

# THE WEEK IN REVIEW

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# CONTENTS

| <b>In This Issue</b>                  | <b>Page</b> |
|---------------------------------------|-------------|
| <b>I. COUNTRY REVIEWS</b>             | 2-6         |
| A. South Asia                         | 6-9         |
| B. East Asia                          | 9-11        |
| C. Southeast Asia                     | 11-16       |
| D. Russia                             | 16-27       |
| E. United States of America           |             |
| <b>II. DEFENCE REVIEWS</b>            | 27-29       |
| <b>III. INTERNAL SECURITY REVIEWS</b> | 29-33       |

## I. COUNTRY REVIEWS

### A. South Asia

#### Bangladesh

(January 12-18, 2015)

- **United Nations Human Rights Commission expresses concerns over the political situation in Bangladesh; BNP delegation meets representative of foreign missions in Dhaka; India won't interfere in Bangladesh's internal affairs: MEA spokesperson; India-Bangladesh hold regional meeting on trans-border issues; Third border haat launched; Malaysian International Trade and Industries Affairs Minister meets PM; Hasina congratulated Ranil Wickramasinghe.**

Expressing concern over the political situation in Bangladesh, the United Nations Human Rights Commission in a statement issued on January 16 urging all political parties to show restraint and bring an immediate end to violence. The statement comes on the 11th day of the blockade called by BNP Chairperson Khaleda Zia after she failed to come out of her Gulshan office to hold a rally to mark the first anniversary of the January 5 polls as the "Democracy Killing Day". The government, meanwhile, imposed a ban on demonstrations and prevented the chairperson and other senior members of the BNP from participating in protests.<sup>1</sup>

A high-level BNP delegation held a meeting with chiefs and representatives of different foreign missions in Dhaka at the Gulshan residence of BNP standing committee member Moyeen Khan on January 15. As the party informed diplomats about their "peaceful" movement to force the government to sit with the opposition over a fresh election, diplomats expressed concern over the violence and vandalism during the ongoing blockade and called upon the BNP to stop this. The BNP delegation insisted that they are not involved in the violence. Besides Moyeen Khan, the delegation included standing committee members Lt Gen (ret'd) Mahbubur Rahman, Rafiqul Islam Mia, and central leaders Air Commodore (Ret'd) Shafiqur Rahman and Ruhul Quddus Talukder Dulu. The mission chiefs of European Union, Spain, the Netherlands, Australia, France, Norway, Sweden and political consultant of Canada, among others, attended the two-and-a-half-hour meeting. Neither side formally briefed the media over the outcome of the meeting. Earlier on January 14, the heads of missions of several countries and the EU held a meeting with Foreign Minister AH Mahmood Ali and strongly criticised the violence and "shrinking of democratic space in Bangladesh", urging all political parties to engage in dialogues.<sup>2</sup>

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<sup>1</sup> "UN Urges Restraint", *The Daily Star*, January 17, 2015 at <http://www.thedailystar.net/un-urges-restraint-60291>.

<sup>2</sup> "BNP Leaders Meet Foreign Diplomats", *The Daily Star*, January 16, 2015 at <http://www.thedailystar.net/bnp-leaders-meet-foreign-diplomats-60244>.

New Delhi reiterated that it would not interfere in Bangladesh's internal affairs. "It's for the government and people of Bangladesh to determine what sort of society they want and the issues they face," Syed Akbaruddin, spokesperson for India's Ministry of External Affairs (MEA), told in a media briefing in New Delhi. He made the remarks when he was asked whether India was playing any role as several BNP leaders are seeking the country's support to "restore democracy" in Bangladesh. Akbaruddin made it clear that it is not for India to venture into the internal affairs of Bangladesh, reminding the reporters about India's consistent policy towards a friendly neighbour like Bangladesh.<sup>3</sup>

A two-day regional meeting on trans-border issues between Bangladesh and India concluded in Meghalaya's capital Shillong on January 13. The officials from Sylhet and Mymensingh regions and the Indian state agreed to resolve the issues, including killing of civilians. Smuggling of arms and drugs and human trafficking were, among others, discussed in the meeting.<sup>4</sup>

Bangladesh and India jointly opened the third border haat on January 13 along the Feni-Tripura frontier in an effort to boost smooth trading between people of the two countries. Commerce Minister Tofail Ahmed and his Indian counterpart Nirmala Sitharaman inaugurated the haat.<sup>5</sup>

Prime Minister Sheikh Hasina sought increased investment from Malaysia for the mutual benefits of the two friendly countries. The Prime Minister made the request when visiting Malaysian International Trade and Industries Affairs Minister Mustapa Mohammed met her at her official residence Ganabhaban.<sup>6</sup>

Prime Minister Sheikh Hasina congratulated Ranil Wickramasinghe, the newly elected Sri Lankan Prime Minister. Hasina mentioned that Bangladesh and Sri Lanka enjoy excellent bilateral relations based on common ethos and values.<sup>7</sup>

## Sri Lanka

(January 12-18, 2015)

- **New Cabinet formed; SLFP appoints new opposition leader and opposition whip; Modi writes to Wickremesinghe; Samaraweera visits India; Sri Lanka releases Indian fishermen;**

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<sup>3</sup> "India Won't Interfere in Bangladesh's Internal Affairs", *The Daily Star*, January 13, 2015 at <http://www.thedailystar.net/india-wont-interfere-in-bangladeshs-internal-affairs-59701>.

<sup>4</sup> "Indo-Bangla Regional Meeting Ends", *The Daily Star*, January 15, 2015 at <http://www.thedailystar.net/indo-bangla-regional-meeting-ends-60050>.

<sup>5</sup> "Bangladesh, India Open Third Border Haat", *The Daily Star*, January 14, 2015 at <http://www.thedailystar.net/bangladesh-india-open-third-border-haat-59762>.

<sup>6</sup> "PM Seeks More Investment from Malaysia", *The Daily Star*, January 14, 2015 at <http://www.thedailystar.net/pm-seeks-more-investment-from-malaysia-59824>.

<sup>7</sup> "Hasina Greets New Sri Lankan PM", *The Daily Star*, January 14, 2015 at <http://www.thedailystar.net/hasina-greets-new-sri-lankan-pm-59848>.

**MEA of India denies *Reuter's* report; Pope Francis visits Sri Lanka; Ban-Ki Moon talks to Sirisena; Sri Lanka to review Chinese constructed port deal; Chinese Ambassador to Colombo meets Sirisena**

The new cabinet of President Maithripala Sirisena and Prime Minister Ranil Wickremesinghe, took oaths at the Presidential Secretariat on January 12. A 27 member cabinet took oaths before the President while Ministers of State and Deputy Ministers also took oaths. In the new cabinet, President Maithripala Sirisena holds the post of Defence Minister while Prime Minister Ranil Wickremesinghe holds the posts of Minister of Policy Development and Economic Development. Mangala Samaraweera was appointed the External Affairs Minister, Ravi Karunanayake Finance Minister. President Maithripala Sirisena said that the new cabinet will be in place only for 100 days, after which Parliament elections will be held.<sup>8</sup>

The Sri Lanka Freedom Party (SLFP) appointed Nimal Siripala de Silva as the new opposition leader while John Seniviratne was made the Chief Opposition Whip. The appointments were made at the SLFP Parliamentary Group meeting in Colombo on January 16. Meanwhile, the United National Party (UNP) has appointed Lakshman Kiriella the Leader of the House and Gayantha Karunathilake the Chief Government Whip.<sup>9</sup>

Indian Prime Minister Narendra Modi congratulating his Sri Lankan counterpart, Ranil Wickremesinghe says the new Prime Minister's experience will be invaluable in guiding the destiny of Sri Lanka. "The rich experience you will bring to bear in discharging the responsibilities of this august office will be invaluable in guiding the destiny of Sri Lanka at this crucial juncture," Modi wrote in a letter to Wickremesinghe, which was made public on January 15.<sup>10</sup>

External Affairs Minister of Sri Lanka Mangala Samaraweera made a three day visit to India on January 17, 2015. He met his Indian counterpart Sushma Swaraj, Prime Minister Narendra Modi and National Security advisor Ajit Doval, former Prime Minister Manmohan Singh and Congress President Sonia Gandhi. During his discussions with Sushma Swaraj, both the leaders discussed the issue of repatriation of Sri Lankan refugees living in India, fishermen issue, Indian development projects in Sri Lanka and economic issues. They also agreed to hold a joint Commission meeting early this year.<sup>11</sup>

Sri Lanka has released all Indian fishermen jailed in the country on January 16 ahead of the new

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<sup>8</sup> "New Maithri Cabinet Appointed", *Colombo Gazette*, January 12, 2015 <http://colombogazette.com/2015/01/12/new-maithri-cabinet-appointed/>.

<sup>9</sup> "Nimal the New Opposition Leader", *Colombo Gazette*, January 16, 2015 at <http://colombogazette.com/2015/01/16/nimal-the-new-opposition-leader/>.

<sup>10</sup> "Indian PM Says Future Work with His Sri Lankan Counterpart Will Bring the Two Counties Closer", *Colombo Page*, January 15, 2015 at [http://www.colombopage.com/archive\\_15A/Jan15\\_1421333553CH.php](http://www.colombopage.com/archive_15A/Jan15_1421333553CH.php).

<sup>11</sup> "Transcript of Media Briefing by Official Spokesperson (January 18, 2015)", *Ministry of external affairs, Government of India*, January 18, 2015 at [http://www.mea.gov.in/media-briefings.htm?dtl/24698/Transcript\\_of\\_Media\\_Briefing\\_by\\_Official\\_Spokesperson\\_January\\_18\\_2015](http://www.mea.gov.in/media-briefings.htm?dtl/24698/Transcript_of_Media_Briefing_by_Official_Spokesperson_January_18_2015).

Foreign Minister's visit to New Delhi. Spokesperson of India's External Affairs Ministry Syed Akbaruddin in a *Twitter* message said all Indian fishermen have been released and arrangements have been made for an early return of them. Sri Lanka's External Affairs Ministry said the release of the Indian fishermen's boats would also be "favourably considered".<sup>12</sup>

According to a *Reuters* report, Sri Lanka expelled the Colombo station chief of India's spy agency in the run-up to presidential election. According to the report, the RAW agent was recalled after complaints that he had worked with Sri Lanka's usually fractious opposition parties to agree on a joint contender for the election. Then, he was accused of facilitating meetings to encourage several lawmakers, among them Sirisena, to defect from Rajapaksa's party. Denying the *Reuters* report, Indian Ministry of External affairs' spokesman said that transfers were routine decisions.<sup>13</sup>

Pope Francis came to Sri Lanka on January 13 on three day visit.<sup>14</sup>

UN Secretary General Ban Ki-Moon has telephoned President Maithripala Sirisena and discussed Sri Lanka's post-war agenda. The UN Headquarters said that the Secretary-General and President Sirisena had also discussed the President's 100-day plan.<sup>15</sup>

Sri Lanka's new government said it will review a billion dollar port deal with China Communications Construction Co. Ltd. over concerns about the Chinese company getting land on a freehold basis in a high security zone. Under the proposed \$1.5 deal, 108 hectares of land will be given to the Chinese firm to cover its investment costs, including 20 hectares on an outright basis and the rest on a 99-year lease.<sup>16</sup>

Sri Lanka's new government will continue to develop the strategic partnership with China and implement the outcomes reached during Chinese President Xi Jinping's visit to the island last year. Sri Lanka's new President Maithripala Sirisena has given this assurance when the Chinese Ambassador to Colombo Wu Jianghao called on the President on January 15 at the President's House.<sup>17</sup>

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<sup>12</sup> "Sri Lanka Releases All Indian Fishermen Arrested for Poaching", *Colombo Page*, January 16, 2015 at [http://www.colombopage.com/archive\\_15A/Jan16\\_1421426429CH.php](http://www.colombopage.com/archive_15A/Jan16_1421426429CH.php).

<sup>13</sup> "Indian Spy's Role Alleged in MR Defeat: Reports", *Daily Mirror*, January 18, 2015 at <http://www.dailymirror.lk/61505/indian-spy-s-role-alleged-in-mr-defeat-reports>.

<sup>14</sup> "Pope Francis Arrives in Sri Lanka", *Colombo Gazette*, January 13, 2015 at <http://colombogazette.com/2015/01/13/pope-francis-arrives-in-lanka/>.

