

THE WEEK IN REVIEW

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I. COUNTRY REVIEW

A. SOUTH ASIA

BHUTAN

(November 1-7, 2010)

- **Bangladesh to provide transit facilities to Bhutan; An Information Super Highway connecting India, Bhutan, Nepal and Bangladesh to be completed by 2012**

According to sources, Bangladesh would be providing transit facilities to Bhutan, by opening up its Mongla port. Banglabandha land port will be used as an entry and exit point for Bhutanese transit goods. An inter-ministerial meeting is slated to be held some time soon to discuss the Draft Agreement on Transit between Bhutan and Bangladesh.¹

Meanwhile work on the construction of an information superhighway linking Bhutan, Bangladesh, India, and Nepal is in progress. The project estimated to be completed by 2012, would link Siliguri with the three countries, enabling an economic, cultural and a social interface between the concerned rural communities inhabiting the region.²

The Asian Development Bank has approved a grant of USD 21.6 million for Bhutan Rural Renewable Energy Development Project. The project intends to facilitate the government's outreach to rural households through a mix of both on-grid and off-grid power supplies.³

In other developments, some media reports claimed that Bhutan would soon recognize rights of the Christian population living in Bhutan.⁴

¹ "Dhaka plans to provide transit to Thimphu," *Financial Express*, November 6, 2010, at http://www.thefinancialexpress-bd.com/more.php?news_id=116933&date=2010-11-07

² "4-nation link by June 2012," Kuensel, November 5, 2010, <http://www.kuenselonline.com/2010/modules.php?name=News&file=article&sid=17248>

³ "Households in Rural Bhutan to get Electricity with ADB assistance," Washingtonbanglaradio, November 2, 2010, at <http://www.washingtonbanglaradio.com/content/111378810-households-rural-bhutan-get-electricity-adb-assistance>

⁴ "Bhutan: recognition ahead for Christian community," *Inspire Magazine*, November 5, 2010, <http://www.inspiremagazine.org.uk/news.aspx?action=view&id=4913>

SRI LANKA

(November 1-7, 2010)

- **India-Sri Lanka talks held on cooperation in Petroleum sector; India handed over 52 four-wheel tractors to Sri Lanka as part of grant assistance; IMF Comprehensive report on Sri Lanka positive; Sri Lanka and Pakistan identify areas for economic cooperation, Bilateral discussion between Nepal and Sri Lankan Presidents held at Shanghai**

India and Sri Lanka held bilateral discussions on November 3 on the petroleum sector and sought an increased cooperation in Hydro Carbon Sector.⁵ India's High Commissioner to Sri Lanka Ashok K. Kantha handed over 52 four-wheel tractors to Sri Lankan Minister of Economic Development, Basil Rajapaska in a ceremony held at Galle Face Green on November 1. This is the first lot of a total of 500 tractors, which the Government of India is supplying to Sri Lanka under grant assistance. India under a grant is also supplying 5500 kgs green gram and 43000 kgs black gram to Sri Lanka.⁶

In a comprehensive report on the US\$ 2.6 billion stand-by-arrangement to Sri Lanka, International Monetary Fund (IMF) has noted that the Sri Lanka's overall economic conditions are improving as expected and the economy is likely to show strong growth during the current year. But the government is yet to reduce the deficit and take action on tax reforms which have been delayed by one year. IMF suggested the Central Bank to tighten the monetary policy further if credit picks up sharply in the coming months.⁷

Pakistan's Minister of State and Chairman, Board of Investment, Saleem Mandviwalla visited Sri Lanka to explore the possibility of enhanced commercial and economic cooperation between Sri Lanka and Pakistan. Both the countries have identified cement, sugar, dairy production, chemical plants, textiles, tourism and pharmaceutical as potential areas of mutually beneficial collaborative projects in Sri Lanka.⁸

⁵ "SL, India hold bilateral talks on petroleum sector", *Newline*, November 4, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101104sl_india_hold_bilateral_talks.htm

⁶ India provides 52 four-wheel tractors, Tuesday, *Newline*, November 02, 2010 - 4.45 GMT http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101102india_provides_52_four_wheel_tractors.htm

⁷ "Lanka's economy show remarkable progress – IMF" *Newline*, November 2, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101102sl_economy_show_remarkable_progress_imf.htm

⁸ "Pakistan to enhance econ relations", *News line*, November 2, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101102pakistan_to_enhance_econ_relation.htm

During the bilateral discussion between the presidents of Sri Lanka and Nepal in Shanghai, China on October 31, Nepalese President Ram Baran Yadav requested President Rajapaksa to channel his political and diplomatic goodwill and skill in the region in sustaining positive momentum in the current political process underway in Nepal. To further improve the economic well-being in both the nations, two leaders pledged to accelerate the process of establishing the Sri Lanka- Nepal Joint Commission in Colombo.⁹

(November 8-14, 2010)

- **External Affairs Minister GL Peiris attended 9th Asian Cooperation Dialogue (ACD); Meeting held between Indian and Sri Lankan Coastguard officials; MoU signed between The Indus Entrepreneurs (TIE) and the Federation of Chambers of Commerce and Industry of Sri Lanka (FCCISL) to expand bilateral business ties; Sri Lankan government and World Bank sign agreement for joint projects; Japanese assistance for the Northern parts of Sri Lanka; World Food Programme approves protracted Relief and Recovery Operation for Sri Lanka; Sri Lankan economy is predicted to grow at 7.6 percent in 2010; Sri Lankan Unemployment Rate fell to 5.4 percent ; Sri Lanka placed at 91st position in HDI ranking**

