

CENTRE FOR JOINT WARFARE STUDIES



GEOSTRATEGIC SCAN

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CHINA (Geo-Strat, Geo-Politics & Geo-Economics)

G7 Aims to Raise US\$600 billion to Counter China's Belt and Road

<https://www.channelnewsasia.com/world/g7-aims-raise-us600-billion-counter-china-belt-and-road-2772011>

G7 leaders on Jun 26 pledged to raise US\$600 billion in private and public funds over five years to finance needed infrastructure in developing countries and counter China's older, multitrillion-dollar Belt and Road project.

Comments. The scheme was launched earlier but it is relaunched and newly renamed as "**Partnership for Global Infrastructure and Investment**".

The United States would mobilise US\$200 billion in grants, federal funds and private investment over five years to support projects in low- and middle-income countries that help tackle climate change as well as improve global health, gender equity and digital infrastructure.

Europe will mobilise €300 billion for the initiative over the same period to build up a sustainable alternative to China's Belt and Road initiative scheme, which Chinese President Xi Jinping launched in 2013. China's investment scheme involves development and programmes in over 100 countries aimed at creating a modern version of the ancient Silk Road trade route from Asia to Europe. White House officials said the plan has provided little tangible benefit for many developing countries.

A number of flagship projects have already been undertaken:-

- (a) US\$2 billion solar development project in Angola with support from the Commerce Department, the US Export-Import Bank, US firm Africa Global Schaffer, and US project developer Sun Africa;
- (b) Together with G7 members and the EU, Washington will also provide US\$3.3 million in technical assistance to Institute Pasteur de Dakar in Senegal for developing an industrial-scale flexible multi-vaccine manufacturing facility in that country that can eventually produce COVID-19 and other vaccines.
- (c) The US Agency for International Development (USAID) will also commit up to US\$50 million over five years to the World Bank's global Childcare Incentive Fund.

G7 countries on average provide only 0.32 per cent of their gross national income, less than half of the 0.7 per cent promised, in development assistance.

U.S., Japan, Australia, New Zealand and United Kingdom Form Pacific Group

<https://www.reuters.com/world/us-japan-australia-new-zealand-united-kingdom-form-pacific-group-2022-06-25/>

The United States, Australia, Japan, New Zealand and the United Kingdom launched an informal group aimed at boosting economic and diplomatic ties with Pacific island nations.

Comments. The Biden administration has vowed to commit more resources to the Indo-Pacific as China seeks to boost economic, military and police links with Pacific island nations hungry for foreign investment.

The group, dubbed as **Partners in the Blue Pacific (PBP)**, will seek to support Pacific regionalism and strengthen economic ties between the Pacific islands and the rest of the world.

"We are united in our shared determination to support a region that benefits the peoples of the Pacific. We are also united in how we realize this vision -- according to principles of Pacific regionalism, sovereignty, transparency, accountability, and most of all, led and guided by the Pacific Islands," the White House said.

High-level U.S. officials are expected to visit Pacific island countries as Washington steps up its engagement to counter China in the strategically important region.

China Provides \$2.5-bn Loan to Pakistan to Boost its Forex Reserves

https://www.business-standard.com/article/international/china-provides-2-5-bn-loan-to-pakistan-to-boost-its-forex-reserves-122062801170_1.html

China has again rushed to bail out Pakistan by providing USD 2.5 billion in assistance to prop up the fast-depleting foreign exchange reserves of its cash-strapped all-weather ally.

Comments. The announcement of the Chinese assistance came after France signed an agreement with Pakistan to suspend its loan worth USD 107 million under the G20 Debt Service Suspension Initiative (DSSI).

China's latest assistance is in addition to Beijing rolling over USD 4.5 billion debt due to be paid by Islamabad in March this year and USD 2.5 billion given in 2019 to boost the sagging foreign exchange reserves of Pakistan. Pakistan is the second country in the sub-continent after Sri Lanka to face a serious economic crisis notwithstanding massive Chinese investments and loans. Interestingly, China had skirted desperate pleas from Sri Lankan leaders before the country went bankrupt defaulting on all its foreign debt totalling USD 51 billion.

The new Chinese assistance to Pakistan followed the visit of Pakistan Army Chief General Qamar Javed Bajwa this month during which the two countries agreed to step up defence and anti-terrorism cooperation. Last month Pakistan's Foreign Minister Bilawal Bhutto made his maiden visit to Beijing and held talks with Chinese counterpart Wang Yi.

Cash-starved Pakistan has faced growing economic challenges, with high inflation, sliding forex reserves, a widening current account deficit and a depreciating currency. Pakistan is facing an uncertain economic situation due to a delay in the revival of a stalled multibillion-dollar International Monetary Fund (IMF) programme. Pakistan media quoted Prime Minister Shehbaz Sharif as saying that Pakistan is hopeful of getting USD 2 billion from the IMF.

Saudi Arabia has agreed to provide Pakistan with a "sizeable package" of around USD 8 billion to help the country revive its ailing economy. Saudi Arabia provided USD 3 billion deposits to the State Bank of Pakistan in December 2021 while the Saudi oil facility was operationalised from March 2022, providing Islamabad with USD 100 million to procure oil.

China Reportedly Launches New Batch of Yaoqan-35 Remote Sensing Satellites

<https://gadgets360.com/science/news/china-yaoqan-35-remote-sensing-satellites-launched-conduct-science-experiments-3092618>

On 23 June, China successfully launched three new remote sensing satellites from the Xichang Satellite Launch Centre in southwest China's Sichuan Province. The satellites were launched as the second batch of the Yaogan-35 family at 10:22am CST / 7:52am IST by a Long March-2D carrier rocket and entered the planned orbit successfully.

Comments. The satellites will be mainly used to conduct science experiments, land resource surveys, yield estimation of agricultural products and disaster prevention and reduction.

This launch marked the 424th mission for the Long March series carrier rockets. On November 6, China had launched a batch of three Yaogan-35 satellites. The Long March carrier rocket series, developed by the China Aerospace Science and Technology Corporation (CASC), is responsible for about 96.4 percent of all the launch missions in China.

IOR & SCS (Maritime)

Indian Navy Inks Pact with DG Shipping.

(https://economictimes.indiatimes.com/news/defence/indian-navy-inks-pact-with-dg-shipping/articleshow/92394323.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

A landmark MoU has been signed between Indian Navy and the Directorate General of Shipping to facilitate transition of Indian Navy personnel into the merchant navy, the defence ministry said on Wednesday. Under the provisions of the pact, the DG Shipping has envisioned certification of Indian Navy personnel in accordance with the International STCW (Standards of Training, Certification and Watch keeping for Seafarers) conventions.

