

Recent developments

- **Exercise Malabar** is a trilateral naval exercise involving the United States, Japan and India as permanent partners. Originally begun in **1992** (**2019** edition held in Japan).
- In **2020 it was held in Bay of Bengal with Australia's participation** in the drills in 2020, it was the first time in 13 years that all members of the regional grouping known as the **Quad** will be engaging militarily.
- Recently (**October 2021**), the Navies of the Quad (Quadrilateral Framework) Nations (India, the United States, Japan, and Australia) have participated in the **25th edition of the Malabar Exercise**, which began off the coast of Guam in the Pacific Ocean.
- The **26th edition of the quadrilateral** maritime drill, Exercise Malabar among the navies of the Quad countries — India, the United States, Japan and Australia — culminated in the seas off the coast of **Japan**



AUKUS

- Recently, the US has announced a **new trilateral security partnership for the Indo-Pacific, between Australia, the UK and the US (AUKUS)**.
- The major highlight of this arrangement is the **sharing of US nuclear submarine technology to Australia**.
- As part of this initiative, Australia will acquire nuclear-powered submarines with help from the UK and the US (till now **only with UK**).
- **Australia is now set to join an elite group of only six countries** – India, the US, the UK, France, Russia and China – that operate nuclear-powered submarines. It will also be the only country to have such submarines without having a civilian nuclear power industry.
- The **Five Eyes** alliance is an **intelligence-sharing arrangement** between five English-speaking democracies: **the US, UK, Canada, Australia and New Zealand**.

Indo-USA

Exercise Yudh Abhyas (Army).

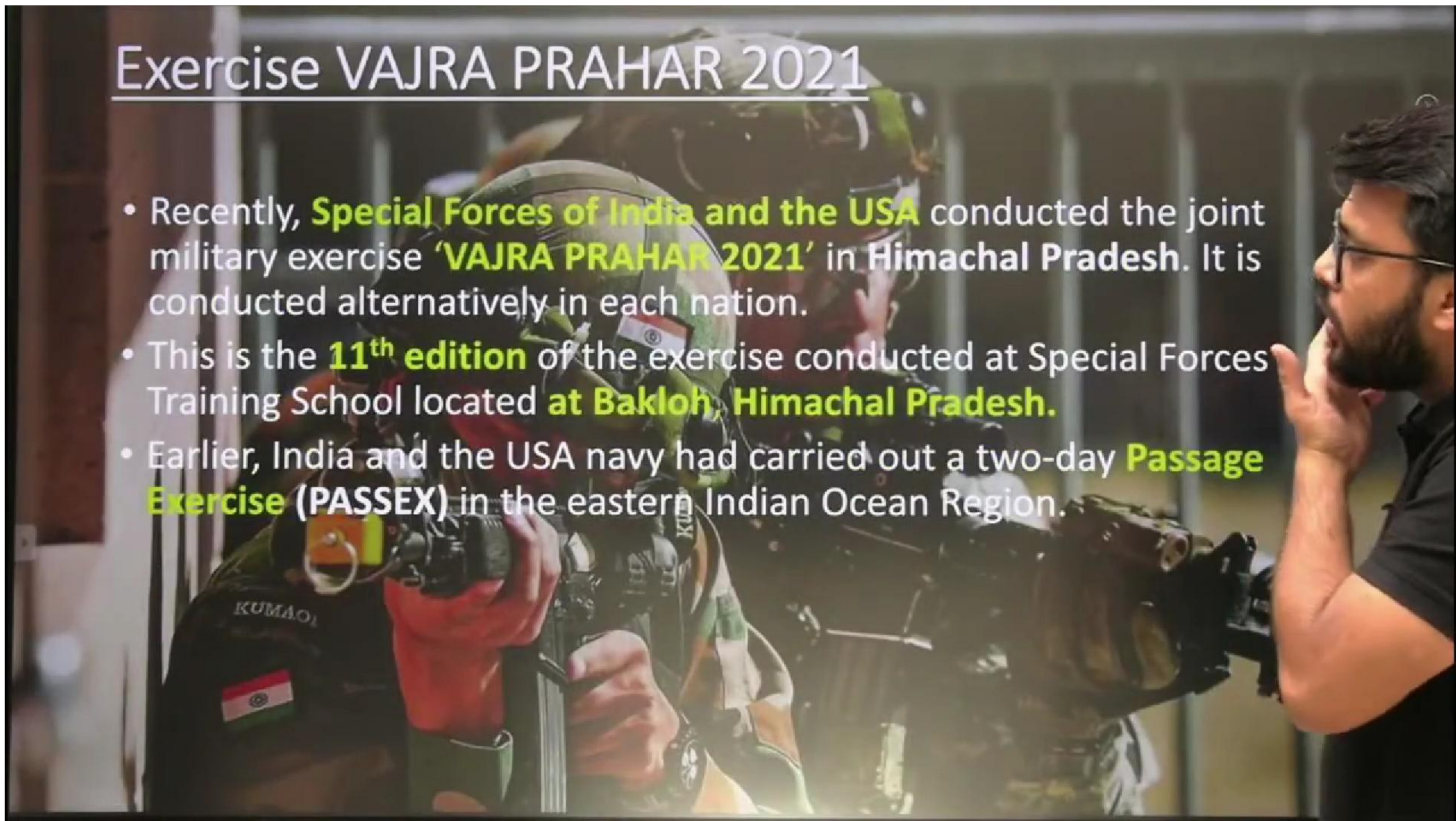
Cope India (Air Force).

