





Defense News Conclave

Stories of U.S.-India Defense Partnership

QUARTERLY NEWS WRAP

Issue #7, April-June 2023

This quarter was marked by key high-level visits including the Official State Visit of Indian Prime Minister Narendra Modi to the U.S. from June 21-23, 2023. This visit witnessed many deals and bigticket items in the sectors of defense, renewable energy, technology collaboration, healthcare and climate change.

India and the U.S., having the strength to find solutions to the global geopolitical challenges, have put behind them the legacy issues and hesitations of the past. This quarter has sparked unprecedented momentum in the India-U.S. Defense ties with notable high-level visits that took place and outcomes that followed. During U.S. Defense Secretary Lloyd Austin's visit to India, both sides initiated negotiations on a Security of Supply Chain Agreement and Defense Procurement Agreement and established a roadmap for Defense Industrial Cooperation.

President Joe Biden's National Security Adviser (NSA), Jake Sullivan visited India on June 13-14, 2023. He discussed a variety of strategic, regional, and bilateral matters, including ways to advance the strategic defense relationship between U.S. and India. At a stakeholders meeting on the Initiative on Critical and Emerging Technologies (iCET), the NSA Ajit Doval and U.S. NSA, Jake Sullivan, announced a roadmap for collaboration.

To cover the build-up of the Official State Visit of Indian Prime Minister to the U.S., CUTS came up with a series of Occasional News Wraps (ONWs):

- Taking India-U.S. Ties to the Next Level
- Historic Visit Underway PM Modi in the U.S.
- From Buyer-Seller to Co-Production: The Way Forward.

Furthermore, CUTS International organised two webinars with distinguished speakers to facilitate meaningful dialogues to understand broader perspectives of the India-U.S. trade and strategic relationship in the context of this Visit:

- Ties that Bind: The India-U.S. Relationship in 2023
- Working Together to Promote Trade Multilateralism

As part of the project titled, '<u>Defense News Conclave: Stories of U.S.-India Defense Partnership'</u>, CUTS International aims to raise awareness among relevant stakeholders and the wider public about the importance of U.S.-India defense relations and their larger implications.

This seventh edition of the Quarterly News Wrap covers some important developments in U.S.-India defense relations and related matters.

H	IGHLIGHTS
Modi's U.S. visit: From handshakes to outcomes Pradeep S. Mehta and Purushendra Singh, The Economic Times June 30, 2023	India and the U.S. having the strength to find solutions to the global geopolitical challenges, have put behind the hesitations of the past and are moving towards a period of trusted partnership. This was reflected during the visit of the Prime Minister of India to the U.S. on June 21-22, 2023.
5 key takeaways from PM Modi's U.S. visit <i>Tuhin A Sinha, India Today</i> June 26, 2023	PM Modi's trip showcased India's cultural heritage, diplomatic prowess, and its growing influence on the world stage. There are <u>five important takeaways</u> from PM Modi's U.S. visit that one can immediately think of, besides tons of memorable moments and gestures.
NSA Sullivan's visit underscored dynamism of India-U.S. partnership Hindustan Times June 15, 2023	National Security Advisor (NSA) Jake Sullivan's visit underscored the dynamism of the <u>U.SIndia partnership</u> in advance of Prime Minister Modi's historic official state visit to the U.S., the White House said in a readout of the call. He discussed a range of strategic, regional, and bilateral issues including steps to advance the strategic technology and defense partnership between the U.S. and India.
PM Narendra Modi Concludes 3-Day Visit to Australia: 10 Key Highlights Pranay Dutta Roy, The Quint May 24, 2023	The Indian Prime Minister departed Australia on May 24, 2023 after previously concluding visits to Japan, for the G7 summit, and to Papua New Guinea. During his visit to Australia, as part of the final leg of his three-country-tour, the Prime Minister held talks with his Australian counterpart, addressed a massive Indian diaspora event and conducted several meetings with Australian business executives.
ASEAN India Maritime Exercise (AIME-2023) Press Release, Ministry of Defense May 01, 2023	Indian Naval Ships Satpura and Delhi with Rear Admiral Gurcharan Singh, the Flag Officer Commanding Eastern Fleet embarked onboard arrived at Singapore on May 01 2023 to participate in the Inaugural <u>ASEAN-India Maritime</u> Exercise (AIME-2023) scheduled from 02 to 08 May 2023.
India-Srilanka Annual Bilateral Maritime Exercise (SLINEX-23) Press Release, Ministry of Defense April 04, 2023	The 10th edition of IN-SLN bilateral maritime exercise SLINEX-23 is scheduled at Colombo from April 03-08, 2023. The exercise is being conducted in two phases: the Harbour Phase from April 03-05, 2023, followed by a Sea Phase from April 06-08, 2023. Indian Navy is being represented by INS Kiltan, an indigenous Kamorta class Anti-Submarine Warfare (ASW) corvette and INS Savitri, an Offshore Patrol Vessel.

