

# ENVIRONMENT SCAN: 15 DEC 2016

**China (Continental), China (Maritime), Kashmir, Iran, Nepal, Bangladesh, Sri Lanka, Afghanistan, Asean, West Asia, Iraq, Yemen, Russia, United States Of America,**

**CHINA (CONTINENTAL)**

**Brig Jai Singh Yadav, VSM**

China: Trump's One China comments 'risk Taiwan peace'.

Beijing has warned the incoming US administration that any attempt to challenge the "One China" policy could affect peace in the Taiwan Strait.

Under the "One China" policy, the US has formal ties with China rather than the island of Taiwan, which China sees as a breakaway province. However, US President-elect Donald Trump has expressed doubts about continuing to abide by the policy.

'Ready to Confront'. Admiral Harry Harris, head of the US Pacific Command, vowed the US will keep challenging Beijing's "assertive, aggressive behaviour in the South China Sea". Speaking to Australian think tank the Lowy Institute in Sydney, Admiral Harris said: "We will not allow the shared domains to be closed down unilaterally, no matter how many bases are built on artificial features in the South China Sea. "We will co-operate where we can but we will be ready to confront where we must."

Beijing has been developing artificial islands capable of hosting military planes in the region. It also insists on sovereignty over virtually all the resource-endowed South China Sea, despite rival claims from its South East Asian neighbours.

Washington has repeatedly said it does not recognize the claims, and has sent warships into the area to assert the right to freedom of navigation.

Comments. The current move by US is in consonance to its policy of indirectly supporting Taiwan and also opposing China's claim to South China Sea. One has to wait and watch the further developments in this part of the world.

China Halts North Korean Coal Imports. China announced on 10 Dec that it was suspending coal imports from North Korea for three weeks wef 11 Dec, in line with the latest United Nations sanctions against the hermit state.

The Security Council passed the resolution on the international sanctions against Pyongyang on November 30 in the wake of the North's Sept. 9 nuclear test. It limits North Korea's coal exports next year to 7.5 million tons or just over \$400 million, down 62 percent on 2015.

The cap represents a fraction of the North's current annual exports to China, the isolated country's sole ally and its main provider of trade and aid. China imported 1.8 million tons of coal worth \$101 million from North Korea in October alone, according to the most recent figures available on the Chinese Customs website. The volume was up nearly 40 percent year-on-year.

Under previous sanctions, the Security Council authorized the purchase of coal from North Korea provided revenues were not used to finance Pyongyang's nuclear programme.

However, the U.N. did not specify any assessment criteria, which allowed Beijing to increase its imports considerably while saying it was acting in good faith. Between March and October, 24.8 million tons of coal was imported, three times the annual limit now allowed by the U.N.

Although Beijing has traditionally protected Pyongyang diplomatically, believing that Kim Jong Un's regime is preferable to its collapse, it has grown frustrated by its neighbor's defiance.

Comments. The move of temporary ban of coal import from North Korea by China is just a fraction of total coal imports which are on the rise every year. This appears only a symbolic action in support of UN sanctions against North Korea.

China Takes Tibet Route to Nepal Market, may Hit Indian Biz. The first major consignment of goods worth \$2.8 million has left the Chinese border for Nepalese capital Kathmandu. This is the biggest goods movement between the two countries since 2005 when China built what it calls the Friendship Highway to link towns on either side across difficult mountain terrain.

The move, involving transporting goods of daily use, electronic and electrical appliances, is expected to severely hit Indian businesses that have had unfettered access to the Nepali market for decades.

Dozens of trucks set off from the Tibetan border port of Gyirong for Kathmandu, 860km away.

China has since early this year encouraged Kathmandu to reduce its dependence on India for supply of goods and services related to energy and telecom. Nepal signed an agreement with China on movement and exchange of containers a week ago. Last month, Nepal Telecom struck a deal to use Chinese telecom infrastructure and facilities. The flow of goods from China will encourage Nepal to accept the Chinese offer for rail connectivity.

The consignment of shoes, clothes, hats, furniture, kitchen utilities, appliances and building material has already covered a 5,200-km-long train journey from the south Chinese province of Guangdong to the Tibetan city of Xigeze before they were loaded onto trucks. In the normal course, the cost of transporting goods over 6,000km would jack up the prices but China is subsidising the cost to ensure the pricing is competitive with products from India.

Comments. The China-Nepal Friendship highway which is likely to be followed by a rail link is definitely eroding the Nepal's trade and energy dependency on India. There is an urgent need by India to offset Chinese ever growing influence not only in Nepal but also in Bangladesh where in the overall scheme of things, China is aiming to have access to the sea- Bay of Bengal.

