

THE WEEK IN REVIEW

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Editor: Saroj Bishoyi

Contributors

Gulbin Sultana

Bangladesh, Sri Lanka, Maldives

Gunjan Singh

China

Rajorshi Roy

Russia

Pranamita Baruah

Japan, South Korea

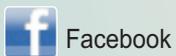
Zaki Zaidi

Iran, Iraq and the Gulf

Amit Kumar

Defence Review

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1, Development Enclave, Rao Tula Ram Marg, New Delhi-110010
Telephone: 91-26717983; Fax: 91-11-26154191 Website: www.idsa.in; Email: twir@idsa.in

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I. COUNTRY REVIEWS

A. South Asia

Bangladesh

(November 10-16, 2014)

- **President Hamid meets Myanmar President Thein Sein; “Showcase Bangladesh 2014” in Kuala Lumpur; Inflation comes down to 6.6 percent in October; Exports decline in October; Demand to amend the war crime laws**

President Abdul Hamid said, Bangladesh and Myanmar should work together to find out effective mechanisms for a permanent solution to the long-pending Rohingya issue. President Hamid said this at a bilateral meeting with Myanmar President Thein Sein at Diaoyutai State Guest House in Beijing. President Hamid also stressed enhanced cooperation between the two countries in preventing production of narcotics and illicit trafficking, establishing direct road and rail link between the two countries. Hamid invited his Myanmar counterpart to visit Bangladesh. President Thein Sein said, he was looking forward to paying a visit to Bangladesh. Thein Sein also invited Hamid to visit Myanmar.¹

Bangladesh urged Malaysian investors to take up new investment ventures in the fast-growing manufacturing, services and infrastructure projects to help the country reach newer heights of development. Dhaka also sought technological support from Kuala Lumpur as it has developed expertise in the area. Officials and entrepreneurs of Bangladesh made the call while addressing the inaugural session of a three-day trade show — “Showcase Bangladesh 2014”, which began at the Kuala Lumpur Convention Centre on November 14. Bangladesh-Malaysia Chamber of Commerce and Industry (BMCCI) in collaboration with Bangladesh High Commission in Malaysia, Malaysia South-South Association, Malaysia External Trade Development Cooperation and Malaysian Industrial Development Authority hosted the event for the third time. About 60 Bangladeshi companies from banking and insurance services, readymade garments, textiles, infrastructure, ICT and telecom and other sectors joined the showcase with their products and services.²

Inflation continued its descent in October 2014, coming down to 6.6 percent, the lowest in 23 months. Food inflation was the biggest driver behind the drop, sliding to 7.16 percent from 7.63 percent in September. Non-food inflation, however, edged up to 5.74 percent in October from 5.63 percent in September 2014, owing to a rise in house rent, transportation costs, education and medical expenses and other non-food items, according to the Bangladesh Bureau of Statistics.

¹ “Resolve Rohingya Issue”, *The Daily Star*, November 10, 2014 at <http://www.thedailystar.net/resolve-rohingya-issue-49596>.

² “Invest More in Bangladesh”, *The Daily Star*, November 15, 2014 at <http://www.thedailystar.net/invest-more-in-bangladesh-50422>.

With the latest reduction, inflation is close to Bangladesh Bank's target for the fiscal year – 6.5 percent.³

Exports declined 7.63 percent year-on-year to \$1.96 billion in October due to a slowdown in apparel exports, according to data from the Export Promotion Bureau. Garment exports fell 3.5 percent to \$7.76 billion in October compared with the same month in 2013. The contribution of garment items to national exports is more than 80 percent.⁴

Bangladesh Rukhe Darao, a platform of progressive and pro-liberation forces, demanded that the current parliament session amend the war crimes laws to try Jamaat-e-Islami as a party for their alleged crimes committed during the Liberation War in 1971. Leaders of the platform at a press conference at Liberation War Museum also announced that they would bring out a procession from the Central Shaheed Minar on Martyred Intellectuals Day (December 14) to press home their demand for banning Jamaat and quick execution of war crimes verdicts. The existing International Crimes (Tribunals) Act-1973 allows trial of organisations but it does not specify about the punishment. The government prepared a draft for amendment many days ago but did not place it in the cabinet for approval. Meanwhile, cultural activists under the banner of Sammilita Sangskritik Jote marched from the Central Shaheed Minar to Suhrawardi Udyan in Dhaka demanding elimination of all anti-liberation forces from the country and to drum up public support against Jamaat's smear campaign against the war crimes trial.⁵

Sri Lanka

(November 10-16, 2014)

- **Sri Lanka to Chair the 2015 Meeting of the High Contracting Parties to the Convention on Certain Conventional Weapons; Sri Lankan refugees launch fast at a special camp at the Central Prison in Tiruchi.**

Sri Lanka has reiterated its commitment to the UN multilateral system and the pivotal role it plays in maintaining international peace and security, notwithstanding the continued challenges it faces not only in the Conference on Disarmament, but also in many other UN and international bodies. This view was expressed in a statement by Sri Lanka's Permanent Mission to the UN in Geneva after it was announced that Sri Lanka has been designated by acclamation to Chair the 2015 Meeting of the High Contracting Parties to the Convention on Certain Conventional Weapons (CCW). Ambassador Ravinatha Aryasinha, Permanent Representative of Sri Lanka to the UN in Geneva, succeeds Ambassador Remigiusz A. Henczel, the Permanent Representative of Poland to the UN in Geneva.⁶

³ "Inflation the Lowest since Dec 2012", *The Daily Star*, November 14, 2014 at <http://www.thedailystar.net/inflation-the-lowest-since-dec-2012-50220>.

⁴ "Exports Fall 7.63pc in Oct", *The Daily Star*, November 11, 2014 at <http://www.thedailystar.net/exports-fall-7-63pc-in-oct-49713>.

⁵ "Amend War Crimes Act to Try Jamaat", *The Daily Star*, November 16, 2014 at <http://www.thedailystar.net/amend-war-crimes-act-to-try-jamaat-50567>.

