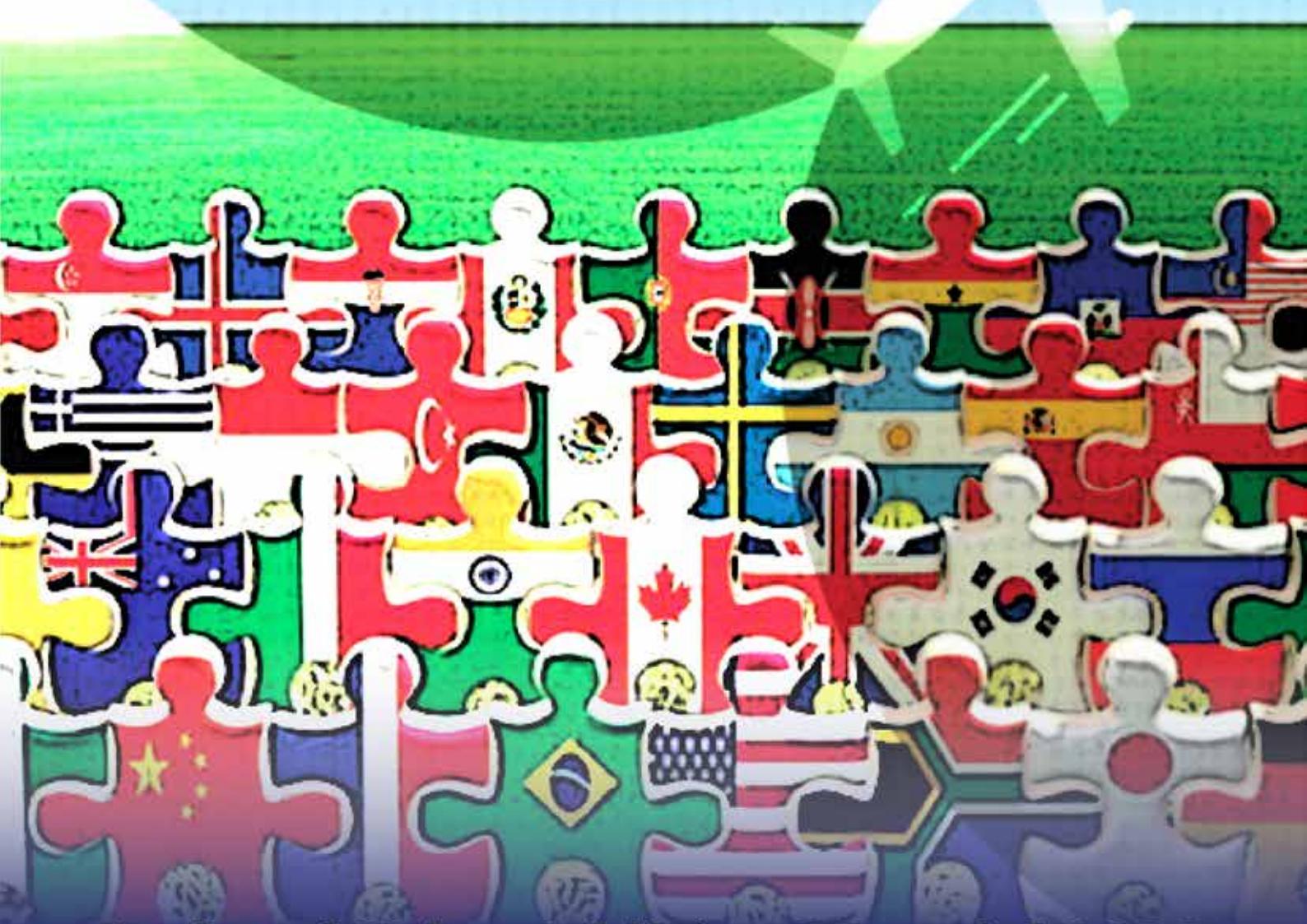


# INTERNATIONAL RELATIONS

## Part-2



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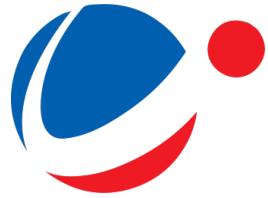
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# LECTURE-10

## INDIA AND RUSSIA

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# 1. India and Russia

**Russia an Introduction:** "Russia is never as strong as she appears, and never as weak as she appears." - Klemens, Fürst (prince) von Metternich.

Map10.1-Russia



## 1.1. Russia: Background

- **Russia stretches over a vast expanse of eastern Europe and northern Asia.** Once the preeminent republic of the Union of Soviet Socialist Republics (U.S.S.R. commonly known as the Soviet Union), **Russia became an independent country after the dissolution of the Soviet Union in December 1991.**
- **It is world's largest country,** it covers nearly twice the territory of Canada, the second largest. It extends across the whole of northern Asia and the eastern third of Europe, spanning 11 time zones and incorporating a great range of environments and landforms, from deserts to semiarid steppes to deep forests and Arctic tundra. Russia contains Europe's longest river, the Volga, and its largest lake, Ladoga. Russia also is home to the world's deepest lake, Baikal, and the country recorded the world's lowest temperature outside the North and South poles.
- **The inhabitants of Russia are quite diverse.** Most are ethnic Russians, but there also are more than 120 other ethnic groups present, speaking many languages and following disparate religious and cultural traditions.
- **Most of the Russian population is concentrated in the European portion** of the country, especially in the fertile region surrounding Moscow, the capital.
- **Moscow and St. Petersburg (formerly Leningrad)** are the two most important cultural and financial centres in Russia. Russians are also populous in Asia, however; beginning in the 17th century, and particularly pronounced throughout much of the 20th century, a steady flow of ethnic Russians and Russian-speaking people moved eastward into Siberia, where cities such as Vladivostok and Irkutsk now flourish.

### 1.1.1. Russia: Borders and Resources

- Russia is bounded to the north and east by the Arctic and Pacific oceans, and it has small frontages in the northwest on the Baltic Sea at St. Petersburg and at the detached Russian oblast (region) of Kaliningrad (a part of what was once East Prussia annexed in

1945), which also abuts Poland and Lithuania. To the south Russia borders North Korea, China, Mongolia, and Kazakhstan, Azerbaijan and Georgia. To the south west and west it borders Ukraine, Belarus, Latvia, and Estonia, as well as Finland and Norway.

- Although the climate adds a layer of difficulty to daily life, the land is a generous source of crops and materials, including vast reserves of oil, gas, and precious metals.
- Russia is among the world's leading producers of oil, extracting about one-fifth of the global total. It also is responsible for more than one-fourth of the world's total natural gas output.

### **1.1.2. Russia: Politics**

- The Russian republic was established immediately after the Russian Revolution of 1917 and became a union republic of USSR in 1922.
- In 1991, following the dissolution of the Soviet Union, Russia joined with several other former Soviet republics to form a loose coalition, the Commonwealth of Independent States (CIS).
- The Commonwealth of Independent States (CIS) formed when the former Soviet Union dissolved in 1991. At its conception it consisted of ten former Soviet Republics: Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan
- Under the new constitution (1993), the Federal Assembly became the country's legislature. It consists of the Federation Council (an upper house comprising appointed representatives from each of Russia's administrative divisions) and the State Duma (a 450-member popularly elected lower house).
- The president, who is elected in a national vote and cannot serve more than two terms consecutively, is vested with significant powers. As Russia's head of state, the president is empowered to appoint the head of the government (prime minister), key judges, and cabinet members. In 2008 an amendment to the constitution, to take effect with the 2012 election, extended the presidential term from four to six years.
- In international politics, Russia is a key power with the permanent membership of the UN Security Council and a large nuclear arsenal.

## **1.2. India and Russia**

- In 2017 India and Russia Completed 70 years of diplomatic relations.
- Since the signing of “Declaration on the India-Russia Strategic Partnership” in October 2000 (during the visit of Russian President H.E. Mr. Vladimir Putin to India), India-Russia ties have acquired a qualitatively new character with enhanced levels of cooperation in almost all areas of the bilateral relationship including political, security, trade and economy, defence, science and technology, and culture.

### **1.2.1. Special and Privileged Strategic Partnership**

- Under the Strategic Partnership, several institutionalized dialogue mechanisms operate at both political and official levels to ensure regular interaction and follow up on cooperation activities.
- During the visit of the Russian President to India in December 2010, the Strategic Partnership was elevated to the level of a “Special and Privileged Strategic Partnership.”
- Over the years India and Russia have evolved mechanisms of engagement at multilateral level at forums such as the UN, G-20, BRICS and SCO.

### **1.2.2. Political Relations: Mechanisms**

- **Annual Summit:** The Annual Summit meeting between the Prime Minister of India and the President of the Russian Federation is the highest institutionalized dialogue mechanism in the strategic partnership between India and Russia.

- **Annual Summit meetings take place alternatively in India and Russia.** Russian President Vladimir Putin visited Goa from 15-16 October 2016 for the 17th Annual Summit, which resulted in 19 documents related to cooperation in defence, space, information security, foreign policy, trade & investment, hydrocarbons, shipbuilding, railways, and science and technology. Prime Minister Modi and President Putin also adopted a Joint Statement "Partnership for Global Peace and Stability" and a "Roadmap of Events" to celebrate the 70th anniversary of the establishment of the diplomatic relations between India and Russia in the year 2017.
- **Prime Minister Narendra Modi visited St. Petersburg, Russia from 31st May to 2nd June for the 18th India-Russia Annual Summit,** this resulted in the conclusion of 12 documents related to cooperation over a very wide range of activities.
- **The 18th Summit also witnessed the adoption of the "St. Petersburg Declaration"** which not only highlights the multi-faceted cooperation between the two countries but also provides a comprehensive matrix for future cooperation. During this visit, PM had a separate meeting with governors of sixteen Russian regions where they discussed various aspects related to the enhancement of cooperation between Indian and Russian regions. PM also participated in the St. Petersburg International Economic Forum as the Guest of Honour.
- **Intergovernmental Commissions:** There is regular high-level interaction between the two countries.
- Two **Inter-Governmental Commissions- one on Trade, Economic, Scientific, Technological and Cultural Cooperation (IRIGC-TEC)**, Co-chaired by the External Affairs Minister (EAM) and the Russian Deputy Prime Minister (DPM), and
- another on Military Technical Cooperation (IRIGC- MTC) Co-chaired by Russian and Indian Defence Ministers, meet annually.
- **The Inter Governmental Commission on Military Technical Cooperation (IRIGC-MTC)** Co-chaired by the two Defence Ministers and its Working Groups and Sub-Groups review defence cooperation between the two countries.
- **Consultations:** During the 17th Annual Summit, the sides concluded a **Protocol for Consultations between the foreign ministries for the period 2017-18.**
- Pursuant to the signing of the Protocol for Consultations between the foreign ministries, Secretary (West), Secretary (ER) and Secretary (East) visited Russia for bilateral consultations in 2016.

### **1.2.3. Defence and Security Cooperation**

- India has longstanding and wide-ranging cooperation with Russia in the field of defence.
- Since 1960, the overall value of contracts within the framework of military and technical cooperation has amounted to over USD 65 billion, while the portfolio of orders in 2012-2016 exceeded USD 46 billion.
- India-Russia military technical cooperation is evolving from a buyer - seller framework to one involving joint research, development and production of advanced defence technologies and systems.
- BrahMos Missile System as well as the licensed production in India of SU-30 aircraft and T-90 tanks, are examples of such flagship cooperation.
- During the 17th Annual Summit, the sides concluded agreements on supply of S-400 air defence systems, construction of frigates under Project 1135.6 and shareholders agreement on the formation of joint venture to manufacture Ka-226T helicopters in India.
- The two countries also hold exchanges and training exercises between their armed forces annually.
- The annual bilateral naval exercise 'Indra - Navy' took place off the coast of Vishakhapatnam on 14-21 December 2016.

- Both sides conducted **the first ever tri-services exercise INDRA-2017** was successfully conducted from 19 to 29 Oct 2017 at Vladivostok in Russia.
- A roadmap for the development of bilateral defence cooperation was signed during the 17th Meeting of the IRIGC-MTC.
- Air Chief, Arup Raha visited Russia from 24-29 October 2016. Russian Naval Chief visited India in March 2017.
- The first ever India-Russia Military Conference took place in Delhi in March 2017.** Nearly 45 Russian entities participated in this conference. FSB Director, Alexander Bortnikov led a nine-member delegation to India in March 2017 and called on the Minister of Home Affairs.

#### **1.2.4. Economic Relations**

- Making the economic partnership a strong pillar of the bilateral partnership like other areas of cooperation between India and Russia is a **key priority for both governments**
- The Inter- Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation (IRIGC-TEC) is the apex G2G forum** to review economic cooperation.
- Mechanisms such as India-Russia Business Council (partnership between FICCI of India and CCI of Russia), India-Russia Trade, Investment and Technology Promotion Council (partnership between CII of India and RUIE of Russia), India- Russia Business Dialogue (partnership between CII of India and Russia's Business Council for Cooperation with India) and India-Russia Chamber of Commerce (with focus on SMEs) supplement the efforts to build direct B2B-business - to - business ties.
- In December 2014, the leaders of the two countries set a target of US \$ 30 billion bilateral trade by 2025.**
- According to Russian Federal Customs Service data, bilateral trade during in 2016 amounted to US\$ 7.71 billion** (decline of 1.5 % over 2015), with Indian exports amounting to US\$ 2.39 billion and imports from Russia amounting to US\$ 5.32 billion.
- Major items of export from India include pharmaceuticals, tea, coffee and tobacco, machinery and mechanical appliances, organic chemicals, and electrical machinery and equipment.
- Major items of import from Russia include pearls, precious and semi-precious stones & metals, nuclear power equipment, electrical machinery and equipment, mineral oil & products, iron & steels, and optical, precision and surgical equipment.

##### **1.2.4.1. Enhancing Economic Ties: Trade**

- India and Russia are exploring various ways for enhancing bilateral trade.** A few important steps/projects that could provide a major boost to bilateral trade are:
  - operationalization of the 'Green Corridor' project between the two countries which has already reached an advanced stage;**
  - implementation of the International North- South Transport Corridor (INSTC),**
  - and the signing of an FTA between Indian and the Eurasian Economic Union (EaEU).**
- In December 2016, Eurasian Economic Union (EaEU) approved the decision to start negotiations between India and the EaEU for signing an FTA.
- The Eurasian Economic Union (officially EAEU, but sometimes called EEU) is an economic union of states located primarily in northern Eurasia.** The Treaty aiming for the establishment of the EAEU was signed on 29 May 2014 by the leaders of **Belarus, Kazakhstan and Russia, and came into force on 1 January 2015.**
- There are four types of corridors introduced in the customs border: green corridor (goods through this corridor does not undergo customs inspection), blue corridor (goods undergo examination in the customs border), yellow corridor (goods which need a special licence for the importation) and red corridor (goods are subjected to mandatory inspection).

- The green corridor concept was launched by the European Union in 2007 to enable trade traffic more smoothly and efficiently.
- Russia is already implementing the Green corridor project with Finland and Turkey. Moscow has also signed such agreements with China, Italy, Lebanon and Iran.

#### **1.2.4.2. Economic Relations: Investments**

- Both sides had expressed their desire to raise the level of investments in each other's countries to US \$ 15 billion (each way) by 2025.** Based upon current figures it appears that the target will be achieved almost eight years earlier than planned.
- Indian investments in Russia are estimated to be about US\$ 13 billion** which include Vankorneft and Taas-Yuryakh Tass fields; Imperial Energy Tomsk; Sakhalin I; Volzhsky Abrasive Works Volgograd; and Commercial Indo bank.
- Russian investments in India total about US\$ 16 billion,** including the acquisition of the ESSAR Group, Kamaz Vectra in Hosur; Shyam Sistema Telecom Ltd, Sberbank and VTB.

#### **1.2.5. Energy Cooperation**

- Hydrocarbons is an active area for exploring cooperation between the two countries.**
- In the second and third quarter of 2016, **Indian companies invested close to US\$ 5.5 billion in Russia's Oil and Gas sector, which included acquisition of 23.9% stake in Vankorneft and 29.9% in Taas-Yuryakh by an Indian Consortium** of Indian Oil Corporation Limited (IOCL), Indian Oil Corporation Limited (OIL) and Bharat Petro Resources Limited (BPRL); and acquisition of 15% and 11% stake by ONGC Videsh Limited (OVL) in Vankorneft from Rosneft Oil Company of Russia.
- During the 17th Annual Summit, the sides concluded documents between Engineers India Ltd and Gazprom on the **Joint Study of a gas pipeline to India and other possible areas of cooperation;**
- Agreement in the area of Education and Training between ONGC Videsh Ltd and Rosneft Oil Company; and Programme of Cooperation (PoC) in the Field of Oil and Gas for the period 2017-18;
- and the Sale and Purchase Agreement between a Rosneft-led consortium and Essar for acquisition of 98% stake in Essar Oil Limited. The Rosneft led Consortium has invested close to US \$ 13 billion in this deal.
- The sides are working towards realization of an '**Energy Bridge**' between the two countries, which is based on:
  - robust civil nuclear cooperation,**
  - LNG sourcing, partnership in the Oil and Gas sector,**
  - and engagement in renewable energy sources.**
- The idea to setup SCO Energy Club, proposed by Vladimir Putin in 2006,** should contribute to deepening interaction between energy producers (Russia, Kazakhstan, Uzbekistan and Iran) and energy consumers (China, Tajikistan, Kyrgyzstan, India, Pakistan and Mongolia)

#### **1.2.5.1. Nuclear Energy**

- Russia is an important partner for India in the area of peaceful use of nuclear energy.** It recognizes India as a country with advanced nuclear technology with an impeccable non-proliferation record.
- In 2009, India and Russia have sealed a breakthrough long-term pact for expanding civil nuclear cooperation** that is free from any restrictions on India and guarantees it against any curbs in the future.
- In December 2014, Department of Atomic Energy (DAE) and Russia's Rosatom signed the Strategic Vision for strengthening cooperation in peaceful uses of atomic energy between India and Russia.

- **Kudankulam Nuclear Power Plant (KKNPP)** is being built in India with Russian cooperation. KKNPP Units 1 and 2 have already become operational. PM Modi and President Putin jointly dedicated Units 1 & 2 to the nation on separate occasions through videoconferencing.
- They also initiated the concrete pouring for Units 3 & 4 through videoconference on October 15, 2016.
- An agreement on localization of manufacturing of nuclear equipment in India was also concluded during the Annual Summit on 24 December 2015. The agreement for KKNPP Units 5 & 6 was concluded during the 18th Annual Bilateral Summit in St. Petersburg in June 2017.

### **1.2.6. Science and Technology**

- With Russia's technical and financial assistance, the pioneers of Indian industrialization came into existence: metallurgical complexes in Bhilai, Visakhapatnam and Bokaro, the mining equipment plant in Durgapur, the thermal power station in Neyveli, the electromechanical enterprise in Korba, antibiotics plants in Rishikesh and the pharmaceutical plant in Hyderabad.
- Russian scientists and academics participated in the establishment of research and education centers in India. These include the Indian Institute of Technology in Bombay, research institutes of petroleum industry in Dehradun and Ahmedabad.

#### **1.2.6.1. Space**

- India-Russia cooperation in the field of peaceful uses of outer space dates back to about four decades.
- 2015 marked the 40th anniversary of the launch of India's first satellite "Aryabhata" on a Russian (then USSR) launch vehicle 'Soyuz.'
- In 2007, India and Russia signed a framework agreement on cooperation in the peaceful uses of outer space, including satellite launches, GLONASS navigation system, remote sensing and other societal applications of outer space.
- In June 2015, the space agencies signed an MoU on expansion of cooperation in the field of the exploration and use of outer space for peaceful purposes.
- An agreement was signed between C-DAC and GLONASS for cooperation in technologies based on satellite navigation.
- On 15 October 2016, ISRO and Roscosmos signed an MoU to establish ground measurement gathering stations for GLONASS and NAVIC in India and Russia.
- Both sides are also exploring the possibility of cooperation in manned space flight.

#### **1.2.6.2. Science and Technology: Other Areas**

- The Working Group on Science and Technology functioning under IRIGC- TEC, the Integrated Long Term Programme (ILTP) and the Basic Science Cooperation Programme are the three main institutional mechanisms for bilateral Science and Technology cooperation, while the Science Academies of the two countries promote inter-academy exchanges.
- ILTP during its 25-year long implementation period, supported over 500 joint R&D projects and setting up of 9 thematic centers in India and Russia that resulted in generation of over 1500 joint publications and many new products, processes, facilities, and research centers besides developing over 10,000 scientific contacts.
- **India-Russia Science and Technology Centre with a branch each in Delhi-NCR and Moscow** was set up in 2011-12 in order to promote two-way transfer of technologies and their commercialization.
- On 8 May 2015, Department of Science & Technology (DST) and Russian Science Foundation signed an agreement to support basic and exploratory research.

- During the 17th Summit, DST and FASO (Federal Agency for Scientific Organization) signed an agreement for cooperation in the field of science and technology. A Basic Science Cooperation Programme between DST and the Russian Foundation for Basic Research has been working quite successfully from 2016-17.
- A number of new initiatives such as the IndiRussia Bridge to Innovation, cooperation in telemedicine, creation of a Traditional Knowledge Digital Library, GIAN, and the Russia-India Network (RIN) of Universities are being promoted to encourage the growth of bilateral interaction in the field of S & T.

#### **1.2.7. Cultural Relations**

- There are regular cultural initiatives to promote people-to-people contacts between India and Russia, including reciprocal Years of Culture.
- There is a strong tradition of Indian studies in Russia. Jawaharlal Nehru Cultural Centre at the Embassy of India, Moscow (JNCC) maintains close cooperation with leading Russian institutions, including the Institute of Philosophy (Moscow); Russian State University for Humanities (Moscow); Institute of Oriental Studies (Moscow); Institute of Asian and African Studies of the Moscow State University; School of International Relations of the St. Petersburg University; Institute of Oriental Manuscripts (St Petersburg); Peter the Great Museum of Anthropology & Ethnography (Kunstkamera) in St Petersburg; Far Eastern Federal University (Vladivostok); and Russian Institute for Cultural Research (Krasnodar).
- There is a Mahatma Gandhi Chair on Indian Philosophy in the Institute of Philosophy, Moscow.
- About 20 Russian Institutions, including leading universities and schools, regularly teach Hindi to about 1500 Russian students.
- The President of India inaugurated the Year of Indian Culture 'Namaste Russia' in Moscow on 10 May 2015. About 15 performances in 8 cities were held as part of 'Namaste Russia' across various parts of Russia over 2015.
- The Embassy with support from regional governments organized week-long celebrations marking the third International Day of Yoga (IDY) covering 68 regions spanning 87 locations and involving over 37685 Yoga enthusiasts.
- During the previous Summit in October, the leaders adopted a 'Roadmap of Events' to celebrate the 70th anniversary of the establishment of the diplomatic relations between India and Russia with year-long celebrations in 2017 under which numerous events have already been held in both countries.

#### **1.3. 70 Years: An Assessment of Prospects and Challenges**

- A report on the state of ties between the two nations brought out by two think tanks (VIF and Russian International Affairs Council) **calls for a major revamp of the engagement between the once-close partners.**
- Once seen as closer to the former Soviet Union, India's ties with the US have undergone a dramatic change in recent years, with Washington emerging as a key source of military hardware for India.** New Delhi also has close to three dozen dialogues with Washington—unthinkable during the Cold War years when the US was seen as a major ally of Pakistan.
- Meanwhile, the once close India-Russia ties have developed signs of strain with Moscow's growing ties with Islamabad.** Once seen as being on the same page over the threat posed by the Pakistan-backed Taliban in Afghanistan, India and Russia now have differences on the subject with Moscow seemingly more worried about the threat posed by the Islamic State than Taliban.
- India's concerns of Russia's ties with New Delhi's strategic rival China casting a shadow over Moscow-New Delhi relations.** New Delhi also views Moscow's recent reaching out to India's arch rival Pakistan as a subset of Russia-China ties.

- In the case of Russia, Moscow has been worried about the growing warmth in India-US ties.
- Apart from geopolitical factors, “**an imperfect legal framework, tariff and non-tariff trade limitations, the lack of up-to-date information on political processes in both countries; the low level of business contacts; and the outdated images of both Russia and India their citizens have**” are some of the impediments standing in the way of a new partnership between the two nations.

### **1.3.1. Way Forward**

- Report calls for **increased interaction at the ministerial and bureaucratic levels throughout the year**, rather than confining dialogue to an annual summit between the Russian and Indian leaderships. India and Russia have been having regular bilateral summits between the Russian president and the Indian prime minister since 2000.
- It also calls for a **three-way talks between Russia, India and the US** besides Russia, India and Israel to increase the ambit of cooperation. India and Russia already have a trilateral arrangement with China.
- On **terrorism and religious extremism**, the paper calls for the **two countries to support each other more closely and visibly**.
- It also calls for the **two countries to collaborate in third countries**—such as those in India’s neighbourhood like Nepal and on Russia’s periphery like the **Central Asian Republics**. In this context development of Vietnam’s hydrocarbon sector also provides opportunity for cooperation in third country.
- Giving a **new impetus to Moscow-New Delhi relations would allow Russia to diversify its efforts in Asia**.
- It is **important to further expand Russia-India engagement on the international arena**, Russia should continue to actively support India’s claim for greater participation in international affairs.
- Connectivity needs a geopolitical interest in actively promoting the North-South Corridor through Iran so that connectivity projects in the region get diversified and single-country domination is avoided.
- To strengthen economic linkages between the two countries, “**it is necessary to set out mutually acceptable business conditions**, stimulate investment flows and greenlight mutual investments,” the report said.
- On defence collaboration, the report said “**it is important to secure and consolidate new trends in the development of military-technical cooperation and**, first and foremost, to transition from the “seller-buyer” model to large-scale joint breakthrough projects.”
- **Russian should actively participate in India’s Make in India programme in defence manufacturing**, with more technology transfers, as that would consolidate Russia’s dominant position as India’s defence partner.

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# LECTURE-11

## INDIA AND EUROPE

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# 1. India and the European Union



Image Source: <https://www.cia.gov/library/publications/the-world-factbook/graphics/maps/ee-map.gif>

## 1.1. The European Union (EU)

- The European Union has evolved into a hybrid **intergovernmental and supranational organization of 28 countries across the European continent**
- With a population of 516,195,432, it constitutes an important market.
- With just 6.9% of the world's population, the EU's trade with the rest of the world **accounts for around 20% of global exports and imports**.
- Over 62% of EU countries' total trade is done with other EU countries.
- **A common currency** – The Euro as a common currency circulates among 19 of the member states known as the Eurozone, under the auspices of the European Economic and Monetary Union (EMU).
  - Eleven members states introduced the euro as their common currency on 1 January 1999. Greece in 2001.
  - Slovenia (2007), Cyprus and Malta (2008), Slovakia (2009), Estonia (2011), Latvia (2014), and Lithuania (2015) have adopted the euro;
  - 7 other member states - not including the UK nor Denmark, which have formal opt-outs - are required by EU treaties to adopt the common currency upon meeting fiscal and monetary convergence criteria.

- The total GDP of EU countries stood at GDP PPP: \$19.97 trillion (2016 est.) or GDP Official Exchange rate: \$16.52 trillion (2016 est.)
- With a **GDP Per Capita**: of **\$39,200** (2016 est.) EU ranks among the most prosperous regions in the world
- **The Schengen Area** is one of the greatest achievements of the EU. It is an area without internal borders, an area within which citizens, many non-EU nationals, business people and tourists can freely circulate without being subjected to border checks. Since 1985, it has gradually grown and encompasses today almost all EU States and a few associated non-EU countries.
- **Joining the EU**: Any country that satisfies the conditions for membership can apply. These conditions are known as the '**Copenhagen criteria**' and include a **free-market economy**, a **stable democracy** and **the rule of law**, and the **acceptance of all EU legislation**, including of the euro.

### **1.1.1. Institutional Setup**

EU's unique institutional set-up includes:

- **European Council**: the EU's **broad priorities are set by the European Council**, which brings **together national and EU-level leaders** i.e Heads of states and governments as well as President of the European Commission. Donald Tusk is the current president of the European Council.
- **European Parliament**: directly elected **Members of European Parliament (MEPs)** represent **European citizens in the European Parliament (751 seats)**
- **Council of the EU**: **governments defend their own country's national interests** in the **Council of the European Union**. It is a **ministerial-level body**. It conducts policymaking and coordinating functions as well as legislative functions.
- **European Commission**: the **interests of the EU as a whole are promoted by the European Commission**, whose **members are appointed by national governments**. At its head is a **College of Commissioners comprised of 28 members (one from each member country)** **including the president**; each commissioner is responsible for one or more policy areas. Its current president is Jean-Claude JUNCKER.

In principle, the **Commission proposes new laws**, and the **Parliament and Council adopt them**. The **Commission and the member countries then implement them**, and the **Commission ensures that the laws are properly applied and implemented**.

- Other important institutions such as **Court of Justice of the EU**, located in Luxembourg; upholds the rule of European law.
- the **Court of Auditors**, located in, Luxembourg checks the financing of the EU's activities.
- **European Central Bank**, located in Frankfurt, Germany, responsible for European monetary policy.

### **1.2. The European Union: Evolution**

- **European Coal and Steel Community (ECSC)** was set up when in 1951 six members - Belgium, France, West Germany, Italy, Luxembourg, and the Netherlands - signed the Treaty of Paris
- In 1957, envisioning an "ever closer union," the **Treaties of Rome** created the **European Economic Community (EEC)** and the **European Atomic Energy Community (Euratom)**, and the six member states undertook to eliminate trade barriers among themselves by forming a common market.
- In 1967, the institutions of all **three communities were formally merged into the European Community (EC)**, creating a single Commission, a single Council of Ministers, and the body known today as the European Parliament.

- Members of the **European Parliament** were initially selected by national parliaments, **but in 1979 the first direct elections were undertaken and have been held every five years since.**
- In 1993 the **Single Market** is completed with the '**four freedoms**' of: **movement of goods, services, people and money.**
- **The 1993 Treaty of Maastricht on European Union** laid the basis for further forms of cooperation in foreign and defense policy, in judicial and internal affairs, and in the creation of an economic and monetary union - including a common currency. This further integration created the European Union (EU), at the time standing alongside the EC. In 1995, Austria, Finland, and Sweden joined the EU/EC, raising the membership total to 15.
- **A new currency, the euro, was launched in world money markets on 1 January 1999;** it became the unit of exchange for all EU member states except Denmark, Sweden, and the UK.
- In 2002, citizens of those 12 countries began using euro banknotes and coins. Ten new countries joined the EU in 2004 - Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia.
- Bulgaria and Romania joined in 2007 and Croatia in 2013, bringing the current membership to 28. (Seven of these new countries - Cyprus, Estonia, Latvia, Lithuania, Malta, Slovakia, and Slovenia - have now adopted the euro, bringing total euro-zone membership to 19.)
- In an effort to ensure that the EU could function efficiently with an expanded membership, the **Treaty of Nice** (concluded in 2000; entered into force in 2003) set forth rules to streamline the size and procedures of EU institutions. An effort to establish a "Constitution for Europe," growing out of a Convention held in 2002-2003, foundered when it was rejected in referenda in France and the Netherlands in 2005.
- The **Treaty of Lisbon** is ratified by all EU countries before entering into force in 2009. It provides the EU with modern institutions and more efficient working methods.
- The Treaty's provisions are part of the basic consolidated versions of the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU) now governing what remains a very specific integration project.

### 1.3. The European Union: A Unique Identity

- The evolution of what is today the European Union (EU) from a regional economic agreement among six neighboring states in 1951 to today's hybrid intergovernmental and supranational organization of 28 countries across the European continent stands as an unprecedented phenomenon in history.
- Although the EU is not a federation in the strict sense, it is far more than a free-trade association such as ASEAN, NAFTA, or Mercosur,
- It has certain attributes associated with independent nations: its own flag, currency (for some members), and law-making abilities, as well as diplomatic representation and a common foreign and security policy in its dealings with external partners.
- In view of its achievements, the European Union is awarded the Nobel Peace Prize In 2012.

### 1.4. Recent Developments and Issues for Europe

- **Brexit:** In the European elections are held in 2014 and more Eurosceptics, those doubting the efficacy of EU, were elected into the European Parliament. Questions on the EU's efficacy are also raised by the **Brexit**, wherein frustration with EU bureaucracy combined with immigration issues led the UK to vote for an exit from the European Union in 2016. The exit negotiations will be difficult and potentially divisive, but are far less important than the negotiations on establishing a new formal relationship between the UK and the EU.

- **Russia:** A new security policy was established in the wake of the **annexation of Crimea by Russia in 2014**. However, Europe depends on Russia's gas exports, which rose in recent years, despite rising competition and concerns about the country's dominance of supply. State-run Gazprom, the world's largest gas producer, has a monopoly over **Russia's network of pipelines to Europe and supplies close to 40 per cent of Europe's gas**. But it has been forced to lower its prices in recent years to protect its market share in the face of moves by EU member states to buy more gas from the US, Qatar and other producers.
- **Refugees:** Regional instability in the Middle East and various countries and regions around the world, leading to unrest and wars has resulted in many people fleeing their homes and seeking refuge in Europe. **The 2015 refugee crisis abated after the EU-Turkey migration deal and the closure of the Balkan route in the spring of 2016**. The total number of migrants reaching Europe by two main sea routes in 2016 fell by nearly two-thirds, to 364,000 in comparison with 2015. However, the EU needs to work on a comprehensive response to the refugee crisis that can ensure internal cohesion, in view of strong views within the members and the rise of anti immigration sentiments, as well as protect its claims of being a normative power.
- **Climate change** is still high on the agenda and leaders agree to reduce harmful emissions. However, it has to manage allies such as the US which has pulled out of the Paris agreement as well as developing countries that have demanded better performance on technology and funding.
- **Terrorism:** In recent time various European countries such as France and Germany have been target of several terrorist attacks. It is an issue that needs a EU response in view of the open borders within Europe.
- **Trade and Protectionism:** Much of EU's success has based on its open economy and free trade. The recent move by the United States to raise tariffs gives rise to the spectre of protectionism. EU would need to play a key role in upholding a rules based order for global trade.

## 2. India and the European Union

### 2.1. Background

- In 2017, the European Union and India celebrated 55 years of diplomatic relations. The **14th EU-India Summit, took place in New Delhi on 6 October 2017**. It was an opportunity to review progress in many aspects of the bilateral relationship and to discuss international and regional challenges.
- The EU is also the largest destination for Indian exports and a key source of the investment and cutting edge technologies.
- India-EU relations date to the early 1960s, with India being amongst the first countries to establish diplomatic relations with the European Economic Community. A cooperation agreement signed in 1994 took the bilateral relationship beyond trade and economic cooperation.
- The first India-EU Summit took place in Lisbon on 28 June 2000 and marked a watershed in the evolution of the relationship. Since then, thirteen annual Summits have been held.
- At the 5th India-EU Summit held at The Hague in 2004, the relationship was upgraded to a '**Strategic Partnership**'. The two sides adopted a Joint Action Plan in 2005 (which was reviewed in 2008) that provided for strengthening dialogue and consultation mechanisms in the political and economic spheres, enhancing trade and investment, and bringing peoples and cultures together.
- India-EU relations received another boost with the **13th India-EU Summit at Brussels**, held after a gap of four years, in March 2016 adopting the **India-EU Agenda 2020**, which lays

- down a road map for cooperation on a wide range of issues including nuclear cooperation, investments, Internet Governance, climate change, 5G communications.
- In 2017 the two sides expressed their intent on cooperation through **Joint Statements on Urban Partnership, Counter Terrorism, Clean Energy and Climate Change**.

## 2.2. Political and Security Cooperation

- The 14th annual Summit between India and the European Union (EU) was held in New Delhi on 6 October 2017.
- India and EU also interact at the ASIA Europe Meeting (ASEM). The Asia-Europe Meeting (ASEM) is an intergovernmental process established in 1996 to foster dialogue and cooperation between Asia and Europe. Presently it comprises 53 partners: 30 European and 21 Asian countries, the European Union and the ASEAN Secretariat. ASEM addresses political, economic, social, cultural, and educational issues of common interest, in a spirit of mutual respect and equal partnership.
- India and the EU interact regularly at the Foreign Minister level.
- A Security Dialogue envisaged under the Joint Action Plan has been held annually since May 2006.
- The Security Dialogue was merged with the Foreign Policy Consultations in 2016.
- The 2016 EU-India Summit adopted a Joint Declaration on the fight against Terrorism.
- Both sides have also instituted Foreign Policy Consultations at the level of Secretaries. The first meeting took place in New Delhi on 15 November 2011, followed by a second round in Brussels on 20 July 2012. The last round of the Foreign Policy Consultations (4th) was held in Brussels on 29 February 2016.
- A bilateral Joint Working Group on Counter-Terrorism reports to the Security Dialogue, as do dialogues on Cyber-Security and Counter-Piracy.
- An annual India-EU Ad-hoc Dialogue on Human Rights is also held in New Delhi, the eighth meeting of which took place on 27 November 2013.
- In addition, a High-Level Dialogue on Migration and Mobility has been instituted at Secretary Level.
- India has participated in the EU-hosted Brussels Conference on Afghanistan in October 2016; and the Brussels Conference on Supporting the Future of Syria and the Region of April 2017
- A Delegation for Relations with India (D-IN) was formally constituted in the European Parliament (EP) in 2007 to follow relations with India.

## 2.3. Economic Cooperation and Trade

- The EU as a bloc of 28 countries is India's largest regional trading partner while India was the EU's 9th largest trading partner in 2016.
- Bilateral trade in goods standing at US\$ 88 bn in 2016. The EU is also the largest destination for Indian exports.
- In goods, India's export to the EU in 2015 stood at € 39.41 billion (\$43.73 billion) while India's imports from the EU were valued at € 38.1 billion (\$42.3 billion).
- In 2015, the trade balance in goods was in India's favour by €1.3 billion (\$1.44 billion).
- India's bilateral trade with the EU28 during the first eight months of 2016 (Jan-Aug 2016) stood at €51.2bn with India's exports valued at €26.6bn and India's imports from the EU at €24.6bn.
- EU bilateral trade in services was €27.7billion (\$30.75 billion) in 2015 comprising Indian exports of services to the EU worth € 13.67billion (\$15.17 billion) and Indian imports from the EU worth €14.03billion (\$15.58 billion).