External Affairs Minister, Prof. G.L. Peiris led the Sri Lanka delegation to the 9th Meeting of the Ministers of Foreign Affairs of the Asian Cooperation Dialogue (ACD) in Tehran during 8-9 November.¹⁰ On the sideline of ACD, Iran and Sri Lanka discussed the construction of a new oil refinery in Sri Lanka by Iranian experts aimed at exporting Iranian LNG to Colombo as well as for boosting tourism.¹¹

Indian Coast Guard Deputy Director General V.S.R Moorthi held meeting with his Sri Lankan counterpart Rear Admiral Daya Dharmapriya on November 9.¹² Meanwhile, a 13-member delegation of The Indus Entrepreneurs (TIE), an Indian organization of entrepreneurs visited Sri Lanka and signed a Memorandum of Understanding with the Federation of Chambers of Commerce and Industry of

⁹ “President's assistance requested to overcome Nepal political crisis”, *News line*, November 1, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101101presidents_assistance_requested_overcome_nepal_political_crisis.htm

¹⁰ “Minister of External Affairs leads Sri Lanka delegation to 9th Asia Cooperation Dialogue (ACD) Ministerial meeting, Tehran, 8-9 November 2010” , November 8, 2010 at http://www.slmfa.gov.lk/index.php?option=com_content&task=view&id=2564&Itemid=75

¹¹ “Iran, SL discuss tourism, oil”, November 10, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101110iran_sl_discuss_tourism_oil.htm

¹² “Indo-Lanka Coast Guard Chiefs meet”, *Daily Mirror*, November 10, 2010 at <http://www.dailymirror.lk/print/index.php/news/front-page-news/26800.html>

Sri Lanka (FCCISL) to expand business ties.¹³

The Government of Sri Lanka and the World Bank jointly signed off on three projects with agreements totaling US\$ 125.4 million on Nov 8, 2010 for Small and Medium Enterprise Development, North East Local Service Improvements, and Sustainable Tourism development.¹⁴

The Japanese Government has extended US\$ 373,200 (approximately Rs. 42 million) for a demining project in the Northern part of Sri Lanka aimed at to meet the emergency needs of the area and to promote peace and development of Sri Lanka.¹⁵ However, the Executive Board of World Food Programme (WFP) approved the protracted Relief and Recovery Operation (PRRO) of US \$ 39,755,501 for Sri Lanka.¹⁶

In other developments, Sri Lanka's economy is predicted to grow at 7.6 percent in 2010, with foreign reserves hitting an all time high of US \$ 7 billion.¹⁷ Sri Lanka's unemployment rate fell to 5.4 percent in the second quarter 2010.¹⁸ However, the Human Development Report 2010, an independent publication commissioned by the UNDP, has placed Sri Lanka at 91 in the Human Development Index (HDI) among 169 countries surveyed.¹⁹

MYANMAR

(November 1-7, 2010)

- **Military backed parties set to sweep elections; US President Obama calls Myanmar elections "anything but free and fair"; Junta supported USDP lead in early results; Germany supports China on UN Enquiry issue**

¹³ "Indian entrepreneurs to expand business in SL", *New Line*, November 08, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101108indian_entrepreneurs_expand_business_sl.htm

¹⁴ "GoSL, WB sign joint projects", *New Line*, November 9, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101109gosl_wb_sign_joint_projects.htm

¹⁵ "Japan to assist demining", *New Line*, November 12, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101112japan_assist_demining.htm

¹⁶ "WFP approves \$39.8 million assistance to SL", *Daily mirror*, November 13, 2010 at <http://www.dailymirror.lk/print/index.php/business/127-local/27050.html>

¹⁷ "Economy grows at 7.6%", *Daily Mirror*, November 13, 2010 at <http://www.dailymirror.lk/print/index.php/news/news/27103.html>

¹⁸ SL unemployment rate decrease, November 08, 2010 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201011/20101108sl_unemployment_rate_decrease.htm

¹⁹ "Lanka has made rapid progress despite conflict: UNDP", *Daily mirror*, November 8, 2010 at <http://www.dailymirror.lk/print/index.php/features/139-feature/26522.html>

Burma held its first election in 20 years under tight security on November 7 with a scripted vote that assured army-backed parties an easy win. Both European Union and the United States have slammed the elections in Myanmar.²⁰ "There are elections that are being held right now in [Burma] that will be anything but free and fair, based on every report that we are seeing," US President Barack Obama told students in the Indian financial capital of Mumbai during his India visit.²¹

Meanwhile, reports noted that more than 70 percent of the first 57 parliamentarians have been elected in elections, belong to the Union Solidarity and Development Party (USDP).²² Meanwhile the German Foreign Ministry has said that it does not support the proposed UN commission of inquiry to investigate war crimes and human rights violations in Burma.²³

MALDIVES

(October 25-31, 2010)

- **President Nasheed's conveys his sympathy to Indonesia's earthquake and tsunami victims; US Ambassador Maldives paid a courtesy call on the President of the Maldives**

President Mohamed Nasheed has conveyed a message of sympathy to President of Indonesia Susilo Bambang Yudhoyono, following the powerful earthquake and tsunami that hit the coastal islands of Indonesia causing loss of lives and injury to hundreds of people, as well as extensive destruction to property and infrastructure.²⁴

United States Ambassador to the Maldives Patricia Butenis paid a courtesy call on the President of the Maldives on October 28 and discussed the political and economic progress in the Maldives.²⁵