## **CHINA (MARITIME)**

### **Capt Ranjit Seth**

US President-elect Donald Trump expressed doubts about continuing to abide by the 'One China' policy. Earlier Mr Trump had angered China by taking a phone call from Taiwan's President Tsai Ing-wen, and then tweeting about it. China has responded by stating that upholding the "One China" principle is the political basis of developing China-US relations, and is the cornerstone of peace and stability in the Taiwan Strait.

Stirring the pot further, Admiral Harry Harris, C in C of the US Pacific Command, while speaking to Australian think tank 'The Lowy Institute' in Sydney, said that the US will keep challenging China's "assertive, aggressive behaviour in the South China Sea. We will not allow the shared domains to be closed down unilaterally, no matter how many bases are built on artificial features in the South China Sea. We will co-operate where we can but we will be ready to confront where we must."

China has been developing artificial islands capable of hosting military planes in the region.

'One China' Policy. In 1949 at the end of the Chinese civil war, the defeated Nationalists, known as the Kuomintang, retreated to Taiwan and made it their seat of government while the victorious Communists declared the People's Republic of China. Both sides claimed they represented all of China. In 1979 when US established formal diplomatic ties with China under President Jimmy Carter, it severed ties with Taiwan and closed its Taipei embassy.

'One China' policy is diplomatic acknowledgment of the Chinese position that there is only one China in the world and that Taiwan is a part of China. Under the policy, the US has formal ties with China rather than Taiwan. As a part of the policy, USA maintains a non-official relationship with Taiwan, including continued arms sales to the island state. The US remains Taiwan's most important security ally.

Bomber Patrols over the South China Sea. China flew a nuclear-capable bomber over the South China Sea to send a message to President-elect Donald Trump in response to his telephone call with

Taiwan President Tsai Ing-wen. The Chinese H-6 bomber flew above the South China Sea and several disputed islands last Thursday, 8 Dec 16.

The H-6K, an updated variant of the license built Tu-16 entered service in October 2009. China operates 15 of these bombers. It is designed for long-range (3500km) stand-off attacks (CJ-10A land attack cruise missiles, YL-12 anti-ship missiles). It is capable of attacking carrier battle groups and priority targets in Asia. This aircraft also has nuclear strike capability.

## **KASHMIR**

### **Brig Jai Singh Yadav, VSM**

Farooq Extends NC's Support to Struggle for Kashmir 'Azadi'. National Conference (NC) patron and former Jammu & Kashmir Chief Minister Farooq Abdullah has extended his party's support to Kashmiri separatists in their "Struggle for Azadi" from India.

Urging the Hurriyat leadership to carry on the ongoing violent separatist movement, Abdullah said, "We'll never be free until we are united (against India), and I am asking NC workers not to stay away from the movement".

Addressing his party workers at the mausoleum of his father, the former chief minister Sheikh Muhammad Abdullah, on his 111th birth anniversary, the NC patron said: "The flames will never die. They (New Delhi) will not give you anything. You should continue with this struggle.

We have given our entire lives for this movement." "We are part of the movement; don't take us as your adversaries, we are a part of you. We have fought the jihad. Be united, take this movement forward. Go ahead, we are with you," he added.

Comments. The statements of Farooq Abdullah supporting the current unrest in Kashmir and naming it purely a local movement appears to be politically motivated move to garner public support and of separatists as well. It also conveys the frustration of the opposition party in J & K state which has gone to the extent of going anti- national.

## **IRAN**

### **Brig Deepak Malhotra**

Nuclear-Propulsion System for Iranian Ships. Iranian President Hassan Rouhani ordered the development of a nuclear-propulsion system for ships as well as a study of fuel production for the propulsion system. This decision comes in response to the extension of US bilateral sanctions against Iran for a further 10 years. The Islamic Republic regards the move as a breach of last year's

nuclear agreement between Iran and six world powers — the US, UK, France, Russia, China and Germany.

Comments. A propulsion system based on enriched uranium would probably require Iran to enrich uranium to a fissile purity above the maximum level set by the nuclear deal. It remains to be seen whether this move by Iran was political posturing aimed mainly at a domestic audience upset at the extension of sanctions or whether they will follow through on the development of nuclear-powered ships.

