do something they've never done before—target teapots on the spot market in order to regain lost market share. Chinese teapot refineries rose to fame due to their greater processing flexibility as compared with state-owned Chinese oil giants. Last year, Chinese teapot refineries finally won import quotas for crude, most of which they then export in the form of oil products. Russia was quick on the uptake and until recently was the leading supplier to these teapots. Now, however, the Saudis have stepped up their game and have offered teapots spot oil contracts.

Comments: For info. Saudi Arabia, prefers to trade its oil on the futures markets and at a fixed price rather than spot market. Since the stakes in Chinese spot market seem to be high enough Saudis are giving tough competition to Russian oil in that market too.

War Games: As per a joint protocol was signed in Vladivostok Moscow & Delhi will hold 3 major war games in 2016. The first planning conference for the Indra-2016 joint exercises will be held in May as per the head of the Russian Defense Ministry's Eastern Military District's press service said on 28 Apr 2016. Indra is a bi-annual Russian-Indian joint naval exercise, which has been conducted by Moscow and Delhi since 2003. The exercise includes live firing drills, anti-submarine operations, air defense training, counter piracy, anti-terrorist and counter drug smuggling operation drills.

AAD: While India is yet to formalize its S 400 contract the Russian S-500 Prometheus ballistic missile defense to be deployed in 2016. S-500 Prometheus mobile air and space defense complex is expected to enter service this year. The Defense Ministry is allegedly planning to order five S-500 complexes capable of intercepting ballistic and hypersonic missiles. S-500 will be capable of simultaneously engaging up to 10 targets traveling at speeds of up to seven kilometers per second, which is an approximate speed of intercontinental ballistic missile nuclear warheads

entering the atmosphere. The killing range of the complex is reported to be 600 kilometers, while the altitude of a target engaged could be near 180-200 kilometers. The S-400 Triumph already in service, has a range of 400 kilometers and can simultaneously attack 36 airborne targets with 72 missiles, with a target's maximum speed of 4.8 kilometers per second.

Afghanistan

Capt (IN) Ranjit Seth

Security Situation in Afghanistan.

President Ashraf Ghani assailed Pakistan in a blistering speech for providing sanctuaries to militants targeting his country. Ghani's speech has come at a time when the Afghan peace process led by Pakistan, Afghanistan, the United States, and China (the so-called Quadrilateral Coordination Group—has stalled), with the President calling

for action against the leadership of the Afghan Taliban.

The deteriorating security situation in Afghanistan, exacerbated by the Taliban's relentless attacks, has politically weakened Ghani domestically. With growing pressure from opposition parties and even from some factions of his own government, Ghani's position has become so precarious that he can no longer afford to wait for the peace talks, which have yielded no results. Clearly, Ghani's policy of reaching out to Pakistan has not borne fruit.

It is assessed that Pakistan has not changed its policy of making distinctions between different militant groups. A few months ago, Pakistani Foreign Affairs Advisor Sartaj Aziz had admitted that Pakistan enjoyed major influence over the Afghan Taliban because the latter's leadership resides in Pakistan. Further, evidence suggests that Pakistan continues to shelter and patronize different militant groups, particularly the Haqqani Network (HQN). The HQN is linked to the bombing that rocked Kabul in mid march that killed over 90.

The National Security Archive at George Washington University had recently published a number of unclassified documents which claim that large part of the HQN's funding comes from the Afghan Taliban leadership based in Pakistan.

Analysts believe that Pakistan's continuous support for these groups has much to do with its paranoia about India's influence in Afghanistan, and, as long as this anxiety exists, its policy of supporting these groups is not likely to change.

#### 80 Extremists Killed in Afghanistan.

Government forces have launched operations against the Taliban in 18 provinces of Afghanistan as fighting has intensified since the start of the insurgents' spring offensive this month. Eighty anti-government fighters, including nine from Islamic State have been killed.

The operations, backed by air power and artillery have been concentrated in areas where the Taliban insurgents have been attempting to reassert control over key districts.

Frustrated by a stalled peace process and by the Taliban's growing attacks, President Ashraf Ghani has instructed the government forces to go on the offensive

## IRAN

### Elections in Iran.

#### Anchor

Parliamentary elections were held in Iran on 26 February 2016 for all seats in the 10th parliament. A second round was held on 29 April 2016 for some constituencies where candidates failed to obtain the required minimum 25 percent of votes cast. The elected MPs will serve from May 28, 2016 to May 27, 2020. Elections were also held for members of the Assembly of Experts. This election was the first time that both bodies were elected simultaneously.

The 290-seat Assembly has 285 directly elected members and five seats are reserved for the Zoroastrians, Jews, Assyrian and Chaldean Christians and Armenians. Briefly the reformists gained over hardliners in the assembly but fell short of a simple majority.

Supporters of President Hassan Rouhani won 42% of the 290 seats, independents won nearly 30%. Women won a record 17 seats, the most since the 1979 revolution

The results are regarded by many as an endorsement of the nuclear agreement that the government of President Rouhani signed with the US and other world powers to curtail Iran's nuclear programme in return for the lifting of international sanctions.

### Hypersonic Weapons

Air Cmde T Chand (Retd)

#### China Conducted Successful Hypersonic Glide Vehicle (HGV) Test:

China conducted its seventh hypersonic glide vehicle (HGV) test on 22 Apr 2016 from its Wuzhai test range. It is reported to be a developmental test of DF-ZF, HGV atop a ballistic missile. The maneuvering vehicle flew at a speed between 6,500 and 11,000 km per hour. Last year also three DF-ZF tests were carried out on 09 Jan, 07 Aug, and 02 Dec. The Chinese probably see this as one of their assassin's mace weapons which are designed to counter the US. The latest flight test of the DF-ZF demonstrates China's determination to proactively develop asymmetric power projection capabilities and undermine US missile defences. China also is reportedly taking steps to strengthen its underground missile silos and facilities to withstand precision strikes by hypersonic weapons being developed under US Prompt Global Strike (PDS) programme. The US hypersonic weapons under development include a missile-launched glider and a scramjet-powered strike vehicle.

In its most recent annual report the congressional US-China Economic and Security Review Commission has observed that the Chinese HGV programme was progressing rapidly and that the new strike weapon could be deployed by 2020. Development of a scramjet engine powered version is also under progress and could be operational by 2025. In the current budget US is believed to have planned \$23 million for a low-powered laser capable of targeting hypersonic missiles. The first test of the laser, however, is not planned until 2021.

The latest Chinese HGV test was conducted three days after Russia carried out a flight test of its experimental HGV atop an SS-19 ballistic missile from a missile base in Siberia. Earlier Russian Deputy Prime Minister Dmitry Rogozin told the newspaper Kommersant in October 2012 that the nation that masters hypersonic weapons first would revolutionise warfare. He compared the strategic significance of the high-speed weapons to development of the first atomic bombs. In addition to the Russia, US and China, India is also pursuing a hypersonic vehicle development programme.

China's hypersonic weapons pose as much challenge to the Indian Ballistic Missile Defence Systems as to those of the US. Directed Energy Weapon (DEWs) are believed to be the only possible deterrence for these weapons. India like US, China and Russia is also developing DEWs and these developmental efforts must not be allowed to slacken.