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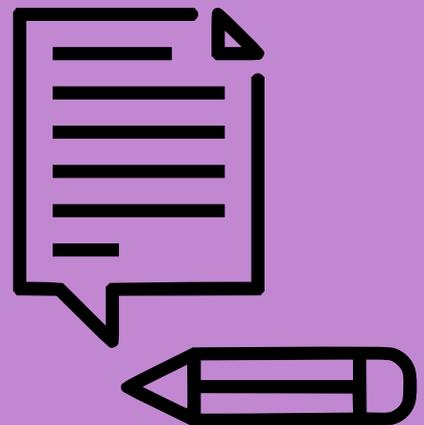
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China Told To Back Off From Interfering in Dalai Lama's Succession Process

<https://www.aninews.in/news/world/asia/china-told-to-back-off-from-interfering-in-dalai-lamas-succession-process20230121142210/>

In a sharp message to China to back off from interfering in the succession process of the next Dalai Lama, the Japanese Buddhist Conference for World Federation has placed on record its position that the Tibetan people must decide the successor of His Holiness the 14th Dalai Lama on the basis of Tibetan culture and history, and not China.

COMMENTS

The Japan Buddhist Conference for World Federation is an umbrella organization that brings together a number of sects of Japanese Buddhism, with millions of followers in Japan and other countries and its letter has strongly voiced objections over China's constant interference in Tibet's religious and spiritual matters. His Holiness, Dalai Lama, the 14th turned 87 years on July 6, 2022. The issue of his future successor is gradually gaining attention all over the world. People's Republic of China (PRC), which controls Tibet Autonomous Region (TAR) is working out the policy that would choose the Dalai Lama's successor under the Chinese government's leadership, based on the 'Tibetan Buddhism Living Buddha Reincarnation Management Law', enacted in the year 2007.

Rev. Eihiro Mizutani, the secretary general of Japan Buddhist Conference for World Federation, said in the letter that China had no role in this. He wrote, "We, the monks of Japan, believe that Tibetan people must decide upon the next successor based on their Tibetan Buddhist culture and history. "However, the People's Republic of China's national policy is based on Communism and is considered non-religious. The Japanese Buddhist Conference said, "Non-religious people deciding the religious leader is contradictory in itself".



Source: ANI

His Holiness Dalai Lama had said that "forceful intervention in the approval process (of next Dalai Lama) by people executing political powers, who did not even acknowledge the very existence of previous or the future Dalai Lamas, is inappropriate'."

It is high time that His Holiness Dalai Lama should take the initiative to set the process in motion for selecting his successor.

Google Cracks Down On 50,000 Pro-China Propaganda Pieces Critical Of US

<https://www.republicworld.com/technology-news/social-media-news/google-cracks-down-on-50000-pro-china-propaganda-pieces-critical-of-us-articleshow.html>

More than 50,000 pieces of content shared by pro-China accounts have been blocked by Google across various platforms like YouTube, Blogger, and AdSense. The group 'Spamouflage Dragon' and 'DRAGONBRIDGE' have been blocked as per Google's Threat Analysis Group blog. These groups had pro-China views and included a higher volume of content critical of the US.

COMMENTS

The group DRAGONBRIDGE targeted and criticized the US with posts mostly in Mandarin, English, and other languages.

According to the Google's Threat Analysis Group blog, "the DRAGONBRIDGE Channels and blog post promotes pro-China messages and criticizes the US. The channel's pro-China content included narratives praising China's pandemic response, criticism of pro-democracy protests, and significantly in 2022, more strident support for unification with Taiwan."



Source: DW

Further, the statement also shared the group's narrative against the US, which they claimed was "for stoking tensions abroad and meddling in the domestic affairs of other countries". They have been portraying US society and democracy in a "negative light". In 2022, Google had removed DRAGONBRIDGE content on topics such as the US COVID-19 response, racial inequality, political divisions, inflation, and other controversial topics.

Xi's Authoritarian Rule Worries China's Wealthy, Several Immigrate Overseas

<https://theprint.in/world/xis-authoritarian-rule-worries-chinas-wealthy-several-immigrate-overseas/1339562/>

Xi Jinping's authoritarian rule in China has become a cause of worry for the business community of the country as a lot of them are forced to flee in order to live a carefree life.



Source: The Hindustan Times

Over the last two years, Chinese leader Xi Jinping's crackdown on industries such as technology, real estate, and education, as well as his push for "common prosperity," have terrified China's wealthy community, especially since Xi won his third term at the 20th National Congress of the Communist Party in October last year.

Ever since Xi Jinping won his third term, numerous people in the business community from China have immigrated overseas. Reportedly, about 10,800 wealthy Chinese have immigrated in 2022, the most since 2019 and second only to Russia. Furthermore, immigration increased dramatically after China reopened, compared to a week earlier. Immigration numbers were low in the early days of the COVID pandemic, but by 2022, inquiries had more than doubled.

Xi in his national congress speech in October last year highlighted the term 'common prosperity' a lot of times. Considering "common prosperity" as a component of "Chinese-style modernisation," he pledged to standardise the wealth accumulation mechanism and "regulate excessively high income."

According to the economic data for October, exports in China reduced, inflation slowed down, new bank lending tumbled, the property market downturn further increased and retail sales fell for the first time after Shanghai's lockdown during April-May, as per several media reports.

China Logs Nearly 13,000 Covid Deaths in a Week

<https://www.thehindu.com/news/international/china-logs-nearly-13000-covid-deaths-in-a-week/article66419863.ece>

China reported nearly 13,000 Covid-related deaths in hospitals between January 13 and 19, after a top health official said the vast majority of the population had already been infected.