Comments. This order is an acknowledgement of the Naval sea service and advanced training undergone by Indian Navy personnel. It covers almost all the officers and sailor cadres of the Navy both in the nautical as well as technical domain. This scheme would ensure Naval personnel acquire certificates of competence, while in Naval service, which will be recognised globally, after undergoing relevant bridging courses. This would aid Indian Navy personnel in a smooth transition to various designations on-board merchant ships, both in India as well as in shipping companies across the globe. These transition schemes, which have been formulated after due diligence and taking into consideration a host of factors including international regulations, have introduced various provisions which offer a direct transition to Indian Navy personnel even up to the apex ranks in the Merchant Navy. This would attract the younger generations to join the Naval Service with nearly assured post retirement employment/ absorption into the civil world.

PAKISTAN

Pakistan to Stay on the 'Grey List' Till FATF On-Site Visit

(<https://www.wionews.com/south-asia/pakistan-to-stay-on-the-grey-list-till-fatf-on-site-visit-489191>)

Pakistan to stay on the 'grey list' till Financial Action Task Force's on-site visit. FATF said that the South Asian nation completed the 34 items on the watchdog's list. The announcement means that the country might exit the so-called 'grey list'. Pakistan has substantially completed its two action plans, covering 34 items, and warrants an on-site

visit to verify that the implementation of Pakistan's anti-money laundering/combating the financing of terrorism (AML/CFT) reforms has begun and is being sustained.

Comments. FATF is an international organization that coordinates global efforts to crack down on money laundering and terrorism financing. The objectives are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.

Inclusion in the grey list means a country has to swiftly resolve strategic deficiencies in its procedure to curb terror financing and money laundering within an agreed time frame and is subject to increased monitoring of all financial transactions. The listing of Pakistan has added to its current economic problems by impeding investments and through greater scrutiny of its financial system. According to those procedures, a technical evaluation will be sent to Pakistan to verify that the implementation of Pakistan's reforms has begun and is being sustained and that the necessary political commitment remains in place.

Pakistan was placed on the grey list, in June 2018 and given a 27-point action plan by FATF to curb terror financing. Pakistan was given another seven-point action plan to counter money laundering last October after implementing 26 of the 27 points in the original action plan. A country has to fulfill tasks set by the FATF Action Plan to be pulled out of the grey list. Pakistan was given a set of 34 tasks on two action plans, including action against UN-designated terrorists.

In Pakistan's case, the FATF has taken cognizance of the inaction against several banned organizations involved in raising funds for terror activities and those linked to global terrorists like Jaish-e-Mohammed chief Masood Azhar and Lashkar-e-Taiba's Hafiz Saeed and its operations chief Zaki-Ur Rahman Lakhvi. On several occasions, India has also raised the involvement of elements within Pakistan in several terror cases, including the 26/11 Mumbai and Pulwama attacks. Perpetual containment of Pakistan on the grey list of FATF would further pressurise Pakistan to take adequate measures to prevent such terrorist attacks on India from its soil.

Pakistan to Ask China, Turkey, Saudi Arabia to Boycott G20 Meeting in J&K: Report

<https://www.thenorthlines.com/pak-to-ask-china-turkey-saudi-for-jk-g20-boycott/>

Pakistan will boycott the Group of Twenty (G20) meeting that will reportedly be hosted by India in Jammu and Kashmir. Pakistan is also reaching out to its close allies in the group of twenty – China, Turkey and Saudi Arabia to boycott the G20 meeting. Islamabad would also speak to the US, the UK and other G20 members to counter Indian plans.

Comments. The Group of Twenty, or G20, is an intergovernmental forum comprising 19 countries and the European Union. The grouping addresses major issues related to the global economy. They are expected to discuss international financial stability, climate change mitigation and sustainable development, etc. India is set to assume the presidency of the G20 in December this year. India will assume the G20 Presidency on 1 December 2022 from Indonesia. Indian Commerce and Industry Minister Piyush Goyal were appointed as India's Sherpa for the G20 in September 2021. India will hold the G-20 presidency from 01 Dec 2022, and convene the first G20 leaders' summit in 2023.

On 15 February 2022, the Union Cabinet, chaired by Prime Minister Narendra Modi, approved the setting up of a G20 Secretariat, which will be responsible for the

implementation of overall policy decisions and arrangements needed for steering India's forthcoming G20 Presidency. The G20 Secretariat will be responsible for a smooth transition from the previous Presidency, preparations and conduct of all G20 meetings during the year, consultation and coordination with stakeholders and finally handing over to the next Presidency. G20 comprises the world's major developed and developing economies, accounting for 85% of global GDP, 75% of international trade and two-thirds of the world population, making it the premier forum for international economic cooperation.

If India succeeds, this will be the first international event in the disputed region since New Delhi unilaterally revoked the special status of the disputed territory on 05 August 2019. The Indian move has deepened tensions with Pakistan, which strongly dismissed the changes and termed it a violation of both international laws as well as bilateral understandings between the two nuclear-armed neighbours.

Pakistan and IMF Reach an Agreement on the Bailout Programme

<https://www.wionews.com/south-asia/pakistan-and-imf-reach-agreement-on-bailout-programme-490590>

Pakistan and International Monetary Fund (IMF) have reached an agreement over the bailout programme. The Pakistani side expected the IMF to increase the size and duration of the USD 39 billion bailout facility. IMF said additional measures were needed to bring Pakistan's budget in line with the key objectives of the IMF programme.

Comments. Pakistan's economy is teetering on the brink of a financial crisis. The foreign exchange reserves of the country are drying up fast. The Pakistani rupee is at a record low against the US dollar. Pakistan unveiled a 9.5 trillion Pakistani rupees (USD 47 billion) budget for the year 2022-23. The budget was aimed at tight fiscal consolidation in a bid to convince the IMF to restart much-needed bailout payments. The current coalition government led by Shehbaz Sharif is forced to present the budget to the IMF's directives and conditions.

The IMF has set tough preconditions like hiking electricity tariffs and imposing a levy on petroleum products to revive the stalled bailout programme. The IMF Fund also asked Pakistan to set up an anti-corruption task force to review all the existing laws that were aimed at curbing graft in the government departments. After implementing the conditions, the IMF would present Pakistan's request for the approval of the loan tranche and revival of the programme to its executive board – a process that may consume another month. Cash-strapped Pakistan is facing growing economic challenges, with high inflation, sliding forex reserves, a widening current account deficit and a depreciating currency.

Pakistan has reached an agreement with the IMF to resume assistance packages and open the doors for funding from other international sources. Pakistan authorities committed to generating Pakistani Rupees (PKR) Rs 436 billion more taxes and increasing the petroleum levy gradually up to Rs 50 per litre. In July 2019, a \$6 billion extended fund facility deal for 39 months was agreed upon. Only 50 percent of the guaranteed sum has been paid out thus far. Pakistan urgently needs access to \$1 billion to support its depleting foreign exchange reserves, and the facility's resuscitation will give it that access right away. Pakistan urgently needs the revival of the IMF package to revive the confidence of the international community in its economic policy to get investment and access to global lending institutions.

