

# THE WEEK IN REVIEW

July 8-21, 7 (2&3), 2013

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## I. COUNTRY REVIEWS

### A. SOUTH ASIA

#### Bangladesh

(July 8-14)

- **India delivers the last 88 of the 428 different types of buses procured for BRTC under India's LoC; Prime Minister Sheikh Hasina visits Belarus; EU launches global agreement for Bangladesh to improve labour rights, working conditions and factory safety in the country's readymade garment industry**

Reports noted that India on July 13, 2013 delivered the last 88 of the 428 different types of buses procured for Bangladesh Road Transport Corporation (BRTC) at a cost of US \$36.85 million under India's US \$1 billion line of credit (LoC). Of the buses, supplied by the Indian firm Ashok Leyland, delivery of 290 double decker buses was completed on October 30, 2012 and that of 50 articulated buses on April 2013. The project for procurement of the buses was included in the LoC agreed upon by the two countries on August 7, 2010 for various infrastructure developments in Bangladesh. US \$200 million of the LoC was later converted to a grant. Of it, India so far disbursed US \$150 million, which Bangladesh has said would be used for the construction project of the Padma bridge. Under the Indian LoC, Bangladesh took up a total of 16 projects for development of infrastructure in the transport sector.<sup>1</sup>

In another development, according to reports, Prime Minister Sheikh Hasina went to Belarus on July 8, 2013 on a three-day official visit, wrapping up her four-day stay in the UK.<sup>2</sup> After official talk between Prime Minister Sheikh Hasina and her Belarus counterpart Mikhail V Myasnikovich, ministers and officials concerned of the two countries signed seven deals, including two agreements: agreement on avoidance of double taxation and framework agreement on commodity export credit; and four memorandums of understanding on cooperation in peaceful uses of nuclear energy, cultural cooperation, cooperation between diplomatic training academies of the two countries, MoU between Shahjalal University and Belarus University; and a joint declaration of intent on preferential export loan.<sup>3</sup>

In other developments, according to reports, the European Union on July 8, 2013 launched a major global agreement for Bangladesh to improve labour rights, working conditions and factory

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<sup>1</sup> "India delivers last batch of buses", *The Daily Star*, July 14, 2013 at <http://www.thedailystar.net/beta2/news/india-delivers-last-batch-of-buses/>.

<sup>2</sup> "PM goes to Belarus today", *The Daily Star*, July 8, 2013 at <http://www.thedailystar.net/beta2/news/pm-goes-to-belarus-today/>.

<sup>3</sup> "Dhaka, Minsk ink 7 deals: PM holds official talks with Belarus counterpart", *The Daily Star*, July 10, 2013 at <http://www.thedailystar.net/beta2/news/dhaka-minsk-ink-7-deals/>

safety in the country's readymade garment industry. The agreement came following a high-level meeting with the EU trade commissioner, representatives from the International Labour Organisation (ILO), and major US retailers in Geneva. Foreign Minister Dipu Moni led the Bangladesh side in the meeting.<sup>4</sup>

## (July 15-21)

### ● Home secretary level talks between India and Bangladesh; India pays compensation to the family of a Bangladeshi national killed by the BSF; War Crimes Verdict

According to reports, India assured Bangladesh that it would try to have the bilateral land boundary agreement passed in the coming monsoon session of parliament beginning on August 5. The assurance came at a meeting of senior officials from both sides of the Joint Working Group at Taj Palace Hotel in New Delhi in the run-up to the meeting of home secretaries of the two countries on July 19, 2013. A 12-member Bangladeshi delegation led by Senior Home Secretary CQK Mustaq Ahmed came to India for the talk.<sup>5</sup> During the home secretary level meeting, Bangladesh shared with India more information about the whereabouts of some killers of Bangabandhu Sheikh Mujibur Rahman, while New Delhi conveyed that it would intensify the hunt for the fugitives.<sup>6</sup>

Reports noted that the Indian government paid a compensation of five lakh Indian rupees to the family of a Bangladeshi national who was killed by the BSF in Rajshahi three years ago. The cheque had been handed over to Border Guard Bangladesh during a flag meeting at Shingpara BSF camp on July 12, 2013.<sup>7</sup>

In other development, according to reports, forty-two years after liberation, a panel of judges on July 15, 2013 sentenced Ghulam Azam to 90 years in prison for masterminding crimes against humanity, genocide and other wartime offences in 1971. The former Jamaat chief, now 91, was found guilty on all five charges the prosecution stacked against him, according to the verdict by International Crimes Tribunal-1.<sup>8</sup> Following the verdict, Jamaat-Shibir activists initiated rampage and clashed with law enforcers in different parts of the country.<sup>9</sup> In the meanwhile, 65-year-old Jamaat-e-Islami secretary general Ali Ahsan Mohammad Mojaheed was also sentenced to death

<sup>4</sup> "EU outlines action plan: Spurs all stakeholders to help Bangladesh", *The Daily Star*, July 9, 2013 at <http://www.thedailystar.net/beta2/news/eu-outlines-action-plan/>.

<sup>5</sup> "Indo-Bangla Land Boundary Deal: Indo-Bangla secy-level talks open today", *The Daily Star*, July 19, 2013 at <http://www.thedailystar.net/beta2/news/indo-bangla-secy-level-talks-open-today/>.

<sup>6</sup> Bhattacharya, Pallab, "Fugitive Killers of Bangabandhu: New Delhi pledges to step up hunt, Call for expediting extradition treaty", *The Daily Star*, July 20, 2013 at <http://www.thedailystar.net/beta2/news/new-delhi-pledges-to-step-up-hunt/>.

<sup>7</sup> "Killed By BSF: India pays Rs 5 lakh to family of victim", *The Daily Star*, July 15, 2013 at <http://www.thedailystar.net/beta2/news/india-pays-rs-5-lakh-to-family-of-victim/>.

<sup>8</sup> Manik, Julfikar Ali and Khan, Mahbubur Rahman, "GHULAM AZAM: Deserves death, gets 90 years". *The Daily Star*, July 16, 2013 at <http://www.thedailystar.net/beta2/news/ghulam-azam-jailed-for-90-years/>.

<sup>9</sup> "Jamaat terror continues", *The Daily Star*, July 17, 2013 at <http://www.thedailystar.net/beta2/news/jamaat-terror-continues/>.

on July 17, 2013 for his role in crimes against humanity, including the mass extermination of intellectuals towards the end of the Liberation War in 1971.<sup>10</sup>

## Sri Lanka

(July 8-14)

- **Indian National Security Advisor Shivshankar Menon visits Sri Lanka; Annual JCET between the US Naval Special Warfare Community and the Sri Lankan Armed Forces commenced at Trincomalee; India offers eight scholarships for Sri Lankan Nationals in traditional medicine**

According to reports, Indian National Security Advisor Shivshankar Menon attended the second meeting of the national security advisor level Trilateral Cooperation on Maritime Security between Maldives, Sri Lanka and India, and signed the Outcome Document.<sup>11</sup> During his stay in Sri Lanka, Mr. Menon met President Mahinda Rajapaksa at the President's House at Colombo and discussed the issue of devolution. President Rajapaksa explained to Mr. Menon the practical problems that exist with devolving land and police powers to the provinces of a small country such as Sri Lanka and stressed that the structure that is implemented should apply and be acceptable to all parts of the country. President also urged India to encourage the TNA to participate in the Parliament Select Committee (PSC) and stated that the government is committed to taking the process forward despite any obstacles.<sup>12</sup>

Reports noted that the exercise Flash Style, the Annual Joined Combined Exchange Training (JCET) between the US Naval Special Warfare Community and the Sri Lankan Armed Forces commenced on July 2 at the Naval Dockyard in Trincomalee and scheduled to conclude on July 19th. Special Boat Squadron, Fast Attack Flotilla, Divers and Rapid Response Rescue and Release Squadron of the Sri Lanka Navy and MI 24 Squadron and Regiment Special Forces of the Sri Lanka Air Force are taking part in the exercise along with a 10- member US team from US Navy SEALs, Special Boat Unit and Air Force.<sup>13</sup>

In other developments, reports noted that the High Commission of India has announced the offer of eight scholarships for Sri Lankan Nationals in traditional medicine fields during the forthcoming session of 2013-2014. The scholarships under the "Ayush Scholarship Scheme" will be offered for undergraduate, post-graduate and Ph. D courses in Ayurveda, Unani, Siddha, Homeopathy and Yoga.<sup>14</sup>

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<sup>10</sup> Manik, Julfikar Ali and Adhikary, Tuhin Shubhra, "GALLOWS for Mojaheed", *The Daily Star*, July 18, 2013 at <http://www.thedailystar.net/beta2/news/gallows-for-mojaheed/>.