- India received around US\$ 83 bn FDI flows from Europe during 2000-17 constituting approximately 24% of the total FDI inflows into the country during the period making it one of the largest source of FDI.
- India and the EU are in the process of negotiating a bilateral Broad-based Trade and Investment Agreement (BTIA) since 2007.
- As of late, both sides are discussing the modalities of resumption of BTIA talks on a fast track.
- The India-EU Joint Commission dealing with economic and commercial issues meets annually, as do its three Sub-Commissions on Trade, Economic Cooperation and Development Cooperation.
- In addition to enhance sector-specific cooperation, there are regular meetings of Joint Workings Groups
  - Textiles and Clothing,
  - Agriculture and Marine Products,
  - Technical Barriers to Trade and Sanitary and
  - Phyto-sanitary Issues, Pharmaceuticals and Biotechnology (SPS/TBT) as well as Food Processing Industries.
- A Macroeconomic Dialogue at Secretary Level along with a Dialogue on Financial Services Regulations have also been instituted and take place annually.

## 2.4. Science, Technology, Energy and Environment

- The India-EU Science and Technology Steering Committee meets annually to discuss cooperation in this field.
- India and the EU set up an Energy Panel in 2005 to enhance cooperation in the critical sector of energy and energy security.
- Separate sub-groups have been constituted under the panel dealing with coal and clean coal conversion technologies, energy efficiency and renewable energy, etc.
- As envisaged in the Joint Action Plan, a Joint Working Group on Environment dealing with prevention of pollution, waste minimization, protection of biological diversity, sustainable forest management, environmental education, etc. has been created.
- An Environmental Forum which brings together academia, business and civil society of both sides to exchange views on specific environmental issues also meets annually.
- An “Indo European Water Forum” meeting jointly organised by EU delegation to India, DG Environment and India’s National Water Mission took place on 23-24 Nov 2015.

## 2.5. Education and Culture

- The framework of India-EU cooperation in the fields of education and culture is provided by three Joint Declarations covering cooperation in the fields of Education and Training, Multilingualism and Culture.
- 50,000 Indian students are in EU in higher education, with 5,000 having been provided ERASMUS scholarships.

## 2.6. India-EU FTA or the BTIA

- With its combination of rapid growth, complementary trade baskets and relatively high degree of market protection, India is an obvious partner for a free trade agreement (FTA) for the EU.
- The parameters for an ambitious FTA were set out in the report of the EU-India High Level Trade Group in October 2006.
- Other studies have reinforced the economic potential of an FTA between the EU and India, notably a sustainability impact assessment concluded in 2009.

- Negotiations on the India-EU free trade agreement started back in 2007 and 16 rounds of talks have been held since then. The last round was held in 2013, after which negotiations were suspended.
- These negotiations, covering trade, investment protection and intellectual property, have remained deadlocked since 2013.
- In recent times the uncertainties over Brexit and inflexibility on both sides have prevented resumption of formal talks.
- EU wants stringent measures on investor-state dispute settlement (ISDS) and Sanitary and Phyto-Sanitary measures
- The recent unilateral termination of bilateral investment treaties (BITs) by India with many EU member countries including Germany has complicated things further, leaving many European businesses worried about investment protection in India.
  - India had unilaterally terminated BITs with most EU members in 2017, asking them to renegotiate the treaty based on a new model BIT passed by the Cabinet in December 2015.
  - The Indian Model BIT requires a foreign investor to litigate in national courts for at least five years before approaching an international tribunal.
  - On the other hand, the ISDS provision in EU-Singapore FTA (2013), the gives investors a choice between bringing a dispute against a host state before the national court of the country where the investment has been made and submitting the dispute to international arbitration.
  - Rejecting a proposal by EU to suspend such termination, India proposed a toned-down version of the BTIA, which would include an investment chapter and avoid contentious issues for the time being.
  - However, the EU didn't agree. The issue came up for discussion again during the meeting of the two chief trade negotiators.
- At the 14th India-EU Summit in Delhi in October 2017, both sides resolved to restart negotiations for BTIA.
- After months of deadlock, India and the European Union (EU) chief trade negotiators met in New Delhi in November 2017 to hammer out a way forward for the long-pending free trade agreement negotiations between the two sides. It is not the resumption of BTIA negotiations, but to find a way forward to resume negotiations.

#### **2.6.1. The India-Meeting on BTIA Talks: Recent Developments**

- On 15 November 2017, senior officials of India and European Union (EU) held discussions on the long-stalled free trade pact and expressed willingness to address issues in a time-bound manner.
- The negotiations for the pact have been held up since May 2013 as both the sides are yet to bridge substantial gaps on crucial issues such as:
  - intellectual property rights,
  - duty cut in automobile and spirits, and
  - liberal visa regime.
- The two sides have to iron out differences related to movement of professionals. A liberal visa regime is key for India in this context.
- The EU, besides demanding significant duty cuts in automobiles, wants tax reduction in wines, spirits and dairy products, and a strong intellectual property regime.
- India is asking for 'data secure nation' status to be granted by the EU. The country is among the nations not considered data secure by the EU. The matter is crucial as it will have a bearing on Indian IT companies wanting market access.

### 2.6.2. Sanitary and Phytosanitary Measures

- **Sanitary and phytosanitary (SPS) measures** are measures to protect humans, animals, and plants from diseases, pests, or contaminants.
- All countries maintain measures to ensure that food is safe for consumers, and to prevent the spread of pests or diseases among animals and plants.
- **Sanitary (human and animal health) and phytosanitary (plant health)** measures apply to domestically produced food or local animal and plant diseases, as well as to products coming from other countries.
- These sanitary and phytosanitary measures can take many forms, such as:
  - requiring products to come from a disease-free area,
  - inspection of products, specific treatment or processing of products,
  - setting of allowable maximum levels of pesticide residues or permitted use of only certain additives in food.

## 3. India and France

### 3.1. Background

- India and France have traditionally close and friendly relations. **In 1998, the two countries entered into Strategic Partnership** which is emblematic of their convergence of views on a range of international issues apart from a close and growing bilateral relationship.
- The areas of **defence cooperation, space cooperation and civil nuclear cooperation constitute the three principal pillars of our Strategic Partnership**.
- Apart from these traditional fields of cooperation, **India and France are increasingly engaged in new areas of cooperation like climate change, sustainable growth and development, the International Solar Alliance etc.**
- France is the only western country with **large territory in the Indian Ocean Region (IOR)** including the **Reunion Islands**, that spans about **two million square kilometres of an Exclusive Economic Zone (EEZ)**, and it has a population of one million French Citizens in the region, including about 30% of Indian origin.
- The **French navy maintains bases in the UAE, Djibouti as well as in Reunion**, with a total of 20,000 forces permanently based in the IOR.

### 3.2. Convergence

- **India and France support a multi-polar world order.** France has continued to support India's claim for permanent membership of the Security Council and the reforms of the United Nations.
- **France has provided consistent support to India's candidature for the membership of Multilateral Export Control regimes, viz. NSG and MTCR.** France's support was vital in India's accession to MTCR in June 2016.
- **India and France have consistently condemned terrorism** and have resolved to work together for adoption of the Comprehensive Convention on International Terrorism (CCIT) in the UN.
- During the visit of then President Hollande in **January 2016, India and France also issued a Joint Statement on Counter Terrorism** in which the two countries resolved to step up their bilateral cooperation in this field.

### 3.3. Recent Visits

- Prime Minister Shri Narendra Modi visited France on 2-3 June 2017. The Paris Climate Accord and the climate issue was prominently discussed.

- Earlier Prime Minister Modi had paid an official visit to France in April 2015 in what was his first visit to a European country.
- **Prime Minister Modi visited Paris on 29-30 November 2015** to attend the inaugural Leaders' Event at the COP-21 Climate Change Summit. He launched the **International Solar Alliance jointly with President Francois Hollande** in the presence of UN Secretary General Ban Ki Moon. Along with President Hollande, US President Obama and Microsoft Chairman Bill Gates.
- **President Hollande**, during his Presidency twice visited India. During his visit in February 2013 and in **January 2016 as the chief guest of the Republic Day celebration**. In a historic first, a **French military contingent also marched on Rajpath on the Republic Day** and thus France became the first ever foreign country to have been invited to participate in the march
- President Emanuel Macron of France visited India in March 2018.

### 3.4. Dialogue Mechanism

- India and France have a range of regular institutional dialogues:
- **India-France Strategic Dialogue takes place between NSAs from both sides.**
- **Annual Foreign Office Consultations**
- **The bilateral dialogue on Maritime Cooperation**
- **Joint Working Group on Counter Terrorism**
- **Track 1.5 Dialogue** (led by Joint Secretary (PP&R), MEA) with the participation of the Observer Research Foundation from our side and the Strategy and Policy Planning Division of the French MFA called CAPS and the Centre for International Studies and Research (CERI as the French acronym stands) are the other active mechanisms.

### 3.5. Security and Defence

- **Regular exchange of visits at the level of Services Chiefs** takes place.
- The **three services also have regular defence exercises**; viz. **Exercise Shakti (Army)**; **Exercise Varuna (Navy)**; **Exercise Garuda (Air Force)**.
- The **Varuna exercise has been taking place since 1983**.
- Apart from service-level staff talks, the two sides have a **High Committee on Defence Cooperation (HCDC)** which **meets annually** at the level of Defence Secretary and the French Director General of the Directorate of International Relations and Strategy (DGRIS).
- Apart from this, various **staff courses, training programmes** etc. also regularly take place.
- Major on-going defence-related projects are the following:
  - **Rafale Deal: The Inter-governmental agreement for purchase of 36 Rafale jets by India** in flyaway condition was signed in New Delhi on 23 September 2016 by RM Manohar Parrikar and French Defence Minister Le Drian.
  - **P-75 Scorpene Project:** The contract for six Scorpene submarines from M/s DCNS was signed in October 2006. All six vessels will be **built under technology transfer** at the Mazagaon Docks Ltd. **The first two submarine Kalvari and Khanderi have been built.**
- **During the 2018 Visit of the President Emmanuel Macron the two countries issued Joint Strategic Vision of India-France Cooperation in the Indian Ocean region.**
- In 2018, the two sides also signed **agreement on reciprocal logistics support for armed forces**; agreement will facilitate the **reciprocal provision of logistic support, supplies and services between the armed forces of the two countries** during authorised port visits, joint exercises and joint training among others.
- Two countries also signed an **agreement on exchange and reciprocal protection of classified or protected information**.

### 3.6. Technology: Space

- India and France have a rich history of cooperation in the field of space going back to fifty years with ISRO and the French Space Agency, CNES carrying on various joint research programmes and launch of satellites. A joint stamp was released to commemorate fifty years of bilateral space cooperation during the visit of PM Modi to France in April 2015.
- M/s Antrix and M/s Airbus Defence and Space also have signed an MoA for commercial cooperation in June 2016.
- GSAT-18 was launched from Arianespace, Kourou on 5 October 2016 which was the twentieth ISRO satellite launched by Arianespace. GSAT-17 was launched from Kourou on 28 June 2017.
- France continues to be a major supplier of components and equipment for the Indian space programme.
- During the visit of President Hollande to India in January 2016, ISRO and CNES signed an Implementing Arrangement (IA) for the joint development of a thermal infrared satellite mission; payload of French Argos-IV instrument on India's Oceansat-3 satellite and a Letter of Intent for cooperation in planetary exploration.
- The jointly developed MeghaTropiques satellite Mission was launched in 2011. It is an Indo-French Joint Satellite Mission for studying the water cycle and energy exchanges in the tropics. The main objective of this mission is to understand the life cycle of convective systems that influence the tropical weather and climate and their role in associated energy and moisture budget of the atmosphere in tropical regions.
- A joint Ka-band propagation experiment is also under implementation.
- During the Asia Pacific Remote Sensing Symposium held in New Delhi, CNES and ISRO jointly organized a reception of heads of space agencies on 3 April 2016. The meeting attended by 60 countries came up with a "New Delhi Declaration" which identifies various international satellites contributing as space segment for monitoring climate change.

#### 3.6.1. Civil Nuclear Cooperation

- A landmark agreement on civil nuclear cooperation was signed between India and France on 30 September 2008 during the visit of Prime Minister Dr. Manmohan Singh to France.
- Subsequently, during the visit of President Nicolas Sarkozy to India in December 2010, the General Framework Agreement and the Early Works Agreement between NPCIL and M/s AREVA for the implementation of EPR for the Jaitapur Nuclear Power Project (JNPP) were signed. The power plant will have six reactors with a capacity of 1,650 MW each.
- During Prime Minister Modi's visit to France in April 2015, M/s L&T and M/s AREVA signed an MoU to maximize localisation for manufacturing of critical and large forgings involved in EPR technology for JNPP (including Reactor Pressure Vessel) and M/s AREVA and NPCIL signed a pre-engineering agreement.
- Following M/s AREVA's restructuring, French utility EDF has now been designated as the lead agency from the French side for negotiations and implementation of the JNPP.
- During the 2018 visit of the French president India and France signed an agreement to expedite the Jaitapur nuclear power. NPCIL (Nuclear Power Corporation) and EDF France have signed an industrial way forward agreement. This indicates that negotiations between entities of France and the Indian government would conclude by 2018-end and construction can begin.
- Once installed, the Jaitapur project will be the largest nuclear power plant in the world, with a collective capacity of 9,900 MW.

### 3.7. Economic and Trade Cooperation

- Both India and France have important bilateral investments and trade and commercial cooperation.
- In 2016, the total trade in goods between India and France stood at Euro 8.58 billion, registering an increase of 0.49% from 2015.**
- The trade surplus remains in India's favour for the past ten years** with Indian exports to France in 2016 standing at Euro 4.67 billion and French exports to India at Euro 3.90 billion. However, the overall volume of bilateral trade remains low with Indian exports to France being a meagre 1.06% of France's total imports. Bilateral trade in services stood at Euro 3.41 billion in 2015 which remains in India's favour with India's share of Euro 1.72 billion of exports.
- Almost 1000 French companies are present in India** with a total turnover of US\$ 20 billion and employing 300,000 people in India. French companies have more than 25 R&D centres in India.
- France is the ninth largest foreign investor in India** with cumulative investment of US\$ 5.15 billion from April 2000 to May 2016 which represents 1.5% of the total FDI inflows in India.
- In France, about 120 Indian companies are present** with an estimated investment stock of Euro one billion and employing 7000 people.
- A Joint Economic Committee exists at the level of Ministers of Commerce and Foreign Trade** from both sides.
- Seven bilateral joint working groups in various fields** exist which are: (i) IT & Telecommunications; (ii) Roads; (iii) Sustainable Urban Development; (iv) Agriculture and Food Processing; (v) Mineral Exploration and Development; (vi) Energy; and (vii) Post.
- An India-France CEOs' Forum exists at the level of top CEOs** from both sides meeting annually and presenting their reports to the Prime Minister of India and President of France.
- The Bilateral Investment and Protection Agreement between India and France expired in 2010**, ten years after coming into force. **GoI would like to replace it with a Bilateral Investment Treaty.** A model text of the agreement was proposed by the Indian side in 2015. French response has been pending.
- Almost all the major French companies are present in India including Renault, Saint Gobain, Veolia, Michelin, Capgemini, Sanofi, EDF, Airbus, Lactalis, Sodexho, Total and others. Alstom has won a major project worth Euro 3.2 billion of manufacturing 800 locomotives in Madhepura, Bihar.
- India's Reliance, Tata, Mahindra and other big companies have tied up joint cooperation with major French companies like Dassault, SAFRAN, Thales and others in the defence sector. French infrastructure companies are looking forward to major opportunities in Indian projects including in smart cities and renewable energy.

## 4. India-Germany

### 4.1. Background

- India was amongst the first countries to establish diplomatic ties with the Federal Republic of Germany after the Second World War.** Relations grew significantly following the end of the Cold War and the reunification of Germany.
- In the last decade, both economic and political interaction between India and Germany has enhanced.** Today, Germany is amongst India's most important partners both bilaterally and in the global context.
- India and Germany have a 'Strategic Partnership' since 2000**, which has been further strengthened with the **Intergovernmental Consultations (IGC)** between the two

Governments which allows for a comprehensive review of cooperation and a platform to identify fresh areas of engagement.

- India is among a select group of countries with whom Germany has such a dialogue mechanism.
- **Germany and India cooperate closely on the issue of UNSC expansion** within the framework of G-4. Both countries consult each other in G-20 on global issues such climate change, sustainable development.
- **India's current priorities** in most areas **match with German expertise**, such as renewable energy, skills development, smart city, water and waste management
- German President Joachim Gauck had visited India in February 2014.
- German President Frank-Walter Steinmeier visited India from March 22 to 25, 2018

#### **4.2. Dialogue Mechanism**

- The two countries have **several institutionalized arrangements** to discuss bilateral and global issues of interest viz.
  - **Joint Commission on Industrial and Economic Cooperation,**
  - **Foreign Office Consultations (FOC),**
  - **High Technology Partnership Group (HTPG),**
  - **High Defence Committee,**
  - **Indo-German Energy Forum, Indo-German Environment Forum, India-Germany Committee on S&T and**
  - **Joint Working Groups (JWG) on various fields**, including skills development, automotive, agriculture, coal, tourism, water, waste management, etc.
  - **JWG on Quality Infrastructure for Cooperation** on Standardisation, Conformity Assessment and Product Safety took place in Berlin from 5-8 March 2017.

#### **4.3. Defence Cooperation**

- **India-Germany Defence Cooperation Agreement (2006)** provides a framework for bilateral defence cooperation. The High Defence Committee (HDC) meetings at the Defence Secretary level take place annually, alternately in New Delhi and Berlin.
- Chief of German Navy Admiral Andreas Krause participated in the International Fleet Review held in Vishakhapatnam in February 2016.

#### **4.4. Economic Cooperation**

- **Germany is India's largest trading partner in Europe.** Germany has consistently been among India's top ten global trade partners.
- **India was ranked 24<sup>th</sup> in Germany's global trade during 2016.**
- **Bilateral trade in 2016 was valued at 17.42 billion Euros.** Apart from traditional sectors, knowledge-driven sectors hold good potential for collaboration.
- **There is considerable scope for co-operation in the fields of IT, biotechnology, renewable energy, green technology, urban mobility & development and the entertainment industry.**
- Germany is the 7th largest foreign direct investor in India since January 2000. German FDI in India in 2016 was to the tune of US\$ 1.1 billion. April 2000 to December 2017 is USD 10.71 billion or 2.91 per cent of total FDI, according to official figures.
- At present, **German investments in India is mainly in the sectors of transportation, electrical equipment, metallurgical industries, services sector (particularly insurance), chemicals, construction activity, trading and automobiles.**
- Most of the major German companies have already entered the Indian market. German automobile giants such as Daimler, Volkswagen, BMW, and Audi have established manufacturing facilities/assembly plants in India. Other major German companies that have significant operations in India include Siemens, ThyssenKrupp, Bosch, Bayer, BASF, SAP,

Deutsche Bank, Metro, Lufthansa, Merck, Munich Re etc. Besides large companies, German Medium Sized Enterprises are also showing greater interest in India.

- **Indian investments in Germany have also shown a remarkable increase in the last few years. Indian corporate entities have invested over US\$ 7 billion in Germany.**
- There are **more than 200 Indian companies operating in Germany.** IT, automotive, pharma and biotech have received a chunk of Indian Investments. **The penetration of Indian software companies in German market is growing** and major Indian software providers like Infosys, WIPRO and TCS have operations in Germany.
- Companies like Bharat Forge Limited, Ranbaxy, Piramal, Samtel, Hexaware Technologies, NIIT, Graphite India Limited, Hinduja Group, Dr. Reddy's Laboratories, Biocon, Hindustan National Glass, Mahindra and others have either acquired German companies or started their own subsidiaries.

#### **4.5. Science and Technology**

- **Science & Technology:** Indo-German Science & Technology cooperation started with the signing of the Intergovernmental S&T Cooperation Agreement in 1971 and 1974.
- **In terms of scientific output across all subjects, Germany is India's second largest collaborator worldwide.**
- **For Indian scientists working abroad, Germany is among the top three destinations** in the world.
- So far, more than 2000 joint projects have been successfully completed, resulting in more than 7000 exchanges of scientists, more than 2000 joint scientific publications and more than 400 Indo-German workshops and seminars. At present, more than 170 projects are being implemented.
- India's scientific establishments have close partnerships with premier German R&D institutions, including the Max Planck Society, Fraunhofer Laboratories and the Alexander von Humboldt Foundation.
- The **jointly funded Indo-German Science & Technology Centre was set up in 2008** in Gurgaon with an annual contribution of 1 million from each side. The mandate of the Centre has been extended till 2022 with a contribution of 4 million per year by each side.

### **5. India and United Kingdom**

#### **5.1. United Kingdom: Background**

- **United Kingdom of Great Britain and Northern Ireland.** The **island of Great Britain includes England, Scotland, and Wales.**
- The designation "**Great Britain,**" in the sense of "**Larger Britain,**" dates back to medieval times and was used to distinguish the island from "**Little Britain,**" or Brittany in modern France
- 12 April 1927 (Royal and Parliamentary Titles Act established current name of the United Kingdom of Great Britain and Northern Ireland).
- The United Kingdom has historically **played a leading role in developing parliamentary democracy and in advancing literature and science.** At its zenith in the 19th century, the British Empire stretched over one-fourth of the earth's surface
- The **Scottish Parliament, the National Assembly for Wales, and the Northern Ireland Assembly were established in 1998**
- As one of five permanent members of the UN Security Council and a founding member of **NATO and the Commonwealth**, the UK pursues a **global approach to foreign policy.**
- The UK has been an active member of the EU since its accession in 1973, although it chose to remain outside the Economic and Monetary Union.

- However, motivated in part by frustration at a remote bureaucracy in Brussels and massive migration into the country, UK citizens on 23 June 2016 narrowly voted to leave the EU.
- The UK and the EU are currently negotiating the terms of the UK's withdrawal and will discuss a framework for their future relationship ahead of the UK's scheduled departure from the bloc on 29 March 2019.

## 5.2. India and UK Bilateral Ties

- Bilateral relationship was upgraded to a **strategic partnership in 2004**.
- During his tenure of British Prime Minister David Cameron visited India thrice in his first term (July 2010, February 2013 and November 2013).
- The successful visit of Prime Minister Modi to the UK in November 2015 gave further impetus to the bilateral relationship.
- **Both Prime Ministers resolved to hold biennial PM-level Summits** to advance the partnership and agreed on a new Defence and International Security Partnership aimed to intensify cooperation on defence and security, including cyber security, counter-terrorism and maritime security
- **UK Prime Minister Theresa May's visit to India in November 2016**, which was her first overseas bilateral visit after assuming office in July 2016, reflects the continuity of interactions at the highest political level.
- **In the context of Brexit, the Commonwealth Summit scheduled in London in April 2018 presents another opportunity for both countries to infuse fresh momentum** to the bilateral engagement through a meeting at Heads of Government-level.

### 5.2.1. Dialogue Mechanism

- India and UK have a number of **bilateral dialogue mechanisms** in place, **covering a wide spectrum of areas including political, trade, education, science & technology, defence etc.** The important ones are:
  - **Economic and Financial Dialogue at Finance Minister-level Joint Economic & Trade Committee at Commerce Minister-level**
  - **Strategic Dialogue at NSA-level**
  - **Foreign Office Consultations at Foreign Secretary-level**
  - **Home Secretary-level Dialogue**
  - **Defence Consultative Group at Defence Secretary-level**
  - **Cyber Dialogue and**
  - **Counter Terrorism Dialogue.**

### 5.2.2. Economic Ties

- **Trade:** UK is among India's major trading partners and during the year 2016-17, UK ranked **16th in the list of India's top 25 trading partners**.
- As per trade statistics of MoC&I, **India's trade with UK in 2016-2017 was US \$12.21 billion**.
- **Investment:** UK is the **4 th largest inward investor in India**, after Mauritius, Singapore and Japan with a cumulative equity investment of **US \$24.37 billion (April 2000- December 2016)**,
- **7% of all foreign direct investment into India**.
- **India continued to be the third largest investor in the UK** and emerged as the **second largest international job creator** with Indian companies having created over 110,000 jobs in the UK. About 10% of these 800 Indian and India-focused companies based in the UK are listed on the London Stock Exchange.
- According to the UK Trade and Investment (UKTI) in their '2015/16 Inward Investment Annual Report', Indian companies created 127 FDI projects in the UK in 2016-17, and created 3,999 new jobs and safeguarded 7,645 jobs.

### **5.2.3. Defence Ties**

- Cooperation in defence sector is another important pillar of bilateral cooperation. At all the three services level, joint exercises and wide ranging exchanges between the three services are conducted regularly.
- The last **Army Joint Exercise ‘Ajeya Warrior’** was held in Bikaner from 1-14 December, 2017.
- The **Indian Air force participated in the Exercise ‘Indradhanush-IV’** in the UK from 21 July – 1 August, 2015.
- **The Joint Navy Exercise ‘Konkan 2017’** was held in May 2017 at Plymouth in the UK that witnessed participation by INS Tarkash.
- During Prime Minister’s visit to UK in November 2015, the two countries agreed to elevate their Defence relationship by establishing capability partnerships in strategic areas.
- The institutionalised dialogue to discuss defence cooperation viz. Defence Consultative Group Meeting, is held annually at Defence Secretary level. The 18th DCG meeting was held on 9-10 October 2017 in London.
- Cooperation in defence intelligence commenced with the visit of Director General, Defence Intelligence Agency and interactions with his counterpart in London on 3-5 December 2017.

### **5.2.4. Education, Science and Technology**

- **Education is an important plank of the India-UK bilateral relationship.**
- Relationship has grown substantially with the introduction of **bilateral mechanisms such as the India-UK Education Forum, UK-India Education and Research Initiative (UKIERI), Joint Working Group on Education, Newton-Bhabha Fund and Scholarship schemes.**
- **35 British faculty members have visited India** under the **Global Initiative for Academic Network (GIAN) programme.**
- **UK also supports the Skills India Mission** and announced a fresh commitment of up to £12 million.
- **Joint investment in UK-India research has grown from less than £1 million in 2008 to over £200 million.**
- During UKPM Theresa May’s visit to India, a India-UK Clean Energy R&D Centre with a focus on solar energy storage and a collaborative R&D programme in energy efficient building materials were announced.
- New research partnerships worth £80 million including a new Joint Strategic group on Anti-Microbial Resistance (AMR) with a joint investment of up to £13 million have also been established.

### **5.2.5. Diaspora**

- The Indian Diaspora in UK is one of the largest ethnic minority communities in the country.
- With the 2011 census recording approximately 1.5 million people of Indian origin in the UK.
- Almost 1.8 percent of the population and contributing 6% of the country’s GDP.

## **5.3. Brexit**

- Brexit is a word that has become used as a shorthand way of saying the UK leaving the EU - merging the words Britain and exit to get Brexit.
- On 23 June 2016 citizens of the United Kingdom (UK) voted in a referendum to leave the European Union (EU). On 29 March 2017 the UK formally notified the European Council of its intention to leave the EU by triggering of Article 50 of the Lisbon Treaty. It is scheduled to depart at 11pm UK time on Friday 29 March, 2019
- For the time being, the United Kingdom remains a full member of the EU and rights and obligations continue to fully apply in and to the UK.

- The UK and EU are negotiating on the "divorce" issues of: The first phase of negotiations focussed on:
  - issues related to citizens' rights
  - the financial settlement
  - the Northern Irish border
  - other separation issues

### **5.3.1. 2nd Phase of Negotiations**

On 29 January 2018, EU27 ministers adopted a new set of negotiating directives giving details on the EU27 position on the transition period. The main points are:

- the proposed end date for the transition period in the negotiating directives is 31 December 2020
- during the transition period the whole of the EU acquis will continue to apply to the UK as if it were a member state, and any changes to it would also apply in the UK
- the UK will remain bound by the obligations stemming from the agreements concluded by the EU, while it will no longer participate in any bodies set up by those agreements
- the UK, as already a third country, will no longer participate in the institutions and the decision-making of the EU
- all existing EU regulatory, budgetary, supervisory, judiciary and enforcement instruments and structures will also apply, including the competence of the Court of Justice of the European Union.
- Predictions of immediate doom were wrong, with the UK economy estimated to have grown 1.8% in 2016, second only to Germany's 1.9% among the world's G7 leading industrialised nations. The UK economy has continued to grow at almost the same rate in 2017.

### **5.3.2. India and Brexit**

- Many Brexit supporters argued that the EU was the biggest obstacle to U.K.-India trade.**
- India remains deeply vested in the outcome of the referendum for two reasons:**
  - The first concerns the welfare of a nearly three-million strong diaspora of Indian-origin U.K. citizens,
  - second concerns the interests of a large moving population of Indians who come to Britain ever year as tourists, business people, professionals, students, spouses, parents and relatives.
- Indian industry in the U.K. is thriving.** There are 800 Indian companies in the country -- more than the combined number in the rest of Europe. **According to the India Tracker 2016 commissioned by the Confederation of Indian Industry (CII), Indian companies generate 110,000 jobs. The number of Indian companies growing at more than 10 per cent — the key benchmark for inclusion on the list — has nearly doubled this year over the last.**
- Work-related visa restrictions have already resulted in a fall in the number of Indian students studying in British universities** from 22,385 in 2012-13 to 18,320 in 2014-15, according to the U.K. Council for International Student Affairs (UKCISA).
- Indian businesses and financial institutions are however hedging their bets.** According to a report by the State Bank of India's Economic Research Department, **Brexit may actually strengthen India's position. The significance of Commonwealth has increased in this context.**

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# LECTURE-12

## INDIA AND THE UNITED STATES OF AMERICA

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## 1. The United States of America

United States of America, U.S.A., is a **federal republic of 50 states**. It is bounded on the north by Canada, on the east by the Atlantic Ocean, on the south by the Gulf of Mexico and Mexico, and on the west by the Pacific Ocean. **The United States is the fourth largest country in the world in area (after Russia, Canada, and China)**. Its **military capabilities, economic size, science and technology base and active involvement in international affairs** provide it a unique status. The term 'superpower', as applied to the USA, is reflective of the role played by the US around the world in the last century.



### 1.1. India and the United States: Current Status

- India-U.S. bilateral relations have developed into a "global strategic partnership", based on shared democratic values and increasing convergence of interests on bilateral, regional and global issues.
- President Obama's visit to India in 2015 as the Chief Guest at Republic Day was a significant marker of these relations. During the visit, the two sides issued a **Delhi Declaration of Friendship** and adopted a Joint Strategic Vision for Asia-Pacific and the Indian Ocean Region.
- The summit level joint statement issued in June 2016 termed India and the U.S.A as "Enduring Global Partners in the 21st Century".
- The June 2017 Joint statement called for Prosperity through Partnership.
- Today, the India-U.S. bilateral cooperation is broad-based and multi-sectoral, covering:
  - trade and investment,
  - defence and security,
  - education, science and technology,
  - cyber security, high-technology, civil nuclear energy, space technology and applications,
  - clean energy, environment, agriculture and health.
  - Vibrant people-to-people interaction
- These relations have acquired sustained support across the political spectrum in both countries

## 1.2. Background

- For most of the period after India achieved independence in 1947, the U.S. viewed South Asia as a region largely peripheral to its strategic needs.
- In two decades of independence, India depended on the supply of wheat under the PL 480 programme of the US, which was suspended in the mid 1960s over political differences. Washington also provided India some economic assistance, particularly as the latter's ties with China deteriorated.
- During the 1962 Sino-Indian war, the U.S. publicly supported India's interpretation of its border with China in the eastern Himalayas.
- However, despite its potential and occasional periods of Indo-U.S. cooperation, it was clear from early on that India would not serve as an active U.S. ally in the battle against global communism.
- For its part, India refused to join either the American or the Soviet side in the Cold War conflict and instead charted its own "non-aligned" course largely independent of either superpower.
- From the U.S. perspective, the main problem with Indian policy was that "non-alignment," which the US took for neutrality at a time when it was locked in a battle of ideas.
- India attached much significance to autonomy in international matters.
- Circumstance in the late 1960's, As Sino-Soviet rift deepened, the US gravitated towards China and the USSR towards India. This was perceived to be the beginning of India's tilt towards the USSR, a process that gained momentum in the early 1970s.
- At the strategic level, the Soviet Union afforded India crucial protection against regional adversaries. In 1971 New Delhi and Moscow signed a treaty of "peace, friendship, and cooperation" under which the two parties promised to aid one another in the event of a perceived military threat.
- India's "non-aligned" foreign policy thus became a source of considerable irritation to the U.S. Not only did the Indians refuse to assist the U.S. in containing Soviet power, but they also actively cooperated with the Soviet Union in significant ways.
- Beyond these strategic problems, India was economically unattractive during the Cold War.
- In essence, during the Cold War India refused to promote U.S. grand strategic goals and offered few economic benefits, while posing little direct military threat to American interests. India therefore was largely ignored.
- The disintegration of the Soviet Union and the end of the Cold War had profound consequences for India's foreign and security policies.
- The collapse of the Soviet Union required India's policy makers to recalculate their strategic options. No longer could they rely on their super-power ally's military and diplomatic protection. Nor, the Russians made clear, would the Indians be able to continue purchasing arms under exceptionally favorable Cold War terms.
- New Delhi realized that a closer relationship with Washington could help them fill the vacuum left by the Soviet Union's fall and also balance against rising power of Beijing.
- U.S., for its part, was no longer forced to view India in light of the latter's friendship with the Soviets and could re-evaluate Indo-U.S. relations on their own merits.
- In 2004 these countries converted the bilateral ties into strategic partnership.
- Since the end of Cold War and increasingly in the last decade common strategic interests such as managing the rise of China, ensuring maritime security and confronting international terrorism combined with shared values such as democracy have driven these relations.

### 1.3. The Civil Nuclear Deal: A New Era

- In 2005 India-USA announced their intention to conclude a bilateral civil nuclear agreement. **The bilateral civil nuclear cooperation agreement** was finalized in July 2007 and **signed in October 2008** after the **US congress passed the 123 agreement bill** in September of that year and the **NSG agreed to exempt India from its rule requiring full scope safeguards** for nuclear trade with non-weapon states. The process also involved negotiating **India specific safeguards with the IAEA**.
- The agreement:
  - Provided for **separation of India's military and civilian facilities**,
  - **allows India to reserve all its indigenous uranium for its weapons programme**, and
  - **Gave India the sole authority for determining which future facilities will be safeguarded**.
- The U.S. law and Nuclear Suppliers Group (NSG) guidelines forbid the sharing of nuclear fuel and technology with countries classified as “non-nuclear weapons states” under the NPT, unless those states accept full-scope International Atomic Energy Agency (IAEA) safeguards. The Nuclear Nonproliferation Treaty (NPT) is key in international cooperation in the arena of civilian nuclear programs. Thus, this civil nuclear agreement provided India a re-entry into international nuclear cooperation with exceptional arrangements with USA, NSG and IAEA.
- **The civil nuclear agreement has played an important role in:**
  - Facilitating the recent Indo-U.S. rapprochement.
  - helped India make progress in developing clean energy options
  - Ending isolation at the technology regimes such as the MTCR and the Wassenaar Arrangement.
  - Made nuclear commerce possible with other countries

#### 1.3.1. The Civil Nuclear Deal: Operationalisation

- However the operationalisation of the agreement hinged on resolving:
  - issues related to some of the provisions of the Indian **Civil Liability for Nuclear Damage Act (CLNDA)**,
  - a successful negotiation of the **administrative arrangements for the implementation of the India-US 123 nuclear agreement**.
- The issues in respect of CLNDA related to:
  - the conformity of CLNDA with the provisions of the Convention on Supplementary Compensation (CSC), signed in 2010– but ratified in 2016 - by India;
  - Sec. 17(b) of CLNDA, which allowed for Right of Recourse against the supplier; and
  - Sec. 46, which allowed for legal cases against the operator under Acts other than the CLNDA.
- **The administrative arrangements under discussion were** with respect to the **accounting and tracking of US-supplied nuclear materials** and materials produced with the use of US-supplied.
- During Prime Minister Modi's visit to the U.S. in **September 2014**, the two sides set up a **Contact Group for advancing the full and timely implementation of the India-U.S. Civil Nuclear Cooperation Agreement**, and to resolve pending issues.
- During President Obama's visit to India in 2015, it was announced that India and the United States had come to an understanding on the two major issues that stood in the way of the successful full implementation of the Indo-US nuclear deal.
- The two sides started the preparatory work on site in India for **six AP 1000 reactors to be built by Westinghouse**. Once completed, the project would be among the largest of its kind.

- The Nuclear Power Corporation of India Ltd, and Westinghouse are in talks toward finalizing the contractual arrangements, and addressing related issues.
- The Westinghouse however, on 29 March 2017, filed for Chapter 11 bankruptcy in New York. This perhaps is a bottleneck in the progress of its projects in India that both countries would have to overcome. The deal is being reworked now.

### **1.3.2. India-US Cooperation on Nuclear Energy: Historic Background**

- More than a thousand Indian scientists between 1955 and 1974 participated in the US nuclear energy research projects;
- The sale of US heavy water to India in the 1960s that was used in the unsafeguarded CIRUS reactor that produced plutonium for India's first nuclear explosion;
- Design work for the Trombay reprocessing facility provided by Vitro International, a US company; and
- US assistance in the building and fuelling of the Tarapur reactors.
- The Nuclear Non-Proliferation Act of 1978 (now usually referred to as the NNPA), was signed by President Jimmy Carter in March 1978, this put a legal break to nuclear cooperation with India.

## **1.4. The Mechanism of Cooperation**

- There are more than 50 bilateral dialogue mechanisms between the two governments.
- The Strategic and Commercial Dialogue at the level of EAM and MoS (Commerce & Industry) were held in Washington DC in September 2015 and New Delhi in August 2016.
- This apex-level dialogue has added a commercial component to the five traditional pillars of bilateral relations on which the erstwhile Strategic Dialogue of Foreign Ministers had focused, namely:
  - Strategic Cooperation;
  - Energy and Climate Change,
  - Education and Development;
  - Economy, Trade and Agriculture;
  - Science and Technology;
  - and Health and Innovation.
- A Policy Planning Dialogue has also been started between the two sides in September 2015.
- In addition, there are Ministerial-level dialogues involving home (Homeland Security Dialogue), finance (Financial and Economic Partnership), commerce (Trade Policy Forum), HRD (Higher Education Dialogue), Science & Technology (Joint Commission Meeting on S&T) and energy (Energy Dialogue).
- There have been regular contacts at political and official levels on bilateral, regional and global issues.

