THE WEEK IN REVIEW

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1. COUNTRY REVIEW

A. SOUTH ASIA

AFGHANISTAN

 Nominated Interior Minister Atmar pledges to recruit an additional 63,000 police personnel over the next four years; NATO Chief Rasmussen promises to stand by Afghanistan: 8 people killed in a suicide attack in Kandahar; German Defence Minister: Afghanistan's political system not suited for democracy; Gordon Brown discusses London Summit plan with President Karzai

President Karzai's nominee for the portfolio of Interior Ministry, Muhammad Hanif Atmar pledged to increase the number of police force to 160,000 from the existing 97,000 by recruiting additional 63,000 policemen over the next four years. While seeking a vote of confidence from the Wolesi Jirga on December 22, Atmar added that strengthening and equipping police force would be the top priority of his Ministry for the upcoming five years.¹

Meanwhile, reiterating NATO's commitment to Afghanistan, its Secretary General Anders Fogh Rasmussen affirmed that NATO troops will stay in Afghanistan as long as necessary despite difficulties involved. He further noted, "The international community will stand with you, will protect you and help rebuild your country until you are ready to stand on your own and prevent terrorism from taking root in this country once again." Rasmussen would be visiting Afghanistan for the first time since NATO allies pledged 6,800 extra troops in addition to the 30,000 US soldiers committed by US President Barack Obama to fight the Taliban.

According to the Afghan Police, 8 people were reportedly killed in a suicide bomb attack near a hotel known to be frequented by foreigners in the southern city of Kandahar. At least three other people including a police officer were injured in the blast.⁴

¹ 'Atmar promises 63,000 more police in next four years', *Pajhwok Afghan News*, December 22, 2009 at http://www.pajhwok.com/viewstory.asp?lng=eng&id=86755

² 'NATO Chief Promises to Stand by Afghanistan', *The New York Times*, December 22, 2009 at http://www.nytimes.com/2009/12/23/world/asia/23afghan.html

³ 'NATO will 'stay the course' in Afghanistan: chief", *Pajhwok Afghan News*, December 22, 2009 at http://www.google.com/hostednews/afp/article/ALeqM5j9wqzbGHQSnl_SGKS6KjcjTOhILA

⁴ 'Bomber Uses Cart to Kill 8 in Kandahar', *The New York Times*, December 24, 2009 at http://www.nytimes.com/2009/12/25/world/asia/25afghan.html

In other developments, German Defence Minister, Karl-Theodor zu Guttenberg noted that the Afghan political system is not suitable for a democratic set up. The comments published in a newspaper braced skepticism over Germany's role in the military operations in Afghanistan. "I've long come to the belief that Afghanistan, because of its history and background, is not currently suited to be a model democracy by our standards," Guttenberg stated.⁵

British Prime Minister Gordon Brown discussed the January 28, 2010 International Conference on Afghanistan to be held in London with President Karzai over telephone. A follow up moot is also proposed to be held later in Kabul as reports noted.⁶

PAKISTAN

Shah Mehmood Qureshi criticizes the new US Afghan strategy, says drone attacks in Balochistan not acceptable; Admiral Mike Mullen: Pakistan not credited enough for fighting the militants; Gilani: No disagreements between the PPP and the army; Nawaz Sharif ready to meet Zardari for 'result-oriented' talks; IMF sanctions a tranche of \$ 1.2 billion to Pakistan after reviewing the economic progress in the country; Musharraf may be tried for 'defiance of law'

Foreign Minister Shah Mehmood Qureshi lashed out at the new US Afghan strategy stating that extending US drone attacks into Balochistan is not permissible. Qureshi asserted that Pakistan is not in favour of allowing 'hot pursuit by foreign troops' on its soil. He was addressing a meeting of the National Assembly's Standing Committee on Foreign Affairs convened to discuss the new US policy on December 22.7 In a related development, Chairman of the US Joint Chiefs of Staff Admiral Mike Mullen noted that Pakistan was doing reasonably well in fighting the extremists but does not get 'enough credit' for it. Mullen was talking to journalists in Washington on December 20.8