OFFICIAL STATEMENTS		
Joint Statement from the U.S. and India The White House June 22, 2023	President Joseph R. Biden and Prime Minister Narendra Modi affirmed a vision of the <u>U.S. and India as among the closest partners in the world</u> – a partnership of democracies looking into the 21st century with hope, ambition, and confidence. The U.SIndia Comprehensive Global and Strategic Partnership is anchored in a new level of trust and mutual understanding.	
Meeting of National Security Advisor (NSA), Shri Ajit Doval with National Security Advisor of U.S., H.E. Mr. Jake Sullivan Ministry of External Affairs June 13, 2023	The two National Security Advisors (NSAs) have engaged regularly in extensive discussions on a broad bilateral, regional and global agenda. The current visit, which comes in the run-up to Prime Minister Narendra Modi's State Visit to the U.S., will give them the opportunity to continue their high-level dialogue, which will include a review of the robust and multi-faceted cooperation between the two countries as well as a survey of the India-U.S. global strategic partnership.	
Prime Minister's closing statement at the FIPIC III Summit Ministry of External Affairs May 22, 2023	Indian Prime Minister Narendra Modi said, "We have some shared priorities and the needs of the Pacific Island countries. Our endeavour on this platform is to move forward while keeping both aspects in mind. To further enhance our cooperation within Forum for India-Pacific Islands Cooperation (FIPIC), I would like to make some announcements: To boost healthcare in the Pacific region, we have decided to establish a super-specialty cardiology hospital in Fiji."	
Official Visit to Australia by the Prime Minister of India Media Release, Prime Minister of Australia May 22, 2023	Australian Prime Minister Anthony Albanese said, "I am honoured to host Prime Minister Modi for an official visit to Australia, after receiving an extremely warm welcome in India earlier this year. Australia and India share a commitment to a stable, secure and prosperous Indo-Pacific. Together we have an important role to play in supporting this vision."	
QUAD Leaders' Joint Statement The White House May 20, 2023	Prime Minister Anthony Albanese of Australia, Prime Minister Narendra Modi of India, Prime Minister Kishida Fumio of Japan, and President Joseph R. Biden, Jr. of the Umet for the third in-person QUAD Leaders' Summit, hosted by Prime Minister Albanese. Together, they reaffirm our steadfast commitment to a free and open Indo-Pacific this inclusive and resilient.	
Press Statement by External Affairs Minister, Dr. S. Jaishankar at Joint Press Briefing with the Foreign Minister of Panama Ministry of External Affairs April 24, 2023	External Affairs Minister, S. Jaishankar said, "It's a great pleasure for me to be in Panama on my first visit. I had the honor of being received by the President to hold very good discussions. Politically, we are, <u>India and Panama</u> have been strong and close friends traditionally. We share the attributes of being politically democracies, of being market economies, of being pluralistic societies and our world outlook is also very similar, we take independent positions. We are part of a larger South-South Cooperation."	