²⁰ Myanmar Elections Not Free and Fair: EU, *Hindustan Times*, November 8, 2010 at

<http://www.hindustantimes.com/Myanmar-elections-not-free-and-fair-EU/Article1-623510.aspx>

²¹ Military Set to Sweep Polls, *The Standard*, November 8, 2010
http://www.thestandard.com.hk/news_detail.asp?we_cat=6&art_id=104668&sid=30212908&con_type=1&d_str=20101108&fc=10

²² First Election Results Emerge, *Democratic Voice of Burma*, November 8, 2010, at
<http://www.dvb.no/elections/first-election-results-emerge/12698>

²³ Germany Sides with China on UN Burma Enquiry, *Burma News International*, November 4, 2010 at
<http://www.bnionline.net/news/mizzima/9684-germany-sides-with-china-against-un-burma-inquiry.html>

²⁴ "President Sends a Message of Sympathy to the President of Indonesia", *The President's Office, Republic of Maldives*, October 27, 2010 at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5591>

²⁵ "US Ambassador Pays Courtesy Call on the President", *The President's Office, Republic of Maldives*, October 28, 2010 at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5595>

(November 1-7, 2010)

- **India's Minister of Overseas Indian Affairs visits Maldives; The Universal Periodic Review (URP) provides recommendations for the Maldives, IMF suspends standby arrangement for Maldives**

Mr Vayalar Ravi, Minister of Overseas Indian Affairs of India paid a courtesy call on President Mohamed Nasheed on November 4. The focus of the discussions between the Maldivian President and the Overseas Indian Affairs Minister was on further strengthening the close ties that exist between the Maldives and India, especially in the area of trade and commerce.²⁶

The Universal Periodic Review (URP) held in Geneva on November 3 provided 130 recommendations for the Maldives in the areas of particular concern which were identified as women's rights, children's rights, freedom of religion, penal reform, judicial reform, and the practice of public flogging etc.²⁷

Reports noted that International Monetary Fund (IMF) has suspended Maldives from the standby arrangement aimed at assisting the Maldives in overcoming the economic challenges, as the government has failed in meeting the agreed requirements, including a standard for civil servants' salaries and allowances.²⁸

(November 8-14, 2010)

Maldives welcomes Myanmar's decision to release pro-democracy leader Aung San Suu kyi; The Maldives elected as Co-Chair of the World Bank's Strategic Climate Fund Committee; Maldives Vice President meets the Ambassadors of Switzerland and Russia to the Maldives

President Nasheed has hailed the Burmese authorities' decision to release Aung San Suu Kyi from house arrest.²⁹ The Maldives has been elected as Co-Chair of the World Bank's Strategic Climate Fund Committee (SCF), at the joint SCF Trust Fund Committee meeting held in World Bank Headquarters in Washington DC on November 11. Maldives was also Co-Chair of Pilot Programs for Climate

²⁶ "Minister of Overseas Indian Affairs of India calls on the President", *The President's Office, Republic of Maldives*, November 4, 2010 at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5637>

²⁷ "Women's rights and treatment of migrant workers needs improvement: UN review", *Minivan News*, November 4, 2010 at <http://minivannews.com/category/news-in-brief>.

²⁸ "IMF suspends Maldives from financial assistance programme", *Haveeru Online*, November 6, 2010 at <http://www.haveeru.com.mv/english/details/33252>.

²⁹ President Welcomes Aung San Suu Kyi's Release, *The President's Office, Republic of Maldives*, November 13, 2010 at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5702>

Resilience (PPCR) sub-committee in the 2nd session of 2009/2010, along with the United Kingdom, representing the recipient and donor countries respectively.³⁰

In other developments, Maldives Vice President Dr Mohamed Waheed met with Mr. Thomas Litscher, the Ambassador of Switzerland to the Maldives and Mr. Vladimir P. Mikhaylov, the Ambassador of Russia to the Maldives.³¹

B. EAST ASIA

CHINA

(October 25-31, 2010)

- **President Hu Jintao urges to focus on joint operations; Azerbaijan's Defence Minister visits China; 6th Sino-German seminar on security policies held in Beijing; Chinese and Thai marines conduct a joint military training exercise; Liang Guanglie reminds of the importance of civil-defence; The first Pan Asia-Pacific Conference on Military Medicine held in Beijing; The Regular Working Conference on Foreign Military Personnel Training organized; "Peace Ark" of the Chinese PLA visits Seychelles**

Chinese President Hu Jintao urged the University of National Defense to focus on cultivating officers for commanding joint operations last week on Wednesday. He remarked that "the university should push forward construction and reform in an all-around way and provide more intellectual support and talents for the effective fulfillment of the army's historic mission in the new century".³²

Last week, the Defence Minister of Azerbaijan visited China where he held talks with his Chinese counterpart on 28 October in Beijing. On this occasion Liang Guanglie underscored that since China and Azerbaijan established diplomatic relations 18 years ago, the bilateral relations had developed smoothly. He

³⁰ Maldives Elected Co-Chair of World Bank's Strategic Climate Fund Governing Committee", *The President's Office, Republic of Maldives* November 13 2010 |at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5701>

³¹ "Vice President meets with the Swiss and Russian Ambassadors", *The President's Office, Republic of Maldives* November 10, 2010 at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5682>

³² "China's top military academy told to foster "joint operations" commanding officers", *PLA Daily* (Online), 28 October 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/28/content_4322884.htm

highlighted frequent high-level visits and constant expansion of co-operation in all fields.³³