Red Flag (USA's multilateral air exercise). <2008/2016>

Malabar Exercise (trilateral naval exercise of India, USA and Japan).

Exercise VAJRA PRAHAR 2021

- Recently, **Special Forces of India and the USA** conducted the joint military exercise '**VAJRA PRAHAR 2021**' in **Himachal Pradesh**. It is conducted alternatively in each nation.
- This is the **11th edition** of the exercise conducted at Special Forces Training School located **at Bakloh, Himachal Pradesh**.
- Earlier, India and the USA navy had carried out a two-day **Passage Exercise (PASSEX)** in the eastern Indian Ocean Region.



Military agreements

① General Security of Military Information Agreement (GSOMIA)

- It was signed in **2002** between India and USA.
- GSOMIA paved the way for **greater technology cooperation in the military sector**.
- It allows the sharing of classified information from the U.S. government and American companies with the Government of India and Defense Public Sector Undertakings (DPSU) but not with **Indian private companies**.

② Logistics Exchange Memorandum of Agreement (LEMOA)

- This is a logistics support agreement signed in **2016**.
- It gives both the nations access to each other's military facilities. **But it does not make it automatic or obligatory.**
- It is a tweaked India-specific version of the **Logistics Support Agreement (LSA)** which the U.S. has with several countries it has close military to military cooperation.
- The agreement will primarily cover four areas — **port calls, joint exercises, training and Humanitarian Assistance and Disaster Relief**. Any other requirement has to be agreed upon by both sides on a case-by-case basis.

Military agreements

BECA

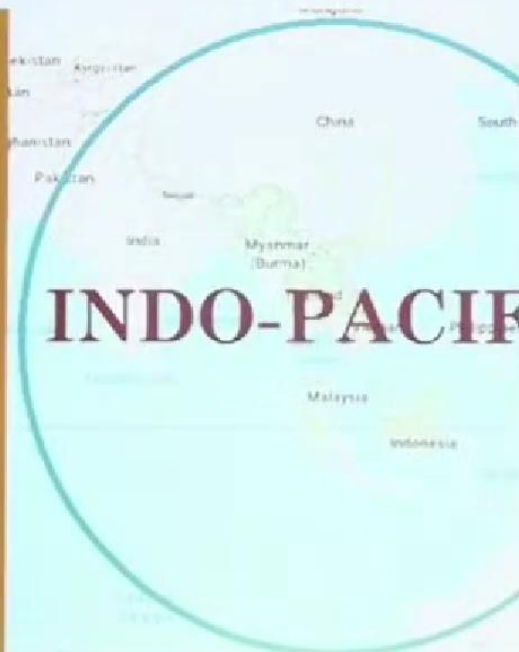
Communications Compatibility and Security Agreement (COMCASA)

- The agreement was signed in 2018.
- COMCASA is an India-specific version of the Communication and Information on Security Memorandum of Agreement (CISMOA). It comes into force immediately and is valid for a period 10 years.
- It **would facilitate access to advanced defense systems and enable India to optimally utilize its existing U.S.-origin platforms**. COMCASA allows India to procure transfer specialized equipment for encrypted communications for US origin military platforms like the C-17, C-130 and P-8Is.

Basic Exchange and Cooperation Agreement (BECA) ✓

- BECA is last of the four foundational agreements. It has been signed between the two nations.
- It facilitates **exchange of geospatial information**. It would set a framework through which **the US could share sensitive data to aid targeting and navigation with India**.
- These agreements can bring military advantage to India though they have been politically contentious. Also, it is feared that they **may undermine India's military autonomy**.

New security strategy of US



- **"Indo-Pacific"** phrase instead of **"Asia Pacific"** in US security frame work.
- It include west coast of India to east coast of USA.

Hinderance towards a healthy partnership

GSP removal
(generalized system of preferences)

Threatens to put India in
“priority foreign nation”
under “special 301 reports”
accuse India of having a poor
IPR (generic drugs Novartis
case)

Restrictions on API
imports (WTO)

India lost to US at WTO
under domestic content
requirement clause and
national treatment in
procuring solar panel.

CAATSA for adversaries
an irritant for Indo-
Russia and Indo-Iran
relations

H1B visa and H4 visa
issue

Recent trade war to
limit steel imports from
nations like India and
China.