Source: The Hindu

CHINA

The death toll came a week after China said nearly 60,000 people had died with Covid in hospitals in just over a month -- but there has been widespread scepticism over official data since Beijing abruptly axed anti-virus controls last month. China's Center for Disease Control and Prevention (CDC) said in a statement on Saturday that 681 hospitalised patients had died of respiratory failure caused by coronavirus infection, and 11,977 had died of other diseases combined with an infection over the period. The figures do not include anyone who died at home.

Tens of millions of people have travelled across the country in recent days for long-awaited reunions with families to mark Sunday's Lunar New Year, raising fears of fresh outbreaks.

China's transport authorities have predicted that more than two billion trips will be made this month into February, in one of the world's largest mass movements of people.

Airfinity, an independent forecasting firm, has estimated daily Covid deaths in China will peak at about 36,000 over the Lunar New Year holiday. The firm also estimated that more than 600,000 people have died from the disease since China abandoned the zero-Covid policy in December.

President Xi Jinping Wednesday expressed concerns over the spread of the virus in rural China, much of which lacks medical resources. But a top health official said China would not experience a second wave of infections in the months after the festive migration, because nearly 80 percent of the population had already been infected by the virus. With the assumption that majority of the population has been infected, Chinese health authorities believe that in the short term, for example, in the next two to three months, the possibility of a second wave of the epidemic across the country is very small.

China being a closed-door society, truth will never come out.

Russia-Ukraine Conflict: A Glance

- *What Russia's War Is Costing the World: Source: Time Magazine.*<https://time.com/6246070/russia-war-costing-the-world/>
- *Ukraine is getting British Tanks: Source :Time Magazine,*<https://time.com/6248208/ukraine-britain-german-leopard-tanks-zelensky>
- *The Economist:* <https://www.economist.com/ukraine-crisis>

SCENARIO

---**Ukrainian Financial Condition:** A year ago, Ukraine's economy was on a strong footing, with a debt-to-GDP of less than 50% and a budget deficit of 3.5%. Then came Feb. 24, and with it a full-scale war. Funds that should have been directed toward environmental, social, and corporate-governance goals, sustainable development, and strengthening the country's competitiveness were re-directed to defense, humanitarian purposes, and support for people affected by the war. And in 2023, about 50% of the state budget was allocated to national security and defense. 30% economic decline, inflation around 28%, up to 8 million refugees, unemployment of about 30%, and hundreds of destroyed or damaged businesses and industries. At the beginning of the Russian invasion, international partners verified the budget deficit at \$5 billion per month for the rest of 2022. But, as of early December, Ukraine had received just over \$28 billion out of that required \$50 billion, and the National Bank of Ukraine had to print \$12 billion more. In 2023 the state budget deficit of Ukraine will reach \$38 billion.

---**New Weapons:** Ukraine's president, Volodymyr Zelensky, addressed the World Economic Forum in Davos, asking the West to supply more arms and asking world leaders to respond to Russia "with speed. The details of the new arms being supplied by various NATO countries are :-

(a) **Tanks:** Ukrainian military officials said in December they need about 300 tanks for a successful defense. The escalation of weaponry is contentious, as every such decision has been since the start of the war. The details of supply of tanks by various partners are as under:

- Britain decided to send to send 14 Challenger 2 tanks to Ukraine. (<https://www.bbc.com/news/uk-64274755>).
- US will send 31 M1 Abrams battle tanks. The new Abrams tanks aren't likely to arrive ahead of an expected spring offensive by Russian forces. (<https://www.thehindu.com/news/international/despite-concerns-us-to-send-31-abrams-tanks-to-ukraine/article66433748.ece?>)
- Germany announced plans to send an initial company of 14 Leopard 2 A6 tanks from its own stocks, and also approve shipments by allies who field them, with the aim of supplying Ukraine with two full battalions.

RUSSIA-UKRAINE CONFLICT

- Poland has plans to send 14 of its German-made Leopard tanks. Later, the Prime Minister has promised to send additional 60 tanks on top of 14 promised. (<https://www.reuters.com/world/europe/russias-war-ukraine-latest-battle-salt-town-rages-2023-01>)
- Spain, Finland, the Netherlands and Norway to supply some of their Leopard tanks to Ukraine.

(b) *The list of other weapons by NATO countries is as under:-*

- Denmark said it would send 19 French-manufactured Caesar howitzers, a long-range artillery system.
- The Czechs promised to increase production of howitzers, heavy ammunition and armoured personnel-carriers (APCs). (c) Estonia also pledged dozens of howitzers, both the Western-made 155mm FH-70 model and the Soviet-designed 122mm D-30, as well as artillery-support vehicles and anti-tank grenade launchers. Between them, Latvia and Lithuania offered Stinger air-defence systems, L-70 anti-aircraft guns, Mi-8 and Mi-17 helicopters, and drones.
- Poland's pledged S-60 anti-aircraft guns, along with 70,000 pieces of ammunition. Sweden has agreed to send the Archer artillery system, a type of howitzer that Ukraine has long coveted, as well as CV-90 armoured vehicles and NLAW portable anti-tank missiles. Finland confirmed on January 20th that it will send some €400m (\$435m) in defence support.
- Canada has promised 200 APCs. (Source: <https://www.economist.com/europe/2023/01/21/apart-from-leopard-tanks-ukraine-is-getting-lots-of-weapons>)

COMMENTS

Russia's war doesn't just affect Ukraine's economy. The economic consequences have been global. Many countries are facing the highest inflation in decades, huge energy costs, and threats of recession. Food security and an energy crisis will bring many more deaths and more suffering around the world. The United Nations forecast on Wednesday that global economic growth will fall significantly to 1.9 per cent this year as a result of the food and energy crisis sparked by the war in Ukraine. In Ukraine, the Russian Army is up against nearly the entire Western world; such a level of hostility has never been witnessed in Russia's contemporary history. Russia is determined to take as part of its campaign to control the Donbas. So the appointment of a man as senior as General Gerasimov to oversee Russia's next offensive may be intended to reassert the Russian army's control of the war in Ukraine.