## **NEPAL**

### **Col Harpreet Singh**

Demonitisation Effect on Nepal. India's decision to remove its largest denomination banknotes from circulation came as a major surprise to both Indians and international observers. By removing its 500 and 1,000 rupee notes, India has removed 87% of the total bills in circulation, leaving New Delhi with some 23 billion worthless notes to dispose of. While the move was aimed at fighting corruption, black money, and other domestic problems, it has created a host of new problems for India's neighbours, particularly Nepal.

The sudden withdrawal of these notes from circulation has thrown the Nepalese economy into turmoil, as it is heavily reliant on India, with the Nepalese rupee pegged to the Indian rupee at 1.6:1. India's sudden decision has greatly affected many ordinary Nepalese, threatening economic uncertainty and increasing instability going forward.

India's decision could not come at a worse time for Nepal, as the Himalayan country is still facing uncertainty following the 2007 overthrow of the monarchy. Nepal's government is still negotiating the structure of the new state, with discussions on a new constitution ongoing. This uncertainty, combined with the nation's remoteness and the lingering effects of the devastating 2015 earthquake has seen GDP growth shrink to 0.5% for 2016. Years of high inflation – reaching 10.24% in 2016 – effectively mean Nepal is facing substantial economic contraction. Combined with the fact that more than a third of the country is unemployed, India's demonetization severely undermines the few avenues available to Nepalese citizens to sustain themselves.

Hundreds of thousand of Nepalese citizens work in India as migrant workers, with Nepal receiving \$640 million in remittances from its citizens in India in 2016. Much of these remittances, which amount to 2.6% of GDP, are sent home using the now defunct banknotes. Alongside migrant

workers, Nepalese students seeking admission to Indian institutions, those seeking medical treatment, pilgrims, and those visiting family in India are also affected. Moreover, thousands of veteran Gurkhas drawing pensions in Indian rupees have seen their payments undermined.

Unlike Indians, Nepalese citizens are not able to exchange or deposit their notes by the December 30th deadline set by New Delhi's transition plan. The Federation of Nepalese Chambers of Commerce and Industry estimates that some ten billion rupees (\$146 million) in defunct notes is held by the informal sector and private individuals – a major loss of savings in a country with a nominal per capita GDP of only \$837.

To make matters worse Nepal has banned the use of the new replacement bills until India issues a FEMA notification, as per the Foreign Exchange Management Act. While this is standard procedure, the move only puts Nepal further at the mercy of New Delhi's schedule, as well as exacerbates the troubling plight of ordinary Nepalese caught in the middle.

The upset caused by India's decision has seen both the Nepal Rashtra Bank and the Royal Monetary Authority of Bhutan meet with the Reserve Bank of India in order to seek assistance. Nepal's Prime Minister has also met with Prime Minister Modi to address the issue, although no arrangements have yet been implemented. An inter-ministerial taskforce has been formed by New Delhi to look at the impact on tourists, non-resident Indians, foreign nationals, and persons of Indian descent holding the old banknotes.

Another concern for both Nepal and Bhutan is how banknote demonetization will impact foreign aid from India, as New Delhi allocated 54.9 billion rupees (\$798 million) to Bhutan and 300 million rupees (\$4.36 million) to Nepal in 2016.

Comments. The losses incurred by ordinary Nepalese from India's demonetization will have serious knock-on effects, especially in a country with severe existing food shortage problems and a lack of other basic services. If Nepal's government does not step in and aid those who are suffering, the country will likely see an increase in unrest, as citizens express their anger at the government. This is especially worrisome for Kathmandu which houses a government still trying to cement the transition from monarchical rule. Nepal could see violence erupt in the short to medium term as citizens point to a lack of aid from an increasingly corrupt and insular government.

Any instability could seriously damage Nepal's efforts at economic growth. The country's tourism sector is particularly at risk as the industry is highly exposed and responsive to political risk. Tourism constitutes Nepal's largest source of foreign exchange, and if this source diminishes, then it (coupled with stymied remittance rates) will contribute to a major reduction in desperately needed foreign reserves. Still recovering from the 2015 earthquake, the last thing that Nepal's tourism industry now needs is an upsurge in social unrest.

Whether Nepal can quickly respond to these problems remains to be seen; for now the country faces some Himalayan hurdles. India must now assist Nepal to get out of this crises and provide Nepal with new currency once its own currency shortage issues are settled.

## **BANGLADESH**

### **Col Saikat Roy**

Manohar Parrikar Meets Bangladesh PM Sheikh Hasina. Defence Minister Manohar Parrikar meet Bangladesh Prime Minister Sheikh Hasina, who also holds the defence portfolio on Thursday, December 1, 2016. Mr. Parrikar is leading an 11-member high-power delegation to meet top leadership to firm up an upgraded defence co-operation agreement, which is likely to be signed by Hasina during her visit to Delhi later this month.

