





# **Defense News Conclave** Stories of U.S.-India Defense and Security Partnership

#### QUARTERLY NEWS WRAP Issue #8, July-September 2023

#### The Changing Landscape: A Quarterly Analysis of U.S.-India Defense and Security Partnership

This quarter was marked by various geopolitical and strategic events of utmost importance. India hosted the G20 Summit in New Delhi on October 9-10, 2023 where among other heads of state, American President Joe Biden was also present. Additionally, India hosted a virtual SCO summit on July 04, 2023.

After Indian PM's historic State Visit to the U.S. in the last quarter, this quarter was marked by the Indian Prime Minister Narendra Modi's visit to France. Also, Modi became the first Prime Minister from India to visit Israel in the last 70 years. Several agreements were signed between the two countries.

President of the French Republic, Emmanuel Macron congratulated Prime Minister Modi on India's success of "Mission Chandrayaan 3". The two leaders recalled six decades of India-France Space cooperation and reviewed the progress since holding of the first Strategic Space Dialogue in June 2023. Prime Minister Narendra Modi had a successful three-day visit to France and United Arab Emirates (UAE) simultaneously in mid-July.

To cover the build-up to this strategic partnership, the broad-ranging discussions during the visit of Prime Minister Narendra Modi to France and the outcomes which finally emerged, CUTS came up with an Occasional News Wraps (ONWs):

• Celebrating 25 Years of Indo-French Strategic Partnership

Also in this quarter, the BRICS (Brazil, Russia, India, China, and South Africa) met for its Annual Leaders' Summit in Johannesburg, South Africa on August 22–24, 2023. A key highlight of the Summit was the agreement to admit six new members: Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, United Arab Emirates. They will officially join the group in January 2024.

Additionally, CUTS also organised two workshops with distinguished speakers to facilitate meaningful dialogues to understand broader perspectives of the U.S.-India Defense Partnership:

- Dialogues on 'Deliverables to Deliveries' | Kolkata
- Dialogues on 'Deliverables to Deliveries' | Jaipur

Through 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. This eighth edition of this Quarterly News Wrap covers prominent developments in U.S.-India defense relations.



HIGHLIGHTS	
At 2+2 dialogue, U.SIndia emphasise transformative momentum in ties for Indo- Pacific security <i>The Economic Times</i> September 27, 2023	Top U.S. Defence and State Department officials co- chaired the seventh <u>2+2 Intersessional Dialogue</u> with their Indian counterparts here on September 26 and laid their emphasis on the transformative momentum in U.SIndia ties and reiterated the need to uphold security in the Indo- Pacific region, the Pentagon said.
U.S. and India forge head with Defense Collaboration Silicon India September 23, 2023	The <u>U.SIndia defense collaboration</u> offers economic opportunities, fosters innovation, and transcends traditional boundaries, signifying a transformative era in global defense with a substantial impact on bilateral relations.
EAM Jaishankar Meets U.S. Secretary of State Blinken Amid Canada Standoff, Discusses Space, Defence, And Clean Energy <i>Outlook</i> September 20, 2023	India and the U.S. have reaffirmed their commitment to collaboration in <u>defense</u> , <u>space</u> , <u>and clean energy</u> during a meeting between External Affairs Minister S Jaishankar and Secretary of State Antony Blinken in Washington DC. The discussions marked a significant diplomatic engagement, following the recent G20 Summit.
<b>Why does India trade with China?</b> <i>The Pioneer</i> September 20, 2023	It is often asked why despite India's enmity against China, is there still a US\$136 billion business between them. It is a fact that India shares quite unpalatable and hostile terms with China as it's one of the closest neighbours in Asia. But despite several border issues and dicey security threats to India flowing from China, the last year's (2022) bilateral trade between them was of US\$136 billion.
Two factors have brightened U.S. market prospects for Indian pharma. But there's a catch. <i>The Economic Times</i> September 23, 2023	Of late, there has been renewed optimism around the U.S. business of <u>Indian pharmaceutical companies</u> (Paywall). Once deemed as a big opportunity and a promising market, the U.S. had become a drag on Indian companies in the last few years due to high price erosion and compliance issues. But the situation has been improving.
G20 Summit 2023: Watch PM Modi and U.S. President Joe Biden hold bilateral meeting in Delhi <i>First Post</i> September 08, 2023	Prime Minister Narendra Modi and U.S. President Joe Biden held a <u>bilateral meeting on the sideline of the G20</u> <u>Summit</u> . Narendra Modi earlier said these bilateral meetings would give an opportunity to review India's bilateral ties with these nations and further strengthen developmental cooperation.
India, U.S. mutually resolve 2 trade disputes: WTO The Economic Times August 08, 2023	The World Trade Organisation (WTO) said that two separate dispute settlement panels have stated that India and the U.S. have <u>mutually resolved disputes</u> with regard to certain measures on steel and aluminium products, and additional duties on certain products from the U.S.
<b>PM Modi to boost defence ties in France, attend Bastille Day celebrations: Key points</b> <i>Times of India</i> July 14, 2023	India and France are looking to deepen their long-standing bilateral and strategic relationship as Prime Minister Narendra Modi visits the European country to hold extensive talks with President Emmanuel Macron.

