

THE WEEK IN REVIEW

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1. COUNTRY REVIEW

A. SOUTH ASIA

AFGHANISTAN

- **Obama proposes \$1.6 billion civilian assistance for Afghanistan; Adm. Mullen: Violence levels will go up in coming months; Afghanistan expresses concern over Islamic Sharia Peace Deal in northwestern Pakistan; At least 21 dead as earthquake rocks Nangarhar province of eastern Afghanistan; Taliban calls new NATO Chief 'a major enemy of Islam'**

US President Barack Obama, in a supplemental budgetary request, urged Congress to release \$1.6 billion of economic assistance to Afghanistan, which will go towards meeting his commitment of increased civilian aid to the country. Additionally, the Obama administration has requested \$3.6 billion to help man, train, and equip the Afghan National Security Forces (ANSFs), including the Afghan National Army (ANA) and the Afghan National Police Force.¹

US military chief Adm. Michael Mullen meanwhile has warned that violence in Afghanistan is set to rise in the coming months as additional US troops arrive in the country to combat the rising insurgency.²

The Afghan government has expressed concern over the peace deal entered into by the Pakistani authorities with the Taliban to impose Islamic law in northwestern Pakistan. A spokesperson of the office of the Afghan President stated that the deal could threaten Afghanistan's own security and that it could harm the already tense relations between the two neighbors.³

The Taliban on its part, reacting to the appointment of Denmark's Anders Fogh Rasmussen as the new NATO Secretary General, called him a "major enemy of Islam," in an undated article posted on the Taliban's website. Mr. Rasmussen will take charge as NATO Chief in August 2009.⁴

In other developments, Taliban militants attacked a police post in western Afghanistan and killed five policemen.⁵

¹ "Obama proposes \$1.6 billion assistance for Afghanistan," *Pajhwok Afghan News*, April 13, 2009, at <http://www.pajhwok.com/viewstory.asp?lng=eng&id=72690>

² "Afghan unrest will rise in 2009: US military chief," *AFP*, April 15, 2009, at http://www.google.com/hostednews/afp/article/ALeqM5hy_A5uqcfQxf8Hk4FCN5rDpKAICQ

³ "Afghanistan Concerned Over Pakistan Sharia Peace Deal," *VOA News*, April 14, 2009, at <http://www.voanews.com/english/2009-04-14-voa32.cfm>

⁴ "New NATO chief is Islam's 'major enemy' - Taliban," *Reuters*, April 16, 2009, at <http://www.reuters.com/article/asiaCrisis/idUSISL474332>

⁵ "Taliban militants kill five policemen in Afghanistan," *Times of India*, April 19, 2009, at <http://timesofindia.indiatimes.com/South-Asia/Taliban-militants-kill-five-policemen-in-Afghanistan-/articleshow/4420745.cms>

PAKISTAN

- **Nizam-e-Adl Regulation 2009 adopted by NA and signed by President Zardari; PML-N refuses to join coalition government; Suicide attacks kill 27 in Hangu and 17 in Charsadda; \$5 billion aid pledged to Pakistan over a period of two years**

The Nizam-e-Adl Regulation 2009, which envisages implementation of Shariat law in parts of the country, was signed by President Zardari in Islamabad on April 13. This was soon after the National Assembly adopted a resolution to endorse the same.⁶ The Whitehouse spokesperson Robert Gibbs, reacting to the development, noted that this was against the spirit of human rights and democracy.⁷

Prime Minister Gilani meanwhile met with Shahbaz Sharif, Chief Minister of Punjab province, and invited the PML-N to join the government.⁸ The offer was however turned down by PML-N chief Nawaz Sharif on April 16.

The spate of violent incidents continued across the country with at least 17 people getting killed in Charsadda on April 15. 27 security men were also killed and 55 injured in Hangu as a result of another suicide bomb attack on April 18.

In other developments, a donors' conference held in Tokyo pledged aid worth \$5 billion spread over a period of two years to Pakistan. President Zardari on his part promised to fight militancy more effectively. The conference was attended by representatives of 31 nations and 18 international organizations, each of whom expressed concern over the deteriorating law and order situation in the country.⁹

NEPAL

- **Reports: Maoist curriculum still being taught in western district schools; China pledges increased aid to Nepal as well as help in other infrastructure projects; British minister pledges help in the integration of the Maoist combatants**

Reports noted that despite the peace process and Maoists' joining mainstream politics, subjects like warfare and weaponry were still being taught in Maoist-run schools in the Rukum, Rolpa and Salyan districts of Nepal. Students were also being taught about communist revolutions as well as the history of communist

⁶ Asim Yasin, "NA leads Zardari to sign Nizam-e-Adl Regulation," *The News*, April 14, 2009, at http://www.thenews.com.pk/arc_default.asp