RUSSIA-UKRAINE CONFLICT

According to Ukrainian officials, combat tanks are essential for both protecting their soldiers on the battlefield and aiding in the Russians' repulsion. The availability of tanks in response to armoured vehicles does not imply that tanks are a panacea; the military will need to employ them skilfully. The next wish list for Ukraine will be long range missiles.

The takeaways are:-

(a) The majority of wars end with negotiations. Discussions there are extremely complicated, even when both parties want peace. All conflicts are unique, and each path towards peace will have different twists and turns. Many peace processes require quiet diplomacy, especially to get started entails hard work, patience and courage from political leaders. Ukrainian President has written a letter inviting Chinese leader Xi Jinping for talks as Russian conflict nears its one-year anniversary.

(b) Changing character of war. War's nature is truly brutal and chaotic. It is an intensely human activity in which the enemy exercises its free will and its determination to fight to the death. Waging war is a political act. Carl von Clausewitz, the German military theorist, outlined two dimensions of war : -

- Its nature, which is enduring; and
- Its character, which changes as the ways and means used to fight wars change.

Combatants use a wide range of military and non-military ways and means, constantly seeking advantage over each other. This makes war a dynamic contest. So, as each side strives to gain an edge by modifying the techniques and means of carrying out the fight, wars frequently become competitions of combatants' capacity to "learn under fire." At all levels—strategic, operational, and tactical—of the conflict between Russia and Ukraine, these elements and processes are discernible. Both sides' options have been limited because neither Russia nor Ukraine has achieved domination over the air, sea or land.



Source: Fair Observer

Russia-Ukraine War: Biden Says Decision to Send US Tanks To Ukraine Is ‘No Offensive Threat’ To Russia

<https://www.theguardian.com/world/live/2023/jan/25/russia-ukraine-war-live-us-and-germany-expected-to-reveal-tanks-deal-zelenskiy-warns-of-new-wave-of-aggression>

President Joe Biden has approved sending 31 M1 Abrams tanks to Ukraine, a significant escalation in the US effort to counter Russian aggression. Until now, the US has resisted providing its own M1 Abrams tanks to Ukraine, citing extensive and complex maintenance and logistical challenges with the hi-tech vehicles.

Earlier, the president had spoken by phone with president Emmanuel Macron of France, Olaf Scholz of Germany, prime minister Giorgia Meloni of Italy and Prime Minister Rishi Sunak of Britain.



Source: Business Standard

Ukraine’s president, Volodymyr Zelenskiy, thanked Biden for the “powerful decision” and described it as “an important step on the path to victory”. Germany has confirmed it will make 14 Leopard 2A6 tanks available for Ukraine’s war effort. Chancellor Olaf Scholz also said his government plans to send further military support to Ukraine beyond the 14 Leopard 2A6 tanks. President Volodymyr Zelenskiy welcomed the decision, and said he is “sincerely grateful” to Chancellor Olaf Scholz.

Germany will also approve other European countries supplying German-made Leopard 2 tanks from their own stock. On top of the German company of Leopard 2A6 tanks, Finland, Spain and the Netherlands will also contribute vehicles of the same model, according to German media reports. A second battalion will be made up of Leopard 2A4 tanks supplied by Poland and Norway.

Germany’s offer of 14 Leopard tanks has prompted calls for more heavy armour by Ukraine’s government. President Volodymyr Zelenskiy and his ministers are also seeking to break a “taboo” on the provision of jets such as US-made F16s. Ukraine’s foreign minister, Dmytro Kuleba, said he had spoken to Poland’s foreign minister, Zbigniew Rau, about further military aid, including fighter jets, a request that has been repeatedly put to NATO allies without success.

However, the U.S. President has said that the actual delivery of the tanks to Ukraine is going to take time – ‘time that we’ll use to make sure the Ukrainians are fully prepared to integrate the Abrams tanks into their defences.’ He described the Abrams tanks as “the most capable tanks in the world” and “extremely complex to operate and maintain”. The US is therefore also giving Ukraine the parts and equipment necessary to effectively sustain these tanks on the battlefield.

Biden Says US Won't Send F-16 Fighter Jets To Ukraine Amid War

<https://www.ndtv.com/world-news/russia-ukraine-war-joe-biden-says-us-wont-send-f-16-fighter-jets-to-ukraine-3737981>



Source: *The Financial Times*

President Joe Biden said Monday he will not be sending F-16 fighter jets to Ukraine to help its war against Russian invaders, but said he would visit crucial ally Poland.

"No," he said when asked by reporters at the White House if he was in favour of sending the jets, which Ukraine's leaders have said are at the top of their latest weapons wish list.