## **OFFICIAL STATEMENTS**

India-Brazil Joint Statement Ministry of External Affairs September 10, 2023 India-France Joint Statement	Marking the 75 <sup>th</sup> anniversary of diplomatic relations between <u>Brazil and India</u> , celebrated in 2023, both leaders of India- Brazil emphasised that bilateral ties have flourished based on common values and shared objectives, including the pursuit of peace, cooperation, and sustainable development. They reaffirmed their commitment to bolstering the Brazil-India Strategic Partnership and to sustaining their distinctive roles in global affairs. Hon'ble Prime Minister of India, Shri Narendra Modi had a
Prime Minister's Office September 10, 2023	bilateral meeting over lunch with the President of the French Republic, H.E. Mr. Emmanuel Macron during the G20 Leaders' Summit at New Delhi on September 10, 2023. The two leaders discussed, assessed and reviewed the progress in <u>bilateral relations</u> since their last meeting in July, 2023 in Paris.
Remarks by Secretary of the Treasury Janet L. Yellen at Press Briefing Ahead of G20 U.S. Department of the Treasury September 08, 2023	Hello everyone. Thank you for being here. I'd like to share a few introductory thoughts about the priorities we will be focused on throughout this week. First, we are committed to supporting emerging markets and <u>developing countries and to addressing global challenges</u> . This includes our ongoing work on evolving the multilateral development banks.
Joint Statement from India and the U.S. <i>The White House</i> September 08, 2023	Prime Minister Narendra Modi welcomed U.S. President Joseph R. Biden, Jr., to India, reaffirming the close and enduring partnership between <u>India and the U.S.</u> The leaders expressed their appreciation for the substantial progress underway to implement the ground breaking achievements of Prime Minister Modi's historic, visit to Washington.
<b>Remarks by Ambassador Katherine</b> <b>Tai on the World Trade Organisation</b> <b>and the Multilateral Trading System</b> <i>Office of U.S. Trade Representative</i> September, 2023	U.S. Trade Representative Katherine Tai delivered remarks at the Center for Strategic and International Studies on the <u>World</u> <u>Trade Organisation</u> (WTO) and the multilateral trading system. In her remarks, Ambassador Tai affirmed the Biden- Harris Administration's commitment to a reformed WTO and underscored that the institution must adapt to address today's pressing challenges, including climate change and non-market economic policies.
Prime Minister's participation in the 20 <sup>th</sup> ASEAN-India Summit and the 18 <sup>th</sup> East Asia Summit Prime Minister's Office September 07, 2023	Prime Minister attended the 20 <sup>th</sup> ASEAN-India Summit and the 18th East Asia Summit (EAS) in Jakarta on September 07, 2023. At the ASEAN-India Summit, Prime Minister held extensive discussions with ASEAN partners on further strengthening of ASEAN-India Comprehensive Strategic Partnership and charting its future course.
Joint Communiqué on the visit of Prime Minister Shri Narendra Modi to France Prime Minister's Office July 14, 2023	At the invitation of President of H.E. Mr. France Emmanuel Macron, Prime Minister Shri Narendra Modi concluded a historical visit as the Guest of Honour at the National Day of the French Republic on the occasion of the 25th anniversary of the <u>India-France Strategic Partnership</u> .
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# **POLICY MATTERS**