## **1.5. Political Ties**

- The frequency of high-level visits and exchanges between India and the U.S. has gone up significantly in recent years.
- Prime Minister Modi visited the U.S. on 26-30 September 2014;
- President Obama's visited India on 25-27 January 2015 as the Chief Guest at India's Republic Day.
- Prime Minister Modi again visited the U.S. on 23-28 September 2015.
- In 2016, Prime Minister visited the U.S. for the multilateral Nuclear Security Summit hosted by President Obama in Washington D.C. on 31 March-1 April. This was soon followed by an official working visit by Prime Minister on 6-8 June, during. The PM addressed a Joint

**Session of the U.S. Congress, he was the sixth Indian Prime Minister to address the U.S. Congress.**

- **A hotline was established in 2015 between the Prime Minister's Office and the U.S. White House.** It was the only new hotline that was established during the eight years of Obama Administration. India is only the fourth country after Russia, Britain and China with which the US has a hotline. In 2004, India and Pakistan agreed to establish hotlines at the level of foreign secretaries, and in 2010 New Delhi and Beijing announced to establish a hotline at the foreign ministry level.
- **The PM visited the United States to meet President Donald Trump in June 2017.**

## 1.6. Defence Cooperation

- **Bilateral dialogue mechanisms** in the field of defence include
  - Defence Policy Group (DPG),
  - Defence Joint Working Group (DJWG),
  - Defence Procurement and Production Group (DPPG),
  - Senior Technology Security Group (STSG),
  - Joint Technical Group (JTG), Military Cooperation Group (MCG), and
  - Service-to-Service Executive Steering Groups (ESGs).
- **Defence relationship has emerged as a major pillar of India-U.S. strategic partnership** with the signing of '**New Framework for India-U.S. Defense Relations**' in **2005**. The Defence Framework Agreement was updated and renewed for another 10 years in June 2015.
- This has resulted in **intensification in defence trade, joint exercises, personnel exchanges, collaboration and cooperation in maritime security and counter-piracy, and exchanges between each of the three services**.
- **Joint strategic vision statement for the Asia-Pacific and the Indian ocean region-2015:** which called for "safeguarding maritime security and ensuring freedom of navigation and over-flight" throughout the Asia-Pacific region.
- **RIMAPC:** The two countries now conduct more bilateral exercises with each other than they do with any other country. India participated in **Rim of the Pacific (RIMPAC)** exercise in July-August 2016 for the second time with an Indian Naval Frigate. **The two countries now conduct more bilateral exercises with each other than they do with any other country.**
- **Malabar Exercise**-India-USA-Japan trilateral naval exercises. **The annual Malabar exercise started in 1992 as a bilateral event between the navies of India and the United States.** In 2015 Japan became a permanent participant in the Malabar exercises.

### 1.6.1. Expanding Scope of Defence Cooperation

- The agreements signed during the past two year include:
  - Logistics Exchange Memorandum of Association (LEMOA) signed in August 2016,
  - Fuel Exchange Agreement signed in November 2015,
  - Technical Agreement (TA) on information sharing on White (merchant) Shipping signed in May 2016 and
  - Information Exchange Annexe (IEA) on Aircraft Carrier Technologies signed in June 2016.
- **Aggregate worth of defence acquisition from U.S. has crossed over US\$ 13 billion (MEA 2016).**
- **Defence Technology Trade Initiative (DTTI):** India and the United States launched a Defence Technology and Trade Initiative (DTTI) in 2012, aimed at simplifying technology transfer policies and exploring possibilities of co-development and co-production to invest the defence relationship with strategic value.

- The DTTI Working Group and its Task Force will expeditiously evaluate and decide on unique projects and technologies which would have a transformative impact on bilateral defence relations and enhance India's defence industry and military capabilities.
- During President Obama's visit in January 2015, the two sides agreed to start cooperation on 4 DTTI pathfinder projects and 2 pathfinder initiatives, which are currently at various stages of execution.
- During RM's visit in December 2015, the two sides also identified opportunities for bilateral cooperation in production and design of jet engine components. During Secretary Ashton Carter's visit in April 2014, two more G-2-G DTTI projects were added to the list.
- The DTTI meeting in Delhi in July 2016 decided to broaden its agenda by setting up **five new Joint Working Groups** on: Naval Systems; Air Systems, Intelligence, Surveillance and Reconnaissance; Chemical and Biological Protection; and Other Systems.
- During the visit of Prime Minister to the U.S. in June 2016, the U.S. recognised India as a "Major Defence Partner", which commits the U.S. to facilitate technology sharing with India to a level commensurate with that of its closest allies and partners, and industry collaboration for defence co-production and co-development.
- In December 2016, US Congress passed an amendment, Section 1292 titled "Enhancing Defense and Security Cooperation with India", to the National Defense Authorization Act of 2017 (NDAA) — an annual bill that allocates funding to the US military.
- Section 1258 of the NDAA 2018 moves the ball forward by institutionalising the relationship. The bill, titled "Advancements in defence cooperation between the United States and India", directs the departments of state, defence and commerce to "jointly produce a common definition that recognises India's status as a 'Major Defence Partner' for joint use" by the three departments.

### **1.6.2. Way Forward: The Foundational Agreements**

- The **three agreements** are referred to as the foundational agreements which the U.S. signs with countries with which it has close military ties:
  - Logistics Support Agreement (LSA),
  - Communications Interoperability and Security Memorandum of Agreement (CISMOA) and
  - Basic Exchange and Cooperation Agreement for Geo-spatial Cooperation (BECA).
- **India and USA signed** the Logistics Exchange Memorandum of Agreement (**LEMOA**) in 2016, is a tweaked **India-Specific Version of the Logistics Support Agreement (LSA)**.
- **India had signed-** the General Security Of Military Information Agreement (**GSOMIA**) in 2002.
- Since 2005, the US has urged India to sign an agreement called the Communications Interoperability and Security Memorandum of Agreement (**CISMOA**), which lays down stringent safeguards for sensitive radio equipment provided by America.
- As negotiations have progressed **India objects to some safeguards**, like inspections of CISMOA-protected equipment on Indian military bases.
- Washington has agreed to rename the agreement COMCASA, or Communications Compatibility and Security Agreement, to allow India a country-specific agreement.

### **1.7. Counter-terrorism and Internal Security**

- Cooperation in counter-terrorism has seen considerable progress with **intelligence sharing, information exchange, operational cooperation, counter-terrorism technology and equipment**.
- **India-U.S. Counter-Terrorism Cooperation Initiative was signed in 2010** to expand collaboration on counter-terrorism, information sharing and capacity building.

- A Homeland Security Dialogue was announced during President Obama's visit to India in November 2010 to further deepen operational cooperation, counter-terrorism technology transfers and capacity building.

## 1.8. The Economy

### 1.8.1. Trade

- India-US bilateral trade in goods and services increased from \$104 billion in 2014 to \$114 billion in 2016.
- Two-way merchandise trade stood at \$66.7 billion. Of this, India's exports of goods to the US were valued at \$46 billion and India's imports of goods from US were valued at \$21.7 billion. India-US trade in services stood at \$47.2 billion. Of this, India's exports of services to the US were valued at \$26.8 billion and India's imports of services from US were valued at \$20.3 billion.
- During Prime Minister's visit to the U.S. in September 2014, the two sides set a target to increase bilateral trade in goods & services to \$500 billion.

### 1.8.2. Investment and Development

- According to the U.S. Bureau of Economic Analysis, US direct investments in India stood at \$ 28.33 billion in 2015. As per Indian official statistics, the cumulative FDI inflows from the US from April 2000 to December 2015 amounted to about \$ 17.94 billion constituting nearly 6% of the total FDI into India, making the U.S. the fifth largest source of FDI into India.
- In recent years, growing Indian investments into the US, has been a novel feature of bilateral ties. According to CII and Grant Thornton survey released in August 2015, 100 Indian companies have made \$ 15 billion worth of tangible investments across 35 states, creating more than 91,000 American jobs.
- Among large Indian corporations having investments in the U.S. include Reliance Industries Limited, Tata Consultancy Services, Wipro, Essar America, Piramal, Mahindra, Lupin, SunPharma, etc.
- There are several dialogue mechanisms to strengthen bilateral engagement on economic and trade issues, including a Ministerial level Economic and Financial Partnership.
- For greater involvement of private sector in discussion on issues involving trade and investment, there is a bilateral India-U.S. CEO's Forum.
- India and the US have set up a bilateral Investment Initiative in 2014. Special focus on facilitating FDI, portfolio investment, capital market development and financing of infrastructure.
- U.S.-India Infrastructure Collaboration Platform has also been set up to deploy cutting edge U.S technologies to meet India's infrastructure needs. U.S. firms will be lead partners in developing Allahabad, Ajmer and Vishakhapatnam as Smart Cities.

### 1.8.3. Major issues of Contention in Economy

- Major issues between the two countries that need attention-
  - Barriers to the movement of goods and services, and deeper integration into global supply chains, thereby creating jobs and generating prosperity in both economies
  - The doubling of H-1B & L1 visa fees by USA which is expected to adversely impact Indian IT companies in USA.
  - The recent decision by the Trump Administration in US to make the extension of H-1B and L1 Visas stringent as part of immigration reforms. If the proposal passes, 500,000 to 750,000 Indian H-1B visa holders could be forced to leave the U.S., according to IndiaToday. Recently, on 10 January 2018, media reports suggested that the US has assured India that there would be no changes in the H-1B Visa Programme.

- **Annual cap of 85,000 H-1B visas:** India wants this to be raised, even though the US multinational corporations have urged the same.
- **India-USA solar dispute:** The US trade complaint at WTO Dispute Resolution Body (DSB) in 2013 made the case that the Jawaharlal Nehru National Solar Mission subsidies were available only if developers used equipment produced in India, violating a key global trade rule. The US considers the program as discriminatory points out that the U.S. solar exports to India had fallen by 90 percent from 2011.
- The United States won the case in 2016, when WTO appeals judges ruled India had broken the trade rules by requiring solar power developers to use Indian-made cells and modules. India had until December 14, 2017 to comply with the ruling and it told the DSB last week that it had done so.
- However, the US has complained that India has failed to comply with the ruling, triggering a fresh round of litigation.
- **Public Food Stockholding Issue at the WTO:** The talks at the WTO's 11th ministerial conference, at Buenos Aires in Argentina in December 2017 collapsed after the US went back on its commitment to find a permanent solution to the public food stockholding issue, a key matter for India.
- **Export Subsidies:** In March 2018, USA filed a complaint at the WTO about India's export subsidy programmes claiming them to harm American workers.

#### **1.8.4. Major Issues: IPR**

- **India-US Intellectual property Rights tussle:** Intellectual Property protection is a key issue for India-US relationship. International Intellectual Property for the US Chambers of Commerce has been putting pressure on the US administrations to push India to tighten its IPR regime. IPR has been flagged as the biggest concern that the US has with India during the trade policy review.
- The main difference between the two sides stems from the fact that while the US sees IPR purely from the commercial point of view, India sees it as a development measure.
- In its **Special 301 report, 2017**, the United States Trade Representative's office said: Despite positive statements and initiatives upon which the Modi Administration has embarked, the pace of reform has not matched high-level calls to foster innovation and promote creativity. India has yet to take steps to address longstanding patent issues that are affecting innovative industries. The report retained the India under the priority watch list.
- In 2016 the US raised the issue at the WTO. What the US and the EU have against India's intellectual property legislation is a particular provision (Section 3(d) of Indian Patents act ) which allows the Indian Patents Controller to deny patents on items that are not significantly different from their older versions. This prevents pharmaceutical majors from getting fresh patents on medicines with expired patents by making just cosmetic changes in its formulation.
- The US and Switzerland are also pushing the WTO for allowing 'non-violation' complaints on TRIPS-related issues which would mean that complaints could be lodged on IPR matters even if the multilateral pact is not violated.
- Many developing countries, on the other hand, want a Ministerial decision of excluding such disputes permanently.
- New Delhi has teamed up with Brazil, China and South Africa to initiate a discussion on a recent report by a high level UN panel on access to medicines that stresses on the importance of using flexibilities in the Trade Related Intellectual Property Rights (TRIPS) pact to achieve the objective.
- New Delhi is also holding on to its right-to-issue compulsory licences for manufacture of copies of patented drugs to address situations of national emergency, another flexibility that the TRIPS pact allows.

- There is a clear divide between developed and developing countries on their reaction to the UN report on the issue with Egypt, Indonesia, Bangladesh and Bolivia, supporting the panel's recommendations and the EU, Switzerland, Japan and South Korea criticising it for being "narrow in scope".

## 1.9. Energy

- The U.S.-India Energy Dialogue was launched in May 2005 to promote trade and investment in the energy sector.
- There are six working groups in oil & gas, coal, power and energy efficiency, new technologies& renewable energy, civil nuclear co-operation and sustainable development under the Energy Dialogue.
- The 40-year-old ban on export of American oil was lifted by the then US President Barack Obama in December 2015. During the meeting between Prime Minister Narendra Modi and US President Donald Trump on June 26 2017 when the two leaders agreed to deepen the engagement in the energy sector.
- India received its first crude oil cargo of 1.6 million barrels from the US at the Paradip Port, Odisha on 2 October 2017.
- Investment by Indian companies like Reliance, Essar and GAIL in the U.S. natural gas market is ushering in a new era of India-U.S. energy partnership. Four Indian public and private sector companies have invested approximately USD 5 billion in shale assets in the US.
- The U.S. Department of Energy has so far given its approval for export of LNG from seven liquefaction terminals in the U.S., to countries with which the U.S. does not have a free trade agreement (FTA).
- Two of these terminals, the Indian public sector entity, Gas Authority of India Limited (GAIL) has off take agreements, totaling nearly 6 million metric tonnes per annum (MTPA).

## 1.10. Climate Change

- India and the U.S. are advancing cooperation and dialogue on climate change through a high level Climate Change Working Group and a Joint Working Group on Hydrofluorocarbon.
- As a priority initiative under the PACE (Partnership to Advance Clean Energy), the U.S. Department of Energy (DOE) and the Government of India have established the Joint Clean Energy Research and Development Center (JCERDC) designed to promote clean energy innovations by teams of scientists from India and the United States, with a total joint committed funding from both Governments of US\$ 50 million.
- In November 2014, an MoU between U.S. EXIM Bank and Indian Renewable Energy Development Agency (IREDA) was concluded to provide US\$ 1 billion in financing for India's transition to a low-carbon economy.
- A new U.S.-India Partnership for Climate Resilience has been agreed to, in order to advance capacity for climate adaptation planning, as also a new U.S.- India Climate Fellowship Program to build long-term capacity to address climate change-related issues.
- To further collaboration in the area of clean energy and climate change, in June 2016, the two sides announced finalization of a package to provide concessional finance to support clean energy projects on track, to coordinate U.S. Government efforts on clean energy investment in India jointly with leading Indian financial institutions, and to provide liquidity to small scale renewable energy investors.

### Challenges in Climate Change Cooperation

- Under President Trump the USA has embarked on a different path on the issue of Climate change.

- President Trump, on 1 June 2017, announced the US withdrawal from the Paris Climate Change Accord. While doing so he accused India of demanding billions of dollars to comply with its commitments under the Paris Pact. This was resolutely refuted by External Affairs Minister Sushma Swaraj. This divergence poses challenge to future climate change cooperation.

## 1.11. Education and Culture

- Cooperation in education sector has been made an integral part of the strategic partnership between the two countries.
- Since 2008, India became an equal partner in the financial support of the Fulbright Program in India. All awards in India are now titled Fulbright-Nehru fellowships, with enhanced mandate and joint funding, to provide more student and scholar exchange grants. India now has the largest U.S. Fulbright Scholar Program in the world with nearly 200 awards annually.
- About 130,000 Indian students are pursuing advanced degrees in the U.S.
- The Higher Education Dialogue, which has had four meetings since 2011, laid out the road map for promoting strategic institutional partnerships, deepening collaboration in research and development, fostering partnerships in vocational education and focusing on junior faculty development.
- India is learning from the U.S. experience in community colleges in order to meet our demands for skill-development.
- It has been agreed to collaborate with U.S. institutions in the area of Technology Enabled Learning and Massive Open On-line Courses (MOOCs) to extend the reach of education in India.
- Under the Global Initiative of Academic Networks (GIAN) launched by India, upto 1000 American academics will be invited and hosted each year to teach in Indian universities at their convenience.
- The two sides have also collaborated to establish a new Indian Institute of Technology in Ahmedabad/Gandhinagar.

## 1.12. Space

- A bilateral Joint Working Group on Civil Space Cooperation provides a forum for discussion on joint activities in space, including:
  - (i) exchange of scientists; (ii) OCM2, INSAT3D collaboration; (iii) Cooperation on Mars mission; (iv) nano-satellites; (v) carbon /ecosystem monitoring and modeling; (vi) feasibility of collaboration in radio occultation; (vii) Earth Science Cooperation; (viii) international space station; (ix) global navigation satellite systems; (x) L&S band SAR; (xi) space exploration cooperation; (xii) space debris mediation.
- India and USA are collaborating on India's Mars Orbiter Mission and for a dual-band NASA-ISRO Synthetic Aperture Radar (NISAR). The second mission to Mars is tentatively slated for a 2021-2022
- In June 2016, ISRO successfully launched record 20 satellites onboard PSLV rocket, which included 13 satellites from the United States.
- Many U.S. companies continue to provide ISRO with satellite technology and components, and Raytheon is playing an important role in India's GAGAN navigation system.

### Space Cooperation: A historical Background

- In 1963 when India first launched a U.S.-manufactured sounding rocket – sometimes called a “research rocket” – from Thumba to study the atmosphere above Earth’s magnetic equator.

- In the 1970s, ISRO and NASA conducted the **Satellite Instructional Television Experiment (SITE)**. SITE used NASA's first direct broadcasting satellite to beam television programs to more than 2,400 villages across India.
- The **first four INSAT satellites were built by U.S. industry**, and three of them were put into orbit by U.S. launch vehicles.
- **Chandrayaan-1**, India's first mission to the moon, was launched successfully in October 2008. The **spacecraft carried several scientific instruments built by international partners, including two by NASA**.
- In September 2014, both nations had spacecraft arrive in Martian orbit. NASA's Mars Atmosphere and Volatile Evolution spacecraft – popularly known as MAVEN – arrived at Mars on September 21 and is the first spacecraft dedicated to exploring the upper atmosphere of Mars. ISRO's Mars Orbiter Mission – or MOM – arrived only two days later and made India the first Asian nation to "go to Mars."

## 1.13. Science and Technology

- The India-U.S. S&T cooperation has been steadily growing under the framework of **U.S.-India Science and Technology Cooperation Agreement signed in October 2005**.
- There is an **Indo-U.S. Science & Technology Joint Commission**, co-chaired by the Science Advisor to U.S. President and Indian Minister of S&T. The U.S. attended as the partner country at the Technology Summit 2014 at New Delhi.
- In 2000, both the governments endowed the India-U.S. Science & Technology Forum (IUSSTF) to facilitate mutually beneficial bilateral cooperation in science, engineering, and health
- **India's contribution of \$250 million towards Thirty-Meter Telescope Project in Hawaii** and **Indian Initiative in Gravitational Observations (IndiGO)** with U.S. LIGO Laboratory are examples of joint collaboration to create world-class research facilities.

## 1.14. P2P: Diaspora

- The **3.5-million-plus strong Indian American community** is an important ethnic group in the U.S., accounting for about 1% of the total population in the country.
- Indian American community includes a large number of **professionals, business entrepreneurs and educationalists** with increasing influence in the society.
- With two Indian Americans occupying high level posts of Governor and several representatives of the people, the **Indian Diaspora has assimilated into their adopted country and is acting as a catalyst to forge closer and stronger ties between India and the U.S.**
- The two countries have been working together to facilitate travel of their respective citizens, and to this end an **MOU has been signed in June 2016 to facilitate India's joining of the Global Entry Programme** for expedited immigration for eligible Indian citizens at U.S. airports.
- During the visit of Prime Minister to the U.S. in June 2016, the two countries also announced their decision to celebrate 2017 as Travel and Tourism Partner Countries.

## 1.15. Global Public Health

- Under the **2010 U.S.-India Health Initiative**, four working groups have been organized in the areas of **Non-Communicable Diseases, Infectious Diseases, Strengthening Health Systems and Services, and Maternal and Child Health**.
- In order to build up the **disease surveillance and epidemiological capacity** in India, Global Disease Detection-India Centre was established in 2010 and an Epidemic Intelligence Service program launched in Oct 2012.

- U.S. National Institutes of Health, the Indian Council of Medical Research, and India's Department of Biotechnology have developed a robust relationship in the biomedical and behavioral health sciences, research related to HIV/AIDS, infectious diseases, diabetes, cardiovascular diseases, eye disease, hearing disorders, mental health, and low-cost medical technologies.
- In the first meeting of the **Health Dialogue in September 2015** in Washington DC, both sides agreed to collaborate institutionally in the new areas of mental health and regulatory and capacity-building.

## 1.16. Strategic Components of the Relationship

- As reflected in the PM's visit to the United States in June 2017 the Strategic contents of the relationship revolve around the following:
  - Situation in Afghanistan, North Korea, Middle East, Pakistan, Indo-Pacific Region,
  - India's membership in export control agreements and UN Security Council,
  - Cyber space,
  - Malabar naval exercises,
  - Reaffirmation of India's designation as a Major Defence Partner,
  - United States to join as an Observer in the Indian Ocean Naval Symposium
- These are key for the future of the global relationship. **The South Asia Strategy**, issued in **August 2017**, and the **National Security Strategy**, released in **November 2017**, both bring the US and India into a closer alignment on multiple issues.

## 1.17. The Pakistan Factor

- Traditionally, any strategic interest that the U.S. perceived in South Asia lay primarily with India's arch-rival, **Pakistan**. Pakistan, at least notionally, supported American grand strategic goals, including participating in anti-communist military alliances such as the Central Treaty Organization (CENTO) and the Southeast Asia Treaty Organization (SEATO).
- Pakistan has allowed Washington to use its territory as a base for overflights to eavesdrop on the Soviet Union, in addition to serving as a vital conduit for American arms shipments to anti-Soviet forces in Afghanistan during the 1980s.
- In return, the Pakistan received substantial American economic and military assistance. U.S. ties with Pakistan exacerbated Indo-U.S. estrangement.
- America's support for Pakistan was apparent during the 1971 Bangladesh war, when President Nixon "tilted" toward the Pakistan and dispatched the aircraft carrier USS-Enterprise to the Bay of Bengal.
- India viewed this move as an attempt to deter it from taking further action against Pakistan. The close relationship between the U.S. and Pakistan thus had an exceedingly negative impact on Indo-U.S. relations.
- US provided multi-billion dollar military aid to Pakistan and Islamabad is a Major Non-NATO Ally.

### 1.17.1. Recent Trends

- During the PM's visit to the US in June 2017, the biggest takeaway in substantive terms was the **stern language against Pakistan and the designation of Syed Salahuddin, the 'supreme commander' of the Kashmiri militant outfit Hizb-ul-Mujahideen, as a Specially Designated Global Terrorist** because of his pronouncements about wreaking havoc in Kashmir and making it a graveyard for Indian forces.
- In August 2017, while unveiling his new South Asia strategy, Mr. Trump had accused Pakistan of giving "safe haven to agents of chaos, violence, and terror," and said the time had come "for Pakistan to demonstrate its commitment to civilisation, order, and to peace."

- The United States is keeping “all options” on the table to deal with Pakistan if it does not take decisive action against the Taliban and the Haqqani network and dismantle their safe havens, the White House warned on 6 January 2018.
- In the First week of January 2018, the US suspended about \$2 billion in security aid to Pakistan for failing to clamp down on terror groups. This includes Foreign Military Funding (FMF) and the Coalition Support Fund (CSF)
- The freezing of all security assistance to Pakistan comes after President Donald Trump in a New Year's Day tweet (2018) accused the country of giving nothing to the US but “lies and deceit” and providing “safe haven” to terrorists in return for \$33 billion aid over the last 15 years.
- Some policy-makers have been asking the White House to revoke the non-NATO ally status of Pakistan and put pressure on the country through multilateral institutions like the International Monetary Fund and the United Nations, Pentagon generals have indicated unilateral actions.
- Mr. Trump's new policy, according to the official, is driven by the desire to have a successful strategy in Afghanistan. However, India's primary concern has been regarding cross border state sponsored terrorism emanating from Pakistan.
- Meanwhile, Defence Secretary Jim Mattis said the US would restore the suspended security assistance to Pakistan if it takes action against terrorist groups. Mr. Mattis had travelled to Pakistan in December 2017 for talks with the top Pakistani leadership. Secretary of State Rex Tillerson also travelled to Pakistan in recent months to deliver tough message.

### **1.17.2. Pakistan Factor: What's New?**

- China now appears set for an even tighter embrace of its already “iron brother” Pakistan, following a New Year slide in ties between Islamabad and Washington.- Atul Aneja- The Hindu, 8 January 2018.
- In the First Week of 2018 Pakistan's central bank swiftly announced that it would use the Chinese Yuan (CNY) to settle bilateral trade and investment with China.
- Critics argue that, Mr. Trump's tweet also played into the hands of the religious right, now harbouring political ambitions in Pakistan's elections next year. The Hafiz Saeed-led Jamaat-ud-Dawa (JuD) demanded the expulsion of the U.S. Ambassador during street protests in Lahore.
- In January 2018, according to media reports, it emerged that China plans to build its second military base overseas — after Djibouti at the mouth of the Red Sea — in Jiwani. Only 90 km to the east is the Gwadar deep sea port.
- The Global Times, A Chinese news paper, signaled that Pakistan would be justified in defining a new geopolitical calculus that covers China and Russia.

## **1.18. The China Factor**

- A distinctive pattern of triangular interaction has emerged in relations among China, India, and the United States during the post-Cold War period. China was one significant factor in the emergence of the new Indo-U.S. relationship.
- Each actor apprehends alignment of the other two against itself. This fear exists for all three actors but is especially strong for the two weaker state actors, China and India.
- China is an emerging challenger to the global influence of the United States. It is also a key neighbour of India. Thus the triangle acquires new salience in the changing geopolitics. All three are members of G-20. India and China cooperate in BRICS and AIIB but diverge on OBOR. India and USA converge on the OBOR.
- Pivot to Asia: President Barack Obama's “pivot to Asia”, announced in 2011, involved an attempt to rebalance U.S. foreign policy away from the Middle East and toward East Asia.

The Obama administration spent eight years formulating a foreign policy vision, known as the “rebalance to Asia”. The policy involved coordinated efforts to boost U.S. defense, diplomatic, and economic ties with the Asia-Pacific.

- **American strategic partnerships have generally expanded in the Asian region, as they did from 2001 to 2008.** There is more continuity and bipartisan consensus around Asia policy in the United States.
- Flip Flops: In 2009, president Obama emphasized his intention to respect China’s “core interests” in Asia, to the alarm of American allies. Then, in 2011, after an emboldened China began throwing its weight around, the administration announced its “rebalance” to Asia with new military deployments to Australia, to the alarm of China.
- Then, in 2013, the Obama administration shook American allies again by walking away from the “red line” on Syria and announcing support for Xi Jinping’s “New Model of Great Power Relations” — a proposed condominium of the United States and China in Asia that looked very much like the earlier pledge to respect China’s core interests.
- **With President Trump there are both elements of continuity and change** e.g. His visit to China in November 2017 and his praise of China in light of his previous criticism of Beijing.

## 1.19. The Indo-Pacific

- It was first brought up by Japanese Prime Minister Shinzo Abe in 2007 in a speech to the Indian Parliament to represent the vast swathe of water that connects the Pacific and the Indian Oceans.
- It has recently got some traction after Rex Tillerson, the US Secretary of State, used it in a major policy speech in Washington. Trump in his visit to China also referred to the Indo-Pacific.
- **The first ever use of the term in the recently released National Security Strategy Document of the USA, in 2017,** has provided the term new salience.
- Against this backdrop, efforts to rejuvenate the Quadrilateral Security Dialogue (or the “Quad”) between Australia, India, Japan and the US on the sidelines of the Association of South East Asian Nations (ASEAN) and the East Asia Summit (EAS) in Manila, in 2017, are of notable significance.

## 1.20. The Russia Factor

- **Russia is largest military competitor of the USA.** It has been getting closer to China. **Russia has been is largest military supplier to India.**
- **USA is the largest military supplier in the World.** India one of the largest military buyers in the world.
- Now Moscow seems to be pivoting towards Islamabad as New Delhi becomes closer to Washington.
- In June 2015 Russia had lifted its embargo on arms supply to Pakistan and negotiated supply of combat Helicopters
- Russia signed gas pipeline pact with Pakistan in 2015, an estimated investment of 2 billion US\$.
- Russia and China are collaborating closely. In 2014 both signed a 30 year Gas deal estimated to be over 400 billion US\$.
- **The US NSS identifies both Russia and China as national security challenges.** President Trump remains ambivalent about Russia and President Putin.

## 1.21. The Joint Declaration 2017

- Actions identified by the Joint Statement include increased intelligence sharing, operational-level counterterrorism cooperation, exchange of information on known and

**suspected terrorists for travel screening, strengthening information exchange on plans, movements and linkages of terrorist groups and their leaders, terror financing, etc.**

- On the subjects of **regional connectivity and South China Sea** (although the latter is not mentioned by name), India's position has been fully reflected. The Joint Statement declares the necessity of transparent development of infrastructure, use of responsible debt financing practices, respect for sovereignty and territorial integrity, rule of law, and environmental protection.
- Principles of freedom of navigation, unhindered over flights, and commerce throughout the region as well as the need to resolve territorial and maritime disputes peacefully and in accordance with international law have been reiterated.
- This reaffirms that **India and USA are on the same page with respect to dealing with the rapidly growing influence and presence of China in the Indian Ocean and Indo-Pacific region.**
- **The real test of the commitments assumed by the two countries will lie in action taken by them in the coming time.**

## 1.22. Way Forward

- **Defence has emerged as a major area of cooperation with USA** emerging as the second largest supplier, after Russia, of sophisticated equipment to India. The sale of 22 Guardian surveillance drones is on the cards and is likely to be announced shortly. Also, reports have emerged about a possible tie-up between Lockheed Martin and the Tata group to locally manufacture F16 aircraft in India. This could provide a significant impetus to the Make in India initiative.
- In his op-ed in the Wall Street Journal, referring to his statement about having overcome the "hesitations of history" during his address to the US Congress a year ago, PM Modi affirmed it once again and expressed his confidence with regard to the **growing convergence between the two nations.**
- However, the concerns regarding **implications of close cooperation with USA in defence**, especially the signal it gives to Russia or China is a factor that needs consideration and adequate policy preparedness.
- Similarly, the **impact on foundational agreements on India's strategic autonomy** requires careful and skilled diplomatic and political engagement.
- **On issues at WTO and climate change differences would persist** as India needs to safeguard its national interests. These issues require careful management.

## 1.23. Policy Options

- Cooperate wherever possible, compete wherever necessary, avoid Conflict and defend strategic Autonomy.
- Engage multiple partners through, bilateral and multilateral instruments.
- Act as a bridge wherever possible. E.g. Iran, Russia.
- Remain strategic and avoid the temptations of tactical gains e.g. destabilising Pakistan or antagonising China is not a strategic goal for India.

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# LECTURE-13

## LATIN AMERICA AND AFRICA

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# 1. India and Latin America

Map12.1Latin America



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## 1.1. History and Geography

- Latin America is generally understood to consist of the entire continent of South America in addition to Mexico, Central America, and the islands of the Caribbean whose inhabitants speak a Romance language.
- The peoples of this large area shared the experience of conquest and colonization by the Spaniards and Portuguese from the late 15<sup>th</sup> through the 18<sup>th</sup> Century as well as movements of independence from Spain and Portugal in the early 19<sup>th</sup> century.
- Since the Spanish and Portuguese element looms so large in the history of the region, it is sometimes proposed that Iberoamerica would be a better term than Latin America.
- **Lesser Antilles, long arc of small islands in the Caribbean Sea extending in a north-south direction from the Virgin Islands to Grenada.** A number of other islands—Trinidad and Tobago, off the northeastern coast of Venezuela, and the east-west island chain from Margarita Island to Aruba, off the northern coast of Venezuela—are physiographically part of the South American continental shelf but are usually included in definitions of the Lesser Antilles.
- **The Greater Antilles is a grouping of the larger islands in the Caribbean Sea:** Cuba, Hispaniola (containing Haiti and the Dominican Republic), Puerto Rico, Jamaica, and the Cayman Islands.

### Map12.2 The Caribbean

CENTRAL AMERICA AND THE CARIBBEAN



**Image Source:** [https://www.cia.gov/library/publications/the-world-factbook//graphics/ref\\_maps/political/jpg/central\\_america.jpg](https://www.cia.gov/library/publications/the-world-factbook//graphics/ref_maps/political/jpg/central_america.jpg)

- The Spaniards from the first had concentrated on the Greater Antilles, leaving the smaller islands virtually unoccupied. As developments passed the Spanish Caribbean by, even portions of the larger islands were left under-occupied. Thus, in the course of the 17th century, the French and English, aided by buccaneers of their respective nationalities, were able to take over the small islands, Jamaica, and the western end of Hispaniola to grow tropical crops, above all sugar, for themselves.
- After three centuries of colonial rule, independence came rather suddenly to most of Spanish and Portuguese America. **Between 1808 and 1826 all of Latin America except the Spanish colonies of Cuba and Puerto Rico slipped out of the hands of the Iberian powers who had ruled the region since the conquest**
- On 2 December 1823, the USA issued the Monroe Doctrine.** This was a **policy of opposing European colonialism in the Americas.** It stated that further efforts by European nations to take control of any independent state in North or South America would be viewed as "the manifestation of an unfriendly disposition toward the United States." **President James Monroe** first stated the doctrine during his seventh annual State of the Union Address to Congress. The term "Monroe Doctrine" itself was coined in 1850.

## 1.2. India and South America: Current Imperatives and Historical Dynamics

- It is essential to raise India's global profile and expand the country's footprints with the region which boasts a combined GDP of \$4.9 trillion and is home to 600 million

- inhabitants**, nearly half the population of India, but with a landmass five times that of India.
- Latin America, according to a report by Economic Commission for Latin America and Caribbean of the United Nations, netted **179 billion dollars of FDI in 2013, the highest record for any region in the world.**
  - The relations have been influenced in the past seven decades by Cold War Era, Global Politics, Physical distance, Mutually divergent priorities. India and South America have barely managed to maintain minimal bilateral ties for the last several decades. India's eminence is rising on the global stage but this has not yet found an expression in Latin America.
  - **Absent strong ties in geography, what India and South America have instead is a shared post-colonial history.**
  - Today, it is not only economics that creates the rationale for strong bilateral ties between India and South America; there is also **India's desire to diversify energy sources**, and a growing Chinese influence in the region. It is in **India's strategic interest to reduce its dependency on West Asia for its energy security.**
  - India is looking to further diversify its trade to relatively newer markets in Latin America and Caribbean Islands.
  - Many believe that trading with Latin America is expensive and therefore should not be a priority.
  - However, Ministry of External Affairs has highlighted the potential of higher volumes of trade: "**India's exports to Latin America are growing at a robust rate.** Indian pharmaceuticals, automobiles, textiles, chemicals, machinery and other value added products have found dedicated customers all over the region. Indian companies – UPL, Godrej, Hero and others – have bought local companies or invested in greenfield projects. Over a dozen Indian software companies employ from a few dozen to several thousand software professionals in development and delivery centres all over Latin America. Latin America offers an essential alternative source for our raw material needs, and new markets for value-added exports of our goods and services, in an increasingly insecure and volatile international environment."

### **1.2.1. History of Relations**

- Perhaps the high point of Indian diplomacy with Latin America remains then **Prime Minister Indira Gandhi's visits to eight countries in the region in 1968.**
- **Prime Minister Narendra Modi during his visit to Brazil for the BRICS Summit in 2014 , hinted at a promise of greater engagement.**
- Prime Minister Modi has not visited any Latin American nation after the BRICS Summit of 2014, and in 2016 he became the first Indian PM to have missed the Non-Aligned Movement (NAM) Summit, that year hosted by Venezuela.
- **Political engagement, has been minimal both ways: only five visits have been made by Latin American leaders to India since 2014.**

### **1.2.2. Trade and Investment**

- **India's trade with Latin America reached US\$46 billion in 2013-2014. Since then it has not shown significant improvement.**
- India's trade with Latin America in **2016-17 was \$30 billion**, of which export was \$10.4 billion and imports \$19.6 billion.
- **Mercosur, a sub-regional bloc consisting of Argentina, Brazil, Paraguay and Uruguay, remains India's largest trading partner in the region with US\$15.9 billion in trade in 2016.**
- The trade has gone up slightly from \$29.7 billion in 2015-16 but is down from \$43 billion in 2014-15.

- The main reasons for the decrease in trade are the fall in commodity prices imported by India from Latin America and the recession of the region in 2015 and 2016.
- India's import of crude oil from the region fell to \$9.5 billion in 2016-17 from \$20 billion in 2014-15, thanks to the decrease in oil prices from over \$100 dollars to less \$50. The volume of crude imports had, in fact, increased.
- Brazil has overtaken Venezuela to become the leading trade partner of India with US\$6.69 billion.** Trade with Venezuela was US\$5.8 billion, with Argentina US\$3 billion, Chile US\$2.6 billion, Colombia US\$1.69 billion, and Peru US\$1.52 billion.
- Venezuela has remained the largest source of imports in the region, with US\$5.7 billion,** followed by Brazil, Argentina, Mexico, Chile, Colombia, Peru, Ecuador, Dominican Republic, Bolivia and Paraguay.
- India's bilateral trade with Cuba is minuscule at just \$43.18 million in 2016-17. Of this, India's exports to Cuba were worth \$41.87 million, and imports from that country were only \$1.31 million.
- The Indian government has provided Line of Credit to Cuba the tune of \$173 million** for projects including milk powder processing plant, bulk blending fertiliser plant, power co-generation project and wind farm.
- In May 2017, Ecuador expressed its interest in signing a preferential trade agreement (PTA)** with India to enhance trade linkages. Colombia has also shown interest towards collaborating in industries like food processing and agriculture.
- Negotiations over a PTA have started between India and Peru.**
- In 2016, PTA between India and Chile was broadened,** with Chile offering concessions on some 1,798 tariff lines and India offering concessions on 1,031 tariff lines
- India's inroads have been significant to the extent that in 2016, its exports of pharmaceuticals to Latin America beat China's volumes.** India's exports were \$651 million in comparison to China's \$404 million in 2016.