Recently, the 6th Sino-German Seminar on Security Policies for senior military officers was conducted in Beijing on 25 October. On this occasion, Deputy Chief of General Staff of the Chinese People's Liberation Army (PLA) Sun Jianguo met with the participants of the Seminar. He underscored that the Sino-German relations had developed steadily in an all-round way in past years.³⁴

Reports noted that Chinese and Thai marines had kicked off a joint military training exercise at Sattahip Naval Base on the eastern Thai coast on Thursday last week. Vice Admiral Su Zhiqian, commander of the South China Sea Fleet of the Chinese Navy, has been quoted as saying that the drill had demonstrated the traditional Sino-Thai friendship and cooperation.³⁵

The 6th National Civil Air Defense Conference was recently held in Beijing on October 26 last week. In this conference, Liang Guanglie, member of the CMC, state councilor, defense minister and deputy director of the National Defense Mobilization Committee of China, reiterated that it was imperative to persistently visualize new situations of the civil air defense. He said that the 11th Five-Year Plan period was a period for China to rapidly develop its economy and society and achieve great success in the modernization drive of its national defense and its army. He reminded that it was also a period for China to speed up development of its civil air defense.³⁶

The first Pan Asia-Pacific Conference on Military Medicine was held at the National Convention Center in Beijing recently. In the closing ceremony of the conference, Liang Guanglie, member of the Central Military Commission, state councilor and defense minister of the People's Republic of China (PRC), remarked that the establishment of the Pan Asia-Pacific Region Working Group of the International Conference on Military Medicine had provided a new platform for strengthening the exchanges and cooperation of military medicine

³³ "Liang Guanglie holds talks with Azerbaijan's counterpart", *PLA Daily* (Online), 29 October 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/29/content_4324283.htm.

³⁴ "Sun Jianguo meets attendees of Sino-German senior officer seminar on security policies", *PLA Daily* (Online), 26 October 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/26/content_4321754.htm.

³⁵ "Chinese, Thai marines conduct joint training", *PLA Daily* (Online), 29 October 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/29/content_4323668.htm.

³⁶ "Liang Guanglie stresses on opening new situation of civil air defense", *PLA Daily* (Online), 27 October 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/27/content_4322669.htm.

in the Pan Asia-Pacific region and promoting the development of military medicine of all countries.³⁷

The National Defense University of the PLA organized the Regular Working Conference on Foreign Military Personnel Training of the Chinese People's Liberation Army (PLA) on 28 October. On this occasion, Ma Xiaotian, deputy chief of general staff of the PLA, noted that the foreign military personnel training of the PLA was an important reflection of the peaceful diplomatic concept of China, an important content of the Chinese military diplomacy and an important measure of China in fulfilling the international obligation and promoting the construction of a harmonious world.³⁸

In other developments, the hospital ship "Peace Ark" of the Chinese PLA has recently visited Seychelles. The Chinese media quoted the local people of Seychelles as saying that it was a successful humanitarian visit.³⁹

(November 1-7, 2010)

- **Combat effectiveness and support capabilities underscored; German Defence minister visits China; Chen Bingde praises Chinese-Australian sound bilateral relationship; Vice chairman of the CMC visits UAE; The "Dragon 2010" kicks off; "Mission Action 2010" concluded; China and Romania to hold "Friendship Action 2010" ; Partial airfields of the PLA Air Force improved; China's second "Fengyun III" meteorological satellite successfully launched; 24th annual conference of the Army Administration Research Institute held; MONUSCO) issues citation to the Chinese peacekeeping engineers; "Peace Ark" leaves Port Victoria for Bangladesh**

A Member of the Political Bureau of the Central Committee of the Communist Party of China and vice chairman of the Central Military Commission (CMC) Guo Boxiong, underscored the importance of the development of combat effectiveness and support capability of weapons and equipments in "an organic and systematic way" on 3 November at the Conference organized by the Chinese People's Liberation Army (PLA). He also stressed the need of taking these

³⁷ "First Pan Asia-Pacific Conference on Military Medicine concludes in Beijing", *PLA Daily* (Online), 29 October 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/29/content_4324317.htm.

³⁸ "PLA regular working conference on foreign military personnel training held in Beijing", *PLA Daily* (Online), 29 October 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/29/content_4324358.htm

³⁹ "China's "Peace Ark" mission proves success in Seychelles", *PLA Daily* (Online), 31 October 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/31/content_4324989.htm.

capabilities to a new level and boosting the better and faster development of the weapons of the PLA.⁴⁰

Meanwhile, German Defence Minister Karl Theodor zu Guttenberg paid an official visit to China. He met with Chinese Defense Minister Liang Guanglie on 2 November. The two leaders discussed the issues related to military cooperation. On this occasion, Liang, also the State Councilor said that the bilateral relationship between the two countries had developed in a healthy way with frequent high-level visits and increased mutual political trust.⁴¹

Australian Foreign Minister Kevin Rudd visited China last week. On Thursday, 4 November, he met with Chen Bingde, Chief of the General Staff of the People's Liberation Army of China. The two leaders held talk which lasted for a one-hour. On this occasion Chen underscored and appreciated "the sound relationship between the two countries" that had developed over the past years. He reiterated that China had attached importance to military ties with Australia and had been willing to deepen mutual trust and boost bilateral military cooperation. Rudd reciprocated Chen's remarks and pledged to increase exchanges with China. He made it clear that Australia had respected China's sovereignty and territorial integrity.⁴²

Vice chairman of the Central Military Commission (CMC) of the People's Republic of China Xu Caihou visited United Arab of Emirates (UAE) last week. There he met with Sheikh Mohammed bin Zayed al-Nahyan, crown prince of Abu Dhabi and deputy commander-in-chief of the Armed Forces of the United Arab Emirates (UAE) in Abu Dhabi on 4 November. The two leaders discussed China-UAE relations, bilateral military ties and international and regional situations.⁴³

The "Dragon 2010" - the yearly routine exercise of the South China Sea Fleet (SCSF) of the Navy of the Chinese People's Liberation Army (PLA) was kicked off on 2 November. The "Dragon 2010" is an actual-troop live-shell exercise.

