

# ENVIRONMENT SCAN: 30 JAN 2017

**China (MARITIME),Pakistan,Bangladesh,  
Srilanka,Afganistan,Asean,Manila, West Asia,Iraq,Syria,Yemen,United States Of America**

**CHINA (MARITIME)**

**Capt Ranjit Seth**

New Naval Chief. Lieutenant Admiral Shen Jinlong has been appointed as the new Naval Chief. Admiral Shen Jinlong was earlier heading the China's South Sea Fleet. Adm Shen, 60, relieves outgoing naval commander Adm Wu Shengli, 71, who was described by the Global Times, as having stepped down after reaching retirement age. Adm Wu still retains his position on the powerful Central Military Commission, but his new duties are unclear.

There was no formal announcement of the change, but a statement on the Ministry of Defense website used the new title for Adm Shen. State media on Friday cited as confirmation his comments at an official function, which were attributed using the new designation. Although the Navy did not disclose when the transition took place, observers believe it was last week.

In 2014, Shen led several Chinese warships at the Rim of the Pacific (RIMPAC) international maritime exercises around the Hawaiian Islands, the first time China had participated in large-scale U.S.-led naval drills.

New Aerial Missile. Amidst the South China Sea dispute, China is reportedly testing a long-range air-to-air missile that is aimed at attacking early warning aircraft and aerial refuelling aircraft.

The missile is reportedly a part of the extraordinary military modernization program that China is undertaking. The program includes stealth jets and aircraft carriers. China has also tested anti-satellite missiles.

People's Liberation Army had recently put out online photos of a J-11B fighter (Su27 version). The fighter was carrying a large, unidentified missile in 2016. Air force experts said that the missile has been designed to hit high-value targets such as early warning aircraft, flying usually outside actual combat zones. These missiles may have a range of 249 miles, ranges that exceed those of missiles used by Western air forces.

East China Sea. Japan is locked in a territorial dispute over a chain of islands (Senkaku Is) in the southern edge of the East China Sea. Japan launched a satellite on Tuesday to enhance the capacity of its Defence forces. The launch took place as conflict in the South China Sea escalates. This satellite is one of three planned X-band satellites. The satellite was launched to improve broadband capacity and enhance an overburden communications network and permit communications across greater territory. The satellite was launched from Japan's Tanegashima space port and was carried by an H-IIA rocket.

## **PAKISTAN**

### **Brig Deepak Malhotra**

Pakistan Conducts Test Flight of Ababeel (SSM). Pakistan conducted a test flight of the Ababeel surface-to-surface ballistic missile having a maximum range of 2,200 kilometers and capable of delivering multiple warheads using Multiple Independent Re-entry Vehicle (MIRV) technology.

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Pak claims that Ababeel can carry nuclear warheads and has the capability to engage multiple targets with high precision.

Comments. The Ababeel test came on the heels of a test of submarine-launched cruise missile Babur-III earlier by Pakistan, the authenticity of which has been contested. The development of the Ababeel weapon system is part of Pakistan's efforts to catch up with India's in the regional Ballistic Missile Defence environment. Interestingly India tested the guided Pinaka multi barrel launcher on the same day as the test firing of Ababeel by Pakistan.

## **BANGLADESH**

### **Col Saikat Roy**

Former Bangladeshi PM Khaleda Zia Appears before Court in Graft Cases. Former Bangladesh Prime Minister Khaleda Zia appeared in court on Thursday, January 12, 2017, over two graft cases in which she is accused of embezzling 31.5 million Bangladeshi Taka and faces life imprisonment if found guilty.

Analysis. This issue has gathered storm as being a political wrangle aimed to decimate BNP; the lead opposition party. Bangladesh has been witness to ruthless stomping of the opposition during the previous regime, political vendetta to settle the score or implicit, if not explicit support of the AL Govt cannot be ruled out.

98 Hindus Killed, 357 Injured in 2016 in Bangladesh. According to a report made by Bangladesh Jatiya Hindu Mohajote (BJHM), at least 98 people from the Hindu community have been murdered and 357 others injured across the country till December 29 this year. The BJHM president also said that around 711 people either left the country or were threatened to leave the country, while 1,109 Hindus received death threat and attempts were made to kill 18 others during the said period.