MSMEs: The unsung heroes of Atmanirbhar Bharat in defence Pradeep S Mehta and Ojasvinee Sharma, The Economic Times September 23, 2023 Boeing begins production of army's Apache helicopters; deliveries next year	<ul> <li><u>"Atmanirbhara Bharat"</u> is one of the ambitious projects of the Government of India. The project emphasises on maximum indigenisation and promotes Indian products in the market. Under this project, the Government of India launched the "Make in India" scheme, which promotes the establishment of manufacturing units and plants in India, eventually decreasing dependency on imports.</li> <li>Boeing on said it has started the production of Apache attack helicopters for the Indian Army at its Mesa facility</li> </ul>	
Hindustan Times August 16, 2023	in Arizona in the U.S. In 2020, the army ordered six AH64E Apache attack helicopters for more than ₹4,100 crore.	
Tata Lockheed Martin Aerostructures delivers 200th C-130J Super Hercules empennage The Economic Times August 09, 2023	Tata Lockheed Martin Aerostructures Ltd on August 09, 2023 said it has achieved the milestone of delivering the <u>200th C-130J Super Hercules empennage</u> . The company, a joint venture between Tata Advanced Systems Ltd (TASL) and Lockheed Martin Aeronautics, said its empennages the tail structure located at the rear of an aircraft are included in C-130Js operated by seven nations, including India.	
India has selected 26 Rafale fighters for Navy after successful trial campaign, confirms Dassault Aviation The Economic Times July 17, 2023	The central government announced on July 15, 2023 a selection of Rafale fighters to equip the Indian Navy with the advanced combat jets. According to French aerospace company, Dassault Aviation, 26 Rafale fighters for the Indian Navy will add to the 36 advanced fighters that are already in service.	
<b>U.S. plans naval logistics hubs in India to counter China</b> <i>Nikkei Asia</i> July 07, 2023	The U.S. seeks to transform India into a center for resupplying and maintenance of naval vessels in the South Asia region, where it has been stretched thin with such capabilities. The U.S. will provide India with support to develop infrastructure that will be used to resupply, repair and maintain ships and aircraft. The U.S. military looks to build readiness for quickly handling resupply activities and repairs in the Indo-Pacific region. If the navy has access to more hubs in the region, then vessels and aircraft will waste less time pausing operations for both.	
<b>IPEF may bring 3-year exit clause to allow</b> <b>members to move out of deal</b> <i>Business Standard</i> July 10, 2023	The 14-nation Indo-Pacific Economic Framework (IPEF), led by the U.S., may include a <u>'three-year exit clause'</u> (Paywall) giving its members the flexibility to move out of any of the pillars of the agreement if the need arises, people aware of the matter said. The IPEF, launched by the U.S. in May 2022, is designed to strengthen economic cooperation among Indo-Pacific nations and is perceived to be a strategic counter to China's growing clout in the region.	

DEFENSE TRADE		
<b>5 countries account for 80 percent of defence trade, need to correct the imbalance to increase India's influence</b> <i>Garima Bora, The Economic Times September 23, 2023</i>	India needs to believe in its homegrown technologies and there is an urgent need to <u>focus on independent and</u> <u>indigenous capabilities</u> , said Ajay Kumar, Secretary, Ministry of Defence, Government of India. Speaking at the Public Affairs Forum of India's (PAFI) 9 <sup>th</sup> Annual Forum 2022, he said "we did not trust our ability to do well."	
India will play an important role in trade realignment globally: Former U.S. Assistant Commerce Secretary Arun Kumar Kallol Bhattacherjee, The Hindu September 02, 2023	Over centralising manufacturing in China wreaked havoc on <u>global trade and supply chains</u> (Paywall), and nations have learnt from this, says Arun Kumar, the former Assistant Secretary of Commerce for Global Markets and Director General of U.S. and Foreign Commercial Servic in U.S. President Barack Obama's Administration.	
It's time to lower barriers, raise expectations, ambitions to take India- U.S. trade to next level: Eric Garcetti <i>Hindustan Times</i> August 25, 2023	India and the U.S. (Paywall) are working together to uphold international law and order, as well as deter any "bad actor", according to U.S. Ambassador Eric Garcetti. India and the U.S. stand together to uphold international law and a rules-based order and to deter "any bad actor", U.S. Ambassador Eric Garcetti said against the backdrop of China's assertive behaviour in territorial disputes across the region.	
Australian minister in India to expedite free trade agreement Saurav Anand, Livemint August 23, 2023	In a bid to accelerate the <u>Free Trade Agreement</u> (FTA) negotiations with India, Australia's assistant trade minister Tim Ayres is on a visit to India to assess the progress of the pact and finalise the agreement by the end of this year.	
<b>India-U.S. bilateral trade likely to touch US\$300 billion in 2026-27</b> <i>Neha Dewan, The Economic Times</i> July 28, 2023	India-U.S. trade is likely to touch US\$300 billion in 2026- 2027 from its current trade of US\$188 billion in 2022-23, a report released by industry body PHD Chamber of Commerce and Industry (PHDCCI) on July 27, 2023 stated. The report "India-U.S. Bilateral Relations: Steady Strides into the Future" speaks about how India-U.S. bilateral relations have intensified beyond the domain of trade and investments over the years.	
ICEA to set up a task force to increase Indo-U.S. electronics trade to US\$100 billion The Economic Times July 03, 2023	The India Cellular and Electronics Association (ICEA) is setting up a task force to increase <u>electronics trade</u> <u>between India and the U.S.</u> from an estimated US\$8 billion to US\$100 billion in a decade. The development comes as a follow up of Prime Minister Narendra Modi's visit to the U.S. where the two countries forged agreements to promote policies and adopt regulations to facilitate greater technology sharing, co-development, an co-production opportunities between U.S. and Indian industry.	