SRI LANKA

Sri Lanka's Economy has Completely Collapsed, Says PM Ranil Wickremesinghe

<https://edition.cnn.com/2022/06/23/asia/sri-lanka-economy-collapse-prime-minister-intl/hnk/index.html>

Sri Lankan Prime Minister Ranil Wickremesinghe said that the debt-laden country has "completely collapsed" and warned of "a possible fall to rock bottom" after months of shortages of fuel, electricity and other essential commodities and failure to service its debts. He said that the government was seeking help from its global partners and the International Monetary Fund (IMF) to stabilize the economy. Wickremesinghe further warned the island nation of 22 million that it was "facing a far more serious situation" beyond the shortages.

Comments. The Sri Lankan economy is facing one of its worst crises since its independence in 1948. The crisis is a result of a combination of factors such as heavy debts, lost tourism revenue due to the pandemic, and surging commodities costs. In the wake of shortages of fuel and essential commodities, the government had a four-day work week for three months to save fuel and grow their fruits and vegetables. Sri Lanka is unable to purchase imported fuel due to the heavy debt owed by its petroleum corporation. The inflation rate for food is 57 percent, according to the official data. As a result, the country is heading towards bankruptcy, with hardly any money to import gasoline, milk, cooking gas, medicines etc. Sri Lanka has already suspended repayment of \$7 billion in foreign debt due this year, pending the outcome of negotiations with the International Monetary Fund on a rescue package. Sri Lanka's total foreign debt stands at USD 51 billion.

While the world is going through a period of great uncertainty, principally due to the Ukraine war, the international community must help Sri Lanka keep its economy solvent so that the state does not collapse. Emergency funding needs to be arranged so that there is no stoppage in the supply of essentials such as food and fuel. The path to economic recovery will be a long and hard one, but political stability and transparency on the part of the state are required to help pull the island out of the crisis. We will keep monitoring for future implications.

BANGLADESH

India, Bangladesh Keen to Boost Bilateral Ties: Jaishankar

<https://www.wionews.com/india-news/jaishankar-meets-bangladeshi-fm-for-first-physical-joint-consultative-commission-meeting-today-489723>

External Affairs Minister Dr. S Jaishankar expressed confidence in India-Bangladesh ties and said that the countries look forward to cooperating in new domains including cyber security and the up-gradation of the railway system. "We now look forward to working with Bangladesh to take our ties to new domains...including cyber security, up-gradation of the railway system," Jaishankar said during the 7th India-Bangladesh Joint Consultative Commission meeting in New Delhi.

Comments. The first physical JCC Meeting has been held between India and Bangladesh. The JCC is to review the bilateral ties including cooperation in the wake of COVID-19, border management and security, trade and investment, connectivity, energy, water resources, development partnership and regional and multilateral issues. The

previous meeting was held in 2020 virtually. Both countries actively engage in cooperation projects to boost bilateral relations. India is the most important neighbour of Bangladesh. Initiatives taken by both nations have helped us achieve stability and development across the region. Bangladesh-India relations are based on mutual trust and respect. Bangladesh is our largest development and trade partner in the region. India and Bangladesh jointly overcame the pandemic in terms of vaccine, and medicine supply.

Indo-Bangladesh relations are on the upswing. The closer security cooperation between the two countries led to the arrest of an anti-India insurgent group in Bangladesh. The trade between the two nations has also improved to a large extent. The ratification of the Land Boundary Agreement (LBA) by the Indian Parliament in May 2015 would go a long way in addressing the irritants between the two neighbours. India and Bangladesh need to leverage the current upswing in ties to make them irreversible.

UNITED STATES OF AMERICA

The US Navy and Iran have a Tense confrontation in the Strait of Hormuz

<https://economictimes.indiatimes.com/news/defence/us-navy-iran-have-tense-encounter-in-strait-of-hormuz/articleshow/92354525.cms>

On June 21, 2022, the US Navy's Mideast based 5th fleet reported having a tense encounter with Iran's paramilitary revolutionary guard in the Strait of Hormuz, which connects the Persian Gulf and the Gulf of Oman. The USS Sirocco and the USNS Choctaw County were transiting through the strait when they met with an "unsafe and unprofessional" altercation with three Iranian Guard vessels.

One of the three Guard ships is alleged to have headed directly for the USS Sirocco before changing its course. The USS Sirocco shot warning flares during the engagement in order to signal its proximity in the Strait of Hormuz. Although this passage is used for one-fifth of Iran's oil commerce, no acknowledgement has been received from their end. This confrontation comes at a time when renegotiations of Iran's nuclear deal, the Joint Comprehensive Plan of Action (JCPOA) are halted due to Iran's non-compliance and a delay in consensus between the US and Iran.

Comments. Under the Joint Comprehensive Plan of Action that was signed between Iran, China, Russia, USA, France, Germany and the European Union, Iran had agreed to dismantle the majority of its nuclear operations in exchange of receiving relief on sanctions totalling billions of dollars. The Trump administration withdrew from the accord in 2018 stating that it did not trust Iran with this agreement and would alternatively work out measures along with its allies in order to ensure nuclear disarmament in Iran.

In retaliation to this, Iran has resumed some of its nuclear operations. This standoff in the Strait of Hormuz is a sign of Iran's vengeance against the US for withdrawing from the deal, which significantly devalued the Iranian Rial and betrayed mutual confidence and cooperation. In addition, this encounter seems to be a routine patrol by the Iranian navy in the Strait of Hormuz in order to maintain safety in its territorial waters and curtail USA's dominance. In light of the launch of a solid-fueled rocket into space by Iran and the rise in its nuclear power, we witness Iran jockeying for control and influence. New Delhi has been making an attempt to secure a consensus between Washington and Tehran in order to ensure stability in the Strait of Hormuz which is one of the most strategically important choke-points in the world. In essence, peace in Hormuz is vital for India since half of India's liquefied natural gas imports and two-thirds of its oil imports flow through this canal.

President Biden and G7 Leaders Formally Launch the Partnership for Global Infrastructure and Investment

(<https://www.whitehouse.gov/briefing-room/statements-releases/2022/06/26/fact-sheet-president-biden-and-g7-leaders-formally-launch-the-partnership-for-global-infrastructure-and-investment/>)

The Partnership for Global Infrastructure and Investment was one of several initiatives and agreements that the G7 countries undertook at the G7 Summit held between June 26 and June 28, 2022. As part of the project which will be a values-driven, high-impact, and transparent infrastructure partnership, the member countries seek to provide for the infrastructure gaps in low- and middle- income countries, enhance the global economy and supply chains and advance the economic and national security interests of the G7 countries as well as its allies.

President Joe Biden announced that the U.S. aims to mobilise \$200 billion over the next 5 years through grants, federal financing and leveraging private sector investments. Along with the G7 countries, the U.S. aims to mobilise \$600 billion by 2027 towards global infrastructure and investment. In addition, it was announced that the G7 member states will collaborate with other like-minded partners, multilateral development banks, development finance institutions, sovereign wealth funds, and more to amplify the results of this project.

For India, the White House stated that the U.S. International Development Finance Corporation (DFC) will invest up to USD 30 million in Omnivore Agritech and Climate Sustainability Fund 3, an impact venture capital fund that supports entrepreneurs who are reimagining India's agricultural, food, and rural economies. According to the statement, the Fund aims to invest in businesses that boost food security, enhance climate resilience and adaptation in India, as well as boost the profitability and agricultural output of smallholder farms.

