

# THE WEEK IN REVIEW

February 2 - February 8, 2 (2), 2015

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## I. COUNTRY REVIEWS

### A. South Asia

#### Bangladesh

(February 2-8, 2015)

- **Dhaka denies the entry of a North Korean ship to Chittagong Port; Bangladesh Navy seized around 14 lakh yaba tablets; The Joint Group of Customs held its 10th meeting held in New Delhi; UK expresses concerns; A Pakistani diplomat was withdrawn from Bangladesh; Bangladesh received \$1.23 billion in remittance in January 2015, down 2.05; The land ministry of Bangladesh signed an agreement with an Indian IT firm.**

Dhaka denied the entry of a North Korean ship to Chittagong Port as the UN Security Council had imposed embargo on the ship's owning company for carrying prohibited arms over a year ago. The Panama flag-carrying cargo vessel MV ZHONG DE1, IMO No. 8715493, was actually owned by Ocean Maritime Management Company Ltd (OMM) of North Korea. The UN Security Council included the OMM on its sanctions list on July 28, 2014 as it played a key role in arranging the shipment of concealed cargo of arms and related materials from Cuba to the Democratic People's Republic of Korea (DPRK) in July 2013. Dhaka as a member of the UN has decided not to allow the DPRK cargo vessel to enter its territory although the ship was carrying cement clinkers from Vietnam.<sup>1</sup>

Bangladesh Navy seized around 14 lakh yaba tablets at the outer anchorage of Chittagong port on February 5. A team of the navy's anti-smuggling cell in a drive found the pills worth around Tk 77 crore inside a fishing trawler. In another incident, Border Guard Bangladesh members seized around 70,000 yaba pills from the Naf river at Leda in Teknaf. According to Lt Co Abu Zar AL Jahid, commanding officer of 42 BGB Battalion the tablets worth around 2.10 crore were recovered from a boat.<sup>2</sup>

Dhaka and New Delhi on February 5, 2015 agreed to improve infrastructure and install testing and warehouse services in all the 16 land ports along the borders of the two countries. The Joint Group of Customs took the decision to bolster bilateral trade, during its 10th meeting held in New Delhi. Also, India and Bangladesh will now share intelligence information to prevent smuggling of goods and narcotics/psychotropic drugs, the foreign ministry said in a statement. The countries also decided on steps to minimise administrative complexities and operational barriers for quicker clearance of goods through the land ports.<sup>3</sup>

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<sup>1</sup> "N Korean Ship Denied Entry", *The Daily Star*, February 7, 2015 at <http://www.thedailystar.net/n-korean-ship-denied-entry-63643>.

<sup>2</sup> "14 Lakh Yaba Tablets Seized At Ctg Port", *The Daily Star*, February 6, 2015 at <http://www.thedailystar.net/14-lakh-yaba-tablets-seized-at-ctg-port-63516>.

<sup>3</sup> "Bangladesh and India to Improve Infrastructure at Land Ports", *The Daily Star*, February 6, 2015 at <http://www.thedailystar.net/bangladesh-and-india-to-improve-infrastructure-at-land-ports-63438>.

Expressing sorrow over the death of innocent people in the blockade violence, the UK on February 5, called on political parties in Bangladesh to come together and break the cycle of violence and disruption. British High Commissioner to Bangladesh Robert Gibson also urged the government and all political parties to exercise restraint and respect the rule of law.<sup>4</sup>

A Pakistani diplomat was withdrawn from Bangladesh after intelligence dug out his involvement in terror financing and currency forgery racket. Mohammad Mazhar Khan, attaché at the consular section of Pakistan high commission in Dhaka, was also an agent of ISI, according to the Bangladesh foreign ministry officials. Reportedly, he had set up a wide network of producing and distributing fake Indian currency. An intelligence report said Mazhar in collaboration with some colleagues at the high commission used to channel the money earned through his currency scam to Hizb ut-Tahir, Ansarullah Bangla Team and Jamaat-e-Islami.<sup>5</sup>

Bangladesh received \$1.23 billion in remittance in January 2015, down 2.05 percent year-on-year. The figure too is lower than the amount received in December last year, when \$1.27 billion was remitted by migrant workers, according to data from Bangladesh Bank. In the first seven months of the fiscal year, the country received \$8.03 billion in remittance, which is a year-on-year increase of 8.56 percent.<sup>6</sup>

The land ministry of Bangladesh signed an agreement with an Indian IT firm for implementation of Digital Land Management System (DLMS) in seven districts in the country on February 2. The agreement was signed under the Asian Development Bank funded project "Strengthening Governance Management Project", which began in 2011 and was to be finished this year. Ashes Kumar, assistant vice president of the IT firm, signed the agreement on behalf of the company at the land ministry. Sandeep Chakravorty, Indian deputy high commissioner, among others, was present.<sup>7</sup>

## Sri Lanka

(February 2-8, 2015)

- **Sri Lanka celebrates its 67th Independence Day; World leaders send greetings on the occasion; Nisha Biswal visits Sri Lanka; Special Envoy of the Government of China visits Sri Lanka; Sirisena to visit China in March.**

President Maithripala Sirisena said that Sri Lanka remains committed to its policy of Non-Alignment in its foreign relations and looks forward to greater friendship with the world

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<sup>4</sup> "UK Urges Cooperation among Political Parties", *The Daily Star*, February 6, 2015 at <http://www.thedailystar.net/uk-urges-cooperation-among-political-parties-63420>.

<sup>5</sup> "Pakistani Diplomat Withdrawn", *The Daily Star*, February 3, 2015 at <http://www.thedailystar.net/pakistani-diplomat-withdrawn-63000>.

<sup>6</sup> "Remittance Slips In Jan Amid Volatility", *The Daily Star*, February 3, 2015 at <http://www.thedailystar.net/remittance-slips-in-jan-amid-volatility-62920>.

<sup>7</sup> "Land Management System: Indian Firm Gets Work Contract", *The Daily Star*, February 3, 2015 at <http://www.thedailystar.net/indian-firm-gets-work-contract-62980>.

community, and international relations that will support moves for peace, stability, democracy and prosperity. In a message to mark the celebration of Sri Lanka's 67th anniversary of Independence, the President said that the day is of special significance as it sees the launch of a new era of Good Governance in the country.<sup>8</sup>

Queen Elizabeth II, Indian Prime Minister Narendra Modi, and Chinese President Xi Jinping sent a message greeting to Sri Lanka on its 67th Independence Day anniversary.<sup>9</sup>

US Assistant Secretary of State Nisha Biswal made a two day visit in Sri Lanka aimed at establishing ties with the new government which came to power following the January 8 Presidential Elections. During the visit she met Sri Lankan Minister of External affairs Mangala Samaraweera.<sup>10</sup>

The Government says it will closely engage with China and further consolidate the friendly relations between the two countries. In a statement issued by the Foreign Ministry on February 7 at the end of a visit to Sri Lanka by the Special Envoy of the Government of China, Assistant Minister of Foreign Affairs, Liu Jianchao, the Foreign Ministry said that Sri Lanka will look to consolidate friendly relations between the two countries. The statement said that during the February 5 to 7, 2015 visit, the Chinese Special Envoy paid calls on President Maithripala Sirisena and Prime Minister Ranil Wickremesinghe. The visiting dignitary held bilateral talks with Foreign Minister Mangala Samaraweera at the Ministry of Foreign Affairs and also met Finance Minister Ravi Karunanayake. The Foreign Ministry said that the discussions focused on issues of mutual interest covering bilateral political, economic, development cooperation and people-to-people contacts.<sup>11</sup>

President Maithripala Sirisena is scheduled to visit China in March, Health Minister and Cabinet spokesman Dr. Rajitha Senarathne said on February 5, 2015.<sup>12</sup>

## Maldives

(February 2-8, 2015)

- **Minister of Foreign Affairs Dunya Maumoon meets her Indian counterpart; China-Maldives discuss the safety and security of Chinese tourists in the Maldives; President Maumoon**

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<sup>8</sup> "Sri Lanka Still for Non-Alignment", *Colombo Gazette*, February 4, 2015 at <http://colombogazette.com/2015/02/04/sri-lanka-still-for-non-alignment/>.

<sup>9</sup> "Queen Sends Greetings To Lanka", *Colombo Gazette*, February 4, 2015 <http://colombogazette.com/2015/02/04/queen-sends-greetings-to-lanka/>. "Modi assures Sri Lanka on ties", *Colombo Gazette*, February 4, 2015 at <http://colombogazette.com/2015/02/04/modi-assures-sri-lanka-on-ties/>. "China Notes Lanka's Importance", *Colombo Gazette*, February 4, 2015 at <http://colombogazette.com/2015/02/04/china-notes-lankas-importance/>.

<sup>10</sup> "Mangala, Kerry to meet next week", *Colombo Gazette*, February 2, 2015 at <http://colombogazette.com/2015/02/02/mangala-kerry-to-meet-next-week/>.

<sup>11</sup> "Sri Lanka Will Engage with China", *Colombo Gazette*, February 7, 2015 at <http://colombogazette.com/2015/02/07/sri-lanka-will-engage-with-china/>.

<sup>12</sup> "President To Visit China in March", *Colombo Gazette*, February 5, 2015 at <http://colombogazette.com/2015/02/05/president-to-visit-china-in-march/>.