⁷ "Nizam-e-Adl against rights, democracy: US," *Daily Times*, April 15, 2009, at http://www.dailytimes.com.pk/default.asp?page=2009\04\15\story_15-4-2009_pg1_1

⁸ "Gilani, Shahbaz discuss political situation, security threats: PML-N formally invited to rejoin federal cabinet," *Daily Times*, April 13, 2009, at http://www.dailytimes.com.pk/default.asp?page=2009\04\13\story_13-4-2009_pg1_1

⁹ "Friends pledge \$5bn for Pakistan," *Daily Times*, April 18, 2009 at http://www.dailytimes.com.pk/default.asp?page=2009\04\18\story_18-4-2009_pg1_1

leaders like Mao Zedong, Karl Marx and Vladimir Lenin. A principal of a school was quoted as stating that “traditional bourgeois education is not practical.”¹⁰

Foreign Minister Upendra Yadav, at the end of a week-long visit to China, stated that the Chinese government had agreed to provide 150 Yuan (Nepalese Rs. 1.74 billion) annually as aid as well as duty-free access to as many as 497 different export items. Chinese will help develop the Rampur Agriculture Campus in Chitwan into an agriculture university. China also expressed its willingness to help Nepal in infrastructure projects, science and technology and tourism sectors.¹¹

Meanwhile, British Under Secretary of State for Defence and Minister for Veterans Kevan Jones on a visit to Kathmandu met President Dr. Ram Baran Yadav and Chief of the Army Staff Gen. Rookmangud Katawal on April 15. He lauded the work of Gurkhas and pledged help in the integration of the Maoist combatants.¹²

B. EAST AND SOUTHEAST ASIA

JAPAN

- **Japanese surveillance planes to help fight piracy off Somalia’s coast; Sanctions against DPRK to take effect from May 12**

Reports noted that Japanese Defence Minister Yasukazu Hamada ordered his country’s air force, especially its intelligence-gathering and surveillance planes, to join the international efforts against piracy off the coast of Somalia.¹³

In other developments, Chief Cabinet Secretary Takeo Kawamura told reporters that additional sanctions imposed on the Democratic People's Republic of Korea (DPRK) in response to its rocket launch will take effect from May 12.¹⁴

SOUTH KOREA

- **President Lee assures Holbrooke of Seoul’s active role in stabilizing AfPak region; South Korea’s satellite-carrying rocket could fly over Japanese territorial waters; Representatives from South and North Korea to meet on April 21 to discuss rising tensions**

US Special Envoy to Afghanistan and Pakistan, Richard Holbrooke met South Korean President Lee Myung-bak, Foreign Minister Yu Myung-hwan and presidential foreign affairs and security aide Kim Sung-hwan in Seoul during the

¹⁰ “Warfare being taught in Maoist-run schools,” *Kantipuronline.com*, April 15, 2009, at <http://www.kantipuronline.com/capsule.php?&nid=189519>

¹¹ “China to increase aid to Nepal,” *nepalnews.com*, April 18, 2009, at <http://www.nepalnews.com/archive/2009/apr/apr18/news09.php>

¹² “British minister pledges peace pie,” *Kantipuronline.com*, April 16, 2009, at <http://www.kantipuronline.com/kolnews.php?&nid=189645>

¹³ “Japan prepares planes for anti-piracy mission,” *Reuters*, April 17, 2009, at <http://www.reuters.com/article/africaCrisis/idUST312983>

¹⁴ “Japan to start fresh sanction on DPRK in May,” *Xinhua*, April 17, 2009, at http://news.xinhuanet.com/english/2009-04/17/content_11199611.htm

week. President Lee on his part assured Seoul's active participation in international efforts to stabilize Pakistan and Afghanistan. Noting that Korean nationals were killed in an al-Qaeda attack in Yemen in March 2009, Mr. Lee pointed out that no country in the world was safe from terrorism.

Reports noted that South Korea's first satellite-carrying rocket, to be launched in late July, may fly over Japanese territorial waters off the southwestern island of Kyushu and the southern Okinawa group of islands.¹⁵ The North Korean 'satellite' launch earlier in the month had generated a huge controversy and led to the imposition of sanctions against Pyongyang.