<sup>15</sup> "Ban Talks Post War with Sirisena", *Colombo Gazette*, January 12, 2015 at <http://colombogazette.com/2015/01/12/ban-talks-post-war-with-sirisena/>.

<sup>16</sup> "Lanka to Review Chinese Port Deal", *Colombo Gazette*, January 16, 2015 at <http://colombogazette.com/2015/01/16/lanka-to-review-chinese-port-deal/>.

<sup>17</sup> "Sri Lanka Committed to the Development of Strategic Partnership with China", *Colombo Page*, January 17, 2015, at [http://www.colombopage.com/archive\\_15A/Jan17\\_1421506873CH.php](http://www.colombopage.com/archive_15A/Jan17_1421506873CH.php).

## Maldives

(January 12-18, 2015)

- **President Gayoom condemns Charlie Hebdo; Thailand donates US\$ 50000 to Maldives.**

In a statement issued by the President's Office on January 15, President Abdulla Yameen Abdul Gayoom condemned Charlie Hebdo for insulting Islam. The statement reads, "Freedom of expression is not a license to creating hatred, and promoting anti-Islamic sentiments and Islamophobia. Insulting the religious beliefs of one-third of humanity should not be tolerated in any society or by any Government. Instead such criminal activities should be stopped and actions should be taken in a speedy manner to prevent such activities." President Yameen stressed the importance of promoting a culture of respect and tolerance as a means of countering Islamophobia and radicalism.<sup>18</sup>

Government of Thailand has donated US\$ 50,000 to the water fund opened regarding the fire incident occurred at Male' Water and Sewerage and Company (MWSC). National News Bureau of Thailand has said that Thai Foreign Minister General Thanasak Patimaprakorn has handed over the donation to General Sanan Angubolkul Honoree Consul of Maldives in Thailand.<sup>19</sup>

## B. East Asia

### China

(January 12-18, 2015)

- **Chinese and Vietnamese leaders congratulate each other on the anniversary of diplomatic ties; Xi Jinping congratulated the new chairman of KMT; Chinese army asked to follow the central leadership; China to strengthen cooperation with Turkey; Xi Jinping asserts anti-corruption move; China and Japan hold maritime crisis talks; Cadres serving in Tibet should know the Tibetan language.**

On January 18, the Chinese leaders sent congratulatory messages to their Vietnamese leaders marking 65<sup>th</sup> anniversary of establishment of diplomatic relations between the two sides. In the message the Chinese leaders said that, "China and Vietnam are friendly neighbours and that

<sup>18</sup> "President Yameen Condemns Charlie Hebdo For Insulting Islam", *The Presidency, Republic of Maldives*, January 15, 2015 at <http://www.presidencymaldives.gov.mv/Index.aspx?lid=11&dcid=15222>.

<sup>19</sup> "Thailand Donates USD 50,000 to Water Fund", *SunOnline*, January 15, 2015 at <http://www.sun.mv/english/27145>.

<sup>20</sup> "Chinese Leaders Congratulate Vietnamese Counterparts On Anniversary Of Diplomatic Ties", *China Daily*, January 18, 2015 at [http://www.chinadaily.com.cn/china/2015-01/18/content\\_19342637.htm](http://www.chinadaily.com.cn/china/2015-01/18/content_19342637.htm), accessed on January 19, 2015

friendly cooperation has always been the mainstream of interactions since the two countries established formal relations 65 years ago”.<sup>20</sup>

On January 17, the Chinese President Xi Jinping congratulated Eric Chu on being elected as the next chairman of the Kuomintang (KMT), the ruling party of Taiwan. The former KMT leader Ma Ying-Jeou had stepped down as party chairman on December 3, 2014.<sup>21</sup>

According to Fan Changlong, the current Central Military Commission (CMC) vice chairman said on January 15 that, “the negative impact in the wake of former CMC vice chairman Xu Caihou’s corruption case needs to be eliminated and the army must follow the Party central leadership”. He further said that the anti-corruption campaign should continue in the military.<sup>22</sup>

China has announced its desire to make the law enforcement cooperation with Turkey even more strong. This is to be done in order to prevent the escaping of suspects from the Xinjiang region to the Eurasian countries illegally. A Chinese official said that, “We will enhance intelligence information exchanges and case investigations with Turkish authorities”.<sup>23</sup>

On January 13, the Chinese President Xi Jinping asserted that there should be zero-tolerance against corruption. While talking about corruption he said that, “strong remedies must be continuously used to cure the illness”. He made these remarks at the Fifth Plenary Session of the 18<sup>th</sup> Central Commission for Discipline Inspection of the Communist Party of China.<sup>24</sup>

On January 12, China and Japan held the fourth round of talks on maritime crisis management in Tokyo. Both countries agreed that this should be launched at the earliest. Both sides also discussed some specific mechanisms and technical problems.<sup>25</sup>

In another important development the Chinese government has announced that it is mandatory for the non-native cadres serving in Tibet to learn the Tibetan language. Xi Jinping said that, “one cannot serve the local people well if one cannot speak the local language”. As per the news all seven prefecture-level cities in Tibet have started the language training programme.<sup>26</sup>

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<sup>21</sup> “Xi Jinping Congratulates Newly-Elected KMT Chairman”, *China Daily*, January 17, 2015 at [http://www.chinadaily.com.cn/china/2015-01/17/content\\_19341130.htm](http://www.chinadaily.com.cn/china/2015-01/17/content_19341130.htm), accessed on January 19, 2015

<sup>22</sup> “Chinese Army Urged To Follow Central Leadership”, *China Daily*, January 15, 2015 at [http://www.chinadaily.com.cn/china/2015-01/15/content\\_19331328.htm](http://www.chinadaily.com.cn/china/2015-01/15/content_19331328.htm), accessed on January 19, 2015

<sup>23</sup> Yan, Zhang, “Turkey To Help In Foiling Suspects From Xinjiang”, *China Daily*, January 15, 2015 at [http://www.chinadaily.com.cn/world/2015-01/15/content\\_19322236.htm](http://www.chinadaily.com.cn/world/2015-01/15/content_19322236.htm), accessed on January 19, 2015

<sup>24</sup> Yan, Zhang, “Have No Tolerance For Graft, Xi Urges”, *China Daily*, January 14, 2015 at [http://www.chinadaily.com.cn/china/2015-01/14/content\\_19311582.htm](http://www.chinadaily.com.cn/china/2015-01/14/content_19311582.htm), accessed on January 19, 2015

<sup>25</sup> “Japan, China hold Maritime Crisis Talks in Tokyo”, *China Daily*, January 13, 2015 at [http://www.chinadaily.com.cn/world/2015-01/13/content\\_19306520.htm](http://www.chinadaily.com.cn/world/2015-01/13/content_19306520.htm), accessed on January 19, 2015

<sup>26</sup> “Han Cadres Required To Learn Tibetan Language”, *China Daily*, January 12, 2015 at [http://www.chinadaily.com.cn/china/2015-01/12/content\\_19298672.htm](http://www.chinadaily.com.cn/china/2015-01/12/content_19298672.htm), accessed on January 19, 2015

## Japan

(January 12-18, 2015)

- **Japanese Foreign Minister visits India, agrees to strengthen trilateral alliance with the US; Japanese Prime Minister visits Middle East, offers aid for regional stability; Japan resumes working level talks with China on crisis management mechanism.**

Japanese Foreign Minister Fumio Kishida visited India recently. During his visit he met with Indian External Affairs Minister Sushma Swaraj. During their meeting on January 17, both the leaders agreed to boost their trilateral alliance with the US amid a rising China. They also emphasized on the need to promote bilateral security ties by holding vice-ministerial level talks of foreign and defence ministers at an early date.<sup>27</sup>

Japanese Prime Minister Shinzo Abe kicked off his first diplomatic tour of 2015 by going on an official tour to the Middle East starting from January 16. During his almost a weeklong trip, Abe will be visiting Egypt, Jordan, Israel and Palestine. He is accompanied by business leaders as he is hoping to boost bilateral economic ties with the Middle East countries. Abe is the first Japanese leader to visit the region after former Japanese Prime Minister Junichiro Koizumi's visit to the Middle East in 2006.<sup>28</sup> While delivering a policy speech at Cairo on January 17, Abe offered to provide \$2.5 billion to the Middle Eastern region to ensure regional stability. This aid is to be used in non-military fields, such as humanitarian assistance and infrastructure development.<sup>29</sup>

On January 12, Japan held working-level talks with China in Tokyo to discuss regarding the launching of a maritime crisis management mechanism by the end of 2015. It was the first time that such talks took place between the two countries since 2012. The main objective of the crisis management mechanism is to avoid unwanted clashes between the two countries in the waters surrounding the islands of the East China Sea. The talks on the mechanism have been stalled since the time Japan purchased parts of the disputed Senkaku/Diaoyu islands in November 2012. However, in the recent talk, both sides are believed to have discussed various aspects of the proposed talks.<sup>30</sup>

## South Korea

- **South Korean President hopes to hold meaningful talks with Japan.**

On January 12, South Korean president park Geun-hye expressed her willingness to hold

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<sup>27</sup> "Japan, India agree to enhance trilateral alliance with US", *The Mainichi Daily*, January 18, 2015, at <http://mainichi.jp/english/english/newsselect/news/20150118p2g00m0dm073000c.html>

<sup>28</sup> "Abe Leaves For Middle East Tour To Back Peace Process", *The Japan Times*, January 16, 2015, at <http://www.japantimes.co.jp/news/2015/01/16/national/politics-diplomacy/abe-leaves-for-mideast-tour-to-back-peace-process/#.VLztf9KUfz0>

<sup>29</sup> "Abe Offers \$2.5 Billion Aid For Mideast Stability", *The Yomiuri Daily*, January 17, 2015, at <http://the-japan-news.com/news/article/0001862814>

<sup>30</sup> "Japan, China Resume Talks To Launch Crisis Management Mechanism At Sea", *The Mainichi Daily*, January 12, 2015, at <http://mainichi.jp/english/english/newsselect/news/20150112p2g00m0dm056000c.html>

meaningful talks with Japan. However she insisted that if Japan changed its stance on issues regarding the comfort women issue, a conducive environment would be created for such talks. It needs to be mentioned that President Park and Japanese Prime Minister Shinzo Abe are yet to hold a formal bilateral summit since they assumed their offices in 2013 and 2012 respectively.<sup>31</sup>

## North Korea

- **North Korea calls for the cancellation of the upcoming US-South Korea joint military drills.**

Recently North Korea has repeatedly called for the cancelation of the upcoming annual joint military drill between the US and South Korea. The drills are scheduled to be held next month. In return Pyongyang has offered to maintain nuclear moratorium. However both the US and South Korea has decided to go ahead with the drills. The US has termed North Korea's call as an "implicit threat."<sup>32</sup>

## C. Southeast Asia

### Southeast Asia

(January 12-18, 2015)

- **ASEAN Working for a Single Visa Regime; Zero-Duty Perks will increase intra-ASEAN trade; Malaysian International Trade and Industry Minister Visited India; Deputy Defence Minister of Vietnam Visited India; Joint Survey for Imphal-Mandalay bus service began; Freedom comes with responsibility, Malaysian PM addressed the youth; Buddhist monks against UN human rights envoy in Myanmar.**

ASEAN is working on deeper integration and this week has seen two important developments in this regard. First, ASEAN is trying to implement a single-visa regime for the region and second, intra-ASEAN trade is likely to expand through zero-duty incentives. The relation between India and ASEAN received attention as few important visits took place and the long-awaited Imphal-Mandalay bus service is expected to be initiated very soon. In order to maintain peace and harmony in the country, Malaysian Prime Minister Najib Razak has urged the youths of his country to be sensitive towards other religions. On the other hand, religion continues to play an important role in the region as Buddhist monks in Myanmar launched a protest against UN human rights envoy who had called for tolerance towards the Rohingyas.