<sup>11</sup> "Menon arrives", *The Daily Mirror*, July 8, 2013 at <http://www.dailymirror.lk/news/32056-menon-arrives.html>.

<sup>12</sup> "MR seeks India's help to get TNA into PSC", *The Daily Mirror*, July 9, 2013 at <http://www.dailymirror.lk/news/32130-mr-seeks-indias-help-to-get-tna-into-psc.html>.

<sup>13</sup> "US navy SEALs in Trinco", *The Daily Mirror*, July 13, 2013 at <http://www.dailymirror.lk/news/32340-us-navy-seals-in-trinco.html>.

<sup>14</sup> "India offers scholarships in traditional medicine to Sri Lankans", *The Colombo Page*, July 12, 2013 at [http://www.colombopage.com/archive\\_13B/Jul12\\_1373633828CH.php](http://www.colombopage.com/archive_13B/Jul12_1373633828CH.php).

**(July 15-21)**

- **Supreme Court of India seeks response from the Centre on Katchatheevu; Britain issues 49 export licences for military and intelligence equipment to Sri Lanka; Sri Lanka's Defense Secretary visits Uganda**

According to reports, the Indian Supreme Court on July 15, 2013 issued notice to Centre on DMK chief M. Karunanidhi's plea seeking direction to government to retrieve island of Katchatheevu which was given to Sri Lanka in 1974 and make it as part of Tamil Nadu. Agreeing to hear the plea, a bench headed by Chief Justice Altamas Kabir sought response from the Centre.<sup>15</sup>

Reportedly, Britain has issued 49 export licences for military and intelligence equipment worth a total of £8m to Sri Lanka.<sup>16</sup>

In other developments, according to reports, Sri Lanka's Defense Secretary Gotabhaya Rajapaksa made a five days official visit to Uganda on July 19, 2013. According to the Sri Lankan High Commissioner to Uganda, Vellupillai Kananathan Sri Lankan Defense Secretary's visit is aimed at promoting bilateral security among both nations. Sri Lanka and Uganda has been strengthening bilateral relations in recent times. Sri Lankan President Mahinda Rajapaksa made his second official visit to Uganda in May and his Ugandan counterpart President Museveni made his first visit to Sri Lanka last year in November.<sup>17</sup>

**Maldives****(July 8-14)**

- **Minister of Defence Mohamed Nazim attends Maldives the second meeting of the national security advisor level Trilateral Cooperation on Maritime Security between Maldives, Sri Lanka and India; President Dr Mohamed Waheed has met with the Crown Prince of Saudi Arabia Salman bin Abdulaziz Al Saud; Former President Mohamed Nasheed made a two-day visit to Malaysia**

According to reports, Minister of Defence Mohamed Nazim has concluded his official visit to Sri Lanka and returned to Male' on July 13, 2013. During this visit, Nazim participated in the second meeting of the national security advisor level Trilateral Cooperation on Maritime Security between Maldives, Sri Lanka and India, and signed the Outcome Document on behalf of the Maldives. The Defence Ministry has said that the framework put together during this meeting would facilitate cooperation between Maldives, Sri Lanka and India in terms of regional maritime security. The ministry said that it would also facilitate assistance from the Sri Lankan and Indian military in monitoring the Maldivian territory to ensure marine protection in the region, and assistance from

<sup>15</sup> "Katchatheevu: SC issues notice to centre", *The Daily Mirror*, July 15, 2013 at <http://www.dailymirror.lk/news/32438-katchatheevu-sc-issues-notice-to-centre.html>.

<sup>16</sup> "UK sells £8m worth of arms to SL", *The Daily Mirror*, July 17, 2013 at <http://www.dailymirror.lk/news/32548-uk-sells-p8m-worth-of-arms-to-sl.html>.

<sup>17</sup> "Sri Lanka Defense Secretary visiting Uganda", *The Colombo Page*, July 21, 2013 at [http://www.colombopage.com/archive\\_13B/Jul21\\_1374379767CH.php](http://www.colombopage.com/archive_13B/Jul21_1374379767CH.php).

the Indian government in improving Maldives' knowledge in the areas of Maritime Search and Rescue and Marine Oil Pollution Response. The framework would also facilitate sharing of information between Maldives, Sri Lanka and India, related to vessels traveling in the Indian Ocean. Defence Minister Nazim also met with Sri Lankan President Mahinda Rajapaksa on 9 July. Discussion during this meeting was focused on ensuring food security in the Maldives and obtaining Sri Lanka's assistance in this regard.<sup>18</sup>

In another development, reports noted that President Dr Mohamed Waheed met with the Crown Prince of Saudi Arabia Salman bin Abdulaziz Al Saud on July 11, 2013, as part of his ongoing official visit to Saudi Arabia. The meeting was also attended by the Minister of Finance of Saudi Arabia Dr Ibrahim Abdul Aziz Al-Assaf.<sup>19</sup>

Reportedly, Presidential Candidate of Maldivian Democratic Party (MDP), former President Mohamed Nasheed made a two-day visit to Malaysia.<sup>20</sup>

## (JULY 15-21)

### ● INS Sukanya to monitor the Maldives EEZ

Indian Navy Ship (INS) Sukanya has arrived in the Maldives on July 21 to monitor the Maldives Exclusive Economic Zone (EEZ), in a joint effort with the Maldives National Defence Force (MNDF). INS Sukanya will conduct programs from July 23 to July 26.<sup>21</sup>

## B. East Asia

### Southeast Asia

#### (July 8-14)

### ● Vietnam's foreign minister visits India; Rohingya leaders seek support from Indonesian militants; Bomb blast in Thailand wounded eight soldiers; Moro rebels sign wealth agreement with Philippine government; President Thein Sein visits UK, France

Vietnamese Foreign Minister Pham Binh Minh visited India from 10-12 July 2013. This was his first visit to India as foreign minister, during which he met his Indian counterpart Salman Khurshid. He comes at a time when strategic partnership between India and Vietnam is clearly on an upward trajectory.<sup>22</sup>

<sup>18</sup> "Defence Minister Nazim returns to Male'", *The Sun Online*, July 13, 2013 at <http://sun.mv/english/14259>.

<sup>19</sup> "President Waheed meets with Crown Prince of Saudi Arabia", *The Sun Online*, July 11, 2013 <http://sun.mv/english/14225>.

<sup>20</sup> "Nasheed arrives in Malaysia", *The Sun Online*, July 12, 2013 <http://sun.mv/english/14242>.

<sup>21</sup> "Indian Navy ship arrives in Maldives to patrol EEZ", *The Sun Online*, July 21, 2013 at <http://sun.mv/english/14460>.

