

India-EU

- A cooperation agreement signed in 1994 took the bilateral relationship beyond trade and economic cooperation.
 - The first India-EU Summit, in June 2000, marked a watershed in the evolution of the relationship.
 - At the fifth India-EU Summit in 2004, the relationship was upgraded to a 'Strategic Partnership'.
 - The two sides adopted a Joint Action Plan in 2005 towards strengthening dialogue and consultation mechanisms in the political and economic spheres, enhancing trade and investment, and bringing peoples and cultures together.
 - The 15th India-EU Summit, in July 2020, provided a common road map to guide joint action and further strengthen the partnership over the next five years.
 - The road map highlights engagement across five domains: foreign policy and security cooperation; trade and economy; sustainable modernization partnership; global governance; and people-to-people relations.
- Areas of cooperation**
- The EU is India's second-largest trading partner after the U.S. and the second largest destination for Indian exports.
 - There are 6,000 European companies in the country that directly and indirectly create 6.7 million jobs.
 - Beyond the economic partnership, India and the EU have several avenues of collaboration.
 - For example, the 'green strategic partnership' between India and Denmark aims to address climate change, biodiversity loss, and pollution, and the India-Nordic Summit in May focused on green technologies and industry transformation that are vital for sustainable and inclusive growth.
 - All this will act as a catalyst for enhanced cooperation between the two regions.
 - Cooperation with the EU in the defense sector has also increased substantially.
 - This is critical for India at this juncture, to reduce its hardware dependence on Russia in the backdrop of the Ukraine conflict and seek diversification of its armament imports from other regions with latest technologies in wake of its confrontation with China
 - India and the EU regularly conduct joint military and naval exercises which reflects on their commitment to a free, open, inclusive and rules-based order in the Indo-Pacific.

- The first maritime security dialogue between the two in 2021 focused on cooperation in maritime domain awareness, capacity-building, and joint naval activities.
- France's on-time delivery of 36 Rafale fighter jets and willingness to offer Barracuda nuclear attack submarines to the Indian Navy reflects the growing level of trust in their relationships
- Another rapidly growing area of engagement is the start-up and innovation ecosystem across India and Europe.
- Furthermore, the Science and Technology Joint Steering Committee between the two focus on areas such as healthcare, Artificial Intelligence, and earth sciences.
- In 2020, there was an agreement for research and development cooperation in the peaceful uses of nuclear energy between the European Atomic Energy Community and the Government of India.

Challenges

India's reluctance to explicitly condemn Russia's intervention in Ukraine, and the country's increasing economic cooperation with Russia, has been one area of disagreement.

There is also ambiguity on the EU's strategy in tackling the rise of China

- India's economic, political and demographic weight could be deftly leveraged by the EU to counterbalance China's influence across the region.

THE HINDU

Nagorno Karabakh

- In 1991 when the Soviet Union collapsed, the newly independent Armenia and Azerbaijan went to war over Nagorno Karabakh, which had been an autonomous region within Azerbaijan during the Soviet years.



- Armenians have made historical claims over the enclave, which is largely populated by ethnic Armenians.
- By the time the all out war came to an end in 1994, Armenia had captured Nagorno Karabakh and seven surrounding districts from Azeri forces.
- In September, Azerbaijan President Ilham Aliyev launched the offensive vowing to take back Nagorno Karabakh and other Armenian-occupied districts.

- In six weeks, Azeri forces, backed by Turkey supplied armed drones and other equipment, cut through Armenian defense and retook territories.
- Russia, which has a security agreement with Armenia, remained neutral in the early days of the war when Turkey threw its weight behind Azerbaijan
- When Azerbaijan defeated Armenian troops and captured territories, Armenian Prime Minister Nikol Pashinyan sought Russian help.
- But President Vladimir Putin said the security guarantee is for Armenia, not for the Armenians in Nagorno Karabakh.
- But Russia was apparently concerned about the rapid change in the status quo and the more assertive security role Turkey was playing in its backyard.

Russia Role

By the third week of October, Russia established small military outposts along the Armenian border, apparently to prevent the conflict being spilling into mainland Armenia and also

- Mr. Putin accepted Azerbaijan's victory (as the ceasefire allows Azeri troops to take control of the territories they have seized) but prevented a total defeat of Armenia.
- Under pressure from a decisive Moscow, both sides agreed to cease the operations.
 - According to the ceasefire, Armenia agreed to withdraw its troops from much of the territories around Nagorno Karabakh.
 - The core of the enclave with ethnic Armenians and Stepanakert as its capital would remain outside the control of Azerbaijan.
 - Baku will build a road linking the newly captured territories to Nakhchivan, an autonomous republic of Azerbaijan which has been geographically separated from the mainland.
 - As the broker of the truce, Russia would send some 2,000 peacekeepers to the region, who would patrol between the Azeri troops and Nagorno Karabakh, including the Lachin corridor, which connects the enclave with Armenia
 - In sum, Azerbaijan gained territories, but not the whole of Nagorno - Karabakh.
 - Armenia lost territories it controlled since the 1990s but avoided a total defeat as much of Nagorno Karabakh would remain independent of Azeri control.
 - And Russia gained a bigger foothold in the region with its troops being deployed within Azerbaijan.