US not providing
financial aid to fight
climate change, Paris
agreement and UNEP
programs.

Partnership for Global Infrastructure and Investment (PGII)

- It seeks to provide an alternative to **China's estimated \$1 trillion in hard infrastructure** investment around the world in the last decade.
- This G7 initiative is funding projects in **four major categories**:
 - o clean energy,
 - o health systems,
 - o gender equality
 - o information and communications technology.
- At the centre of PGII is a different approach to financing infrastructure projects: using **limited government funding** to catalyse **greater volumes of private capita**

INDIA- ISRAEL- UNITED ARAB EMIRATES - USA (I2U2) ✓

- Recently, the first Leaders' Summit of I2U2 (India, Israel, United Arab Emirates, and United States) was held virtually.
- UAE will invest **\$2 billion** to develop a series of integrated food parks across India which would **deploy climate smart technologies** to reduce food wastage and spoilage, conserve fresh water.
- Establishment of a **hybrid renewable energy project in Gujarat** consisting of **300 megawatts (MW)** of wind and solar capacity complemented by a battery energy storage system.
- Leaders welcomed India's interest in joining US, UAE, and Israel in **Agriculture Innovation Mission for Climate initiative (AIM for Climate)**.

About I2U2

I2U2 was **first mentioned in October 2021**, following the **Abraham Accords between Israel and UAE**, to deal with issues concerning **maritime security, infrastructure, and transport** in region.

- o It was established as an **international forum** to discuss common areas of mutual interest, strengthen economic partnership in trade and investment in respective regions and beyond.
- o The I2U2, **referred to as the 'West Asian QUAD'**.
- o I2U2 **lacks a military angle and focuses on the economy**.
 - It has identified **six areas of cooperation** in **water, energy, transportation, space, health, and food security**.
 - It intends to **mobilize private sector capital and expertise** to help modernize infrastructure, low carbon development pathways for industries, improve public health, and promote development of critical emerging and green technologies.

Indo-Pacific Economic Framework (IPEF)

V V Gmsh

- Recently, India has not **yet agreed to the commitments of the trade pillar** of the 14-member IPEF.
- The framework is structured around 4 pillars relating to **trade, supply chains, clean economy, and fair economy**.
- India has agreed to the remaining 3 pillars (supply chains, clean economy, and fair economy).
- IPEF seeks to **strengthen economic partnership among participating countries** with the objective of enhancing resilience, sustainability, inclusiveness, economic growth, fairness and competitiveness in the region.
- **14 members of the IPEF:** Australia, Brunei, Fiji, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, Vietnam and the US.
- The U.S.-led IPEF and the EEF are **incomparable based on its geographic coverage and the partnership** with the host-countries.
- India has vested interests in both the forums and has **worked towards balancing its involvement**.
- India perceives the US-led IPEF as a vital platform to **strengthen its presence in the Indo-Pacific region**.
- IPEF presents an ideal opportunity for India to act in the region, **without being part of the China-led RCEP**.

FRIEND-SHORING

- Citing deepening economic integration, **US Treasury Secretary** pitched for friend-shoring for India.
- Friend-shoring is pitched (by US) as a means to **insulate global supply chains** from external disruption or economic coercion.
- Over the past few years, world has experienced series of trade disruptions -- **US-China trade war, COVID-19 pandemic, Russia's invasion of Ukraine.**
- Idea is for a **group of countries with shared values** to deploy policies encouraging companies to **spread manufacturing within that group.**
- Sectors under importance are **semiconductor industry, green energy, telecommunications and mineral industries.**





CURRENCY MONITORING LIST

- United States' Department of Treasury has **removed India from its Currency Monitoring List.**
- This is a **label given by US government to countries** it feels are engaging in "unfair currency practices" **by deliberately devaluing their currency** against dollar.
- An economy **meeting two of three criteria is placed on the Monitoring List:**
 1. A **significant bilateral trade surplus** with US.
 2. A **material current account surplus** equivalent to at least 2 percent of GDP over a 12-month period.
 3. **Persistent, one-sided intervention** (Occurs when net purchases of foreign currency are conducted repeatedly).

NASA-ISRO SYNTHETIC APERTURE RADAR (NISAR)

- Indian Space Research Organisation (ISRO) has received the NASA-ISRO SAR (NISAR) satellite from the U.S. space agency.
- NISAR **will map the entire globe in 12 days** and provide spatially and temporally consistent data for understanding changes in Earth's ecosystems, ice mass, etc.
- The 2,800 kilograms satellite **consists of both L-band and S-band synthetic aperture radar (SAR)** instruments, which makes it a dualfrequency imaging radar satellite.
- NISAR is expected to be launched in **January 2024 from Satish Dhawan Space Centre into a near-polar orbit.**
- After the commissioning period, the mission will conduct science operations with the L-band radar to satisfy NASA's requirements for **minimum of three years**, while the **S-band radar will be used by India for its specific needs for a period of five years.**