<sup>22</sup> 'India-Vietnam strategic partnership characterized by close bilateral relations: Khurshid', *Business Standard*, 11 July, 2013, [http://www.business-standard.com/article/news-ani/india-vietnam-strategic-partnership-characterised-by-close-bilateral-relations-khurshid-113071100975\\_1.html](http://www.business-standard.com/article/news-ani/india-vietnam-strategic-partnership-characterised-by-close-bilateral-relations-khurshid-113071100975_1.html)

According to reports, two Rohingya leaders travelled to Indonesia recently to meet hard-line groups in the hope of enlisting their support and assistance. The militants were in the market for more fighters, guns, cash and bomb-making instructors. The pair was identified as cleric Abu Arif and militant commander Abu Shafiyah, linked to the Rohingya Solidarity Organisation (RSO).<sup>23</sup>

According to reports, eight soldiers were wounded by a roadside bomb in Thailand's southern Pattani province. A group of soldiers were traveling on a truck to a local school to provide security for teachers when a bomb, with an estimated 30 kg weight and hidden inside a gas cylinder, was detonated remotely. Eight soldiers onboard were wounded and rushed to a nearby hospital.<sup>24</sup>

In other developments, the Philippine government and the Moro Islamic Liberation Front have on the wealth sharing annex of the framework agreement on the Bangsamoro (FAB) after six days of peace talks in Malaysia. The agreement in that regard was signed on 13 July 2013. After a 12-hour session, both parties signed the Annex on wealth sharing past midnight of Sunday, July 14, in Kuala Lumpur.<sup>25</sup>

Myanmar's President Thein Sein has begun his official trip to UK and France to strengthen bilateral ties in a wide range of areas, including investment and education. Thein Sein made official visits at the invitation of British Prime Minister David Cameron and French President Francois Hollande. The President's visit to Britain and France is expected to be a historic milestone in various sectors such as economic, education and social affairs.<sup>26</sup>

## (July 15-21)

- **69,000 tons of illegal logs seized in Myanmar; Indonesia to work on Haze pact; Vietnam protest Chinese provocations; Security tightened in Malaysia as terrorists flee neighbouring Indonesia; Cambodian opposition leader denied candidature in elections**

According to reports, Myanmar's authorities have seized over 69,600 tons of illegal logs from April 2011 to June 2013. The government has promised that it will totally stop timber exports in logs by April 1, 2014 and cut timber production by 48% coming years.<sup>27</sup>

Indonesia's House of Representatives said on July 18, 2013 that it welcomed the government's second attempt to ratify the 2002 regional haze treaty in the wake of the massive forest fires in

<sup>23</sup> '2 Rohingya leaders go shopping for terror in Indonesia' *Jakarta Post*, 11 July 2013, <http://www.thejakartapost.com/news/2013/07/11/2-rohingya-leaders-go-shopping-terror-indonesia.html>

<sup>24</sup> '8 soldiers injured in Southern Thailand bombing', *Xinhua*, 8 July 2013, [http://news.xinhuanet.com/english/world/2013-07/08/c\\_132522432.htm](http://news.xinhuanet.com/english/world/2013-07/08/c_132522432.htm)

<sup>25</sup> 'Government, MILF sign annex on wealth sharing', *Sun Star*, 14 July 2013, <http://www.sunstar.com.ph/breaking-news/2013/07/14/government-milf-sign-annex-wealth-sharing-292411>

<sup>26</sup> 'President Thein Sein to embark on visit to UK, France today', *Eleven Myanmar*, 14 July 2013, <http://www.elevenmyanmar.com/politics/2767-president-thein-sein-to-embark-on-visit-to-uk-france-today>

<sup>27</sup> 'Myanmar authorities seize nearly 70K tons of illegal logs: Ministry', *Eleven Myanmar*, July 20, 2013, <http://www.elevenmyanmar.com/national/2816-myanmar-s-authorities-seize-nearly-70k-tons-of-illegal-logs-ministry>

Sumatra, the smog from which choked local residents and people living in neighboring states. The government has said that it will bring the treaty back for discussion at the House.<sup>28</sup>

Vietnam has protested the act of a Chinese ship which harried two Vietnamese fishing vessels in the waters of the Paracel Islands on July 7. Foreign Affairs Ministry spokesman Luong Thanh Nghi made a statement on July 18, 2013 saying that the act violated Vietnam's sovereignty over the islands and jurisdiction in the East Sea.<sup>29</sup>

Malaysian security and police forces are reportedly on high alert for four Indonesian Islamist terrorists who escaped during a prison riot in Indonesia's Medan city last week.

The four men - Fadli Sadama, Agus Sunyoto, Nibras and Abdul Gani Siregar - were among 218 escapees in the Tanjung Gusta Prison riot, which caused the death of three prisoners and two prison personnel. Police and other agencies patrolling the borders had been alerted following the escape of the four men.<sup>30</sup>

In other developments, Cambodia's electoral body has rejected an application from opposition leader Sam Rainsy to compete in a parliamentary election scheduled for July 21, 2013. In a letter to Sam Rainsy, the Cambodian National Election Committee said he made the request too late after returning from self-imposed exile.<sup>31</sup>

## China

### (July 8-14)

- **Chinese patrol and search and rescue vessel Haixun 01 reached Jakarta; Chinese and Russian navies completed their largest exercise in the Sea of Japan; China and the United States expand their EcoPartnership programme; Chinese and Nigerian Presidents meet**

According to reports, as part of good will visit, the Chinese patrol and search and rescue vessel Haixun 01 reached Jakarta on July 14. The visit is for a period of four days.<sup>32</sup>

Reports noted that Chinese and Russian navies completed their largest exercise in the Sea of Japan. Senior officers from both sides said the success of the maneuvers in the Sea of Japan has shown both sides' increased capability to jointly address maritime threats, and highlighted a promising

<sup>28</sup> 'House supports govt's move to ratify haze pact', *Jakarta Post*, July 19, 2013, <http://www.thejakartapost.com/news/2013/07/19/house-supports-govt-s-move-ratify-haze-pact.html>

<sup>29</sup> 'Vietnam protests Paracel assault', *The Nation*, July 19, 2013, <http://www.nationmultimedia.com/aec/Vietnam-protests-Paracel-assault-30210759.html>

<sup>30</sup> 'M'sia on alert after jailbreak by terrorists', *The Nation*, July 17, 2013, <http://www.nationmultimedia.com/aec/Msia-on-alert-after-jailbreak-by-terrorists-30210583.html>

<sup>31</sup> 'Cambodia rejects opposition leader's bid to run in elections', *Voice of America*, July 22, 2013, <http://www.voanews.com/content/cambodia-rejects-opposition-leader-sam-rainsys-bid-to-run-in-election/1707012.html>

<sup>32</sup> "China's largest salvage vessel visits Indonesia" *China Daily*, July 14, 2013 at [http://www.chinadaily.com.cn/china/2013-07/14/content\\_16774293.htm](http://www.chinadaily.com.cn/china/2013-07/14/content_16774293.htm)

future for strengthening cooperation amid current unstable maritime situations in the region.<sup>33</sup>

According to reports, China and the United States on July 11 expanded their EcoPartnership programme with the signing of six new partnerships to reduce greenhouse gases emissions and improve energy efficiency as well as create jobs.<sup>34</sup>

In other developments, according to reports, Chinese President Xi Jinping on July 10 held talks with visiting Nigerian President Goodluck Jonathan on strengthening bilateral partnership and China-Africa relations. Xi applauded the good development of China-Nigeria ties in recent years and stressed that China is ready to further enhance mutually beneficial cooperation so as to better benefit the two peoples.<sup>35</sup>

## (July 15-21)

- **China hopes to maintain peace and stability in South China Sea; China is to forge ahead with plans to build an industrial zone in Belarus; China urges Japan to stop all provocative words and acts detrimental to China's sovereign rights; An explosive device set off at Beijing's international airport by Ji Zhongxing, a wheelchair-bound petitioner sparks public debate on social inequity**

According to reports, during the second workshop on Cooperation and Development in the South China Sea on July 19, Chinese Foreign Minister Liu Zhenmin said that China will continue its efforts to promote peace and stability and cooperation as well as development in the South China Sea region. Liu said that, "We expect the countries concerned may show more political willingness, make joint efforts to safeguard peace and stability in the South China Sea and create win-win situation".<sup>36</sup>

According to reports, China is to forge ahead with plans to build an industrial zone in Belarus, a project that will form one of the "pillars and new highlights" of cooperation between the two countries, Premier Li Keqiang said on July 17. Li made the remarks as he greeted visiting Belarusian President Alexander Lukashenko at the Great Hall of the People.<sup>37</sup>