⁶ "Lanka Reiterates Its Commitment to UN", *Colombo Gazette*, November 16, 2014 at <http://colombogazette.com/2014/11/16/lanka-reiterates-its-commitment-to-un/>.

Twenty-six, including 25 Sri Lankan refugees and one Malaysian citizen, who have been quarantined at a special camp at the Central Prison in Tiruchi, launched a fast on November 15, demanding the early completion of the cases against them. They are facing charges, including illegal entry and suspected association with the Liberation Tigers of Tamil Eelam (LTTE). Many of them were recently transferred to the special camp from different camps in the State.⁷

(November 10-16, 2014)

- **Construction work on the first phase of the proposed Northern Expressway launched; Sri Lanka and Mauritania signed an agreement to establish a Joint Commission; Government of India provides assistance to the landslide victims; Modi discusses fishermen issue with Rajapaksa over phone**

President Mahinda Rajapaksa on November 14 launched construction work on the first phase of the proposed Northern Expressway, which also has an extension to Kandy. The President placed the foundation stone at the Senkadagala entrance launching the construction of the Kandy – Colombo segment of the Expressway. The 300-kilometer long highway will be constructed under four stages and the first stage of the project from Enderamulla to Ambepussa is expected to cost US\$ 1 billion and it would be completed with Chinese assistance, according to the Government Information Department. The four lane expressway will be built at a cost of approximately US\$ 4.5 billion and is scheduled to be completed by 2018.⁸

Sri Lanka and Mauritania signed an agreement on November 12 to establish a Joint Commission on Cooperation to further strengthen relations between the two countries. The signing took place following bilateral talks between President Mahinda Rajapaksa and President of Mauritania Mohamed Ould Abdel Aziz at the President's Office. The two countries also signed an agreement on Bilateral Political Consultations.⁹

Government of India has committed, as part of its housing project in the estates in Sri Lanka, to construct houses in some landslide prone estates from where people have been evacuated, the Indian High Commission in Colombo said on November 10. Government of India had made a commitment to provide emergency humanitarian assistance worth SLR 5 million, following the devastating landslide that occurred on October 29, 2014 in Haldummula Division of Badulla district in Uva Province and in pursuance of this, A. Natarajan, the Assistant High Commissioner of India in Kandy handed over relief goods, on behalf of the High Commissioner of India, to the Governor of Uva Province Nanda Mathew at the Governor's Office in Badulla. The relief goods have been identified in coordination with the Government of Sri Lanka and procured locally in Sri Lanka. The items include large and small generators, water pumps, tractor, chainsaws, concrete power saws, canvas water hose and aluminium cookware, among others.¹⁰

⁷ "Lankan Refugees at Indian Camp Fast", *Colombo Gazette*, November 16, 2014 at <http://colombogazette.com/2014/11/16/lankan-refugees-at-indian-camp-fast/>.

⁸ "Northern Expressway Work Launched", *Colombo Gazette*, November 14, 2014 at <http://colombogazette.com/2014/11/14/work-on-northern-expressway-launched/>.

⁹ "Mauritania Firm over Stand on Lanka", *Colombo Gazette*, November 13, 2014 at <http://colombogazette.com/2014/11/13/mauritania-firm-over-stand-on-lanka/>.

¹⁰ "Indian Houses for Landslide Affected", *Colombo Gazette*, November 10, 2014 at <http://colombogazette.com/2014/11/10/indian-houses-for-landslide-affected/>.

On November 9, President Mahinda Rajapaksa telephoned Prime Minister Narendra Modi and discussed possible options in the case of the five Indian fishermen who, along with three Sri Lankan fishermen, were on October 30 sentenced to death by the Colombo High Court. They were arrested by the Sri Lankan Navy on November 28, 2011 near Delft Island off Jaffna peninsula on charges of drug peddling.¹¹ The Sri Lankan Government has agreed to transfer five Indian fishermen who were sentenced to death, to a jail in India. On November 12, an appeal was filed against the Colombo High Court's sentence awarding death to the Indian fishermen. Reportedly, Sri Lankan President was ready to pardon the fishermen if India did not go ahead with the court appeal.¹²

Maldives

(November 10-16, 2014)

- **Maldives repatriates 7,962 expats; Malaysian investors visit Maldives; Export declines-import increases.**

Minister of Defence Mohamed Nazim said that 7,962 expats were repatriated in 2014, under the voluntary departure programme and efforts to repatriate expats living illegally in the Maldives. Nazim announced this at a press conference at Coast Guard Building on November 16, held to brief the media regarding the efforts of the institutions operated under the Ministry of Defence over the past year. The Defence Minister said that about \$24 million had been retained in the local economy as a result of the repatriation of the expats. Nazim said that the number of illegal expats still stands at around 30,000, and according to Immigration Department's records, the total number of expats in the Maldives has reached 120,000.¹³

A team of Malaysian investors came to Maldives on November 15. Mohamed Fayaz, Maldives High Commissioner to Malaysia said that 17 investors who belong to Chinese Chamber of Commerce of Malaysia were included in the team. He stated that the investors were interested to invest on fields of guest hose, guest boutiques, fishing, construction, export and import and real estate businesses in Maldives.¹⁴ An information session was organised for the visiting delegation of the Chinese Chamber of Commerce and Industry of Kuala Lumpur, Malaysia, regarding investment opportunities in the Maldives. The session, held at the STELCO conference hall on November 16, was attended by the members of the Malaysian delegation and senior officials of Maldivian ministries.¹⁵

¹¹ "Appeal Filed in Support of Five Indians", *Colombo Gazette*, November 11, 2014 at <http://colombogazette.com/2014/11/11/appeal-filed-in-support-of-five-indians/>.

¹² "No Decision on Releasing Five Indians", *Colombo Gazette*, November 13, 2014 <http://colombogazette.com/2014/11/13/no-decision-on-releasing-five-indians/>.