### **Abdul Gayoom participates in the 15th Delhi Sustainable Development Summit; President sends Independence Day felicitations to the Sri Lankan leaders.**

Minister of Foreign Affairs Dunya Maumoon and India's Minister of External Affairs Sushma Swaraj have discussed the agenda for "a likely visit" by the Indian Prime Minister Narendra Modi to the Maldives during the private visit of Dunya Maumoon.<sup>13</sup>

The first convening of the 'Joint Meeting Mechanism' to discuss the safety and security of Chinese tourists in the Maldives was held between Foreign Minister Dunya Maumoon and Chinese Ambassador Wang Fukang. The joint mechanism was agreed under a MoU signed during Chinese President Xi Jinping's official visit to the Maldives in September 2014.<sup>14</sup>

President Maumoon Abdul Gayoom has told the 15th Delhi Sustainable Development Summit that recordings in the Maldives show sea levels rose by 60mm in the last 20 years. Speaking at the summit January 5, Gayoom said that changes to the Maldives' environment in the last 20 years were concerning and far worse than previously estimated, adding that global warming is one of the biggest problems faced by island nations.<sup>15</sup>

President Abdulla Yameen Abdul Gayoom has sent Independence Day felicitations to President Maithripala Sirisena, and Prime Minister Ranil Wickremesinghe of Sri Lanka.<sup>16</sup>

## **B. East Asia**

### **China**

(February 2-8, 2015)

- **China calls for a solution of the Ukraine Crisis; Chinese Army tests the Beidou system; China and South Korea discuss bilateral ties; China upset over possible meeting between Dalai Lama and Barack Obama.**

While discussing the Ukraine issue the Chinese Foreign Ministry spokesperson Hong Lei said on February 6 that, "We hope all parties concerned will seek a peaceful end to the crisis, and reach a lasting solution as soon as possible". This remark was made in response to questions raised by the French President and German Chancellor.<sup>17</sup>

<sup>13</sup> "Maldives and India discusses agenda for a "likely visit" by Indian PM Modi", *Minivan News*, February 17, 2015 at <http://minivannews.com/category/news-in-brief>.

<sup>14</sup> "First Meeting on Chinese Tourist Safety Held", *Minivan News*, February 2, 2015 at <http://minivannews.com/category/news-in-brief/page/5>.

<sup>15</sup> "Maldives' Records Show 60mm Sea-Level Rise In Last 20 Years, Says Gayoom", *Minivan News*, February 5, 2015 at <http://minivannews.com/category/news-in-brief/page/4>.

<sup>16</sup> "President Sends Independence Day Felicitations to the President and Prime Minister of Sri Lanka", *The Presidency, Republic of Maldives*, February 4, 2015 at <http://presidencymaldives.gov.mv/Index.aspx?lid=11&dcid=15300>.

<sup>17</sup> "China Welcomes Efforts To Resolve Ukraine Crisis", *China Daily*, February 6, 2015 at [http://www.chinadaily.com.cn/china/2015-02/06/content\\_19513816.htm](http://www.chinadaily.com.cn/china/2015-02/06/content_19513816.htm), accessed on February 9, 2015

On February 6, the Chinese People's Liberation Army (PLA) concluded a two day drill during which they tested the applicability and functioning of the Chinese developed satellite navigation system, Beidou. As per a news release from the PLA General Staff Headquarters, "Beidou allowed the armies to be more precise in command, weapon firing and logistics and that the technology has been integrated into the PLA's modern command system and weapon platform".<sup>18</sup>

The Chinese State Councillor and Defence Minister Chang Wanquan met with the South Korean President on February 4. During the meeting the South Korean President said that, "South Korea is willing to boost China-South Korea relations and to maintain peace and stability in the Korean Peninsular by implementing the Northeast Asia Peace and Cooperation Initiative".<sup>19</sup>

The Chinese Foreign Ministry Spokesperson Hong Lei said on February 2 that, "China firmly opposes foreign leaders meeting with the Dalai Lama "in any form"". This was in response to the upcoming meeting between the Dalai Lama and the United States President Barack Obama. Hong further asserted that, "Tibet-related issues concern China's core interests and our national sentiment".<sup>20</sup>

## C. Southeast Asia

### ASEAN

(February 2-8, 2015)

- **Interpol Counter-terrorism course for ASEAN countries hosted by Brunei; Defence Minister of Malaysia talks about stronger ASEAN cooperation to tackle militant threat; Malaysia and Indonesia pursues to back a single time zone for ASEAN; Secretary of UNI talks about common Labour standard for ASEAN workers sought by Thailand; Minister for Trade and Industry of Singapore talks about developing a bold ASEAN for post 2015 vision.**

According to Interpol, Sultanate of Brunei hosted counter-terrorism course of Interpol recently<sup>21</sup>. The training course focused on improving counter-terrorism capabilities by using the tools available to Interpol. Representatives from all ASEAN member countries attended this training course. The key areas of focus of the training included the latest developments to INTERPOL's

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<sup>18</sup> "PLA Drill Applies China's Own GPS", *China Daily*, February 6, 2015 at [http://www.chinadaily.com.cn/china/2015-02/06/content\\_19512488.htm](http://www.chinadaily.com.cn/china/2015-02/06/content_19512488.htm), accessed on February 9, 2015

<sup>19</sup> "South Korea, China Vow To Boost Ties", *China Daily*, February 4, 2015 at [http://www.chinadaily.com.cn/world/2015-02/04/content\\_19491650.htm](http://www.chinadaily.com.cn/world/2015-02/04/content_19491650.htm), accessed on February 9, 2015

<sup>20</sup> Mengwei, Chen, "China Opposes Possible Obama, Dalai Lama Meeting", *China Daily*, February 2, 2015 at [http://www.chinadaily.com.cn/world/2015-02/02/content\\_19468667.htm](http://www.chinadaily.com.cn/world/2015-02/02/content_19468667.htm), accessed on February 9, 2015

<sup>21</sup> "Brunei Hosts INTERPOL Counter-Terrorism Course For ASEAN Countries", *Interpol*, February 3 2015 at <http://www.interpol.int/en/News-and-media/News/2015/N2015-010/>

secure global police communications system and encouraging its increased use for searching, adding and integrating information into INTERPOL's nominal databases, to assist frontline officers at border checkpoints and general investigations<sup>22</sup>.

Defence Minister of Malaysia Datuk Seri Hishammuddin Tun Hussein sounded a note of caution by saying stronger cooperation between ASEAN member states crucial to curtail the threat of militancy in the region. He specifically addressed the threat from Islamic State (IS) and said any country could be exposed to their acts of terrorism and brutality. He said, "This (IS threat) is far more serious than political and racial polemic considerations<sup>23</sup>," he told reporters after the launching and introduction of the Malaysian Armed Forces (ATM) football squad for the 2015 season. Asked on Malaysia's preparedness facing the threat from IS, he commented, "The IS influence in Malaysia is still under control and we are committed to safeguarding the country's sovereignty and ensuring security, especially in Sabah, with measures that I had announced before like bringing Hawk fighter jets to Labuan and upgrading the RMAF air base there<sup>24</sup>." He also said, "We practice an open sky policy, low-cost flights and information can travel across the borders, so, it is difficult for us to control the movement of people, money or ideology<sup>25</sup>." Hishammuddin also stressed the importance for the young generation to realize the militancy threat, such as of IS, and to avoid any involvement with the group<sup>26</sup>.

In a joint statement in Kuala Lumpur, the president of Indonesia, Joko Widodo and the Prime Minister of Malaysia announced their support for a common time zone for ASEAN to "enhance the spirit of ASEAN solidarity"<sup>27</sup>. Prime Minister of Malaysia noted the easiness of business that would happen with a common time zone by citing "integration of capital markets in Asean"<sup>28</sup>. President Jokowi also said that Indonesia would, "pursue immediately an agreement on a common time zone as symbolic of Asean unity"<sup>29</sup>.

Christopher Ng, Secretary of Uni Asia and Pacific, a regional federation of labour unions, recently said that Thailand sought to create a common labour standard for all member countries of ASEAN<sup>30</sup>.

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<sup>22</sup> Ibid.

<sup>23</sup> "ASEAN Countries Monitoring Is Threat, Says Hishammuddin", *Malaymail Online*, February 4, 2015 at <http://www.themalaymailonline.com/malaysia/article/asean-countries-monitoring-is-threat-says-hishammuddin>

<sup>24</sup> Ibid.

<sup>25</sup> "Stronger ASEAN Cooperation Capable Of Curtailing Militant Threats More Effectively," *The Sun Daily*, February 7, 2015 at <http://www.thesundaily.my/news/1323007>

<sup>26</sup> Ibid.

<sup>27</sup> "Malaysia, Indonesia To Pursue Single Time Zone For ASEAN", *Channel News Asia*, February 6, 2015 at <http://www.channelnewsasia.com/news/asiapacific/malaysia-indonesia-to/1641214.html>

<sup>28</sup> "Indonesia Backs Common Time Zone For ASEAN", *The Straits Times*, February 7, 2015 at <http://www.straitstimes.com/the-big-story/asia-report/indonesia/story/indonesia-backs-common-time-zone-asean-20150207>

<sup>29</sup> Ibid.

<sup>30</sup> "AEC 2015 | Thailand Seeks Creation Of Common Labour Standards For ASEAN Workers", *InterAkysion.com*, February 8, 2015 at <http://www.interakysion.com/business/104461/aec-2015—thailand-seeks-creation-of-common-labor-standard-for-asean-workers>

He commented that Thailand had invited him and leaders of other groups as well as academicians, and human rights and labour officials of the region to a meeting in Bangkok last December 12, a meeting that was a regional consultation for a law reform for the protection of (ASEAN) workers<sup>31</sup>. The contents of the proposed law include acceptable standards core labour standards specified by ILO and mechanisms for creation of a commission at the ASEAN level. Trade and Industry minister of Singapore, speaking at Philippines-Singapore Business Council Forum said that ASEAN required being held and strong for developing a strong post 2014 vision. He commented, "This will help to enhance Asean's centrality in regional and global architectures<sup>32</sup>." He also commented, "Singapore and the Philippines are also working closely on advancing regional economic integration through initiatives such as the Asean Economic Community (AEC), the Regional Comprehensive Economic Partnership (RCEP) and the Asia Pacific Economic Cooperation (APEC)."<sup>33</sup>

## Southeast Asia

(February 2-8, 2015)

- **Brunei conducts planning conference for ADMM (ASEAN Defence Ministers meeting) maritime security and counter-terrorism exercise; Cambodia to boost cooperation with Qatar; Prime minister of East Timor accepts resignation; Indonesian president visits Malaysia, Brunei and Philippines, Laos to seek clearance for international railway project; Sacked Airman of Malaysian Airforce bid for judicial review rejected by Armed Forces; India-Myanmar joint border committee meet; Philippines seek strategic alliance with Vietnam; Defence minister of Singapore reaffirms bilateral ties with France, Germany, Italy and UK; Thailand agrees to boost military ties with China; Vietnam visited by USARPAC(US Army in Pacific) Commanding General.**

Brunei conducted the Initial Planning Conference (IPC) for ADMM (ASEAN Defence Ministers meeting) maritime security and counter-terrorism exercise last week, an exercise which would begin in 2016. The IPC was co-chaired by Colonel (U) Haji Hamzah bin Haji Sahat, Joint Force Commander, Royal Brunei Armed Forces, and Brigadier General Tan Kok Ming Desmond, Director Joint Operations, Singapore Armed Forces and was also attended by representatives from ADMM-Plus Member States and ASEAN Secretariat<sup>34</sup>.

