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Need for Pro-Active Approach to Regulate Cyberspace

Three cyber issues made their way into the headlines over the past week. The first incident was a malware infection in the IT network of the Kudankulam Power plant which was first reported on social media on 28 October. The coincidental shutdown of one of the plants in the preceding week led to speculation that the two were connected. In its 30 October press release, the Nuclear Power Plant Corporation of India (NPCIL) clarified that the infected personal computer was in use for administrative purposes only, and the control systems of the plant and critical functions were intact. CERT-In is currently investigating the malware incursion along with specialists from the DAE and other agencies. The breach of a critical information infrastructure (CII) is always a cause for concern. It affords the opportunity to review existing security practices and address the lacunae, where found.

The second incident was with regard to the report of details of 1.3 million credit cards issued by Indian banks up for sale on the dark web. These details were believed to have been obtained through card skimmers, installed either on ATMs or PoS systems. The RBI issued an advisory to banks on 29 October advising them to take measures if the data was found to be authentic, including re-issuing of cards and closely monitoring transactions to check for anomalies. The National Payments Corporation of India (NPCI) also held a meeting with banks. Whilst incidents of payment card and ATM fraud are on the increase, it is not adequately captured by the official statistics which show only 911 such incidents in 2017-18 with a cumulative loss to customers of Rs. 21.46 crores (down from Rs. 65.4 crores the preceding year). Part of the reason for this is that the data does not account for losses below Rs.1 lakh.

The third event was precipitated by news that the social media company WhatsApp had sued the Israeli cyber intelligence firm NSO group for using its servers and network infrastructure to send malware to over 1400 target devices with the intent of “conducting surveillance of specific WhatsApp users”. The authorities asked for an explanation from WhatsApp, to which the company responded that CERT-In had been informed in May 2019, followed by other government agencies in September 2019. Cyber intelligence firms have to be regulated, given that cyber surveillance products are largely unregulated. Each of these incidents underlines the urgent need for global co-operation to respond to such events and to pursue a pro-active approach to regulating cyberspace.

US DoD Report on the Implementation of Indo-Pacific Strategy

Coinciding with the Indo-Pacific Business Forum and the East Asia Summit in Bangkok, the US Department of Defence (DoD) released a report on the implementation of whole-of-government strategy for the Indo-Pacific region on 4 November 2019. The document titled “A Free and Open Indo-Pacific: Advancing a Shared Vision” details two years of diplomatic, economic, governance, and security initiatives of the US government in the Indo-Pacific region in strengthening and deepening partnerships with the countries that share its values.

The report asserts that “the US vision for the Indo-Pacific excludes no nation.” The document highlights that ASEAN is central to the US vision for the Indo-Pacific region, and that this vision aligns closely with Japan's Free and Open Indo-Pacific concept, India's Act East Policy, Australia's Indo-Pacific concept, the Republic of Korea's New Southern Policy, and Taiwan's New Southbound Policy.

The document hailed the Quad initiative terming the first ministerial-level meeting of the United States, Australia, India, and Japan in September 2019 as a new milestone for diplomatic engagement in the region.

The document stressed that the inaugural 2+2 Dialogue with India in 2018 significantly enhanced defence and economic cooperation between the two countries and noted that India has purchased more than \$16 billion in US defence platforms, with billions more in the pipeline. Referring to the US-Japan-India Malabar naval exercise, the report said it "demonstrated growing interoperability between our navies."

The language calling out China on SCS is one of the strongest in official US publications. The report states that “PRC maritime claims in the South China Sea, exemplified by the preposterous ‘nine-dash line,’ are unfounded, unlawful, and unreasonable”. The report argues that through repeated provocative actions, Beijing is inhibiting ASEAN members from accessing over \$2.5 trillion in recoverable energy reserves.

The document also criticised Chinese domestic policies and noted that Beijing was intolerant of dissent, aggressively controls media and civil society, and brutally suppresses ethnic and religious minorities. The report asserts that Beijing "exports" such practices to other countries, through its political and economic influence, which undermines the conditions that have promoted stability and prosperity in the Indo-Pacific for decades.