POLICY MATTERS	
India, U.S. sign MoU to strengthen clean energy cooperation Deccan Herald June 24, 2022	Aiming to <u>clean the environment</u> , India and U.S. have signed an agreement under which the U.S. Agency for International Development (USAID) will support Indian Railways to achieve its target of becoming a net-zero carbon emitter by 2030.
In key decision during PM Modi's U.S. visit, GE Aerospace to co-produce F414 engines in India for Tejas Mk2 fighter jets <i>ThePrint</i> June 22, 2023	In a major announcement coinciding with Prime Minister Narendra Modi's visit to the U.S., <u>GE Aerospace</u> on June 22, 2023 announced that it has signed a Memorandum of Understanding (MoU) with Hindustan Aeronautics Limited (HAL) to produce fighter jet engines for the Indian Air Force.
India-U.S. relationship is a defining strategic partnership The Economic Times June 16, 2023	India-U.S. relationship is a defining strategic partnership (Paywall) and an evolving one, and not transactional said Pradeep S. Mehta, Secretary General, CUTS International at a webinar on U.S. India relations organised to generate inputs for both the governments in the context of the upcoming visit of Prime Minister, Narendra Modi to the U.S.
Predator Drone deal with U.S.: What are MQ9 Reaper Drones and Why Does India Need Them? Explained News 18 June 15, 2023	The Defense Ministry granted approval on June 15, 2023 for the acquisition of Predator (MQ-9 Reaper) drones from America. The final decision on the deal will be made by the Cabinet Committee on Security (CCS). The deal for the Predator drones was given approval by the Defense Acquisition Council.
India and U.S. 'model' for how two strategic partners can work together across sectors: USISPF Chairman The Hindu Business Line June 11, 2023	Prime Minister Narendra Modi's State Visit to the U.S. is a "major milestone" for the bilateral ties said John Chambers, Chairman of <u>U.SIndia Strategic Partnership Forum</u> (USISPF). He told PTI that, "I think it's a major milestone for the future. I have always been the biggest bull on India and the future of India.
India and Germany explore Joint Defense Production The Economic Times June 07, 2023	Defense minister Rajnath Singh on June 06, 2023 pitched for opportunities in the <u>defense production sector</u> , including possibilities for German investments in the two defense industrial corridors in Uttar Pradesh and Tamil Nadu, during his meeting with his German counterpart Boris Pistorius.
India and U.S. close to mega defense deal: Pact for fighter jet engines 1st, ship engines likely next Snehesh Alex Philip, The Print May 31, 2023	After a wait of over a decade, India and the U.S. are on the verge of signing a mega defense deal to facilitate state-run Hindustan Aeronautics Limited's (HAL) partnership with American firm General Electric (GE) for jointly manufacturing indigenous jet engines of fighter aircraft.

DEFENSE TRADE		
U.S. needs to bring in trade liberalisation as part of IPEF Shweta Punj, Moneycontrol June 26, 2023	The U.S. wants to conclude negotiations on all pillars by the end of 2023. However, India has been reluctant to join the trade pillar. India has joined the other three pillars of supply chains, clean economy, and fair economy. The U.S. launched the Indo-Pacific Economic Framework (IPEF) in 2022. On the trade pillar, India's reservation is that it does not have any room for negotiation of liberalisation on the trade front.	
PM Modi holds discussion over trade ties with Egyptian counterpart Mostafa Madbouly The Telegraph Online June 24, 2023	Prime Minister Narendra Modi on June 24, 2023 discussed deepening trade and economic relations with Egypt in his first meeting with the India Unit, a new gro of high-level Egyptian ministers led by his counterpart Mostafa Madbouly.	
U.S. announces major resolution on key trade issues with India Press Release, United States Trade Representative June 22, 2023	U.S. Trade Representative Katherine Tai announced that the U.S. and the Republic of India have agreed to terminate six outstanding disputes at the World Trade Organisation. India also agreed to remove retaliatory tariffs, which it had imposed in response to the U.S. Section 232 national security measures.	
India and U.S. launch strategic trade dialogue The Week June 07, 2023	Ahead of the historic U.S. visit of Prime Minister Narendra Modi, the two countries have launched a Strategic Trade Dialogue during which officials reviewe the ongoing cooperation in multilateral export control regimes and agreed to share the best practices to further the bilateral ties.	
In a first, defense production crosses Rs 1 trillion-mark this year Ajai Shukla, Business Standard May 19, 2023	India's public and private <u>defense production</u> units have, for the first time, produced more than Rs 1 trillion worth of goods and services during the current financial year. A Ministry of Defense (MoD) statement on May 19, 202 revealed that the total value of defense production in the 2022-23 financial year has exceeded Rs 1.07 trillion.	
U.Sled trade talks with 14 countries, including India, close to reaching supply chains pact By Eric Martin, Peter Martin and Sam Kim, The Economic Times May 19, 2023	Fourteen countries in U.Sled <u>Indo-Pacific trade talks</u> are nearing an agreement on supply chain coordination and may announce a deal, according to people familiar with the discussions. Negotiators would like to announce an agreement at a meeting of ministers in Detroit on May 27 added the people, who asked not to be identified because conversations are unfolding behind closed doors.	