Meanwhile, Prime Minister Gilani ruled out that there was any conflict between the PPP and the army. While speaking to media persons in Islamabad

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⁵ 'German DefMin: Afghanistan not suited for democracy', *Reuters*, December 26, 2009 at http://in.reuters.com/article/southAsiaNews/idINIndia-44996320091226

⁶ 'Brown, Karzai discuss London Summit', *Pajhwok Afghan News*, December 22, 2009 at http://www.pajhwok.com/viewstory.asp?lng=eng&id=86746

⁷ Baqir Sajjad Syed, 'Qureshi hits out at new US strategy', *Dawn*, December 23, 2009 at http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/thenewspaper/front-page/12-qureshi-hits-out-at-new-us-strategy--bi-07

⁸ Anwar Iqbal, 'Pakistan not given enough credit, says Mullen', *Dawn*, December 22, 2009 at http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/thenewspaper/front-page/16-pakistan-not-given-enough-credit%2C-says-mullen-229-hs-08

on December 24, Gilani noted that the army was carrying out the orders of the civilian government and the relations between the two were 'cordial.'9 PML-N chief Nawaz Sharif expressed willingness to meet President Zardari for 'result oriented' talks on a 'clear agenda' reports noted. He further said there was no threat to the democratic set up and his party will continue to support PPP as long as they fulfill their promises on Charter of Democracy (CoD) and the National Reconciliation Order (NRO).¹⁰

In other developments, there were reports which indicate that the criminal proceedings could be started against former president Pervez Musharraf for 'defiance of law.' the details of the allegations are said to be contained in the petitions filed against the sacking Chief Justice Iftikhar Muhammad Chaudhary.¹¹

The IMF has reportedly approved \$ 1.2 billion for Pakistan after reviewing the economic development in the country.¹²

B. EAST ASIA

CHINA

China and US hold consultations on Arms Control and Non-Proliferation: Kazak Defence Minister Visits China: A Draft Law that Empowers the Government to Levy Compulsory Military Service on Citizens Submitted for a Second Reading: The Third Task Force Returns from the Gulf of Aden: National Geographical Information Security is vital to national core interest, says a Senior Official

China-US Department-Level Arms Control and Non-Proliferation consultation was held on December 18 in Beijing. Cheng Jingye, Director-General of the Department of Arms Control and Disarmament, Chinese Ministry of Foreign Affairs, and Vann Van Diepen, acting Deputy Assistant Secretary of State for International Security and Non-Proliferation of the US co-chaired the meeting

^{9 &#}x27;No differences between PPP, army: Gilani', *Daily Times*, December 25, 2009 at http://www.dailytimes.com.pk/default.asp?page=2009\12\25\story_25-12-2009_pg1_1

Irfan Ghauri, 'No serious threat to democratic system': Ready to meet Zardari for result-oriented talks: Nawaz', Daily Times, December 27, 2009 at http://www.dailytimes.com.pk/default.asp?page=2009\12\27\story_27-12-2009_pg1_1

¹¹ Muhammad Saleh Zaafir, 'Detailed judgment', *The News*, December 26, 2009 at http://www.thenews.com.pk/arc_default.asp

^{12 &#}x27;IMF approves release of \$1.2 billion', *Dawn*, December 24, 2009 at http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/12-imf-approves-release-of-12-billion--bi-14

which was also attended by representative of important ministries and departments from both states.¹³

Meanwhile, Kazak Defense Minister Adilbek was on a visit to Beijing on December 24. Dzhaksybekov met Vice Chairman of China's Central Military Commission, Guo Boxiong where both military leaders agreed to advance friendly and cooperative relations between the armed forces of both countries as reports noted.¹⁴

In other developments, a draft law allowing the Chinese government to mobilize majority of its adult population for defense duties was submitted to the ongoing session National People's Congress for the second reading. According to the draft law, all men aged 18 to 60 and women 18 to 55 would serve in combat and rescue missions to maintain public order in case national defense mobilization is declared.¹⁵