Analysis. As close neighbours sharing strong cultural and historic bonds, India and Bangladesh have a comprehensive and deep bilateral relationship, including defence co-operation. However, contemporary problems like terrorism and complex geopolitics of the region demand both countries to deepen security ties and expand defence co-operation. Alongside India, Bangladesh has strong defence cooperation with China especially in military hardware. Though the Defence Ministry categorically brushed aside any linkages of the Defence Minister's visit to the acquisition of submarines by Bangladesh this month, the move has precipitated in New Delhi to scurry in its efforts to engage Bangladesh pragmatically, lest it veers off irretrievably towards China.

Bangladesh Prime Minister Sheikh Hasina's Visit to India. India and Bangladesh may sign a pact during Bangladesh Prime Minister Sheikh Hasina's upcoming visit to expand bilateral defence partnership. Officials said both sides are looking forward to expanding security ties as part of the growing strategic partnership. Hasina is set to arrive in India on December 17 for a four-day trip, the pending Teesta water sharing pact is likely to be on the agenda.

Analysis. The Bangladesh Navy chief's visit to India from December 7, a week after the visit of India's defence minister to Dhaka may be construed as a precursor to signing the defence deal. Bangladesh wants to expand its partnership with the Indian Navy even as it purchased two submarines from China. Areas of naval cooperation that have been proposed include option of coordinated patrolling along International Maritime Boundary Line, bilateral exercises involving the two navies, joint surveillance of Exclusive Economic Zone and cooperation in hydrography.

20 Houses of Hindus Set on Fire in Bangladesh. At least 20 houses of Hindus were set on fire in Dinajpur, Bangladesh on Saturday, December 3, 2016. No one was injured as residents managed to escape on time.

Analysis. The above incident is fallout of the radical Islamic drive to oust the minority community and establish their writ in the region.

## **SRI LANKA**

### **Col Saikat Roy**

China Gains Near Full Control of Hambantota Port in South Sri Lanka. A Chinese-dominated Sino-Sri Lankan Joint Venture (JV) will be granted comprehensive control of Hambantota port, including its internal security under a Framework Agreement between the Sri Lankan Government and China Merchants Port Holdings Company (CMPort). The final deal is to be signed in January. The Framework Agreement provides for the setting up of a JV company between CMPort and the Sri Lanka Ports Authority, each holding 80: 20 shares, respectively. The term of the lease and concession period is for 99 years. CMPort has not consented to immediate royalty payments to the SLPA. The Framework Agreement sees the Chinese-led venture gaining authority over virtually the entire operation of the port. The SLPA had wanted the security of the port to be handled by it. However, the Chinese had insisted on the JV doing this on its own.

## **MINISTRY OF DEFENCE**

### **Col Saikat Roy**

#### **DEFENCE : INDIAN ARMY MODERNISATION**

Indian Army to Increase Indigenous Rocket Regiments. The Indian Army, which currently operates two regiments of the indigenously-developed truck-mounted Pinaka multi-barrel rocket launcher (MBRL) systems, it hopes to induct another eight by 2022 and is looking at increasing the number to 22 within a decade to add firepower to its artillery.

Analysis. The Pinaka system is designed and developed by TATAs and L&T, in association with DRDO. It is one of the rare successes of the private sector in manufacturing military hardware. Additional Rocket Regiments will vastly enhance the firepower and flexibility in utilization of Artillery support which could be made available in support of operations.

Army to receive First Howitzer by June. The Defence Ministry had signed the Letter of Acceptance to purchase 145 M777 guns through the foreign military sales route. The countdown to the delivery has already begun as BAE Systems is to supply the first one within six months.

The entire consignment is to be delivered over a period of about 54 months. While the first 25 guns are to be imported in two years, the rest would be assembled at a factory at Faridabad, which Mahindra set up in partnership with BAE Systems.

Analysis. At half the weight of other 155mm-towed Howitzers, the M777 provides a rapid reaction capability, and is the only battle-proven 155mm ultra-lightweight Howitzer in the world. For the Indian Army, the guns would be useful while serving on mountainous terrain. Also, since they can be carried by Chinook helicopters, which also India is buying from the US, they can be quickly moved to areas close to the border.