Analysis. Bangladesh has been rocked by violent attacks on the minority community, specifically the Hindus. The Hindu population has been steadily falling and stands at a mere 8.5%. In past ten years, in comparing to the growth of the total population in Bangladesh, there is an alarming decrease of Hindu population in the country. The statistics show almost elimination of Hindu population in fifteen districts in the country. In 2001, the total number of Hindu population in Bangladesh was 16.83 million, while the population was expected to be 18.2 million in 2011. But the latest statistics available with the government shows the total number of Hindu population at 17.3 million, which is nine hundred thousand less than the expected rate of growth. Currently 8.5 percent of the total population of Bangladesh is Hindus, while in 2001, it was 9.2 percent. The district-wise statistics of population saw a “huge decline” or “almost elimination” of Hindu population in fifteen districts, though the statistics terms the decline of Hindu population as “missing population”.

Indo-Bangla Border to be Completely Sealed by Mid 2018: Rajnath Singh. Union Home Minister Rajnath Singh today said on Monday, December 26, 2016 that the security of the more than 260 kilometer long Indo-Bangladesh border (in the State of Assam) was a priority for the BJP government and it will be completely sealed in next one and a half years.

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Analysis. BJP ascended to power in the state of Assam with the Poll promise to clamp down on illegal migration from Bangladesh. The issue is a complex one, which is compounded by porous borders, cultural, linguistic, ethnic and similarity of facial features which makes it difficult to identify the offenders. The extradition process is as good as a non starter as Bangladesh claims there are no illegal Bangladeshi migrants in India.

**SRI LANKA**

**Col Saikat Roy**

Sri Lanka's Highest Foreign Debt Repayment Due in 2019. According to Finance Minister Ravi Karunanayake, Sri Lanka is embroiled in a gigantic debt trap. The main reason is that the loans obtained by the previous regime for infrastructure development has not brought any returns on its investments.

Analysis. The total debt stock of Sri Lanka has gone up by 233% to Rs.7,391 billion during the period from 2005 to 2014. In addition there is another Rs 2,000 billion debt obtained by the Public owned Enterprises directly off the balance sheet. Accordingly, the debt servicing to be paid by Sri Lanka to foreign financiers is increasing constantly. The debt servicing of US\$ 1,828 million paid in 2016 will be increased by more than double to US\$3,992 million being the highest debt repayment to be paid by Sri Lanka in a year.

During the tenure of the previous Government there were unsolicited proposals to build Hambantota Port, Mattala Airport and southern express ways. The former regime borrowed unprecedentedly consequently, Hambantota Port and Mattala Airport became loss making entities.

Sri Lanka seems to be slowly capitulating under a debt trap. The Chinese have been quick to move in with loans and JV proposals to offset the deficit. The current Government has been more or less coerced to make arrangements to convert these credits into equity under the Public Private Partnership concept amongst Sri Lankan Government and China Merchants Port Holdings Company (CMPort) for operationalisation of Hambantota Port, in exchange of a virtual total control of the Port for a lease period of 99 Years.

This is an old Chinese tactics which has been repeatedly been played out in Africa and more lately unfolding in Pakistan. The Chinese have been indulging in murky deals wherein large amount are offered for developmental activities with ambiguous terms and conditions and a very high rate of interest, in most cases bribery of high officials have also been reported. The idea is to supplant Chinese products and services at a competitive rate till the domestic industry shrivels and promoting borrowing to slowly spiral the loan servicing into a debt trap for the host nation.

## **AFGHANISTAN**

### **Brig Deepak Malhotra**

Russia makes inroads into Afghanistan. Moscow disclosed details of contacts with the Taliban, saying that it is sharing information and cooperating with the radical movement on strategy to fight the local affiliate of Islamic State, which has gained a foothold in eastern Nangarhar

province, on the border with Pakistan. While President Ashraf Ghani has his predecessor, Hamid Karzai views Russia as a healthy counterweight to America's dominant presence.

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The Kremlin held a conference in Moscow last month with China and Pakistan to discuss terrorist threats from Afghanistan and how to combat Islamic State. Moscow also has blocked the Afghan government's efforts to remove Gulbuddin Hekmatyar from a United Nations sanctions list, a crucial condition of an Afghan government peace deal with the warlord's al Qaeda-linked insurgent group. The deal, strongly supported by the U.S. and its allies, was viewed by the U.S. and other allies of the government as a template for future talks with the Taliban.