### 1.2.3. Some interesting Facts<sup>1</sup>

- In 2016-17, India exported more to Mexico (\$3.5 billion) than to neighbours such as Thailand (\$3.1 billion), Myanmar (\$1.7 billion) and Iran (\$2.4 billion) or traditional trade partners Russia (\$1.9 billion) and Canada (\$2 billion).**
- India's exports to Colombia (\$787 million) were more than the exports to some West European countries such as Austria, Ireland and Scandinavian countries.
- Guatemala imported more from India (\$243 million) than some Central Asian and East European countries.
- India's trade with the Dominican Republic (\$900 million) was more than the trade with Portugal, Greece and some other European countries.
- Latin America was the leading destination of India's vehicle exports with a share of 23% of India's global exports. Mexico continued to be the main buyer of Indian cars with \$1.6 billion accounting for 25% of India's global exports.** Vehicle exports to Mexico have been steadily increasing in the last three years and the increase from last year was an impressive 39%. Colombia, which was the number one buyer of Indian motorcycles came down to the third rank in 2016-17 with imports of \$185 million, after Bangladesh and Sri Lanka. In 2016-17 Latin America imported motorcycles worth \$354 million from India in 2016-17, which was 25% of India's exports to the world.

<sup>1</sup> R. Vishwanathan, the Wire, 21 July 2017, <https://thewire.in/159810/trade-india-latin-america/>

#### **1.2.4. Food and Energy Security**

- Food security is another powerful factor that's driving India to deepen its engagement with the **Latin America region, which has vast swathes of fertile land.**
- **Brazil, for example, is an agriculture superpower** with not just rolling acres of **arable land, but is also equipped with cutting edge food storage technologies.** Argentina, too, is a leader in agricultural research. The two sides are poised to set up more joint ventures and research collaborations in this area in days to come.
- **Latin America has also emerged as an important source of hydrocarbons for India in the last few years, with the region contributing around 10 per cent of India's energy imports.** India is set to step up **collaboration with Brazil in the area of eco-friendly ethanol.** Venezuela, Colombia, Mexico and Cuba are some of important suppliers of oil to India in the region.

#### **1.2.5. Defence**

**South America is also a lucrative defence market** for India. Among the more prominent sales of Indian defence products in the region have been:

- The sale of two Mahindra Rakshak armoured vehicles and one Mahindra Rapid Intervention Vehicle to Guyana Police Force.
- 139 Ashok Leyland 4x4 trucks to the Honduran Army.
- Mahindra 4x4 vehicles to Argentina, Uruguay and Belize.
- 29 Mahindra Marksman vehicle to the Chilean Carabineros Special Forces
- **Two civil model Dhruv helicopters to Peru.**
- **Seven Dhruv helicopters to Ecuador (now withdrawn from use following accidents), and**
- **Three Chetak helicopters to Suriname.**

#### **1.2.6. China Factor**

- At a time when the world is witnessing the rise of China as a **major global player, its steadily growing presence and influence should be enough of an incentive to drive the Indian government to take the necessary measures to bolster the country's ties with South America.**
- **In 2016, China's exports to Latin American & Caribbean countries was US\$ 113 billion, while imports stood at US\$ 103 billion** as compared to US exports of US\$ 135,963.5 million and imports of US\$ 107,651.7 million. India, on the other hand, exported US\$ 7,258.30 million and imported US\$ 17,290.63 million worth of goods from Latin America and Caribbean.
- **China overtook the US to become the largest export destination for Latin American countries like Brazil, Chile and Peru, and replaced the European Union (EU) as the second largest trade partner of the region in 2017.**
- **With a target of US\$500 billion in trade and US\$250 billion investment in the region by 2025, China is working to establish itself as the dominant economic power in the region.**
- **Massive infrastructure projects in the region have been announced by China, such as the Bi-Oceanic Railway between the ports of Santos in Brazil and Callao in Peru, and the Canal project in Nicaragua.** Indeed, China is setting the bar high for other powers to measure up to.
- **As a manufacturing giant, China has huge requirements for raw materials of which Latin America has reserves:** among them, copper, iron, silver and tin. Further, in order to meet the demands of its growing population, China aims to import large quantities of agricultural produce from Latin American countries, such as crops including soybean.

- On the symbolic front, greater engagement with the Latin bloc serves to challenge the hegemony long exercised by the United States in the region. Economically, Latin America has a lot to offer: for one, Beijing looks to the region to meet its oil needs, with Venezuela and Brazil becoming important elements in China's oil strategy.
- The challenge for India is how to engage in a region that China has similarly set its eyes on.
- There are certain instances from which lessons can be drawn. In April 2010, when Argentina put restrictions on Chinese imports, China stopped buying Argentine soybean oil. By promptly tripling their imports of this oil, India helped Argentina avert a serious blow to its oil industry in monetary terms.
- Brazil, which is part of the BRICS grouping, is also confronting the realities of a much more powerful China trying to make BRICS an extension of its own economic heft. India can carve out a much more equitable partnership with Brazil that underscores its credentials as a responsible global stakeholder.
- Further, if India could obtain membership to the Alianza del Pacífico (Pacific Alliance), it could help enhance its economic ties with the bloc and assist in balancing China's aggressive Belt and Road Initiative.
- The Pacific Alliance, a Latin American trade bloc, currently has four member states—Chile, Colombia, Mexico and Peru—that all border the Pacific Ocean. India was granted 'observer' status in the bloc in 2014.
- India may find in Latin America a willing partner as nationalist and anti-immigration sentiments sweep through the global North.

#### **1.2.7. What Can Drive Cooperation?**

- With culture as tool—language, food, and art, among them—people from India and Latin America can strengthen their understanding of each other. Cultural exchanges between the two regions have increased over the years, with several educational institutions offering scholarships, for example, in dance and music.
- The India-Latin America relations are increasingly acquiring strategic orientation. Building upon New Delhi's dialogue with a troika of foreign ministers of the Community of Latin American and Caribbean States (CELAC) in July 2012.
- the two sides should explore the possibilities of forging an India-Latin America and Caribbean Dialogue Mechanism similar to that of the India-Africa Forum Summit that started in 2008.
- The region is also critical to multilateral diplomacy and the quest for reforming the global governance architecture, including the reform and expansion of the UN Security Council.
- Defence Manufacturing and Export is an area that India has some links to the region. This arena has great potential for cooperation.
- NAM can be a good mechanism and platform to cooperate.

#### **1.2.8. Regional Institutions**

- Mercosur: Mercosur is a South American trade bloc established by the Treaty of Asunción in 1991 and Protocol of Ouro Preto in 1994. Its full members are Argentina, Brazil, Paraguay and Uruguay. It is the largest trading partner of India in Latin America. Current preferential trade agreement (PTA) between India and Mercosur was signed in 2009 and since 2017 there are attempts to expand it. A PTA is a limited free trade agreement where partner countries reduce import duties on a few identified products for the other. While the PTA between India and Mercosur is presently limited to just 450 products, the two sides have raised their ambitions manifold and are now aiming at providing preferential access to about 3,000 items.

- CARICOM:** CARICOM came into being on 4 July 1973 with the signing of the Treaty of Chaguaramas. The Treaty was later revised in 2002 to allow for the eventual establishment of a single market and a single economy. The CARICOM is a grouping of twenty countries: fifteen Member States and five Associate Members. The Community is multi-lingual; with English as the major language complemented by French and Dutch and variations of these, as well as African and Indian expressions. CARICOM rests on four main pillars: economic integration; foreign policy coordination; human and social development; and security.
- The First Meeting of the India-CARICOM Joint Commission was held in Georgetown, Guyana on 2nd June 2015.**
- CELAC:** The Community of Latin American and Caribbean States (CELAC) is a regional bloc of 33 Latin American and Caribbean states. It was formed at the Unity Summit, which consisted of the 21st Summit of the Rio Group and the 2nd Latin American and Caribbean Summit on Integration and Development (CALC), in the Mayan Riviera, Mexico on 23 February 2010. The organization aims to unite all of the Latin American and Caribbean states in order to strengthen the political, social and cultural integration of the region, improve its quality of life, stimulate its economic growth, and advance the well-being of all of its people. CELAC is a successor of the Rio Group and CALC. **The First Meeting of the India-CELAC Troika Foreign Ministers was held in New Delhi on August 7, 2012.**
- Andean community:** The Andean Community is a customs union comprising the South American countries of Bolivia, Colombia, Ecuador, and Peru. The trade bloc was called the Andean Pact until 1996 and came into existence when the Cartagena Agreement was signed in 1969.
- On June 2003, the Andean Community and India established a Political Dialogue and Cooperation Mechanism**
- Pacific Alliance:** The Pacific Alliance is a Latin American trade bloc, formed by — Chile, Colombia, Mexico and Peru, which all border the Pacific Ocean. These countries have come together to form an area of integration with the purpose of ensure a complete freedom in the movement of goods, services, capital, and people. Together, these four countries have a combined population of 200 million people and about 35% of the region's GDP.
- SICA:** The Central American Integration System (Spanish: Sistema de la Integración Centroamericana, or SICA) has been the economic and political organization of Central American states since February 1, 1993.
- Two ministerial meetings have been held till now in 2004 and 2008 both in India.**
- Nuclear Free Zone:** Opened for Signature: 14 February 1967, Entered into Force: 25 April 1969. On 23 October 2002, the Tlatelolco Treaty came into full force throughout the region when Cuba, the only state which had not ratified the treaty, deposited its instrument of ratification. Currently, all 33 states in the region of Latin America and the Caribbean have signed and ratified the treaty. The Tlatelolco Treaty has served as a model for all future nuclear-weapon-free zone (NWFZ) agreements. On 14 February 2017, the Treaty of Tlatelolco celebrated its 50<sup>th</sup> anniversary.

## 2. India and Africa

Map 12.3 AFRICA

### AFRICA



Image Source: <https://www.cia.gov/library/publications/the-world-factbook/docs/refmaps.html>

### 2.1. Background and Evolution

- Geologically, peninsular India was once part of Africa, the fused 'Super-Continent' called 'Gondwanaland'.** Some 200 million years ago when the continental drift started, the region broke away from the African continent and pushed in a north-easterly direction till it joined South Asia.
- Trade and contacts through the Indian Ocean route and Arabian Peninsula** have connected East coast of Africa and India for centuries.
- Trade relations between India and Africa can be traced back to the first century CE, when the Aksum empire had been established in what is modern day Ethiopia and Eritrea.
- The Advent of European Colonialism brought a shared experience for both.**
- The British took thousands of Indian workers to construct the Kenyan Railway and to countries such as South Africa.**

- India has a large diaspora presence in African continent.
- Mahatma Gandhi, stayed and worked in South Africa and inspired the later African National Congress and also led the freedom Movement in India.
- After Independence Prime Minister Nehru stressed on the Afro-Asian solidarity, this was markedly visible in the Asian-African conference, Bandung, 1955.
- This led to large African participation in the Non-Aligned Movement (NAM)
- Thus, the countries of Africa share solidarity in anti-colonial and anti-imperial sentiments.
- 1960 is referred to as the Year of Africa because of a series of events that took place during the year—namely the independence of seventeen African nations—that highlighted the growing Pan-African sentiments in the continent.
- India played a key role at the UN on behalf of the African colonies, also it played a significant role through the Peacekeeping missions of the UN in Africa e.g in Belgian Congo (ONUC 1960-64). And MONUSCO (since 2005)
- India also maintained a principled anti-apartheid stand through the years.
- The commonality in economic concerns and complementarities in resources and capacity provide India and Africa unique opportunity to cooperate for mutual benefit
- Nonetheless, as India became mired in its own issues, relations with Africa lacked momentum
- In the last two decades it is argued that China has stolen a march over India in Africa.
- The India-Africa Forum Summit (IAFS), since 2008 and the latest edition in 2015, show India and Africa relations have acquired momentum.
- In May 2017, India hosted the 52nd annual general meeting of the African Development Bank (AfDB) at Gandhinagar.
- Founded in 2001, African Union is a continental Union comprising 55 African countries. It is headquartered in Addis Ababa (Ethiopia).
- Africa's current integration landscape contains an array of regional economic communities, including eight recognized as the building blocks of the African Union. These eight are namely: AMU, CEN-SAD, COMESA, EAC, ECCAS, ECOWAS, IGAD and SADC.

### **2.1.1. Understanding India-Africa Synergy**

- 54 countries, Second largest and Second most populous continent in the world. Total GDP in 2015 2.8 trillion US\$.
- Africa is called the only remaining El-dorado with
  - Fast growing population
  - Increasing prosperity
  - Untapped mineral and agricultural wealth
- Relations between world's fastest growing continent and World's fastest growing major economy are key for the future of humanity
- In recent years growth in India's trade and investment has been partially affected by global slowdown, yet the long term trajectory remains positive
- African countries can provide a major support for UN security council membership.
- **Similarities:** India and Africa have common colonial history, similar developmental profile and challenges.
- **Complementarities:** India's growing need for Africa's Commodities, Africa's need for development.
- **Multilateral partnership:** BRICS, IBSA, BASIC
- **Development Partnership/Capacity building:**
  - Suitability of Indian technology and spirit of Jugaad for Africa
  - India's credentials as a uniquely suitable development partner for Africa have been widely acknowledged.

- Pan Africa E-Network
- ITEC scholarships
- India's contribution towards Ebola, Public Health.
- **Socio-economic similarities:** Urbanisation, industrialisation, young population, poverty
- Relations largely driven by private operators: market forces, middlemen, has resulted in steady but slow growth of the relations
- Solutions for the problems of India can provide a way forward to Africa in its developmental trajectory
- **India's crude oil imports from Africa:** the share of African crude fell to about 10.5 percent October 2017, the lowest since November, 2012,

### **2.1.2. Recent Dynamic**

- In October 2017, President Ram Nath Kovind's first foreign was to the African nations of Djibouti and Ethiopia.
- PM Modi Visited 4 African countries in 2016- Mozambique, South Africa, Tanzania and Kenya
- The India-Africa Forum Summit (IAFS) that began in 2008 (New Delhi) is a much needed intergovernmental attempt to give a direction and thrust to the bilateral synergy.
- 2011 Summit took place in Addis Ababa, Ethiopia
- 2015 summit in New Delhi, Invitation to all 54 heads of states
- India has committed unprecedented levels of resources in Africa:
  - At IAFS-2 India promised soft loans of worth 5 billion US\$,
  - 500 million in grants
  - Institution building and training fellowship to Africa
  - At the IAFS-1 India had offered duty free market access to Africa's least developed countries
- Before 2015, the participation of African leaders in the summit process was done on the basis of the Banjul formula, which entailed the participation of the leaders of around 12-14 African countries, who were represented at the summit in their capacity as the chiefs of the Regional Economic Communities (RECs).
- There is a surge in p2p contacts: Experts, students, patients and Entrepreneurs
- Filling to cultural and informational contacts

### **2.2. Economy**

- The growth in India's trade and investment in Africa has been partially affected by the global slowdown
- In 2014-15
  - Bilateral trade India-Africa 70 billion
  - China 200 billion
  - US 100 billion
- Total trade between India and Africa increased almost five-fold between 2005-06 and 2015-16, and stood at US\$ 52 billion in March 2016-17. India's exports to Africa increased from US\$ 14 billion in 2007-08 to US\$ 23 billion in 2016-17, registering an impressive compound annual growth rate of 5.6 per cent. Indian exports to Africa were at a peak in 2014-15 at US\$ 32 billion.
- Indian imports from Africa, on the other hand, increased from US\$ 20 billion in 2007-08 to US\$ 28 billion in 2016-17 accounting for 7.5 percent of total Indian imports. Indian imports from Africa grew at a compound annual growth rate of around 4 per cent, reaching a high in 2011-12 at US\$ 44 billion.

- Statistics cited in the African Economic Outlook 2017 show that India is ranked second (after China) in terms of trade share with Africa.
- Africa exports Raw materials, India exports- Pharmaceutical, Mid and high-tech manufactured products, Automobiles.
- **34 African countries enjoy duty-free access to the Indian market.**

**Figure 12.1: India's trade with Africa**

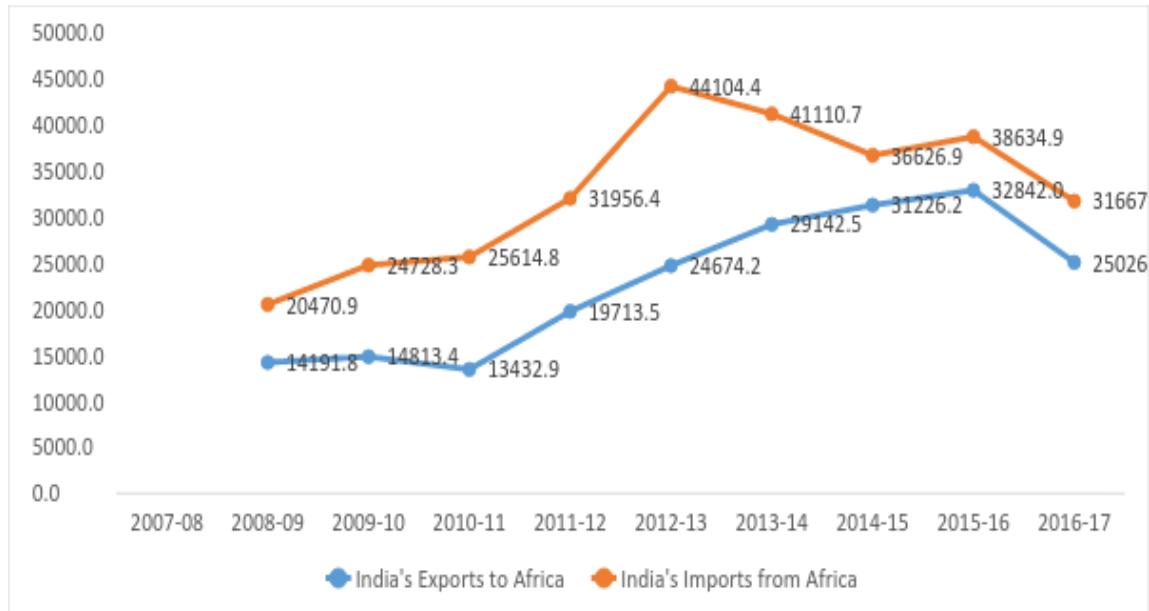


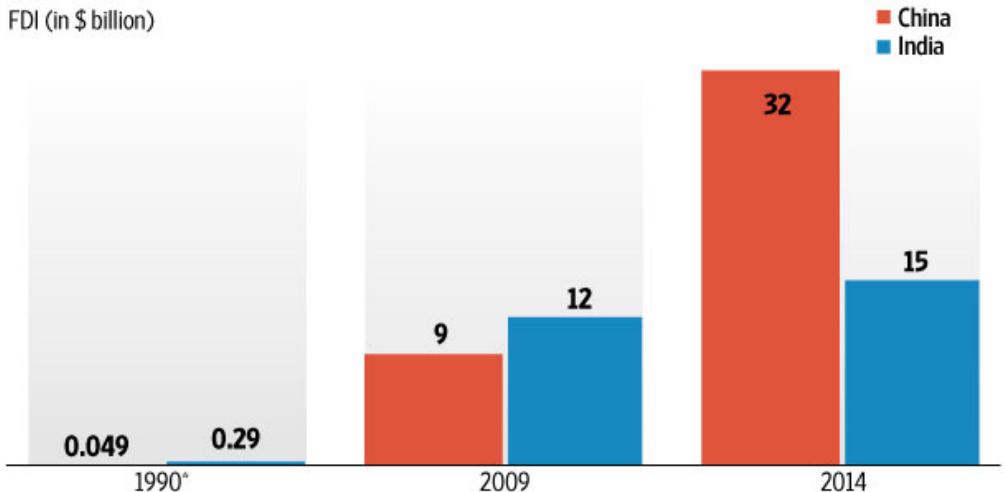
Image Source: <https://ciiblog.in/new/wp-content/uploads/2017/05/image2.png>

### 2.2.1. Investments in Africa

- Latest UNCTAD figures show China to be a much bigger player in FDI in Africa as compared to India.
- However, India's sustained effort is making an impact on Africa... **India's share of announced greenfield projects grew from 3.3% in 2003-08 to 6.1% in 2009-15.** In the same period, the investment from China decreased from 4.9% to 3.3%.
- **The 2017 African Economic Outlook**, at the AfDB summit showed that China led greenfield investment in Africa for 2015-16 (USD 38.4 billion), while during the same year India invested USD 2.2 billion across 64 projects in Africa.
- **India was the fourth largest investor with 45 projects in 2015**, after the United States, United Kingdom and United Arab Emirates.
- **Chinese FDI has been accused of bringing in a lot of Chinese labour, which means that a large amount of earnings are repatriated, India's relatively small presence does not show this pattern as yet.**

Figure 12.2 India and Chinese Investments in Africa

## INDIAN AND CHINESE FDI IN AFRICA



For India the data is for 1996 and not 1990; figures are in USD billion, figures are based on approval data. Figures indicate FDI stock in Africa.

Source: UNCTAD

**Image Source:**

[http://www.livemint.com/r/LiveMint/Period2/2017/05/29/Photos/Processed/w\\_plainfacts\\_chart\\_1.jpg](http://www.livemint.com/r/LiveMint/Period2/2017/05/29/Photos/Processed/w_plainfacts_chart_1.jpg)

### 2.3. Development Partnership

- Many countries may have higher bilateral trade with Africa, but **what sets apart India's engagement with Africa is its focus on innovative capacity building programmes** and the deployment of ICT, the country's forte, to help build a knowledge economy in the African continent.
- **India launched Pan African e-Network Project (PAENP), in 2009**, Conceived by former President of India, A.P.J Abdul Kalam the project, with a budget of approximately US\$ 125 million, **is entirely funded by India and aims to provide satellite connectivity, tele-education and tele-medicine services to the African countries**. It also supports e-commerce, e-governance, infotainment, resource mapping and various other services. The project has presently been commissioned in 47 countries.
- **During the IAFS- 3 in 2015, India offered Africa a concessional credit of \$10 billion over five years and a grant assistance of \$600 million.**
- **Grant assistance includes an India-Africa Development Fund of \$100 million and an India-Africa Health Fund of \$10 million.** It will also include **50,000 scholarships in India over the next five years**.
- **India had committed \$7.4 billion in concessional credit and \$1.2 billion in grant since the first India-Africa Summit in 2008, and creating:**
  - 100 capacity-building institutions, and developing infrastructure,
  - public transport
  - clean energy,
  - irrigation, agriculture and
  - manufacturing capacity across Africa.
- These are **significant as resources available from traditional donors belonging to the OECD and from multilateral financial institutions are diminishing precisely at a time when the current United Nations session has adopted ambitious Sustainable Development Goals (SDG) .**

- Whether or not SDGs are successfully achieved will critically depend upon what path countries like India and those in Africa take as they grow their economies.
- **African countries and India are extraordinarily rich in bio-diversity, with species of rare flora and fauna which are threatened both by over-exploitation as well as by Climate Change.**
- The economic interests of India and African countries are best served by a universal, multilaterally negotiated, rules based global trade regime under the WTO.
- India can contribute its capital, skills and technological capabilities to sustain Africa's growth.

**Figure 12.3 Pan-African e-network**



Image Source: <http://www.mea.gov.in/images/Power3.jpg>

## 2.4. Security

- Terrorism has affected a large swath of the continent.
- The proliferation of terrorist and extremist groups in the continent like Al-Qaeda in the Maghreb, Nigeria-based Boko Haram, and Al-Shabaab in Somalia, and their suspected links with militants in other parts of the world entails a more proactive collaboration between India and Africa on the issue of terrorism.
- Looking ahead to the next stage in the India-Africa partnership, one can, therefore, expect a deepening of security cooperation across a spectrum of areas, including terrorism, piracy, and maritime security.
- Security has to be seen in its wider context: Thus it include issues such as
  - Climate Change but also global public health challenges,
  - drug-trafficking,
  - trafficking of humans,
  - proliferation of weapons of mass destruction and international terrorism.

## 2.5. Challenges and Opportunities

- India is not the only one with Africa Strategy
  - EU, China, Japan, US, all also have IAFS-type processes, often commit more resources.
  - There is an emerging synergy between India and Japan, Competition between India and China
  - France uniquely suited for partnership in Francophone Africa
- Second, in recent years, new drivers of the putative African century have emerged; these include which are both sources of opportunity and challenges
  - lower commodity prices,
  - greater democracy,
  - rise in militancy,
  - population growth,
  - preponderance of youth and
  - urbanization.

- Last but not the least, although Africa has lost some of its economic attractiveness, the long-term importance of the continent is undimmed.
- China has already established its first overseas military base in this Djibouti.
- India has a natural advantage over China in Africa in the form of a large Indian diaspora in Anglophone African nations.

### **2.5.1. What Should India Do?**

Though the actual delivery of projects and institutions has improved, it is still not commensurate with the resources expended.

- We need to inject **greater bilateralism for project implementation**.
- Should not abrogate midstream and downstream delivery to the AU bureaucracy.
- **Improve last mile delivery chain**.
- Advertise our contribution adequately. E.g incredible India campaign or China's can do Chengdu campaign
- **Leverage two strong assets private sector and Diaspora**
- With increasing economic engagement, the fate of India-Africa ties would depend on not just quantitative factors such as trade and investment, but also a strategy that convinces the African people that economically engaging with India would be mutually beneficial.

### **2.5.2. The Asia Africa Growth Corridor**

- **2017 summit meeting between Japanese Prime Minister Shinzo Abe and Indian PM Narendra Modi in Gujarat renewed impetus for an Indo-Japanese cooperation in line with their calls for an Asia Africa Growth Corridor (AAGC) during their summit in November 2016.**
- **The vision, however, comes on the back of decades of cooperation amongst two of Asia's largest democracies**, both seeking an alignment of interests be it under democratic security cooperation or under Abe's 2006 notion of an Asian 'Arc of Freedom and Prosperity.
- **Starting with India and Japan and then expanding to ASEAN and Africa, the AAGC is commonly portrayed as a response to China's Belt and Road Initiative (BRI).**
- **The AAGC aims to pool together Indian and Japanese technology and skills to build high-quality infrastructure in Africa**, which is to be complemented by digital connectivity.
- **Asia Africa Growth Corridor aims for people-centric growth strategy**. It also takes a **multi-stakeholder/participatory approach**. The various entities including government, business and academia will contribute to AAGC.
- **A Vision Document was released during the African Development Bank Meeting at Ahmedabad in May 2017**
  - According to the Vision documents AAGC may be based on four pillars:
  - Enhancing Capacity and Skills.
  - Quality Infrastructure and Institutional Connectivity.
  - Development and Cooperation Projects.
  - People-to-People Partnership.
  - people-to-people partnerships
  - **The AAGC offers a benevolent alternative to the BRI that holds significant potential for regional connectivity on a state-to-state level**. Given Japan's experience with mass projects and expertise in developing cutting edge train networks, such as the Shinkansen, there is room for cooperation. Despite prioritising less costly Chinese bids for rail development, a lowering of costs would benefit Japan as it enjoys greater trust within the region. Investing in strategic infrastructure projects such as ports, rails, and telecommunications would find receptive customers in countries seeking to minimise their dependence on individual trading partners.

- **With infrastructure projects providing local employment, both India and Japan's investments in foreign economies can garner greater regional support for their vision.** Japan's own experience with setting up hospitals shows how this form of cooperation can ensure a more permanent Japanese presence without fostering local perceptions of foreign control. Matching Japan's high skills and capital, India's own size and experience with economic development has challenged it to pursue key technologies - be they in pharmacology or solar energy - on a mass scale.
- **AAGC-led growth in Africa and Asia will be responsive to the collective commitment to Sustainable Development Goals (SDGs).**

#### **2.5.2.1. Challenges to be overcome by the AAGC**

- **Firstly, the African countries are in different stages of development.** Adding to this is the fact that Africa was colonised by different European powers in the past. This means that there are huge differences in governance structures, languages and societal norms within Africa. It would, therefore, not be possible for India and Japan to treat all of them with the same stroke
- **There are issues of infrastructure bottlenecks and coordination between New Delhi and Tokyo.** Unlike in Japan, decision-making process in India is far more complex and, at times, painstakingly slow.
- **China already has an advantage when it comes to trade with Africa – it has been Africa's biggest trading partner since 2009.** Although there is some unhappiness among African states on the manner in which China is reaching out to the continent, these states require funding and development support, which China is happy to provide. India and Japan will have to compete with China in the African market.
- **Lastly, there is civil strife in a number of the African countries poses security challenges.** This could create hurdles for India and Japan in their infrastructure development plans in the continent. The two countries will need to tread carefully. Despite increased military and technological cooperation between Japan and India, both countries are at a disadvantage with regards to power projection across Asia and Africa. While it does not feature in the program of the AAGC, security plays a key role in foreign policy establishments across the Indo-Pacific.
- **Thus given its scope and ambition, the AAGC would require active cooperation from, and joint work among international community for its success**

In this context the vision of India was aptly expressed by the PM in 2017:

*"India's partnership with Africa is based on a model of cooperation which is responsive to the needs of African countries. It is demand-driven and free of conditions."*

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# LECTURE-14

## ORGANISATIONS, GROUPINGS AND INSTITUTIONS IN INTERNATIONAL RELATIONS

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# 1. Organisations, Groupings and Institutions in International Relations

## 1.1. International Organisations

International Organisations were created by common consent to enable and promote cooperation among states in a number of domains (Saran 2017; 260). Thus, international organisations transcend the boundaries of states. These bodies generally have founding documents defining their goals, rules of procedure, secretariats etc.

Generally, a distinction is made between **intergovernmental organisations** e.g. the UN, NATO etc and **international non-governmental organisations** e.g **Amnesty international**. There is a third kind as well i.e. **hybrid international organisations** in which governments work with NGOs e.g the **International Red Cross**. This kind of organisation admits as full member both NGOs, companies and government or governmental bodies.

## 1.2. United Nations Organisation

- United Nations **came into Existence on 24 October 1945**. With 51 founding members including India.
- Today the United Nations has **193 members**, With South Sudan being the latest to join in 2011.
- The UN has **six official languages** i.e Arabic, Chinese, English, French, Russian and Spanish.
- The **mission and work** of the United Nations are **guided by the purposes and principles contained in its founding Charter**.
- The UN System involves the **six Principle Organs** along with **Special Programmes and Funds**.
- **Antonio Guterres** from Portugal is the current **Secretary General of the UN**
- Four of the five principal organs are located at the **main UN Headquarters in New York City**. **The International Court of Justice is located in The Hague**, while other major agencies are based in the UN offices at Geneva, Vienna, and Nairobi. Other UN institutions are located throughout the world.
- United Nation is **funded by its member states through compulsory and voluntary contributions**.
- Any amendment in the charter requires 2/3<sup>rd</sup> vote of the General Assembly

### 1.2.1. Charter and Mandate

- According to the Charter, the United Nations has **four purposes**:
  - **to maintain international peace and security;**
  - **to develop friendly relations among nations;**
  - **to cooperate in solving international problems and in promoting respect for human rights;**
  - **and to be a centre for harmonizing the actions of nations.**

### 1.2.2. The Principle Organs

- **General Assembly.**
- **Security Council.**
- **Economic and Social Council.**
- **Secretariat.**
- **International Court of Justice.**
- **Trusteeship Council.**

### 1.3. The General Assembly

- The General Assembly is the main **deliberative, policymaking and representative organ** of the UN.
- All 193 Member States of the UN are represented** in the General Assembly, making it the only UN body with **universal representation**.
- It **elects the Non-Permanent members in Security Council** and also **members for Social and Economic Council**.
- It elects **Judges to International Court of Justice along with the Security Council**.
- Each year, in September, the full UN membership meets in the General Assembly Hall in New York for **the annual General Assembly session**, and general debate, which many heads of state attend and address.
- Decisions on important questions, such as those on peace and security, admission of new members and budgetary matters, require a two-thirds majority** of the General Assembly.
- Decisions on **other questions are by simple majority**.
- The General Assembly, each year, elects a GA President to serve a one-year term of office.
- Pursuant to its "**Uniting for Peace" resolution of November 1950** (resolution 377 (V), the **General Assembly may also take action if the Security Council fails to act**, owing to the negative vote of a Permanent Member, in a case where there appears to be a threat to or breach of the peace, or act of aggression.
- The Assembly can consider the matter immediately with a view to making recommendations to members for collective measures to maintain or restore international peace and security.
- In October 2015 the UN general assembly (UNGA) agreed to adopt a negotiating text for Security Council reforms.

### 1.4. The Security Council

Under **article 24 of the UN Charter**, the members of the UN conferred on the Security Council **primary responsibility for the maintenance of international peace and security**.

**The functions** of the Council fall mainly under two headings:

- Pacific settlement of disputes
- Action with respect to threats to the peace, breaches of the peace and acts of aggression.
- **It has 15 Members (5 permanent and 10 non-permanent members). The non permanent members are elected to serve a two year term.** The membership was last expanded in 1965.
- 10 non-permanent members should be elected according to the following pattern: five from African and Asia-Pacific states, one from Eastern European states, two from Latin American and Caribbean states, and two from Western European and Other states.
- **Five of the non-permanent members are elected each year by the General Assembly for a term of two years.**
- **Decisions on procedural matters** are made by an **affirmative vote of any nine members**. **Decisions on other matters** are made by an **affirmative vote of nine members, including the concurring votes of the five permanent members** of the Council.
- Each Member has one vote. Under the Charter, all **Member States are obligated to comply with Council decisions**.
- **The Security Council has a Presidency, which rotates alphabetically, changes every month.**
- The Security Council takes the lead in **determining the existence of a threat to the peace or act of aggression**. It calls upon the parties to a dispute to settle it by peaceful means and recommends methods of adjustment or terms of settlement.

- In some cases, the Security Council can resort to imposing sanctions or even authorize the use of force to maintain or restore international peace and security.
- The Security Council has **three standing committees**:
  - Committee of Experts on Rules of Procedure
  - Committee on Council Meetings away from Headquarters
  - Committee on the Admission of New Members.
- Apart from these there are **other committees and working groups**.
- All existing committees and working groups are comprised of the fifteen members of the Council.
- While **standing committees are chaired by the President of the Council**, rotating on a monthly basis, other committees and **working groups are chaired or co-chaired by designated members of the Council** who are announced on an annual basis by a Note of the President of the Security Council.
- **Counter-Terrorism Committee**: Guided by Security Council resolutions 1373 (2001) and 1624 (2005), the CTC works to bolster the ability of United Nations Member States to prevent terrorist acts both within their borders and across regions.
- **Non Proliferation Committee**: It is a Security Council Committee established pursuant to resolution 1540 (2004) which imposes binding obligations on all States to adopt legislation to prevent the proliferation of nuclear, chemical and biological weapons, and their means of delivery, and establish appropriate domestic controls over related materials to prevent their illicit trafficking.
- **Military Staff Committee**: The Military Staff Committee helps plan UN military measures and regulate armaments.
- **Ad hoc committees** are established for a limited time and to address a specific issue.
  - **Sanctions Committees (ad hoc)**: The use of mandatory sanctions is intended to apply pressure on a State or entity to comply with the objectives set by the Security Council without resorting to the use of force e.g. **Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning ISIL (Da'esh), Al-Qaida, and associated individuals, groups, undertakings and entities** oversees the sanctions measures imposed by the Security Council.
- **Peacekeeping Operations and Political Missions**
  - **A peacekeeping operation** consists of military, police and civilian personnel, who work to deliver security, political and early peacebuilding support.
  - **Political missions** are part of a continuum of UN peace operations working in different stages of the conflict cycle.
- **Advisory Subsidiary Bodies**: **The Peacebuilding Commission** is an advisory subsidiary body of both the Security Council and the General Assembly. The Peacebuilding Commission plays a unique role in:
  - bringing together all of the relevant actors, including international donors, the international financial institutions, national governments, troop contributing countries;
  - marshalling resources and
  - advising on and proposing integrated strategies for post-conflict peacebuilding and recovery and where appropriate, highlighting any gaps that threaten to undermine peace.
- The **International Criminal Tribunal for the former Yugoslavia (ICTY) established in 1993** and the **International Criminal Tribunal for Rwanda (ICTR) established in 1994** are **subsidiary organs of the Security Council** within the terms of article 29 of the Charter
- The Security Council held its first session on 17 January 1946 at Church House, Westminster, London. Since its first meeting, the Security Council has taken permanent residence at the United Nations Headquarters in New York City. It also travelled to many

cities, holding sessions in Addis Ababa, Ethiopia, in 1972, in Panama City, Panama, and in Geneva, Switzerland, in 1990.

- **A representative of each of its members must be present at all times at UN Headquarters** so that the Security Council can meet at any time as the need arises.

#### **1.4.1. Security Council: Step by Step Actions**

- When a complaint concerning a threat to peace is brought before it, the **Council's first action is usually to recommend that the parties try to reach agreement by peaceful means**. The Council may:
  - set forth principles for such an agreement;
  - undertake investigation and mediation, in some cases;
  - dispatch a mission;
  - appoint special envoys; or
  - request the Secretary-General to use his good offices to achieve a pacific settlement of the dispute.
- **When a dispute leads to hostilities**, the Council's primary concern is to **bring them to an end as soon as possible**. In that case, the Council may:
  - **issue ceasefire directives** that can help prevent an escalation of the conflict;
  - **dispatch military observers or a peacekeeping force** to help reduce tensions, separate opposing forces and establish a calm in which peaceful settlements may be sought.
- **Beyond this**, the Council may opt for **enforcement measures**, including:
  - **economic sanctions, arms embargoes**, financial penalties and restrictions, and travel bans;
  - severance of diplomatic relations;
  - **blockade**;
  - or even **collective military action**.
- A chief concern is to **focus action on those responsible for the policies or practices condemned by the international community, while minimizing the impact of the measures taken on other parts of the population and economy**.

#### **1.5. Economic and Social Council**

- The Economic and Social Council is the **principal body for coordination, policy review, policy dialogue and recommendations on economic, social and environmental issues**, as well as implementation of internationally agreed development goals.
- **It has 54 Members**, elected by the General Assembly for overlapping **three-year terms**.
- Eighteen members of ECOSOC are elected each year. Members generally serve three-year terms, ending on 31 December
- The president of ECOSOC is elected for a one-year term.
- **Voting is by simple majority and every member has one vote**.
- It is the United Nations' **central platform for reflection, debate, and innovative thinking on sustainable development**.
- It serves as the **central mechanism for activities of the UN system and its specialized agencies in the economic, social and environmental fields**, supervising subsidiary and expert bodies.
- **Subsidiary Bodies of ECOSOC**: Functional Commissions; Regional Commissions; Standing Committees; Expert Bodies; Other Subsidiary Bodies.

#### **1.6. Trusteeship Council**

- **The Trusteeship Council was established in 1945 by the UN Charter, under Chapter XIII, to provide international supervision for 11 Trust Territories** that had been placed under the

administration of seven Member States, and ensure that adequate steps were taken to prepare the Territories for self-government and independence.

- By 1994, all Trust Territories had attained self-government or independence.
- The Trusteeship Council suspended operation on 1 November 1994.
- By a resolution adopted on 25 May 1994, the Council amended its rules of procedure to drop the obligation to meet annually and agreed to meet as occasion required -- by its decision or the decision of its President, or at the request of a majority of its members or the General Assembly or the Security Council.