Govt Fast-Tracks Rs 60,000-Crore 'Make In India' Project for Infantry Combat Vehicle. The Defence Ministry is finally fast-tracking the long-pending mega 'Make in India' project to produce at least 2,610 future infantry combat vehicles (FICVs) for the Army at an estimated cost of about Rs 60,000 crore. The government will fund 80% of the development cost, which could be around Rs 3,000-4,000 crore. The Expression of Interest lays down the contenders will be assessed on four major counts: commercial, technical capability, availability of critical technologies and technical specifications of the FICVs they propose to build. The private contenders are L&T, Mahindra, Pipavav Defence & Offshore Engineering and two consortiums of Tata Motors-Bharat Forge and Tata Power SED-Titagarh Wagons. The sheer size of the "lucrative" FICV project has even seen some countries hard-sell their infantry combat vehicles to India.

## **AFGHANISTAN**

### **Brig Deepak Malhotra**

Heart of Asia Summit. 6th Ministerial Conference of Heart of Asia summit was held in Amritsar, India, from December 3 to December 4, 2016. Terrorism, particularly, state-sponsored terrorism was identified as a key challenge and members unanimously named Terrorist groups and asked for action. India asserted financial aid to the tune of \$1 billion to Afghanistan to improve infrastructure and a roadmap for air corridor was agreed upon, which is likely boost trade between the two countries. After the cancellation of the SAARC summit in Islamabad, India has once again managed to successfully isolate Pakistan in the Heart of Asia summit after the public rejection of Pakistan's

economic aid by the Afghan President and naming of Pakistan based LET and JEM terrorists groups in the declaration.

Comments. The Heart of Asia process remains critical to forging cooperation to realize Afghanistan's potential to be a vibrant Asian "hub", however the forum which was launched in 2011 to help end the Afghan crisis by involving regional countries has not made much headway given the rising insurgency in Afghanistan and the failure to find a political solution to the civil war there.

## **ASEAN**

### **Brig Jai Singh Yadav, VSM**

India, Vietnam Sign Nuclear Pact, Three Other Agreements.

In a significant development, India and influential East Asian nation Vietnam on Friday signed a civil nuclear cooperation agreement, with Prime Minister Narendra Modi asserting that it will further strengthen the comprehensive strategic partnership between the two countries.

The two countries also signed three other agreements — to enhance aviation links, to jointly work in the area of energy efficiency and promotion of parliamentary cooperation.

The two countries had earlier in 1986 signed a pact in the civil nuclear field which was limited to training. However, the new agreement is broad-based and encompasses research on nuclear reactors, sources said. The cooperation in research on nuclear reactors will get activated once India gets membership of the Nuclear Suppliers Group, they added.

An MoU on 'Promotion of traffic between Vietnam and India and sharing of best practices in airline operation, ground handling procedure and management' was also signed between Air India and Vietjet Aviation Joint Stock Company.

Energy Efficiency Services Limited (EESL), a PSU under the Power Ministry, and Vietnam Electricity (EVN) signed an MoU on 'Developing a Partnership to Jointly Work in the Area of Energy Efficiency'.

Referring to South China Sea over which China is laying an absolute claim and is in confrontation with Vietnam and some other East Asian countries, India has persistently maintained that sea lanes of communication passing through that maritime area are critical for peace, stability, prosperity and development.

Comments. The civil nuclear agreement with Vietnam comes close on the heels of India signing a similar pact with Japan. With India's 'Look East' policy evolving into an 'Act East' policy, the ASEAN region in general and Vietnam in specific, assumes even greater importance in India's strategic thinking and economic engagement.

State Visit of President of Indonesia to India. H.E. JokoWidodo, President of Indonesia visited India from 12-13 December, 2016 at the invitation of Prime Minister Sh. Narendra Modi. This is the first visit of President JokoWidodo to India after assuming power in October2014 and he was accompanied by seven Cabinet Ministers, senior officials and a 22-member very high level Business delegation from Indonesia.

Leaders of both countries had earlier mandated the setting up of an Eminent Persons Group to draw up a Vision Document 2025 to serve as a blueprint for our bilateral relations. After three sittings during 2016, the report is now ready and was released on the occasion of the visit by Foreign Minister Retino Marsudi and MoS Shri M. J. Akbar. It covers the five areas of Strategic Engagement, Defence and Security Cooperation, Comprehensive Economic Partnership, Cultural and People to People Links and Cooperation in Responding to Common Challenges.

India and Indonesia enjoy a long standing shared historical affinity and close cultural ties. Indonesia is a strategic partner of India since 2005 and an important trade partner in ASEAN.

Indonesia is India's largest direct trade partner in the ASEAN (about US\$ 16 billion two way trade) as also a major target for outward investment (about US\$ 15 billion) East policy.

Outcomes:-

(i). Both countries signed three agreements.