Cambodian and Qatar officials met on February 7 to discuss possibility of promoting bilateral ties and regional cooperation between the two countries. Cambodian Foreign Ministry Secretary

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<sup>31</sup> Ibid.

<sup>32</sup> "ASEAN Must Be Bold In Developing Post 2015 Vision: Lim Hng Kiang", *The Business Times*, February 4, 2014 at <http://www.businesstimes.com.sg/government-economy/asean-must-be-bold-in-developing-post-2015-vision-lim-hng-kiang>

<sup>33</sup> "Singapore, Philippines See Stronger Relations As ASEAN Works Towards Economic Integration: Lim Hng Kiang", *The Straits Times*, February 4, 2015 at <http://www.straitstimes.com/news/business/economy/story/singapore-philippines-see-stronger-relations-asean-works-towards-economy>

<sup>34</sup> "IPC for Maritime Security and Counter Terrorism Exercise", *Ministry of Defence, Brunei Darussalam press release*, February 3, 2015 at <http://www.mindef.gov.bn/Lists/News/DispForm.aspx?ID=3324>

of State Ouch Borith and Mohamed Bin Abdulla Al-Rumaihi, assistant minister for Foreign Affairs of Qatar held the meeting and speaking to reporters after the meeting, Cambodian Foreign Ministry Secretary of State Ouch Borith said, "We agreed to expedite the signing of some bilateral documents, including a memorandum of understanding on political consultations, a deal on higher education cooperation, an economic and trade cooperation agreement, and an investment protection pact."<sup>35</sup>

Xanana Gusmao, Prime Minister of East Timor, who has served both as President and Prime Minister ever since the country gained independence in 2002, has sent his letter of resignation to the President. Speculations have been there since long regarding his stepdown after he started talks with the president about a government overhaul. Spokesman for the government, Taur Matan Ruak said in a statement, " "It is now for the president of the republic to consider and respond to the letter of resignation<sup>36</sup>." President Joko Widodo of Indonesia started his 3 nation trip to Malaysia, Brunei and Philippines. It was his inaugural trip to Malaysia and the issues that were supposed to be discussed during his state visit to Malaysia were treatment of migrant workers, and maritime and land borders and detention of Malaysian people by Indonesian Navy on charges of illegal fishing<sup>37</sup>. After his meeting in Malaysia, he warmly appreciated the gesture shown to him by government of Malaysia and their people and Ambassador of Indonesia to Malaysia, Herman Prayitno commented, "(President Jokowi's) state visit is a success. The president is very satisfied. (The Malaysian) hospitality is very good<sup>38</sup>". Following his visit to Malaysia, he visited Brunei Darussalam where he, along with the Sultan of Brunei, pledged to create bolster economic ties and to create "solid, balanced and sustainable<sup>39</sup>" trade. President Widodo said, "I'm sure there are many investment opportunities in both directions that are mutually beneficial to our countries<sup>40</sup>."

On February 8, the president started his first time ever visit to Philippines for three days. The Philippines Government said in their official statement, "In the spirit of ASEAN solidarity, it is tradition on the part of a new head of state to immediately conduct introductory visits to fellow ASEAN Member States"<sup>41</sup>. On his meeting with President Aquino, he is expected to discuss mutual

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<sup>35</sup> "Cambodia, Qatar Set To Boost Bilateral Ties, Regional Cooperation", *Globalpost.com*, February 8, 2015 at <http://www.globalpost.com/dispatch/news/xinhua-news-agency/150207/cambodia-qatar-set-boost-bilateral-ties-regional-cooperation>

<sup>36</sup> "East Timor PM Xanana Gusmao Submits Letter Of Resignation, Government Says", *ABC.NET.AU*, February 6, 2015 at <http://www.abc.net.au/news/2015-02-06/east-timor-pm-xanana-gusmao-submits-resignation-letter/6076290>

<sup>37</sup> "Indonesian President To Make Maiden Visit To Malaysia", *Channel News Asia*, February 4, 2015 at <http://www.channelnewsasia.com/news/asiapacific/indonesian-president-to/1637330.html>

<sup>38</sup> "Jokowi Happy With Malaysian Visit, Says Envoy-Bernamea," *The Malaysian Insider*, February 7, 2015 at <http://www.themalaysianinsider.com/malaysia/article/jokowi-happy-with-malaysian-visit-says-indonesian-envoy-bernama>

<sup>39</sup> "Brunei, Indonesia Vow To Boost Economic Ties", *ASIAONE*, February 8, 2015 at <http://news.asiaone.com/news/asia/brunei-indonesia-vow-boost-economic-ties>

<sup>40</sup> Ibid.

<sup>41</sup> "Indonesian President Joko Widodo To Undertake State Visit To PH", *Philippine Information Agency*, February 8 2015 at <http://news.pia.gov.ph/article/view/1781423302051/indonesian-president-joko-widodo-to-undertake-state-visit-to-ph>

concern, including migrant workers issues, maritime cooperation, defence, trade and investment, and people-to-people exchanges, among others<sup>42</sup>. Laos has sought clarification on the deal between Thailand and China in their project of double track cross country railway project to provide them with the construction details and the project's time frame so they could go ahead with plans to build a dual-track rail route from Vientiane to Kunming in China<sup>43</sup>.

Airman Zaidi of Malaysian Air Force bid to judicial review was rejected by Air Chief Marshal of Royal Malaysian Air Force Major-General Datuk Azizool Arif Abdul Ghani and the office of Attorney General of Malaysia on the grounds that it was academic.<sup>44</sup>

An India-Myanmar regional border committee met at Kalay in Saigong division at headquarters of Special Regional Command<sup>45</sup>. The delegation from India comprised of 16 members who were both from the armed forces and civil institutions. The Public Relations Office Defence Wing said in their press release that the meet provided opportunities for representatives of security forces of both nations to discuss and resolve issues relating to border management, bilateral cooperation and terrorism.

Foreign secretary of Philippines, Albert Del Rosario and Foreign Minister of Vietnam Pham Binh Minh met each other at Manila. Following the meeting, the foreign secretary of Philippines said that Philippines and Vietnam would mull a strategic partnership between them soon<sup>46</sup>. He said to the press, "It is important because we share common concerns in this region especially when it comes to the South China Sea issue<sup>47</sup>." At 51<sup>st</sup> Munich Security Conference<sup>48</sup> on February 8, Republic of Singapore reaffirmed its bilateral ties with Italy, France, Germany and UK.

The defence minister of Singapore met his counterparts from these nations and talked about political and defence cooperation<sup>49</sup>. Defence minister of China, Chang Wangquan visited Thailand from February 5 to February 7. During his visit, Thailand and China mutually agreed to strengthen

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<sup>42</sup> Ibid.

<sup>43</sup> "Laos Seek Rail Project Detail", *Bangkok Post*, February 4, 2015 at <http://www.bangkokpost.com/news/general/465420/laos-seeks-rail-project-detail>

<sup>44</sup> "Zaidi Ahmed's Bid For Judicial Review", *The Star Online*, February 5, 2015 at <http://www.thestar.com.my/News/Nation/2015/02/05/Court-ex-RMAF-Zaidi/>; and, "AGC Objects To Ex-Airman Zaidi's Bid For Judicial Review, Says Overtaken By Events", *Malaymail online*, February 5, 2015 at <http://www.themalaymailonline.com/malaysia/article/ex-airman-zaidi-to-know-fate-of-judicial-review-bid-on-feb-16>

<sup>45</sup> "Indo-Myanmar Regional Border Committee meet", *The Assam Tribune*, February 7, 2015 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=feb0815/oth051>

<sup>46</sup> "Philippines, Vietnam mull Alliance In Face Of Rising China", *Channel Newsasia*, February 3, 2015 at <http://www.channelnewsasia.com/news/asiapacific/philippines-vietnam-mull/1634984.html>

<sup>47</sup> Ibid.

<sup>48</sup> For More Information On Munich Security Conference, at <https://www.securityconference.de/en/press-center/accreditation/>

<sup>49</sup> "Singapore Reaffirms Bilateral Ties with France, Germany, Italy and UK", *Channel NewsAsia*, February 8, 2015 at <http://www.channelnewsasia.com/news/singapore/singapore-reaffirms/1644204.html>

military ties through joint training, technology sharing and discounted arms sales.<sup>50</sup> Vietnam was visited by USARPAC (US Army Pacific) Commanding General, General Vincent Brooks, in his recent trip to the Pacific region, in his effort to strengthen relationships of US with the regional counterparts and in his efforts to rebalance the Pacific<sup>51</sup>.