Comments. Russia's inroads into Afghanistan could further complicate U.S. efforts to strengthen the fragile Kabul government. It seems that the Russian moves in Afghanistan appear at undermining U.S. influence and seeking regional parity with Washington.

## **ASEAN**

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

ASEAN, India to Boost Cultural Cooperation and Linkages. JAKARTA, 20 Jan 2017 – The 2nd International Conference on ASEAN-India Cultural and Civilisational Links concluded on 19 Jan. It was a follow-up to the first ASEAN-India Cultural Links: Historical and Contemporary Dimensions held in 2015. The conference also served as the first of a series of commemorative events to celebrate the 25th anniversary of ASEAN-India dialogue partnership and the 50th anniversary of ASEAN.

Guest speakers and delegates from all ASEAN Member States and India presented the traces of ASEAN-India cultural links which have been continuously recorded since more than 2000 years ago. Their topics included trade, maritime and cultural links, and the future of ASEAN-India partnership in culture. The speakers emphasized the need to further strengthen the existing cooperation between ASEAN and India, and identify feasible policy options to overcome the challenges to ASEAN-India strategic partnership through people-to-people connectivity and cultural relations.

The conference was co-organized by the Ministry of External Affairs of India, the Ministry of Foreign Affairs of Indonesia, and ASEAN-India Centre, with the support of Viet Nam, the Country Coordinator of ASEAN-India Dialogue Partnership.

Philippines, Indonesia work out details of shipping line to boost trade.

MANILA (Philippine Daily Inquirer/ANN) - The Philippines is working with Indonesia on the operation of a vessel that will directly link up Davao City and General Santos City in southern Philippines with Bitung in Indonesia.

The Philippine envoy in Indonesia met recently with members of an inter-agency task force on maritime connectivity to iron out details on the maiden voyage of a roll-on/roll-off (Ro Ro) ship that will strengthen trade between the two countries. Ambassador Maria Lumen Isleta and members of the Philippines and Indonesia inter-agency task force for the operationalisation of the Davao-General Santos RoRo met last week to prepare the shipping route that will directly link up Davao City and General Santos City with Bitung, Indonesia.

The new route is anticipated to shorten to a day-and-a-half the three to five weeks of shipping time through the Manila-Jakarta-Bitung route.

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## **WEST ASIA**

### **Brig Ranjit Singh**

## **IRAQ**

**Iraqi Security Forces Liberate East Mosul.** The Iraqi security forces have liberated East Mosul, the city on the eastern bank of River Tigris, in 100 days of offensive for retake Mosul from ISIS.

**Iraqi Security Forces Prepare to Launch Offensive to Retake Western Mosul.** The Iraqi security forces are now preparing to launch major offensive to retake the city of Mosul on the Western banks on River Tigris. The city has a population of approx 7,50,000 which would make the operations more difficult.

Moreover, the western Mosul has the Grand Mosque from where the Caliphate was declared in 2014 by Baghdadi. The fighting would be more challenging, offer higher resistance due to narrow lanes in the city.

**ISIS Redeploy in Western Mosul.** After losing eastern Mosul to the Iraqi security forces, ISIS has redeployed its elements in western Mosul to take on Govt forces. It has occupied main medical complex, which has around dozen buildings. ISIS had approx 5,000 to 6,500 fighters in

the beginning of offensive to retake Mosul, lost approx 3,300 elements in fighting so far. It is expected that ISIS is left with approx 3,000 fighters.

US Led Coalition Air Strikes. The US led Coalition has destroyed large number of boats carrying ISIS fighters, as reinforcements along Tigris river.

Rise in Refugee Numbers. With the progress of operations, the number of IDPs is rising rapidly and presently increased to 1, 89,000, last reported from the camps being run. It is expected the IDPs would increase to approx 2,50,000 once the battle to retake western Mosul intensifies. However, the IDPs belonging to east Mosul are likely to return to their homes.

Comments. The Iraqi forces have achieved major success by liberating the entire city east of river Tigris, in 100 days of fighting since major offensive was launched to liberate Mosul.

The Iraqi security forces are now planning major offensive to liberate western Mosul from ISIS. The subsequent fighting is likely to offer more resistance due to narrow streets and by lanes in the city as well as ISIS well dug in the area being their strong hold.