COMMENTS

The decision to provide M1 Abrams tanks to Ukraine by the U.S. has come after much deliberations and delays. The U.S. had remained non-committal on supplying Main Battle Tanks (MBTs), especially as the Abrams is a complicated machine and its gas turbine engine consumes massive amounts of fuel. The commitment is being seen more as facilitation for Germany to agree to supply two battalions of Leopard tanks from its own and other NATO countries' arsenal. This has once again questioned the continuance of U.S. lead role in the region, even as it expects European nations to take the initiative in handling European security issues.

U.S. commitments to Ukraine already exceed \$100 billion but it is being prudent of the kind of weapons it wants to supply, as also the numbers, to suit its own interests and goals and to prevent any escalation potential. Also, it is cautious of any negative impact on its own military preparedness, while attempting to match Russian actions.

The agreement of supply of tanks is being promoted as being part of a coordinated action by the U.S. and NATO for military supplies, reflecting on the collective international action across the spectrum in support of Ukraine.

This has followed similar promises of supply of armoured fighting vehicles (500 by the U.S.), long-range artillery and missiles, air and missile defences, mine breaching, bridge-laying vehicles and many other warfighting equipment by these nations. However, their immediate impact on the Russian-Ukrainian conflict is questionable.

- As per the U.S. statement, the Abrams would be purchased from manufacturers and not pulled from U.S. stockpiles, so they won't get to Ukraine for at least six months or more. Similarly, the other equipment would take time to supply and operationalise. There is lack of clarity on the utilisation of this equipment, for defensive or offensive purposes.
- Many defence experts have been critical of these inconsistent commitments with supply of each weapon system being discussed separately, rather than as part of a clearly articulated strategy in pursuance of a defined desirable end state.
- The commitments fall well short of the Ukrainian demand of additional 300 tanks, 700 infantry fighting vehicles and 500 howitzers for its envisaged spring offensive to reclaim its territory in its East.
- The numbers, even when fully supplied, are considered barely sufficient for limited action on very narrow axes and insignificant for a more effective widespread offensive. This limited offensive action also has the potential to be blunted by entrenched Russian defences, as the roles reverse. The impact of any tactical breakthroughs on the larger strategic picture is uncertain.
- The doctrinal changes required, formulation of operational plans to include these new and varied equipment and requirement of training is expected to take months.
- While the equipment is considered sufficient for a combined arms operation, the lack of a formidable air component would preclude effective multi-domain operations. The fighter aircraft are not yet being committed owing to fear of escalation, and even if it fructifies in the future, training on these would be a long drawn process.
- The Western tanks have advantages in terms of their speeds, night fighting capabilities and defensive and protection armour. However, this also makes these countries wary of these machines falling in hands of the Russians and this could impact their effective employment. The British are already devising a contingency plan to retrieve British tanks in case they are destroyed in Ukraine, to prevent top-secret armour and technology from slipping into Russian hands.
- The greatest challenge would be logistics to sustain the increasingly varied inventory of Western supplied platforms and their weapons of differing specifications and ensuring the supply of fuel and ammunition, without a comprehensive supply chain management system in place. Maintenance and repair would be the other big trial.

'Pakistan Has Learnt Its Lesson': Shehbaz Sharif Calls For Honest Talks With PM Modi

<https://timesofindia.indiatimes.com/world/pakistan/pakistan-has-learnt-its-lesson-shehbaz-sharif-calls-for-honest-talks-with-pm-modi/articleshow/97048436.cms>

With terror-related violence on the rise in Pakistan since the Tehreek-e-Taliban Pakistan (TTP) broke a ceasefire with security forces in late November, Prime Minister Shehbaz Sharif has called for a "critical and honest talk" with Prime Minister Narendra Modi on "burning points like Kashmir". Sharif said that the three wars with India have "only added to the people's distress, poverty, and unemployment."

“No backchannel” Talks Being Held Between Pakistan and India, Says Khar

https://www.business-standard.com/article/current-affairs/no-backchannel-talks-being-held-between-pakistan-and-india-says-khar-123012600685_1.html

Foreign Affairs Hina Rabbani Khar said that no backchannel talks were being held between Islamabad and New Delhi. She said that Pakistan was asked at international forums sometimes to normalise its ties with India, but the world should look at the messages New Delhi was sending to Islamabad. Her remarks came days after Indian media reported that New Delhi has invited Foreign Minister Bilawal Bhutto Zardari and Chief Justice of Pakistan Umar Ata Bandial to attend the foreign ministers' and chief justices' meetings of the SCO in Goa in May.

COMMENTS

There are compelling reasons for Pakistan to seek better relations with India, including a battered economy that is on life-support, thanks to aid from West Asian powers and China and a rapidly burgeoning insurgency by the TTP. The nation also appears to be interested in building on the relatively peaceful situation on LoC since a ceasefire was revived in 2021, even more so now, so that it can focus on its northwestern region, where the Taliban fighters pose a serious challenge to the government's writ. While Pakistan's former Army Chief, General Bajwa, had pushed for détente with India, it is unclear whether his successor, General Asim Munir, will favour a similar approach. General Munir's comments during a visit to troops on the LoC reflect a more hawkish position, and there are still no indications that Pakistan has begun cracking down on anti-India terror groups.

India has been maintaining that it desires normal neighbourly relations with Pakistan while insisting that the onus is on Islamabad to create an environment free of terror and hostility for such an engagement. The relations deteriorated after India in August 2019 announced withdrawing special powers of Jammu and Kashmir and bifurcation of the state into two union territories. While the Indian government has spoken to restoring J&K statehood, it is unlikely the status of the region will be changed.