ASEAN countries are working for a visa-free travel regime within the regime. However, due to differences in the legalities and formalities prevalent in different countries, it may take some time. Right now, ASEAN is trying to study the feasibility of such a policy. In the meantime, small scheme like single visa for Cambodia and Thailand has been adopted and have been proved

<sup>31</sup> "Park Says She Is Open To 'Meaningful' Summit With Abe", *The Mainichi Daily*, January 12, 2015, at <http://mainichi.jp/english/english/newsselect/news/20150112p2g00m0dm030000c.html>

<sup>32</sup> "North Korea Repeats Calls To Cancel Allies' Drills", *The Korea Herald*, January 18, 2015, at <http://www.koreaherald.com/view.php?ud=20150118000281>

successful. ASEAN perhaps will move forward with similar kind of other initiatives as well before implementing single visa regime for the entire region. Not only that, the regional organisation is also trying to enhance tourism by creating awareness about the tourist attractions in ASEAN. For instance, ASEAN Tourism Promotion Chapter in India is tasked with this job. ASEAN believes that India's Look East Policy will enable Indian tourists to travel to Southeast Asia in more numbers. Connectivity with Northeast India also plays an important role here. ASEAN is also trying to categorize ASEAN as a single tourist destination.<sup>33</sup>

The zero-duty incentives will increase intra-ASEAN trade to 34 per cent from the current 24 per cent. P. Ravindran, Senior Director of ASEAN Economic Cooperation Division, Ministry of International Trade and Industry, Malaysia expressed that intra-bloc trade within European Union and North American Free Trade Agreement currently stand at 70 per cent, therefore, a modest 34 per cent target seems ideal for ASEAN. He further mentioned that ASEAN is now eyeing on "further deepening of AFTA integration in areas like harmonisation of routes, regulation and standards".<sup>34</sup>

Malaysian Minister of International Trade and Industry H E Dato' Sri Mustapa Bin Mohamed, during a visit to New Delhi, mentioned that the ASEAN-India Services and Investment Agreement which was signed earlier will enter into force from July 2015. It will facilitate more investments and free movement of professionals between ASEAN region and India. Both sides have targeted to reach USD 100 billion trade by 2015. The Malaysian minister also mentioned about the Regional Comprehensive Economic Partnership (RCEP) which is expected to be signed in 2015.<sup>35</sup> Malaysia is the Chair of ASEAN for 2015.

Vietnam's Deputy Defence Minister senior Lt Gen Nguyen Chi Vinh paid a visit to India to hold the annual strategic defence dialogue. Official sources mentioned that Vietnam will buy four patrol vessels from India as discussed in the dialogue. However, the shipyards from where the vessels will be bought were not specified. Vietnam will use the vessels for surveillance in the Spratly Island chains. India also agreed to think about training the Vietnam Air Force pilots in flying Sukhoi fighter planes as well.<sup>36</sup> After Vietnamese Prime Minister's visit to India in October 2014 and India's Army Chief General Dalbir Singh Suhag's visit to Vietnam in December 2014, this visit by the Deputy Defence Minister added more flavours to the deepening of India-Vietnam bilateral defence relationship.

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<sup>33</sup> "Joy, Steena, ASEAN Countries Working Towards Common Visa", *The Financial Express*, at <http://www.financialexpress.com/article/travel/market-travel/asean-countries-working-towards-common-visa-3/29937/>, accessed on January 15, 2015.

<sup>34</sup> "Zero-duty Perks Set To Boost Intra-ASEAN Trade", *New Straits Times Online*, January 14, 2015, available at <http://www.nst.com.my/node/69660>, accessed on January 22, 2015.

<sup>35</sup> "India-ASEAN services & investment FTA to be in force from July", *The Economic Times*, January 15, 2015, at [http://articles.economictimes.indiatimes.com/2015-01-15/news/58108785\\_1\\_malaysian-minister-services-and-investments-rcep](http://articles.economictimes.indiatimes.com/2015-01-15/news/58108785_1_malaysian-minister-services-and-investments-rcep), accessed on January 20, 2015.

<sup>36</sup> "India, Vietnam Hold Strategic Defence Dialogue", *The Times of India*, January 16, 2015, at <http://timesofindia.indiatimes.com/india/India-Vietnam-hold-strategic-defence-dialogue/articleshow/45914830.cms>, accessed on January 20, 2015.

An Indo-Myanmar joint team has started surveying the 579 km long route between Imphal and Mandalay before initiating the regular bus service between these two cities. The Indian team had Ministry of External Affairs Under Secretary Mini Kumam, two Superintending Engineers from Ministry of Road Transport and Highways, one Superintending Engineer from PWD Road and Bridge Division and deputy director of Transport Department. On the other hand, the team from Myanmar had Superintending Engineer of Public Works, Ministry of Construction, of the Sagaing Region; Ministry of Construction, Deputy Commissioner, Tamu Region; officials of Myanmar Traffic Police Force and Ministry of Rail Transport. They are expected to survey the road and submit their report to the governments. Based on this survey, an MoU will be signed between India and Myanmar to inaugurate the bus service between Imphal and Mandalay. The draft MoU says, the passengers with valid travel documents and passports will be given 28 days visa-on-arrival at Tamu and Moreh checkpoints by the immigration officials.<sup>37</sup> In an order that religious sensitivity is maintained throughout the world, Malaysian Prime Minister Najib Razak has suggested that freedom should come with a responsibility and no one can be offensive to other religions. He said these in a gathering organised by the Malaysian Youth Council. He said, "If Islam has its religious sensitivities, so do other faiths like Christians, Hindus and Buddhists". He further mentioned that Malaysia has to show sensitivity to all religions so that peace and harmony in the country can be maintained.<sup>38</sup>

More than three hundred monks protested against Ms. Yanghee Lee, UN human rights envoy for Myanmar, who had requested the government of Myanmar and Rakhine state to be tolerant towards the Rohingya Muslims in the country. Wirathu, the leader of the Committee for the Protection of Nationality and Religion (*Mabatha*), mentioned that UN calls regarding religious tolerance towards the Rohingyas are against Myanmar's sovereignty and that's why they launched the protest. Wirathu, a hardliner monk, believes in Buddhist nationalism. The protesters also demanded that the 1982 citizenship law should be in place in the country so that the Rohingyas can be identified as non-Myanmarese people. Before Lee's visit to Myanmar, UN had passed a resolution urging Myanmar identify the Rohingyas as citizens.<sup>39</sup>

## D. Russia

### Russia

(January 12-18, 2015)

- **Russia expresses concern over Ukraine's military preparations; Foreign Minister Lavrov**

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<sup>37</sup> "Indo-Myanmar Joint Survey on Imphal-Mandalay Bus Service Commences", *Zee News*, January 12, 2015, at [http://zeenews.india.com/news/india/indo-myanmar-joint-survey-on-imphal-mandalay-bus-service-commences\\_1528653.html](http://zeenews.india.com/news/india/indo-myanmar-joint-survey-on-imphal-mandalay-bus-service-commences_1528653.html), accessed on January 20, 2015.

<sup>38</sup> NG, Eileen, "No such thing as absolute freedom, says Najib", *The Malaysian Insider*, January 17, 2015, at <http://www.themalaysianinsider.com/malaysia/article/no-such-thing-as-absolute-freedom-says-najib>, accessed on January 20, 2015.

<sup>39</sup> "Monks Protest UN Call for Rights for Myanmar's Muslim Minority", *Radio Free Asia*, January 16, 2015, at <http://www.rfa.org/english/news/myanmar/monks-protest-against-un-01162015165811.html>, accessed on January 20, 2015.

**stresses on the importance of launching comprehensive constitutional process in Ukraine; Russia may demand early repayment of US\$ 3 billion loan to Ukraine; Russia and Pakistan hold strategic stability talks; Russia and Organization of Islamic Cooperation (OIC) hold first consultations on combating terrorism; CSTO to set up crisis response centre; Russia to allocate 150 billion roubles to fund Hanhikivi nuclear power project in Finland; US to buy 60 Russian rocket engines worth US\$ 1 billion; Russia and Venezuela agree to develop Orinoco Oil Belt; Russia's trade with China exceeded US\$ 95 billion in 2014; Russia sets out its agenda during its Presidency of BRICS.**

Russian Foreign Minister Sergey Lavrov has expressed concern, on January 17, over Ukraine's renewed military preparations and hoped that the ruling regime in Kiev will not disrupt the peace process in south-eastern Ukraine. The statement came against the backdrop of a resumption in hostilities between Ukrainian troops and Donbass separatists over the control of Donbass airport.<sup>40</sup>

Foreign Minister Lavrov, at the end of a conference of Foreign Ministers of the 'Normandy format' countries held in Berlin on January 13, has emphasised on the importance of a comprehensive constitutional process embracing all regions of Ukraine in order to establish durable peace in the region.<sup>41</sup>

It was reported in the Russian media that the Kremlin may demand an early repayment of the US\$ 3 billion bonded loan to Ukraine. Under the terms of the loan, which Russia extended in December 2013 in the form of a purchase of Ukrainian Eurobonds, Russia can demand early repayment if Ukraine's debt exceeds 60 per cent of its gross domestic product. Ukraine is estimated to have exceeded this threshold.<sup>42</sup>

The 9th meeting of the Pakistan-Russia Consultative Group on Strategic Stability was held in Moscow on January 15. The Pakistani side was headed by Additional Foreign Secretary Tasnim Aslam while Mr. Sergey A. Ryabkov, Deputy Foreign Minister, led the Russian delegation. The two sides reviewed developments in the area of international arms control, non-proliferation and disarmament as well as strategic stability both at the regional and global levels. They also discussed relevant areas of cooperation in the bilateral domain and in the multilateral fora. Moreover, they reaffirmed their commitment to substantially strengthen the consultative mechanism on strategic stability and contribute towards further promotion of a reinvigorated comprehensive and enduring partnership. The next meeting of the Consultative Group will be held in Islamabad.<sup>43</sup>

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<sup>40</sup> "Moscow Concerned Over Kiev Military Preparations", *Itar-Tass*, January 19, 2015, <http://itar-tass.com/en/world/771582>

<sup>41</sup> "Lavrov Stressed Importance Of Launching Comprehensive Constitutional Process in Ukraine", *Itar-Tass*, January 13, 2015, <http://itar-tass.com/en/russia/770853>

<sup>42</sup> "Russia May Demand Early Repayment Of \$3 Billion Lent To Ukraine - Government Source", *Itar-Tass*, January 10, 2015, <http://itar-tass.com/en/economy/770608>

<sup>43</sup> "Pakistan-Russia Hold Strategic Stability Talks", *Pakistan Observer*, January 15, 2015, <http://pakobserver.net/detailnews.asp?id=259074>

Russia and the Organization of Islamic Cooperation (OIC) have held the first consultations on combating international terrorism in Jeddah on January 19. The Russian delegation was headed by Russian president's special representative for international cooperation in combating terrorism and transnational organized crime Alexander Zmeyevsky while the OIC delegation was led by Assistant Secretary General for Political Affairs Abdullah Alim. The two sides discussed a wide range of issues including countering the spread of terrorist and extremist ideology and terrorism financing and ways of strengthening the international legal framework for counter-terrorism within the regional and universal framework.<sup>44</sup>

The Secretary-General of Collective Security Treaty Organization (CSTO) Nikolay Bordyuzha has said on January 15 that the organisation will establish a Crisis Response Centre to help member-states deal with major security threats. The centre, which is to be created with Moscow's assistance, is expected to coordinate with Russia's new National Defence Control Centre, aimed at integrating the leadership and direction of defence and security structures in real time. The centre will be part of the CSTO Secretariat and will coordinate work with the Joint Staff in an effort to make the crisis response system work in all the member-states of the alliance. The CSTO, established in 1992, is headquartered in Moscow and comprises of Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan. In 2002, the six post-Soviet states agreed to create the CSTO as a military alliance.<sup>45</sup>

The Russian government has decided to allocate • 2.4 billion in the rouble denomination from the National Welfare Fund to sponsor the Hanhikivi nuclear power plant project that state nuclear corporation Rosatom is implementing in Finland. In December 2013, Rusatom Overseas, a sister company of the Rosatom State Corporation for Atomic Energy, and Finland's Voimaosakeyhtio SF signed a shareholder agreement regulating the procedure of managing and financing Fennovoima Oy that would build the Hanhikivi-1 nuclear plant. Along with the construction contract, a ten-year fuel contract was signed with Russia's company TVEL. Rosatom paid a sum of • 35.9 million for its share in the Finnish nuclear plant's contractor.<sup>46</sup>

Russia's manufacturer NPO Energomash is to provide 60 new RD-181 rocket engines for US Company Orbital Sciences. It envisages restrictions for the use of the engines in military programmes and will be used for the first stage of the Antares rockets.<sup>47</sup>