South Korea meanwhile accepted Pyongyang's offer to discuss the increasing tensions between the two countries at the Kaesong Industrial Complex. Representatives from both sides will meet on April 21.¹⁶

SOUTHEAST ASIA

- **Phillipines President and US Senators urge Myanmar to release Suu Kyi; Burmese oil and gas companies urge relaxation on restrictions imposed in September 2008 on sale of gas; Malaysia to launch second remote-sensing satellite on April 21; Emergency extended in Bangkok; Indonesia hopes Myanmar will come forward with plans to resolve the Rohingya refugees issue**

During her meeting with Myanmar's Prime Minister Thein Sein on the sidelines of the ASEAN summit in Pattaya recently, Philippine President Gloria Arroyo urged Myanmar's ruling junta to release the detained pro-democracy leader Aung San Suu Kyi. Arroyo noted that such a step would definitely help the authorities in acquiring "tremendous goodwill from the international community."¹⁷

Recent calls to release Suu Kyi were also made by a group of women senators from the US, including Dianne Feinstein and Kay Bailey Hutchison, who urged UN Secretary General Ban Ki-moon to put pressure on the junta to help secure the release of Suu Kyi and scrap the regime's electoral plans.¹⁸

In other developments, fighting broke out at the Karen National Liberation Army's (KNLA) camp at the border location of Wah Lay Kee, with units of the Burmese Army and the Democratic Karen Buddhist Army (DKBA), launching a joint attack on April 15.¹⁹

¹⁵ "Rocket to cross Japan waters," *Strait Times*, April 19, 2009, at http://www.straitstimes.com/Breaking%2BNews/Asia/Story/STIStory_365653.html

¹⁶ "Two Koreas to meet over joint complex," *Korea Herald*, April 19, 2009, at http://www.koreaherald.co.kr/NEWKHSITE/data/html_dir/2009/04/19/200904190005.asp

¹⁷ "Arroyo demands Burma release Suu Kyi," *The Bangkok Post*, April 17, 2009, at <http://www.bangkokpost.com/breakingnews/140883/philippine-leader-calls-on-myanmar-to-release-suu-kyi>

¹⁸ "US women senators urge UN pressure on Burma," *The Bangkok Post*, April 15, 2009, at <http://www.bangkokpost.com/news/asia/140592/us-women-senators-urge-un-pressure-on-myanmar>

¹⁹ "KNLA fights Burmese Army and DKBA," *Burma News International*, April 15, 2009, at <http://www.bnionline.net/news/mizzima/6128- knla-fights-burmese-army-and-dkba.html>

Reports noted that the Burmese oil and gas exploration companies have urged a relaxation on the restrictions imposed in September 2008 on the sale and transfer of stakes in the country's natural resources. The measure had affected energy exploration initiatives as well as brought about a huge loss of revenues for the companies involved.²⁰

Malaysian royal couple Yang-di-Pertuan Agong Tuanku Mizan Zainal Abidin and Raja Permaisuri Agong Tuanku Nur Zahirah arrived in Chile on April 19 for a five-day official visit. Their visit is expected to boost bilateral trade relations, which stood at \$336 million in 2008.²¹

Reports noted that Malaysia will launch its second remote sensing satellite RazakSAT on April 21. The satellite is expected to give a huge boost to agencies like the National Aero Space Agency (ANGKASA), Remote Sensing Malaysia (MACRES) and National Oceanography Department.²²

In Thailand, although anti-government protests have reduced, the government decided to extend the state of emergency in Bangkok. Prime Minister Abhisit Vejjajiva stated that the emergency will be lifted only after peace in a true sense prevails within the country.²³ PM Abhisit has however returned to his office at the Government House to resume work after three weeks of anti-government demonstrations. He has also expressed his willingness to promote reconciliation with his predecessor Thaksin Shinawatra, through an amnesty for politicians linked to the former leader.²⁴

Prior to the Bali Regional Ministerial Meeting (BRMC) or Bali Process, senior officials of Indonesia and Australia met on April 14 and discussed issues such as people smuggling, human trafficking and other transnational crimes.²⁵ Foreign Minister Hassan Wirajuda also expressed the hope that during the Bali process, Myanmar will come forward with plans to resolve the Rohingya refugee issue.²⁶

In other developments, Indonesian Defense Minister Juwoo Soedarsono met with his French counterpart Herve Morin in Paris, where both the leaders

²⁰ "Burma to reconsider restrictions on energy exploration," *Burma News International*, April 17, 2009, at <http://www.bnionline.net/news/mizzima/6132-burma-to-reconsider-restrictions-on-energy-exploration.html>

²¹ "Agong and Permaisuri Arrive in Chile for a five-day visit," *Bernama.com*, April 19, 2009, at http://www.bernama.com/bernama/v5/news_lite.php?id=405267

²² "Najib to witness launch of RazakSAT on April 21," *Bernama.com*, April 16, 2009, at http://www.bernama.com/bernama/v5/news_lite.php?id=404593

²³ "PM: State of emergency remains," *The Bangkok Post*, April 17, 2009, at <http://www.bangkokpost.com/breakingnews/140828/pm-state-of-emergency-remains>

²⁴ "Abhisit open to amnesty," *The Bangkok Post*, April 17, 2009, at <http://www.bangkokpost.com/news/local/15131/abhisit-open-to-amnesty>