TECHNOLOGY AND INNOVATION

TECHNOL	OGI AND INNOVATION	
The case for an India-U.S. tech handshake Pranab Dhal Samanta, The Economic Times June 12, 2023	The contours of a strategically important 'tech handshake' (Paywall) between India and the U.S. are now visible. Once firmed up, this could be a big turning point in a partnership that has made giant strides in the past two decades, but struggled to optimise outcomes. Often, tactical posturing, desire to show political distance from one other, has deterred practical progress. But the ground has shifted, making this handshake an imperative to counter China.	
India-U.S. to deepen cooperation in top defense technologies Shishir Gupta, Hindustan Times June 05, 2023	National Security Advisor (NSA) Ajit Doval and U.S. Secretary of Defense Lloyd Austin met in New Delhi on June 05, 2023 and exchanged ideas on several issues of mutual interest. The two leaders highlighted the cooperation in specific <u>niche technologies</u> in maritime, military, and aerospace domains to boost capabilities.	
Need to focus on technological advancement in defense sector The Economic Times May 25, 2023	India must focus on advancement in <u>defense technology</u> in view of "double threat" along the borders, Defense Minister Rajnath Singh said on May 25, 2023 in an oblique reference to challenges along the frontiers with China and Pakistan. Ir an address at a conference, Singh underlined the need for extensive research to develop defense technologies for the country to meet various security challenges.	
Hugs, jets and bots: Modi, Biden have some knotty things to work out for Indo-U.S. ties to reach the next level: among them are military tech transfers for Make-in-India and AI collaboration Indrani Bagchi, The Times of India May 24, 2023	It's "let's-love-America" time once again. Amid a fast-changing world order and through the inevitable conflict of American exceptionalism coming up against Indian exceptionalism, these two countries are literally gritting their teeth to stitch together a relationship that is already the most consequential.	
South-South Cooperation: India and Dominican Republic to deepen ties in Space, Defense, AI and Trade Huma Siddqui, Financial Express May 01, 2023	India and the Dominican Republic have agreed to expand good practices and more technical exchanges in the context of South-South Cooperation. The two countries have agreed to deepen cooperation in various sectors including space exploration, satellite data management, artificial intelligence, biotechnologies, information and communication technologies and more.	
CHIPS for America Outlines Vision for the National Semiconductor Technology Center U.S. Department of Commerce April 25, 2023	The U.S. Department of Commerce's National Institute of Standards and Technology (NIST) released a paper outlining its vision and strategy for a National Semiconductor Technology Center (NSTC), a key component of the research and development program established by President Biden's CHIPS and Science Act.	