During a meeting between the Presidents of Russia and Venezuela, in Moscow on January 16, it was decided to step up investment and participation of Russian companies in the development of Orinoco Belt oil reserves. An agreement was also reached on investments in equipment to extract and refine oil. The two presidents also discussed trade, agricultural production,

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<sup>44</sup> "Russia, OIC Hold First Consultations On Combating Terrorism – Foreign Ministry", *Itar-Tass*, January 19, 2015, <http://itar-tass.com/en/russia/771930>

<sup>45</sup> "Post-Soviet Security Bloc To Set Up Crisis Response Center", *Itar-Tass*, January 15, 2015, <http://itar-tass.com/en/russia/771281>

<sup>46</sup> "Russian Government To Allocate 150 Billion Rubles To Fund Hanhikivi NPP Project In Finland", *Itar-Tass*, January 16, 2015, <http://itar-tass.com/en/economy/771632>

<sup>47</sup> "US to Buy 60 Russian Rocket Engines Worth \$1 Bln – Company", *Itar-Tass*, January 16, 2015, <http://itar-tass.com/en/economy/771489>

infrastructure development, housing, cultural cooperation and financing. Venezuela produces three 3 million barrels of oil a day and exports 2.5 million, mainly to the United States and China. It is the world's fifth oil exporter. The country's oil reserves are estimated at almost 300 billion barrels with most of the reserves being in the Orinoco Belt.<sup>48</sup>

The Russian-Chinese trade turnover grew by 6.8 per cent to US\$ 95.28 billion in 2014. As compared to the previous year, imports of Russian goods to China increased 4.9 per cent to US\$ 41.6 billion, and Chinese exports to Russia grew 8.2 per cent to US\$ 53.68 billion. It was reported that oil, ore and timber - accounted for 80 per cent of the total trade turnover.<sup>49</sup>

A senior Russian diplomat has told China's *Xinhua* news agency in an interview held on January 13 that converting BRICS into a full-fledged cooperation mechanism in major issues of global economy and politics will be a key goal of Russia's upcoming presidency of the organisation. Russia will take over the Presidency from April 2015.<sup>50</sup>

(January 12-18, 2015)

- **Russia to set up aerospace forces in 2015; Russian Navy gets new-generation intelligence ship; Russia to substitute 700 weapons component of Ukrainian origin in 2015; Russia to cut all spending by 10 percent except on defence; Moody's downgrades Russian government bond rating to Baa3; Net capital outflow from Russia exceeded US\$ 150 billion in 2014; Russian international reserves down by US\$ 33.4 billion in December 2014; Inflation hits 6-year high of 11.4 per cent in 2014; Polls show majority of Russians continue to support President Putin; President Putin suggests transferring part of state functions to NGOs; Migrants leaving Russia amid economic hardship and tighter state control.**

The Chief of General Staff and First Deputy Defence Minister Valery Gerasimov has said, on January 13, that Russian Aerospace Forces will be formed in 2015. This will be a new arm of the armed forces that will be created through the merger of Air Force and Aerospace Defence Forces. He also said that the Defence Ministry will work out a new defence plan for 2016-2020. The Russian troops are expected to receive about 700 armoured vehicles and almost 1,550 other vehicles, 126 planes, 88 helicopters and two Iskander-M missile systems in 2015 while the Navy will receive two multi-purpose submarines and five surface warships. Moreover, a radar station Voronezh-DM will be placed into service in Yeniseisk, Siberia and another such station will begin operating in Barnaul in the Altai region.<sup>51</sup>

The first Project-18280 intelligence ship Yury Ivanov has been signed over to the Russian Navy.

<sup>48</sup> "Venezuela, Russia Agree On Cooperation To Develop Orinoco Oil Belt", *Itar-Tass*, January 16, 2015, <http://itar-tass.com/en/economy/771487>

<sup>49</sup> "Russia-China Trade Exceeded \$95 Billion in 2015", *Itar-Tass*, January 13, 2015, <http://itar-tass.com/en/economy/770864>

<sup>50</sup> "Russia's Presidency Aims At Turning BRICS Into Full-Fledged Cooperation Tool", *Itar-Tass*, January 13, 2015, <http://itar-tass.com/en/economy/770911>

<sup>51</sup> "Russia To Set Up Aerospace Forces In 2015 — Chief of General Staff", *Itar-Tass*, January 13, 2015, <http://itar-tass.com/en/russia/770912>

The communication ship (medium reconnaissance ship, 2nd rank) of Project 18280 is the largest Russian vessel of this class. The vessel has a displacement of around 4,000 tons, range of 8,000 nautical miles and crew of 120 people. It is likely to be commissioned with the Northern Fleet. The second vessel of the series - the Ivan Khurs ship - was laid down in November 2013 and is expected to be floated out this year.<sup>52</sup>

Defence Minister Sergey Shoigu has said, on January 13, that close to 700 parts and components for weapons and other military hardware that were until recently manufactured in cooperation with Ukraine will have to be substituted for in 2015. He stated that Ukrainian components are used in 186 models that were designed in the 1980s, for mainly maintenance purposes. However, the refusal of Ukrainian manufacturers to provide new supplies has not affected Russia's arms procurement programme. Mr. Shoigu further added that the defence ministry plans to increase weapons purchase in 2015 by more than 20 per cent when compared to last year.<sup>53</sup>

Finance Minister Anton Siluanov has said on January 14 that Russia must cut expenditure to cover what could be a more than US\$ 45 billion drop in revenues this year if the average oil price is US\$ 50 a barrel. This necessitates a cut in expenditure by 10 per cent except on defence. With the rouble in decline, oil price low and economy hit by Western sanctions over the Ukraine crisis, Siluanov said overall expenditure in 2015 must increase by only 5 percent rather than the 11.7 percent previously budgeted.<sup>54</sup>

Moody's Investors Service has downgraded Russia's government bond rating to Baa3/Prime 3 (P-3) from Baa2/Prime 2 (P-2) on January 17. The agency highlighted the key concerns behind the downgrade decision - oil price and exchange rate shock that will further undermine Russia's subdued growth prospects over the medium term while nearer-term concerns remain over the negative impact on the government's financial strength of the erosion in official foreign exchange buffers and fiscal revenues.<sup>55</sup>

Russia's Central Bank, has said on January 16, that net capital outflows from Russia is expected to touch US\$ 151.5 billion in 2014. In contrast, the capital outflow in 2013 totalled US\$ 61 billion. It noted that external debt payments by banks and companies amidst falling capabilities for debt refinancing due to sanctions have become a huge trigger for the growth of capital outflow in the private sector in 2014. The Central Bank also released a few other figures - surplus of Russia's foreign trade went up by 2 per cent to US\$ 185.6 billion in 2014 the while current account surplus rose by 67 per cent in 2014 to US\$ 56.7 billion.<sup>56</sup>

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<sup>52</sup> "Russian Navy gets new-generation intelligence ship", *Itar-Tass*, January 14, 2015, <http://itar-tass.com/en/russia/771056>

<sup>53</sup> "Russia To Substitute For 700 Weapon Components Of Ukrainian Origin 2015 – Defense Minister", *Itar-Tass*, January 13, 2015, <http://itar-tass.com/en/russia/770898>

<sup>54</sup> "Russia to Cut All Spending by 10 Percent, Except on Defense", *The Moscow Times*, January 14, 2015, <http://www.themoscowtimes.com/business/article/russia-to-cut-all-spending-by-10-percent-except-on-defense/514335.html>

<sup>55</sup> "Moody's Downgrades Russia's Govt. Bond Rating To Baa3", *Itar-Tass*, January 17, 2015, <http://itar-tass.com/en/economy/771697>

<sup>56</sup> "Net Capital Outflow From Russia To Exceed \$150 Billion in 2015 – Central Bank", *Itar-Tass*, January 17, 2015, <http://itar-tass.com/en/economy/771670>

The Russian Central bank has reported, on January 16, that its international reserves declined by US\$ 33.4 billion to US\$ 385.7 billion in December 2014. They are at their lowest level since August 2009. During the crisis of 2008-2009, the country's international reserves had plummeted to US\$ 376 billion. Russian international [gold and foreign-currency] reserves are highly-liquid foreign assets owned by the Bank of Russia and the Russian Government. They include monetary gold, special drawing rights, a fall-back position in the IMF and other reserve assets.<sup>57</sup>

Russia's State Statistics Service (Rosstat) has said, on January 12, that inflation had reached 11.4 per cent in 2014 which is the highest since 2008 when consumer prices rose by 13.3 per cent.<sup>58</sup>

A public opinion poll has shown that over 70 per cent of Russians are ready to vote for President Putin in presidential elections if the elections were to be held immediately that would also feature candidates from the 2012 elections. The poll was conducted by the Public Opinion Foundation on January 10 and 11, 2015 and included 1,500 respondents from 43 Russian regions. The break-up - 71 percent support for Putin, 5 per cent for Zhirinovskiy, 4 per cent for Zyuganov and 1 per cent for Mikhail Prokhorov. The next Presidential elections will be held in 2018.<sup>59</sup>

President Putin has said, on January 15, that part of the social functions, in his view, could be transferred from state agencies to non-governmental organizations (NGO) with setting up the system of control over funds spending.<sup>60</sup>

The head of Russia's Federal Migration Service has said, on January 9, that there has been a steady decline in the number of labour migrants in Russia due to economic difficulties and the tightening of migration controls. He mentioned Russia's need for labour migrants, and highlighted the option of 'amnesty' for migrant workers as a possible measure to make them stay.<sup>61</sup>

## E. The United States of America

### National

(January 12-18, 2015)

- **Centcom acknowledges social media sites 'compromised'; DISA director discusses reorganization efforts; Defence Department seeks strides in contracting, sustaining**

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<sup>57</sup> "Russian International Reserves Down By \$33.4 Billion In December – Central Bank", *Itar-Tass*, January 16, 2015, <http://itar-tass.com/en/economy/771606>

<sup>58</sup> "Russia's Inflation Hits 6-Year High of 11.4% in 2014 – Rosstat", *Itar-Tass*, January 16, 2015, <http://itar-tass.com/en/economy/770776>

<sup>59</sup> "Poll Shows Majority Of Russian Support Vladimir Putin", *Itar-Tass*, January 16, 2015, <http://itar-tass.com/en/russia/771518>

<sup>60</sup> "Putin Suggests Transferring Part Of State Functions to NGOs", *Itar-Tass*, January 15, 2015, <http://itar-tass.com/en/russia/771373>

<sup>61</sup> "Migrants Leaving Russia Amid Economic Hardship, Tighter Controls", *Itar-Tass*, January 9, 2015, <http://itar-tass.com/en/russia/770555>

**infrastructure; Obama to propose initiatives that fill U.S. cybersecurity gaps; Obama unveils next steps in cybersecurity plan; World Bank Chief Basu says strong economic growth prospects in the United States in 2015.**

U.S. Central Command officials on January 12 released a statement detailing what they called “cybervandalism” affecting two of the command’s social media sites. “Centcom’s operational military networks were not compromised and there was no operational impact to Centcom. Centcom will restore service to its *Twitter* and *YouTube* accounts as quickly as possible. We are viewing this purely as a case of cybervandalism. In the meantime, our initial assessment is that no classified information was posted and that none of the information posted came from Centcom’s server or social media sites”, said in the statement.<sup>62</sup>

The reshaping of the Defence Department’s premiere information technology agency is vital to how it will improve its agility and employ its capabilities for the future, the director of the Defence Information Systems Agency (DISA) said in Washington on January 13. Air Force Lt. Gen. Ronnie D. Hawkins Jr. discussed the agency’s reorganization and the five “C’s” – Cyber, Cloud, Collaboration, Command, and Control – of the capabilities and services DISA provides during a panel discussion with the local Armed Forces Communications and Electronics Association chapter. The general discussed four areas DISA’s senior leadership has looked at based on issues he observed both internally and externally: a singular point of entry to engage the organization, speed to market, adaptability and agility.<sup>63</sup>