¹³ "Nearly 8,000 Expats Repatriated, Says Defence Minister", *Sun Online*, November 16, 2014 at <http://www.sun.mv/english/26090>.

¹⁴ "Malaysian Investors' Team Arrives in Maldives", *SunOnline*, November 16, 2014 at <http://www.sun.mv/english/26071>.

¹⁵ "Forum on Investment Opportunities Held for Malaysian Delegation", *SunOnline*, November 16, 2014 at <http://www.sun.mv/english/26088>.

Export of goods from Maldives has been decreased by 48 percent and import to Maldives has been increased by four percent in October 2014 when compared with October 2013. According to import/export statistics of Customs, goods worth MVR 131.3 million have been exported from Maldives in October 2014, while goods worth MVR 251.3 million have been exported from Maldives in October 2013. According to Customs, decrease in export of chilled yellow fin tuna and skipjack tuna from Maldives was the main reason for the decrease in exports in October 2014 when compared with October 2013. While imports have been increased by four percent in October 2014 when compared with October 2013, out of the total amount spent on imports, most were spent on importing petroleum products. The second most imported category was food items, followed by machinery and electronics.¹⁶

(November 10-16, 2014)

- **Current population of the Maldives is 341,256; Maldives elected as the next Chair of the Alliance of Small Island States; President Pranab Mukherjee extends greetings to the government and the people of the Maldives on the occasion of the Republic Day.**

The National Bureau of Statistics has revealed that the current population of the Maldives is 341,256. The preliminary results of the census conducted in September 2014 show that 399,939 people live in the Maldives in total, out of which 341,256 are Maldivians. The population of the Maldives was 298,968 in 2006. The current sex ratio is 100 women to 103 men.¹⁷

Maldives has been elected as the next Chair of the Alliance of Small Island States (AOSIS). The decision was announced on November 11 at the Ministerial Meeting of AOSIS in Seychelles, with votes in favour from 37 countries. The Maldives spearheaded the efforts to form AOSIS, following the first ever Small States Conference held in the Maldives in November 1989. Maldives' election as Chair of AOSIS will be effective from January 1, 2015.¹⁸

President of India Pranab Mukherjee has said that he was confident that the India-Maldives relationship would continue to expand and strengthen in the coming years, to the mutual benefit of the people of both countries. This came in a message from Mukherjee to President Abdulla Yameen Abdul Gayoom, to extend greetings to the government and the people of the Maldives on the occasion of the Republic Day of the Maldives.¹⁹

¹⁶ "Exports Decrease by 48 Percent, Imports Increase by Four Percent", *SunOnline*, November 15, 2014 at <http://www.sun.mv/english/26069>.

¹⁷ "Maldives Population Exceeds 340,000", *SunOnline*, November 13, 2014 at <http://www.sun.mv/english/26034>.

¹⁸ "Maldives Elected as Next Chair of AOSIS", *SunOnline*, November 12, 2014 at <http://www.sun.mv/english/26011>.

¹⁹ "Confident That India-Maldives Relationship will Continue to Strengthen, Says Indian President", *SunOnline*, November 12, 2014 at <http://www.sun.mv/english/26005>.

B. East Asia

China

(November 10-16, 2014)

- **China selected to host the G20 Summit in 2016; China and Myanmar discuss ways to improve the bilateral relations; The four point agreement regarded as crucial in improving the China-Japan relations.**

It was announced on November 16 that China will be hosting the Group of Twenty (G20) Summit in the year 2016. During the Summit, Xi Jinping said that, "China is confident to fulfill its role as the chair of the 2016 G20 summit". The pattern which is followed is that the chair of the Group of Twenty rotates amongst members and is generally selected from a different region every year.²⁰

The Chinese Premier Li Keqiang visited Myanmar last week. During the visit Li met with the President of Myanmar U Thein Sein and also met the Speaker of Myanmar's Union Parliament and the House of Representatives U Shwe Mann. During the visit a number of deals were signed between the two sides. These included deals in the areas of trade, agriculture and energy cooperation.²¹

The Chinese Foreign Ministry spokesman Hong Lei said on November 14 that, "the four-point agreement between China and Japan is an important condition for improving relations between the two countries". This agreement was signed on November 7 and it is about different positions towards the Diaoyu Islands. The China-Japan relations suffered a huge blow after the Japanese side "nationalized" the Diaoyu Islands.²²

(November 10-16, 2014)

- **Xi Jinping to attend the G20 Summit; Xi Jinping will visit the Asia Pacific island countries; China and India to conduct an anti-terror drill in 2014; The Cross-Strait Affairs chief discuss ways to promote the ties in Beijing.**

The Chinese President X Jinping left Beijing to attend the 9th G2 Summit which is being held in Brisbane and also to conclude state visits to Australia, New Zealand and Fiji. The G20 Summit is to be held on November 15 and 16, while the state visits are to be held between November 16 and 23.²³ The Chinese President's visit to the countries of Asia Pacific is being regarded as a historical

²⁰ "China to Host G20 Summit in 2016", *China Daily*, November 16, 2014 at http://www.chinadaily.com.cn/world/2014xiattendg20/2014-11/16/content_18923507.htm

²¹ "China, Myanmar Pledge to Boost Friendship" *China Daily*, November 15, 2014 at http://www.chinadaily.com.cn/world/2014liattendealm/2014-11/15/content_18918954.htm

²² "Four-Point Agreement Crucial for Improving China-Japan relations", *China Daily*, November 14, 2014 at http://www.chinadaily.com.cn/china/2014-11/14/content_18917536.htm

²³ "Chinese President Leaves Beijing for G20 Summit", *China Daily*, November 14, 2014 at http://www.chinadaily.com.cn/world/2014xiattendg20/2014-11/14/content_18913525.htm

first. The Chinese Assistant Foreign Minister Zheng Zeguang argued that, “the countries occupying this area play an important role in the region and in the world”.²⁴