The third mission of the PLA returned home on December 20 having completed its task off Somali coast and the Gulf of Aden. The mission started on July 16, 2009 comprised two frigates and escorted around 600 vessels during this period. In a related development, December 26 marked the first anniversary of the participation of PLA Navy's in the escort action off Somali coast and the Gulf of Aden. Notably, 11 warships in four taskforces of the PLA Navy completed a record of 10,000-odd navigation hours and a voyage of 100,000-odd nautical miles. They escorted around 1,000 merchant ships of over 100 batches ensuring "100% safety of the escorted merchant ships and 100% safety of the taskforces themselves." 17

Speaking on the Qinghai-Tibet Railway, Wang Mingxiao, Director, Survey and Mapping Information Center and Senior Engineer of the Lanzhou Military Area Command (MAC) of the PLA stated, "National geographical information security has a bearing on national core interest" and "China's first digitalized

¹³ 'China-US Department-level Arms Control and Non-proliferation Consultation Held', *PLA Daily* (Online), December 23, 2009 at http://eng.chinamil.com.cn/news-channels/china-military-news/2009-12/23/content_4100357.htm

 ^{14 &#}x27;China, Kazakhstan Agree to Bolster Military Cooperation', PLA Daily (Online), December 23,
 2009 at http://eng.chinamil.com.cn/news-channels/today-headlines/2009 12/23/content_4100006.htm

¹⁵ 'China's New National Defense Mobilization Law in 2nd Reading', *PLA Daily* (Online), December 24, 2009 at http://eng.chinamil.com.cn/news-channels/today-headlines/2009-12/24/content_4100556.htm

¹⁶ 'China's Third Escort Mission Returns Home from Somali Waters', *PLA Daily* (Online), December 21, 2009 at http://eng.chinamil.com.cn/news-channels/today-headlines/2009-12/21/content 4098495.htm

¹⁷ PLA Navy Contributes to International Maritime Security Cooperation', *PLA Daily* (Online), December 25, 2009 at http://eng.chinamil.com.cn/news-channels/china-military-news/2009-12/25/content_4101386.htm

railway on plateau (Tibetan) must be surveyed by Chinese people themselves." the Qinghai-Tibet Railway is the longest line and constructed on the highest plateau and considered the most complicated geological structure in the world. 18

JAPAN (Nov 30-Dec 27, 2009)

• Japan undecided on relocating U.S. Marine Corps Air Station Futenma; Japan willing to help countries in creating a free trade area in the region; Government welcomes the new US Afghan strategy; popularity of the elected government drops by 50 percent according to a poll

Japan is facing a major foreign policy dilemma on the unresolved issue of relocating U.S. Marine Corps Air Station Futenma. As Prime Minister Yukio Hatoyama has not taken a decision yet, the issue could further derail Japan-US ties. Meanwhile the United States has been reiterating that Japan should relocate a key U.S. military base within Okinawa Prefecture as was agreed under a bilateral deal. In a change of stance, Hatoyama admitted that he fully understands that US desires that Japan should adhere to the 2006 bilateral deal in this regard. U.S. Secretary of State Hillary Clinton apparently expressed such hopes in talks with a Japanese official as reports noted. In the content of the c

In other developments Japan expressed willingness to help Pacific Rim economies in accelerating their efforts to create a free trade area in the region at a series of Asia-Pacific Economic Cooperation forum meetings to be held next year. In this regard, Japan stressed the importance of sharing of views among the 21 members.²²

Japan has reportedly welcomed the new U.S. strategy on Afghanistan announced by President Barack Obama recently. Speaking on this the spokesman of the government added that Japan has no

¹⁸ 'China Accomplishes Survey and Mapping of Qinghai-Tibet Railway with High-precision', *PLA Daily* (Online), December 24, 2009 at http://eng.chinamil.com.cn/news-channels/chinamilitary-news/2009-12/24/content_4100952.htm