²⁵ "RI, Australia top officials hold meeting on people smuggling," *The Jakarta Post*, April 14, 2009, at <http://www.thejakartapost.com/news/2009/04/14/ri-australia-top-officials-hold-meeting-people-smuggling.html>

²⁶ "RI expects Myanmar to speak up on Rohingya issue at Bali meeting," *The Jakarta Post*, April 15, 2009, at <http://www.thejakartapost.com/news/2009/04/15/ri-expects-myanmar-speak-rohingya-issue-bali-meeting.html>

agreed to explore measures to further improve cooperation in fields like education and training of military personnel, field communication, defense industrial development and bilateral dialogues.²⁷

C. WEST ASIA

IRAN

- **Ahmadinejad: Iran willing to resume talks with P5+1; Presidential candidate Mousavi rules out halt to uranium enrichment**

Iranian President Mahmoud Ahmadinejad reiterated his country's willingness to resume nuclear talks with international powers, but stressed that there would be no halt to nuclear development. He also charged that the West's 'bullying' policies have not had any result in the past and called on the US to change its approach and rhetoric towards Iran.²⁸ While the five permanent UN Security Council members plus Germany have declared their readiness to resume nuclear talks with Iran, the date and venue of the new round of negotiations however have not been fixed. Reports also noted that Iran had prepared proposals to end the stalemate over its nuclear ambitions, but details were not available.²⁹

Iranian presidential hopeful Mir-Hossein Mousavi has ruled out suspension of the country's uranium enrichment but stated that if elected, he would work towards providing 'guarantees' that Tehran would not divert its nuclear resources to weapons use. The 69-year-old Mr. Mousavi, who served as PM during the Iran-Iraq war, is backed by former reformist president Mohammad Khatami. Mousavi added that though "the role of the Supreme Leader is very determining," decisions on nuclear technology "definitely need to be based on thorough consensus at the national level."³⁰

IRAQ

- **US military: Crackdown on Awakening Council members not deliberate; Suicide attack at a military base in Anbar kills over 15**

American military sources indicated that they were closely following the arrests of 15 leaders of the Awakening Councils. They however insisted that the detentions were not part of a deliberate Iraqi government campaign against these mostly Sunni groups. Analysts noted that the perception that these arrests were

²⁷ "Indonesia, French Ministers meet in Paris," *The Jakarta Post*, April 17, 2009, at <http://www.thejakartapost.com/news/2009/04/17/indonesian-french-defense-ministers-meet-paris.html>

²⁸ "Iran willing to talk, but not stop nuclear work: Ahmadinejad," *Khaleej Times*, April 15, 2009, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2009/April/middleeast_April262.xml§ion=middleeast

²⁹ "Iran to respond soon to powers' talks offer," *Khaleej Times*, April 17, 2009, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2009/April/middleeast_April290.xml§ion=middleeast

³⁰ "Mousavi rules out suspension of uranium enrichment," *Tehran Times*, April 15, 2009 at http://www.tehrantimes.com/index_View.asp?code=192285

deliberate attempts to crack down on Sunni groups could undermine the highly successful program which has been credited with helping to curb the violence. An American forces spokesperson in Iraq Col. Jeffrey Kulmayer stated that issues of late payment to members of the these militias were being tackled effectively, with the exception of Diyala Province. He reiterated that PM al-Maliki and other officials of the Iraqi government were committed to financing the program and integrating its members into permanent ministry jobs.³¹

In other developments, a suicide bomber disguised in an Iraqi Army uniform blew himself up inside a base in Anbar Province on April 16, killing 15 soldiers. This was the second attack on security forces in two days, indicating a spike in bombings that killed more than 70 people during the month.³²

II. MISSILES, SPACE, NUCLEAR, AND DEFENCE REVIEW

MISSILES AND SPACE

- **ISRO launches Israeli-built radar imaging satellite**

ISRO launched its first Radar Imaging Satellite (RISAT)-2 aboard a C12 Polar Satellite Launch Vehicle (PSLV) from the Satish Dhawan Space Center at Sriharikota, Andhra Pradesh. The satellite is expected to enhance India's defence surveillance capabilities.³³ It is equipped with a Synthetic Aperture Radar (SAR) developed by Israel Aerospace Industries (IAI). SAR is equipped with several antennas that receive multiple signals that are processed into high-resolution photographic images. Although ISRO Chairman K. Madhavan Nair denied that RISAT-2 is a spy satellite, analysts noted that SAR's features give it enhanced imaging capabilities.³⁴

In addition to the RISAT, ISRO also launched the 40 kg ANUSAT educational micro-satellite from the same launch vehicle. With this launch, ISRO has launched 16 foreign-built satellites.³⁵ All of ISRO's satellites launched from the workhorse PSLV have been within the 500 kg weight category.