China and Russia Express Concerns on US Withdrawal from INF Treaty

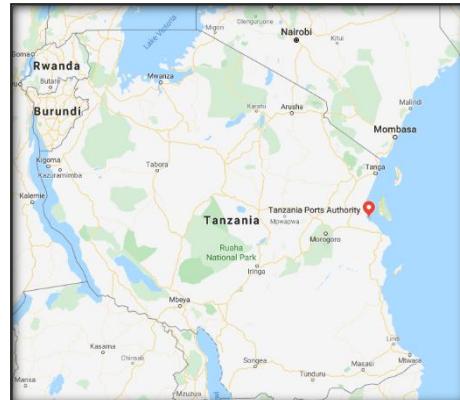
During a press conference on 31 Oct 2019, the Chinese Ministry of Defence Spokesperson Col. Wu Qian accused the US of attempting to gain unilateral military advantages by quitting the Intermediate-Range Nuclear Forces (INF) treaty. He also expressed China's firm opposition to any US move to deploy land-based intermediate-range weapons in the Asia-Pacific region. During the Beijing Xiangshan Forum, Russian Defense Minister Sergei Shoigu affirmed that the real reason for the US to quit the INF treaty was the containment of Russia and China.

The 1987 INF Treaty is an arms control measure between the US and Soviet Union which removed the two superpowers' land-based missiles with a range of 500 km to 5,500 km (310-3,420 miles). The US formally pulled out from the treaty on 2 August 2019 accusing Russia of violating the deal, and test-fired the first previously banned missile on 19 August. The US Defence Secretary Mark Esper stated at the time that he wanted to deploy ground-based missiles in Asia "sooner rather than later" to counter China, 80 per cent of whose missile inventory falls within the INF range.

Increasing Backlash for China's Belt and Road Initiative in East Africa

Six years after the launch of the ambitious Belt and Road Initiative (BRI), China is facing a backlash in Africa as new governments are starting to cancel and renegotiate contracts, given the weight of Chinese debt.

Sierra Leone in October 2018 scrapped plans to build a China-funded \$318 million airport at Mamamah, outside its capital, Freetown. Kenya also cancelled the proposed \$2 billion coal-fired plant which was to be built in Lamu, a historic archipelago and UNESCO heritage site. There have been disputes over other Chinese-funded projects in Africa, including those related to the setting up of a fishmeal factory in Gambia, and the fear of debt-trap and dominance of Chinese contractors in Zambia.



The latest big-ticket Chinese project to get stalled has been the Bagamoyo port in Tanzania. This port project was to come up about 60 km north of the capital Dar-es-Salaam at a total cost of \$10 billion. However, citing ‘tough’ conditions and ‘unfavourable’ demands, the Tanzanian government issued an ultimatum to the China Merchants Holding International to either agree with the Tanzania Ports Authority’s new terms and conditions or warned that the project would go to another bidder. These examples shed light on the harsh realities of predatory

Chinese loans and practices. It is significant to note that Chinese-funded projects are facing an increasing backlash in East African countries, where most of the BRI projects are planned.

Singapore, China Step-Up Defence Cooperation

Singapore and China have signed the Agreement on Defence Exchanges and Security Cooperation (ADESC) on 20 October 2019 in Wuhan. The updated ADESC agreement, which was initially signed in 2008, includes the commitment to hold regular dialogue at the defence ministerial level, a logistics support agreement, the establishment of a bilateral hotline, enhanced academic exchanges among military academies and think tanks and a commitment to maintain high-level representation at forums like the Shangri La Dialogue and the Beijing Xiangshan Forum.

Upswing in US-Taiwan Relations

President Donald Trump's tenure has seen an upswing in US-Taiwan relations. The US Defense Security Cooperation Agency (DSCA) notified the US Congress in August 2019 regarding the sale of 66 F-16 fighter jets to Taiwan, to be delivered by 2026. Taiwan has been lobbying for the jets for many years. The US previously sold 150 F-16 A/B jets to Taiwan way back in 1992. The US has also cleared the sale of 108 M1A2T Abrams main battle tanks (MBT) for Taiwan. In addition, Taiwan has placed its request for the purchase of M109A6 Paladin self-propelled howitzers. Even as the US-Taiwan arms trade is on a strong footing, naval ships of the US and of its allies — France, Canada and the Philippines, have transited through the Taiwan Strait in 2019. China has registered its strong protest against these sailings.