- MoU on Youth Affairs and Sports.
- MoU on Standards.
- Joint Communique on Illegal and Unauthorized Fishing.

(ii) Issued: -

- A detailed Joint Statement
  - A Statement on Maritime Cooperation which mandates both sides to draw up an MoU for cooperation in this area.
- (iii) Agreed to Annual Meetings of the Leaders
- (iv) Agreed to commence
- A Strategic Dialogue
  - A Security Dialogue
- (v) Agreed to negotiate a new Comprehensive Defence Cooperation Agreement.
- (vi) Agreed that the following mechanisms will meet within the first six months of 2017
- Joint Ministerial Commission
  - Defence Ministers Dialogue and Joint Defence Cooperation Committee
  - Biennial Trade Ministers Forum
  - Energy Forum at Ministerial level
- (vii) The First Meeting of the Bilateral CEO's Forum comprising about 40 CEOs of top corporates from both sides met during the occasion and made recommendations to the two Leaders.
- (viii) The India-Indonesia Eminent Persons Group which had met three times earlier this year presented its report and the Vision 2025 document on bilateral relations for 2025 and beyond.
- (ix) First direct flight between the two countries was flagged off in the morning. Garuda Indonesia launched its flight from Jakarta to Mumbai.

Comments. The visit of the President of Indonesia to India provides an opportunity to reaffirm and strengthen bilateral relations including commercial, investment and strategic ties. It will also strengthen our pursuit of a closer and enduring partnership with a close maritime neighbour, a pluralistic, democratic nation with which we have much in common, in the present global context and most certainly in the future. A strong multi-dimensional relationship with Indonesia is a vital element of India's Act East policy.

ASEAN Strengthens its Emergency Response Mechanism. ASEAN takes another step to further strengthen its emergency response mechanism through the ASEAN Regional Disaster Emergency

Response Simulation Exercise 2016 (ARDEX-16). This simulation exercise from 29 November to 2 December 2016, was organized by the National Disaster Management Centre of Brunei Darussalam and the ASEAN Coordinating Centre for Humanitarian Assistance on disaster management.

ARDEX-16 provides an opportunity to practice, evaluate and review the ASEAN Standby Arrangements and Standard Operating Procedures in responding to disasters in order to improve ASEAN's collective emergency response mechanism. At the operational level, it aims to test coordination mechanism between the National Disaster Management Centre of Brunei Darussalam with the Joint Operations Coordinating Centre of ASEAN as well as with local and international humanitarian agencies such as the UN Office for the Coordination of Humanitarian Affairs.

“The exercise will give emphasis on the operational tasking, deployment and coordination of rescue and relief efforts of participating teams.

Participants for ARDEX-16 are from emergency response forces of Brunei Darussalam; ASEAN Member States; response teams from the United Nations, international organisations and partners including private organisations in the spirit of One ASEAN One Response.

Comments. ASEAN region is prone to a number of disasters, mainly being smog caused by forest fires and a joint disaster response mechanism is indeed significant. There is a case in point for India also to join the ibid response mechanism and cooperate in disaster management in the region.

## **WEST ASIA**

### **Brig Ranjit Singh**

## **IRAQ**

Offensive to retake Mosul. The major offensive to retake Mosul from ISIS launched by Iraqi security forces, duly supported by International Coalition led by US, in the second half of Oct 2016, is progressing well. The progress of operations in last 15 days has been steady but facing stiff resistance from ISIS, the city of Mosul has been surrounded from all directions; the noose is being tightened rapidly. The operations have made significant progress in the East, wherein, 40 out of 56 districts in East Mosul have been liberated by the Security Forces.

US led Coalition Air Strikes. The US led Coalition has been carrying out large scale intense airstrikes against ISIS targets in Mosul, creating large scale destruction to the outfit.

ISIS has Suffered Major Casualties in Mosul. It is estimated that approx 4000 ISIS elements have been killed in the operations in Mosul so far.

Rise in Refugee Numbers. With the progress of operations, the number of IDPs is rising rapidly and presently increased to 1,03,000, last reported from the camps being run. The numbers are likely to rise much higher as the battle closes to the central Mosul.

People Return to their Homes in Captured Areas. The people have started returning to their homes in the areas which have been retaken from ISIS.

Recapture of Mosul before New Administration in US. US Defence Secretary Ash Carter has said that Mosul could be liberated before new administration takes over in US.

US to send 1700 Paratroopers to Iraq. It is reported that US is planning to send 1700 Paratroopers to Iraq early 2017 to provide aid to Iraqi Security Forces.