- That Russia could enforce the ceasefire and keep Turkey and western countries out of the final talks shows that Moscow remains a dominant power in the South Caucasus.

What does the 2020 agreement say?

- The nine-point agreement of November 10, 2020 was signed by Armenian Prime Minister Nikol Pashinyan, Azerbaijani President Ilham Aliyev, and Russian President Vladimir Putin.
- The agreement imposed an immediate ceasefire, a timeline for withdrawal from Azerbaijan's occupied regions, the introduction of Russian peacekeepers, and the need for new transport corridors.
- However, this failed to initiate a peace agreement because it altered the power balance between the two countries and lacked clarity on several issues resulting in the subsequent ceasefire violations on both sides.

Why are ceasefire agreements not working?

- First, the issue of delineating the shared international border
- Second, the dispute over transport routes. The overland route that goes from Stepanakert (a city within the Nagorno-Karabakh region) to

Armenia has become an issue between the two countries.

- The 2020 agreement states that the parties should build an alternative road within three years, after which the Russian peacekeepers deployed along the current route would relocate to the new one.
- Presently, there is only one road which is the Lachin corridor, which runs past the outposts through Azerbaijan's mountainous Lachin region to Shusha, which Azerbaijani forces retook in the 2020 war
- Third, the difference over the status of Nagorno-Karabakh.
- The ethnically Armenian enclave of Nagorno-Karabakh, which is also known as the Republic of Artsakh, has expressed frustration over Armenia's willingness to make concessions to Azerbaijan as part of a larger prospective peace settlement
- Fourth, is the dispute over the exchange of prisoners.

THE HINDU

Yuan Wang 5

The story so far: On August 13, Sri Lanka approved the arrival of a Chinese satellite-tracking vessel to its southern Chinese-funded Hambantota port

What is the vessel?

Yuan Wang 5 was described by the Sri Lankan government as a “scientific research ship

How have different countries reacted?

- India has expressed its concern over the Chinese vessel visit.
- The spokesperson of the Ministry of External Affairs commented twice on the issue.
- The official initially stated that India “carefully monitors any development having a bearing on its security and economic interests” and later said that they were “rejecting insinuations” that Sri Lanka was “pressured
- The developments showed that Colombo was caught between the U.S. and India on the one hand, and China on the other
- China reacted strongly after they were asked to defer the vessel visit. Without directly referring to India, China said that it was “completely unjustified for certain countries to cite the so-called ‘security concerns’ to pressure Sri Lanka.”

THE HINDU

One china policy vs One china principle

- China announced more military drills around Taiwan as the self-governing island’s President met with members of a new U.S. congressional delegation
- China accuses the U.S. of encouraging the island’s independence through the sale of weapons and engagement between U.S. politicians and the island’s government.
- Washington says it does not support independence, has no formal diplomatic ties with the island and maintains that the two sides should settle their dispute peacefully but it is legally bound to ensure the island can defend itself against any attack.

What is One China Policy? Differentiate it from One China Principle. What is India's position?

- The One-China policy refers to the policy or view that there is only one state called "China", despite the existence of two governments that claim to be "China".
- As a policy, this means that countries seeking diplomatic relations with the People's Republic of China (PRC, Mainland China) must break official relations with the Republic of China (ROC, Taiwan) and vice versa.

- The One China policy is different from the "One China principle", which is the principle that insists both Taiwan and mainland China are inalienable parts of a single "China".
- India initially for a long period accepted the One China policy.
- Examples of CapEx include the purchase of land, vehicles, buildings, or heavy machinery.

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Capex

- States aim to ramp up capital spending and rein in revenue deficits this year as they chart a return to fiscal consolidation following the pandemic shock

What Are Capital Expenditures (CapEx)?

- Capital expenditures (CapEx) are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment.
- CapEx is often used to undertake new projects or investments by a company. Making capital expenditures on fixed assets can include repairing a roof (if the useful life of the roof is extended), purchasing a piece of equipment, or building a new factory
- Unlike CapEx, operating expenses (OpEx) are shorter-term expenses used for the day-to-day operations of a business.