## D. Russia

### Russia

(February 2-8, 2015)

- **Russia-India-China trilateral meeting takes place in Beijing; Russian and Indian Foreign Ministers discuss bilateral cooperation; Russia and Turkmenistan hold intensive high-level talks; China's Dagong maintains Russia's sovereign credit rating at 'A' and outlook at stable; Russia declares that proposed US weapons supplies to Ukraine threatens its security; Russia says India likely to prioritise Multi-role transport aircraft production; Presidents of Russia and Kazakhstan discuss ways of resolving the Ukrainian crisis; Russia sets up a Business Council for cooperation with North Korea; Russia declares that NATO training centre in Georgia to escalate tensions in the Black Sea region; Moscow concerned by plans to form joint Ukrainian-Polish-Lithuanian military brigade; Belarus and Russia to harmonise anti-crisis plans.**

The Foreign Ministers of Russia, India and China held their 13th meeting in Beijing on February 2, 2015. Some key points raised include, the need to robustly implement relevant UN Security Council resolutions on terrorism and the Global Counter-Terrorism Strategy and conclude negotiations on the Comprehensive Convention on International Terrorism, establish a trilateral consultation mechanism on Asia-Pacific affairs, support India's application to become a full member of SCO, support the political transition in Afghanistan through the presidential elections and security transition, welcome India's participation in APEC, support synergies of various initiatives to improve regional connectivity in Asia and enhance their cooperation in think-tanks, business, agriculture, disaster mitigation and relief, medical services and public health.<sup>52</sup>

Russian Foreign Minister Sergey Lavrov met his Indian counterpart Sushma Swaraj in Beijing on February 2 wherein they discussed 'broader bilateral cooperation in various spheres under the ambit of Druzhba-Dosti joint statement. This document, laying the foundation for strengthening

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<sup>50</sup> "Thailand, China bolster military ties as US Relations splinter", *Bangkok Post*, February 6, 2015 at <http://www.bangkokpost.com/news/security/468332/thailand-china-bolster-military-ties-as-us-relations-splinter>

<sup>51</sup> "USARPAC CG Visits to China, Vietnam and Korea", *Hawaii Army Weekly*, February 4, 2015 at <http://www.hawaiiarmyweekly.com/2015/02/04/u-s-army-pacific-commanding-general-travels-to-china-vietnam-and-korea/>

<sup>52</sup> "Joint Communiqué of the 13th Meeting of the Foreign Ministers of the Russian Federation, the Republic of India and the People's Republic of China", *Ministry of External Affairs, Govt. of India*, February 2, 2015 at [http://mea.gov.in/bilateral-documents.htm?dtl/24751/Joint\\_Communicu\\_of\\_the\\_13th\\_Meeting\\_of\\_the\\_Foreign\\_Ministers\\_of\\_the\\_Russian\\_Federation\\_the\\_Republic\\_of\\_India\\_and\\_the\\_Peoples\\_Republic\\_of\\_China](http://mea.gov.in/bilateral-documents.htm?dtl/24751/Joint_Communicu_of_the_13th_Meeting_of_the_Foreign_Ministers_of_the_Russian_Federation_the_Republic_of_India_and_the_Peoples_Republic_of_China)

India-Russia partnership over the next decade, was signed during the visit of Russian President Vladimir Putin to India in December 2014.<sup>53</sup>

Russian Foreign Minister Sergey Lavrov has held 'intensive' talks with his Turkmen counterpart Rashid Meredov in Ashgabat on February 3. Apart from discussing bilateral political and economic ties, they also talked about international issues and developments in Central Asia, particularly Afghanistan, cooperation within the United Nations and the Organization for Security and Cooperation in Europe (OSCE).<sup>54</sup>

China's leading rating agency Dagong's President Guan Jianzhong has said that the agency will keep Russia's sovereign credit rating at stable and assigned an A rating to it. The agency has also assigned an 'AAA' long-term credit rating to Gazprom.<sup>55</sup>

Russian Foreign Ministry's spokesman, Alexander Lukashevich has said that the proposed US weapons sale to Ukraine threatens Russia's national security. Mr. Lukashevich was quoted as saying 'we are very seriously concerned by these plans, taking into account the revanchist plans of the "party of war" in Kiev, this could not only escalate the conflict in the south-east, but also threaten the security of Russia, the territory of which has been shelled several times from the Ukrainian side...this decision could significantly damage the Russian-US relations'.<sup>56</sup>

*Itar-Tass* has quoted a spokesperson of India's Defence Ministry who stated that New Delhi has cancelled its international tender on medium-lift military transport aircraft and will instead focus on the Multi-Role Transport Aircraft (MTA) being designed and manufactured jointly by India and Russia. The agreement on developing the MTA with a 20-ton payload for the Air Forces of the two countries was signed in September 2010. Both countries will invest US\$ 300 million each in the project with India planning to acquire 45 aircraft and Russia around 100. MTA will have 2 turbofan engines, maximum take-off weight of 65 tons and cruising speed of the aircraft is 800 km/h.<sup>57</sup>

Russian President Vladimir Putin and his Kazakhstan counterpart Nursultan Nazarbayev have discussed, over telephone on February 9, 'possible ways of resolving the crisis situation in south-eastern Ukraine.' They also focussed on the Eurasian Economic Union.<sup>58</sup>

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<sup>53</sup> "Russian, Indian Foreign Ministers Discuss Broader Bilateral Cooperation", *Itar-Tass*, February 2, 2015 at <http://tass.ru/en/russia/774804>

<sup>54</sup> "Russia, Turkmenistan hold Intensive High-Level Talks — Lavrov", *Itar-Tass*, February 3, 2015 at <http://tass.ru/en/russia/775228>

<sup>55</sup> "China's Dagong Maintains Russia's Sovereign Credit Rating At 'A', Outlook Stable", *Itar-Tass*, February 2, 2015 at <http://tass.ru/en/economy/774784>

<sup>56</sup> "Possible US Arms Supplies To Ukraine Threaten Russia's Security — Foreign Ministry", *Itar-Tass*, February 5, 2015 at <http://tass.ru/en/russia/775655>

<sup>57</sup> "India Chooses Multi-Role Transport Aircraft Produced Jointly With Russia, Cancels Tender", *Itar-Tass*, February 6, 2015 at <http://tass.ru/en/economy/775852>

<sup>58</sup> "Presidents of Russia and Kazakhstan Discuss Ways Of Resolving Ukraine Crisis — Kremlin", *Itar-Tass*, February 9, 2015 at <http://tass.ru/en/russia/776390>

Russia has set up a Business Council for cooperation with North Korea to ensure comfortable interaction between the business communities of both countries.<sup>59</sup>

Russia's representative at NATO Alexander Grushko has said, on February 6 in Brussels, that NATO's plan of setting up a training centre in Georgia will be seen as a provocation by Russia and lead to escalation of tensions in the Black Sea region.<sup>60</sup>

Russian Foreign Ministry's spokesman Alexander Lukashevich has said in Moscow on February 5 that Russia is concerned by the reports of creation of a multinational brigade consisting of units of Lithuanian, Polish and Ukrainian armies. The defence ministers of Poland, Ukraine and Lithuania had in September 2014 signed an agreement on the establishment of a military brigade "for participation in peacekeeping operations and strengthening regional cooperation."<sup>61</sup>

Belarusian Prime Minister Andrey Kobyako has said in Gorky on February 5 that the governments of Belarus and Russia intend to 'harmonize their anti-crisis plans aimed at halting negative trends in their national economies.'<sup>62</sup>

(February 2-8, 2015)

- **Libya interested in military-technical cooperation with Russia; Russian Air Force to receive fifth-generation fighters in 2016; Share of oil and gas revenues in Russian budget to decline by 5 per cent in 20 years; Russia's rearmament plans in danger over price hikes; MICEX index reaches highest point since July 2011; Russia to destroy over 2,800 tonnes of chemical weapons in 2015; Russia likely to cut exploration funding by 15 per cent in 2015; Topol and Yars ballistic missile launchers put on combat patrol in 6 Russian regions; Russia to develop air-space electronic warfare system by 2017; Russia to prioritize economic projects in the Far East in 2015; Moscow to launch Pacific coal export port construction in 2015; Russia develops unified testing centre for missile defence systems.**

The special envoy of Libya's Council of Deputies chairman Mohamed Abdelaziz, during his visit to Moscow on February 6, has said that Libya is interested in military and technical cooperation with Russia. He referred to the forty years of military-technical cooperation between the two countries and the need to create a modern Libyan army.<sup>63</sup>

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<sup>59</sup> "Russia Sets Up Business Council For North Korea Cooperation", *Itar-Tass*, February 9, 2015 at <http://tass.ru/en/economy/775411>

<sup>60</sup> "NATO Training Center In Georgia To Escalate Tension In Black Sea Region — Russian Diplomat", *Itar-Tass*, February 5, 2015 at <http://tass.ru/en/world/775820>

<sup>61</sup> "Moscow Concerned By Plans To Form Joint Ukrainian-Polish-Lithuanian Military Brigade", *Itar-Tass*, February 5, 2015 at <http://tass.ru/en/world/775671>

<sup>62</sup> "Belarus, Russia To Harmonize Anti-Crisis Plans — Belarusian Premier", *Itar-Tass*, February 5, 2015 at <http://tass.ru/en/economy/775738>

<sup>63</sup> "Libya Interested In Military-Technical Cooperation With Russia", *Itar-Tass*, February 5, 2015 at <http://tass.ru/en/world/775753>

Russia's United Aircraft Corporation (UAC) has announced that it will start delivering Sukhoi PAK FA T-50 fifth-generation fighters to the Russian Air Force from 2016 onwards.<sup>64</sup>

Energy Minister Alexander Novak has said on February 6 that the share of oil and gas revenues in the Russian budget will drop from the current 52 per cent to 45-47 per cent by 2035. The focus instead will be on intensively promoting domestic manufacturing including high-technology products.<sup>65</sup>

Deputy Prime Minister Dmitry Rogozin has said on February 8 that 'price hikes for 2nd- and 3rd-tier cooperation products may cause a slump in the profitability of Russia's defence enterprises and endanger the country's rearmament plans.' He called for strict price restraining measures.<sup>66</sup>

Russia's MICEX index rose by 1.8 per cent to 1726.39 points at the opening of trade on the Moscow stock exchange on February 6 and thereby scaled its highest point since July 2011. The rise has been attributed to the firming up of prices of the Brent crude.<sup>67</sup>

The head of the federal agency for safe storage and destruction of chemical weapons Colonel General Valery Kapashin has said on February 5 that Russia will destroy more than 2,800 tonnes of chemical weapons in 2015. He stated that by late 2014, Russia had eliminated 84.7 per cent of its stockpiles of chemical weapons; the figure is expected to rise to 91.2 per cent by December 2015 bringing the total amount of destroyed toxic chemical matters to 36,500 tonnes.<sup>68</sup>

Minister of Natural Resources Sergey Donskoy has said, on February 5, that Russian government's funding of exploration within in Russia is likely see a 15 per cent cut in 2015 due to 'lowered budget financing, complex foreign economic conditions and an adverse situation in mineral resources market'.<sup>69</sup>

Defence Ministry spokesman for Strategic Missile Forces (RVSN) Colonel Igor Yegorov has said in Moscow on February 4 that the Topol and Yars mobile ballistic missile launchers have been put on combat patrol mission in Tver, Ivanovo, Kirov, Irkutsk regions as well as in Altai Territory and Mari El republic.<sup>70</sup>