Comments. The G7 nations' announcement of the Partnership for Global Infrastructure and Investment (PGII) appears to be a response to China's Belt and Road Initiative (BRI). China's President Xi Jinping announced the BRI in 2013, which provides funding for developing nations to finance infrastructure projects like ports, roadways, and bridges. The Belt and Road Initiative has come under fire for burdening developing nations with huge amounts of debt and providing predatory loans to states like Sri Lanka who are forced to surrender valuable assets in the event of failing to meet their debt repayments. Additionally, the BRI has been providing top rank jobs to Chinese workers and giving rise to forced and child labour, both of which are being tackled by the PGII which wants to direct the revenue towards enhancing the economies of developing countries as well as tackling climate change, improving global health, achieving gender equity and building digital infrastructure.

The world's developing countries will "see the concrete benefits of partnering with democracies," according to President Joe Biden. Therefore, it appears that the message being sent out by the announcement of the Partnership for Global Infrastructure and Investment is that developing nations have a choice.

As Agreed During the G7 Summit, U.S. Imposes New Sanctions on Gold and Defence Against Russia

(<https://www.ndtv.com/world-news/us-implements-new-sanctions-agreed-by-g7-leaders-on-russian-gold-defence-industry-g7-summit-3109622>)

The latest sanctions against Russia, which were agreed upon by the G7 leaders, will be put into effect by Washington starting on 28 June 2022. They will target Moscow's defence industry, increase tariffs, and forbid gold imports from the country. The largest Russian defence conglomerate, Rostec, as well as other crucial defence sector players, military units and personnel involved in human rights abuses in Ukraine are the subject of the sanctions. Russia's largest non-energy export, gold, is prohibited from entering the United States as part of the penalties agreed upon by the G7.

By "covertly" procuring US, Japanese, and European defence components, Russians are attempting to evade the current sanctions, and the US is seeking to put an end to these covert trade deals. Treasury Secretary Janet Yellen said, "Broad multilateral commitments and actions by G7 members this week further cut off the Russian Federation's access to technology that is critical to their military, which will degrade Putin's capabilities and further impede his war against Ukraine."

Comments. The United States is stepping up its sanctions against Russia in an effort to cripple its economy and erase the last 15 years of economic growth, which could lead to a double-digit decline in Russian GDP in 2022 and a soaring inflation rate estimated to be near 20%.

As the economic conflict intensifies, India is getting caught in the crosshairs. Its longtime strategic ally and, for the foreseeable future, its indispensable provider of defence supplies and armaments is Russia. This crucial partnership is at serious risk as a result of the sanctions. According to the sanctions, Indian firms conducting business with crucial Russian defence suppliers like Rosoboronexport, United Shipbuilding, and Almaz-Antey risk being excluded from the dollar-based, American-controlled international financial system. In fact, penalties may even have an impact on Indian business operations in areas that are not directly covered by sanctions.

INDO-PACIFIC REGION

ASEAN and India Forge Alliances as China Expands its Influence in the Indo-Pacific Region

(<https://economictimes.indiatimes.com/news/defence/india-asean-look-to-partner-on-indo-pacific-amid-chinas-inroads/articleshow/92261683.cms>)

As a result of China's expanding influence in the Indo-Pacific region, ASEAN and India established partnerships at the Special India-ASEAN Foreign Ministers' Meeting on June 16 and 17, 2022, in New Delhi. They intend to examine the possibilities of their alliances in this region and seek convergence between ASEAN's Indo-Pacific strategies and India's Indo-Pacific Oceans Initiative in the areas of air and maritime security, connectivity, and Blue Economy. The ministers discussed the need for exploring synergies in line with the 'Connecting the Connectivities' approach, for fostering regional connectivity, emphasising the completion of the India-Myanmar-Thailand trilateral Highway and extending it to Lao PDR, Cambodia and Vietnam.

The discussion revolved around key focus areas such as COVID-19 and health, trade and commerce, physical and digital connectivity, education, capacity building and most importantly the implementation of the ASEAN-India Joint Statement on Cooperation on the ASEAN Outlook on the Indo-Pacific (AOIP). Additionally, ASEAN and India's cooperation on cyber and related issues through the proposed G-2-G ASEAN-India Cyber Dialogue were also addressed.

Comments. It is crucial for countries in South East Asia to build strategic alliances in order to counteract China's position given its growing presence and influence in the Indo-Pacific region. China is carefully extending security and economic assistance to governments and island nations in the Pacific Ocean in an effort to assert its supremacy. India, the ASEAN, and the Quad are integrating their potential and looking at synergies to ensure that there is broad inclusive growth in the Indo-Pacific and a balance of influence is maintained in the region in an effort to restrain China's increasing assertiveness and unilateral dominance in the Indo-Pacific. India has long-established the centrality and unity of ASEAN in its strategic efforts in the Indo-Pacific region.

During Bilateral Talks in New Delhi, the Australian Defence Minister Mr. Richard Males and the Indian Defence Minister Shri Rajnath Singh Explored Ways to Enhance Defence Collaboration

(<https://pib.gov.in/PressReleasePage.aspx?PRID=1836176>)

During bilateral talks in New Delhi on June 22, 2022, the Indian Defence Minister Shri Rajnath Singh and his Australian counterpart Mr. Richard Males discussed the existing defence collaboration activities between the two countries and the manner in which they can be enhanced further. They explored the security potential of the India-Australia Strategic Comprehensive Partnership and reaffirmed their commitment towards its implementation.

The two Ministers committed to carrying forward the Joint Working Group on Defence Research and Material Cooperation which will meet in Australia later in 2022. They discussed the manner in which industries can be integrated in order to strengthen supply chains and delivery capacities for their respective defence forces. The Defence Ministers reiterated their commitment towards a free, open and inclusive Indo-Pacific by enhancing the regional connectivity and the security environment in that region. Additionally, Shri Rajnath Singh reiterated India's desire towards participating in Australia's Indo-Pacific Endeavour exercise in October 2022.

Comments. At a time when China's aggressive foreign policy is on the rise in the South East Asian, Indian Ocean and Indo-Pacific region, it has become important for global middle powers like India and Australia to enhance and integrate their defence capabilities and cooperation and to build mutual trust and respect for one another. The two countries are the largest maritime powers amongst the Indo-Pacific littoral states and contribute largely to the G20 economies and a rise of defence partnerships between these two democracies is of increasing significance and relevance in the Indo-Pacific and Indian Ocean region.