The Defence Department continues to gauge its commercial capacity requirement, business base and the evolution of that base, the principal deputy undersecretary of defence for acquisition, technology and logistics said in Washington on January 12. Speaking during a conference on lessons learned in military transportation, Alan F. Estevez said the Pentagon is aiming to create incentives for optimal contractor performance. Officials also are building contract support considerations into curriculums, war colleges, schoolhouses and even in war games so that operational contract support becomes a part of the thought process, Estevez said.<sup>64</sup>

In 2015, the Obama administration will make a major push to raise the level of cybersecurity across the nation and improve the ability to disrupt, respond to and mitigate cyber incidents, a senior administration official said on January 13. The administration’s cyberspace priorities, the official said, include protecting the nation’s critical infrastructure, improving the ability to identify and report cyber incidents, engaging with international partners to promote Internet freedom, securing federal networks and shaping a cyber-savvy workforce. On January 20, during his State of the Union address to Congress, President Barack Obama will announce cybersecurity initiatives designed to shore up legislative gaps that he, cabinet members and senior military officials have

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<sup>62</sup> “Centcom Acknowledges Social Media Sites ‘Compromised’”, From a U.S. Central Command News Release, *DoD News*, January 12, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123956>

<sup>63</sup> Marshall, Tyrone C. Jr., “DISA Director Discusses Reorganization Efforts”, *DoD News*, January 13, 2015 at

<sup>64</sup> Lyle, Amaani, “DoD Seeks Strides in Contracting, Sustaining Infrastructure”, *DoD News*, January 13, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123964>

warned are hampering the nation's security in cyberspace, the official said.<sup>65</sup>

Continuing an effort to help defend the nation's computer-connected systems, President Barack Obama announced on January 13 additional steps that call for more information sharing, modernized law enforcement and updated security data breach reporting. "Cyber threats pose an enormous challenge for our country," President Obama said. "As long as I'm president, protecting America's digital infrastructure is going to remain a top national security priority." Speaking at the National Cybersecurity and Communications Integration Centre in Arlington, Virginia, Obama said since much of the nation's critical infrastructure – financial systems, power grids, pipelines, health care systems – runs on networks connected to the Internet, cybersecurity is a matter of public safety and of public health. He noted that most of that infrastructure is owned and operated by the private sector, but government and non-government entities are "still not always working as closely together" as they should.<sup>66</sup>

World Bank experts on January 13 predicted an "uptick" in global economic growth in 2015, but they cut the prediction they made in June and said much of the economy was still "fragile." The organization's twice-yearly Global Economic Prospects report predicted an increase in growth of 3 percent, down from the previous forecast of 3.4 percent. The annual figure will reach 3.3 percent in 2016, as opposed to a June forecast of 3.5 percent, before dipping to 3.2 percent in 2017, it said. The changes for the 2015 forecast were the result of disappointing economic prospects in the eurozone, Japan and some major emerging economies, which offset the benefit of lower oil prices. Strong growth prospects in the United States and Britain separated them from other wealthier nations, which continue to face anaemic economies and deflation fears, the report said. Other threats to global growth include weak trade, rising interest rates and possible volatility in financial markets, it said. "The global economy is running on a single engine ... the American one," World Bank chief economist Kaushik Basu told reporters. "This does not make for a rosy outlook for the world."<sup>67</sup>

(January 12-18, 2015)

- **Secretary of the Air Force James says new acquisition initiative aims to cut costs; Air Force brings ideas to defence innovation initiative; Navy Adm. Haney says strategic deterrence more than a nuclear triad; Defence Secretary Hagel says U.S. military must prepare for challenges; New report shows active-duty suicides declined in 2013.**

Secretary of the Air Force Deborah Lee James announced a new initiative designed to help the Air Force partner with industry, encourage innovation and drive down the cost of systems. James announced the Bending the Cost Curve programme at the Atlantic Council in Washington on

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<sup>65</sup> Pellerin, Cheryl, "Obama to Propose Initiatives That Fill U.S. Cybersecurity Gaps", *DoD News*, January 13, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123966>

<sup>66</sup> Richmond, Jake, "Obama Unveils Next Steps in Cybersecurity Plan", *DoD News*, January 13, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123967>

<sup>67</sup> "World Bank Predicts Smaller Global Growth 'Uptick'", *VOA News*, January 13, 2015 at <http://www.voanews.com/content/world-bank-predicts-global-growth-uptick/2596996.html>

January 15. She called it a targeted initiative that can be accomplished within current Air Force budget programmes. The initiative aims to improve dialogue with industry, “so we can better understand how processes, procedures, and some of the choices we make can inadvertently contribute to rising costs, the stifling of innovation and slow processes,” she said.<sup>68</sup>

In dual remarks during the State of the Air Force press briefing in Washington on January 15, Air Force Secretary Deborah Lee James and the Air Force chief of staff announced plans to bring the service’s research, science and technology ideas to the Defence Innovation Initiative, led by Deputy Secretary of Defence Bob Work. Air Force Gen. Mark Welsh III, the chief of staff, said the overall vision realized will help the Air Force and each of the services reduce costs, maintain a technological edge and enhance the procurement process.<sup>69</sup>

The United States’ strategic deterrent includes a triad of nuclear delivery platforms, but other critical elements range from intelligence and missile defence to space and cyber capabilities and a capable workforce, Navy Adm. Cecil Haney said on January 15. The commander of U.S. Strategic Command spoke on strategic deterrence in the 21st century during a discussion moderated by Thom Shanker of the *New York Times* and hosted by the Atlantic Council’s Brent Scowcroft Centre on International Security. Even in an era of significant resource constraints, the nation must get 21st century deterrence right, Haney said, and must make clear to adversaries or potential adversaries that restraint is always the better course.<sup>70</sup>

Defence Secretary Chuck Hagel, in what was expected to be his last major address to the troops before leaving office, told an Army audience on January 15 the world is at a defining moment, with events charging ahead with a new immediacy, creating less margin for error for U.S. leaders and he urged the military to “prepare this institution in ways that we’ve never had to.” In an address at the U.S. Army Sergeants Major Academy on Fort Bliss, Texas, Hagel described the cascade of events that have occurred on his watch – from threats associated with Russia’s annexation of Crimea, the emergence of the Islamic State of the Iraq and the Levant in the Middle East, Ebola’s spread in West Africa and other challenges to national security – as being unprecedented in modern times, a trend that he said will continue to place demands on military leaders.<sup>71</sup>

At the same time the Air Force is navigating a fragile budget environment, it is actively engaged in addressing critical national security issues, Air Force Secretary Deborah Lee James said on January 15. Airmen are pursuing the fight against terrorists from the Islamic State of Iraq and the Levant (ISIL) over the skies of Syria and Iraq, she said during a “State of the Air Force” Pentagon press briefing. “To date, we have provided more than 60 percent of the 16,000-plus sorties that have been flown,” James noted. At the same time, she said, the Air Force is ensuring the United States remains dominant in the air and in space and executing missions ranging from intelligence,

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<sup>68</sup> Garamone, Jim, “James: New Acquisition Initiative Aims to Cut Costs”, *DoD News*, January 15, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123974>

<sup>69</sup> Lyle, Amaani, “Air Force Brings Ideas to Defense Innovation Initiative”, *DoD News*, January 15, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123984>

<sup>70</sup> Pellerin, Cheryl, “Haney: Strategic Deterrence More Than a Nuclear Triad”, *DoD News*, January 15, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123981>

surveillance and reconnaissance to global mobility and global strike. But, the secretary said, tough budget decisions have led to an increasingly stressed Air Force. When it comes to downsizing, enough is enough, James said.<sup>72</sup>

Suicides among active duty members of the U.S. military decreased in 2013 from the previous year, while those among the reserve components were slightly higher, according to a Defence Department report released on January 16. The 2013 DoD Suicide Event Annual Report lists 259 suicides among active component service members and 220 such deaths among members of the reserves and National Guard. According to the report, failed intimate relationships were the most prevalent stress factor precipitating suicide, with most of those taking their own lives married. Financial or workplace difficulties were also found to be a key factor. Young, Caucasian males – including junior enlisted troops – were found to be most likely to turn to suicide. The report found that just over 66 percent of those who committed suicide had deployed one or more times. Pentagon officials say they are deeply concerned about suicides within the armed forces and are actively working to prevent them.<sup>73</sup>

## International: Asia

(January 12-18, 2015)

- **Afghan President finalizes cabinet; The US says that Pakistan willing to attack Taliban, Haqqani militants; US adds head of Pakistani Taliban to official terrorism list; US, Pakistan review economic, security and stabilization goals; US troops to train about one thousand Syrian opposition forces; Airstrikes against ISIL continue in Iraq, Syria; US, Myanmar officials discuss political progress, human rights; Thailand make progress made in countering human trafficking; Japan unveils largest ever defence budget; US takes aim at North Korea's remaining financial links; US, China face distinct challenges on climate change.**

Afghan President Ashraf Ghani has nominated the 25-member Cabinet of his so-called “National Unity Government.” The announcement came after months of delays and missed deadlines, raising questions about future political stability in strife-torn Afghanistan. Ghani and his election-rival-turned coalition partner, Abdullah Abdullah, have spent more than three months wrangling over the make of the Cabinet. Both have been under severe criticism for the delay at a time of mounting security and economic challenges facing their country. Afghan presidential chief of staff, Abdul Salaam Rahimi, unveiled the list of 25 cabinet ministers at a ceremony in Kabul attended by Ghani. He said three women are in the list to head ministries of Information, Women’s Affairs and Higher Education.<sup>74</sup>

<sup>71</sup> Simeone, Nick, “Hagel: U.S. Military Must Prepare for Challenges”, *DoD News*, January 15, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123980>

<sup>72</sup> Roulo, Claudette, “Air Force Safeguards National Security in Uncertain Budget Environment”, *DoD News*, January 15, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123983>

<sup>73</sup> Simeone, Nick, “New Report Shows Active-duty Suicides Declined in 2013”, *DoD News*, January 16, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123986>

<sup>74</sup> Gul, Ayaz, “Afghan President Finalizes Cabinet”, *VOA News*, January 12, 2015 at <http://www.voanews.com/content/afghan-president-finalizes-cabinet/2595044.html>

The U.S. says that Pakistan is pledging a new willingness to attack Taliban and Haqqani Network insurgents in tribal areas along its Afghan border. Senior U.S. State Department officials spelled out those intentions on January 12 night in Islamabad after Secretary of State John Kerry and other American diplomats had a working dinner with Pakistani Prime Minister Nawaz Sharif and some of his aides. The U.S. envoys told reporters traveling with Kerry that the Pakistani officials said their forces would attack all Taliban militants in North Waziristan, and not attempt to “differentiate between good Taliban and bad Taliban.”<sup>75</sup>

The United States has added to its official terrorism list the leader of the Pakistani Taliban, which claimed credit for last month’s assault on a Pakistani school that killed 134 children and 16 staff members. The State Department on January 13 named Maulana Fazlullah, also known as Mullah Fazlullah, a “specially designated global terrorist,” a label meant to target “terrorists and those providing support to terrorists or acts of terrorism.” The designation makes it a crime for U.S. citizens to engage in transactions with Fazlullah. It also allows the U.S. government to seize any of his property or interests that are in the United States, including those under the control of U.S. citizens. The United States designated the Pakistani Taliban a terrorist group in 2010.<sup>76</sup>

U.S. Secretary of State John Kerry has praised the progress made by Pakistan’s military in its fight against militants in the country’s northwest. His comments came in Islamabad, where U.S. and Pakistani officials have discussed shared goals on trade, economic development and counter terrorism at a strategic dialogue session. As they sat across from each other in a large room, flanked by their advisors, Secretary of State John Kerry and Pakistani National Security advisor Sartaj Aziz outlined the progress the two countries had made through cooperation on projects in five areas: energy, economic growth, community stabilization, education and health. They also announced the establishment of a sixth working group that will deal with science and technology. Kerry said since the last strategic dialogue convened, the U.S. and Pakistan had focused on expanding bilateral investment and trade.<sup>77</sup>

The number of U.S. troops expected to train Syrian opposition forces “could approach” 1,000, Pentagon spokesman Navy Rear Adm. John Kirby told reporters on January 16 in a press briefing. While the final number is still being worked out, training could begin as early as spring, Kirby said. The deploying troops would include trainers as well as support personnel, and forces would range from special operations to conventional, Kirby said. No orders have been cut yet but are expected in about four to six weeks and perhaps as early as next week, he added. Training Syrian opposition forces will have three goals, Kirby said: to get them ready to defend their own citizens and communities, to eventually go on the defensive against ISIL inside Syria, and to help them work with political opposition leaders toward a political solution in Syria.<sup>78</sup>