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<sup>64</sup> "Russian Air Force To Receive Fifth-Generation Fighters In 2016 As Scheduled — Company", *Itar-Tass*, February 2, 2015 at <http://tass.ru/en/russia/774826>

<sup>65</sup> "Share of Oil And Gas Revenues In Russian Budget To Decline By 5% In 20 Years — Minister", *Itar-Tass*, February 6, 2015 at <http://tass.ru/en/economy/775919>

<sup>66</sup> "Russia's Rearmament Plans In Danger Over Price Hikes — Deputy PM", *Itar-Tass*, February 8, 2015 at <http://tass.ru/en/russia/776412>

<sup>67</sup> "Russia's MICEX Index Reaches Highest Point Since July 2011", *Itar-Tass*, February 8, 2015 at <http://tass.ru/en/economy/775833>

<sup>68</sup> "Russia To Destroy Over 2,800 Tonnes Of Chemical Weapons This Year", *Itar-Tass*, February 5, 2015 at <http://tass.ru/en/russia/775796>

<sup>69</sup> "Russia Can Cut Exploration Funding By 15% In 2015 — Minister", *Itar-Tass*, February 5, 2015 at <http://tass.ru/en/economy/775574>

<sup>70</sup> "Topol, Yars Ballistic Missile Launchers On Combat Patrol In 6 Russian Regions", *Itar-Tass*, February 4, 2015 at <http://tass.ru/en/russia/775419>

Russia's KRET radio-electronic corporation (an affiliate of Rostec) will develop an air-and-space-based electronic warfare system by 2017 at a cost of US\$ 35 million.<sup>71</sup>

Deputy Prime Minister and Presidential Envoy to the Far Eastern Federal District Yury Trutnev has said in Vladivostok on February 2 that the Russian government will start implementing economic projects in the country's Far East in 2015. He stated that the region will enjoy tax incentives in order to attract foreign investors in power engineering, ship-building and infrastructure development sectors.<sup>72</sup>

The construction of a 36 billion-ruble (US\$ 545 million) coal export port facility in the Primorye Territory on Russia's Pacific coast will begin in 2015. The facility called the Sever (North) terminal will be built at Cape Petrovsky near the port of Vostochny in Nakhodka and will be focused on coal exports to countries of the Asia-Pacific region. It is designed to reload up to 20 million tons of coal annually.<sup>73</sup>

A testing facility for assessing the performance of anti-aircraft and missile defence systems (primarily S-350, S-400, S-500 and BUK, OSA, TOR systems) has been opened in St. Petersburg. The centre will reduce the number of claims for sold products and simulate advanced systems for particular climatic conditions.<sup>74</sup>

## E. Iran, Iraq, Syria and the Gulf

### Iran

(February 2-8, 2015)

- **Khamenei says, "No nuclear deal better than bad deal"; Bibi faces boycott from Democrats and Obama administration over Iran Speech.**

During an address to Islamic Republic of Iran Air Force commanders, Ayatollah Khamenei said Iran agrees with the US on that no deal between Tehran and the P5+1 is better than a bad deal, which would bring about the humiliation of the grand Iranian nation. The Supreme Leader said he does not agree to a talks' procedure based on which the two sides would initially reach a general nuclear agreement within a certain timeframe and confirm the details at a later stage.

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<sup>71</sup> "Russian Company To Develop Air-Space Electronic Warfare System By 2017", *Itar-Tass*, February 3, 2015 at <http://tass.ru/en/russia/775095>

<sup>72</sup> "Russia To Launch Economic Projects In Far East In 2015 — Presidential Envoy", *Itar-Tass*, February 3, 2015 at <http://tass.ru/en/economy/774813>

<sup>73</sup> "Russia To Launch Pacific Coal Export Port Construction This Year", *Itar-Tass*, February 4, 2015 at <http://tass.ru/en/economy/775363>

<sup>74</sup> "Russia Develops Unified Testing Centre For Missile Defence Systems", *Russia and India Report*, February 6, 2015 at [http://in.rbth.com/economics/2015/02/06/russia\\_develops\\_unified\\_testing\\_centre\\_for\\_missile\\_defence\\_systems\\_41229.html](http://in.rbth.com/economics/2015/02/06/russia_develops_unified_testing_centre_for_missile_defence_systems_41229.html)

Ayatollah Khamenei stressed that the general points and technical details of any agreement need to be agreed upon simultaneously.<sup>75</sup>

As the president of the Senate, Biden is supposed to sit beside House Speaker John Boehner behind the podium for addresses by foreign leaders but his office has announced that he would not be attending the Netanyahu's speech. Dozens of Democratic lawmakers have planned to boycott Netanyahu's speech on March 3 to protest Boehner's decision to invite the Israeli leader without consulting with the White House., President Barack Obama would also not meet Netanyahu during his trip to Washington, according to the White House.<sup>76</sup>

## Iraq and Syria

(February 2-8, 2015)

- **Jordanian pilot held by ISIS burned to death; WFP concerned over ISIS rebranding of UN supplied food aid; U.N. says ISIS putting price tags on Iraqi children, selling them as slaves.**

Lt. Muath al-Kaseasbeh has been brutally burned to death after immense efforts to save his life. He fell into the hands of the militants in December when his Jordanian F-16 crashed near Raqqa, Syria, the de facto capital of the group's self-styled caliphate. He was the first pilot from the US-led coalition to be captured. Following militant demands, Jordan's government had said it was willing to trade Sajida al-Rishawi, an Al-Qaeda prisoner, for the pilot, but that it wanted proof of life first. After a day, the video showing burning the pilot in a cage was released by ISIS affiliated Al-Furqan media.<sup>77</sup>

Photographs circulated on websites affiliated with the Islamic State of Iraq and Syria (ISIS) show the militant group handing out food from aid packages that seem to bear the United Nation's World Food Programme (WFP) logo. In posts on channels supportive of the group, the aid is described as "zakat," or almsgiving to the poor. The WFP, in partnership local aid organizations, provided monthly food assistance to almost three million Syrians until December 2014, when it halted its programme due to lack of funds.<sup>78</sup>

ISIS has stepped up the use of children in its bloody campaign of terror, the United Nations says subjecting them to horrors that include putting price tags on them to sell as slaves. Renate Winter, an expert with the U.N. Committee on the Rights of the Child said, "We have had reports of children, especially children that are mentally challenged, who have been used as suicide bombers,

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<sup>75</sup> "No Nuclear Deal Better Than Bad Deal: Leader" , *Presstv* , February 8, 2015 <http://www.presstv.ir/Detail/2015/02/08/396676/No-Ndeal-better-than-any-deal-Leader>

<sup>76</sup> "Biden Refuses To Attend Netanyahu's Iran Speech at Congress" , *Presstv* , February 6, 2015 <http://www.presstv.ir/Detail/2015/02/06/396483/Biden-not-to-attend-Netanyahus-speech>

<sup>77</sup> "Purported ISIS video shows Jordan pilot burned to death" , *Ashraq Al-Wasat* , February 3, 2015 <http://www.aawsat.net/2015/02/article55341117>

<sup>78</sup> "Photos Suggest ISIS Rebranding U.N. Food Aid" , *Alarabia* , February 2, 2015 <http://english.alarabiya.net/en/perspective/analysis/2015/02/02/Photos-suggest-ISIS-rebranding-U-N-humanitarian-aid-.html>

most probably without them even understanding what has happened or what they have to expect".<sup>79</sup>

## The Gulf

(February 2-8, 2015)

- **Al-Qaeda operative Moussaoui claims Saudi royals 'funded 9/11 attacks'.**

Moussaoui, imprisoned in Colorado for his role in the attacks, gave testimony to lawyers for 9/11 victims suing the country, mentioned that Saudi Royal family helped fund 9/11 attacks. In a rare interview for an inmate at a high security "supermax" prison, Moussaoui said "extremely famous" Saudi officials, including Prince Turki al-Faisal Al Saud, a former Saudi intelligence chief, were funding al-Qaeda from the late 1990s. He also claimed to have met a Saudi official in Afghanistan who worked in the US embassy.<sup>80</sup>

## F. The United State of America

### National

(February 2-8, 2015)

- **US New National Security Strategy reflects changed world; Obama to court Asian leaders while grappling with security crises; Deputy Secretary Work: FY 16 budget request targets modernization efforts; Defence Department's leaders: resources key for national security strategy; Stratcom Chief: U.S. must maintain space dominance; Defence Department official shares DOD's technology goals with industry; Adm. Greenert: science, technology put navy on bow wave of innovation; Carter pledges to help resolve DoD budget issues; director of the defence intelligence agency says worldwide threat scope, complexity on the rise.**

For the first time in almost five years, the White House has released a new National Security Strategy on February 6 that makes the case for American leadership in a world in which terrorist threats and Great Power politics share equal billing as national security threats. The new strategy comes as the Obama administration enters the final two years of its stewardship and prepares to hand off its foreign policy legacy to the next Democratic nominee for president.<sup>81</sup>

Meanwhile, National Security Adviser Susan Rice, outlining the president's 2015 National Security Strategy on February 6, announced Mr. Obama will host Prime Minister Shinzo Abe and Chinese

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<sup>79</sup> "ISIS Putting Price Tags On Iraqi Children, Selling Them As Slaves, U.N. Says" , *CNN News*, February 6, 2015 <http://edition.cnn.com/2015/02/06/world/isis-children-torture/>

<sup>80</sup> "Moussaoui Claims Saudi Royals 'Funded 9/11 Attacks" , *BBC News*, February 4, 2015 Moussaoui claims Saudi royals 'funded 9/11 attacks ,BBC 4<sup>th</sup> Feb 2015 <http://www.bbc.com/news/world-us-canada-31134936>

<sup>81</sup> McLeary, Paul, "US Security Strategy Reflects Changed World", *Defence News*, February 7, 2015 at <http://www.defensenews.com/story/defense/policy-budget/policy/2015/02/05/obama-strategy-russia-china-islamic-state-nss/22915347/>