## **TECHNOLOGY AND INNOVATION**

India and U.S. in talks for collaboration in battery technology, critical minerals Silicon India September 27, 2023	Amid the quest for energy transition and ambitious net zero goals, India and the U.S. are in talks for collaboration in the spaces of <u>battery technologies and critical minerals</u> , said Tarun Kapoor, Advisor to the Prime Minister of India. "
India@100   Computing: A quantum leap India Today September 27, 2023	Cutting-edge technologies are harnessing advancements in quantum mechanics, neural networks, nanomaterials and such. Together, they point to a future of superfast, highly- intelligent computing systems that will transform multiple fields, from transportation and communications to medicine and home appliances. In India, the growth is being driven by high-tech industries and start-ups applying these emerging technologies, and government initiatives to build capabilities in <u>quantum computing</u> , AI and semiconductor <u>manufacturing</u> .
The U.S. and India take the next step: Unpacking U.SIndia technology cooperation and the Biden-Modi summit Sean Randolph, The Times of India September 06, 2023	June's meeting between U.S. President Biden and India's Prime Minister Modi advanced the U.SIndia connection to a new level. While the relationship falls short of an actual alliance and India and the U.S. may often differ, the alignment of national interests continues to deepen. This was evident in the scope and breadth of cooperative agreements that the meeting either announced or confirmed. Much of the <u>focus was on technology</u> , which plays an increasingly central role in the relationship.
Why U.S.' efforts to fortify its hi-tech sector against China won't yield significant results Harsh V Pant and Vivek Mishra, The Economic Times August 17, 2023	Last August 16, 2023 marked the first anniversary of the CHIPS and Science Act 2022 ushered by the Joe Biden administration to advance U.S.' competitive edge vis-a-vis China, strengthen supply chains and protect national security. The predominant reason for the U.S. to bring in this legislation last year was to arrest its rapidly ceding space in the <u>semiconductor manufacturing</u> (Paywall) sector to China.
India-Japan forge strategic ties to strengthen semiconductor manufacturing, supply chains <i>Mausam Jha, Livemint</i> July 28, 2023	Indian and Japanese officials held discussions in New Delhi, exploring potential collaboration in crucial areas such as <u>semiconductors</u> and establishing robust supply chains. The talks aimed at achieving a target of US\$35.9 billion Japanese investment in India by 2027.
India-U.S. tech ties can reshape global affairs Anil K Antony, Hindustan Times July 12, 2023	Prime Minister Narendra Modi's first State Visit to the U.S. will be remembered as a pivotal moment as it yielded agreements in the <u>high technology sector</u> (Paywall) that have the potential to shape the course of global affairs for years to come. Till date, pre-eminence in cutting-edge technologies has consistently served the U.S. as a cornerstone of its global primacy.