CENTRAL ASIA & EURASIA

Central Asia: Great Power Rivalry Radically Shaping Central Asia

<https://www.scmp.com/comment/opinion/article/3182036/how-china-inadvertently-became-dominant-power-central-asia-and>

<https://thediplomat.com/2022/06/geopolitics-and-chinas-engagement-in-central-asia/>

<https://www.washingtonpost.com/national-security/2022/06/21/us-central-asia-counterterrorism/>

About four million Migrant workers from Central Asia work on seasonal and long term contracts in Russia. The sanctions on the Russia are having severe impact on the Russian economy and labour market. In the first quarter of 2022, 60,000 Tajik and 133,000 Uzbek

migrants returned from Russia to their home countries, putting further strain on labour markets. The Kremlin still wields strong influence over Central Asian capitals and governments have been careful not to criticize Russia, but they've also moved to distance themselves and are eager to find alternative partners to Moscow, especially as they face a dimming regional economic forecast and key political transitions. Russia's changing financial fortunes and regional reshuffle has paved way for others to step in.

Under this discrepancy China, Turkey and USA have been trying to make their footholds in the Central Asia. USA is working to scale up its intelligence network in the by cultivating human intelligence while treading around Russia. Turkey too expanded its footprint in Central Asia, signing trade and defence agreements, stepping up arms sales, and conducting high-profile meetings with Kazakhstan and Uzbekistan. In particular, Turkey is looking to position itself as a viable alternative to Russia's role along China's BRI, which ferries goods from western China through Central Asia and Russia to European markets. With sanctions against Russia now cutting off that route, Turkey could become a convenient way to bypass Russia. China, meanwhile, is has also stepped up its diplomatic engagement and hardened its rhetoric to pursue its security interests in the region. Recently, Chinese rail network have been making headlines and with no basing options in the region.

Comments. Central Asia is strategically positioned as an access point between Europe and Asia, offering extensive potential for trade, investment, and growth for India. The region is richly endowed with natural resources serving as a potential blessing for India's energy diversifications in the near future. Central Asian region is also an 'arena of great game' being played out between Russia, China, US, Turkey, Iran, EU, Japan, Pakistan and India all of whom have substantial security and economic stakes in the region. Located close to the conflict prone areas of West Asia and Afghanistan, there are very high chances of any security threat spreading into the India via Central Asian region. Challenges of terrorism, narcotics traffic, arms smuggling, religious extremism and fundamentalism continue to pose challenges to Central Asian societies as well as regional stability.

The Central Asian region is a part of India's "extended neighbourhood." Due to increasing presence of China India formulated its Connect Central Asia Policy in 2012 which is a broad-based approach including political, security, economic, and cultural connections. India should actively work on its Connect Central Asia policy (as it was the case with act east policy) in order to reconnect with the region in to deter Chinese and Turkish strategic gains in the region. Chabahar port, International North South Transport Corridor (INSTC) and Memberships of Ashgabat Agreement, Shanghai Cooperation Organization (SCO) and Eurasian Economic Union (EEU) can be useful in bridging the gap.

Central Asia: China, Kyrgyzstan and Uzbekistan (CKU) Rail Link

<https://www.thestar.com.my/aseanplus/aseanplus-news/2022/06/12/will-chinas-rail-link-between-xinjiang-kyrgyzstan-and-uzbekistan-change-the-great-power-rivalry-in-central-asia>
<https://www.scmp.com/news/china/politics/article/3182031/new-railway-completes-2700km-loop-taklamakan-desert-move>

China -Kyrgyzstan-Uzbekistan (CKU) railway –aims to bring colossal economic prospects to the region, linking Europe, the Middle East and Eastern China. It would reduce freight journey between China and Europe by 900kms and subsequently reducing the transit income of Russia as most of the current routes on the China-Europe Railway Express passes through Russia.

Comments. Being heavily sanctioned and side-lined in the global community, Russia may have to take a softer stance on this issue as today it has even fewer choices than before. Their increased reliance and symbiotic Sino-Russ relations leaves less cards in hands of Moscow. CKU rail link is indeed a very ambitious project by China opening up array of opportunities for a longer run. Unfortunately, even after side-lining the Russian angle, Kyrgyzstan's own plan for the country's development is north-south, while the CKU rail is east-west, so it didn't really approve of the idea. Further, Kyrgyzstan accommodating 260km (162 miles) – roughly half – of the new route and has long been heavily politically reliant on Russia. Historical disputes of Kyrgyzstan – Uzbekistan and incessant rows over funding and track gauge with China also pose a problem for the CKU rail route. India on the other hand is moving swift in the early stages connecting Central Asia with the operationalization of the International North South Transport Corridor (INSTC) on pilot basis and Iran and Russia being on our sides, there an array of opportunities available for India in a longer run. India can further work upon the Western, Eastern and Central components of INSTC and incorporating Chabahar Port into the project will allow us to effectively counter the growing Chinese presence in the region.

Central Asia: India Establishes a Tentative Diplomatic Presence in Taliban-Ruled Afghanistan.

<https://www.newsindiatimes.com/india-establishes-a-tentative-diplomatic-presence-in-taliban-ruled-afghanistan/>

[https://mea.gov.in/press-](https://mea.gov.in/press-releases.htm?dtl/35437/Deployment+of+a+technical+team+in+Embassy+of+India+Kabul)

[releases.htm?dtl/35437/Deployment+of+a+technical+team+in+Embassy+of+India+Kabul](https://mea.gov.in/press-releases.htm?dtl/35437/Deployment+of+a+technical+team+in+Embassy+of+India+Kabul)

<https://indiawest.com/2022/06/24/india-warns-of-afghanistan-becoming-a-haven-for-terrorists/>

<https://ians.in/international-news/india-warns-of-afghanistan-becoming-haven-for-jem-let-calls-for-int-l-action/C-1-1487173.html>

In what comes as a major step in diplomatically engaging with the Taliban regime, India deployed what it euphemistically called a “technical team” in its embassy in Kabul which had been closed since August last year after the Taliban seized power after toppling the US-backed Afghan government.

“To closely monitor and coordinate the efforts of various stakeholders for the effective delivery of humanitarian assistance and in continuation of our engagement with the Afghan people, an Indian technical team has reached Kabul today and has been deployed in our Embassy there,” Ministry of External Affairs said in a statement.

The move was anticipated after Joint Secretary JP Singh, MEA's point person for Afghanistan, visited Kabul earlier this month and met with senior Taliban leaders, including interim Foreign Minister and Interior Ministry. The move is not recognition of the Taliban regime which remains internationally isolated. The emphasis on people-people and civilizational connections underscores New Delhi's attempt to retain its soft power in the country. India also rushed on Thursday aid and relief material for the victims of the recent earthquake in eastern Afghanistan which has killed over 1000 people. The aid was delivered by an Indian Air Force plane which also carried the “technical team”.

Comments. Our time-honoured links with Afghan society will continue to guide our approach going forward at a time when the world's attention is on the war in Ukraine. The recent interactions and the tentative diplomatic presence indicate two things: Slight shift in New Delhi's perception of how it sees the Taliban (as a Quasi-Federal entity) and quest for maintaining strategic presence in Afghanistan to deter Pakistani and Chinese monopoly.

The apprehension India faces is that the vacuum left by India will be filled by China, Pakistan and Turkey getting a chance to enhance their influence in Afghanistan – jeopardizing the Indian benevolence. In unison we also need to ensure for not recognizing Taliban as a legitimate ruler of Afghanistan.