President Xi Jinping for state visits this year. Those moves are designed to demonstrate Mr. Obama's attempt to use his final two years in office to accomplish more on foreign policy than simply responding to crises, such as the threat of the Islamic State extremist group and Russia's intervention in Ukraine. "With this national security strategy we stake out a much larger role for America in shaping the world," Ms. Rice said in a speech at the Brookings Institution. "We are committed to seizing the future that lies beyond the crisis of the day." Ms. Rice described the strategy as "a blueprint for what we intend to get done over the next two years." In particular, she pointed to the U.S. rebalance in Asia that focuses on strengthening relations with China while paying close attention to smaller nations in the region. She cited climate change and cybersecurity, as well as poverty and the spread of disease such as Ebola, as policies Mr. Obama wants to make progress on as part of his legacy.<sup>82</sup>

President Barack Obama's fiscal year 2016 budget request for the Defence Department is strategy-driven and resource-informed, and will meet the United States' 21st century national security needs, Deputy Defence Secretary Bob Work said on February 2. The surest way to guarantee the opposite — a resource-driven, strategy-deprived budget — is to allow sequestration to return to full strength in 2016 as is mandated by law, Work told reporters during a news briefing announcing the budget request. Accordingly, he said, the requested budget is above the sequestration caps. The department's request for FY 2016 is \$534 billion, he said, \$36 billion above FY 2016 sequestration caps. In addition to the base budget, DoD is requesting \$51 billion in overseas contingency funds to support the drawdown in Afghanistan and continue forward operations in the U.S. Central Command area of responsibility.<sup>83</sup>

Praising President Barack Obama's 2015 National Security Strategy for recognizing the challenges the nation faces, the Defence Department's top civilian and military leaders on February 6 stressed the need for an end to scheduled sequestration spending cuts to allow the military to do its part in implementing the strategy. White House officials released the strategy, known as the NSS, on February 6. "President Obama's 2015 National Security Strategy provides a comprehensive blueprint for defending and advancing America's interests at home and around the world," Defence Secretary Chuck Hagel said in a statement. "It is clear-eyed about our nation's challenges as well as our strategic opportunities. The strategy makes clear that a strong military is the bedrock of U.S. national security, Hagel said, adding that the Defence Department stands ready to help in its execution.<sup>84</sup>

The space domain is changing, and the U.S. military must remain ahead of these changes to maintain the nation's military dominance, the commander of U.S. Strategic Command said in Washington on February 6. Navy Adm. Cecil D. Haney spoke at a Peter Huessy Breakfast Series seminar sponsored by the Air Force Association, the Reserve Officers Association and the National Defence

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<sup>82</sup> Lee, Carole, E, "Obama to Court Asian Leaders While Grappling With Security Crises", *The Wall Street Journal*, February 6, 2015 at <http://www.wsj.com/articles/obama-to-court-asian-leaders-while-grappling-with-security-crises-1423254588>

<sup>83</sup> Roulo, Claudette, "Work: FY 16 Budget Request Targets Modernization Efforts", *DoD News*, February 2, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128096>

<sup>84</sup> "Leaders: Resources Key for National Security Strategy", *DoD News*, February 6, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128127>

Industrial Association. The playing field in space is changing, and not always to the advantage of nations that are peaceful and have democratic governments, Haney said. "Today, our nation is dealing with a global security environment that is more complex, dynamic and volatile than at any time in our history," he added. The security environment features multiple actors operating across all domains. Many actors challenge U.S. democratic values in many ways, the admiral said.<sup>85</sup>

The assistant secretary of defence for acquisition laid out the Defence Department's areas of emphasis and goals for technology for an audience of industry and government officials in Washington on February 4 at the Naval Future Force Science and Technology Expo. Because DoD faces budget and investment pipeline challenges, Katrina G. McFarland said, industry and government leaders should think about what they can do to contribute to offset the challenges of what she called "the three nots." "Technological superiority is not assured, [research and development] is not a variable cost, and time is not recoverable," McFarland said.<sup>86</sup>

It wasn't long ago that unmanned vehicles such as aerial drones were the stuff of science fiction, and now they're turning up under the Christmas tree, Navy Adm. Jonathan W. Greenert said on February 4. Delivering the keynote address at the Naval Future Force Science and Technology Expo, Greenert, the chief of naval operations, warned of the erosion of the nation's technological lead. Until recently, satellite communications and imagery were accessible only to a very few, he said. Satellites were expensive and required infrared cameras, the admiral said. Now, the technology is available commercially, and it's cheap, Greenert noted. The result is that some of the United States' long-standing technological advantages are starting to be challenged, he said. The department recognizes this situation, the admiral said, and Defence Secretary Chuck Hagel recently called for innovations to support the department's new offset strategy.<sup>87</sup>

President Barack Obama's defence secretary nominee on February 4 pledged to protect the nation and its allies in a turbulent world and to work with Congress to find a way through defence budget turmoil and the looming spending cuts of sequestration. Ash Carter, who served as deputy secretary of defence from October 2011 to December 2013 and was the Pentagon's acquisition chief before that, told members of the Senate Armed Services Committee considering his nomination that he very much hopes to find a way with them out of the "wilderness of sequester." Sequestration spending cuts are scheduled to take effect in 2016 unless Congress changes current budget law. Carter said that if he is confirmed as defence secretary, his responsibilities will be to protect America and its friends and allies in a turbulent and dangerous world.<sup>88</sup>

Taken in aggregate, recent political, military, social and technological developments have created security challenges more diverse and complex than any the nation has ever experienced, Marine

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<sup>85</sup> Garamone, Jim, "Stratcom Chief: U.S. Must Maintain Space Dominance", *DoD News*, February 6, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128130>

<sup>86</sup> Cronk, Terri Moon, "Official Shares DoD's Technology Goals With Industry", *DoD News*, February 5, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128121>

<sup>87</sup> Roulo, Claudette, "Greenert: Science, Technology Put Navy on Bow Wave of Innovation", *DoD News*, February 4, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128114>

<sup>88</sup> Pellerin, Cheryl, "Carter Pledges to Help Resolve DoD Budget Issues", *DoD News*, February 4, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128113>

Corps Lt. Gen. Vincent R. Stewart, director of the Defence Intelligence Agency, told Congress on February 3. Testifying before the House Armed Services Committee on the subject of worldwide threats, Stewart was joined by Army Lt. Gen. William Mayville, Joint Staff director for operations, and Mark S. Chandler, acting director for intelligence for the Joint Staff. The increasing scope, volatility and complexity of threats are “the new normal,” Stewart said.<sup>89</sup>

## International: Asia

(February 2-8, 2015)

- **Afghan President warns against shifting focus from his country; Senator faults US plan for military exit from Afghanistan; US pledges support for Sri Lanka reforms; U.S., coalition allies continue airstrikes against ISIL; US will look to China, Japan for help against IS; Allies must stay focused on Russia, Biden says in Munich; Defence Secretary Hagel: NATO must continue to change in face of new threats; China suspected in major hacking of US health insurer; China warns US not to meet Dalai Lama; Obama calls Dalai Lama ‘good friend,’ inspiration; North Korea Rules Out Dialogue With ‘Gangster-Like’ US; North Korea rules out dialogue with ‘Gangster-Like’ US.**

Afghanistan’s President Ashraf Ghani urged the international community not to shift focus from his war-torn nation, warning it remains the meeting point of global terrorist networks, including Islamic State. “The threat of this ecology [of terror] is global, but Afghanistan is the meeting ground of this global ecology. Lest we forget this and take our eyes elsewhere there will be consequences,” Ghani told the Munich Security Conference in Germany on February 8. He cautioned that the Islamic State group is quickly moving to a stage in Afghanistan where it is able to organize, orient, decide and take actions. The Afghan leader assured the conference his country is working to deal with internal challenges, including terrorism, but it will need continued global support.<sup>90</sup>

The United States should not make a hasty withdrawal from Afghanistan as it did in Iraq, and instead should keep current troop levels through 2017, a newly elected influential Republican senator said on February 5. In a speech at the U.S. Institute of Peace, Sen. Tom Cotton of Arkansas said the U.S. is safer because of the military effort in Afghanistan, which he called “the heart of U.S. national security strategy.” “We should not make the mistakes of Iraq in Afghanistan. ... We should commit 10,000 troops there through 2017,” Cotton said. Cotton, a former U.S. representative from his state, is a military veteran who served in both Iraq and Afghanistan.<sup>91</sup>

A senior U.S. diplomat pledged support for the new Sri Lankan government’s plans for political and economic reforms, as the two countries try to rebuild relations that had frayed as the previous

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<sup>89</sup> Roulo, Claudette, “Worldwide Threat Scope, Complexity on the Rise”, *DoD News*, February 3, 2015 <http://www.defense.gov/news/newsarticle.aspx?id=128102> at

<sup>90</sup> Gul, Ayaz, “Afghan President Warns Against Shifting Focus From His Country”, *VOA News*, February 08, 2015 at <http://www.voanews.com/content/afghan-president-warns-against-shifting-focus-from-his-country/2633775.html>

<sup>91</sup> Malekzad, Tawab, “Senator Faults US Plan for Military Exit From Afghanistan”, *VOA News*, February 05, 2015 at <http://www.voanews.com/content/senator-faults-plan-military-exit-afghanistan/2630898.html>

administration moved closer to China. On February 2, in the Sri Lankan capital of Colombo, U.S. Assistant Secretary of State Nisha Biswal met with Sri Lanka Foreign Minister Mangala Samaraweera, who repeated a message from his government since its surprise victory January 8. "We want to raise the relationship between our two countries to a new level of cordiality," Samaraweera said. Biswal, the first high-level U.S. diplomat to visit Sri Lanka since the election, said Sri Lanka can count on the U.S. to be a partner and friend "in the way forward."<sup>92</sup>

U.S. and coalition military forces have continued to attack Islamic State of Iraq and the Levant terrorists in Syria and Iraq, Combined Joint Task Force Operation Inherent Resolve officials reported on February 7.<sup>93</sup> Meanwhile, Military leaders representing member states of a combined joint task force to degrade and ultimately destroy the Islamic State of Iraq and the Levant gathered at Camp Arifjan, Kuwait, February 3-4 to discuss the way ahead in Operation Inherent Resolve, task force officials announced on February 8. The U.S.-led coalition was established after ISIL seized control of territory in Iraq and Syria. Coalition forces have launched more than 2,000 airstrikes in Syria and Iraq since the beginning of Operation Inherent Resolve.<sup>94</sup>