Thus, if Pakistan PM Mr Sharif were to cling to the plank of revoking the decision of August 2019, talks will be a non-starter. The window for any engagement too appears extremely narrow, with Pakistan set to hold elections this year and India in 2024. If a beginning is to be made, the two sides should focus on the resumption of trade and upgrading of diplomatic ties. We will keep monitoring for future implications.

Indus Waters Treaty: India Gives Ultimatum to Pakistan, Issues Notice Seeking Modification of Water Sharing Agreement

Indus Waters Treaty: India Gives Ultimatum to Pakistan, Issues Notice Seeking Modification of Water Sharing Agreement | India News | Zee News



Source: *The Third Pole*

India has sent a notice to Pakistan calling for the amendment of the Indus Waters Treaty even as the dispute resolution mechanism of the treaty remains in a logjam for 5 years. This is for the first time New Delhi has called on Islamabad for the amendment of the treaty that was signed in 1960 in Karachi between the then-Indian PM Jawaharlal Nehru and then-Pakistani president Ayub Khan. Under the notice, India has called on Pakistan to enter into intergovernmental negotiations within 90 days to "rectify the material breach" of the treaty and also "update the treaty to incorporate the lessons learned over the last 62 years".

COMMENTS

India was forced to issue the notice as Pakistan's actions adversely impinged on the Indus Water Treaty's provisions and their implementation. Pakistan side's "intransigence" in handling disputes ie Kishanganga and Ratle hydropower projects in Jammu and Kashmir, has raised questions about the integrity of the pact.

The pact has a graded mechanism to handle such issues – "questions" are handled by the two Indus Waters Commissioners, "differences" are resolved by a neutral expert appointed by the World Bank, and "disputes" are referred to the court of arbitration, a seven-member arbitral tribunal whose chair is appointed by the World Bank. In 2015, Pakistan sought appointment of a neutral expert to handle its objections to the two hydropower projects, but it unilaterally retracted this in 2016 and requested a court of arbitration. In 2016, the World Bank appointed both a neutral expert and the chair of the court of arbitration.

Despite repeated efforts by India to find a mutually agreeable way forward, Pakistan refused to discuss the issue during the five meetings of the Permanent Indus Commission from 2017 to 2022. In March 2022, at Pakistan's continuing insistence, the World Bank initiated actions on both the Neutral Expert and Court of Arbitration processes. The World Bank resumed the concurrent process and went ahead and appointed a Neutral Expert (NE) and chair of the Court of Arbitration (CoA). This approach was flawed since two simultaneous processes on the same issue can result in inconsistent and contradictory rulings, create a legally untenable situation and even put a question mark on the working and integrity of the treaty. India has been attending meetings convened by the neutral expert but has stayed away from the court of arbitration.

However, this historic decision by India to send a notice to modify the treaty, opens up the possibility of India proposing major changes to the treaty and even the idea of altering it completely, which could be greatly disadvantageous to Pakistan. The next meeting of the Indus water commission will take place in Pakistan. We will keep monitoring for future implications.

Pakistan's Economy At Risk Of Collapse

<https://daijiworld.com/news/newsDisplay?newsID=1043905>

British publication Financial Times has warned that Pakistan's economy is at risk of collapse with the government's "failure to revive" an International Monetary Fund (IMF) deal. According to the report, rolling blackouts and a severe foreign currency shortage are making it difficult for businesses to continue operations. Shipping containers full of imports are piling up at ports as the buyers are unable to secure the dollars to pay for them. Associations for airlines and foreign companies have warned that they have been blocked from repatriating dollars by capital controls imposed to protect dwindling foreign reserves. Already a lot of industries have closed down, and if those industries don't restart soon, some of the losses will be permanent.

COMMENTS

Pakistan faces a perfect storm arising out of self-created problems, worsened by external shocks. High commodity prices have triggered inflation, and also a balance of payments crisis. Falling forex reserves, high inflations, and a breach of the country's agreement with the IMF existed during Imran Khan's tenure, but have worsened now. Foreign exchange reserves were just \$3.68 billion on 20 Jan, to cover the three weeks of imports. This includes a \$3 billion deposit by Saudi Arabia, implying the actual situation of Pakistan's economy. High oil & gas prices arising from the crisis in Ukraine and high-interest loans, including those from China, are contributors. At the same time, security problems on its western frontier with Afghanistan, and the threat from TTP, are rising, as are cross-border attacks and military strikes. All this is likely to have a further detrimental impact on the economy.

REGIONAL SCAN: PAKISTAN AND SRI LANKA

Despite the severity of the challenges, Pakistan is unlikely to collapse, largely because of its geo-strategic importance. A bailout by IMF or friendly countries will happen. For China, Pakistan remains a low-cost way to keep India off-balance. Pakistan continues to prove its utility to the US and UK by acting as a conduit to supply weapons to Ukraine. Some form of the help from these countries, once they extract more concessions, is likely. In the case of China, concessions could be greater control over Gwadar Port, which could host a military presence in the future. Pakistan's economic weaknesses might make it a more willing tool, directed at India. Pakistan government may increasingly resort to anti-India rhetoric, as seen by the comments Pakistan foreign minister at the UN, to distract from domestic problems. Pakistan's army, which has cornered the lion's share of the State's resources since Independence, may adjust to the difficult economic situation by resorting to smuggling drugs and weapons. We will keep monitoring for future implications.

India Tells IMF It Backs Sri Lanka's Debt Restructuring Plan - Source

<https://financialpost.com/pmn/business-pmn/india-tells-imf-it-backs-sri-lankas-debt-restructuring-plan-source>

India has informed the International Monetary Fund (IMF) it will support Sri Lanka's debt restructuring plan, a source with direct knowledge of the matter said, as the island nation races to secure a \$2.9 billion bailout from the global lender. The country of 22 million people is facing its worst economic crisis since independence from Britain in 1948, and policymakers have been grappling with multiple challenges over the past year including a shortage of dollars, runaway inflation and a steep recession.