INDO-PACIFIC DEVELOPMENTS		
IPEF members power ahead on supply chain agreement, 3 new bodies likely The Economic Times May 29, 2023	The government on May 28, 2023 said the members of the 14-nation bloc Indo-Pacific Economic Framework for Prosperity (IPEF) have "substantially" concluded the negotiations on the supply chains agreement (Paywall), including improving logistics and connectivity, promoting investments in critical sectors and cooperation for mitigation of disruptions to ensure business.	
Modi showcases India as 'Reliable' Partner of Pacific Island Nations; Unveils 12-Point Development Plan Bharat Express May 23, 2023	Eyeing to bolster India's footprint in the Indo-Pacific, Prime Minister Narendra Modi on May 22, 2023 showcased New Delhi as a "reliable" partner of the Pacific Island nations as he said those considered trustworthy were "not standing by" the region in times of need, in what is being seen as an oblique reference to China.	
China wants control over entire India- Pacific The Economic Times May 03, 2023	China has territorial disputes with more countries than it shares its borders with. The Chinese Communist Party (CCP), with Xi Jinping at the helm, has used deceitful tactics and manipulation in order to attempt to assert territorial control over other sovereign territories. Beijing has flouted all international norms in its expansionist bid to control more territory. China is aggressively trying to increase its influence in the Indo-Pacific region , which is home to 65 nearly percent of the world's population.	
India's partnership is key to free, prosperous Indo-Pacific: U.S. Envoy <i>ThePrint</i> May 11, 2023	U.S. Ambassador to India, Eric Garcetti, on May 11, 202 said that New Delhi's partnership is the key to a <u>free and prosperous Indo-Pacific</u> and beyond. Garcetti expressed his gratitude towards U.S. President Joe Biden for appointing him as the 26th Ambassador to India. Talking about himself, Garcetti said that while being Mayor, he connected with the world and the world by modernising the infrastructure, confronting climate change.	
One year of the Indo-Pacific strategy Ajish P Joy, The Week April 18, 2023	Deputy Assistant Secretary of State Afreen Akhter stressed the importance of the QUAD in the Indo-Pacific and said the grouping was among the foremost avenues for building connectivity within the region and beyond. "The U.S. is working on deepening engagement through the QUAD Infrastructure Coordination Group, which has provided more than US\$48 billion in official finance," said Akhter.	
Geopolitics of Indo-Pacific Lt Gen SL Narasimhan (Retd), The Tribune April 10, 2023	The Indo-Pacific is a vast geographical area extending from the East Coast of Africa to the western shores of the Americas. While the Indo-Pacific as a concept is still evolving, it has come a long way since its inception. The geopolitics in this area is in a state of flux. China abhors the term 'Indo-Pacific', preferring 'Asia-Pacific' instead.	

RELEVANT EVENTS AND VISITS		
S. No.	Events/Visits	Major Outcomes
1.	PM Egypt visit highlights: Modi holds talks with his counterpart Madbouly in Cairo June 25, 2023	After the State Visit to the U.S. came to a conclusion, Prime Minsiter Narendra Modi proceeded to his next scheduled State Visit to Egypt which will also be the first bilateral visit by an Indian Prime Minister since 1997.
2.	India-U.S. Defense Acceleration Ecosystem (INDUS X) launched in Washington DC, U.S. June 21, 2023	India-U.S. Defense Acceleration Ecosystem (INDUS X) was launched at an event in Washington DC, U.S. on June 21, 2023. The INDUS X event was co-organised by Innovations for Defense Excellence (iDEX), Ministry of Defense, and U.S. Department of Defense.
3.	Express View on U.S. Defense Secretary Lloyd Austin's visit: Defense on the table June 07, 2023	U.S. Defense Secretary Lloyd Austin's visit brought further reiteration of what is already known. India, a "Major Defense Partner" of the U.S. since 2016, wants access to advanced defense technology that the U.S. political class does not easily agree to part with.
4.	Secretary Austin Concludes India Visit June 05, 2023	Secretary of Defense Lloyd J. Austin III traveled to India on June 4-5, to reinforce the major defense partnership, and advance cooperation in critical domains ahead of Prime Minister Modi's official State Visit to Washington. The Secretary met with National Security Advisor Ajit Doval and Minister of Defense Rajnath Singh.
5.	World's spy chiefs connect in secret conclave at Shangri-La Dialogue security meeting in Singapore June 04, 2023	Senior officials from about two dozen of the world's major intelligence agencies, including Australia, have held a secret meeting on the fringes of the Shangri-La Dialogue security meeting in Singapore.
6.	Narendra Modi in Australia: A polarising leader meets a divided Indian diaspora May 20, 2023	The public events speak to Narendra Modi's popularity among supporters - the adoring crowds waving banners, the car convoys and privately chartered "Modi Airways" flights for those who will travel thousands of kilometres.
7.	QUAD Leaders' Summit Fact Sheet May 20, 2023	President Joseph R. Biden, Prime Minister Anthony Albanese of Australia, Prime Minister Kishida Fumio of Japan, and Prime Minister Narendra Modi of India met in Hiroshima on May 20, 2023 for the fifth convening of the QUAD Leaders' Summit.



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About CUTS International: Established in 1983, CUTS International is a global public policy think and action-tank, working on trade, regulation, and governance. With its headquarters in Jaipur, India, CUTS has its offices in Lusaka (Zambia); Nairobi (Kenya); Accra (Ghana); Hanoi (Vietnam); Geneva (Switzerland); and Washington DC (USA).





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