The US Senate passed the Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act with bipartisan backing in October 2019. It was introduced in the US Senate in May 2019. The Act authorizes the US Secretary of State to consider modification of US diplomatic presence in nations that downgrade ties with Taiwan. It further directs the US government to advocate Taiwan's membership in international organizations in which statehood is not required and to speak for Taiwan's observer status in other international organizations. If the Act is passed by the US House of Representatives and signed into law by the US President, it will have far-reaching strategic implications.

Strengthening of the India-Saudi Arabia Partnership

Prime Minister Narendra Modi paid an official visit to Saudi Arabia on 28-29 October 2019. He participated in the third annual Future Investment Initiative Forum, which is an annual investment forum held in Riyadh and delivered the keynote address. Prime Minister Modi met with King Salman and Crown Prince Mohammed bin Salman. India and Saudi Arabia signed 12 MoUs/agreements,

including relating to cooperation in the field of renewable energy, security issues, combating illicit trafficking and smuggling of narcotic drugs, psychotropic substances and chemical precursors and for collaboration in military acquisition, industries, research, development and technology. Both countries established a ‘Strategic Partnership Council’. Saudi Arabia reiterated its commitment towards India’s energy security and has agreed to take part in India’s Strategic Petroleum Reserve. India launched its own digital payment system — the RuPay card, in Saudi Arabia. India and Saudi Arabia also agreed to cooperate to promote maritime security of the waterways in the Indian Ocean and the Gulf region. The first-ever joint naval exercises between the two countries will be conducted in March 2020.

US Special Forces Kill al-Baghdadi

On 26 October 2019, US Special Forces raided a compound in Barisha village of Idlib province in Syria where the ISIS chief Abu Bakr al Baghdadi was hiding. US President Donald Trump stated that Baghdadi was killed in the raid along with several other ISIS fighters. The IS media arm, Al-Furqan, also confirmed the death of Abu Hassan al-Muhajir, Baghdadi’s close-aide. The latter was the ISIS spokesman since 2016 and was expected to be Baghdadi’s successor. The US had placed a bounty of \$25 million on Baghdadi. While his death is a blow to the ISIS in the short-term and an important counterterrorism success, this should not be viewed as a final victory against ISIS.

On 31 October, an ISIS statement named an unidentified ISIS member Abu Ibrahim al Hashemi al Qurayshi (alias ‘The Scholar’) as Baghdadi’s successor and gave him the title ‘Emir of the Believers’ and ‘Khalifah’. At the same time, the ISIS also warned the US against rejoicing over the death of al-Baghdadi and has threatened to exact revenge. The death of Baghdadi is unlikely to stop the outfit’s terrorist activities and it will continue its efforts to expand its reach by attracting new members to its radical ideology.

Russia Deploys S-300PS Missile System near the Afghan Border

The Press Service of the Central Military District, Ministry of Defence of the Russian Federation reported that the Russian military deployed the S-300PS surface-to-air missile system at its 201st Military Base in Tajikistan near the Afghanistan border on 26 October 2019. The main tasks of the system will be to protect the base from aerial attacks. The S-300PS deployment also aims to provide air defence capabilities to the wider Central Asian region. The 201st base, located in Dushanbe and Bokhtar is the largest Russian military facility outside of Russia. According to an October 2012 agreement, Russia will maintain a presence at the base till 2042.

Chinese Military Assistance to Nepal

China pledged military assistance worth NPRs 2.4 billion (\$22 million) to the Nepali Army for humanitarian and disaster relief purposes on 18 October 2019. Defence Minister Ishwar Pokharel signed the agreement in Beijing. China had also provided assistance worth the same amount to the Nepal Army in 2018.