According to a Chinese military source the Chinese and Indian armies will be conducting a joint counterterrorism military training drill in the near future. The drill is named “Hand-in Hand 2014”. It is expected to be held in Pune, India. This drill will be the fourth such drill conducted between India and China.²⁵

On November 12, the Head of the State Council of Taiwan Affairs Office, Zhang Zhijun, and Taiwan’s Mainland Affairs Chief, Wang Yu-chi, agreed to developed and promote peaceful development of cross-strait relations. The two sides discussed a number of issues ranging from Economic Cooperation Framework Agreement (ECFA), food safety, education, culture, science and technology cooperation, regional economy etc.²⁶

Japan

(November 10-16, 2014)

- **Japanese Prime Minister holds first summit with Chinese President after more than two years; Finance ministers of Japan and China holds bilateral talks; Japan and the US pledged to work together in concluding the bilateral defence cooperation guidelines;**

In a sign of improving ties, Japanese Prime Minister Shinzo Abe held his first bilateral summit with his Chinese counterpart Xi Jinping on November 10. It was the first summit between the two sides since May 2012. Moreover, it was the first such meeting under the current Abe Administration. It needs to be noted that since the nationalization of the disputed Senkaku/Diaoyu islands by Japan in September 2012, the bilateral relationship had soured and until now, there was not much prospect of an improvement in their ties.²⁷

During the summit, the two sides agreed to ease maritime tensions stemming from their long standing territorial dispute,²⁸ to develop a strategic relationship of mutual benefit to improve bilateral ties and to work or the early set up of a crisis management mechanism to avoid clashes in the near the disputed islands.²⁹ Abe-Xi’s landmark summit was followed by Abe’s brief interaction with Chinese Premier Li Keqiang in Myanmar on November 12, on the occasion of the ASEAN

²⁴ “Xi’s Visit to Pacific Island Countries a Historical First”, *China Daily*, November 13, 2014 at http://www.chinadaily.com.cn/world/2014xiattendg20/2014-11/13/content_18909446.htm

²⁵ “China, India to Hold Anti-Terror Training Drill” *China Daily*, November 13, 2014 at http://www.chinadaily.com.cn/china/2014-11/13/content_18910828.htm

²⁶ “Cross-Strait Affairs Chiefs Meet in Beijing”, *China Daily*, November 12, 2014 at http://www.chinadaily.com.cn/china/2014-11/12/content_18904120.htm

²⁷ “Abe Holds 1st Meeting with Chinese President Xi”, *Mainichi Daily*, November 10, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141110p2a00m0na009000c.html>

²⁸ “Japan’s Abe, China’s Xi Agree to Ease Tensions in 1st Meeting”, *Mainichi Daily*, November 10, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141110p2g00m0dm050000c.html>

²⁹ “Gist of Talks between Abe, Xi in Beijing”, *Mainichi Daily*, November 11, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141111p2g00m0dm039000c.html>

regional summit meetings. During that interaction, both the leaders agreed the necessity of developing a 'strategic relationship of mutual benefit.'³⁰

Interestingly, soon after the summit meeting between the Abe and Xi, Finance Ministers of both the countries too held bilateral talks on November 15, on the side-lines of the G-20 summit in Brisbane. During that talk, Japanese Finance Minister Taro Aso and his Chinese counterpart Lou Jiwei agreed to restart regular working level talks in order to promote bilateral financial cooperation. Though those talks were started by both sides in December 2011, it was suspended since April 2012 due to growing friction between the two countries.³¹

In a recent meeting held between Japanese Prime Minister Shinzo Abe and the US President Barack Obama on the side-lines of the G-20 Summit in Brisbane on November 16, both the leaders pledged to work together in revising their bilateral defence cooperation guidelines in order to strengthen the security ties in ensuring peace and stability in the Asia-Pacific region. Both sides are currently working on the revision of the guidelines that has been in place for the last seventeen years. The revised guidelines are expected to seek roles for both Japanese Self Defence Force as well as US forces in order to meet the changing security environment in the region. Though the revision was to be completed by the end of this year, there is a possibility of delaying it.³²

South Korea

(November 10-16, 2014)

- **South Korea and Japan seek to hold trilateral summit with China; South Korea holds annual defence drill despite strong protests from North Korea;**

In an interesting development, during the recently held ASEAN summit held in Nay Pi Taw, Japanese Prime Minister Shinzo Abe proposed to hold a trilateral summit with his South Korean and Chinese counterparts.³³ Echoing similar sentiment, on November 13, South Korean President Park Geun Hye expressed hope that such a meeting could take through building on ministerial and deputy-ministerial dialogues. It is worth noting that the last three-way summit among the leaders of these countries was held in May 2012.³⁴ Since then, due to Japan's territorial and historical rows with both South Korea and China, a tripartite talk has not been possible. The recent move could undoubtedly pave the way for the first highest-level trilateral talks among those countries since 2012.

³⁰ "Japan PM Abe, Chinese Premier Li Agree to Develop Beneficial Ties", *Mainichi Daily*, November 13, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141113p2g00m0dm061000c.html>

³¹ "Japan, China Finance Ministers Hold 1st Bilateral Talks in over 2 Years", *Mainichi Daily*, November 16, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141116p2g00m0in017000c.html>

³² "Abe, Obama vow To Work to Revise Japan-US Defence Guidelines", *Mainichi Daily*, November 16, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141116p2g00m0in018000c.html>

³³ "Japan, S. Korea Propose 3-Way Summit with China", *Mainichi Daily*, November 14, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141114p2g00m0dm039000c.html>

³⁴ "Korea, China, Japan Seeking Early FM Talks", *The Korea Herald*, November 14, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141114p2g00m0dm039000c.html>

Earlier on November 11, during an informal talk between Abe and Park on the side-lines of the recently concluded Asia-Pacific Economic Cooperation (APEC) summit in Beijing, both the leaders agreed to advance senior working level talks, particularly director-general level talks between the foreign ministries of the two countries. It is an interesting step considering that due to the ongoing territorial as well as historical disputes between South Korea and Japan, thus far, Park and Abe have not held a formal bilateral summit since they assumed office in 2013 and 2012 respectively.³⁵