According to reports, a Chinese Foreign Ministry spokeswoman on July 17 urged Japan to stop all provocative words and acts detrimental to China's sovereign rights. In response to a question, spokeswoman Hua Chunying said, "We urge the Japanese side to face history and reality, stop all

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<sup>33</sup> "China, Russia consider increasing naval drills" *China Daily*, July 12, 2013 at [http://www.chinadaily.com.cn/world/2013-07/12/content\\_16765666.htm](http://www.chinadaily.com.cn/world/2013-07/12/content_16765666.htm)

<sup>34</sup> "China, US sign 6 new EcoPartnership pacts" *China Daily*, July 12, 2013 at [http://www.chinadaily.com.cn/china/2013-07/12/content\\_16765366.htm](http://www.chinadaily.com.cn/china/2013-07/12/content_16765366.htm)

<sup>35</sup> "Chinese, Nigerian presidents hold talks on ties" *Xinhua*, July 10, 2013 at [http://news.xinhuanet.com/english/china/2013-07/10/c\\_132530107.htm](http://news.xinhuanet.com/english/china/2013-07/10/c_132530107.htm)

<sup>36</sup> "China hopes to maintain South China Sea peace" *China Daily*, July 19, 2013 at [http://www.chinadaily.com.cn/china/2013-07/19/content\\_16801975.htm](http://www.chinadaily.com.cn/china/2013-07/19/content_16801975.htm)

<sup>37</sup> "China, Belarus commit to plans" *China Daily*, July 18, 2013 at [http://www.chinadaily.com.cn/china/2013-07/18/content\\_16791673.htm](http://www.chinadaily.com.cn/china/2013-07/18/content_16791673.htm)

words and acts detrimental to China's sovereign rights and make efforts to properly resolve the Diaoyu Islands problem through dialogue."<sup>38</sup>

Reports noted that an explosive device set off at Beijing's international airport on July 21 night by Ji Zhongxing, a wheelchair-bound petitioner, has sparked public debate about a growing number of violent incidents fuelled by social inequity.<sup>39</sup>

## C. West Asia

### Saudi Arabia

(July 15-21)

- **3500 imams dismissed since 2003 to curb extremism**

According to reports, Saudi Arabia's Ministry of Islamic Affairs, Endowment, Call, and Guidance has removed 3500 imams from duty since 2003 under a program to monitor all government-paid clerics. A 2012 report by the US State Department report says that the dismissals were carried out under a program to curb "extremism." But an official from the Ministry has told the media that the imams were not only dismissed over their "extremist" beliefs, but also due to absences and frequent administrative violations. He also said that lack of skills in reading and memorising the Quranic verses, as well as some incorrect practices based on improper Islamic thinking were among the reasons for their dismissal. He also added that the ministries only resorted to dismissing the imams after all other measures were taken.<sup>40</sup>

### Bahrain

(July 15-21)

- **Several injured in clash between police and protesters; Bomb blast outside a mosque close to royal palaces**

According to reports, several people, including a policeman, were injured in a clash between the Bahraini security forces and the anti-government protesters on July 19. Hundreds of anti-government protesters took part in protests across several Shiite villages after a call was issued by the opposition February 14 Coalition youth group. Police fired birdshots to disperse the protesters.

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<sup>38</sup> "Japan warned against provocative acts on Diaoyu" *China Daily*, July 17, 2013 at [http://www.chinadaily.com.cn/china/2013-07/17/content\\_16790797.htm](http://www.chinadaily.com.cn/china/2013-07/17/content_16790797.htm)

<sup>39</sup> "China media: Beijing airport blast" *BBC*, July 22, 2013 at <http://www.bbc.co.uk/news/world-asia-china-23376448>

<sup>40</sup> "3,500 Saudi imams dismissed to curb extremism", *Saudi Gazette*, July 22, 2013, at <http://www.saudigazette.com.sa/index.cfm?method=home.regcon&contentid=20130722174420>

Though no official toll is available it is believed that around a dozen of people are injured in the incident.<sup>41</sup>

Earlier, reports noted that a car bomb exploded near a mosque near the royal residences in Manama when people were praying inside the mosque. King Hamad Bin Eisa Al Khalifa has condemned the bombing as an act of terror and has directed the security services to take the necessary measures to enforce the law towards those who perpetrated the act of terror targeting people performing their Ramadan evening prayers.<sup>42</sup>

## Yemen

(July 8-14)

- **Southerners rally to reiterate their demand for secession**

Reports noted that thousands of people rallied in south Yemen on July 14, on the 19<sup>th</sup> anniversary of the civil war, to demand secession for the south. People gathered in Mukalla, the capital city of Hadramaut, chanting “no union and no federation - no to the occupation.” They also waved the flag of the former South Yemen and portraits of Hassan Baoum, head of the Southern Movement’s supreme council. Southerners have, since long, complained of discrimination and being marginalised by the government in Sana’a. In a statement, the protest organisers reaffirmed their rejection of the national dialogue conference under way in the capital Sana’a and they demand “negotiations under Arab or international patronage, to discuss ways of ending the occupation of the south.”<sup>43</sup>

## Iran

(July 8-14)

- **British Foreign Secretary William Hague: Britain willing to improve its relations with Iran on a step-by-step basis; Indian Ambassador to Iran: India continues to trade with Iran despite the economic sanctions**

According to reports, British Foreign Secretary William Hague has said that London is ready to improve its relations with Tehran on a step-by-step basis. He stated, “we will also make every effort to persuade Iran to negotiate an end to the crisis over its nuclear program. We look to a new government in Iran to give a comprehensive response to the E3+3’s proposal for a confidence building measure and to cooperate fully with the International Atomic Energy Agency.... but no

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<sup>41</sup> “Bahrain: Policeman, protesters wounded in clashes; Hundreds take part in protests that lasted until early hours”, *Gulf News*, July 19, 2013, at <http://gulfnews.com/news/gulf/bahrain/bahrain-policeman-protesters-wounded-in-clashes-1.1210773>

<sup>42</sup> “Bahrain rattled by bombing near royal palaces”, *Gulf News*, July 18, 2013, at <http://gulfnews.com/news/gulf/bahrain/bahrain-rattled-by-bombing-near-royal-palaces-1.1210457>

<sup>43</sup> “Thousands demand secession for south Yemen”, *Gulf News*, July 8, 2013, at <http://gulfnews.com/news/gulf/yemen/thousands-demand-secession-for-south-yemen-1.1206624>

one should doubt our resolve to prevent nuclear proliferation." Iran has been involved regularly in talks with the United States, Britain, France, Russia, China, and Germany, which are known as the P5+1 group or the E3+3, to help resolve the dispute over its nuclear programme, which Iran says is entirely peaceful but the West suspects may be geared to developing nuclear weapons.<sup>44</sup>

In another development, according to reports, Indian Ambassador to Iran Shri D.P. Srivastava has said that India will keep its trade ties with Iran despite the international economic sanctions against Iran. His remarks came during a meeting with some officials from Iran's ministry of labour and social affairs in Tehran. In March 2013, Consul General of Iran in Hyderabad, Hassan Nourian had stated that bilateral trade between India and Iran is poised to cross \$25 billion within four years. "The Indo-Iran trade cooperation amounts to \$15 billion. Both the governments of Iran and India have come to a conclusion that in the next four years they want to take it to \$25 billion," Nourian had said. About 45 percent of exports from Iran are paid in Indian rupees, and the Indian Ministry of Commerce has expressed desire to encourage trade to use the rupee surplus accumulated through oil exports from Iran to India.<sup>45</sup>

### (July 15-21)

- **Iran agreed to receive oil payments in Indian rupees; Rafsanjani advised Rohani to take measures to resolve Iran's problems**

According to reports, Iran has agreed to take payment in Indian rupees for oil it sells to India. Since July 2011, India has been paying in euros to clear 55 percent of its purchases of Iranian oil through Ankara-based Halkbank. The remaining 45 percent due amount was remitted in rupees in accounts Iranian oil company opened in Kolkata-based UCO Bank. Payments in euro ceased due to sanctions but the rupee payments for 45 percent of the purchases continued through UCO Bank. Sources said Iran has now agreed to take all of their payment in Indian rupees. India had in 2012-13 imported 13.14 million tons of crude oil from Iran. Iran can use the revenue accumulated in UCO Bank account to purchase "permissible" services and goods, such as food, medicine and basic medical equipment.<sup>46</sup>