³¹ Alissa J. Rubin and Rod Nordland, "U.S. Military Expresses Concern About Perception of an Iraqi Crackdown on Sunnis," *New York Times*, April 16, 2009, at http://www.nytimes.com/2009/04/16/world/middleeast/16iraq.html?_r=1&hpbw

³² Steven Lee Myers, "Suicide Attack Kills at Least 15 in Iraq," *New York Times*, April 17, 2009, at http://www.nytimes.com/2009/04/17/world/middleeast/17iraq.html?_r=1&ref=todayspaper

³³ "Spy Satellite Takes off From Sriharikota," *Times of India*, April 20, 2009, at http://timesofindia.indiatimes.com/Spy_satellite_RISAT_takes_off_from_Sriharikota/articleshow/4422951.cms

³⁴ "RISAT-2 Not a Spy Satellite: ISRO Chief," *Times of India*, April 20, 2009, at <http://timesofindia.indiatimes.com/India/RISAT-2-not-a-spy-satellite-ISRO-chief/articleshow/4422951.cms>

³⁵ "ISRO's Workhorse PSLV Does it Again," *Yahoo India News*, April 20, 2009, at <http://in.news.yahoo.com/43/20090420/860/ttc-isro-s-workhorse-pslv-does-it-again.html>

- **DRDO test fires Prithvi-II ballistic missile**

The DRDO successfully test fired an improved version of the 350 km Prithvi-II surface-to-surface ballistic missile from the Interim Test Range (ITR), Chandipur. The missile was launched from a Tatra transporter truck. The test was undertaken as part of Indian Army user trial.³⁶ Officials described the test as "successful" and the missile's performance was evaluated by a joint team of DRDO scientists and Indian Army officials. The Prithvi-II has already been inducted into the Army's 'Special missile Regiment' based in Secunderabad and a unit of the army operates the missile as part of Strategic Forces Command (SFC).

NUCLEAR

- **IAEA Chief optimistic about validity of dialogue to resolve North Korean and Iranian nuclear issues**

IAEA chief Mohamed El-Baradei, on the sidelines of a meeting in Beijing, stressed that the international community's nuclear disagreements with North Korea and Iran can be resolved through dialogue and not confrontation. Mr. El-Baradei also called on Tehran "to reciprocate and stretch your hand" towards the United States and to make use of a "new opportunity right now" to resolve the nuclear issue, which could in turn lead to the overall normalization of relations between Iran and the rest of the international community.³⁷

- **Analysts: N. Korea's defiant tone masks problems it could encounter in restarting its nuclear program**

Analysts pointed out that despite North Korea's defiant vow to restart its Yongbyon nuclear plant, its capacity to add to its small nuclear arsenal is limited by aging technology as well as by machinery that was disabled as part of a disarmament deal. Reports noted that by using fuel rods currently in storage, Pyongyang could process enough plutonium for one nuclear weapon within the next six months. It would however take 6 to 12 months to restart all facilities at the Yongbyon nuclear plant, and its capacity to produce plutonium is limited to about one bomb's worth of material a year, according to Siegfried S. Hecker, former director of the Los Alamos National Laboratory.³⁸

- **UN Atomic Chief warns of nuclear power dangers**

IAEA Chief Mohamed el-Baradei, at a conference in Beijing, warned that the world's growing appetite for nuclear energy could lead to dangers associated

³⁶ "Improved Prithvi-II successfully test fired," *Indian Express*, April 15, 2009, at <http://www.indianexpress.com/news/improved-prithvi-ii-successfully-test-fired/447208/>

³⁷ Stephanie Ho, "Top UN Nuclear Official Optimistic About North Korea, Iran," *Global Security.org*, April 20, 2009, at <http://www.globalsecurity.org/wmd/library/news/un/un-090420-voa01.htm>

³⁸ Blaine Harden, "N. Korea's Defiant Tone Masks Problems Restarting Nuclear Program," *The Washington Post*, April 15, 2009, at <http://www.washingtonpost.com/wp-dyn/content/article/2009/04/15/AR2009041503257.html>

with unsafe technology and weapons proliferation. He pointed out that more than 60 countries were considering tapping nuclear power amidst an energy crunch and global warming concerns.³⁹