## 1.7. Secretariat

- The Secretariat comprises the Secretary-General and tens of thousands of international UN staff members who carry out the day-to-day work of the UN as mandated by the General Assembly and the Organisation's other principal organs.
- The Secretary-General is chief administrative officer of the Organisation, appointed by the General Assembly on the recommendation of the Security Council for a five-year, renewable term.
- UN staff members are recruited internationally and locally, and work in duty stations and on peacekeeping missions all around the world.

## 1.8. The International Court of Justice

- The International Court of Justice is the principal judicial organ of the United Nations. It was established in June 1945 by the Charter of the United Nations and began work in April 1946.
- The Court is composed of 15 judges, who are elected for terms of office of nine years by the United Nations General Assembly and the Security Council.
- Its seat is at the Peace Palace in The Hague (Netherlands). It is the only one of the six principal organs of the United Nations not located in New York (United States of America).
- The Court's functions are twofold.
  - First, it decides, in accordance with international law, cases that are submitted to it by states.
  - Secondly, the Court gives advisory opinions to the General Assembly and Security Council on legal questions, and advisory opinions to other organs of the UN and specialised agencies that are authorised by the General Assembly to request them.
- States entitled to appear before the Court fall into three categories:
  - States members of the UN
  - States not members of the UN that are parties to the Statute of the ICJ; Conditions are to be determined in each case by the General Assembly on the recommendation of the Security Council
  - States not parties to the Statute to which the Court is open. The conditions upon which the Court is open to such states are to be laid down by the Security Council, but they must not place the parties in a position of inequality before the Court.

## 1.9. Specialized Agencies, Programmes and Funds

The UN system, also known unofficially as the "UN family", is made up of the UN itself and many affiliated programmes, funds, and specialized agencies, all with their own membership, leadership, and budget.

- The programmes and funds are established by and report to the United Nations General Assembly. They are financed through voluntary rather than assessed contributions

### **1.9.1. Important Programmes and Funds**

- The **United Nations Development Programme (UNDP)** works in nearly 170 countries and territories, **helping to eradicate poverty, reduce inequalities and build resilience so countries can sustain progress**. As the **UN's development agency**, UNDP plays a critical role in helping countries achieve the Sustainable Development Goals.
- The **United Nations Children's Fund (UNICEF)** works in 190 countries and territories **to save children's lives, to defend their rights, and to help them fulfil their potential**. UNICEF provides long-term humanitarian and development assistance to children and mothers.
- **United Nations Capital Development Fund (UNCDF)**: The UN Capital Development Fund makes public and private finance work for the poor in the world's 47 least developed countries (LDCs).
- **United Nations Volunteers (UNV)**: UNV is based in Bonn, Germany. The UNV programme contributes to **peace and development through volunteerism worldwide**. UNV is **administered by the United Nations Development Programme (UNDP)** and reports to the UNDP Executive Board
- **United Nations Environment Programme (UNEP)**: UNEP is the **leading global environmental authority that sets the global environmental agenda, promotes the coherent implementation of the environmental dimension of sustainable development** within the United Nations system, and serves as an authoritative advocate for the global environment. It is **based in Nairobi, Kenya**,
- **United Nations Population Fund (UNFPA)**: UNFPA is the United Nations **reproductive health and rights agency**. The organisation was created in 1969,
- **United Nations Human Settlements Programme (UN-HABITAT)**: is the United Nations programme working towards a better urban future. Its mission is **to promote socially and environmentally sustainable human settlements development and the achievement of adequate shelter for all**. The **headquarters of the UN-Habitat Secretariat are located in Nairobi, Kenya**.
- **United Nations Conference on Trade and Development (UNCTAD)**: UNCTAD is a permanent **intergovernmental body established by the United Nations General Assembly in 1964**. Its **headquarters are located in Geneva**, Switzerland, and has offices in New York and Addis Ababa. UNCTAD is part of the UN Secretariat. It **reports to the UN General Assembly and the Economic and Social Council** but has its **own membership, leadership, and budget**. It supports **developing countries to access the benefits of a globalized economy more fairly and effectively**. Together with other UN departments and agencies, it measure progress by the Sustainable Development Goals, as set out in Agenda 2030.
- **Office of the United Nations High Commissioner for Refugees (UNHCR)**: established on December 14, 1950 by the United Nations General Assembly. The agency is mandated to lead and co-ordinate international action to protect refugees and resolve refugee problems worldwide. Over the years it has provided vital assistance to **refugees, asylum-seekers, internally displaced and stateless people**. UNHCR is governed by the UN General Assembly and the Economic and Social Council (ECOSOC).
- **United Nations Office for Project Services (UNOPS)**: UNOPS helps the UN and its partners provide peace and security, humanitarian and development solutions. UNOPS headquarters are located in Copenhagen, Denmark.
- **United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)**: UNRWA was established by United Nations General Assembly Resolution 302 (IV) of 8 December 1949 to carry out **direct relief and works programmes for Palestine refugees**. The Agency began operations on 1 May 1950. **It is headquartered in Amman, Jordan**.

- **UN-Women- Formed in 2010** UN women is an organisation dedicated to **gender equality and the empowerment of women.**

### **1.9.2. Specialized Agencies**

- **UN specialized agencies** are international organisations that **coordinate their work with the United Nations through negotiated agreements.**
- Unlike UN funds and programmes, which are established by and report to the United Nations General Assembly, **specialized agencies are legally independent of the United Nations and have separate budgets, members, rules, and personnel.**
- **The bulk of their funding comes from voluntary contributions** from governments, institutions, and individuals. Some specialized agencies, such as the International Labour Organisation (ILO), have been in existence longer than the United Nations.
- There are **currently 15 specialized agencies**:
  - **Food and Agriculture Organisation (FAO):** The Food and Agriculture Organisation (FAO) is specialized agency of the United Nations **that leads international efforts to defeat hunger. It was formed in 1945 and has headquarter in Rome, Italy. It is linked to the ECOSOC in the UN.** Its goal is to achieve food security for all and make sure that people have regular access to enough high-quality food to lead active, healthy lives. With over 194 member states, FAO works in over 130 countries worldwide.
  - **International Civil Aviation Organisation (ICAO):** established by States in 1944 to manage the administration and governance of the Convention on International Civil Aviation (Chicago Convention). **Its headquarters is in Montreal, Quebec, Canada. In October 1947, ICAO became an agency of the United Nations linked to the ECOSOC.** ICAO works with the Convention's 192 Member States and industry groups to reach consensus on **international civil aviation Standards and Recommended Practices (SARPs) and policies in support of a safe, efficient, secure, economically sustainable and environmentally responsible civil aviation sector.**
  - **International Fund for Agricultural Development (IFAD):** IFAD is an **international financial institution and specialized United Nations agency based in Rome**, the UN's food and agriculture hub. **It invests in rural people, empowering them to increase their food security, improve the nutrition of their families and increase their incomes.** It help them build resilience, expand their businesses and take charge of their own development. Since 1978, it has provided US\$18.5 billion in grants and low-interest loans to projects that have reached about 464 million people.
  - **International Labour Organisation (ILO):** The only tripartite U.N. agency, since 1919 the **ILO brings together governments, employers and workers of 187 member States , to set labour standards, develop policies and devise programmes promoting decent work for all women and men.** In 1946, the ILO became a specialized agency of the newly formed United Nations. **Its headquarters is in Geneva Switzerland. In 1969, the organisation received the Nobel Peace Prize** for improving peace among classes, pursuing decent work and justice for workers, and providing technical assistance to other developing nations
  - **International Maritime Organisation (IMO):** It is the United Nations specialized agency with **responsibility for the safety and security of shipping and the prevention of marine pollution by ships.** In 1948 an international conference in Geneva adopted a convention formally establishing IMO (the original name was the Inter-Governmental Maritime Consultative Organisation, or IMCO, but the **name was changed in 1982 to IMO**). **The IMO Convention entered into force in 1958** and the new Organisation met for the first time the following year, 1959. IMO currently has **173 Member States** and three Associate Members. **Its secretariat is base in London, U.K.**

- **International Monetary Fund (IMF):** see the entry on Bretton Woods institutions below.
- **International Telecommunications Union (ITU):** ITU is the United Nations specialized agency for information and communication technologies – ICTs. It allocates global radio spectrum and satellite orbits, develop the technical standards that ensure networks and technologies seamlessly interconnect, and strive to improve access to ICTs to underserved communities worldwide. An organisation based on public-private partnership since its inception, ITU currently has a membership of 193 countries and almost 800 private-sector entities and academic institutions. ITU is headquartered in Geneva, Switzerland, and has twelve regional and area offices around the world. ITU was formed in 1865, in Paris, at the International Telegraph Convention; this makes it one of the oldest intergovernmental organisations in the world. ITU became a United Nations specialized agency in 1947
- **United Nations Educational, Scientific and Cultural Organisation (UNESCO):** It is responsible for coordinating international cooperation in education, science, culture and communication. The UNESCO was founded on 16 November 1945. UNESCO has 195 Members and eight Associate Members. It is governed by the General Conference and the Executive Board. The Secretariat, headed by the Director-General, implements the decisions of these two bodies. Its headquarters are located at Place de Fontenoy in Paris, France. Through the Convention concerning the Protection of the World Cultural and Natural Heritage , adopted by UNESCO in 1972, it encourages the identification, protection and preservation of cultural and natural heritage around the world considered to be of outstanding value to humanity. "Many Voices One World", also known as the MacBride report, was a 1980 UNESCO publication written by the International Commission for the Study of Communication Problems.
- **United Nations Industrial Development Organisation (UNIDO):** Established by a General Assembly resolution in 1966 as an autonomous body within the UN, it became a sepcialiesd agency in 1985. It is headquartered in Vienna, Austria. As of January 2018, 167 States are Members of UNIDO. The mission of the UNIDO, as described in the Lima Declaration adopted at the fifteenth session of the UNIDO General Conference in 2013, is to promote and accelerate inclusive and sustainable industrial development (ISID) in Member States.
- **Universal Postal Union (UPU):** Established in 1874, the Universal Postal Union (UPU), with its headquarters in the Berne, Switzerland, is the second oldest international organisation worldwide. With its 192 member countries, it is the primary forum for cooperation between postal sector players. It helps to ensure a truly universal network of up-to-date products and services.
- **World Bank:** see the entry on Bretton Woods institutions below
- **World Health Organisation (WHO):** WHO began functioning with its Constitution coming into force on 7 April 1948 – now celebrated every year as World Health Day. Its headquarters is in Geneva, Switzerland. Working through offices in more than 150 countries, WHO Secretariat staff work side by side with governments and other partners to ensure the highest attainable level of health for all people. WHO defines health as Health as state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. Its Publications include the World Health Report, World Health Statisticics etc.
- **World Intellectual Property Organisation (WIPO):** WIPO is the global forum for intellectual property services, policy, information and cooperation. It is a self-funding agency of the United Nations, with 191 member states. Its mission is to lead the development of a balanced and effective international intellectual property (IP) system that enables innovation and creativity for the benefit of all. Its mandate, governing

bodies and procedures are set out in **the WIPO Convention**, which established WIPO in 1967. Its headquarters is in Geneva, Switzerland

- **World Meteorological Organisation (WMO)**: It is an **intergovernmental organisation with a membership of 191 Member States and Territories**. It originated from the **International Meteorological Organisation (IMO)**, which was founded in 1873. Established by the ratification of the **WMO Convention on 23 March 1950**, WMO became the **specialised agency of the United Nations for meteorology (weather and climate), operational hydrology and related geophysical sciences a year later in 1951**. The Secretariat, headquartered in Geneva, is headed by the Secretary-General. Its supreme body is the World Meteorological Congress.
- **World Tourism Organisation (UNWTO)**: It is an agency **responsible for the promotion of responsible, sustainable and universally accessible tourism**. UNWTO encourages the implementation of the **Global Code of Ethics for Tourism** to maximize tourism's socio-economic contribution while minimizing its possible negative impacts. **UNWTO's membership includes 158 countries**, 6 Associate Members and over 500 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities. On 27 September 1970, the International Union of Official Travel Organisations (IUOTO) Special General Assembly meeting in Mexico City adopts the Statutes of the **World Tourism Organisation (WTO)**. From 1980 onwards, this day is celebrated as "**World Tourism Day**". It began functioning in 1975. In 2003, the WTO general council and the UN agreed to establish the WTO as a specialized agency of the UN. Its **headquarters is in Madrid**.

## 1.10. Other Bodies with UN Partnership

- **World Food Programme (WFP) (UN/FAO)**: Based in Rome it is the leading **humanitarian organisation fighting hunger worldwide, delivering food assistance in emergencies** and working with communities to improve nutrition and build resilience. It works closely with its two Rome-based sister organisations, the Food and Agriculture Organisation of the United Nations and the International Fund for Agricultural Development.
- **International Trade Centre (ITC) (UN/WTO)**: Established in 1964, the International Trade Centre (ITC) is the **joint agency of the World Trade Organisation and the United Nations**. The ITC is involved in projects providing trade technical assistance in countries all over the world. It is the only development agency that is fully dedicated to **supporting the internationalization of small and medium-sized enterprises (SMEs)**. It is headquartered in Geneva Switzerland.

## 1.11. A Case for UN Reforms

- Since the end of the Cold War, India has been spearheading a move for reforms at the UN to make the world body more representative of the changing global realities while enhancing its credibility and effectiveness.
- In 1992, the UN General Assembly adopted a resolution. The resolution reflected three main complaints:
  - The Security Council no longer represents contemporary political realities.
  - Its decisions reflect only Western values and interests and are dominated by a few powers.
  - It lacks equitable representation
- In view of these growing demands for the restructuring of the UN, on 1 January 1997, the UN Secretary-General Kofi Annan initiated an inquiry into how the UN should be reformed. For instance how the members of the Security Council should be elected.

- The following are just some of the criteria that have been proposed for new permanent and non-permanent members of the Security Council. A new member should be:
  - A major economic power
  - A major military power
  - A substantial contributor to the UN budget
  - A big nation in terms of its population
  - A nation that respects democracy and human rights
  - Country that would make the Council more representative of the world's diversity in terms of geography, economic systems, and culture.
- A related issue was to change the nature of membership altogether. Some insisted, for instance, that the veto power of the five permanent members be abolished. Many perceived the veto to be in conflict with the concept of democracy and sovereign equality in the UN and thought that the veto was no longer right or relevant.
- As the UN completed 60 years of its existence, the heads of all the member-states met in September 2005 to celebrate the anniversary and review the situation.
- Secretary-General Antonio Guterres has made proposals to reform the United Nations since beginning his term in January 2017. In a speech in September 2017 he said "Our shared objective is a 21st century UN focused more on people and less on process...more on delivery and less on bureaucracy."

## 1.12. India and the United Nations

- **Founding Member:** Since 1945
- **Peacekeeping:** Historically largest troop contributor. 43 mission participations. Currently third largest contributor
- **Decolonisation:** India was the co-sponsor of the landmark 1960 Declaration on UN on Granting of Independence to Colonial Countries and Peoples. India was also elected the first chair of the Decolonization Committee (Committee of 24) where its ceaseless efforts to put an end to colonialism are well on record.
- **Apartheid: Key role against the regime In South Africa:** In fact, India was the first country to raise the issue in the UN (in 1946) and played a leading role in the formation of a Sub-Committee against Apartheid set up by the General Assembly. When the Convention on Elimination of all forms of Racial Discrimination was adopted in 1965, India was among the earliest signatories.
- **Terrorism:** With the objective of providing a comprehensible legal framework to counter terrorism India took the initiative to pilot a draft **Comprehensive Convention on International Terrorism (CCIT) in 1996** and continues to work for its early adoption
- **Financial Contribution:** With 0.7 percent of UN budget, India's contribution is 24<sup>th</sup> largest.
- India's status as a founding member of the Non-Aligned Movement and the **Group of 77** cemented its position within the UN system as a leading advocate of the concerns and aspirations of developing countries and the creation of a more equitable international economic and political order.
- **India strongly believes that the United Nations and the norms of international relations that it has fostered remain the most efficacious means for tackling today's global challenges.**

### 1.12.1. UN Reforms and India

- **India is today at the forefront of efforts on UN reform**, including expansion of the Security Council in both the permanent and nonpermanent categories to reflect contemporary realities.

- **India supports an increase in the number of both permanent and non-permanent members.** Its representatives have argued that the activities of the Security Council have greatly expanded in the past few years. The success of the Security Council's actions depends upon the political support of the international community.
- **India has suggested that the UN reforms need to be “broad-based and all-encompassing”** and the changes should not be restricted to its secretariat only.
- India has been a member of the Security Council during 1950-51, 1967-68, 1972-73, 1977-78, 1984-85, 1991-92, and lastly, 2011-12
- **The 193 member-United Nations adopted a consensus resolution in its 69<sup>th</sup> General Assembly on September 14, 2015 to move from Inter-Governmental Negotiations (IGN) to a Text-Based Negotiations (TBN) process for reforming the United Nations Security Council.**

### **1.12.2. India's Case of Permanent Membership of the Security Council**

- India itself also **wishes to be a permanent member in a restructured UN.** Following arguments can be put forth in Support of India's claim;
  - India is the **second most populous country** in the world comprising almost one-fifth of the world population.
  - Moreover, India is also the **world's largest democracy.**
  - India has **participated in virtually all of the initiatives of the UN.**
  - Its **role in the UN's peacekeeping efforts** is a long and substantial one.
  - The **country's economic emergence on the world stage** is another factor that perhaps justifies India's claim to a permanent seat in the Security Council.
  - India has also **made regular financial contributions to the UN** and never faltered on its payments.
  - Its **military strength and responsible behaviour in terms of nuclear proliferation** also bolster its claims
- **India is aware that permanent membership of the Security Council also has symbolic importance.** It signifies a country's growing importance in world affairs. This greater status is an advantage to a country in the conduct of its foreign policy: the reputation for being powerful makes one more influential.
- **India coordinates its position on the expansion of Security Council** along with other claimants for a permanent membership such as **Brazil, Germany and Japan** in group called **G-4.**
- Despite India's wish to be a permanent veto-wielding member of the UN, **some countries question its inclusion.** Neighboring Pakistan, with which India has troubled relations, is not the only country that is reluctant to see India become a permanent veto member of the Security Council. Some countries, for instance, are concerned about India's nuclear weapons capabilities. These views find common cause in the coalition known as **Uniting for Consensus or the Coffee club**, which apart from Italy and Pakistan also includes Argentina, Canada, Colombia, Malta, Mexico, San Marino, Spain, South Korea, and Turkey.

### **1.13. The Permanent Court of Arbitration**

- The Permanent Court of Arbitration, **established convention of 1899**, is an intergovernmental organisation providing a variety of dispute resolution services to the international community. The 1899 convention was revised in 1907.
- **The PCA has 121 Contracting Parties** (States) which have acceded to one or both of the PCA's founding conventions.
- **The PCA has a three-part organisational structure** consisting of an **Administrative Council** that oversees its policies and budgets, a panel of independent potential arbitrators

known as the **Members of the Court**, and its Secretariat, known as the **International Bureau**, headed by the Secretary-General.

- The PCA provides administrative support in international arbitrations involving various combinations of states, state entities, international organisations and private parties.
- The PCA's functions are not limited to arbitration and also include providing support in other forms of peaceful resolution of international disputes, including mediation, conciliation, and other forms of alternative dispute resolution (ADR).
- The PCA is available to provide administrative support in fact-finding commissions of inquiry involving various combinations of states, state entities, international organisations and private parties.
- The Secretary-General of the PCA may be called upon to act as the appointing authority, or to designate another appointing authority, for the appointment of arbitrators under the PCA's Rules of Procedure, the UNCITRAL Arbitration Rules, or other rules of procedure.

## 1.14. The International Criminal Court

The International Criminal Court (ICC) investigates and, where warranted, tries individuals charged with the gravest crimes of concern to the international community: genocide, war crimes, crimes against humanity and the crime of aggression.

- The treaty known as Rome Statute signed in 1998, effective since 2002, officially established the ICC.
- The court is unique as it was created by a treaty and not by the UN. The ICC tries individuals and not countries or organisations, for four crimes:
  - Genocide,
  - war crimes,
  - crime against humanity and
  - crime of aggression (once the 2010 amendment to Rome statute comes into effect).
- It does not have retrospective powers.
- It has jurisdiction:
  - on the territory State parties and countries that have accepted the jurisdiction
  - in other countries if crime are committed by the national's of the state parties or the countries that have accepted the jurisdiction,
  - in other countries if crimes were referred to by the UNSC, pursuant to a resolution adopted under chapter VII of the UN charter.
- ICC does not replace national courts but complements them. As a court of last resort it only prosecutes cases only when the country is either unwilling or unable to prosecute
- The Rome Statute created Court, trust fund for victims, and Assembly of State Parties
- It has four organs- Presidency, Judicial divisions with 18 Judges divided in three division- pre trial, trial and appeals, Office of Prosecutor, Registry.
- The Court has a cooperation agreement with the United Nations
- Countries such as India and the United States, are not members of the ICC.

## 1.15. The Bretton Woods Institutions: IMF and the World Bank

- The International Monetary Fund (IMF) and the World Bank were both created at an international conference convened in Bretton Woods, New Hampshire, United States in July 1944. These are also referred to as the Bretton Woods institutions.
- They share the same goal of raising living standards in their member countries.
- Their approaches to this goal are complementary,
  - with the IMF focusing on macroeconomic issues and
  - the World Bank concentrating on long-term economic development and poverty reduction

- Both Institutions are based in Washington D.C., United States
- Both institutions include 189 members countries and have vast operations around the world.
- Both have attracted criticism for being run by just a small number of economically powerful countries (USA and Europe). These countries choose the leadership and senior management, and so their interests dominate, despite the fact that the main borrowers from the World Bank and IMF are developing countries.
- The long-standing arrangement, under which the IMF is usually led by a European, while the World Bank is led by an American, has also been called into question.

### **1.15.1 International Monetary Fund**

- The IMF's mandate. The IMF promotes international monetary cooperation and provides policy advice and capacity development support to help countries build and maintain strong economies.
- The IMF also makes loans and helps countries design policy programs to solve balance of payments problems when sufficient financing on affordable terms cannot be obtained to meet net international payments.
- IMF loans are short and medium term and funded mainly by the pool of quota contributions that its members provide.
- IMF staff primarily constitutes of economists with wide experience in macroeconomic and financial policies.
- The SDR is an international reserve asset, created by the IMF in 1969 to supplement its member countries' official reserves. SDRs can be exchanged for freely usable currencies. The value of the SDR is based on a basket of five major currencies—the US dollar, the euro, the Chinese renminbi (RMB), the Japanese yen, and the British pound sterling.
- Quotas: A member country's quota determines its maximum financial commitment to the IMF, its voting power, and has a bearing on its access to IMF financing. When a country joins the IMF, it is assigned an initial quota in the same range as the quotas of existing members of broadly comparable economic size and characteristics. Quotas are denominated in Special Drawing Rights (SDRs), the IMF's unit of account.
- The largest member of the IMF is the United States, with a current quota (as of March 2017) of SDR82.99 billion (about US\$118 billion) and 17.46 % of vote, and the smallest member is Tuvalu, with a quota of SDR2.5 million (about US\$3.5 million).
- India has a quota of 3,114.4 million SDRs, 2.76% of vote.
- The IMF is accountable to its member country governments. At the top of its organizational structure is the Board of Governors , consisting of one governor and one alternate governor from each member country, usually the top officials from the central bank or finance ministry.
- For India, Minister of Finance acts as the Governor and the RBI governor acts as alternate governor
- Since July 2011 IMF managing director is Christine Lagarde of France. She is the first woman to head the IMF in organisation's history.

#### **1.15.1.1. Reforms**

- Though developing countries hold less than half the overall quota at the moment, with their rapidly increasing economic heft they have demanded a greater share — with limited success.
- The 15th General Review of Quotas (GRQ), the most recent attempt to revise the size and composition of the system, was to be completed by October 2017, but the deadline has now been extended to 2019.

- This follows the poor **precedent set by the long delay in adoption in 2016 of the previous GRQ (originally approved in 2010)**. That had doubled the overall size of the quotas to \$659 billion (from \$329 billion) while allotting an additional 6% of quotas to the developing world. In this round voting powers at the IMF had been revised to increase the voice of developing countries, notably China, Brazil, India, South Korea and Mexico.
- **The developing world is looking beyond the short-term crisis management tools** that the IMF, as the sole international lender of last resort, has traditionally offered them for decades now — albeit in an unsatisfactory and politically biased way.
- With the **rise of competing global institutions ready to meet the capital needs of the developing world**, the patience of countries such as India may be tested more easily.

### **1.15.2. The World Bank**

- **Together, IBRD and IDA make up the World Bank.**
- **The World Bank's mandate:** The World Bank promotes long-term economic development and **poverty reduction** by providing technical and financial support to help countries reform certain sectors or implement specific projects—such as building schools and health centers, providing water and electricity, fighting disease, and protecting the environment.
- **World Bank assistance is generally long term and is funded both by member country contributions and through bond issuance.**
- **World Bank staff are often specialists on particular issues**, sectors, or techniques.
- In 2010 voting powers at the World Bank were revised to increase the voice of developing countries, notably China. The countries with most voting power are now the United States (15.85%), Japan (6.84%), China (4.42%), Germany (4.00%), the United Kingdom (3.75%), France (3.75%), India (2.91%), Russia (2.77%), Saudi Arabia (2.77%) and Italy (2.64%).
- **Jim Yong Kim** from the United States was chosen as the new **president of the World Bank** in April 2012.

#### **1.15.2.1. Five Institutions, One Group**

**The World Bank Group** consists of **five organisations**:

- **The International Bank for Reconstruction and Development (IBRD)**
  - The IBRD lends to **governments of middle-income and creditworthy low-income countries**.
- **The International Development Association (IDA)**
  - The IDA provides **interest-free loans — called credits — and grants to governments of the poorest countries**.
- **The International Finance Corporation (IFC)**
  - IFC is the **largest global development institution focused exclusively on the private sector**. It helps developing countries achieve sustainable growth by financing investment, mobilizing capital in international financial markets, and providing advisory services to businesses and governments.
- **The Multilateral Investment Guarantee Agency (MIGA)**
  - **MIGA was created in 1988 to promote foreign direct investment into developing countries** to support economic growth, reduce poverty, and improve people's lives. MIGA fulfills this mandate by offering political risk insurance (guarantees) to investors and lenders.
- **The International Centre for Settlement of Investment Disputes (ICSID)**
  - The ICSID provides **international facilities for conciliation and arbitration of investment disputes**.

## 1.16. Washington Consensus

- This is a **set of neoliberal economic prescriptions made by the International Monetary Fund, the World Bank, and the U.S. Treasury** to developing countries that faced economic crises.
- **It recommended structural reforms that increased the role of market forces** in exchange for immediate financial help.
- The term was coined by British economist John Williamson in 1989.
- **Philosophy:** the operation of the free market and the reduction of state involvement are crucial to development in the global South.
- While some said that the Washington Consensus was used to impose harsh conditions that were unhelpful for economic recovery, others have argued that although not perfect, it was favourable to long-term economic growth in developing economies.
- By the late 1990s it was becoming clear that the results of the Washington Consensus were far from optimal.
- Increasing criticism led to a change in approach that shifted the focus away from a view of development as simply economic growth and toward poverty reduction and the need for participation by both developing-country governments and civil society. That change of direction came to be known as the post-Washington Consensus.

## 1.17. The WTO

- Formed in 1995 after the Uruguay Round to replace the General Agreement on Tariffs and Trade (GATT), which commenced in 1948.
- Its secretariat is in Geneva. WTO Director General is Roberto Azevedo
- The WTO has over 160 members representing 98 per cent of world trade. Over 20 countries are seeking to join the WTO.
- The World Trade Organisation (WTO) is the only global international organisation dealing with the rules of trade between nations.
- At the heart of the system — known as the multilateral trading system — are the WTO's agreements, negotiated and signed by a large majority of the world's trading nations, and ratified in their parliaments. The goal is to ensure that trade flows as smoothly, predictably and freely as possible.
- The WTO's top decision-making body is the Ministerial Conference (MC).
- The latest ministerial conference, MC-11, was held in Buenos Aires, Argentina, from 10 to 13 December 2017. The Conference ended with a number of ministerial decisions, including on fisheries subsidies and e-commerce duties, and a commitment to continue negotiations in all areas.
- Below this is the General Council (normally ambassadors and heads of delegation in Geneva, but sometimes officials sent from members' capitals) which meets several times a year in the Geneva headquarters. The General Council also meets as the Trade Policy Review Body and the Dispute Settlement Body.

### 1.17.1. The WTO Mandate

- There are a number of ways of looking at the WTO:
  - It's an organisation for liberalizing trade.
  - It's a forum for governments to negotiate trade agreements.
  - It's a place for them to settle trade disputes.
  - It operates a system of trade rules.
- Above all, it's a negotiating forum. Essentially, the WTO is a place where member governments go, to try to sort out the trade problems they face with each other. The first step is to talk.

- The bulk of the WTO's current work comes from the 1986-94 negotiations called the **Uruguay Round** and earlier negotiations under the General Agreement on Tariffs and Trade (GATT).
- The WTO is currently **hosting negotiations, under the "Doha Development Agenda"** launched in 2001.

### **1.17.2. Dispute Resolution**

- Resolving trade disputes is one of the core activities of the WTO.
- A dispute **arises when a member government believes another member government is violating an agreement or a commitment that it has made in the WTO.** The WTO has one of the most active international dispute settlement mechanisms in the world.
- Since 1995, over 500 disputes have been brought to the WTO and over 350 rulings have been issued.

#### **1.17.2.1 The Mechanism**

- Settling disputes is the responsibility of the **Dispute Settlement Body** (the General Council in another guise), which **consists of all WTO members.** The Dispute Settlement Body has the **sole authority to establish "panels" of experts** to consider the case, and to accept or reject the panels' findings or the results of an appeal. It **monitors the implementation** of the rulings and recommendations, and has the **power to authorize retaliation** when a country does not comply with a ruling.
- **First stage: consultation** (up to 60 days). Before taking any other actions the countries in dispute have to talk to each other to see if they can settle their differences by themselves. If that fails, they can also ask the WTO director-general to mediate or try to help in any other way.
- **Second stage: the panel** (up to 45 days for a panel to be appointed, plus 6 months for the panel to conclude). **If consultations fail, the complaining country can ask for a panel to be appointed.** The country "in the dock" can block the creation of a panel once, but when the Dispute Settlement Body meets for a second time, the appointment can no longer be blocked (unless there is a consensus against appointing the panel).
- **Third Stage: Appeal**-Either side can appeal a panel's ruling. Sometimes both sides do so. Appeals have to be based on points of law such as legal interpretation — they cannot re-examine existing evidence or examine new issues.
- **Each appeal is heard by three members of a permanent seven-member Appellate Body** set up by the Dispute Settlement Body and broadly representing the range of WTO membership. **Members of the Appellate Body have four-year terms.** They have to be individuals with recognized standing in the field of law and international trade, not affiliated with any government.

### **1.17.3. The Doha Round**

- The Doha Round is the **latest round of trade negotiations among the WTO membership.**
- Its **aim is to achieve major reform of the international trading system** through the introduction of lower trade barriers and revised trade rules.
- The **work programme covers about 20 areas of trade.** The Round is also **known semi-officially as the Doha Development Agenda** as a fundamental objective is to improve the trading prospects of developing countries.
- The Round was **officially launched at the WTO's Fourth Ministerial Conference in Doha, Qatar, in November 2001.** The Doha Ministerial Declaration provided the mandate for the negotiations, including on agriculture, services and an intellectual property topic, which began earlier.

- In Doha, ministers also approved a decision on how to address the problems developing countries face in implementing the current WTO agreements.

#### **1.17.4. Key Issues and Challenges: Developed Versus Developing Countries**

- The WTO's efforts have increased global trade expansion, but a side effect has been a negative impact on local communities and human rights.
- Advocates of the WTO consider the stimulation of free trade and a decline in trade disputes as beneficial to the global economy. Critics of the WTO point to the decline in domestic industries and increasing foreign influence in some cases as negative impacts on the world economy.
- The Doha Development round remains incomplete and multiple issues are pending.
- The mini-ministerial meeting of the World Trade Organisation (WTO) New Delhi (March 19-20, 2018) was an attempt to rejuvenate the spirit of negotiations that have been pending for long between the developed and the developing countries. It indicated that there remains key differences between the developed and developing countries on prioritising issues for negotiations at WTO.
- The issue that was central to this mini-ministerial is the debate on agricultural trade. India has made it amply clear through various rounds of Doha Development Agenda that agriculture being the mainstay of the food security and livelihood for developing countries, settlement on agricultural trade is important for multilateralism to succeed.
- It is key to understand the intricacies of agricultural trade and how this trade is currently highly asymmetrical in nature and needs to be settled in a manner that provides a level-playing field to the developing countries. Agricultural trade needs to be understood in the perspective of market access, domestic subsidy and export competition, which are the main planks of this contentious issue.
- From the perspective of developing countries, the key issues that need to be settled are the designation of Special Products (SP) and the agreement over the coverage of Special Safeguard Mechanism (SSM). The developing countries want to designate a set of SPs, which are critical from the viewpoint of their food security, livelihood and rural development. In addition, the SSM may be available to them as a defence against a sudden surge in imports or the fall in international commodity prices. At the Hong Kong ministerial in 2005, WTO members in principle agreed to these demands.
- The developing countries argue that the slow implementation of the Agreement on Agriculture (AoA) has resulted in a negative impact on food security, livelihood and rural development in poor countries, as it has enhanced exports from the developed countries rather than promoting imports by them.
- The motive of the developed countries is to bring in new issues such as e-commerce, micro, small and medium enterprises, investment facilitation, etc, to the fold of the WTO negotiations. The developed countries are interested to ignore the so-called Doha Development Agenda and include other trade issues that are of primary importance to them and will provide better trade gains to the developed economies.

#### **1.17.5. TRIPS**

- "Intellectual property" refers to creations of the mind. These creations can take many different forms, such as artistic expressions, signs, symbols and names used in commerce, designs and inventions. Governments grant creators the right to prevent others from using their inventions, designs or other creations — and to use that right to negotiate payment in return for others using them. These are "intellectual property rights".
- The WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), negotiated during the 1986-94 Uruguay Round, is adhered by all member of the WTO and is effective since 1995.

- Introduced intellectual property rules into the multilateral trading system for the first time. The TRIPS Agreement covers five broad areas:
  - how general provisions and basic principles of the multilateral trading system apply to international intellectual property
  - what the minimum standards of protection are for intellectual property rights that members should provide
  - which procedures members should provide for the enforcement of those rights in their own territories.
  - how to settle disputes on intellectual property between members of the WTO special transitional arrangements for the implementation of TRIPS provisions.

## 1.18. United Nations Commission on International Trade Law (UNCITRAL)

- Established in 1966, it is a subsidiary body of the General Assembly of the United Nations with the general mandate to further the progressive harmonization and unification of the law of international trade.
- It is the core legal body of the United Nations system in the field of international trade law. The issues dealt with by the WTO and UNCITRAL are different.
- The WTO deals with trade policy issues, such as trade liberalization, abolition of trade barriers, unfair trade practices or other similar issues usually related to public law, whereas UNCITRAL deals with the laws applicable to private parties in international transactions. As a consequence, UNCITRAL is not involved with "state-to-state" issues such as anti-dumping, countervailing duties, or import quotas.

## 1.19. Asian Development Bank (ADB)

- Based in Manila, Philippines it opened on 19 December 1966
- ADB assists its members, and partners, by providing loans, technical assistance, grants, and equity investments to promote social and economic development.
- From 31 members at its establishment in 1966, ADB has grown to encompass 67 members—of which 48 are from within Asia and the Pacific and 19 outside.
- India has been a member of ADB since its inception in 1966.

## 1.20. Organisation for Economic Co-operation and Development (OECD)

- Established in 1961 the OECD is based in Paris and has 35 members
- The OECD's origins date back to 1960, when 18 European countries plus the United States and Canada joined forces to create an organisation dedicated to economic development. Today its membership spans North and South America to Europe and Asia-Pacific. They include many of the world's most advanced countries but also emerging countries like Mexico, Chile and Turkey.
- The mission of the OECD is to promote policies that will improve the economic and social well-being of people around the world.
- In May 2007, the Council, meeting at ministerial level, invited the Secretariat to strengthen OECD cooperation with Brazil, India, Indonesia, the People's Republic of China and South Africa through "Enhanced Engagement" programmes.

## 2. Brics: Brazil, Russia, India, China and South Africa

- BRICS brings together five major emerging economies, comprising 43% of the world population, having 37% of the world GDP and 17% share in the world trade.

- The acronym **BRIC** was first used in **2001** by **Goldman Sachs** in their Global Economics Paper, "**The World Needs Better Economic BRICs**" on the basis of econometric analyses projecting that the four economies would individually and collectively occupy far greater economic space and would be amongst the world's largest economies in the next 50 years or so.
- As a formal grouping, **BRIC** started after the meeting of the Leaders of Russia, India and China in St. Petersburg on the margins of G8-Outreach Summit in July **2006**. The grouping was formalized during the 1st meeting of BRIC Foreign Ministers on the margins of UNGA in New York in September 2006.

## 2.1. BRIC to BRICS

- The 1st **BRIC** Summit was held in Yekaterinburg, Russia, on 16 June **2009**. The Yekaterinburg summit's final resolution outlined the group's **preference for multilateralism and multipolar world**, with UN playing a central role in dealing with global challenges and threats".
- It was agreed to expand **BRIC** into **BRICS** with the inclusion of South Africa at the **BRIC Foreign Minister's meeting in New York in September 2010**.
- **South Africa attended the 3rd BRICS Summit in Sanya on 14 April 2011.**
- The inclusion of South Africa **affirmed its political ambitions & its desire for gaining greater political legitimacy by roping in the largest economy of Africa**. South Africa's inclusion cannot be explained on the basis of economic consideration given the relatively small size of its economy as compared to other members.
- **Nine BRICS Summits have taken place so far**. The 8th BRICS Summit was hosted by India during its Chairmanship in 2016. the 9<sup>th</sup> Summit took Place in Xiamen, China and the 10<sup>th</sup> Summit is slated to take place in Johannesburg, South Africa.
- **This desire for a multipolar world and reforming multilateral institutions** took the concrete form for **reforming international financial institutions** to "reflect changes in the global economy" & that "emerging and developing economies must have a greater voice and representation in international financial institutions whose heads should be appointed through an open, transparent & merit based process".