On November 10, South Korea launched its annual defence drill, known as Hoguk exercise, in order to bolster its defence posture in dealing with the threat posed by North Korea. The twelve day long drill is to involve all branches of service-army, navy, air force and Marine Corps. It is to be conducted across the nation and its main focus will be to "establish supreme military defence capabilities against North Korea's possible regional provocations and all-out war".³⁶

North Korea however has reacted strongly to this exercise and pledged harsh retaliation. It has also claimed that by making such a move, South Korea was seeking to launch a nuclear war against the North.³⁷

Both South Korea and New Zealand, in a move to boost their bilateral defence ties, has concluded a Free Trade Agreement (FTA). The agreement was struck on the side-lines of the recent G-20 summit in Brisbane. It will not only allow South Korean goods to compete in New Zealand on a more equal footing with their competitors from other countries, but also help the two signatory countries in removing tariffs on more than ninety percent of all products traded between them within twenty years of the agreement becoming effective. The FTA is expected to come into force by 2015.³⁸

C. Russia

Russia

(November 10-16, 2014)

- **Putin says that NATO expansion since 2001 has altered geopolitical situation; Russia proposes to the 'West' to jointly seek political space in eastern Ukraine; Russia calls for a direct dialogue between Kiev and Donbass; Ukrainian elections results have been declared; Ukrainian Defence Minister announces troops redeployment and combat preparations; Switzerland**

³⁵ "Abe, Park Chat on APEC Fringes, Agree to Advance Working Level Talks", *Mainichi Daily*, November 11, 2014, at <http://mainichi.jp/english/english/newsselect/news/20141111p2g00m0dm001000c.html>

³⁶ "S. Korea Launches Annual Defense Drill to Deter N.K", *The Korea Herald*, November 10, 2014, at http://www.koreaherald.com/common_prog/newsprint.php?ud=20141110001009&dt=2

³⁷ "North Korea Bashes Seoul for Massive Military Drill", *The Korea Herald*, November 12, 2014, at <http://www.koreaherald.com/view.php?ud=20141112000601>

³⁸ "S. Korea, New Zealand Strike Free Trade Deal", *The Korea Herald*, November 15, 2014, at http://www.koreaherald.com/common_prog/newsprint.php?ud=20141115000086&dt=2

imposes sanctions on Russia; Ukrainian border guards block transit to Transdnistria while Russia says economic ties with Moldova need readjustment; South Ossetia plans to strengthen diplomatic ties with Donbass republics; Germany says no immediate plan to impose additional sanctions on Russia.

President Putin termed NATO's expansion of 2004 and 2009 as significant geopolitical game changers. He added that Russia has resumed the flights of its strategic aviation since it does not see any Western intention to meet Russia halfway.³⁹

President Putin has proposed to the Western countries to jointly seek with Russia a single political space in eastern Ukraine.⁴⁰

Russian Foreign Minister Sergey Lavrov, during a telephone conversation with US Secretary of State John Kerry stressed on the importance of a direct dialogue between Kiev and Donbass region. He also termed the "disruption of the implementation of the Minsk agreements is inadmissible."⁴¹

The Pyotr Poroshenko Bloc has won the highest number of seats - 132 - in Ukraine's national parliament elections. Ukrainian Prime Minister Arseniy Yatsenyuk's People's Front received 22.14 per cent of total votes while the Pyotr Poroshenko Bloc received 21.81 per cent of votes.⁴²

Ukrainian Defence Minister Stepan Poltorak has said that Ukrainian armed forces will be redeployed and are preparing for combat operations.⁴³

Switzerland has imposed sanctions on Russia due to what its involvement in the Ukrainian crisis.⁴⁴

Ukrainian border guards have blocked transit to Transdnistria. Meanwhile, Russian Deputy Foreign Minister Grigory Karasin has said that economic relations between Russia and Moldova need to be readjusted due to the Association Agreement (AA) that Chisinau has signed with the EU.⁴⁵

South Ossetia's President Leonid Tibilov has declared that he will attempt to strengthen diplomatic ties with Luhansk and Donbass regions.⁴⁶

³⁹ "NATO Expansion Since 2001 Significantly Changed Geopolitical Situation – Putin", *Itar-Tass*, November 16, 2014, at <http://en.itar-tass.com/russia/760012>

⁴⁰ "Putin Proposes West to Jointly Seek Political Space in Eastern Ukraine", *Itar-Tass*, November 16, 2014, at <http://en.itar-tass.com/russia/760010>

⁴¹ "Russian FM stresses Importance of Kiev's Direct Dialogue with Donetsk, Luhansk", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/russia/759348>

⁴² "Pyotr Poroshenko Bloc to Take Biggest Number of Seats In Ukraine's New Parliament", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/world/759017>

⁴³ "Ukrainian Defense Minister Announces Troops Redeployment, Combat Preparations", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/world/759295>

⁴⁴ "Switzerland Joins Latest EU Sanctions on Russia", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/russia/759379>

⁴⁵ "Economic Relations Between Russia, Moldova Need Readjustment", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/russia/759593>

⁴⁶ "South Ossetia Plans to Seal Diplomatic Ties With East Ukraine Self-Proclaimed Republics", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/world/759249>

German Chancellor Angela Merkel has ruled out the possibility of new EU sanctions against Russia in the immediate future. She however, added that the EU remains 'discontented' with the implementation of Minsk agreement.⁴⁷

(November 10-16, 2014)

- **Russia dismisses NATO's allegations on intruding Ukraine's territory; Russia to help support Afghanistan post-2014; Russia to build 8 new nuclear power units in Iran; Putin and Obama briefly discuss global issues on the side-lines of APEC summit; Russia and Kyrgyzstan draft agreement on common regional air defence; Kyrgyzstan to join Eurasian Economic Union; OSCE Karabakh group urges Azerbaijan and Armenia to prevent escalation of tensions.**