⁴⁰ "Guo Boxiong urges better and faster development of armaments", *PLA Daily* (Online), 4 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/04/content_4327996.htm

⁴¹ "Chinese, German defense ministers agree to improve military cooperation", *PLA Daily* (Online), 3 November 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/03/content_4327061.htm

⁴² "Chinese general meets Australian FM", *PLA Daily* (Online), 5 November 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/05/content_4328248.htm

⁴³ "Abu Dhabi Crown Prince Sheikh Mohammed meets Xu Caihou", *PLA Daily* (Online), 5 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/05/content_4328556.htm.

More than 200 foreign military officers from more than 70 countries were invited to watch this exercise.⁴⁴

Reports noted that the “Mission Action 2010” actual-troop test-oriented exercise was concluded on 3 November. This exercise consisted of trans-MAC maneuver of group armies. The exercise actually began in the Beijing Military Area Command (MAC) and then extended to the Chengdu MAC and Lanzhou MAC mainly. It tested the information system-based systematic combat ability of the participating troops in more than 20 days.⁴⁵

The army mountain troops of the Chinese People’s Liberation Army (PLA) and the Romanian Armed Forces are planned to stage a joint training coded the “Friendship Action 2010” in Kunming, capital of southwest China’s Yunnan Province from 5- 13 November 2010.⁴⁶

The reports quoting the Logistics Department of the Air Force of the Chinese People’s Liberation Army (PLA) on 1 November noted that partial airfields of the PLA Air Force had currently realized intelligent refueling operation, reducing the working intensity of the POL support personnel, shortening the refueling time of aircraft and raising the support efficiency several times.⁴⁷

The reports noted that the Taiyuan Satellite Launch Center, a “Long March-4C” carrier rocket successfully carried China’s second “Fengyun III” meteorological satellite into the space on 5 November 2010. According to the Xi’an Satellite Measurement and Control Center, the satellite successfully entered the sun-synchronous orbit.⁴⁸

The Xi’an Communication College of the People’s Liberation Army (PLA) organized the 24th annual conference of the Army Administration Research Institute on 29 October 2010. More than 100 experts and scholars from the leading organs and academies of the PLA and the Chinese People’s Armed Police Force (APF) attended the conference and deliberated on the difficult and

⁴⁴ “Chinese Marine Corps kicks off “Dragon 2010” live-shell drill”, *PLA Daily* (Online), at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/04/content_4327995.htm

⁴⁵ “Mission Action 2010” trans-MAC mobile exercise concluded”, *PLA Daily* (Online), at 5 November 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/04/content_4327997.htm

⁴⁶ “Sino-Romanian army mountain troops to conduct joint training in Kunming”, *PLA Daily* (Online), 2 November 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/02/content_4326723.htm

⁴⁷ “Partial airfields of PLA Air Force realize intelligent refueling operation”, *PLA Daily* (Online), 2 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/02/content_4326722.htm.

⁴⁸ “China successfully launches 2nd “Fengyun III” meteorological satellite”, *PLA Daily* (Online), 5 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/05/content_4328555.htm.

hot issues of administration of the troops at the time of performing such military operations other than war (MOOTW) including handling emergencies and participating in disaster rescue and relief, information security administration under high-tech conditions.⁴⁹

Reports noted that the United Nations Mission for Stabilization of the Democratic Republic of the Congo (MONUSCO) issued citation to the 11th Chinese peacekeeping engineer detachment to Congo (K) on 3 November. The MONUSCO has appreciated the work done by the Chinese detachment in the citation. Media reports also noted that this was the first citation issued by the MONUSCO since the mission adjustment on July 1 of this year.⁵⁰

In other developments, on 1 November 2010, the “Peace Ark” hospital ship has left Port Victoria after accomplishing the 5-day-long visit and medical service in Seychelles and headed for Bangladesh, the last stop of the “Harmonious Mission 2010”.⁵¹

(November 8-14, 2010)

- **China and Russia pledge to strengthen their military ties; Romanian Defense Minister visits China; Chen Bingde visits Ecuador, Venezuela and Peru; Jordanian King Abdullah II meets with Xu Caihou; Xu visits Syria too; PLA and Turkey’s armed forces carries out a joint military training exercise; The “Blue Strike 2010” concluded; PLA trains its officers for media management; A training course on the special ordinance & equipment operation conducted; The PLA establishes high-tech military transportation training field; The first medial train of the PLA rolled out; China participates in CCM; The 8th Chinese peacekeeping transportation detachment to Liberia will leave next month**

China and Russia has pledged to further advance their military ties. Russian Defence Minister Anatoly Serdyukov visited Beijing on 9 November. During this one-day official visit, he met separately with Chinese Vice President Xi Jinping,

⁴⁹ “24th annual conference of army administration research institute concludes”, *PLA Daily* (Online), 1 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/01/content_4325946.htm.