## **SYRIA**

Astana Summit for Peace Talks on Syria. The peace talks on Syria, under the leadership of Russia, with Turkey and Iran, have recently concluded in Kazakh capital city of Astana. The salient aspects of the Summit are as follows:-

Russia, Turkey and Iran pledged to strengthen fragile ceasefire in Syria. However, the rebels expressed reservation over Iran's role in monitoring truce.

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The three regional powers agreed that rebel groups which represented opposition in the summit would take part in UN led peace talks scheduled in Feb in Geneva.

The statement brought out that Syria Govt and opposition agreed to jointly fight ISSI and Al Nusra.

There were no direct talks between Assad Govt and opposition because of continuing fighting in areas on the outskirts of Damascus and Iran could be named as third guarantor of ceasefire.

The opposition called for halt of Govt offensive in rural areas of Wada Barada, the area which is source of water supply for the capital city of Damascus.

UN sponsored peace talks on Syria. UN sponsored peace talks on Syria are planned to be held in Geneva in Feb 17.

Comments. The Astana Summit held under the leadership of Russia, involving Turkey and Iran has succeeded in strengthening the ceasefire, peace process, which commenced in Dec 16.

The summit declaration of Assad Govt forces and rebels to jointly fight ISIS and Al Nusra is a major achievement, if implemented.

## **YEMEN**

Liberation of Strategic Areas along West Coast of Yemen on Red Sea from Houthi Rebels. The Govt forces have made major gains and liberated the strategic ports of Al Jadeed and Mocha from the Houthi rebels along the Red Sea. This would cut-off supplies and reinforcements to Houthis coming along sea route.

Renewed UN Efforts to Work out Peace Plan. UN representatives are making renewed efforts to work out a fresh peace plan for Yemen. The plan involves retaining President Hadi, have a consensus Vice President, Houthis to pull out from all areas held by them and surrender arms and weapons.

Comments. The Govt forces have made significant gains to retake strategic ports along west coast along Red Sea. This would cut-off supplies and reinforcements to Houthi rebels from sea route.

## **UNITED STATES OF AMERICA**

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

Indian Concerns after US Presidential Elections. World is horrified with impact of President Trump's executive orders especially on banning entry of Muslims from seven countries. This has led to all-round public protests in America and world over. So much so, some states have volunteered to accept US rejects in their country. This has given rise to speculation about what more will come?

The current and future presidential decisions if Trump continues to act as per the pre-election promises could have any implication on India as well.

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Trump's executive order on withdrawal from TPP, which was generally perceived as anti US interests was also meant to constrain Chinese trade (hence its rise). This essentially hints at future US inward looking approach and withdrawal from the Asia Pacific region. This will allow China, a political rival of America a free run to enhance its influence and dominate the region.

As per US Strategic Analyst, Ashley Tellis the US approachment with India hinged on mainly this aspect. Earlier it was win win situation for both India and US, as it helped India to balance Chinese assertiveness in the region. With this new US approach, India will have to find a new strategy to balance China which has always attempted to contain India's growth. Ashley visualizes that to tackle the new situation; India could resuscitate a new version of non-alignment, or could lead intra-Asian balancing with Japan and North Korea or even try accommodation with China. The first and last options are less likely as it is always productive to deal with China from position of strength. Hence, close co-operation with other Asian major could yield results. On the whole, the US withdrawal from the region will eventually harm US interests and do not point at conditions leading to make "America great again".

The other area of concerns relate to US China trade war. This seems most unlikely as it could lead to reprisals from China. However, if it were happen, will actually provide opportunity to India to enlarge its trade with America which necessarily will have to have cheap import, India can replace Chinese trade.

India's defense trade with US will not get affected as it is eventually gainful to US businesses. There however, may be some hitch in transfer of defense technology. In such a case, India will have the option to source technology from other defence major from Europe who are keen to take forward their defence trade with India.

Earlier India has been raising concerns on US visa policy which constrained greater access of United States. This may be further constrained if US puts more restriction of Issue of Visas. India IT sector will feel the pain and may have to hire more locals as demanded but, these measures in no way could close India's IT shop in United States as businesses do not run these days without robust IT support. In final analysis, US manpower will work out more expensive to

Indian IT companies and would raise the cost of services which US consumers alone will have to compensate but, these steps could have minor impact on Indian IT jobs.