DEFENCE ISSUES

NATIONAL

- **Dassault Rafale out of \$10 billion MMRCA Deal**

The French Rafale fighter has been knocked out of the \$10 billion (Rs. 42,000 crore) contract to provide 126 medium multi-role combat aircraft (MMRCA) for the Indian Air Force (IAF). Defence Ministry (MOD) sources indicated that the Rafale had 'fallen short' on several requirements detailed in the GSQRs (general staff qualitative requirements) spelt out by the IAF. The fighters left in the fray were now the American made F/A-18 'Super Hornet' (Boeing) and F-16 Falcon (Lockheed Martin), Russian MiG-35 (United Aircraft Corporation), Swedish Gripen (Saab) and Eurofighter Typhoon (consortium of British, German, Spanish and Italian companies). These fighters are expected to take part in trials expected to begin from July-August. The IAF expects to buy 18 jets off-the-shelf, and rest would be manufactured in India under the transfer of technology agreement by 2012-2013.⁴⁰

- **Boeing offers AH-64 attack helicopters and Chinook CH-47 heavy-lift choppers**

Boeing Co, the US aircraft manufacturer, is expected to bid for two defence deals with India worth \$2 billion. The company plans to supply the IAF 22 attack helicopters and a dozen heavy-lift choppers to replace the ageing Soviet-era fleets. It is keen to offer Apache AH-64 helicopters and Chinook CH-47 to fulfil these tasks. Boeing has already obtained a \$2.1 billion project to supply the Indian Navy 8 maritime patrol aircraft. India on its part intends to spend more than \$30 billion over the next five years to modernise its largely Soviet-era weapons systems.⁴¹

INTERNATIONAL

- **US Army awards contract to Lockheed Martin to produce 10 close combat tactical trainers**

The US Army awarded Lockheed Martin contract worth \$30.5 million to produce three Close Combat Tactical Trainer (CCTT) Reconfigurable Vehicle Simulators (RVS) and seven Reconfigurable Vehicle Tactical Trainers (RVTT's) and associated weapons training. The trainers provide 'adequate flexibility' to the

³⁹ "UN atomic chief warns of nuclear power dangers," *Space War*, April 20, 2009, at <http://www.spacewar.com/2006/090420082613.53m7jp3m.html>

⁴⁰ "IAF jettisons French bird from \$10b deal," *Times of India*, April 17, 2009, at <http://www.india-defence.com/reports-4326>

⁴¹ "Boeing to bid for Indian defence deals worth \$2 billion," April 16, 2009, at <http://www.india-defence.com/reports-4327>

soldiers to review how they are prepared for their missions by providing realistic training environments.

CCTT-RVS for instance provides reconnaissance and convoy training on a wide variety of wheeled vehicles, including multiple variants of the High-Mobility Multipurpose Wheeled Vehicle and Heavy Expanded Mobility Tactical Truck. Users also benefit from geo-specific terrain databases which realistically represent areas within operating environments. This was the second order for these high fidelity training devices under a contract initially awarded in August 2008.⁴²

- **Danish Defence Commission: Increase defence budget by 10 to 15 per cent**

In its recent report, the Danish Defence Commission, appointed by the Denmark government in 2007, has come out with a suggestion that the government must increase defence funding by 10 to 15 per cent so as to take into account the rapid expansion of Denmark's land forces (2000 new troops) and continue with its important equipment procurement programmes such as armored vehicles, support helicopters, body armor and battlefield communications systems.

The report notes that the current budget of \$3.5 billion is significantly "inadequate to cover all of the materials needed by the armed forces." It suggests that the government provide an additional \$428 million to re-equip all branches of the military with modern equipment and essential supplies, as well as provide improved military training. The report also questions the rationale of the Danish government for remaining out of the European security structure.

The report also proposes an annual increase of 30 percent funding in support of Danish troops in Afghanistan. If followed, this would raise the Danish Army's operating budget for Afghanistan to nearly \$100 million.⁴³

- **Turkey to supply South Korea EWTS**

Report noted that Turkey has inked a deal worth of 13 billion won (\$97 million) with South Korea to supply pilot training equipment. The Turkish defense firm Havelsan will supply South Korea electronic warfare training systems (EWTS) by 2011. EWTS is used to train and test Air Force pilots by simulating hostile threat environments, including missile interceptors, ground-to-air guided rockets, anti-aircraft guns and others.⁴⁴

⁴² "Lockheed Martin receives order to produce 10 close combat tactical trainers for the US Army," April 15, 2009, at <http://www.india-defence.com/reports-4324>

⁴³ "Danish Commission calls for bigger defence budget," April 16, 2009, at <http://www.defensenews.com/story.php?i=4042708&c=EUR&s=TOP>

⁴⁴ <http://www.defensenews.com/story.php?i=4042820&c=ASI&s=AIR>

- **ASD Chief calls for investment in aero defence R&D**

Out of concern for the widening gap in technological capability vis-à-vis the US, the ASD (AeroSpace and Defence Industries Association) President Allan Cook urged European nations to increase investment, particularly in aero defence R&D. Pointing out that the US spends \$70-75 billion per year on R&D alone, Cook admitted that Europe may not get such funding but could at least be innovative in terms of technology. He particularly stressed the importance of space, air, naval and land communications.⁴⁵