INDO-PACIFIC DEVELOPMENTS		
<b>Strengthening Indo-Pacific Unity:</b> <b>QUAD Nations Commit to a Peaceful and Prosperous Future</b> Financial Express September 23, 2023	The QUAD member countries have stated their firm support for a <u>free and open Indo-Pacific region</u> that promotes inclusivity and resilience. On the sidelines of the 78th United Nations General Assembly, key representatives from the U.S., Australia, India, and Japan met in New York City to reinforce their commitment to international cooperation.	
U.S. in active talks with India to look at producing military systems <i>The Hindu</i> September 20, 2023	t The U.S. is in active talks with the Indian government to look at <u>producing military systems</u> (Paywall) in areas related to (Interrupt Service Routine (ISR) and ground- based conventional warfare, a senior Pentagon official said. Efforts are also on to establish a reciprocal defence procurement agreement with India, Siddharth Iyer, Director for South Asia Policy, Office of the Secretary of Defence said in Washington at an event organised by the prestigious Hudson Institute.	
India-U.S. collaboration necessary for free, open and resilient Indo-Pacific: CUTS International The PageOne Asia September 22, 2023	The U.S. Consulate General Kolkata and CUTS International organised a day-long workshop titled "Defense News Conclave: Stories of U.SIndia Defense and Security Partnership," in Jaipur to create awareness about various aspects of growing India-U.S. defense partnership.	
U.S. India Defence Cooperation – Deepening Strategic Engagement Vivek Lall, The Economic Times August 14, 2023	"We were strangers in <u>defence cooperation</u> at the turn of the century. Now, the U.S. has become one of our most important defence partners," Prime Minister Narendra Modi said in his address to the joint session of the U.S. Congress. Today India and the U.S. are working together, in space and in the seas, in science and in semi-conductors, in start-ups and sustainability, in tech and in trade, in farming and finance, in art and artificial intelligence, in energy and education, in healthcare and humanitarian efforts."	
Historic challenges require cooperation with common allies for free, open Indo- Pacific: U.S. Army Attache in India <i>The Print</i> August 04, 2023	U.S. Army Attache in India, Colonel Douglas Hess while addressing the U.SIndia Defence conclave on August 04, 2023 said that the historic challenges need unprecedented cooperation with common allies with an aspiration of <u>free</u> and open Indo-Pacific (Paywall).	
<b>U.S., Australia to cooperate with India to ensure security of Indo-Pacific</b> <i>Business Standard</i> July 29, 2023	U.S. and Australia agreed to further cooperate with India, Japan, Indonesia, the Philippines and Korea to ensure the <u>security and stability of the Indo-Pacific</u> at the 33 <sup>rd</sup> Australia-U.S. Ministerial Consultations (AUSMIN). Officials from the two countries on July 29, 2023 met in Brisbane. The U.S. delegation was led by Secretary of Defense, Lloyd J Austin, and Secretary of State, Antony Blinken.	

#### **INDO-PACIFIC DEVELOPMENTS**

	RELEVANT EVEN	NTS AND VISITS
S. No.	Events/Visits	Major Outcomes
1.	Gopal Baglay appointed as the next High Commissioner of India to Australia September 13, 2023	In a significant diplomatic development, Gopal Baglay, a seasoned diplomat with an illustrious career, has been appointed as the next High Commissioner of India to Australia.
2.	PM Modi visits Greece, the first visit to the country by an Indian prime minister in 40 years August 25, 2023	The Prime Ministers of India and Greece pledged to boost their countries' trade, business and defense ties, during a visit to Athens by Prime Minister Narendra Modi. Prime Minister Modi's visit is the first to Greece by an Indian prime minister in 40 years since Indira Gandhi visited the country in September 1983.
3.	Prime Minister Modi visit to France July 14, 2023	Prime Minister Narendra Modi paid an Official Visit to France. He was the Guest of Honour at the Bastille Day Parade on July 14, 2023. This year marks the 25th anniversary of the India- France Strategic Partnership.
4.	<u>U.S. under secy meets Indian Foreign</u> <u>Secretary, discusses Indo-Pacific security</u> July 10, 2023	U.S. Under Secretary for Civilian Security, Democracy, and Human Rights and Special Coordinator for Tibetan Issues Uzra Zeya held a meeting with Indian Foreign Secretary Vinay Mohan Kwatra on July 10, 2023. After the meeting, Vinay Mohan Kwatra said establishing a rules-based, free and open Indo-Pacific.
5.	G20 Trade and Investment Ministers' Meeting and 4 <sup>th</sup> Trade and Investment Working Group Meeting August 21-25, 2023	The G20 Trade and Investment Minister's Meeting (TIMM) and the 4 <sup>th</sup> Working Group Meeting were held in Jaipur, Rajasthan from August 21-25, 2023. The 4 <sup>th</sup> Working Group Meeting (WGM) was held on August 21-22, 2023 followed by the Ministerial Meeting from August 24–25, 2023.
6.	PM Modi attends ASEAN-India Summit in Jakarta: Why this grouping matters September 07, 2023	Prime Minister Narendra Modi said ASEAN is the "central point" of India's Act East Policy. Attending the 20th ASEAN-India Summit in Indonesia's Jakarta on September 07, 2023, the Indian leader said, "Our history and geography unite India and ASEAN".
7.	Biden to Appoint Indian-American Shamina Singh to Global Trade Committee July 17, 2023	U.S. President Joe Biden has announced his intent to appoint Shamina Singh, a prominent Indian-American business leader, to the President's Export Council, which serves as the principal national advisory committee on international trade.

### DELEVANT EVENTS AND VICTS



About U.S. Consulate, Kolkata: The Consulate General of the United States in Kolkata represents the interests of the United States government in Kolkata, India, and nearby surrounding areas. The Consulate General serves the Indian states of West Bengal, Bihar, Jharkhand, Sikkim, Assam, Meghalaya, Tripura, Mizoram, Manipur, Nagaland and Arunachal Pradesh. It is the U.S. Department of State's second oldest Consulate and dates from November 19, 1792.

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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