Comments. The major offensive to liberate Mosul launched in the second half of Oct 2016, has been progressing well. The operations are progressing steadily but meeting stiff resistance. Mosul has been isolated from all directions and the noose is being tightened gradually, to facilitate its early capture. Significant gains have been made by Iraqi Security Forces in East Mosul.

Due to large number of IDPs, a humanitarian crisis is looming large as the operations gain momentum for capture of Mosul. Approx 1,03,000 IDPs have reported to the refugee camps, so far.

US expect to liberate Mosul before Donald Trump takes over Presidency, which is quite unlikely as per the current situation on ground.

## **SYRIA**

Syria Govt Forces take Control of Entire Aleppo City. The Govt forces have taken control of entire Aleppo City, after signing an agreement for safe passage to civilians and rebel fighters. 3000 civilians and rebels have been evacuated from East Aleppo which was under the control of rebels. However, 50,000 civilians remain to be evacuated.

Govt forces likely to Focus on Damascus. Post regaining control of Aleppo, the Asaad forces are likely to focus on regaining control of rebel held pockets in Damascus.

ISIS Retake Control of Palmyra City. ISIS has retaken control of ancient city of Palmyra from the Govt forces. Approx 4000 ISIS militants stormed the city from all the directions and took control of the city, despite heavy airstrikes.

Comments. The Govt forces have achieved a major success by retaking the entire city of Aleppo from the rebels. This would significantly strengthen the hold of Assad over the country and on the bargaining table for the peace process.

ISIS has retaken the ancient city of Palmyra which is a major setback for the Govt forces. This is also indicative of the strength of ISIS in the region despite prolonged operations.

## **YEMEN**

UN Sponsored Peace Roadmap for Yemen. UN sponsored draft peace roadmap for Yemen has been formulated by the UN. It envisages a new Vice President acceptable to both the parties and formation of a National Unity Govt. The plan would largely undermine the relevance of President Hadi. The roadmap has been rejected by the Hadi Govt, calling it a dangerous international precedent that would legitimize rebellion against internationally recognized Govt.

US Urges Yemen to Accept the UN Peace Roadmap. US has urged the Hadi Govt to accept the UN sponsored peace roadmap.

GCC and UK Urges Yemen to Accept the UN Peace Roadmap. GCC and UK have urged the Hadi Govt to accept the UN sponsored peace roadmap.

Comments. A fresh UN sponsored peace roadmap has been formulated, which has been rejected by the Hadi Govt as it undermines the position of President Hadi.

The peace roadmap has been supported by US, UK and GCC. It is quite likely that the Hadi Govt would have no choice but to accept the peace roadmap in due course.

## **RUSSIA**

### **Col Harpreet Singh**

RUSSIA has launched a cyber campaign to take down Angela Merkel and promote far-right groups in the upcoming German elections, a US official has claimed. It comes as a CIA probe confirms Moscow helped Donald Trump win the US election through a series of cyber attacks. The official said

Moscow is launching a similar effort to influence the next German election, following an escalating campaign to promote far-right and nationalist political parties and individuals in Europe that began more than a decade ago.

In both cases, said the official, Mr Putin's campaigns in both Europe and the US are intended to disrupt and discredit the Western concept of democracy by promoting extremist candidates, parties, and political figures.

German officials have accused Moscow of trying to manipulate German media to fan popular angst over issues like the migrant crisis, weaken voter trust and breed dissent within the European Union so that it drops sanctions against Moscow. Russian officials have denied all accusations of interference in the US election or intending to weaken the EU.

Comments. The moot point is that what would Russia gain if Merkel loses the 2017 election? A friendly regime in Germany would certainly help Russia as Germany is the engine that is driving Europe. The bigger question is that after US elections is it now a Russian policy to influence elections in countries that matter to them and do they have the capability to do this? In case this is established it may influence other world leaders to be in the good books of Putin. Political parties in India also may start to figure out whether the Russia's prowess in cyber and social media will swing the elections. However it is still to be established whether Russia favours any particular political establishment in India. Economic reasons, mainly trade in defence may cause Russia to lean towards a particular party but whether that is a big enough reason for Russia to campaign discreetly for a particular party will be clear in the 2019 general elections.

WADA Reports on Alleged Doping Abuse in Russia. In July 2016, a WADA commission led by McLaren presented a report based on the investigation results, in which Russia was accused of running a state-wide doping program, urging the International Olympic Committee (IOC) to consider a blanket ban on the entire Russian team.