Sri Lanka Says China Willing to Back Debt Restructuring Plan

<https://www.bnnbloomberg.ca/sri-lanka-says-china-willing-to-back-debt-restructuring-plan-1.1873467>

China has indicated that it is willing to support the debt recast plan for Sri Lanka, a move that will bring the nation closer to the \$2.9 billion loan from the International Monetary Fund. China's assurance comes days after India told the multilateral lender that it will back Sri Lanka's debt restructuring plans. Sri Lanka was aiming for board approval from the IMF in the first quarter of 2023. The funds will help the nation mend an economy that has fallen deeper into recession amid sky-high inflation and elevated borrowing costs, and pave the way for further assistance.



Source: India Times

COMMENTS

IMF's Extended Fund Facility requires a sustainable debt profile and financing assurance/ debt relief from official and private creditors. Unfortunately, debt restructuring is complicated, more so when China is involved. Multiple Chinese institutions lend to Sri Lanka, each with different terms and conditions, complicated possible debt restructuring. While China has made some supportive statements, it has been passive and non-transparent on Sri Lanka's requests for debt relief. China's position has made other bilateral creditors cautious. India, a large bilateral creditor to Sri Lanka, while wanting to ensure that it gets the same debt deal as that offered to China, has, in letter to IM, expressed strong support for Sri Lanka. Japan, another significant creditor representing the Paris Club, a group of wealthy country creditors, is trying hard to play a constructive role. Private creditors are the other major holders of Sri Lanka debt. A debt restructuring agreement with them may be even more complicated than with official creditors.

Sri Lanka can only plead with its creditors to provide sufficient comfort to convince the IMF that its debt path, post assurance and post debt relief, will be sustainable. Unfortunately, the hopes of speedy IMF disbursement have already been pushed back by several months. Sri Lanka has a long and challenging road ahead. After securing debt restructuring, it will need to make painful choices, tackle vested interests and undertake severe fiscal tightening. In addition, it will have to enhance and improve social protection to minimize the pain of the less fortunate. The beleaguered people of Sri Lanka can only hope that relief comes soon.

India has extended \$4.4 billion in official credit to Sri Lanka, excluding other forms of lending. Sri Lanka borrowed heavily from China over the past decade for infrastructure projects that include a seaport, airport and a city being built on reclaimed land. The projects failed to earn enough revenue to pay for the loans, a factor in Sri Lanka's economic woes. China accounts for about 10% of Sri Lanka's loans after Japan and the Asian Development Bank. However, its assent for restructuring its loans is crucial. Sri Lanka has announced that it is cutting 6% from the budgets of each ministry this year and plans to downsize the military, which had swelled to more than 200,000 personnel due to a long civil war. The government plans to reduce the military's size by nearly half by 2030. We will keep monitoring for future implications.

Jaishankar's Visit To Sri Lanka: Key Takeaways

<https://www.msn.com/en-in/news/in-depth/jaishankars-visit-to-sri-lanka-key-takeaways/ar-AA16HQ0z>

EAM S Jaishankar's visit to Sri Lanka, after his visit to the Maldives, conveyed, glad tidings, a much delayed invitation, and two strong messages on India's expectations of its nearest Indian Ocean neighbour. Taken together, the three provide an understanding of how Delhi views its relations with Colombo. Jaishankar's visit came a day after India had conveyed to the IMF that India strongly supports Sri Lanka's debt restructuring plan. New Delhi is the first bilateral creditor to do so. Sri Lanka has sought similar reassurances from China and other creditors as well.

COMMENTS



Source: The Indian Express

India has been clear that its cooperation would rest on the “four pillars” of energy security, food security, currency support for foreign exchange, and Indian investment in Sri Lanka. Sri Lanka's renewable energy potential is said to be much more than it can consume. Selling the surplus to India by connecting to an Indian grid through undersea cables is projected as a sustainable source of revenue. Also, the oil storage capacity in Trincomalee could be utilised to provide energy security both to Sri Lanka and the region. India wants Sri Lankan government to implement the 13th amendment in its constitution. The amendment, which provides for elected provincial councils, was introduced at India's intervention in 1987. It is the only concession in the constitution on the Tamil demand for devolution.

Defence cooperation, including military-to-military exchanges, has picked up the pace. Sri Lanka currently has about 400 military personnel being trained in India, the highest for any country, and work is underway on a floating dock being built at the Goa shipyard for the Sri Lankan Navy. India has provided nearly \$4 billion, without any conditions, to Sri Lanka during economic crisis. India had also taken the lead in providing guarantees to the IMF to help Sri Lanka access a \$2.9 billion bailout package. Sri Lankan government's planned divestments in telecommunications, insurance, and hotels. The two sides are also looking at expanding trade through Indian rupee settlements. India has allowed Sri Lankan banks to open Indian rupee accounts with Indian banks.

China, Bhutan Agree to Expedite Negotiations to Resolve Border Dispute

<https://economictimes.indiatimes.com/news/international/world-news/china-bhutan-agree-to-expedite-negotiations-to-resolve-border-dispute/articleshow/96984252.cms> - 14 January 2023.