Russia has dismissed the NATO allegations that its troops have been intruding the Ukrainian territory.⁴⁸

President Putin has declared in a meeting of CSTO members that 'the people of Afghanistan can count on Russia's support after the withdrawal of NATO troops from Afghanistan in December.'⁴⁹

Russia and Iran have signed a package of agreements in Moscow to build eight nuclear power units in Iran. Russia will also produce nuclear fuel for Iranian nuclear power plants during the whole service life of the eight new power units. Spent nuclear fuel will be also returned to Russia for reprocessing and storage.⁵⁰

The Kremlin spokesman Dmitry Peskov has said that President Putin and Obama briefly discussed bilateral ties and also the issues of Ukraine, Syria and Iran on the side-lines of the Asia-Pacific Economic Cooperation (APEC) summit in Beijing.⁵¹

The Defence Ministries of Russia and Kyrgyzstan are drafting an agreement on creating a common regional air defence system. At present, Russia has three military facilities in Kyrgyzstan, that are likely to become a part of the united Russian military base under the bilateral agreement to become effective from 2017.⁵²

⁴⁷ "EU does not Plan to Impose New Economic Sanctions on Russia – Merkel", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/world/759225>

⁴⁸ "Russian Defense Ministry Dismisses NATO's Allegations on Columns Intruding Ukraine", *Itar-Tass*, November 12, 2014, <http://en.itar-tass.com/russia/759355>

⁴⁹ "Russia to Help Support Afghanistan Post-2014", *Tolo News*, November 7, 2014, at <http://www.tolonews.com/en/afghanistan/17038-russia-to-help-support-afghanistan-post-2014>

⁵⁰ "Russia to Build 8 New Nuclear Power Units in Iran", *Russian Radio*, November 11, 2014, at http://indian.ruvr.ru/news/2014_11_11/Russia-to-build-8-new-nuclear-power-units-in-Iran-4105/

⁵¹ "Putin, Obama Briefly Discussed Hot Issues On Sidelines of APEC Summit", *Russian Radio*, November 11, 2014, at http://indian.ruvr.ru/news/2014_11_11/Putin-Obama-briefly-discussed-hot-issues-on-sidelines-of-APEC-summit-4409/

⁵² "Russia, Kyrgyzstan Draft Agreement on Common Regional Air Defense", *Itar-Tass*, November 11, 2014, at <http://en.itar-tass.com/russia/759098>

Kyrgyz Prime Minister Dzhoomart Otorbayev has said that his country is likely to complete the procedures for joining the Customs Union (Russia, Belarus and Kazakhstan) and the Eurasian Economic Union by the end of December 2014.⁵³

Co-chairpersons of the Minsk group for peace settlement of the conflict in Nagorno-Karabakh, which includes representatives of Russia, France and the U.S. and reports to the European security organization OSCE, have called on Azerbaijan and Armenia to take urgent steps for preventing an escalation of tensions in the region. This came against the backdrop of destruction of an Armenian military helicopter in Nagorny Karabakh, a region of Azerbaijan with the predominantly ethnic Armenian population and being *de facto* under Armenia's control since the early 1990's.⁵⁴

(November 10-16, 2014)

- **Russia to continue efforts to deescalate Palestinian-Israeli conflict; Russia to meet 2014's weapons export target; Russia's Central Bank to create alternative to SWIFT bank transaction system by 2015; Russia ready to supply Su-35 fighter jets to China; Russian gas supplies to China to outstrip exports to Europe; GLONASS monitoring stations to be placed in China; Duma approves tax privileges for China-bound gas; Moscow and Beijing sign memorandum on managing company for joint investment fund; Russia and China to maintain active cooperation on Middle East problems.**

Foreign Ministry Spokesman Alexander Lukashevich has said that Russia will continue to attempt to deescalate tensions in Palestinian-Israeli relations.⁵⁵

The director of the Federal Service for Military-Technical Cooperation Alexander Fomin has said that Russia will meet its weapons export target of \$15.5 billion for 2014. The contract portfolio currently stands at about US\$ 50 billion.⁵⁶

Russia's Central Bank plans to create a domestic alternative to the SWIFT international bank transaction system by May 2015.⁵⁷

Russia is ready to supply Su-35 jet fighters of standard version to China.⁵⁸

⁵³ "Kyrgyzstan to Complete Procedures For Joining Eurasian Economic Union Next Month", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/economy/759370>

⁵⁴ "OSCE Karabakh Group Urges Azerbaijan, Armenia to Prevent Escalation Of Tensions", *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/world/759406>

⁵⁵ "Russia to Continue Efforts To Deescalate Palestinian-Israeli Conflict", *Itar-Tass*, November 13, 2014, <http://en.itar-tass.com/russia/759596>

⁵⁶ "Russia to Meet This Year's \$15.5 Billion Weapons Export Target — Official", *Itar-Tass*, November 11, 2014, at <http://en.itar-tass.com/economy/759071>

⁵⁷ "Russia's Central Bank to Create Alternative to SWIFT Bank Transaction System By Mid-2015", *Itar-Tass*, November 11, 2014, at <http://en.itar-tass.com/economy/759113>

⁵⁸ "Russia Ready To Supply Su-35 Jet Fighters of Standard Version to China — Official", *Itar-Tass*, November 14, 2014, at <http://en.itar-tass.com/russia/759741>

Gazprom CEO Alexei Miller has said that Russian natural gas supplies to China via the “western route” pipeline could exceed deliveries to Europe in the mid-term perspective.⁵⁹

Russia has unveiled plans for deploying several GLONASS satellite navigation system monitoring stations in China for use in transport, farming, rescue operations, environment monitoring and law enforcement. The facilities are likely to be placed in Urumqi and Changchun region.⁶⁰