In his trip to Asia next week, U.S. Deputy Secretary of State Antony Blinken is expected to discuss with Beijing and Tokyo ways they can help degrade and defeat the Islamic State extremists, a senior State Department official said. Blinken, a former deputy national security adviser to President Barack Obama, is to be received at high levels of government in Beijing, Tokyo and Seoul. The official said that talks in Beijing would focus on the economy, as well as immediate security challenges like North Korea, Iran and the threat posed by violent jihadism, including the Islamic State group.<sup>95</sup>

Europe and the United States tried to bring Russia into the community of nations in a constructive manner, but Russian President Vladimir Putin has other ideas, Vice President Joe Biden said on February 7 in Munich. Russia's actions against Ukraine, its bullying of neighbouring nations and its repression of dissent at home worry U.S. and European leaders, and they must remain focused against the threat, Biden said at the annual Munich Security Conference. "America and Europe are being tested," the vice president said. "President Putin has to understand that as he has changed, so has our focus." Western leaders have moved from resetting relations with Russia to reasserting the fundamental bedrock principles on which European freedom and stability rest, Biden said: inviolate borders, no spheres of influence and the sovereign right to choose alliances.<sup>96</sup>

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<sup>92</sup> "US Pledges Support for Sri Lanka Reforms", *Reuters*, February 02, 2015 at <http://www.voanews.com/content/reu-us-pledges-support-for-new-sri-lanka-government-reforms/2624258.html>

<sup>93</sup> "U.S., Coalition Allies Continue Airstrikes Against ISIL", From a Combined Joint Task Force Operation Inherent Resolve News Release, *DOD News*, February 7, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128133>

<sup>94</sup> "Coalition Military Leaders Discuss Operation Inherent Resolve", From a Combined Joint Task Force Operation Inherent Resolve News Release, *DOD News*, February 8, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128136>

<sup>95</sup> Behn, Sharon, "US Will Look to China, Japan for Help Against IS", *VOA News*, February 5, 2015 at <http://www.voanews.com/content/united-states-china-japan-islamic-state/2630874.html>

<sup>96</sup> Garamone, Jim, "Allies Must Stay Focused on Russia, Biden Says in Munich", *DoD News*, February 8, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128135>

The NATO alliance is transforming to address new threats, and it must continue to do so, Defence Secretary Chuck Hagel said in Brussels on February 5. Hagel is participating in his last defence ministerial meeting at NATO headquarters. The alliance is addressing the Russian threat in the east and the threat of terrorism on NATO's southern flank as well as out-of-area threats, but it must continue its efforts to strengthen, he said. Russia's illegal annexation of Crimea and its continued efforts to destabilize Ukraine have been met with resolve, the secretary said. NATO forces have confronted Russian military aircraft over the Baltic republics and Poland, he noted, and have conducted exercises in all countries of the east to demonstrate the resolve of collective security.<sup>97</sup>

U.S. investigators are trying to determine the cause of a massive cyberattack on the second-largest health insurer in the United States, with suspicions pointing to China as a source of the hacking. The company, Anthem, disclosed this week that hackers had penetrated its database of some 80 million records of employees and current and former customers. Western media citing sources familiar with the investigation are reporting that Chinese hackers may be responsible for the breach. The sources said the cyberattack shows signs of previous attacks blamed on Chinese hackers.<sup>98</sup>

On February 2, China said, it is opposed to any country meeting the Dalai Lama "in any manner," after the White House said U.S. President Barack Obama will attend the National Prayer Breakfast with the Tibetan spiritual leader this week. At a press conference in Beijing, Chinese Foreign Ministry spokesman Hong Lei also called on the United States to handle the matter "in the interest of bilateral relations." The White House announced last week that Obama would deliver remarks at the February 5 prayer breakfast in Washington about the importance of religious freedom. The Dalai Lama is scheduled to attend. The Obama administration, however, has not announced any direct meeting between the two.<sup>99</sup>

Meanwhile, U.S. President Barack Obama on February 5 called the Dalai Lama a "good friend" and an inspiration for freedom. President Obama has praised the Dalai Lama as a man of compassion, ignoring China's protest against any American involvement with the exiled Tibetan spiritual leader. Obama did not meet directly with the Dalai Lama when they each attended the annual National Prayer Breakfast on February 5 in Washington, but they were seated a short distance away from each other and exchanged greetings. Despite the Dalai Lama's insistence that he is only seeking autonomy for Tibet, China views the spiritual leader as a dangerous separatist, and regularly condemns leaders who meet with him.<sup>100</sup>

A senior U.S. diplomat has confirmed that Washington has transferred five fast patrol vessels to

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<sup>97</sup> Garamone, Jim, "Hagel: NATO Must Continue to Change in Face of New Threats", *DoD News*, February 5, 2015 at <http://www.defense.gov/news/newsarticle.aspx?id=128118>

<sup>98</sup> "China Suspected in Major Hacking of US Health Insurer", *VOA News*, February 6, 2015 at <http://www.voanews.com/content/china-suspected-in-major-hacking-of-us-health-insurer/2631449.html>

<sup>99</sup> "China Warns US Not to Meet Dalai Lama", *VOA News*, February 02, 2015 at <http://www.voanews.com/content/china-warns-us-against-meeting-dalai-lama/2624284.html>

<sup>100</sup> "Obama Calls Dalai Lama 'Good Friend,' Inspiration", *VOA News*, February 05, 2015 at <http://www.voanews.com/content/obama-dalai-lama-to-attend-national-prayer-breakfast/2629908.html>

Vietnam as part of a plan to assist the former foe's maritime forces. The assistant secretary of state for political and military affairs, Puneet Talwar, spoke with *Voice of American (VOA)* this week following a visit to Hanoi, where he attended a dialogue on a broad range of issues. "We have been doing a lot of cooperation in terms of supporting the development of Vietnam's Coast Guard," he said. "We are very proud of that work and we hope that it is also appreciated by the Vietnamese counterparts. Yes, we have been providing vessels, and we will continue to do that to help improve Vietnam's Coast Guard's capabilities." The provision of \$18 million and five boats was first announced by Secretary of State John Kerry during his 2013 visit to Vietnam.<sup>101</sup>

North Korea is dismissing the possibility of renewing talks with the United States, which it said is trying to overthrow the communist government in Pyongyang. In a statement on February 3, the National Defence Commission, North Korea's top military body, also threatened retaliatory nuclear and cyberattacks on the U.S. "Now that the gangster-like U.S. imperialists' military strategy towards the DPRK is inching close to the stage of igniting a war of aggression, the just counteraction of the army and people of the DPRK will be focused on inflicting the bitterest disasters upon the United States of America," the statement read. Such inflammatory comments are common in the lead-up to Washington's annual joint military drills with South Korea, which are set to begin in March. Pyongyang says it views the drills as preparation to invade.<sup>102</sup>

## India-US Relations

(February 2-8, 2015)

- **Ashton Carter: Strengthening India-US defence ties top priority; India tries to strengthen US ties without alarming China; After Obama visit, India's Modi plans China trip; India eyes US aircraft carrier technology as arms ties deepen; US primed to unlock potential of ties with India: Barack Obama; India-US relationship greater than ever: Susan Rice; U.S.-India "trading paper" on civil nuclear "breakthrough; Indian Government clarifies civil nuclear deal with US, says no move to amend Liability Act.**

On February 4, President Barack Obama's nominee for Defence Secretary Carter said strengthening defence ties with India and expanding co-production and co-development of military technology would be his top priority. "India and the United States have built a strong strategic partnership. India is an important net provider of security in the region, and a partner on issues ranging from maritime security to humanitarian assistance to broader regional stability," Carter told members of the Senate Armed Services Committee during his confirmation hearing. The past decade has been transformative in the US-India relationship, he said, adding that as a result there has been greater convergence in US-India interests and concerns than ever before, particularly between their rebalance to Asia and India's 'Act East' policy.<sup>103</sup>

<sup>101</sup> Nguyen, Trung, "US Helping Strengthen Vietnamese Coast Guard", *VOA News*, February 05, 2015 at <http://www.voanews.com/content/us-helping-to-strengthen-vietnamese-coast-guard/2630754.html>

<sup>102</sup> "North Korea Rules Out Dialogue With 'Gangster-Like' US", *VOA News*, February 03, 2015 at <http://www.voanews.com/content/north-korea-rules-out-dialogue-with-gangster-like-us/2628065.html>

<sup>103</sup> "Strengthening India-US Defence Ties Top Priority: Ashton Carter", *PTI*, February 4, 2015 at <http://economictimes.indiatimes.com/news/international/world-news/strengthening-india-us-defence-ties-top-priority-ashton-carter/articleshow/46124366.cms>

During President Barack Obama's recent visit to India, he and India's leaders committed to work more closely to promote stability and peace in the Asia Pacific and Indian Ocean regions. But even as New Delhi makes a significant shift in aligning itself with Washington to contain China's growing influence, it also is working to smooth ties with its Asian neighbour. As India Foreign Minister Sushma Swaraj visited Beijing this week, Indian and Chinese leaders struck an optimistic note about growing the relationship between the two nations. Chinese officials backed India's bid for a permanent seat on the U.N. Security Council, as well as an Indian proposal for a resolution in the world body to punish countries that shelter and finance terrorism - widely seen as a measure that could target Pakistan. The visit was seen as an effort to reassure Beijing after India and the United States forged what is being called a new alliance to counter China's growing assertiveness in the region.<sup>104</sup>

Prime Minister Narendra Modi will visit China before his first anniversary in government on May 26, the Foreign Ministry said on February 2, in the latest symbolic move by the nationalist leader to cement India's ties with the world's major powers. The announcement came a week after Modi received U.S. President Barack Obama in New Delhi, promising closer cooperation to maintain free navigation in the South China Sea, deeper defence ties, including work on aircraft carrier technology and more civil nuclear collaboration. During a trip to Beijing over the weekend, Foreign Minister Sushma Swaraj promised "out of the box" ideas to jump-start talks about the disputed territory in the east and west of the Himalayas, according to media reports.<sup>105</sup>

India wants to use state-of-the-art U.S. technology to boost the range and potency of a planned aircraft carrier, defence sources said, in a move that would tie their arms programmes closer together and counter China's military influence in the region. The proposal, referred to only obliquely in a joint statement at the end of President Barack Obama's recent visit to New Delhi, is the clearest signal yet that Washington is ready to help India strengthen its navy. Although the aircraft carrier in question would not be ready for at least another decade, such cooperation could act as a balance against China's expanding presence in the Indian Ocean. It would also represent a shift away from India's traditional reliance on Russian military hardware, particularly if, as some experts expect, it leads to knock-on orders for U.S. aircraft in the longer term.<sup>106</sup>