Taliban Government has been repeatedly signalling to India that they want to have an independent foreign policy and want to engage with India without any interference from Pakistan. The recent delegation was welcomed by Afghani Foreign Minister, calling it "a good beginning", insisted the renewal of Indian-funded projects, consular services to Afghans (particularly students) and those seeking medical treatment.

New Delhi's outreach does not mean recognition; rather it showcases Indian willingness to provide the Taliban some level of support and engage with them at a very basic level to see how far the Taliban are willing to engage with India more substantively. "India is testing the waters." However we cannot continue to engage the Taliban for long without tangible returns. This might include an agreement to limit growing extremism and stop directing fighters to Kashmir - a major security concern for India. India has also asked the Taliban regime to fully investigate the KarteParwan Gurudwara attack and take action against the ISKP terrorist group involved.

According to diplomats based in US and EU, Islamabad has decided to play a spoilsport by asking its diplomatic missions to spin out anti India narratives to inject toxicity by pointing out alleged contradictions in New Delhi's recently developed bilateral relations with Kabul. It is quite evident that the June 5 statement of Taliban's defence minister to send Afghan training for army to India has not gone down well with Islamabad. The India-Afghan bilateral engagement cuts through the Pakistan's long-term plan to maintain Afghanistan as a strategic space for Pakistan Army.

Russia: Russian SWIFT Replacement Ready for BRICS – Putin

<https://www.rt.com/business/557620-russian-financial-messenger-brics/>
<https://www.reuters.com/article/ukraine-crisis-russia-swift/russian-c-bank-70-organisations-from-12-countries-have-joined-our-swift-alternative-idUSL8N2YG2D8>

President Putin stated while addressing the BRICS business forum that together with its BRICS partners "Moscow is developing reliable alternatives for international payments". Also banks from BRICS nations can freely connect to the System for Transfer of Financial Messages (SPFS), Russia's alternative to SWIFT. The SPFS is the Russian equivalent of SWIFT and was developed by the Central Bank of Russia since 2014, after the United States government threatened to disconnect Russia from the SWIFT system.

Comments. While Russia's SPFS can be three times cheaper than SWIFT, the network itself is only operational during weekday working hours and its messages are limited to 20kb in size. SWIFT, meanwhile, works 24/7 and allows 10mb to be transmitted across its network. Though, SFPS system provides an array of opportunities for us still in a longer run we must aim at improving the system and incorporating the UPI transaction system for the ease of doing standardised trade.

Russia: Indian Retail Chains in Russia in Offing; Russian IT Cos Expanding Presence in India: Vladimir Putin.

<http://infobrics.org/post/36000>
<https://www.rt.com/business/557630-india-russia-retail-brics/>
<https://economictimes.indiatimes.com/news/india/indian-retail-chains-in-russia-in-offing-russian-it-cos-expanding-presence-in-india-putin/articleshow/92399513.cms>

The 14th BRICS summit is being hosted by China in a virtual mode. President Putin added that Moscow considers the theme of this meeting, 'Foster High-quality BRICS Partnership, Usher in a New Era for Global Development'.

President Putin while addressing the BRICS business forum stated “Contacts between Russian business circles and the business community of the BRICS countries are being activated. For example, negotiations are underway to open Indian retail chain stores in Russia, to increase the share of Chinese cars, equipment and machinery in our market. Russia’s presence in BRICS countries is also expanding”. According to Putin, other spheres of cooperation with India and other BRICS nations are also strengthening.

Comments. Intra-BRICS trade presents opportunities for India in key markets, including China, which remains an important commercial partner despite security tensions. India also supports the BRICS goal of shielding members from the economic fallout of Russia’s war in Ukraine. And unlike within the Quad, the Ukraine issue does not create tension for India within BRICS.

India has many store chains, which presents perfect scenario for us to fill in the economic gap in the Russian markets. Within the context of Western sanctions and increased trade between BRICS, a BRICS reserve currency is all the more imperative. Nevertheless, BRICS presents a few problems for India such as China holding the group’s rotating presidency. India works with China in other multilateral groups—such as the Asian Infrastructure Investment Bank and the Shanghai Cooperation Organization—but they are not battlegrounds for competition, whether because of their narrow focus or larger size. Buoyed by its growing friendship with Russia and intensifying competition with the United States, China appears keen to position BRICS as a counterweight to U.S.-led institutions. It could use the group as a platform for anti-U.S propaganda framed around U.S. sanctions on Russia and broader U.S. hegemony. This would go against India’s strategic autonomy policy. Thus India should ensure that the group’s public statements refrain from confrontational rhetoric against the United States.

Russia: St Petersburg International Economic Forum

<https://www.indiatoday.in/world/story/st-petersburg-economic-forum-russia-boycott-by-sanctions-west-union-minister-mansukh-mandaviya-india-ukraine-war-1963363-2022-06-17>

http://www.ptinews.com/pressrelease/55701_press-subSPIEF-Sessions-Address-International-Cooperation--Sustainable-Development-and-Discuss-Role-of-Creative-Industries-in-Socioeconomic-Development

<https://www.rt.com/business/557417-spief-forum-results-deals/>

<https://tass.com/economy/1463365>

<https://russian.rt.com/business/news/1013468-indiya-primet-uchastie-v-pmef>

The 25th St Petersburg International Economic Forum (SPIEF) was hosted by Russia, witnessing a diminished participation owing to the Ukraine conflict. A four day event is a leading global platform for world leaders, heads of Major Russian and foreign companies and banks, as well as leading experts from academia, the media, and civil society to meet and discuss the key economic issues facing Russia, emerging markets, and the world as a whole. It echoed that this year SPIEF demonstrated attention on Russian self-sufficiency and economic sovereignty.

Moscow’s isolation by the West was quite evident as unfriendly countries took active measures to prevent the business community and officials from attending SPIEF. However, despite this, the Forum was attended by more than 14,000 people from 130 countries, with 81 countries sending official representatives.

China –Among the major deals signed at the forum this year was a technical agreement on gas supplies between Russia’s main gas exporter, Gazprom, and China National Petroleum Corporation (CNPC). Gazprom and QazaqGaz agreed to increase the processing of Kazakh gas in Russia. NOVATEK announced plans to build a mini-plant for the production of liquefied natural gas (LNG) at its plant in the city of Togliatti in western Russia. Rosatom signed an agreement with Yakutia on the construction of a pilot mini-nuclear power plant, to be commissioned in 2030.

As reported by the TASS agency with reference to the Indian Embassy in Moscow, the Indian delegation at the ministerial level went to take part in the SPIEF. India was represented by Union Minister Mansukh Mandaviya who is engaging the forum on food security, health, chemicals and fertilisers. These are important areas where India and Russia want to cooperate. Despite all the sanctions imposed by western nations, New Delhi continues engaging Russia and trading with the country. Satish Soni, former Commandant NDA and C-in-C Southern and Eastern Command represented India stated: “We are all delighted to be participating in the international cooperation for sustainable development of the Arctic, which has been discussed under the aegis of the 25th St. Petersburg International Economic Forum.