¹⁹ 'Hatoyama playing risky game over Futenma', *Japan Times*, December 10, 2009 at http://search.japantimes.co.jp/cgi-

bin/nn20091210a2.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed:+japantimes+(The+Japan+Times:+All+Stories)&utm_content=Google+Reader

²⁰ 'U.S. repeats view that Japan should implement agreed base relocation', *Breitbat News*, December 7, 2009 at http://www.breitbart.com/article.php?id=D9CESG1G2&show_article=1 '1' 'Hatoyama says he understands U.S. stance on Futemma issue', *Breitbat News*, December 21,

²⁰⁰⁹ at http://www.breitbart.com/article.php?id=D9CO219O0&show article=1

²² 'LEAD: APEC free trade a key issue under Japan's chair in 2010', *Breitbat News*, December 9, 2009 at http://www.breitbart.com/article.php?id=D9CFNM0O0&show_article=1

intention of increasing the amount of aid amidst speculation that Washington may demand Tokyo to do so.²³

On the domestic front, Japan's three-month-old government is fast losing its popularity and the support base reportedly has dipped below 50 percent for the first time. The conclusions are based on a poll conducted which registered complains against Prime Minister Yukio Hatoyama of lacking leadership qualities.²⁴ Meanwhile, the new government plans to include in its fiscal 2010 defense budget, allocations for acquiring new tanks and building a new helicopter-carrying destroyer to maintain the Self-Defense Forces' deterrence and response capabilities.²⁵ On the other hand, the prime ministers of Japan and Australia supported a report calling for a cut in the world's nuclear arsenals by more than 90 percent.²⁶

There have also been reports that a top secret document related to an agreement between Japan and U.S. regarding Japan availing nuclear weapons if needed, lies with the family of the late Prime Minister Eisaku Sato. Sato signed the accord with U.S. President Richard Nixon in 1969.²⁷

KOREAN PENINSULA (Nov 30-Dec 27, 2009)

 South Korea and Japan failed yet to decide the date to resume the bilateral free trade negotiations; South Korea plans to apply preferential tariff system to developing countries; North Korea wants the UN sanctions for nuclear defiance to be revoked

South Korea and Japan failed to pin down the exact date to resume the bilateral free trade negotiations during the latest talks as noted by government officials. This is despite a mutual understanding on the need to conduct further discussions.²⁸

²³ 'ND LD: Japan welcomes new U.S. Afghan policy, yet denies more aid', *Breitbat News*, December 2, 2009 at http://www.breitbart.com/article.php?id=D9CAV84O0&show_article=1

²⁴ 'The centre-left premier has been accused in the media of being vague and inconsistent', *Associate Foreign Press*, December 18, 2009 at http://news.asiaone.com/News/Latest%2BNews/Asia/Story/A1Story20091218-186808.html

²⁵ 'Japan to procure new tanks, helicopter destroyer in FY 2010 budget', *Breitbat News*, December

http://www.google.com/hostednews/afp/article/ALeqM5j0huomNvIEF43oo9zZI2rS46L4Vw ²⁷ 'Secret N-pact comes to light / Japan-U.S. accord was kept at ex-Prime Minister Sato's home', *The Yomiuri Shimbhun*, December 23, 2009 at http://www.yomiuri.co.jp/dy/national/20091223TDY01301.htm

²⁵ 'Japan to procure new tanks, helicopter destroyer in FY 2010 budget', *Breitbat News*, December 23, 2009 at http://www.breitbart.com/article.php?id=D9COURA80&show_article=1

²⁶ 'Australia, Japan want huge cuts in nuclear arsenals', *Associate Foreign Press*, December 17, 2009 at

²⁸ 'S Korea, Japan fail to agree on resuming free trade negotiations', *Xinhua*, December 22, 2009 at http://news.xinhuanet.com/english/2009-12/22/content_12687516.htm