⁵⁰ “Chinese peacekeeping detachment to Congo (K) wins citation from MONUSCO”, *PLA Daily* (Online), 5 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/05/content_4328553.htm.

⁵¹ “Peace Ark” hospital ship concludes medical service in Seychelles”, *PLA Daily* (Online), 3 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/03/content_4327347.htm

Vice Chairman of the Central Military Commission Guo Boxiong and Defense Minister Liang Guanglie.⁵²

The Vice chairman of China's Central Military Commission Guo Boxiong met with visiting Romanian Defense Minister Gabriel Oprea on Thursday, 11 November. On this occasion, Guo remarked that China-Romania relations had developed smoothly since the two sides forged diplomatic ties 61 years ago. He appreciated Romania's support to the one China policy as well, and expressed hope that the two sides and their militaries would further develop ties.⁵³ Meanwhile, the Sino-Romanian army mountain troops' joint training, codenamed the "Friendship Action 2010", also formally started on 5 November.⁵⁴

On the invitation of the militaries of Ecuador, Venezuela and Peru, Chen Bingde, member of the Central Military Commission and Chief of General Staff of the Chinese People's Liberation Army (PLA), left Beijing on 11 November for the three countries to pay an official goodwill visit.⁵⁵ In his itinerary, he first met with Ecuadorian President Rafael Correa on 12 November. This was the first highest ranking Chinese military delegation that has visited Ecuador since the two countries established diplomatic relations 30 years ago. Correa described Ecuador and China as neighbours whose borders the Pacific Ocean draws. In fact, according to him, Ecuador can work as a conduit point for China to strengthen its ties with South American countries. He characterized Ecuadorian and Chinese economies as highly complementary. He reiterated that the Ecuadorian government would extend its support to the one-China policy.⁵⁶

Jordanian King Abdullah II met with the visiting vice chairman of China's Central Military Commission Xu Caihou on 10 November. On this occasion, Xu thanked the king for his country's support to China on Taiwan, Tibet and Xinjiang, and assured him that China supported the just cause of the Arab states. He reiterated that China backs Jordan's role in the process of achieving fair and lasting peace in the Middle East.⁵⁷ Before this, Xu had met with Syrian President

⁵² "China, Russia vow to advance military ties", *PLA Daily* (Online), 10 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/10/content_4330761.htm

⁵³ "China, Romania to boost military ties", *PLA Daily* (Online), 12 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/12/content_4332350.htm

⁵⁴ "Sino-Romanian army mountain troops joint training kicks off", *PLA Daily* (Online), 8 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/08/content_4329708.htm

⁵⁵ "Chen Bingde visits Ecuador, Venezuela and Peru", *PLA Daily* (Online), 12 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/12/content_4332755.htm

⁵⁶ "Ecuadorian president meets top Chinese general on ties", *PLA Daily* (Online), 14 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/14/content_4334049.htm

⁵⁷ "Jordanian King meets senior Chinese military official over bilateral ties", *PLA Daily* (Online), 11 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/11/content_4331399.htm

Bashar al-Assad on 8 November. The two leaders discussed relations between the armies of the two countries during the meeting.⁵⁸

China's Ministry of Defence has informed that the Chinese PLA and Turkey's armed forces have carried out a week-long joint military training which started in Turkey on Monday, 8 November 2010. The training programme, attended by ground forces from both countries, included training of basic assault skills in hilly terrains and tactics.⁵⁹

Meanwhile, Sino-Thai Marine Joint Training, the "Blue Strike 2010", has been concluded at the training base under the Headquarters of the Marine Corps of the Royal Thai Navy in Sattahip on 11 November.⁶⁰ This joint exercise was commenced on 9 November 2010.⁶¹

The Chinese PLA is training its officers for effective media management as it is adopting a more open and transparent image. Pursuant to this objective, the University of National Defence organized a seminar that was concluded on Saturday 13 November 2010. In this seminar, more than 80 senior officers studied techniques for international communication, the media environment, and media skills. Incidentally, this news-report also noted one more important fact that China has conducted military exchanges and cooperation with more than 150 countries, and since 2002, it has joined 35 bilateral or multilateral military exercises with 26 nations.⁶²

Reports noted that a training course on the special ordinance & equipment operation of the Chinese People's Liberation Army (PLA) was recently concluded in a unit stationed in Hubei Province. It has been learnt that after the training, more than 30 kinds of special-type equipment in four major categories will officially start their military service. More than 10 new types of equipments for specific purposes debuted in this training course, which included high technological contents, displayed superb performance and demonstrated the further improvement of the PLA's capability in coping with multiple security threats and accomplishing diversified military tasks.⁶³

⁵⁸ "Syrian president, Chinese military official hold talks on ties", *PLA Daily* (Online), 9 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/09/content_4330036.htm

⁵⁹ "China, Turkey kicks off week-long military training", *PLA Daily* (Online), 9 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/09/content_4330034.htm

⁶⁰ "Blue Strike 2010" Sino-Thai marine joint training concluded, *PLA Daily* (Online), 12 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/12/content_4332754.htm

⁶¹ "Blue Strike 2010" comprehensive exercise kicks off", *PLA Daily* (Online), 10 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/10/content_4331208.htm

⁶² "Chinese military more open to foreign, domestic media", *PLA Daily* (Online), 14 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/14/content_4334047.htm

⁶³ "New-type special equipment put into use in PLA", *PLA Daily* (Online), 11 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/12/content_4332753.htm