Resulted in 5.6 trillion rubles (\$97 billion) worth of agreements, which is 30% more than last year (3.8 trillion rubles). Over 690 deals were signed during the four-day event. Officials and businessmen from more than 130 countries took part in the forum this year, including representatives from all ‘unfriendly states’ that have imposed sanctions on Russia. Sergei Katirin, Chairman of the Russian Chamber of Commerce, stated, “Our colleagues believe that if we join hands in the pharmaceutical sector then we will be number one in the world. India is a very trusted partner. India has been purchasing a lot of energy resources from Russia. In spite of all the sanctions and pressure not to work with Russia, India has taken a very strong step. The people of Russia and the business community appreciate the stand taken by India in this critical situation. We love India.”

Comments. In short business between India and Russia can be termed as search of ‘new blood’. It is important that it is understood that India is willing, India is able to contribute, has the capability and is serious. India has great potential to contribute to the scientific research, building of infrastructure, provision of manpower and host of other activities. The two countries are keen on exploring new business opportunities, despite the fact that participation of Indian businesses at SPIEF has been limited this year, due to the recently concluded elections and Russia’s increased focus on China.

Unfortunately our businesses have not looked at Russia with due seriousness. Indian corporate sector should aim at Russia’s national projects, outlined in Vladimir Putin’s so-called “May decrees” (the Russian government plans to spend around \$390 billion on projects around demography, healthcare, education and infrastructure till 2024).

Start-ups, artificial intelligence and manufacturing digitisation have a great potential should become the growth drivers of Indo-Russian economic cooperation, which has traditionally focused on defence, energy and pharmaceuticals. India could also look at various business models that Russia has established with other countries, as well as focus on the digital economy and start-ups. Young entrepreneurs could fill the stream of trade and investment flows between the countries.

We need an overhaul in the cooperation model of the Pharmaceuticals sector which has been one of the traditional industries where India and Russia have developed strong ties. As Russia is pushing for development of domestic manufacturing of generic drugs, the

business of importing generics from India is not working any more, he said. Instead India can look at attracting Russian investment in creating manufacturing facilities in the country.

Government promotion agency (India) has recently created a special Russian desk that would support investors from Russia to explore opportunities in India.

Russia is interested in developing cooperation in the transportation sector, including Railways. Two countries are also exploring avenues of transfer technologies and innovations for manufacturing of rolling stock and also exploring cooperation in Digital Railways. Currently, several Russia-based IT companies and venture funds are exploring investment opportunities in India.

We recently released the Arctic policy, defining our approach towards our commitment to participation in the Arctic. India also has great potential to contribute in the Arctic through scientific research, Infrastructure development, provision of manpower. We have a great potential in the international cooperation for sustainable development of the Arctic, which has been discussed under the aegis of SPIEF. It is important that it is understood that India is willing, India is able to contribute, has the capability and is serious.

WEST ASIA

Iran Launches Rocket into Space as Nuclear Talks to Resume

(<https://www.politico.com/news/2022/06/26/iran-rocket-nuclear-talks-00042443>)

The satellite photos of an Iranian rocket launch – Zuljanah, were made public a day after European Union's foreign policy chief - Josep Borrell's visit to Tehran as an attempt to resuscitate negotiations over Iran's nuclear deal deadlock.

While details of the rocket launch's location and timing remain unclear, Ahmad Hosseini, spokesman for Iran's Defence Ministry issued a statement. He said, "Zuljanah, a 25.5-meter-long rocket, holds the capacity for carrying a satellite of 220 kilograms (485 pounds) that would ultimately gather data in low-earth orbit (500 kms above surface) and promote Iran's space industry.

Amidst Iran's growing tensions with IAEA, and pending nuclear deal, the White House has denounced this move as "unhelpful and destabilizing."

Comments. The recent moves by Iran amidst the Joint Comprehensive Plan of Action (JCPOA) talks and negotiations have spurred debate and invited criticism. In the past, it has sent several short-lived satellites into the orbit. Iran's paramilitary Revolutionary Guard too has revealed a space program in April 2020. Its growing militarised actions in the region have led to apprehension by neighbouring states with the potential for a future grouping, such as the Arab NATO. Moreover, Israel has already declared its collaborations with the US through Middle Eastern Air Defence Alliance.

Thus, Iran is likely to take a cautious approach and display sincerity backed by conscious efforts for JCPOA talks to be productive.

US, Iran Indirect Nuclear Talks

(a) US Perspective: Concludes without Progress

(<https://www.aljazeera.com/news/2022/6/29/us-iran-indirect-talks-to-revive-2015-nuclear-pact-conclude-eu>)

The attempts to salvage Iran's 2015 nuclear pact through indirect talks have concluded without progress, as stated by the United States State Department, after two days of European Union-mediated discussion in Doha. According to them, Iran had "raised issues wholly unrelated to the JCPOA (the 2015 nuclear deal) and apparently is not ready to make a fundamental decision on whether it wants to revive the deal or bury it". They further noted, "Indirect discussions in Doha have concluded, and while we are very grateful to the EU for its efforts, we are disappointed that Iran has, yet again, failed to respond positively to the EU's initiative and therefore that no progress was made."

Comments. The vested geo-political interests of both countries and differing outlooks have led to the deadlock so far. Iran's production of sixty percent highly enriched uranium and discreet nuclear activities have raised apprehensions. Iran in the past has reiterated that Washington lift U.S. terrorism sanctions imposed on its elite Islamic Revolutionary Guard Corps. Today, this issue is potent in arriving at a fundamental decision.

(b) Iran Perspective: Ready for 'Next Stage'

(<https://www.aljazeera.com/news/2022/6/30/iran-ready-for-indirect-talks-with-us-on-nuclear-deal>)

Tehran's UN Ambassador Majid Takht Ravanchi informed the UN Security Council on 29 June 2022 that the Iranian "negotiating team is ready to engage constructively again to conclude and reach agreement". His remarks came a day after the indirect talks in Doha failed to make significant progress. However, on the contrary, he described the outcome of Qatar talks as "serious and positive".

Comments. Ravanchi's statement to the UN Security Council portrays Iran's resolve to initiate negotiations with the US. While the US has expressed their disappointment in regards to the indirect talks, Ravanchi has rather presented a positive outlook.

Israel Announces Regional Air Defense Network with Middle East Partners, US

(<https://breakingdefense.com/2022/06/israel-announces-regional-air-defense-network-with-middle-east-partners-us/>)

Israel has announced a new US-led joint air defence network - Middle East Air Defence Alliance (MEAD), with the aim of promoting regional cooperation with neighbouring countries to counter Iran's aerial militarised aspirations. According to Gantz, the MEAD will aid the countries in the region, counter Iran's attempts to using rockets, cruise missiles and UAVs. And, it will be supervised by CENTCOM while allowing real-time early warning on developing aerial threats, like armed UAV's or ballistic and cruise missiles.