Meanwhile, North Korea asserted that the UN sanctions imposed on the communist regime for its nuclear defiance must be lifted in a meeting with a senior US official.²⁹ Meanwhile, U.S. President Barack Obama proposed setting up a liaison office in North Korea in the year 2010 which would help ease tensions between the two rival states.³⁰ Both the countries have also agreed to relaunch the four-party framework to negotiate a permanent peace regime on the Korean Peninsula.³¹

On the regional front, South Korea plans to apply preferential tariff system to developing countries starting late 2010. "The government plans to provide the Generalized System of Preferences (GSP) to developing nations in order to contribute to the global community as a developed nation," an official at the Ministry of Strategy and Finance was quoted as saying. South Korea decided to restrict the passage and approach of foreign ships near its sea-based installations to strengthen the nation's overall maritime jurisdiction, as reports noted. Meanwhile, South Korea also agreed to expand bilateral military cooperation with the United Arab Emirates (UAE). In other developments, South Korea has been invited to participate in a NATO conference to be held in 2010 on ways to improve coordination between the armed forces of the coalition in Afghanistan.

There has also been agreement between the Foreign Ministers of South Korea and Australia to strengthen ties in security, trade, overseas development aid and other areas of mutual interest.³⁶ On the military side, fighter pilots of South Korea and the United States began a three-day joint exercise aimed at enhancing

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²⁹ 'North Korea presses for lifting of UN sanctions', *Daily Times*, December 17, 2009 at http://www.dailytimes.com.pk/default.asp?page=2009\12\17\story_17-12-2009_pg4_5

³⁰ 'Obama proposes U.S. liaison in North Korea: Yonhap', *Reuters*, December 18, 2009 at http://www.reuters.com/article/idUSTRE5BF4JS20091218?type=politicsNews

³¹ 'U.S., DPRK agree to discuss peace treaty through four-way talks: Yonhap', *Xinhua*, December 13, 2009 at http://news.xinhuanet.com/english/2009-12/13/content_12641890.htm

³² 'S Korea to provide preferential tariff to developing countries', *Xinhua*, December 24, 2009 at http://news.xinhuanet.com/english/2009-12/24/content_12699258.htm

³³ 'South Korea To Restrict Foreign Vessels' Passage Near Maritime Installations', *Bernama*, December 8, 2009 at http://www.bernama.com/bernama/v5/newsworld.php?id=460761

³⁴ 'S. Korea, UAE seek to expand military', *Yonhap News*, December 27, 2009 at http://english.yonhapnews.co.kr/national/2009/12/27/0301000000AEN20091227002900320.HT ML

³⁵ 'S. Korea invited to NATO conference on Afghanistan', *Yonhap News*, December 22, 2009 at http://english.yonhapnews.co.kr/national/2009/12/22/0301000000AEN20091222001200315.HT ML

^{36 &#}x27;S. Korea, Australia agree to cooperate on security, development aid', Yonhap News, December 16, 2009 at http://english.yonhapnews.co.kr/national/2009/12/16/0301000000AEN20091216008700315.HT

their tactical coordination.³⁷ South Korean President called for all-out efforts to improve the country's defense procurement process. He stated that the current system leaves enough room to encourage corruption.³⁸

SOUTHEAST ASIA

 Malaysia and Saudi Arabia to strengthen their bilateral ties; Abhisit admits lack of improvement in the bilateral relationship between Thailand and Cambodia, however, denies resorting to violence against the neighbouring state

Malaysia and Saudi Arabia pledged to strengthen the bilateral ties on several issues during the visit of Malaysian Foreign Minister, Datuk Seri Anifah Aman's to Saudi Arabia during the weekend. Malaysia was also urged to play an active role in bringing an end to the ongoing conflicts among the Islamic states and unifying the Muslims. Reports noted that Malaysian Prime Minister, Najib Razak is likely to visit Saudi Arabia on January 15-16, 2010. If this visit takes place, it would be Najib's first official visit to an Arab country since he assumed office in April 2009.³⁹