The PLA has recently established the first ever high-tech military transportation training field by the Yalu River. The newly established training field has of late held a modernized transportation exercise embracing IT elements staged by a logistics sub-department of the Shenyang Military Area Command (MAC) of the PLA.⁶⁴

the first medical train of the Chinese People's Liberation Army (PLA) smoothly rolled out of a locomotive plant on 9 November. This train demonstrates that the PLA has the reliable capabilities for "rescue and treatment of the wounded when evacuating them" in large batch by crossing areas and covering long distance.⁶⁵

China has participated in the First Meeting of States Parties to the Convention on Cluster Munitions (CCM) recently. Deputy Director General of the Department of Arms Control and Disarmament of the Ministry of Foreign Affairs of China Kang Yong, represented China and headed the Chinese Observer Delegation in this four- day meeting. This meeting took place in Laos and was attended by representatives from more than 100 countries and dozens of international organizations. It discussed four key documents, including the Vientiane Declaration, Vientiane plan of action on implementation of the convention, an agreement on reporting format under the convention and a work plan for 2011.⁶⁶

The 8th Chinese peacekeeping transportation detachment to Liberia will leave for Liberia this year on 16 December, 2010. A group army of the Beijing Military Area Command (MAC) of the PLA is dispatching this detachment. It is the second time when the group army is sending the detachment to shoulder the peacekeeping transportation task in Liberia. The main duties of the detachment will be providing transport support of personnel, materials, drinkable water and fuel to the peacekeeping troops from different countries in Liberia and transporting humanitarian supplies. It is learnt that so far China has dispatched ten batches of peacekeeping troops to Liberia. Since April 2006, this group army has sent officers and men from its engineer and transportation troops to go to Liberia for five times in succession to shoulder the peacekeeping task.⁶⁷

⁶⁴ "First PLA high-tech military transportation training field established", *PLA Daily* (Online), 11 November 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/11/content_4331885.htm

⁶⁵ "First PLA medical train comes off production line", *PLA Daily* (Online), 11 November 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/11/content_4331881.htm.

⁶⁶ "China's delegate calls for proper solution to global cluster munitions", *PLA Daily* (Online), 11 November 2010, http://eng.chinamil.com.cn/news-channels/today-headlines/2010-11/11/content_4331382.htm

⁶⁷ "8th Chinese peacekeeping transportation detachment to Liberia established", *PLA Daily* (Online), 9 November 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-11/09/content_4330457.htm.

JAPAN

(November 1-7, 2010)

- **Public support rating for PM Naoto Kan's Cabinet dropped to 32.7 percent; leakage of collision footage, Nearly 4,000 anti-China protesters rallied in Tokyo; Sensitive police documents in Japan related to international terrorism reported to have been leaked; US recognizes Japanese sovereignty over the islands at the center of a territorial row with Russia**

On the domestic front the public support rating for Prime Minister Naoto Kan's Cabinet dropped to 32.7 percent in the latest Kyodo News poll. This is a clear sign of continued frustration over the government's performance.⁶⁸ On the other hand approximately 4,000 anti-China protesters rallied in Tokyo, with their anger fuelled by a video capturing a collision between Chinese and Japanese vessels which sparked a diplomatic spat.⁶⁹ Meanwhile there are also reports that sensitive police documents in Japan related to international terrorism have been leaked online. This contains more than 100 documents providing personal details of people co-operating with terrorism inquiries, and foreigners in Japan apparently under investigation.⁷⁰

On the international front the United States has noted that it recognizes Japanese sovereignty over the islands at the center of a territorial row with Russia. United States also asserted that they are not subject to the Japan-U.S. security treaty because they are not controlled by Japan. The U.S. government "supports Japan and recognizes Japanese sovereignty over the Northern Territories," US State Department spokesman Philip Crowley said.⁷¹

SOUTHEAST ASIA

(November 1-7, 2010)

- **Vietnam offers navy base to foreign countries; Malaysian Airlines plans to invest more in India and China; Malaysian Indians seek India's help**

⁶⁸ "2ND LD: Public support for Kan's Cabinet drops 14.9 points to 32.7%+" *Associated Press*, November 7, 2010 at http://www.breitbart.com/article.php?id=D9JB8RGG0&show_article=1

⁶⁹ "Anti-China rally held in Japan after video leak of collision" *Associate Foreign Press*, November 7, 2010 at http://www.google.com/hostednews/afp/article/ALeqM5hK1IQUFYDEidQI_ESGt24InipTOA?docId=CN.G.b7b0e11361e7847889195c6db3707f9e.1201

⁷⁰ "Japan anti-terrorism data leaked on internet" *BBC*, November 4, 2010 at <http://www.bbc.co.uk/news/world-asia-pacific-11682022>

⁷¹ "LEAD: U.S. recognizes Japan's sovereignty over Russian-held islands+" *Associated Press*, November 3, 2010 at http://www.breitbart.com/article.php?id=D9J8BL9G1&show_article=1

**on racial segregation; ASEAN to strengthen role of International Law;
India-ASEAN trade likely to reach 50 billion mark in 2011**

The Vietnamese Prime Minister said Cam Ranh Bay which is 180 miles North West of Ho Chi Minh city would stand ready to service ships and submarines "from all countries". The move is one of a series of interlocking regional arrangements that are being put in place to counter China's growing strength.⁷²

The Malaysian Airlines has kept the markets in India and China at the top of its new expansion plans. With Asian economies growing faster than those in Europe and the Americas, the national carrier is also focusing on the neighbourhood and Australia. Over 600,000 Indians travelled to Malaysia in 2009.⁷³