Currently, member nations are now known, however there are speculations that the members are from the coalition in last year's shutdown of Iranian UAVs by a pair of

Israeli F-35s. Israel has officially declined to provide details about member countries and an official statement from the White House has not yet been received.

Comments. The Wall Street Journal covered a summit convened by the US in Sharm el Sheikh in the Egyptian-controlled Sinai Peninsula, in the attendance of top regional defence officials from Israel, Saudi Arabia, Qatar, Egypt, the United Arab Emirates, Bahrain, and Jordan to deliberate coordination against Iran's missile and drone threat. While no official confirmation was received by the US Central Command regarding the same, it noted that "it maintains a firm commitment to increasing regional cooperation and developing integrated air and missile defence architecture to protect our force and our regional partners." Jordan in the last week has also made repeated calls for Asian NATO. The MEAD Alliance is of strategic importance to US and Israel as a collective force to counter Iran's rising ambitions. By highlighting common regional threats and shared insecurity, it presents a powerful argument to join forces. Thus, it has alternatively been referred to as 'the rise of an Arab NATO'.

In such scenario, Iran needs to play its cards right as it may face stern competition and threat from US and its neighbouring nations. India too needs to take a balanced approach while dealing with Iran particularly keeping the energy interests in mind while balancing relations with other West Asian allies.

India Pitches to Build Combat Aircraft LCA Tejas, Helicopters in Egypt as it Eyes Debut International Contract – Reports

(<https://eurasianimes.com/india-pitches-to-build-combat-aircraft-lca-tejas-helicopters-in-egypt/>)

As geopolitical tensions rise, **India and Egypt are** working towards building strategic relationship with focus on defence & security. India **is pursuing various export opportunities for its Light Combat Aircraft (LCA) Tejas Mk1A, as part of which it has just offered to set up production facilities in Egypt.** Additionally, Indian manufacturer Hindustan Aeronautics Limited (HAL) has also offered a range of helicopters which include the Advanced Light Helicopter (ALH) and the Light Combat Helicopter (LCH). According to ET, the Egyptian Air Force (EAF) requires around 70 light combat jets, emphasizing local production and technology transfer.

Comments. Enhanced cooperation in defence and strengthening of ties will benefit India both by diplomatically deepening its old ties with Egypt while strengthening its defence industry. Meanwhile, a team of Air warriors ex Indian Air Force, along with Su30 Mk1 aircraft. Participated in a bilateral Tactical Leadership Programme with Egyptian Air Force in Egypt in last week of June 2022.

India, Saudi Arabia Agree to Enhance Defence Industry Cooperation

(<https://www.indianewsnetwork.com/20220630/india-saudi-arabia-agree-to-enhance-defence-industry-cooperation>)

The 5th India – Saudi Arabia Joint Committee on Defence Cooperation (JCDC) meeting was held on 29 June 2022. It was co-chaired by Joint Secretary (Armed Forces) Shri Dinesh Kumar and Saudi Arabia's Deputy Minister of Defence for Strategic Affairs Mr Ahmed A. Aseeri. The two sides reviewed the advancements made in military-to-military engagements, including joint exercises, expert exchanges and industry cooperation; enhancing the scope and complexities of the existing joint naval exercises and expanding bilateral exercises. In addition, new avenues and areas of mutual interest

for Joint Venture were examined and identified for enhanced defence industry cooperation.

Comments. India and Saudi Arabia are deepening their military diplomatic ties. The key recent defence cooperation events include the first ever visit by an Indian Army when former Chief of Army Staff, Gen MM Naravane visited Saudi Arabia in December 2020; first joint Naval exercise Al-Mohed Al-Hindi Exercise, between the Navies of India and Saudi Arabia in 2021; and visit by Saudi Arabian Land Forces Commander Lieutenant General Fahd Bin Abdullah Mohammed Al-Mutairto India in February 2022. It is amply evident from the recent events that there is growing scope for cooperation between the two nations in defence cooperation and defence industry. However, to bolster momentum and fervour, there is a need for consolidated, long-term efforts for strengthening of bilateral defence ties. Saudi-Arabia, for long has been very close militarily to Pakistan. The growing defence cooperation between India and Saudi Arabia importantly will also help balance out the Pakistan military factor in diplomatic bilateral ties.

China Backed Indian Move of Keeping Pakistan out of the Brics Plus Event

[\(https://www.globalvillagespace.com/china-backed-indian-move-of-keeping-pakistan-out-of-the-brics-plus-event/\)](https://www.globalvillagespace.com/china-backed-indian-move-of-keeping-pakistan-out-of-the-brics-plus-event/)

Pakistan's hopes to be a part of BRICS plus event were crushed through India's swift and deft diplomacy. When questioned in response to their absence, spokesperson of Pakistan's Foreign Office said that Pakistan's participation in BRICS dialogue was 'blocked by one member'. However, some reports note that this move was backed by China and Russia.

In response, Spokesperson of Chinese Foreign Ministry Zhao Lijian mentioned that the decision to hold the high-level dialogue was "based on consultation among BRICS.

Comments. The Indian move to block Pakistan from the BRICS plus event, was adequately backed by China and Russia. While this move was an impactful statement, China's support cannot be taken as a Chinese diplomatic shift away from Pakistan towards India. This momentary Chinese stance can be attributed to her growing tensions with Pakistan in regards to CPEC's security and Pakistan's dwindling economy.

Iran and Argentina in BRICS would Advance the Multipolar Project

[\(https://infobrics.org/post/36057\)](https://infobrics.org/post/36057)

On 27 June, Iran formally announced its application to join the BRICS after it was invited to participate in the 14th BRICS summit held virtually on 24 June. Iran's state media Islamic Republic News Agency (IRNA) reported, "Iran's unique geographical position and its capacities in the fields of energy, transit, and trade have caused the BRICS members to pay special attention to Iran, as a golden route to connect the East to the West (...) If Iran and other powerful countries join the grouping, it can be even stronger and challenge Western policies".

Argentina too requested a membership in the BRICS. Argentinian President Alberto Fernandez appealed that the country could actively contribute to the group's progress with its potential in sectors such as food exports, biotechnology, logistics and innovation.

The summit was attended by Algeria, Egypt, Indonesia, Kazakhstan, Senegal, Uzbekistan, Cambodia, Ethiopia, Fiji, Malaysia and Thailand. Provided Iran and Argentina get

membership, the fore mentioned countries too could be a part of BRICS, advancing into a multipolar world, countering the West.

Comments. While further admission and integration of countries into BRICS may strengthen the attempts of forming non-west alliance in a multipolar world, the principles of admission need careful deliberation. The Indian stand on the possible expansion of BRICS in regards to Iran and Argentina was put forward in a seventy-five paragraph Beijing Declaration after the summit. India's apprehensions pertain to the possible development of a China-centric bloc. Iran's participation in Shanghai Cooperation Organization (SCO) and BRI and, Argentina's trade involvement with China serves as a good reason for China to support them and vice-versa.