- **\$60 billion bill for Chinese military modernisation**

As a part of modernization of its defence forces, the Chinese government has announced an economic stimulus package worth \$60 billion to its three leading state military aerospace and shipbuilding conglomerates. Analysts pointed out that this was in tune with the Chinese government's long-term military development plans.⁴⁶

III. ENERGY SECURITY REVIEW

- **China offers 14 offshore blocks for joint exploration**

China National Offshore Oil Corporation (CNOOC) announced that it had opened 14 offshore blocks spread over 42,000 sq. kms. to foreign players for joint exploration. Among the 14 blocks, four are located at the western part of South China Sea and the remaining 9 were situated in the eastern part of South China Sea. CNOOC will hold a 51 per cent stake in any production sharing agreement.

Reports noted that the policy of joint development of offshore blocks is in line with the Chinese strategy to shelve ongoing dispute for mutual benefits in other areas. The policy is also meant to reduce Chinese threat perception among its neighbors and create joint stakes so that conflictual behaviour can be avoided.⁴⁷

- **China to invest \$10 billion to Kazakhstan; Loan-for-oil agreements also signed with Russia, Brazil, and Venezuela**

China, the world's second-biggest energy consumer, will lend \$10 billion to Kazakhstan in return for a stake in an oil company in the Central Asian country. China National Petroleum Corp. and KazMunaiGaz National Co. will buy AO Mangistaumunaigas, according to the terms of an agreement signed in the presence of President Hu Jintao and his Kazakhstan counterpart Nursultan Nazarbayev in Beijing. The \$10 billion aid comprises a \$5 billion loan from the

⁴⁵ <http://www.defensenews.com/story.php?i=4042591&c=EUR&s=TOP>

⁴⁶ http://www.janes.com/news/defence/jdi/jdi090416_1_n.shtml

⁴⁷ "China offers 14 offshore blocks," *Asia Energy*, April 17, 2009, at <http://asianenergy.blogspot.com/2009/04/china-offers-17-offshore-blocks.html>

Export-Import Bank of China to the Development Bank of Kazakhstan and another \$5 billion from China National to KazMunaiGaz.

China has signed three other loan-for-oil agreements with Russia, Brazil and Venezuela this year, tapping its \$1.95 trillion foreign exchange reserves to buy energy assets. On February 17, China had agreed to provide Russia with \$25 billion in loans in return for 300,000 barrels a day of oil for the next 20 years. Venezuelan company Petroleos de Venezuela (PDVSA) on its part will provide 200,000 barrels a day against a \$4 billion loan from China Development Bank.⁴⁸

- **Russia approves pact with China on pipeline, supplies**

The Russian government on April 13 approved an agreement signed in February with China to build a branch of the Eastern Siberia-Pacific Ocean (ESPO) oil pipeline and to provide assurances on long-term oil supplies. With an expected annual throughput of 15 million tons of crude oil, the branch pipeline will connect Skovorodino in Russia and China's Mohe station. PM Vladimir Putin stated that the construction of the pipeline will "create a stable and reliable sales market for oil in the eastern direction from East Siberian fields." Putin added that the first stage of the ESPO pipeline, from Taishet in the Irkutsk region to Skovorodino in the Amur region, will begin operations soon.

In another agreement, Russian state oil pipeline company Transneft announced that it had signed an agreement with state oil company Rosneft concerning oil shipments to China. Under the terms of the agreement, Rosneft will supply through the ESPO branch 9 million tons of oil to China every year starting 2011, while Transneft will supply 6 million tons.⁴⁹

IV. INTERNATIONAL TERRORISM REVIEW

- **US launches 'Mega Ports' Initiative**

US Ambassador to Kenya Michael Ranneberger stated that the US will help Kenya scrutinize all containerized cargo imports through the port of Mombasa, as part of its 'Mega Ports Initiative.' The project is intended to deter, detect and interdict illicit trafficking in nuclear weapons and other radioactive materials in the international maritime system. The ambassador noted that Kenya had been selected because of its strategic position in the eastern African region, and on account of past terror attacks as well as threats posed by neighbouring lawless Somalia. The International Maritime Bureau (IMB), based in Kuala Lumpur, reported that pirates off Somalia had staged 66 attacks since January 2009, and were still holding 14 ships and 260 crew members as hostages. Somalia's 1,900-

⁴⁸ "China, Kazakhstan ink \$10 bln Loan for Oil," April 16, 2009, at <http://asianenergy.blogspot.com/2009/04/china-kazakhstan-ink-10-bln-loan-for.html>