The US is "primed to unlock" the potential of relations with India as part of its rebalance to Asia and the Pacific, President Barack Obama has said as he unveiled his new national security policy on February 6, days after his historic second trip to India. "Our rebalance to Asia and the Pacific is yielding deeper ties with a more diverse set of allies and partners. When complete, the Trans-Pacific Partnership will generate trade and investment opportunities — and create high-quality jobs at home — across a region that represents more than 40 per cent of global trade," he said. "As the world's largest democracies, we share inherent values and mutual interests that form the cornerstone of our cooperation, particularly in the areas of security, energy, and the environment," it said. "We support India's role as a regional provider of security and its expanded participation

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<sup>104</sup> Pasricha, Anjana, "India Tries to Strengthen US Ties Without Alarming China", *VOA News*, February 04, 2015 at <http://www.voanews.com/content/india-tries-to-strengthen-us-ties-without-alarming-china/2628099.html>

<sup>105</sup> "After Obama Visit, India's Modi Plans China Trip", *Reuters*, February 02, 2015 at <http://www.voanews.com/content/reu-after-obama-visit-india-prime-minister-modi-plans-china-trip/2624390.html>

<sup>106</sup> "India Eyes US Aircraft Carrier Technology as Arms Ties Deepen", *Reuters*, February 04, 2015 at <http://www.voanews.com/content/reu-india-eyes-us-aircraft-carrier-technology-as-arms-ties-deepen/2628587.html>

in critical regional institutions. We see a strategic convergence with India's Act East policy and our continued implementation of the rebalance to Asia and the Pacific," the strategy said.<sup>107</sup>

Meanwhile, the potential of India-US relationship is greater than ever despite some differences and the alliance will deliver economic and security benefits for both the countries and broader region, US National Security Advisor Susan Rice has said. Hours after US President Barack Obama delivered his second national security strategy to the Congress, Rice told a Washington audience that the new bonhomie in India-US ties is neither at the expense of others, nor to balance the power of another country in the region.<sup>108</sup>

U.S. Assistant Secretary for South and Central Asian Affairs, Nisha Desai Biswal shed light on the "breakthrough understanding" in civilian nuclear cooperation, which President Barack Obama reached with Indian Prime Minister Narendra Modi a week ago, describing it as the bilateral understanding that the Indian nuclear liability law was in "alignment" with the Vienna Convention on Supplementary Compensation (CSC). Speaking at a conference on "Overcoming the U.S.-India Divide", organised by the Carnegie Endowment for International Peace, Assistant Secretary Biswal, however, hinted at an ongoing search for greater clarity on the assurances made by the Indian side during Mr. Obama's historic visit as Chief Guest at India's Republic Day celebrations. She said, "We are still in the process of taking what these top-line commitments were and trading paper to be able to find the more detailed understandings," adding, however, that the U.S. resolution of this "lingering challenge" hinged on the convergence between India's 2010 Civil Liability for Nuclear Damage Act (CLND) and the 1963 CSC.<sup>109</sup>

The Indian government on February 8 clarified the sort of understanding reached with US on the civil nuclear deal even as it has maintained that the Civil Liability Act will not be amended because it is at par with the international norms. "India and the United States have reached an understanding on the issues related to civil nuclear liability and finalized the text of the Administrative Arrangement to implement the September 2008 bilateral 123 Agreement," said a statement issued by the Ministry of External Affairs (MEA) on February 8. It stated that the India-US Contact Group on advancing the implementation of civil nuclear energy cooperation met thrice post Modi's visit to US in September 2014. The contact group first met here in New Delhi followed by Vienna and London. During these meetings, an understanding was reached between both countries that India's Civil Liability for Nuclear Damage (CLND) Act is in "compatibility" with Convention on Supplementary Compensation for Nuclear Damage (CSC). India had also proposed the creation of a certain 'India Nuclear Insurance Pool' as a part of the overall risk-management scheme for liability.<sup>110</sup>

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<sup>107</sup> "US Primed To Unlock Potential Of Ties With India: Barack Obama", *PTI*, February 7, 2015 at [http://economictimes.indiatimes.com/news/international/business/us-primed-to-unlock-potential-of-ties-with-india-barack-obama/articleshow/46155350.cms?utm\\_source=FbM&utm\\_medium=ETFbMain&utm\\_campaign=ETFbMain](http://economictimes.indiatimes.com/news/international/business/us-primed-to-unlock-potential-of-ties-with-india-barack-obama/articleshow/46155350.cms?utm_source=FbM&utm_medium=ETFbMain&utm_campaign=ETFbMain)

<sup>108</sup> "India-US Relationship Greater Than Ever: Susan Rice", *PTI*, February 7, 2015 at [http://articles.economictimes.indiatimes.com/2015-02-07/news/58902720\\_1\\_susan-rice-india-us-relationship-national-security-strategy](http://articles.economictimes.indiatimes.com/2015-02-07/news/58902720_1_susan-rice-india-us-relationship-national-security-strategy)

<sup>109</sup> Lakshman, Narayan, "U.S.-India "Trading Paper" On Civil Nuclear "Breakthrough" ", *The Hindu*, February 7, 2015 at <http://www.thehindu.com/news/national/usindia-trading-paper-on-civil-nuclear-breakthrough/article6866742.ece>

<sup>110</sup> Basu, Nayanima, "Govt. Clarifies Civil Nuclear Deal With Us, Says No Move To Amend Liability Act", *Business Standard*, February 8, 2015 at [http://www.business-standard.com/article/economy-policy/govt-clarifies-civil-nuclear-deal-with-us-says-no-move-to-amend-liability-act-115020800206\\_1.html](http://www.business-standard.com/article/economy-policy/govt-clarifies-civil-nuclear-deal-with-us-says-no-move-to-amend-liability-act-115020800206_1.html)

## II. DEFENCE REVIEWS

### National

(February 2-8, 2015)

- **Hindustan Aeronautics Ltd. bags major defence contract for supplying 14 Do-228 aircrafts to the Indian Air Force; Defence minister pulls up Defence Research and Development organization over quality and time overrun.**

Hindustan Aeronautics Ltd (HAL) has bagged a major defence contract for supplying 14 Do-228 aircrafts produced by it to the Indian Air Force. Apart from these aircraft, the contract includes six reserve engines, one flight simulator and associated equipment. The contract is valued at around Rs. 1090 crores. HAL Do-228 aircraft will be manufactured by the Transport Aircraft Division of HAL at Kanpur. The Division has expertise in manufacturing of transport and trainer category of aircraft and has till date manufactured 125 HAL Do-228 aircraft for various defence and other customers. This aircraft has been exported to Seychelles and Mauritius. HAL Do-228 is a highly reliable, multi-purpose, fuel efficient, rugged, light weight twin turboprop aircraft with a retractable tricycle landing gear. The versatility of HAL-DO-228s is due to several in-built features such as highest fuel carrying capacity in its class (2850 litres) due to integral fuel tanks in wings, low structural weight ensured through use of advanced composite materials, high wing design for unobstructed view and radar coverage.<sup>111</sup>

Defence minister Manohar Parrikar has told the Defence Research and Development Organisation (DRDO) that its products were not up to expectations and several key projects undertaken by it were either behind schedule or found to be inadequate when compared with equipment sourced from foreign defence contractors. He has asked the organisation to gear up and develop indigenous products that matched international standards. Parrikar made these observations while interacting with DRDO officials on the side-lines of the launch of the fourth edition of the Bharatiya Vigyan Expo 2015 in Panaji. The minister expressed his unhappiness over the quality of Quadcopter drones produced by it and said, "We must develop unmanned aerial vehicles (UAVs) which can last for more than 28 days." The defence minister added, "Quadcopters take lot of energy, but UAVs consume less energy."<sup>112</sup>

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<sup>111</sup> "HAL Bags Rs. 1090 Crore Contract for Supplying 14 Do-228 Aircraft to IAF," *PIB*, February 05, 2015, at <http://pib.nic.in/newsite/PrintRelease.aspx?relid=115199>

<sup>112</sup> "Manohar Parrikar Pulls Up DRDO Over Quality," *The Times of India*, February 6, 2015, at <http://timesofindia.indiatimes.com/india/Manohar-Parrikar-pulls-up-DRDO-over-quality/articleshow/46139464.cms>

## International

(February 2-8, 2015)

- **NATO set for a major boost to its defences in Eastern Europe; Egypt seeks bank loan to partially finance order for the Rafale fighter jet and other defence contracts.**

Reports say that NATO is set for a major boost to its defences in Eastern Europe. The expansion includes six bases in Eastern Europe and a spearhead force of 5,000 troops. NATO's Secretary General Jens Stoltenberg has said that the increase being approved by defence ministers in Brussels were purely defensive. However, the move is widely seen in the backdrop of Russian aggression in Ukraine. Stoltenberg also said "This is something we do as a response to the aggressive actions we have seen from Russia, violating international law and annexing Crimea."<sup>113</sup>

Meanwhile, according to reports, Egypt is seeking a bank loan to partially finance a prospective order for the Rafale fighter jet, a multi mission frigate and missiles. Egyptian officials have been in discussions with banks to find commercial lending that would allow paying France a 15 percent down payment for the military equipment. France is also very much interested in a deal with Egypt which would enable a speedy export order seen as needed to relieve severe budgetary pressure on France and would also help maintain the domestic defence industrial base. Bank lending for arms purchases is not new, but the Egyptian search for funds is remarkable for the size and the speed in which the loan is sought.<sup>114</sup>

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<sup>113</sup> "NATO To Boost Eastern Defences," *Defence News*, February 5, 2015, at <http://www.defensenews.com/story/defense/international/europe/2015/02/05/nato-to-boost-eastern-defences-after-russian-aggression/22920809/>

<sup>114</sup> "Egypt Seeks Bank Loans for French Arms Buy," *Defence News*, February 6, 2015, at <http://www.defensenews.com/story/defense/policy-budget/industry/2015/02/06/france/22934245/>