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<sup>75</sup> Dockins, Pamela, “US: Pakistan Willing to Attack Taliban, Haqqani Militants”, *VOA News*, January 12, 2015 at <http://www.voanews.com/content/kerry-visits-pakistan-fr-talks-with-sharif/2594700.html>

<sup>76</sup> “US Adds Head of Pakistani Taliban to Official Terrorism List”, *VOA News*, January 13, 2015 at <http://www.voanews.com/content/us-adds-maulana-fazlullah-to-official-terrorism-list/2596956.html>

<sup>77</sup> Dockins, Pamela, “US, Pakistan Review Economic, Security and Stabilization Goals”, *VOA News*, January 13, 2015 at <http://www.voanews.com/content/kerry-praises-pakistan-militant-fight/2596043.html>

<sup>78</sup> Cronk, Terri Moon, “U.S. Troops to Train Syrian Opposition Could Number 1,000”, *DoD News*, January 16, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123989>

U.S. and coalition military forces have continued to attack Islamic State of Iraq and the Levant (ISIL) terrorists in Syria and Iraq. Combined Joint Task Force Operation Inherent Resolve officials reported on January 16. Six airstrikes destroyed two ISIL staging positions and nine ISIL fighting positions near Kobani. U.S. aircraft conducted five airstrikes in Iraq.<sup>79</sup>

U.S. and Myanmar officials held talks this week on civilian control of the military, political prisoners, land rights, and other issues. At the end of the visit, a U.S. special human rights envoy raised concerns about Myanmar's political reforms ahead of national elections this year. In talks with senior Myanmar's (also known as Burma) government leaders, Tom Malinowski, assistant secretary of state for democracy, human rights and labour, said on January 16 the U.S. is concerned about the impact of growing religious intolerance on Myanmar's future democratic reforms. His comments came at the end of talks aimed at assessing Myanmar's rights record through the U.S. - Myanmar human rights dialogue.<sup>80</sup>

Thailand is reporting progress in efforts to curb human trafficking and abusive labour practices for migrant workers. The government is taking steps, including tougher regulations and new anti-trafficking measures, after coming under criticism from rights groups and the United States. In 2014 the United States lowered Thailand's rating in its Trafficking in Person's (TIP) report in an assessment that the country showed few signs of improving its record on human tracking and illegal labour. In a wide range of Thai industries, from fishing vessels, factories, and farms, rights groups have complained that many foreign workers are exploited, paid very little, and expected to work long hours under threats of violence.<sup>81</sup>

Japan announced on January 14 that its defence budget for the coming year will rise to almost \$42 billion which will be used to push ahead with controversial changes to Japan's military that have already caused anger in Beijing. Japan's defence spending, part of an \$814 billion total annual budget, is part of Prime Minister Shinzo Abe's push to build a more active military. After his re-election last month, Abe said he had a mandate to strengthen Japan's defence forces. Japanese defence forces have been conducting military exercises designed to simulate amphibious assaults and invasions. The nation's record defence budget will go towards new amphibious vehicles, surveillance aircraft and F-35 stealth fighters. The investment is intended to counter the changing security threats of the region, says Alessio Patalano of the Department of War Studies at King's College London.<sup>82</sup>

The United States aims to use new sanctions imposed on North Korea over the cyberattack on Sony Pictures to cut off the country's remaining links to the international financial system, a senior

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<sup>79</sup> "Airstrikes Against ISIL Continue in Iraq, Syria", From a Combined Joint Task Force Operation Inherent Resolve News Release, *DoD News*, January 16, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=123991>

<sup>80</sup> Corben, Ron, "US, Myanmar Officials Discuss Political Progress, Human Rights", *VOA News*, January 16, 2015 at <http://www.voanews.com/content/us-myanmar-officials-discuss-political-progress-human-rights/2600927.html>

<sup>81</sup> Corben, Ron, "Thailand: Progress Made in Countering Human Trafficking", *VOA News*, January 13, 2015 at <http://www.voanews.com/content/thailand-says-progress-made-in-countering-human-trafficking/2596249.html>

<sup>82</sup> Ridgwell, Henry, "Japan Unveils Largest Ever Defense Budget", *VOA News*, January 14, 2015 at <http://www.voanews.com/content/japan-cabinet-approves-third-straight-defense-boost/2597568.html>

U.S. Treasury official said on January 13. Daniel Glaser, assistant secretary for terrorist financing at the U.S. Treasury Department, said past sanctions had already discouraged “hundreds” of overseas banks, including China’s major commercial banks, from doing business with North Korea. New sanctions announced by President Barack Obama on January 2 provided “a tremendous amount of flexibility” and the goal was to identify remaining financial institutions that allowed North Korea access to the global system, which could face sanction themselves, Glaser told a House of Representatives briefing.<sup>83</sup>

In his previous State of the Union address, President Barack Obama highlighted what he called the urgent need to address climate change – a topic that is likely to come up again this year. The world’s two biggest polluters, the United States and China, recently announced a landmark deal aimed at breathing new life into global efforts to address climate change. In China, where choking smog frequently fills the air, there is little debate about the need to curb emissions. “In China, the awareness of climate change and the consensus that this is a real problem that we need to crack is much higher than in the United States,” said Li Yan, who heads Greenpeace’s energy and climate change campaign in Beijing. “Also, in the government, the leadership, there aren’t so many critics, there aren’t so many skeptics.” Weaning China off its biggest source of energy, coal, will not be easy. In the deal reached last year, China pledged for the first time to peak its emissions by 2030.<sup>84</sup>

## India-US Relations

(January 12-18, 2015)

- **U.S.-India Investment Initiative launched ahead of Barack Obama’s visit; Secretary of State Kerry says Obama’s visit may see breakthrough in nuclear deal; Defence Minister Parrikar says India, U.S. may sign defence pact during Obama trip; High expectations before President Obama’s second visit to India; US judge dismisses suit against India PM Modi over 2002 riots; US looking to deepen economic relations with India.**

Ahead of President Barack Obama’s visit to India later this month, India and the U.S. have launched an investment initiative to focus on capital market reforms and policy measures that would help spur long-term investment by American investors in India. Though announced during the White House meeting between Mr. Obama and Prime Minister Narendra Modi in September 2014, the India-U.S. Investment Initiative was formally launched in Washington on January 12 at Department of Treasury. An agreement in this regard was signed during a meeting between U.S. Assistant Secretary of Treasury for International Finance Ramin Toloui and Ministry of Finance Additional Secretary Ajay Tyagi.<sup>85</sup>

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<sup>83</sup> “US Takes Aim at North Korea’s Remaining Financial Links”, *VOA News*, January 13, 2015 at <http://www.voanews.com/content/reu-us-takes-aim-at-north-korea-financial-links/2597375.html>

<sup>84</sup> Ide, William, “US, China Face Distinct Challenges on Climate Change”, *VOA News*, January 16, 2015 at <http://www.voanews.com/content/us-china-climate-change/2601308.html>

<sup>85</sup> “U.S.-India Investment Initiative Launched Ahead Of Barack Obama’s Visit”, *The Hindu*, January 13, 2015 <http://www.thehindu.com/news/international/world/usindia-investment-initiative-launched-ahead-of-barack-obamas-visit/article6784038.ece?ref=relatedNews>

Acknowledging for the first time that the U.S. hopes for some breakthrough in the talks on the civil nuclear deal with India, Secretary of State John Kerry said the area was one of “four very specific areas we are going to try to make some progress.” The other three areas that Mr. Kerry said that will also be the “focus” of conversations between the US President Obama and Prime Minister Narendra Modi when they meet this month are renewable energy and climate change cooperation agreement; the defence partnership agreement; and the economic partnership.<sup>86</sup>

India and the United States are likely to sign their new 10-year defence framework agreement during U.S. President Barack Obama’s visit here later this month, Defence Minister Manohar Parrikar said on January 12. He said the strengthening of the existing framework and enhancement of its scope was going to be “definitely beneficial” for India. “[The signing of the agreement] is one of the possibilities... These are issues which are in the spectrum, on the horizon,” Mr. Parrikar told Karan Thapar on his show ‘To the Point’ on *Headlines Today*. However, the Defence Minister said the issue would be decided by the Prime Minister’s Office.<sup>87</sup>

United States President Barack Obama will have a tight schedule during his three-day visit starting January 25, as he will hold talks with top leadership in New Delhi on ways to make progress on key issues like defence and civil nuclear agreement and attend the Republic Day celebrations as the chief guest, among other engagements. Obama, who will be the first US president to be the chief guest at the Republic Day parade, will be accompanied by his wife Michelle Obama and a team of senior officials in his administration. On the first day of his visit, the American president and Prime Minister Narendra Modi will hold comprehensive talks on the entire gamut of bilateral ties and discuss ways to enhance cooperation in key components, including civil nuclear and defence pacts. The two sides have already decided to renew for 10 years during a summit meeting in September in Washington to start joint development and production of military hardware.<sup>88</sup>

Indian Prime Minister Narendra Modi will not have to face a U.S. lawsuit claiming he failed to stop anti-Muslim rioting in 2002, a federal judge in New York ruled on January 14. U.S. District Judge Analisa Torres upheld the U.S. Department of State’s determination that Modi is entitled to immunity as a sitting head of government from civil lawsuits filed in U.S. courts. The lawsuit, filed in September by an obscure human rights group on the eve of Modi’s maiden visit to the United States, made international headlines at the time, though officials from both countries brushed it off as a distraction.<sup>89</sup>

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<sup>86</sup> “Obama’s Visit May See Breakthrough In Nuclear Deal: Kerry”, *The Hindu*, January 12, 2015 at <http://www.thehindu.com/news/national/obamas-visit-may-see-breakthrough-in-nuclear-deal-kerry/article6781050.ece?ref=relatedNews>

<sup>87</sup> “India, U.S. May Sign Defence Pact During Obama Trip: Parrikar”, *The Hindu*, January 13, 2015 at <http://www.thehindu.com/news/national/india-us-may-sign-defence-pact-during-obama-trip-parrikar/article6781752.ece>

<sup>88</sup> “Obama’s 3-Day India Visit: What He Will Do Here”, *rediff.com*, January 14, 2015 at <http://www.rediff.com/news/report/obama-india-visit-what-he-will-do-here-jan-26-28/20150114.htm>

<sup>89</sup> “US Judge Dismisses Suit Against India PM Modi Over 2002 Riots”, *Reuters*, January 14, 2015 at <http://www.voanews.com/content/us-judge-dismisses-suit-against-india-pm-modi/2598302.html>

The US is looking to deepen its economic relationship with India, a top American diplomat has said ahead of President Barack Obama's trip to the country, during which the two countries would take up a host of issues, including defence, intellectual property as well as the bilateral investment treaty. "We are looking to deepen our economic relationship with India, as Secretary (of State, John Kerry emphasised in his recent visit," Assistant Secretary of State for Economic and Business Affairs Charles H Rivkin, said in his address to the American Security Project. Mr Rivkin, who has just returned from India, said the two countries already enjoyed an annual two-way trade in goods and services of almost USD 100 billion in 2013. "That represented an increase of more than 400 per cent since 2000. We believe we can build on this by greatly improving our two-way investment flows. Clearly, it is squarely in our interests to close all these pending and potential trade deals, not only for our prosperity, not only for our security," he said.<sup>90</sup>

(January 12-18, 2015)

- **Secretary of State Kerry announces \$250 million aid to Pakistan; Kerry says US would continue to encourage India and Pakistan to hold dialogue to resolve bilateral issues; US eyes India drone, C-130 project deals for Obama trip; No terror attack during Barack Obama's India trip: US warns Pakistan; Bilateral push on Narendra Modi's Digital India vision; Officials try to break nuclear logjam ahead of Obama visit; Barack Obama's visit: India-US ties set to move to transformative level.**