⁴⁹ "Russian government approves the pact with China on pipeline, supplies," *Xinhua*, April 13, 2009, at <http://asianenergy.blogspot.com/2009/04/russian-government-approves-pact-with.html>

mile (3,057-kilometre) long coastline borders one of the world's busiest shipping lanes. IMB data indicates that there were 111 attacks in 2008.⁵⁰

- **Pakistan wins \$5.28 billion in pledges from donors at Tokyo**

Pakistan was pledged aid worth \$5.28 billion from more than 20 countries at an IMF conference in Tokyo during the week. The aid will help shore up its ailing economy and combat al-Qaeda and Taliban militants. The biggest donors were the US and Japan, which pledged \$1 billion each, and Saudi Arabia, which pledged \$700 million. American aid is subject to Congressional approval and was intended to support "development and safety net spending," according to State Department spokesman Robert Wood.

While no specific conditions are attached to the aid, reports noted that the IMF will make regular visits to Pakistan to monitor its economic progress. The Pakistani economy is expected to expand 2.5 percent in the 12 months ending June 30, the slowest pace in eight years, after growing at an average annual pace of 5.8 percent since 2002.

Analysts have pointed out that monitoring of the aid was essential to ensure that the money was not wasted in corruption. For instance, Transparency International's annual index lists Pakistan as the 46th most corrupt country, out of the 180 surveyed.⁵¹

V. INTERNAL SECURITY REVIEW

JAMMU AND KASHMIR

- **Hurriyat not to give poll boycott call**

The moderate faction of the Hurriyat Conference stated on April 16 that will not issue a poll boycott call but leave to the conscience of the voters whether to vote or not during the upcoming Lok Sabha elections in the state. The former chairman of the Hurriyat Conference Abdul Gani Bhat however added that elections remained a "non-issue for Hurriyat and it will not affect Kashmir issue." The hard line faction of the Hurriyat Conference led by Syed Ali Shah Geelani has already called for a boycott of the elections and general strike on the days of polling.⁵²

⁵⁰ "US to help Kenya in war on piracy," *Business Daily*, April 16, 2009, at http://www.bdafrica.com/index.php?option=com_content&task=view&id=14081&Itemid=5822

⁵¹ "Pakistan Gets \$5.28 Billion for Economy, Security," *Bloomberg.com*, April 17, 2009, at <http://www.bloomberg.com/apps/news?pid=20601101&sid=a8CXmSbvqvgk&refer=japan>

⁵² "Hurriyat not to give poll boycott call," *Daily Excelsior*, April 17, 2009, at <http://www.dailyexcelsior.com/web1/09apr17/news.htm#2>

MAOIST INSURGENCY

- **Maoists kill 19 people in first phase of polling; Maoists target CISF armoury in Orissa's Koraput district**

During the first phase of elections on April 16, 19 people were killed in Maoist-affected areas of Chhattisgarh, Orissa, Bihar, Jharkhand and Maharashtra. The victims included nine civilians and polling personnel and personnel belonging to the Central Reserve Police Force (CISF), the Border Security Force (BSF) and other Central and State police forces.

At Chatra in Jharkhand, a landmine blast killed seven BSF personnel and two civilians. At Bastar in Chhattisgarh, a polling station was burnt and in about a dozen blasts, several policemen and civilians were killed. Further, at Gaya in Bihar, a polling station was attacked by Maoists and a policeman and a home guard were shot dead.⁵³

Ten CISF personnel and four Maoists were killed in a major gunfight after the insurgents attacked the Damanjodi bauxite mines in Orissa's Koraput district on April 12. The Maoists targeted the CISF armoury and a storehouse of explosives retained for mining operations. According to police sources, the Maoists could not loot the armoury or the storehouse but took away some arms from the CISF personnel and a cache of explosives kept in a vehicle owned by the public sector National Aluminum Company which owns and operates the mine.⁵⁴

NORTH EAST DEVELOPMENTS

- **Manipur: Operation 'Summer Storm' called off**

At least 12 insurgents belonging to the People's Revolutionary Party of Kangleipak (PREPAK) were killed in a nine-day long operation at Keibul Lamjao National Park area of Loktak Lake in Manipur. The operation codenamed 'Summer Storm' was jointly launched by the Army and the state police.⁵⁵

⁵³ "58-62% turnout in Phase I polls; naxalites kill 19," *The Hindu*, April 17, 2009, at <http://www.hindu.com/2009/04/17/stories/2009041758120100.htm>

⁵⁴ "10 CISF personnel killed as Maoists strike at Orissa mine," *The Hindu*, April 14, 2009, at <http://www.hindu.com/2009/04/14/stories/2009041460641400.htm>

⁵⁵ "Ops Summer Storm called off," *Sangai Express*, April 21, 2009, at http://thesangaiexpress.com/News_pages/Local_page-01.htm