Amidst overwhelming criticisms against decision of the Thai government's to call back its Ambassador to Cambodia, Prime Minister Abhisit Vejjajiva reposed stating that his government still intends to improve the bilateral relationship between the two countries. He however admitted that so far, the ties have not been very smooth.⁴⁰ At the same time, Vejjajiva rejected the allegation that the government would resort to violent means in settlement of disputes with neighbouring state, reports noted.⁴¹

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³⁷ 'S. Korea, U.S. team up for three-day joint Air Force exercise', *Yonhap News*, December 16, 2009 at

http://english.yonhapnews.co.kr/national/2009/12/16/0301000000AEN20091216003200315.HT

³⁸ 'President Lee urges reform in defense procurement', *Yonhap News*, December 8, 2009 at http://english.yonhapnews.co.kr/national/2009/12/08/0301000000AEN20091208007200315.HT ML

³⁹ 'Malaysia, Saudi Arabia to boost cooperation', *Bernama.com*, December 28, 2009 at http://www.bernama.com/bernama/v5/news_lite.php?id=464778

^{40 &#}x27;Thai-Cambodia ties not improving', *Bangkok Post*, December 27, 2009 at http://www.bangkokpost.com/breakingnews/163721/thai-cambodian-ties-not-improving

⁴¹ 'PM denies plan for coup in Cambodia', *Bangkok Post*, December 25, 2009 at http://www.bangkokpost.com/breakingnews/163589/pm-no-plan-to-stage-coup-in-cambodia

C. WEST ASIA

IRAN

• US warns Iran on the deadline of its nuclear program; Massive clashes on the streets in Tehran between the opposition and the police

The United States warned Iran that December is the "real deadline" for its nuclear program. In this regard, US and France have repeatedly urged Tehran to accept a UN nuclear watchdog-drafted deal to swap enriched uranium for nuclear fuel by the end of the year or face further sanctions. White House spokesman, Robert Gibbs stated that the so-called P5+1 have agreed with the deadline. Gibbs also noted "I think that the international community is united in this. This is not (just) something that the (US) president has said... This is something that the members of the P5+1 have said." Ahmadinejad rejected the deadline by speaking against western pressure over Tehran's refusal to suspend enrichment or agree to full inspections by the International Atomic Energy Agency (IAEA).⁴²

Sources from the opposition camp stated that at least four protesters were shot dead in violent clashes between the anti-government protesters and the police. The police, however, denied such that there was any casualty. Opposition parties urged people to take to the streets on occasion of Ashura, a Shia Muslim festival. People shouted "This is the month of blood", calling for the downfall of Iran's Supreme Leader, Ayatollah Ali Khamenei. At the same time, supporters of the government marched on Enghelab Street to express solidarity with Ayatollah Khamenei. In a related development, the nephew of the former presidential candidate, Mir Hossein Mousavi was among the dead as noted by a reformist website, Parlemannews. ⁴³

IRAO

• Dozens killed in series of bomb blasts in Iraq

There was a series of bomb attacks in Baghdad which claimed at least 23 lives. The attacks appeared to target the Shia community of the capital. Earlier, a twin bomb blast in Hilla, 100km south of Baghdad killed at least 15 people. Shia

⁴² 'US warns Iran to meet nuclear deadline', *Khaleej Times*, December 23, 2009 at http://www.khaleejtimes.com/DisplayArticle09.asp?xfile=data/middleeast/2009/December/middleeast_December510.xml§ion=middleeast

⁴³ 'Fatal clashes erupt in Tehran', *BBC News*, December 27, 2009 at http://news.bbc.co.uk/2/hi/middle_east/8431523.stm

pilgrims are celebrating the festival of Ashura, and security has been tightened around the country to prevent attacks by militants. In other developments, 5 people were killed at a funeral in Baghdad when a bomb exploded in a tent where mourners had gathered in the suburb of Sadr City.⁴⁴