In another development, according to reports, Expediency Council Chairman Akbar Hashemi Rafsanjani has said that Iran can pass through the difficult times by adopting a proper foreign policy and making efforts to protect its national interests. He also lamented the economic losses in recent years due to foreign sanctions on Iran's oil trade and advised the incoming administration of Hassan Rohani to take measures to resolve Iran's problems.<sup>47</sup>

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<sup>44</sup> "Britain ready to improve ties with Iran," *Mehr News Agency*, July 13, 2013, at <http://old.mehrnews.com/en/newsdetail.aspx?NewsID=1824856>

<sup>45</sup> "India to maintain trade ties with Iran despite sanctions," *Mehr News Agency*, July 11, 2013, at <http://old.mehrnews.com/en/newsdetail.aspx?NewsID=1824785>

<sup>46</sup> "Iran agrees to receive all oil payments from India in rupees," *Mehr News Agency*, July 15, 2013, at <http://old.mehrnews.com/en/newsdetail.aspx?NewsID=1824970>

<sup>47</sup> "Rafsanjani urges Rohani to adopt proper foreign policy," *Mehr News Agency*, July 18, 2013, at <http://old.mehrnews.com/en/newsdetail.aspx?NewsID=1825132>

## Iraq

(July 8-14)

- **Attacks kill at least 16 people in Iraq**

According to reports, attacks killed at least 16 security personnel in Iraq's restive Anbar province, at the start of the holy month of Ramadan. The killings are the latest in a wave of bloodshed that has left more than 2,600 people since the start of April. The months-long eruption of violence which is Iraq's worst in half a decade is raising fears the country is again returning to the brink of a civil war pitting its Sunni and Shia Muslim sects against one another. Anbar is a vast Sunni-dominated province west of Baghdad and bordering Syria. It has been the centre of months of protests by Iraq's minority Sunnis over what they believe is second-class treatment by the Shia-dominated government. Sunni militant groups have tried to tap into that anger and link their cause with that of the protesters. There was no immediate claim of responsibility. Sunni militants, including Al Qaeda's Iraq arm, frequently target security forces and the country's vital oil infrastructure in an effort to undermine the Shia-led government.<sup>48</sup>

(July 15-21)

- **Iran's outgoing President Ahmadinejad made a final official visit to Iraq**

Reports noted that Iran's outgoing president Mahmoud Ahmadinejad paid a final official visit to Iraq on July 18, 2013, seeking to emphasize the growing relations between the two countries. The Iranian leader met with top Iraqi officials. Iraq is home to some of Shia Islam's most sacred shrines and is a major destination for the sect's pilgrims. Ahmadinejad said "The prosperity, progress, and security of Iraq are also Iran's prosperity, progress, and security." Ahmadinejad previously flew to Iraq in 2008, the first ever trip by an Iranian president since Iran's 1979 Islamic Revolution and the two countries' bloody war in the 1980s. Ahmadinejad was given a red-carpet greeting by Iraqi vice president al-Khuzai upon arrival at the airport in Baghdad. Al-Khuzai underscored Baghdad's interest in strengthening ties with Iran, saying Iraq "can be a bridge for good relations between the Islamic Republic and the Arab world." Iranian state television reported that Ahmadinejad hopes the visit will enhance economic cooperation between the two neighbours, which it says now amounts to \$13 billion in annual trade. It said Iran aims to finalize a deal to ship 25 million cubic meters of Iranian gas daily to fuel Iraqi power plants, which are still incapable of providing a steady supply of electricity. A new gas pipeline from Iran is expected to open later this summer. Iraq is a major market for Iranian goods, including cars, construction materials, and food products such as tomato paste and ice cream.<sup>49</sup>

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<sup>48</sup> "Raids kill 16 in Iraq's restive western province," *Khaleej Times*, July 11, 2013, at [http://www.khaleejtimes.com/kt-article-display-1.asp?xfile=/data/middleeast/2013/July/middleeast\\_July124.xml&section=middleeast](http://www.khaleejtimes.com/kt-article-display-1.asp?xfile=/data/middleeast/2013/July/middleeast_July124.xml&section=middleeast)

<sup>49</sup> "Iran determined to strengthen ties with Iraq," *Mehr News Agency*, July 20, 2013, at <http://old.mehrnews.com/en/newsdetail.aspx?NewsID=1825179>

## D. Russia

(July 8-14)

- **Bolivia to buy Russian helicopters; EU challenges Russian recycling fee on foreign cars at WTO; Russia to restructure its loan to Cyprus; Russia seeks to build stronger military-technical cooperation with Malaysia; Russia and China complete a joint naval exercise; Foreign Minister Lavrov: Moldova should remain a sovereign state; Russia, Kazakhstan and Ukraine to jointly develop a new rocket; Russia's oil and gas output in 2013 to remain steady at 2012 levels; Russia sends aid to Palestinian refugees in Syria**

According to reports, Bolivian Defence Minister Ruben Saavedra has said that his country will buy Mi-17 helicopters from Russia to fight drug trafficking. Bolivia together with Colombia and Peru is on the list of world's largest cocaine producers.<sup>50</sup>

Reports noted that the European Union challenged Russia's recycling fee on foreign cars at the World Trade Organization. The recycling fee was introduced in September 2012 and applies to importers of all types of vehicles, both new and used. According to European experts, the amount of preferences received by the Russian car industry as a result of this measure exceeds 3 billion euros per year.<sup>51</sup>

According to reports, Russian Ambassador to Cyprus Vyacheslav Shumsky has said that Russia and Cyprus have agreed to restructure the 2.5-billion euro loan extended by Moscow to Cyprus at the end of 2011. The repayment of the debt will be adjourned for five years - from 2016 to 2021 and the interest rate will be reduced from 4.5 percent to 2.5 percent.<sup>52</sup>

According to reports, Foreign Minister Sergei Lavrov has said that Russia is seeking to build stronger military-technical cooperation with Malaysia, especially in the field of military hardware maintenance and training of highly skilled personnel. A Su-30 fighter maintenance centre was opened in Malaysia in 2012 and a pilot training centre in 2011.<sup>53</sup>

In other developments, according to reports, Russia and China have completed an extensive naval exercise in the Far East titled "Naval Interaction 2013 exercise" in which four thousand servicemen participated.<sup>54</sup>

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<sup>50</sup> "Bolivia together with Colombia and Peru is on the list of the world's largest cocaine producers.", Itar-Tass, July 8, 2013, <http://www.itar-tass.com/en/c32/799540.html>

<sup>51</sup> "EU challenges Russian recycling fee on foreign cars at WTO", Itar-Tass, July 9, 2013, <http://www.itar-tass.com/en/c32/801319.html>

<sup>52</sup> "Russian, Cypriot finance minister agree to restructure Russian loan", Itar-Tass, July 11, 2013, <http://www.itar-tass.com/en/c32/803711.html>

<sup>53</sup> "Russia seeks stronger military-technical cooperation with Malaysia", Itar-Tass, July 11, 2013, <http://www.itar-tass.com/en/c32/804139.html>

<sup>54</sup> "China, Russia Complete Extensive Naval Exercise", Rianovosti, July 10, 2013, <http://en.ria.ru/world/20130710/182171807/China-Russia-Complete-Extensive-Naval-Exercise.html>

Foreign Minister Sergei Lavrov has said that Russia will continue to support the territorial integrity of Moldova and that it should retain its sovereignty.<sup>55</sup>

The space agencies of Kazakhstan, Russia and Ukraine have confirmed their intention to develop the Bayterek rocket, which is a modernized Zenit launch vehicle and will be used for commercial launches.<sup>56</sup>

The Russian Energy Ministry has said that this year's oil production will remain at the 2012 level of about 518-520 million tons with gas production at 655 billion cubic metres.<sup>57</sup>