A political group representing disaffected Malaysian Indians requested Prime Minister Manmohan Singh to support the Indian diaspora in Malaysia on segregation issue. Dr. Singh said he had faith that Malaysia "a multicultural, multi-religious democracy" had the "flexibility" to handle such issues.⁷⁴

Vietnam, on November 5, opposed a Chinese agency's move to provide map data that violate Vietnam's sovereignty in the East Sea. Vietnam said that it requires the Chinese side to promptly remove data on violative map and observe the common views of the two countries' leaders on maintaining peace, stability, not complicating and expanding conflicts in the East Sea.⁷⁵

ASEAN will take the initiative to participate in dialogues with the United Nations (UN) and other organisations of good will such as the Asian-African Legal Consultative Organization (AALCO) to improve the role of international law in key areas. Vietnamese chargé d'affaires at the UN, Ambassador Bui The Giang, emphasised this at an AALCO's meeting on November 2.⁷⁶

⁷² "Vietnam Offers Navy Base to Foil China", *Telegraph*, November 8, 2010 at <http://www.telegraph.co.uk/news/worldnews/asia/vietnam/8116192/Vietnam-offers-navy-base-to-foil-China.html>

⁷³ "Malaysian Airlines Eyes Indian, Chinese Markets", *The Hindustan Times*, November 8, 2010 at <http://www.hindustantimes.com/Malaysian-Airline-eyes-Indian-Chinese-markets/Article1-623340.aspx>

⁷⁴ "Malaysian Indians Seek PM Manmohan Singh's Help on Racial Segregation", *The Link*, November 6, 2010 at <http://thelinkpaper.ca/?p=726>

⁷⁵ "Vietnam Protests China's Sovereignty Violation", *Bernama.com*, November 6, 2010 at <http://www.bernama.com/bernama/v5/newsindex.php?id=541151>

⁷⁶ "ASEAN Strives to Strengthen The Role of International Law", *VOV News*, November 3, 2010 at <http://english.vovnews.vn/Home/ASEAN-strives-to-strengthen-the-role-of-international-law/201011/121049.vov>

In other reports, bilateral trade between India and the Association of Southeast Asian Nations (ASEAN) is likely to touch \$50 billion in 2010. India and ASEAN achieved the \$ 45 billion target in 2008-09.⁷⁷

C. USA

(November 1-7, 2010)

- **Republican Party captures the House of Representatives and reduces the majority of Democratic Party in the US Senate; Republicans promise to respond to crippling budget deficits**

In the mid term election, the Republican Party has captured the House of Representatives and reduced the majority of Democratic Party in the Senate. Reports noted that the Republicans who have achieved victory over state capitols across the country are promising to respond to crippling budget deficits with an array of cuts.”⁷⁸ Given the Republicans’ reticence in increasing taxes, the principle policy decision that is being taken is to cut government expenditure. The worrying factor is that neither party has shown any signs of having a clear action plan to solve the economic and unemployment problem that persists in the US. This is the reason why the theme of President Obama’s visit to India has been advertised as an expedition to get jobs for Americans. It is clear that the unemployment in the US is significantly influencing the U.S. agenda.⁷⁹

II. ENERGY REVIEW

(November 8-14, 2010)

- **Coal India Ltd is in talks with U.S. mining corporations aimed at buying stakes in coal mines; Cairn Energy Plc not sure about closing the deal with Vedanta Resources**

According to its Chairman, Partha Bhattacharya, India’s largest Cola producer, Coal India Ltd. is in talks with U.S. miners Peabody Energy Corp. and Massey Energy Co. to buy stakes in coal mines with long-term off take agreements. The state-run Indian company has been seeking to secure coal assets overseas to meet growing demand from local utilities, which aim to add 113 gigawatts of power

⁷⁷ “India, ASEAN Trade to Touch \$ 50 bn This Year”, *Sify Finance*, November 2, 2010 at <http://sify.com/finance/india-asean-trade-to-touch-50bn-this-year-news-default-klcvkladgeh.html>

⁷⁸ “Now in Power, G.O.P. Vows Cuts in State Budgets.” *The New York Times*, November 7, 2010 at http://www.nytimes.com/2010/11/08/us/politics/08govs.html?_r=1&hp

⁷⁹ “Obama: Link with India is 'stronger, deeper and broader' than ever.” *CNN*, November 8, 2010 at <http://edition.cnn.com/2010/WORLD/asiapcf/11/08/india.obama.trip/index.html?hpt=T1>

generation capacity over the next seven years. India currently has a power generation capacity of 164 gigawatts.⁸⁰

In other developments in the energy sector, Cairn Energy is in doubt over whether it will be able to close the deal with Anil Agarwal's Vedanta Resources on the sale of its stake in its Indian outfit. Cairn appeared to be showing a hint of uncertainty after a senior executive of the Cairn Energy is selling 40-51 per cent out of its 62.38 per cent stake in Cairn India to London-listed Vedanta Resources for \$8.48 billion.⁸¹

⁸⁰ "Coal India in Talks With Peabody, Massey Energy to Buy Stakes in Mines", *The Wall Street Journal*, November 12, 2010 at <http://online.wsj.com/article/SB10001424052748704462704575609901205591396.html>

⁸¹ "Cairn Energy in deal", November 16, 2010 at *The Telegraph*, [doubthttp://www.telegraphindia.com/1101117/jsp/business/story_13187106.jsp](http://www.telegraphindia.com/1101117/jsp/business/story_13187106.jsp)