The second part of the report was released on December 9, 2016. The report claimed that more than 1,000 Russian athletes were involved in doping manipulations or benefitted from them. The names of the athletes were not disclosed.

The second part of the report by WADA independent commission on alleged doping abuse in the Russian sports was the last one, the commission's head, Richard McLaren said. Earlier in the day, McLaren introduced the second part of the report on alleged Russian doping abuse, revealing manipulations by athletes in 30 sporting disciplines.

"We are done. This is it," McLaren said, answering the question of Russian journalists about the possibility of publication of the third part of the report. He stressed that the report was published in

two parts as there was no possibility to examine all the information available at the moment of the publication of the first part. In July, WADA commission presented the first part of the report based on the investigation results, in which Russia was accused of running a state-wide doping program, recommending the International Olympic Committee (IOC) to consider a blanket ban on the entire Russian team. The IOC instead opted to let individual sports federations decide on the matter. As a result, the International Association of Athletics Federations (IAAF) banned the Russian athletes from taking part in international competitions including the 2016 Summer Olympics. The International Paralympic Committee (IPC) later banned all Russian Paralympic athletes from the 2016 Summer Paralympics and the 2018 Winter Games.

Comments. It appears that WADA is now trying to indicate that there will be no more investigations on the Russian athletes state sponsored doping issue. Earlier Russians had blamed Hillary for the crises and now they will be inclined to think that maybe Mr Trump has something to do with this new WADA attitude.

Russian Support to Taliban. US has raised concern about Taliban insurgents links to Russia and Iran, saying they are not advancing the cause of stability in the region. Moscow is allegedly helping and arming the Taliban in a bid to contain the influence of Islamic State affiliates in Afghanistan and prevent it from threatening neighbouring central Asian states.

Speaking at a U.N. General Assembly session late last month in New York, Russian envoy Vladimir Safronkov even called for easing U.N. sanctions on the Taliban for promoting peace talks between warring sides. Russia has overtly lent legitimacy to the Taliban. This public legitimacy that Russia lends to the Taliban is not based on fact, but it is used as a way to essentially undermine the Afghan government and the NATO effort and bolster the belligerents Gen Nicholson said. The general suggested that Shiite Iran maintains contacts and influence with the Taliban for similar reasons. He said Afghan officials have engaged both Iranian and Russian governments over the issue.

Comments. Though Russia may have its interests in the Middle East which encourage it to support Taliban, it is similar to the ideology followed by Pakistan. India must give a clear message to Russia that this may not be in the national interest of both Afghanistan and India.

**UNITED STATES OF AMERICA**

**Gp Capt GD Sharma, VSM (Retd)**

U.S. Declared India as a Major Defence Partner. Defence relations are the bedrock of the bilateral strategic and commercial relationship. The real change Indo US relationship came in with 10 years Defence Frame work agreement in 2005. This has been renewed in 2015 for next 10 years. We have also concluded Indo- US nuclear deal in 2008 after NSG waiver with active support from U.S. Since then, we have signed Defense Technology and Trade Initiative (DTTI) during President Obama's visit of India in Jan 2015 and also concluded foundational agreement, Logistic Support Agreement (LSA) in 2016.

On 08 Dec16, the bilateral ties took new high with US designating India as a "Major Defence Partner". This new reality has been recognized by US Senate which has passed India specific amendment in the National Defence Authorisation Act (NDAA-17) with an overwhelming bipartisan vote of 85-13.

Implications of the Designation of India as Major Defence Partner.

- (a) There will face no export hurdles in transfer of High tech military hardware and technology to India .
- (b) 99% of the U.S.defence technology can be transferred to India .
- (c) License free access to the dual use technologies.
- (d) America will extend support in" Make in India"programme.
- (e) An American official will be designated who will oversee the implementation of the deal so that it does not get stuck in Bureaucratic quagmire.

Criticism.

- (a) Partnerships is named as defence and not strategic meaning that US focus will remain on the defence technology and on co-development and co-production alone. This is no disadvantage as it in line with our former trend in relationship (DTTi agreement). Moreover, strategic relationship would have been against India's policy of multi-alignment.
- (b) The relationship will not move forward with Trump Administration in place from Jan 2017 onward. Knowledgeable sources discount this fear as the deal has the U.S.Senate approval and Trump administration will be obliged to follow.

(c) Donald Trump's focus is on jobs in America which can come with "Made in America". This is conflict with "Make in India "There are already concerns about outsourcing / shifting of jobs. Proposed shifting of production line of fighter to be made in India by Boeing / Lockheed Martin would go against Made In America campaign and thus may face roadblocks.