The State Duma has approved tax privileges for China-bound gas supplies via the Power of Siberia gas pipeline. Gas fields located within the boundaries of the Irkutsk Region in East Siberia and the Republic of Yakutia in northeast Russia will enjoy zero mineral extraction tax during the first 15 years of their development.⁶¹

Russia and China have signed a memorandum for setting up a company that will manage prospective investments.⁶²

Russia’s Foreign Ministry has stated that Russia and China intend to maintain active cooperation on Middle East problems in both within the bilateral and international formats.⁶³

D. Iran, Iraq and the Gulf

Iran

(November 10-16, 2014)

- **Iran test flies the RQ-170 drone; Iran seeks nuclear deal by deadline; Iran nuclear deal to face array of opposition forces; Iran opens Middle East’s largest gold processing plant**

According to the commander of the Aerospace Division of the Islamic Revolution Guards Corps (IRGC) Brigadier General Amir-Ali Hajizadeh, Iran has successfully tested a domestically produced version of the RQ-170 sophisticated stealth drone. The US RQ-170 Sentinel has been reverse-engineered by IRGC experts in about two years.⁶⁴

The senior advisor to the Supreme leader Ayatollah Seyyed Ali Khamenei, Mr. Ali Akbar Velayati said that Iran seeks to reach the nuclear deal by November 24 deadline with the world powers

⁵⁹ “Russian Gas Supplies To China to Top European Exports: Gazprom CEO”, *Russian radio*, November 9, 2014, at http://indian.ruvr.ru/2014_11_09/279825606/

⁶⁰ “Russia to Place GLONASS Monitoring Stations in China”, *Itar-Tass*, November 11, 2014, at <http://en.itar-tass.com/non-political/759171>

⁶¹ “Russia’s Parliament Approves Tax Privileges For China-Bound Gas Supplies”, *Itar-Tass*, November 11, 2014, at <http://en.itar-tass.com/economy/759152>

⁶² “Russia, China Sign Memorandum on Managing Company For Joint Investment Fund”, *Itar-Tass*, November 10, 2014, at <http://en.itar-tass.com/economy/758907>

⁶³ “Russia, China to Maintain Active Cooperation on Middle East Problems — Foreign Ministry”, *Itar-Tass*, November 12, 2014, at <http://en.itar-tass.com/russia/759396>

⁶⁴ “Iran Test Flies RQ-170 Drone”, *IRNA*, Tehran, November 10, at <http://www.irna.ir/en/News/2784013/>. Accessed on November 18, 2014.

P5+1 in a meeting with the Norwegian Foreign Minister Borge Brende. Velayati also said the Middle East is at the crossroads of the world that requires tranquillity.⁶⁵

The New York Times reported that the time is running out on President Obama's hope of changing the calculus in a Middle East where Americans are, against his instincts, back on the ground. But the forces arrayed against a deal are formidable — not just Mr. Khamenei and the country's hard-liners, but newly empowered Republicans, some of his fellow Democrats, and many of the United States' closest allies. As negotiators head back to Vienna this week for what they hope will be the final round of talks, Mr. Obama's top national security advisers put the chance of reaching an agreement this month at 40 to 50 percent.⁶⁶

Iran inaugurated the Middle East's biggest ever gold-processing plants that will double the country's annual production of gold bullion in the near future. With the completion of the first phase of the plant, Iran is expected to be producing an estimated three tons of pure gold, 1.25 tons of silver and 500 kilograms of mercury in the future.⁶⁷

Iraq

(November 10-16, 2014)

- **Top US General in Iraq to Assess Anti-IS Campaign; Islamic State Militants Kill US Hostage Peter Kassig.**

America's top military leader, Gen. Martin Dempsey, chairman of the U.S. Joint Chiefs of Staff, arrived in Iraq on November 15. This his first visit since a U.S.-led coalition began launching airstrikes against the extremist Islamic State group. The visit came just two days after he told Congress that the United States would consider dispatching a modest number of American forces to fight with Iraqi troops against the extremist group.⁶⁸

Islamic State released a video on November 16 showing the gruesome killing of American aid worker Peter Kassig, a former Army Ranger who was kidnapped in 2013 while delivering medical supplies to victims of Syria's civil war. The killing rekindled debate in Washington about whether the U.S. should commit ground troops to fight the militants, whose earlier execution of an American hostage contributed to the administration's decision to launch airstrikes against the group in Iraq in August.⁶⁹

⁶⁵ "Iran Seeks Nuclear Deal By Deadline", *Iran Daily*, Tehran, November 2014, at <http://www.iran-daily.com/News/14798.html>. Accessed on November 18, 2014.

⁶⁶ "Iran Nuclear Pact Faces an Array of Opposing Forces", *New York Times*, November 16, 2014, at http://www.nytimes.com/2014/11/17/world/middleeast/nuclear-deal-with-iran-runs-into-obstacles-.html?_r=0. Accessed on November 18, 2014.

⁶⁷ "Iran Opens Mideast's Largest Gold-Processing Plant," *ISNA*, Tehran, November 18, 2014, at <http://isna.ir/en/news/93082512555/Iran-opens-Mideast-s-largest-gold-processing> Accessed on November 18, 2014.

⁶⁸ "Top US General in Iraq to Assess Anti-IS Campaign", *ABC news*, November 15, 2014 <http://abcnews.go.com/International/wireStory/top-us-general-iraq-amid-airstrike-campaign-26934139>. Accessed on November 18, 2014.

⁶⁹ "Islamic State Militants Kill U.S. Hostage Peter Kassig", *The Wall Street Journal*, November 17, 2014 <http://online.wsj.com/articles/islamic-state-video-claims-beheading-of-u-s-aid-worker-1416130226>, Accessed on November 18, 2014.