## 2.2. The New Development Bank

- At the fourth **BRICS Summit in New Delhi (2012)**, the leaders of Brazil, Russia, India, China and South Africa **considered the possibility of setting up a new Development Bank** to mobilize resources for infrastructure and sustainable development projects in BRICS and other emerging economies, as well as in developing countries.
- At the fifth **BRICS summit in Durban (2013)**, the leaders **agreed on the feasibility of establishing the New Development Bank and made the decision to do so**. It was also agreed that the initial contribution to the Bank should be substantial and sufficient for it to be effective in financing infrastructure.
- During the sixth **BRICS Summit in Fortaleza (2014)**, the leaders signed the **Agreement establishing the New Development Bank (NDB)**.
- In the **Fortaleza Declaration**, the leaders stressed that the **NDB will strengthen cooperation among BRICS and will supplement the efforts of multilateral and regional financial institutions for global development**, thus contributing to collective commitments for achieving the goal of strong, sustainable and balanced growth.
- Fortaleza Declaration provided that:
  - The Bank shall have an **initial authorized capital of US\$ 100 billion**.
  - The **initial subscribed capital shall be US\$ 50 billion, equally shared among founding members**.

- The first chair of the Board of Governors shall be from Russia.
- The first chair of the Board of Directors shall be from Brazil.
- The first President of the Bank shall be from India.
- The headquarters of the Bank shall be located in Shanghai.
- The New Development Bank Africa Regional Center shall be established in South Africa concurrently with the headquarters.
- More than the establishment of the NDB, the **Fortaleza Declaration** is remarkable for adoption of 'one-nation one-vote' prescription for the proposed bank.
- In comparison the Bretton-Woods institutions — the World Bank and the International Monetary Fund — have structures that aren't equitable, to say the least.
- The inaugural meeting of the Board of Governors of the NDB was chaired by Russia and held on the eve of the **Ufa Summit on 7 July 2015**, when the **Bank formally came into existence as a legal entity**. During the meeting, the **appointment of the President, Mr. K.V. Kamath**, as well as four Vice Presidents and the Board of Directors took place.
- With the **Headquarters** being setup in **Shanghai China**, on 27 February 2016, the NDB became fully operational.
- The Bank has committed USD\$1.5 billion in loans to member countries so far, with a strong emphasis on renewable energy. Furthermore, plans are on track to reach the target \$2.5 billion of loan commitments by end of 2017. This will pave the way to reach between \$10 billion and 15 billion of loans by 2021.
- The creation of the NDB happened in the context of a real and continuing power shift in the international system from the developed industrialized world towards emerging market economies.

### **2.3. Contingency Relief Arrangement (CRA)**

- The Durban summit (2013) announced the setting up of a **US\$100 billion contingency relief arrangement (CRA)**.
- **China would be the largest contributor**, contributing US\$ 41 billion, while Brazil, India & Russia contribute US\$ 18 billion each and South Africa contribute the remaining US\$ 5 billion.
- The aim of CRA would be to "forestall short term liquidity pressures, provide mutual support & further strengthen financial stability" of these countries.

### **2.4. India's Approach**

- India hosted the 8<sup>th</sup> BRICS Summit during its Chairmanship from 15-16 October 2016 in Goa. The theme of India's BRICS Chairmanship is Building Responsive, Inclusive and Collective Solutions.
- During India's BRICS Chairmanship, five-pronged approach:
  - Institution building to further deepen, sustain and institutionalise BRICS cooperation;
  - Implementation of the decisions from previous Summits;
  - Integrating the existing cooperation mechanisms;
  - Innovation, i.e., new cooperation mechanisms; and
  - Continuity, i.e., continuation of mutually agreed existing BRICS cooperation mechanisms.
- In short, the Indian approach towards its BRICS Chairmanship could be captured by 'IIIC or I4C'.

### **2.5. Significance and Challenges**

- While some are skeptical about the BRICS formation, there is no doubt that this group of countries along with a number of others at similar levels of development is playing an

increasingly important role in the global economy. The contribution of BRICS countries to global GDP has increased from 8% in 2000 to 24% in 2017. Being home to 43% of the world's population, three of the BRICS economies are ranked in the top 10 by GDP size, namely China (2nd), India (7th) and Brazil (9th).

- Many challenges lie ahead for the BRICS
- Each of these emerging economies are presently on divergent growth paths, which in turn translate into differing priorities and the lack of a unified agenda.
- Nevertheless, since these five countries cumulatively hold considerable weight in global economics and politics, their continuing engagement serves well for stable growth prospects in the regions they encompass.
- This is why overcoming individual ambitions is a prerequisite if the trends toward deepening through institutionalization (via the year-old New Development Bank and the proposed ratings agency) are to actually materialize.
- In that sense, it makes more sense for the BRICS quintet to subscribe to a well-defined economic scope to avoid getting caught in the quagmire of geopolitical rhetoric.
- Though such a mandate would be necessarily limited, seeking exclusively to promote investments and commercial collaboration, they would also invariably reflect the dynamism of these five powerful economies.

## 2.6. The Asian Infrastructure Investment Bank (AIIB)

- A Chinese initiative, the AIIB is a **multilateral development bank with a mission to improve social and economic outcomes in Asia and beyond**.
- Headquartered in Beijing, it **commenced operations in January 2016** and has now grown to **84 approved members** from around the world.
- The Bank has an **authorised capital of USD 100 billion**.
- **China is the largest shareholder** with 26.06 per cent voting shares in the bank. **India is the second largest shareholder with 7.5 per cent** followed by Russia 5.93 per cent and Germany with 4.5 per cent.
- It lent \$1.7 billion in 2016, which increased to \$2.5 billion in 2017.
- India is the first country where the Bank has committed more than \$1 billion of financing.

## 3. IBSA Forum

- IBSA is a unique tripartite forum which brings together India, Brazil and South Africa, three large democracies and major economies from three different continents, facing similar challenges. All three countries are developing, pluralistic, multi-cultural, multi-ethnic, multi-lingual and multi-religious nations.
- The idea of establishing IBSA was discussed at a meeting between the then Prime Minister of India and the then Presidents of Brazil and South Africa in Evian on 2 June 2003 on the margins of the G-8 Summit.
- The grouping was formalized and named the IBSA Dialogue Forum when the Foreign Ministers of the three countries met in Brasilia on 6 June 2003 and issued the Brasilia Declaration.
- Cooperation in IBSA is on three fronts:
  - first, as a forum for consultation and coordination on global and regional political issues, such as, the reform of the global institutions of political and economic governance, WTO/Doha Development Agenda, climate change, terrorism etc.;
  - second, trilateral collaboration on concrete areas/projects, through fourteen working groups and six People-to-People Forums, for the common benefit of three countries; and

- third, assisting other developing countries by taking up projects in the latter through IBSA Fund.

### **3.1. Organisational Structure**

#### **3.1.1. Joint Working Groups**

- Joint Working Groups to promote sectoral cooperation have been established. There are 14 Joint Working Groups in areas, Transport; Health; Education; Defence; Science & Technology; Trade & Investment; Culture; Agriculture; Energy; Public Administration and Governance, Revenue Administration, Human Settlement, Environment and Social Development.

#### **3.1.2. People-to-People Forums**

- There are six People-to-People Forums under IBSA. These are, Parliamentary Forum, Women's Forum, Academic Forum, Local Governance Forum, Business Forum, and Editors' Forum. There is also a Tri-nation Forum on MSME.

#### **3.1.3. Focal Points**

- Senior Officials from the Foreign Offices of the three countries dealing with IBSA are the designated Focal Points; Secretary (West), assisted by Joint Secretary (MER), Ministry of External Affairs, is the IBSA Focal Point for India. Focal Points meet once a year for a standalone meeting and also meet prior to the Trilateral Commission.

#### **3.1.4. Trilateral Commission**

- The Brasilia Declaration established a Trilateral Commission at the level of Foreign Ministers. The Commission meets regularly; the first meeting of the Trilateral Commission was held in New Delhi on 4 - 5 March 2004. In addition, Foreign Ministers meet regularly before every IBSA Summit as well as on the sidelines of UNGA in New York.

#### **3.1.5. Summits**

- **Five IBSA Summit have been held so far:** 1st IBSA Summit in Brasilia on 13 September 2006; the 2nd in South Africa on 17 October 2007, the 3rd in New Delhi on 15 October 2008, 4th in Brasilia on 15 April 2010 and the 5th in Pretoria on 18 October 2011.

#### **3.1.6. IBSA Fund**

- An innovative work of IBSA is the establishment of IBSA Facility Fund for Alleviation of Poverty and Hunger through which development projects are executed with IBSA funding in fellow developing countries. An annual amount of US \$ 1 million is contributed by each IBSA member country. IBSA Fund received the 2010 MDG Award for South-South cooperation on 17 September 2010 in New York recognizing the work of the three countries in using innovative approaches to share development experiences in other parts of the world.

#### **3.1.7. IBSA Business Forum**

- An IBSA Business Forum was launched in Cape Town in March 2005. From India, CII, FICCI and ASSOCHAM are represented on the Council; CII coordinates India's participation.
- IBSA has also initiated a trilateral Naval Exercise since 2008

## 4. Organisation of the Petroleum Exporting Countries (OPEC)

- OPEC is a permanent intergovernmental organization of 14 oil-exporting developing nations that coordinates and unifies the petroleum policies of its Member Countries.
- It was established at the Baghdad Conference on September 10–14, 1960
- OPEC Secretariat located in Vienna, Austria, it also functions as the Headquarters of the Organization. The Secretariat was originally established in 1961 in Geneva, Switzerland. In April 1965 it was shifted to Vienna.

## 5. The Organisation of Islamic Cooperation (OIC)

- OIC is inter-governmental organization with a membership of 57 states spread over four continents. It was established in 1969.
- Its headquarters is in Jeddah, Saudi Arabia
- The Organization is the collective voice of the Muslim world. It endeavors to safeguard and protect the interests of the Muslim world in the spirit of promoting international peace and harmony among various people of the world.

## 6. The Commonwealth

- Formed through the 'London Declaration' adopted in 1949 which agreed that all member countries would be "freely and equally associated". It also meant the adjective 'British' was juked. The declaration stated the Commonwealth members were "free and equal members of the Commonwealth of Nations, freely co-operating in the pursuit of peace, liberty and progress".
- It has 53 members, prominent ones include India, Canada, Australia, The UK etc.
- Commonwealth Secretariat in London was set up in 1965. The Commonwealth is represented by the secretariat at the UN General Assembly as an observer.
- The Secretary-General is elected by Commonwealth heads of government for a maximum of two four year terms.
- In 1971, the Commonwealth Heads of Governments Meeting (CHOGM) process was set up and the meetings of the Commonwealth heads of governments, which until then only took place in the UK, travelled out of London. The first CHOGM was held in Singapore in 1971.
- A CHOGM has a two tier format - a) Executive Sessions, where the heads of government interact in a more formal manner and they make statements, and are accompanied by ministers or officials, and (b) a Retreat, where the heads of government interact informally with their counterparts without the presence of any aides.
- The Commonwealth has no written constitution, members reach decisions through consultations.
- The 14 points Singapore Declaration dedicated the members to the principles of world peace, liberty, human rights and equality.
- India, the Commonwealth's largest member state, has once hosted CHOGM. New Delhi was the venue for the seventh CHOGM Summit under the then PM Indira Gandhi's leadership in 1983.
- India is the fourth largest contributor to the Commonwealth budget but has played an important role in the Commonwealth's important landmarks
- Next Summit CHOGM, is Scheduled to be held in London in April 2018.

## 7. Important Groupings

### 7.1. G-20

- G-20 the Group of Twenty was **established in 1999** as a forum in which major advanced and emerging economies discuss global financial and economic matters
- The G20 membership comprises a mix of the **world's largest advanced and emerging economies**, representing about two-thirds of the world's population, 85 per cent of global gross domestic product and over 75 per cent of global trade.
- The objectives of the G20 are:
  - Policy coordination between its members in order to achieve global economic stability, sustainable growth;
  - To promote financial regulations that reduce risks and prevent future financial crises; and
  - To create a new international financial architecture.
- The members of the G20 are Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, the United States and the European Union.
- Since its inception, it has held annual Finance Ministers and Central Bank Governors Meetings and more recently Summits of Heads of State.
- **G20 was raised to the Summit level in 2008** to address the global financial and economic crisis of 2008.
- G-20 leaders Summits have been held in Washington in 2008 and in London and Pittsburgh in 2009. 2017 it was held in Hamburg Germany.
- **The G20 Presidency rotates annually** according to a system that ensures a regional balance over time. Reflecting its nature as an **informal political forum**, the G20 **does not have a permanent secretariat**. Instead, the G20 president is responsible for bringing together the G20 agenda in consultation with other members and in response to developments in the global economy.
- To ensure continuity, the presidency is supported by a "**troika**" **made up of the current, immediate past and next host countries**. The Current Troika is China, Germany and Argentina.
- India hosted a meeting of G20 finance ministers and central bank governors in 2002.
- The preparatory process for the G20 Summit is conducted through the established Sherpa and Finance tracks that prepare and follow up on the issues and commitments adopted at the Summits.
- **The Sherpas' Track or development track** focuses on non-economic and financial issues, such as **development, anti-corruption and food security**, while addressing internal aspects such as procedural rules of the G20 process. **The Sherpas carry out important planning, negotiation and implementation tasks continuously.**
- **The Finance Track** focuses on **economic and financial issues**. The Sherpa and Finance tracks both rely on the technical and substantive work of a series of expert working groups.

### 7.2. G-7

- **Established in 1975** as G-5 (France, Germany, Japan, the UK, and the USA).
- Subsequently **expanded as the G-7 to include Canada (1976) and Italy (1978)** and the G-8 to include Russian Federation (1998).
- However Russia **was ejected from the G8 political forum in March 2014** following the Russian annexation of Crimea, thus again becoming G-7.
- The G-7 **conducts semi-formal collaboration on world economic problems**.

- Government leaders meet in annual G-7 Summits, while Finance ministers and/or their leading officials periodically hold other consultations.

### 7.3. G-77

- **Established in 1964 by a group of 77 developing countries** in the United Nations.
- **It is the largest intergovernmental grouping of developing countries in the UN.** Established on 15 June 1964, the group today has 134 members including India.
- Still in existence the G-77 aims to **promote collective economic interests, mutual cooperation for development and negotiating capacity on all major international economic issues within the United Nations system.**
- Since January 2018, Egypt is the new Chair for the group.

## 8. Questions from Previous Years

- The World Bank and the IMF, collectively known as the Bretton Woods Institutions, are the two inter-governmental pillars supporting the structure of the world's economic and financial order. Superficially, the World Bank and the IMF exhibit many common characteristics, yet their role, functions and mandate are distinctly different. Elucidate. (2013/ 200 words/10/ GS2)
- India has recently signed to become a founding member of New Development Bank (NDB) and also the Asian Infrastructure Investment Bank (AIIB). How will the role of the two Banks be different? Discuss the strategic significance of these two Banks for India. (2014/ 200 words/ 12.5/ GS2)
- WTO is an important international institution where decisions taken affect countries in a profound manner. What is the mandate of WTO and how binding are their decisions? Critically analyse India's stand on the latest round of talks on food security. (2014/200 words/ 12.5/GS2).

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# LECTURE-15

## KEY ISSUES IN INTERNATIONAL RELATIONS

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## 1. Treaties/Conventions/Protocols/Agreements

- The Vienna Convention on the Law of Treaties (VCLT), 1969, defines a **treaty** as:
  - ‘an international agreement concluded between states in written form and governed by international law’ (VCLT article 2(a))
- Treaties can be referred to by many terms, including ‘agreements’, ‘conventions’, ‘protocols’, ‘charters’, ‘accords’, and ‘amendments’.
- According to the VCLT, **whether an agreement constitutes a treaty does not depend on its title, but on whether the parties intended the instrument to be governed by international law.**
- Treaties can usually be distinguished from non-legally binding instruments by the inclusion of ‘final clauses’, addressing issues such as how states express their consent to be bound (for example, through ratification or accession) and the requirements for entry into force – provisions that would not make sense in an instrument not intended to be legal in character.
- Under the Vienna Conventions on the Law of Treaties, a **treaty must be**:
  - a **binding instrument**, which means that the contracting parties intended to create legal rights and duties;
  - **concluded by states or international organizations with treaty-making power;**
  - **governed by international law** and
  - **in writing.**
- A **framework convention or agreement** describes a type of legally binding treaty which establishes broader commitments for its parties **and leaves the setting of specific targets either to subsequent more detailed agreements** (usually called **protocols**) or to national legislation. In essence, a framework agreement serves as an umbrella document which lays down the principles, objectives and the rules of governance of the treaty regime. e.g. the **UNFCCC and the Kyoto Protocol**
- Treaties often contain a mix of mandatory and non-mandatory elements. For example, Article 4.1 of the UNFCCC establishes **legal obligations**, because it specifies what parties ‘shall’ do to address climate change. By contrast, Article 4.2 formulates the target for Annex I parties to return emissions to 1990 levels by the year 2000 as a nonbinding ‘aim’, rather than as a legal commitment.
- The Convention took effect in 1994. The text of the Kyoto Protocol was adopted unanimously in 1997; it entered into force on 16 February 2005.
- A ‘convention’ is a formal agreement between States. The generic term ‘convention’ is thus synonymous with the generic term ‘treaty’. Conventions are normally open for participation by the international community as a whole, or by a large number of States.
- Usually the instruments negotiated under the auspices of an international organization are entitled **conventions** (e.g. the Convention on the Rights of the Child, adopted by the General Assembly of the United Nations in 1989).

## 2. Global Commons

- The ‘Global Commons’ refers to **resource domains or areas that lie outside of the political reach of any one nation State**. Thus international law identifies **four global commons** namely:
  - the High Seas;
  - the Atmosphere;
  - Antarctica; and,
  - Outer Space.

- These areas have historically been guided by the principle of the common heritage of humankind - the open access doctrine or the mare liberum (free sea for everyone) in the case of the High Seas. Despite efforts by governments or individuals to establish property rights or other forms of control over most natural resources, the Global Commons have remained an exception. These are governed by multiple treaty arrangements and conventions

## 2.1. United Nations Convention on The Laws of The Sea (UNCLOS)

- UNCLOS is an international agreement that resulted from the third United Nations Conference on the Law of the Sea (UNCLOS III), which took place between 1973 and 1982.
- The Convention, concluded in 1982, replaced four 1958 treaties. UNCLOS came into force in 1994.
- It has been ratified by 168 parties (167 states+ EU).
- The United Nations Convention on the Law of the Sea lays down a comprehensive regime of law and order in the world's oceans and seas establishing rules governing all uses of the oceans and their resources.
- It enshrines the notion that all problems of ocean space are closely interrelated and need to be addressed as a whole.
- It also established three institutions: the International Tribunal for the Law of the Sea (ITLOS), the International Seabed Authority (ISA) and the Commission on the Limits of the Continental Shelf (CLCS).

## 2.2. UNCLOS Maritime Zones

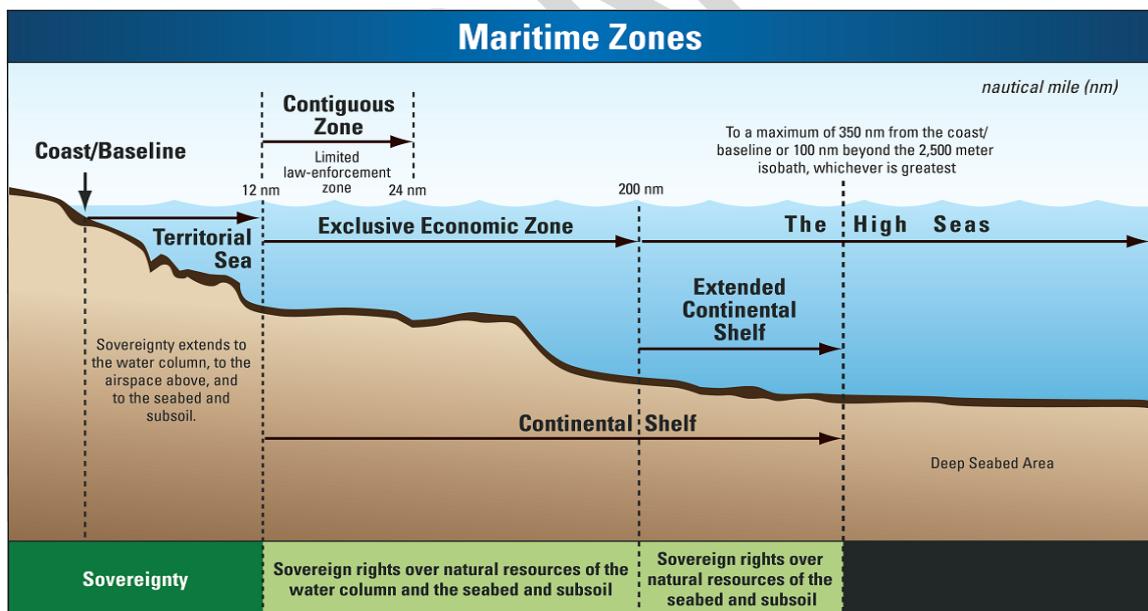


Image Source: <https://mainelaw.maine.edu/faculty/wp-content/uploads/sites/4/Maritime-Zones.png>

### 2.2.1. Territorial Sea

- Under the Convention, a coastal State is entitled to a territorial sea not exceeding 12 nautical miles measured from its baselines. Within its territorial sea, the coastal State exercises sovereignty, including over its resources.
- Subject to the provisions of the Convention, ships of all States enjoy the right of innocent passage through the territorial sea.

### **2.2.2. Contiguous Zone**

- The Convention also grants a coastal State the right to establish a **contiguous zone not extending beyond 24 nautical miles from the baselines**.
- Within its contiguous zone, the **coastal State may exercise the control necessary to prevent and punish infringement of customs, fiscal, immigration or sanitary laws and regulations that have occurred within its territory or territorial waters and to control, in specified circumstances, the trafficking of archaeological and historical objects**.

### **2.2.3. Exclusive Economic Zone**

- In addition, a coastal State may establish an **exclusive economic zone not extending beyond 200 nautical miles from its baselines**.
- Here, the **coastal State has sovereign rights for the purposes of exploring and exploiting, conserving and managing natural living or non-living resources of the waters superjacent to the seabed and of the seabed and its subsoil, and**
- With regard to other activities for the economic exploitation and exploration of the zone, such as the production of energy from the water, currents and winds.
- In the exclusive economic zone, the **coastal State has jurisdiction with regard to the establishment and use of artificial islands, installations and structures, marine scientific research and protection and preservation of the marine environment**.

### **2.2.4. Continental Shelf**

- Pursuant to the Convention, the **continental shelf comprises the seabed and subsoil of the submarine areas that extend beyond the territorial sea of coastal States up to 200 nautical miles from the baselines**.
- **In the cases in which the continental shelf extends beyond 200 nautical miles from the baselines, coastal States are required by the Convention to submit information on the outer limits of the continental shelf beyond 200 nautical miles to the Commission on the Limits of the Continental Shelf for its consideration.**

#### **2.2.4.1. Commission on the Limits of the Continental Shelf (CLCS)**

- CLCS is **one of the three institutions created by the UNCLOS**.
- The **purpose of the CLCS is to facilitate the implementation of the United Nations Convention on the Law of the Sea (the Convention) in respect of the establishment of the outer limits of the continental shelf beyond 200 nautical miles (M) from the baselines from which the breadth of the territorial sea is measured**.
- **It has 21 Members with a term of five years**.
- **It is based in Geneva, Switzerland**.

### **2.2.5. High Seas**

- All parts of the sea that are not included in the exclusive economic zone, the territorial sea or the internal or archipelagic waters of a State, are known as the high seas.
- On the high seas all **States have the freedom of navigation, of overflight, to lay submarine cables and pipelines, to construct artificial islands and other installations, of fishing, and of scientific research**.
- These freedoms **must be exercised with due regard for the interests of other States in their exercise of the freedom of the high seas**.
- The **seabed and ocean floor and subsoil thereof beyond the limits of national jurisdiction constitute the “Area”. The Convention provides that the Area and its resources are the “common heritage of mankind”**.

- In this context, the Convention defines "resources" as "all solid, liquid or gaseous mineral resources in situ in the Area at or beneath the seabed, including polymetallic nodules."
- **No State can claim or exercise sovereignty or sovereign rights over any part of the Area or its resources**, nor can any State or natural or juridical person appropriate any part thereof. On the contrary, all rights in the resources of the Area are vested in mankind as a whole.

#### **2.2.5.1. International Seabed Authority**

- An organization **established by the UNCLOS**, the International Seabed Authority, **organizes and controls activities in the Area, particularly with a view to administering resources in the Area**.
- It is based in **Kingston, Jamaica**,
- The Convention provides that activities in the Area shall be carried out for the benefit of mankind.
- Both the high-seas and the Area can only be used for peaceful purposes.

#### **2.2.6. The International Tribunal for the Law of the Sea (ITLOS)**

- ITLOS is an **independent judicial body established by the UNCLOS to adjudicate disputes arising out of the interpretation and application of the Convention**.
- It is **based in Hamburg Germany**.
- The **Tribunal is composed of 21 independent members**, elected from among persons enjoying the highest reputation for fairness and integrity and of recognized competence in the field of the law of the sea.
- The Tribunal has **jurisdiction over any dispute concerning the interpretation or application of the Convention**, and over all matters specifically provided for in any other agreement which confers jurisdiction on the Tribunal (Statute, article 21).
- The **Tribunal is open to States Parties to the Convention** (i.e. States and international organisations which are parties to the Convention).
- **It is also open to entities other than States Parties**, i.e., States or intergovernmental organizations **which are not parties to the Convention**, and to **state enterprises and private entities** "in any case expressly provided for in Part XI or in any case submitted pursuant to any other agreement conferring jurisdiction on the Tribunal which is accepted by all the parties to that case" (Statute, article 20).

#### **2.2.7. Ocean Garbage Patches: A Case for Multilateral Action**

- Ocean cover more than 70 percent of earth's surface, they act as major resource for humanity and support great biodiversity.
- **The world's oceans are full of trash, causing "tremendous" negative impacts on coastal life and ecology.** Plastic makes up about 80 percent of the ocean trash collected in some areas of the world
- **Most of the garbage accumulates in five little-explored "patches"** found in the doldrums of the Atlantic, Pacific, and Indian Oceans.
- **The largest is the Great Pacific Garbage Patch**, which starts a few hundred miles off the coast of North America and stretches to a few hundred miles off the coast of Japan; a more concentrated area lies between California and Hawaii.
- In these cases the harm to fish and other sea creatures is increasing.
- **Only about 20 percent of ocean plastic comes from marine sources**, such as discarded fishing equipment or cargo ship mishaps. About **80 percent of it washes out to sea from beach litter or was carried downstream in rivers**.

### Ocean Garbage Patches

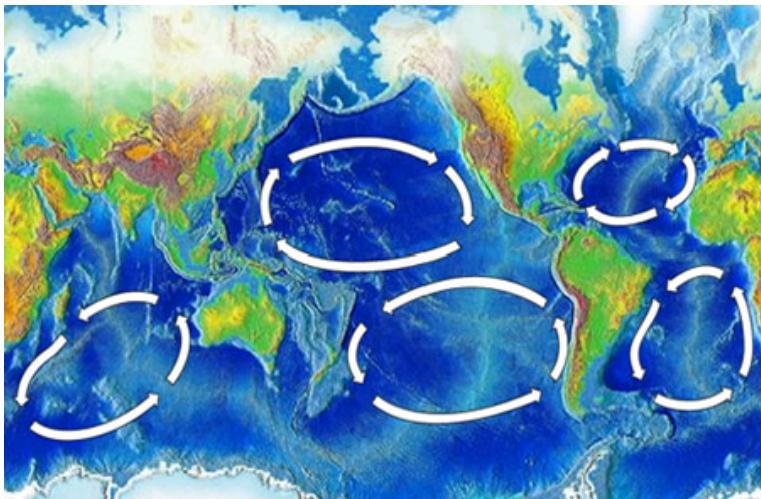


Image Source:

[https://en.wikipedia.org/wiki/Indian\\_Ocean\\_garbage\\_patch#/media/File:Oceanic\\_gyres.png](https://en.wikipedia.org/wiki/Indian_Ocean_garbage_patch#/media/File:Oceanic_gyres.png)

- There is an **increasingly urgent need to approach the issue of marine litter through better enforcement of laws and regulations**, expanded outreach and educational campaigns, and the employment of strong economic instruments and incentives
- Creating incentives to help reduce littering can be a political challenge.

#### 2.2.7.1. Solutions

- There are **several solutions offered by UN Environment Programme** in a **report titled "Marine Litter: A Global Challenge."**:
  - **Countries and regions should adopt long-term plans to prevent litter from ending up in the oceans.**
  - **Countries should monitor marine litter using international standards and methodologies.**
  - **Ports should encourage fishing boats not to discard nets at sea.**
  - **Efforts to reduce marine litter should get more funding.**
- Thus, **the issue requires international attention and cooperation to be resolved.**

### 2.3. The Outer Space Treaty

- **Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies.**
- The Treaty was opened for signature by the three depositary Governments (the Russian Federation, the United Kingdom and the United States of America) in January 1967, and it **entered into force in October 1967**.
- **107 countries are parties to the treaty**, while another 23 have signed the treaty but have not completed ratification.
- The United Nations Committee on the Peaceful Uses of Outer Space (**UNCOPUOS**) **oversees these treaties and other questions of space jurisdiction.**
- The Outer Space Treaty **provides the basic framework on international space law**, including the following principles:
  - **the exploration and use of outer space shall be carried out for the benefit and in the interests of all countries** and shall be the **province of all mankind**;
  - **outer space shall be free for exploration and use by all States**;
  - **outer space is not subject to national appropriation by claim of sovereignty**, by means of use or occupation, or by any other means;

- States shall not place nuclear weapons or other weapons of mass destruction in orbit or on celestial bodies or station them in outer space in any other manner;
- the Moon and other celestial bodies shall be used exclusively for peaceful purposes;
- astronauts shall be regarded as the envoys of mankind;
- States shall be responsible for national space activities whether carried out by governmental or non-governmental entities;
- States shall be liable for damage caused by their space objects; and
- States shall avoid harmful contamination of space and celestial bodies.
- However, the treaty fails to define what exactly constitutes outer space and its limits. Also, there is ambiguity on what constitutes peaceful use. There has been tremendous changes in the use of space and States with Space capability. Thus, there have been calls for a new space treaty for contemporary times.

## 2.4. The Antarctica Treaty

- The Antarctic Treaty was signed in Washington on 1 December 1959 by the twelve countries whose scientists had been active in and around Antarctica during the International Geophysical Year (IGY) of 1957-58.
- It entered into force in 1961 and has since been acceded to by many other nations. The total number of Parties to the Treaty is now 53.
- Some important provisions of the Treaty:
  - Antarctica shall be used for peaceful purposes only (Art. I)
  - Freedom of scientific investigation in Antarctica and cooperation toward that end ... shall continue (Art. II).
  - Scientific observations and results from Antarctica shall be exchanged and made freely available (Art. III).
- No acts or activities taking place while the present Treaty is in force shall constitute a basis for asserting, supporting or denying a claim to territorial sovereignty in Antarctica or create any rights of sovereignty in Antarctica. No new claim, or enlargement of an existing claim to territorial sovereignty in Antarctica shall be asserted while the present Treaty is in force.
- Among the signatories of the Treaty were seven countries - Argentina, Australia, Chile, France, New Zealand, Norway and the United Kingdom - with territorial claims, sometimes overlapping. Other countries do not recognize any claims. The US and Russia maintain a "basis of claim".

## 2.5. The Arctic Council

### ARCTIC REGION



Image Source: [https://www.cia.gov/library/publications/the-world-factbook/graphics/ref\\_maps/political/jpg/arctic\\_region.jpg](https://www.cia.gov/library/publications/the-world-factbook/graphics/ref_maps/political/jpg/arctic_region.jpg)

- The Arctic Council is the leading **intergovernmental forum promoting cooperation, coordination and interaction among the Arctic States, Arctic indigenous communities and other Arctic inhabitants on common Arctic issues**, in particular on issues of sustainable development and environmental protection in the Arctic.
- The Ottawa Declaration (1996)** lists the following countries as Members of the **Arctic Council**: Canada, the Kingdom of Denmark, Finland, Iceland, Norway, the Russian Federation, Sweden and the United States.
- In addition, **six organizations representing Arctic indigenous peoples** have status as **Permanent Participants**. The category of Permanent Participant was created to provide for active participation and full consultation with the Arctic indigenous peoples within the Council. They include: the Aleut International Association, the Arctic Athabaskan Council, Gwich'in Council International, the Inuit Circumpolar Council, Russian Association of Indigenous Peoples of the North and the Saami Council.

- **Observer status in the Arctic Council is open to non-Arctic states**, along with inter-governmental, inter-parliamentary, global, regional and non-governmental organizations that the Council determines can contribute to its work. Arctic Council Observers primarily contribute through their engagement in the Council at the level of Working Groups.
- **The standing Arctic Council Secretariat formally became operational in 2013 in Tromsø, Norway.** It was established to provide administrative capacity, institutional memory, enhanced communication and outreach and general support to the activities of the Arctic Council.
- **In 2013 India achieved the observer Status in the Arctic Council**, along with China, Italy, Japan, Republic of Korea and Singapore
- **India would contribute its scientific expertise**, particularly its polar research capabilities, to the work of the Arctic Council to support its objectives.
- **India also looking for partnership in hydrocarbon exploration** by joining hands with one of the five countries gearing up for the purpose — the U.S., Canada, Norway, Russia and Denmark. **Russia can be the most suitable partner geographically in this endeavour.**

## 2.6. Atmosphere

- First Sustainable Development Summit in Stockholm 1972, marked the emergence of environment as a key issue in IR.
- **UNFCCC is one of the three Rio-Conventions**, adopted at the “Rio Earth Summit” in 1992. Its sister Rio Conventions are the UN Convention on Biological Diversity and the Convention to Combat Desertification.
- **UNFCCC came into existence in 1992 and has 197 parties. It took effect in 1994.**
- Conference of Parties (CoP) is in place since 1995, it is the supreme decision-making body of the Convention. All States that are Parties to the Convention are represented at the COP, at which they review the implementation of the Convention and any other legal instruments that the COP adopts and take decisions necessary to promote the effective implementation of the Convention, including institutional and administrative arrangements.
- **Kyoto Protocol** to the UNFCCC came into existence in 1997.
- UNFCCC borrows from the **Montreal Protocol**, in 1987 on CFCs i.e. it bound member states to act in the interests of human safety even in the face of scientific uncertainty.

### 2.6.1. UNFCCC

- The ultimate objective of the Convention is to stabilize greenhouse gas concentrations "at a level that would prevent dangerous anthropogenic (human induced) interference with the climate system.
- Puts the onus on developed countries to lead the way.
- The idea is that, as they are the source of most past and current greenhouse gas emissions, industrialized countries are expected to do the most to cut emissions on home ground.
- They are called Annex I countries and belong to the Organization for Economic Cooperation and Development (OECD). They also include 12 countries with "economies in transition" from Central and Eastern Europe. Annex I countries were expected by the year 2000 to reduce emissions to 1990 levels.

#### 2.6.1.1. Kyoto Protocol

- The Kyoto Protocol was adopted in Kyoto, Japan, on 11 December 1997. Due to a complex ratification process, it entered into force on 16 February 2005.
- The Kyoto Protocol is what “operationalizes” the Convention. It commits industrialized

- countries to stabilize greenhouse gas emissions based on the principles of the Convention. The Convention itself only encourages countries to do so.
- Sets binding emission reduction targets for 37 industrialized countries and the European community in its first commitment period. Overall, these targets add up to an average five per cent emissions reduction compared to 1990 levels over the five-year period 2008 to 2012 (the first commitment period).
  - It only binds developed countries because it recognizes that they are largely responsible for the current high levels of GHG emissions in the atmosphere, which are the result of more than 150 years of industrial activity.
  - It places a heavier burden on developed nations under its central principle: that of “common but differentiated responsibility”.
  - Its architecture involved:
    - Reporting and verification procedures;
    - Flexible market-based mechanisms, which in turn have their own governance procedures; and
    - A compliance system.
  - Market based mechanisms are: International Emission trading, Clean Development Mechanism, Joint implementation. These created what is now known as the “carbon market.”
  - In Doha, Qatar, on 8 December 2012, the Doha Amendment to the Kyoto Protocol was adopted. This launched a second commitment period, starting on 1 January 2013 until 2020.

### **2.6.2. COP21**

- CoP21 was held in Paris from 30 November to 12 December 2015.
- The Paris Climate Agreement is a pact within the UN Framework Convention on Climate Change (UNFCCC) dealing with greenhouse gas emissions mitigation, adaptation and finance starting in the year 2020.
- According to the agreement, each country determines, plans and regularly reports its own contribution it should make in order to mitigate global warming.
- The Paris Agreement entered into force on 4 November 2016, thirty days after the date on which at least 55 Parties to the Convention accounting in total for at least an estimated 55 % of the total global greenhouse gas emissions deposited their instruments of ratification, acceptance, approval or accession with the Depositary.
- India is the world's third largest emitter of greenhouse gases after the China and the United States.

#### **2.6.2.1. Paris Agreement**

- The Paris Agreement's aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.
- Additionally, the agreement aims to strengthen the ability of countries to deal with the impacts of climate change. To reach these ambitious goals, appropriate financial flows, a new technology framework and an enhanced capacity building framework will be put in place, thus supporting action by developing countries and the most vulnerable countries, in line with their own national objectives.
- The Agreement also provides for enhanced transparency of action and support through a more robust transparency framework. There will be a global stocktaking every 5 years to assess the collective progress towards achieving the purpose of the Agreement and to inform further individual actions by Parties.

### 2.6.2.2. Nationally determined contributions

- The Paris Agreement requires all Parties to put forward their best efforts through “nationally determined contributions” (NDCs) and to strengthen these efforts in the years ahead. This includes requirements that all Parties report regularly on their emissions and on their implementation efforts.