China and Bhutan have reached a "positive consensus" to push forward the implementation of the agreement to expedite negotiations to settle their border dispute through a three step roadmap. The 11th Expert Group Meeting (EGM) on the China Bhutan Boundary Issues was held in China's Kunming City from 10 January to 13 January, in which the two sides, "in a frank, cordial and constructive atmosphere, had an in depth exchange of views on implementing the MoU on the Three Step Roadmap for Expediting the China Bhutan Boundary Negotiations and reached a positive consensus," the joint statement issued on Friday said. The two sides also agreed to increase the frequency of the EGMs and to "keep contact through diplomatic channels on holding the 25th Round of China Bhutan Boundary talks, as soon as possible at mutually convenient dates".

The Chinese delegation was led by Hong Liang, Director General of the Department of Boundary and Ocean Affairs of the Ministry of Foreign Affairs of China, while the Bhutanese delegation was led by Dasho Letho Tobdhen Tangbi, Secretary of the International Boundaries of Bhutan.

ADDITIONAL

China and Bhutan don't have diplomatic relations, but maintain contact through periodic visits by their officials. Bhutan shares a 477 km long border with China. 24 rounds of boundary talks have been held between the two countries so far to resolve the border dispute. Both countries had signed an MoU for Expediting the China Bhutan Boundary Negotiation in 2021 firming up a three step roadmap to speed up border talks and establishment of diplomatic ties. India and Bhutan are the two countries with whom China is yet to finalise the border agreements, while it has resolved the boundary disputes with its 12 other neighbours. China's attempt to build a road in the Doklam Plateau in 2017, was strongly opposed by India, as it impacted Indian security interests, since it runs close to the narrow Siliguri Corridor and resulted in a major standoff with India, which ended after China dropped its plan to build the road. China has made a claim on Sakteng Wildlife Sanctuary in Eastern Bhutan, which is near the border with Arunachal Pradesh.

COMMENTS

In the recent past, China has increased its efforts to establish diplomatic ties with Bhutan and accelerated negotiations to reach a settlement for border dispute. However, the three step roadmap mentioned above has still not been made public. Talks between China and Bhutan since 1984 have largely been on contested areas in Bhutan's West including Doklam and in the North.

Given the Chinese ability to play long - term games, it can influence Bhutan into accepting some territorial exchanges in the North that would allow China to move Southwards and pose a serious security challenge to India. Any development in the China Bhutan boundary negotiations is being keenly watched by India, as Chinese presence near Doklam is a major security concern for India. The challenges for India are that the trijunction positions should not be changed and Southward move of China into the Bhutanese territory should not be allowed. India is hopeful that its concerns on the trijunction will be considered in the next round of Sino-Bhutanese consultations.

Myanmar's Military Launches Airstrikes Near Indian Border and New Delhi Takes up the Matter

<https://thediplomat.com/2023/01/myanmars-military-launches-airstrikes-near-indian-border/> - 13 January 2023 and <https://economictimes.indiatimes.com/news/defence/myanmarese-militarys-air-operation-near-border-with-india-new-delhi-takes-up-matter/articleshow/97146003.cms>

On January 10 and 11, the Myanmar regime launched a series of airstrikes against the headquarters of the Chin National Front (CNF), which is located near the India-Myanmar border. Members of the civil disobedience movement (CDM), defected security personnel and internally displaced persons (IDPs) all reside at the CNF Camp. According to CNF spokesperson Salai Htet Ni, on 10 January, four fighter jets carried out four bombardments on CNF Camp Victoria, killing five CNF troops. According to ground reports, two bombs were dropped into Indian territory on 10 January. The operation triggered some panic in the border areas falling under the district of Champhai. India has taken up with Myanmar this incident of falling of a bomb on Tiau riverbed on the border between the two countries on January 10, the Ministry of External Affairs said on 19 January 2023. MEA spokesperson Arindam Bagchi said "Such incidents are a matter of concern for India.

As per information, Myanmar carried out an air operation on January 10-11 near border areas. We confirmed that there was no violation of our airspace. But on January 10, a bomb fell on the Tiau riverbed, which is on the India-Myanmar border. It is said that there is a Farkawn village in Champai district. Such incidents are a matter of concern for us and we have taken it up with the Myanmar side."



Source: The Diplomat

ADDITIONAL

CNF is one of the key revolutionary groups that has a formal agreement with the parallel government, the National Unity Government (NUG), to topple the junta that seized power in a February 2021 coup. Myanmar military has carried out air strike on the CNF for the first time. Speculations about the regime's attack plan have been widespread since the Chin Human Rights Organisation (CHRO) revealed a classified plan in November 2022.

COMMENTS

The airstrike is likely to be part of the Myanmar Junta's psychological warfare to persuade resistance organisations to abandon their membership in the anti-coup campaign and support the regime's upcoming election.

Indian Navy Gets Major Boost, Submarine INS Vagir Gets Commissioned

https://economictimes.indiatimes.com/news/defence/indian-navy-gets-major-boost-submarine-ins-vagir-getscommissioned/articleshow/97241861.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

In a boost to Indian Navy's fire power, INS Vagir, the fifth submarine of the Kalvari Class submarines, was commissioned into the service today. INS Vagir is built by Mazagon Dock Shipbuilders with the help of technology transfer from France's Naval Group. The submarine is built under Project-75, which includes the indigenous construction of six submarines of Scorpene design. Four of the Kalvari class of submarines have already been commissioned into the Indian Navy. The erstwhile Vagir' has a glorious past as the submarine with the same name was commissioned in November 1973. It was decommissioned in January 2001 after serving the nation for about three decades.