Russia has delivered a total of 70 metric tons of humanitarian aid to Palestinian refugees in Syria on July 11, 2013.<sup>58</sup>

## (July 15-21)

- **Russia sees no alternative to political settlement of Iranian nuclear problem; Russia and Ukraine agreed to jointly produce world's largest aircraft; European Union will not impose sanctions on Russia on the matter related to Navalny case; Russia and South Korea discuss the prospects of resumption of six party talks; Russia to pay Soviet era debt due to the Czech Republic; Russia to raise oil export duties; CSTO countries develop a mechanism of 'joint response to emergencies'; Russia's economic growth indicators for January-June released; Snowden applies for temporary asylum in Russia; President Putin has called for developing Sakhalin a global energy center; US to join EU in the WTO case against Russia's imposition of auto recycling fee; US state department offers grants to improve Russia-US ties**

According to reports, Russia's Deputy Ambassador to the UN, Pyotr Ilyichov has said that Russia does not believe that there is an alternative to the political and diplomatic settlement of the Iranian nuclear program and is against imposition of unilateral sanctions on the country.<sup>59</sup>

Russia and Ukraine have agreed to establish a joint venture for the production of the world's largest aircraft - AN-124 Ruslan, capable of lifting 100 tonnes of cargo from short runways.<sup>60</sup>

According to reports, the spokesperson to the EU foreign policy chief Maja Kocijancic has said that the European Union will continue to the situation related to the verdict of anti-corruption

<sup>55</sup> "Moldova should remain sovereign state – Lavrov", Itar-Tass, July 9, 2013, <http://www.itar-tass.com/en/c32/801289.html>

<sup>56</sup> "Russian, Kazakh and Ukrainian space agencies agree on Bayterek rocket development", Itar-Tass, July 10, 2013, <http://www.itar-tass.com/en/c32/802559.html>

<sup>57</sup> "RF Energy Ministry forecasts this year's oil output to remain at 2012 level of 518-520 mln tons", Itar-Tass, July 14, 2013, <http://www.itar-tass.com/en/c32/807224.html>

<sup>58</sup> "Russia Sends 70 Tons of Aid to Palestinian Refugees in Syria", The Moscow Times, July 12, 2013, <http://www.themoscowtimes.com/news/article/russia-sends-70-tons-of-aid-to-palestinian-refugees-in-syria/483069.html>

<sup>59</sup> "Russia sees no alternative to political settlement of Iranian nuclear problem – diplomat", Itar-Tass, July 16, 2013, <http://www.itar-tass.com/en/c32/809010.html>

<sup>60</sup> "Russia, Ukraine agree to jointly produce AN-124 Ruslan plane", Itar-Tass, July 17, 2013, <http://www.itar-tass.com/en/c32/810847.html>

blogger Alexei Navalny and discuss the protection of human rights at meetings with Russian officials even though there was no proposal to impose sanctions on Russia. However, the current case does have the potential to negatively impact EU-Russia relations.<sup>61</sup>

Russian and South Korean foreign ministries have discussed North Korea's nuclear issue and the outlook for resumption of six-party talks over the de-nuclearization of Korean Peninsula.<sup>62</sup>

Reports noted that Prime Minister Dmitry Medvedev has ordered the Finance Ministry to pay the Soviet debt of 8 million U.S. dollars to the Czech Republic. The debt is to be paid off in a lump sum of 80 percent of the amount owned, which amounts to US\$ 6.5 billion. The Ministry has already signed agreements on similar debt payments with Slovakia and Serbia.<sup>63</sup>

Reports noted that Russia will raise the oil export duties to US\$ 379.8 per tonne starting from August 1, 2013 which is US\$ 10.6 more than in July, 2013.<sup>64</sup>

In other developments, according to reports, CSTO Secretary General Nikolai Bordyuzha has said that the member countries of the Collective Security Treaty Organisation (CSTO) have completed the formation of a mechanism of 'joint response to emergencies'.<sup>65</sup>

Deputy Minister of Economic Development Andrei Klepach has revealed that Russia's economic growth in January-June 2013 was 1.7 per cent.<sup>66</sup>

Ex CIA employee wanted Edward Snowden has applied for temporary asylum in Russia. The head of the Russian Federal Migration Service, Konstantin Romodanovsky has said that the application will be considered within three months and in the meantime he will get a certificate giving him the right to stay in Russia.<sup>67</sup>

President Vladimir Putin believes that Sakhalin has become a world-level energy center, and called for continuing its development. He urged to pay special attention to expanding the gas supply network in the Sakhalin region.<sup>68</sup>

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<sup>61</sup> "EU not planning to impose sanctions on Russia due to situation with Navalny", Itar-Tass, July 19, 2013, <http://www.itar-tass.com/en/c32/813738.html>

<sup>62</sup> "Russian, S Korean FMs discuss prospects for resumption of six-party talks", Itar-Tass, July 20, 2013, <http://www.itar-tass.com/en/c32/814268.html>

<sup>63</sup> "PM orders Finance Ministry to pay Soviet debt to Czech Republic", Itar-Tass, July 15, 2013, <http://www.itar-tass.com/en/c32/808595.html>

<sup>64</sup> "Russia to raise oil export duties by \$10 from August 1, 2013", Itar-Tass, July 15, 2013, <http://www.itar-tass.com/en/c32/808455.html>

<sup>65</sup> "CSTO countries complete formation of system of joint response to emergencies", Itar-Tass, July 17, 2013, <http://www.itar-tass.com/en/c32/810898.html>

<sup>66</sup> "Russia's economic growth in January-June reaches one point seven percent", Itar-Tass, July 19, 2013, <http://www.itar-tass.com/en/c32/814029.html>

<sup>67</sup> "Snowden applies to Russian migration service for temporary asylum", Itar-Tass, July 16, 2013, <http://www.itar-tass.com/en/c32/809774.html>

<sup>68</sup> "Putin calls for developing Sakhalin as world-level energy center", Itar-Tass, July 16, 2013, <http://www.itar-tass.com/en/c32/809241.html>

The United States plans to join the European Union in a World Trade Organization case that challenges a Russian auto recycling fee program as an illegal trade barrier against imported cars.<sup>69</sup>

According to reports, the U.S. State Department has announced a grant competition for Russian and American organizations to create programs aimed at improving bilateral relations. Grants of up to \$100,000 will be awarded to noncommercial organizations for creating meetings, virtual interactions, exchanges and internships between Americans and Russians.<sup>70</sup>

## E. United States of America (USA)

(July 8-14)

- **Reports: President Obama is giving serious consideration to speeding up the withdrawal of United States forces from Afghanistan; India has expressed willingness to launch negotiations with the U.S. on a bilateral investment treaty; India's Finance Minister Chidambaram visits United States**

According to reports, increasingly frustrated by his dealings with President Hamid Karzai, President Obama is giving serious consideration to speeding up the withdrawal of United States forces from Afghanistan and to a "zero option" that would leave no American troops there after next year, according to American and European officials. President Obama is committed to ending America's military involvement in Afghanistan by the end of 2014, and Obama administration officials have been negotiating with Afghan officials about leaving a small "residual force" behind. But his relationship with Afghan President Karzai has been slowly unraveling, and reached a new low after an effort last month by the United States to begin peace talks with the Taliban in Qatar.<sup>71</sup>

In another development, according to reports, India has expressed willingness to launch negotiations with the U.S. on a bilateral investment treaty to bolster trade ties between the two countries. India's commerce and industry minister, Anand Sharma, who spoke to reporters in Washington on July 12 after discussions concluded with U.S. Trade Representative Michael Froman and other senior U.S. officials, said no dates were set for the first round of negotiations on a bilateral treaty for Indian and U.S. investment. The treaty "was discussed today, and we have signaled our acceptance," Minister said, adding that a \$500 billion annual two-way trade target,

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<sup>69</sup> "U.S. to Join EU in WTO Case Against Auto Recycling Fee", The Moscow Times, July 19, 2013, <http://www.themoscowtimes.com/business/article/us-to-join-eu-in-wto-case-against-auto-recycling-fee/483363.html>