### 2.6.2.3. Key terms

- Mitigation:** Mitigation refers to efforts to reduce or prevent emission of greenhouse gases. Mitigation can mean using new technologies and renewable energies, making older equipment more energy efficient, or changing management practices or consumer behavior.
- Adaptation:** Adaptation means anticipating the adverse effects of climate change and taking appropriate action to prevent or minimise the damage they can cause, or taking advantage of opportunities that may arise.
- Finance:** The operation of the Financial Mechanism was initially entrusted to the Global Environment Facility (GEF). Established in 1992. The World Bank serves as the GEF Trustee, administering the GEF Trust Fund (contributions by donors).
- At COP 17, Durban 2011,** Parties decided to designate the Green Climate Fund (GCF) as an operating entity of the Financial Mechanism of the Convention, in accordance with Article 11 of the Convention. The Green Climate Fund (GCF) is a fund established within the framework of the UNFCCC to assist developing countries in adaptation and mitigation practices to counter climate change. The GCF is based in the new Songdo district of Incheon, South Korea. It is governed by a Board of 24 members and initially supported by a Secretariat.
- The Financial Mechanism is accountable to the CoP, which decides on its climate change policies, programme priorities and eligibility criteria for funding.
- In addition to providing guidance to the GEF, Parties have established four special funds: the Special Climate Change Fund (SCCF), the Least Developed Countries Fund (LDCF), both managed by the GEF, and the GCF under the Convention; and the Adaptation Fund (AF) under the Kyoto Protocol.

## 2.7. The International Solar Alliance

- The International Solar Alliance is a treaty based international inter-governmental alliance of 121 solar resource rich countries lying fully or partially between the Tropics of Cancer and Capricorn.
- It aims to execute innovative and concerted efforts to reduce the cost of finance and technology for the immediate deployment of assets for solar power generation. In other words, to tap solar energy at more affordable prices through aggregating both demand and risks bringing down costs and securing investments of solar developers.
- The International Solar Alliance (ISA) initiative was launched at the UN Climate Change Conference in Paris on 30 November 2015 by Prime Minister Narendra Modi and the then French President Francois Hollande.
- The finalized ISA framework agreement, which seeks to establish ISA as a treaty based organization, was opened for signature at the 22<sup>nd</sup> CoP of the UNFCCC at Marakech, Morocco in 2016. And it entered into force in on 6 December 2017 following ratification by Guinea as the 15th country.
- India hosted the first international Solar Alliance Summit on 11 March 2018 in New Delhi. The aim was to mobilise \$1 trillion of investments needed by 2030 for massive deployment of solar energy to achieve the target of over 1,000 GW of solar generation capacity.

- ISA's headquarters and Secretariat is in **Gurugram, Haryana**.
- The Alliance contributes towards the **mutual goal of increasing utilization of solar energy and solar applications** to help the world transition to a low carbon and greener society.
- It aims not duplicate or replicate the efforts that others (like International Renewable Energy Agency (IRENA), Renewable Energy and Energy Efficiency Partnership(REEEP), International Energy Agency (IEA), Renewable Energy Policy Network for the 21st Century (REN21), United Nations bodies, bilateral organizations etc.) are currently engaged in, but will establish networks and develop synergies with them and supplement their efforts in a sustainable and focused manner.

## 2.8. The International Renewable Energy Agency (IRENA)

- IRENA is an **intergovernmental organisation** that supports countries in their transition to a **sustainable energy future**, and serves as the **principal platform for international cooperation**, a **centre of excellence**, and a **repository of policy, technology, resource and financial knowledge on renewable energy**.
- The proposal for an international agency dedicated to renewable energy was made in 1981 at the United Nations Conference on New and Renewable Sources of Energy, held in Nairobi, Kenya. IRENA was **officially founded in Bonn, Germany, on 26 January 2009**.
- **The Agency is Headquartered in Abu Dhabi, UAE**.
- As of 2018 it has 156 members.

## 2.9. Renewable Energy and Energy Efficiency Partnership (REEEP)

- REEEP is an **international multilateral partnership** that works to accelerate market-based deployment of renewable energy and energy efficient systems in low- and middle-income countries.
- It **invests in clean energy markets** in developing countries **to reduce CO<sub>2</sub> emissions** and build prosperity.
- It was originally launched by the government of the United Kingdom, along with other partners, at the Johannesburg World Summit on Sustainable Development (WSSD) in August 2002.
- In June 2004, REEEP obtained formal, legal non-profit status as an international NGO and has since been **located at the UN complex in Vienna, Austria**.

## 2.10. International Energy Agency (IEA)

- The IEA is an autonomous body within the OECD framework.
- The IEA works to **ensure reliable, affordable and clean energy** for its **30 member countries** and beyond.
- Its mission is guided by **four main areas of focus: energy security, economic development, environmental awareness and engagement worldwide**.
- **The IEA was founded in 1974** to help countries collectively respond to oil supply disruptions.
- It is **based in Paris**.
- Chile is currently a candidate country for IEA membership and seven countries – Brazil, China, **India**, Indonesia, Morocco, Singapore, and Thailand are **Association countries**.

## 2.11. Renewable Energy Policy Network for the 21st Century (REN21)

- REN21 is the **global renewable energy policy multi-stakeholder network** that connects a wide range of key actors. The network was **launched in June 2004** as an outcome of the International Conference for Renewable Energies in Bonn.

- REN21 brings together governments, nongovernmental organisations, research and academic institutions, international organisations and industry to learn from one another and build on successes that advance renewable energy.
- REN21's goal is to facilitate knowledge exchange, policy development and joint action towards a rapid global transition to renewable energy.
- It is based at the United Nations Environment Programme (UNEP) in Paris.

## 3. Security

### 3.1. India's Nuclear Policy

- India is a **de facto nuclear power** as well as a **long term user of nuclear energy**.
- In terms of nuclear weapons India's policy is spelt out by the **May 1998 speech of the PM in Parliament**, the **1999 Draft of the National Security Council** and the **January 2003 Press release of the Cabinet Committee on Security**.
- These spell out what is sometimes known as **India's nuclear doctrine**. Perhaps it would be better to consider them as the **outlines of India's nuclear policy**
- Following are the **key elements of India's nuclear policy**:
  - Maintaining Credible Minimum Deterrence
  - No first use
  - No use against non nuclear states
  - Not engaging in nuclear armed race
  - Deter nuclear blackmail and aggression
  - Civilian command and control of nuclear weapons
  - Universal global nuclear disarmament under international verification
- India reserves the right to nuclear retaliation "in the event of a major attack against India, or Indian forces anywhere, by biological or chemical weapons"
- These elements have **developed through the various phases of India's engagement with nuclear technology**.
- India is against discriminatory nature of current regimes such as the NPT and CTBT.**
- India also seeks to become member of technology export control regimes such as the NSG.**

### 3.2. MECR

- A **Multilateral Export Control Regime (MECR)** is an international body that states use to organize their national export control systems.
- It includes:
  - The **Wassenaar Arrangement** on Export Controls for Conventional Arms and Dual-Use Goods and Technologies
  - The **Nuclear Suppliers Group (NSG)**, for the control of nuclear related technology
  - The **Australia Group (AG)** for control of chemical and biological technology that could be weaponized
  - The **Missile Technology Control Regime (MTCR)** for the control of rockets and other aerial vehicles capable of delivering weapons of mass destruction

#### 3.2.1. Wassenaar Arrangement

- It is the successor to the Cold War-era Coordinating Committee for Multilateral Export Controls, and was **established on 12 July 1996**, in Wassenaar, the Netherlands, which is near The Hague.
- A **Secretariat** for administering the agreement is located in **Vienna, Austria**
- 42 participating states** including many former Comecon (Warsaw Pact) countries.

- Participating States apply export controls to all items set forth in the List of Dual-Use Goods and Technologies and the Munitions List, with the objective of preventing unauthorized transfers or re-transfers of those items.
- Every six months member countries exchange information on deliveries of conventional arms to non-Wassenaar members that fall under eight broad weapons categories: battle tanks, armoured fighting vehicles (AFVs), large-caliber artillery, military aircraft, military helicopters, warships, missiles or missile systems, and small arms and light weapons.
- It is not a treaty not legally binding.
- India's membership approved in December, 2017.

### **3.2.2. The Nuclear Suppliers Group (NSG)**

- NSG is a group of nuclear supplier countries that seek to prevent nuclear proliferation by controlling the export of materials, equipment and technology that can be used to manufacture nuclear weapons.
- The NSG was founded in response to the Indian nuclear test in May 1974. As of 2017 the NSG has 48 participating governments.
- Overall responsibility for activities lies within NSG Plenary meetings that are held once a year.
- A rotating Chair has the overall responsibility for coordination of work and outreach activities.
- The Zangger Committee, also known as the Nuclear Exporters Committee, sprang from Article III.2 of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) which entered into force on March 5, 1970. Under the terms of Article III.2 International Atomic Energy Agency (IAEA) safeguards must be applied to nuclear exports.

### **3.2.3. The Australia Group (AG)**

- The Australia Group is an informal group of countries (now joined by the European Commission) established in 1985 (after the use of chemical weapons by Iraq in 1984) to help member countries to identify those exports which need to be controlled so as not to contribute to the spread of chemical and biological weapons.
- With the incorporation of India in January 2018, it now has 43 members.
- Delegations representing the members meet every year in Paris, France.
- Members of the group maintain export controls on a uniform list of 54 compounds, including several that are not prohibited for export under the Chemical Weapons Convention (1993), but can be used in the manufacture of chemical weapons.
- In 2002, the group took two important steps to strengthen export control.
- The first was the "no-undercut" requirement, which stated that any member of the group considering making an export to another state that had already been denied an export by any other member of the group must first consult with that member state before approving the export.
- The second was the "catch-all" provision, which requires member states to halt all exports that could be used by importers in chemical or biological weapons programs, regardless of whether the export is on the group's control lists
- China is not a member.

### **3.2.4. MTCR**

- MTCR is a multilateral export control regime. It was established in April 1987 by the G7 countries:
- It is an informal and voluntary partnership among 35 countries. India joined on 27th of June 2016. Prior to this India was adhering to the MTCR Guidelines unilaterally.

- Aims to prevent the proliferation of missile and unmanned aerial vehicle technology capable of carrying above 500 kg payload for more than 300 km.
- Prohibited materials are divided into two Categories, which are outlined in the MTCR Equipment, Software, and Technology Annex.
- The People's Republic of China is not a member of the MTCR but has agreed to abide by the original 1987 Guidelines and Annex, but not the subsequent revisions.

### 3.3. The NPT

- Opened for signature in 1968, the Treaty entered into force in 1970. On 11 May 1995, the Treaty was extended indefinitely. A total of 191 States have joined the Treaty, including the five nuclear-weapon States.
- More countries have ratified the NPT than any other arms limitation and disarmament agreement, a testament to the Treaty's significance.
- India along with Israel and Pakistan are the only non signatories, nuclear weapons states. North Korea had originally signed the treaty but later withdrew from it.
- The NPT is a landmark international treaty whose objective is to prevent the spread of nuclear weapons and weapons technology, to promote cooperation in the peaceful uses of nuclear energy and to further the goal of achieving nuclear disarmament and general and complete disarmament.
- The NPT's rests on three pillars:
  - nonproliferation,
  - the peaceful use of nuclear energy,
  - and disarmament.
- The Treaty represents the only binding commitment in a multilateral treaty to the goal of disarmament by the nuclear-weapon States.
- To further the goal of non-proliferation and as a confidence-building measure between States parties, the Treaty establishes a safeguards system under the responsibility of the International Atomic Energy Agency (IAEA).
- Conferences to review the operation of the Treaty have been held at five-year intervals since the Treaty went into effect in 1970.
- Each conference has sought to find agreement on a final declaration that would assess the implementation of the Treaty's provisions and make recommendations on measures to further strengthen it.
- Prominent conference were in 1995, 2005, 2010 and 2015. The Conference is a once every five year opportunity to stabilize and strengthen the nuclear nonproliferation regime. The Review Conference is tasked with evaluating how well the terms of the NPT have been implemented and to chart a path forward to tackle unfinished business.

#### 3.3.1. NPT Review Conferences

- The 2015 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons, held in New York from 27 April to 22 May, ended without the adoption of a consensus substantive outcome.
- At the 2010 Review Conference the States parties agreed to a final document which included conclusions and recommendations for follow-on actions, including the implementation of the 1995 Resolution on the Middle East.
- The 2015 outcome constitutes a setback for the strengthened review process instituted to ensure accountability with respect to activities under the three pillars of the Treaty as part of the package in support of the indefinite extension of the Treaty in 1995.

### 3.4. Comprehensive Nuclear-Test-Ban Treaty (CTBT)

- The CTBT is the **Treaty banning all nuclear explosions - everywhere, by everyone.**
- The Treaty was **negotiated at the Conference on Disarmament in Geneva** and adopted by the United Nations General Assembly. **It opened for signature on 24 September 1996.**
- Since then, the Treaty has reached near-universality. **183 countries have signed the Treaty.**
- **164 countries have ratified the Treaty.**
- **The Treaty's entry into force depends on 44 specific States, mentioned in Annex 2,** that must have signed and ratified the Treaty. These States had nuclear facilities at the time the Treaty was negotiated and adopted. **36 of these States have ratified the Treaty.**
- **Eight States still need to do so: China, the Democratic People's Republic of Korea, Egypt, India, Iran, Israel, Pakistan and the United States.**
- **India, North Korea and Pakistan have not yet signed the Treaty.**
- The Treaty established a **CTBT Organization (CTBTO), located in Vienna,** to ensure the implementation of its provisions, including those provisions for international verification measures.

### 3.5. Treaty on the Prohibition of Nuclear Weapons

- Draft adopted at a UN conference in July 2017 by a vote of 122 in favor with one country voting against.
- Opened for signature in September 2017 and **would come into force once 50 countries ratify it.**
- **None of the nine countries that possess nuclear weapons** — the United States, Russia, Britain, China, France, India, Pakistan, North Korea and Israel — **took part in the negotiations or the vote.**

### 3.6. Fissile Material Cut-Off Treaty

- A fissile material cut-off treaty (FMCT) is a **proposed international agreement that would prohibit the production of the two main components of nuclear weapons:**
  - **highly-enriched uranium (HEU), and**
  - **plutonium.**
- An FMCT would provide new restrictions for the five recognized nuclear weapon states (NWS—United States, Russia, United Kingdom, France, and China), and for the four nations that are not NPT members (Israel, India, Pakistan, and North Korea).
- Discussions on this subject are being held within the UN Conference on Disarmament (CD), a body of 65 member nations established as the sole multilateral negotiating forum on disarmament. The CD requires consensus for action to take place. Consequently,
  - Negotiations for an FMCT have not taken place, though **preliminary discussions are ongoing.**
  - Those nations that joined the nuclear Nonproliferation Treaty (NPT) as non-weapon states are already prohibited from producing or acquiring fissile material for weapons.
  - In order for negotiations to begin on an FMCT, **Pakistan will have to remove its opposition vote, and a consensus to move forward with negotiations must be reached.** Pakistan has been primarily concerned that an FMCT would lock them into a disadvantageous position relative to India's superior nuclear stockpile.
  - Consequently, Islamabad would like an FMCT to include current fissile material stockpiles, instead of just capping future production, a position shared by several other countries.

### 3.7. Disarmament Miscellaneous

- **Conference on Disarmament**, Highest platform of the UN on disarmament issues. It has 65 members and it works through consensus
- January **United Nations Office for Disarmament Affairs (UNODA)**: UNODA was established in 1998 as the Department for Disarmament Affairs which was part of the SG's programme for reform in accordance with his report to the General Assembly (A/51/950). It was originally established in 1982 upon the recommendation of the General Assembly's second special session on disarmament (SSOD II).
- In 1992, its name was changed to Centre for Disarmament Affairs, under the Department of Political Affairs. At the end of 1997, it was renamed Department for Disarmament Affairs and in 2007, it became the **United Nations Office for Disarmament Affairs**.

#### 3.7.1. The Organisation for the Prohibition of Chemical Weapons (OPCW)

- **Formed in 1997**, the OPCW is an independent, autonomous international organisation with a working relationship with the United Nations.
- OPCW is the **implementing body of the Chemical Weapons Convention (CWC)**, which entered into force in 1997. Its **headquarters in The Hague, Netherlands**
- It has **192 Member States**, who are **working together to achieve a world free of chemical weapons**.
- To this end, the Convention contains four key provisions:
  - **destroying all existing chemical weapons** under international verification by the OPCW;
  - **monitoring chemical industry to prevent new weapons** from re-emerging;
  - **providing assistance and protection to States Parties against chemical threats**; and
  - **fostering international cooperation to strengthen implementation of the Convention and promote the peaceful use of chemistry**.
- for their "extensive work to eliminate chemical weapons", the OPCW was awarded the **Nobel Peace Prize in 2013**

### 3.8. The International Atomic Energy Agency (IAEA)

- IAEA is an **international organization that seeks to promote the peaceful use of nuclear energy, and to inhibit its use for any military purpose, including nuclear weapons**.
- The IAEA was **established as an autonomous organisation on 29 July 1957**.
- Though **established independently of the United Nations** through its own international treaty, the IAEA Statute, the IAEA reports to both the United Nations General Assembly and Security Council.
- **The IAEA has its headquarters in Vienna**. The IAEA has two "Regional Safeguards Offices" which are located in Toronto, Canada, and in Tokyo, Japan.
- **It has 169 member states**
- The IAEA serves as an **intergovernmental forum for scientific and technical co-operation in the peaceful use of nuclear technology and nuclear power worldwide**.
- **Three main pillars** – or areas of work – underpin the IAEA's mission:
  - **Safety and Security**;
  - **Science and Technology**; and
  - **Safeguards and Verification**.
- The IAEA has **three main bodies: The Board of Governors, the General Conference, and the Secretariat**.

### 3.9. Nuclear Security Summit

- The Nuclear Security Summit (NSS) is a world summit, aimed at preventing nuclear terrorism around the globe.
- The first Nuclear Security Summit was held in Washington, DC in 2010, and was followed by additional Summits in Seoul in 2012 and The Hague in 2014. The fourth summit was held in Washington, D.C. on March 31–April 1, 2016.
- In 2009, U.S. President Obama delivered a speech in Prague in which he called nuclear terrorism one of the greatest threats to international security.
- Under the NSS process, countries work to improve their nuclear security on the basis of the Washington Work Plan, which contains numerous measures and action points.
- The NSS process is ongoing, and since 2009 has required world leaders and diplomats to devote extra attention to the issue of nuclear security.
- The negotiators for the various countries, known as sherpas and sous sherpas, discuss the progress made and confer on key themes, work plans and measures.
- Gift basket diplomacy is an approach to multilateral negotiation aimed at pushing forward progress on a particular issue without the requirement of consensus.
- The United States first implemented a policy of Gift Basket Diplomacy between the 2010 and 2012 Summits.
- These Summits have achieved tangible improvements in the security of nuclear materials and stronger international institutions that support nuclear security.

### 3.10. Terrorism

- The Global Terrorism Index 2017 released by the Australia-based Institute for Economics and Peace provides a comprehensive summary of the key global trends and patterns in terrorism over the last 17 years in covering the period from the beginning of 2000 to the end of 2016.
- India, which ranks eighth on the list.
- India displaced Pakistan on a list of countries facing terror attacks in 2016, with higher fatalities and injuries than its restive neighbour, according to data compiled by the US state department.
- Out of 11,072 terror attacks in 2016 worldwide, India bore the brunt of 927, 16% more than 2015 (798).
- The number of deaths in India also rose 17% from 289 in 2015 to 337 in 2016 while the number of injured increased from 500 in 2015 to 636 last year. On the other hand, the number of terror attacks in Pakistan reduced by 27% to 734 in 2016 from 1,010 in 2015.

#### 3.10.1. International Efforts

- Key difficulty has been in defining terrorism for common action.
- The United Nations General Assembly adopted the Global Counter-Terrorism Strategy on 8 September 2006.
- Through its adoption that all Member States have agreed the first time to a common strategic and operational approach to fight terrorism, not only sending a clear message that terrorism is unacceptable in all its forms and manifestation but also resolving to take practical steps individually and collectively to prevent and combat it.
- Those practical steps include a wide array of measures ranging from strengthening state capacity to counter terrorist threats to better coordinating United Nations system's counter-terrorism activities.
- 2016 marked the 10th anniversary of the UN Global Counter-Terrorism Strategy.

### **3.10.2. Four Pillars of Global Counter-Terrorism Strategy**

- The Global Counter-Terrorism Strategy in the form of a resolution and an annexed Plan of Action (A/RES/60/288) composed of 4 pillars:
  - Addressing the conditions conducive to the spread of terrorism
  - Measures to prevent and combat terrorism
  - Measures to build states' capacity to prevent and combat terrorism and to strengthen the role of the United Nations system in that regard;
  - Measures to ensure respect for human rights for all and the rule of law as the fundamental basis for the fight against terrorism.

### **3.10.3. Key UN Steps**

- Declaration on Measures to Eliminate International Terrorism, contained in the annex to General Assembly resolution 49/60 of 9 December 1994,
- the Declaration to Supplement the 1994 Declaration on Measures to Eliminate International Terrorism, contained in the annex to General Assembly resolution 51/210 of 17 December 1996, and
- the 2005 World Summit Outcome, in particular its section on terrorism.

### **3.10.4. Security Council Counter Terrorism Committee**

- Guided by Security Council resolutions 1373 (2001) and 1624 (2005), the CTC works to bolster the ability of United Nations Member States to prevent terrorist acts both within their borders and across regions.
- It was established in the wake of the 11 September terrorist attacks in the United States.
- In addition to the Counter-Terrorism Committee and CTED, the Council has established:
  - the Security Council Committee established pursuant to resolutions 1267 (1999) 1989 (2011) and 2253 (2015) and its Analytical Support and Sanctions Monitoring Team concerning ISIL (Da'esh), Al-Qaida and the Taliban and associated individuals and entities; and
  - the Non-proliferation Committee established pursuant to Security Council resolution 1540 (2004) and its Expert Group.
  - The Council also established a Working Group on the victims of terrorism, pursuant to its resolution 1566 (2004).

### **3.10.5. Comprehensive Convention on Terrorism**

- Proposed first by India in 1996. There are at least 14 conventions on terrorism.
- CCIT provides a legal framework which makes it binding on all signatories to deny funds and safe havens to terrorist groups. Its Objectives are
  - To have a universal definition of terrorism that all 193-members of the UNGA will adopt into their own criminal law
  - To ban all terror groups and shut down terror camps
  - To prosecute all terrorists under special laws
  - to make cross-border terrorism an extraditable offence worldwide
- the completion of the Comprehensive Convention on International Terrorism is in a limbo due to opposition from the US and OIC countries as well as Latin American countries.
- All three have objections over the "definition of terrorism" (the most divisive of the issues) and seek exclusions to safeguard their strategic interests. For example, the OIC wants exclusion of national liberation movements, especially in the context of Israel-Palestinian conflict. The US wanted the draft to exclude acts committed by military forces of states during peacetime.

- The CCIT is currently being discussed at the Sixth Ad Hoc Committee of the United Nations. The committee is the primary forum for the consideration of legal questions in the UNGA.
- India, on its part, has lobbied overtime, especially with the OIC countries and GCC.

### **3.10.6. Key Conventions**

- Although consensus eludes towards adoption of the terrorism convention, but discussions have yielded three separate protocols that aim to tackle terrorism:
- International Convention for the Suppression of Terrorist Bombings, adopted on 15 December 1997;
- International Convention for the Suppression of the Financing of Terrorism, adopted on 9 December 1999;
- and International Convention for the Suppression of Acts of Nuclear Terrorism, adopted on 13 April 2005.

### **3.10.7. Financial Action Task Force (FATF)**

- The Financial Action Task Force (FATF) **was established in July 1989** by a Group of Seven (G-7) Summit in Paris, initially to examine and develop measures to combat money laundering. It is an **intergovernmental body with 37 members including India, Israel and Saudi Arabia are its observer members.**
- Its **objectives are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.**
- The FATF is therefore a “**policy-making body**” which works to generate the necessary political will to bring about national legislative and regulatory reforms in these areas.
- The FATF **has developed a series of Recommendations** that are recognised as the **international standard for combating of money laundering and the financing of terrorism and proliferation of weapons of mass destruction.** They form the basis for a co-ordinated response to these threats to the integrity of the financial system and help ensure a level playing field. **First issued in 1990, the FATF Recommendations were revised in 1996, 2001, 2003 and most recently in 2012** to ensure that they remain up to date and relevant, and they are intended to be of universal application.
- The **FATF monitors the progress of its members in implementing necessary measures,** reviews money laundering and terrorist financing techniques and counter-measures and promotes the adoption and implementation of appropriate measures globally.
- In collaboration with other international stakeholders, the FATF works to identify national-level vulnerabilities with the aim of protecting the international financial system from misuse.
- The FATF's decision **making body, the FATF Plenary, meets three times per year.**

## **4. Humanitarian Issues: Human Rights/Migration/Refugees**

### **4.1. Human Rights**

Human rights are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination.

- International human rights law lays down the obligations of Governments** to act in certain ways or to refrain from certain acts, in order to promote and protect human rights and fundamental freedoms of individuals or groups.

- The foundations of this body of law are the **Charter of the United Nations (1945)** and the **Universal Declaration of Human Rights (UDHR, 1948)**.
- The **UDHR**, together with the **International Covenant on Civil and Political Rights** and its two Optional Protocols (on the complaints procedure and on the death penalty) and the **International Covenant on Economic, Social and Cultural Rights** and its Optional Protocol, form the so-called **International Bill of Human Rights**.
- A series of **international human rights treaties and other instruments adopted since 1945 have expanded the body of international human rights law.**
  - They include the Convention on the Prevention and Punishment of the Crime of Genocide (1948),
  - the International Convention on the Elimination of All Forms of Racial Discrimination (1965),
  - the Convention on the Elimination of All Forms of Discrimination against Women (1979),
  - the Convention on the Rights of the Child (1989) and
  - the Convention on the Rights of Persons with Disabilities (2006), among others.

#### **4.1.1. Human Rights Council**

- The Human Rights Council, **established on 15 March 2006 by the General Assembly** and **reporting directly to it, replaced the 60-year-old UN Commission on Human Rights** as the **key UN intergovernmental body responsible for human rights**.
- The Council is made up of **47 State representatives** and is tasked with strengthening the **promotion and protection of human rights around the globe** by addressing **situations of human rights violations and making recommendations** on them, including responding to human rights emergencies.
- The most innovative feature of the Human Rights Council is the **Universal Periodic Review**. This unique mechanism **involves a review of the human rights records of all 192 UN member states once every four years**. The Review is a cooperative, state-driven process, under the auspices of the Council, which **provides the opportunity for each state to present measures taken and challenges to be met to improve the human rights situation in their country** and to meet their international obligations. The Review is **designed to ensure universality and equality of treatment for every country**.
- UN High Commissioner for Human Rights** principal responsibility for UN human rights activities. **The High Commissioner is mandated to respond to serious violations of human rights and to undertake preventive action.**
- The Office of the High Commissioner for Human Rights (OHCHR)** is the focal point for United Nations human rights activities. It serves as the **secretariat for the Human Rights Council, the treaty bodies** (expert committees that monitor treaty compliance) and other UN human rights organs. It also undertakes human rights field activities.

#### **4.2. Migration/Refugees**

- The term **migrant** applies to **anyone moving from one country to another with the intention to stay in that place for some period of time**.
- A **refugee** is someone **who is outside of their home country who cannot return to their home country because there is a real chance that they will be seriously harmed for reason of their race, religion, nationality, political opinion or because they belong to a particular social group**.
- An **asylum seeker** is someone **who says he or she is a refugee, but whose claim has not yet been definitively evaluated**, has the right to seek and enjoy in other countries asylum from persecution, serious human rights violations and other serious harm.

- All asylum seekers are potential refugees until their case has been determined by UNHCR or government.
- Internally displaced persons (IDP), While they may have fled for similar reasons, IDPs stay within their own country and remain under the protection of its government, even if that government is the reason for their displacement. As a result, these people are among the most vulnerable in the world.
- A “stateless person” is someone who is not considered as a national by any state under the operation of its law.
- The 1951 Refugee Convention is the key legal document in this context. Ratified by 145 State parties,
  - it defines the term ‘refugee’ and
  - outlines the rights of the displaced,
  - as well as the legal obligations of States to protect them.
- UN’s 1951 convention relating to the status of refugees, in response to mass persecutions and displacements of the Second World War. It defines a refugee as someone outside the country of their nationality and is unable to return to their home country because of well founded fears of being persecuted.
- UN High Commissioner for Refugees (UNHCR) serves as the ‘guardian’ of the 1951 Convention and its 1967 Protocol.
- International law recognises only those fleeing conflict and violence as refugees.
- While more than 50 percent of refugees are in cities, often the first stop for a person fleeing his conflict is a refugee camp, these are temporary structures usually run by the United Nations Refugee Agency or local governments, until inhabitants can safely return back to their homes or rehabilitated in the host country or resettle in another country.
- Resettlement and long term integration options are limited so many refugees are left with no choice but to stay in the refugee camps for years or decades.
- Once in a new country the first legal step for a displaced person is to apply for asylum.
- At this time they are asylum seekers and not officially recognised as refugees until their application is processed.
- While countries by and large agree on one definition of a refugee, every host country is responsible for examining all requests for asylum and deciding whether applicants can be granted the status of refugee.
- Guidelines of different countries can vary substantially. India is not a signatory of either the Convention of 1951 or its 1967 protocol. Host countries have certain duties towards people they have recognized as refugees, e.g. guarantee of a minimum standard of treatment and non-discrimination.
- The most basic obligation towards refugees is non-refoulement, a principle preventing a state from sending an individual back to a country where their life and freedom are threatened. In reality refugees are often victim of inconsistent and discriminatory treatment. They are often not permitted to enter the workforce and are fully dependent on humanitarian aid.
- Roughly half the world's refugee are children.
- Many refugee children are out of school due to lack of funding for education programme

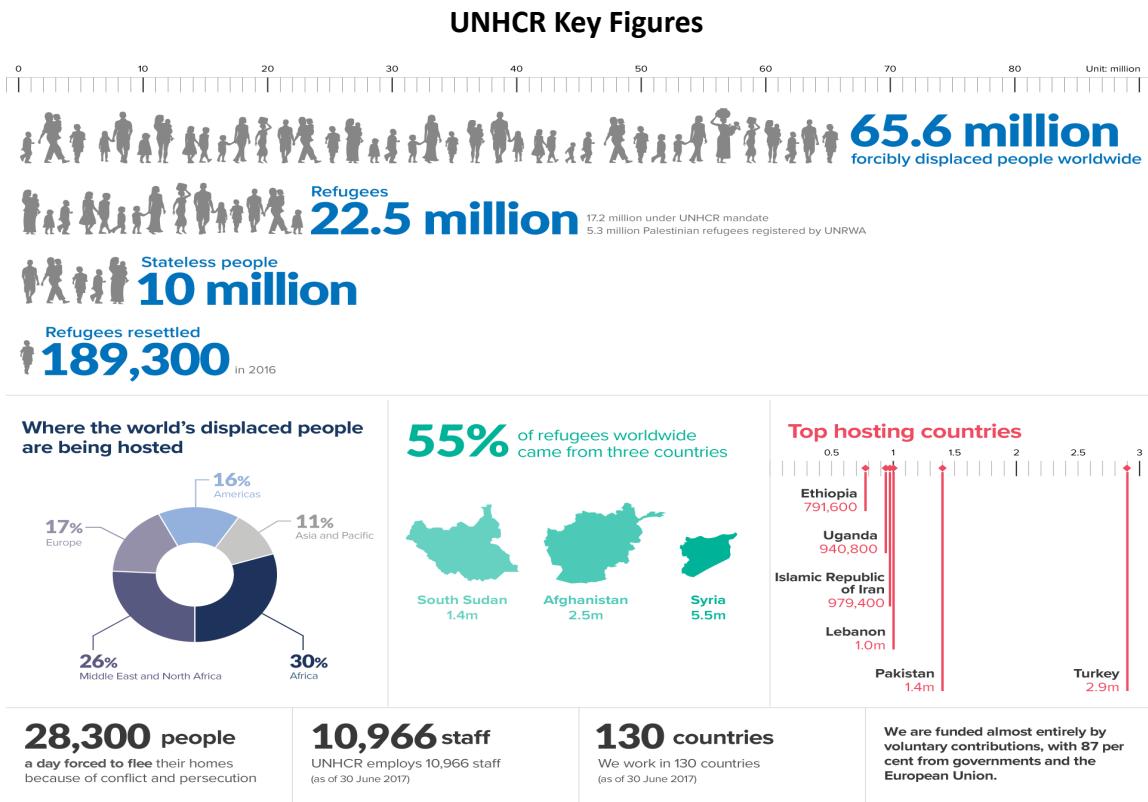


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#### 4.2.1. Office of the United Nations High Commissioner for Refugees (UNHCR)

- UNHCR, the **UN Refugee Agency**, established on December 14, 1950 by the United Nations General Assembly, is a **global organization dedicated to saving lives, protecting rights and building a better future for refugees**, forcibly displaced communities and stateless people.
- UNHCR is **governed by the UN General Assembly and the Economic and Social Council (ECOSOC)**.
- **The High Commissioner is responsible for the direction and control of UNHCR**. Elected by the UN General Assembly for a five year term.
- The UNHCR Executive Committee approves the agency's biennial programmes and the corresponding budget. These are presented by the High Commissioner, who is appointed by the UN General Assembly.
- Its **mandate is defined by the 1950 UNHCR Statute**. In 2003, the General Assembly extended the organization's mandate "until the refugee problem is solved." The High Commissioner reports annually to ECOSOC and the General Assembly on the work of UNHCR.
- It has **10,966 national and international staff working in 130 countries**.
- Its **headquarters is in Geneva, Switzerland**.

#### 4.2.2. United Nations Relief and Works Agency for Palestine Refugees (UNRWA)

- Following the 1948 Arab-Israeli conflict, **UNRWA was established by United Nations General Assembly Resolution 302 (IV) of 8 December 1949** to carry out direct relief and works programmes for Palestine refugees. The Agency began operations on 1 May 1950.
- UNRWA is **funded almost entirely by voluntary contributions from UN Member States**.
- UNRWA also receives some funding from the Regular Budget of the United Nations, which

is used mostly for international staffing costs.

- The Agency's services encompass education, health care, relief and social services, camp infrastructure and improvement, microfinance and emergency assistance, including in times of armed conflict.
- UNRWA is one of the largest United Nations programmes, with over 30,000 personnel working across five areas of operations and is unique in that it delivers services directly to beneficiaries.
- UNRWA Headquarters are located in Amman and in Gaza.

#### **4.2.3. The Rohingya Issue**

- The United Nations Refugee Agency (UNHCR), places the **Rohingya's among the “the most vulnerable groups of the forcibly displaced”**.
- **Rohingya are an ethnic group**, largely comprising Muslims, who predominantly **live in the Western Myanmar province of Rakhine**. They speak a dialect of Bengali, as opposed to the commonly spoken Burmese language.
- **Myanmar considers them as persons who migrated to their land during the Colonial rule**.
- So, it has not granted Rohingyas full citizenship. According the 1982 Burmese citizenship law, a Rohingya (or any ethnic minority) is eligible for citizenship only if he/she provides proof that his/her ancestors have lived in the country prior to 1823.
- Else, they are classified as “resident foreigners” or as “associate citizens” (even if one of the parent is a Myanmar citizen).
- **Myanmar state, which was ruled by the military junta until 2011, has been accused of ethnic cleansing in Rakhine by the United Nations**.
- It deported thousands of Rohingya to Bangladesh in the seventies and the citizenship law was also enacted by the junta.
- Things changed little for the Rohingya even after the political reforms in 2011 that eventually led to the first general elections in 2015, as the democratically-elected government-headed by President Htin Kyaw has been unwilling to grant citizenship.
- **Sectarian violence between Rohingyas and Rakhine's Buddhist natives began flaring up in June 2012**, following the rape and murder of a Rakhine woman in a Rohingya-dominated locality
- **Another round of riots broke out in October**, due to which the government moved around a million Rohingyas to refugee camps. Thousands of Rohingyas fled their homes and sought refugee in neighbouring Bangladesh, a Muslim-majority nation. Some of them sought asylum in South East Asian nations of Thailand, The Phillipines, Indonesia and Malaysia
- This ethnic conflict flared up as religious violence spreading to the other provinces of Myanmar. It was finally contained in 2013 after military intervention.

##### **4.2.3.1. Current Status: 2017**

- Muslim militants in Myanmar staged a coordinated attack on 30 police posts and an army base in Rakhine state on August 25.
- The **Arakan Rohingya Salvation Army (ARSA)**, a group previously known as Harakah al-Yaqin, which instigated the October attacks, claimed responsibility for the attacks. In the counter attacks launched by Army at least 59 of the insurgents and 12 security personnel were killed.
- The ARSA is an armed guerilla outfit, which is active since 2016, claiming to fight for a “democratic Muslim state for the Rohingya.” The group has been targeting Myanmar armed forces. **Bangladesh and India have also claimed ARSA is creating trouble in their soil too**.
- The “clearance operations” to root out ARSA launched by the Myanmar military has once

again affected the lives of Rohingya, many of whom have been living in relief camps since 2012.

- **An estimated 87,000 Rohingya have fled Myanmar to Bangladesh since late 2016.**
- About five lakh Rohingyas have already taken shelter in Bangladesh over the last two decades and Prime Minister Sheikh Hasina is clearly unwilling to take in more.
- She has even urged the United States to put pressure on Myanmar to stop the exodus of Rohingyas.
- The country has opened its border for Rohingyas upon UNHCR's request and continues to shelter Rohingya in over-crowded refugee camps at Cox Bazar.

#### **4.2.3.2. India and the Rohingya Issue**

- According to the Ministry of Home Affairs there are approximately 40,000 Rohingyas living in India. They have reportedly reached India from Bangladesh through the land route over the years.
- Home Ministry in an advisory to states said "infiltration from Rakhine State of Myanmar into Indian territory...besides being burden on the limited resources of the country also aggravates the security challenges posed to the country."
- December 2017, socio-economic MoU, worth US\$ 25 million, with Myanmar to help in the Rakhine province.
- India is not party to the 1951 Refugee Convention or its 1967 Protocol and does not have a national refugee protection framework.
- However, it continues to grant asylum to a large number of refugees from neighbouring States and respects UNHCR's mandate for other nationals, mainly from Afghanistan and Myanmar.
- While the Government of India deals differently with various refugee groups, in general it respects the principle of for holders of UNHCR documentation.

#### **4.2.4. International Organisation for Migration (IOM)**

- Established in 1951, IOM is the leading inter-governmental organization in the field of migration and works closely with governmental, intergovernmental and non-governmental partners.
- It was initially established in 1951, as the Intergovernmental Committee for European Migration (ICEM). In 2016, it became a related organization of the United Nations
- With 169 member states, a further 8 states holding observer status and offices in over 100 countries, IOM is dedicated to promoting humane and orderly migration for the benefit of all. It does so by providing services and advice to governments and migrants.
- Its headquarters is in Geneva, Switzerland. Among its publications is the WORLD MIGRATION REPORT-2018.