Syria

(November 10-16, 2014)

- **US airstrikes target the Kurdish town of Kobane**

The U.S.-led coalition against the Islamic State of Iraq and Syria (ISIS) jihadist group carried out a series of air strikes overnight in the embattled Syrian town of Kobane. The Syrian Observatory for Human Rights also reported intensifying clashes between Kurdish fighters defending Kobane and ISIS jihadists in the south of the town, which lies on the Turkish border.⁷⁰

Gulf

(November 10-16, 2014)

- **Ambassadors of Gulf States to return to Qatar; India urges higher pay for millions of Gulf workers**

Saudi Arabia, the United Arab Emirates and Bahrain said that they will reinstate their ambassadors to Qatar after withdrawing them in an unprecedented move eight months ago. The rift in relations was widely seen as a result of Qatar's support for Islamist groups like the Muslim Brotherhood throughout the region which the UAE and Saudi Arabia perceive as a threat to their political systems.⁷¹

India is pressing rich countries in the Gulf to raise the wages of millions of Indians working there, in a drive that could secure it billions of dollars in fresh income but risks pricing some of its citizens out of the market. Over 5 million Indian nationals are believed to be employed in the oil exporting states of the Gulf.⁷²

Egypt

(November 10-16, 2014)

- **Egypt to try students in military court**

Five Egyptian students have been transferred to a military court on charges of rioting at a university weeks after a law was passed allowing military trials of civilians for damaging state property. Egypt expanded the jurisdiction of military courts late last month to try civilians accused of attacking state facilities or blocking roads, following some of the worst assaults on security forces since last year's ousting of President Mohamed Morsi of the Muslim Brotherhood.⁷³

⁷⁰ "New U.S.-Led Strikes on Syria's Kobane", *Alarabia*, November 16, 2014 <http://english.alarabiya.net/en/News/middle-east/2014/11/16/New-U-S-led-strikes-on-Syria-s-Kobane-.html>. Accessed on November 18, 2014.

⁷¹ Ambassadors of Gulf Arab States to Return to Qatar, By ABDULLAH AL-SHIHRI Associated Press, ABC news Nov 16, 2014 <http://abcnews.go.com/International/wireStory/ambassadors-gulf-arab-states-return-qatar-26956231>. Accessed on November 18, 2014.

⁷² "India Urges Higher Pay For Millions of Gulf Workers", *Reuters*, New Delhi, November 17, 2014, at <http://in.reuters.com/article/2014/11/17/india-mideast-workers-idINKCN0J106020141117>.

⁷³ "Egypt to Try Students in Military Court", *Aljazeera*, November 16, 2014 at <http://www.aljazeera.com/news/middleeast/2014/11/egypt-students-military-court-20141116192057805603.html>. Accessed on November 18, 2014.

II. DEFENCE REVIEWS

National

(November 10-16, 2014)

- **French Navy Chief on an official visit to India; Joint Exercise Hand-in-Hand 2014 between India and China underway.**

The French Chief of Naval Staff Admiral Bernard Rogel is on an official visit to India from November 13-18 to discuss existing Navy to Navy cooperation, cement existing bridges of friendship as well as to explore new avenues of cooperation between the Indian and French Navies. The Admiral is scheduled to visit Goa where he will address the Naval participants at the Naval War College Goa. The French Chief is also scheduled to visit Mazagon Dock Ltd. Indo-French Navy cooperation covers a wide spectrum of maritime activities and includes navy to navy Staff Talks, bilateral exercise Varuna as well as regular delegation level interactions.⁷⁴

In continuation of the series of Joint Exercises between India and China, the Exercise Hand-in-Hand 2014 is underway from November 16. This is the fourth joint training exercise by the Indian Army with People's Liberation Army of China. The second edition of the exercise was held at Belgaum in 2008. China has held it twice in 2007 & 2013. The aim of the joint training is to share the drills and practices learnt while tackling insurgency and terrorism, thereby promoting healthy military to military relations between the two Armies and developing joint strategies of conducting operations in a counter terrorism environment. The exercise is planned at the company level with respective battalion headquarters controlling the training. Significantly, helicopters of Indian Air Force will also be taking active part in the various manoeuvres planned in the exercise.⁷⁵

International

(November 10-16, 2014)

- **Pakistan hopes to complete a deal to acquire Mi-35 helicopter from Russia; China diversifies its pilot pool with the recruitment of female pilots.**

Reports say that Pakistan hopes to soon complete a deal to acquire Mi-35 helicopter gunships after getting Russian approval for the sale. Pakistan has sought new helicopter gunships for quite some time to replace AH-1F Cobras, which have been fast wearing out due to the pace of operations against the Pakistani Taliban (TTP) and its allies in and around the Tribal Areas bordering Afghanistan. The deal is expected to be finalized during the Russian Defence Minister Sergey Shoygu's scheduled visit to Islamabad.⁷⁶

⁷⁴ "Visit of French Navy Chief of Naval Staff," *PIB*, November 13, 2014, at <http://pib.nic.in/newsite/PrintRelease.aspx?relid=111367>

⁷⁵ "India China Joint Training-Exercise Hand-in-Hand 2014 to Commence from 16 November 2014 at Pune," *PIB*, November 13, 2014, at <http://pib.nic.in/newsite/pmreleases.aspx?mincode=33>

⁷⁶ "Pakistan Wins Approval To Purchase Mi-35 Helo," *Defense News*, November 13, 2014 at <http://www.defensenews.com/article/20141113/DEFREG03/311130039/Pakistan-Wins-Approval-Purchase-Mi-35-Helo>

Meanwhile, according to reports, the first women fighter pilots to join China's aerobatic team showed off their skills in J-10 jets recently at the country's premier air show. Chinese state media has reported the women are the first to join the group. These female pilots have learned to fly cutting-edge fighter jets in the Chinese air force. It implies that the air force has diversified its pilot pool and can recruit more female pilots. The five women pilots all have more than 750 hours of flying time in four types of aircraft, according to state media.⁷⁷

⁷⁷ "China's First Female Aerobatic Fighter Pilots Take Flight," *Defense News*, November. 11, 2014 at <http://www.defensenews.com/article/20141111/DEFREG03/311110036/China-s-First-Female-Aerobatic-Fighter-Pilots-Take-Flight>