<sup>70</sup> "Grants of up to \$100,000 will be awarded to noncommercial organizations for creating meetings, virtual interactions, exchanges and internships between Americans and Russians", The Moscow Times, July 18, 2013, <http://www.themoscowtimes.com/news/article/us-state-department-offers-grants-to-improve-us-russia-ties/483281.html>

<sup>71</sup> "Robust India-US trade ties important: Bera", Business Standard, July 13, 2013 at [http://www.business-standard.com/article/pti-stories/robust-india-us-trade-ties-important-bera-113071300236\\_1.html](http://www.business-standard.com/article/pti-stories/robust-india-us-trade-ties-important-bera-113071300236_1.html)

significantly higher than the current volume of \$106 billion a year, was achievable “if we make a real effort.”<sup>72</sup>

In other developments, reports noted that Finance Minister P. Chidambaram on July 8, left for the United States on a four-day visit. Chidambaram will deliver the keynote address at the plenary session of US India Business Council 38th Leadership Summit on July 11. During his visit, Chidambaram is also expected to meet the leading US business leaders, including Brad Smith, Microsoft’s General Counsel and Executive Vice President, Legal and Corporate Affairs, Pat Dewar, CEO, Lockheed Martin International, Scott Price, CEO, Asia, Walmart, Henri Croupon, CEO, ILFC and Sheperd W. Hill, President, Boeing International among others. He is likely to discuss the issue of investment by US companies in India especially in infra sector, various policy measures taken by the Government to boost investment in the country and tax related matters among others. Beside above, Chidambaram will also meet his US counterpart and US Treasury Secretary Jacob Lew during his visit.<sup>73</sup>

## (July 15-21)

- **US Vice President Joe Biden deliver speech on US Asia-Pacific policy; calls US-China relations is a healthy mix of competition and cooperation; Biden: Asia-Pacific rebalancing policy of the United States was prompted both by economic and security considerations**

According to reports, US Vice President Joe Biden in a speech on July 18 at George Washington University in Washington, D.C. has said that United States’ relationship with China is a healthy mix of competition and cooperation and America does not view it in terms of any conflict. “We do not view our relationship and future relations with China in terms of conflict or the talk of inevitable conflict,” Biden. “We view it in terms of a healthy mix of competition and cooperation, a competition that we welcome. We like to compete. Competition is good for both of us, as long as the game is fair,” he noted. Biden said that to reverse its declining growth, China would have to make reforms which will not only help the largest Asian economy but also the region and the world. “They’ve concluded they have to create a market-based, well- regulated financial system. They have concluded they need to liberalise their exchange rates,” he added.<sup>74</sup>

Further, Biden in his remarks, also noted that the Asia-Pacific rebalancing policy of the United States was prompted both by economic and security considerations. In economic terms, the Asia-Pacific region, stretching from India to the Pacific nations of the Americas, “is home to a middle class of about a billion people,” with some nations boasting of fastest growth rates. He said these emerging markets will shape the character of the entire global economy. “So we reached out,”

<sup>72</sup> “India Pushes For Investment Treaty Talks With US Amid US Concerns About India’s ‘Discriminatory’ Policies Against American Businesses”, International Business Times”, July 13, 2013 at <http://www.ibtimes.com/india-pushes-investment-treaty-talks-us-amid-us-concerns-about-indias-discriminatory-policies>

<sup>73</sup> “Chidambaram to leave for USA today”, Business Standard, July 8, 2013 at [http://www.business-standard.com/article/news-ani/chidambaram-to-leave-for-usa-today-113070800113\\_1.html](http://www.business-standard.com/article/news-ani/chidambaram-to-leave-for-usa-today-113070800113_1.html)

<sup>74</sup> “Joe Biden says US-China relationship a mix of competition and cooperation”, Indian Express, July 19, 2013 at <http://www.indianexpress.com/news/uschina-relationship-a-mix-of-competition-and-cooperation-biden/1143954/>

Biden said. "We reached out to deepen economic ties and promote open markets and a rule-based competition for the 21st century." In terms of security, Biden said in the Asia-Pacific, the United States saw both a region of remarkable promise as well as genuine uncertainty and political risk. He said the rapid economic transformation many of the nations have experienced has also created a new dynamic of rising ambitions and rising tensions.<sup>75</sup>

## II. DEFENCE REVIEW

### National

(July 15-21)

- **DRDO to conduct Anti Tank Guided Missile Nag's trials soon**

Reports noted that the missile complex of Defence Research and Development Organisation (DRDO) has been seriously pursuing work on Nag, a third-generation 'Fire-and-Forget' anti-tank missile for the past few years. It was almost a year ago when the Anti Tank Guided Missile (ATGM) failed in its user trials by the Indian Army in Rajasthan. DRDO had attributed the failure on the high temperatures in the desert where the tests were conducted. V G Sekaran, chief controller R&D (Missiles & Strategic Systems) and programme director, Agni, has said that trials for Nag with new 'more sensitive' and 'higher resolution' seekers being developed by the Research Centre Imarat (RCI) of DRDO will be conducted by this month end. Defence Research and Development Laboratory (DRDL) of DRDO has developed Nag. According to its director G Satheesh Reddy, the new seekers would perform well even in extremely hot temperatures with more efficiency and accuracy in hitting targets with new improved detectors on the missile tip for sensing heat or infra red signals.<sup>76</sup>

### International

(July 15-21)

- **Israel deploys Iron Dome missile defense system in Eilat; Japan's defense industry is beginning to make its presence felt in the global market**

According to reports, Israel has deployed its Iron Dome missile defense system near the Red Sea resort of Eilat, which is close to the border with Egypt and has been a target of attacks in the past. The Iron Dome deployment also comes hours after two rockets fired from the Gaza Strip hit southern Israel on 18<sup>th</sup> July in which no casualties or damage were reported. An Israeli army spokeswoman said that "An Iron Dome battery was deployed this morning in Eilat." She added,

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<sup>75</sup> "Vice President Biden: U.S. committed to Asia-Pacific policy", UPI.com, July 18, 2013 at [http://www.upi.com/Top\\_News/US/2013/07/18/Vice-President-Biden-US-committed-to-Asia-Pacific-policy/UPI-45481374205579/](http://www.upi.com/Top_News/US/2013/07/18/Vice-President-Biden-US-committed-to-Asia-Pacific-policy/UPI-45481374205579/)

<sup>76</sup> "DRDO to conduct Nag missile test trials soon" The Times of India, July 18, 2013, at [http://articles.timesofindia.indiatimes.com/2013-07-18/india/40656379\\_1\\_user-trials-avinash-chander-namica](http://articles.timesofindia.indiatimes.com/2013-07-18/india/40656379_1_user-trials-avinash-chander-namica)

"The batteries are deployed in several areas of the country and moved around according to changes in the (security) situation."<sup>77</sup>

In another development, according to reports, Japan's defense industry is beginning to make its presence felt in the global market, following the partial relaxation of Japan's longstanding ban on weapon exports. Recently in May, following talks between Japanese Prime Minister Shinzo Abe and his Indian counterpart, Manmohan Singh, the two countries agreed to explore a deal for Japan to export up to 15 US-2 amphibious aircraft built by Japan's Shin Maywa to India. Moreover, in July, Japan and the UK signed agreements for research, development and production of defense equipment, and collaboration on information security, initially on chemical, biological, radiological and nuclear protection equipment. But unresolved legal and structural issues still hamper industry's ability to push broader cooperation. Legally, restrictions on arms sales remain tight and regulations are opaque. Japan still bans exports that could fuel international conflicts while maintaining strict control over transferring parts to third countries.<sup>78</sup>

### III. INTERNAL SECURITY REVIEW

#### Jammu & Kashmir

(July 15-21)

- **Chief of Army reviews security situation in J&K; Ladakh inches closer to Union Territory status; Clashes reported in Ganderbal; BSF firing in Gool, Ramban district of Jammu leaves civilians dead; Union Home Minister orders probe into the BSF firing; Amarnath Yatra temporarily suspended in wake of prevailing suspended; Former militant of Hizbul Mujahideen (HM) killed**