U.S. Secretary of State John Kerry on January 13 praised the Pakistani military's operation against militants in the country's northwest, saying the results are "significant," but cautioned that more work needs to be done. Pakistan launched a major operation in the North Waziristan region in June. The U.S. had long advocated for such an operation because the region had become a hub for militant groups who attack targets in both Pakistan and neighbouring Afghanistan and a source of tension between the U.S., Afghanistan and Pakistan. The current operations "in the northwest have disrupted militant activities in the tribal areas and resulted in important seizures of weapons," Kerry said, speaking during a press conference in Islamabad with Sartaj Aziz, the Pakistani prime minister's adviser on foreign affairs. Meanwhile, Kerry announced that \$250 million in previously appropriated money will be given to emergency relief efforts in the tribal areas, mainly North Waziristan. Hundreds of thousands of people fled the area due to the fighting.<sup>91</sup>

Pakistan on January 13 said it will not start any dialogue with India if Kashmir issue was not part of the agenda, even as US Secretary of State John Kerry advised the two neighbours to resume peace talks overcoming "historical mistrust". National Security Advisor Sartaj Aziz and Kerry addressed a joint press conference here after talks which were part of the bilateral Strategic Dialogue. Aziz said that the cancellation of last year's scheduled talks over meeting with Kashmiri leaders shows that India was not interested to talk on this issue. "Pakistan will not start talks with

<sup>90</sup> "US Looking To Deepen Economic Relations With India", *Press Trust of India (PTI)*, January 16, 2015 at <http://www.indiatvnews.com/news/world/us-looking-to-deepen-economic-relations-with-india-22362.html>

<sup>91</sup> "Kerry Announces \$250 Million Aid To Pakistan", *The Hindu*, January 13, 2015 at <http://www.thehindu.com/news/international/world/will-wait-and-watch-us-on-pakistans-steps-against-terrorism/article6785034.ece>

India without Kashmir,” he said. Kerry said US would continue to encourage the two sides to move forward and hold dialogue to resolve the issue. He also voiced concern over the border tension between the two neighbours.<sup>92</sup>

The United States aims to secure agreements with India to start pilot projects for joint production of drones as well as equipment for transport planes in talks next week ahead of a visit by President Barack Obama, a U.S. industry source said on January 14. Frank Kendall, U.S. undersecretary of defence for acquisition, technology and logistics, will be making his fourth visit to India to promote collaboration on defence technologies and co-production of weapons systems in an effort to finalize the projects. Kendall’s spokeswoman Maureen Schumann said he will meet with Defence Secretary Radha Krishna Mathur, Secretary for Defence Production G. Mohan Kumar and Scientific Advisor to the Minister of Defence Avinash Chander. “His primary objective is to continue momentum on the Defence Trade and Technology Initiative (DTTI), which promotes collaboration on defence technology and enables co-production and co-development of critical defence systems,” Schumann said.<sup>93</sup>

Ahead of President Barack Obama’s India visit, the US has asked Pakistan to ensure that there is no cross-border terror incident during the trip and subtly warned of “consequences” if any such attack is traced back to the country. Obama will travel to New Delhi later this week to attend the Republic Day parade on January 26, the first US president to do so. The US and Indian security agencies are taking extra care for Obama as he will be on an open air platform at Rajpath for more than two hours, witnessing the parade. It is believed that the US has asked Pakistan to ensure that there is no cross-border terrorism or even attempts of it during Obama’s trip. The warning has been issued keeping the track record of Pakistan-based militant groups that have carried out attacks in India coinciding with high-profile visits from the US. Militants had shot dead 36 Sikhs in March 20, 2000, in the Anantnag district of Jammu and Kashmir, coinciding with the visit of the then US President Bill Clinton to India.<sup>94</sup>

With little more than a week before U.S. President Barack Obama makes history as the first in his role to be Chief Guest at India’s Republic Day celebrations, officials from both countries testified to the importance of Indian Prime Minister Narendra Modi’s vision for “Digital India” (DI) and committed themselves to rapid progress in advancing its goals. Speaking here via video link at the DI Conclave organised by the Federation of Indian Chambers of Commerce and Industry Ravi Shankar Prasad, Indian Minister for Communications and Information Technology, said that the DI initiative was “basically a programme to bridge the divide between the digital have’s and digital have-nots [and] we need DI for the poor and the underprivileged”. Outlining what

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<sup>92</sup> “Pakistan Will Not Start Talks With India Without Kashmir: National Security Advisor Sartaj Aziz”, *Press Trust of India*, January 13, 2015 at <http://www.financialexpress.com/article/miscellaneous/pakistan-will-not-start-talks-with-india-without-kashmir-national-security-advisor-sartaj-aziz/29584/>

<sup>93</sup> Brunnstrom, David and Shalal, Andrea, “U.S. Eyes India Drone, C-130 Project Deals For Obama Trip”, *Reuters*, January 15, 2015 at <http://in.reuters.com/article/2015/01/15/usa-india-arms-idINKBN0KO02R20150115>

<sup>94</sup> “No Terror Attack During Barack Obama’s India Trip: US Warns Pakistan”, *PTI*, January 18, 2015 at [http://articles.economicstimes.indiatimes.com/2015-01-18/news/58200736\\_1\\_india-trip-india-visit-president-barack-obama?inttarget=no](http://articles.economicstimes.indiatimes.com/2015-01-18/news/58200736_1_india-trip-india-visit-president-barack-obama?inttarget=no)

Indian Ambassador to the U.S. S. Jaishankar described as the “formidable target of expanding high-speed Internet”, to a majority of Indians, Mr. Prasad said that the government of India hoped to create a digital architecture for the delivery of services, help spread digital literacy in the country and make the people of India digitally empowered as a consequence. Included among these plans, which would ideally attract U.S. and other foreign businesses to invest in electronics products involved, are proposals to set up a National Optical Fibre Network, which entails setting up 700,000 kilometres of optical fibre networks connecting nearly 230,000 gram panchayats.<sup>95</sup>

Officials of the “India-US contact group” on civil nuclear cooperation met in Delhi this week to try and break the logjam between both countries ahead of U.S. President Obama’s visit to Delhi on January 25. While officials would not confirm the details, a media statement issued by the Ministry of External Affairs said the discussions were “positive and forward-looking.” In an indication that they are trying to find a way around U.S. concerns, the statement said the contact group would meet again in “early January.” Significantly, the contact group included private industry representatives, along with the officials at the negotiation, namely U.S. companies Westinghouse and GE-Hitachi, and Nuclear Power Corporation of India (NPCIL) on the Indian side.<sup>96</sup>

India-US ties are set to move to the transformative level during President Barack Obama’s India visit later this week, building also on the personal rapport developed between him and Prime Minister Narendra Modi with both sides keen to have promising outcomes from the talks on a range of issues, including defence, energy, education and economic cooperation. Obama, chief guest at this year’s Republic Day parade, has described Modi as a “man of action”.<sup>97</sup>

## II. DEFENCE REVIEWS

### National

(January 12-18, 2015)

- **Indigenously developed Landing Craft Utility Vessel for Indian Navy launched; New defence procurement policy advocating made in India within three months, says the defence minister.**

The third ship of the Landing Craft Utility (LCU) Mk IV project, Yard 2094, designed indigenously

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<sup>95</sup> “Bilateral Push On Narendra Modi’s Digital India Vision”, *The Hindu*, January 17, 2015 at <http://www.thehindu.com/news/international/world/bilateral-push-on-modis-digital-india-vision/article6796501.ece?ref=relatedNews>

<sup>96</sup> “Officials Try To Break Nuclear Logjam Ahead Of Obama Visit”, *The Hindu*, January 18, 2015 at <http://www.thehindu.com/news/national/officials-try-to-break-nuclear-logjam-ahead-of-obama-visit/article6701897.ece?ref=relatedNews>

<sup>97</sup> “Barack Obama’s Visit: India-US Ties Set To Move To Transformative Level”, *IANS*, January 19, 2015 at [http://articles.economictimes.indiatimes.com/2015-01-19/news/58231476\\_1\\_defence-cooperation-smart-cities-national-defence-university](http://articles.economictimes.indiatimes.com/2015-01-19/news/58231476_1_defence-cooperation-smart-cities-national-defence-university)

and being built by the Garden Reach Shipbuilders and Engineers Ltd (GRSE) for the Indian Navy, was launched on January 16, 2014. Considered a milestone in India's quest for self-reliance in sophisticated shipbuilding, LCU L53 is the third vessel in the series of eight Landing Craft Utility Ships being built by GRSE for the Indian Navy. The eight LCUs are set to play a significant role in transportation of main battle tanks, armoured vehicles and troops of the Indian Army during amphibious operations. The first vessel of the series was launched on March 12 last year, followed by the second on September 23<sup>rd</sup>. The LCUs will be fitted with an advanced integrated platform management system for remote control of propulsion, auxiliary and power generating equipment. Two CRN-91 indigenous 30 MM guns to provide fire support during operations will also be fitted on board. The ship can be deployed for maritime roles like maritime security, beaching/un-beaching, humanitarian relief operations and evacuation from distant islands, search and rescue operations and peace-keeping missions.<sup>98</sup>

Defence Minister Manohar Parrikar has said that his ministry would come up with defence procurement policy (DPP), preferring purchase of equipment made in India, within three months. Speaking at a seminar 'Gujarat: Preferred Hub for Defence Production' during the Vibrant Gujarat summit, the minister said India cannot afford spending \$20 billion on defence procurement, and for this, promoting local manufacturing is must and the country will promote private players in this field. The defence minister said, "The government hopes to come up with a document in two or three months on a suitable model for defence manufacturing and procurement... We have listed certain items that are not going to be imported from 2016. These will increase later on. But we are coming up with the document in February-March on modified DPP."<sup>99</sup>

## International

(January 12-18, 2015)

- **Japan approves its largest-ever defence budget amid China fear; Elbit Systems secures contract to develop the next generation of the Israeli Army's digital C4I network.**

Reports say that Japan has approved its largest-ever defence budget for the next fiscal year as the nation looks to strengthen surveillance of territorial waters in the face of a continuing spat with China. Japan will spend ¥4.98 trillion (\$41.97 billion) in the next fiscal year. The increase in budget for the third consecutive year reflects Japan's wish to build a more active military and come out of the policy of pacifism, apart from concerns over the ongoing tussle with China.<sup>100</sup>

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<sup>98</sup> "Landing Craft Utility Ship for Indian Navy Launched at Grse," *PIB*, January 16, 2015, at <http://pib.nic.in/newsite/PrintRelease.aspx?relid=114693>

<sup>99</sup> "Modified Defence Procurement Policy In Three Months, Defence Minister Manohar Parrikar Says," *The Times of India*, January 12, 2015, at <http://timesofindia.indiatimes.com/india/Modified-defence-procurement-policy-in-three-months-defence-minister-Manohar-Parrikar-says/articleshow/45847398.cms>

<sup>100</sup> "Japan Approves Biggest Defence Budget Ever," *Defence News*, January 14, 2015, at <http://www.defensenews.com/story/defense/international/asia-pacific/2015/01/14/japan-approves-biggest-ever-defence-budget-amid-asia-tensions/21760259/>

Meanwhile, according to reports, Israel's Defence Ministry has awarded Elbit Systems rights to develop the next generation of the Israeli Army's digital C4I network under a series of multiyear contracts estimated at \$117 million. Under the contracts, Elbit will develop a master programme that computerizes all operations in the land forces, connecting all field and command echelons into a central data transfer network. The project is part of the Israel Defence Forces' (IDF's) plan to support advanced, interoperable communications systems through the "smart" transfer of huge amounts of bandwidth. Apart from this, Elbit will upgrade, maintain, supply and support communications systems and wideband radio systems on behalf of the Israeli military under a private financing initiative outsourcing deal with the Israeli MoD.<sup>101</sup>

### III. INTERNAL SECURITY REVIEWS

#### Jammu & Kashmir

(January 12-18, 2015)

- **Parrikar warns Pak of 'proactive steps'; 5 militants killed in encounter in South Kashmir; Hizb appeals Hurriyat leaders to join hands; Sopore encounter ends, 2 militants killed.**

Over alleged ceasefire violations and infiltrations by militants in J & K, India on January 13 warned that "pro-active" steps will be taken to deal with the "proxy war" supported by the neighbouring country and said a "difference" will be seen in the next six months. Defence Minister Manohar Parrikar said it will be ensured that the "enemy" doesn't show any more interest in proxy war. At the same time, he said India wanted peace with Pakistan.<sup>102</sup> Even as US secretary of state John Kerry advised India and Pakistan to resume peace talks, Pakistan said that it will not start any dialogue with India if Kashmir issue was not part of the agenda.<sup>103</sup>