II. DEFENCE REVIEW

DEFENCE NATIONAL

• Home Ministry unveils draft policy on Arms and Ammunitions

The Ministry of Home Affairs (MHA) unveiled a draft policy for regulating production and supply of arms and ammunition in the private sector. The policy supports the existing norm for production in private sector and stipulates certain conditions with a view to 'prevent diversion to unauthorized hands.' Under the draft guidelines, only big private companies willing to invest more than Rs. 50 crores (subject to maximum 26 per cent FDI) would be issued industrial licenses by the Department of Industrial Policy and Promotion (DIPP) in consultation with the MHA to produce various arms and ammunitions. However, the supply of such items, except for sports weapons and the like, are strictly restricted to the defence forces, paramilitary forces and state governments. To enable the government to monitor the activities of producers, the policy authorizes the District Magistrate of the concerned area to conduct inspection and file report to the secretaries both at state and central levels.⁴⁵

• India, Israel to step up defence cooperation

India and Israel have decided to enhance bilateral defence cooperation in areas such as trade in military goods, counter terrorism, intelligence sharing and joint R&D projects, reports noted. The decision was taken at a meeting of Joint Working Group on Defence in New Delhi, co-chaired by Director-General of Israeli Defence Ministry, Brigadier-General Pinchas Buchris (Retd) and Indian Defence Secretary, Pradeep Kumar. Notably, Israel is one of the largest defence suppliers to India, supplying nearly \$9 billion worth of military products since 1999. Defence Minister, A K Antony informed the Lok Sabha that India's Defence

⁴⁴ 'Iraqi bomb blasts leave 23 dead', *BBC News*, December 24, 2009 http://news.bbc.co.uk/2/hi/middle_east/8429945.stm

⁴⁵ Government of India, Ministry of Home Affairs, 'Draft arms and ammunition manufacturing policy – comments of general public reg', http://www.mha.nic.in/writereaddata/12614144381_DAAM-Policy-211209.pdf

Research and Development Organisation (DRDO) and Israel Aerospace Industries (IAI) are presently working on two projects worth over Rs. 12,680 crores to develop long and short-range surface to air missiles for the Air Force and Navy.⁴⁶

• Navy's Submarine strength hit by delays

Reports indicate that Indian Navy's submarine strength – presently comprising 10 Russian Kilo-class, four German HDW and two Foxtrot – is likely to be reduced to five in 2014-15. The depletion is a result of the delay in induction schedule of new class submarines and obsolescence of some of the existing ones. The Rs. 18,798 P-75 project under six Scorepene-class submarines planned for induction by 2017 is facing delay by at least two years. It successor, the P75-I project, under which six additional submarines are planned for induction at a total cost of nearly Rs. 30,000 crores, has failed to move beyond the planning stage. It is believed that the MoD is unable to decide which shipyard could execute the project.⁴⁷

• Hindustan Shipyard is now under Defence Ministry

The central government approved the transfer of the Hindustan Shipyard Ltd (HSL) - a government-owned enterprise located in Visakhapatnam from Ministry of Shipping to the Ministry of Defence. A press Release issued by the Government stated that the transfer of shipyard would enable the Defence Ministry to meet "national security requirements of building strategic vessels for Indian Navy." The decision which came after the concerns expressed by the Navy about delay in constructing tactical submarines, is expected to boost the submarine and other shipbuilding activities. The MoD will have four dedicated shipyards under its direct control – Goa Shipyard Ltd (GSL), Garden Reach Shipbuilding and Engineers (GRSE) and Mazagon Dock Ltd (MDL) and HSL as a result of this transfer.⁴⁸

⁴⁶ 'India, Israel decide to step up defence ties', *The Times of India*, December 23, 2009; Government of India, Ministry of Defence, 'Joint development of missiles', *Press Release*, December 14, 2009

⁴⁷ Rajat Pandit, 'India's water power hit by delays', The Times of India, December 23, 2009

⁴⁸ Government of India, Cabinet, 'Transfer of Hindustan Shipyard Limited (HSL), Visakhapatnam to Ministry of Defence and setting up of a new shipyard of international standards by Ministry of Shipping', Press Release, December 24, 2009