Source: Indian Express

COMMENT

INS Vagir is built by Mazagon Dock Shipbuilders with the help of technology transfer from France's Naval Group. Vagir' means sand shark, which represents stealth and fearlessness, two qualities synonymous with the ethos of a submariner. The erstwhile Vagir undertook numerous operational missions including deterrent patrols. Launched and named Vagir on November 12, 2020, the submarine in its new avatar has the distinction of having the lowest build time among all indigenously manufactured submarines to date. The four Kalvari-class submarines commissioned earlier are: INS Kalvari, INS Khanderi, INS Karanj and INS Vela. INS Vagsheer will be the last one in the series to be commissioned. The submarine has the best sensors in the world, its weapons package include sufficient wire guided torpedoes and sub-surface to surface missiles to neutralise a large enemy fleet. The submarine can also launch marine commandos for special operations, while its powerful diesel engines can quickly charge batteries for a stealth mission. For self defence, it has a state of the art torpedo decoy system. The submarine can undertake diverse missions including anti-surface warfare, anti-submarine warfare, intelligence gathering, mine laying, and surveillance missions. The commissioning of INS Vagir comes amid the increasing presence of the Chinese Navy in the Indian Ocean and services of this formidable asset is a strong step towards building reliable deterrence against the perceived threat.

Varuna 2023: India-France Conclude Joint Naval Exercise in Goa

<https://economictimes.indiatimes.com/news/defence/varuna-2023-india-france-conclude-joint-naval-exercise-in-go>



Source: Defence Watch

A major annual aero-naval event whose first edition dates back to 1983, VARUNA bears witness to the ability of the French and the Indian Navies to deploy and operate together and exemplifies the high level of trust between France and India. The 2023 edition holds special significance as France and India embark on a year of celebration of the 25th anniversary of the Indo-French strategic partnership and work towards an ambitious agenda for renewing, expanding and deepening their cooperation.

COMMENTS

Deployed in the Indian Ocean as part of the ANTARES mission, the French Carrier Strike Group, comprising the nuclear-powered aircraft carrier Charles de Gaulle, its group of embarked aircraft and escort ships, conducted a large-scale operational cooperation with the Indian Navy, called VARUNA, from 16 to 20 January 2023. Held off the Goa coast, this joint preparation for air-sea warfare exemplified the outstanding Indo-French Naval cooperation in the Indo-Pacific, opening the year 2023 marked by the 25th anniversary of Indo-French strategic partnership. The French Navy ships participating in the drill to conduct numerous training sessions of increasing intensity included the aircraft carrier Charles de Gaulle and its embarked air group, several Indian and French frigates and their embarked helicopters as well as a French command and replenishment ship.

The aim of the VARUNA joint exercise was to prepare the crew of these two Indian Ocean nations to face a variety of challenges together, mobilising their anti-surface, anti-submarine and anti-aircraft assets, as well as shared control of the air-sea environment and ship control. Replenishment at sea, increasingly complex air combat manoeuvres, and firing drills completed these realistic operational scenarios. This joint deployment in the Indian Ocean contributes to ensuring stability in this region in line with France and India's shared approach of collective security based on respect for international law at sea and in the air.

India & Japan Concludes “Veer Guardian 2023” Air Exercise

<https://currentaffairs.adda247.com/india-japan-concludes-veer-guardian-2023-air-exercise/>

The inaugural edition of the 16-day bilateral air exercise between the Indian Air Force and the Japan Air Self-Defence Force has concluded in Japan. The exercise, ‘Veer Guardian 2023’, involved precise planning and skilful execution by both the air forces. The JASDF participated in the exercise with its F-2 and F-15 aircraft, while the IAF contingent participated with the Su-30 MKI aircraft. The IAF fighter contingent was complemented by one IL-78 flight refuelling aircraft and two C-17 Globemaster strategic airlift transport aircraft.

COMMENTS

“Veer Guardian 2023” is the first air exercise conducted between Indian Air Force and Japanese Air Self Defence Forces at Hyakuri Air Base, Japan. Four Su-30 MKI, two C-17, and one IL-78 were part of the Indian contingent, while four F-2s and four F-15s were on the Japanese side.

There persisted apprehensions post Shinzo Abe’s death that India and Japan might not share the same level of strategic relationship considering the differences of opinion in various matters including the Russia-Ukraine War. But Modi and Kishida have been working together on the same lines keeping China’s expansive influence and presence in the region in mind. Last year both the leaders met Kishida twice which itself reflects the growing convergence between the two countries.

Through such exercises India wishes to exhibit its will to strengthen their long-standing friendship and expand their opportunities for defence collaboration. Both the countries are encouraging 2+2 dialogues where the Defence and the External Affairs Ministers of both the countries are involved. Through this, both New Delhi and Tokyo wish to increase their security and defence cooperation and they agreed to keep conducting bilateral and multinational exercises in a multilayered manner.

Prior to “Veer Guardian 2023”, both the countries conducted the Malabar Exercises in November 2022 which also included US and Australia. In September of the same year, the 6th edition of the two navies' yearly maritime exercise, JIMEX 22, took place in the Bay of Bengal. In addition to the joint military drills, New Delhi and Tokyo have been involved in discussions related to political and security issues. A team from the Indian Coast Guard led by its director general visited Tokyo in September 2022 for the 20th high-level conference between the two coast guards. As was already mentioned, the two nations' defence and foreign ministers met twice in September for 2+2 ministerial discussions. Thus, China remains a significant factor behind India-Japan’s growing strategic relationship. If China continues with its belligerence in the region, India and Japan will keep working towards improved interoperability, coordination, and preparation for any kind of contingency.