In a fierce gunfight with militants in Gadru Forest of Kellar in South Kashmir's Shopian district, Special Operations Group (SoG) of J & K State Police and Army on January 15 claimed to have killed five militants including a top commander of Jaish-e-Muhammad outfit. The militants have been identified by police as Divisional Commander of JeM Muhammad Toyib of Multan Pakistan, Master Shakeel Ahmed Wani alias Ali resident of Pakharpora, Tahir Ahmed Dar of Aglar Kandi, Ishfaq Ahmed Daga resident of Arwani Kulgam and Parvez Ahemd Shah, resident of Bata Muran Pulwama. Police also claimed to recover 3 AK-rifles, one SLR rifle and one pistol from the encounter site. However, the locals said that the militants were killed in an army ambush. Soon after the end

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<sup>101</sup> "Israel Launches Next-Generation C4I Network," *Defence News*, January 15, 2015, at <http://www.defensenews.com/story/defense/land/army/2015/01/15/israel-network-digital-elbit-army-c4i-contract/21815783/>

<sup>102</sup> "Will Deal With Pak Proxy War: Parrikar", *Greater Kashmir*, January 13, 2015 at <http://www.greaterkashmir.com/news/2015/Jan/14/will-deal-with-pak-proxy-war-parrikar-49.asp>

<sup>103</sup> "Pakistan Asks For US help, Says Won't Start Talks With India Without Kashmir", *The Times of India*, January 13, 2015 at <http://timesofindia.indiatimes.com/world/pakistan/Pakistan-asks-for-US-help-says-wont-start-talks-with-India-without-Kashmir/articleshow/45869153.cms>

of the encounter, scores of people amid pro-freedom slogans staged a protest at different places including Kellar, Aglar Kandi, Rajpora and Pakharpora. Youths also hurled stones towards forces. The forces also resorted to lathi-charge and tear gas shelling to maintain normalcy. Meanwhile, Sopore town also witnessed shutdown on January 15, a day after a Lasher-e-Taiba militant was killed in an encounter with security forces at Sopore.<sup>104</sup>

Militant outfit Hizbul Mujhadeen on January 16 said that the move of BJP government to grant citizenship rights to the refugees settled in Jammu is not only treacherous and dangerous but it is also a calculated attempt to change the Muslim demography of the state of Jammu and Kashmir. Pitching for unity among Hurriyat leadership, Hizb chief and United Jihad Council Chairman, Syed Salahuddin appealed to them to gather at single platform and lead the nation in one voice so that India fails to take advantage of their disunity.<sup>105</sup>

Two Jaish-e-Muhammed militants were killed in an encounter with security forces in Sopore town of north Kashmir. Security forces cordoned off Saidpora village in Sopore following information about presence of militants in the area, a police officer said. He said as the forces closed on the target house, the militants opened fire which was retaliated, triggering off the gun-battle.<sup>106</sup>

## Northeast Insurgency

(January 12-18, 2015)

- **Centre changes policy on surrender of State ultras; 12 NDFB(S) ultras held in 'Operation All Out'; Top leaders among 8 NDFB(S) ultras arrested in Chirang.**

Continuing with its tough stand against militants, the Government of India has decided to change the policy regarding surrender of militants, while, the police and security forces have been directed to strictly implement the ground rules of the ceasefire agreements with the outfits which are holding parleys with the Government. According to reports, from now on, the State militants who surrender would not be given "preferential treatment" and would have to face trial in the cases against them. The only benefit that those who surrender would get would be that they would not be killed in the intensified operations by the police and security forces. In the face of allegations that a few members of outfits under ceasefire agreements were directly or indirectly helping the active militant groups, the MHA has directed the police and security forces to treat any member of such outfits, found outside the designated camps with weapons, as terrorists and deal with them accordingly, sources added.<sup>107</sup>

<sup>104</sup> "JeM Commander Among 5 Militants Killed in Shopian", *Kashmir Times*, January 16, 2015 at <http://www.kashmirtimes.in/newsdet.aspx?q=40474>

<sup>105</sup> "Hizb Appeals Hurriyat Leaders To Join Hands", *Kashmir Times*, January 17, 2015 at <http://www.kashmirtimes.in/newsdet.aspx?q=40502>

<sup>106</sup> "J&K: Two Jaish-e-Muhammed Militants Killed In Sopore Encounter", *The Times of India*, January 18, 2015 at <http://timesofindia.indiatimes.com/india/JK-Two-Jaish-e-Muhammed-militants-killed-in-Sopore-encounter/articleshow/45927865.cms>

<sup>107</sup> Choudhury, R Dutta, "Centre Changes Policy On Surrender Of State Ultras", *The Assam Tribune*, January 12, 2015 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=jan1215/at050>

Following a two-day joint operation, which had been carried out since January 8 as a part of 'Operation All Out', with CRPF and SSB, Chirang district police have achieved a major success by nabbing 12 active NDFB(S) cadres with arms and ammunition from the northern forest of Chirang district under Amguri and Bijni police stations. The arrested cadres have been identified as media and publicity joint secretary Parmanesh Narzary (24), deputy commandant Swmkwr Basumatary (27), accountant Rahul Islary (31), platoon commander Jaleswar Basumatary (29), sergeant major Swarang Narzary (25), section commander Anan Brahma (26), corporal Josoa Muchahary (25), lance corporal Karan Muchahary (25), section commander Suraj Goyari (25), Nagen Boro (35), Kalaram Goyari (30) and Riten Basumatary (26). The operation team also recovered four AK 56 rifles, four 9 mm pistols, one 7.65-calibre pistol, one 303 rifle, one 315 rifle, three highly explosive grenades, one Chinese grenade and 784 bullets from the possession of the cadres.<sup>108</sup>

In yet another joint operation launched by troops of Red Horns Division and Assam Police along the jungles of Assam-Bhutan border in Chirang district on January 13, eight hard-core members of NDFB(S) including self-styled second lieutenant Enon Bargoyary alias Erkhang and chief recruiting officer and self-styled platoon commander of Amteka area Rinen Basumatary alias Majhi, were apprehended. Enon Bargoyary is the chief recruiting officer of NDFB(S), central committee member and a Bhutan trained militant. He was involved in recruiting and motivating NDFB(S) militants, including woman cadres and sending them to various camps outside the country. He was very close to the outfit's chief Songbijit, G Bidai and Batha. Enon is believed to be the brain behind the killing of Adivasis on December 23 last in Kokrajhar district. Self-styled platoon commander of Amteka area Rinen Basumatary who surrendered after Operation All Clear in 2003, re-joined the NDFB(S) two years back. Four weapons including two AKs, two pistols and a large quantity of ammunition were recovered from the apprehended ultras.<sup>109</sup>

## Left-wing Extremism

(January 12-18, 2015)

- **Police arrest four Maoists in Bihar; Maoists call people to "condemn and boycott" Obama's visit; Rajnath Singh: Appoint officers with 'zeal' to fight Maoists; CMs' meet to speed up road links in Maoist-hit states; 'All big anti-Naxal ops to be cleared by force headquarters', says CRPF DG.**

In a joint combing operation, Bihar police and CRPF have arrested four Maoists from Rohtas district and recovered a huge cache of arms and ammunition. The security forces recovered two .315 rifles, 13 single barrel guns, a pistol, 78 bullets, two sacks of gunpowder, 55 batteries used in making Improvised Explosive Devices (IED), 21 splitters used in bombs and several kilogrammes

<sup>108</sup> "12 NDFB(S) Ultras Held In Chirang", *The Assam Tribune*, January 12, 2015 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=jan1215/at052>

<sup>109</sup> "Top Leader Among 8 NDFB(S) Ultras Nabbed in Chirang", *The Assam Tribune*, January 14, 2015 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=jan1415/at053>

of explosive ammonium nitrate. The arrested persons are identified as Jokham Singh, Singhasas Yadav, Mohammad Amaluddin and Salya. They are part of the troupe of Ajay Rajbhar, who works for Tritiya Prastuti Committee, a Naxal outfit active in south Bihar and Jharkhand.<sup>110</sup>

Ahead of US President Barack Obama's visit to be the chief guest at the 65th Republic Day celebrations on January 26, Maoists have called out to people to "condemn and boycott" the visit. In a written statement issued by the Dandakaranya Special Zonal Committee of the CPI (Maoist), dated January 5, Maoist party spokesperson Gudsa Usendi said that rallies would be organized across the country with the slogan "Obama go back". Calling Obama "the gang leader of American imperialism" the Maoist party statement says: "American imperialism is the number one enemy of the oppressed masses and nationalities of the world. It is the biggest terrorist and its gang leader. Obama has no moral right to touch down on our mother land," Usendi stated on behalf of his party.<sup>111</sup>

Describing the Naxal problem as the gravest challenge facing India, Home Minister Rajnath Singh while addressing the Eastern Zonal Council (EZC) meeting at Patna in Bihar on January 17 asked all states which are grappling with the menace to appoint as district magistrates and superintendents of police such officers who have the "zeal" to fight the rebels.<sup>112</sup>

Union Road Transport, Highways and Shipping Minister Nitin Gadkari has convened a chief ministers' conference of eight states haunted by Left-wing extremism to resolve bottlenecks in speedy implementation of road projects being executed in remote areas of these states. The conference, to be held in Raipur, Chhattisgarh on January 13, is expected to be attended by chief ministers of Chhattisgarh, Jharkhand and Bihar and public works department (PWD) ministers of other states. The ministry of road transport and highways had taken up improvement of road connectivity in the 34 such "affected districts" covering a total length of 5,477 km, covering eight states of Telangana, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha and Uttar Pradesh under road requirement plan. Of the 5,469 km length sanctioned, project works for 4,908 km length were awarded. As on date, work on 3,299 km length (67 percent) has been completed at an expenditure of Rs.4, 374 crore under this scheme, an announcement by the ministry said.<sup>113</sup>

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<sup>110</sup> Sasaram, "Four Maoists Arrested in Bihar, Arms Recovered", *Outlook*, January 13, 2015 at <http://www.outlookindia.com/news/article/Four-Maoists-Arrested-in-Bihar-Arms-Recovered/877077>

<sup>111</sup> Chatterjee, Mohua, "Maoists Call For People To 'Condemn And Boycott' Obama Visit", *The Times of India*, January 14, 2015 at <http://timesofindia.indiatimes.com/India/Maoists-call-for-people-to-condemn-and-boycott-Obama-visit/articleshow/45880512.cms>

<sup>112</sup> "Rajnath Singh Asks States To Appoint As DMs, SPs Officers With 'Zeal' To Fight Maoists", *The Indian Express*, January 16, 2015 at <http://indianexpress.com/article/india/india-others/rajnath-singh-asks-states-to-appoint-as-dms-sps-officers-with-zeal-to-fight-maoists/>

<sup>113</sup> "CMs' Meet To Speed Up Road Links In Maoist-Hit States", *Business Standard*, January 11, 2015 at [http://www.business-standard.com/article/news-ians/cms-meet-to-speed-up-road-links-in-maoist-hit-states-115011100197\\_1.html](http://www.business-standard.com/article/news-ians/cms-meet-to-speed-up-road-links-in-maoist-hit-states-115011100197_1.html)

After recently touring to some of the worst Maoist violence affected states of Chhattisgarh, Jharkhand and Odisha, CRPF Director General Prakash Mishra has taken the decision to monitor first-hand important security forces offensives in the Naxal grid. "All big operations in Left wing extremism-hit states, which require large-scale mobilisation of security forces, will be cleared after approvals from the CRPF headquarters", the new chief of the country's lead anti-Naxal operations force said. When asked if this "vetting" from the headquarters would lead to some crucial time-loss in launching operations, the DG said that with the advent of modern gadgets and tools, all such exercises can be followed on a virtually real-time basis.<sup>114</sup>

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<sup>114</sup> "All Big Anti-Naxal Ops To Be Cleared By Force HQs: CRPF DG", *Business Standard*, January 18, 2015 at [http://www.business-standard.com/article/pti-stories/all-big-anti-naxal-ops-to-be-cleared-by-force-hqs-crpf-dg-115011800092\\_1.html](http://www.business-standard.com/article/pti-stories/all-big-anti-naxal-ops-to-be-cleared-by-force-hqs-crpf-dg-115011800092_1.html)