### **5. Key Issues/Conflicts**

#### **5.1. The North Korean Issue**

- Over the past year, North Korean leader Kim Jong Un has accelerated his country's rush toward nuclear weapons and intercontinental missiles.
- Kim Jong-un is the third supreme leader in the Kim dynasty, founded by his grandfather Kim il-Sung, the country's leader at the time of its establishment. Kim Jong-un took over from his father Kim Jong-il when he died from a heart attack in December 2011.
- North Korea's isolated dictators have long believed that nuclear weapons will ensure regime survival against U.S. military power, enabling it to unite the Korean Peninsula on its terms. Successive U.S. Administrations have tried various strategies to thwart the

dangerous trajectory of the regime.

- **North Korea has made development, deployment and the capability to deliver nuclear weapons a national aspiration.** With its accelerating intercontinental ballistic missile program, it has made clear that it seeks a capacity to strike targets far from the Korean Peninsula, namely the continental U.S.
- **In the region South Korea and Japan are wary of growing belligerence of North Korea,** both these countries are allies of the United States.
- **In October 1994 North Korea and the US sign an Agreed Framework under which Pyongyang committed to freezing its nuclear programme in return for heavy fuel oil and two light-water nuclear reactors.**
- In January 2002 - US President George W Bush labels North Korea, Iraq and Iran an "axis of evil" for continuing to build "weapons of mass destruction".
- **In 2003 North Korea exited the NPT which it has joined in 1985.**
- **2003 also marked the beginning of six-party talks involving China, the Koreas, the US, Japan and Russia to try to resolve the nuclear issue.**
- In **October 2006 North Korea conducted its first nuclear weapons test at an underground facility.** The UN imposed economic and commercial sanctions on North Korea.
- In **July 2007 North Korea shut down its main Yongbyon reactor after receiving 50,000 tons of heavy fuel oil as part of an aid package.**
- In **May 2009 North Korea carried out its second underground nuclear test.** UN Security Council condemns move in June.
- **In February 2013 UN approved fresh sanctions after North Korea stages its third nuclear test,** said to be more powerful than the 2009 test.
- **2014 March - North Korea test-fired two medium-range Rodong ballistic missiles for the first time since 2009,**
- **In December 2015 - US imposed new sanctions on North Korea over weapons proliferation, targeting the army's Strategic Rocket Force, banks and shipping companies.**
- **In November 2016 UN Security Council further tightened sanctions by aiming to cut one of North Korea's main exports, coal, by 60 per cent.**
- China announced its plan to implement the UN sanctions against North Korea agreed earlier this month, banning imports of coal, minerals and sea food.
- **In January 2018 First talks in two years between North and South Koreas show signs of a thaw after heightened tension.** The North said it will send a team to the Winter Olympics in the South.
- **In March 2018, it was announced by the South Korea's national security director Chung Eui-yong that Kim Jong Un wished to meet US President Donald Trump. The Invitation was accepted by President Trump.**
- If the meeting takes place it would be the first ever between leaders of the two countries. Pyongyang has long sought a summit with the US to reflect what the regime sees as its status as a regional military power. Bill Clinton came close to agreeing to a meeting with Kim's father, Kim Jong-il, in 2000, but arrangements had not been made by the time he left office in January 2001.

### **5.1.1. Why is North Korean Nuclear Capability a Concern**

- India, Israel and Pakistan developed and tested nuclear weapons with little international reaction. Why can't North Korea do the same?
- The answer lies in the essence of the North Korean state:
  - **North Korea has little interest in being a member of the international community,**
  - **It does not believe in having allies or in collective security.**
  - **Its trade linkages are limited to a series of bargaining transactions, and**

- It does not pay heed to international standards of behavior.
- Some argue that **North Korea wants nuclear weapons for regime security**, an analysis that would suggest that North Korea is simply warning predatory states to stay away or else.
- However, **North Korea's contempt for its neighbors suggests that it would hold them hostage with its nuclear weapons**. North Korea notoriously threatened to reduce South Korea's capital city to a "sea of fire." Such a threat takes on new meaning when a country holds nuclear weapons.

### **5.1.2. India and North Korea**

- North Korea is on relatively friendly terms with India, with both states maintaining embassies in their respective capital cities.
- While India is a critic of North Korea's aim of becoming a nuclear power, the country still exports millions of dollars worth of goods to the hermit state every year.
- A BBC survey in 2014 revealed almost one-quarter of all Indians believe North Korea is having a positive impact on the world.
- In recent months the US has been pushing for India to cut ties with North Korea.
- Minister for External Affairs Sushma Swaraj has argued India only conducted "minimal" trade with North Korea and its embassy staff had already been pared down in recent years.
- And in April 2017, in line with UN sanctions due to North Korea's nuclear tests, India banned almost all trade with the North Korea.
- But in 2017 India refused to shut down its embassy, which is located in Pyongyang, a move which angered the US.
- As per the Directorate General of Foreign Trade, India's export to North Korea was \$76.52 million and import stood at \$132.53 million in 2014-15. While India largely exported oilmeals, cotton yarn and machinery, Pyongyang exported iron and steel.
- From \$209.05 million, the bilateral came down \$130.38 million in 2016-17.
- In April, India banned all trade with Democratic People's Republic of Korea (DPRK), except for food and medicine – in line with United Nations Security Council sanctions.
- In September 2017, India endorsed the BRICS Xiamen declaration which called for a "direct dialogue" involved in the Korean Peninsula crisis.

### **5.2. The Syrian Issue**

- Syria has been engaged in civil war since 2011, with different groups trying to seize control of the country.
- The trouble began in 2011 in the Syrian city of Deraa.
- In July 2012, the International Red Cross said the violence in Syria had become so widespread that it was in a state of civil war.
- The fighting is between:
  - Soldiers who support the Syrian president Bashar al-Assad, supported by Russia and Iran
  - fighters known as rebels, who don't want Assad to be in power anymore, and
  - the group that call themselves the Islamic State.
- The group, called the opposition, who want the president to step down is made up of several kinds of people. These include groups of rebel fighters, political parties who disagree with Assad, and those living in exile who cannot return to the country.
- According to the United Nations (UN), almost five million Syrians have had to leave the country. Many have gone to neighbouring countries, like Jordan, Lebanon, Turkey or Iraq. Six million more people have tried to find safety elsewhere in Syria as internally displaced people.
- Many refugees made the decision to try to reach Europe. This is because some countries in

Europe said they would accept refugees who wanted to start a new life here.

- **More than 400,000 people have been killed in this civil war.**
- **In August 2013, it was reported that chemical weapons were used in the war in Syria,** which caused anger around the world. Both the rebels and the Syrian government denied that they were responsible.
- **In September 2013, Russia and the US reached an agreement which said the Syrian government should give up its chemical weapons and destroy them so they can never again be used.** This was important as Russia and the US support different sides in the Syrian war.
- The process of destroying the weapons began in October 2013 and the people working on this project, monitors from the **Organisation for the Prohibition of Chemical Weapons (OPCW)** were awarded the Nobel Peace Prize later that month.
- But in **April 2017**, there was reportedly another chemical weapons attack on a town in **north-west Syria**, which killed and injured many people. This was denied by the Syrian government as well as Russia.
- The **US has responded with military action by carrying out missile attacks on Syria**, which the UK has said it supports.
- **IS had taken over large parts of Iraq and then moved into eastern Syria.** In the chaos of the war they were able to gain land and power there too.
- Raqqa was the first big city captured by IS in Syria in early 2014. The group went on to take over large parts of the country towards Aleppo in the north, and along the Turkish border.
- **In 2017 an alliance of Syrian Kurdish and Arab fighters, backed by America, took back the city of Raqqa in the north-west from IS.**
- In **December 2017**, President Vladimir Putin of Russia declared victory in Syria and announced partial withdrawal from Syria.

### **5.2.1. India and Syria**

- India has a **number of interests and values which underpin its position on Syria**.
- **Opposition to foreign intervention and support for state sovereignty** (regardless of regime type) are long-held principles that by default make India's position favorable to the Assad government.
- These principles are underpinned by anti-colonialism, Third World solidarity, interest in preventing foreign intervention in Kashmir, and cultural values such as pluralism, non-violence (at the interstate level) and tolerance. India can justify not criticizing Russia's involvement as this was at the invitation of the Assad regime.
- **Delhi also has major interests in stability in the Middle East given its increased dependency on oil and gas imports.**
- A clean victory for the rebels in Syria will give a morale boost to certain other regional insurgents, potentially causing further instability.
- **India had to, along with its consortium partners, abandon oil investments due to security concerns in 2013.**
- **Instability also threatens India's migrant workers.**
- **The risk of radicalisation through actors such as the ISIS is also a key concern.**
- **India has abstained from most UN Security Council (UNSC) resolutions on Syria**—and having supported one Arab League sponsored resolution.
- India—along with other BRICS states—resolutely opposes the regime change narrative
- **India believes that societies cannot be re-ordered from outside** and that people in all countries have the right to choose their own destiny and decide their own future. In line with this, **India supports an all-inclusive Syrian-led process to chart out the future of Syria, its political structures and leadership.**

### 5.3. Yemen Conflict

- Yemen's history is marked by foreign interventions that have failed to reckon with the complexity of the country's politics. In the nineteen-seventies, the country was divided into South Yemen and North Yemen.
- **In 1978, Ali Abdullah Saleh, took power in the North**, when the two Yemens unified, in 1990, it was under Saleh's leadership.
- The conflict has its roots in the **failure of a political transition supposed to bring stability to Yemen following an Arab Spring** uprising that forced its longtime authoritarian president, **Ali Abdullah Saleh**, to hand over power to his deputy **Abdrabbuh Mansour Hadi**, in 2011.
- **Disillusioned with the transition, many ordinary Yemenis** - including Sunnis - supported the Houthis and in late 2014 and early 2015, the rebels took over Sanaa.
- **Yemen's most recent conflict began in early 2015**, when **Houthi rebels, from the country's northern highlands, overran Sana'a and a Saudi-led coalition began bombing them**.
- Coalition ground troops landed in Aden in August 2015 and helped drive the Houthis and their allies out of much of the south over the next few months.
- The **Houthi movement takes its name from the Houthi family**, whose home province, Saada, in the north of Yemen, has always enjoyed a degree of autonomy. They are Zaydi Shias.
- **The Houthis allied with a former President Saleh** and co-opted tribal networks in an effort to solidify and expand their power. **They have received the Support of Iran**.
- **The Saudi coalition is made up of nine Middle Eastern and African countries, and is supported by the United States**.
- Yet the **U.S. and Great Britain have continued to support the coalition**, mainly with weapons sales and logistical help.
- **The launch of a ballistic missile towards Riyadh in November 2017** prompted the Saudi-led coalition to tighten its blockade of Yemen.
- **The coalition said it wanted to halt the smuggling of weapons to the rebels by Iran** - an accusation Tehran denied - but the **UN said the restrictions could trigger "the largest famine the world has seen for many decades"**.
- Although the coalition eased its restrictions on rebel-held ports after several weeks, the extended closures resulted in a sharp increase in prices of basic commodities, accelerating food insecurity and the collapse of already basic services.
- In Novemebr 2017, **Mr Saleh offered to "turn a new page" with the Saudi-led coalition** if it stopped attacking Yemen and ended its blockade. The Houthis responded by accusing him of a "coup" against "an alliance he never believed in".
- In **December 2017 it was announced that Mr Saleh had been killed** in an attack on his convoy as he attempted to flee the capital.

#### 5.3.1. Implications

- Almost three years of fighting appears to have entrenched both sides, while **three UN-organised efforts to negotiate a peace deal have failed**.
- **The situation in Yemen is, the UN says, the world's worst man-made humanitarian disaster**.
  - **More than 9,245 people have been killed and 52,800 injured** since March 2015, the UN says.
  - **At least 5,558 of those killed, and 9,065 of those injured up to 14 December 2017 were civilians**. Saudi-led coalition air strikes were the leading cause of overall civilian casualties.
  - According to the UN Human Rights Council, **civilians have repeatedly been the victims of "unrelenting violations of international humanitarian law"**.

- What happens in Yemen can greatly exacerbate **regional tensions**. It also worries the West because of the threat of attacks emanating from the country as it becomes more unstable.
- The conflict between the Houthis and the government is also seen as part of a **regional power struggle between Shia RULED Iran and Sunni RULED Saudi Arabia**.
- Jihadist militants from **al-Qaeda in the Arabian Peninsula (AQAP)** and rival affiliates of the **Islamic State group (IS)** have taken advantage of the chaos by seizing territory in the south and carrying out deadly attacks, notably in Aden.
- **Yemen is strategically important because it sits on the Bab al-Mandab strait**, a narrow waterway linking the Red Sea with the Gulf of Aden, through which much of the world's oil shipments pass.

### **5.3.2. India**

- Delhi's immediate **focus is naturally on evacuating its citizens** in the region. It completed **Operation Rahat In 2015**. In a matter of days, the Navy, the Air Force, and Air India were able to **rescue thousands of Indians from the heart of Yemen's war-zone**, in an effort coordinated by the Ministry of External Affairs.
- The government showed magnanimity by **rescuing non-Indians of about 17 nationalities**, including Pakistan, a gesture reciprocated by Pakistani forces.
- **Until there is a UN mandate for the external intervention in Yemen, it will serve India's citizens better if the government retains its impartiality on events in the region**, which is ridden with fault-lines. **Stability and regional security remains a chief concern for India in a region that is significant for it**.

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# LECTURE-16

## THE DIASPORA

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# 1. The Diaspora: Indian's Around the World

There are 31.2 million people of Indian origin around the world out of this about 13 million are Persons of Indian Origin (PIOs) and about 17 million are NRIs. This Diaspora is a diverse group both economically, historically and in terms of qualifications. Nonetheless, this group is a strategic asset for India and is often considered to be the unofficial ambassadors of India in their host countries. They contribute resources, advocate India's cause and contribute to the development of their own country thus generating goodwill for India. Remittances sent by the Indian Diaspora accounts for 3 percent of the GDP.

## 1.1. Defining the Diaspora

**Migration**, a fundamentally essential ingredient of global social change, is a phenomenon that has been taking place for thousands of years and continues to take place all over the world.

In earlier periods, people migrated from one place to another in search of food, shelter, and safety from persecution. Today, people tend to migrate in search of better career opportunities and better quality of life.

### 1.1.1. Pattern

- Ancient and Medieval migration to colonial powers.
- Migration to the industrial nations immediately after World War II.
- Recent migration to developed countries for better career opportunities and better living condition, where the Internet, affordable airfare, and cheap communications help to maintain close ties with one's homeland for people migrating to these countries.

Diaspora is a word of Greek origin that means scattering or sowing of seeds. It is used to refer to people who leave their native lands to live in other parts of the world for employment, business or any other purpose.

The term originally referred to the dispersion of Jews after their exile from Babylon in the 6th Century BC, and later to describe all the Jewish people scattered in exile outside Palestine. Today, the word has evolved to classify any group of people who are dispersed or scattered away from their home country with a distinct collective memory and a myth of return.

## 1.2. Indian Diaspora: Characteristics

Indian Diaspora is a generic term used for addressing people who have migrated from the territories that are currently within the borders of the Republic of India. It constitutes NRIs (Non-resident Indians) and PIOs (Persons of Indian origins). The Indian Diaspora is estimated to be over 31 million. The Government of India recognizes the importance of Indian Diaspora as it has brought economic, financial, and strategic benefits to India. The Indian Diaspora today constitutes an important, and in some respects unique, force in world culture. A Diaspora is also characterized by the role played collective memory in preserving history and culture.

Thus one can find the Indian Diaspora is characterized by the following:

- It maintains family traditions of origin, but also is gradually subject to social, cultural, and political integration into the host nation.
- It is acutely aware of Indian (and regional) origins, but do not go much further than a sympathetic curiosity about them. However, our personal identity is significantly affected by that awareness.
- It takes an active interest in the general fate of India, and in important events in India.
- It perpetuates significant aspects of Indian culture like language, tradition, and religion. For example:
  - Most speak Hindi, as well as our mother tongues like Telugu, Gujarati, etc.

- Maintains tradition for weddings, birth and cremations etc.
  - Maintain religions like Hinduism, Sikhism, Islam, and other India based religions.
5. It maintains regular communications with family and friends in India.
  6. It sends remittances back home on a regular basis. India is number one in the world with over \$69 billion in annual remittances constituting 3 percent of the GDP.
  7. It attempts to influence our host country's government to pursue policies favorable to India. For example, the intense lobbying by the Indian diaspora in the US that persuaded a recalcitrant US Senate to approve the Nuclear Treaty a few years ago.

From the 1920s onward, the Indian nationalist movement had acknowledged and lauded the contribution of overseas Indians to the struggle for freedom. After all, the "Father of the Nation," Mohandas K. Gandhi, had been prominent in the Diaspora and had begun his experiments with civil disobedience movements while in South Africa.

### **1.3. Waves of Migrations: The Old and New Diaspora**

The history of migration from India dates back at least two thousand years. **The first migration from modern-day India took place at around the time of the reign of Emperor Kanishka (around the 1st century AD).** This group was the **Romani people**, now known all around the world as "gypsies", from what today is the Indian state of Rajasthan. They emigrated from India towards the northwest and eventually settled in Eastern Europe.

**Another major migration from the Indian subcontinent started in around 500 AD, when a group emigrated to Southeast Asia. The Cholas, a great naval power, conquered what is today Indonesia and Malaysia as well as the so-called 'Indianized' kingdoms of Southeast Asia.** The influence of Indian culture is still felt strongly in Southeast Asia. This is particularly evident amongst the royal Brahmins kings of Thailand, the archeological wonders of the Angkor Kingdoms of Cambodia, and in Indonesia, especially in Central Sumatra and Bali.

However, in all these early migrations, the label of "Indian Diaspora" is not applied to the descendants of those emigrants who left India many centuries ago. The intermixing of these groups with the local population over the centuries has been so great that they eliminated all traces of such "Indian" identity. Therefore, these people are no longer considered PIOs ("People of Indian Origin").

However, over the past two centuries, India has achieved arguably the most diverse and complex migration histories, forming the Modern Indian Diaspora. Spread across all six continents and 125 countries, it is estimated that about 31 million people now comprise the Indian Diaspora.

The characteristics of this diversified group vary to an astonishing degree – yet all are part of the same Indian Diaspora. It varies to such an extent that it is defined in three **subsets** of our Diaspora:

- the **Old Diaspora**,
- the **New Diaspora**, and
- the **Gulf Diaspora**.

However, there is one consistent theme to all three categories. **They were, and continue to be, created by a labor migration** – unskilled labor starting two centuries ago, and highly skilled labor after the mid-1960s.

### **1.3.1. The Old Diaspora**

The first wave of the Indian Diaspora is what we call the “Old Diaspora.” It began during the early 19th century and continued until the end of the British Raj.

**Britain abolished slavery in 1833** and other colonial powers such as France, the Netherlands, and Portugal followed suit. Without the labor of African slaves, their colonies then desperately needed manpower to work the sugar and rubber plantations. To meet this demand, the British established the system of “**Indentured Labor Migration**” from the Indian subcontinent.

**In 1834, Britain began exporting bonded Indian labor to Mauritius.** The Dutch and French replicated the British system and also exported Indian workers to their colonies.

**Conditions of absolute poverty in many parts of India**, in addition to the **prospect of gaining wealth overseas**, motivated Indians to sell themselves and become bonded laborers. The conditions on these journeys were extremely difficult. Mortality was high on British, Dutch and French boats from the sub-continent to these colonies.

### **1.3.1.2. The Plantations in Islands**

**Workers for plantations in Mauritius, Suriname, Trinidad and Fiji arrived mainly from the present-day states of Bihar and UP.** In Guyana and East Africa, laborers originated primarily from Punjab and Gujarat. Given the proximity of Tamil Nadu to French possessions in India like Pondicherry, the **workers in most French colonies, such as Guadeloupe, Martinique, and La Reunion, were Tamils**. The majority of these migrants were males. This brutal indenture system lasted until World War I, abolished in 1916-1917. By that time, more than 1.5 million Indians had been shipped to colonies in the Caribbean, Africa, and Asia.

### **1.3.1.3. Labour in South East Asia**

However, during roughly the same period, **another form of labor migration developed**. Tapping into the **labor surplus of South India**, mostly in the modern-day Indian state of **Tamil Nadu**, the **Colonial bosses of tea, coffee, and rubber plantations in Sri Lanka, Malaysia, and Burma** authorized Indian headmen to recruit entire families and ship them to plantations. About five million Indians, mostly poor Tamils, migrated to these three countries until the system was abolished just prior to World War II. Today, **Malaysia and Singapore have local Indians who comprise 7 and 9.1 % of the total population respectively, and are seen as a minority in both**.

Around that same time, merchants and traders from **Gujarat and Sindh settled in British colonies in the Middle East, and South and East African**. For example, Gujarati and Sindhi merchants became shop owners in East Africa, and traders from Kerala and Tamil Nadu were involved in retail trade and money lending to poor Indian peasants in Burma, Ceylon and Malaya. **By the time of Second World War, the Indian Diaspora included approximately six million migrants**. Out of this total, **over one million Indians were in Burma**. At that time, **there were only 6,000 Indians in United States**.

Today this “Old Diaspora” constitutes 60% of Indian Diaspora, or approximately 18 million PIOs. The Old Diaspora is primarily a pre-WWII phenomenon.

### **1.3.2. The New Diaspora**

**The New Diaspora, consists of migrants who left India in large numbers from the mid-1960s onwards – primarily to developed countries like the UK, US, Canada, Australia, and Western Europe.**

Around 1900, there were less than a thousand Indians in both the UK and the United States. **By World War II**, the number had grown to about 6,000 in each country.

- In Britain, this population consisted mostly of unskilled workers for low wages.
- In the US, this population consisted mostly of Sikhs who worked in agriculture in California.

Many factors contributed to this small number of migrants from India to these developed countries. **Draconian legislation in the United States had banned immigration to the US from all but a handful of Western European countries.** The **Johnson–Reed Act of 1924**, probably the **most overtly racist immigration law** in the world at the time, served to limit the annual number of immigrants to the US from any country to 2% of the number of people from that country who were already living in the US dating back to 1890.

The year '1890' is not a completely arbitrary benchmark. **The US established the law in order to stop Eastern Europeans Jews** who had migrated in large numbers to the US after 1890 to escape persecution in Europe. Though aimed at Eastern Europeans, this law had the collateral effect of prohibiting the entry of Middle Easterners, East Asians, and Indians to the US. According to the U.S. Department of State at the time, the purpose of the act was "to preserve the ideal of American homogeneity."

**Similarly, at the turn of the century in Canada, also part of the British Empire at that time, there were about 100 Indians.** This number rose to 5,000 by 1907, before a restrictive new law, the **Continuous Passage regulation**, stopped any further immigration. **This law required that all migrants who intended to immigrate to Canada make a continuous journey from the countries of their citizenship.** This law stopped Indian immigration in its tracks, since no steamships traveled directly from India to Canada. This became most evident in the "**Komagatamaru" incident of 1914**", when more than 350 immigrants from India sent back from Vancouver, as the ship carrying them, the Komagatamaru, had not travelled continuously from India to Canada.

### 1.3.2.1. After Independence

The landscape began to change **after Indian independence**. A group of unskilled (and some skilled) workers, mostly male Punjabi Sikhs, migrated from India to the United Kingdom. After the war, **Britain had a demand for low-skilled labor**. Given India's postcolonial ties and the UK's **Commonwealth immigration policy**, which allowed any citizen of a Commonwealth country to live, work, vote, and hold public office in the United Kingdom, Indians came to the UK. Many settled in **London** as well as **industrial cities like Leicester and Birmingham**. At the time (from 1947 till 1962), Indian nationals, as Commonwealth citizens, had an unrestricted right to enter the United Kingdom.

In 1962 and again in 1968, the British Commonwealth Immigration Acts rescinded these rights for Indians. However, 20 years later, when the UK was faced with a shortage of highly skilled labor, the UK reversed itself, and Indian migration to the UK picked up considerably. Additionally, during the mid-1960s, anti-Indian discrimination developed in African countries like **Kenya and Uganda**. This also resulted in a large-scale "**Secondary Migration**" of PIOs to the UK. Of the **current Indian diaspora in the UK**, one-fifth is as a result of this secondary migration from East African countries and South Africa.

The dividing line for **Indian immigration to the United States**, and the significant Diaspora formation that resulted, is the year 1965. It was in **1965 that President Lyndon Johnson and the US Congress passed the historic Hart–Celler Act**. This legislation:

- terminated the racist 1924 Johnson-Reed Act,
- abolished national-origins quotas, and
- Made it possible for high-skilled immigrants, including Indians, to gain legal, permanent residence in the United States.
- The migrants were able to bring their family members as well.

As in the United States, new immigration legislation that opened the doors to highly-skilled immigrants triggered significant immigration of Indians to Canada. In 1968, Canada introduced its **points system**, which assigns **value to qualifications rather than a person's ethnic or national background**. As a result, Indian immigration to Canada boomed.

The 1990s software boom and rising economy in the US attracted Indians by the boatload. The US Immigration Act of 1990, effective from 1995, facilitated this process further by introducing the **H-1B temporary worker program**, allowing US businesses to hire foreigners with a minimum of a bachelor's degree in "specialty occupations" including doctors, scientists, engineers, and IT specialists.

Indian citizens are far and away the top recipients of H-1B visas each year. As a result the Indian diaspora in the US is highly-skilled. The US Census Bureau estimates that 75% percent of all ethnic Indians working in the US hold at least a bachelor's degree, and 69% percent work in management and professional occupations.

US, UK and Canadian census data from 2010 estimates that the Indian Diaspora grew to three million in the US, 1.5 million in the UK, and one million in Canada – a twentyfold increase in half a century. Today, Indians are the fourth largest immigrant group in the United States after the **Mexicans, Filipinos, and Chinese**.

Also, since the 1990s, Australia and New Zealand have become important destination countries for Indians. Both countries look to attract English-speaking, highly-qualified professionals, often to supply their IT industries. The Indian diaspora in Australia numbers more than 400,000, almost two percent of Australia's total population.

### **1.3.3. The Gulf Diaspora: The Persian Gulf Countries**

The most recent development of the Indian Diaspora is the "Gulf Diaspora". The 1970s oil boom in the West Asia/Middle East ended up triggering significant migration from India to the Persian Gulf. An increasing number of semi-skilled and unskilled workers, primarily from South India, have worked in the gulf countries on temporary schemes in the oil industry and in services and construction.

With modern air transportation, this was on a contractual basis rather than the permanent basis that was the case in the 19th century. More than 8 million Indians reside in Gulf today; an estimated 70% of them are blue collar workers. These workers are responsible for running oilfields, businesses, transport and household work.

## **1.4. Status, Success and Future**

- Ethnic Indians are a small but wealthy minority in the US, UK, and the countries of the New Diaspora.
- In terms of number they constitute 40 percent of the populations in Fiji, Trinidad, Guyana, Reunion and Suriname, and 70 percent of Mauritius – all Old Diaspora countries.
- In Gulf they are more than 50 percent of all the immigrant workers.

The New Indian Diaspora, especially in the United States, is highly organized with many regional and pan-Indian cultural, professional, religious, and charity organizations. In recent years, Indians have demonstrated their increasing political influence examples being- Louisiana Governor Bobby Jindal, South Carolina Governor and US representative to the United States Nikki Haley, NY Attorney General Preet Bharara, California Senator Kamla Harris and the formation of the India Caucus in both the Congress and the Senate.

In Canada, 19 Indian-origin MPs were elected to the Canadian parliament in 2015 and four were appointed in the cabinet of PM Justin Trudeau. In the UK, a record number of 12 Indian MPs, were elected to the British Parliament in 2017, and eight members of the House of Lords

are People of Indian Origin. With the Appointment of Rishi Sunak and Suella Fernandes in **January 2018** the UK has **three Indian-origin Ministers in the government.**

If Indians appear to have done well for themselves within the economic domain of these Old Diaspora countries, their affluence in new Diaspora countries like the United States is even more pronounced, as is our presence within top professions. Though our share of the population in the US is less than 1%, Indians account for well over 5% of the scientists, engineers, and software specialists, and almost 10% of all the doctors. No group, not whites, not the Chinese, nor the Jewish people, has a higher median household income than Indians, which is almost double that of the overall average of the United States.

Diaspora has contributed to India's ascendency in the world. In all of the countries to which Indians have migrated, Indians have achieved in the fields of entrepreneurship, business, academia, science, arts, and culture.

**The success of Indian entrepreneurs, CEOs, scientists, academics, media personalities, filmmakers and IT professionals in the US has created trust in India's intellectual abilities abroad.** This success has been a **major factor in branding India as a source of well-educated and hard-working professionals.** This new "Brand India" explains the increased interest in recruiting Indian graduates and professionals in several countries. It also contributes to the willingness of US and other companies to collaborate with, and outsource to, Indian companies. **Ethnic Indians, particularly in New Diaspora countries, have become known for their economic, professional, academic, scientific, and artistic successes, as well as for their generally peaceful integration.**

**In the Old Diaspora,** Indians have become integral part of their countries. In countries such as Mauritius names such as Sir Seewoosagur Ramgoolam, Anerood Jugnauth, Navin Chandra Ramgoolam and Pravind Jugnauth are prominent in politics serving as the heads of state and government. Similalry, Trinidad and Tobago has seen two Indian origin prime ministers- Basdeo Panday and Kamala Persad Bissessar. Another Indo-Trinidadian VS Naipaul is much celebrated author and Nobel Laureate.

In Malay Peninsula the Indian Community played a key part in the decolonization process and Malaysian Indian Congress had been a key part of the ruling alliance coalition of the Alliance Party (BN- Barisan Nasional). In Singapore Tamil is an official language along with English, Mandarin and Malay. Indians have served as two out of eight Presidents of Singapore, most recently Mr. S.R. Nathan (1999-2011).

**The Gulf Diaspora** has increased to more than 8 million. It's is source of **more than 50 percent of remittances received by India.** In the economy of countries like the UAE, Indians have achieved a notable presence as entrepreneurs and managers. The Indian community in gulf is more than fifty percent of the total immigrant workers in the Gulf countries and this number has doubled since 2000.

## 1.5. Issues and Challenges

### 1.5.1. Rights and Changing Policies in Gulf

More than 70 percent of Indian workers in the gulf are blue collar workers and are on temporary contracts. Certainly, many of them face **discrimination, have limited rights**, and face future challenges in the **indigenization or Arabisation policy** of these states that seeks to include more Arabs in the workforce. The **Nitaqat** policy of **Saudi Arabia** is a specific example of government policy aiming at changing the composition of the work force. These **Gulf countries have a common policy of refusing to naturalize non-Arabs**, even if they are born in the Gulf Countries. Thus, members of the Diaspora in these countries are relegated to a kind of "**second class**" status.

On the other hand threats emanating from regional instability have resulted in large scale evacuation from the Gulf countries in 1990 and more recently from Yemen in 2015 (operation Raahat).

**Indian Missions in Gulf countries receive various types of complaints** from Indian workers:

- including non-payment/delayed payment of wages,
- sudden closure of companies,
- ill treatment, excessive working hours,
- filing false charges with police authorities,
- withholding of passports, dishonouring terms of the contract,
- exit visa issues

The economies of Gulf countries have been facing an economic downturn due to fall in crude oil prices. In particular, **those employed in oil & gas and construction sectors are among the most vulnerable where downsizing and lay-offs have been reported**. There are some reports of Indian workers being asked to leave before completion of their existing contracts. Instances of unpaid salaries for last few months and non-availability of food in some labour camps of two big companies in Saudi Arabia have also been reported by Indian workers.

Indian Missions and Posts have been pro-active in liaising with the host countries in resolving difficulties faced by Indian workers. In addition, the institutional framework for supporting the welfare of Indian community abroad has been considerably strengthened during the last few years. **The Indian Community Welfare Fund** has been extended to all our Missions and Posts abroad to meet contingency expenditure for welfare activities for overseas Indian citizens who are in distress on a means tested basis. **Multilingual helplines** have been set up in India and in Gulf countries. **Indian Worker Resource Centre (IWRC)** has also been set up in Dubai, UAE that provides toll-free helpline and walk-in counseling facilities. Four more IWRCs have been approved in Sharjah, UAE, Riyadh and Jeddah in the Kingdom of Saudi Arabia and Kuala Lumpur in Malaysia.

#### **1.5.2. Protectionism and Nationalist Sentiments in USA**

The protectionist measures as a result of rise of nationalist, protectionist and anti-immigration politics in the west poses a major future challenge in this context. The proposed restrictions on the renewal of H-1b visas in the USA are case in point to be watched closely.

#### **1.5.3. Xenophobia and Violence**

The attacks on Indian students in Australia from 2008 to 2010 and the recent murder of Indian engineer in the USA are examples of the threat from xenophobia and racism that the Indian community faces abroad.

#### **1.5.4. Ethnic Ties in the Old Diaspora Countries**

The removal of Mahendra P. Chaudhary in Fiji in the coup of 2000, and the ensuing ethnic strife are symbolic of the issues of domestic politics in the Old Diaspora countries. Similarly the issue of rights of the people Indian origin in Malaysia has been a recurrent domestic issue in that country. In November 2007, the Hindu Rights Action Force, a coalition of NGOs, gathered more than 50,000 minority Indians in the streets of Kuala Lumpur to announce a symbolic lawsuit against the British government, the former colonial ruler, for bringing them to the region as indentured labourers.

Incidents of ethnic tensions exist all across our diaspora; for instance, in Old Diaspora countries such as, **Malaysia**, where **despite some political representation, Indians faces discrimination**

**exacerbated by religious tensions between the Malays (Bhumiputras) and the Indians.**

Fiji, where ethnic Indians comprise over 40% of the population, anti-Indian resentment resulted in an ethnic Fijian coup d'état in 2000, which removed from office the democratically-elected Prime Minister Mahendra Chaudhry. Trinidad, where the Speaker of the House, Occah Seapual, an Indian woman, was unseated by the People's National Movement (PNM), the black party which had held power for most of the recent history of Trinidad. The PNM did it by promulgating a state of emergency in the dead of night, placed Seapual under house arrest, and eventually removed her as Speaker of the House.

This discrimination persists not just in countries like Malaysia, Fiji and Trinidad, but also in the New Diaspora countries like the UK and Germany, where skinhead Brits and Germans have violently clashed with people from South Asia. **In Australia, attacks on Indian students have occurred at an alarming rate.** Even in the US, a country where Indians have made immense strides in all fields, Indians are not immune from hate crimes, such as those committed by the Dot-buster gangs of New Jersey or the massacre of worshipers at the Sikh Gurdwara in Wisconsin.

Success of the Indian community as entrepreneurs, educators, innovators and doctors has also attracted certain threat perception. For instance, the portrayal of Indian's having achieved their success at the cost of the local population. Thus, such threats need to be taken into consideration for making any Diaspora policy.

Indian migrants have lived in conditions of appalling poverty in many places around the world, where they were first taken as indentured labor many years ago. Still, a number of remarkable transformations have taken place over the past generations. Through thrift, dogged perseverance, hard work, and most importantly by a withdrawal into their own culture, these Indians successfully labored to give their children and grand-children better economic futures. In time, these descendants came to capture the trade, commerce and business leadership of their new homelands.

This was equally true in South Africa, Kenya, and Uganda as it was in Trinidad, Mauritius, Suriname and Burma, in spite of the resentment and discrimination of the local populace and political establishments.

## 1.6. The Future

According to prediction in the near future India will overtake China as the most populous country. The young population would be highly mobile. Given the conundrum of an expanding middle class in India, juxtaposed against the continuing abject poverty of over half a billion Indians, migration patterns will accelerate. In spite of discrimination, xenophobia, and exclusion in many countries, our Diaspora grew by over 10 million people during the last decade alone. The migration of highly-skilled professionals, the continuing export of labor, and illegal immigration to New Diaspora countries are likely to add to those numbers.

## 1.7. Government Policy and Steps

- Pravasi Bhartiya Divas Conventions
- OCI card
- Know India Programme
- VAJRA scheme for returning Indian scientists
- India has signed labour agreements with Jordan, Qatar, UAE, Kuwait and Oman.
- Social Security agreements with countries of Europe
- Indian Community Welfare Fund at all Missions and Posts abroad.

- Indian Worker Resource Centre (IWRC) has also been set up in Dubai, UAE that provides toll-free helpline and walk-in counselling facilities. Four more IWRCs have been approved in Sharjah, UAE, Riyadh and Jeddah in the Kingdom of Saudi Arabia and Kuala Lumpur in Malaysia.
- Special provision for NRIs to invest in the National Pension Scheme.
- Prime Minister's Global Advisory Council (PMGAC) was set up as a high level platform, to draw upon the experience and knowledge of eminent people of Indian origin in diverse fields from across the world in January, 2009. So far five meetings have taken place.

## 1.8. What Needs to Be Done?

- Proactive response to unfolding policies such as Nitaqat
- Involving states in managing the immigrants
- Strategic evacuation Policy
- Curbing red-tapism and easing investment environment.
- Training to the immigrant workers in line with the example of countries such as Philippines.

## 1.9. The Overseas Citizen of India

An Overseas Citizen of India is a lifetime visa status with some added benefits.

### Who can be an OCI?

- A person who used to be an Indian citizen
- A person with at least one parent, grandparent, or great-grandparent who is/was an Indian citizen
- A person married to an Indian citizen or an existing OCI for at least two continuous years

### The following groups of people cannot have OCI status:

- Anyone who was ever a citizen of Pakistan or Bangladesh
- Anyone whose parents or grandparents were citizens of Afghanistan, Pakistan, Bangladesh, China, or Sri Lanka
- Anyone who served in a foreign military or worked in a foreign defense department

### What are the benefits of being an OCI?

- Lifelong multiple entry visa to India
- No need to report to the FRRO regardless of the length of your stay
- One can eventually become a citizen of India if you remain an OCI for 5 years and live in India for at least 1 year.
- special counters during immigration
- No requirement of a student visa to study in India
- No requirement of an employment visa to get a job
- One can open a special bank account in India, just like an NRI
- make investments in India
- One can buy non-farm property and exercise property ownership rights
- OCI card can be used to apply for a driver's license, open a bank account, or get a PAN card
- same economic, financial, and education benefits as NRIs (e.g. reserved admission quotas), and you can adopt children like an NRI
- Fee equivalent to Indian resident when visiting a national parks, monuments, museums or wildlife sanctuary (of course it is ultimately up to the discretion of the man issuing tickets)

### What are the limitations?

- Cannot purchase agricultural land or farm houses
- Cannot vote
- Cannot hold a government job
- Cannot be elected to a political position
- Cannot travel to restricted areas without permission

### How do you become an OCI?

- One can apply through the Indian embassy in your country of residence or within India at the local FRRO.
- The entire process can take several months in some cases. Fees vary from nationality to nationality.

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