According to reports, with spurt in militancy-related incidents from last some time, Army Chief General Bikram Singh on July 15 arrived in Kashmir and reviewed the overall security situation of state. The Army Chief's two-day visit assumes significance in the wake of number of militant attacks in Kashmir recently, including the one on an Army convoy in Srinagar on June 24 that left 8 soldiers dead.<sup>79</sup>

Reports noted that Ladakh on July 16 inched closer to achieving the Union Territory (UT) status as the National Conference-Congress coalition government headed by Chief Minister Omar Abdullah conceded to the crucial demands of Leh and Kargil Autonomous Hill Development

<sup>77</sup> "Israel Deploys Iron Dome Near Red Sea Resort," Defense News, July 19, 2013, at <http://www.defensenews.com/article/20130719/DEFREG04/307190012/Israel-Deploys-Iron-Dome-Near-Red-Sea-Resort>

<sup>78</sup> "Top 100 Asia: Japan's Export Push a Modest, Intriguing Start," Defense News, July 21, 2013, at <http://www.defensenews.com/article/20130721/DEFREG03/307210011/Top-100-Asia-Japan-s-Export-Push-Modest-Intriguing-Start>

<sup>79</sup> "Army Chief reviews security situation", *Greater Kashmir*, July 15, 2013 at <http://www.greaterkashmir.com/news/2013/Jul/16/army-chief-reviews-security-situation-33.asp>

Councils by agreeing to grant a separate police range for the region. The government also agreed to grant powers to both Councils for transfer of officers other than district officers.<sup>80</sup>

According to reports, police resorted to baton-charge and fired number of tear smoke shells in air to disperse protesters at Dangarpura on the Srinagar-Leh highway, in district Ganderbal on July 16. The protesters were demanding probe into the mysterious death of a local youth Abid Hussain Ganai at Udaipur on July 13. As the protesters marched towards Srinagar-Leh highway, police and paramilitary CRPF men intercepted them. However the protesters showed stiff resistance, triggering clashes.<sup>81</sup>

According to reports, traffic on the Srinagar-Jammu highway and almost all inter-district roads in Jammu region remained off the roads for the second consecutive day on 19 July due to prevailing tension in the region following killing of four persons in Gool, Ramban, in BSF firing. Meanwhile, Amarnath yatra from Jammu was suspended on July 19 in the wake of tension. No fresh batch of pilgrims was allowed to proceed towards the Kashmir Valley.<sup>82</sup>

Reports noted that Union Home Minister Sushil Kumar Shinde on July 18 ordered an inquiry into the firing incident in Jammu and Kashmir's Ramban district and said any excessive use of force will be dealt with strictly. Expressing regret over the unfortunate incident, the Home Minister said the loss of life in the incident was particularly sad and offered his deep condolence to the bereaved families. The Centre has asked the Jammu and Kashmir government to keep a strict vigil over the situation in the State.<sup>83</sup>

In other developments, according to reports, four persons, including a government lecturer and an Imam, were killed and around 42 others injured when paramilitary Border Security Force men resorted to indiscriminate firing twice on a protest demonstration in Dharam, Gool, area of Jammu division's Ramban district on July 18.<sup>84</sup>

According to reports, an under-trial former militant of Hizbul Mujahideen was killed while four policemen and a civilian were injured when unidentified persons hurled a grenade on a police vehicle in Batamaloo area of Srinagar on 17<sup>th</sup> July. The slain militant was the former bodyguard of Hizbul Mujahideen and United Jihad Council (UJC) chief Syed Salahudin.<sup>85</sup>

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<sup>80</sup> "Ladakh inches closer to Union Territory status", *Greater Kashmir*, July 16, 2013 at <http://www.greaterkashmir.com/news/2013/Jul/17/ladakh-inches-closer-to-union-territory-status-48.asp>

<sup>81</sup> "Clashes in Ganderbal, 4 injured", *Greater Kashmir*, July 16, 2013 at <http://www.greaterkashmir.com/news/2013/Jul/17/clashes-in-ganderbal-4-injured-79.asp>

<sup>82</sup> "Highway closed, yatra suspended", *Greater Kashmir*, July 19, 2013 at <http://www.greaterkashmir.com/news/2013/Jul/20/highway-closed-yatra-suspended-32.asp>

<sup>83</sup> "GoI worried; Home Minister orders probe", *Greater Kashmir*, July 18, 2013 at <http://www.greaterkashmir.com/news/2013/Jul/19/goi-worried-home-minister-orders-probe-61.asp>

<sup>84</sup> "BSF firing kills 4, injures 42 in Gool", *Greater Kashmir*, July 18, 2013 at <http://www.greaterkashmir.com/news/2013/Jul/19/bsf-firing-kills-4-injures-42-in-gool-66.asp>

<sup>85</sup> "Salahudin's former bodyguard killed", *Greater Kashmir*, July 17, 2013 at <http://www.greaterkashmir.com/news/2013/Jul/18/salahudin-s-former-bodyguard-killed-27.asp>

## North East India

(July 15-21)

- **Modalities expected to be worked out for Anup Chetia extradition; National Democratic Front of Bodoland (NDFB) ultras open fire on Bhutan Army; United Tribal Liberation Army (UTLA) cadres surrender**

According to reports, Bangladesh High Commission officials have verified the identity of the two criminals lodged in Indian prisons, while Indian High Commission officials have already identified Anup Chetia and two other ULFA cadres ahead of their swapping. The modalities for swapping of the prisoners are expected to be worked out during the Union Home Secretary level talks between the two countries scheduled to be held on July 18 and 19. According to reports, Bangladesh has agreed to extradite ULFA general secretary, Anup Chetia in exchange for two notorious criminals Subrata Bain and Sajjad Hossain wanted by Dhaka and currently lodged in jails in Kolkata and Tihar. Both the criminals had targeted Awami League leaders in Bangladesh including Prime Minister Sheikh Hasina.<sup>86</sup>

In another development, reports noted that an encounter took place between suspected NDFB activists of IK Sangbijit faction and the Royal Bhutan Army in the Indo-Bhutan border area on July 15. Unable to stand the offensive from the Royal Bhutan Army, the militants retreated towards the forest area adjacent to the Indian soil and fired on the Sashastra Seema Bal (SSB) jawans who were patrolling near the border. In retaliation the SSB jawans fired shots on the militants.<sup>87</sup>

In other developments, reports noted that altogether 45 United Tribal Liberation Army (UTLA) cadres, led by its chairman SK Thadou, surrendered before the Joint Secretary, Northeast, Shambhu Kumar Singh, Principal Secretary, Home, Manipur, Suresh Babu, and Additional DGP of Manipur, Santosh Manrela. The surrender took place at the Assam Rifles camp at Jiribam on July 17.<sup>88</sup>

## Ministry of Home Affairs News

(July 15-21)

- **Meeting of Home Secretaries of India and Bangladesh held**

Reports noted that the 14<sup>th</sup> Meeting of the Home Secretaries of India and Bangladesh was held in New Delhi from July 19-22, 2013. Both sides admitted that the bilateral cooperation in the field of security and border management has been strengthened with the signing of four agreements pertaining to security cooperation including the Extradition Treaty.<sup>89</sup>

<sup>86</sup> "Chetia extradition Modalities being worked out", *The Assam Tribune*, July 15, 2013 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=jul1613/at08>

<sup>87</sup> "NDFB (SB) ultras open fire on Bhutan Army", *The Assam Tribune*, July 15, 2013 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=jul1613/state06>

<sup>88</sup> "45 UTLA cadres give up arms", *The Assam Tribune*, July 18, 2013 at <http://www.assamtribune.com/scripts/detailsnew.asp?id=jul1913/state05>

<sup>89</sup> "14<sup>th</sup> Meeting of Home Secretaries of India and Bangladesh held", *Press Information Bureau, Govt. Of India*, July 22, 2013 at <http://pib.nic.in/newsite/erelease.aspx?relid=97344>